UPTV
Note: Times are approximate and subject to change.

UNIVERSITY PLACE CITY COUNCIL
Regular Council Meeting Agenda
Monday, October 6, 2014, 6:30 p.m.

Town Hall Meeting Room
3715 Bridgeport Way West

6:30 pm **1. CALL REGULAR MEETING TO ORDER**

2. ROLL CALL AND PLEDGE OF ALLEGIENCE

3. APPROVAL OF MINUTES – September 15, 2014

4. APPROVAL OF AGENDA

6:35 pm **5. PRESENTATIONS**
- **National Community Planning Month Proclamation**
- **Public Safety Report**

6:45 pm **6. 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 **7. COUNCIL COMMENTS/REPORTS**

6:55 pm **8. CITY MANAGER'S REPORT**
- **2014 Revenue Estimates**
- **2015-2016 Proposed Budget**

7:25 pm **9A-9C. CONSENT AGENDA**
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: 2014 Second Quarter Financial Report.**
C. **Receive and File: 2013 Comprehensive Annual Financial Report.**

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

7:30 pm **10. PUBLIC HEARING: 2013-2014 BIENNIAL BUDGET AMENDMENTS**
- **Staff Report** • **Public Comment** • **Council Consideration**

7:30 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.)

7:35 pm **12. 2015-2016 BIENNIAL BUDGET Q&A**

9:00 pm **13. ADJOURNMENT**

*PRELIMINARY CITY COUNCIL AGENDA

October 20, 2014
Regular Council Meeting

November 3, 2014
Regular Council Meeting – CANCELLED

November 10, 2014
Special Council Meeting

November 17, 2014
Regular Council Meeting

Preliminary City Council Agenda subject to change without notice*
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Call the City Clerk at 253-566-5656

APPROVAL OF MINUTES

CITY OF UNIVERSITY PLACE
DRAFT MINUTES
Regular Meeting of the City Council
Monday, September 15, 2014
City Hall, Windmill Village

1. CALL REGULAR MEETING TO ORDER – MAYOR

Mayor McCluskey called the Regular Meeting to order at 7:30 p.m.

2. ROLL CALL AND PLEDGE OF ALLEGIANCE

Roll call was taken by the City Clerk as follows:

Councilmember Belleci	Present (Left at 8:57 p.m.)
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, Planning and Development Services Director Swindale, Public Works Director Cooper and City Clerk Genetia.

Mayor Pro Tem Figueroa led the pledge of allegiance.

3. APPROVAL OF MINUTES

MOTION: By Councilmember Belleci, seconded by Mayor Pro Tem Figueroa, to approve the minutes of September 2, 2014 as submitted.

The motion carried.

4. APPROVAL OF AGENDA

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

The motion carried.

5. PRESENTATIONS

Constitution Week – Mayor McCluskey presented a proclamation to Muriel Parrish and Beth Evans of the Daughters of American Revolution recognizing the week of September 17 through September 23 as Constitution Week.

16th Combat Aviation Brigade (CAB) Letter Writing Campaign – Mayor McCluskey recognized Omar Noman, Netta Nuhman, Peace Out, and members of the Brain Energy Support Team for their dedicated efforts and participation in the 16th CAB Letter/Postcard Writing Campaign. With their hard work, the City was able to gather 2,200 letters and postcards for the 16th CAB soldiers deployed overseas.

6. PUBLIC COMMENT – The following individuals provided public comment: Rick and Blake Geyen, 7710 54th Street West.

7. COUNCIL COMMENTS/REPORTS

Councilmember Belleci inquired about the progress of the 54th and Bridgeport sidewalk project.

Councilmember Keel reported that Pierce Transit's Chief Executive Officer (CEO) has resigned to take another position at Washington State Ferries. Pierce Transit's Board of Commissioners has appointed Jim Walton as interim CEO.

Mayor Pro Tem Figueroa asked that staff respond to the public comment within a reasonable time.

8. CITY MANAGER'S REPORT

City Manager Sugg provided a progress report on Bridgeport Phase 3B project that is anticipated to be completed by the end of the year.

9A. CONSENT AGENDA

MOTION: By Councilmember Grassi, seconded by Mayor Pro Tem Figueroa, to approve the Consent Agenda as follows:

A. Receive and File: Payroll for the period ending 09/15/14, signed and dated 08/28/14, check nos. 318112 through 318131, and wires in the total amount of Two Hundred Sixty-Two Thousand Five Hundred Thirteen and 93/100 Dollars ($262,513.93); Claims dated 08/29/14, signed 08/28/14, check nos. 50993 through 51075, check no. 51010 voided, in the total amount of Six Hundred Ninety Thousand Four Hundred Seventy-One and 01/100 Dollars ($690,471.01).

The motion carried.

COUNCIL CONSIDERATION

10. COUNTYWIDE PLANNING POLICIES - ANNEXATION

Staff Report – Planning and Development Services Director Swindale presented the resolution that acknowledges the City's approval of the proposed amendments to the Pierce County Countywide Planning Policies. The amendments refine and add policies addressing annexation of unincorporated urban areas by adjacent cities and towns. The proposal must be ratified by sixty percent of the jurisdictions in Pierce County representing seventy-five percent of its total population.

Public Comment – None.

Council Consideration - **MOTION:** By Councilmember Belleci, seconded by Councilmember Grassi, to adopt a resolution acknowledging approval of amendments to the Pierce County Countywide Planning Policies, adding new annexation policies and authorizing the City Manager to execute an Interlocal Agreement, thereby ratifying the amendments.

The motion carried. (RESOLUTION NO. 768)

11. SUNSET PARK RESTROOM SIDE SEWER CONNECTION BID AWARD

Staff Report – Public Works Director Cooper recommended awarding the bid for the Sunset Park Restroom Side Sewer Connection Project to R.L. Alia Company who submitted the lowest responsive, responsible bid of the four received by the City, in the amount of $35,954.60.

This project includes installation of a side sewer connection from the Sunset Terrace Park restroom to the sewer mainline that will provide the necessary service to the permanent restroom.

Public Comment – None.

Council Consideration **- MOTION:** By Councilmember Belleci, seconded by Councilmember Grassi, to award the bid for the Sunset Terrace Restroom Side Sewer Connection Project to R.L. Alia Company in the amount not to exceed Thirty-Five Thousand Nine Hundred Fifty-Four and 60/100 Dollars ($35,954.60) and execute all necessary contract documents.

The motion carried.

12. MAYOR'S REPORT

Mayor McCluskey reported on the following events: Curran Apple Orchard Cider Squeeze; Business Expo at the Tacoma Convention and Trade Center; and Wake UP! Candidate Forum. She also cleared the rumor of Friends of Homestead Park's dissolution.

At 8:15 p.m., the Council concluded its business meeting and thereafter recessed to Study Session at 8:22 p.m. after a five minute break.

STUDY SESSION

13. U.S. OPEN BRANDING RESOLUTION

Executive Director Craig provided an overview on Council's goal and directives with regard to branding and marketing concepts specifically aimed for the City as Host City for the U.S. Open. For Council consideration, and based on previous discussions, she reviewed and discussed the list of deliverables to be implemented for this campaign, including the unit costs and quantity for each, totaling $60,163.65. For budgeting purposes, Director Craig verified Council's recommendation to procure the gateway signs under a separate budget and will not be part of the U.S. Open branding budget.

The Council discussed other options to cut cost such as repurposing the money for a more permanent City beautification project and painted intersection logos. There was general consensus of spending not more than $60,000.00 for this campaign.

The resolution will be modified and brought back for Council consideration at a future Council meeting.

14. ADJOURNMENT

The meeting adjourned at 9:30 p.m. No other action was taken.

Submitted by,

Emy Genetia
City Clerk

BACK TO AGENDA

CITY OF UNIVERSITY PLACE
PROCLAMATION

WHEREAS, change is constant and affects all cities, towns, suburbs, counties, boroughs, townships, rural areas, and other places; and

WHEREAS, community planning and plans can help manage this change in a way that provides better choices for how people work and live; and

WHEREAS, community planning provides an opportunity for all residents to be meaningfully involved in making choices that determine the future of their community; and

WHEREAS, the full benefits of planning requires public officials and citizens who understand, support, and demand excellence in planning and plan implementation; and

WHEREAS, the month of October is designated as National Community Planning Month throughout the United States of America and its territories; and

WHEREAS, the American Planning Association and its professional institute, the American Institute of Certified Planners, endorse National Community Planning Month as an opportunity to highlight the contributions sound planning and plan implementation make to the quality of our settlements and environment; and

WHEREAS, the celebration of National Community Planning Month gives us the opportunity to publicly recognize the participation and dedication of the members of planning commission and other citizen planners who have contributed their time and expertise to the improvement of the City of University Place; and

WHEREAS, we recognize the many valuable contributions made by professional community and regional planners of the city, county and region, and extend our heartfelt thanks for the continued commitment to public service by these professionals;

NOW, THEREFORE, **BE IT RESOLVED THAT**, the month of October 2014 is hereby designated as **Community Planning Month** in the City of University Place in conjunction with the celebration of National Community Planning Month.

PROCLAIMED BY THE CITY COUNCIL OF THE CITY OF UNIVERSITY PLACE, WASHINGTON, ON OCTOBER 6, 2014.

_____
Denise McCluskey, Mayor

Attest:

_____
Emy Genetia, City Clerk

BACK TO AGENDA

Your University Place Police

Celebrating twenty years building safe and livable communities in University Place through problem oriented policing partnerships

2014Year to Date Highlights

- **Patrol Calls for Service**
  - 11,274 through August 2014 compared to 11,198 through August of 2013
    - Dispatch policies reflect community values
  - Very stable patrol response to crime as well as crime trends, similar to past years
  - Through August 2014:

    Violent crime has a zero percent increase

    Property Crime overall is down 12

Community Outreach

- Crime Free Multi Housing
- National Night Out
- Neighborhood outreach
  - Reporting all suspicious circumstances promptly

Liquor Privatization Impact

- Initial impact to retail theft and police response was large. Now many businesses have modified sale process to hinder theft

- Strong Armed Robberies (Down38%) and Shoplift (Down 41%) crimes have dropped dramatically in the past year.

Legal Marijuana Impact

DUI Arrests are up 31% in 2014 as our officers have become more familiar with Drug impaired driving as opposed to just alcohol impaired driving enforcement.

Ten Marijuana DUI arrests have been made through September 2014, up from a total of six for the entire year of 2013

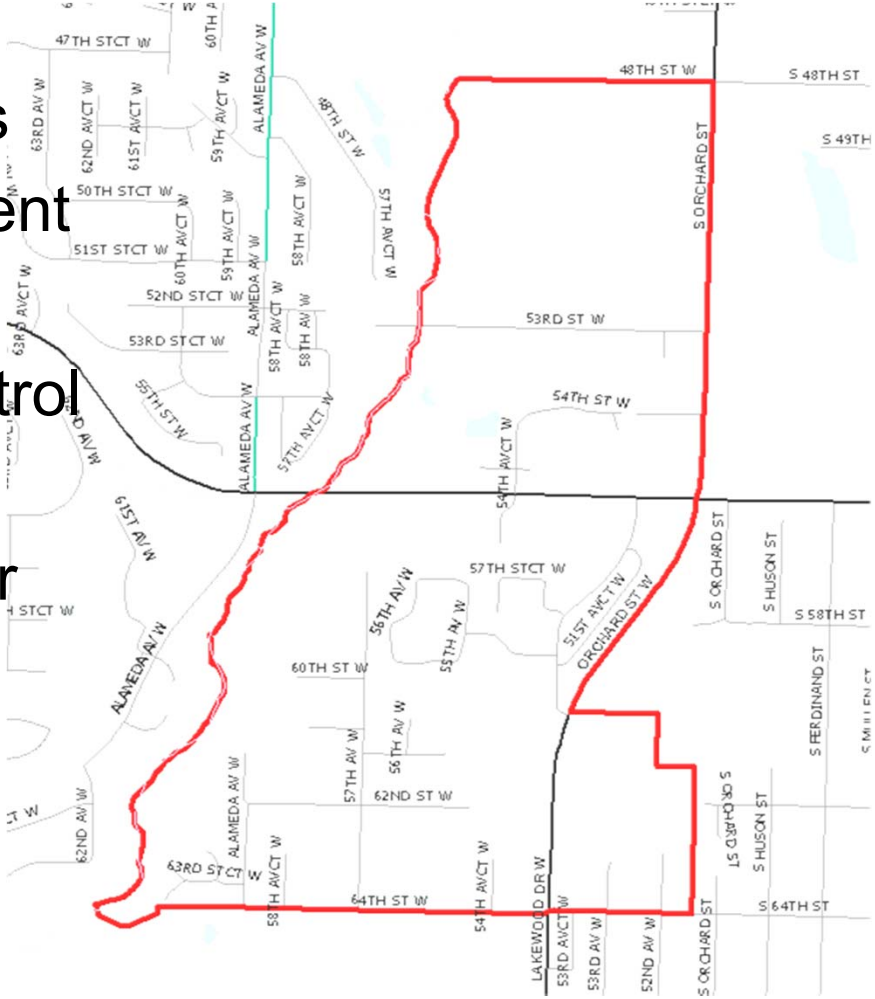
Working with Rental Owners and managers on navigating I502's impact on safe and drug free housing.

University Place Police Cadets

- Cadet Post established a year ago
- Currently have 7 fully certified Cadets
- Recently competed in a statewide competition in Yakima. UP Cadets won first place in the High Risk Traffic scenario and second place in the Burglary in Progress Scenario

Orchard Corridor

- Four Federal Grant Awards
- Ongoing Rental Management partnership and dialogue
- Continued multi agency patrol emphases
- Continued advocacy for our business owners
- Expanded partnership to include ATF



Looking Forward

- Major focus on 2015 US Open
- UPPD mission remains the same
  - No call too small – dispatch to all calls for service
  - Work chronic nuisance issues as staffing allows
    - Speeding, narcotics, etc.
  - Maintain and grow partnerships in the community
    - School
    - Business
    - community
- Explore how to enhance our problem oriented policing model in 2015
  - Ability to be more proactive
  - Data driven
  - Community driven

BACK TO AGENDA

EXHIBIT A-1
CITY OF UNIVERSITY PLACE
2015 PROPOSED BUDGET

		REVENUES & OTHER SOURCES		EXPENDITURES & OTHER USES		ENDING BALANCE
FUND		Proposed		Proposed		Balance
Operating						
General						
001	General	$ 11,419,740		$ 9,492,195		$ 1,927,545
Special Revenue						
101	Street	$ 1,111,478		$ 1,111,478		-
102	Arterial Street	$ 215,735		$ 212,000		3,735
103	Real Estate Excise Tax	$ 730,650		$ 694,323		36,327
104	Parks and Recreation	$ 1,237,502		$ 1,237,502		-
105	Traffic Impact Fees	$ 1,008,035		$ 450,000		558,035
106	Transportation Benefit District	$ 439,600		151,900		287,700
107	Development Services	$ 1,144,364		$ 1,144,364		-
108	LRF	$ 500,000		$ 500,000		-
109	Police/Public Safety	$ 5,389,461		$ 4,855,050		534,411
120	Path & Trails	$ -		$ -		-
188	Strategic Reserve	$ 856,934		$ -		856,934
	Sub-total Special Revenue	**12,633,759**		**10,356,617**		**2,277,142**
Enterprise						
140	Surface Water Mgmt	$ 4,467,814		$ 4,350,998		116,816
	Sub-totalEnterpriseFunds	**4,467,814**		**4,350,998**		**116,816**
Debt Service						
201	Debt Service	$ 3,777,924		$ 3,777,924		-
	Sub-total Debt Service Funds	**$ 3,777,924**		**3,777,924**		**-**
	Total Operating	**$ 32,299,237**		**$ 27,977,734**		**$ 4,321,503**
Capital Improvement						
301	Parks CIP	$ 320,608		$ 276,408		44,200
302	Public Works CIP	$ 6,633,902		$ 6,633,902		-
303	Municipal Facilities CIP	$ 913,235		$ 913,235		-
	Sub-total CIP	**$ 7,867,745**		**7,823,545**		**44,200**
Internal Service						
501	Fleet & Equipment	$ 858,998		$ 280,350		578,648
502	Information Technology & Services	$ 1,088,232		$ 916,930		171,302
506	Risk Management	$ 149,794		$ 139,750		10,044
	Sub-total Internal Service	**$ 2,097,024**		**1,337,030**		**759,994**
Non-Annually Budgeted						
150	Donations and Gifts to University Place	$ -		$ -		-
	Sub-total Non-Annually Budgeted	**$ -**		**-**		**-**
	Total Budget	**$ 42,264,006**		**$ 37,138,309**		**$ 5,125,697**

EXHIBIT A-2
CITY OF UNIVERSITY PLACE
2016 PROPOSED BUDGET

		REVENUES & OTHER SOURCES		EXPENDITURES & OTHER USES		ENDING BALANCE
FUND		Proposed		Proposed		Balance
Operating						
General						
001	General	$ 9,761,088		$ 8,737,053		$ 1,024,035
Special Revenue						
101	Street	$ 1,124,087		$ 1,124,087		-
102	Arterial Street	$ 219,735		$ 216,000		3,735
103	Real Estate Excise Tax	$ 682,077		$ 639,853		42,224
104	Parks and Recreation	$ 1,222,321		$ 1,222,321		-
105	Traffic Impact Fees	$ 678,035		$ -		678,035
106	Transportation Benefit District	$ 584,700		$ 293,650		291,050
107	Development Services	$ 1,103,908		$ 1,103,908		-
108	LRF	$ 500,000		$ 500,000		-
109	Police/Public Safety	$ 5,327,768		$ 4,916,629		411,139
120	Path & Trails	$ -		$ -		-
188	Strategic Reserve	$ 856,934		$ -		856,934
	Sub-total Special Revenue	**12,299,565**		**10,016,448**		**2,283,117**
Enterprise						
140	Surface Water Mgmt	$ 2,926,252		$ 2,779,230		147,022
	Sub-totalEnterpriseFunds	**2,926,252**		**2,779,230**		**147,022**
Debt Service						
201	Debt Service	$ 3,563,103		$ 3,563,103		-
	Sub-total Debt Service Funds	**$ 3,563,103**		**3,563,103**		**-**
	Total Operating	**$ 28,550,008**		**$ 25,095,834**		**$ 3,454,174**
Capital Improvement						
301	Parks CIP	$ 85,000		$ 85,000		-
302	Public Works CIP	$ 6,899,812		$ 6,899,812		-
303	Municipal Facilities CIP	$ -		$ -		-
	Sub-total CIP	**$ 6,984,812**		**6,984,812**		**-**
Internal Service						
501	Fleet & Equipment	$ 873,898		$ 295,250		578,648
502	Information Technology & Services	$ 917,730		$ 746,428		171,302
506	Risk Management	$ 158,794		$ 148,750		10,044
	Sub-total Internal Service	**$ 1,950,422**		**1,190,428**		**759,994**
Non-Annually Budgeted						
150	Donations and Gifts to University Place	$ -		$ -		-
	Sub-total Non-Annually Budgeted	**$ -**		**-**		**-**
	Total Budget	**$ 37,485,242**		**$ 33,271,074**		**$ 4,214,168**

University Place
WASHINGTON

CITY OF UNIVERSITY PLACE, WASHINGTON

2015-2016 PROPOSED BIENNIAL BUDGET

PREPARED BY: FINANCE DEPARTMENT

ERIC FAISON, Executive Director/Finance and Administrative Services

LESLIE BLAISDELL, Deputy Finance Director/Risk Manager

SANDY GARRETT, Assistant Finance Director/Financial Reporting & Grants

STACY LEWIS, Sr. Finance Specialist

LISA HANDS, Payroll and Benefits Supervisor

The City of University Place

Incorporated in 1995, University Place ranks 35th in population in the State of Washington with a population of approximately 31,340. University Place encompasses an area of 8.4 square miles and is a mostly suburban residential city located on the picturesque Puget Sound just south of Tacoma. In addition to its proximity to Tacoma, University Place offers easy accessibility to Seattle, Olympia, and the Puget Sound peninsulas. University Place is easily accessible by Interstate 5 or Highway 16.

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

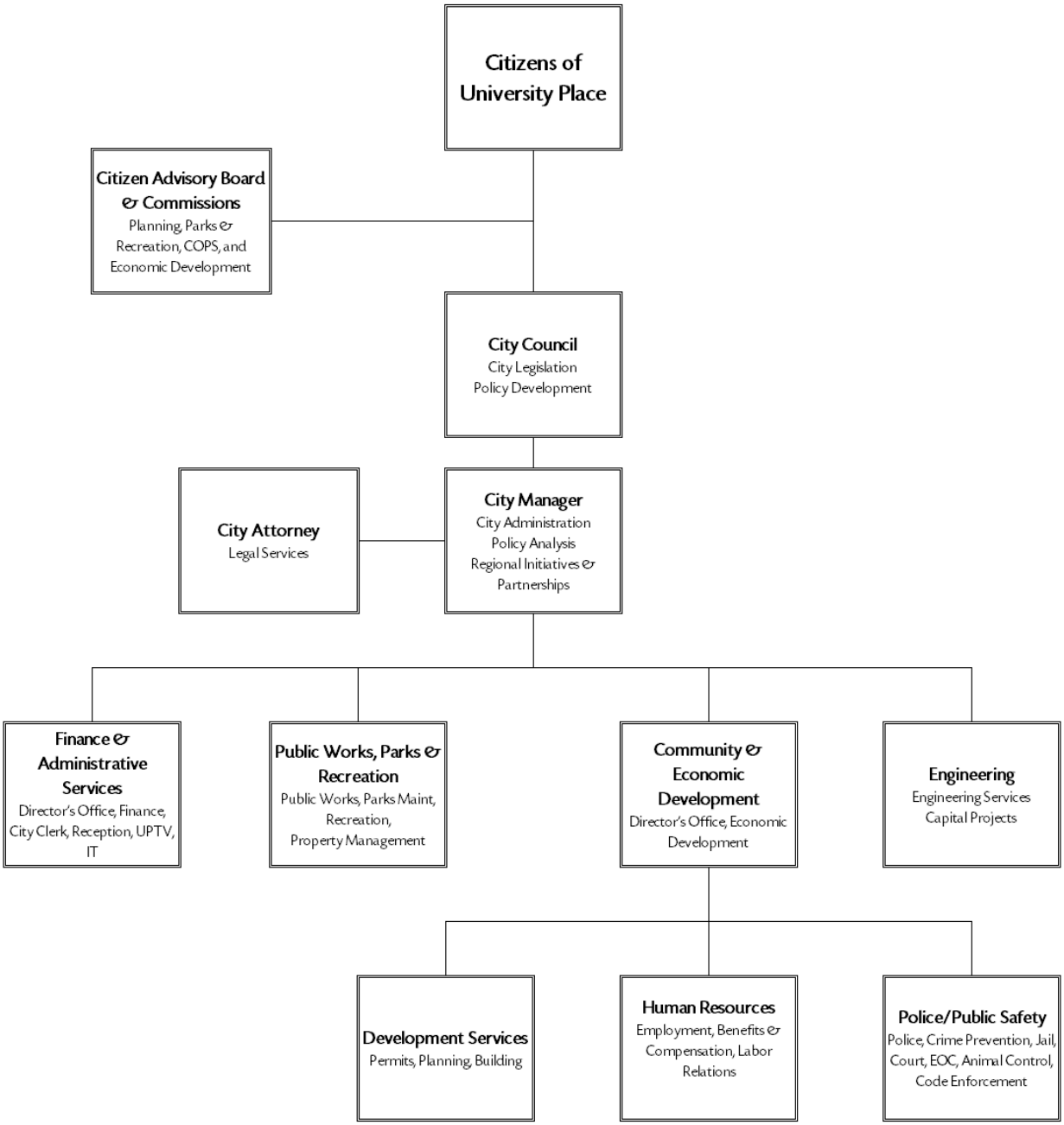
ELECTED OFFICIALS

Denise McCluskey	Mayor
Javier Figueroa	Mayor Pro-Tem
Caroline Belleci	Councilmember
Ken Grassi	Councilmember
Kent Keel	Councilmember
Chris Nye	Councilmember
Steve Worthington	Councilmember

CITY ADMINISTRATION

Steve Sugg	City Manager
Mariza Craig	Executive Director/Community & Economic Development
Eric Faison	Executive Director/Finance & Administrative Services
Steve Victor	City Attorney
Jack Ecklund	City Engineer
David Swindale	Development Services Director
Mike Blair	Chief of Police

ORGANIZATIONAL STRUCTURE



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READER'S GUIDE TO THE BUDGET

This budget document is organized into seven sections to help the reader find information about the City and its 2015-2016 Biennial Budget: Budget Message, Budget Guide, Executive Summary, Operating Budget, Capital Budget, and Appendix.

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

- Budget Message
- Budget Overview

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

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

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

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

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

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

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

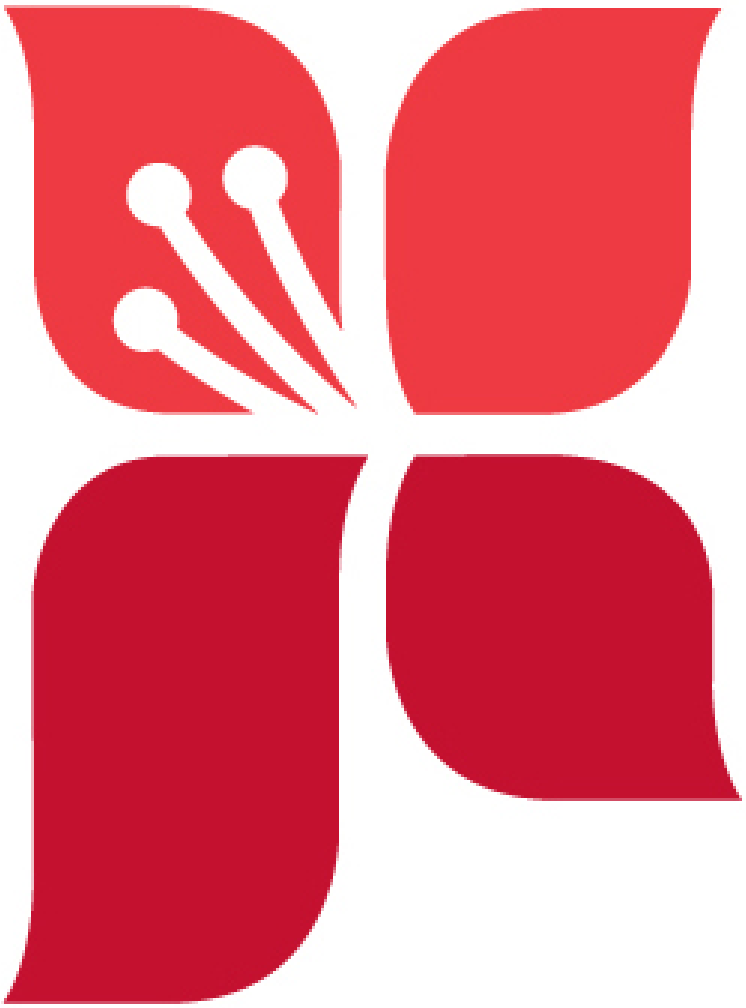
- Public Works
- Parks
- Municipal Facilities

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

- Purpose and Description
- Multi-year Sources & Uses Description

Appendix - The Appendix section includes:

- Miscellaneous Statistical Information
- Historical Tax Rates
- Sales Tax
- Property Tax
- Debt Service
- 2015 & 2016 Salary Ranges
- Commissions
- Glossary of Budget Terms & Acronym List



CITY MANAGER'S BUDGET MESSAGE

CURRAN APPLE ORCHARD

PHOTO INFORMATION: CURRAN APPLE ORCHARD

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

University Place
WASHINGTON

October 6, 2014

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

Presented herein is my proposal for the City of University Place, Washington Biennial Budget for 2015-2016.

Six years ago, a worldwide economic crisis shook the world's economies. Major financial institutions and corporations disappeared in a matter of days. The world's capital markets dried up, unemployment soared, property values plummeted and major development projects like our Town Center were abandoned or indefinitely delayed.

The City has largely weathered the impact of these events through staff cuts, service reductions, one-time revenues and conservative budgeting practices. We are starting to see some of the fruits of our investments in economic development, including new construction of Whole Foods and several mixed-use developments in our Town Center. And we will welcome the world to our community for the 2015 U.S. Open. However, many challenges remain.

The local and national economy has shown slow but steady improvement. But much of the world still faces slow-growth or recessionary conditions. Economic sanctions resulting from armed conflict in Ukraine, and U.S. military involvement in the middle-east, continue to shake investment markets. The recent Washington Supreme Court ruling on the State's constitutionally inadequate funding of education threatens not only the State's budget, but also the budgets of counties and cities, like University Place, who receive State-shared funds.

As we look forward to the 2015-2016 biennium and beyond, we recognize that additional service level reductions will be needed without new revenue. The City has placed before voters in November 2014 a ballot measure that would raise the utility tax by 3.5% and dedicate this new revenue to maintaining and enhancing police services. The City Council will evaluate other options to address the City's parks maintenance, pavement maintenance and recreation programs, as well as options to address projected deficits in the City's reserve balances.

While these events have created one of the most challenging environments our City has ever faced, I remain confident that we have in place a sound financial strategy, based on conservative assumptions. With that strategy in mind, I am pleased to present the following budget that maintains current service levels and meets all of our statutory and contractual obligations for the 2015-2016 biennium.

BUDGET

As in previous years, the 2015-2016 Biennial Budget is essentially two budgets in one: an operating budget and a capital budget. For 2015, the total proposed City budget is $37,138,309 million ($28.0 million operating budget, a $7.8 million capital budget and $1.3 million in Internal Service charges). For fiscal year 2016, the

total proposed City budget is $33.3 million. The operating budget proposed for 2016 is $25.1 million, the capital budget is $7.0 million and the Internal Service charges are $1.2 million.

FINANCIAL GUIDELINES/ASSUMPTIONS

The 2015-2016 Biennial Budget is balanced and fits the following conservative financial assumptions for City Budgets (Operating and Capital), Town Center and Debt Management.

City Budget

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

Town Center

- No Town Center land sales revenues are assumed during the Biennium
- Prior Town Center land sale revenues are budgeted to be expended in completion of the Civic Building and supporting Town Center infrastructure
- Complete remaining street and parking infrastructure with existing State grants and revenue bond proceeds

Debt Management

- Debt payments according to debt schedule

VISION AND STRATEGIES

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

2015-2016 COUNCIL GOALS

On August 4, 2014, City Council adopted the following Goals and Outcomes for the 2015-2016 Biennium:

Goal: A Safer, More Livable Community.

- **Improved Parks and Recreation**
  - Consider a Resolution directing the administration to work with a professional consultant and the PARC commission to develop a Master Plan for Creekside Park.

- **Better Infrastructure**
  - Complete Surface Water Management Plan Update.
  - Schedule study session(s) to review options for sustainable funding for street maintenance and upon completion of study, determine to conclude the topic, or adopt legislation achieving the outcome or identifying next steps toward achieving the outcome.
  - Construct pavement overlay of Cirque Drive between Bridgeport Way and Grandview Drive.
  - Construct Market Court between Bridgeport Way and Drexler Drive.
  - Construct pavement overlay of Drexler Drive between 37th and 35th Streets.
  - Construct curb, gutter, sidewalk, bike lanes and streetlights along Mildred Avenue between 19th Street and Regents Boulevard.

- Construct curb, gutter, sidewalk and streetlights along the north side of 44th Street between Bridgeport Way and 67th Avenue.
- Construct curb, gutter, sidewalk and streetlights along the south side of Cirque Drive between Orchard Street and 67th Avenue.

- **More Beautiful City**
  - Schedule study session(s) to review feasibility of undergrounding utility poles and upon completion of study, determine to conclude the topic, or adopt legislation achieving the outcome or identifying next steps toward achieving the outcome.
  - Consider a Resolution adopting a Gateway Signage Plan.

- **A Full-Service, Self-Sufficient Community**
  - Schedule study session(s) to review options for sustainable funding for Council-approved City events, and upon completion of study, determine to conclude the topic, or adopt legislation achieving the outcome or identifying next steps toward achieving the outcome.
  - Schedule study session(s) to identify any gaps in City services and available resources to meet any service gaps, and upon completion of study, determine to conclude the topic, or adopt legislation achieving the outcome or identifying next steps toward achieving the outcome.

Goal: Increased Community Economic Vitality.

- **Improved business climate**
  - Consider a Resolution directing the Planning Commission in consultation with the Economic Development Commission to prepare a Sub-Area Plan for the Town Center Zone.
  - Consider a Resolution directing the Planning Commission in consultation with the Economic Development Commission to prepare a Sub-Area Plan for the 27th Street Corridor.
  - Consider a Resolution directing the Planning Commission in consultation with the Economic Development Commission to prepare a Sub-Area Plan for the Mildred Corridor.
  - Consider a Resolution directing the Economic Development Commission in consultation with the Planning Commission to review city-wide zoning for economic development opportunities (e.g., waterfront and business park zoning).

Goal: Better Financial Conditions.

- **Increased City Financial Stability**
  - Consider a Resolution to enhance City's reserves.
  - Review policies for debt reduction.

Goal: Greater Citizen Trust and Confidence.

- **Improved public understanding of Council initiatives**
  - Adopt a Communications Strategy.
  - Schedule study session(s) to explore new or additional opportunities for citizen feedback, and upon completion of study, determine to conclude the topic, or adopt legislation achieving the outcome or identifying next steps toward achieving the outcome.

HIGHLIGHTS AND CHANGES

Revenue Assumptions

In preparing the budget, we have been very conservative with revenue projections for the biennium. The "good news/bad news" about the City's revenues is that, other than fees, the revenues do not change much.

For 2015, we project that sales tax revenue will increase to $2.6 million due in large part to the US Open and the commercial project at the Pierce County Sewage Treatment Plant with a minimal increase of $20,000 in 2016. Property taxes are estimated to increase at the 1 percent limit level in 2015 and another 1 percent in 2016. Utility tax revenues are projected to remain flat. In 2015 and 2016, revenue from Recreation fees will remain flat. While the commercial real estate market has improved, we have assumed no Town Center land sales and minimal Town Center revenues in 2015 and 2016. The other budget related revenue assumptions are:

- Chambers Bay revenues for both sales and admission taxes are recognized and expenditures include the $35,000 per year grant to the County for park improvements on the Chambers Creek Properties.
- Real Estate Excise Taxes (REET) are incorporated at a 12.5 percent increase to levels budgeted for 2014. (REET funds are programmed for Street/Park debt service and Street major CIP projects).
- Revenue from State liquor profits and liquor taxes are recognized in the General Fund and Police/Public Safety fund. The Statewide liquor privatization initiative passed by voters originally assumed that there would be no budgetary effect on the City's revenues, but recent cuts to the State's budget have resulted in a loss to the city of approximately $155,000 over the biennium.
- New Federal and State grants totaling over $5.5 million, along with existing grant monies being carried over from the 2013-2014 biennium, will fund design and/or construct of eight major capital projects.

PROPERTY TAXES

After several years of declining, the assessed values began to increase again in 2013 and 2014. Since property taxes in Washington are limited to a 1 percent increase, changes in assessed values (up or down) do not affect the City's total property tax collection, only the distribution of that tax among individual property owners.

The City's tax limit is $1.60 per thousand dollars of assessed value. Since incorporation, the City has reduced property tax rates from $2.10 (the rate paid to the County prior to incorporation) to the rate of **$1.43** in 2014. The increase in taxes paid by the homeowner over since incorporation is significantly lower than would have been the case had the City not incorporated in 1995. These property tax savings have been retained by City taxpayers.

EXPENDITURE ASSUMPTIONS

For the 2015-2016 Biennial Budget, a modest level of inflation has been assumed for most expenditures. However, medical/insurance rates are projected to increase by seven percent (7%) in 2015 and are forecasted to increase another ten percent (10%) in 2016. City staff personnel costs have been frozen at the 2009 levels with no COLA or merit pay increases through 2014.

STAFFING LEVELS

The 2015-2016 Proposed Biennial Budget maintains the 2014 year-end core levels of city staff.

- City Manager's Office – 2.0 Full Time Equivalent (FTE)
- City Attorney' Office - 2.0 FTE
- Finance and Administrative Services – 11.35 FTE
- Parks, Recreation and Public Works - 16.0 FTE
- Engineering Services – 7.0 FTE
- Community and Economic Development – 9.5 FTE
- Police and Public Safety – 1.625 FTE, and by contract: 15 Officers, 1 Community Support Officer, 1 Investigator and 1 Administrative Assistant

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

CAPITAL BUDGET

As previously mentioned, the Capital Budget – other than grant funded projects – is at "core" level on a "pay-as-we-go" basis. Over the past two years, several State and Federal grants have been received for nonmotorized improvements (sidewalks, streetlights and bike lanes) along arterials and school routes with City funds as the local match. The following grant funded projects will be built in the 2015-2016 biennium:

- 27th Street (Bridgeprot to 67th)
- 27th Street Phase 2 (Grandview to Bridgeport
- Bridgeport 4A (Chambers Lane to 67th)
- Bridgeport 5 (27th St. to 19th St.)
- Cirque/56th Corridor Improvements
- Cirque Drive Overlay

The following surface water management projects will be constructed in the 2015-2016 biennium:

- 19th St. Pond Retrofit
- Drainage Repairs - Lemons Beach Outfall
- Drainage Repairs - Soundview Dr. W (Brookside to 31st)
- Drainage Repairs - Olympic Dr. W (Grandview to 31st)
- Drainage Repairs - Tahoma Place

In the Town Center, funding for the construction of the remaining infrastructure improvements is proposed from the remaining funds from a $4.883 million revenue bond issued in 2011 and repaid with a State Local Revitalization Fund (LRF) Grant of $400,000 per year for 25 years.

CONCLUSION

University Place is a great community with an excellent school system, ethnically diverse neighborhoods and a brand new state of the art Library. In addition, the County's investment in the Chambers Bay Golf Course

has proven that we can be a world class destination, as evidenced by the 2010 U.S. Amateur Tournament which had one of the largest turnouts ever for a U.S. Amateur event in the history of the tournament. Looking forward to June 2015, Chambers Bay will host the U.S. Open Golf Tournament, the premier event on the professional tour.

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

In closing, the 2015-2016 Proposed Biennial is a balanced and conservative budget that assumes a continuation of the 2014 "core" levels of service to the Community. As always, we will continue providing the best service we can, meeting all of our contractual, legal and debt obligations, while exercising prudent cash management and maintaining our Strategic Reserve. As always, I encourage your questions and suggestions on the community issues important to you and the services we prove. You can contact me at 253.460.2527 or email at ssugg@cityofup.com.

Sincerely,

Stephen P. Sugg
City Manager

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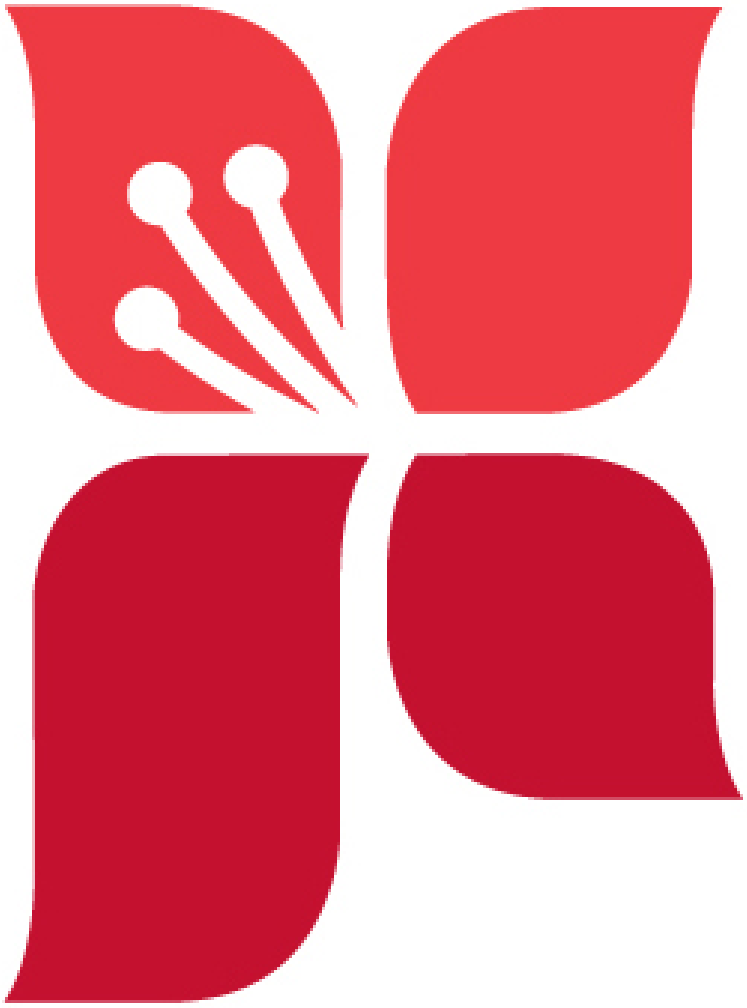

BUDGET GUIDE

HOMESTEAD PARK

PHOTO INFORMATION: HOMESTEAD PARK

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

BUDGET PROCESS

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

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

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

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

BUDGET POLICY GUIDELINES

I. OPERATING BUDGET

A. OVERALL

1. The purpose of budget policies are:

    a. to ensure the City maintains a financial base sufficient to sustain a consistent level of municipal services;

    b. to ensure the City is able to withstand local and regional economic variations;

    c. to adjust to changes in the service requirements of the community, and;

    d. to maintain a good credit rating in the financial community which assures taxpayers that City government is well managed financially and maintained in sound fiscal condition.

2. The budget should be a performance, financing, and spending plan agreed to by the City Council, City Manager, and Department Directors. It should contain information and data regarding expected revenues, expected expenditures, and expected performance.

3. The City will prepare and annually refine written policies and goals to guide the preparation of performance, financing, and spending plans for the City budget. Adopted budgets will comply with the adopted budget policies and Council priorities.

4. As a comprehensive business plan, the budget should provide the following critical elements recommended by the Government Finance Officers Association: public policies, financial plan, operations guide, and communications device.

5. The City's budget presentation should display the City's service delivery/performance plan in a Council/constituent-friendly format. Therefore, the City will use a department budgeting format to convey the policies and purposes of City operations.

6. Decision making for capital improvements will be coordinated with the operating budget to make effective use of the City's limited resources for operating and maintaining facilities.

7. Under the City Manager's direction, Department Directors have primary responsibility for: a) formulating budget proposals in line with City Council and City Manager priority direction, and b) implementing those proposals once they are approved.

B. FISCAL INTEGRITY

1. The City will maintain the fiscal integrity of its operating, debt service, and capital improvement budgets which provide services and maintain certain public facilities, streets and utilities. It is the City's intent to maximize the level of public goods and services while minimizing the level of debt.

2. Ongoing operating program costs may not exceed the amount of ongoing revenue to finance those costs. The ongoing revenue will be identified along with new program costs. Any available carryover balance may be used to offset one-time or non-recurring costs.

3. Cash balances in excess of the amount required to maintain strategic reserves may be used to fund one-time or non-recurring costs.

C. CONTINGENT ACCOUNTS

1. As a part of the City budget, the City Council should appropriate a Contingency Reserve to provide monies with which to meet any municipal expense, the necessity or extent of which could not have been foreseen or reasonable evaluated at the time of adopting the annual budget, or from which to provide monies for emergencies as defined by law (RCW 35A.33.145). The goal for funding of the Contingency Reserve is to maintain a minimum available reserve of fifty thousand dollars ($50,000).

2. The City shall establish a Strategic Reserve Fund which shall neither be appropriated nor spent without Council authorization. The purpose of the fund is to provide some fiscal means for the City to respond to potential adversities such as public emergencies, natural disasters, or similarly major, unanticipated events.

3. The City shall fund certain asset replacement reserves through depreciation charges paid to the Internal Service Funds.

4. Replacement reserves based on historical value will be established for any equipment, furnishings, and computer software should the need continue beyond the estimated initial useful life, regardless of whether the equipment is acquired via lease, gift, or purchase. An amount equal to the depreciation will be included in the service charges paid by City departments to the various Internal Service funds (Fleet and Equipment, Information Technology and Services, and Risk Management). The furnishings reserve may be used for building rehabilitation and will be replenished until cost is fully recovered. This will permit the accumulation of cash to cost-effectively replace these assets and smooth out future budgetary impacts. The City will also maintain a fixed asset system that will identify all city capital assets and their condition.

5. The Strategic Reserve should be replenished as soon as possible and always within three subsequent years from the time the reserve is used or falls below the target.

Sources to replenish these reserves shall be from undesignated fund balances, deferring non-life safety capital, and operating revenues, in this order.

D. REVENUES

1. Revenue estimates shall not assume any growth rate in excess of inflation. Real growth that occurs will be recognized through budgetary adjustments only after it takes place. This practice imposes short-term constraint on the level of public goods or services. However, in the event that revenues are less than expected, it minimizes the likelihood of severe cutback actions which may be profoundly disruptive to the goal of providing a consistent level of quality services.

2. Investment income earned through the City's investment pool shall be allocated to the General Fund.

3. The City will establish and maintain Special Revenue Funds to account for proceeds from specific sources to finance designated activities which are required by statute, ordinance, resolution, or executive order.

4. All fees for services shall be reviewed and adjusted (where necessary) at least every biennium to ensure that fees are equitable and the cover the total cost of service or that percentage of total service cost deemed appropriate by the City.

5. Revenues of a limited or indefinite term should be used for capital projects or one-time operating expenditures to ensure that no ongoing service program is lost when such revenues are reduced or discontinued.

6. Grant applications to fund new service programs with state or federal funds will be reviewed by the City, as they become available, with due consideration being given to whether locally generated revenues will be required to support these programs when outside funding is no longer available.

E. EXPENDITURES

1. Before the City undertakes any agreements that would create fixed ongoing expenditures, the cost implications of such agreements will be fully determined for current and future years with the aid of the City's strategic financial forecast model.

2. Organizations that are not part of the City, but which receive funding from the City, shall not have their appropriation carried forward from year to year unless expressly authorized and directed by the City Council. Annual review and reauthorization of funding is required.

F. MULTI-YEAR FORECAST

1. Each year, the City will update expenditure and revenue forecasts for the next six years. Projections will include estimated operating costs for future capital improvements that are included in the capital budget.

2. These estimates will be presented to elected officials in a form that will facilitate budget decisions and strategic planning, based on a multi-year strategic planning perspective.

G. QUARTERLY REPORT

1. The budget will be produced so that it can be directly compared to the actual results of the fiscal year and presented in a timely quarterly report.

2. All budget amendments - both revenues and expenditures - will be noted in the quarterly report.

H. MINIMIZATION OF ADMINISTRATIVE COSTS

1. An appropriate balance will be maintained between resources allocated for direct services to the public and resources allocated to assure sound management, internal controls and legal compliance.

I. CITIZEN INVOLVEMENT

1. Citizen involvement shall be encouraged in the budget decision-making process through public hearings and study sessions.

2. Involvement shall also be facilitated through City boards, task forces, and commissions, which shall serve in advisory capacities to the City Council and/or City Manager.

II. CAPITAL BUDGET

A. FISCAL POLICIES

1. Capital project proposals should include cost estimates that are as complete, reliable, and attainable as possible. Project cost estimates for the Capital Budget should be based upon a thorough analysis of the project and are expected to be as reliable as the level of detail known about the project. Project cost estimates for the Six-Year Capital Improvement Plan will vary in reliability depending on whether they are to be undertaken in the first, third, or sixth year of the Plan.

2. All proposals for the expenditure of capital funds shall be formulated and presented to Council within the framework of a general capital budget and, except in exceptional circumstances, no consideration will be given to the commitment of any capital funds, including reserve funds, in isolation from a general review of all capital budget requirements.

3. Project proposals should indicate the project's impact on the operating budget, including, but not limited to, long-term maintenance costs necessary to support the improvement.

4. The Annual Capital Budget shall include only those projects which can reasonably be accomplished in the time frame indicated. Each budgeted capital project should include a projected schedule.

5. Capital projects which are not encumbered or completed during the fiscal year will be rebudgeted or carried over to the next fiscal year except as reported to and subsequently approved by the City Council. All rebudgeted capital projects should be so noted in the Adopted Capital Budget. Similarly, multi-year projects with unencumbered or unexpended funds will be carried over to the subsequent year(s).

6. Capital projects will not be budgeted unless there are reasonable expectations that revenues will be available to pay for them.

7. Citizen participation in the Capital Improvement Program is a priority for the City. Among the activities which shall be conducted to address this need are the following:

    a. The Capital Improvement Plan shall be provided to the City Council in a timely manner to allow time for the Council members to review the proposal with constituents before it is considered for adoption.

    b. Council study sessions on the Capital Improvement Plan shall be open to the public and advertised sufficiently in advance of the meetings to allow for the attendance of interested citizens.

    c. Prior to the adoption of the Capital Improvement Plan, the City Council shall hold noticed public hearings to provide opportunities for citizens to express their opinions on the proposed plan.

8. All projects included in the Capital Improvement Plan should be consistent with the City's Comprehensive Plan. The goals and policies for services, facilities, and transportation should be followed in the development of the Capital Improvement Plan. The Comprehensive Plan service level goals should be included in the Capital Improvement Plan.

9. Capital projects shall be financed to the greatest extent possible through user fees, grants, and benefit districts when direct benefit to users results from construction of the project.

10. Projects that involve intergovernmental cooperation in planning and funding should be established by an agreement that sets forth the basic responsibilities of the parties involved.

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

    a. Projects which have a positive impact on the operating budget (reduced expenditures, increased revenues);

    b. Projects which are programmed in the Six-Year Capital Improvement Plan;

    c. Projects which can be completed or significantly advanced during the Six-Year Capital Improvement Plan;

    d. Projects which can be realistically accomplished during the year they are scheduled; and

    e. Projects which implement previous Council-adopted reports and strategies.

B. DEBT POLICIES

1. A debt policy can help the City Council and staff integrate the issuance of debt with other long-term planning, financial, and management objectives. It also evaluates the impact of each issue on the City's overall financial position. Finally, a debt policy provides guidance to the City Council and staff so as to not exceed acceptable levels of indebtedness.

2. Long-term Borrowing

    a. General obligation bonds, or G.O. Bonds, are secured by the full faith and credit of the City. General obligation bonds issued by the City are secured by a pledge of the City's ad valorem taxing power. There are two basic types of general obligation bonds:

        i. Limited tax general obligation bonds, also called LTGO bonds or councilmanic bonds, may be issued by a vote of the City Council. General fund revenues are pledged to pay the debt service on councilmanic bonds because the voters have not approved a tax increase to pay for the principal and interest.

        ii. Unlimited tax general obligation bonds, also called UTGO bonds or voted debt, must be approved by 60 percent of the voters, with a voter turnout that is at least 40 percent of those voting in the most recent general election. Voters are not only voting for the approval to issue bonds, but they are also voting for an excess levy which raises their property taxes to fund debt service payments.

    b. Certificates of Participation are used to acquire real or personal property with tax-exempt financing using a lease-purchase agreement. The City would make

annual installment payments to a third party investor over time, acquiring the property at the end of the lease period for a nominal payment.

c. Revenue bonds are issued to finance facilities that have a definable user or revenue base, usually a City enterprise that is self-supporting. These debt instruments are secured by a specific source of funds, either from the operations of the project being financed or from a dedicated revenue stream, rather than the general taxing powers of the City. Generally, no election is required prior to the issuance or validation of revenue bonds.

d. Special assessment bonds or local improvement districts (LIDs) are obligations payable from special assessment revenue. These bonds are issued to finance improvements that benefit a specific area. Because the benefit is largely enjoyed by a limited segment of the community, a special assessment to pay debt service is levied only on properties or households benefiting from the project. Property owners may petition the City to form an LID, or the City Council may adopt a resolution of intent to form an LID. An LID initiated by Council Resolution may be blocked if the property owners who would be paying at least 60 percent of the costs protest. LIDs are commonly used for projects such a street improvements, street lights, sidewalks, and water and sewer systems.

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

3. Short-term Borrowing

a. Notes, such as bond anticipation notes (BANs) or tax anticipation notes (TANs), is a written short-term promise of the City to repay a specified principal amount on a certain date, together with interest at a stated rate, or according to a formula for determining that rate, payable from a defined source of anticipated revenue such as bonds, anticipated taxes, or some other anticipated revenue source expected to be received at a future date.

b. Lines of credit are another short-term borrowing option that provides an alternative to anticipation notes. A bank and the City agree on the maximum amount that will be available under the line of credit. The City provides a note to the bank that is backed by the full faith and credit of the City.

4. City Council approval is required prior to the issuance of debt. In addition, an analytical review shall be conducted prior to the issuance of debt to determine if there are reasonable alternatives and to reduce the cost of borrowing.

5. The City will use the services of a legally certified and credible bond counsel in the preparation of all bond representations.

6. A Financial Advisor may be used to assist in the issuance of the City's debt. The Financial Advisor provides the City with objective advice and analysis on debt issuance. This includes, but is not limited to, monitoring market opportunities, structuring and pricing debt, and preparing official statements of disclosure.

7. An Underwriter(s) will be used for all debt issued in a negotiated or private placement sale method. The Underwriter is responsible for purchasing negotiated or private placement debt and reselling the debt to investors.

8. A Fiscal Agent will be used to provide accurate and timely securities processing and timely payment to bondholders. In accordance with RCW 43.80, the City will use the Fiscal Agent that is appointed by the State.

9. Short-term lines of credit, tax or Revenue Anticipation Notes may be used only when the City's ability to implement approved programs and projects is seriously hampered by temporary cash flow shortages. In general, these Notes will be avoided. No other form of debt will be used to finance ongoing operational costs.

10. Whenever possible, the City shall identify alternative sources of funding and shall examine the availability of those sources in order to minimize the level of debt.

11. Whenever possible, the City shall use special assessment, revenue, or other self-supporting bonds instead of general obligation debt.

12. Long-term general obligation debt will be incurred when necessary to acquire land or fixed assets, based upon the ability of the City to pay. This debt shall be limited to those capital improvements that cannot be financed from existing revenues and when there is an existing or near-term need for the project. The project should also be integrated with the City's long-term financial plan and Capital Improvement Plan.

13. The maturity date for any debt will not exceed the reasonable expected useful life of the project so financed.

14. The City shall encourage and maintain good relations with financial and bond rating agencies, and will follow a policy of full and open disclosure on every financial report and bond prospectus.

15. The City shall establish affordability guidelines in order to preserve credit quality.

16. Long-term borrowing will only be used for capital improvements that cannot be financed from current revenues.

17. Short-term borrowing should only be used to meet the immediate financing needs of a project for which long-term financing has been secured, but not yet received.

III. DEBT MANAGEMENT POLICY

The City Council adopted Resolution No. 100, setting forth its debt management policy, on May 6, 1996. The resolution provides, in general, that:

1. The maturity date for any debt will not exceed the reasonable expected useful life of the project so financed.

2. Long term debt will not be used to finance ongoing current operations and maintenance.

3. The City shall attempt to maintain a cash reserve of eight percent (8%) of its operating budget, the approximate equivalent of one month's operating requirement.

4. The City shall attempt to maintain a balanced relationship between issuing debt and using pay-as-you-go financing.

5. In determining which type of debt to issue, the following factors should be considered:

   - A significantly larger portion of the citizens should benefit from projects financed by general obligation bonds.

   - Whenever possible, the City shall identify alternative sources of funding and shall examine the availability of those sources in order to minimize the level of debt.

   - The project should be integrated with the City's long-term financial plan and Capital Improvement Plan.

   - The City shall encourage and maintain good relations with financial and bond rating agencies, and will follow a policy of full and open disclosure on every financial report and bond prospectus. The City shall also establish affordability guidelines in order to preserve credit quality.

BASIS OF ACCOUNTING AND BUDGETING

Accounting

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

Basis of Presentation

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

1) Governmental Funds

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

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

Special Revenue Funds account for the proceeds of specific revenue sources - other than expendable trusts or revenues designated for major capital projects - that are legally restricted to expenditures for specific purposes.

Debt Service Funds account for the accumulation of resources for and the payment of general long-term debt, principal, interest, and related costs.

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

2) Proprietary Funds

Propriety Funds are used to account for activities similar to those found in the private sector where the intent of the governing body is to finance the full cost of providing services, including depreciation, primarily through user charges. All proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on

the statement of net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities. As described below, there are two generic fund types in this category.

Enterprise Funds account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the City is to finance or recover, primarily through user charges, the costs of providing goods or services to the general public on a continuing basis.

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

3) Fiduciary Funds

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

Basis of Accounting

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

The ***accrual basis*** of accounting recognizes revenues when they are earned and expenses are recorded when incurred. All assets and liabilities are recorded in the fund.

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

Budgets and Budgetary Accounting

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

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

Funds Budgeted on an Annual Basis

General Fund is used to account for all financial resources except those required to be accounted for in another fund. This includes Parks and Recreation Fund, Development Services Fund and Police/Public Safety Fund.

Special Revenue Funds are established to account for proceed of specific revenue sources that are legally restricted to expenditures for specified purpose.

- Street Fund
- Arterial Street Fund
- Real Estate Excise Tax Fund
- Traffic Impact Fee Fund
- Local Revitalization Funding Fund
- Path and Trails Reserve Fund
- Strategic Reserve Fund
- Donations and Gifts to University Place Fund
- Transportation Benefit District Fund

Debt Service Fund is to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Enterprise Fund accounts for operations that are normally financed and operated in a manner similar to a private business enterprise where the intent of the governing body is that the costs of providing goods and services to the general publicly on a continuing basis be financed or recovered primarily through user charges.

- Surface Water Management Fund

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

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

Funds Budgeted on a Multi-Year Basis

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

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

- Parks CIP Fund
- Public Works CIP Fund
- Municipal Facilites CIP Fund

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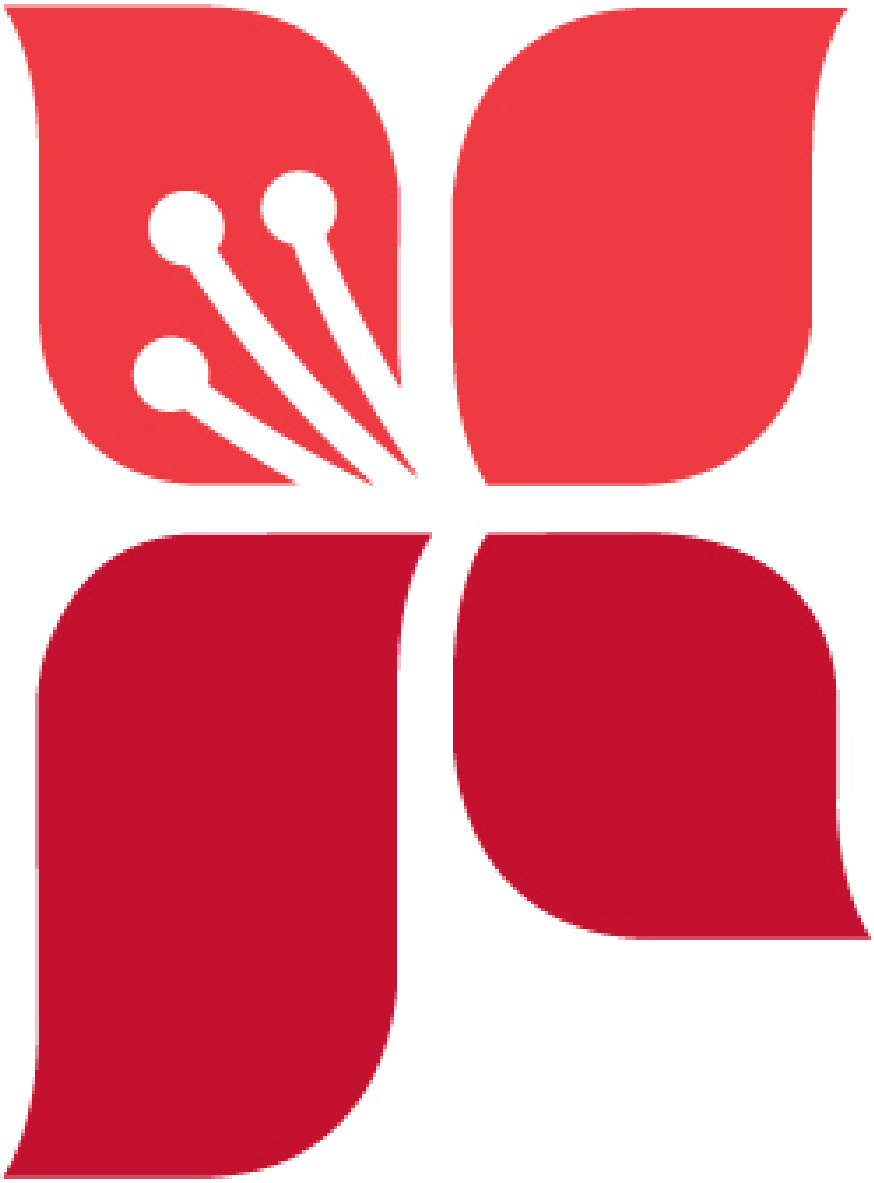

EXECUTIVE SUMMARY

CIRQUE PARK

PHOTO INFORMATION: CIRQUE PARK

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

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SOURCES AND USES	2012 Actual	2013 Actual	2014 Adopted	2014 Revised	2014 Estimate	2015 Proposed	2016 Proposed
BEGINNING FUND BALANCES	$ 9,417,950	$12,895,671	$ 5,520,782	$14,929,181	$14,929,181	$ 9,344,356	$ 5,125,697
OPERATING REVENUES							
Property Tax	3,856,992	3,924,801	3,928,454	3,980,549	3,980,549	4,043,684	4,084,121
Sales Tax	2,149,726	2,427,787	2,329,000	2,311,700	2,535,000	2,824,220	2,246,462
Criminal Justice Sales Tax	488,266	531,194	450,500	450,500	437,000	451,180	455,662
Admission Tax	212,754	182,025	750,000	495,000	875,000	176,750	178,518
Utility Tax	2,456,160	2,410,110	2,482,000	2,436,000	2,445,000	2,459,000	2,459,000
Leasehold Excise Tax	3,435	4,224	2,500	3,500	3,000	3,500	3,500
Gambling Tax	75,292	48,985	75,000	40,000	30,000	30,500	30,805
Real Estate Excise Tax	517,726	626,935	380,000	560,000	570,000	630,000	645,750
Business License Fee	77,814	76,404	70,000	75,000	75,000	78,000	78,780
Cable Franchise Fees	461,891	485,618	452,000	452,000	440,000	444,400	448,844
Refuse Franchise Fees	273,989	276,709	265,000	265,000	255,000	257,550	260,126
Water Franchise Fees (TPU)	451,139	485,277	440,000	530,036	530,036	500,000	505,000
Electric Franchise Fees (TPU)	1,027,905	1,069,815	998,000	1,119,248	1,119,248	998,000	1,007,980
Alarm Permit Fees	4,493	6,434	3,500	3,500	3,500	3,500	3,500
Animal Control	65,087	60,278	75,000	65,000	60,000	60,000	60,600
State-Shared Revenues (Fuel Taxes, VLF, Liquor)	1,030,545	966,502	968,623	887,623	876,675	907,398	920,594
Equalization Payments/Local Govt Assistance	66,002	93,177	-	35,000	85,000	60,000	-
Fines & Forfeitures (False Alarm Fees, Misc, Bus Lic.)	7,204	7,685	2,000	2,000	2,550	2,010	2,020
Sale of Documents & Records	233	182	-	-	-	-	-
Building Fees	482,369	398,518	310,003	310,003	557,832	348,103	351,234
Engineering & Planning Fees	125,913	210,184	123,055	123,055	206,573	124,286	125,528
Recreation Fees	278,978	351,305	266,900	266,900	294,026	280,550	280,550
SWM Fees	2,699,026	2,744,355	2,809,080	2,754,080	2,754,080	2,781,621	2,809,437
Administrative Fee from SWM Fund	448,331	459,806	427,675	467,675	472,149	480,508	481,858
Rents and Leases	131,529	198,501	172,023	91,000	108,925	111,550	112,409
Investment Interest	8,435	11,745	4,500	8,500	20,000	20,300	20,605
Tax Interest	1,403	1,043	-	-	1,000	-	-
Judgements/Settlements	6,989	12,079	1,500	3,000	550	500	500
Miscellaneous	170,490	53,716	29,150	30,200	63,256	45,750	20,750
Total Operating Revenue	**17,580,116**	**18,125,393**	**17,815,463**	**17,766,069**	**18,800,949**	**18,122,860**	**17,594,133**
OTHER FINANCING SOURCES							
Other Financing Sources	2,250,000	-	-	-	-	56,752	58,455
Utility Reimbursemets (Capital Funds)	-	79,288	-	-	-	-	-
TC Land Sales/Library Expansion Space payments	720,000	120,000	120,000	1,609,235	1,559,235	120,000	120,000
Operating Grants (Police, GMA, FEMA)	100,290	196,366	-	27,957	27,996	10,414	-
Capital Grants	704,567	3,236,910	1,745,000	11,976,722	11,976,722	2,883,250	5,579,000
Private Contibutions - Capital Projects	6,902	20,143	-	204,219	204,219	45,150	-
Public Works Trust Fund Loan	-	-	-	-	-	-	-
Capital Revenue/Investment Income	-	-	-	-	-	-	-
Donations/Sponsorships	83,979	70,852	-	100,000	117,915	-	-
Interfund Transfers	24,652,610	7,136,600	7,489,558	13,424,894	13,031,147	9,929,535	7,274,210
Residual Equity Transfers In	-	-	-	-	-	-	-
Interfund Charges	887,226	548,465	770,374	855,944	687,401	798,088	775,950
Interfund Loans	-	-	-	-	-	-	-
Interfund Loan Interest	6,574	-	-	-	-	-	-
G.O. Bonds	14,130,000	-	-	-	-	-	-
LRF Revenue	541,311	551,886	400,000	400,000	400,000	500,000	500,000
TBD Fees	-	-	-	150,000	148,500	293,600	297,000
Impact Fees	390,840	539,023	153,112	153,112	165,000	160,000	160,800
Total Other Financing Sources	**44,474,299**	**12,499,533**	**10,678,044**	**28,902,083**	**28,318,135**	**14,796,789**	**14,765,415**
TOTAL REVENUES & OTHER SOURCES	**$71,472,365**	**$43,520,597**	**$34,014,289**	**$61,597,333**	**$62,048,265**	**$42,264,006**	**$37,485,242**

SOURCES AND USES	2012 Actual	2013 Actual	2014 Adopted	2014 Revised	2014 Estimate	2015 Proposed	2016 Proposed
EXPENDITURES AND OTHER USES							
OPERATING EXPENDITURES							
City Council	$ 235,408	$ 271,430	$ 165,834	$ 237,882	$ 240,380	$ 298,679	$ 199,877
City Manager	432,880	437,403	459,090	517,007	520,024	531,773	541,156
Community and Economic Development	1,361,293	1,285,141	1,523,409	1,676,708	1,510,217	1,594,535	1,544,752
Finance and Administrative Services	1,817,778	2,060,409	1,957,421	2,536,175	2,499,920	2,491,164	2,407,766
Parks, Public Works and Engineering	3,542,094	3,748,113	3,858,150	4,019,380	4,086,895	4,426,661	4,470,472
Police and Public Safety	4,271,552	4,237,054	4,510,753	4,671,358	4,661,357	4,855,050	4,916,629
Subtotal Department Operations	**11,661,005**	**12,039,550**	**12,474,657**	**13,658,510**	**13,518,793**	**14,197,862**	**14,080,652**
Debt Service	17,720,516	3,654,262	4,026,103	4,026,103	3,941,083	3,777,924	3,563,103
Contingency	-	-	50,000	50,000	50,000	50,000	50,000
Total Operating Expenditures	**29,381,521**	**15,693,812**	**16,550,760**	**17,734,613**	**17,509,876**	**18,025,786**	**17,693,755**
OTHER FINANCING USES							
Capital Improvements Projects - PW	2,872,825	3,917,262	2,792,470	19,407,183	19,263,119	6,633,902	6,899,812
Capital Improvements Projects - Parks	42,949	323,764	39,573	664,183	433,186	276,408	85,000
Capital Improvements Projects - Municipal	4,473	2,737	-	100,000	100,000	913,235	-
Interfund Transfers	24,263,985	6,709,108	7,195,579	13,948,559	13,610,000	9,471,440	6,920,221
SWM - GF Admin Fee	448,331	459,806	427,675	467,675	472,149	480,508	481,858
Interfund Loans	-	-	-	-	-	-	-
Interfund Loan Interest/Principal Pmts	5,762	-	-	-	-	-	-
Internal Services - Fleet	179,191	100,219	134,561	134,561	132,961	134,700	134,100
Capital Equipment - Fleet	-	414,231	117,800	117,800	117,800	145,650	161,150
Internal Services - IT	593,516	401,243	477,113	487,902	437,028	538,638	508,100
Capital Equipment - IT	-	379,184	166,820	363,364	427,779	378,292	238,328
Internal Services - Risk	241,454	145,633	173,700	173,700	132,506	139,750	148,750
Donations	57,801	44,417	-	67,505	67,505	-	-
Total Other Financing Uses	**28,710,287**	**12,897,604**	**11,525,291**	**35,932,432**	**35,194,033**	**19,112,523**	**15,577,319**
TOTAL EXPENDITURES & OTHER USES	**$58,091,808**	**$28,591,416**	**$28,076,051**	**$53,667,045**	**$52,703,909**	**$37,138,310**	**$33,271,075**
ENDING FUND BALANCES		`					
Reserved for:							
Street Operations	$ 6,188	$ -	$ -	$ -	$ -	$ -	$ -
Arterial Street	20,984	13,137	-	3,735	3,735	3,735	3,735
Capital Improvements Projects - REET	198,497	218,242	21,830	91,007	100,650	36,327	42,224
Parks and Recreation	(0)	(0)	-	-	-	-	-
Traffic Impact Fee	455,966	843,035	947,588	880,347	888,035	558,035	678,035
Development Services	8,085	2,868	-	24,890	55,954	-	-
Tranportation Benefit District	-	-	-	146,000	146,000	287,700	291,050
LRF	3,419,680	3,301,301	-	-	-	-	-
Police and Public Safety	249,729	684,019	57,787	642,445	635,058	534,411	411,139
Path & Trails	3,208	3,235	2,563	2,759	-	-	-
Surface Water Management	1,937,076	4,403,325	3,154,696	1,615,842	1,686,193	116,816	147,022
Strategic Reserve	856,934	856,934	856,934	856,934	856,934	856,934	856,934
Debt Service	-	-	-	-	-	-	-
Capital Improvements Projects - Parks	446,119	531,109	-	-	280,608	44,200	-
Capital Improvements Projects - PW	2,396,183	630,219	-	-	44,064	-	-
Capital Improvements Projects - Muni Facilities	2,737	-	-	913,235	913,235	-	-
Internal Service Funds - Fleet	827,428	616,449	1,949	578,648	578,648	578,648	578,648
Internal Service Funds - IT	276,002	172,039	737	171,302	171,302	171,302	171,302
Internal Service Funds - Risk	10,044	10,044	-	10,044	10,044	10,044	10,044
Donations	63,408	67,505	-	-	-	-	-
Unreserved/undesignated	2,202,291	2,575,721	894,154	1,993,100	2,973,896	1,927,545	1,024,035
ENDING FUND BALANCES	**$13,380,557**	**$14,929,180**	**$ 5,938,238**	**$ 7,930,288**	**$ 9,344,356**	**$ 5,125,697**	**$ 4,214,168**
TOTAL EXPENDITURES, OTHER USES, AND FUND BALANCES	**$71,472,365**	**$43,520,596**	**$34,014,289**	**$61,597,334**	**$62,048,264**	**$42,264,006**	**$37,485,242**

2015 SOURCES BY FUND AND CATEGORY

FUNDS	Taxes	Licenses & Permits	Intergovt Revenue	Charges for Services	Fines & Forfeits	Misc Revenue	TOTAL OPERATING REVENUES	Other Financing Sources	Interfund Transfers	Beginning Fund Balance	TOTAL SOURCES
OPERATING FUNDS											
General	5,458,621	78,250	2,259,950	418,373	500	4,000	8,219,694	226,150	-	2,973,896	11,419,740
Street	448,300	-	-	-	10,000	-	458,300	-	653,178	-	1,111,478
Arterial Street	212,000	-	-	-	-	-	212,000	-	-	3,735	215,735
Real Estate Excise Tax (REET)	630,000	-	-	-	-	-	630,000	-	-	100,650	730,650
Parks and Recreation	224,220	-	-	306,250	-	-	530,470	-	707,032	-	1,237,502
Transportation Benefit District	-	-	-	293,600	-	-	293,600	-	-	146,000	439,600
Traffic Impact Fees	-	-	-	120,000	-	-	120,000	-	-	888,035	1,008,035
Development Services	-	472,389	-	25,000	-	-	497,389	-	591,021	55,954	1,144,364
LRF	500,000	-	-	-	-	-	500,000	-	-	-	500,000
Police/Public Safety	4,553,092	63,500	56,752	63,135	7,510	-	4,743,989	10,414	-	635,058	5,389,461
Path & Trails	-	-	-	-	-	-	-	-	-	-	-
Strategic Reserve	-	-	-	-	-	-	-	-	-	856,934	856,934
Debt Service	-	-	-	-	-	-	-	-	3,777,924	-	3,777,924
Subtotal Operations	**12,026,233**	**614,139**	**2,316,702**	**1,226,358**	**18,010**	**4,000**	**16,205,442**	**236,564**	**5,729,155**	**5,660,262**	**27,831,423**
ENTERPRISE FUNDS											
Surface Water Management	-	-	-	2,781,621	-	-	2,781,621	-	-	1,686,193	4,467,814
Subtotal	**-**	**-**	**-**	**2,781,621**	**-**	**-**	2,781,621	**-**	**-**	**1,686,193**	**4,467,814**
INTERNAL SERVICE FUNDS											
Fleet & Equipment	-	-	-	134,700	-	-	134,700	-	145,650	578,648	858,998
Information Technology & Svcs.	-	-	-	523,638	-	-	523,638	-	393,292	171,302	1,088,232
Risk Management	-	-	-	139,750	-	-	139,750	-	-	10,044	149,794
Subtotal	**-**	**-**	**-**	**798,088**	**-**	**-**	798,088	**-**	**538,942**	**759,994**	**2,097,024**
CAPITAL PROJECT FUNDS											
Parks	-	-	-	40,000	-	-	40,000	-	-	280,608	320,608
Public Works	-	-	-	-	-	-	-	2,928,400	3,661,438	44,064	6,633,902
Municipal Facilities	-	-	-	-	-	-	-	-	-	913,235	913,235
Subtotal	**-**	**-**	**-**	**40,000**	**-**	**-**	**40,000**	**2,928,400**	**3,661,438**	**1,237,907**	**7,867,745**
NONANNUALLY BUDGETED FUNDS											
Donations & Gifts to UP	-	-	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL	**12,026,233**	**614,139**	**2,316,702**	**4,846,067**	**18,010**	**4,000**	**19,825,151**	**3,164,964**	**9,929,535**	**9,344,356**	**42,264,006**

2016 SOURCES BY FUND AND CATEGORY

FUNDS	Taxes	Licenses & Permits	Intergovt Revenue	Charges for Services	Fines & Forfeits	Misc Revenue	TOTAL OPERATING REVENUES	Other Financing Sources	Interfund Transfers	Beginning Fund Balance	TOTAL SOURCES
OPERATING FUNDS											
General	4,882,581	79,030	2,221,950	418,169	500	4,000	7,606,230	227,313	-	1,927,545	9,761,088
Street	455,025	-	-	-	10,000	-	465,025	-	659,062	-	1,124,087
Arterial Street	216,000	-	-	-	-	-	216,000	-	-	3,735	219,735
Real Estate Excise Tax (REET)	645,750	-	-	-	-	-	645,750	-	-	36,327	682,077
Parks and Recreation	226,462	-	-	306,250	-	-	532,712	-	689,609	-	1,222,321
Transportation Benefit District	-	-	-	297,000	-	-	297,000	-	-	287,700	584,700
Traffic Impact Fees	-	-	-	120,000	-	-	120,000	-	-	558,035	678,035
Development Services	-	476,762	-	-	-	-	476,762	-	627,146	-	1,103,908
LRF	500,000	-	-	-	-	-	500,000	-	-	-	500,000
Police/Public Safety	4,605,093	64,100	58,455	64,689	1,020	-	4,793,357	-	-	534,411	5,327,768
Path & Trails	-	-	-	-	-	-	-	-	-	-	-
Strategic Reserve	-	-	-	-	-	-	-	-	-	856,934	856,934
Debt Service	-	-	-	-	-	-	-	-	3,563,103	-	3,563,103
Subtotal Operations	**11,530,911**	**619,892**	**2,280,405**	**1,206,108**	**11,520**	**4,000**	**15,652,836**	**227,313**	**5,538,920**	**4,204,687**	**25,623,756**
ENTERPRISE FUNDS											
Surface Water Management	-	-	-	2,809,437	-	-	2,809,437	-	-	116,815	2,926,252
Subtotal	**-**	**-**	**-**	**2,809,437**	**-**	**-**	2,809,437	**-**	**-**	**116,815**	**2,926,252**
INTERNAL SERVICE FUNDS											
Fleet & Equipment	-	-	-	134,100	-	-	134,100	-	161,150	578,648	873,898
Information Technology & Svcs.	-	-	-	493,100	-	-	493,100	-	253,328	171,302	917,730
Risk Management	-	-	-	148,750	-	-	148,750	-	-	10,044	158,794
Subtotal	**-**	**-**	**-**	**775,950**	**-**	**-**	775,950	**-**	**414,478**	**759,994**	**1,950,422**
CAPITAL PROJECT FUNDS											
Parks	-	-	-	40,800	-	-	40,800	-	-	44,200	85,000
Public Works	-	-	-	-	-	-	-	5,579,000	1,320,812	-	6,899,812
Municipal Facilities	-	-	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**40,800**	**-**	**-**	**40,800**	**5,579,000**	**1,320,812**	**44,200**	**6,984,812**
NONANNUALLY BUDGETED FUNDS											
Donations & Gifts to UP	-	-	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL	**11,530,911**	**619,892**	**2,280,405**	**4,832,295**	**11,520**	**4,000**	**19,279,023**	**5,806,313**	**7,274,210**	**5,125,696**	**37,485,242**

2015-2016 SOURCES BY FUND AND CATEGORY

FUNDS	Taxes	Licenses & Permits	Intergovt Revenue	Charges for Services	Fines & Forfeits	Misc Revenue	TOTAL OPERATING REVENUES	Other Financing Sources	Interfund Transfers	Beginning Fund Balance	TOTAL SOURCES
OPERATING FUNDS											
General	10,341,202	157,280	4,481,900	836,542	1,000	8,000	15,825,924	453,463	-	2,973,896	19,253,283
Street	903,325	-	-	-	20,000	-	923,325	-	1,312,240	-	2,235,565
Arterial Street	428,000	-	-	-	-	-	428,000	-	-	3,735	431,735
Real Estate Excise Tax (REET)	1,275,750	-	-	-	-	-	1,275,750	-	-	100,650	1,376,400
Parks and Recreation	450,682	-	-	612,500	-	-	1,063,182	-	1,396,641	-	2,459,823
Transportation Benefit District	-	-	-	590,600	-	-	590,600	-	-	146,000	736,600
Traffic Impact Fees	-	-	-	240,000	-	-	240,000	-	-	888,035	1,128,035
Development Services	-	949,151	-	25,000	-	-	974,151	-	1,218,167	55,954	2,248,272
LRF	1,000,000	-	-	-	-	-	1,000,000	-	-	-	1,000,000
Police/Public Safety	9,158,185	127,600	115,207	127,824	8,530	-	9,537,346	10,414	-	635,058	10,182,818
Path & Trails	-	-	-	-	-	-	-	-	-	-	-
Strategic Reserve	-	-	-	-	-	-	-	-	-	856,934	856,934
Debt Service	-	-	-	-	-	-	-	-	7,341,027	-	7,341,027
Subtotal Operations	**23,557,144**	**1,234,031**	**4,597,107**	**2,432,466**	**29,530**	**8,000**	**31,858,278**	**463,877**	**11,268,075**	**5,660,262**	**49,250,492**
ENTERPRISE FUNDS											
Surface Water Management	-	-	-	5,591,058	-	-	5,591,058	-	-	1,686,193	7,277,251
Subtotal	**-**	**-**	**-**	**5,591,058**	**-**	**-**	**5,591,058**	**-**	**-**	**1,686,193**	**7,277,251**
INTERNAL SERVICE FUNDS											
Fleet & Equipment	-	-	-	268,800	-	-	268,800	-	306,800	578,648	1,154,248
Information Technology & Svcs.	-	-	-	1,016,738	-	-	1,016,738	-	646,620	171,302	1,834,660
Risk Management	-	-	-	288,500	-	-	288,500	-	-	10,044	298,544
Subtotal	**-**	**-**	**-**	**1,574,038**	**-**	**-**	**1,574,038**	**-**	**953,420**	**759,994**	**3,287,452**
CAPITAL PROJECT FUNDS											
Parks	-	-	-	80,800	-	-	80,800	-	-	280,608	361,408
Public Works	-	-	-	-	-	-	-	8,507,400	4,982,250	44,064	13,533,714
Municipal Facilities	-	-	-	-	-	-	-	-	-	913,235	913,235
Subtotal	**-**	**-**	**-**	**80,800**	**-**	**-**	**80,800**	**8,507,400**	**4,982,250**	**1,237,907**	**14,808,357**
NONANNUALLY BUDGETED FUNDS											
Donations & Gifts to UP	-	-	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL	**23,557,144**	**1,234,031**	**4,597,107**	**9,678,362**	**29,530**	**8,000**	**39,104,174**	**8,971,277**	**17,203,745**	9,344,356	**74,623,553**

*The beginning fund balance reflects only the balance at December 31, 2014.

2015 USES BY FUND AND CATEGORY

FUNDS	City Council	City Manager	Community & Economic Dev.	Finance & Admin Svcs	Public Safety	Public Works, Parks & Recreation	Engineering	TOTAL OPERATING EXPENDITURES	Other Financing Uses	Interfund Transfers	Total Approp	Ending Fund Balance	TOTAL USES
OPERATING FUNDS													
General	298,679	531,773	450,171	1,628,941	-	664,572	294,216	3,868,352	-	5,623,843	9,492,195	1,927,545	11,419,740
Street	-	-	-	-	-	1,111,478	-	1,111,478	-	-	1,111,478	-	1,111,478
Arterial Street	-	-	-	-	-	-	-	-	-	212,000	212,000	3,735	215,735
Real Estate Excise Tax (REET)	-	-	-	-	-	-	-	-	-	694,323	694,323	36,327	730,650
Parks and Recreation	-	-	-	-	-	1,237,502	-	1,237,502	-	-	1,237,502	-	1,237,502
Transportation Benefit District	-	-	-	5,900	-	-	-	5,900	-	146,000	151,900	287,700	439,600
Traffic Impact Fees	-	-	-	-	-	-	-	-	-	450,000	450,000	558,035	1,008,035
Development Services	-	-	1,144,364	-	-	-	-	1,144,364	-	-	1,144,364	-	1,144,364
LRF	-	-	-	500,000	-	-	-	500,000	-	-	500,000	-	500,000
Police/Public Safety	-	-	-	-	4,832,850	-	-	4,832,850	-	22,200	4,855,050	534,411	5,389,461
Path & Trails	-	-	-	-	-	-	-	-	-	-	-	-	-
Strategic Reserve	-	-	-	-	-	-	-	-	-	-	-	856,934	856,934
Debt Service	-	-	-	3,777,924	-	-	-	3,777,924	-	-	3,777,924	-	3,777,924
Subtotal Operations	**298,679**	**531,773**	**1,594,535**	**5,912,765**	**4,832,850**	**3,013,552**	**294,216**	**16,478,370**	**-**	**7,148,366**	**23,626,736**	**4,204,687**	**27,831,423**
ENTERPRISE FUNDS													
Surface Water Management	-	-	-	-	-	746,855	372,038	1,118,893	480,508	2,751,597	4,350,998	116,816	4,467,814
Subtotal	**-**	**-**	**-**	**-**	**-**	**746,855**	**372,038**	**1,118,893**	**480,508**	**2,751,597**	**4,350,998**	**116,816**	**4,467,814**
INTERNAL SERVICE FUNDS													
Fleet & Equipment	-	-	-	-	-	-	-	-	280,350	-	280,350	578,648	858,998
Information Technology & Svcs.	-	-	-	-	-	-	-	-	916,930	-	916,930	171,302	1,088,232
Risk Management	-	-	-	-	-	-	-	-	139,750	-	139,750	10,044	149,794
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,337,030**	**-**	**1,337,030**	**759,994**	**2,097,024**
CAPITAL PROJECT FUNDS													
Parks	-	-	-	-	-	-	-	-	276,408	-	276,408	44,200	320,608
Public Works	-	-	-	-	-	-	-	-	6,633,902	-	6,633,902	-	6,633,902
Municipal Facilities	-	-	-	-	-	-	-	-	913,235	-	913,235	-	913,235
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**7,823,545**	**-**	**7,823,545**	**44,200**	**7,867,745**
NONANNUALLY BUDGETED FUNDS													
Donations & Gifts to UP	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**			**-**	**-**	**-**	**-**	**-**	**-**
TOTAL	**298,679**	**531,773**	**1,594,535**	**5,912,765**	**4,832,850**	**3,760,407**	**666,254**	**17,597,263**	**9,641,083**	**9,899,963**	**37,138,309**	**5,125,697**	**42,264,006**

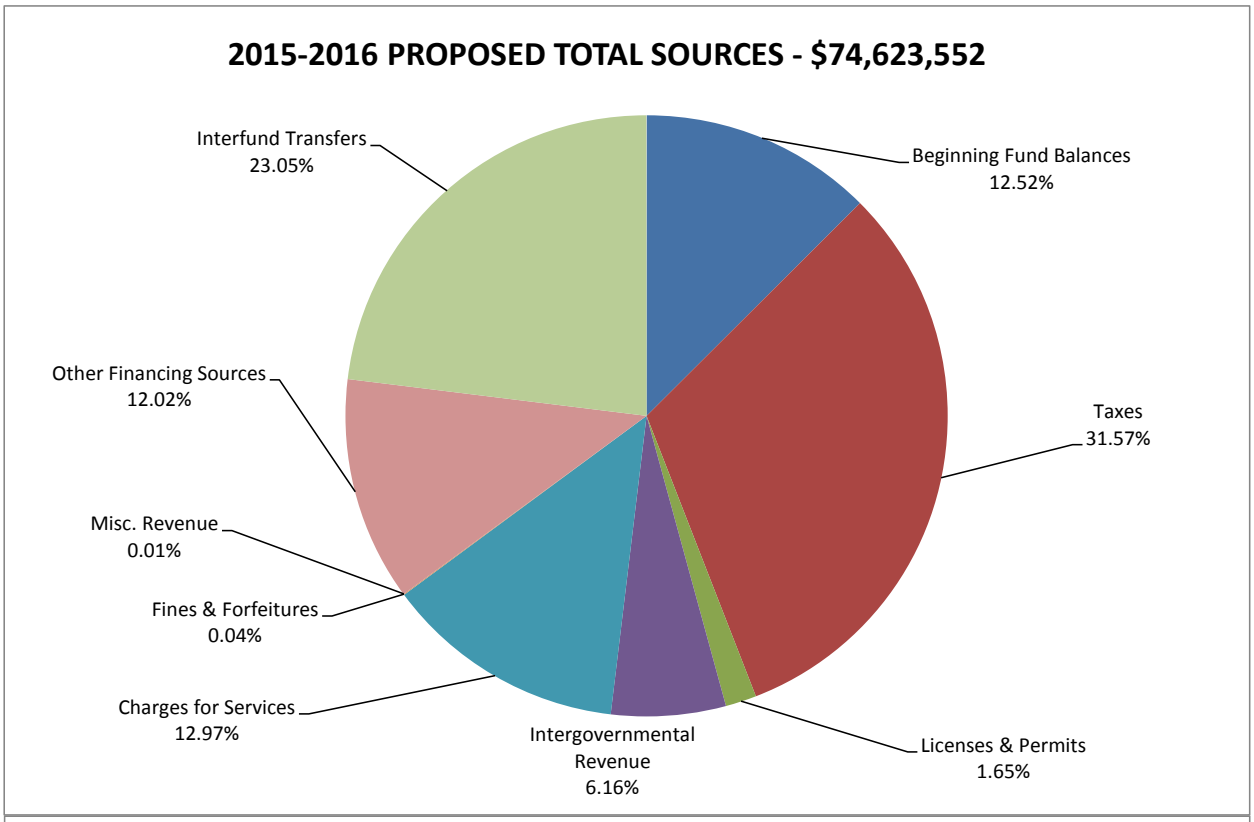
2016 USES BY FUND AND CATEGORY

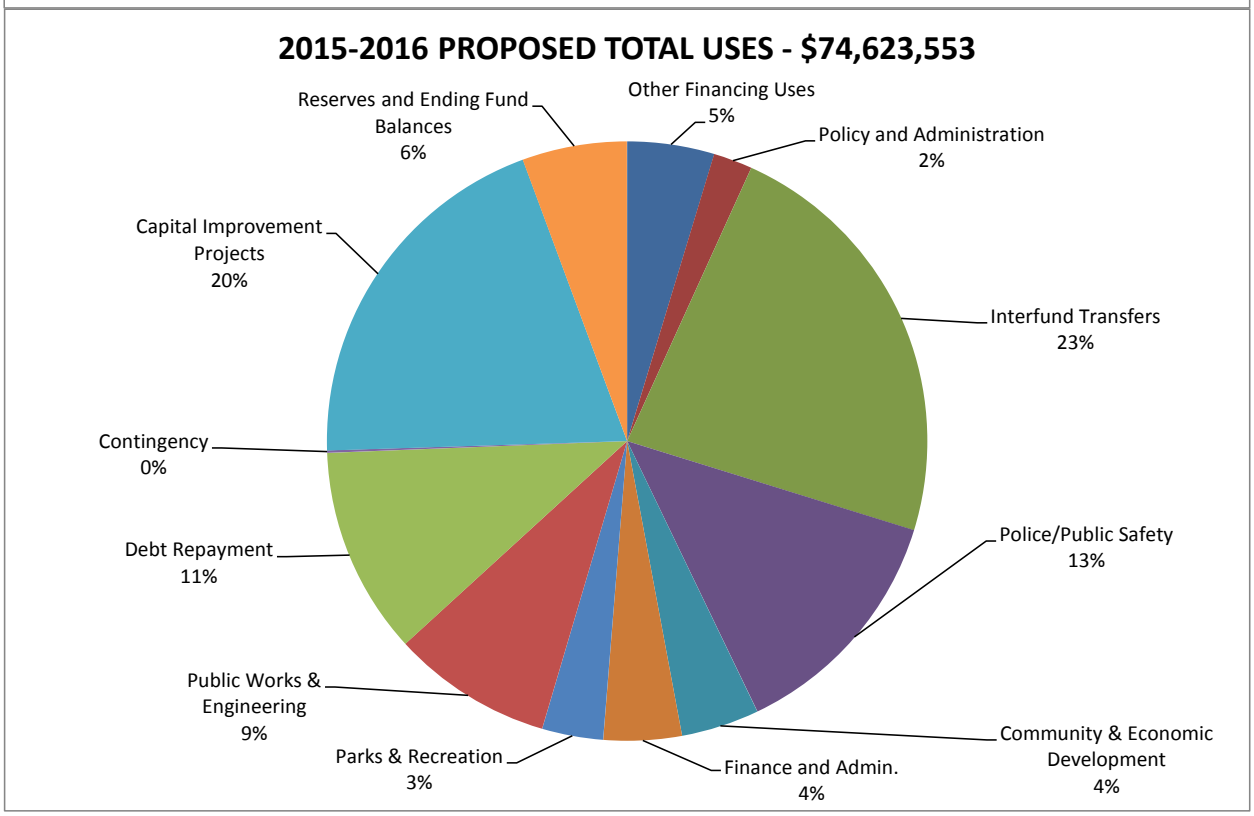
FUNDS	City Council	City Manager	Community & Economic Dev.	Finance & Admin Svcs	Public Safety	Public Works, Parks & Recreation	Engineering	TOTAL OPERATING EXPENDITURES	Other Financing Uses	Interfund Transfers	Total Approp	Ending Fund Balance	TOTAL USES
OPERATING FUNDS													
General	199,877	541,156	440,844	1,595,963	-	672,049	302,016	3,751,905	-	4,985,148	8,737,053	1,024,035	9,761,088
Street	-	-	-	-	-	1,124,087	-	1,124,087	-	-	1,124,087	-	1,124,087
Arterial Street	-	-	-	-	-	-	-	-	-	216,000	216,000	3,735	219,735
Real Estate Excise Tax (REET)	-	-	-	-	-	-	-	-	-	639,853	639,853	42,224	682,077
Parks and Recreation	-	-	-	-	-	1,222,321	-	1,222,321	-	-	1,222,321	-	1,222,321
Transportation Benefit District	-	-	-	5,950	-	-	-	5,950	-	287,700	293,650	291,050	584,700
Traffic Impact Fees	-	-	-	-	-	-	-	-	-	-	-	678,035	678,035
Development Services	-	-	1,103,908	-	-	-	-	1,103,908	-	-	1,103,908	-	1,103,908
LRF	-	-	-	500,000	-	-	-	500,000	-	-	500,000	-	500,000
Police/Public Safety	-	-	-	-	4,915,429	-	-	4,915,429	-	1,200	4,916,629	411,139	5,327,768
Path & Trails	-	-	-	-	-	-	-	-	-	-	-	-	-
Strategic Reserve	-	-	-	-	-	-	-	-	-	-	-	856,934	856,934
Debt Service	-	-	-	3,563,103	-	-	-	3,563,103	-	-	3,563,103	-	3,563,103
Subtotal Operations	**199,877**	**541,156**	**1,544,752**	**5,665,016**	**4,915,429**	**3,018,457**	**302,016**	**16,186,703**	**-**	**6,129,901**	**22,316,604**	**3,307,152**	**25,623,756**
ENTERPRISE FUNDS													
Surface Water Management	-	-	-	-	-	771,276	378,723	1,149,999	481,858	1,147,373	2,779,230	147,022	2,926,252
Subtotal	-	-	-	-	-	771,276	378,723	1,149,999	481,858	1,147,373	2,779,230	147,022	2,926,252
INTERNAL SERVICE FUNDS													
Fleet & Equipment	-	-	-	-	-	-	`	-	295,250	-	295,250	578,648	873,898
Information Technology & Svcs.	-	-	-	-	-	-	-	-	746,428	-	746,428	171,302	917,730
Risk Management	-	-	-	-	-	-	-	-	148,750	-	148,750	10,044	158,794
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,190,428**	**-**	**1,190,428**	**759,994**	**1,950,422**
CAPITAL PROJECT FUNDS													
Parks	-	-	-	-	-	-	-	-	85,000	-	85,000	-	85,000
Public Works	-	-	-	-	-	-	-	-	6,899,812	-	6,899,812	-	6,899,812
Municipal Facilities	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**6,984,812**	**-**	**6,984,812**	**-**	**6,984,812**
NONANNUALLY BUDGETED FUNDS													
Donations & Gifts to UP	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**			**-**	**-**	**-**	**-**	**-**	**-**
TOTAL	**199,877**	**541,156**	**1,544,752**	**5,665,016**	**4,915,429**	**3,789,733**	**680,739**	**17,336,702**	**8,657,098**	**7,277,274**	**33,271,074**	**4,214,168**	**37,485,242**

2015-2016 USES BY FUND AND CATEGORY

FUNDS	City Council	City Manager	Community & Economic Dev.	Finance & Admin Svcs	Public Safety	Public Works, Parks & Recreation	Engineering	TOTAL OPERATING EXPENDITURES	Other Financing Uses	Interfund Transfers	Total Approp	Ending Fund Balance	TOTAL USES
OPERATING FUNDS													
General	498,556	1,072,929	891,015	3,224,904	-	1,336,621	596,232	7,620,257	-	10,608,991	18,229,248	1,024,035	19,253,283
Street	-	-	-	-	-	2,235,565	-	2,235,565	-	-	2,235,565	-	2,235,565
Arterial Street	-	-	-	-	-	-	-	-	-	428,000	428,000	3,735	431,735
Real Estate Excise Tax (REET)	-	-	-	-	-	-	-	-	-	1,334,176	1,334,176	42,224	1,376,400
Parks and Recreation	-	-	-	-	-	2,459,823	-	2,459,823	-	-	2,459,823	-	2,459,823
Transportation Benefit District	-	-	-	11,850	-	-	-	11,850	-	433,700	445,550	291,050	736,600
Traffic Impact Fees	-	-	-	-	-	-	-	-	-	450,000	450,000	678,035	1,128,035
Development Services	-	-	2,248,272	-	-	-	-	2,248,272	-	-	2,248,272	-	2,248,272
LRF	-	-	-	1,000,000	-	-	-	1,000,000	-	-	1,000,000	-	1,000,000
Police/Public Safety	-	-	-	-	9,748,279	-	-	9,748,279	-	23,400	9,771,679	411,139	10,182,818
Path & Trails	-	-	-	-	-	-	-	-	-	-	-	-	-
Strategic Reserve	-	-	-	-	-	-	-	-	-	-	-	856,934	856,934
Debt Service	-	-	-	7,341,027	-	-	-	7,341,027	-	-	7,341,027	-	7,341,027
Subtotal Operations	**498,556**	**1,072,929**	**3,139,287**	**11,577,781**	**9,748,279**	**6,032,009**	**596,232**	**32,665,073**	**-**	**13,278,267**	**45,943,340**	**3,307,152**	**49,250,492**
ENTERPRISE FUNDS													
Surface Water Management	-	-	-	-	-	1,518,131	750,761	2,268,892	962,366	3,898,970	7,130,228	147,022	7,277,250
Subtotal	**-**	**-**	**-**	**-**	**-**	**1,518,131**	**750,761**	**2,268,892**	**962,366**	**3,898,970**	**7,130,228**	**147,022**	**7,277,250**
INTERNAL SERVICE FUNDS													
Fleet & Equipment	-	-	-	-	-	-	-	-	575,600	-	575,600	578,648	1,154,248
Information Technology & Svcs.	-	-	-	-	-	-	-	-	1,663,358	-	1,663,358	171,302	1,834,660
Risk Management	-	-	-	-	-	-	-	-	288,500	-	288,500	10,044	298,544
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2,527,458**	**-**	**2,527,458**	**759,994**	**3,287,452**
CAPITAL PROJECT FUNDS													
Parks	-	-	-	-	-	-	-	-	361,408	-	361,408	-	361,408
Public Works	-	-	-	-	-	-	-	-	13,533,714	-	13,533,714	-	13,533,714
Municipal Facilities	-	-	-	-	-	-	-	-	913,235	-	913,235	-	913,235
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**14,808,357**	**-**	**14,808,357**	**-**	**14,808,357**
NONANNUALLY BUDGETED FUNDS													
Donations & Gifts to UP	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**			**-**	**-**	**-**	**-**	**-**	**-**
TOTAL	**498,556**	**1,072,929**	**3,139,287**	**11,577,781**	**9,748,279**	**7,550,140**	**1,346,993**	**34,933,965**	**18,298,181**	**17,177,237**	**70,409,383**	**4,214,168**	**74,623,553**

*The ending fund balance reflects only the balance at December 31, 2016.


2015-2016 PROPOSED TOTAL SOURCES - $74,623,552
Interfund Transfers 23.05%
Beginning Fund Balances 12.52%
Other Financing Sources 12.02%
Taxes 31.57%
Misc. Revenue 0.01%
Fines & Forfeitures 0.04%
Charges for Services 12.97%
Intergovernmental Revenue 6.16%
Licenses & Permits 1.65%


2015-2016 PROPOSED TOTAL USES - $74,623,553
Reserves and Ending Fund Balances 6%
Other Financing Uses 5%
Policy and Administration 2%
Capital Improvement Projects 20%
Interfund Transfers 23%
Contingency 0%
Debt Repayment 11%
Police/Public Safety 13%
Public Works & Engineering 9%
Community & Economic Development 4%
Parks & Recreation 3%
Finance and Admin. 4%

ENDING FUND BALANCES

The following illustrate the City's ending fund balances between 2010 and 2014. The fund balances are segregated into three major components: unreserved/undesignated, reserved, and designated (such as Strategic Reserve).

ENDING FUND BALANCES
Table 1

	2012 Actual	2013 Actual	2014 Adopted	2014 Revised	2014 Estimate	2015 Proposed	2016 Proposed
Component							
CIP-Parks	446,119	$ 531,109	$ -	$ -	$ 280,608	$ 44,200	$ -
CIP-PW	2,396,183	630,219	-	-	44,064	-	-
CIP-Municipal Facilities	2,737	-	-	913,235	913,235	-	-
CIP-REET	198,497	218,242	21,830	91,007	100,650	36,327	42,224
Street	6,188	-	-	-	-	-	-
Arterial Street	20,984	13,137	-	3,735	3,735	3,735	3,735
CIP-Traffic Impact Fees	455,966	843,035	947,588	880,347	888,035	558,035	678,035
Development Services	8,085	2,868	-	24,890	55,954	-	-
Transportation Benefit District	-	-	-	146,000	146,000	287,700	291,050
CIP - LRF	3,419,680	3,301,301	-	-	-	-	-
Path & Trails	3,208	3,235	2,563	2,759	-	-	-
Debt Servoce	-	(0)	-	-	-	-	-
SWM	1,937,076	4,403,325	3,154,696	1,615,842	1,686,193	116,816	147,022
Subtotal Reserved	8,894,723	9,946,471	4,126,677	3,677,815	4,118,474	1,046,813	1,162,066
Strategic Reserve	856,934	856,934	856,934	856,934	856,934	856,934	856,934
Donations	-	67,505	-	-	-	-	-
Parks and Recreation	249,729	-	-	-	-	-	-
Police and Public Safety	63,408	684,019	57,787	642,445	635,058	534,411	411,139
Risk Management	10,044	10,044	-	10,044	10,044	10,044	10,044
Fleet	827,428	616,449	1,949	578,648	578,648	578,648	578,648
IT	276,002	172,039	737	171,302	171,302	171,302	171,302
Subtotal Designated	2,283,545	2,406,989	917,407	2,259,373	2,251,986	2,151,339	2,028,067
Unreserved/Undesignated	2,202,291	2,575,721	894,154	1,993,100	2,973,896	1,927,545	1,024,035
Total Ending Fund Balances	**$ 13,380,557**	**$ 14,929,180**	**$ 5,938,238**	**$ 7,930,288**	**$ 9,344,356**	**$ 5,125,697**	**$ 4,214,168**

UNAPPROPRIATED FUND BALANCES

The unreserved/undesignated fund balance is the balance of net financial resources that are available for appropriation. The 2015/2016 proposed budget estimates the unappropriated fund balance to total $1,927,545 at the end of 2015 and $1,024,035 at the end of 2016. While not legally restricted, staff is recommending that these reserves are to be retained for cash reserve purposes.

RESERVED ENDING FUND BALANCES

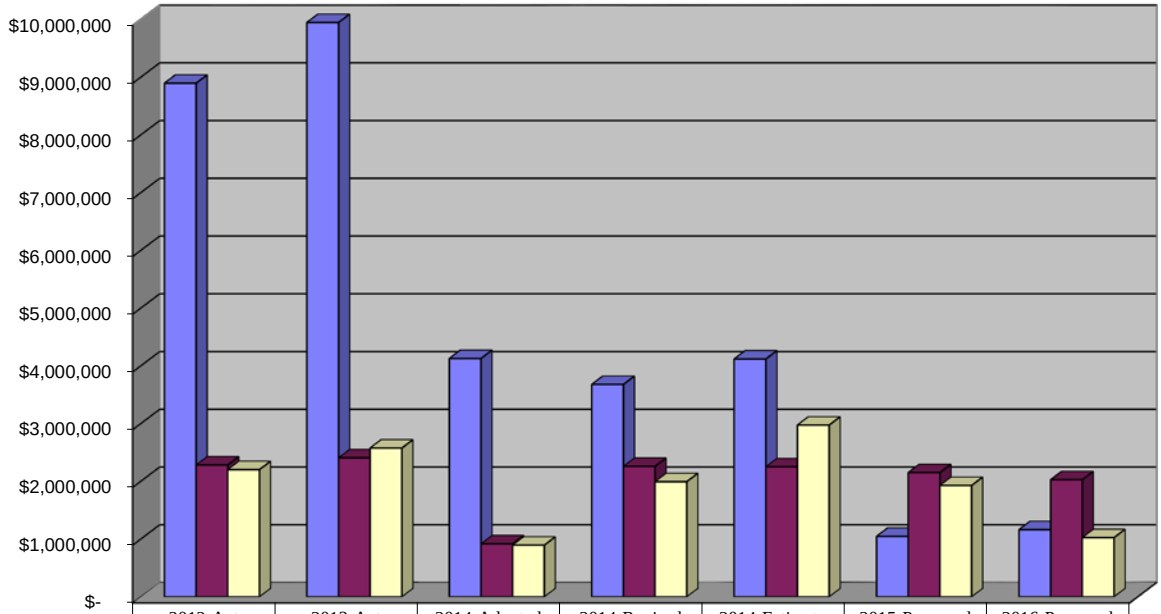
The second component of ending fund balances are those funds reserved for a specific purpose. These funds are not available for appropriation because they are legally restricted. Reserved monies are estimated to total $1,046,813 for 2015, and $1,162,066 for 2016. These funds are reserved for use in support of the City's Capital Improvement Plan, Streets Maintenance, and Surface Water Management.

DESIGNATED ENDING FUND BALANCES

The third component of ending fund balances, totaling $2,151,339 in 2015 and $2,028,067 in 2015, are those monies that have been earmarked for the strategic reserve fund, replacement reserves, property and liability insurance, Internal Service funds, Donations fund, Parks and Recreation, Development Services, Police and

Public Safety. The purpose of the strategic reserve is to provide some fiscal means for the City to respond to potential adversities such as public emergencies, natural disasters, or similar major, unanticipated events. Replacement reserves and insurance reserves are collected through charges to the City's general fund, and permit the accumulation of cash reserves for future replacement of the City's assets to smooth out further budgetary impacts, and to provide insurance coverage through the Washington Cities Insurance Authority.

CITY OF UNIVERSITY PLACE
ENDING FUND BALANCES
2012-2016



	2012-Act	2013-Act	2014-Adopted	2014-Revised	2014-Estimate	2015-Proposed	2016-Proposed
Reserved	$8,894,723	$9,946,471	$4,126,677	$3,677,815	$4,118,474	$1,046,813	$1,162,066
Designated	$2,283,545	$2,406,989	$917,407	$2,259,373	$2,251,986	$2,151,339	$2,028,067
Undesignated	$2,202,291	$2,575,721	$894,154	$1,993,100	$2,973,896	$1,927,545	$1,024,035

REVENUE ASSUMPTIONS

The following provides the assumptions made to compute the major City revenues for upcoming 2015-2016 biennium. The revenue estimates are both conservative and realistic.

TAXES

Tax revenues in 2015 are expected to increase from the 2014 original budget estimate. The increase in property taxes is limited to 1%. Sales tax and utility tax revenues are projected to be flat when compared with 2014 year end estimates. Real estate excise tax collections (REET) are anticipated to be higher in 2015 with a slight increase from the 2014 year end estimate, primarily due to increased home sales due to the improved economy. The City is not anticipating Town Center land sales and therefore has not included any construction related revenues from Town Center in the biennium.

Property Taxes

The City of University Place portion makes up approximately 8% of the total bill received by property owners. Since the City currently has no voter-approved outstanding bonds, there is no voter-approved levy to support the annual debt service on that debt. The City's levy is therefore Council-approved. The adopted revenue estimates include a 1% increase in property taxes for both 2015 and 2016. In August, 2010, the City Council approved a resolution dedicating the property tax to public safety and defined public safety expenses to include expenses for police services, court services, jail, city attorney's office, crime prevention, animal control, code enforcement and emergency management.

2014 Total Property Tax
Per $1,000 Assessed Value

School		7.17
Fire & EMS		3.52
State		2.53
Pierce County		1.66
City of University Place		1.43
Pierce County Rural Library		0.50
Port of Tacoma	$	0.18
	$	16.99

Sales Tax

Sales tax is one of the City's most economically sensitive revenue sources and one of the more volatile components of the General Fund budget. The 2015 sales tax budget is projected to increase approximately 13.0% to $2,600,000 when compared with the 2014 year end estimate, due in large part to projected US Open Sales ($400,000) and projected construction sales tax from the Pierce County Wastewater Treatment Plant project which began in 2013. The 2016 budget is projected to be $2,020,000.

The following graph compares actual retail sales tax collections by industry sector between 2009 and 2013. Retail trade continues to generate the largest component of sales activity (36.95%), followed by Contracting (23.88%).

Sales Tax Collections by Type
2009 to 2013

	2009	2010	2011	2012	2013
Retail Trade	33.9%	39.8%	40.5%	40.3%	36.9%
Services	17.9%	19.7%	21.1%	20.5%	17.4%
Contracting	24.8%	17.1%	15.3%	16.6%	23.9%
Transportation, Utilities & Communicatio	6.3%	8.2%	7.5%	7.4%	6.8%
Wholesale	4.4%	4.4%	3.4%	3.3%	3.4%
Manufacturing	1.4%	1.5%	1.4%	1.9%	1.2%
Finance, Insurance, and Real Estate	6.8%	3.8%	3.4%	3.4%	3.5%
Government	1.5%	1.6%	1.6%	2.0%	1.9%
Other	3.0%	4.0%	5.8%	4.6%	4.8%

The 2014 year-end sales tax estimate takes into account recent trends in sales tax collections. The increase is attributable to favorable economic conditions affecting construction. It should be noted that construction activity is very cyclical and subject to large swings as the economic climate improves or recedes. Overall the construction climate in the Puget Sound region is showing signed of improvement compared to historical trends.

The local sales tax rate is 9.4%. However, 15% of this additional sales tax within cities and towns is allocated to their respective counties and 1% is allocated to the State. For a county to fully share in a city's optional tax, it has to impose the optional tax in the unincorporated area at a rate equal to that in the city. The City of University Place levies the full rate allowed by the state (1%), with 15% of this amount allocated to Pierce County and 1% allocated to State Department of Revenue. Therefore, the City's effective sales tax rate is .84% or 9.0% of the total sales tax rate (9.4%).

Sales Tax Allocation

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

Sales Tax-Parks

In September 2000, the voters of Pierce County approved a sales and use tax increase equal to one-tenth of one percent (0.1%) within Pierce County to provide funds to acquire, improve, rehabilitate, maintain, or develop regional and local parks. Fifty percent of the funds are allocated to the Point Defiance Zoo and Northwest Trek. The remaining fifty percent of the funds are allocated on a per capita basis for parks to Pierce County (with a required match), the Tacoma Metropolitan Park District, and each city and town in Pierce County (except Tacoma). The City of University Place can expect to receive $224,220 and $226,462 in 2015 and 2016, respectively. General Obligation Bonds totaling $2.4 million were issued in 2001 to leverage this revenue source and make basic infrastructure improvements at Cirque Park, a 23 acre facility purchased in 1997. The City completed construction of this park in 2006

Admissions Tax

Effective December 1, 1999, the City Council approved a 5% admissions tax on every person who pays an admission charge to any movie theater, golf course, entertainment or special events activity. The 2015 estimate for admission taxes is $176,750. The 2016 estimate is $178,518.

Utility Tax

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

The 2015 and 2016 estimates for utility tax remain flat at $2,459,000 each year. The schedule below summarizes utility tax revenue collections between 2012 and 2016.

	2012 Actual	2013 Actual	2014 Estimate	2015 Proposed	2016 Proposed
Gas	$ 452,575	$ 415,580	$ 455,000	$ 460,000	$ 460,000
Solid Waste Garbage	328,598	332,074	340,000	340,000	340,000
Cable	600,951	630,205	630,000	630,000	630,000
Telephone	219,881	209,750	210,000	210,000	210,000
Cellular	690,519	653,820	640,000	640,000	640,000
Storm Drainage	176,228	177,689	179,000	179,000	179,000
Total	$ 2,468,752	$ 2,419,118	$ 2,454,000	$ 2,459,000	$ 2,459,000

Real Estate Excise Tax (REET)

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

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

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

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

Given REET revenues are very cyclical and subject to certain fundamental economic changes that do not occur at the same point every year, the 2015 and 20164 estimates are projected to total $630,000 and $645,750 respectively.

Permits and Licenses

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

The 2015 revenue projections include $2,199,950 for franchise fees, including water and electric fees from Tacoma Public Utilities. The 2016 estimate projects an increase to $2,221,950.

The City collects franchise fees from Comcast Cable, Click! Cable Network for the right to use the City's right-of-way. These cable TV franchise fees are governed by federal law and are levied at a rate of 5% of gross revenues with 80% of the revenue remitted directly to the City and the remaining 20% remitted to the Rainier Cable Commission in support of Public, Education, and Government (PEG) cable programming.

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

Development Services Fees

The revenue projections include $472,389 in 2015 and $476,762 in 2016 for development services fees. These fees consist of building permit fees, plumbing permit fees, mechanical permit fees, right-of-way fees, and plan check fees issued through the City's Development Services Division.

Fuel Excise Tax

The state shares fuel tax revenues with cities and towns after deductions for various purposes have been made. With the change in the law in 2008, cities now receive 10.69% of the first 23 cents and 8.33% of the remaining 6 cents to be deposited into their street fund for street maintenance and construction. There is no longer a requirement to use a specific percentage for the construction and improvement of arterial highways and city streets. Fuel taxes are projected to remain relatively flat at $660,000 in 2015 and 671,025 in 2016.

Other Revenues

Parks and Recreation revenues are projected to increase by 12.8% to $1,237,502 in 2015 and decrease slightly to $1,222,321 in 2016. These revenue amounts include a $707,032 subsidy from the city's General Fund in 2015 and $689,609 in 2016. In 2010 the Parks and Recreation division was moved to a separate special revenue fund. The division has included a few new programs in its 2015-2016 budget.

The SWM Administrative Fee, which covers general governmental services, is projected at $480,508 in 2015 and $481,858 in 2016. The overhead rate of 16.5% was determined using a study performed by Management Consultants to establish a rate that would meet federal OMB regulations.

The City pools its available cash and invests the money in the State pool. Additionally a small portion of undesignated cash was invested in 2014 in a 3 year government bond. All interest income is deposited into the General Fund.

Interfund transfers are contributions from one City fund to another in support of the activities of the receiving fund. The interfund transfers are needed because tax revenue received in one state mandated fund may be needed to pay for costs actually charged to another fund, as with the CIP capital construction. Other transfers are required when the revenues available are insufficient to pay the costs associated with that activity, as is the case with the transfer of general fund dollars to the Street Fund and Recreation Fund.

ECONOMIC CONDITIONS AND OUTLOOK FOR THE FUTURE

Overview

The City is committed to continued overall low tax levels, higher services, capital improvements, and financial stability. This is the City of University Place's vision and our budget for 2015-2016. The objective of this outlook is to provide the best estimate of the effect of program and economic conditions on the biennial and subsequent year budgets. It is particularly valuable in showing the relationship and effect on major components of the City's financial system and in summarizing otherwise widely disbursed information on national, regional and local economic trends.

Economic Trends

National

The United States Bureau of Economic Analysis reported that the Real Gross Domestic Product (GDP) rose 1.9 percent in 2013. The increase primarily reflected positive contributions from personal consumption expenditures (PCE), exports, nonresidential fixed investment, and residential fixed investment that were partly offset by negative contributions from private inventory investment and state and local government spending. Imports, which are a subtraction in the calculation of GDP, increased.

The Bureau of Labor Statistics reported that the consumer price index (CPI) increase by 2.0% in June, 2014, compared to 1.5% in 2013 and 1.7 percent in 2012.

In the housing market, the National Association of Home Builders (NHBA) reported on a 3-month moving average basis from August 2013 single family construction spending increased 9.1% % and multifamily construction spending increased 39.2%. The NHBA also reported builder confidence hit the highest level since 2005 and hew home sales topped 500,00 in August 2014, the highest since 2008 according to recent data released by the U.S. Department of Housing and Urban Development and the U.S. Census Bureau.

According to the HHBA August 29, 2014 forecast of housing starts, single family starts will should increase from 649,000 in 2014 to 875,000 in 2015 and 1,173,000 in 2016. Multi-family starts are forecast to increase from 352,000 in 2014 to 364,000 in 2015 and 370,000 in 2016.

According to the Bureau of Labor Statistics the unemployment rate increased slightly to 6.7 percent in December, 2013. The unemployment rate is projected to remain at or near this level in 2014 as the economy continues itS slow recovery.

Puget Sound

Existing home sales increased in the first and second quarter of 2014, due in large part to the low interest rates. Although University Place has not experienced the extreme loss in home value as has been the case in other areas of Puget Sound, average assessed values declined by approximately 4% in University Place homes in 2012, but increased slightly in both 2013 and 2014. University Place has seen an increase in new single family construction. Development activity in University Place is still showing mild strength with the Waste Water Treatment Plant expansion, and the remodeling of existing homes.

City of University Place

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

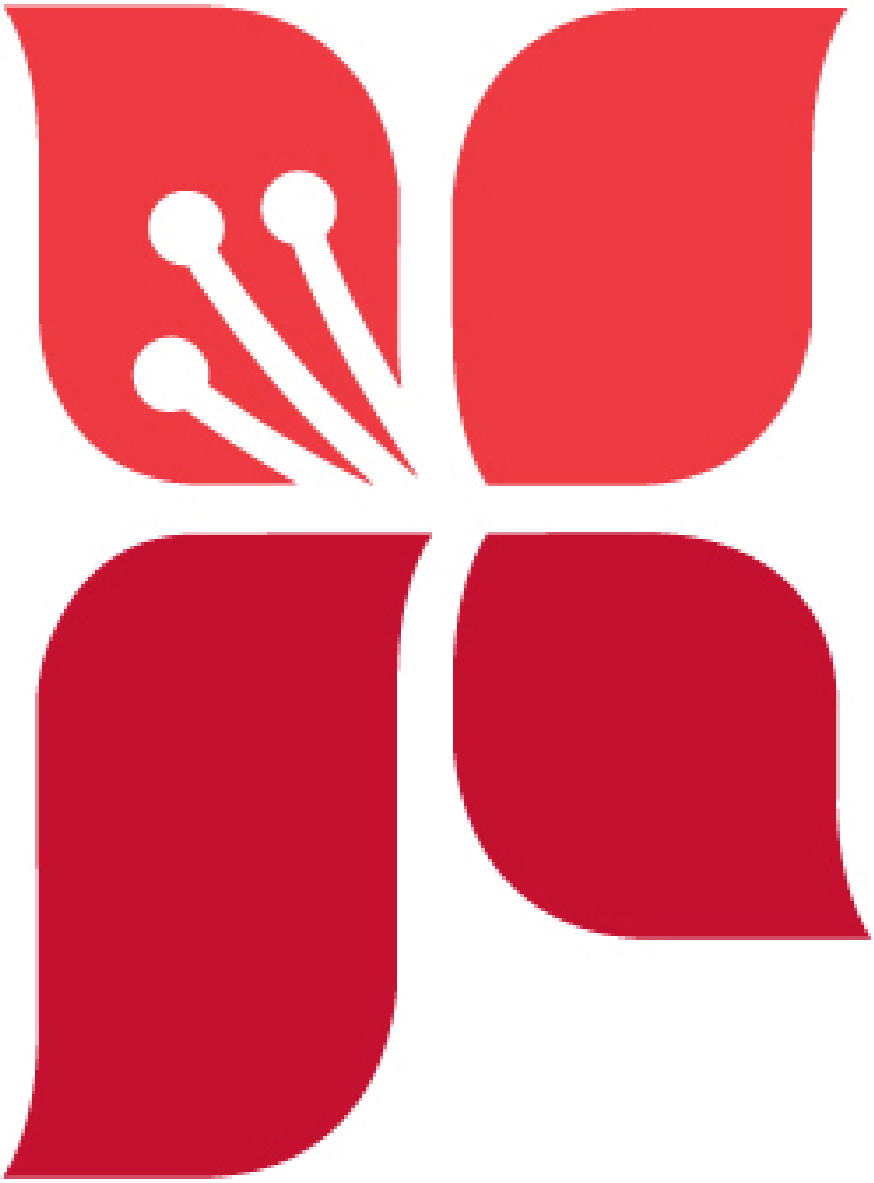
The total number of licensed businesses in the City increased from 2,010 in 2012 to 2,253 in 2013. Our top categories of businesses include medical, dental and optical; restaurants and cafes; and personal care salons and spas. University Place continues to have a strong services sector and education sector.

In 2013, the top ten employers in University Place were: McDonald's Restaurants

1. The University Place School District
2. Franciscan Health System
3. Fred Meyer Stores
4. Pierce County Government
5. Soundcare, Inc.
6. Charles Wright Academy
7. Safeway Stores, Inc.
8. Kemper Sports
9. McDonald's Restaurants
10. West Pierce Fire District

The City Council has long concluded that diversification and expansion of the City's tax base is essential to the City's ability to deliver on its promises. In that regard, the City continues to pursue redevelopment of approximately __ acres owned by the City in the City's central business district –Town Center. In 2013, a private developer completed construction of a five-story mixed-use building just north of the Civic Building. The mixed-use building, developed by SEB Inc., includes 12,000 square feet of commercial space on the ground level and 100 residential units on the second through fifth floors. In 2013, the City has executed another agreement with SEB Inc., to develop two additional mixed-use buildings south of the Civic Building. These new buildings will be completed in phases over the next couple years and will add substantial additional retail and residential square footage to Town Center. The Town Center project is located within the UPtown district, which spans from 35th to 44th along Bridgeport Way and includes a variety of office and commercial uses with new buildings built or planned in several locations.

Chambers Bay Golf Course – This championship caliber 18-hole links style regional destination golf course opened in June, 2007 to rave reviews. The course was selected in April, 2008 to host the 2010 U.S Amateur Open Golf Tournament and the 2015 U.S. Open. The 2010 U.S. Amateur Open was highly successful. Tax revenues are eventually expected to be more than $300,000 annually, and the benefit to the City of University Place from the U.S. Open alone is expected to be more than $1.2 million. The golf course is part of the overall Chambers Creek Master Site Plan that includes walking and bike trails, botanical gardens, boat launch, off-leash dog park, ballfields, playgrounds and the recently completed pedestrian bridge over the railroad that opened two miles of beach along the Puget Sound to public access.



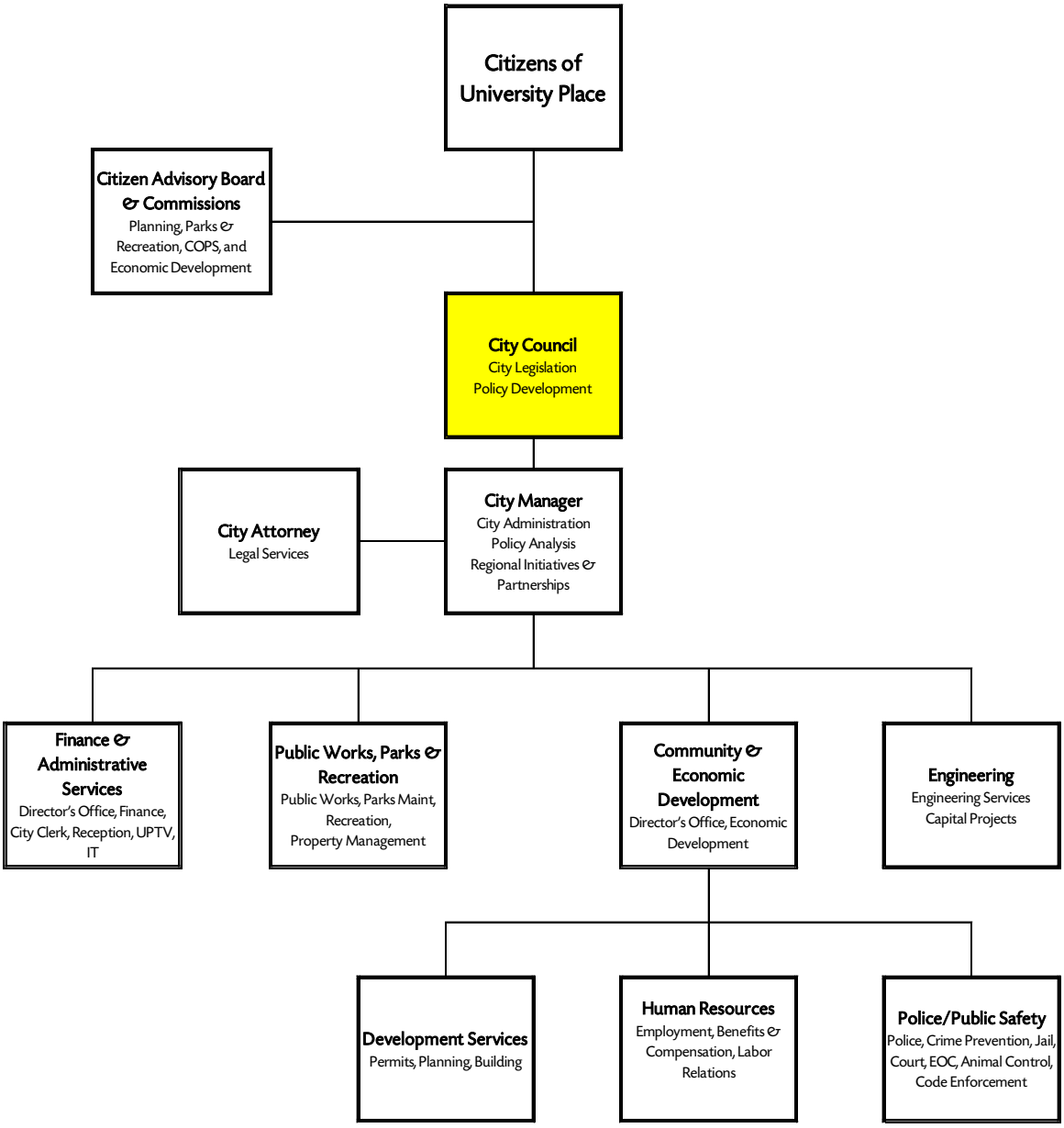
OPERATING EXPENDITURES BY DEPARTMENT

KOBAYASHI PROPERTY

PHOTO INFORMATION: KOBAYASHI PROPERTY

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

CITY COUNCIL



City Council

Mission and Responsibilities

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

Goals/Major Objectives

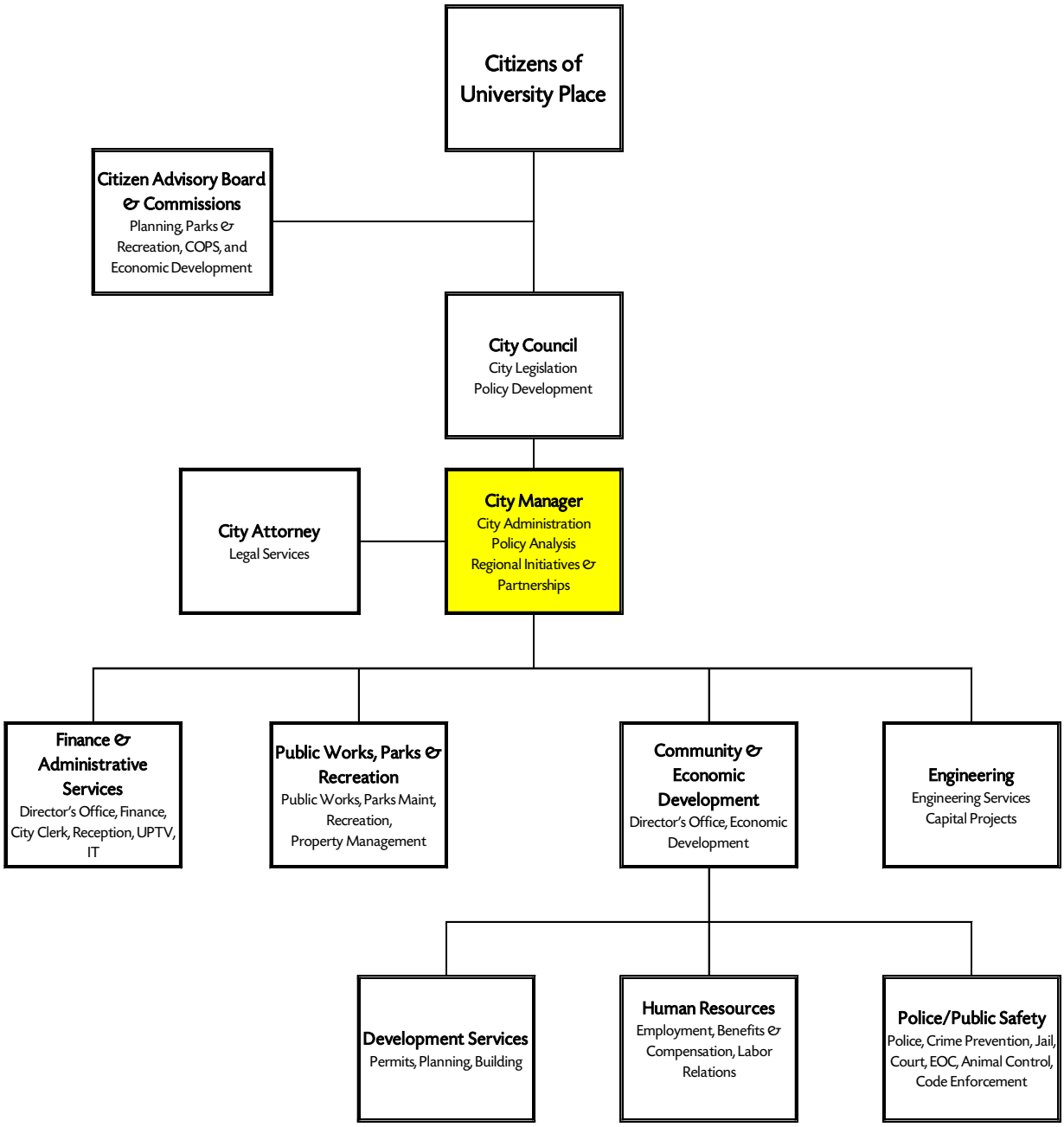
- A safer, more livable community
- Increased community economic vitality
- Better financial conditions
- Greater citizen trust and confidence

Highlights and Changes:

- Develop policy to support 2015-2016 Goals
- Improved parks and recreation
- Better infrastructure
- More beautiful City
- A full-service, self-sufficient community
- Improved business climate

	2012 Actuals	2013 Actuals	2014 Adopted	2014 Revised	2014 Estimate	2015 Proposed	2016 Proposed
Expenditure by Object							
Salaries & Wages	$ 201,051	$ 202,834	$ 126,583	$ 126,583	$ 126,310	$ 122,976	$ 122,976
Benefits	18,166	45,965	11,526	23,526	34,514	24,866	26,064
Supplies	1,920	4,372	2,000	4,500	4,500	4,500	4,500
Services & Charges	14,171	13,806	20,725	20,725	12,508	46,337	46,337
US Open	-	4,452	5,000	62,548	62,548	100,000	-
Capital	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Internal Service Charges	-	-	-	-	-	-	-
Total Operating Expenditures	$ 235,308	$ 271,430	$ 165,834	$ 237,882	$ 240,380	$ 298,679	$ 199,877
Personnel							
Mayor	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Mayor Pro-Tem	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Councilmembers	5.00	5.00	5.00	5.00	5.00	5.00	5.00

CITY MANAGER



City Manager

Mission and Responsibilities

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

Goals/Major Objectives

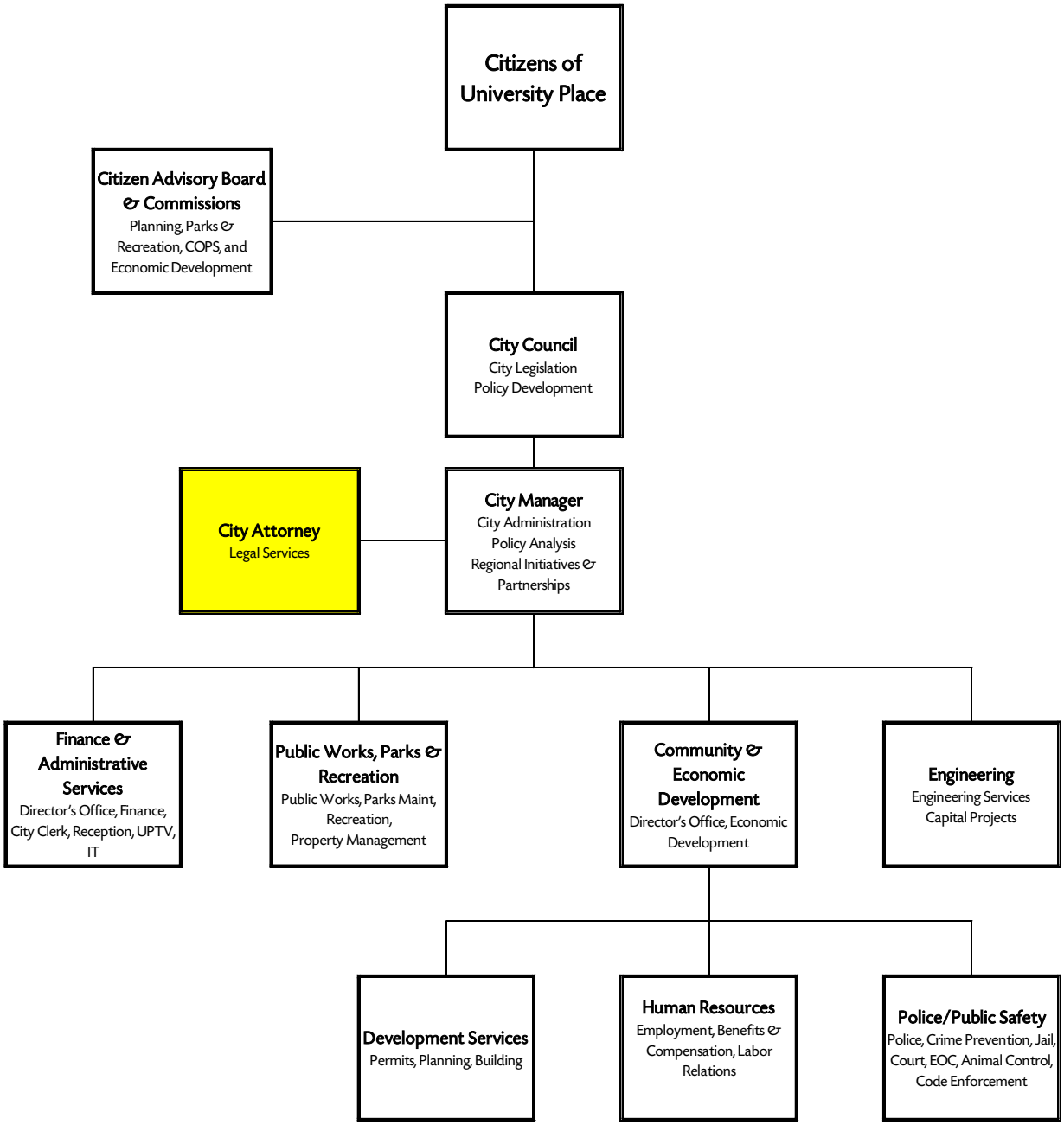
- Implement 2015/2016 Council goals
- Monitor and manage City budget
- Enhance and support economic stability
- Successful community and government relations

Highlights and Changes:

- Lead staff according to the 2015/2016 Council Goals as defined by the Council
- Provide services and capital programs at the 2015/2016 budgeted service levels

	2012	2013	2014			2015	2016
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
Expenditure by Object							
Salaries & Wages	$ 249,668	$ 211,225	$ 209,195	$ 214,867	$ 223,395	$ 220,092	$ 225,549
Benefits	77,589	81,739	89,415	91,604	86,201	91,899	99,174
Supplies	2,308	5,339	1,925	1,925	1,925	1,925	1,925
Services & Charges	19,724	25,753	37,415	72,621	72,621	67,415	67,415
Intergovernmental	-	9,841	-	-	-	-	-
Internal Service Charges	21,223	15,197	26,640	26,640	26,532	27,032	26,083
Beautification	-	20,809	28,000	29,050	29,050	31,050	29,050
Community Events	62,369	67,501	76,500	80,300	80,300	92,360	91,960
Total Operating Expenditures	$ 370,512	$ 349,093	$ 364,590	$ 407,657	$ 410,674	$ 408,363	$ 420,146
Personnel							
Full Time Equivalents	1.90	1.90	1.90	2.00	2.00	2.00	2.00

CITY ATTORNEY



City Attorney

Mission and Responsibilities

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

Goals/Major Objectives

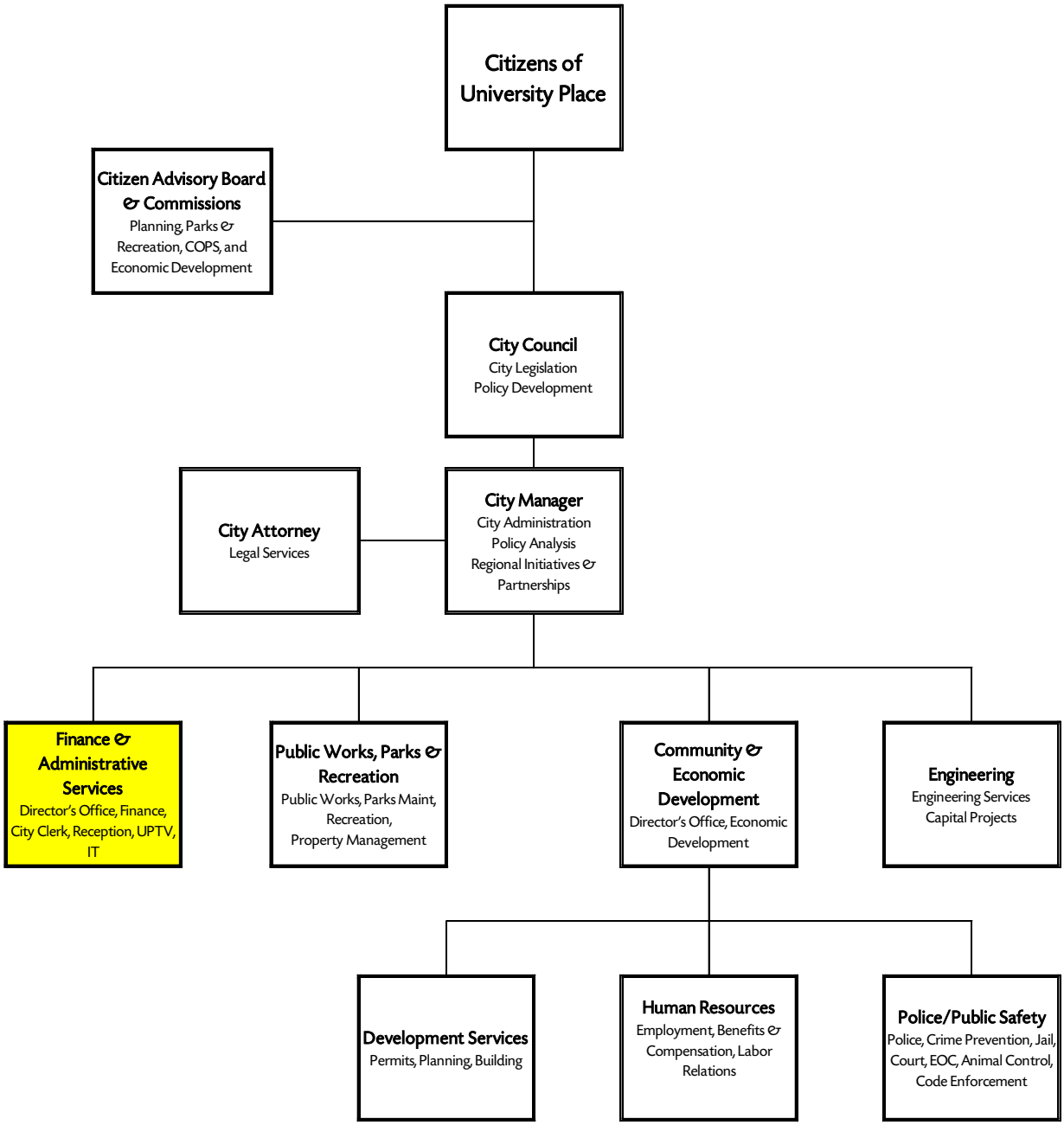
- Support City efforts for fair and consistent enforcement of land use and other codes, and provide timely and appropriate input to the City's long-range planning activity
- Draft and review contracts, franchises, interlocal agreements, City policies, and other documents
- Support the City's risk management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

Highlights and Changes:

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

	2012	2013	2014			2015	2016
	Actuals	Actuals	Adopted	Revised	Estimate	Proposed	Proposed
Expenditure by Object							
Salaries & Wages	$ 179,411	$ 180,764	$ 178,734	$ 192,382	$ 196,689	$ 198,714	$ 203,641
Benefits	59,344	58,448	69,586	71,673	63,178	67,456	72,892
Supplies	1,193	511	1,295	1,295	1,333	1,295	1,295
Services & Charges	27,853	7,905	80,780	80,780	81,679	80,780	80,780
Intergovernmental	934	484	1,300	1,300	2,000	1,300	1,300
Internal Service Charges	22,341	15,996	28,041	28,041	27,928	27,032	26,083
Total Operating Expenditures	$ 291,076	$ 264,108	$ 359,736	$ 375,471	$ 372,807	$ 376,577	$ 385,991
Personnel							
Full Time Equivalents	1.75	1.75	1.75	2.00	2.00	2.00	2.00

FINANCE AND ADMINISTRATIVE SERVICES



Executive Director – Finance and Administrative Services

Mission and Responsibilities:

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

Goals/Major Objectives

- Assist Council in the development of options to create a sustainable funding source for community events
- Pursue State funding for master planning projects in support of Council goals
- Identify policy options for enhancing City reserves and debt reduction

Highlights and Changes

- Coordinate review of strategic issues by City Commissions
- Identify replacement reserve policy
- Assist in the financial planning and public outreach efforts related to the U.S. Open

	2012	2013	2014			2015	2016
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
Expenditure by Object							
Salaries & Wages	$ 38,249	$ 68,249	$ 68,249	$ 68,249	$ 72,129	$ 69,544	$ 71,250
Benefits	17,262	18,611	19,796	19,796	19,423	20,721	22,364
Supplies	-	45	-	-	76	-	-
Services & Charges	480	1,340	1,800	1,800	1,129	1,775	1,775
Intergovernmental	-	-	-	-	-	-	-
Internal Service Charges	6,702	4,798	8,413	8,413	8,379	8,110	7,825
Total Operating Expenditures	$ 62,693	$ 93,044	$ 98,258	$ 98,258	$ 101,136	$ 100,150	$ 103,214
Personnel							
Full Time Equivalents	0.60	0.60	0.60	0.60	0.60	0.60	0.60

Finance and Budget

Mission and Responsibilities

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

Goals/Major Objectives

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

Highlights and Changes

- Continue to monitor cash flow to maintain fiscal viability during current economic recession
- Continue to update long-term financial forecast
- Review and update financial policies when needed
- Implement new Cashiering software in 2015
- Implement new CAFR software in 2015

	2012	2013	2014			2015	2016
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
Expenditure by Object							
Salaries & Wages	$ 344,230	$ 327,105	$ 327,876	$ 327,876	$ 335,613	$ 334,846	$ 343,180
Benefits	119,404	122,713	135,342	135,342	126,532	134,900	145,889
Supplies	2,402	1,892	2,350	2,350	1,950	3,285	3,050
Services & Charges	56,276	70,134	63,575	76,175	75,330	94,300	94,325
Intergovernmental	64,902	61,933	67,500	67,500	66,822	72,034	75,385
Internal Service Charges	49,286	34,813	63,699	63,699	61,900	58,763	56,267
Total Operating Expenditures	$ 636,500	$ 618,590	$ 660,342	$ 672,942	$ 668,147	$ 698,128	$ 718,096
Other Financing Uses:							
Fleet Fund	179,191	702,600	252,361	252,361	250,761	280,350	295,250
Risk Management	893,516	780,427	643,933	851,266	864,807	916,930	746,728
Debt Service	17,720,518	3,654,262	4,023,103	4,023,103	3,941,083	3,777,924	3,563,103
Strategic Reserve	-	-	-	-	-	-	-
Arterial Street	207,059	208,075	217,401	217,402	217,402	212,000	216,000
Reet	198,497	218,242	21,830	941,007	100,650	36,327	42,224
Traffic Impact Fee	-	-	-	80,000	80,000	450,000	-
Transportation Benefit District	-	-	-	4,000	2,500	151,900	293,650
LRF	1,923,041	670,265	400,000	3,701,300	3,701,300	500,000	500,000
Paths and Trails	3,127	3,235	2,563	2,759	-	-	-
Interfund Transfers - GF	7,021,983	4,806,620	5,776,232	6,010,082	5,771,523	5,623,843	4,985,148
Donations	57,801	44,417	-	67,505	67,505	-	-
Benefit Cashout	-	-	-	-	-	97,565	85,891
Contingency	-	3,000	100,000	50,000	50,000	50,000	50,000
Total Other Financing Uses	$ 28,204,733	$ 11,091,143	$ 11,437,423	$16,200,785	$ 15,047,531	$ 12,096,839	$ 10,777,994
Personnel							
Full Time Equivalents	4.00	4.00	4.00	4.00	4.00	4.00	4.00

City Clerk/Reception

Mission and Responsibilities

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

Goals/Major Objectives

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

Highlights and Changes

- Increase the use of technology for more efficient operations
- Work with departments to reduce records retention costs

	2012	2013	2014			2015	2016
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
Expenditure by Object - City Clerk							
Salaries & Wages	$ 128,712	$ 128,801	$ 128,712	$ 128,712	$ 133,242	$ 131,520	$ 134,778
Benefits	44,207	46,353	51,204	51,204	48,005	51,241	55,361
Supplies	400	2,466	700	700	415	700	700
Services & Charges	13,538	11,307	22,860	22,860	9,474	30,126	20,380
Intergovernmental	-	-	100	100	-	100	100
Internal Service Charges	25,681	17,036	28,041	28,041	27,928	27,032	26,083
Election Services	53,000	62,783	53,000	81,818	70,575	101,305	56,700
Total Operating Expenditures	$ 265,538	$ 268,745	$ 284,617	$ 313,435	$ 289,639	$ 342,024	$ 294,102
Personnel							
Full Time Equivalents - City Clerk	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Expenditure by Object - Reception							
Salaries & Wages	$ 18,828	$ 18,879	$ 18,810	$ 18,810	$ 20,722	$ 25,847	$ 26,485
Benefits	11,683	12,229	13,721	13,721	12,835	14,530	15,726
Supplies	22	111	450	450	40	300	300
Services & Charges	768	-	-	-	-	-	-
Intergovernmental	-	908	1,200	1,200	1,122	1,200	1,200
Internal Service Charges	8,378	6,622	10,516	10,516	10,473	10,137	9,781
Total Operating Expenditures	$ 39,679	$ 38,749	$ 44,697	$ 44,697	$ 45,192	$ 52,014	$ 53,492
Personnel							
Full Time Equivalents - Reception	0.75	0.75	0.75	0.75	0.75	0.75	0.75

Communications/UPTV

Mission and Responsibilities

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

The primary responsibilities of the Communications Division include: facilitation and publication of the City's "Headlines" bi-monthly newsletter; facilitation and production of programming for University Place Television, a 24/7 government channel available citywide on Click! Channel 12 and Comcast Channel 21; development and maintenance of the University Place website at www.CityofUP.com; facilitation of the City's social media outlets; and advancement of the City's image, identity, projects and programs through the use of available media sources.

Goals/Major Objectives

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

Highlights and Changes:

- Implement public outreach efforts related to the U.S. Open
- Continue coverage of Regular Council Meetings twice monthly
- Continue bi-monthly production of newsletter
- Provide support for website to ensure that CityofUP.com is reflective of the City's identity and goals

	2012	2013	2014			2015	2016
	Actuals	Actuals	Adopted	Revised	Estimate	Proposed	Proposed
Expenditure by Object							
Salaries & Wages	$ 65,737	$ 65,959	$ 70,715	$ 70,715	$ 66,204	$ 81,503	$ 77,233
Benefits	30,134	31,641	35,238	35,238	32,666	35,192	38,083
Supplies	5,951	9,089	3,550	3,550	3,467	3,950	4,100
Services & Charges	49,650	57,098	74,975	78,975	73,806	78,850	82,010
Capital	-	-	21,000	240,335	240,335	21,000	21,000
Intergovernmental	-	1,012	-	-	3,036	3,100	3,200
Internal Service Charges	11,170	7,166	14,020	14,020	13,963	13,515	13,042
Newsletter	47,696	50,842	51,600	51,600	51,600	51,950	52,500
Total Operating Expenditures	$ 210,338	$ 222,808	$ 271,098	$ 494,433	$ 485,077	$ 289,060	$ 291,168
Personnel							
Full Time Equivalents	1.00	1.00	1.00	1.00	1.00	1.00	1.00

INFORMATION TECHNOLOGY (IT)

Mission and Responsibilities

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

Goals/Major Objectives

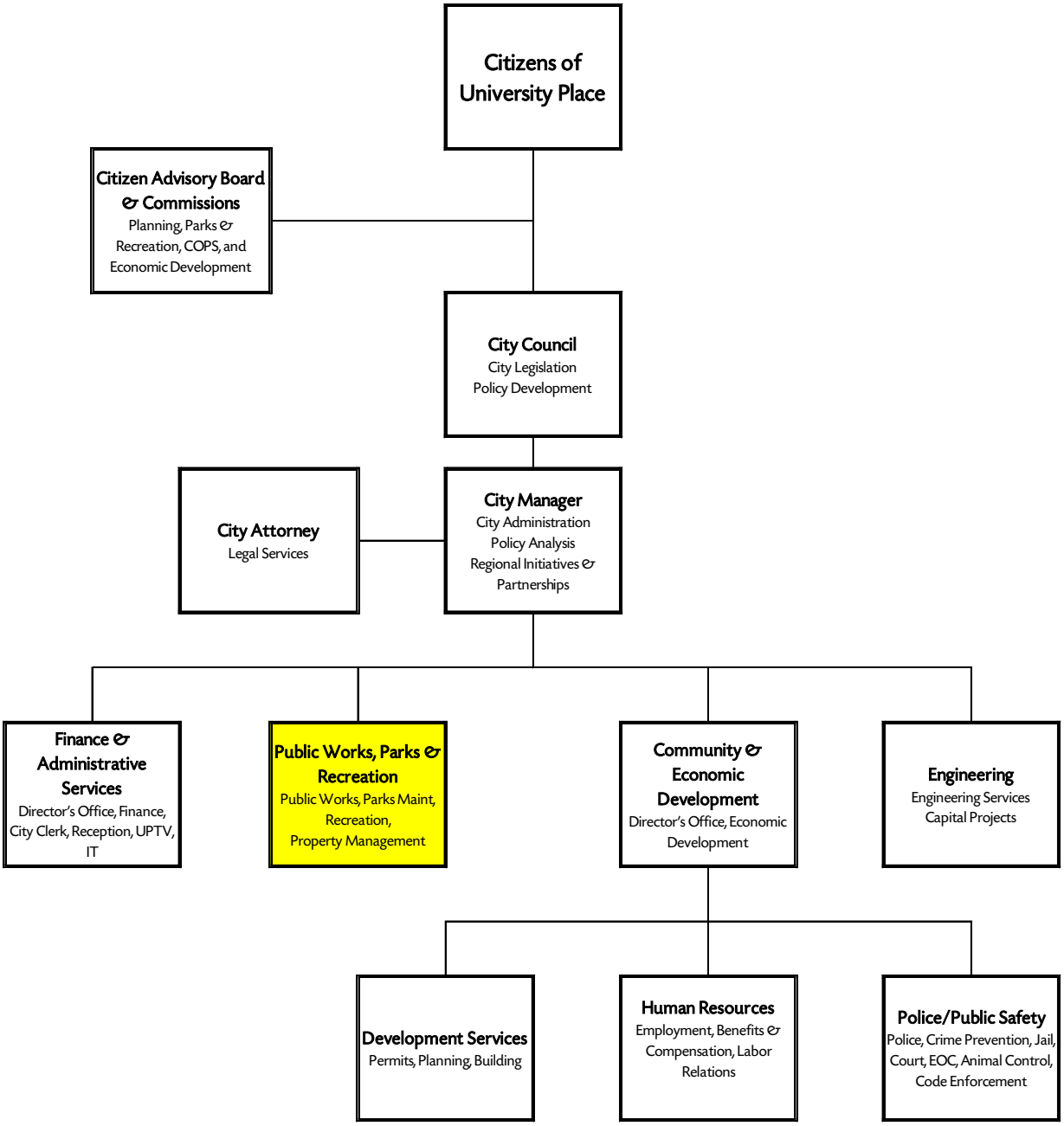
- Achieve and maintain an efficient, effective and secure network infrastructure
- Update the existing SharePoint collaboration tool to a more current and functional version

Highlights and Changes

- Implement replacement of voice and data services and all related equipment
- Implement new Permitting/Land Use/Code Enforcement software
- Implement replacement Recreation software
- Increase Disaster Recovery/Business Continuity levels with offsite data replication
- Upgrade email system

	2012	2013	2014			2015	2016
	Actuals	Actuals	Adopted	Revised	Estimate	Proposed	Proposed
Expenditure by Object							
Salaries & Wages	$ 172,547	$ 151,312	$ 183,797	$ 183,797	$ 139,383	$ 191,489	$ 196,992
Benefits	61,052	62,374	84,799	84,799	60,980	96,599	105,869
Supplies	65,227	136,717	30,300	30,300	65,018	102,760	69,150
Services & Charges	238,906	268,814	265,537	295,176	319,335	357,942	318,417
Capital	-	161,210	79,500	257,194	259,091	147,140	56,000
Other Financing Uses (Loans/Transfers)	355,784	-	-	-	-	-	-
Total Operating Expenditures	$ 893,516	$ 780,427	$ 643,933	$ 851,266	$ 843,807	$ 895,930	$ 746,428
Personnel							
Full Time Equivalents	3.00	3.00	3.00	3.00	3.00	3.00	3.00

PUBLIC WORKS, PARKS AND RECREATION



PUBLIC WORKS MAINTENANCE & OPERATIONS

Mission and Responsibilities

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

Goals/Major Objectives

- Respond to all citizen concerns within 36 hours
- Repair and maintain all City infrastructures ensuring safe mobility and protecting City assets
- Repair and maintain City owned Facilities: City Hall, Windmill Village, Civic Building, Public Works Facility, Senior/Community Center and Town Center properties

Highlights and Changes

- Perform 200 tons of street asphalt patching
- Perform 1,500 gallons of asphalt crack sealing
- Maintain 2,800 street trees
- Maintain 723 Street Lights
- Maintain 1,018,002 square feet of landscaping
- Maintain 4,500 storm drainage structures

	2012	2013	2014			2015	2016
	Actuals	Actuals	Adopted	Revised	Estimate	Proposed	Proposed
Expenditure by Object							
Salaries & Wages	$ 592,024	$ 577,849	$ 564,732	$ 564,732	$ 590,804	$ 598,520	$ 612,758
Benefits	233,789	234,921	260,385	260,385	242,224	270,919	290,263
Supplies	106,444	81,041	139,550	139,550	140,321	159,300	159,300
Services & Charges	290,726	341,944	366,290	403,709	352,739	381,720	381,720
Intergovernmental	184,348	204,507	215,510	215,510	214,108	215,510	216,665
Internal Service Charges	196,804	149,713	218,398	218,398	217,944	212,364	214,657
Property Management	427,380	517,574	455,618	572,056	542,953	664,572	672,049
Snow & Ice Control	26,170	21,903	20,000	20,000	20,000	20,000	20,000
Total Operating Expenditures	$ 2,057,686	$ 2,129,452	$ 2,240,484	$ 2,394,340	$ 2,321,093	$ 2,522,905	$ 2,567,412
Personnel							
Full Time Equivalents - Maintenance & Operations	8.00	8.00	8.00	8.00	8.00	8.20	8.20
Full Time Equivalents - Property Management	1.00	1.00	1.00	1.00	1.00	0.80	0.80

PARKS MAINTENANCE

Mission and Responsibilities

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

Goals/Major Objectives

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

Highlights and Changes

- Operate & Maintain 18 Park properties and 130 acres of parks and open space
- Implement maintenance and operations of three parks with new restroom structures, new Kobayashi picnic shelter
- Maintain 750,670 square feet of turf and landscape

	2012 Actual	2013 Actual	2014 Adopted	2014 Revised	2014 Estimate	2015 Proposed	2016 Proposed
Expenditure by Object							
Salaries & Wages	$ 121,712	$ 126,378	$ 129,288	$ 129,288	$ 133,893	$ 146,644	$ 149,830
Benefits	51,475	56,693	62,292	62,292	58,026	61,640	66,286
Supplies	29,909	34,659	37,160	37,160	35,948	37,250	37,250
Services & Charges	140,630	132,215	139,958	139,958	135,660	136,358	136,358
Capital	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	126,203	91,159
Internal Service Charges	39,227	30,822	47,686	47,686	47,515	46,170	44,748
Total Operating Expenditures	$ 382,954	$ 380,768	$ 416,384	$ 416,384	$ 411,042	$ 554,265	$ 525,631
Personnel							
Full Time Equivalents	3.00	3.00	3.00	3.00	3.00	3.00	3.00

RECREATION

Mission and Responsibilities

Recreation is responsible for providing comprehensive, year-round parks and recreation programs designed to meet the needs of all University Place citizens regardless of age, physical, mental or economic condition. Recreation Services provides a wide range of programs and activities to help provide for the diversity of interests within the community. These programs include: senior programs, trips and tours, fitness, youth and adult sports, special events, youth and teen activities, and camps. Recreation Services provides support to the Parks and Recreation Commission, University Place Youth Council and other advisory groups.

Goals/Major Objectives

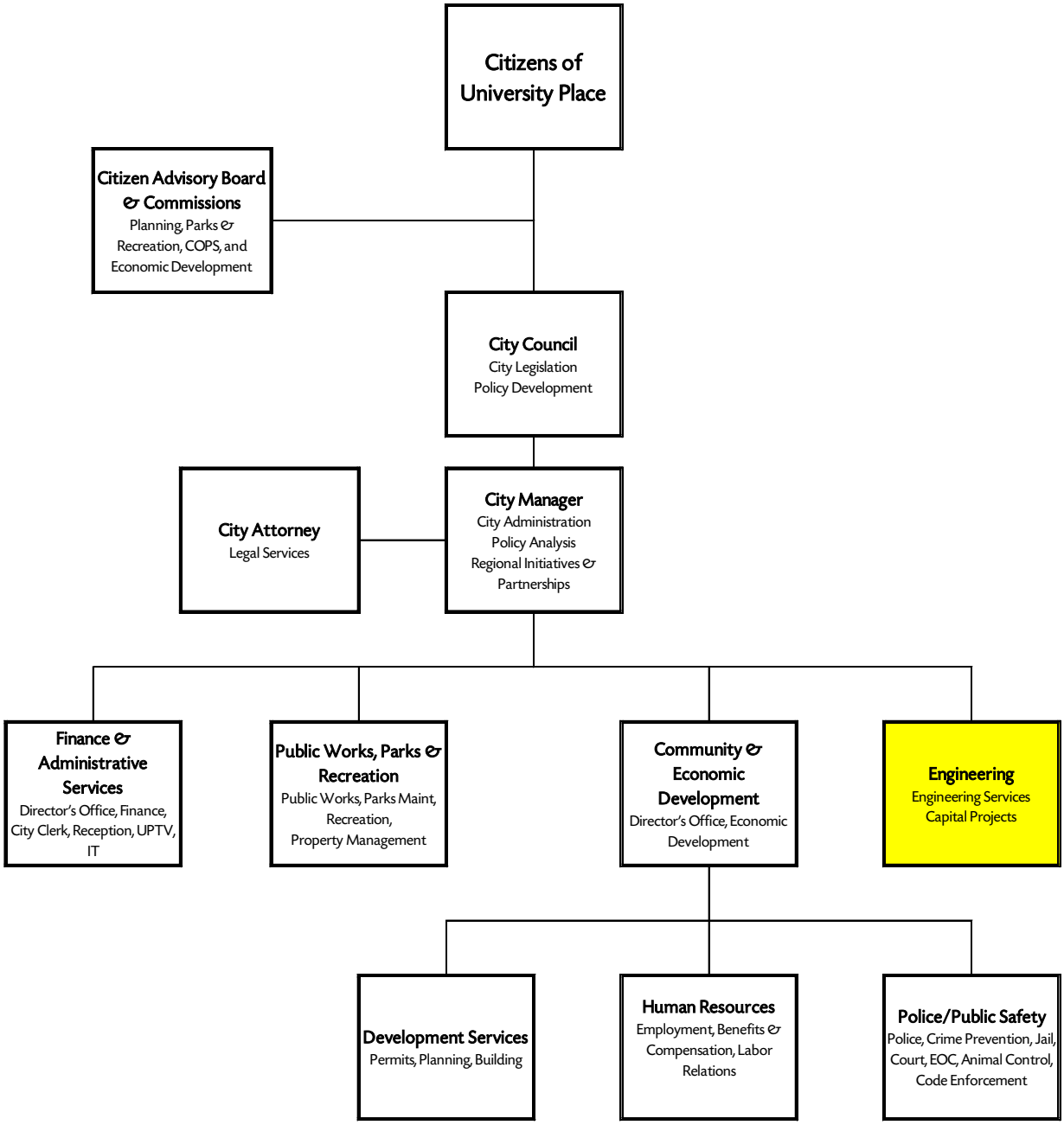
- Create healthy and vibrant parks, recreation programs and events
- Provide quality recreation experiences for a diverse community
- Nurture and grow community resources & support
- Develop long term, sustainable funding program

Highlights and Changes

- Coordination of Duck Parade
- Coordinate reservation system for Kobayashi picnic shelter
- Create a developmental aspect to our sports program
- Increase of Cultural Arts Program

	2012	2013	2014			2015	2016
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
Expenditure by Object							
Salaries & Wages	$ 319,749	$ 357,935	$ 325,740	$ 325,740	$ 363,706	$ 343,944	$ 350,013
Benefits	106,502	121,439	110,273	110,273	125,855	128,773	138,052
Supplies	37,649	44,862	40,670	40,670	42,173	40,150	40,150
Services & Charges	85,465	105,637	83,044	90,417	92,441	90,684	90,684
Internal Service Charges	50,398	39,651	61,706	61,706	61,479	59,686	57,791
Total Operating Expenditures	$ 599,763	$ 669,525	$ 621,433	$ 628,806	$ 685,654	$ 663,237	$ 676,690
Personnel							
Full Time Equivalents	4.00	4.00	4.00	4.00	4.00	4.00	4.00

ENGINEERING



ENGINEERING

Mission and Responsibilities

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

Goals/Major Objectives

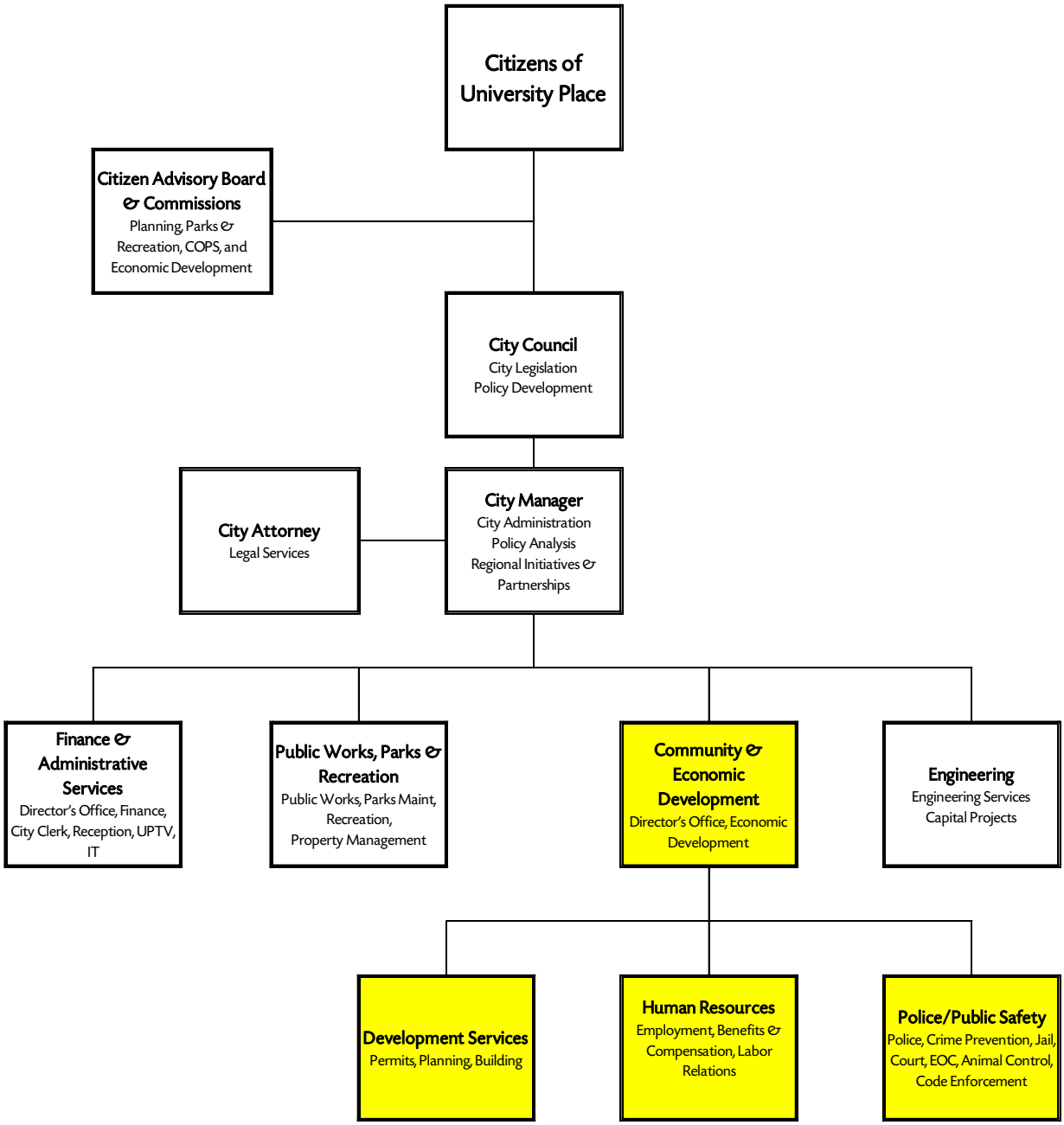
- Improve the City's transportation system for all modes of travel
- Seek out grant opportunities for funding of transportation improvements
- Review and update the City's Transportation Improvement Plan and Surface Water Management Plan

Highlights and Changes

- Storm water management continues to be a point of emphasis, including NPDESII permit compliance
- Major grant funded projects: Bridgeport phase 5, Mildred (Regents to 19th), 27th St TIB, 27th St Phase 2, Cirque Overlay, 44th St Safe Routes to Schools, & Elwood/44th Safe Routes to Schools
- Emphasis on supporting Town Center development

	2012	2013	2014			2015	2016
	Actuals	Actuals	Adopted	Revised	Estimate	Proposed	Proposed
Expenditure by Object							
Salaries & Wages	$ 313,000	$ 347,438	$ 314,211	$ 314,211	$ 383,275	$ 348,488	$ 353,657
Benefits	105,117	113,922	122,677	122,677	132,155	136,256	146,464
Supplies	3,142	29,672	14,800	14,800	5,460	14,900	14,900
Services & Charges	15,536	29,200	48,808	48,808	37,580	50,100	50,100
Capital	-	-	5,000	5,000	5,000	5,000	5,000
Intergovernmental	17,482	8,943	15,539	15,539	47,000	47,000	47,000
Internal Service Charges	47,414	39,193	58,815	58,815	58,636	64,510	63,618
Total Operating Expenditures	$ 501,691	$ 568,368	$ 579,850	$ 579,850	$ 669,106	$ 666,254	$ 680,739
Personnel							
Full Time Equivalents	4.18	4.18	4.18	4.18	4.18	4.18	4.18

COMMUNITY AND ECONOMIC DEVELOPMENT



DIRECTOR'S OFFICE – COMMUNITY & ECONOMIC DEVELOPMENT

Mission and Responsibilities:

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

Goals/Major Objectives

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

Highlights and Changes

- Implementation of staffing and other departmental changes based on Police Levy outcome.
- Implementation of a coordinated city-wide US Open planning and strategies

	2012	2013	2014			2015	2016
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
Expenditure by Object							
Salaries & Wages	$ -	$ -	$ -	$ -	$ -	$ 60,772	$ 62,247
Benefits	-	-	-	-	-	16,048	17,312
Supplies	-	-	-	-	-	375	375
Services & Charges	-	-	-	-	-	3,810	3,810
Intergovernmental	-	-	-	-	-	-	-
Internal Service Charges	-	-	-	-	-	6,758	6,520
Total Operating Expenditures	$ -	$ -	$ -	$ -	$ -	$ 87,763	$ 90,264
Personnel							
Full Time Equivalents	0.00	0.00	0.00	0.00	0.00	0.50	0.50

ECONOMIC DEVELOPMENT

Mission and Responsibilities:

The Economic Development Office implements the Council adopted Economic Development Strategic Action Plan for the City. This Office is charged with expanding the City's tax base through business growth and development. The Office facilitates economic and business development through retention, expansion, and business recruitment. The Office works in partnership with other organizations to encourage business networking, marketing, and interaction. The Economic Development Office takes every opportunity to promote and market the community as a great place for business.

Goals and Major Objectives

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

Highlights and Changes

- Emphasis on maintenance and streamlining of current programs
- Emphasis on business retention
- Emphasis on growing tourism through Chambers Bay and the opportunities provided by the 2015 U.S. Open
- Emphasis on supporting the continued development of the Village at Chambers Bay and other Town Center properties

	2012	2013	2014			2015	2016
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
Expenditure by Object							
Salaries & Wages	$ 181,870	$ 203,283	$ 246,168	$ 246,168	$ 188,093	$ 93,878	$ 96,175
Benefits	58,074	65,453	100,330	100,330	63,483	33,914	36,655
Supplies	327	1,552	1,250	1,250	5,307	1,476	976
Services & Charges	17,886	20,302	39,064	33,564	19,864	38,436	23,436
Intergovernmental	-	-	-	-	-	-	-
Internal Service Charges	22,340	15,996	42,063	42,063	38,956	13,515	13,042
Total Operating Expenditures	$ 280,497	$ 306,587	$ 428,875	$ 423,375	$ 315,703	$ 181,219	$ 170,284
Personnel							
Full Time Equivalents	2.00	3.00	3.00	3.00	2.00	1.00	1.00

HUMAN RESOURCES

Mission and Responsibilities

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

Goals/Major Objectives

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

Highlights and Changes:

- Implement HR Information Services Software in 2015
- Update employee benefit package in anticipation of the final implementations of the Affordable Care Act

	2012	2013	2014			2015	2016
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
Expenditure by Object							
Salaries & Wages	$ 97,933	$ 70,338	$ 81,840	$ 81,840	78,689	83,409	85,477
Benefits	34,122	26,811	32,051	32,051	29,772	32,423	35,030
Supplies	2,258	4,889	2,135	2,135	2,135	4,950	5,200
Services & Charges	9,833	12,139	27,452	27,452	24,558	32,937	27,528
Capital	-	-	-	-	-	-	-
Intergovernmental	1,969	2,399	3,186	3,186	3,186	4,015	4,015
Internal Service Charges	16,756	11,997	14,020	14,020	15,432	15,455	15,046
City-wide Training	10,185	3,444	10,000	16,556	7,866	8,000	8,000
Total Operating Expenditures	$ 173,056	$ 132,017	$ 170,684	$ 177,240	161,638	181,189	180,296
Personnel							
Full Time Equivalents	1.50	1.00	1.00	1.00	1.00	1.00	1.00

DEVELOPMENT SERVICES

Mission and Responsibilities

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

Goals/Major Objectives

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

Highlights and Changes

- Update the Comprehensive Plan
- Continue to manage growth and development
- Develop Regional Center Subarea Plans

	2012	2013	2014			2015	2016
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
Expenditure by Object							
Salaries & Wages	$ 561,051	$ 536,153	$ 541,506	$ 633,042	$ 591,733	$ 676,183	$ 667,196
Benefits	160,977	166,866	185,108	185,108	183,369	221,949	239,451
Supplies	3,547	5,070	4,800	4,800	5,000	5,250	6,840
Services & Charges	35,940	28,923	36,303	36,303	36,303	48,462	45,782
Capital	-	-	-	-	-	-	-
Intergovernmental	180,075	160,742	173,886	231,725	231,725	63,581	18,886
Internal Service Charges	96,151	78,784	112,247	112,247	111,878	128,940	125,752
Tree Account	-	-	-	2,868	2,868	-	-
Interfund Transfers	-	26,033	-	-	-	-	-
Total Operating Expenditures	$ 1,037,740	$ 1,002,570	$ 1,053,850	$ 1,206,093	$ 1,162,876	$ 1,144,365	$ 1,103,907
Personnel							
Full Time Equivalents	6.50	6.50	6.50	6.50	6.50	6.50	6.50

POLICE AND PUBLIC SAFETY

Mission and Responsibilities:

The mission of the Police and Public Safety Division is to ensure University Place is a safe, livable community with a higher quality of life. The division includes Police, Public Safety, Animal Control, Code Enforcement, Court, Jail and Emergency Operations. The Police Division will work in cooperation with the Pierce County Sheriff, the Public Safety Commission, the Law Enforcement Support Agency (LESA), the University Municipal Court, the Fire District, the University Place School District and ultimately for the Citizens of University Place.

Goals/Major Objectives

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

Highlights and Changes

- Work to match Citizen's police service expectations to the available resources
- Maintain School Resource Officer partnership with school district
- Continue outreach to businesses and citizens for increased awareness
- Continue enforcement to achieve our vision to make the Orchard Corridor safer
- Further develop a public safety plan for Town Center's future
- Continue to develop relationship with Kemper Sports, Pierce County Parks and the USGA in preparation for a successful 2015 US Open

	2012	2013	2014			2015	2016
Expenditure by Object	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
Salaries & Wages	$ 94,799	$ 74,248	$ 124,415	$ 124,415	$ 85,923	$ 94,529	$ 96,110
Benefits	31,239	24,728	38,951	38,951	35,567	40,753	44,023
Supplies	2,030	485	4,380	5,055	4,902	5,371	5,371
Services & Charges	12,455	21,224	30,360	34,815	30,686	52,083	48,713
Intergovernmental	3,310,244	3,322,334	3,392,139	3,519,792	3,519,792	3,675,952	3,731,396
Internal Service Charges	21,858	16,688	24,356	24,356	24,263	23,584	22,912
Animal Control	115,900	95,566	112,297	112,297	112,297	114,718	118,160
Jail	106,458	140,787	110,000	150,000	150,000	154,500	159,135
Court	240,290	238,915	253,713	253,713	253,713	261,324	269,164
EOC	27,202	27,203	32,493	32,493	40,407	33,459	34,454
Total Operating Expenditures	$ 3,962,475	$ 3,962,178	$ 4,123,104	$ 4,295,887	$ 4,257,550	$ 4,456,273	$ 4,529,438
Personnel							
Public Safety and Code Enforcement	2.63	2.63	2.63	2.63	1.13	1.13	1.13
Contract Personnel							
Police Chief	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Sergeant	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Patrol Deputies	12.00	12.00	12.00	12.00	12.00	12.00	12.00
Investigator	1.00	1.00	1.00	1.00	1.00	1.00	1.00
School Resource Officer	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Community Service Officer	-	-	-	1.00	1.00	1.00	1.00
Administrative Aide	1.00	1.00	1.00	1.00	1.00	1.00	1.00

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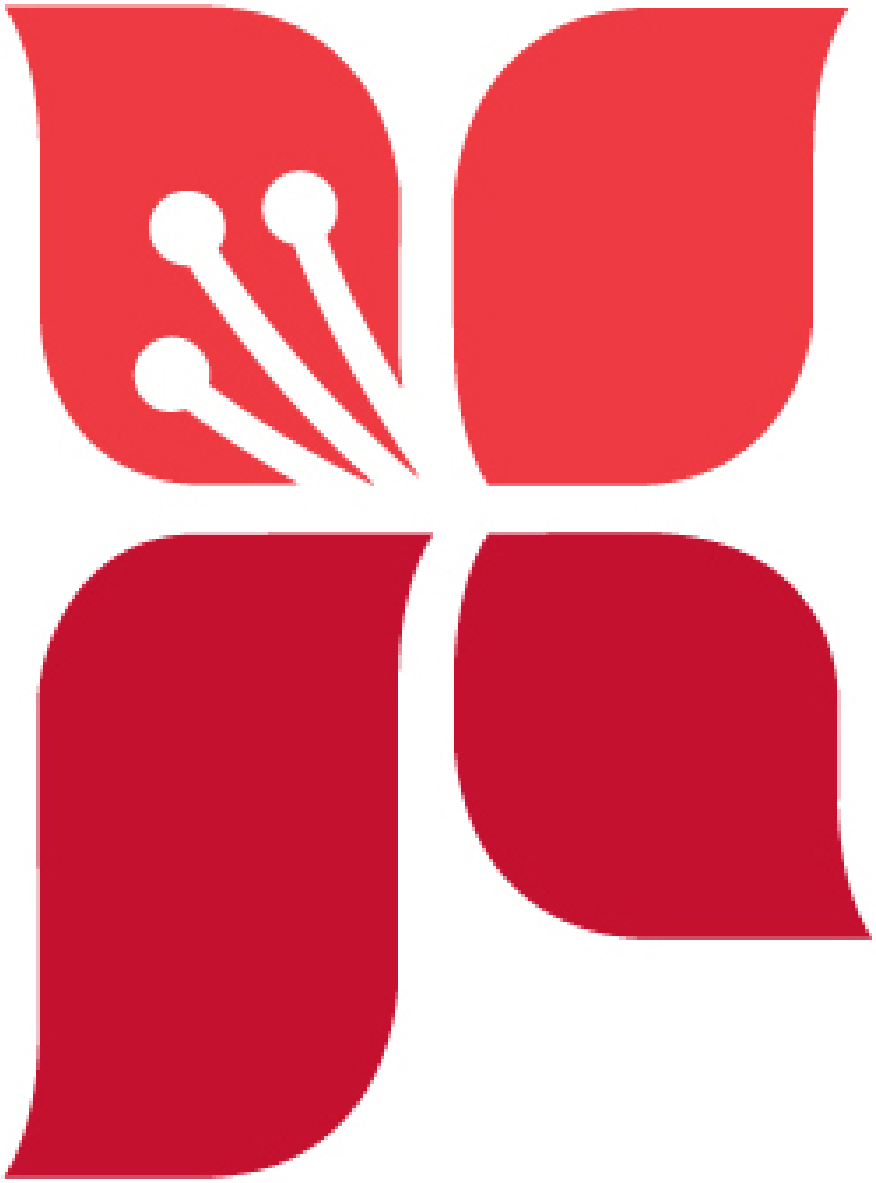


CAPITAL BUDGET

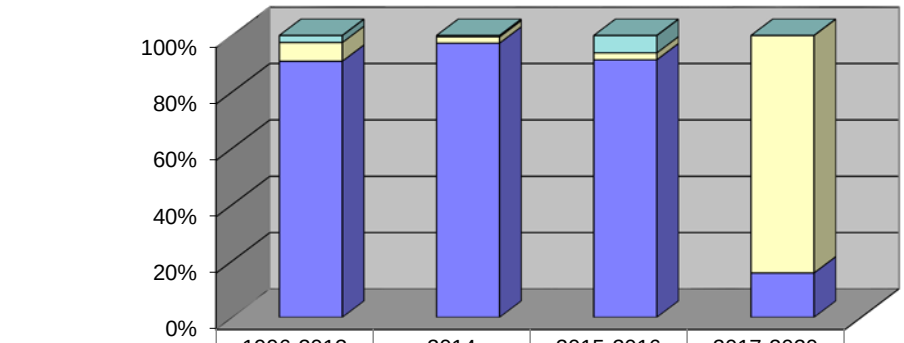
LIBRARY CIVIC BUILDING AND MARKET SQUARE

PHOTO INFORMATION: CIVIC BUILDING AND MARKET SQUARE

Overview

The Proposed 2015/2016 capital project budget displays all major capital improvement projects in which the City is involved. The 2015/2016 capital budget will be devoted primarily to public works and parks improvements.

The CIP plan is a six-year plan – 2015 through 2020 – that includes not only capital needs, but also the associated maintenance and operation requirements. The capital plan identifies all needs for the planning period without specifying a financing plan. The following chart illustrates capital improvement activity since 1995 and proposed through 2020.



	1996-2013	2014	2015-2016	2017-2020
Municipal Facilities	4,737,407	100,000	913,235	-
Parks	12,603,090	433,186	361,408	16,018,000
Town Center	1			
Public Works	172,728,179	19,263,119	13,533,714	2,995,816

Revenues

Revenue sources currently used in capital financing consist of:

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

Expenditures

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

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

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

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

Maintenance and Operating (M & O) Expenditures

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

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

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

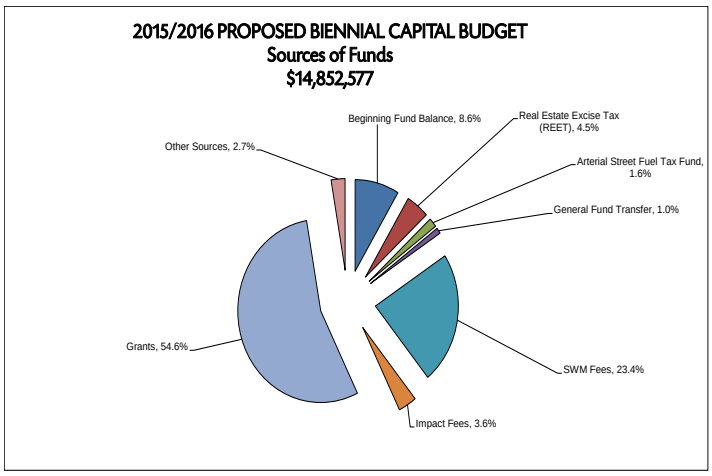
Budget Policy Guidelines

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

2015/2016 PROPOSED CAPITAL BUDGET

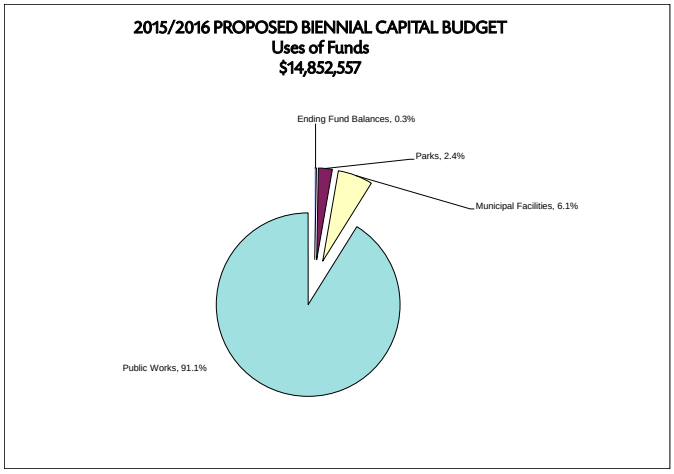
Revenues and Other Financing

The largest component of 2015/2016 CIP funding originates from grants, which accounts for $8,102,250 or 54.6%. The next largest component of CIP financing is interfund transfers, which accounts for $4,532,250 or 30.5% and consists of Real Estate Excise Tax ($666,676), Surface Water Management Fees ($3,472,516), General Fund ($150,000), and Arterial Street Fund Tax ($243,058). Beginning Fund Balances total $1,282,107 or 8.6% of total CIP sources. Impact Fees total $530,800 or 3.6%. The remaining $405,150 or 2.9% are contributions from other governments.



Expenditures and Other Uses

The 2015/2016 Proposed Capital Budget totals $14,852,557 (including projected ending fund balances). The capital budget is comprised of three components, excluding ending fund balances, which are not appropriated: Public Works ($13,533,714); Parks ($361,408), and Municipal Facilities ($913,235).



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

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

Life-to-Date Expenditures: This column presents the funds expended in previous years (1996-2013) on the projects and allows for a full accounting of the total costs for the project.

2014 Estimate: This column presents the estimated funds that will be spent on the different phases of the project in 2014 as adopted by the City Council as part of the 2013/2014 budget.

2015 - 2016: These columns present the estimated funds that will be spent on the different phases of the project in 2015 and 2016 budget adopted by the City Council.

2017 – 2020: These columns present the estimated funds that would be spent for the various phases of the project in the indicated year (2017 – 2020). The funds and year in which they appear are based on the best available information at this time. The amounts and schedule will be reviewed each year and revised according to project development during the previous year.

Parks CIP

Mission and Responsibilities

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

Goals/Major Objectives

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

Highlights and Changes:

- Develop Master Plan (2015) and make parking improvements (2016) at Creekside Park
- Develop Master Plan (2016) at Paradise Pond Park
- Parking improvements (2015) at Kobayashi Park
- Chambers/Leach Creek Trail construction (2015/2016)

CITY OF UNIVERSITY PLACE
PARKS & RECREATION CAPITAL IMPROVEMENT PLAN
1996 Through 2020

	L-T-D 1996 - 2013	2014 Estimate	2015 Proposed	2016 Proposed	2017-Proj	2018-Proj	2019-Proj	2020-Proj	Total
SOURCES & USES									
Financing Sources									
Beginning Fund Balance	$ 92,924	$ 531,109	$ 280,608	$ 44,200	$ -	$ -	$ 0	$ (0)	$ 92,924
Pay-as-you-go									
General Fund (Discretionary)	1,575,284	-	-	-	-	-	-	-	1,575,284
General Fd-Utility Tax (Balance of 2.5%)	463,688	-	-	-	-	-	-	-	463,688
1st 1/4% REET (see G.O. Bonds)	244,426	-	-	-	-	-	-	-	244,426
2nd 1/4% REET	1,272,490	-	-	-	-	-	-	-	1,272,490
Impact Fees	1,108,036	40,000	40,000	40,800	41,616	42,448	43,297	44,163	1,400,361
Transfer In/Path & Trails Fund	68,530	3,235	-	-	-	-	-	-	71,765
Kobayashi Facility Lease Payments	24,241	-	-	-	-	-	-	-	24,241
Curran Facility Lease Payments	91,651	-	-	-	-	-	-	-	91,651
Subtotal Pay-as-you-go	***4,848,344***	***43,235***	***40,000***	***40,800***	***41,616***	***42,448***	***43,297***	***44,163***	***5,143,904***
G.O. Bonds									
Cirque/Bridgeport Park-G.O. Bonds	6,027,727	-	-	-	-	-	-	-	6,027,727
Homestead Park-GO Bonds	883,942	-	-	-	-	-	-	-	883,942
Subtotal G.O. Bonds	***6,911,669***	-	-	-	-	-	-	-	***6,911,669***
Grants									
Community/Senior Ctr-CDBG Grant	177,516	-	-	-	-	-	-	-	177,516
Cirque Park Baseball Fields-IAC Grant	146,220	-	-	-	-	-	-	-	146,220
Starbucks Grant	15,000	-	-	-	-	-	-	-	15,000
Kobayashi-IAC Grant	90,000	-	-	-	-	-	-	-	90,000
RCO Grant - TSD Property	75,000	-	-	-	-	-	-	-	75,000
Sunset Restroom - CDBG	-	93,501	-	-	-	-	-	-	93,501
Conservation Futures Grant - Curran Roof	40,000	-	-	-	-	-	-	-	40,000
Subtotal Grants	***543,736***	***93,501***	-	-	-	-	-	-	***637,237***
Miscellaneous Revenue	476,427	1,058	-	-	-	-	-	-	477,485
Adriana Hess Wetland Pk-Trust Donation	55,895	-	-	-	-	-	-	-	55,895
Pierce County - Reet Fund Contribution	100,000	-	-	-	-	-	-	-	100,000
Chips/Curran Roof - Donation	5,397	-	-	-	-	-	-	-	5,397
Interfund Transfer/Cirque Pk Donations	11,681	-	-	-	-	-	-	-	11,681
Koby Fire/Insurance Proceeds	88,123	44,891	-	-	-	-	-	-	133,014
Unfunded	-	-	-	-	210,384	387,552	2,231,702	13,016,837	15,846,475
Total Financing Sources	**$ 13,134,197**	**$ 713,794**	**$ 320,608**	**$ 85,000**	**$ 252,000**	**$ 430,000**	**$ 2,275,000**	**$ 13,061,000**	**$ 29,415,685**
PARK PROJECTS									
Parks CIP Personnel	1,274,468	$ -	$ -	$ -	$ -	$ -	$ -	$ -	1,274,468
Adriana Hess Wetland Pk/Morr Pond	170,794	-	-	-	-	-	-	-	170,794
Bridgeport Greenway (Drum Road)	35,734	-	-	-	-	-	-	-	35,734
Cirque Park Improvements	4,391,563	49,026	-	-	200,000	125,000	575,000	950,000	6,290,589
New Community Center @ Cirque Park	-	-	-	-	-	-	-	12,000,000	12,000,000
Colegate Park Improvements	69,876	-	-	-	-	45,000	-	-	114,876
Colegate Playground Improvements		-	-	-	-	-	-	111,000	111,000
Community/Senior Center	467,092	21,820	-	-	-	-	-	-	488,912
Creekside Park (master plan/improvements)	-	8,500	50,000	25,000	-	-	1,700,000	-	1,783,500
Curran Facility	14,679	3,200	-	-	-	-	-	-	17,879
Curran Facility - Grant (Roof)	45,686	-	-	-	-	-	-	-	45,686
Curran Apple Orchard Park	296,629	-	-	-	-	150,000	-	-	446,629
Gateway Parks	3,989	-	-	-	-	-	-	-	3,989
Grandview Parkway	12,000	-	-	-	-	-	-	-	12,000
Homestead Park	1,195,441	11,409	-	-	-	-	-	-	1,206,850
Kobayashi Property	367,819	174,080	95,000	-	-	-	-	-	636,899
Paradise Pond Park	-	8,500		35,000	-	-	-	-	43,500
Chambers/Leach Creeks Trail	-	-	25,000	25,000	-	-	-	-	50,000
Park Property Acquisition	3,912,926	14,150	-	-	-	-	-	-	3,927,076
Park Signage	26,913	-	-	-	-	-	-	-	26,913
Pocket Parks/Land Purchases/Grant Match	57,762	-	35,000	-	-	-	-	-	92,762
Riconizuto Park	-	-	-	-	52,000	-	-	-	52,000
Sunset Terrace Park	126,063	142,501	-	-	-	110,000	-	-	378,564
Toddler Swings	9,891	-	-	-	-	-	-	-	9,891
UPSD Pool Analysis	8,782	-	-	-	-	-	-	-	8,782
Woodside Pond Nature Park	2,500	-	-	-	-	-	-	-	2,500
Capital Strategy	98,282	-	-	-	-	-	-	-	98,282
PROS Plan	14,200	-	-	-	-	-	-	-	14,200
Contingency (Available/Year)	-	-	71,408	-	-	-	-	-	71,408
TOTAL PARK PROJECTS	**$ 12,603,090**	**$ 433,186**	**$ 276,408**	**$ 85,000**	**$ 252,000**	**$ 430,000**	**$ 2,275,000**	**$ 13,061,000**	**$ 29,415,685**
Ending Fund Balance									
Reserved for Parks, Recreation & Open Space Projects	531,109	280,608	44,200	-	-	0	(0)	(0)	(0)
Unreserved	-	-	-	-	-	-	-	-	-
Ending Fund Balance	**$ 531,109**	**$ 280,608**	**$ 44,200**	**$ -**	**$ -**	**$ 0**	**$ (0)**	**$ (0)**	**$ (0)**

Public Works CIP

Mission and Responsibilities

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

Goals/Major Objectives

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

Highlights and Changes:

- 27th Street Phase 2 (Grandview to BP) Project (2015-2016)
- 27th Street (Bridgeport to 67th (2015)
- Bridgeport Way W Phase 4A – Chambers Land to 67th (2015)
- Bridgeport Way W Phase 5 (27th St. Intersection) (2015)
- Cirque/56th St Corridor Improvements (2015-2016)
- Cirque Drive Overlay (2015)
- Cirque Drive Sidewalk (2015)
- City Entrance Signs (2015)
- SWM – 19th St Retrofit (2015)
- SWM – Lemons Beach Outfall (2015)
- SWM – Soundview Dr. W (2015)
- SWM – Olympic Dr. W (2015)
- SWM – Tahoma Place (2015)

CITY OF UNIVERSITY PLACE
PUBLIC WORKS CAPITAL IMPROVEMENT PLAN
1996 Through 2020

	L-T-D 1996 - 2013	2014 Estimate	2015 Proposed	2016 Proposed	2017-Proj	2018-Proj	2019- Proj	2020-Proj	Total
SOURCES & USES									
Financing Sources									
Beginning Fund Balance	$ -	$ 630,218	$ 44,064	$ -	$ -	$ -	$ -	$ -	$ -
Pay-as-you-go									
General Fund	6,802,234	-	150,000	-	-	-	-	-	6,952,234
Street Fund	1,336,616	-	-	-	-	-	-	-	1,336,616
Arterial Street Fuel Tax Fund	2,665,268	134,130	136,599	106,459	104,459	104,634	104,634	104,634	3,460,817
1st 1/4% Real Estate Excise Tax (REET)	658,743	-	24,073	47,353	52,129	54,886	62,976	71,229	971,389
2nd 1/4% Real Estate Excise Tax (REET)	3,339,562	360,000	340,250	255,000	260,000	265,000	265,000	265,000	5,349,812
SWM Fund (Road & Street Projects)	11,404,555	3,746,171	2,560,516	912,000	801,235	160,000	160,000	160,000	19,904,477
TIF Transfer in	-	80,000	450,000	-	-	-	-	-	530,000
27th Street Overlay	293,836	38,364	-	-	-	-	-	-	332,200
27th Street Phase 2 (Grandivew - Bridgeport)	-	-	51,000	1,224,000	-	-	-	-	1,275,000
27th Street TIB (Bridgeport to 67th)	-	-	1,204,000	-	-	-	-	-	1,204,000
40th Street Overlay	236,081	13,751	-	-	-	-	-	-	249,832
35th/67th Signalization-HES Grant	54,542	-	-	-	-	-	-	-	54,542
Bridgeport Phase 1A-TIB/UATA Grant	1,273,211	-	-	-	-	-	-	-	1,273,211
Bridgeport Phase 1A-TIB/PFP Grant	100,000	-	-	-	-	-	-	-	100,000
Bridgeport Phase 1B-TIB/UATA Grant	681,925	-	-	-	-	-	-	-	681,925
Bridgeport Phase 2-ISTEA Grant	500,000	-	-	-	-	-	-	-	500,000
Bridgeport Phase 2-TEA 21/Other Grants	1,196,617	-	-	-	-	-	-	-	1,196,617
Bridgeport Phase 2-TIB/PFP Grant	100,000	-	-	-	-	-	-	-	100,000
Bridgeport Phase 2-PWTFL	960,000	-	-	-	-	-	-	-	960,000
Bridgeport Phase 3 & 4-Grants (Row Purchases)	669,161	-	-	-	-	-	-	-	669,161
Bridgeport Phase 3 & 4-Grants (T21 Grant)	414,973	2,138,350	-	-	-	-	-	-	2,553,323
Bridgeport Phase 3A	1,482,507	-	-	-	-	-	-	-	1,482,507
Bridgeport Phase 4A	-	-	340,000	-	-	-	-	-	340,000
Bridgeport Phase 5	185,556	2,304,337	-	-	-	-	-	-	2,489,893
Bridgeport Low Impact Development Project	68,543	689,458	-	-	-	-	-	-	758,001
Box Culvert (Leach Creek)-Grant	793,880	-	-	-	-	-	-	-	793,880
Chambers Creek-ISTEA Grant	883,203	-	-	-	-	-	-	-	883,203
64th St W Grand to Cham Cr-Pierce County	834,967	-	-	-	-	-	-	-	834,967
Chambers Creek Road-Other Grants	2,109,211	-	-	-	-	-	-	-	2,109,211
Cirque Drive Phase 2 (67th to Sunset)-PWTFL	653,253	-	-	-	-	-	-	-	653,253
Cirque/56th Corridor Improvements	-	200,000	578,500	-	-	-	-	-	778,500
Cirque/56th Corridor Improvements - Tacoma	-	15,600	45,150	-	-	-	-	-	60,750
Cirque/56th Corridor Improvements Phase 1	-	-	-	3,995,000	-	-	-	-	3,995,000
Cirque/56th Corridor Improvements Phase 1 - Tacoma	-	-	-	360,000	-	-	-	-	360,000
Cirque Drive Overlay	-	-	709,750	-	-	-	-	-	709,750
Day Island-FHWA Grant	203,045	-	-	-	-	-	-	-	203,045
Grandview 1-G.O. Bonds	1,000,000	-	-	-	-	-	-	-	1,000,000
Grandview 2-PWTFL	957,148	-	-	-	-	-	-	-	957,148
Grandview 3-PWTFL	1,077,732	-	-	-	-	-	-	-	1,077,732
Grandview 3-Pierce County Contribution	370,603	-	-	-	-	-	-	-	370,603
Grandview 3-Lone Star Contribution	40,000	-	-	-	-	-	-	-	40,000
Mildred Street - Federal CMAQ Grant	103,413	2,083,653	-	-	-	-	-	-	2,187,066
Mildred Street - Fircrest & Private Donations	-	175,342							175,342
Sunset Side Imp (Cirque/19th)-PSE	60,000	-	-	-	-	-	-	-	60,000
Sunset Side Imp (Cirque/19th)-PWTFL	680,000	-	-	-	-	-	-	-	680,000
Pierce Transit Opticom	135,490	-	-	-	-	-	-	-	135,490
FEMA-Peach Creek Bridge Repair Grant	457,765	-	-	-	-	-	-	-	457,765
CDBG Grant 2005	70,853	-	-	-	-	-	-	-	70,853
Arterial Street Lighting-G.O. Bonds	250,000	-	-	-	-	-	-	-	250,000
East Road - reimbursement	317,388	-	-	-	-	-	-	-	317,388
CDBG - Cirque		223,300	-	-	-	-	-	-	223,300
CDBG Grant - 70th Street Improvements	228,870	-	-	-	-	-	-	-	228,870
Sidewalk Grant - 40th Street	745,000	-	-	-	-	-	-	-	745,000
TPU Reimbursement - Sidewalk Grant - 40th Street	352,134	-	-	-	-	-	-	-	352,134
Sidewalk Grant - Alameda	798,000	-	-	-	-	-	-	-	798,000
TPU Reimbursement - Sidewalk Grant - Alameda	143,432	-	-	-	-	-	-	-	143,432
School Beacon Grant	49,078	-	-	-	-	-	-	-	49,078
SafeRoutes Grant - 40th Street	697,000	-	-	-	-	-	-	-	697,000
SafeRoutes 40th Misc.	219,128	-	-	-	-	-	-	-	219,128
SafeRoutes Grant - Grandview	747,464	-	-	-	-	-	-	-	747,464
SafeRoutes Grandview/Misc.	3,650	-	-	-	-	-	-	-	3,650
SafeRoutes - 27th Street	851,510	58,490	-	-	-	-	-	-	910,000
SafeRoutes - Beckonridge	777,364	52,637	-	-	-	-	-	-	830,001
SafeRoutes - Elwood	-	811,131	-	-	-	-	-	-	811,131
Saferoutes - 44th	-	820,000	-	-	-	-	-	-	820,000
Saferoutes - 56th	-	464,000	-	-	-	-	-	-	464,000
Saferoutes - Cirque Dr.	-	1,040,000	-	-	-	-	-	-	1,040,000
Dept of Commerce - UP Main Street Redevelopment	-	945,750	-	-	-	-	-	-	945,750
Leach Creek (Rco Grant)	12,153	-	-	-	-	-	-	-	12,153
19th St Sidewalk Grant - CDBG	118,181	-	-	-	-	-	-	-	118,181
Town Center									
Interfund Loans	2,150,000	-	-	-	-	-	-	-	2,150,000
Town Center - PWTFL 2006	866,745	-	-	-	-	-	-	-	866,745
Town Center LOC	31,500,000	-	-	-	-	-	-	-	31,500,000
Bond Issue	54,395,307	-	-	-	-	-	-	-	54,395,307
Transfer from LRF	2,183,226	2,282,501	-	-	-	-	-	-	4,465,726
Interfund Trfr (trfr from Fleet)	500,000	-	-	-	-	-	-	-	500,000
Trfr In - REET	600,000	-	-	-	-	-	-	-	600,000
Trfr In - General Fund for Debt Service	4,096,862	-	-	-	-	-	-	-	4,096,862
Trfr in - General Fund	11,816,000	-	-	-	-	-	-	-	11,816,000
Trfr in - Police/Public Safety	98,165	-	-	-	-	-	-	-	98,165
PC Library - Library Ti's	289,860	-	-	-	-	-	-	-	289,860
Fire District Payment for police station	1,026,498	-	-	-	-	-	-	-	1,026,498

CITY OF UNIVERSITY PLACE
PUBLIC WORKS CAPITAL IMPROVEMENT PLAN
1996 Through 2020

	L-T-D 1996 - 2013	2014 Estimate	2015 Proposed	2016 Proposed	2017-Proj	2018-Proj	2019- Proj	2020-Proj	Total
Trfr In - SWM 302-163	1,291,522	-	-	-	-	-	-	-	1,291,522
Land Sales	600,000	-	-	-	-	-	-	-	600,000
Miscellaneous	170,376	-	-	-	-	-	-	-	170,376
Federal Transit Administration Grant	2,910,277	-	-	-	-	-	-	-	2,910,277
Earmark for Transit Garage - ARRA	797,627	-	-	-	-	-	-	-	797,627
Federal Highway Grant - Stimulus (798,000)	735,000	-	-	-	-	-	-	-	735,000
Other Revenue	31,236	-	-	-	-	-	-	-	31,236
Federal Highway Adminstration Grant	2,513,231	-	-	-	-	-	-	-	2,513,231
UP for Art - Market Square	15,000	-	-	-	-	-	-	-	15,000
Energy Grant	63,394	-	-	-	-	-	-	-	63,394
Bonneville Grant	12,500	-	-	-	-	-	-	-	12,500
Stag Grant	485,000	-	-	-	-	-	-	-	485,000
County Sewer	500,000	-	-	-	-	-	-	-	500,000
University Hills - Private Hookup	79,288	-	-	-	-	-	-	-	79,288
LRF/Lot 8 Garage TI's - Clearview Cost Share	20,143	-	-	-	-	-	-	-	20,143
State Grant - Market Square	987,501	-	-	-	-	-	-	-	987,501
Other Contributions	1,164,337	-	-	-	-	-	-	-	1,164,337
Interest Earnings	294,461	-	-	-	-	-	-	-	294,461
	$173,358,397	**$ 19,307,183**	**$ 6,633,902**	**$ 6,899,812**	**$ 1,217,823**	**$ 584,520**	**$ 592,610**	**$ 600,863**	**$ 208,520,828**
PUBLIC WORKS PROJECTS									
CIP Personnel	2,984,006	314,155	357,751	388,812	396,588	404,520	412,610	420,863	5,679,305
CIP Constr Eng & Insp (contract FTEs)	32,936	-	-	-	-	-	-	-	32,936
19th Street Sidewalk	128,216	-	-	-	-	-	-	-	128,216
27th Street Design (Grand to B-Port)	71,044	-	-	-	-	-	-	-	71,044
27th Street Const (Grand to B-Port)	24,812	-	-	-	-	-	-	-	24,812
27th Street Phase 2 (Grandview - Bridgeport)	-	-	60,000	1,440,000	-	-	-	-	1,500,000
27th Street (B-Port to 67th Ave West)	-	-	1,584,183	-	-	-	-	-	1,584,183
27th Street Overlay	339,694	44,352	-	-	-	-	-	-	384,046
35th/67th Signalization	116,630	-	-	-	-	-	-	-	116,630
37th Street Improvements ("I")	172,999	-	-	-	-	-	-	-	172,999
40th St Sidewalk Sunset	334,306	-	-	-	-	-	-	-	334,306
40th Street Road Improvements	49,507	-	-	-	-	-	-	-	49,507
40th St W Pedestrian and Bicycle Safety Project	1,290,997	-	-	-	-	-	-	-	1,290,997
40th Street Overlay	272,926	15,896	-	-	-	-	-	-	288,822
44th Street Improve Ph 1 (B-Port to 67th)	199,916	-	-	-	-	-	-	-	199,916
44th St/67th Street Signalizaion	176,354	-	-	-	-	-	-	-	176,354
64th St West Grand to Chambers Creek	1,207,738	-	-	-	-	-	-	-	1,207,738
67th Ave Improvements	150,519	-	-	-	-	-	-	-	150,519
67th Ave Sewer Trench Repair	54,716	-	-	-	-	-	-	-	54,716
70th Street Improvements - CDBG Grant	308,984	-	-	-	-	-	-	-	308,984
79th Avenue Sidewalks (Drum Intermediate School)	124,798	-	-	-	-	-	-	-	124,798
97th Avenue Sidewalks (Sunset School)	208,651	-	-	-	-	-	-	-	208,651
Alameda Avenue W Pedestrian and Bicycle Safety Project	1,095,253	-	-	-	-	-	-	-	1,095,253
Alameda Ave Extension	187,461	-	-	-	-	-	-	-	187,461
Bridgeport 1A Mid-Blocks-Signals	194,093	-	-	-	-	-	-	-	194,093
Bridgeport Way West Phase 1A	2,215,103	-	-	-	-	-	-	-	2,215,103
Bridgeport Way West Phase 1B	2,672,955	-	-	-	-	-	-	-	2,672,955
Bridgeport Way Design & ROW Phase 2	463,458	-	-	-	-	-	-	-	463,458
Bridgeport Way Const Phase 2	2,972,357	-	-	-	-	-	-	-	2,972,357
Bridgeport Way West Phase 3/4	805,367	-	-	-	-	-	-	-	805,367
Bridgeport Phase 3 & 4-Grants (Row Purchases)	600,594	2,499,263	-	-	-	-	-	-	3,099,857
Bridgeport Way West Phase 3A-Cirque to 53rd	1,714,193	-	-	-	-	-	-	-	1,714,193
Bridgeport Way West Phase 4A - Chambers Lane to 67th	-	-	400,000	-	-	-	-	-	400,000
Bridgeport Way West Phase 3B-53rd-Chambers Lane	5,622	-	-	-	-	-	-	-	5,622
Bridgeport Way West Phase 5-27th to 19th	214,516	2,744,356	450,000	-	-	-	-	-	3,408,872
Bridgeport Low Impact Development	103,483	933,599	-	-	-	-	-	-	1,037,082
Chamb Cr Rd (Emergency Repair)	3,046,240	-	-	-	-	-	-	-	3,046,240
Cirque Dr W Sidewalks Ph 1	85,541	-	-	-	-	-	-	-	85,541
Cirque Dr W Sidewalks Ph 2 (67th to Sunset)	1,036,042	-	-	-	-	-	-	-	1,036,042
Cirque/Alameda Intersection	749,039	-	-	-	-	-	-	-	749,039
Cirque - CDBG	-	341,000	-	-	-	-	-	-	341,000
Cirque/56th Corridor Improvements	-	276,350	623,650	4,700,000	-	-	-	-	5,600,000
Cirque Drive Overlay	-	-	835,000	-	-	-	-	-	835,000
Cirque Sidewalk	-	-	50,000	-	-	-	-	-	50,000
City Entrance Signage	8,273	-	150,000	-	-	-	-	-	158,273
City-wide Arterial Street Lighting	440,224		-	-	-	-	-	-	440,224
Day Island Bridge/Day Island Blvd Repairs	260,436		-	-	-	-	-	-	260,436
Drexler Dr. South	20,672		-	-	-	-	-	-	20,672
Drum Road W (75th Ave West)	39,875		-	-	-	-	-	-	39,875
East Road	2,288,084		-	-	-	-	-	-	2,288,084
Fircrest Acres Sewer Agreement	14,733		-	-	-	-	-	-	14,733
Grandview Drive West I	1,768,574	-	-	-	-	-	-	-	1,768,574
Grandview Drive West 2	1,429,562	-	-	-	-	-	-	-	1,429,562
Grandview Drive West 3	2,898,981	-	-	-	-	-	-	-	2,898,981
Hannah Pierce	594,277	-		-	-	-	-	-	594,277
Mildred Street	119,552	2,408,847							2,528,399
Neighborhood CIP	1,548,436	-	6,985	20,000	20,000	20,000	20,000	20,000	1,655,421
Overlay Program	1,355,293	-	-	-	-	-	-	-	1,355,293
Pierce Transit Opticom	136,983	-	-	-	-	-	-	-	136,983
Public Works Operations Shop	1,679,593	-	-	-	-	-	-	-	1,679,593
School Beacon	49,115	-	-	-	-	-	-	-	49,115
Sewer ULID Feasibility Assessment	64,279	-	-	-	-	-	-	-	64,279
Street Furniture	10,620	-	-	-	-	-	-	-	10,620
Sunset Sidewalk Improve (Cirque to 19th)	1,495,985	-	-	-	-	-	-	-	1,495,985
University Place Main Street Redevelopment	-	945,750	-	-	-	-	-	-	945,750
SWM Improve-Day Island (N & S Outfall)	98,103	-	-	-	-	-	-	-	98,103
SWM Improve-Day Island/27th Avenue	4,138	-	-	-	-	-	-	-	4,138
SWM Water Quality Site Purchase/Morrison Pond	879,683	-	-	-	-	-	-	-	879,683

CITY OF UNIVERSITY PLACE
PUBLIC WORKS CAPITAL IMPROVEMENT PLAN
1996 Through 2020

	L-T-D 1996 - 2013	2014 Estimate	2015 Proposed	2016 Proposed	2017-Proj	2018-Proj	2019- Proj	2020-Proj	Total
SWM-Brookside/Soundview Storm Drain (NCIP)	85,629	-	-	-	-	-	-	-	85,629
SWM-Detention Tank 79th/54th	-	-		-	-	-	-	-	-
SWM-35th St Pond Improvements	-	-		-	-	-	-	-	-
SWM-Infiltration System at 57th Ave W/62nd St W	-	-		-	-	-	-	-	-
SWM-Infiltration System in 64th St W	-	-		-	-	-	-	-	-
SWM-Leach Cr Stream Buffer Acquisition	13,518	1,482	-	-	-	-	-	-	15,000
SWM-Leach Creek Stream Channel habitat restoration	-	240,000	-	-	-	-	-	-	240,000
SWM-Stormwater NCIP	41,355	60,000	160,000	160,000	160,000	160,000	160,000	160,000	1,061,355
SWM-Crystal Creek Culvert	55,284	506,716	-	-	-	-	-	-	562,000
SWM-19th Street Pond Retrofit	8,960	-	456,333	-	-	-	-	-	465,293
SWM-Drainage for CIP	234,283	901,235	160,000	160,000	-	-	-	-	1,455,518
SWM-Leach Cr Detention Facility Improvements	-		-	-	-	-	-	-	-
SWM-Bridgeport Storm Drainage Extension	73,356	-	-	-	-	-	-	-	73,356
SWM-Storm Drain Comp Plan	100,584	-	-	-	-	-	-	-	100,584
SWM-Peach Creek Bridge Repair	451,705	-	-	-	-	-	-	-	451,705
SWM - 37th St W (7000 block)	-	286,400	-	-	-	-	-	-	286,400
SWM - 56th St W & 95th	-	154,740	-	-	-	-	-	-	154,740
SWM - Lemons Beach Outfall	-	42,600	285,000	-	-	-	-	-	327,600
SWM - Soundview Dr W (Brookside to 31st)	-	67,050	450,000	-	-	-	-	-	517,050
SWM - Olympic Dr W (GV to 31st)	-	48,770	325,000	-	-	-	-	-	373,770
SWM - Tahoma Place		41,675	280,000	-	641,235				962,910
SWM-CIP Personnel	294,667	-	-	-	-	-	-	-	294,667
LRF - Market Place Street/Pedestrian	364,258	29,165	-	-	-	-	-	-	393,423
Market Place Street/Pedestrian - SWM	24,727	-	-	-	-	-	-	-	24,727
LRF - LOT 10 STAIRCASE	9,720	155,280	-	-	-	-	-	-	165,000
LRF - Lot 10A Sprinkler	73,517	-	-	-	-	-	-	-	73,517
LRF - Market Place Ph. 5	-	195,073	-	-	-	-	-	-	195,073
LRF - Lot 8 Garage Improvements	1,246,405	13,277	-	-	-	-	-	-	1,259,682
Lot 8 - Land Sale	-	-							-
Lot 8 Garage Improvements/non LRF/Clearview Reimb.	-	-	-	-	-	-	-	-	-
LRF - Lot 10 Parking	-	1,700,000	-	-	-	-	-	-	1,700,000
LRF - Briarview Demo	-	100,000	-	-	-	-	-	-	100,000
LRF - Drexler Power Vault	-	80,000	-	-	-	-	-	-	80,000
Avail for LRF Projects as approved by council	-	-	-	-	-	-	-	-	-
Saferoutes - Grandview	740,154	2,191	-	-	-	-	-	-	742,345
Saferoutes - 27th	988,804	21,196	-	-	-	-	-	-	1,010,000
Saferoutes - Beckonridge	843,560	56,440	-	-	-	-	-	-	900,000
TIF Projects	-		-	-	-	-	-	-	-
Saferoutes - 44th	-	910,000	-	-	-	-	-	-	910,000
Saferoutes - 56th	-	540,000	-	-	-	-	-	-	540,000
Saferoutes - Elwood Dr. W. (Cirque to 40th)	-	1,070,000	-	-	-	-	-	-	1,070,000
Public Works CIP Contingency	19,032	111,275	-	-	-	-	-	-	130,307
	$172,728,179	**$ 19,263,119**	**$ 6,633,902**	**$ 6,899,812**	**$ 1,217,823**	**$ 584,520**	**$ 592,610**	**$ 600,863**	**$ 208,520,828**
Reserved for Public Works (Streets, Traffic, SWM) CIP Projects	630,218	44,064	-	-	-	-	-	-	-
	$ 630,218	**$ 44,064**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

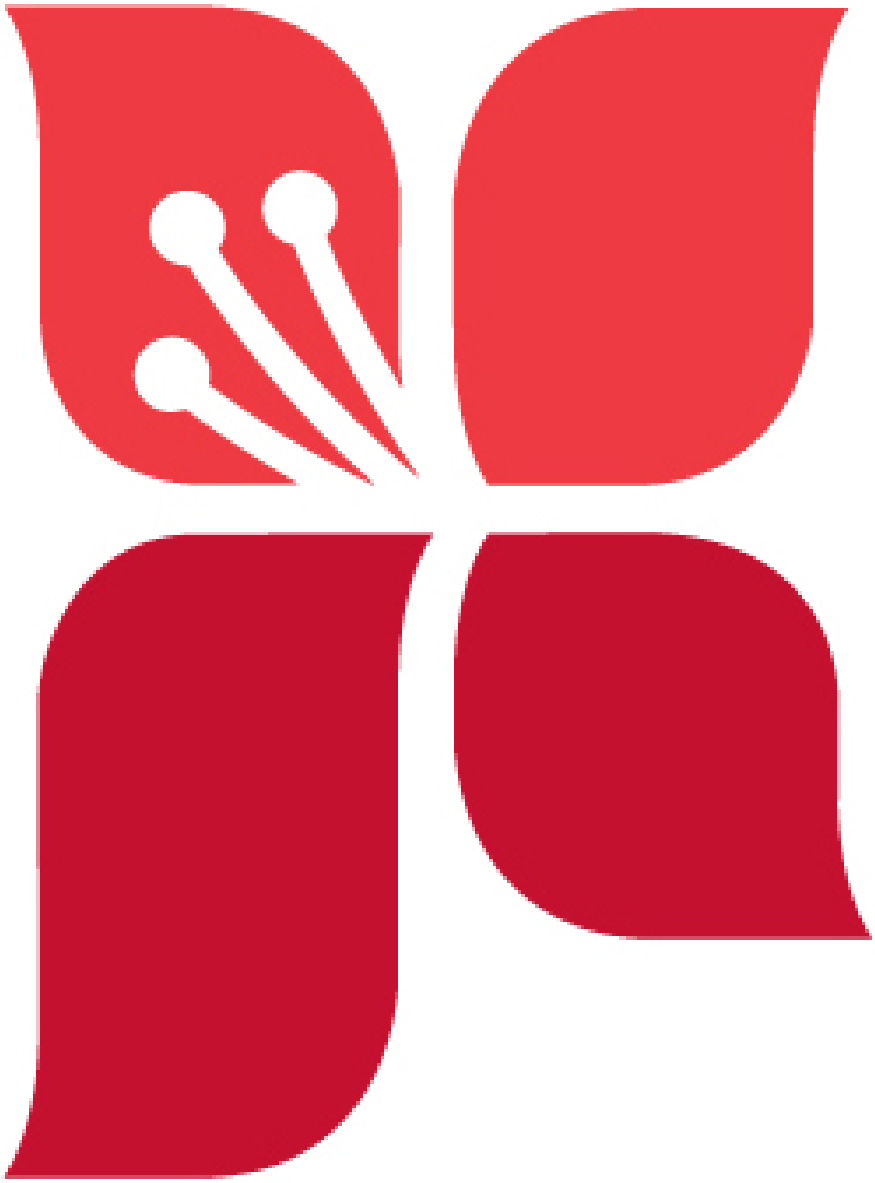
Municipal Facilities CIP

Mission and Responsibilities

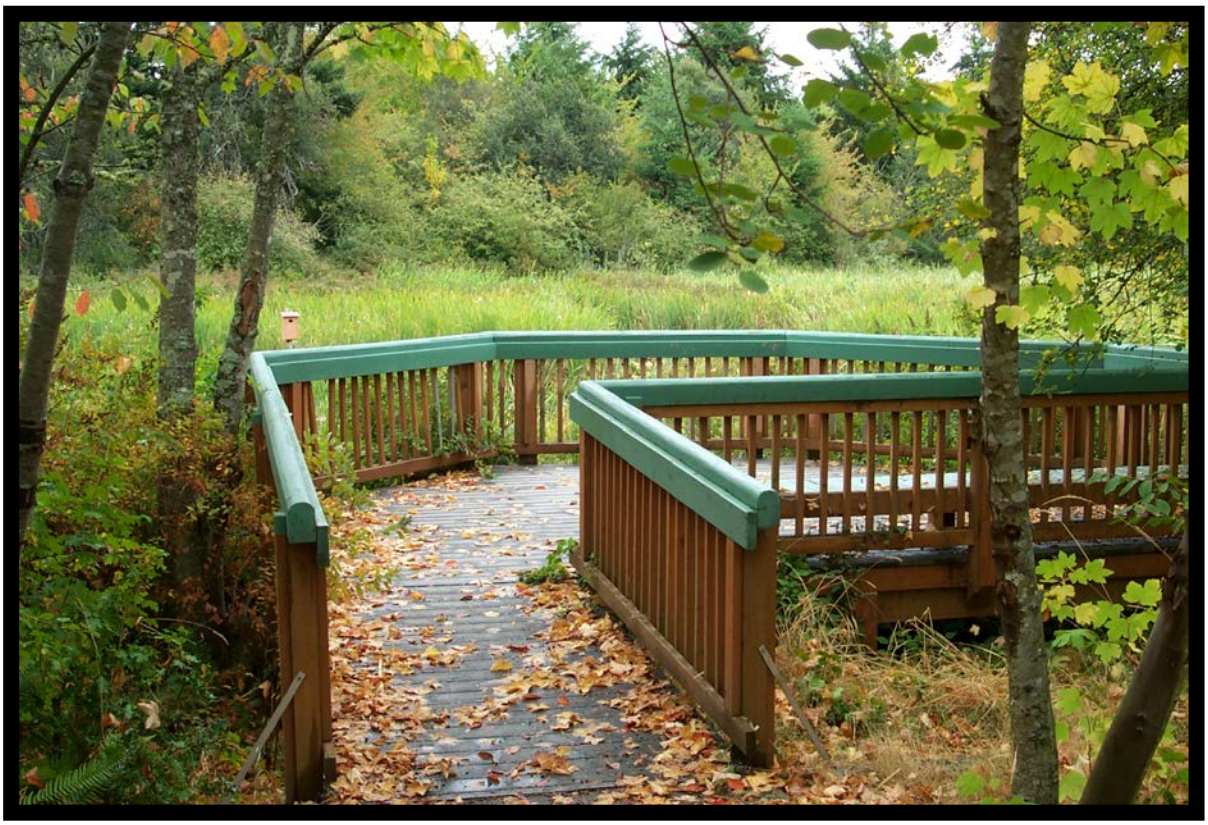
Municipal Facilities CIP is managed by the Property Management department. Proceeds from a land sale in 2014 are being held in this fund for future Tenant Improvements at the Civic Building.

CITY OF UNIVERSITY PLACE
MUNICIPAL FACILITIES CAPITAL IMPROVEMENT PLAN
1996 Through 2020

	L-T-D 1996 - 2013	2014-Revised	2014 Estimate	2015 Proposed	2016 Proposed	2017-Proj	2018-Proj	2019-Proj	2020-Proj	Total
SOURCES & USES										
Financing Sources										
Beginning Fund Balance	$ -	$ -	$ -	$ 913,235	$ -	$ -	$ -	$ -	$ -	$ -
General Fund-City Hall Remodel	1,388,261	-	-	-	-	-	-	-	-	1,388,261
General Fund-Tenant Remodels	215,000	-	-	-	-	-	-	-	-	215,000
General Fund-Capital Equipment	84,849	-	-	-	-	-	-	-	-	84,849
2nd 1/4% Real Estate Excise Tax (REET)	170,941	-	-	-	-	-	-	-	-	170,941
Subtotal Pay-as-you-go	***1,859,051***	-	-	-	-	-	-	-	-	***1,859,051***
G.O. Bonds-Windmill Vill Purchase	1,279,144	-	-	-	-	-	-	-	-	1,279,144
G.O. Bonds-Windmill Vill Remodel	428,413	-	-	-	-	-	-	-	-	428,413
G.O. Bonds-Homestead Park	885,542	-	-	-	-	-	-	-	-	885,542
Subtotal GO Bonds	***2,593,099***	-	-	-	-	-	-	-	-	***2,593,099***
Interest Earnings	101,621	-	-	-	-	-	-	-	-	101,621
Land Sales	-	1,013,235	1,013,235	-	-	-	-	-	-	1,013,235
Miscellaneous-Weyerhaeuser	7,699	-	-	-	-	-	-	-	-	7,699
Miscellaneous-Property Sale	163,844	-	-	-	-	-	-	-	-	163,844
Miscellaneous-TPU	12,093	-	-	-	-	-	-	-	-	12,093
Subtotal Other Sources	***285,257***	***1,013,235***	***1,013,235***	-	-	-	-	-	-	***1,298,492***
Total Financing Sources	**$ 4,737,407**	**$ 1,013,235**	**$ 1,013,235**	**$ 913,235**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 5,750,641**
Municipal Facilities Projects										
Windmill Village Purchase	$ 1,279,144	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	1,279,144
Homestead Park Purchase	$ 885,542	-	-	-	-	-	-	-	-	885,542
Trans to PW CIP	$ 124,649	-	-	-	-	-	-	-	-	124,649
Subtotal Property Acquisition	***2,289,335***	-	-	-	-	-	-	-	-	***2,289,335***
Windmill Village Remodel (96/97)	$ 152,946	-	-	-	-	-	-	-	-	152,946
Windmill Village Remodel (98/99)	$ 1,646,994	-	-	-	-	-	-	-	-	1,646,994
Land Sale Costs	$ -	100,000	100,000	-	-	-	-	-	-	100,000
Civic Building Tenant Improvements	$ -	-	-	913,235	-	-	-	-	-	913,235
Tenant Improvements	$ 8,623	-	-	-	-	-	-	-	-	8,623
Wireless PA System	$ 11,393	-	-	-	-	-	-	-	-	11,393
Outline Lighting	$ 14,996	-	-	-	-	-	-	-	-	14,996
Capital Repairs	$ 42,443	-	-	-	-	-	-	-	-	42,443
Subtotal Windmill Village Improvements	***1,877,395***	***100,000***	***100,000***	***913,235***	-	-	-	-	-	***2,890,630***
Windmill Village-Building "A"										
Stortini's Remodel	93,643	-	-	-	-	-	-	-	-	93,643
Stortini's HVAC Improvements	20,046	-	-	-	-	-	-	-	-	20,046
Stortini's-Electrical Improvements	5,144	-	-	-	-	-	-	-	-	5,144
Stortini's-Re-roofing	11,688	-	-	-	-	-	-	-	-	11,688
Windmill Village-Building "E"	-									
Wallaby's Remodel	7,594	-	-	-	-	-	-	-	-	7,594
Harvey's Coffee/Kokopelli	31,701	-	-	-	-	-	-	-	-	31,701
Windmill/Harvey's-PTAC	7,885	-	-	-	-	-	-	-	-	7,885
Windmill/Harvey's-Gable	5,273	-	-	-	-	-	-	-	-	5,273
Windmill/Harvey's-Re-roofing	15,500	-	-	-	-	-	-	-	-	15,500
Windmill Village-Building "D"										
Building D Improvements	19,762	-	-	-	-	-	-	-	-	19,762
Kathleen's/City-Re-roofing	14,628	-	-	-	-	-	-	-	-	14,628
City Recreation-Lighting	11,000	-	-	-	-	-	-	-	-	11,000
City Recreation-Remodel	12,000	-	-	-	-	-	-	-	-	12,000
Windmill Village-City Hall	-									-
Windmill Village-Tenant Improvements	7,360	-	-	-	-	-	-	-	-	7,360
Town Hall Entrance-ADA Door Openers	8,623	-	-	-	-	-	-	-	-	8,623
Subtotal Tenant Improvements	***271,847***	-	-	-	-	-	-	-	-	***271,847***
Tenant Improvements	5,000	-	-	-	-	-	-	-	-	5,000
Courtyard Concrete Replacement	7,800	-	-	-	-	-	-	-	-	7,800
Sewer Line	100,000	-	-	-	-	-	-	-	-	100,000
Promenade/Walkways	20,000	-	-	-	-	-	-	-	-	20,000
East Road & Homestead Parking	112,823	-	-	-	-	-	-	-	-	112,823
Monument Sign	20,000	-	-	-	-	-	-	-	-	20,000
Subtotal Common Area Improvements	***265,623***	-	-	-	-	-	-	-	-	***265,623***
Capital Repairs	33,206	-	-	-	-	-	-	-	-	33,206
Total Municipal Facilities	**$ 4,737,407**	**$ 100,000**	**$ 100,000**	**$ 913,235**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 5,750,641**
Total Ending Fund Balance	$ 0	$ 913,235	$ 913,235	$ -	$ -	$ -	$ -	$ -	$ -	$ 0



BUDGET BY FUND



ADRIANA HESS WETLANDS PARK

PHOTO INFORMATION: ADRIANA HESS WETLANDS PARK

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

OVERVIEW

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

FUND CATEGORIES: From a budgetary perspective, a fund is "an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves, and equities that are segregated for the purpose of carrying on specific activities or attaining certain objectives." The City of University Place divides its funds into the following categories:

Operating Funds

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

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

- Street Fund (101)
- Arterial Street Fund (102)
- Real Estate Excise Tax Fund (103)
- Parks and Recreation (104)
- Traffic Impact Fees Fund (105)
- Transportation Benefit District (106)
- Development Services (107)
- Local Revitalization Funding (LRF) Fund (108)
- Police/Public Safety (109)
- Path & Trails Fund (120)
- Strategic Reserve Fund (188)

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

Enterprise Fund:

- Surface Water Management Fund (401)

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

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

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

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

Non-Annually Budgeted Funds: This two fund accounts for donations designated for specific purposes by the donor.

- Donations and Gifts to University Place Fund (150)

001: GENERAL FUND

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

	2012	2013	2014			2015	2016
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
REVENUES							
Local Retail Sales & Use	1,930,467	2,177,970	2,717,000	2,439,700	3,000,000	2,600,000	2,020,000
Sales Tax - 1% for Parks	221,071	246,225	217,000	222,000	235,000	-	-
ILA - Pierce County Wastewater	2,250,000	-	-	-	-	-	-
Leasehold Excise Tax	3,435	4,224	2,500	3,500	3,000	3,500	3,500
Admission Tax	212,754	182,024	145,000	145,000	175,000	176,750	178,518
Utility Tax	2,456,159	2,410,110	2,482,000	2,436,000	2,445,000	2,459,000	2,459,000
Gambling Tax	75,292	48,985	75,000	40,000	30,000	30,500	30,805
Cable Franchise Fees	461,891	485,618	452,000	452,000	440,000	444,400	448,844
Refuse Franchise Fees	273,989	276,709	265,000	265,000	255,000	257,550	260,126
Water Fees (TPU)	451,139	485,277	440,000	530,036	530,036	500,000	505,000
Electric Fees (TPU)	1,027,905	1,069,815	998,000	1,119,248	1,119,248	998,000	1,007,980
Business License Fees	77,814	76,404	70,000	75,000	75,000	78,000	78,780
Penalty/Interest Taxes	720	455	-	-	-	-	-
Solicitor Permit Fees	200	375	150	150	250	250	250
City Assistance	66,002	93,177	-	35,000	85,000	60,000	-
Liquor Profits Tax	282,362	224,222	221,000	140,000	150,000	151,500	153,015
Liquor Excise Tax	78,104	41,719	37,000	37,000	37,000	37,370	37,744
Fines & Forfeitures	100	158	-	-	-	-	-
Judgements and Settlements	6,270	348	1,500	3,000	500	500	500
Sale of Documents & Records	251	182	-	-	50	-	-
Administrative Fee from SWM Fund	405,039	415,475	427,675	427,675	410,636	418,373	418,169
Rents and Leases	108,581	164,036	150,723	69,700	85,000	85,850	86,709
Investment Interest	8,435	11,745	4,500	8,500	20,000	20,300	20,605
Library Expansion Space	120,000	120,000	120,000	120,000	120,000	120,000	120,000
Land Sales	600,000	-	-	476,000	426,000	-	-
Transfer In - Fleet	-	188,150	-	-	-	-	-
Transfer In - IT	300,000	-	-	-	-	-	-
Transfer In - Dev. Services	130,000	130,000	130,000	130,000	130,000	-	-
Transfer In - Donations	79	-	-	-	-	-	-
Private Contribution	-	-	-	100,000	100,000	-	-
Miscellaneous	140,457	9,188	4,000	5,050	4,271	4,000	4,000
TOTAL REVENUE	11,688,516	8,862,591	8,960,048	9,279,559	9,875,991	8,445,843	7,833,545

General Fund, Continued

	2012 Actual	2013 Actual	2014 Adopted	2014 Revised	2014 Estimate	2015 Proposed	2016 Proposed
EXPENDITURES							
Governance & Management							
City Council	235,408	266,978	160,834	175,334	177,832	198,679	199,877
US Open	-	4,452	5,000	62,548	62,548	100,000	-
City Manager's Office	370,512	349,093	364,590	407,657	410,674	408,363	420,146
Community Events	62,369	67,501	66,500	80,300	80,300	92,360	91,960
Beautification	-	20,809	28,000	29,050	29,050	31,050	29,050
Community & Economic Dev. Directors	-	-	-	-	-	87,763	90,264
Economic Development	280,497	306,587	428,875	423,375	315,703	181,219	170,284
Finance/Admin Svcs Director	92,693	93,044	98,258	98,258	101,136	100,150	103,214
Finance	636,742	618,590	660,342	672,942	668,147	698,128	718,096
Human Resources	173,056	132,017	170,684	177,240	161,638	181,189	180,296
Reception	39,679	38,749	44,697	44,697	45,192	52,014	53,492
City Clerk	267,644	268,745	284,617	313,435	289,639	342,024	294,102
UPTV	210,338	222,808	271,098	494,433	485,077	289,060	291,168
Property Management	427,380	517,574	455,618	572,056	542,953	664,572	672,049
Engineering Services	227,275	225,936	250,773	250,773	286,404	294,216	302,016
Contingency	-	-	50,000	50,000	50,000	50,000	50,000
Benefit Cashout	-	-	-	-	-	97,565	85,891
Interfund Transfers Out	7,021,171	4,806,283	5,776,232	6,010,082	5,771,523	5,623,843	4,985,148
Interfund Loan Interest	812	337	-	-	-	-	-
TOTAL EXPENDITURES	**10,045,576**	**7,939,504**	**9,116,118**	**9,862,180**	**9,477,816**	**9,492,195**	**8,737,053**
Fund Balance, January 1	**559,349**	**1,652,633**	**1,050,224**	**2,575,720**	**2,575,720**	**2,973,896**	**1,927,545**
Fund Balance, December 31	**2,202,289**	**2,575,720**	**894,154**	**1,993,100**	**2,973,896**	**1,927,545**	**1,024,035**

101: STREET FUND

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

Primary sources of revenue for this fund include the motor vehicle fuel tax, vehicle license fees, and transfers in from the General Fund. Primary areas of service are engineering plan reviews and inspections of developments, transportation planning, traffic operations and maintenance, neighborhood traffic services, and street maintenance.

	2012	2013	2014			2015	2016
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
REVENUES							
Fuel Taxes	434,950	438,941	441,675	441,675	441,675	448,300	455,025
Judgments/Settlements	19,093	26,713	15,000	15,000	6,000	10,000	10,000
Miscellaneous	170	-	-	-	-	-	-
Transfer In - TBD	-	-	-	-	-	146,000	287,700
Transfer In - General Fund	505,112	448,901	612,183	647,974	641,280	507,178	371,362
TOTAL REVENUE	**959,325**	**914,555**	**1,068,858**	**1,104,649**	**1,088,955**	**1,111,478**	**1,124,087**
EXPENDITURES							
Public Works Operations	931,568	898,840	1,048,858	1,084,649	1,068,955	1,091,478	1,104,087
Snow/Ice Control	26,170	21,903	20,000	20,000	20,000	20,000	20,000
TOTAL EXPENDITURES	**957,738**	**920,743**	**1,068,858**	**1,104,649**	**1,088,955**	**1,111,478**	**1,124,087**
Fund Balance, January 1	**4,601**	**6,188**	**-**	**-**	**-**	**-**	**-**
Fund Balance, December 31	**6,188**	**-**	**-**	**-**	**-**	**-**	**-**

102: ARTERIAL STREET FUND

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

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

	2012	2013	2014			2015	2016
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
REVENUE							
Fuel Taxes	203,361	200,228	208,000	208,000	208,000	212,000	216,000
Transfer In: GF	5,147	-	-	-	-	-	-
TOTAL REVENUE	**208,508**	**200,228**	**208,000**	**208,000**	**208,000**	**212,000**	**216,000**
EXPENDITURES							
Tranfer to PW Capital Improvement	113,725	133,044	134,129	134,130	134,130	136,599	106,459
Transfer to Debt Service	93,334	75,031	83,272	83,272	83,272	75,401	109,541
TOTAL EXPENDITURES	**207,059**	**208,075**	**217,401**	**217,402**	**217,402**	**212,000**	**216,000**
Fund Balance, January 1	**19,535**	**20,984**	**9,401**	**13,137**	**13,137**	**3,735**	**3,735**
Fund Balance, December 31	**20,984**	**13,137**	**-**	**3,735**	**3,735**	**3,735**	**3,735**

103: REAL ESTATE EXCISE TAX (REET) FUND

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

The real estate excise tax is levied on all sales of real estate, measured by the full selling price, including the amount of any liens, mortgages, and other debts given to secure the purchase. The state levies this tax at the rate of 1.28%. In 1990 and 1992, the Legislature made a number of changes in the locally imposed real estate excise tax. For those cities and towns that are required or choose to plan under the Growth Management Act (University Place is required to plan), new language was inserted regarding the first quarter percent of the tax. These cities and towns were also given the option of levying a second quarter percent to help defray the costs of implementing the Growth Management Act.

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

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

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

	2012	2013	2014			2015	2016
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
REVENUE							
1st 1/4% Reet Tax	259,587	313,468	190,000	280,000	285,000	315,000	322,875
2nd 1/4% Reet Tax	258,139	313,467	190,000	280,000	285,000	315,000	322,875
TOTAL REVENUE	517,726	626,935	380,000	560,000	570,000	630,000	645,750
EXPENDITURES							
Tranfer to PW Capital Imp	248,267	258,532	190,000	360,000	360,000	364,323	302,353
Transfer to Debt Service	112,230	348,658	187,235	327,235	327,592	330,000	337,500
TOTAL EXPENDITURES	360,497	607,190	377,235	687,235	687,592	694,323	639,853
Fund Balance, January 1	41,268	198,497	19,065	218,242	218,242	100,650	36,327
Fund Balance, December 31	198,497	218,242	21,830	91,007	100,650	36,327	42,224

104: PARKS AND RECREATION FUND

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

Revenues supporting the activities of this fund include fees and charges for the various activities sponsored and run by the parks and recreation division. Additional revenue may be contributed from general revenues of the City.

	2012	2013	2014			2015	2016
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
REVENUE							
Senior Services	3,489	5,058	3,500	3,500	5,000	2,000	2,000
Outdoors	2,692	912	3,000	3,000	2,000	2,500	2,500
Youth Sports	152,107	162,302	154,350	154,350	149,280	150,350	150,350
Trips and Tours	25,070	36,930	12,700	12,700	21,700	15,000	15,000
Martial Arts	1,100	1,046	1,500	1,500	1,500	-	-
Youth Sports	76,421	114,822	76,000	76,000	86,977	83,000	83,000
Cultural Arts	3,143	1,823	2,700	2,700	984	5,000	5,000
Fitness	12,813	28,412	11,400	11,400	26,585	22,700	22,700
Technology	1,947	-	1,750	1,750	-	-	-
Sr. Center	3,970	8,310	5,000	5,000	6,500	5,500	5,500
Field/Park/Shelter Rentals	18,979	26,156	16,300	16,300	17,425	20,200	20,200
Donations	16,242	12,152	-	-	9,512	-	-
Sponsorships	13,531	10,187	-	-	8,403	-	-
Grants	23,831	15,005	-	7,373	7,315	-	-
Sales Tax - 1% for Parks	-	-	-	-	-	224,220	226,462
Transfer In - GF - Parks	382,954	-	416,384	416,384	411,042	330,045	299,169
Transfer In - GF - Rec	244,228	626,391	333,233	333,233	341,290	376,987	390,440
Miscellaneous	200	788	-	-	1,183	-	-
TOTAL REVENUE	**982,717**	**1,050,293**	**1,037,817**	**1,045,190**	**1,096,696**	**1,237,502**	**1,222,321**
EXPENDITURES							
Recreation	599,763	669,525	621,433	628,806	685,654	683,237	696,690
Parks Maintenance	382,954	380,768	416,384	416,384	411,042	428,062	434,472
Transfer to Debt	-	-	-	-	-	126,203	91,159
TOTAL EXPENDITURES	**982,717**	**1,050,293**	**1,037,817**	**1,045,190**	**1,096,696**	**1,237,502**	**1,222,321**
Fund Balance, January 1	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Fund Balance, December 31	**-**	**-**	**-**	**-**	**-**	**-**	**-**

105: TRAFFIC IMPACT FEES FUND

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

	2012	2013	2014			2015	2016
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
REVENUE							
Impact Fees	106,840	133,477	117,312	117,312	125,000	120,000	120,000
Sales Tax - TIF Deferral	-	3,592	-	-	-	-	-
Interfund Loan Interest	670	-	-	-	-	-	-
TOTAL REVENUE	**107,510**	**137,069**	**117,312**	**117,312**	**125,000**	**120,000**	**120,000**
EXPENDITURES							
Tranfer to PW Capital Imp	-	-	-	80,000	80,000	450,000	-
Interfund Loan	-	-	-	-	-	-	-
TOTAL EXPENDITURES	**-**	**-**	**-**	**80,000**	**80,000**	**450,000**	**-**
Fund Balance, January 1	**348,456**	**705,966**	**830,276**	**843,035**	**843,035**	**888,035**	**558,035**
Fund Balance, December 31	**455,966**	**843,035**	**947,588**	**880,347**	**888,035**	**558,035**	**678,035**

106: TRANSPORTATION BENEFIT DISTRICT

Purpose/Description: On December 2, 2013, the University Place City Council created a Transportation Benefit District in the City of University Place, known as the University Place Transportation Benefit District ("UPTBD"). The UPTBD Governing Board is comprised of all University Place City Councilmembers.

The University Place Transportation Benefit District Board authorized a vehicle license fee of $20. In July of 2014, the Washington State Department of Licensing began collecting the vehicle license fee on behalf of the UPTBD to fund maintenance, preservation, and safety enhancements to University Place's existing transportation network.

	2012	2013	2014			2015	2016
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
REVENUE							
TBD Fees	-	-	-	150,000	148,500	293,600	297,000
TOTAL REVENUE	**-**	**-**	**-**	**150,000**	**148,500**	**293,600**	**297,000**
EXPENDITURES							
Transfer Out - Street	-	-	-	-	-	146,000	287,700
Insurance/Audit Costs	-	-	-	4,000	2,500	5,900	5,950
TOTAL EXPENDITURES	**-**	**-**	**-**	**4,000**	**2,500**	**151,900**	**293,650**
Fund Balance, January 1	**-**	**-**	**-**	**4,000**	**-**	**146,000**	**287,700**
Fund Balance, December 31	**-**	**-**	**-**	**150,000**	**146,000**	**287,700**	**291,050**

107: DEVELOPMENT SERVICES FUND

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

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

	2012	2013	2014			2015	2016
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
REVENUE							
Building Permits	482,369	398,518	310,003	310,003	557,832	313,103	316,234
Planning	69,183	76,926	62,105	62,105	54,063	62,726	63,353
Engineering	56,730	133,257	60,950	60,950	152,510	61,560	62,175
Fire Fees	-	-	-	-	-	35,000	35,000
Grants	29,568	1,060	-	-	-	-	-
Transfer In - SWM Fund	14,223	14,923	-	15,000	15,000	15,000	15,000
Transfer In - General Fund	379,884	372,450	620,792	780,057	436,557	576,021	612,146
Miscellaneous	-	218	-	-	-	25,000	-
TOTAL REVENUE	**1,031,957**	**997,352**	**1,053,850**	**1,228,115**	**1,215,962**	**1,088,410**	**1,103,907**
EXPENDITURES							
Development Services	907,740	846,537	923,850	1,073,225	1,032,876	1,119,365	1,103,907
US Open Expenses	-	-	-	-	-	25,000	-
Tree Account - Restricted	-	-	-	2,868	-	-	-
Transfer Out - IT	-	26,033	-	-	-	-	-
Transfer Out - GF for Eng. Svcs.	130,000	130,000	130,000	130,000	130,000	-	-
TOTAL EXPENDITURES	**1,037,740**	**1,002,570**	**1,053,850**	**1,206,093**	**1,162,876**	**1,144,365**	**1,103,907**
Fund Balance, January 1	**13,868**	**8,085**	**-**	**2,868**	**2,868**	**55,954**	**-**
Fund Balance, December 31	**8,085**	**2,868**	**-**	**24,890**	**55,954**	**-**	**-**

108: LOCAL REVITILIZATION FUNDING (LRF) FUND

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

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

	2012	2013	2014			2015	2016
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
REVENUE							
LRF Sales Tax Revenue	541,311	551,886	400,000	400,000	400,000	500,000	500,000
Miscellaneous	-	-	-	-	-	-	-
TOTAL REVENUE	**541,311**	**551,886**	**400,000**	**400,000**	**400,000**	**500,000**	**500,000**
EXPENDITURES							
Transfer Out - TC CIP LRF Projects	1,565,428	268,853	-	2,282,501	2,282,501	-	-
Debt Service Reserve	-	-		1,016,799	1,016,799	98,000	98,000
Debt Issuance Costs	-	1,800	-	2,000	2,000	2,000	2,000
Debt Service Payment	357,613	399,613	400,000	400,000	400,000	400,000	400,000
TOTAL EXPENDITURES	**1,923,041**	**670,266**	**400,000**	**3,701,300**	**3,701,300**	**500,000**	**500,000**
Fund Balance, January 1	**4,801,410**	**3,419,680**	**-**	**3,301,300**	**3,301,300**	**-**	**-**
Fund Balance, December 31	**3,419,680**	**3,301,300**	**-**	**-**	**-**	**-**	**-**

109: POLICE/PUBLIC SAFETY FUND

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

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

	2012	2013	2014			2015	2016
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
REVENUE							
Property Tax	3,856,992	3,924,801	3,928,454	3,980,549	3,980,549	4,043,684	4,084,121
Local Criminal Justice Tax	401,968	440,297	368,000	368,000	368,000	371,680	375,397
Alarm Permit Fees	4,493	6,434	3,500	3,500	3,500	3,500	3,500
Criminal Justice - Populations	7,105	7,679	6,500	6,500	6,500	6,500	6,565
Criminal Justice - Contracted Svcs	46,374	48,999	45,000	45,000	40,000	45,000	45,450
Criminal Justice - Special Pop	26,663	28,497	25,000	25,000	20,000	25,000	25,250
DUI Cities	5,746	5,722	6,000	6,000	2,500	3,000	3,000
DUI Response Restitution	10,013	8,449	10,000	10,000	6,500	6,500	6,500
False Alarm Service Charges	1,753	2,956	1,000	1,000	1,000	1,000	1,000
Judgements/Settlements	108	9,840	-	-	10	-	-
Liquor Tax	28,561	56,864	57,651	57,651	40,000	58,228	58,810
Pet License Fees	65,037	59,071	75,000	65,000	60,000	60,000	60,600
Permits/Dangerous Dog	50	1,208	-	-	-	-	-
Impound Fees	1,642	2,193	-	-	190	-	-
Late Fees/Pet License	2,939	1,469	1,000	1,000	1,250	1,010	1,020
Grants	-	-	-	-	-	-	-
SRO Reimbursement/UPSD	-	-	-	-	-	56,752	58,455
SWM Admin Fee	43,292	44,331	-	40,000	61,513	62,135	63,689
Transfer In - General Fund	-	-	-	-	-	-	-
Grants	17,964	21,994	-	20,584	20,584	10,414	-
Miscellaneous	580	541	-	-	300	-	-
TOTAL REVENUE	**4,521,280**	**4,671,345**	**4,527,105**	**4,629,784**	**4,612,396**	**4,754,403**	**4,793,357**
EXPENDITURES							
City Attorney	291,076	264,108	359,736	375,471	372,807	376,577	385,991
Court	240,290	238,915	253,713	253,713	253,713	261,324	269,164
Emergency Operations	27,201	27,203	32,493	32,493	40,407	33,459	34,454
Police	3,327,502	3,350,422	3,446,899	3,562,252	3,539,775	3,695,912	3,751,356
Public Safety	81,093	75,559	79,843	79,843	79,136	104,279	103,687
Animal Control	115,900	95,566	139,910	112,297	112,297	114,718	118,160
Code Enforcement	82,031	44,494	100,159	105,289	82,222	92,081	93,482
Jail	106,458	140,787	98,000	150,000	150,000	154,500	159,135
Transfer to IT	-	-	-	-	31,000	22,200	1,200
TOTAL EXPENDITURES	**4,271,551**	**4,237,054**	**4,510,753**	**4,671,358**	**4,661,357**	**4,855,050**	**4,916,629**
Fund Balance, January 1	**-**	**249,729**	**41,435**	**684,019**	**684,019**	**635,058**	**534,411**
Fund Balance, December 31	**249,729**	**684,019**	**57,787**	**642,445**	**635,058**	**534,411**	**411,137**

120: PATH AND TRAILS FUND

Purpose/Description: The Path and Trails Fund was established to accumulate the annually unexpended portion of the motor vehicle fuel tax designated to establish and maintain paths and trails within the right-of-way of city streets.

Prior to September of 2005 state law required cities with a population of 15,000 or more to restrict one half percent (0.5%) of the total amount of funds received annually from the motor vehicle fund be expended for path and trails purposes.. After the law changed the City of University elected to continue to deposit this portion of gas tax receipts in the path and trails fund.

	2012	2013	2014			2015	2016
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
REVENUE							
Fuel Taxes	3,208	3,235	3,297	3,297	-	-	-
TOTAL REVENUE	**3,208**	**3,235**	**3,297**	**3,297**	**-**	**-**	**-**
EXPENDITURES							
Transfer to Parks CIP	3,127	3,208	3,773	3,773	3,235	-	-
TOTAL EXPENDITURES	**3,127**	**3,208**	**3,773**	**3,773**	**3,235**	**-**	**-**
Fund Balance, January 1	**3,127**	**3,208**	**3,039**	**3,235**	**3,235**	**-**	**-**
Fund Balance, December 31	**3,208**	**3,235**	**2,563**	**2,759**	**-**	**-**	**-**

401: SURFACE WATER MANAGEMENT FUND

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

The following table summarizes the Fund's major sources of revenue and primary areas of service:

PRIMARY REVENUE SOURCES

- Surface Water Management Fees

PRIMARY EXPENDITURE SERVICES

- Design, construction and inspection of public surface water capital improvement projects
- Maintenance program for current system

	2012	2013	2014			2015	2016
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
REVENUE							
SWM Fees	2,699,026	2,743,455	2,809,080	2,754,080	2,754,080	2,784,621	2,809,437
Grants	28,686	158,308	-	-	-	-	-
Interfund Loan Interest	4,551	-	-	-	-	-	-
Miscellaneous	-	900	-	-	-	-	-
TOTAL REVENUE	**2,732,263**	**2,902,663**	**2,809,080**	**2,754,080**	**2,754,080**	**2,784,621**	**2,809,437**
EXPENDITURES							
Engineering Services	274,416	342,432	329,077	329,077	382,702	372,038	378,723
Public Works Maint and Operations	672,569	691,135	716,007	717,635	689,185	746,855	771,276
Admin. Fee to General Fund	405,039	415,475	387,675	427,675	410,636	418,373	418,169
Admin. Fee to Police Fund	43,292	44,331	40,000	40,000	61,513	62,135	63,689
Debt Service Payment	-	-	-	-	86,005	99,632	94,223
Transfer Out - Fleet	-	359,507	80,000	80,000	80,000	79,450	126,150
Transfer Out - IT	-	122,290	-	-	-	-	-
Transfer Out - PW CIP	19,313	304,528	723,341	3,846,171	3,746,171	2,560,516	912,000
Transfer Out - Development Services	14,223	14,923	-	15,000	15,000	15,000	15,000
Transfer Out - Debt Service	87,460	86,792	86,006	86,006	-	-	-
TOTAL EXPENDITURES	**1,516,312**	**2,381,413**	**2,362,106**	**5,541,564**	**5,471,212**	**4,353,999**	**2,779,230**
Fund Balance, January 1	**721,125**	**3,882,076**	**2,707,722**	**4,403,325**	**4,403,325**	**1,686,193**	**116,815**
Fund Balance, December 31	**1,937,076**	**4,403,325**	**3,154,696**	**1,615,841**	**1,686,193**	**116,815**	**147,022**

150: DONATIONS AND GIFTS TO UNIVERSITY PLACE FUND

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

	2012	2013	2014			2015	2016
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
REVENUE							
Donations	54,401	48,514	-	-	-	-	-
TOTAL REVENUE	**54,401**	**48,514**	**-**	**-**	**-**	**-**	**-**
EXPENDITURES							
Donation Accounts	57,801	44,417	-	67,505	67,505	-	-
TOTAL EXPENDITURES	**57,801**	**44,417**	**-**	**67,505**	**67,505**	**-**	**-**
Fund Balance, January 1	**66,808**	**63,408**	**-**	**67,505**	**67,505**	**-**	**-**
Fund Balance, December 31	**63,408**	**67,505**	**-**	**67,505**	**-**	**-**	**-**

188: STRATEGIC RESERVE FUND

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

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

	2012	2013	2014			2015	2016
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
REVENUE							
GF Contribution	-	-	-	-	-	-	-
TOTAL REVENUE	-	-	-	-	-	-	-
EXPENDITURES							
Council Approved Expenditures	-	-	-	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-	-	-	-
Fund Balance, January 1	856,934	856,934	856,934	856,934	856,934	856,934	856,934
Fund Balance, December 31	856,934	856,934	856,934	856,934	856,934	856,934	856,934

201: DEBT SERVICE FUND

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

	2012	2013	2014			2015	2016
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
REVENUE							
Transfer In - SWM Fund	87,460	86,792	86,006	86,006	-	-	-
Transfer In - Arterial Street Fund	93,334	75,031	83,272	83,272	83,272	75,401	109,541
Transfer In - REET Fund	112,230	348,657	187,235	327,235	327,592	330,000	337,500
Transfer In - PW CIP	14,767,967	-	-	-	-	-	-
Transfer In - Parks	-	-	-	-	-	126,203	91,159
Transfer In - General Fund	974,527	3,143,782	3,669,590	3,529,590	3,530,219	3,246,320	3,024,903
Bond Proceeds	1,685,000	-	-	-	-	-	-
TOTAL REVENUE	**17,720,518**	**3,654,262**	**4,026,103**	**4,026,103**	**3,941,083**	**3,777,924**	**3,563,103**
EXPENDITURES							
Principal - Public Works Trust Fund	272,468	272,468	272,469	272,469	191,239	191,239	191,239
Interest - Public Works Trust Fund	20,556	18,065	15,575	15,575	11,156	9,270	7,567
Principal - 2001 LTGO	1,800,000	-	-	-	-	-	-
Interest - 2001 LTGO	85,589	-	-	-	-	-	-
Principal - 2005 LTGO	535,000	555,000	580,000	580,000	580,000	600,000	625,000
Interest - 2005 LTGO	129,488	109,425	87,225	87,225	87,225	64,895	41,495
Principal - 2007A LTGO	-	-	-	-	-	-	-
Interest - 2007A LTGO	155,513	155,513	155,514	155,514	155,514	155,514	155,514
Principal - 2007B LTGO	12,445,000	-	-	-	-	-	-
Interest - 2007B LTGO	684,071	-	-	-	-	-	-
Principal - 2007C LTGO	-	-	-	-	-	185,000	190,000
Interest - 2007C LTGO	124,084	124,084	124,084	124,084	124,084	124,084	116,961
Principal - 2007D LTGO	-	-	665,000	665,000	665,000	350,000	-
Interest - 2007D LTGO	55,538	55,538	55,538	55,538	55,538	19,495	-
Principal - 2009 LTGO/Non Taxable	-	-	-	-	-	-	-
Interest - 2009 LTGO/Non Taxable	813,619	813,619	813,619	813,619	813,619	813,619	813,619
Principal - 2009 LTGO/Taxable	-	-	-	-	-	-	-
Interest - 2009 LTGO/Taxable	490,142	490,142	490,142	490,142	490,142	490,142	490,142
Principal - 2012 LTGO	-	415,000	145,000	145,000	145,000	155,000	315,000
Interest - 2012 LTGO	-	643,302	619,437	619,437	619,437	616,537	613,437
Cost of Issuance - Refinance of 2007B	107,650	-	-	-	-	-	-
Debt Register Costs	1,800	2,106	2,500	2,500	3,129	3,129	3,129
TOTAL EXPENDITURES	**17,720,518**	**3,654,262**	**4,026,103**	**4,026,103**	**3,941,083**	**3,777,924**	**3,563,103**
Fund Balance, January 1	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Fund Balance, December 31	**-**	**-**	**-**	**-**	**-**	**-**	**-**

301: PARKS CAPITAL IMPROVEMENT FUND

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

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

	2012	2013	2014			2015	2016
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
REVENUE							
Transfer In - General Fund	-	-	-	-	-	-	-
Transfer In - Path & Trails	3,127	3,208	3,773	3,773	3,235	-	-
Insurance Payment	88,123	-	-	-	45,949	-	-
Impact Fees	284,000	405,546	35,800	35,800	40,000	40,000	40,800
Grant - CDBG	-	-	-	93,501	93,501	-	-
TOTAL REVENUE	**375,250**	**408,754**	**39,573**	**133,074**	**182,685**	**40,000**	**40,800**
EXPENDITURES							
Parks Capital Projects	42,949	323,764	39,573	664,183	433,186	276,408	85,000
TOTAL EXPENDITURES	**42,949**	**323,764**	**39,573**	**664,183**	**433,186**	**276,408**	**85,000**
Fund Balance, January 1	**113,818**	**446,119**	**-**	**531,109**	**531,109**	**280,608**	**44,200**
Fund Balance, December 31	**446,119**	**531,109**	**-**	**-**	**280,608**	**44,200**	**-**

302: PUBLIC WORKS CAPITAL IMPROVEMENT FUND

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

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

	2012	2013	2014			2015	2016
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
REVENUE							
Grants	704,567	3,236,911	1,745,000	11,898,821	11,898,821	2,928,400	5,219,000
Private Contributions/Reimbursemenst	6,902	99,431	-	175,342	175,342	-	360,000
Transfer In - GF	3,789,317	-	-	-	-	150,000	-
Transfer In - TIF	-	-	-	80,000	80,000	450,000	-
Transfer In - Police	98,165						
Transfer In - Arterial Street	113,725	133,044	134,129	134,130	134,130	136,599	106,459
Transfer In - REET	248,267	258,532	190,000	360,000	360,000	364,323	302,353
Transfer In - SWM	19,313	304,528	723,341	3,846,171	3,746,171	2,560,516	912,000
Transfer In - LRF	1,565,429	268,853	-	2,282,501	2,282,501	-	-
Land Sales	600,000	-	-	-	-	-	-
Bond Proceeds	12,445,000	-	-	-	-	-	-
TOTAL REVENUE	**19,590,685**	**4,301,297**	**2,792,470**	**18,776,965**	**18,676,965**	**6,589,838**	**6,899,812**
EXPENDITURES							
PW CIP	2,872,825	3,917,262	2,792,470	19,407,183	19,263,119	6,633,902	6,899,812
Interfund Loan Interest	5,762	-	-	-	-	-	-
Transfer Out - Debt Service	14,767,966	-	-	-	-	-	-
TOTAL EXPENDITURES	**17,646,553**	**3,917,262**	**2,792,470**	**19,407,183**	**19,263,119**	**6,633,902**	**6,899,812**
Fund Balance, January 1	**452,050**	**246,183**	**-**	**630,218**	**630,218**	**44,064**	**-**
Fund Balance, December 31	**2,396,183**	**630,218**	**-**	**-**	**44,064**	**-**	**-**

303: MUNICIPAL FACILITIES CIP FUND

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

	2012	2013	2014			2015	2016
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
REVENUE							
Land Sale	-	-	-	1,013,235	1,013,235	-	-
Transfer IN - GF	-	-	-	-	-	-	-
TOTAL REVENUE	**-**	**-**	**-**	**1,013,235**	**1,013,235**	**-**	**-**
EXPENDITURES							
Muni CIP Capital Expenditures	4,473	2,737	-	100,000	100,000	913,235	-
TOTAL EXPENDITURES	**4,473**	**2,737**	**-**	**100,000**	**100,000**	**913,235**	**-**
Fund Balance, January 1	**7,210**	**2,737**	**-**	**-**	**-**	**913,235**	**-**
Fund Balance, December 31	**2,737**	**-**	**-**	**913,235**	**913,235**	**-**	**-**

501: FLEET & EQUIPMENT FUND

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

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

	2012	2013	2014			2015	2016
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
REVENUES							
User Charges - M&O	132,472	100,219	134,561	134,561	132,961	134,700	134,100
Interfund Loan Interest	724	-	-	-	-	-	-
Sale of Surplus	-	10,470	-	-	-	-	-
Transfer In - General Fund	10,000	359,507	37,800	5,901	5,901	66,200	35,000
Transfer In - SWM Fund	-	1,654	80,000	80,000	80,000	79,450	126,150
TOTAL REVENUE	**143,196**	**471,851**	**252,361**	**220,462**	**218,862**	**280,350**	**295,250**
EXPENDITURES							
Fleet - Parks, Recreation & PW	161,408	86,641	112,450	112,450	112,450	112,450	112,450
Fleet - Engineering & Dev. Services	11,168	7,784	8,700	8,700	8,700	9,700	9,700
Fleet - City Pool Vehicle	1,739	1,336	3,600	3,600	2,000	4,700	4,100
Fleet - Animal Control	4,876	4,458	9,811	9,811	9,811	7,850	7,850
Capital Outlays	-	414,231	117,800	117,800	117,800	145,650	161,150
Transfer Out - GF	-	188,150	-	-	-	-	-
TOTAL EXPENDITURES	**179,191**	**702,600**	**252,361**	**252,361**	**250,761**	**280,350**	**295,250**
Fund Balance, January 1	**863,423**	**847,198**	**1,949**	**610,547**	**610,547**	**578,648**	**578,648**
Fund Balance, December 31	**827,428**	**610,547**	**1,949**	**578,648**	**578,648**	**578,648**	**578,648**

502: INFORMATION TECHNOLOGY & SERVICES FUND

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

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

	2012	2013	2014			2015	2016
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
REVENUES							
User Charges - M&O	591,423	302,613	462,113	547,683	421,934	523,638	493,100
Interfund Loan Interest	630	-	-	-	-	-	-
Miscellaneous	662	-	-	-	-	-	-
Transfer In - Police	-	10,768	-	-	31,000	22,200	1,200
Transfer In - Dev Services	-	26,033					
Transfer In - SWM	-	122,290					
Transfer In - General Fund	-						
Transfer In - General Fund/Capital	126,157	214,760	166,820	281,944	390,140	356,092	237,128
Transfer In - General Fund/Consulting	3,845	-	15,000	15,000	15,094	15,000	15,000
TOTAL REVENUE	**722,717**	**676,464**	**643,933**	**844,627**	**858,168**	**916,930**	**746,428**
EXPENDITURES							
Information Services	296,352	263,019	298,586	309,375	271,366	370,838	334,541
IS Capital	126,157	379,184	166,820	363,364	427,779	378,292	238,328
IS Consulting	3,845	-	15,000	15,000	15,094	15,000	15,000
Telecommunications	32,621	50,674	49,850	49,850	49,250	52,400	54,950
GIS	30,703	32,815	33,527	33,527	31,909	31,650	32,559
Duplication	24,646	30,715	50,150	50,150	39,409	38,750	40,050
Postage	23,408	24,019	30,000	30,000	30,000	30,000	31,000
Depreciation Expense	55,784	-	-	-	-	-	-
Transfer Out - GF	300,000	-	-	-	-	-	-
TOTAL EXPENDITURES	**893,516**	**780,427**	**643,933**	**851,266**	**864,807**	**916,930**	**746,428**
Fund Balance, January 1	**446,801**	**276,002**	**737**	**177,941**	**177,941**	**-**	**-**
Fund Balance, December 31	**276,002**	**177,941**	**737**	**171,302**	**171,302**	**171,302**	**171,302**

506: RISK MANAGEMENT FUND

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

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

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

	2012	2013	2014			2015	2016
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
REVENUES							
User Charges - Insurance	153,331	145,633	173,700	173,700	132,506	139,750	148,750
Investment Interest	-	-	-	-	-	-	-
Judgments/Settlements	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Transfer In - General Fund	-	-	-	-	-	-	-
TOTAL REVENUE	**153,331**	**145,633**	**173,700**	**173,700**	**132,506**	**139,750**	**148,750**
EXPENDITURES							
Insurance/Risk Management	153,331	145,633	173,700	173,700	132,506	139,750	148,750
Transfer to Parks CIP - Kobayashi	88,123	-	-	-	-	-	-
TOTAL EXPENDITURES	**241,454**	**145,633**	**173,700**	**173,700**	**132,506**	**139,750**	**148,750**
Fund Balance, January 1	**98,167**	**10,044**	**-**	**10,044**	**10,044**	**10,044**	**10,044**
Fund Balance, December 31	**10,044**	**10,044**	**-**	**10,044**	**10,044**	**10,044**	**10,044**

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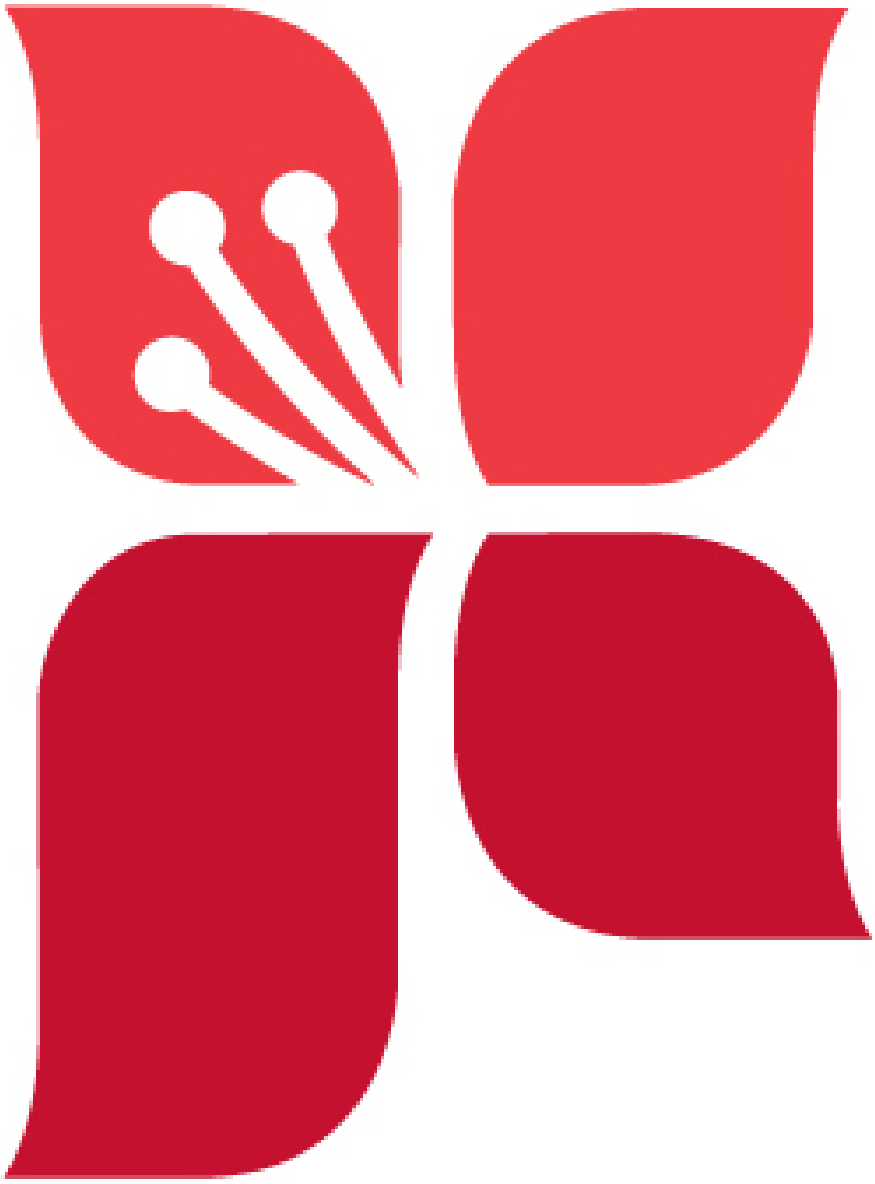


APPENDIX

UNIVERSITY PLACE

PHOTO INFORMATION: UNIVERSITY PLACE

Located on the picturesque Puget Sound, the City of University Place is home to over 31,500 active residents. Halfway between the state capitol of Olympia and the state's largest city, Seattle, the City boasts beautiful scenic views of the Olympic Mountains, Mount Rainier and the Puget Sound, and is the ideal launching point to the Pacific Northwest.

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

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

MISCELLANEOUS STATISICAL INFORMATION

Exhibit 1 - Supplemental Information

DATE OF INCORPORATION: August 31, 1995

FORM OF GOVERNMENT: Council-City Manager

POPULATION: 31,270

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

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

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

NUMBER OF CITY EMPLOYEES: During 2014, the City employed 48 regular full-time and 3 regular part-time employees. University Place contracts for many services such as police and court through public and private entities. City Public Works employees are represented by the International Union of Operating Engineers Local #612. No other bargaining units represented City employees during 2014.

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

Number of Schools in City Limits:

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

PARKS:

Number of Developed Parks:	13
Number of Developed Acres	60.38
Number of Undeveloped Parks	9
Number of Undeveloped Acres	70.14

OPERATING INDICATORS

	2010	2011	2012	2013	2014
BUILDING PERMITS					
Building Permits Issued	707	630	715	735	***
TAXABLE SALES					
Taxable Retail Sales (in $ millions)	218.63	218.32	223.57	259.91	***
Taxable Real Estate Sales (in $ millions)	93.97	72.03	103.55	125.39	***
POLICE					
Part 1 Crimes*	1,079	884	1,026	882	***
DUI Arrests	76	86	69	41	***
Other Traffic Arrests	129	209	266	192	***
FIRE**					
Emergency Medical Responses	2,736	8,412	8,716	8,961	***
Fire Responses	104	284	312	298	***
Other	914	4,063	4,564	4,306	***
PARKS AND RECREATION					
Number of Recreation Programs Offered	1,243	1,285	1,116	1,043	***
Number of Participants	13,218	15,694	21,841	13,598	***
Public Works					
Feet of Sidewalks Maintained	131,720	134,640	137,280	144,308	***

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

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

*** Data not available at time of printing.

Exhibit 2 – Historical Tax Rates

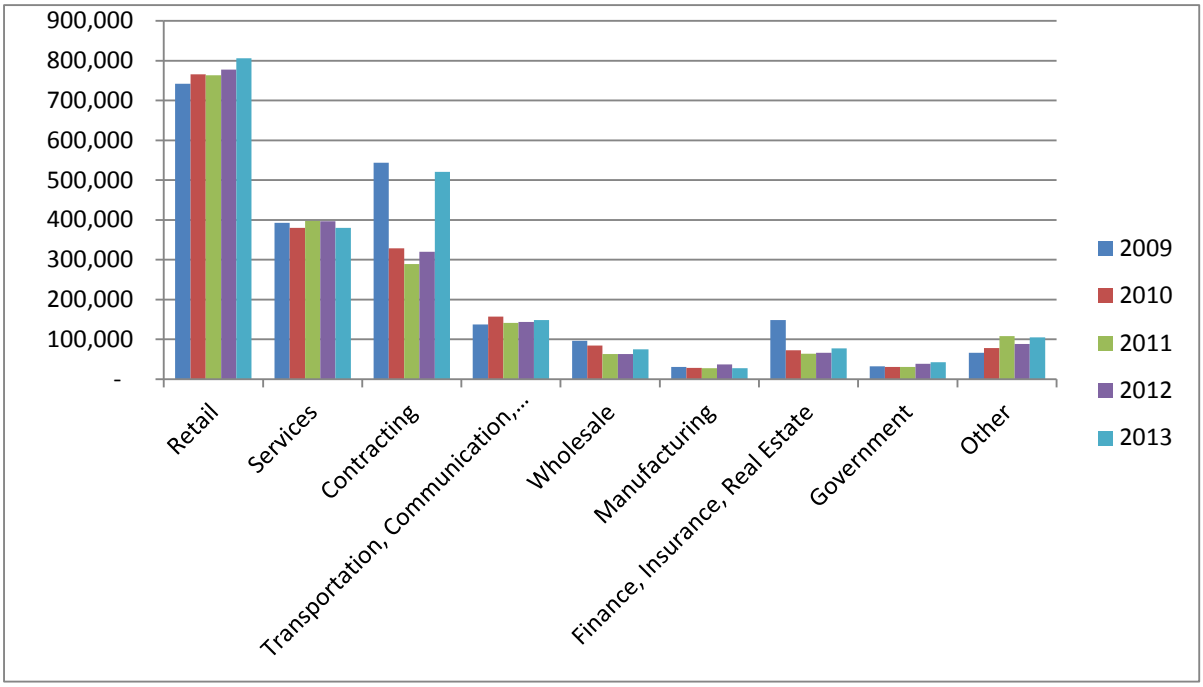
	2010	2011	2012	2013	2014
Property Tax Levy					
Regular	$3,745,905	$3,804,780	$3,857,832	$3,908,520	3,980,549
Excess	-	-	-	-	-
TOTAL	$3,745,905	$3,804,780	$3,857,832	$3,908,520	$3,980,549
Property Tax Rate per $1,000 AV:					
(Levied by the City of University Place)					
Regular	$ 1.12	$ 1.23	$ 1.33	$ 1.47	$ 1.43
Excess	-	-	-	-	-
Total	$ 1.12	$ 1.23	$ 1.33	$ 1.47	$ 1.43
Total Property Tax Levy per $1,000 AV:					
(For a typical University Place Resident - TCA 752)					
City of University Place	$ 1.12	$ 1.23	$ 1.33	$ 1.47	$ 1.43
County	$ 1.12	$ 1.24	$ 1.37	$ 1.53	$ 1.50
State	$ 2.07	$ 2.27	$ 2.41	$ 2.63	$ 2.53
Fire District #3 EMS	$ 0.50	$ 0.50	$ 0.50	$ 0.50	$ 0.50
Fire District #3 Expense	$ 1.50	$ 1.50	$ 1.50	$ 1.50	$ 1.50
Fire District #3 MerO	$ 0.86	$ 0.88	$ 1.11	$ 1.29	$ 1.52
UP School District - Bond	$ 2.42	$ 2.63	$ 2.83	$ 3.04	$ 2.89
UP School District - Capital Projects	$ 0.10	$ 0.12	$ 0.12	$ -	$ -
UP School District - MerO	$ 3.40	$ 3.85	$ 3.98	$ 4.43	$ 4.27
Port of Tacoma	$ 0.18	$ 0.18	$ 0.18	$ 0.18	$ 0.18
Pierce County Rural Library	$ 0.47	$ 0.50	$ 0.50	$ 0.50	$ 0.50
Conservation Futures	$ 0.04	$ 0.05	$ 0.05	$ 0.06	$ 0.06
Flood Control Zone	$ -	$ -	$ -	$ 0.10	$ 0.10
	$ 13.78	$ 14.95	$ 15.88	$ 17.23	$ 16.99
Sales Tax Rates					
State of Washington	6.50%	6.50%	6.50%	6.50%	6.50%
Regional Transit Authority	0.90%	0.90%	0.90%	0.90%	0.90%
City of University Place	0.84%	0.84%	0.84%	0.84%	0.84%
Pierce Transit	0.30%	0.30%	0.30%	0.30%	0.30%
Public Transporations	0.30%	0.30%	0.30%	0.30%	0.30%
Pierce County	0.15%	0.15%	0.15%	0.15%	0.15%
Criminal Justice	0.10%	0.10%	0.10%	0.10%	0.10%
Pierce County Jail	0.10%	0.10%	0.10%	0.10%	0.10%
Parks	0.10%	0.10%	0.10%	0.10%	0.10%
Pierce County 911 Communications	-	-	0.10%	0.10%	0.10%
State Sales Tax Administration	0.01%	0.01%	0.01%	0.01%	0.01%
Total Sales Tax Rate	9.30%	9.30%	9.40%	9.40%	9.40%

	2010	2011	2012	2013	2014
Utility Tax Rates					
Gas Utility Tax	6%	6%	6%	6%	6%
Telephone Utility Tax	6%	6%	6%	6%	6%
Cellular Utility Tax	6%	6%	6%	6%	6%
Cable Utility Tax	6%	6%	6%	6%	6%
Solid Waste Utility Tax	6%	6%	6%	6%	6%
Cable (franchise fee)	5%	5%	5%	5%	5%
Refuse (franchise fee)	5%	5%	5%	5%	5%
Admissions Tax					
Admissions Tax	5%	5%	5%	5%	5%
Gambling Tax					
Bingo/Raffles	5%	5%	5%	5%	5%
Amusement Games	2%	2%	2%	2%	2%
Punchboards/Pull tabs	5%	5%	5%	5%	5%
Card Playing	20%	20%	20%	20%	20%
Business License Fees					
City Business License	$ 50.00	$ 50.00	$ 50.00	$ 50.00	$ 50.00
Home Occupation Business License	$ 25.00	$ 25.00	$ 25.00	$ 25.00	$ 25.00

Exhibit 3 - Sales Tax

The City receives the majority of its sales tax revenue from the Retail, Services and Contracting categories. Recently, we have seen decreases in the Retail and Contracting categories due to the weak economy.

SALES TAX BY CATEGORY IN THE CITY OF UNIVERSITY PLACE



The pie chart below depicts the percent of sales tax revenues remitted by each category in the City in 2013.

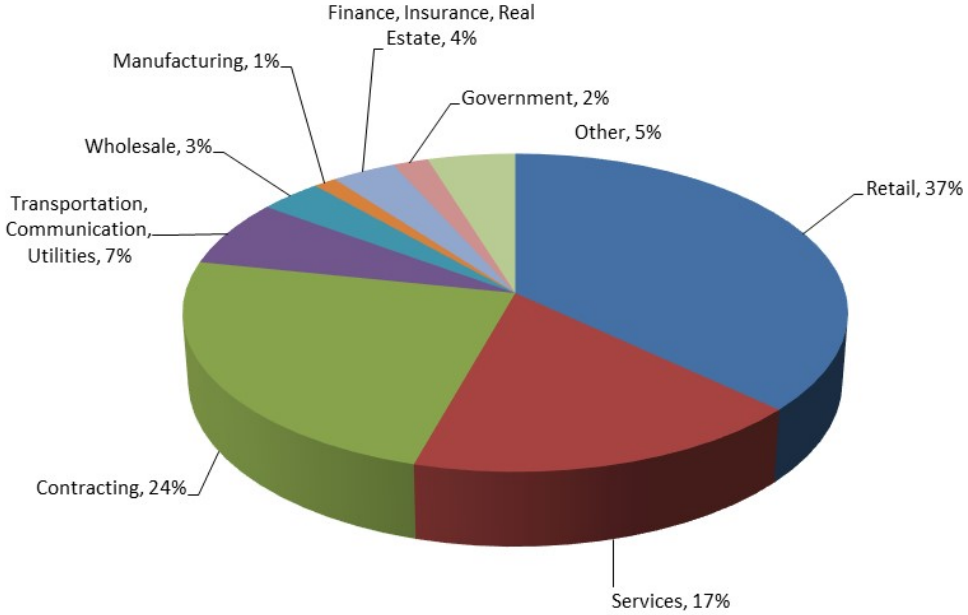
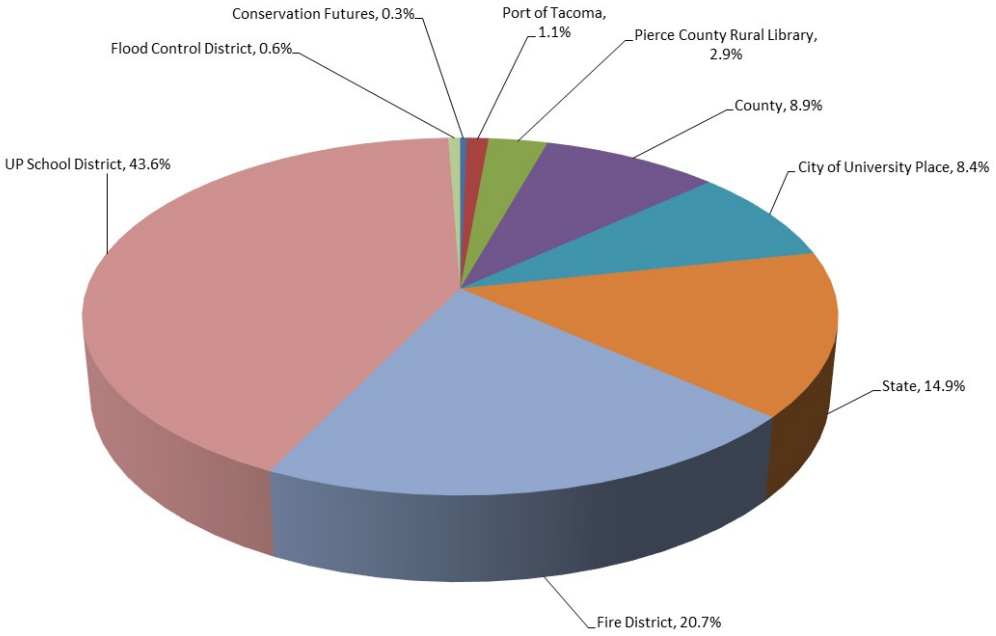


Exhibit 4 - Property Tax

The Total Levy Rate is comprised of the City's Levy, plus additional levy's which are earmarked for State, Schools, Emergency Medical Services (EMX), local libraries and hospital and other entities. The distribution of property tax revenues is detailed in the pie chart below. For each $1,000 of assessed valuation, a typical resident paid $16.99 in 2014 property taxes, the City of University Place received 1.43, or 8% of the total.

Distribution of Property Tax Assessed in University Place (2014)



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

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

> Homes, businesses, and other pieces of real estate aren't taxed at a set rate like the example above. Instead, a county assessor takes the local government's yearly budget and divides that amount by the value of all property within the taxing boundaries. The assessor then assigns a set tax per thousand dollars of value so that enough money is generated to cover the budget.
>
> For example, say a city needs $1,000,000 to operate. If all properties in the city are valued at $100 million dollars, then the assessor would set a tax of $10 per thousand dollars of property value. That means the owner of a property with an assessed value of $300,000 would pay $300 annually in property tax.

For a home valued at $300,000 University Place received approximately $429 per $1,000 of assessed valuation in 2014 as illustrated below.

Property Tax Example in University Place, using a Home Valued at $300,000

	2010	2011	2012	2013	2014	Notes
Home Value	300,000	300,000	300,000	300,000	300,000	
Levy Rate - City of UP	$ 1.12	$ 1.23	$ 1.33	$ 1.47	$ 1.43	
City Tax	$ 336.42	$ 368.36	$ 400.18	$ 441.63	$ 429.00	(1)
Total Taxes	$ 4,135.24	$ 4,484.58	$ 4,762.68	$ 5,169.62	$ 5,096.63	
Total Levy Rate	$ 13.78	$ 14.95	$ 15.88	$ 17.23	$ 16.99	(2)

Notes:

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

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

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

Limits

- The State Constitution limits total regular property taxes to 1% of assessed value or $10 per $1,000.
- The State Constitution permits "excess levies" to exceed the 1% limitation. (These are typically voted general obligation bonds, such as for school levies).
- Cities are limited to $2.60 per $1,000 of assessed value
- The maximum increase in annual property tax levies is limited to the Implicit Price Deflator (IPD0 or 1% (whichever is less) over the highest amount levied since 1986.
  - Cities that have not previously used all of their available property tax capacity can use it in future years. This is known as "banked capacity."
  - New construction and newly annexed areas are subject to the previous year's tax rate and not subject to the IPD or 1% limitations when first added to the tax rolls.
- The Council sets the next year's tax levy by Ordinance..
  - A public hearing is required each year which focuses on the overall financial need for the property tax to pay for services and on the amount of proposed increase for the budget year.

Methodology

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

Exhibit 5 – Debt Service Summary

Under RCW 39.36.020(2), the public may vote to approve bond issues for general government in an amount not to exceed 2.5% of the value of all taxable property within the City. Within the 2.5% limit, the City Council may approve bond issues not to exceed 1.5% of the City's assessed valuation. Prior to the passage of new legislation in 1994, the statutory limit on councilmanic (non-voted) debt for general government purposes was 0.75% of assessed valuation. Another 0.75% of councilmanic debt was available only for lease-purchase contracts (RCW 35.43.200). Now, these two components have been combined and can be used for any municipal purpose, including using the entire 1.5% for bonds. The City's remaining debt capacity within the 2.5% limit is estimated to be $21,613,951.

Under RCW 39.36.030(4), the public may also vote to approve park facilities and utility bond issues, each of which is also limited to 2.5% of the City's assessed valuation. A total of 7.5% of the City's assessed valuation may be issued in bonds. The remaining debt capacity within the 7.5% limit is estimated to be $208,464,903. Unlimited tax general obligation debt requires an approving vote of the people and any election to validate such general obligation debt must have a voter turnout of at least 40% of those who voted in the last State general election and of those voting, 60% must be in the affirmative. The debt capacity for the City of University Place for 2013 is anticipated to be as follows:

CITY OF UNIVERSITY PLACE
COMPUTATION OF LIMITATION OF INDEBTEDNESS
December 31, 2013

	GENERAL DEBT CAPACITY				
Description	(Limited) Councilmanic	(Unlimited) Excess Levy	Excess Levy Open Space and Park	Excess Levy Utility Purposes	Total Debt Capacity
Statutory debt limit:					
(AV=$3,098,693,000 (A)					
1.50% AV @ 100%	$ 41,692,980	$ (41,692,980)			
2.50% AV @ 100%		69,488,301	69,488,301	69,488,301	$ 208,464,903
Add:					
Cash on hand for debt redemption (B)	-	-	-	-	-
Less:					
Bonds outstanding	(47,381,837)	-	-	-	(47,381,837)
Compensated Absences	(492,513)	-	-	-	(492,513)
REMAINING DEBT CAPACITY	**$ (6,181,370)**	**$ 27,795,321**	**$69,488,301**	**$69,488,301**	**$ 160,590,553**
TOTAL REMAINING "GENERAL" CAPACITY (C)	**$ 21,613,951**				

(A) This figure represents the City's total taxable assessed valuation (AV) for 2012 which was used to determine the 2013 regular property tax levy as certified.
(B) Reflects estimated balance available in the Debt Service Fund as of December 31, 2013.
(C) Combined total for Councilmanic, Financing Lease, and Excess Levy capacities.

The following table illustrates a summary of all outstanding debt as of December 31, 2013:

Description	Date of Issue	Maturity Date	Amount Originally Issued	Beginning Outstanding Debt	Amount Issued	Amount Redeemed	Ending Outstanding Debt
Governmental Activity							
General Obligation Bonds							
2005 Refunding	11-Apr-05	1-Dec-17	$ 5,670,000	$ 2,775,000	$ -	$ 555,000	$ 2,220,000
2007- Series A	25-Jul-07	1-Dec-29	3,575,000	3,575,000	-	-	3,575,000
2007 Series C	1-Dec-07	1-Dec-27	3,065,000	3,065,000	-	-	3,065,000
2007 Series D	1-Dec-07	1-Dec-15	1,015,000	1,015,000	-	-	1,015,000
2009 Series A	24-Aug-09	1-Dec-25	14,685,000	14,685,000	-	-	14,685,000
2009 Series B	24-Aug-09	1-Dec-34	7,760,000	7,760,000	-	-	7,760,000
2012 Series A	20-Nov-12	1-Dec-37	6,250,000	6,250,000	-	135,000	6,115,000
2012 Series B (Taxable)	20-Nov-12	1-Dec-37	7,880,000	7,880,000	-	280,000	7,600,000
Subtotal			49,900,000	47,005,000	-	970,000	46,035,000
Revenue Bond							
2011, Local Option Sales an	11-Jul-11	1-Oct-37	5,885,000	5,785,000	-	145,000	5,640,000
Subtotal			5,885,000	5,785,000	-	145,000	5,640,000
Other Debt							
Public Works Trust Fund Loans							
PW-97-791-033	1-Jul-98	1-Jul-17	1,240,991	332,700	-	66,542	266,158
PW-00-691-059	1-Jul-01	1-Jul-20	345,508	145,479	-	18,183	127,296
PW-00-691-060	1-Jul-01	1-Jul-20	665,280	285,370	-	35,672	249,698
PW-00-691-058	1-Jul-02	1-Jul-20	495,132	234,318	-	29,290	205,028
PW-05-691-PRE-145	1-Jul-06	1-1ul-25	766,983	540,211	-	41,553	498,658
Subtotal			3,513,894	1,538,077	-	191,240	1,346,837
Total Governmental Activity General Obligation Bonds & Other Debt			**$ 59,298,894**	**$ 54,328,077**	**$ -**	**$ 1,306,240**	**$ 53,021,837**
Business-type Activity							
Other Debt							
Public Works Trust Fund Loans							
PW-97-791-033	1-Jul-98	1-Jul-17	641,009	171,849	-	34,368	137,481
PW-00-691-059	1-Jul-01	1-Jul-20	334,492	140,840	-	17,606	123,234
PW-00-691-060	1-Jul-01	1-Jul-20	294,720	126,419	-	15,802	110,617
PW-00-691-058	1-Jul-02	1-Jul-20	136,012	64,366	-	8,045	56,321
PW-05-691-PRE-145	1-Jul-06	1-1ul-25	99,762	70,266	-	5,407	64,859
Subtotal			1,505,995	573,741	-	81,228	492,513
Total Business-type Activity Other Debt			**$ 1,505,995**	**$ 573,741**	**$ -**	**$ 81,228**	**$ 492,513**

The following is a summary of debt service requirements to maturity as of December 31, 2013:

GENERAL OBLIGATION BONDS

	Governmental Activities			Business-Type Activities		
Year	**Principal**	**Interest**	**Total**	**Principal**	**Interest**	**Total**
2014	1,390,000	2,345,559	3,735,559	-	-	-
2015	1,290,000	2,284,286	3,574,286	-	-	-
2016	1,130,000	2,231,168	3,361,168	-	-	-
2017	1,165,000	2,191,783	3,356,783	-	-	-
2018	1,215,000	2,145,638	3,360,638	-	-	-
2019-2023	7,025,000	9,777,094	16,802,094	-	-	-
2024-2028	9,185,000	7,612,776	16,797,776	-	-	-
2029-2033	11,730,000	5,033,703	16,763,703	-	-	-
2034-2037	11,905,000	1,543,337	13,448,337	-	-	-
Totals	**$ 46,035,000**	**$ 35,165,344**	**$ 81,200,344**	**$ -**	**$ -**	**$ -**

PUBLIC WORKS TRUST FUND LOANS

	Governmental Activities			Business-Type Activities		
Year	**Principal**	**Interest**	**Total**	**Principal**	**Interest**	**Total**
2013	191,239	12,861	204,100	81,229	5,563	86,792
2014	191,240	11,155	202,395	81,228	4,778	86,006
2015	191,239	9,269 0	200,508	81,229	3,816	85,045
2016	191,239	7,566	198,805	81,229	3,031	84,260
2017	191,239	5,860	197,099	81,229	2,246	83,475
2018	124,697	4,156	128,853	46,861	1,460	48,321
2019-2023	374,053	7,689	381,742	109,943	1,919	111,862
2024-2025	83,130	620	83,750	10,794	81	10,875
Totals	**$ 1,346,837**	**$ 46,315**	**$ 1,393,152**	**$ 492,513**	**$ 17,331**	**$ 509,844**

LRF REVENUE BOND

	Governmental Activities			Governmental Activities		
Year	**Principal**	**Interest**	**Total**	**Principal**	**Interest**	**Total**
2014	145,000	250,263	395,263	-	-	-
2015	150,000	245,913	395,913	-	-	-
2016	155,000	241,413	396,413	-	-	-
2017	160,000	236,763	396,763	-	-	-
2018	165,000	231,963	396,963	-	-	-
2019-2023	910,000	1,072,540	1,982,540	-	-	-
2024-2028	1,125,000	859,102	1,984,102	-	-	-
2029-2033	1,420,000	567614	1,987,614	-	-	-
2034-2035	1,410,000	180,750	1,590,750	-	-	-
Totals	**$ 5,640,000**	**$ 3,886,321**	**$ 9,526,321**	**$ -**	**$ -**	**$ -**

Exhibit 6 – 2015-2016 Proposed Salary Ranges

Position Title	2014 ADOPTED Salary Range Entry	2014 ADOPTED Salary Range High	2015 PROPOSED Salary Range Entry	2015 PROPOSED Salary Range High	2016 PROPOSED Salary Range Entry	2016 PROPOSED Salary Range High
City Manager	Set by Resolution		Set by Resolution		Set by Resolution	
Executive Director/Assistant City Manager	$8,672	$11,248	$8,932	$11,754	$9,155	$12,048
City Attorney	$8,672	$11,248	$8,932	$11,754	$9,155	$12,048
Planning & Development Services Director	$7,665	$10,176	$8,400	$11,054	$8,610	$11,330
Public Works & Parks Director	$7,665	$10,176	$8,400	$11,054	$8,610	$11,330
Finance Director	$7,665	$10,176	$8,400	$11,054	$8,610	$11,330
City Engineer	$7,665	$10,176	$7,895	$10,388	$8,092	$10,648
Deputy Finance Director/Asst. Finance Director	$6,569	$8,570	$6,800	$8,948	$6,970	$9,172
Assistant Development Services Director	$6,569	$8,570	$6,800	$8,948	$6,970	$9,172
Communications/IT Manager	$6,569	$8,570	$6,800	$8,948	$6,970	$9,172
Assistant City Engineer	$6,569	$8,570	$6,766	$8,903	$6,935	$9,126
Principal Planner	$6,259	$8,034	$6,447	$8,484	$6,608	$8,696
Building Official/Sr. Building Inspector	$5,358	$7,055	$6,447	$8,484	$6,608	$8,696
Human Resources Manager	$5,358	$7,055	$6,447	$8,484	$6,608	$8,696
Public Safety Manager	$5,358	$7,055	$5,600	$7,369	$5,740	$7,553
Network Administrator	$5,358	$7,055	$5,600	$7,369	$5,740	$7,553
City Clerk	$5,358	$7,055	$5,600	$7,369	$5,740	$7,553
Recreation Manager	$5,358	$7,055	$5,600	$7,369	$5,740	$7,553
Operations Manager	N/A	N/A	$5,519	$7,263	$5,657	$7,445
Sr. Plans Examiner/Building Inspector	$5,358	$7,055	$5,519	$7,263	$5,657	$7,445
Senior Planner	$5,358	$7,055	$5,519	$7,263	$5,657	$7,445
Project Engineer	$4,975	$6,298	$5,400	$7,107	$5,535	$7,285
Management Analyst	$4,097	$5,184	$5,400	$7,107	$5,535	$7,285
Plans Examiner	$4,975	$6,298	$5,124	$6,743	$5,252	$6,912
Recreation Supervisor	$4,975	$6,298	$5,124	$6,743	$5,252	$6,912
Plans Examiner	$4,975	$6,298	$5,124	$6,743	$5,252	$6,912
Executive Assistant	$4,472	$5,884	$4,606	$6,061	$4,721	$6,213
Code Enforcement Officer/Building Inspector	$4,447	$5,631	$4,606	$6,061	$4,721	$6,213
Payroll & Benefits Supervisor	$4,447	$5,631	$4,580	$6,032	$4,695	$6,183
Paralegal	$4,447	$5,631	$4,580	$6,032	$4,695	$6,183
Deputy City Clerk	$4,447	$5,631	$4,580	$6,032	$4,695	$6,183
Administrative Assistant	$4,447	$5,631	$4,580	$6,032	$4,695	$6,183
Project/Program Assistant	$4,447	$5,631	$4,580	$6,032	$4,695	$6,183
Communications/I.T. Technician	N/A	N/A	$4,300	$5,658	$4,408	$5,799
Engineering Technician	$4,097	$5,184	$4,300	$5,658	$4,408	$5,799
Permit Coordinator	N/A	N/A	$4,300	$5,658	$4,408	$5,799
Recreation Coordinator	$4,097	$5,184	$4,300	$5,658	$4,408	$5,799
Sr. Specialist (Fin., Office, etc.)	$4,097	$5,184	$4,220	$5,554	$4,326	$5,693
Assistant Planner	$4,097	$5,184	$4,220	$5,554	$4,326	$5,693
Parks Maintenance Lead	$3,804	$4,813	$4,220	$5,554	$4,326	$5,693
Specialist (Permit, Recreation, Finance, etc.)	$3,804	$4,813	$4,000	$5,263	$4,100	$5,395
Technician II (Parks, Facility, Clerk, etc.)	$3,300	$4,179	$3,400	$4,473	$3,485	$4,585
Technician I (Parks, Facility, Clerk, etc.)	$3,001	$3,799	$3,300	$4,342	$3,383	$4,451
Office Assistant	$2,727	$3,452	$2,808	$3,694	$2,878	$3,786
Temp. Assistant (Clerical, Rec., etc.)	Min. Wage	$15.00/hr	Min. Wage	$15.00/hr	Min. Wage	$15.00/hr
Crew Chief	Set by contract		Set by contract		Set by contract	
Maintenance Worker (Lead, I,II,III)	Set by contract		Set by contract		Set by contract	
Mayor	Set by separate ordinance		Set by separate ordinance		Set by separate ordinance	
City Council member	Set by separate ordinance		Set by separate ordinance		Set by separate ordinance	

Exhibit 7 - COMMISSIONS

Planning Commission – 7 members

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

Meets 1st & 3rd Wednesday of each month, 7:00 p.m. - Town Hall Meeting Room, City Hall

Parks & Recreation Commission - 7 members

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

Meets 2nd Thursday of each month, 6:30 p.m. – Town Hall Meeting Room, City Hall

Community Oriented Public Safety Commission – 9 voting members/2 nonvoting members/1 staff

Purpose: The purpose of the commission is to advise the City Council regarding public safety issues and to serve as a clearinghouse and forum through which businesses, groups, block watches, apartment complexes, and citizens voice their public safety concerns and ideas.

Meets 3rd Thursday of each month, 6:00 p.m. – Town Hall Meeting Room, City Hall

Economic Development Commission – 7 members

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

Meets 4th Thursday of each month, 7:30 a.m. – Town Hall Meeting Room, City Hall

GLOSSARY OF BUDGET TERMS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

BUDGET. A plan of financial operation embodying an estimate of expenditures for a given period and the proposed means of financing them (revenue estimates). The term is also sometimes used to denote the officially approved expenditure ceilings under which the City and its departments operate.

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

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

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

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

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

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

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

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

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

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

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

CAPITAL OUTLAY. A budget category for items having a value of $1,000 or more and having a useful economic lifetime of more than one year.

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

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

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

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

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

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

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

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

COUNCILMANIC BONDS. Councilmanic bonds refer to bonds issued with the approval of the Council, as opposed to voted bonds, which must be approved by vote of the public. Councilmanic bonds must not exceed 1.5% of the assessed valuation.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GROWTH MANAGEMENT. Legislation enacted in 1990 by the State Legislature requiring that all jurisdictions in the larger counties adopt new comprehensive plans by the end of 1993. This legislation was enacted due to enormous growth experienced in the State and a lack of uniform guidance for related

development. This Act further specified that all plans conform to a broad set of guidelines of both the parent county and neighboring jurisdictions. Eight specific elements, including concurrency, are required to be included in every comprehensive plan. Concurrency requires that infrastructure be available at the same time as new development.

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

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

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

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

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

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

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

LABOR. Internal and contracted personnel

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

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

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

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

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

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

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

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

OBJECT OF EXPENDITURE. See "Object."

OBJECT. As used in expenditure classification, this term applies to the type of item purchased or the service obtained (as distinguished from the results obtained from expenditures). Examples are personnel services, supplies, and services and charges.

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

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

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

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

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

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

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

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

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

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

PROPRIETARY FUNDS. Recipients of goods or services pay directly to these funds. Revenues are recorded at the time services are provided, and all expenses incurred in earning the revenues are recorded in

the same period. As a result, there is a direct cause and effect relationship between revenue and expenses in these funds.

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

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

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

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

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

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

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

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

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

SELF-INSURED. The retention of a risk of loss arising out of the ownership of property or some other cause, instead of transferring that risk to an independent third party through the purchase of an insurance policy. It is accompanied by the setting aside of assets to fund any related losses. The City currently is not self-insured.

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

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

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

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

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

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

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

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

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

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

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

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

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

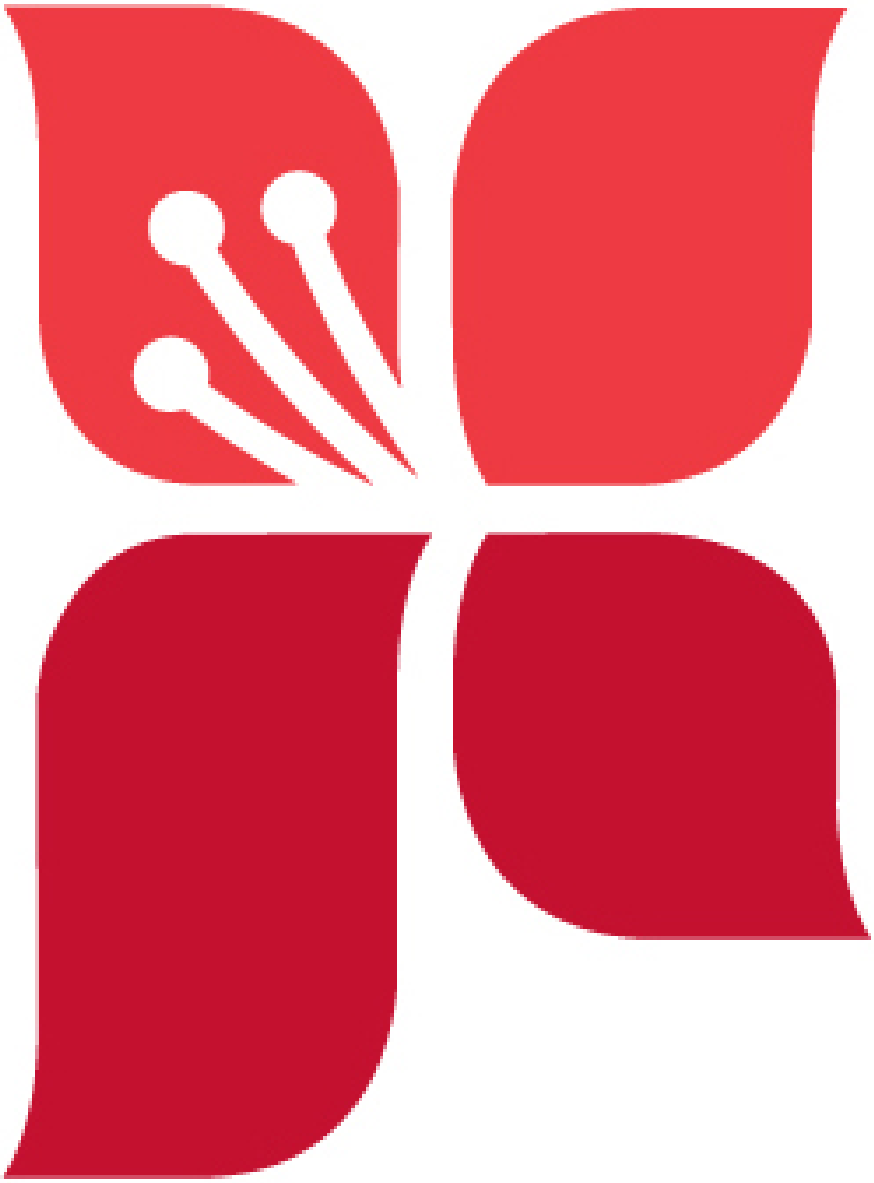
WORKLOAD MEASURE. A tracking indicator that shows the amount of work performed by the division.

ACRONYM LIST

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

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

BACK TO AGENDA



APPROVAL OF CONSENT AGENDA

City of University Place

Voucher Approval Document

#9A

Control No.:5 Agenda of: 08/20/14 **PREPAY**

Claim of: Payroll for Pay Period Ending 08/15/14

Check #	Date	Amount	Check #	Date	Amount	
318092	8/7/2014	289.55	318098	8/20/2014	135.76	
318093	8/20/2014	110.82	318099	8/20/2014	796.43	
318094	8/20/2014	775.53	318100	8/20/2014	781.71	
318095	8/20/2014	775.53	318101	8/20/2014	101.58	
318096	8/20/2014	606.13	318102	8/20/2014	346.78	
318097	8/20/2014	713.65				
				8/20/2014	**119,433.52**	DIRECT DEPOSIT

EMPLOYEE NET 124,866.99

318103	8/20/2014	17,388.16	- 106006, VANTAGEPOINT TRANSF
318104	8/20/2014	3,675.83	- 106006 LOAN, VANTAGEPOINT
318105	8/20/2014	5,012.25	- 304197, VANTAGEPOINT TRANSF
318106	8/20/2014	300.00	- 705544, VANTAGEPOINT TRANSF
318107	8/20/2014	4,020.86	- 800263, VANTAGEPOINT TRANSF
318108	8/20/2014	440.70	- 304197 LOAN, VANTAGEPOINT TR
318109	8/20/2014	1,885.00	HOWE TRUSTEE, DAVID M.
318110	8/20/2014	250.00	NATIONWIDE RETIREMENT SOLUTION
318111	8/20/2014	971.67	PACIFIC SOURCE ADMINISTRATORS
WIRE	8/20/2014	24,497.40	BANK OF AMERICA
WIRE	8/20/2014	22,411.64	WA STATE DEPT OF RETIREMENT SY
WIRE	8/20/2014	117.35	AFLAC INSURANCE
WIRE	8/20/2014	845.30	WA ST DEPT OF RETIREMENT SYS

BENEFIT/DEDUCTION AMOUNT 81,816.16

TOTAL AMOUNT 206,683.15

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.) Date (08/28/14)

Steve Sugg, City Manager

BACK TO AGENDA

City of University Place

Voucher Approval Document

Control No.:5 Agenda of: 10/06/14 **PREPAY**

Claim of: Payroll for Pay Period Ending 09/15/14

Check #	Date	Amount		Check #	Date	Amount	
318132	09/19/14	189.32					
318133	09/19/14	180.08					
					09/19/14	105,593.19	DIRECT DEPOSIT
				EMPLOYEE NET		**105,962.59**	
318134	09/19/14	17,562.51	- 106006, VANTAGEPOINT TRANSF				
318135	09/19/14	3,675.83	- 106006 LOAN, VANTAGEPOINT				
318136	09/19/14	5,037.19	- 304197, VANTAGEPOINT TRANSF				
318137	09/19/14	300.00	- 705544, VANTAGEPOINT TRANSF				
318138	09/19/14	3,870.08	- 800263, VANTAGEPOINT TRANSF				
318139	09/19/14	440.70	- 304197 LOAN, VANTAGEPOINT TR				
318140	09/19/14	1,885.00	HOWE TRUSTEE, DAVID M.				
318141	09/19/14	250.00	NATIONWIDE RETIREMENT SOLUTION				
318142	09/19/14	971.67	PACIFIC SOURCE ADMINISTRATORS				
WIRE	09/19/14	16,357.81	DEPT. OF LABOR AND INDUSTRIES				
WIRE	09/19/14	21,005.42	BANK OF AMERICA				
WIRE	09/19/14	22,260.98	WA STATE DEPT OF RETIREMENT SY				
WIRE	09/19/14	117.35	AFLAC INSURANCE				
WIRE	09/19/14	845.30	WA ST DEPT OF RETIREMENT SYS				
				BENEFIT/DEDUCTION AMOUNT		94,579.84	
				TOTAL AMOUNT		**200,542.43**	

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.) Date (09/12/14)

Steve Sugg, City Manager

BACK TO AGENDA

FINAL CHECK LISTING
CITY OF UNIVERSITY PLACE

Check Date: 09/15/14

Check Range: 51076 – 51137

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: (09/12/14)

BACK TO AGENDA

Bank : bofa BANK OF AMERICA

Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
51076	9/2/2014	001148	UNITED STATES POSTAL SERVIC	SEP-OCT14	9/2/2014	PERMIT#235/BULK MAIL/SEP-OC	2,950.00	2,950.00
	Voucher:	37566						
51077	9/15/2014	025739	ABRAHAM, AMELIA	REFUND	9/3/2014	REFUND/SHELTER RENTAL/SUN	30.00	30.00
	Voucher:	37511						
51078	9/15/2014	025179	ACCESS INFORMATION MANAGE	0743195	8/31/2014	AUG14/OFFSITE RECORDS STOI	248.04	248.04
	Voucher:	37512						
51079	9/15/2014	025397	AKIYAMA ARCHITECTURE	2	8/29/2014	AUG14/CITY WIDE ARCHITECTUI	1,812.50	1,812.50
	Voucher:	37513						
51080	9/15/2014	001007	ASSN OF WASHINGTON CITIES	3081	8/7/2014	L PETORAK/2014 LABOR & EMPL	125.00	125.00
	Voucher:	37514						
51081	9/15/2014	023411	AUTOZONE, INC.	1164156586	8/20/2014	MISC REPAIR PARTS/FLEET VEH	18.44	
	Voucher:	37515		1164155452	8/19/2014	MISC REPAIR PARTS/FLEET VEH	17.29	35.73
51082	9/15/2014	002333	BANK OF AMERICA	548001400009	8/22/2014	MASTERCARD/08-22-14	14,180.04	14,180.04
	Voucher:	37516						
51083	9/15/2014	025532	BOB KIM PHOTOGRAPHY	132	8/25/2014	18"X36" PRINT/2015 US OPEN CH	298.28	298.28
	Voucher:	37517						
51084	9/15/2014	025428	CAPITAL ONE COMMERCIAL/COS	7003-7301-0003-1	8/26/2014	#014550/SNACKS/COUNCIL MEE	544.18	544.18
	Voucher:	37518						
51085	9/15/2014	002679	CASCADE MOBILE MIX CONCRET	31841	8/25/2014	CONCRETE/GRANDVIEW & OLYM	1,315.81	1,315.81
	Voucher:	37519						
51086	9/15/2014	001152	CENTURYLINK	206-Z20-0051	8/20/2014	PHONES/CITY WIDE	2,109.70	
	Voucher:	37520		253-584-0775	9/1/2014	PHONE/ KOBAYASHI	46.14	2,155.84
51087	9/15/2014	001152	CENTURYLINK	1312324715	8/23/2014	PHONES/LONG DISTANCE & INT	1,551.14	1,551.14
	Voucher:	37521						

Bank : bofa BANK OF AMERICA (Continued)

Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
51088	9/15/2014	001024	CITY TREASURER	100802489	9/3/2014	POWER/3904 BP WAY W	10.55	
	Voucher:	37522		100302273	9/3/2014	POWER/3715 BP WAY W, #D2	9.90	
				100079046	9/3/2014	POWER/3715 BP WAY W, #D5	9.81	
				100312960	9/3/2014	POWER/3715 BP WAY W, #A2	9.64	
				100312959	9/3/2014	POWER/3715 BP WAY W, #A1	9.64	
				100086155	9/3/2014	POWER/7801 40TH ST W	3.57	
				100086165	9/3/2014	POWER/7813 44TH ST W	3.57	
				100086172	9/3/2014	POWER/7901 CIRQUE DR W	3.57	
				100385145	8/22/2014	WATER/3800 74TH AVE W	1,708.14	
				100068203	8/28/2014	POWER/3715 BP WAY W	1,625.60	
				100110228	9/3/2014	POWER/3715 BP WAY W, #B5	1,148.94	
				100565439	8/22/2014	WATER/3761 BRIDGEPORT WAY	462.37	
				100052902	9/3/2014	WATER & POWER/3715 BP WAY \	367.13	
				100668525	8/25/2014	WATER/4499 ALAMEDA AVE W	286.07	
				100668506	8/29/2014	WATER/5700 HANNAH PIERCE R	232.45	
				100142834	9/3/2014	WATER/3715 BP WAY W	178.41	
				100751205	9/3/2014	WATER/3555 MARKET PL W	178.41	
				100312961	9/3/2014	POWER/3715 BP WAY W, #A3	140.15	
				100495884	9/3/2014	POWER/3625 DREXLER DR W	64.90	
				100696565	8/25/2014	POWER/4609 ALAMEDA AVE W	64.54	
				100573267	8/25/2014	POWER/4727 ALAMEDA AVE W	61.30	
				100104132	8/26/2014	POWER/3503 67TH AVE W	57.49	
				100105615	9/3/2014	POWER/3503 BP WAY W	52.66	
				100714386	9/3/2014	POWER/3609 MARKET PL W, #20	48.60	
				100456986	8/29/2014	POWER/5918 HANNAH PIERCE F	37.21	
				100060658	8/26/2014	POWER/3510 67TH AVE W	33.92	
				100156353	9/3/2014	POWER/4720 BP WAY W	30.37	
				100533758	8/29/2014	POWER/5418 CIRQUE DR W	29.97	
				100737857	9/4/2014	POWER/2101 MILDRED ST SW	25.14	
				100312900	9/3/2014	POWER/3715 BP WAY W, #E3	24.28	
				100440563	9/3/2014	POWER/3715 BP WAY W, #E2	20.26	
				100077109	8/29/2014	POWER/6400 BP WAY W	15.37	
				100079031	9/3/2014	POWER 3715 BP WAY W, #D4	10.58	6,964.51
51089	9/15/2014	001140	CITY TREASURER	50003884	7/29/2014	DESIGN ENGINEERING/56TH-CIF	33,105.35	
	Voucher:	37523		50003883	6/20/2014	DESIGN ENGINEERING/56TH-CIF	14,994.23	48,099.58

Bank : bofa BANK OF AMERICA (Continued)

Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
51090	9/15/2014	025734	CLEANSMART PRODUCTS & SER	1166	8/27/2014	GUM BLASTER CHEWING GUM F	2,542.14	2,542.14
	Voucher:	37524						
51091	9/15/2014	025726	COATS, DON S	ROW	8/13/2014	ROW EASEMENT/TAX PARCEL #(	6,100.00	6,100.00
	Voucher:	37525						
51092	9/15/2014	023782	COMPLETE OFFICE SOLUTIONS,	1120668-0	8/26/2014	TONER CARTRIDGES	704.23	
	Voucher:	37526		1120667-0	8/26/2014	INK CARTRIDGE	66.05	
				1118361-0	8/28/2014	COPY PAPER/SR CENTER	36.10	
				1119988-0	8/25/2014	COPY PAPER/REC DEPT	36.10	
				1114715-0	8/11/2014	10X13/CLASP ENVELOPES	24.77	
				1119065-0	8/21/2014	EARPLUGS/DEVELOP SERVICES	23.69	
				1117937-0	8/25/2014	PRE INKED STAMP/DEV SERVICI	21.77	
				1120669-0	8/26/2014	ALKALINE BATTERIES/UPTV	11.97	
				C1119065-0	8/27/2014	CREDIT/RETURNED ITEMS/ORIG	-23.69	900.99
51093	9/15/2014	002488	CWA CONSULTANTS, P.S.	14-150	8/25/2014	PLAN REVIEW SERVICES/BLD14	17,592.50	17,592.50
	Voucher:	37527						
51094	9/15/2014	025639	CXT INC	7115	9/4/2014	PREFAB RESTROOM/SUNSET TE	76,257.27	76,257.27
	Voucher:	37528						
51095	9/15/2014	001307	DAILY JOURNAL OF COMMERCE,	3291550	8/20/2014	BID AD/SUNSET TERRACE REST	725.80	725.80
	Voucher:	37529						
51096	9/15/2014	024855	EWING IRRIGATION PRODUCTS I	8575884	8/22/2014	REPAIR PARTS/CIRQUE IRRIGAT	432.90	432.90
	Voucher:	37530						
51097	9/15/2014	001212	GRAY & OSBORNE INC	14464.03-5	8/19/2014	ENGINEERING SVCS/OLYMPIA D	3,716.47	
	Voucher:	37531		14464.01-5	8/19/2014	ENGINEERING SVCS/LEMONS B	3,102.56	
				14464.04-6	8/19/2014	ENGINEERING SVS/33RD & TAH(	1,331.16	
				14464.06-5	8/19/2014	ENGINEERING SVCS/37TH ST W	4,580.13	12,730.32
51098	9/15/2014	002220	HANDS, LISA	SEP14/HEALTHYS	9/8/2014	PER DIEM/LODGING/MILEAGE/H	212.15	212.15
	Voucher:	37532						
51099	9/15/2014	001221	HOLROYD COMPANY, INC.	255651	8/27/2014	BUILDING SAND/SUNSET RESTF	65.48	65.48
	Voucher:	37533						
51100	9/15/2014	001222	HOME DEPOT CREDIT SERVICES	6035-3225-0105-0	8/28/2014	MISC REPAIR & MAINTENANCE S	104.19	104.19
	Voucher:	37534						
51101	9/15/2014	025740	JAMES, SYLVIA	REFUND	9/3/2014	REFUND/OVERPAID/CAMP UPLA	70.00	70.00
	Voucher:	37535						
51102	9/15/2014	025431	JR SIMPLOT COMPANY	212029024	8/21/2014	HERBICIDES/PARKS MAINTENAN	2,387.37	2,387.37
	Voucher:	37536						

Bank : bofa BANK OF AMERICA (Continued)

Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
51103	9/15/2014	021616	KELLEY IMAGING SYSTEMS	15774658	8/27/2014	LEASE/SHARP MX-5111N COPIEF	366.50	366.50
	Voucher:	37537						
51104	9/15/2014	001960	KROGER - FRED MEYER STORES	700070	8/16/2014	CUSTOMER # 700070/MISC PUR(	507.21	507.21
	Voucher:	37538						
51105	9/15/2014	002356	LANE & ASSOCIATES	1210	7/1/2014	ROW ACQUISITION & APPRAISAI	4,009.50	
	Voucher:	37539		1214	8/26/2014	ROW ACQUISITION & APPRAISAI	2,211.98	6,221.48
51106	9/15/2014	023115	LEMAY MOBILE SHREDDING	4402818	9/1/2014	AUG14/DOCUMENT SHREDDING	33.80	33.80
	Voucher:	37540						
51107	9/15/2014	025733	LIND PEST CONTROL	13400082814	8/28/2014	EMERGENCY RESPONSE/ANT IN	448.54	448.54
	Voucher:	37541						
51108	9/15/2014	001243	LLOYD ENTERPRISES INC	181593	8/13/2014	CONCRETE/SUNSET TERRACE F	297.61	297.61
	Voucher:	37542						
51109	9/15/2014	003072	MARIAN HOLLOWAY	REIMB	9/8/2014	DONUTS/ALL STAFF BREAKFAST	40.00	40.00
	Voucher:	37543						
51110	9/15/2014	002311	MC CLAINS SOIL SUPPLY	058292	8/18/2014	MEDIUM BARK/PROPERTY MAN/	108.00	108.00
	Voucher:	37544						
51111	9/15/2014	001352	MILES RESOURCES, LLC	240240	9/2/2014	HOT ASPHALT	250.26	250.26
	Voucher:	37545						
51112	9/15/2014	001378	MOUNTAIN MIST WATER	005670453	8/6/2014	#075361/BOTTLED WATER/CITY I	45.75	
	Voucher:	37546		005694376	8/20/2014	#075361/BOTTLED WATER/CITY I	38.75	
				005670452	8/6/2014	#075361/BOTTLED WATER/PW SI	31.75	
				005667905	8/5/2014	#068332/BOTTLED WATER/CM O	23.71	
				005694375	8/20/2014	#075361/BOTTLED WATER/PW SI	23.00	
				005674671	8/8/2014	#031650/BOTTLED WATER/SR CE	21.25	
				005694364	8/20/2014	#075361/BOTTLED WATER/REC D	17.75	
				005670474	8/6/2014	#065205/BOTTLED WATER/COUN	14.31	
				005670476	8/6/2014	#066460/BOTTLED WATER/FITNE	14.31	
				005699515	8/22/2014	#031650/BOTTLED WATER/SR CE	7.25	
				005670454	8/6/2014	#068332/BOTTLED WATER/CM O	6.75	
				005694378	8/20/2014	#068332/BOTTLED WATER/CM O	6.75	251.33
51113	9/15/2014	025735	MOVEABLE FEAST LLC	081514	8/15/2014	FOOD CART TOUR/REC TRIP/AU	680.00	680.00
	Voucher:	37547						
51114	9/15/2014	001096	NORTHWEST CASCADE, INC.	1-986115	8/1/2014	RENTAL/PORTA POTTY/HANDWA	920.00	
	Voucher:	37548		1097329	8/19/2014	DRAIN CLEANING/SENIOR CENT	202.39	1,122.39

Bank : bofa BANK OF AMERICA (Continued)

Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
51115	9/15/2014	003178	OWENS PRESS, INC.	26049	8/29/2014	SEP-OCT14/HEADLINES NEWSLI	4,982.08	4,982.08
	Voucher:	37549						
51116	9/15/2014	002051	PCRCD,LLC	4197	8/31/2014	DISPOSAL/TREATMENT OF VACT	1,979.83	1,979.83
	Voucher:	37550						
51117	9/15/2014	001109	PIERCE COUNTY BUDGET & FIN/	AR162203	8/26/2014	SPECIAL OVERTIME/JUL14	9,450.28	
	Voucher:	37551		AR162200	8/27/2014	2ND QTR 14/LIQUOR TAX & PRO	1,656.80	11,107.08
51118	9/15/2014	024698	PIERCE COUNTY SECURITY, INC.	279031	8/5/2014	#9993/JUL14/SECURITY/CIVIC BU	6,351.44	6,351.44
	Voucher:	37552						
51119	9/15/2014	001588	PIERCE COUNTY SEWER	00566276	9/2/2014	SEWER/3715 BP WAY W	134.49	
	Voucher:	37553		00664685	9/2/2014	SEWER/4951 GRANDVIEW DR W	101.41	
				00000591	9/2/2014	SEWER/2534 GRANDVIEW DR W	64.65	
				00604682	9/2/2014	SEWER/2917 MORRISON RD W	43.72	
				01571443	9/2/2014	SEWER/7250 CIRQUE DR W	31.57	
				01576739	9/2/2014	SEWER/3609 MARKET PL W, CIT	31.57	
				01576721	8/27/2014	SEWER/3609 MARKET PL W, RET	31.57	
				01576712	9/2/2014	SEWER/3609 MARKET PL W, RET	31.57	
				01512692	9/2/2014	SEWER/3555 MARKET PL W	16.87	487.42
51120	9/15/2014	001161	PUGET SOUND ENERGY CORP	300000009641	9/2/2014	GAS/3715 BP WAY W, #D2	81.40	
	Voucher:	37554		300000010987	9/2/2014	GAS/3715 BP WAY W, #E2	51.02	
				200017087624	8/29/2014	GAS/2534 GRANDVIEW DR W	39.55	
				200000971479	8/26/2014	GAS/4910 BRISTONWOOD DR W	39.55	
				200014542258	8/28/2014	GAS/7450 MARKET PL W	35.38	246.90
51121	9/15/2014	001295	RANDLES SAND & GRAVEL INC	365995	8/26/2014	2" X 8" OVERSIZE ROCK/OLYMPI	146.68	146.68
	Voucher:	37555						
51122	9/15/2014	025742	RELIABLE PARTS, INC.	8507133	8/28/2014	SHIPPING/PARTS/STOVE/PW SH	7.67	7.67
	Voucher:	37556						
51123	9/15/2014	021634	ROBBLEES TOTAL SECURITY, IN(	14378	8/29/2014	MAGNETIC DOOR LOCKING SYS	3,990.91	3,990.91
	Voucher:	37557						
51124	9/15/2014	023883	RODARTE CONSTRUCTION INC.	6	9/8/2014	CONSTRUCTION/BP WAY W 3B F	318,061.69	318,061.69
	Voucher:	37558						
51125	9/15/2014	003059	ROSEN SUPPLY CO, INC	1411622-00	8/27/2014	MISC PARTS/SUNSET RESTROO	22.14	22.14
	Voucher:	37559						
51126	9/15/2014	003221	SASE	INV135227	8/5/2014	CONCRETE CUTTING SET/TRIP I	1,199.07	1,199.07
	Voucher:	37560						

Bank : bofa BANK OF AMERICA (Continued)

Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
51127	9/15/2014	022031	SEESZ, LINDA	SEP14/NATOA	8/14/2014	PER DIEM/NATOA CONF/ST PAUI	234.25	234.25
	Voucher:	37561						
51128	9/15/2014	001984	SKYHAWKS SPORTS ACADEMY, I	I1701	9/3/2014	JUL-AUG14/MINI HAWK CAMP	81.75	81.75
	Voucher:	37562						
51129	9/15/2014	002613	SUPERIOR LINEN SERVICE,INC.	16544	8/27/2014	OFFICE MAT RENTAL/PW SHOP	79.97	79.97
	Voucher:	37563						
51130	9/15/2014	002823	THOMPSON ELECTRICAL CONST	0814-6462CG	8/27/2014	REPLACE TWO 16' POLES/GRAN	1,258.10	
	Voucher:	37564		0814-6474CV	8/27/2014	REPAIRS & MAINTENANCE/STRE	778.93	2,037.03
51131	9/15/2014	001326	TUCCI & SONS INC	48294	8/27/2014	CLASS B ASPHALT/PW SHOP	220.55	220.55
	Voucher:	37565						
51132	9/15/2014	001151	UNIVERSITY PLACE SCHOOL DIS	F22126	8/7/2014	JUL14/CHS/GYM/SKYHAWKS BA	300.00	300.00
	Voucher:	37567						
51133	9/15/2014	001332	UNIVERSITY PLACE TIRE CENTE	9168	8/18/2014	OIL CHANGE/FORD ESCAPE/EN	38.55	
	Voucher:	37568		9099	8/13/2014	FLAT TIRE REPAIR/PW VEHICLE	18.54	57.09
51134	9/15/2014	022590	WA STATE DEPT OF TRANSPORT	RE-313-ATB40812	8/12/2014	GEN PROJ MANAGEMENT/BPW	37.54	37.54
	Voucher:	37569						
51135	9/15/2014	025071	WELLS FARGO BANK NA	6	9/8/2014	#1107710756/RODARTE CONST./	16,740.09	16,740.09
	Voucher:	37570						
51136	9/15/2014	024399	WELLS FARGO FINANCIAL LEASI	5001432722	8/23/2014	SEP19-OCT18/LEXMARK PRINTE	95.00	95.00
	Voucher:	37571						
51137	9/15/2014	001357	ZUMAR INDUSTRIES INC	0171174	8/4/2014	DRUG CONVICTION SIGNS	1,480.54	1,480.54
	Voucher:	37572						

Sub total for BANK OF AMERICA: 580,705.60

62 checks in this report.

Grand Total All Checks: 580,705.60

TOP

FINAL CHECK LISTING
CITY OF UNIVERSITY PLACE

Check Date: 09/30/14

Check Range: 51138 - 51233

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: (09/26/14)

BACK TO AGENDA

Bank : bofa BANK OF AMERICA

Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
51138	9/17/2014	001575	CITY TREASURER	EASEMENT FEE	9/17/2014	RELEASE OF EASEMENTS~	250.00	250.00
	Voucher:	37593						
51139	9/24/2014	001109	PIERCE COUNTY BUDGET & FIN	092414	9/24/2014	SWLE APP FEE/MARKET CT W &	300.00	300.00
	Voucher:	37633						
51140	9/30/2014	001000	ABC LEGAL MESSENGERS INC	MMFWA00061500	8/28/2014	LEGAL DELIVERY SERVICE	50.00	50.00
	Voucher:	37573						
51141	9/30/2014	002661	AIR SYSTEMS ENGINEERING INC	000199239	9/23/2014	HVAC REPAIR/COUNCIL CHAMBE	186.52	186.52
	Voucher:	37574						
51142	9/30/2014	025653	ALCHEMY INDOOR SKATE PARK	092414	9/24/2014	SUMMER 2014/SPECIALTY SKAT	263.25	263.25
	Voucher:	37575						
51143	9/30/2014	002741	AMERICAN POWDER COATING, II	00098192	7/21/2014	POWDER COATING/FIREPLACE (	164.25	164.25
	Voucher:	37576						
51144	9/30/2014	002075	AMERICAN REPROGRAPHICS CC	54-581737	9/17/2014	SPECS & PLAN SETS/CIRQUE S/	542.13	
	Voucher:	37577		52-580357	9/3/2014	PLANWELL BID MANAGEMENT L	525.60	1,067.73
51145	9/30/2014	001818	APEX ENGINEERING PLLC	201451069	8/28/2014	BRIDGEPORT WAY PHASE 4A SU	2,400.00	2,400.00
	Voucher:	37578						
51146	9/30/2014	025666	APPAREL BY BEE	10080	9/12/2014	T SHIRTS/CAMP UPLAY	519.65	519.65
	Voucher:	37579						
51147	9/30/2014	003007	APPLY A LINE, INC.	2031	8/23/2014	EXTRUDED CURBING/GRANDVIE	4,347.00	4,347.00
	Voucher:	37580						
51148	9/30/2014	001007	ASSN OF WASHINGTON CITIES	32211	9/11/2014	REGISTRATION/COMMUNICATIN	375.00	375.00
	Voucher:	37581						
51149	9/30/2014	002286	AVCULAR, NURI	OCT14/APWACON	9/24/2014	PER DIEM/APWA FALL CONF/WE	60.00	60.00
	Voucher:	37582						
51150	9/30/2014	022104	BENNETT, ROBERT	REIMB	9/15/2014	REIMB/ANNUAL PO BOX FEE/CO	154.00	154.00
	Voucher:	37583						
51151	9/30/2014	024437	BUILDERS EXCHANGE OF WA,IN	1043284	9/10/2014	PUBLISH PROJECTS ONLINE	45.00	45.00
	Voucher:	37584						
51152	9/30/2014	025573	CANON FINANCIAL SERVICES	14174352	9/12/2014	SEP14/LEASE/IRC5255	311.67	311.67
	Voucher:	37585						
51153	9/30/2014	002679	CASCADE MOBILE MIX CONCRET	31567	9/19/2014	CONCRETE/SUNSET RESTROOM	460.57	460.57
	Voucher:	37586						
51154	9/30/2014	021821	CASCADE RECREATION INC.	6481	9/15/2014	6' X 10' US NYLON FLAG/CIRQUE	89.71	89.71
	Voucher:	37587						

Bank : bofa BANK OF AMERICA (Continued)

Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
51155	9/30/2014	003155	CDW.GOVERNMENT, INC.	PD36437	9/2/2014	WATCHGUARD AP200 1YR LIVE S	103.93	103.93
	Voucher:	37588						
51156	9/30/2014	001152	CENTURYLINK	253-564-1992	9/18/2014	PHONE/SR CENTER	249.11	
	Voucher:	37589		253-566-9558	9/14/2014	PHONE/PW PUMP CALLOUT LINI	37.66	286.77
51157	9/30/2014	003056	CITY OF LAKEWOOD	MC-00011	9/9/2014	AUG14/IN CUSTODY COURT TRA	770.00	770.00
	Voucher:	37590						

Bank : bofa BANK OF AMERICA (Continued)

Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
51158	9/30/2014	001024	CITY TREASURER	100080586	9/17/2014	POWER/4951 GRANDVIEW DR W	40.47	
	Voucher:	37591		100129708	9/17/2014	POWER/2702 ELWOOD DR W	19.38	
				100083325	9/17/2014	POWER/4910 BRISTONWOOD DF	392.67	
				100333844	9/17/2014	WATER/4951 GRANDVIEW DR W	354.32	
				100569668	9/12/2014	POWER/2610 SUNSET DR W	84.85	
				100668523	9/8/2014	WATER/8400 20TH ST W	61.90	
				100615001	9/22/2014	POWER/2247 EAST DAY ISLAND	2.66	
				100737063	9/17/2014	POWER/2715 ELWOOD DR W	82.07	
				100820972	9/18/2014	POWER/2700 SUNSET DR W	69.96	
				100597956	9/10/2014	POWER/8715 40TH ST W	425.73	
				100357178	9/10/2014	POWER/2620 BP WAY W	37.66	
				100668522	9/4/2014	WATER/8902 CHAMBERS CK RD	114.90	
				100668518	9/4/2014	WATER/9600 64TH ST W	211.59	
				100360178	9/10/2014	POWER/3900 GRANDVIEW DR W	8.29	
				100109710	9/10/2014	POWER/8902 40TH ST W	8.85	
				100358203	9/11/2014	POWER/7150 CIRQUE DR W	802.75	
				100669141	9/10/2014	WATER/3500 GRANDVIEW DR W	1,355.09	
				100388431	9/9/2014	WATER/3003 MORRISON RD W	209.99	
				100360066	9/10/2014	POWER/3850 GRANDVIEW DR W	8.29	
				100032203	9/8/2014	POWER & WATER/2534 GRANDV	345.84	
				100808956	9/8/2014	WATER/8005 27TH ST W	310.25	
				100808957	9/8/2014	WATER/7607 27TH ST W	109.45	
				100077129	9/8/2014	POWER/2701 GRANDVIEW DR W	41.23	
				100808955	9/8/2014	WATER/8235 27TH ST W	242.68	
				100176036	9/8/2014	POWER/2695 GRANDVIEW DR W	24.62	
				100125363	9/9/2014	POWER/6817 27TH ST W	23.61	
				100488528	9/9/2014	POWER/6701 REGENTS BLVD W	69.05	
				100672402	9/8/2014	WATER/2200 GRANDVIEW DR W	246.27	
				100672520	9/8/2014	POWER/2208 GRANDVIEW DR W	102.29	
				100401273	9/8/2014	POWER/8420 20TH ST W	21.22	
				100057089	9/9/2014	POWER/2700 BP WAY W	148.91	
				100668519	9/16/2014	WATER/5600 ALAMEDA AVE W	203.47	
				100668517	9/16/2014	WATER/4300 BP WAY W	424.98	
				100156306	9/16/2014	POWER/5400 ALAMEDA AVE W	150.59	
				100360059	9/10/2014	POWER/3800 GRANDVIEW DR W	8.29	6,764.17

Bank : bofa BANK OF AMERICA (Continued)

Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
51159	9/30/2014	001140	CITY TREASURER	90583233	9/17/2014	AUG14/HYDRANT STANDBY & C(	219.66	
	Voucher:	37592		90581451	9/5/2014	STREETLIGHT COBRAHEAD MAI	1,957.62	2,177.28
51160	9/30/2014	002171	CITY TREASURER	90583760	9/22/2014	REPAIRS & MAINT/FLEET VEHICI	1,249.72	1,249.72
	Voucher:	37594						
51161	9/30/2014	025161	CITY TREASURER	130297	9/7/2014	DTA RECEIVERS/CITY HALL	12.21	
	Voucher:	37595		129335	9/7/2014	DTA RECEIVERS/SR CENTER	8.27	20.48
51162	9/30/2014	002060	CODE PUBLISHING COMPANY IN	47616	9/8/2014	MUNICIPAL CODE/SUPP UPDATE	1,282.93	1,282.93
	Voucher:	37596						
51163	9/30/2014	024565	COMCAST	849835010094441	9/10/2014	SEP19-OCT18/ INTERNET/SR CE	97.56	
	Voucher:	37597		849835010094436	9/10/2014	SEP19-OCT18/INTERNET/PW SH	137.56	
				849835010073571	9/10/2014	MODEMS/REMOTE SURVEILLAN	80.84	
				849835010073570	9/10/2014	MODEMS/REMOTE SURVEILLAN	80.84	
				849835010094487	9/15/2014	SEP25-OCT24/ INTERNET/CITY H	130.79	527.59
51164	9/30/2014	023782	COMPLETE OFFICE SOLUTIONS,	1126166-0	9/11/2014	ADDING MACHINE TAPE/FINANC	6.98	
	Voucher:	37598		1122442-0	9/2/2014	INK CARTRIDGE	66.05	
				1122193-0	9/2/2014	LABEL TAPE/FOLDERS/ENG DEP	240.96	
				1124735-0	9/8/2014	APPT BOOKS/HR DEPT	44.61	
				1122201-1	9/3/2014	LETTER OPENER/CLERKS OFFIC	5.40	
				1122201-0	9/2/2014	MAILERS/HIGHLIGHTERS/PENS/	60.03	
				1126688-0	9/11/2014	JIFFYLITE MAILERS/CLERKS OF	29.05	
				1124547-0	9/8/2014	COPY PAPER	171.10	
				1126164-0	9/11/2014	TONER CARTRIDGE	410.67	
				1124548-0	9/8/2014	COPY PAPER	288.82	1,323.67
51165	9/30/2014	002066	CONSOLIDATED ELECTR.DIST.C(	8541-775801	9/18/2014	HIGH PRESSURE SODIUM LAMP	87.12	87.12
	Voucher:	37599						
51166	9/30/2014	024994	CONTRACTS & CAREERS, INC.	20141189	9/18/2014	ADVERTISEMENT FOR BID/CIRQ	420.00	420.00
	Voucher:	37600						
51167	9/30/2014	024347	COPIERS NORTHWEST, INC.	INV1091185	9/16/2014	AUG14-SEP13/OVERAGE CHARG	48.29	
	Voucher:	37601		INV1086371	8/31/2014	COPY CHARGES/FINANCE DEPT	120.61	
				INV1086418	9/5/2014	AUG4-SEP3/OVERAGE CHARGE	236.28	
				INV1072773	8/5/2014	JUL4-AUG3/OVERAGE CHARGES	173.89	
				INV1088976	9/10/2014	AUG9-SEP8/OVERAGE CHARGE	70.99	
				INV1090399	9/12/2014	AUG11-SEP10/OVERAGE CHARG	28.98	679.04
51168	9/30/2014	001307	DAILY JOURNAL OF COMMERCE,	3292460	9/18/2014	ADVERTISEMENT FOR BID/CIRQ	566.20	566.20
	Voucher:	37602						

Bank : bofa BANK OF AMERICA (Continued)

Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
51169	9/30/2014	002431	DIANE DEMARS	SEP14	9/18/2014	SEP14/YOGA/COURSE #8730, #8	690.00	690.00
	Voucher:	37603						
51170	9/30/2014	001737	DON SMALL & SONS OIL DIST CC	62342	9/3/2014	BULK FUEL/PW SHOP	3,529.58	3,529.58
	Voucher:	37604						
51171	9/30/2014	002790	ECKLUND, JOHN	OCT14/APWACON	9/8/2014	PER DIEM/APWA CONF/WENATC	60.00	60.00
	Voucher:	37605						
51172	9/30/2014	024855	EWING IRRIGATION PRODUCTS I	8325877	9/3/2014	REPAIR PARTS/SUNSET TERRAC	7.48	7.48
	Voucher:	37606						
51173	9/30/2014	025344	FERGUSON ENTERPRISES, INC	3069626	8/28/2014	MISC PARTS/SUNSET RESTROO	185.21	185.21
	Voucher:	37607						
51174	9/30/2014	025660	FERGUSON WATERWORKS	0434783	8/28/2014	1X6 K SOFT COP TUBE/SUNSET	324.92	324.92
	Voucher:	37608						
51175	9/30/2014	003063	FURNEYS NURSERY	I-76623	9/3/2014	SEASONAL PLANTS/CITY FLOWE	536.55	536.55
	Voucher:	37609						
51176	9/30/2014	025683	GILLIS, NAN	REFUND	6/19/2014	REFUND/#8271 -5TH AVE SHOW	35.00	35.00
	Voucher:	37610						
51177	9/30/2014	001212	GRAY & OSBORNE INC	14464.04-7	9/16/2014	ENGINEERING SVS/33RD & TAHC	2,894.08	
	Voucher:	37611		14464.01-6	9/16/2014	ENGINEERING SVCS/LEMONS B	3,599.27	
				14464.02-5	9/16/2014	ENGINEERING SVCS/SOUNDVIE	4,754.13	11,247.48
51178	9/30/2014	001858	GRAY LUMBER COMPANY	62871	9/12/2014	MISC SUPPLIES/PROPERTY MAN	130.40	130.40
	Voucher:	37612						
51179	9/30/2014	025597	J&I POWER EQUIPMENT INC	224214	9/10/2014	REPAIR SERVICE/BLOWER	49.12	
	Voucher:	37613		224220	9/10/2014	BACKPACK BLOWER & POLE PR	1,963.92	
				224216	9/10/2014	REPAIR SERVICE/WEEDEATER	141.00	
				224218	9/10/2014	REPAIR SERVICE/HEDGE TRIMM/	189.89	2,343.93
51180	9/30/2014	001072	KLOSOWSKI, DEBBIE	REIMB	9/15/2014	REIMB/MISC SUPPLIES & FOOD/	262.19	262.19
	Voucher:	37614						
51181	9/30/2014	001960	KROGER - FRED MEYER STORES	700070	9/13/2014	CUSTOMER # 700070/MISC PURC	131.10	131.10
	Voucher:	37615						
51182	9/30/2014	001243	LLOYD ENTERPRISES INC	181462	8/22/2014	CONCRETE ASPHALT MIX/PUBLI	490.15	
	Voucher:	37616		181685	8/22/2014	TRUCK RENTAL/WASTE DISPOS.	1,920.00	
				181776	8/22/2014	CONCRETE ASPHALT MIX/PUBLI	471.29	2,881.44
51183	9/30/2014	001797	LOWE'S BUSINESS ACCOUNT/GE	874-3507-017634-	9/17/2014	MISC REPAIR & MAINTENANCE S	854.60	854.60
	Voucher:	37617						

Bank : bofa BANK OF AMERICA (Continued)

Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
51184	9/30/2014	002844	LUCE, KENNEY & ASSOCIATES P	091814	9/18/2014	LEGAL CONSULTING//GILCHRIST	15,410.24	15,410.24
	Voucher:	37618						
51185	9/30/2014	022068	MARTIN FAMILY ORCHARD,INC.	00007344	9/4/2014	GALA APPLES/2014 CIDER SQUE	490.00	490.00
	Voucher:	37619						
51186	9/30/2014	025609	MATERIALS TESTING & CONSUL	13546	9/16/2014	CONSTRUCTION TESTING & INS	1,892.88	1,892.88
	Voucher:	37620						
51187	9/30/2014	025291	MCCLUSKEY, DENISE	REIMB	9/8/2014	REIMB/16TH CAB MAILER	61.80	61.80
	Voucher:	37621						
51188	9/30/2014	025747	MCVAY, CORY	OCT14/FALLSEMI	9/17/2014	PER DIEM & LODGING/FALL SEM	314.99	314.99
	Voucher:	37622						
51189	9/30/2014	001815	METROPOLITAN PARK DISTRICT	072814	7/28/2014	POOL ADMISSIONS/2013 CAMP U	1,325.00	
	Voucher:	37623		2014-57	9/15/2014	POOL ADMISSIONS/2014 CAMP U	1,028.00	2,353.00
51190	9/30/2014	001891	MICROFLEX INC	00021899	7/2/2014	ANNUAL ONLINE SERVICE FEE/J	1,200.00	
	Voucher:	37624		00022037	9/10/2014	TAX AUDIT PROGRAM	39.69	1,239.69
51191	9/30/2014	001095	NEWS TRIBUNE	I01211591-081320	8/20/2014	RFP/SUNSET TERRACE RESTRC	1,244.79	
	Voucher:	37625		I01238665-082720	8/27/2014	LEGAL NOTICES/SEPA MDNS	166.85	1,411.64
51192	9/30/2014	001095	NEWS TRIBUNE	M-2072665-08312	8/31/2014	FINANCE CHARGE/CORE AD	2.61	
	Voucher:	37626		I011976387-08152	8/15/2014	CIDER SQUEEZE AD/CORE	174.24	176.85
51193	9/30/2014	001096	NORTHWEST CASCADE, INC.	2-1017751	9/6/2014	PORTA POTTY RENTAL/CURRAN	72.00	
	Voucher:	37627		2-1014060	9/5/2014	PORTA POTTY RENTAL/CIDER S	94.93	
				2-1019152	9/8/2014	PORTA POTTY RENTAL/CURRAN	52.00	
				2-1018170	9/5/2014	PORTA POTTY RENTAL/SKATE P	72.00	
				2-1017750	9/6/2014	PORTA POTTY RENTAL/SUNSET	72.00	
				2-1017752	9/6/2014	PORTA POTTY RENTAL/KOBAYA	52.00	414.93
51194	9/30/2014	025561	NW PLUMBING CONNECTION, IN	20932	9/2/2014	INSTALLED GROUNDWORK/SUN	1,094.00	1,094.00
	Voucher:	37628						
51195	9/30/2014	025714	ONLC TRAINING CENTERS	217866	9/8/2014	MICROSOFT COURSE 10775 ADM	2,995.00	2,995.00
	Voucher:	37629						
51196	9/30/2014	022852	P & N QUALITY JANITORIAL SVC.	263	9/1/2014	AUG14/JANITORIAL SERVICES	3,154.89	3,154.89
	Voucher:	37630						
51197	9/30/2014	021638	PACIFICSOURCE ADMIN, INC.	0000216112	9/10/2014	SEP14/ADMIN FEES	82.50	82.50
	Voucher:	37631						
51198	9/30/2014	025748	PACKER, SHANNON	REFUND	9/15/2014	REFUND/SR CENTER RENTAL	125.00	125.00
	Voucher:	37632						

Bank : bofa BANK OF AMERICA (Continued)

Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
51199	9/30/2014	001109	PIERCE COUNTY BUDGET & FIN/	AR162462	9/4/2014	AUG14/JAIL SERVICES	13,835.50	
	Voucher:	37634		AR162380	9/4/2014	AUG14/I-NET CHARGES/AIR UPT	253.00	
				ar162935	9/23/2014	AUG14/ANIMAL CONTROL & SHE	8,416.37	
				AR162595	9/12/2014	SEP14/POLICE SERVICES	278,887.21	
				AR162885	9/19/2014	SPECIAL OVERTIME/AUG14	15,398.76	316,790.84
51200	9/30/2014	024698	PIERCE COUNTY SECURITY, INC.	280518	9/3/2014	#9993/AUG14/SECURITY/CIVIC B	6,251.00	
	Voucher:	37635		280910	9/3/2014	#9205/AUG14/SECURITY/CIRQUE	150.00	6,401.00
51201	9/30/2014	001114	PITNEY BOWES GLOBAL FIN. SV(	OCT14	9/19/2014	OCT14/ACCT19533470/POSTAGE	1,500.00	1,500.00
	Voucher:	37636						
51202	9/30/2014	001114	PITNEY BOWES GLOBAL FIN. SV(	7031321-SP14	9/13/2014	3RDQTR14/POSTAGE MACHINE	1,166.59	1,166.59
	Voucher:	37637						
51203	9/30/2014	024186	RAILROAD MGMNT CO. III, LLC	311936	8/28/2014	RENT/STORM WATER CROSSIN(	146.16	146.16
	Voucher:	37638						
51204	9/30/2014	025128	REDAL, HEATHER	13	9/7/2014	ON AIR TALENT & TELEVISION P	900.00	900.00
	Voucher:	37639						
51205	9/30/2014	002206	S & S TIRE SERVICE INC	1-42981	9/16/2014	FLAT REPAIR/PW TRUCK	13.13	13.13
	Voucher:	37640						
51206	9/30/2014	001382	SAFEGUARD BUSINESS SYSTEM	030076352	8/29/2014	AP CHECK STOCK/3 BOXES X 5(	171.96	
	Voucher:	37641		030078013	8/29/2014	ENVELOPE SGL WINDOW/BLANK	88.03	259.99
51207	9/30/2014	001124	SAFEWAY, INC.	64682	9/6/2014	ACCT# 64682/MISC PURCHASES	23.99	23.99
	Voucher:	37642						
51208	9/30/2014	001328	SHELL FLEET CARD SERVICES	8147100120409	9/5/2014	81-471-0012-0/SHELL	112.09	112.09
	Voucher:	37643						
51209	9/30/2014	024457	SONSRAY MACHINERY LLC	P00070-08	6/25/2014	CUTTING EDGE	341.30	
	Voucher:	37644		E00002-08	7/1/2014	2014 CASE 580 BACKHOE ~	64,275.83	64,617.13
51210	9/30/2014	002613	SUPERIOR LINEN SERVICE,INC.	19546	9/10/2014	OFFICE MAT RENTAL/PW SHOP	79.97	
	Voucher:	37645		22886	9/24/2014	OFFICE MAT RENTAL/PW SHOP	79.97	159.94
51211	9/30/2014	024422	SW WASHINGTON CHAPTER ICC	REGISTRATION	9/11/2014	C MCVAY/REGISTRATION/FALL C	150.00	150.00
	Voucher:	37646						
51212	9/30/2014	024422	SW WASHINGTON CHAPTER ICC	2014DUES	9/19/2014	2014 MEMBERSHIP DUES/C MCV	30.00	30.00
	Voucher:	37647						
51213	9/30/2014	001320	SWINDALE, DAVID J	DIRCONF/REC	9/19/2014	RECONCILIATION/DIRECTOR'S C	236.88	
	Voucher:	37648		REIMB	9/19/2014	MILEAGE REIMB/PSRC MEETING	43.68	280.56
51214	9/30/2014	002823	THOMPSON ELECTRICAL CONST	0914-6625CG	9/9/2014	REPAIR/LIGHTS/CIVIC BUILDING	107.21	107.21
	Voucher:	37649						

Bank : bofa BANK OF AMERICA (Continued)

Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
51215	9/30/2014	001636	THOMSON REUTERS - WEST	830227167	9/1/2014	AUG14/WEST INFORMATION CH/	615.57	615.57
	Voucher:	37650						
51216	9/30/2014	023057	TRANSITIONS TEAM INC.	1446	9/16/2014	EMPLOYEE COACHING SERVICE	3,750.00	3,750.00
	Voucher:	37651						
51217	9/30/2014	003193	TRANSOFT SOLUTIONS	115225	8/20/2014	SOFTWARE RENEWAL/AUTO TU	430.00	430.00
	Voucher:	37652						
51218	9/30/2014	021733	UNIFIED OFFICE SERVICES	189138	9/5/2014	MISC OFFICE SUPPLIES/CM OFF	126.74	126.74
	Voucher:	37653						
51219	9/30/2014	025376	UNIVERSAL FIELD SERVICES, IN(	39016	8/31/2014	BP WAY PH 5/ROW ACQUISITION	11,821.05	11,821.05
	Voucher:	37654						
51220	9/30/2014	025560	UNIVERSITY PLACE CIVIC BLDG	10	9/9/2014	OPERATING ACCT FUNDING # 2	74,419.75	74,419.75
	Voucher:	37655						
51221	9/30/2014	001331	UNIVERSITY PLACE REFUSE SV,I	814218	9/23/2014	OCT14 BILLING PERIOD/REFUSE	803.57	803.57
	Voucher:	37656						
51222	9/30/2014	001151	UNIVERSITY PLACE SCHOOL DIS	091614	9/16/2014	POOL ADMISSION/CAMP UPLAY	2,352.00	2,352.00
	Voucher:	37657						
51223	9/30/2014	001151	UNIVERSITY PLACE SCHOOL DIS	REFUND	9/25/2014	REFUND/DEPOSIT/ATRIUM REN	250.00	250.00
	Voucher:	37658						
51224	9/30/2014	025336	US BANK	745000006	9/8/2014	CUSTOMER #745000006/AUG14/	22.00	22.00
	Voucher:	37659						
51225	9/30/2014	025749	USA FOOTBALL	1553196	9/24/2014	Sole source partnership with USA	3,500.00	3,500.00
	Voucher:	37660						
51226	9/30/2014	025399	VASSEY NURSERY, LLC	741341	9/25/2014	MISC PLANTS & FLOWER/PARKS	202.77	202.77
	Voucher:	37661						
51227	9/30/2014	001153	VERIZON WIRELESS,LLC.	942001098-00001	9/1/2014	SEP14/CELL PHONES/CITY WIDE	2,275.10	2,275.10
	Voucher:	37662						
51228	9/30/2014	001032	WA STATE	2014080092	9/3/2014	AUG14/ANALOG PHONE LINES/C	197.90	197.90
	Voucher:	37663						
51229	9/30/2014	001512	WA STATE AUDITORS OFFICE	L104761	9/10/2014	AUDIT PERIOD/13-13	4,072.78	4,072.78
	Voucher:	37664						
51230	9/30/2014	001389	WA STATE PATROL	I15001051	9/3/2014	AUG14/EMPLOYEE BACKGROUN	20.00	20.00
	Voucher:	37666						
51231	9/30/2014	022306	WHITWORTH PEST SOLUTIONS I	234876	9/11/2014	PEST CONTROL/CITY HALL	67.55	
	Voucher:	37667		227983	9/15/2014	SPRAYING/CURRAN ORCHARD	1,011.40	
				234875	9/21/2014	PEST CONTROL/SENIOR CENTE	46.77	1,125.72

Bank : bofa BANK OF AMERICA (Continued)

Check #	Date	Vendor		Invoice	Inv Date	Description	Amount Paid	Check Total
51232	9/30/2014	023675	ZEE MEDICAL INC.	68268647	9/18/2014	RESTOCK FIRST AID KIT/CITY H/	155.48	
	Voucher:	37668		68268648	9/18/2014	RESTOCK FIRST AID KIT/PW SH(	72.29	227.77
51233	9/30/2014	001357	ZUMAR INDUSTRIES INC	0171561	8/28/2014	VARIOUS SIGNS/PW SHOP	720.60	720.60
	Voucher:	37669						
14056880	9/25/2014	002072	WA STATE DEPT OF REVENUE	AUG14	9/25/2014	AUG14/USE TAX & B&O TAX	1,373.02	1,373.02
	Voucher:	37665						

Sub total for BANK OF AMERICA: 582,705.51

97 checks in this report.

Grand Total All Checks: 582,705.51

TOP

University Place
WASHINGTON

SECOND QUARTER FINANCIAL REPORT

JUNE 30, 2014

Introduction

The second 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 second quarter 2014. These include taxes and other state shared revenues.

Revenues

General Fund – Overall, second quarter 2014 revenues are 19.9% more than budget estimates and are 32.5% more than for the same period in 2013. This is due primarily to the increase in construction sales tax, admission tax and the lot 7 land sale. Construction sales tax increased $281,588 compared to the same period in 2013. Of the $478,389 total construction sales tax revenues $352,556 were generated by The Pierce County Waste Water Treatment Plant Expansion project. Admission tax associated with the 2015 US Open has come in sooner than expected in the amount of $572,229 and the sale of Lot 7 of the Town Center parcels resulted in revenue of $426,000.

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

Second Quarter 2014 Financial Report

Resources				2014			Change (Bud vs Act)	
General Fund	2011	2012	2013	Budget	2nd Quarter	Actual	$	%
Beginning Fund Balance	$ 587,584	$ 559,349	$ 1,652,292	$ 2,575,721	$ 2,575,721	$ 2,575,721	$ -	0.00%
REVENUES								
Property Tax	1,983,659	Converted to Public Safety Managerial Fund						
Sales Tax	935,136	940,215	1,036,455	2,089,700	1,044,850	1,358,107	313,257	29.98%
Sales Tax - 1% for Parks	91,373	88,414	99,974	222,000	111,000	107,087	(3,913)	-3.52%
Criminal Justice Sales Tax	198,448	Converted to Public Safety Managerial Fund						
Admission Tax	86,265	85,093	67,398	495,000	247,500	635,957	388,457	156.95%
Utility Tax	1,273,026	1,250,628	1,275,384	2,436,000	1,218,000	1,226,610	8,610	0.71%
Utility Tax Refund	(8,540)	(11,950)	(7,730)	(13,000)	(6,500)	(8,170)		
Gas	294,663	253,735	236,391	455,000	227,500	231,385		
Solid Waste	153,456	167,604	164,649	308,000	154,000	171,724		
Cable	288,276	293,751	308,210	600,000	300,000	320,622		
Phone	106,936	106,891	104,311	215,000	107,500	98,446		
Cellular	346,060	345,654	373,532	695,000	347,500	316,674		
SWM Fees	92,175	94,943	96,022	176,000	88,000	95,928		
Leasehold Excise Tax	611	1,496	2,206	3,500	1,750	1,522	(228)	-13.04%
Gambling Tax	33,123	32,987	28,074	40,000	20,000	13,626	(6,374)	-31.87%
Franchise Fees	1,052,295	1,108,432	1,153,866	2,366,284	1,183,142	1,227,426	44,284	3.74%
Cable Franchise Fees	222,297	229,108	239,122	452,000	226,000	260,389		
Refuse Franchise Fees	132,827	139,803	137,198	265,000	132,500	142,395		
Water Franchise Fees (TPU)	213,269	225,570	242,638	530,036	265,018	265,018		
Electric Franchise Fees (TPU)	483,902	513,952	534,907	1,119,248	559,624	559,624		
Business License Fees	58,461	44,022	43,685	75,000	37,500	46,835	9,335	24.89%

Continued Next Page

General Fund Revenues Continued

Resources				2014			Change (Bud vs Act)	
General Fund	**2011**	**2012**	**2013**	**Budget**	**2nd Quarter**	**Actual**	**$**	**%**
REVENUES								
Alarm Permit Fees	1,488	Converted to Public Safety Managerial Fund						
Solicitor Permit Fees	150	125	250	150	75	225	150	200.00%
Animal Control	38,383	Converted to Public Safety Managerial Fund						
Criminal Just - Low Population	42,694	Converted to Public Safety Managerial Fund						
Liquor Profits Tax	121,895	169,743	112,107	140,000	70,000	111,163	41,163	58.80%
Liquor Excise Tax	76,379	78,104	-	37,000	18,500	9,604	(8,896)	-48.09%
State of WA/City Assistance	24,001	25,415	39,294	35,000	17,500	42,792	25,292	144.53%
Sale of Documents & Records	111	53	61	-	-	43	43	N/A
Law Enforcement Services	3,417	Converted to Public Safety Managerial Fund						
Engineering Fees	130,000	65,000	65,000	130,000	65,000	65,000	-	0.00%
Administrative Fee from SWM Fund	208,182	224,266	201,698	427,675	213,838	207,412	(6,426)	-3.00%
Property Management	20,179	24,676	41,640	69,700	34,850	37,272	2,422	6.95%
Investment Interest	3,018	2,986	6,313	4,000	2,000	10,037	8,037	N/A
Non-CRT Fines, Forfeitures & Penalties	569	Converted to Public Safety Managerial Fund				-		
Grants	-	-	-	-	-	-	-	N/A
Pierce County Library Expansion Space	-	-	-	120,000	60,000	-	(60,000)	N/A
Land Sales	-	-	-	426,000	213,000	426,000	213,000	N/A
Donations	-	-	-	101,050	50,525	1,050	(49,475)	N/A
Miscellaneous	11,278	146,808	1,114	7,000	3,500	1,551	(1,949)	-55.67%
Subtotal Operating Revenues	**$ 6,394,138**	**$ 4,288,463**	**$ 4,174,518**	**$ 9,225,059**	**$ 4,612,530**	**$ 5,529,319**	**$ 916,790**	**19.88%**

Operating Expenditures

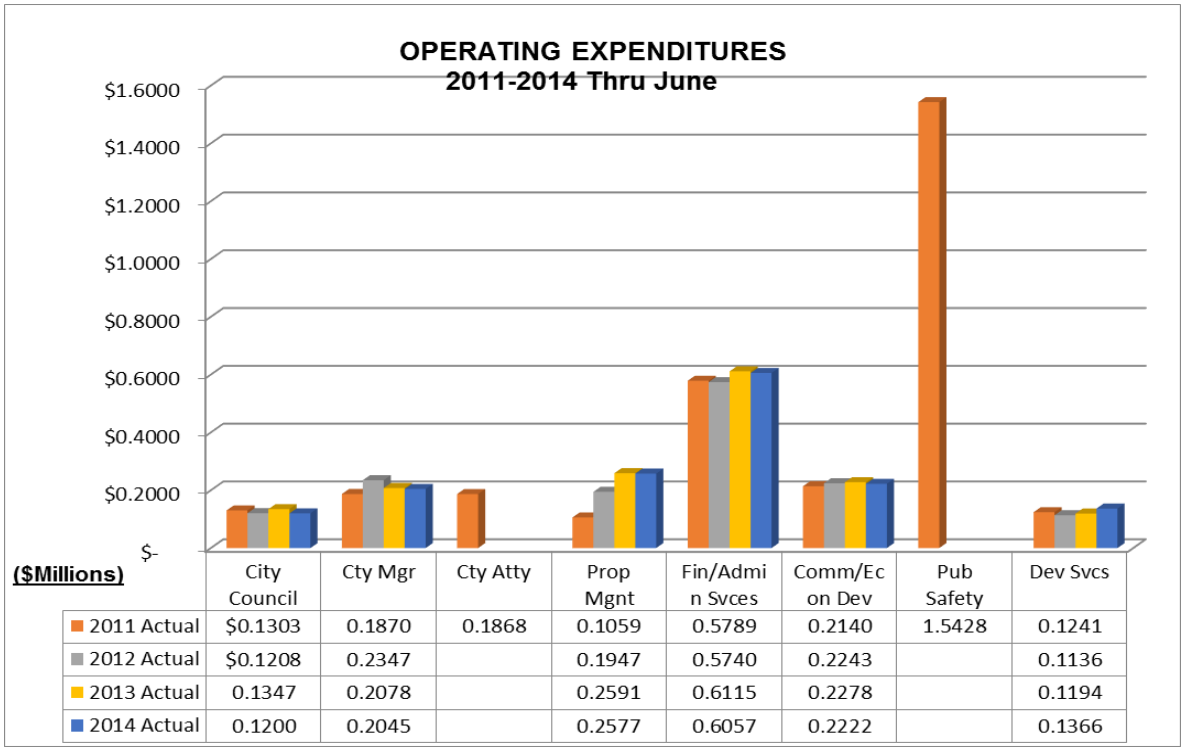
General Fund operating expenditures are presented here by Department. Please note that in 2012, Public Safety and City Attorney expenditures were moved from the General Fund into the newly created Police/Public Safety Fund.

Overall, second quarter operating expenditures were 16.2% below budget estimates (excluding Reserves and Contingency). The 25.4% "budget" to "actual" difference in Finance and Administrative Services is related to budgeted election services expenditures in the City Clerk's Office budget ($81,818) and equipment budgeted in the Communications budget ($240,335) 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 professional services.

The increase in Property Management expenditures in 2013 and 2014 are a result of the University Place Civic Building Condominium agreement which 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. These costs will be ongoing.

OPERATING EXPENDITURES
Through June
2011 Through 2014

Expenditures by Dept	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 2nd Qrtr Budget	2014 Actual	2014 $ Variance	2014 % Variance
City Council	$ 130,310	$ 120,797	$ 134,728	$ 237,882	$ 118,941	$ 120,021	$ 1,080	0.9%
City Manager's Office	187,005	234,746	207,798	407,657	203,829	204,474	646	0.3%
City Attorney's Office	186,839	Converted to Public Safety						
Property Management	105,906	194,670	259,063	572,056	286,028	257,723	(28,305)	-9.9%
Finance and Administrative Services	578,908	574,048	611,495	1,623,765	811,883	605,736	(206,147)	-25.4%
Community and Economic Development	213,985	224,264	227,841	600,615	300,308	222,191	(78,117)	-26.0%
Public Safety	1,542,809	Converted to Public Safety					-	
Development Services	124,114	113,603	119,410	250,773	125,387	136,586	11,200	8.9%
	3,069,876	1,462,128	1,560,335	3,692,748	1,846,374	1,546,731	$ (299,643)	-16.2%
Reserves/Transfer-Other	2,390,864	1,991,992	2,182,447	6,010,083	3,005,042	2,030,293	n/a	n/a
Total	$ 5,460,740	$ 3,454,120	$ 3,742,782	$ 9,702,831	$ 4,851,416	$ 3,577,024	n/a	n/a



Public Safety Revenues and Expenditures

Public Safety revenues for second quarter exceeded budget estimates by 2.95 percent. Expenditures were 11.31 percent below budget estimates. The 51.67% "budget" to "actual" difference in Municipal Court Services expenditures is a timing difference related to payments for contracted court services.

City of University Place

2nd Quarter 2014 Financial Report

Police/Public Safety	General Fund	Police/Public Safety						
	2011	2012	2013	2014	2014	2014	Change (Bud vs Act)	
REVENUES	Actual	Actual	Actual	Budget	2nd Qrtr	Actual	$	%
Property Tax	1,983,659	2,026,782	2,083,544	3,980,549	1,990,275	2,078,879	88,604	4.45%
Criminal Justice Sales Tax	198,448	194,457	215,034	368,000	184,000	188,494	4,494	2.44%
Animal Control	38,383	3,571	33,449	66,000	33,000	28,981	(4,019)	N/A
Criminal Just - Low Population	42,694	42,679	44,611	76,500	38,250	22,164	(16,086)	-42.05%
Alarm Permit Fees	1,488	2,239	3,539	3,500	1,750	2,202	452	25.83%
Grants	4,225	1,335	-	19,699	9,850	1,524	(8,326)	-84.53%
Law Enforcement Svces/DUI Response	3,417	5,801	4,882	16,885	8,443	5,042	(3,401)	-40.28%
Crime Free Multi-Housing	-	-	240	-	-	300	300	N/A
Non CRT Fines, Forfeitures & Pen	569	862	1,323	1,000	500	661	161	32.25%
SWM Admin Fee - City Attorney	34,350	37,004	22,305	40,000	20,000	26,716	6,716	33.58%
Liquor Profits Tax - Public Safety	24,659	34,339	28,431	57,651	28,826	28,191	(634)	-2.20%
Total Revenues	**2,331,892**	**2,349,069**	**2,437,357**	**4,629,784**	**2,314,892**	**2,383,154**	**68,262**	**2.95%**
	2011	2012	2013	2014	2014	2014	Change (Bud vs Act)	
EXPENDITURES	Actual	Actual	Actual	Budget	2nd Qrtr	Actual	$	%
Municipal Court	57,790	60,980	62,135	253,713	126,857	61,310	(65,547)	-51.67%
Emergency Preparedness	13,409	13,954	13,290	32,493	16,247	13,584	(2,662)	-16.39%
Civil Legal Services	186,839	149,693	135,183	375,471	187,736	162,064	(25,671)	-13.67%
Police	1,308,376	1,445,112	1,653,357	3,562,252	1,781,126	1,684,453	(96,673)	-5.43%
Public Safety	40,164	41,102	50,870	79,843	39,922	42,342	2,420	6.06%
Animal Control	55,400	57,387	37,893	112,297	56,149	40,408	(15,740)	-28.03%
Code Enforcement	45,543	47,819	26,197	105,289	52,645	36,671	(15,974)	-30.34%
Jail	22,128	32,694	53,949	150,000	75,000	30,706	(44,294)	-59.06%
Total Expenditures	**1,729,648**	**1,848,740**	**2,032,874**	**4,671,358**	**2,335,679**	**2,071,538**	**(264,141)**	**-11.31%**
Revenue Less Expenditures	**602,243**	**500,329**	**404,482**	**(41,574)**	**(20,787)**	**311,616**	**N/A**	**N/A**

*Change (Bud vs Act) is a comparison to the 2014 2nd Qrtr column.

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 31% compared to second quarter 2013. As was mentioned previously in this report, this is due primarily to an increase in construction sales tax which may not be sustainable. Retail sales tax revenues have increased approximately 4.2% as well.

With respect to budget estimates, the 2014 sales tax revenues, through second quarter, exceed budget estimates by 30%, or $313,257. (The sales tax revenues shown below do not include the 1% for Parks.)

Local Sales Tax Revenue
By Month

	2011	*2012*	*2013*	*2014*		Change (Bud vs Act)	
MONTH	*Actual*	*Actual*	*Actual*	*Budget**	*Actual*	$	%
January	$ 204,801	$ 194,463	$ 210,477	$ 218,795	$ 255,039	36,244	16.6%
February	138,964	130,779	161,923	154,896	193,118	38,223	24.7%
March	141,622	144,494	151,974	157,201	209,383	52,182	33.2%
April	171,818	159,292	170,886	180,132	244,304	64,172	35.6%
May	124,424	151,023	157,397	155,318	220,783	65,465	42.1%
June	153,507	160,165	183,798	178,508	235,480	56,972	31.9%
Total	$ 935,136	$ 940,215	$ 1,036,455	$ 1,044,850	$ 1,358,107	$ 313,257	30.0%
Taxable Sales	$ 111,325,686	$ 111,930,410	$ 123,387,468	$ 124,386,905	$ 161,679,452	$ 37,292,547	30.0%

* Represents monthly historical patterns for the 2014 Adopted Budget.

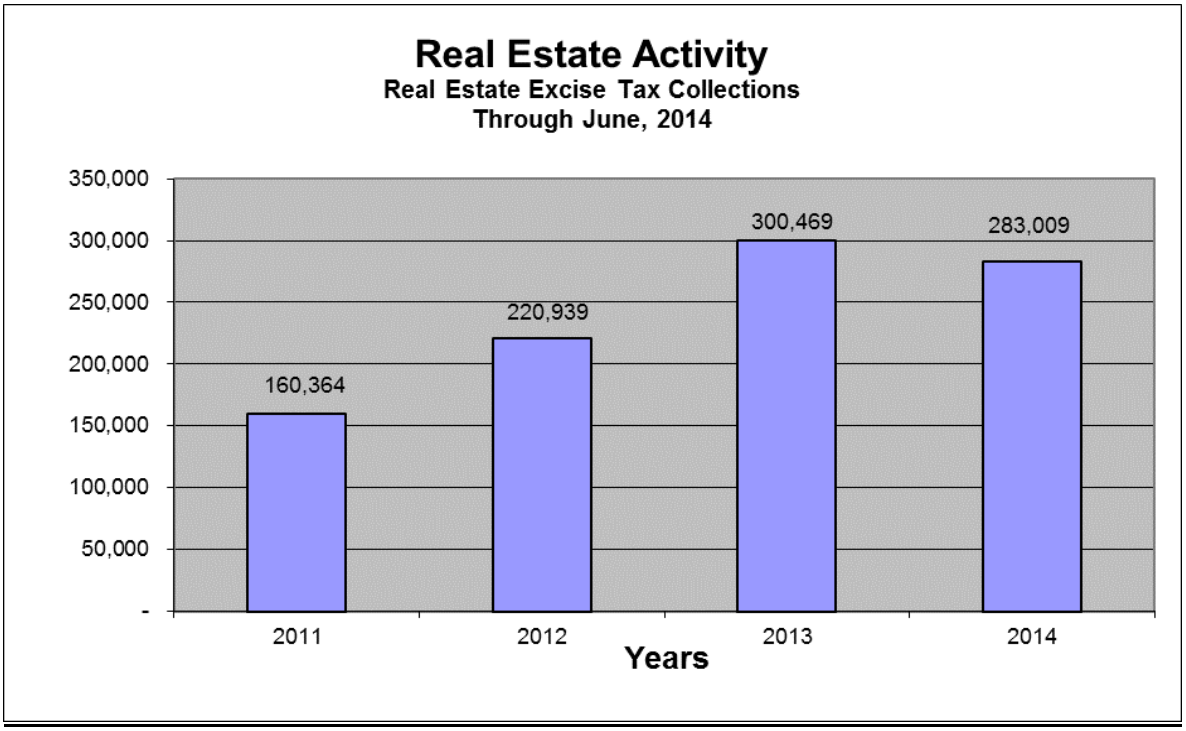
Local Sales Tax Revenue
By Category

	2010	*2011*	*2012*	*2013*	*2014*	Change (2013-2014)	
Category	*Actual*	*Actual*	*Actual*	*Actual*	*Actual*	$	%
Retail Trade	$ 385,119	$ 399,583	$ 402,313	$ 418,363	$ 435,764	$ 17,401	4.2%
Services	57,821	54,734	51,223	61,783	51,355	(10,428)	-16.9%
Construction	177,488	126,782	141,500	196,801	478,389	281,588	143.1%
Accommodation and Food Svce	112,965	110,936	115,381	110,374	116,303	5,929	5.4%
Information	34,179	20,581	69,564	68,463	77,684	9,221	13.5%
Arts, Entertain, Recreation	21,792	28,675	33,858	37,866	33,918	(3,948)	-10.4%
Admin, Supp, Rmed Svces	19,106	22,463	22,687	23,774	23,666	(108)	-0.5%
Transp/Warehousing/Utilities	2,366	2,455	2,519	4,757	5,177	420	8.8%
Wholesaling	47,864	39,091	31,965	35,154	42,896	7,742	22.0%
Manufacturing	14,528	14,950	18,075	13,669	18,343	4,674	34.2%
Other	59,108	70,387	3,862	3,832	17,492	13,660	356.5%
Finance/Insur/Real Estate	34,428	31,019	30,709	37,602	36,699	(903)	-2.4%
Government	14,211	13,480	16,560	24,017	20,421	(3,596)	-15.0%
Total	$ 980,975	$ 935,136	$ 940,216	$ 1,036,455	$ 1,358,107	$ 321,652	31.0%

Sales tax by category is provided by TaxTools

Real Estate Excise Tax

Real Estate Excise Tax, at $283,009, exceeded budget estimates by 1 percent. Revenues are 5.8% below those for the same period in 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.

Liquor Profits Tax revenues exceeded budget estimates by $40,529 or 58.8 percent. This table includes Liquor Profits Taxes allocated to the Police/Public Safety Fund. 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 Budget	2014 2nd Quarter	2014 Actual	Change (Bud vs Act) $	Change (Bud vs Act) %
Liquor Profits Tax	$ 121,895	$ 169,743	$ 140,537	$ 197,651	$ 98,826	$ 139,354	$ 40,529	41.0%
Liquor Excise Tax	76,379	78,104	-	37,000	18,500	9,604	(8,896)	-48.1%
Crim Just Low Pop	42,694	42,679	44,611	76,500	38,250	43,031	4,781	12.5%
Fuel Tax	320,025	310,350	311,989	652,972	326,486	310,822	(15,664)	-4.8%
Subtotal State Shared Rev	560,993	600,876	497,137	964,123	482,062	502,811	20,749	4.3%
State of WA/City Assistance	24,001	25,415	39,294	35,000	17,500	42,792	25,292	144.5%
Local Crim Just	198,448	194,457	215,034	368,000	184,000	227,363	43,363	23.6%
Total	$ 783,442	$ 820,748	$ 751,465	$ 1,367,123	$ 683,562	$ 772,966	$ 89,404	13.1%
% Change from prior year	-1.5%	4.8%	-8.4%	N/A	N/A	-5.8%	N/A	N/A

*Change (Bud vs Act) is a comparison to the 2014 2nd Quarter column.

Utility Taxes

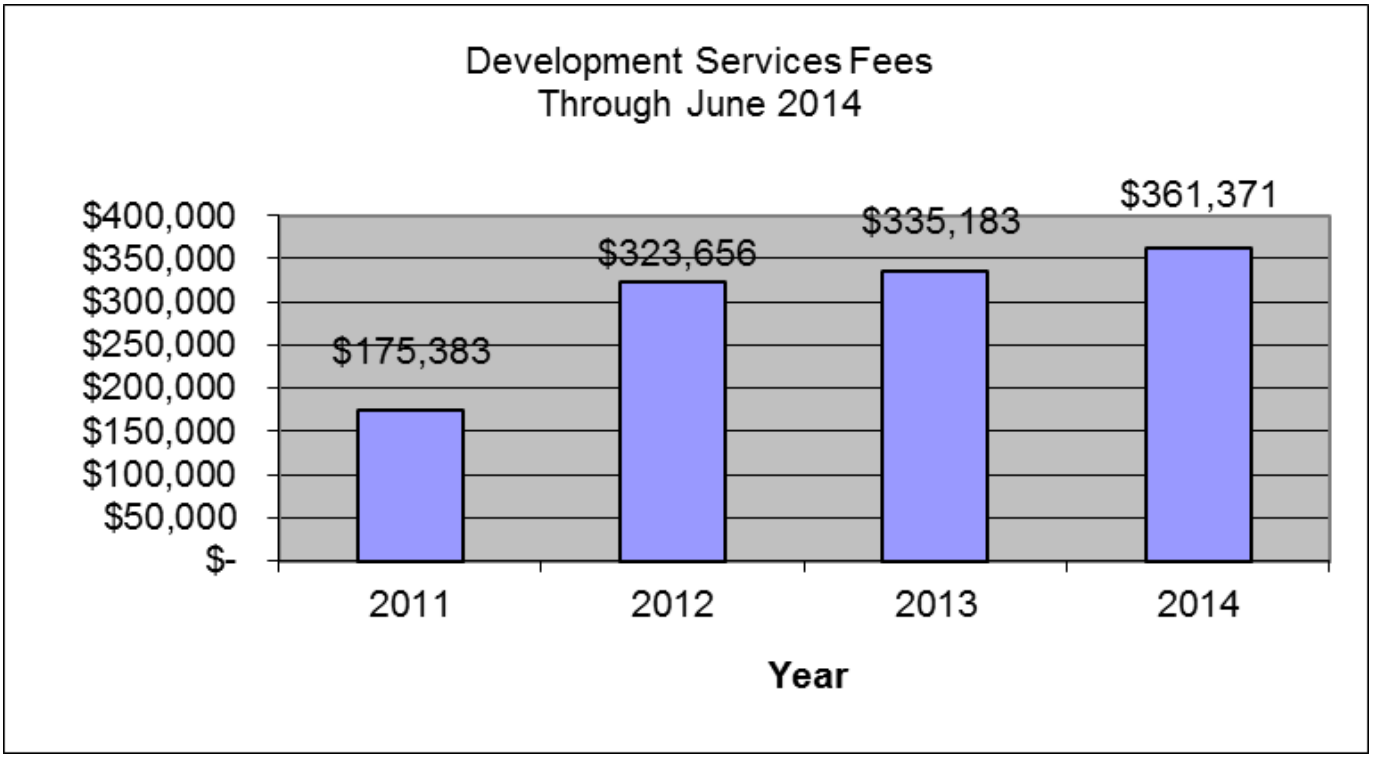
Natural gas taxes, at $231,385, are 2.1% less than second quarter last year. Cable television taxes continue to increase and, at $320,622, are 4% higher compared to the same period in 2013. We continue to see a trend of decreased revenue from cell phone and telephone services. Cell phone tax revenues were $316,674 for second quarter. This is 15.2% less than revenues received in the same period last year and 8.9% less than anticipated for second quarter 2014.

Utility Tax Revenues

Revenues	2011	2012	2013	2014	2014	2014	Change (Bud vs Act)	
Utilites	Actual	Actual	Actual	Budget	2nd Qrtr Budget	Actual	$	%
Gas	$ 294,663	$ 253,735	$ 236,391	$ 455,000	$ 227,500	$ 231,385	$ 3,885	1.7%
Garbage	153,456	167,604	164,649	308,000	154,000	171,724	17,724	11.5%
Cable	288,276	293,751	308,210	600,000	300,000	320,622	20,622	6.9%
Phone	106,936	106,891	104,311	215,000	107,500	98,446	(9,054)	-8.4%
Cellular	346,060	345,654	373,532	695,000	347,500	316,674	(30,826)	-8.9%
Total Revenue	$ 1,189,390	$ 1,167,635	$ 1,187,093	$ 2,273,000	$ 1,136,500	$ 1,138,851	$ 2,351	0.2%

Development Services Fees

Development services revenue for second quarter, 2014 reflects an increase of 7.8% 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 second quarter were $525,126.



Recreation

Total Recreation revenues and donations show a 6.9% decrease compared to second quarter, 2013 (excluding City Share) due primarily to a decrease in program revenues. Recreation revenues were 65.49% more than 2014 budget estimates for second quarter which reflects registration revenues received for programs scheduled later in the year. Recreation expenditures were comparable to budget estimates for second quarter 2014 and were 2% more than for the same period in 2013.

PARKS AND RECREATION
SECOND QUARTER, 2014

	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 2nd Quarter Budget	2014 2nd Quarter Actual	2014 *$ Variance*	2014 *% Variance*
Program Revenues									
Recreation Revenue	$ 168,563	$ 160,211	$ 184,246	$ 214,485	$ 266,900	$ 133,450	$ 210,200	$ 76,750	57.51%
Donations/Fund Raisers/Grants/Misc	57,203	25,016	19,476	31,451	7,373	3,687	17,478	13,792	374.11%
Senior Center Revenue	-	-	-	3,095	5,000	2,500	4,805	2,305	92.20%
Rental Revenue	24,728	15,908	10,471	13,833	16,300	8,150	12,088	3,938	48.31%
Total Revenues and Donations	$ 250,493	$ 201,135	$ 214,193	$ 262,864	$ 295,573	$ 147,787	$ 244,571	$ 96,785	65.49%
Recreation - City Share	60,000	90,000	126,608	140,430	333,233	166,617	160,000	(6,617)	-3.97%
Total Recreation Revenues	$ 310,493	$ 291,135	$ 340,801	$ 403,293	$ 628,806	$ 314,403	$ 404,571	$ 90,168	28.68%
Parks - City Share	165,356	180,213	145,559	255,993	416,384	208,192	157,473	(50,719)	-24.36%
Total Revenues and Transfers	$ 475,849	$ 471,348	$ 486,360	$ 659,287	$ 1,045,190	$ 522,595	$ 562,045	$ 39,450	7.55%
Program Expenditures									
Program Management	$ 164,610	$ 196,285	$ 197,685	$ 203,244	$ 418,403	$ 209,202	$ 212,720	$ 3,518	1.68%
Senior Services	1,585	16,457	12,325	15,366	22,873	11,437	9,266	(2,171)	-18.98%
Outdoors	-	1,210	-	-	2,500	1,250	269	(981)	-78.50%
Technology	-	382	240	-	1,700	850	-	(850)	-100.00%
Youth Sports	38,639	40,975	39,880	44,436	76,800	38,400	47,891	9,491	24.72%
Spectator/Comm Events	841	-	-	-	-	-	-	-	N/A
Adult Trips & Tours	465	3,403	6,791	13,507	10,800	5,400	11,693	6,293	116.53%
Martial Arts	-	-	-	-	1,200	600	553	(48)	-7.92%
Youth Programs	5,013	14,686	6,034	17,083	57,700	28,850	8,197	(20,653)	-71.59%
Cultural Arts	1,534	3,422	760	1,609	2,150	1,075	1,791	716	66.64%
Fitness	8,105	4,782	5,261	6,621	9,620	4,810	16,398	11,588	240.91%
Community/Senior Center	5,652	5,682	5,797	5,441	16,060	8,030	5,810	(2,220)	-27.65%
Field/Park/Shelter Rentals	-	4,949	2,683	1,217	9,000	4,500	-	(4,500)	-100.00%
Total Recreation Program Expenditures	$ 226,444	$ 292,233	$ 277,457	$ 308,524	$ 628,806	$ 314,403	$ 314,587	$ 184	0.06%
Parks Maintenance	167,621	180,299	182,811	171,423	416,384	208,192	158,209	(49,983)	-24.01%
Total Program Expenditures	$ 394,065	$ 472,532	$ 460,268	$ 479,947	$ 1,045,190	$ 522,595	$ 472,796	$ (49,799)	-9.53%
Revenues Less Expenditures	$ 81,784	$ (1,183)	$ 26,092	$ 179,340	$ -	$ -	$ 89,249	$ 89,249	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

	Life-to-Date 1996 - 2009	*2011 Actual*	*2012 Actual*	*2013 Actual*	*2014 Budget*	*2014 Actual*	*Total Project Costs*
Park Property Acquisition	$ 227,148	$ 98,846	$ 26,943	$ 25,250	$ 14,150	$ -	$ 378,187
Homestead Park Improvement	306,490	-	-	-	11,409	6,622	313,112
Senior/Community Center	3,853	-	1,060	331	21,820	-	5,244
Cirque/B-Port Park Improve	4,096,399	-	2,528	3,603	49,026	41,528	4,144,058
Sunset Terrace Park	126,061	-	-	-	142,501	-	126,061
Park Signage	25,338	-	1,575	-		-	26,914
Kobayashi Property	354,420	222	9,511	2,999	93,289	22,933	390,086
Creekside Park	-	-	-	-		2,395	2,395
Curran Facility	3,989	43,391	1,331	513	8,500	3,200	52,424
Paradise Pond	-	-	-	-	8,500	-	-
Total	$ 5,143,698	$ 142,459	$ 42,949	$ 32,696	$ 349,195	$ 76,678	$ 5,438,481

* 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 fall 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 Elwood, 44th Street, 56th Street and Cirque Drive Safe Routes projects. The Elwood and Cirque Drive Safe Routes projects are expected to begin in fall of 2014.

PUBLIC WORKS CAPITAL IMPROVEMENT PROJECTS
CURRENT PROJECTS

	1996-2009	*2011 Actual*	*2012 Actual*	*2013 Actual*	*2014 Budget*	*2014 Actual*	*Total Life-to-Date*
CIP Personnel	$ 2,607,838	$ 174,679	$ 286,006	$ 152,132	$ 240,216	$ 157,284	$ 3,377,940
Bridgeport Way W. 3A	1,666,144	35,843	-	-	-	-	1,701,987
Bridgeport Way W. 3/4	828,325	175,363	114,610	185,787	2,499,263	752,760	2,056,845
Bridgeport 3B	-	-	-	2,912			2,912
Bridgeport Way W. 5	-	-	75,336	1,589	2,664,356	242,864	319,788
Leach Creek Buffer Acq.	-	350	1,365	-			1,715
Lot 9 Phase II	871,024	5,375					876,399
Lot 9 Phase III	103,719	863,197					966,916
40th St Safe Routes	37,838	927,685	5,547	226	57,513	6,058	977,354
Grandview Safe Routes	32,004	657,490	5,269	4,878	2,191	-	699,641
27th Street Safe Routes	-	-	35,148	3,839	21,196	10,883	49,871
Beckonridge Safe Routes	-	-	32,381	565,650	56,440	840	598,871
Mildred Street	-	-	30,258	4,620	2,408,847	17,305	52,183
44th Street Safe Routes	-	-	-	-	910,000	16,780	16,780
56th Street Safe Routes	-	-	-	-	540,000	-	-
Cirque Drive Safe Routes	-	-	-	-	1,325,000	2,242	2,242
Elwood Safe Routes	-	-	-	-	1,070,000	-	-
Cirque Drive - CDBG	-	-	-	-	341,000		-
19th Street Sidewalk	-	-	2,969	2,545			5,514
Bridgeport Low Impact	-	-	-	58,246	933,599	37	58,283
Cirque/56th Corridor	-	-	-	-	276,350	212,882	212,882
27th Street Overlay	-	-	-	-	44,352	16,384	16,384
40th Street Overlay	-	-	-	-	15,896	-	-
Crystal Creek Culvert Repair	-	-	-	9,096	506,716	7,903	16,999
Federal Highway Grant	3,097,447	16,006					3,113,453
SWM Storm Drainage Comp Plan	265,986	5,841	4,485	2,462	901,235	-	278,773
SWM - 37th St W. (7000 Block)	-	-	-	-	286,400	11,818	11,818
SWM - 56th St W & 95th	-	-	-	-	154,740	17,819	17,819
SWM - Lemons Beach Outfall	-	-	-	-	42,600	6,661	6,661
SWM - Soundview Dr. W. (GV to 31st	-	-	-	-	67,050	3,661	3,661
SWM - Olympic Dr W (GV - 31st)	-	-	-	-	48,770	2,621	2,621
SWM - Tahoma Place	-	-	-	-	41,675	1,494	1,494
Town Center Project	53,353,364	936,019	267,295	-			54,556,678
University Hills Sewer Project	-	18,244	439,742	546,496	-	-	1,004,482
University Place Main Street Redevel	-	-	-	-	945,750	-	-
27th Street W/Regents TIB	-	-	-	-	-	14,500	14,500
LRF Market Place/Street & Ped Impr	-	1,727	45,574	5,000	29,165	-	52,301
LRF Lot 10 Staircase	-	-	9,720	-	155,280	-	9,720
LRF Lot 10A Sprinkler	-	-	73,516	-	-	-	73,516
LRF Garage/Elevator Improvements	-	-	147,475	337	11,756	-	147,812
LRF Garage TIs	-	-	34,453	-	10,717	-	34,453
LRF Market Place Phase 5	-	-	-	4,480	275,073	-	4,480
LRF Lot 8 Garage TIs	-	-	1,246,408	50,895	13,277	-	1,297,303
LRF Flag Pole	-	-	8,283	2,033	-	-	10,316
LRF Lot 10 Parking	-	-	-	-	1,700,000	1,700,000	1,700,000
Briarview Demolition	-	-	1,725	-	-	-	1,725
Total	$62,863,688.24	$ 3,817,819.68	$ 2,867,565.79	$ 1,603,221.64	$18,596,423.00	$ 3,202,794.17	$ 74,355,090

* 2014 Budget represents amounts budgeted for the full year.

Fund Balances

The chart below reflects ending fund balances at June 30, 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
Second Quarter 2014

FUND	Beginning Balance	Revenues	Expenditures	Ending Balance
General Fund	$ 2,575,721	$ 4,363,985	$ 3,621,463	$ 3,318,243
Street Fund	-	475,889	407,915	67,974
Arterial Street	13,137	80,943	150,336	(56,256)
REET	218,242	216,458	213,766	220,934
Parks and Recreation	-	559,417	472,796	86,621
Traffic Impact Fees	843,035	64,647	-	907,682
Transportation Benefit District	-	456	2,500	(2,044)
Development Services	2,868	469,669	525,126	(52,589)
LRF	3,301,300	121,173	1,825,131	1,597,341
Police/Public Safety	684,019	2,383,154	1,792,446	1,274,727
Paths & Trails	3,235	(277)	3,237	(279)
SWM	4,403,326	1,480,097	806,332	5,077,091
Donations	67,505	14,553	11,134	70,925
Strategic Reserve	856,934	-	-	856,934
Debt Service	-	1,463,841	1,463,841	-
Parks CIP	531,109	23,893	76,678	478,324
PW CIP	630,218	1,795,021	3,202,794	(777,555)
Fleet & Equipment	31,899	52,005	49,214	34,690
Fleet & Equipment-Assets	578,648	-	-	578,648
Information Technology	6,639	353,246	366,595	(6,710)
Information Technology-Assets	171,302	-	-	171,302
Risk Management	10,044	114,225	114,225	10,044
Totals	$ 14,929,181	$ 14,032,396	$ 15,105,529	$ 13,856,048

BACK TO AGENDA

#9C

2013

COMPREHENSIVE

ANNUAL

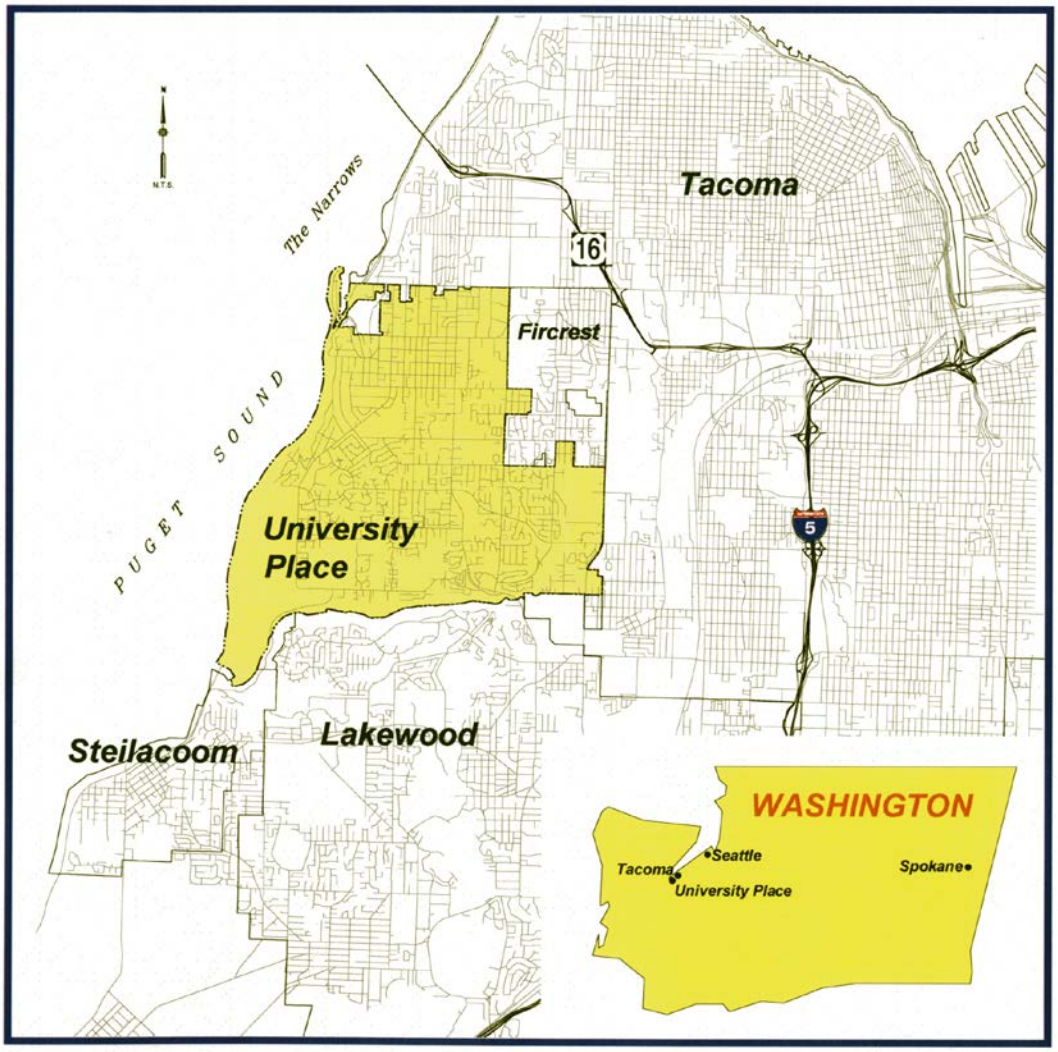
FINANCIAL

REPORT

Of the City of University Place, WA
For the Fiscal Year Ended December 31, 2013

Prepared by Department of Finance

University Place
WASHINGTON



The City of University Place

Incorporated in 1995, University Place ranks 35th in population in the State of Washington with a population of approximately 31,270. University Place encompasses an area of 8.4 square miles and is a mostly suburban residential city located on the picturesque Puget Sound just south of Tacoma. In addition to its proximity to Tacoma, University Place offers easy accessibility to Seattle, Olympia, and the Puget Sound peninsulas. University Place is easily accessible by Interstate 5 or Highway 16.

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

CITY OF UNIVERSITY PLACE, WASHINGTON

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Welcome
University Place
7/9/2010

CITY OF UNIVERSITY PLACE

3715 Bridgeport Way West – Suite B-1 *Phone: (253) 566-5656 Fax (253) 566-5658*
University Place, WA 98466-4456 *city_hall@cityofup.com*

August 28, 2014

Mayor McCluskey,
The University Place City Council, and
Citizens of University Place, Washington:

This letter transmits the Comprehensive Annual Financial Report of the City of University Place for the fiscal year ended December 31, 2013. This report is published annually as the official annual financial report and complies with State law (RCW 43.09.230) requiring annual reports for Washington municipal governments to be certified and filed with the State Auditor's Office in a timely fashion.

The management of the City is responsible for the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures. We believe the enclosed data is accurate in all material respects and is reported in a manner designed to accurately present the financial position and results of operations of the various funds of the City of University Place. The report includes all disclosures necessary to enable readers to understand the City's financial activities.

This report has been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by all Governmental Accounting Standards Board (GASB) pronouncements.

This report includes all funds of the City in conformance with Governmental Accounting and Financial Reporting Standards. It includes all funds, agencies, and boards controlled by or dependent on the City of University Place. To aid the reader, the major sections of this report are segregated by divider pages, which provide introductions to the sections.

Generally Accepted Accounting Principles (GAAP) requires management to provide a narrative introduction, overview, and analysis within a Management's Discussion & Analysis (MD&A) to accompany the basic financial statements. This letter of transmittal is designed to complement, and be read in conjunction with, the MD&A. The City of University Place's MD&A can be found immediately following the independent auditor's report.

REPORTING ENTITY AND ITS SERVICES

The City of University Place is located on the picturesque Puget Sound halfway between the state capitol of Olympia and the state's largest city, Seattle. Boasting beautiful scenic views of the Olympic Mountains, Mount Rainier, and the Puget Sound, University Place is easily accessible by Interstate 5 or Highway 16. Including nearly 8 square miles, the City is a lovely community in which its 31,270 residents can live, work, and play.

The City of University Place incorporated on August 31, 1995. The City is a non-charter Optional Code City with a Council-Manager form of government. The City Council consists of seven Councilmembers, each of whom is elected at-large. The Council elects the Mayor from its members. The City Manager serves as the chief executive officer and is responsible for daily administration of personnel, policies, and programs. The City Manager is appointed by, reports directly to, and serves at the pleasure of the Council.

At the direction of Council, the City maintains a relatively small staff (currently 47 full time equivalents) for a city its size and contracts with public and private entities for many services. City services provided include: police protection, jail services, municipal court, animal control, construction and maintenance of streets, surface water management, building inspection, planning and zoning, park maintenance, recreation programs, and general administration.

The City Manager coordinates the work of the City staff utilizing a flat and flexible organizational structure. Maintaining a flat organization allows staff to work interdepartmentally as needed, while continuing to focus on performing quality work in their primary departments. The City departments include: Finance, Public Safety, Development Services, City Engineer, Parks & Public Works, and the City Manager's Department. The City Manager's Department includes the City Manager's Office, the Deputy City Manager for Finance and Administrative Services and the Deputy City Manager for Community and Economic Development. The City Attorney's Office is also separate from other departments, and reports to the City Manager. See the Organizational Chart on page 17 for more details.

The City contracts with Pierce County for law enforcement, animal control and jail services. West Pierce Fire and Rescue provides fire protection and emergency medical services. Court services are contracted with the City of Lakewood. Tacoma Public Utilities delivers water and electric services. Pierce County Public Works and Utilities provide sewer services. Pierce Transit offers public transportation services. The Pierce County Library District makes library and reference services available to residents. The University Place School District (UPSD) No. 83 and the Tacoma School District provide educational programs for kindergarten through high school students.

ECONOMIC CONDITIONS AND OUTLOOK

Nation and Region

Both the national economy and the Puget Sound region continue to recover from the recession. The US Bureau of Economic Analysis reported that the Real Gross Domestic Product grew by 1.9 percent in 2013, compared to a 2.8 percent increase in 2012. The Bureau of Labor Statistics reported that the consumer price index (CPI) increased by 1.5% percent in 2013, compared to 1.7 percent increase for 2012.

In 2013 University Place housing prices rose by 9% and sales were up due to low housing prices and low mortgage rates. Most forecasters agree housing prices will continue to rise in 2014 but sales may slow because housing supply is limited. Locally, the City issued 31 new single family residential permits in 2013, compared to 33 issued in 2012.

The national unemployment rate increased slightly to 6.7 percent by December, 2013, up from 6.5 percent in December 2012. Unemployment in the Seattle-Tacoma-Bellevue area also decreased in 2013. The unemployment rate in the Metropolitan Statistical Area (MSA) was 6.5 percent at the end of the year, down from 8.4 percent in 2012.

Local

The local economy saw continued recovery from the recession in 2013. City of University Place revenues increased slightly, but its residents and businesses continued to contain their spending in order to weather the crisis. Real estate excise taxes continued to increase in 2013 by 21 percent over 2012.

In 2013 the number of licensed businesses in the City totaled 2,253 a gain of 243 businesses from the 2012 total. The ten employers providing the most jobs in the City in 2013 were:

1. University Place School District
2. Franciscan Health System
3. Fred Meyer Stores
4. Pierce County Government
5. Soundcare, Inc.
6. Charles Wright Academy
7. Safeway Stores Inc.
8. Kemper Sports
9. McDonald's Restaurants
10. West Pierce Fire District

To address a reduction in revenue resulting from the Great Recession, the City substantially reduced staff and expenditures in 2009. The City has maintained reduced service levels through 2013. To ensure that the City has

resources sufficient to meet all of its financial and legal obligations in this period of economic instability, the City maintains a five year financial forecast, which it updates annually.

The City's financial forecast shows that the City will have sufficient revenues to meet all of its obligations through the forecasted period. However, beginning in 2016, expenses are projected to exceed revenues in two of the City's funds – the City' Public Safety Fund and Recreation Fund. This deficit will require a reduction in service levels. As a result, the City Council has tasked its Public Safety Commission and Parks and Recreation Commission in 2013 to study options to ensure that ongoing expenditures in the two areas match ongoing revenues. In December, the Commissions recommended that the City pursue voter approved tax increases to make up the shortfall. The City Council expects to determine a final course of action in 2014.

SIGNIFICANT EVENTS AND ACCOMPLISHMENTS

While continuing to deal with the effects of the economy, the City of University Place remains committed to dealing with the major issues confronting its citizens, and delivering on the promises made during incorporation: an increase in the level of municipal services; lower taxes than those in unincorporated Pierce County; responsive and efficient City government; and increased local capital improvements.

The City Council has long concluded that diversification and expansion of the City's tax base is essential to the City's ability to deliver on its promises. In that regard, the City continues to pursue redevelopment of approximately __ acres owned by the City in the City's central business district – Town Center. In 2013, a private developer completed construction of a five-story mixed-use building just north of the Civic Building. The mixed-use building, developed by SEB Inc., includes 12,000 square feet of commercial space on the ground level and 100 residential units on the second through fifth floors. In 2013, the City has executed another agreement with SEB Inc., to develop two additional mixed-use buildings south of the Civic Building. These new buildings will be completed in phases over the next couple years and will add substantial additional retail and residential square footage to Town Center.

Recognizing the strengthening of the University Place economy, the flexibility of the City's budget, strong management and budgetary performance, Standard & Poor's issued a report in December 2013. In the report, the ratings agency increased the rating on the City's outstanding General Obligation bonds from A+/Outlook Stable to AA-/Outlook Stable.

This increase in the City's debt rating contrasts with an August 2013 downgrade from Moody's. In its rating reduction from A2 to A3, Moody's noted the City's improved financial conditions, including the City's dramatically higher levels of reserves, and potential turn-around in the City's economic conditions due to development in Town Center. However, the ratings agency cited the City's high debt burden as an impediment to maintaining the higher rating.

COUNCIL GOALS FOR 2013-2014 BIENNIUM

While recognizing the profound changes in the economic picture from three years ago when these goals were originally set, the City Council and staff nonetheless continue to work vigorously towards achieving the outcomes identified with each of the goals. The current recession has not dampened the desire of the City Council to transform University Place into a regional destination for retail, dining, and entertainment.

Enhance Economic Stability

- Maintain Bridge Strategy (Operations at core level services, pay as you go CIP)
- Continue Town Center project
- Continue efforts to encourage redevelopment of other commercial hubs
- Continue implementation of Economic Development Strategic Action Plan
- Expand regional economic development partnerships (EDB, Prosperity Partnerships, Chamber, CVB)
- Maintain a competitive regulatory environment through continued review of zoning/city codes, and ordinances
- Explore business opportunities for the 2015 US Open (Chamber)
- Continue to improve competitive advantage for local businesses

Identify Funding Sources for Service Levels Based Upon Public Input and Priorities

- Police
- Road maintenance
- Recreation

Improve Communications

- Enhance infrastructure, tools, and technology to improve communication (i.e.website, newsletters, UPTV)
- Improve public trust through direct public interaction (i.e. quarterly council doorbelling, town hall/neighborhood meetings, annual service group updates)
- Encourage youth dialogue to determine how to engage ages 25 and under

Increase Community Involvement

- Explore civics 101 Partnership with schools (UP, Tacoma, and Charles Wright) to educate and encourage participation
- Sustain/promote volunteerism

Encourage Vibrant Places and Community Events

- Support Chambers Bay Events (especially US Open)
- Encourage and enhance volunteer sponsored programs
- Rely upon and provide support to "Friends" groups to implement plans, programs, events
- Help create a "Community Pulse" in downtown (such as Market Square events)

Continue "Green" Sustainability

- Encourage community education, participation, and support for sustainable practices

Increase Intergovernmental Outreach

- Coordinate leadership with other jurisdictions regarding city challenges
- Increase participation in regional organizations including Association of Washington Cities, Pierce County Regional Council, Puget Sound Regional Council, Pierce Transit, Sound Transit
- Lobby state legislature for local economic development tools
- Establish joint meetings with surrounding jurisdictions (i.e. Tacoma, Lakewood, and Fircrest)

FINANCIAL INFORMATION

The City of University Place is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurances that these objectives are being met. The concept of reasonable assurance recognizes that: 1) the cost of a control should not exceed the benefits likely to be derived; and 2) the evaluation of the relative cost and benefits of the control system requires estimates and judgments by management.

Single Audit

As a recipient of federal, state, and county financial assistance, the City is required to maintain an adequate internal control structure to ensure compliance with applicable laws and regulations. This internal control structure is subject to periodic evaluation by management and the State Auditor's Office.

As part of the City's single audit, tests are performed to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as the government's compliance with applicable laws and regulations. The results of the City's single audit for the year ended December 31, 2013 indicated that there were no material weaknesses in the internal control structure.

Budgetary Controls

The City maintains budgetary controls in accordance with the revised Code of Washington (RCW 35A.34). The objectives of these budgetary controls are to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. Activities of the General Fund, Special Revenue Funds (except the Donations Fund), and Debt Service Funds are included in the annual appropriated budget. The level of budgetary control at which expenditures cannot legally exceed the appropriated amount is established at the individual fund level. The Internal Service Funds are management budgets only and are therefore not presented in the CAFR.

The Parks and Recreation and Development Services Funds were established to identify revenues and expenditures related to the operation of those divisions. Recreation is being funded primarily through user fees from the programs, donations and revenue from fundraising events. The administration of Recreation is funded by a transfer from the General fund. Parks Maintenance and the non-fee supported activities in Development Services are also funded by transfers from the General Fund.

In August, 2010, the City Council approved a resolution dedicating the property tax to public safety and defined public safety expenses. The Police and Public Safety Fund was established in 2012 to identify revenues and expenditures related to the operation of police services, court services, jail, city attorney's office, crime prevention, animal control, code enforcement and emergency management. Revenues supporting this fund include property taxes, revenues identified by state statutes collected in support of public safety, fines and forfeitures, pet license fees, and grants.

The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. All appropriations lapse at year-end with the exception of multi-year capital improvement projects. As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

INDEPENDENT AUDIT

State law requires an annual audit of all City books of account, financial records, and transactions by the State Auditor, an independently elected State official. The 2013 audit of the City has been completed in conformance with generally accepted auditing standards. The financial statements of all City funds have been included in this audit. The City has been given an unqualified opinion for 2013. The State Auditor's report on the General Purpose Financial Statements is included in the financial section of this report.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the *Certificate of Achievement for Excellence in Financial Reporting* to the City of University Place for its Comprehensive Annual Financial Report for the year ended December 31, 2012. This was the Sixteenth consecutive year that the City has achieved this prestigious award.

In order to be awarded a Certificate of Achievement, a governmental entity must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

The preparation of this report was made possible by the dedicated service of the Finance Department staff, especially Sandy Garrett, Assistant Finance Director, Financial Reporting and Leslie Blaisdell, Assistant Finance Director, Operations and Risk Management.

In addition, staff in all City departments and outside agencies should be recognized for responding so positively to requests for the detailed information that accompanies each annual audit. The role of the State Auditor's Office should also be acknowledged for their significant contribution to this report.

Finally, we wish to express our appreciation to the Mayor and City Council for their ongoing support and for providing their encouragement, interest, and assistance in conducting the financial operations of the City in a sound and progressive manner.

Respectively submitted,

Stephen P. Sugg, P.E.
City Manager

Eric Faison
Executive Director/Finance and Admin. Services

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of University Place

Washington

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2012

Executive Director/CEO

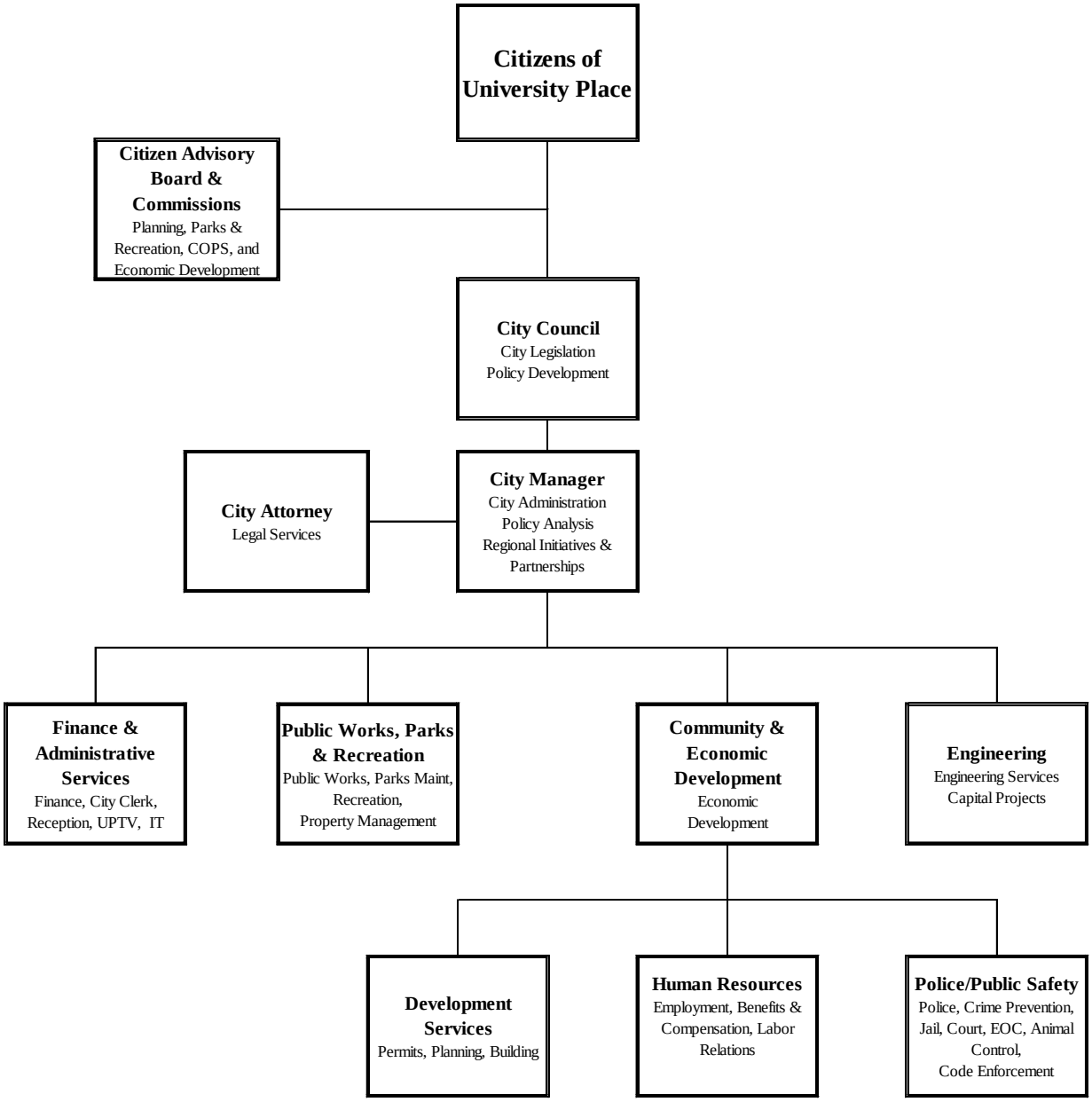
2013 CITY OF UNIVERSITY PLACE ELECTED OFFICIALS

Ken Grassi	Mayor
Denise McCluskey	Mayor Pro Tem
Caroline Belleci	Councilmember
Eric Choiniere	Councilmember
Javier Figueroa	Councilmember
Kent Keel	Councilmember
Chris Nye	Councilmember

EXECUTIVE STAFF

City Manager	Stephen Sugg
Executive Director/Communications & Economic Development	Mariza Craig
Executive Director/Finance and Administration	Eric Faison
City Attorney	Steve Victor
City Engineer	Jack Ecklund
Parks/Public Works Director	Gary Cooper
Police Chief	Mike Blair
Development Services Director	David Swindale

CITY OF UNIVERSITY PLACE ORGANIZATIONAL CHART



FINANCIAL SECTION

Independent Auditor's Report
Management's Discussion and Analysis
Basic Financial Statements
Required Supplemental Information
Combining & Individual Fund Statements and Schedules
Supplemental Information

27th Street W.

Completed in 2013

Beckonridge Drive

Completed in 2013

Washington State Auditor
Troy Kelley

INDEPENDENT AUDITOR'S REPORT

August 28, 2014

Mayor and City Council
City of University Place
University Place, Washington

REPORT ON FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of University Place, Pierce County, Washington, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor

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considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of University Place, Pierce County, Washington, as of December 31, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 25 through 33 and budgetary comparison information on pages 73 through 76 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying information listed as combining financial statements and supplementary information on pages 80 through 108 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This information has been subjected to auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional

procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The information identified in the table of contents as the Introductory and Statistical Sections is presented for purposes of additional analysis and is not a required part of the basic financial statements of the City. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we will also issue our report dated August 28, 2014, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report will be issued under separate cover in the City's Single Audit Report. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Sincerely,

Troy X. Kelley

TROY KELLEY
STATE AUDITOR

CITY OF UNIVERSITY PLACE, WASHINGTON
MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of the City of University Place offers readers of its financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2013. The intent of this discussion and analysis is to look at the City's financial performance as a whole. It is designed to assist the reader in focusing on significant financial issues, provide an overview of the City's financial activity, identify changes in the City's financial positions, and identify fund issues or concerns. Since the Management Discussion and Analysis (MD&A) is designed to focus on the report year's activities, resulting changes, and currently known facts. We encourage readers to consider the information presented here in conjunction with the additional information furnished in the Letter of Transmittal in the introductory section and the Financial Statements that follow.

FINANCIAL INFORMATION

The City's government-wide financial statements have been prepared on the full-accrual basis of accounting in conformity with generally accepted accounting principles (GAAP). The City's fund financial statements for governmental funds (General, Special Revenue, Debt Service, and Capital Projects) have been prepared on the modified accrual basis of accounting in conformity with GAAP. The City's proprietary funds (Internal Service) are accounted for on the accrual basis. A detailed discussion on government-wide and fund financial statements is provided later in this report.

Financial Highlights

Net Position - The assets of the City of University Place exceeded its liabilities at the close of the most recent fiscal year by $61,745,327. Of this amount, $10,150,842 may be used to meet the government's ongoing obligations to citizens and creditors.

Change in Net Position – The City's total net position decreased by $1,429,775. In 2013, the City capitalized the newly constructed Civic Building and a percentage of ownership was transferred to the Pierce County Library System (Library) pursuant to an agreement entered into in 2006. The agreement transferred ownership of property owned by the Library to the City at a value of $4,100,000 and the City issued a promissory note in that amount to the Library. The agreement stipulated that the City would build a new library within the Civic Building that was being constructed. In 2009 the promissory note was extinguished and, in exchange, the City deeded a parcel of land to the Library. While this transaction decreased the City's liabilities, the deeded parcel of land was not, at that time, reflected as a decrease in the City's assets. Therefore, when the Civic Building was capitalized in 2013 and the Pierce County Library System assumed ownership of the Library portion of the building and deeded the parcel back to the City, the net result was a decrease in the City's net position of the $4,100,000. The difference of $803,243 between this value and the construction costs for the Library portion of the Civic Building are reported as a Capital Contribution to Other Government.

The agreement also stipulated that the Pierce County Library System would make payments of $120,000 per year for 10 years and would then take ownership of an additional 15,000 square feet of the building. The first payment was received in 2012. At the 2013 fiscal year end the balance of $960,000 is recognized as a long term receivable and, following direction from the Governmental Accounting Standards Board, this transaction is recognized as an unearned revenue liability.

Additionally, a grant funded sewer project was completed in 2013. The City contracts sewer services with Pierce County and does not own sewer infrastructure. Ownership of the newly constructed infrastructure was transferred to the County and construction costs of $961,659 are also reported as Capital Contribution to Other Government.

There were also increases in charges for services of $586,649 and intergovernmental revenues of $2,194,781.

The $1,352,502 change in the General Fund balance from 2012 was due primarily to a decrease in transfers to Public Works for Capital Improvement Projects.

As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of $9,727,321, an increase of $1,852,313 in comparison with the prior year. Of this amount, $2,575,721 is available for spending at the government's discretion (unassigned fund balance) and $4,977,561 is restricted by legislation to specific purposes. The committed classification is established by Council ordinance for specific uses. There were no committed fund balances at the end of the 2013 fiscal year. Assigned classifications total $2,174,041. Committed, assigned and unassigned monies have been designated by management to address budget amendments, equipment replacement, street improvements, facility repairs, and property acquisitions. These monies assist to minimize future debt and are intended to provide a cushion against significant downturns in revenue and to maintain sufficient working capital and cash flow to meet daily financial needs.

From the Statement of Revenues, Expenditures and Changes in Fund Balances-Governmental Funds, revenues, received primarily from property, sales, utility and general taxes, were used to support the major activities of the City government:

- General Government – Administration, Finance, Human Resources, City Clerk, Community Information and Outreach, and Court Services;
- Public Safety – Police, Jail, Crime Prevention, Emergency Operations and Animal Control;
- Economic Environment – Planning, Development Services, Code Enforcement, and Economic Development;
- Transportation – Public Works, Streets, and Surface Water Management;
- Physical Environment – Building Maintenance and Property Management

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Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of University Place basic financial statements. The statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The report also contains other supplementary information in addition to the basic financial statements. The financial statement's focus is on both the City as a whole (government-wide) and on the major individual funds. Both perspectives allow the user to address relevant questions, broaden a basis for annual comparisons or comparability with other governments, and enhances the City's accountability.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City of University Place finances in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the City of University Place assets and liabilities, and deferred inflows/outflows of resources with the difference between the four reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of University Place is improving or deteriorating. The focus of the Statement of Net Position is designed to be similar to a bottom line for the City and its governmental and business-type activities. This statement combines and consolidates governmental fund's current financial resources (short-term spendable resources) with capital assets and long-term obligations.

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave). This is intended to summarize and simplify the user's analysis of costs of various governmental services and/or subsidy to various business-type activities. The Governmental Activities reflects the City of University Place's basic functions: General Government; Public Safety; Physical Environment; Transportation; Economic Environment; and Culture and

Recreation. Property, sales, and utility taxes finance the majority of these functions.

The government-wide financial statements include not only the City of University Place itself (known as the primary government), but also a legally separate Local Revitalization Financing (LRF) blended component unit. Financial information for this component unit is reported as part of the financial information presented for the primary government itself. Additional information about the LRF component unit can be found in the Notes to Financial Statements.

Fund Financial Statements

Traditional users of governmental financial statements will find the fund financial statements presentation more familiar. A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of University Place, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds. The focus is on Major Funds, rather than types. A Major Fund is defined in the following manner:

- Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least ten percent (10%) of the corresponding total (assets, liabilities, etc.) for all funds of that category or type (that is, total governmental or total enterprise funds); and

- Total assets, liabilities, revenues, or expenditures/expenses of the individual government fund or enterprise fund are at least five percent (5%) of the corresponding total for all governmental and enterprise funds combined; or

- Any other governmental or enterprise fund the government's officials believe is particularly important to financial statement users.

Governmental Funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of government. Such information may be useful in evaluating a government's near-term financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near term financial decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and change in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Funds are established for various purposes and the Fund Financial Statement allows for the demonstration of sources and uses and/or budgeting compliance associated therewith. These statements begin in the required supplemental information section. The City of University Place maintains twelve individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Public Works Capital Improvement Fund, LRF Fund and Debt Service Fund. All of these funds are considered to be major funds. Data from the other non-major governmental funds are combined into a single aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements in the other supplementary information described below.

The City of University Place adopts a biennial appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

Proprietary Funds maintained by the City include an enterprise fund and three internal service funds. The enterprise fund is used to report the same functions presented as business-type activities in the government-wide financial statements. The City of University Place uses an enterprise fund to account for its Storm Water Management. Internal service funds are used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its fleet of vehicles and equipment, information and technology systems, and risk management activities. Because these services benefit governmental functions they have been included within governmental activities in the government-wide financial statements.

The Notes to the Basic Financial Statements provide additional information that is essential to a full understanding of the information provided in the government-wide and fund financial statements.

Required Supplementary Information includes financial information and disclosures that are required by the Governmental Accounting Standards Board (GASB) but are not considered a part of the basic financial statements. Budgetary comparison schedules for certain major governmental funds are presented immediately following the notes to the basic financial statements.

Other Supplementary Information includes the combining statements for the non-major capital projects funds and budgetary comparison schedules for non-major capital projects funds and sub funds. These are presented immediately following the required supplementary information.

Government-wide Financial Analysis

The City has prepared the financial statements in accordance with Generally Accepted Accounting Principles (GAAP). The City's Proprietary Funds include all Internal Service Funds and an Enterprise Fund which are included in the governmental activities and business-type activities for the entity-wide statements. The following table reflects a Summary of Net Position for the fiscal year 2013 with comparative totals for 2012.

Table 1
Summary of Net Position

	2013			2012
	Total Governmental Activities	Total Business-type Activities	Total	Total Governmental Activities
Cash and other assets	$ 12,158,707	$ 4,440,580	$ 16,599,287	$ 12,742,450
Capital Assets	101,633,965		101,633,965	106,507,523
Total assets	113,792,672	4,440,580	118,233,252	119,249,973
Other liabilities	2,487,917	16,474	2,504,391	765,933
Long term debt outstanding	53,442,372	541,162	53,983,534	55,308,938
Total liabilities	55,930,289	557,636	56,487,925	56,074,871
Net Position:				
Invested in capital assets, net of debt	51,594,485	-	51,594,485	54,839,331
Restricted				
Debt	799,737	492,512	1,292,249	721,500
Local revitalization area construction	2,501,562	-	2,501,562	-
Surface and storm water management	-	3,390,432	3,390,432	-
Capital facilities plan financing	218,240	-	218,240	-
Traffic impact-roadway improvements	843,036	-	843,036	-
Parks capital improvement	531,108	-	531,108	-
Other	83,878	-	83,878	7,959,987
Unrestricted (deficit)	1,290,337	-	1,290,337	(345,716)
Total net position	$ 57,862,383	$ 3,882,944	$ 61,745,327	$ 63,175,102

There are five basic (normal) transactions that will affect the comparability of the Statement of Net Position summary presentation.

- Net Result of Activities – which will impact (increase/decrease) current assets and unrestricted net position.
- Borrowing for Capital – which will increase current assets and long-term debt.
- Spending Borrowed Proceeds on New Capital – which will reduce current assets and increase capital assets. There is a second impact, which is an increase in related net debt that will not change the investment in capital assets, net of debt.
- Principal Payment on Debt – which will reduce current assets and reduce long-term debt, and will reduce unrestricted net position and increase net investment in capital assets.
- Reduction of Capital Assets through Depreciation – which will reduce capital assets and invested in capital assets, net of debt.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of University Place, assets exceeded liabilities by $61,745,327 at the close of the most recent fiscal year.
By far the largest portion of the City of University Place net position (84% percent) reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The remaining balance of $10,150,842 may be used to meet the City's ongoing obligations to citizens and creditors.

As previously reported, City of University Place net position decreased by $1,429,775.

City revenues are tracking as forecasted and the City is meeting, and will continue to meet, all operational and debt obligations according to the adopted budget. In December of 2013 Standard & Poor's Ratings Services raised its long-term rating on the City of University Place's outstanding general obligation (GO) bonds to AA-/ Outlook Stable from A+/Outlook Stable.

Table 2
Changes in Net Position

	2013			2012
	Total Governmental Activities	Total Business-type Activities	Total	Total Governmental Activities
REVENUES				
Program revenues				
Charges for services	$ 4,781,429	2,819,837	7,601,266	$ 7,014,617
Operating grants and contributions	763,943	158,308	922,251	2,642,625
Capital grants and contributions	2,816,307		2,816,307	621,526
General revenues			-	
Property taxes	4,012,030	-	4,012,030	3,856,992
Sales taxes	3,419,454	-	3,419,454	3,093,414
Excise & other taxes	941,857	-	941,857	4,295,915
Utility taxes	2,410,110	-	2,410,110	10,558
Other taxes	833,655	-	833,655	355,057
Investment earnings	13,400	-	13,400	-
Miscellaneous revenues	136,775	-	136,775	-
Proceeds from sale of capital assets	130,470	-	130,470	-
Transfers	801,248	(801,248)	-	-
Capital contributions to other governments	(1,764,902)	-	(1,764,902)	-
Total Revenues	19,295,776	2,176,897	21,472,673	22,490,704
EXPENSES				
General government	4,135,066	-	4,135,066	4,078,073
Security of persons and property	3,610,062	-	3,610,062	4,116,238
Physical environment	1,501	-	1,501	(740)
Transportation	4,118,244	-	4,118,244	5,614,993
Economic Environment	1,531,871	-	1,531,871	1,229,910
Culture and recreation	1,103,983	-	1,103,983	921,633
Interest on long-term debt	2,750,344	-	2,750,344	2,868,939
Water	-	1,559,845	1,559,845	
Total Expenses	17,251,071	1,559,845	18,810,916	18,829,046
Changes in Net Position	2,044,705	617,052	2,661,757	3,661,658
PRIOR PERIOD ADJUSTMENTS	(3,475,348)	(616,184)	(4,091,532)	(411,470)
Beginning net position	59,293,026	3,882,076	63,175,102	59,924,914
Ending net position	$ 57,862,383	$ 3,882,944	$ 61,745,327	$ 63,175,102

Financial Analysis of the City's Funds

Governmental funds. The focus of the City of University Place governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of University Place's financing requirements. In particular, fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

Fund balances of governmental funds are classified according to five specifically defined categories. In order from most restrictive to least restrictive, these categories are Nonspendable, Restricted, Committed, Assigned and Unassigned. The classifications reflect the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. At the end of the fiscal year, the City of University Place governmental funds reported combined ending fund balances of $9,727,321. This represents an increase of $1,852,314 from 2012. This increase was due primarily to an increase in intergovernmental revenues and charges for goods and services.

The General Fund is the chief operating fund of the City. At the end of 2013, the fund balance of the general fund was $4,119,544, an increase of $1,352,501 from 2012.

The General Fund amended budget reflects a decrease in taxes compared to the original adopted budget. Tax revenues were adjusted downward to adjust for economic conditions and the downward trend in the receipt of revenues and expenditures were adjusted to meet the increased need in Economic Development and Communications.

The decrease of $118,380 in the LRF fund balance from 2012 is due to principle and interest debt payments of $401,413 and transfers of $268,853 to reimburse the Public Works Capital Improvement Fund for LRF related capital project expenditures. The Public Works Capital Improvement Fund balance increased $384,035 from 2012 as a result of an increase in capital grant revenues.

Proprietary funds. As previously noted, the City's proprietary funds are comprised of three internal service funds and one enterprise fund. The increase in the Surface Water Management (SWM) Fund balance is due primarily to fees collected that exceeded expenditures.

Budgetary Information

While the City utilizes a two-year or biennial budget, each fiscal year is considered on its own merits for financial purposes. The 2013 budget is the first year of the current biennial budget cycle.

The City amended the General Fund final budget to reflect decreased revenue estimates including gambling and utility taxes and an increase in franchise fees. As a result of voter approval of Initiative 1183, which called for the privatization of liquor sales, the City conservatively amended the budget to reflect the anticipated decrease in revenue from liquor sales.

Capital Asset and Debt Administration

Capital assets. The City of University Place investment in capital assets for its governmental activities as of December 31, 2013 amounts to $101,633,967 (net of accumulated depreciation), which is a decrease of $4,873,558 from 2012. This investment in capital assets includes land, buildings, machinery, equipment and software, infrastructure and construction in progress. The following table summarizes capital assets for the current fiscal year and a comparison with fiscal year 2012.

Table 3
Capital Assets at Year-end
(Net of Depreciation)

	2013 Total Governmental Activities	2012 Total Governmental Activities
Land	$ 29,384,831	$ 29,169,264
Easement	2,904	-
Buildings & Improvements	31,465,540	17,128,408
Equipment	776,343	262,613
Infrastructure	32,123,583	32,989,365
Construction in progress	7,880,766	26,957,875
Total	$ 101,633,967	$ 106,507,525

Additional information on the City's capital assets can be found in Note IV of the Notes to the Financial Statements.

Long-term debt. At the end of the fiscal year, the City of University Place had total long-term debt outstanding of $53,983,535 which includes revenue bonds with an outstanding principal balance of $5,640,000. The City has three types of outstanding debt: general obligation bonds, public works trust fund loans, and compensated absences. The

outstanding revenue bonds are related to the State Local Revitalization Financing projects for which a separate Authority was established. The City has no liability for these bonds. Bond holders look solely to the finances of the Authority for repayment. Further information regarding the Authority is disclosed in the Notes to the Financial Statements.

The following table summarizes long-term debt for the current fiscal year and a comparison with fiscal year 2012.

Table 4
Outstanding Debt at Year-end

	2013	2012
Governmental		
General Obligation Bonds	$ 46,035,000	$ 47,005,000
Revenue Bonds	5,640,000	5,785,000
Public Works Trust Fund Loan	1,346,837	1,538,077
Compensated Absences	420,534	364,676
Total	$ 53,442,371	$ 54,692,753
Business-type Activities		
General Obligation Bonds	$ -	$ -
Revenue Bonds	-	-
Public Works Trust Fund Loan	492,513	573,741
Compensated Absences	48,650	42,444
Total	$ 541,163	$ 616,185

Washington State law provides a maximum debt limit for general obligations. A city may incur debt equal to 1.5% of the City's assessed value without a vote of the people and debt for general government equal to 2.5% of the assessed value with a vote of the people. An additional 2.5% of assessed value may be incurred to finance water, sewer, and parks projects, also with a vote of the people. As a result of the continuing decline in both the 2011 and 2012 assessed value experienced in University Place, the City's outstanding debt, subject to the State of Washington constitutional limits, was at capacity on December 31, 2013 and the City may issue no further non-voted debt at this time.

Note IV of the Basic Financial Statements identifies the City's long-term debt and provides additional detail regarding the City's outstanding debt.

Economic Factors and the Next Year's Budgets and Rates

The State of Washington, by constitution, does not have a state personal income tax and therefore the state operates primarily using property, sales, business and occupation, and gasoline taxes. Local governments (cities, counties, school districts) primarily rely on property and a limited array of other taxes (sales, utility, admission, and business and occupation) and fees (franchise, licenses, development services, etc.) for their governmental activities. There are a limited number of state-shared revenues (i.e., gas taxes, liquor excise taxes, liquor profits taxes, etc.) and recurring and non-recurring grants from both the state and federal government.

For the business-type and certain governmental activities (permitting, recreation programs, etc.) the user pays a related fee or charge associated therewith.

The level of taxes, fees and charges for services (including development related mitigation fees) will have a bearing on the specific City's competitive ability to encourage retail, office, residential, and industrial development to locate in their jurisdiction. The City places significant emphasis on encouraging economic development.

Washington State has seen a wave of initiatives and anti-tax measures over the past several years. The most significant changes were the elimination of the motor vehicle excise tax, the elimination of a motor vehicle license fee, and the imposition of a one-percent limit to increases in the property tax.

In 2011 voters approved initiative 1183 privatizing liquor sales. The result is a decrease in liquor excise tax revenue to Cities. The City of University Place saw a 51% decrease in 2012 as compared with the prior year.

Requests for Information

This financial report is designed to provide a general overview of the City of University Place's financial condition. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of University Place Finance Department, 3715 Bridgeport Way West, Suite B-1, University Place, WA 98466, telephone 253-566-5656, or visit the City's website at www.cityofup.com.

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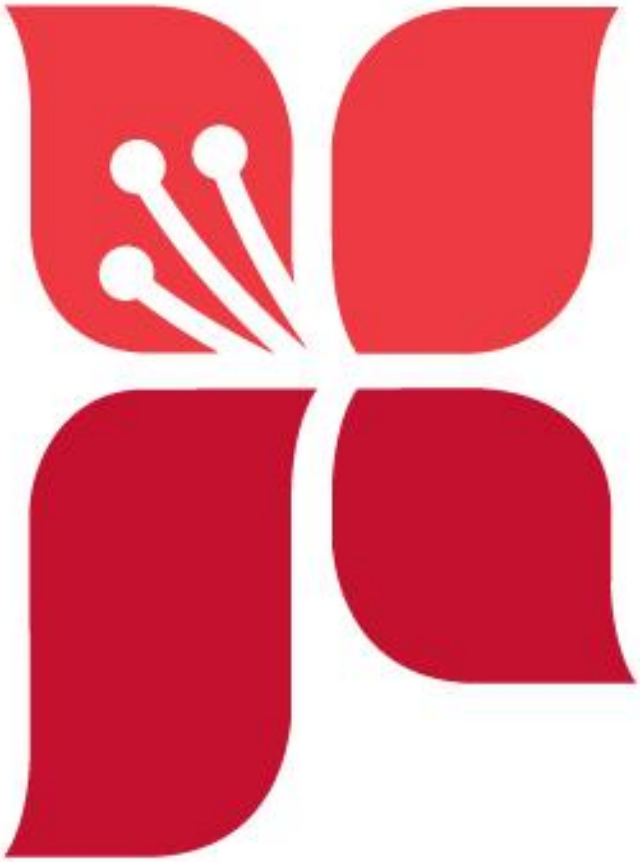

City of University Place
Statement of Net Position
December 31, 2013

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	$ 7,972,778	$ 4,408,071	$ 12,380,849
Receivables	935,255	-	935,255
Long-term receivable	960,000	-	960,000
Due from other governments	2,235,973	87,210	2,323,183
Internal balances	54,701	(54,701)	-
Capital assets:			
Land and construction in progress	37,268,499	-	37,268,499
Other capital assets, net of depreciation	64,365,466	-	64,365,466
Total Assets	113,792,672	4,440,580	118,233,252
LIABILITIES			
Vouchers payable	143,017	-	143,017
Accounts / payroll payable	1,021,567	16,474	1,038,041
Retainage payable	52,501	-	52,501
Accrued interest	258,029	-	258,029
Unearned revenues	1,012,803	-	1,012,803
Longterm liabilities:			
Due in one year	1,866,417	97,445	1,963,862
Due in more than one year	51,575,955	443,717	52,019,672
Total Liabilities	55,930,289	557,636	56,487,925
NET POSITION			
Net investment in capital assets	51,594,485	-	51,594,485
Restricted			
Debt	799,737	492,512	1,292,249
Local revitalization area construction	2,501,562	-	2,501,562
Surface and storm water management	-	3,390,432	3,390,432
Capital facilities plan financing	218,240	-	218,240
Traffic impact-roadway improvements	843,036	-	843,036
Parks capital improvement	531,108	-	531,108
Other	83,878	-	83,878
Unrestricted	1,290,337	-	1,290,337
Total Net Position	$ 57,862,383	$ 3,882,944	$ 61,745,327

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE BASIC FINANCIAL STATEMENTS.

City of University Place
Statement of Activities
For the Year Ended December 31, 2013

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Business-type Activities**	**Total**
Governmental Activities:							
General government	$ 4,135,066	$ 3,432,163	$ 125,365	-	$ (577,538)	$ -	$ (577,538)
Public safety	3,610,062	92,195	169,598	-	(3,348,269)	-	(3,348,269)
Physical environment	1,501	79,288	440,746	-	518,533	-	518,533
Transportation	4,118,244	44,434	-	2,816,307	(1,257,503)	-	(1,257,503)
Economic environment	1,531,871	736,287	-	-	(795,584)	-	(795,584)
Culture and recreation	1,103,983	397,062	28,234	-	(678,687)	-	(678,687)
Interest on long term debt	2,750,344	-	-	-	(2,750,344)	-	(2,750,344)
TOTAL GOVERNMENTAL ACTIVITIES	17,251,071	4,781,429	763,943	2,816,307	(8,889,392)	-	(8,889,392)
Business-type Activities:							
Water	1,559,845	2,819,837	158,308	-	-	1,418,300	1,418,300
TOTAL BUSINESS-TYPE ACTIVITIES	1,559,845	2,819,837	158,308	-	-	1,418,300	1,418,300
TOTAL PRIMARY GOVERNMENT	$ 18,810,916	$ 7,601,266	$ 922,251	$ 2,816,307	(8,889,392)	1,418,300	(7,471,092)
General Revenues:							
Taxes:							
Property taxes					4,012,030	-	4,012,030
Sales taxes					3,419,454	-	3,419,454
Excise taxes					941,857	-	941,857
Utility					2,410,110	-	2,410,110
Other taxes					833,655	-	833,655
Investment earnings					13,400	-	13,400
Miscellaneous revenues					136,775	-	136,775
Proceeds from sale of capital assets					130,470	-	130,470
Transfers					801,248	(801,248)	-
Extraordinary Item - Capital contributions to other governments					(1,764,902)	-	(1,764,902)
Total general revenues and transfers					10,934,097	(801,248)	10,132,849
Change in net position					2,044,705	617,052	2,661,757
Net position, beginning of year, restated					59,293,026	3,882,076	63,175,102
Prior period adjustments					(3,475,348)	(616,184)	(4,091,532)
Net position, end of year					$ 57,862,383	$ 3,882,944	$ 61,745,327

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE BASIC FINANCIAL STATEMENTS.

City of University Place
Balance Sheet
Governmental Funds
December 31, 2013

	General Fund	Public Works Capital Improvement Fund	Debt Service Fund	LRF Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	$ 3,000,082	$ -	$ -	$ 3,246,648	$ 1,637,755	$ 7,884,485
Accounts receivable	932,178	-	-	-	3,077	935,255
Due from other funds	-	-	-	-	-	-
Due from other governmental units	354,518	1,740,218	-	54,651	86,583	2,235,970
Interfund receivable	951,211	-	-	-	-	951,211
Total assets	5,237,989	1,740,218	-	3,301,299	1,727,415	12,006,921
LIABILITIES						
Liabilities:						
Vouchers payable	146,024	-	-	-	-	146,024
Accounts/payroll payable	779,878	158,789	-	-	51,153	989,820
Due to other governments	12	-	-	-	-	12
Retainage payable	52,501	-	-	-	-	52,501
Interfund payable	-	951,211	-	-	-	951,211
Unearned revenue	52,802	-	-	-	-	52,802
Total liabilities	1,031,217	1,110,000	-	-	51,153	2,192,370
DEFERRED INFLOWS						
Unavailable revenue-property taxes	87,229	-	-	-	-	87,229
Total deferred inflows of resources	87,229	-	-	-	-	87,229
Fund balances:						
Restricted						
Local revitalization area construction projects	-	-	-	3,301,299	-	3,301,299
Arterial street maintenance	-	-	-	-	13,137	13,137
Capital facilities plan financing	-	-	-	-	218,240	218,240
Traffic impact-roadway improvements	-	-	-	-	843,036	843,036
Path and trails construction and maintenance	-	-	-	-	3,236	3,236
Donations	-	-	-	-	67,505	67,505
Parks Capital Improvement	-	-	-	-	531,108	531,108
Assigned						
Unanticipated emergency	856,934	-	-	-	-	856,934
Planning, Building and engineering services	2,869	-	-	-	-	2,869
PublicWorks Capital Improvement	-	630,218	-	-	-	630,218
Public Safety	684,019					684,019
Unassigned	2,575,720	-	-	-	-	2,575,720
Total fund balances	4,119,542	630,218	-	3,301,299	1,676,262	9,727,321
Total liabilities, deferred inflows of resources and fund balances	$ 5,150,759	$ 1,740,218	$ -	$ 3,301,299	$ 1,727,415	$ 11,919,691

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE BASIC FINANCIAL STATEMENTS.

City of University Place
Reconciliation of Governmental Fund Balances
To Net Assets of Governmental Activities
December 31, 2013

Total Governmental Fund Balances	$	9,727,321
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		100,873,972
Long-term liabilities applicable to the City's activities are not due and payable in the current period and are not reported as fund liabilities:		
Debt and notes payable		(53,021,837)
Compensated absences		(399,508)
Interest payable		(258,029)
Deferred inflows reported in the funds are considered financial resources for governmental activities.		87,229
Internal service funds are used by management to charge the costs of insurance and information services to individual funds. Total assets and liabilities of the internal service funds that are reported with governmental activities, net of amounts reported above.		853,235
Net position of governmental activities	$	57,862,383

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE BASIC FINANCIAL STATEMENTS.

City of University Place
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended December 31, 2013

	General Fund	Public Works Capital Improvement Fund	Debt Service Fund	LRF Fund	Other Governmental Funds	TOTAL GOVERNMENTAL FUNDS
REVENUES						
Taxes	$ 9,700,062	$ -	$ -	$ 551,886	$ 630,522	$ 10,882,470
Licenses and permits	2,721,159	-	-	-	-	2,721,159
Intergovernmental	277,780	3,236,909	-	-	647,407	4,162,096
Charges for goods and services	1,334,176	79,288	-	-	544,980	1,958,444
Fines and forfeitures	11,902	-	-	-	-	11,902
Miscellaneous:						
Other	214,587	20,143	-	-	69,273	304,003
Total revenues	14,259,666	3,336,340	-	551,886	1,892,182	20,040,074
EXPENDITURES						
Current:						
General government	2,994,279	13,508	-	-	38,411	3,046,198
Public safety	3,611,011	-	-	-	-	3,611,011
Transportation	221,790	536,902	-	-	866,438	1,625,130
Economic environment	1,513,284	-	-	-	-	1,513,284
Culture and recreation	1,045,631	-	-	-	52,961	1,098,592
Capital outlay	-	3,366,852	-	-	333,850	3,700,702
Debt service:	-					
Principal retirement	-	-	1,161,240	145,000	-	1,306,240
Interest	-	-	2,406,231	256,413	-	2,662,644
Total expenditures	9,385,995	3,917,262	3,567,471	401,413	1,291,660	18,563,801
Excess (deficiency) of revenues over expenditures	4,873,671	(580,922)	(3,567,471)	150,473	600,522	1,476,273
OTHER FINANCING SOURCES (USES)						
Transfers in	206,073	964,957	3,567,470	-	452,109	5,190,609
Transfers out	(3,847,243)	-	-	(268,853)	(818,472)	(4,934,568)
Proceeds from sale of assets	120,000	-	-	-	-	120,000
Total other financing sources and uses	(3,521,170)	964,957	3,567,470	(268,853)	(366,363)	376,041
Net Change in fund balances	1,352,501	384,035	(1)	(118,380)	234,159	1,852,314
Fund balances, beginning of year, restated	2,767,043	246,183	-	3,419,679	1,442,103	7,875,008
Fund balances, end of year	$ 4,119,544	$ 630,218	$ (1)	$ 3,301,299	$ 1,676,262	$ 9,727,322

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE BASIC FINANCIAL STATEMENTS.

City of University Place
Reconciliation of The Statement of Revenue, Expenditures,
And Changes In Fund Balances of Governmental Funds
To the Statement of Activities
For The Year Ended December 31, 2013

Net changes in fund balances - total governmental funds		$	1,852,314
Amounts reported for governmental activities in the statement of activities are different because:			
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets are allocated over their estimated useful lives as depreciation expense. Amounts related to capital assets are:			
Capital asset purchases capitalized	3,700,702		
Capital donations to other governments	(1,764,902)		
Depreciation expense	(3,219,140)		
			(1,283,340)
Expenses for compensated absences reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.			(51,343)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net assets. This is the amount of the net effect of these differences in the treatment of long-term debt and related items.			
Principal payments on debt service costs	1,306,240		
Interest expense	(87,697)		1,218,543
Deferred inflows reported in the funds are considered financial resources for governmental activities.			87,229
Internal service funds are used by management to charge the costs of insurance and information services to individual funds. The net revenue of the internal service funds is reported with the governmental activities.			
Change in net position			221,302
Change in net position of governmental activities		$	2,044,705

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE BASIC FINANCIAL STATEMENTS.

City of University Place
Statement of Net Position
Proprietary Funds
December 31, 2013

	Business-Type Activities - Enterprise Funds		
	Major Fund		
	Surface Water Management Fund	Total	Gov. Activities Internal Service Funds
ASSETS			
Current assets:			
Cash and cash equivalents	$ 4,408,071	$ 4,408,071	$ 88,293
Due from other governmental units	87,210	87,210	-
Total current assets:	4,495,281	4,495,281	88,293
Noncurrent assets:			
Capital assets:			
Machinery and equipment	-	-	1,417,146
Accumulated depreciation	-	-	(657,153)
Total noncurrent assets:	-	-	759,993
Total assets	4,495,281	4,495,281	848,286
LIABILITIES AND FUND BALANCES			
Current liabilities:			
Vouchers payable	6,951	6,951	-
Accounts payable and accrued expenses	9,523	9,523	28,727
Compensated absences	16,217	16,217	-
Due to other funds	-	-	-
Current portion of long-term debt	81,228	81,228	-
Total current liabilities:	113,919	113,919	28,727
Non current liabilities:			
Compensated absences	32,433	32,433	21,027
Public Works Trust Fund loans	411,284	411,284	-
Total Non current liabilities:	443,717	443,717	21,027
Total liabilities	557,636	557,636	49,754
NET POSITION			
Net investement in capital assets	-	-	759,992
Restricted for debt service	492,512	492,512	-
Unrestricted	3,445,134	3,445,134	38,540
Total net position	3,937,646	3,937,646	$ 798,532

Reconciliation to government-wide statement of net assets:

Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service funds and the enterprise funds over time.	(54,702)
Net position of business-type activities	$ 3,882,944

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE BASIC FINANCIAL STATEMENTS.

City of University Place
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2013

	Business-Type Activities - Enterprise Funds		
	Major Fund		
	Surface Water Management Fund	Total	Gov. Activities Internal Service Funds
Operating revenues:			
Charges for goods and services	$ 2,819,837	$ 2,819,837	$ 548,465
Total operating revenues	2,819,837	2,819,837	548,465
Operating expenses:			
Personnel services	729,053	729,053	213,687
Materials and supplies	70,270	70,270	324,280
Services and charges	684,159	684,159	183,300
Insurance	16,097	16,097	133,246
Legal Settlements	-	-	513
Depreciation	-	-	84,168
Total operating expenses	1,499,579	1,499,579	939,194
Operating income (loss)	1,320,258	1,320,258	(390,729)
Nonoperating revenues (expenses):			
State and federal grants	158,307	158,307	-
Other income	-	-	1,654
Sale of surplus	-	-	10,470
Interest expense	(5,563)	(5,563)	-
Total non operating revenue	152,744	152,744	12,124
Income (loss) before contributions and transfers	1,473,002	1,473,002	(378,605)
Transfers in	-	-	733,358
Transfers out	(801,248)	(801,248)	(188,150)
Change in net position	671,754	671,754	166,603
Net position at beginning of year, restated	3,882,076	3,882,076	631,929
Prior period adjustments	(616,184)	(616,184)	-
Net position at end of year	$ 3,937,646	$ 3,937,646	$ 798,532

Reconciliation to government-wide Statement of Net Position:

Adjustment for the net effect of the current year activity between the internal service funds and the enterprise funds.	(54,702)
Change in net assets of business-type activities	$ 3,882,944

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE BASIC FINANCIAL STATEMENTS.

City of University Place
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2013

	Business-Type Activities - Enterprise Funds		
	Major Fund		
	Surface Water Management Fund	Total	Gov. Activities Internal Service Funds
Cash flows from operating activities:			
Receipts from customers and users	$ 2,819,837.00	$ 2,819,837.00	$ 548,465.00
Payments to employees	(735,259)	(735,259)	(209,171)
Payments for goods and services	(759,199)	(759,199)	(536,977)
Payments for insurance	(16,097)	(16,097)	(133,246)
Claims	-	-	(513)
Net cash provided by operating activities	1,309,282	1,309,282	(331,442)
Cash flows from noncapital financing activities:			
Grants and contributions	162,187	162,187	-
Transfers from other funds	-	-	733,358
Transfers to other funds	(801,248)	(801,248)	(188,150)
Compensation for Loss/Capital Assets	-	-	1,654
Net cash (used) by noncapital financing	(801,248)	(801,248)	546,862
Cash flows from capital and related financing activities:			
Debt principal payments	81,228	81,228	-
Interest paid on debt	5,563	5,563	-
Proceeds from sales of capital assets	-	-	10,470
Payment for capital acquisitions	-	-	(585,484)
Net cash (used) by capital and related financing activities	86,791	86,791	(575,014)
Net Increase (decrease) in cash and cash equivalents	594,825	594,825	(359,594)
Cash and cash equivalents, beginning of year	3,887,712	3,887,712	447,887
Prior Period Adjustments			
Cash and cash equivalents, end of the year	$ 4,482,537	$ 4,482,537	$ 88,293
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	$ 1,320,258.00	$ 1,320,258.00	$ (390,728.00)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation	-	-	84,168
Changes in assets and liabilities:			
Increase (decrease) in vouchers payable	(771)	(771)	-
Increase (decrease) in accounts payable	(3,999)	(3,999)	(29,397)
Increase (decrease) in compensated absences	(6,206)	(6,206)	4,515
Net cash provided by operating activities	$ 1,309,282	$ 1,309,282	$ (331,442)
Noncash transactions	$ -	$ -	$ -

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE BASIC FINANCIAL STATEMENTS.

CITY OF UNIVERSITY PLACE, WASHINGTON
NOTES TO FINANCIAL STATEMENTS

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of University Place have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies are described below.

A. Reporting Entity

The City of University Place, Pierce County, Washington was incorporated on August 31, 1995 and operates under the laws of the State of Washington applicable to an Optional Municipal Code City (RCW 35A) with a Council-Manager form of government. As required by the generally accepted accounting principles the financial statements present The City of University Place, the primary government, and its component units. The component unit discussed below is included in the City of University Place reporting entity because of the significance of its operational or financial relationship with the City.

Local Revitalization Financing (LRF) has been presented in the Financial Statements as a blended component unit. The LRF Fund is governed by the seven-member board appointed by the City Council. Although it is legally separated from the City the Local Revitalization Financing is reported as if it were part of the primary government because its sole purpose is to finance and construct City infrastructure.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component unit. For the most part, the effect of interfund activity and activity of the internal service funds has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and grants and contributions that are restricted to meeting the operational or capital requirements or a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and

available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The City considers property taxes as available if they are collected within 60 days after year end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, licenses, and interest associated within the current period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessment receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. Internal service funds are combined and the totals are presented in a single column on the face of the proprietary fund statements.

The accounts of the City are organized on the basis of funds. Each fund is a separate accounting entity with a self-balancing set of accounts. The City's resources are allocated to and accounted for in individual funds according to the purpose for which they are spent and how they are controlled. There are two categories of funds – governmental and proprietary. A description of the fund categories is provided below.

The objective of GASB Statement 62 is to incorporate into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the FASB and AICPA pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements.

Implementation of GASB Statement 63 – This statement provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. Concepts Statement No. 4, *Elements of Financial Statements***,** introduced and defined those elements as a consumption of net assets by the government that is applicable to a future reporting period, and an acquisition of net assets by the government that is applicable to a future reporting period, respectively. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities. Concepts Statement 4 also identifies net position as the residual of all other elements presented in a statement of financial position. This Statement amends the net asset reporting requirements in Statement No. 34, ***Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments,*** and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets.

The City reports the following major governmental funds:

General Fund

The City of University Place's General (or current expense) Fund accounts for all current financial resources not required by law or administrative action to be accounted for in another fund. It is the largest accounting entity in the City and provides for most of the general government operations. The major revenue sources to the fund are general tax revenues. Licenses and permits, charges for services, and investment interest also provide support.

Debt Service Fund
The Debt Service Fund accounts for the accumulation of resources for and the payment of principal and interest for Council-approved general obligation bonds, letters of credit, and Public Works Trust Fund loans. The City of University Place pledges its full faith and credit for payment of these obligations.

Public Works Capital Improvement Fund
The Public Works Capital Improvement Fund was established to account for receipts and disbursements related to the acquisition, design, construction, and any other related street, traffic, or surface water management project expenditures. Revenues supporting this fund's activities include bond proceeds, grant proceeds, interfund transfers and other revenue sources as may be authorized by the City Council.

LRF Fund
This fund was established to account for receipt and disbursement transactions associated with local revitalization financing. The City established, by ordinance, a separate Authority which is authorized to undertake a "local revitalization financing" by using revenues received from a local option sales and use tax imposed pursuant to RCW 82.14.510 to pay the principal of and interest on revenue bonds issued to finance "public improvements" within a local revitalization area. The City has no liability for the bonds. Bond holders look solely to the finances of the Authority for repayment. This fund is presented in the City's financial statements as a blended component unit.

Details on the State's Local Revitalization Financing program may be found online at www.dor.w.gov/Content/DoingBusiness/LocalRevitalizationFinancing.aspx.

The City reports the following major enterprise fund:

Surface Water Management Fund
The Surface Water Management Fund was established to administer and account for all receipts and expenditures related to the City's surface and storm water management system. Activities that are primarily supported by user fees include administration, billings and collections, engineering, construction, operation, maintenance, and repairs.

The City reports the following non-major governmental funds:

Capital Project Funds
These funds are used to account for financial resources to be used for the capital maintenance or construction of City parks and other facilities.

Special Revenue Funds
These funds account for revenues derived from specific taxes or other earmarked revenue sources, including state gas tax and state revenue sharing entitlements, which are legally restricted to expenditures for specified purposes.

Additionally, the City reports the following governmental funds within the governmental fund type:

Managerial Funds
These funds have been established for managerial tracking purposes and the City Council has assigned the resources to specific purposes. The funds do not meet the requirement of GASB 54 to be classified as Special Revenue funds and have therefore been reported in the General Fund.

The City reports the following three proprietary funds on a consolidated basis.

Internal Service Funds
These funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, on a cost reimbursement basis.

As a general rule the effect of the interfund activity has been eliminated for the government-wide financial statements.

Amounts reported as program revenues include 1) charges to customers, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than program revenues. General revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Surface Water Management fund are fees charged for goods and services. Operating expenses for enterprise funds and internal service funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The Fleet and Equipment Fund accounts for the costs of maintaining and replacing the majority of the City's vehicles and auxiliary equipment. All equipment costs, including depreciation, are factors in calculating the rates that are charged to each user department.

The Information Technology and Services Fund accounts for all costs associated with data processing, telecommunications, cable, postal operations, copier and duplication services, and the Geographical Information System (GIS). This fund owns and depreciates all non-proprietary fund assets related to these functions, and charges users for both maintenance and operation costs and equipment replacement charges based on depreciation schedules.

The Risk Management Fund accounts for the City's risk financing activities established to minimize the adverse effects of losses associated with property and casualty, medical and dental, unemployment, and worker's compensation claims. Both risk control (to minimize the losses that strike an organization) and risk financing (to obtain finances to provide for or restore the economic damages of those losses) are involved. The City is a member of Washington Cities Insurance Authority (WCIA), which offers a combination of self-insurance, or standard insurance to cover liability and property risks. The City is currently only self-insuring State Unemployment Compensation.

The Strategic Reserve Fund was established by Ordinance 179 to set aside financial resources for mitigating adverse situations caused by severe short-term revenue shortfalls, expenditures resulting from emergencies, or as otherwise designated by the City Council. The fund is financed by transferring undesignated and unreserved fund balance, (now classified as unassigned fund balance by GASB 54) in the General Fund at the end of each calendar year or by other appropriation, as deemed appropriate by the City Council. This fund is a recourse of last resort and shall be used only when no other reasonable financial management alternative exists.

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

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

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

The ***accrual*** basis of accounting recognizes revenues when they are earned and expenses are recorded when incurred. All assets and liabilities are recorded in the fund.

The ***modified accrual*** basis of accounting recognizes revenues and other financial resources when they become susceptible to accrual, i.e. when the related funds become both measurable and available to finance expenditures of the current period. "Measurable" means the amount of the transaction can be determined. To be considered "available", revenue typically must be collected within sixty days after year-end.

Expenditures are recorded when the fund liability is incurred, except for principal and interest on general long-term debt, and vacation and sick pay which are recorded when paid.

The effect of interfund activity has been eliminated from the government-wide financial statements so that expenses are not reported twice. Amounts reported on the government-wide statements as program revenues include charges to customers or applicants for goods, operating grants and contributions, and capital grants and contributions. General revenues include all taxes. Major revenues recorded on the modified accrual basis are:

Property Taxes – Pierce County acts as the City's collection agent for these taxes. Once a month, the County electronically transmits to the City the taxes that it has collected on the City's behalf in the prior month. On this basis, property taxes received in January are considered both measurable and available and therefore are recognized as revenue in the current year.

Other Locally Levied Taxes – Pierce County also acts as the City's collection agent for the one quarter percent and optional one quarter percent real estate excise taxes. Although a time lag occurs in payment of these taxes to the City, since the taxes are actually collected by Pierce County in December and receipted to the City within 10 days after the end of the year, they are considered to be both measurable and available, and therefore are accrued as revenue at year-end. The State of Washington acts as the City's collection agency for the locally levied sales tax. The sales tax is distributed monthly and remitted to the City in the following month. It is both measurable and available and is therefore accrued as revenue at year-end.

Grant Revenues – Under Section G60.109 of the Codification of Governmental Accounting and Financial Reporting Standards, revenues for cost reimbursement grants are determined to be earned, and therefore available, at the time related expenditures are incurred. For this reason, grant revenues to be received as reimbursement for expenditures incurred in the current year are also recognized as revenue in that year.

Shared Revenues – Revenues that have been collected but not remitted by an intermediary collection agency to the City are considered measurable and available.

Other Revenue Sources – Other items recognized as revenue in the current year on the modified accrual basis include investment interest earned but not received at year-end; operating transfers, interfund, and intergovernmental service billings related to services provided in the current year which are outstanding at year-end; and any other material revenue amounts determined to be both measurable and available under current modified accrual accounting practices. Revenues not considered to meet the criteria for recognition on the modified accrual basis include licenses and permits, fines and forfeitures, and other miscellaneous revenues which are not generally measurable until received.

D. Budgetary Information

Biennial appropriated budgets are adopted for the general and some special revenue funds on the modified accrual basis of accounting. Budgets for debt service and capital project funds are adopted at the level of the individual debt issue or project and for fiscal periods that correspond to the lives of debt issues or projects. Other budgets are adopted at the level of the fund.

Appropriations for general and special revenue funds lapse at year-end (except for appropriations for capital outlays, which are carried forward from year to year until fully expended or the purpose of the appropriation has been accomplished or abandoned).

Encumbrances accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year end are reported as reservation of fund balances and do not constitute expenditures or liabilities. All encumbrances (excluding those for Capital Improvement Projects which are automatically carried forward) are cancelled at the end of the year. A department may make a new request in the subsequent year for funds as part of the Council approved budget process.

Construction Commitments - The City has active public works capital improvement construction projects as of December 31, 2013. The projects include street construction and widening, parks and trails, general government facilities, technology upgrades and waterworks system improvements. At December 31, 2013, the City's construction commitments were $435,927.

Construction Commitments

Project	Remaining
Civic Building - Retainage	$ 438
Bridgeport Phase 5	8,936
Bridgeport Phase 5	204,359
Mildred/67th	88
Mildred/67th	115,622
27th Street SRTS	98,823
27th Street SRTS	2,880
40th Street Overlay - Retainage	4,782
	$ 435,927

The individual funds within each fund type, which are included in the City's biennial operating budget, are listed below. These funds are budgeted for on a biennial basis.

General Fund

Special Revenue Funds:
- Street Fund
- Arterial Street Fund
- Real Estate Excise Tax Fund
- Local Revitalization Financing Fund
- Traffic Impact Fees Fund
- Paths and Trails Fund
- Donations Fund

Capital Projects Funds:
- Parks Capital Projects Fund
- Public Works Capital Projects Fund
- Municipal Facilities Fund

Managerial Funds:
- Strategic Reserve Fund
- Parks and Recreation Fund
- Development Services Fund
- Police/Public Safety

Enterprise Funds:
- Surface Water Management Fund

Debt Service Funds:
- Debt Service Fund

Procedures for Adopting the Budget

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

- By late May, the official budget call is made by the Finance Director for current level service budgets and a preliminary financial forecast.
- By late July, departments submit their preliminary expenditure estimates and the Finance Department updates the preliminary revenue estimates to define resources available to finance coming year expenditure programs.
- Prior to the first Tuesday in October, the City Manager submits the proposed budget to the City Council. This budget is based on priorities established by the Council and estimates provided by the City departments during the preceding months, and balanced with revenue estimates made by the Finance Director.
- By October 1, the City Manager files a preliminary budget with the City Clerk. Copies of the preliminary budget are provided to staff and the City Council and are made available to the public.
- During the first two weeks of October, the City Clerk publishes a notice of the filing of the preliminary budget and notices of public hearings to be held during preliminary budget deliberations.
- City Council conducts workshops and two public hearings on the proposed budget between October and December. Final hearing on the budget must begin on or before the first Monday of December, and may continue until the 25th day prior to the beginning of the next fiscal year.
- In early December, the City Council adopts an ordinance to establish the amount of property taxes to be levied in the coming year.
- By December 31, the City Council makes its adjustments to the proposed budget and adopts a final budget by ordinance.
- The final operating budget, as adopted, is published and distributed within the first three months of the following year. Copies of the adopted budget are made available to the public.
- By September 1 after the start nor later than December 31 of the first year of the fiscal biennium, the City provides for a mid-biennium review including the preparation of proposed budget modifications and provides for publication of notice of public hearings.

Amending the Budget

The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of a fund or that affect the number of authorized employee positions, salary ranges, hours or other conditions of employment must be approved by the City Council.

When the City Council determines that it is in the best interest of the City to increase or decrease the appropriation for a particular fund, it may do so by ordinance approved by a simple majority after holding public hearing(s).

The budget amounts shown in the financial statements are the final authorized amounts as revised during the year.

The financial statements contain the original and final budget information. The original budget is the first complete appropriated budget. The final budget is the original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other legally authorized changes applicable for the fiscal year.

The budget for the donations fund is established only at the end of the fiscal year. Therefore, there is no original budget in the Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual in page 79.

E. Assets, Liabilities, Fund Balance, Net Position

1. Cash and Cash Equivalents

It is the City's policy to invest all temporary cash surpluses. At December 31, 2013, the City was holding $12,292,556 in short-term residual investments of surplus cash. This amount is classified on the balance sheet as cash and cash equivalents in various funds. The interest on these investments is held in the General Fund.

For purposes of the statement of cash flows, the City considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

2. Investments

See Note IV, Deposits and Investments

3. Receivables

Taxes receivable consists of property taxes and related interest and penalties (See Property Taxes Note No. V. A.) Accrued interest receivable consists of amounts earned on investments, notes and contracts at the end of the year.

4. Amounts Due To and From Other Funds and Governments, Interfund Loans and Advances Receivable

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either interfund loans receivable/payable or advances to/from other funds. All other outstanding balances between funds are reported as due to/from other funds. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances. A separate schedule of interfund loans receivable and payable is furnished in Note IV. G. Interfund Balances and Transfers.

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resource.

5. Capital Assets (See Note IV C. Capital Assets)

Capital assets, which include property, plant, equipment and software, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type columns in the government-wide financial statements, Capital assets are defined by the City as assets with an initial, individual cost and an estimated useful life. Capitalization thresholds and estimated useful lives of capital assets are as follows:

	Capitalization Threshold	Estimated Useful Life
Buildings and Improvements	$ 15,000.00	10-100 Years
Equipment and Software	5,000.00	4-12 Years
Roads - Collectors and Residential	15,000.00	7-40 Years

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Costs for additions or improvements to capital assets are capitalized when they increase the effectiveness or efficiency of the asset.

The costs for normal maintenance and repairs are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of the capital assets of business-type activities is included as part of the capitalized value of the assets constructed. There was no interest incurred by the City during the current fiscal year.

Property, plant, and equipment of the primary government is depreciated using the straight-line method over their estimated useful lives.

Net investment in capital assets reported on the Statement of Net Position is calculated by subtracting outstanding debt (less unspent revenue bond proceeds of $2,982,358) from capital assets.

6. Compensated Absences

Compensated absences are absences for which employees will be paid, such as vacation leave and sick leave. All vacation and sick pay is accrued when incurred in the government-wide and proprietary fund financial statements.

There is no maximum on the vacation balance an employee may carry. However, the maximum vacation balance that an employee may cash out at termination is 240 hours. Vacation pay is payable to the maximum upon resignation, retirement or the death of an employee.

A non-exempt employee may request compensatory time in lieu of overtime payment. Compensatory time is accrued at a rate of one and one-half hours for each hour of overtime worked, accruable to a maximum of 80 hours.

Sick leave accumulation is unlimited. Effective January 1, 2005 any employee in good standing with at least five (5) years of regular employment with the City may cash out up to 40 hours of sick leave per year for 50% of its value at the employee's current hourly wage if their remaining sick balance is over 100 hours. As of January 1, 2007 employees in good standing with seven (7) or more years of regular employment with the City may cash out up to 80 hours for 75% of its value at their current hourly wage as long as their sick leave balance remains over 100 hours. The ability to cash out sick leave was suspended indefinitely in 2009. Other sick leave is only payable upon resignation, retirement or the death of an employee. An employee who has been with the City for at least two years may receive twenty-five percent of accumulated sick leave up to a maximum balance of 960 hours.

In accordance with GASB Statement 16, the City accrues vacation pay and no liability is recorded for non-vesting accumulating rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulating sick leave benefits that is estimated will be taken as termination leave prior to resignation. This provides for the termination pay for eligible employees vacation and twenty-five percent of their sick leave to a maximum of 960 hours accrued.

The entire compensated absence liability is reported on the government-wide financial statements as it meets the criteria identified in the 2005 GAAFR. In the proprietary funds, the amount of compensated absences related to internal service funds is reported as a liability.

7. Unearned Revenues

Unearned revenues consist of amounts collected before revenue recognition criteria are met. Unearned revenue of $1,012,803 was reported in the 2013 Governmental Funds Balance Sheet. Of this amount, $960,000 is the remaining sales contract amount for 15,000 square feet of space within the Civic Building of which the Pierce County Library will take ownership upon payment in full in eight years. The City received $44,580 in unearned revenue in 2013 for registrations to participate in Recreation programs scheduled for 2014 and $3,119 was received in 2013 for pet licenses due in 2014. Deposits in the amount of $5,104 also remained at the end of 2013.

8. Deferred Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an

acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City of University Place has only one type of item, which arises only under modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source: property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available.

9. Accrued Liabilities and Noncurrent Liabilities

All payables, accrued liabilities, and noncurrent liabilities are reported in the government-wide financial statements and on the proprietary fund financial statements.

In general, governmental fund payables and accrued liabilities once incurred are paid in a timely manner and in full from current financial resources and are reported as obligations of the funds. Bonds, capital leases and long-term loans are recognized as a liability on the governmental fund financial statements when due.

10. Fund Balance

The City of University Place implemented Governmental Accounting Standards Board Statement No. 54. For governmental fund financial statements fund balances are reported in five classifications.

a. Non-spendable: Fund balance amounts that cannot be spent because they are either not in spendable form or they are legally or contractually required to remain intact. The City has no non-spendable fund balances at this time.

b. Restricted: Fund balance amounts that are constrained for specific purposes which are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or by law through constitutional provisions or enabling legislation.

c. Committed: Fund balance amounts that are constrained for specific purposes which are internally imposed by the City Council through an ordinance which must be approved by the affirmative vote of a majority of the City Council in a public meeting. Such an ordinance can only be repealed or amended by the affirmative vote of a majority of the City Council in a public meeting.

d. Assigned: Fund balance amounts that are constrained by the City Council's intent to be used for specific purposes, but are neither restricted nor committed. This category of fund balance represents amounts the City Council has authorized the City Manager to assign, through resolution or through the ordinance adopting the City's budget, to be used for a specific purpose. Once assigned, the limitation imposed by the ordinance or resolution remain in place until a similar action is taken (the adoption of an ordinance or passing of a resolution) to remove or revise the limitation.

e. Unassigned: Fund balance amounts that represent residual positive fund balance within the General Fund that has not been classified as restricted, committed, or assigned, and negative fund balances in other governmental funds.

The City considers restricted amounts to have been spent first when expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available. When expenditures of unrestricted fund balance are incurred, the City considers committed amounts spent first, then assigned amounts, and lastly unassigned amounts.

A minimum fund balance has been established through Resolution702 Section 3: The City shall attempt to maintain a cash reserve of five to fifteen percent (5%-15%) of its operating budget.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

The governmental fund balance sheet includes a reconciliation between fund balance- total governmental funds and net position - governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that "Certain liabilities, such as bonds payable and accrued expenses, are not reported in this fund financial statement because they are not due and payable, but they are presented in the statement of net position."

The details of this difference are as follows:

	2013
GO Bonds	(46,035,000)
Revenue Bonds	(5,640,000)
Amortized Debt Issue Costs	-
Public Works Trust Fund	(1,839,350)
Compensated absences	(469,184)
Subtotal debt	(53,983,534)
Interest payable	(258,029)
Total	(54,241,563)

One element of the reconciliation explains that internal service funds are used to charge the costs of services to individual funds. The assets and liabilities of the internal service funds are not reported in this fund financial statement but they are reported in the statement of net position. This difference is $819,558.

Internal Service Funds net assets	$	798,531
Add debt reported above:		
Compensated absences		21,027
Total	$	819,558

III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

The City received official notification from the Pierce County Assessor-Treasurer of the Certification of 2012 Assessed Values. The Assessor-Treasurer's certification showed a decrease in assessed value of $237,009,163 or 8.20% from the prior year. Due to this decrease, the City's outstanding debt subject to the State of Washington's constitutional obligation limitation was at capacity on December 31, 2013. The City is unable to issue new non-voted general debt at this time.

Pursuant to the Budgeting, Accounting and Reporting System (BARS) Manual as prepared by the Auditor of the State of Washington, the City used the last assessed valuation of taxable property. The last assessed valuation is the valuation placed on the last completed and balanced tax rolls of the county preceding the date of contracting debt or incurring liability (RCW 39.36.010, RCW 39.36.015 and RCW 84.52.080). When the Computation of Limitation of Indebtedness was prepared, the assessed valuation data had been updated for the next year's tax levy, but that valuation will not be used for the debt limit calculation until the following fiscal year as per the BARS Manual.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Deposits
As required by state law, all deposits and investments of the City's funds are entirely covered by federal depository insurance (FDIC) or by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection Commission (WPDPC).

Investments
On December 31, 2013, the City had the following investments:

Investment	Fair Value
State Investment Pool	$8,458,750

The LGIP is an un-rated 2a-7 like pool, as defined by GASB 31. Accordingly, participants' balances in the LGIP are not subject to interest rate risk, as the weighted average maturity of the portfolio will not exceed 90 days. Per GASB 40 guidelines the balances are also not subject to custodial credit risk. The credit risk of the LGIP is limited as most investments are either obligations of the US government, government sponsored enterprises, or insured demand deposit accounts and certificates of deposit.

The State's Local Government Investment Pool is managed by the Washington State Treasurer's Office. The LGIP is not SEC registered but has oversight provided by the following sources: 1) annually audited by the Office of the State Auditor; 2) annually audited by an outside, independent auditor; 3) an Advisory Committee meets quarterly to advise the State Treasurer on issues regarding the LGIP; 4) monthly statement enclosures detailing portfolio breakdown and earnings information sent to participants; and, 5) quarterly newsletters that include a compliance report and quarterly financials. The fair value of the City's position in the pool is the same as the value of the pool shares. Financial reports are available at the State Treasurer's Office, P.O. Box 40200, Olympia, Washington, 98504-2000. The City's Investment Policy allows for investment in the State's Local Government Investment Pool.

B. Receivables and Due from Other Governments

The following is an analysis of the accounts receivable and amounts due from other governments for 2013:

Accounts Receivable	
Property Tax	$ 87,229
Utility company taxes and ROW use fees	828,414
Gambling and admissions taxes	6,677
Miscellaneous receivables	12,935
	$ 935,255
Due from other governments	
Due from other governments	$ 559,132
Grants receivable	1,764,051
	$ 2,323,183

C. Capital Assets

Capital assets are tangible or intangible assets having initial useful lives extending beyond a single reporting period. The City has included intangible assets for a number of years and is in compliance with GASB 51. Capital assets activity for governmental activities for the year ended December 31, 2013 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 29,169,264	$ 215,567	$ -	$ 29,384,831
Easement	-	2,904	-	2,904
Construction in progress	26,957,875	3,471,337	(22,548,446)	7,880,766
Total capital assets, not being depreciated	56,127,139	3,689,808	(22,548,446)	37,268,501
Capital assets, being depreciated:				
Buildings	$ 22,547,380	20,024,188	(4,903,243)	37,668,325
Infrastructure	172,701,448	2,524,258	(961,659)	174,264,047
Equipment and Software	2,860,344	604,844	(301,889)	3,163,299
Total capital assets being depreciated	198,109,172	23,153,290	(6,166,791)	215,095,671
Less accumulated depreciation for:				
Buildings	$ (5,418,972)	(783,813)	-	(6,202,785)
Infrastructure	(139,712,083)	(2,428,381)	-	(142,140,464)
Equipment and Software	(2,597,731)	(91,114)	301,889	(2,386,956)
Total accumulated depreciation being depreciated	(147,728,786)	(3,303,308)	301,889	(150,730,205)
Total capital assets, being depreciated, net	50,380,386	19,849,982	(5,864,902)	64,365,466
Governmental activities capital assets, net	$ 106,507,525	$ 23,539,790	$ (28,413,348)	$ 101,633,967

Depreciation expense was charged to functions/programs of the primary government as follows:

Functions/Programs:	
General government	$ 601,313
Transportation	2,436,476
Culture & recreation	1,017
Security	883
Parks	252,838
Community Center	10,781
Total depreciation expense	$ 3,303,308

Land (valued at $4,100,000) was deeded to the City by the Pierce County Library System (Library) in 2006. The agreement with the Library stipulated that a new library would be built in the Civic Building that was being constructed. The Civic Building was capitalized in 2013 and the Pierce County Library System assumed ownership of the Library portion of the building resulting in a decrease in net position of the $4,100,000 (purchase price) reported as a prior period adjustment. The difference between the construction costs of the new library and the "purchase price" ($803,243) is being reported as a Capital Contribution to Other Government. The cost was calculated using total cost of construction multiplied by the percentage of Library ownership based on square footage.

Additionally, in 2013, a grant funded sewer project was completed. The City contracts sewer services with Pierce County and, therefore, does not own sewer systems. Ownership of the sewer system constructed with this project was, therefore, assumed by Pierce County.

D. Long-Term Debt

The various categories of long-term debt reflected on the City's financial statements are briefly described in the following paragraphs.

General Obligation Bonds are a direct obligation of the City for which its full faith and credit are pledged. Proceeds are used for the acquisition or construction of major capital facilities or equipment. "Councilmanic Bonds" are general obligation bonds issued by City Council without voter approval. Under State law, repayment of these bonds must be financed from general City revenues since no additional property taxes can be levied to support related debt service payments. Although General Obligation Bonds may be issued to support proprietary fund activity, the City has issued these bonds for general government purposes only.

The 2005 bonds were issued for the purpose of refinancing of bonds issued in 1996 and 1997. Those bonds were issued for various purposes including the purchase of Windmill Village/City Hall, Windmill Village remodel, Grandview Avenue CIP, arterial lighting CIP and park land acquisition.

The 2007 Series A bond s were issued to make street improvements and sewer improvements, construct a portion of a transit center garage and construct other public capital projects related to the Town Center project. The Series B bonds were issued to repay the bond anticipation note in the principle amount of $12.3 million that was used to finance the acquisition of property within the Town Center of the City. The Series C were issued to finance certain road projects, including: Bridgeport 3A, neighborhood capital improvement projects, 19th Street retrofit, Alameda bike and pedestrian path, 40th Street bike and pedestrian path and Civic Building Design and other capital projects of the City. The Series D bonds were issued to finance a portion of a garage in the Town Center area of the City.

The 2009 Series A bonds were issued to finance a portion of the costs of completing the core and shell of a civic building, including the library. Proceeds of the 2009 Series B bonds were used to pay a portion of the costs of completing the Civic Building and to pay taxable lines of credit entered into in connection with the Town Square project.

The 2012 Series A and Series B bonds were issued to refinance the 2007 Series B ($12,445,000) and the remaining principal on the 2001 LTGO ($1,685,000). The 2001 LTGO bonds were issued for the purpose of park and recreation improvements at the Cirque and Bridgeport Park site.

General Obligation Bonds approved by the voters are typically repaid through an annual "excess" property tax levy authorized for this purpose by State statute. At year-end 2013 the City had no voter-approved bonds outstanding.

Local Revitalization Revenue Bonds were issued in 2011 in the amount of $5,885,000. The City established, by ordinance, a separate Authority which is authorized to undertake a "local revitalization financing" by using revenues received from a local sales and use tax imposed pursuant to RCW 82.14.510 to pay the principal of and interest on revenue bonds issued to finance "public improvements" within a local revitalization area. The City has no liability for the bonds. Bond holders look solely to the finances of the Authority for repayment.

State of Washington Public Works Trust Fund Loans (PWTF) are a direct responsibility of the City. University Place currently has five such loans. The first PWTF loan with a balance of $403,639 was used for Grandview Drive West improvements. The second PWTF loan with a balance of $250,530 was used for Sunset Drive West improvements. The third PWTF loan with a balance of $360,315 was used for Bridgeport Way West improvements between 40th Street West and Cirque Drive West. The fourth PWTF loan with a balance of $261,349 was used for improvements on Cirque Drive West. The fifth PWTF loan with a balance of $563,517 was used for improvements on Bridgeport Way and the Streetscape in the Town Center Project. All loan agreements provide for interest at 1% or 2% per annum on the outstanding loan balance. After the first loan repayment, subsequent repayments are due July 1 of each year and will consist of 1/19th of the outstanding principal plus interest on the unpaid balance of the loan. The terms of the loans will not exceed twenty years.

Long-term debt activity for the year ended December 31, 2013 follows:

Description	Date of Issue	Maturity Date	Amount Originally Issued	Beginning Outstanding Debt	Amount Issued	Amount Redeemed	Ending Outstanding Debt
Governmental Activity							
General Obligation Bonds							
2005 Refunding	11-Apr-05	1-Dec-17	$ 5,670,000	$ 2,775,000	$ -	$ 555,000	$ 2,220,000
2007- Series A	25-Jul-07	1-Dec-29	3,575,000	3,575,000	-	-	3,575,000
2007 Series C	1-Dec-07	1-Dec-27	3,065,000	3,065,000	-	-	3,065,000
2007 Series D	1-Dec-07	1-Dec-15	1,015,000	1,015,000	-	-	1,015,000
2009 Series A	24-Aug-09	1-Dec-25	14,685,000	14,685,000	-	-	14,685,000
2009 Series B	24-Aug-09	1-Dec-34	7,760,000	7,760,000	-	-	7,760,000
2012 Series A	20-Nov-12	1-Dec-37	6,250,000	6,250,000	-	135,000	6,115,000
2012 Series B (Taxable)	20-Nov-12	1-Dec-37	7,880,000	7,880,000	-	280,000	7,600,000
Subtotal			49,900,000	47,005,000	-	970,000	46,035,000
Revenue Bond							
20II, Local Option Sales an	1 1-Jul-1 1	1-Oct-37	5,885,000	5,785,000	-	145,000	5,640,000
Subtotal			5,885,000	5,785,000	-	145,000	5,640,000
Other Debt							
Public Works Trust Fund Loans							
PW-97-791-033	1-Jul-98	1-Jul-17	1,240,991	332,700	-	66,542	266,158
PW-00-691-059	1-Jul-01	1-Jul-20	345,508	145,479	-	18,183	127,296
PW-00-691-060	1-Jul-01	1-Jul-20	665,280	285,370	-	35,672	249,698
PW-00-691-058	1-Jul-02	1-Jul-20	495,132	234,318	-	29,290	205,028
PW-05-691-PRE-145	1-Jul-06	1-1ul-25	766,983	540,211	-	41,553	498,658
Subtotal			3,513,894	1,538,077	-	191,240	1,346,837
Total Governmental Activity General Obligation Bonds & Other Debt			**$ 59,298,894**	**$ 54,328,077**	**$ -**	**$ 1,306,240**	**$ 53,021,837**
Business-type Activity							
Other Debt							
Public Works Trust Fund Loans							
PW-97-791-033	1-Jul-98	1-Jul-17	641,009	171,849	-	34,368	137,481
PW-00-691-059	1-Jul-01	1-Jul-20	334,492	140,840	-	17,606	123,234
PW-00-691-060	1-Jul-01	1-Jul-20	294,720	126,419	-	15,802	110,617
PW-00-691-058	1-Jul-02	1-Jul-20	136,012	64,366	-	8,045	56,321
PW-05-691-PRE-145	1-Jul-06	1-1ul-25	99,762	70,266	-	5,407	64,859
Subtotal			1,505,995	573,741	-	81,228	492,513
Total Business-type Activity Other Debt			**$ 1,505,995**	**$ 573,741**	**$ -**	**$ 81,228**	**$ 492,513**

Annual debt service requirements to maturity for general obligation debt are as follows:

GENERAL OBLIGATION BONDS

	Governmental Activities			Business-Type Activities		
Year	Principal	Interest	Total	Principal	Interest	Total
2014	1,390,000	2,345,559	3,735,559	-	-	-
2015	1,290,000	2,284,286	3,574,286	-	-	-
2016	1,130,000	2,231,168	3,361,168	-	-	-
2017	1,165,000	2,191,783	3,356,783	-	-	-
2018	1,215,000	2,145,638	3,360,638	-	-	-
2019-2023	7,025,000	9,777,094	16,802,094	-	-	-
2024-2028	9,185,000	7,612,776	16,797,776	-	-	-
2029-2033	11,730,000	5,033,703	16,763,703	-	-	-
2034-2037	11,905,000	1,543,337	13,448,337	-	-	-
Totals	**$ 46,035,000**	**$ 35,165,344**	**$ 81,200,344**	**$ -**	**$ -**	**$ -**

PUBLIC WORKS TRUST FUND LOANS

	Governmental Activities			Business-Type Activities		
Year	Principal	Interest	Total	Principal	Interest	Total
2014	191,240	11,155	202,395	81,228	4,778	86,006
2015	191,239	9,269 0	200,508	81,229	3,816	85,045
2016	191,239	7,566	198,805	81,229	3,031	84,260
2017	191,239	5,860	197,099	81,229	2,246	83,475
2018	124,697	4,156	128,853	46,861	1,460	48,321
2019-2023	374,053	7,689	381,742	109,943	1,919	111,862
2024-2025	83,130	620	83,750	10,794	81	10,875
Totals	**$ 1,346,837**	**$ 46,315**	**$ 1,393,152**	**$ 492,513**	**$ 17,331**	**$ 509,844**

LRF REVENUE BOND

	Governmental Activities			Governmental Activities		
Year	Principal	Interest	Total	Principal	Interest	Total
2014	145,000	250,263	395,263	-	-	-
2015	150,000	245,913	395,913	-	-	-
2016	155,000	241,413	396,413	-	-	-
2017	160,000	236,763	396,763	-	-	-
2018	165,000	231,963	396,963	-	-	-
2019-2023	910,000	1,072,540	1,982,540	-	-	-
2024-2028	1,125,000	859,102	1,984,102	-	-	-
2029-2033	1,420,000	567614	1,987,614	-	-	-
2034-2035	1,410,000	180,750	1,590,750	-	-	-
Totals	**$ 5,640,000**	**$ 3,886,321**	**$ 9,526,321**	**$ -**	**$ -**	**$ -**

E. Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2013 is as follows:

Governmental Activities	Beginning Balance	Additions	Reductions	Ending Balance	Due In One Year	Due In More Than One Year
Bonds and loans payable						
General obligation bonds	$ 47,005,000	$ -	$ (970,000)	$ 46,035,000	$ 1,390,000	$ 44,645,000
Revenue bonds	5,785,000	-	(145,000)	5,640,000	145,000	5,495,000
Public Works Trust Fund Loans	1,538,077	-	(191,240)	1,346,837	191,240	1,155,597
Total Bonds and loans payable	54,328,077	-	(1,306,240)	53,021,837	1,726,240	51,295,597
Compensated absences	364,676	56,007	(149)	420,534	140,177	280,357
Government Activities, Long-term liabilities	$ 54,692,753	$ 56,007	$ (1,306,389)	$ 53,442,371	$ 1,866,417	$ 51,575,954

Business-type Activities	Beginning Balance	Additions	Reductions	Ending Balance	Due In One Year	Due In More Than One Year
Bonds and loans payable						
Public Works Trust Fund Loans	$ 573,741	$ -	$ (81,228)	$ 492,513	$ 81,228	$ 411,285
Compensated absences	42,444	6,223	(17)	48,650	16,217	32,433
Government Activities, Long-term liabilities	$ 616,185	$ 6,223	$ (81,245)	$ 541,163	$ 97,445	$ 443,719

The general fund and internal service funds typically have been used in prior years to liquidate the liability for compensated absences.

F. Transfers

Transfers are legally authorized contributions of resources from one fund to another to subsidize designated activities or expenditures. Transfers are accounted for as "Other Financing Sources and Uses". The City transferred funds for various construction projects, to the debt service fund as principle and interest payments become due and to finance various programs accounted for in other funds in accordance with budgetary authorizations. The following transfers were recorded during 2013:

	2013	
Fund Category	Transfer In	Transfer Out
General	$ 206,073	$ 3,847,244
Surface Water Management	-	801,248
Public Works Capital Improvement	964,957	-
Debt Service	3,567,470	-
Other Governmental	452,109	818,472
LRF	-	268,853
Internal Service	733,358	188,150
Total	$ 5,923,967	$ 5,923,967

G. Interfund Balances and Transfers

At the end of fiscal year 2013 there were a significant number of expenditures for grant funded Public Works capital improvement projects for which the grant revenues were received in 2014. These revenues were accrued back to 2013 and reported on the balance sheet as revenue due from other governments. While the revenue accrual reflected

an increase in assets, the timing of the actual receipt of the revenues in 2014 created a negative cash balance in the Public Works Capital Improvement Fund in 2013. Pursuant to Ordinance 179, the City Treasurer, as authorized by the City Council, approved in writing the principal loan of $951,211 from the General Fund to the Public Works Capital Improvement Fund (Public Works CIP Fund). The purpose of the loan was to maintain a positive cash balance in the Public Works CIP Fund (as required by RCW 43.09.210). In accordance with Ordinance 179 the loan is interest free as is permitted when the lending fund is the General Fund.

V. OTHER INFORMATION

A. Property Taxes

The County Treasurer acts as an agent to collect property taxes levied in the County for all taxing authorities. Collections are due on approximately the 10th of each month for the prior month's collections.

Property Tax Calendar

January 1	Taxes are levied and become an enforceable lien against properties.
February 14	Tax bills are mailed.
April 30	First of two equal installment payments is due.
May 31	Assessed value of property is established for next year's levy at 100 percent of market value.
October 31	Second installment is due.

During the year, property tax revenues are recognized when payments are received from the County. At year end, property tax revenues are recognized for collections expected to occur within 60 days. Unpaid property taxes are recorded as delinquent taxes receivable, offset by deferred revenue. No allowance for uncollectible taxes is established because delinquent taxes are considered fully collectible. The City may levy up to $3.60 per $1,000 of assessed valuation for general governmental services, subject to two limitations:

> Washington State (RCW 84.55.010) limits the growth of regular property taxes to six percent per year, after adjustment for new construction. If the assessed valuation increases by more than six percent due to reevaluation, the levy rate will be reduced.
>
> The Washington State Constitution limits the total regular property taxes to one percent of assessed valuation or $10 per $1,000 of value. If the taxes of all districts exceed this amount, each is proportionately reduced until the total is at or below the 1 percent limit.

Special property tax levies approved by the voters are not subject to the above limitations.

The City's regular tax levy for 2013 was $1.47 per $1,000 on an assessed valuation of $2,655,070,281 for a total regular levy of $3,908,520.

B. Risk Management

The City of University Place is a member of the Washington Cities Insurance Authority (WCIA).

Utilizing Chapter 48.62 RCW (self-insurance regulation) and Chapter 39.34 RCW (Interlocal Cooperation Act), nine cities originally formed WCIA on January 1, 1981. WCIA was created for the purpose of providing a pooling mechanism for jointly purchasing insurance, jointly self-insuring, and/or jointly contracting for risk management services. WCIA has a total of 162 members.

New members initially contract for a three-year term, and thereafter automatically renew on an annual basis. A one-year withdrawal notice is required before membership can be terminated. Termination does not relieve a former member from its unresolved loss history incurred during membership.

Liability coverage is written on an occurrence basis, without deductibles. Coverage includes general, automobile, police, public officials' errors or omissions, stop gap, and employee benefits liability. Limits are $4 million per occurrence self-insured layer and $16 million per occurrence in the re-insured excess layer. The excess layer is insured by the purchase of reinsurance and insurance. Total limits are $20 million per occurrence subject to aggregate sub limits in the excess layers. The Board of Directors determines the limits and terms of coverage annually.

Insurance coverage for property, automobile physical damage, fidelity, inland marine, and boiler and machinery are purchased on a group basis. Various deductibles apply by type of coverage. Property insurance and auto physical damage are self-funded from the members' deductible to $750,000, for all perils other than flood and earthquake, and insured above that amount by the purchase of reinsurance.

In-house services include risk management consultation, loss control field services, claims and litigation administration, and loss analyses. WCIA contracts for the claims investigation consultants for personnel issues and land use problems, insurance brokerage, and lobbyist services.

WCIA is fully funded by its members, who make annual assessments on a prospectively rated basis, as determined by an outside, independent actuary. The assessment covers loss, loss adjustment, and administrative expenses. As outlined in the interlocal, WCIA retains the right to additionally assess the membership for any funding shortfall.

An investment committee, using investment brokers, produces additional revenue by investment of WCIA's assets in financial instruments which comply with all State guidelines.

A Board of Directors governs WCIA; which is comprised of one designated representative from each member. The Board elects an Executive Committee and appoints a Treasurer to provide general policy direction for the organization. The WCIA Executive Director reports to the Executive Committee and is responsible for conducting the day-to-day operations of WCIA.

The City's industrial insurance is provided by Washington State and is administered by the Department of Labor and Industries. Coverage is purchased by means of standard rates per working hour and is computed by the total number of hours worked by employees multiplied by the basic premium rate assigned to the business risk classification. The following are benefits provided by industrial insurance: medical services, damaged clothing, travel expenses, time-loss payments, vocational rehabilitation, partial disability awards, pension awards, and survivor benefits.

The City is self-insured for unemployment insurance purposes. The City's plan is administered through Washington State Employment Security Department, which provides partial compensation to workers who are temporarily and involuntarily unemployed. The City reimburses the Washington State Employment Security Department in full for any payments made to former employees.

Risk Management Fund

The City established the Risk Management Fund as an Internal Service Fund to pay insurance premiums, claims, and deductibles for the above areas of risk, as well as to establish reserves for self-insurance and uncovered losses. City operating funds contribute to the Insurance Fund based on information from the contributing funds past claims experience and loss exposures. In the past three years, none of the settlements exceeded the City's insurance coverage. The Risk Management Fund reserves for December 31, 2013 and 2012 were as follows:

	2013	2012
Beginning of Year	$ -	$ 88,123
Additions	145,633	153,331
Deletions	(145,633)	(241,454)
End of Year	$ -	$ -

C. Estimated Arbitrage Rebate

The Federal Tax Reform Act of 1986 requires issuers of tax-exempt debt of over $5 million to make payments to the United States Treasury of investment interest received at yields that exceed the issuer's tax-exempt borrowing rates. Payments of arbitrage rebate amounts due under these regulations must be made to the U.S. Treasury every five years. The City's estimated rebatable arbitrage amount as of December 31, 2013 is $0 for its tax-exempt general obligation bond issues subject to the Tax Reform Act issued through that date.

D. Contingent Liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the government expects such amounts, if any, to be immaterial.

At the close of 2013, there were a small number of claims for damages and lawsuits pending against the City. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the government.

E. Employee Retirement Systems and Pension Plans

Substantially all City of University Place regular full-time and qualifying part-time employees participate in one of the following statewide retirement systems administered by the Washington State Department of Retirement Systems, under cost-sharing multiple-employer public employee defined benefit retirement plans. The City had no Law Enforcement Officers' or Fire Fighters' Retirement Systems (LEOFF) employees in 2013.The Department of Retirement Systems (DRS), a department within the primary government of the State of Washington, issues a publicly available comprehensive annual financial report (CAFR) that includes financial statements and required supplementary information for each plan. The DRS CAFR may be obtained by writing to: Department of Retirement Systems, Communications Unit, P.O. Box 48380, Olympia, WA 98504-8380; or it may be downloaded from the DRS website website at www.drs.wa.gov. The following disclosures are made pursuant to the GASB Statement 27, *Accounting for Pensions by State and Local Government Employers* and the GASB Statement 50, *Pension Disclosures, an Amendment of GASB Statements No. 25 and No. 27*.

Public Employees Retirement System (PERS) Plans 1, 2 and 3

Plan Descriptions

The Legislature established PERS in 1947. Membership in the system includes: elected officials; state employees; employees of the Supreme, Appeals, and Superior courts; employees of legislative committees; community and technical colleges, college and university employees not participating in higher education retirement programs; employees of district and municipal courts; and employees of local governments. Approximately 50 percent of PERS salaries are accounted for by state employment. PERS retirement benefit provisions are established in Chapters 41.34 and 41.40 RCW and may be amended only by the State Legislature.

PERS is a cost-sharing multiple-employer retirement system comprised of three separate plans for membership purposes: Plans 1 and 2 are defined benefit plans and Plan 3 is a defined benefit plan with a defined contribution component.

PERS members who joined the system by September 30, 1977 are Plan 1 members. Those who joined on or after October 1, 1977 and by either, February 28, 2002 for state and higher education employees, or August 31, 2002 for local government employees, are Plan 2 members unless they exercised an option to transfer their membership to Plan 3. PERS members joining the system on or after March 1, 2002 for state and higher education employees, or September 1, 2002 for local government employees have the irrevocable option of choosing membership in either PERS Plan 2 or Plan 3. The option must be exercised within 90 days of employment. Employees who fail to choose

within 90 days default to Plan 3. Notwithstanding, PERS Plan 2 and 3 members may opt out of plan membership if terminally ill, with less than five years to live.

PERS is comprised of and reported as three separate plans for accounting purposes: Plan 1, Plan 2/3, and Plan 3. Plan 1 accounts for the defined benefits of Plan 1 members. Plan 2/3 accounts for the defined benefits of Plan 2 members and the defined benefit portion of benefits for Plan 3 members. Plan 3 accounts for the defined contribution portion of benefits for Plan 3 members. Although members can only be a member of either Plan 2 or Plan 3, the defined benefit portions of Plan 2 and Plan 3 are accounted for in the same pension trust fund. All assets of this Plan 2/3 defined benefit plan may legally be used to pay the defined benefits of any of the Plan 2 or Plan 3 members or beneficiaries, as defined by the terms of the plan. Therefore, Plan 2/3 is considered to be a single plan for accounting purposes.

PERS Plan 1 and Plan 2 retirement benefits are financed from a combination of investment earnings and employer and employee contributions. Employee contributions to the PERS Plan 1 and Plan 2 defined benefit plans accrue interest at a rate specified by the Director of DRS. During DRS' Fiscal Year 2013, the rate was five and one-half percent compounded quarterly. Members in PERS Plan 1 and Plan 2 can elect to withdraw total employee contributions and interest thereon upon separation from PERS-covered employment.

PERS Plan 1 members are vested after the completion of five years of eligible service.

PERS Plan 1 members are eligible for retirement from active status at any age with at least 30 years of service, at age 55 with 25 years of service, or at age 60 with at least five years of service. Plan 1 members retiring from inactive status prior to the age of 65 may receive actuarially reduced benefits. The monthly benefit is two percent of the average final compensation (AFC) per year of service, but the benefit may not exceed 60 percent of the AFC. The AFC is the monthly average of the 24 consecutive highest-paid service credit months.

The monthly benefit is subject to a minimum for retirees who have 25 years of service and have been retired 20 ears, or who have 20 years of service and have been retired 25 years. If a survivor option is chosen, the benefit is reduced. Plan 1 members retiring from inactive status prior to the age of 65 may also receive actuarially reduced benefits. Plan 1 members may elect to receive an optional COLA that provides an automatic annual adjustment based on the Consumer Price Index. The adjustment is capped at three percent annually. To offset the cost of this annual adjustment, the benefit is reduced. Plan 1 retirement benefits are actuarially reduced to reflect the choice, if made, of a survivor option.

PERS Plan 1 provides duty and non-duty disability benefits. Duty disability retirement benefits for disablement prior to the age of 60 consist of a temporary life annuity. The benefit amount is $350 a month, or two-thirds of the monthly AFC, whichever is less. The benefit is reduced by any workers' compensation benefit and is payable as long as the member remains disabled or until the member attains the age of 60, at which time the benefit is converted to the member's service retirement amount. A member with five years of covered employment is eligible for non-duty disability retirement. Prior to the age of 55, the benefit amount is two percent of the AFC for each year of service reduced by 2 percent for each year that the member's age is less than 55. The total benefit is limited to 60 percent of the AFC and is actuarially reduced to reflect the choice of a survivor option. Plan 1 members may elect to receive an optional COLA amount (based on the Consumer Price Index), capped at three percent annually. To offset the cost of this annual adjustment, the benefit is reduced.

PERS Plan 1 members can receive credit for military service while actively serving in the military if such credit makes them eligible to retire. Members can also purchase up to 24 months of service credit lost because of an on-the-job injury.

The survivor of a PERS Plan 1 member who dies after having earned ten years of service credit has the option, upon the member's death, of either a monthly survivor benefit or the lump sum of contributions plus interest.

PERS Plan 2 members are vested after the completion of five years of eligible service. Plan 2 members are eligible for normal retirement at the age of 65 with five years of service. The monthly benefit is two percent of the AFC per year of service. The AFC is the monthly average of the 60 consecutive highest-paid service months. There is no cap

on years of service credit; and a cost-of-living allowance is granted (based on the Consumer Price Index), capped at three percent annually.

PERS Plan 2 members, who have at least 20 years of service credit and are 55 years of age or older, are eligible for early retirement with a reduced benefit. The benefit is reduced by an early retirement factor (ERF) that varies according to age, for each year before age 65.

PERS Plan 2 members who have 30 or more years of service credit and are at least 55 years old can retire under one of two provisions, if hired prior to May1, 2013:

- With a benefit that is reduced by 3 percent for each year before age 65; or.
- With a benefit that has a smaller (or no) reduction (depending on age) that imposes stricter return-to-work rules.

PERS Plan 2 members hired on or after May 1, 2013 have the option to retire early by accepting a reduction of five percent for each year of retirement before age 65. This option is available only to those who are age 55 or older and have at least 30 years of service.

PERS Plan 2 retirement benefits are also actuarially reduced to reflect the choice, if made, of a survivor option. The surviving spouse or eligible child(ren) of a PERS Plan 2 member who dies after having earned ten years of service credit has the option of either a monthly benefit or a lump sum payment of the member's contributions plus interest.

PERS Plan 3 has a dual benefit structure. Employer contributions finance a defined benefit component and member contributions finance a defined contribution component. As established by Chapter 41.34 RCW, employee contribution rates to the defined contribution component range from five percent to 15 percent of salaries, based on member choice. Members who do not choose a contribution rate default to a five percent rate. There are currently no requirements for employer contributions to the defined contribution component of PERS Plan 3.

PERS Plan 3 defined contribution retirement benefits are dependent upon the results of investment activities. Members may elect to self-direct the investment of their contributions. Any expenses incurred in conjunction with self-directed investments are paid by members. Absent a member's self-direction, PERS Plan 3 contributions are invested in the Retirement Strategy Fund that assumes the member will retire at age 65.

For DRS' fiscal year 2013, PERS Plan 3 employee contributions were $99.0 million, and plan refunds paid out were $69.4 million.

The defined benefit portion of PERS Plan 3 provides members a monthly benefit that is one percent of the AFC per year of service. The AFC is the monthly average of the 60 consecutive highest-paid service months. There is no cap on years of service credit, and Plan 3 provides the same cost-of-living allowance as Plan 2.

Effective June 7, 2006, PERS Plan 3 members are vested in the defined benefit portion of their plan after ten years of service; or after five years of service, if twelve months of that service are earned after age 44; or after five service credit years earned in PERS Plan 2 by June 1, 2003. Plan 3 members are immediately vested in the defined contribution portion of their plan.

Vested Plan 3 members are eligible for normal retirement at age 65, or they may retire early with the following conditions and benefits:

- If they have at least ten service credit years and are 55 years old, the benefit is reduced by an ERF that varies with age, for each year before age 65.
- If they have 30 service credit years and are at least 55 years old, and were hired before May 1, 2013, they have the choice of a benefit that is reduced by three percent for each year before age 65; or a benefit with a smaller (or no) reduction factor (depending on age) that imposes stricter return-to-work rules.
- If they have 30 service credit years, are at least 55 years old, and were hired after May 1, 2013,
  They have the option to retire early by accepting a reduction of five percent for each year before age 65.

PERS Plan 3 benefit are actuarially reduced to reflect the choice, if made, of a survivor option.

PERS Plan 2 and Plan 3 provide disability benefits. There is no minimum amount of service credit required for eligibility. The Plan 2 monthly benefit amount is two percent of the AFC per year of service. For Plan 3, the monthly benefit amount is 1 percent of the AFC per year of service. These disability benefit amounts are actuarially reduced for each year that the member's age is less than 65, and to reflect the choice of a survivor option. There is no cap on years of service credit, and a cost-of-living allowance is granted (based on the Consumer Price Index) capped at 3 percent annually.

PERS Plan 2 and Plan 3 members may have up to ten years of interruptive military service credit; five years at no cost and five years that may be purchased by paying the required contributions.

PERS Plan 2 and Plan 3 members who become totally incapacitated for continued employment while serving the uniformed services, or a surviving spouse or eligible child(ren), may request interruptive military service credit.

PERS Plan 2 and Plan 3 members can purchase up to 24 months of service credit lost because of an on-the-job injury.

PERS members may also purchase up to five years of additional service credit once eligible for retirement. This credit can only be purchased at the time of retirement and can be used only to provide the member with a monthly annuity that is paid in addition to the member's retirement benefit.

Beneficiaries of a PERS Plan 2 or Plan 3 member with ten years of service who is killed in the course of employment receive retirement benefits without actuarial reduction. This provision applies to any member killed in the course of employment, on or after June 10, 2004, if found eligible by the Director of the Department of Labor and Industries.

A one-time duty-related death benefit is provided to the estate (or duly designated nominee) of a PERS member who dies in the line of service as a result of injuries sustained in the course of employment, or if the death resulted from an occupational disease or infection that arose naturally and proximately out of the member's covered employment, if found eligible by the Department of Labor and Industries.

There are 1,176 participating employers in PERS. Membership in PERS consisted of the following as of the latest actuarial valuation date for the plans of June 30, 2012:

Retirees and Beneficiaries Receiving Benefits	82,242
Terminated Plan Member Entitled to But Not Yet Receiving Benefits	30,551
Active Plan Members Vested	106,317
Active Plan Members Nonvested	44,273
Total	263,347

Funding Policy

Each biennium, the state Pension Funding Council adopts Plan 1 employer contribution rates, Plan 2 employer and employee contribution rates, and Plan 3 employer contribution rates. Employee contribution rates for Plan 1 are established by statute at six percent for state agencies and local government unit employees, and at seven and a half percent for state government elected officials. The employer and employee contribution rates for Plan 2 and the employer contribution rate for Plan 3 are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. Under PERS Plan 3, employer contributions finance the defined benefit portion of the plan and member contributions finance the defined contribution portion. The Plan 3 employee contribution rates range from 5 percent to 15 percent, based on member choice. Two of the options are graduated rated dependent on the employee's age. The methods used to determine the contribution requirements are established under the state statute in accordance with Chapters 41.40 and 41.45 RCW.

The required contribution rates expressed as a percentage of current-year covered payroll, as of December 31, 2013, are as follows:

	PERS Plan 1	PERS Plan 2	PERS Plan 3
Employer*	9.21%**	9.21%**	9.21%***
Employee	6.00%****	4.92%****	*****

* The employer rates include the employer administrative expense fee currently at 0.18%
** The employer rate for state elected officials is 13.73% for Plan 1 and 9.21% for Plan 2 and Plan 3.
*** Plan 3 defined benefit portion only.
****The employee rate for state elected officials is 7.50% for Plan 1 and 4.92% for Plan 2.
***** Variable from 5.0% minimum to 15.0% maximum based on rate selected by the PERS 3 member.

Both the City of University Place and the employees made the required contributions. The City's required contributions for the last three years ending December 31 were:

	PERS Plan 1	PERS Plan 2	PERS Plan 3
2013	$ 0	$ 273,706	$ 17,100
2012	$ 0	$ 238,210	$ 19,787
2011	$ 0	$ 202,722	$ 16,026

Other Local Government Pension Systems – City of University Place Employees' Retirement Plan

The City Council established a defined contribution retirement plan called the University Place Retirement Plan effective August 31, 1995 (the date of incorporation) in accordance with Internal Revenue Code Section 401(a). The plan was established as an alternative to the Federal Social Security System and is authorized by the Federal Social Security Act (42 USCA, Section 418(g)). In accordance with the provisions of GASB Statement 32, plan balances and activities are not reflected in the financial statements of the City. The City Council is authorized under RCW 41.48.050 to establish or amend the plan's provisions and contribution requirements.

The plan is currently administered by ICMA Retirement Corporation. The City Manager is the appointed Trustee of the plan. Covered payroll for 2013 was $3,098,544 and total City payroll for benefit covered employees was $3,741,363. The City's contribution was $192,110 and the employee's contribution was $207,155. During 2013, there were a total of 47 individuals covered by this plan. As of the end of the year, 43 remained as active employees of the City. The four inactive employees have left the City's employment and either had been reimbursed their contributions or reimbursement was pending. Seven employees are on a union retirement plan.

The pension benefits a participant will receive depend only on the amount contributed to the participant's account and earnings on investments of these contributions. Employees' self-direct investment amounts to various investment options for both employee and employer contributions. All contributions are invested in instruments arranged through the ICMA Retirement Corporation. The plan assets are not the property of the City and are not subject to the claims of the City's general creditors.

All regular, non-represented employees are required to participate in the City's 401(a) defined contribution retirement plan. The employee contributes a minimum of 6.0% up to 18.0%, and the City provides a matching contribution of 6.2%. Contributions into the plan are tax deferred. Vesting for the City share of the 401(a) contribution is 33.3% after one year, 66.7% after two years, and 100% after three years of being employed with the City of University Place.

International Union of Operating Engineers (IUOE)

Employees represented by the bargaining unit of International Union of Operating Engineers (IUOE) participate in the IUOE pension plan. Per collective bargaining agreement, the City contributes 13.7% to the IUOE pension plan and no employee contribution is required.

F. Other Employee Benefits

Long-term Disability

The City also provides insurance payments (approximately 1%) for all full-time employees for long-term disability, survivor, accidental death and dismemberment, and lump sum death benefit coverage.

Deferred Compensation

The City offers employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. These plans permit City employees to defer a portion of their salary into future years. The deferred compensation is not available until termination, retirement, death, or unforeseeable emergency. Employees may choose to have their plan administered by the State of Washington Deferred Compensation Program (DCP), ICMA Retirement Corporation, Nationwide Retirement Solutions, or Teachers Insurance and Annuity Association/College Retirement Equity Fund (TIAA-CREF). The plan became effective June 14, 1995.

In accordance with GASB Statement 32, the assets of the deferred compensation plans are no longer presented in the City's financial statements. Due to recent changes in the tax law as set forth in the Internal Revenue Code, these assets are not the property of the City or subject to the claims of the City's general creditors.

G. Other Post-Employment Benefits

Association of Washington Cities Employee Benefit Trust ("Trust")

Trust Description. The City is a Participating Employer in the Association of Washington Cities Employee Benefit Trust ("Trust"), a cost-sharing multiple-employer welfare benefit plan administered by the Association of Washington Cities. The Trust provides medical benefits to certain eligible retired employees of Participating Employers and their eligible family members. Under Article VII of the Trust document, the Trustees have the authority and power to amend the amount and the nature of the medical and other benefits provided by the Trust. The Trust issues a publicly available financial report includes financial statements and requires supplementary information for Trust. That report along with a copy of the Trust document may be obtained by writing to Trust at 1076 Franklin Street SE, Olympia, WA 98501-1346 or by calling 1-800-562-8981.

Funding Policy. The Trust provides that contribution requirements of Participating Employers and of participating employees, retirees and other beneficiaries, if any, are established and may be amended by the Board of Trustees of the Trust. Retirees of the City receiving medical benefits from the Trust contribute $830.01 per month for non-Medicare enrolled retiree-only coverage, $1,6674.27 for non-Medicare enrolled retiree and spouse coverage, $1,286.14 for Medicare enrolled retiree and non-Medicare enrolled spouse, $1,280.56 for non-Medicare enrolled retiree and Medicare enrolled spouse, and $899.43 for Medicare enrolled retiree and spouse coverage. Participating Employers are contractually required to contribute at the rates assessed each year by the Trust. These rates vary based on the coverage selected by the employee.

For the employees of the City of University Place, per the contract through the Trust to the insurance company, the employer must pay 50% of the premium for medical insurance however the employer does not have a requirement to pay a minimum level for dependents. For dental (WDS/Willamette) the Trust requires the employer to pay 75% of the employee, spouse, and dependent premium. For vision (VSP) the Trust requires the employer to pay 100% of the employee premium. Since this is full family coverage, the payment actually is the same for the employee and anyone in the family that is covered.

The City's contributions to the Trust for the year ended December 31, 2013 were $649,728 for Medical, $65,884 for Dental and $10,092 for Vision which equaled the required contributions of that year.

Retirement Health Savings

The city also offers employees a Retirement Health Savings (RHS) plan for all benefit eligible employees. RHS is a plan to provide tax-free savings during employment for payment of medical insurance premiums and other qualified post-employment medical expenses allowable under IRC Section 213. The RHS plan is considered to be an HRA (Health Reimbursement Account), and as such Retirement Health Savings plans are unique. As compared to other retirement fund accounts, RHS accumulates on a tax deferred basis and the proceeds are tax free upon withdrawal.

The plan is administered by ICMA Retirement Corporation. The City Manager is the appointed Trustee of the plan.

Until 2007, an employee could make the individual choice to join RHS and determine the amount to be contributed into the account. In April of 2007, the Internal Revenue Service issued a revenue ruling that created a uniform rule set for all HRA accounts. As a result of this ruling, the City had to organize itself into several groups and the affected employees within each group had to decide if they wanted to opt in at a predetermined amount or completely opt out of the system. The City was organized into the following groups: executive team, management team, union staff, line staff, and finally the City Council.

A mandatory city-wide vote was conducted to determine if employees would participate in RHS. This vote was finalized on December 6, 2007. With the exception of the City Council group, which opted out of RHS, groups had over a 60% consensus for opting into the RHS program. The resolution was then brought before the City Council on December 17, 2007 and was unanimously passed. The revised RHS plan took effect on January 1, 2008. A vote was taken again in 2011 and all participating groups opted to continue their participation at the existing rates. The following is a breakdown of what percent of salary each group decided to participate at:

Executive Team	3.5%
Management Team	3.0%
Union Staff	2.0%
Line Staff	1.5%

The total amount contributed by employees in 2013 was $91,284.

H. Prior Period Adjustment

Land was understated by $8,468 in the 2012 financial statements. A prior period adjustment was done to correct the error in 2013.

Prior period adjustments also include an adjustment to capital assets (net of depreciation) of $4,100,000. Land was deeded to the City by the Pierce County Library System in 2006. An agreement entered into by the Library and the City transferred ownership of land owned by the Library to the City at a value of $4,100,000 and a promissory note in that amount was issued to the library at that time. The agreement stipulated that the City would build a new library in the Civic Building that was being constructed. The note was extinguished in 2009 and a third, separate property owned by the City was deeded to the library in exchange. The land was not removed from the City's assets at that time. The Civic Building was capitalized in 2013 and the Pierce County Library System assumed ownership of the Library portion of the building. The land held by the Library was deeded back to the City which, as it had not been removed from the City's assets, resulted in a decrease in the City's net position of $4,100,000 pertaining to a prior period.

Prior to 2013 the City reported its Storm Water Management (SWM) Fund as a Special Revenue Fund. In 2013 the decision was made to convert the SWM Fund to an Enterprise Fund. As a result of the conversion the SWM related Public Works Trust Fund Loans debt was converted and reported in the Enterprise Fund. This resulted in prior period adjustments of $573,740 to move beginning balances of debt. The conversion also resulted in converting $42,444 to move beginning balances of compensated absences. Additionally, an adjustment of $54,701 was made to allocate related Internal Service Funds Operating Income/Loss to Business Type Activities

I. Extraordinary Item – Capital Contributions to Other Governments

The cost of constructing the new library in the Civic Building was calculated using total cost of construction multiplied by the percentage of Library ownership based on square footage. The difference between the construction costs ($4,903,243) of the new library and the "purchase price" ($4,100,000) is $803,243 and is being reported as an Extraordinary Item - Capital Contribution to Other Government.

A grant funded sewer project was also completed in 2013. Since the City contracts sewer services with Pierce County and does not own its own sewer system, ownership was transferred to Pierce County. The cost of construction ($961,659) is reported as an Extraordinary Item-Capital Contribution to Other Government.

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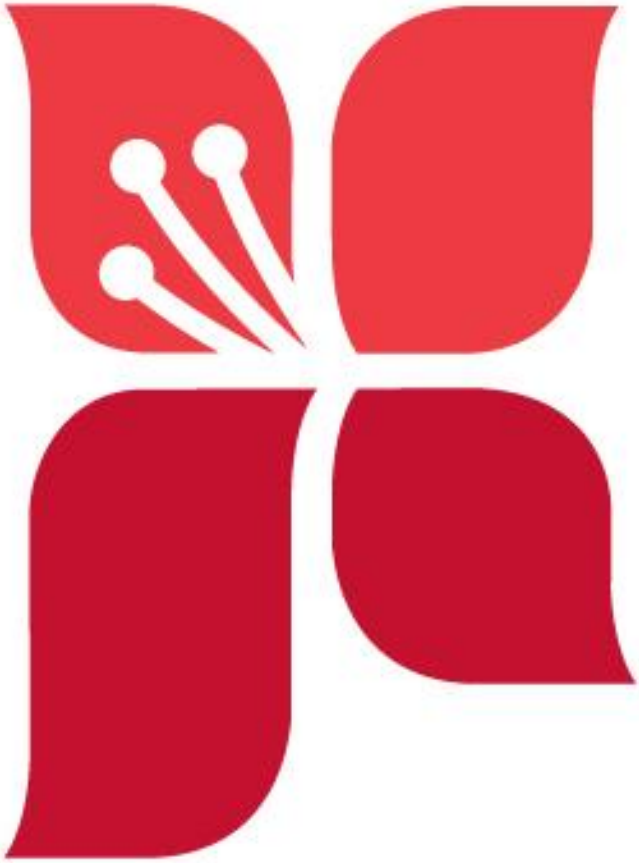

City of University Place
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (GAAP Basis) and Actual
General Fund
Year Ended December 31, 2013

	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	$ 5,330,500	$ 5,203,200	$ 5,334,964	$ 131,764
Licenses and permits	2,225,150	2,347,240	2,396,698	49,458
Intergovernmental	40,000	70,000	93,177	23,177
Charges for goods and services	574,400	574,400	559,259	(15,141)
Other	147,880	157,092	169,731	12,639
Total revenues	8,317,930	8,351,932	8,554,442	202,510
EXPENDITURES				
Current:				
General government	2,447,342	2,494,015	2,334,648	159,367
Transportation	218,121	220,821	203,688	17,133
Economic environment	667,716	788,242	506,232	282,010
Culture and recreation	97,000	100,302	88,310	11,992
Total expenditures	3,430,179	3,603,380	3,132,878	470,502
Excess (deficiency) of revenues over expenditures	4,887,751	4,748,552	5,421,564	673,012
OTHER FINANCING SOURCES (USES)				
Transfers in	230,100	206,701	188,150	(18,551)
Transfers out	(5,415,649)	(5,377,897)	(4,806,283)	571,614
Debt proceeds		-	-	-
Proceeds from sale of assets			120,000	120,000
Total other financing sources and uses	(5,185,549)	(5,171,196)	(4,498,133)	673,063
Net Change in fund balances	(297,798)	(422,644)	923,431	1,346,075
Fund balances, beginning	1,652,291	1,652,291	1,652,291	-
Fund balances, ending	$ 1,354,493	$ 1,229,647	$ 2,575,722	$ 1,346,075

Perspective Difference Reconciliation:		
ACTUAL FUND BALANCE-GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE	$	2,575,722
The following funds were budgeted as special revenue funds but do not meet the defination of a special revenue fund under GASB Statement 54 and therefore are acounted within the General Fund		
Police	$	684,020
Parks and Recreation	$	-
Development Services Fund	$	2,869
Strategic Reserve Fund	$	856,934
TOTAL FUND BALANCE - GENERAL FUND BALANCE SHEET FOR GOVERNMENTAL FUNDS	$	4,119,545

City of University Place
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (GAAP Basis) and Actual
Surface Water Maintenance Fund
Year Ended December 31, 2013

	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
OPERATING REVENUES				
Charges for goods and services	$ 2,754,000	$ 2,700,000	$ 2,819,837	(119,837)
Total revenues	2,754,000	2,700,000	2,819,837	(119,837)
OPERATING EXPENDITURES				
Personnel services	$ 711,320	$ 714,020	$ 729,053	
Materials and supplies	89,750.00	89,750.00	70,270	19,480
Services and charges	335,874.00	860,364.00	684,159	176,205
Insurance	17,971.00	17,971.00	16,097	1,874
Capital outlay	5,000	5,000	-	5,000
Total expenditures	1,159,915	1,687,105	1,499,579	202,559
Excess (deficiency) of revenues over expenditures	1,594,085	1,012,895	1,320,258	(307,363)
NONOPERATING REVENUES (EXPENSES)				
State and federal grants	$ -	$ 158,308	158,307	1
Interest expense	-	$ -	(5,563)	5,563
Total other financing sources and uses	-	158,308	152,744	5,564
Income (loss) before contributions and transfers	1,594,085	1,171,203	1,473,002	(301,799)
Transfers in				
Transfers out	(2,646,470)	(2,576,429)	(801,248)	(1,775,181)
Net position at beginning of year, restated	3,882,076.00	3,882,076	3,882,076	-
Prior period adjustment	-	-	(616,184)	616,184
Net position at end of year	$ 2,829,691	$ 2,476,850	$ 3,937,646	$ (1,460,796)

City of University Place
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (GAAP Basis) and Actual
LRF Fund
Year Ended December 31, 2013

	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	$ 400,000	$ 401,155	$ 551,886	$ 150,731
Total revenues	400,000	401,155	551,886	150,731
EXPENDITURES				
Current:				
Debt service:				
Principal retirement	-	45,000	145,000	(100,000)
Interest	400,000	354,613	256,413	98,200
Total expenditures	400,000	399,613	401,413	(1,800)
Excess (deficiency) of revenues over expenditures	-	1,542	150,473	148,931
OTHER FINANCING SOURCES (USES)				
Transfers out	(1,819,298)	(3,421,222)	(268,853)	(3,152,369)
Total other financing sources and uses	(1,819,298)	(3,421,222)	(268,853)	(3,152,369)
Net Change in fund balances	(1,819,298)	(3,419,680)	(118,380)	(3,003,438)
Fund balances, beginning	3,419,679	3,419,679	3,419,679	-
Fund balances, ending	$ 1,600,381	$ (1)	$ 3,301,299	$ (3,003,438)

CITY OF UNIVERSITY PLACE, WASHINGTON
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Information

The City's biennial budget is adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP) for all governmental funds.

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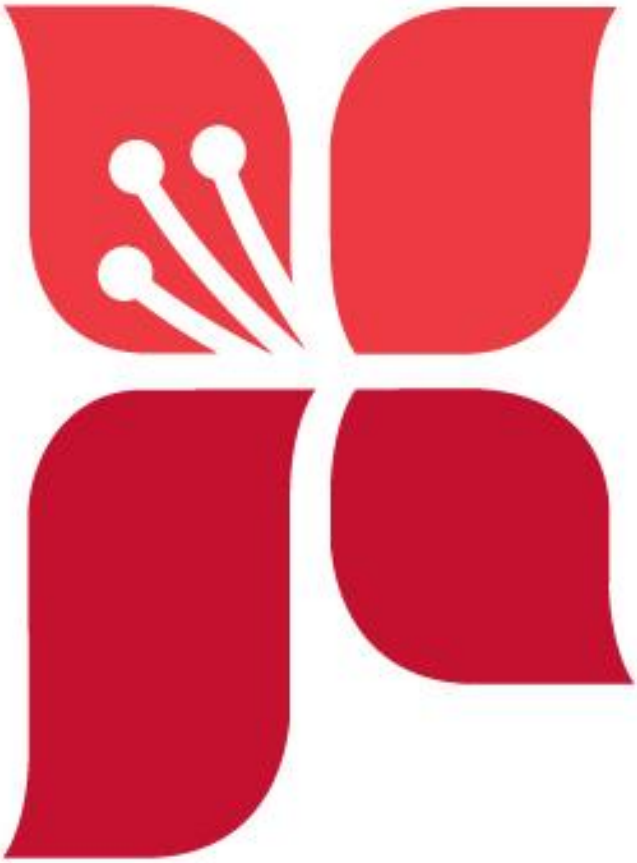

FUND FINANCIAL STATEMENTS

Non-Major Governmental Funds

Special Revenue Funds

These funds account for the proceeds of specific revenue sources other than special assessments, expendable trust, or major capital projects. These revenues finance particular activities or functions as required by law or administrative regulations. The City of University Place's Non-major Special Revenue Funds are summarized below.

Street Fund
The Street Fund was established in accordance with RCW 35A.37.010 to account for maintenance and improvement of the City's street and traffic control systems.

Arterial Street Fund
The Arterial Street Fund was established in accordance with RCW 82.36.020 for the administration of the State-levied motor vehicle fuel tax. These revenues are to be used for the construction, improvement, chip sealing, seal coating, and repair of arterial highways and city streets, or for the payment of related municipal debt.

Real Estate Excise Tax Fund
The REET fund accounts for the receipt and disbursement of the .25% real estate excise tax that is dedicated for capital purposes including public buildings and facilities, parks and debt service associated with such capital oriented projects. The fund also accounts for the receipt and expenditure of the additional .25% real estate excise tax authorized by the Growth Management Act. These revenues are restricted to financing capital projects that are specified in the capital facilities plan.

Traffic Impact Fee Fund
The Traffic Impact Fee Fund was established in accordance with RCW 82.02.050 to account for fees received from developers whose projects trigger the imposition of these fees. The fees pay for the incremental impact of the traffic generated by that construction. The funds are restricted for use in construction of specific roadway improvements identified in the enabling ordinances.

Path and Trails Reserve Fund
The Path and Trails Reserve Fund was established in accordance with State law to accumulate unexpended proceeds of the City's one-half percent motor vehicle fuel tax receipts that are restricted in use to the construction and maintenance of path and trails within City right-of-way.

Donations Fund
The Donations Fund was established to receive donations designated for specific purposes identified by the donor.

Capital Projects Funds
These funds are used to account for the acquisition or development of major facilities, except those projects financed by proprietary funds. Sources of these funds include general obligation bond proceeds, federal and state grants, general property taxes, interest earnings, and transfers from other funds.

Parks Capital Projects Fund
The Parks Capital Projects Fund accounts for receipts and disbursements related to acquisitions, design, construction, and any other related park capital project expenditures. Fund appropriations do not lapse at the end of any calendar year, but remain in effect until such projects are complete. All Parks costs associated with acquisitions, improvements, issuance of bonds, and other costs shall be paid by this fund.

Municipal Facilities Capital Projects Fund
The Municipal Facilities Capital Projects Fund was established to account for receipts and disbursements of bond proceeds from the 1996 Limited Tax General Obligation Bond approved by Council.

City of University Place
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2013

	Total Nonmajor Special Revenue Governmental Funds	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS			
Cash and cash equivalents	$ 1,099,837	537,918	$ 1,637,755
Accounts receivable	3,077	-	3,077
Due from other governments	86,583	-	86,583
TOTAL ASSETS	1,189,497	537,918	1,727,415
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts/payroll payable	44,343	6,810	51,153
Total liabilities	44,343	6,810	51,153
Fund balances:			
Restricted			
Arterterial street construction and maintenance	13,137	-	13,137
Capital facilities plan financing	218,240	-	218,240
Traffic impact-roadway improvements	843,036	-	843,036
Path and trails construction and maintenance	3,236	-	3,236
Donations	67,505	-	67,505
Parks Capital Improvement	-	531,108	531,108
Total fund balances	1,145,154	531,108	1,676,262
Total liabilities and fund balances	$ 1,189,497	$ 537,918	$ 1,727,415

City of University Place
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Funds
For the Year Ended December 31, 2013

	Total Nonmajor Special Revenue Governmental Funds	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES			
Taxes	$ 630,524	$ -	$ 630,524
Intergovernmental	647,406	-	647,406
Charges for goods and services	139,433	405,546	544,979
Other	69,273	-	69,273
Total revenues	1,486,636	405,546	1,892,182
EXPENDITURES			
Current:			
General government	35,674	2,737	38,411
Transportation	866,437	-	866,437
Economic environment	-	-	-
Culture and recreation	43,687	9,273	52,960
Capital outlay	19,360	314,490	333,850
Total expenditures	965,158	326,500	1,291,658
Excess (deficiency) of revenues over expenditures	521,478	79,046	600,524
OTHER FINANCING SOURCES (USES)			
Transfers in	448,901	3,208	452,109
Transfers out	(818,472)	-	(818,472)
Total other financing sources and uses	(369,571)	3,208	(366,363)
Net change in fund balances	151,907	82,254	234,161
Fund balances -- beginning	993,248	448,855	1,442,103
Fund balances -- ending	$ 1,145,155	$ 531,109	$ 1,676,264

City of University Place
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2013

	Street Fund	Arterial Street Fund	Real Estate Excise Tax	Traffic Impact Fund	Path and Trails Reserve Fund	Donations Fund	Total Nonmajor Special Revenue Governmental Funds
ASSETS							
Cash and cash equivalents	$ 5,828	$ (3,153)	$ 183,046	$ 843,036	$ 2,979	$ 68,101	$ 1,099,837
Accounts receivable	3,077	-	-	-	-	-	3,077
Due from other governments	34,842	16,290	35,194	-	257	-	86,583
TOTAL ASSETS	43,747	13,137	218,240	843,036	3,236	68,101	1,189,497
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts/payroll payable	43,747	-	-	-	-	596	44,343
Total liabilities	43,747	-	-	-	-	596	44,343
Fund balances:							
Restricted							
Arterterial street construction and maintenance	-	13,137	-	-	-	-	13,137
Capital facilities plan financing	-	-	218,240	-	-	-	218,240
Traffic impact-roadway improvements	-	-	-	843,036	-	-	843,036
Path and trails construction and maintenance	-	-	-	-	3,236	-	3,236
Donations	-	-	-	-	-	67,505	67,505
Parks Capital Improvement	-	-	-	-	-	-	-
Total fund balances	-	13,137	218,240	843,036	3,236	67,505	1,145,154
Total liabilities and fund balances	$ 43,747	$ 13,137	$ 218,240	$ 843,036	$ 3,236	$ 68,101	$ 1,189,497

City of University Place
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Funds
For the Year Ended December 31, 2013

	Street Fund	Arterial Street Fund	Real Estate Excise Tax	Traffic Impact Fund	Path and Trails Reserve Fund	Donations Fund	Total Nonmajor Special Revenue Governmental Funds
REVENUES							
Taxes	$ -	$ -	$ 626,932	$ 3,592	$ -	$ -	$ 630,524
Intergovernmental	438,941	205,229	-	-	3,236	-	647,406
Charges for goods and services	-	-	-	133,478	-	5,955	139,433
Other	26,713	-	-	-	-	42,560	69,273
Total revenues	465,654	205,229	626,932	137,070	3,236	48,515	1,486,636
EXPENDITURES							
Current:							
General government	34,944	-	-	-	-	730	35,674
Transportation	866,437	-	-	-	-	-	866,437
Economic environment	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	43,687	43,687
Capital outlay	19,360	-	-	-	-	-	19,360
Total expenditures	920,741	-	-	-	-	44,417	965,158
Excess (deficiency) of revenues over expenditures	(455,087)	205,229	626,932	137,070	3,236	4,098	521,478
OTHER FINANCING SOURCES (USES)							
Transfers in	448,901	-	-	-	-	-	448,901
Transfers out	-	(208,075)	(607,189)	-	(3,208)	-	(818,472)
Total other financing sources and uses	448,901	(208,075)	(607,189)	-	(3,208)	-	(369,571)
Net change in fund balances	(6,186)	(2,846)	19,743	137,070	28	4,098	151,907
Fund balances -- beginning	6,187	15,983	198,499	705,965	3,207	63,407	993,248
Fund balances -- ending	$ 1	$ 13,137	$ 218,242	$ 843,035	$ 3,235	$ 67,505	$ 1,145,155

City of University Place
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2013

	Parks	Municipal	Total Nonmajor Capital Projects Funds
ASSETS			
Cash and cash equivalents	$ 537,918	$ -	537,918
TOTAL ASSETS	537,918	-	537,918
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts/payroll payable	6,810	-	6,810
Total liabilities	6,810	-	6,810
Fund balances:			
Restricted			
Parks Capital Improvement	531,108	-	531,108
Total fund balances	531,108	-	531,108
Total liabilities and fund balances	$ 537,918	$ -	$ 537,918

City of University Place
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Funds
For the Year Ended December 31, 2013

	Parks	Municipal	Total Nonmajor Capital Projects Funds
REVENUES			
Taxes	$ -	$ -	$ -
Intergovernmental	-	-	-
Charges for goods and services	405,546	-	405,546
Other	-	-	-
Total revenues	405,546	-	405,546
EXPENDITURES			
Current:			
General government	-	2,737	2,737
Transportation	-	-	-
Economic environment	-	-	-
Culture and recreation	9,273	-	9,273
Capital outlay	314,490	-	314,490
Total expenditures	323,763	2,737	326,500
Excess (deficiency) of revenues over expenditures	81,783	(2,737)	79,046
OTHER FINANCING SOURCES (USES)			
Transfers in	3,208	-	3,208
Transfers out	-	-	-
Total other financing sources and uses	3,208	-	3,208
Net change in fund balances	84,991	(2,737)	82,254
Fund balances -- beginning	446,118	2,737	448,855
Fund balances -- ending	$ 531,109	$ -	$ 531,109

BUDGETARY COMPARISON SCHEDULE

Non-Major Governmental Funds

Non-Major Governmental Budgetary Comparison Statements include the following:

- Special Revenue Funds
  - Street Fund
  - Arterial Street Fund
  - Real Estate Excise Tax Fund
  - Traffic Impact Fund
  - Path and Trails Reserve Fund
  - Donations Fund

- Capital Projects Funds
  - Parks Capital Projects Fund
  - Public Works Capital Projects FUnd
  - Municipal Facilities Capital Projects Fund

Managerial Funds

These funds account for the proceeds of specific revenue sources other than special assessments, expendable trust, or major capital projects. These revenues finance particular activities or functions as required by law or administrative regulations. The City of University Place's Non-major Special Revenue Funds are summarized below.

Parks and Recreation Fund
The Parks and Recreation Fund was established to identify revenues and expenditures related to the operation of Parks and Recreation. Recreation is being funded primarily through user fees from the programs, donations and revenue from fundraising events. The administration of Recreation is funded by a transfer from the General Fund. Parks maintenance is funded through a transfer from the General Fund.

Development Services Fund
The Development Services Fund was established to identify revenues and expenditures related to planning, building and engineering associated with private development. Non fee supported activities (including, but not limited to, long range planning, customer service, general administration and special projects management) are funded by a transfer from the General Fund.

Police and Public Safety Fund
The Police and Public Safety Fund was established to identify revenues and expenditures related to police services, court services, jail services, city attorney's office, crime prevention, animal control, code enforcement, and emergency management. It is funded through property taxes, revenues identified by state statutes collected in support of public safety, fines and forfeitures, pet license fees, and grants.

Strategic Reserve Fund
The Strategic Reserve Fund was established by ordinance to set aside financial resources for mitigating adverse situations caused by severe short-term revenue shortfalls, expenditures resulting from emergencies, or as otherwise designated by the City Council. Per City Ordinance 179, the fund is financed by transferring undesignated and unreserved fund balance, (now classified as unassigned fund balance by GASB 54) in the General Fund at the end of each calendar year or by other appropriation, as deemed appropriate by the City Council. This fund is a recourse of last resort and shall be used only when no other reasonable financial management alternative exists.

City of University Place
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (GAAP Basis) and Actual
Street Fund
Year Ended December 31, 2013

	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Intergovernmental	$ 445,000	$ 435,000	$ 438,941	3,941
Other	15,000	15,000	26,713	11,713
Total revenues	460,000	450,000	465,654	15,654
EXPENDITURES				
Current:				
General government	51,946	51,946	34,944	17,002
Transportation	986,059	961,059	866,439	94,620
Capital outlay	-	-	19,360	(19,360)
Total expenditures	1,038,005	1,013,005	920,743	92,262
Excess (deficiency) of revenues over expenditures	(578,005)	(563,005)	(455,089)	107,916
OTHER FINANCING SOURCES (USES)				
Transfers in	578,005	556,817	448,901	(107,916)
Total other financing sources and uses	578,005	556,817	448,901	(107,916)
Net Change in fund balances	-	(6,188)	(6,188)	-
Fund balances, beginning	6,188	6,188	6,188	-
Fund balances, ending	$ 6,188	$ -	$ -	$ -

City of University Place
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (GAAP Basis) and Actual
Arterial Street Fund
Year Ended December 31, 2013

	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Intergovernmental	$ 205,000	$ 205,000	$ 205,228	228
Total revenues	205,000	205,000	205,228	228
EXPENDITURES				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	205,000	205,000	205,228	228
OTHER FINANCING SOURCES (USES)				
Transfers out	(208,075)	(208,075)	(208,075)	-
Total other financing sources and uses	(208,075)	(208,075)	(208,075)	-
Net Change in fund balances	(3,075)	(3,075)	(2,847)	228
Fund balances, beginning	15,984	15,984	15,984	-
Fund balances, ending	$ 12,909	$ 12,909	$ 13,137	$ 228

City of University Place
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (GAAP Basis) and Actual
Real Estate Excise Tax Fund
Year Ended December 31, 2013

	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	$ 376,000	$ 572,000	$ 626,932	$ 54,932
Total revenues	376,000	572,000	626,932	54,932
EXPENDITURES				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	376,000	572,000	626,932	54,932
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(397,190)	(607,190)	(607,189)	1
Total other financing sources and uses	(397,190)	(607,190)	(607,189)	1
Net Change in fund balances	(21,190)	(35,190)	19,743	54,933
Fund balances, beginning	198,498	198,498	198,498	-
Fund balances, ending	$ 177,308	$ 163,308	$ 218,241	$ 54,933

City of University Place
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (GAAP Basis) and Actual
Parks & Recreation Fund
Year Ended December 31, 2013

	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Intergovernmental	$ 16,250	$ 16,250	$ 15,005	(1,245)
Charges for goods and services	283,200	283,200	377,455	94,255
Other	5,000	5,000	31,442	26,442
Total revenues	304,450	304,450	423,902	119,452
EXPENDITURES				
Current:				
General government	96,886	96,886	61,810	35,076
Transportation	16,868	16,868	8,662	8,206
Economic environment	31,000	31,000	22,500	8,500
Culture and recreation	897,705	898,953	957,321	(58,368)
Total expenditures	1,042,459	1,043,707	1,050,293	(6,586)
Excess (deficiency) of revenues over expenditures	(738,009)	(739,257)	(626,391)	112,866
OTHER FINANCING SOURCES (USES)				
Transfers in	738,007	739,257	626,391	(112,866)
Total other financing sources and uses	738,007	739,257	626,391	(112,866)
Net Change in fund balances	(2)	-	-	-
Fund balances, beginning	1	1	1	-
Fund balances, ending	$ (1)	$ 1	$ 1	$ -

City of University Place
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (GAAP Basis) and Actual
Traffic Impact Fund
Year Ended December 31, 2013

	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	$ -	$ -	$ 3,592	$ 3,592
Charges for goods and services	116,150	116,150	133,479	17,329
Total revenues	116,150	116,150	137,071	20,921
EXPENDITURES				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	116,150	116,150	137,071	20,921
Net Change in fund balances	116,150	116,150	137,071	20,921
Fund balances, beginning	705,965	705,965	705,965	-
Fund balances, ending	$ 822,115	$ 822,115	$ 843,036	$ 20,921

City of University Place
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (GAAP Basis) and Actual
Development Services Fund
Year Ended December 31, 2013

	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Licenses and permits	$ 327,702	$ 427,702	$ 257,749	(169,953)
Charges for goods and services	67,295	67,295	334,266	266,971
Fines and forfeitures	-	-	4,671	4,671
Miscellaneous:				
Other	-	-	13,293	13,293
Total revenues	394,997	494,997	609,979	114,982
EXPENDITURES				
Current:				
General government	106,250	106,250	73,802	32,448
Transportation	4,350	4,350	4,982	(632)
Economic environment	837,594	987,460	897,753	89,707
Total expenditures	948,194	1,098,060	976,537	121,523
Excess (deficiency) of revenues over expenditures	(553,197)	(603,063)	(366,558)	236,505
OTHER FINANCING SOURCES (USES)				
Transfers in	630,710	693,899	387,373	306,526
Transfers out	(130,000)	(26,033)	(26,033)	-
Total other financing sources and uses	500,710	667,866	361,340	306,526
Net Change in fund balances	(52,487)	64,803	(5,218)	543,031
Fund balances, beginning	8,086	8,086	8,086	-
Fund balances, ending	$ (44,401)	$ 72,889	$ 2,868	$ 543,031

City of University Place
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (GAAP Basis) and Actual
Police Public Safety Fund
Year Ended December 31, 2013

	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	$ 4,253,569	$ 4,253,569	$ 4,365,098	$ 111,529
Licenses and permits	78,500	68,500	66,712	(1,788)
Intergovernmental	122,099	129,299	169,598	40,299
Charges for goods and services	10,000	50,732	63,196	12,464
Fines and forfeitures	2,000	2,000	6,618	4,618
Miscellaneous:				
Other	-	-	121	121
Total revenues	4,466,168	4,504,100	4,671,343	167,243
EXPENDITURES				
Current:				
General government	635,801	630,809	524,018	106,791
Public safety	3,658,798	3,736,077	3,611,011	125,066
Utilities and environment	-	-	-	-
Transportation	7,300	4,069	4,458	(389)
Economic environment	122,834	79,392	86,799	(7,407)
Total expenditures	4,424,733	4,450,347	4,226,286	224,061
Excess (deficiency) of revenues over expenditures	41,435	53,753	445,057	391,304
OTHER FINANCING SOURCES (USES)				
Transfers out	-	(10,768)	(10,768)	-
Total other financing sources and uses	-	(10,768)	(10,768)	-
Net Change in fund balances	41,435	42,985	434,289	391,304
Fund balances, beginning	249,729	249,729	249,729	-
Fund balances, ending	$ 291,164	$ 292,714	$ 684,018	$ 391,304

City of University Place
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (GAAP Basis) and Actual
Path and Trails Reserve Fund
Year Ended December 31, 2013

	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Intergovernmental	$ 3,248	$ 3,248	$ 3,237	(11)
Total revenues	3,248	3,248	3,237	(11)
EXPENDITURES				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	3,248	3,248	3,237	(11)
OTHER FINANCING SOURCES (USES)				
Transfers out	(3,409)	(3,409)	(3,208)	201
Total other financing sources and uses	(3,409)	(3,409)	(3,208)	201
Net Change in fund balances	(161)	(161)	29	190
Fund balances, beginning	3,207	3,207	3,207	-
Fund balances, ending	$ 3,046	$ 3,046	$ 3,236	$ 190

City of University Place
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (GAAP Basis) and Actual
Donations Fund
Year Ended December 31, 2013

	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Charges for goods and services	$ -	$ -	$ 5,955	5,955
Miscellaneous:				
Other	-	-	42,560	42,560
Total revenues	-	-	48,515	48,515
EXPENDITURES				
Current:				
General government	-	916	730	186
Economic environment	-	798	-	798
Culture and recreation	-	61,694	43,687	18,007
Total expenditures	-	63,408	44,417	18,991
Excess (deficiency) of revenues over expenditures	-	(63,408)	4,098	67,506
Net Change in fund balances	-	(63,408)	4,098	67,506
Fund balances, beginning	63,407	63,407	63,407	-
Fund balances, ending	$ 63,407	$ (1)	$ 67,505	$ 67,506

City of University Place
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (GAAP Basis) and Actual
Strategic Reserve Fund
Year Ended December 31, 2013

	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES	$ -	$ -	$ -	$ -
OTHER FINANCING SOURCES (USES)	-	-	-	-
Net Change in fund balances	-	-	-	-
Fund balances, beginning	856,934	856,934	856,934	-
Fund balances, ending	$ 856,934	$ 856,934	$ 856,934	$ -

City of University Place
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (GAAP Basis) and Actual
Debt Service Fund
Year Ended December 31, 2013

	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Total revenues	-	-	-	-
EXPENDITURES				
Debt service:				-
Principal retirement	1,242,469	1,242,469	1,161,240	(81,229)
Interest	2,412,189	2,412,189	2,406,231	(5,958)
Total expenditures	3,654,658	3,654,658	3,567,471	(87,187)
Excess (deficiency) of revenues over expenditures	(3,654,658)	(3,654,658)	(3,567,471)	(87,187)
OTHER FINANCING SOURCES (USES)				
Transfers in	3,824,658	3,654,658	3,567,470	(87,188)
Total other financing sources and uses	3,824,658	3,654,658	3,567,470	(87,188)
Net Change in fund balances	170,000	-	(1)	(1)
Fund balances, beginning	-	-	-	-
Fund balances, ending	$ 170,000	$ -	$ (1)	$ (1)

City of University Place
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (GAAP Basis) and Actual
Parks Capital Projects Fund
Year Ended December 31, 2013

	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Charges for goods and services	$ 35,800	$ 35,800	$ 405,546	369,746
Total revenues	35,800	35,800	405,546	369,746
EXPENDITURES				
Current:				
Culture and recreation	-	6,000	9,274	(3,274)
Capital outlay	364,900	479,328	314,490	164,838
Total expenditures	364,900	485,328	323,764	161,564
Excess (deficiency) of revenues over expenditures	(329,100)	(449,528)	81,782	531,310
OTHER FINANCING SOURCES (USES)				
Transfers in	3,409	3,409	3,208	(201)
Total other financing sources and uses	3,409	3,409	3,208	(201)
Net Change in fund balances	(325,691)	(446,119)	84,990	531,109
Fund balances, beginning	446,119	446,119	446,119	-
Fund balances, ending	$ 120,428	$ -	$ 531,109	$ 531,109

City of University Place
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (GAAP Basis) and Actual
Public Works Capital Improvement Fund
Year Ended December 31, 2013

	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Intergovernmental	$ 4,753,423	$ 9,089,881	$ 3,236,909	(5,852,972)
Charges for goods and services	-	-	79,288	79,288
Miscellaneous:				
Other	190,942	193,364	20,143	(173,221)
Total revenues	4,944,365	9,283,245	3,336,340	(5,946,905)
EXPENDITURES				
Current:				
General government	-	-	13,510	(13,510)
Transportation	1,639,876	1,350,969	536,902	814,067
Capital outlay	5,421,985	13,022,135	3,366,852	9,655,283
Total expenditures	7,061,861	14,373,104	3,917,264	10,455,840
Excess (deficiency) of revenues over expenditures	(2,117,496)	(5,089,859)	(580,924)	4,508,935
OTHER FINANCING SOURCES (USES)				
Transfers in	3,896,794	4,935,846	964,957	(3,970,889)
Transfers out	(1,779,298)	(92,170)	-	92,170
Debt proceeds		12,445,000	-	(12,445,000)
Total other financing sources and uses	2,117,496	17,288,676	964,957	(16,323,719)
Net Change in fund balances	-	12,198,817	384,033	(11,814,784)
Fund balances, beginning	246,185	246,185	246,185	-
Fund balances, ending	$ 246,185	$ 12,445,002	$ 630,218	$ (11,814,784)

City of University Place
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (GAAP Basis) and Actual
Municipal Facilities Capital Improvement Fund
Year Ended December 31, 2013

	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Total revenues	-	-	-	-
EXPENDITURES				
Current:				
General government	-	2,737	2,737	-
Total expenditures	-	2,737	2,737	-
Excess (deficiency) of revenues over expenditures	-	(2,737)	(2,737)	-
Net Change in fund balances	-	(2,737)	(2,737)	-
Fund balances, beginning	2,737	2,737	2,737	-
Fund balances, ending	$ 2,737	$ -	$ -	$ -

NON-MAJOR FUNDS

Proprietary Funds

Internal Service Funds

These funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, on a cost reimbursement basis.

The **Fleet and Equipment Fund** accounts for the costs of maintaining and replacing the majority of City vehicles and auxiliary equipment. All equipment costs, including depreciation, are factors in calculating the rates that are charged to each user department.

The **Information Technology and Services Fund** accounts for all costs associated with data processing, telecommunications, cable, postal operations, copier and duplication services, and the Geographical Information System (GIS). This fund owns and depreciates all non-proprietary fund assets related to these functions, and charges users for both maintenance and operating costs and equipment replacement charges based on depreciation schedules.

The **Risk Management Fund** accounts for the City's risk financing activities established to minimize the adverse effects of losses associated with property and casualty, medical and dental, unemployment, and worker's compensation claims. Both risk control (to minimize the losses that strike an organization) and risk financing (to obtain finances to provide for or restore the economic damages of those losses) are involved. The City is a member of Washington Cities Insurance Authority (WCIA), which offers a combination of self-insurance, or standard insurance to cover liability and property risks. The City is currently self-insuring only State Unemployment Compensation. Related premiums received by the fund are used to reimburse the unemployment benefits paid to eligible individuals and to establish reserves for the payment of estimated future unemployment claims liability.

City of University Place
Combining Statement of Net Position
Internal Service Funds
December 31, 2013

	Fleet and Equipment Fund	Information Technology and Services Fund	Risk Management Fund	Govt. Activities Total Internal Service Funds
ASSETS				
Current assets:				
Cash and cash equivalents	$ 43,101	$ 45,191	$ 1	$ 88,293
Total current assets:	43,101	45,191	1	88,293
Noncurrent assets:				
Capital assets:				
Machinery and equipment	1,060,114	346,989	10,043	1,417,146
Accumulated depreciation	(481,466)	(175,687)	-	(657,153)
Total noncurrent assets:	578,648	171,302	10,043	759,993
Total assets	621,749	216,493	10,044	848,286
DEFERRED OUTFLOWS OF RESOURCES	-	-	-	-
LIABILITIES AND FUND BALANCES				
Current liabilities:				
Accounts payable and accrued expenses	11,202	17,525	-	28,727
Total current liabilities:	11,202	17,525	-	28,727
Non current liabilities:				
Compensated absences	-	21,027	-	21,027
Total Non current liabilities:	-	21,027	-	21,027
Total liabilities	11,202	38,552	-	49,754
DEFERRED INFLOWS OF RESOURCES	-	-	-	-
NET POSITION				
Net investment in capital assets	578,648	171,302	10,043	759,993
Unrestricted	31,899	6,639	1	38,539
Total net position	$ 610,547	$ 177,941	$ 10,044	$ 798,532

City of University Place
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets
Internal Service Funds
For the Year Ended December 31, 2013

	Fleet and Equipment Fund	Information Technology and Services Fund	Risk Management Fund	Total Internal Service Funds (Govt. Activities)
Operating revenues:				
Charges for goods and services	$ 100,219	$ 302,613	$ 145,633	$ 548,465
Total operating revenues	100,219	302,613	145,633	548,465
Operating expenses:				
Personnel services	-	213,686	-	213,686
Services and charges	38,027	145,273	-	183,300
Material and supplies	62,192	260,258	1,830	324,280
Insurance	-	-	133,246	133,246
Claims	-	-	513	513
Depreciation	56,642	27,526	-	84,168
Total operating expenses	156,861	646,743	135,589	939,193
Operating income (loss)	(56,642)	(344,130)	10,044	(390,728)
Nonoperating revenues (expenses):				
Other income	1,654	-	-	1,654
Sale of Surplus	10,470			10,470
Total non operating revenue	12,124	-	-	12,124
Income (loss) before transfers	(44,518)	(344,130)	10,044	(378,604)
Transfers in	359,507	373,851	-	733,358
Transfers out	(188,150)	-	-	(188,150)
Change in net assets	126,839	29,721	10,044	166,604
Net position at beginning of year	489,611	142,317	-	631,928
Prior period adjustments	(5,903)	5,903	-	-
Net position at end of year	$ 610,547	$ 177,941	$ 10,044	$ 798,532

City of University Place
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2013

	Fleet and Equipment Fund	Information Technology and Services Fund	Risk Managemement Fund	Govt. Activities Total Internal Service Funds
Cash flows from operating activities:				
Receipts from customers and users	$ 100,219	$ 302,613	$ 145,633	$ 548,465
Payments to employees	-	(209,171)	-	(209,171)
Payments for goods and services	(104,091)	(431,056)	(1,830)	(536,977)
Payments for insurance	-	-	(133,246)	(133,246)
Claims	$ -	-	(513)	(513)
Net cash provided by operating activities	(3,872)	(337,614)	10,044	(331,442)
Cash flows from noncapital financing activities:				
Transfers from other funds	359,507	373,851	-	733,358
Transfers to other funds	(188,150)	-	-	(188,150)
Compensation for Loss/Capital Assets	1,654	-	-	1,654
Net cash (used) by Noncapital financing	173,011	373,851	-	546,862
Cash flows from capital and related financing activities:				
Proceeds from sales of capital assets	10,470	-		10,470
Payment for capital acquisitions	(414,231)	(161,210)	(10,043)	(585,484)
Net cash (used) by capital and related financing activities	(403,761)	(161,210)	(10,043)	(575,014)
Net Increase (decrease) in cash and cash equivalents	(234,622)	(124,973)	1	(359,594)
Cash and cash equivalents, beginning of year	283,625	164,262	-	447,887
Prior period adjustments	(5,903)	5,903	-	-
Cash and cash equivalents, end of year	$ 43,100	$ 45,192	$ 1	$ 88,293
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	$ (56,642)	$ (344,130)	$ 10,044	(390,728)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation	56,642	27,526	-	84,168
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	-	-	-	-
Increase (decrease) in vouchers payable	-	-	-	-
Increase (decrease) in accounts payable	(3,872)	(25,525)	-	(29,397)
Increase (decrease) in compensated absences	-	4,515	-	4,515
Net cash provided by operating activities	$ (3,872)	$ (337,614)	$ 10,044	$ (331,442)

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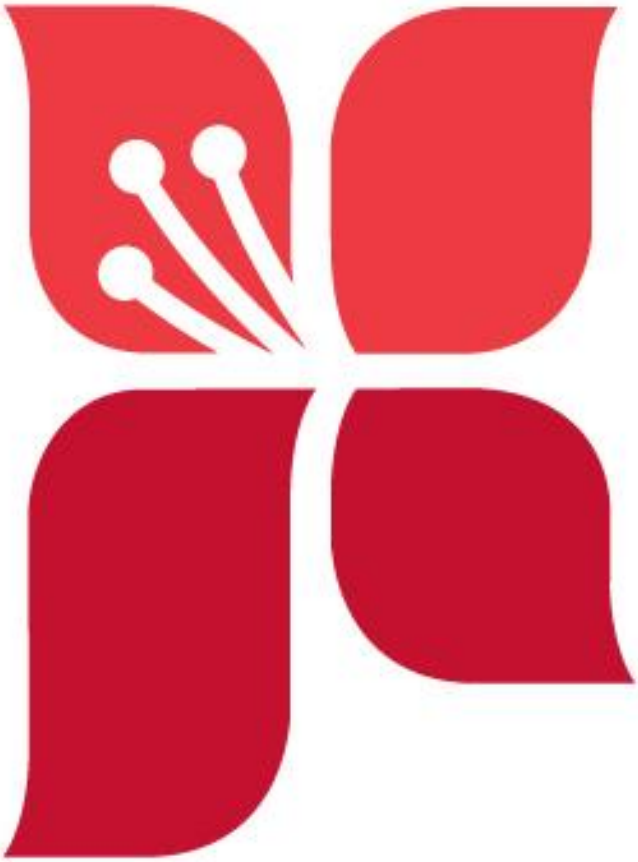

City of University Place
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2013

1	2	3	4	5			6
				Expenditures			
Federal Agency Name/Pass-Through Agency Name	**Federal Program Name**	**CFDA Number**	**Other I.D. Number**	**From Pass-Through Awards**	**From Direct Awards**	**Total**	**Foot-Note Ref.**
U.S. Department of HUD/Pass-Through Pierce County Department of Community Services	Community Development Block Grants/Entitlement Grants	14.218	90779	115,212		115,212	
			90453	12,377		12,377	
			91511	2,627		2,627	
			Subtotal	$ 130,216		$ 130,216	
U.S. Department of Transportation (NHTSA)/Pass Through Washington Traffic Safety Commission	State and Community Highway Safety	20.600	N/A	7,205		7,205	
		20.600	N/A	466		466	
	Alcohol Impaired Driving	20.601	N/A	1,170		1,170	
			Subtotal	$ 8,841		$ 8,841	
U.S. Department of Justice Bureau of Justice Assistance	Edward Byrne Memorial Justice Assistance Grant Program	16.738	2011-DJ-BX-3262	2,228	$ -	2,228	
			2012-DJ-BX-0347	10,768	$ -	10,768	
			Subtotal	12,996		12,996	
US Department of Transportation/Pass Through from WSDOT	Highway Planning and Construction	20.205	SPUL-2947(011)	216,400		216,400	
			STPUL-CM-2947(014)	52,080		52,080	
			STPUL-CM-2957(006)	21,595		21,595	
			SRTS-3236(009)	798,295		798,295	
			SRTS-32239(001)	715,962		715,962	
			STPUL-3236(010)	293,836		293,836	
			DTPUL-3214(002)	236,081		236,081	
			Subtotal	2,334,249		2,334,249	
US Environmental Protection Agency	Congressionally Mandated Projects	66.202	XP-00J47001-0		$ 248,539	$ 248,539	
TOTAL FEDERAL AWARDS EXPENDED				**$ 2,486,302**	**$ 248,539**	**$ 2,734,841**	

Note 1.-BASIS OF ACCOUNTING
The Schedule of Financial Assistance is prepared on the same basis of accounting as the City of University Place's governmental fund financial statements. The City uses the modified accrual basis of accounting, which is the basis adapted to governmental fund-type measurement focus. All grants reported on this schedule have been accounted for in governmental fund types. Grant revenues are determined to be earned and available at the time related expenditures are incurred. For this reason, grant revenues to be received as reimbursement for expenditures incurred in the current year are also recognized as revenue in that year.

City of University Place
Schedule of State and Local Financial Assistance
Year Ended December 31, 2013

Grantor/Program Title	Identification Number		Current Year Expenditures
Washington State Department of Ecology			
Bridgeport Low Impact			68,543
University Place Local Government Storm Water Grant 2011			158,308
Total Washington State Department of Ecology		$	226,851
Washington State Department of Transportation			
Safe Routes Grandview Drive	HLP-SR09(010)		20,602
Safe Routes 40th Street W.	HLP-SR09(011)		49,765
Total Washington State Department of Transportation		$	70,367
TOTAL STATE ASSISTANCE		$	297,218
Pierce County			
University Hills Sewer Project			400,000
Total County Assistance		$	400,000
TOTAL STATE AND LOCAL ASSISTANCE		**$**	**697,218**

Note 1.-BASIS OF ACCOUNTING
The Schedule of Financial Assistance is prepared on the same basis of accounting as the City of University Place's governmental fund financial statements. The City uses the modified accrual basis of accounting, which is the basis adapted to governmental fund-type measurement focus. All grants reported on this schedule have been accounted for in governmental fund types. Grant revenues are determined to be earned and available at the time related expenditures are incurred. For this reason, grant revenues to be received as reimbursement for expenditures incurred in the current year are also recognized as revenue in that year.

Note 2.-WASHINGTON STATE DEPARTMENT OF TRANSPORTION GRANTS
The Grandview Drive and 40th Street W. Safe Routes to Schools grants were amended to allow prior year expenditures of $20,602 and $49,765 respectively to be claimed as contruction eligible costs to offset unspent grant funds for preliminary engineering and education/enforcement. The prior year expenditures were not previously reported.

Note 3.-PIERCE COUNTY - UNIVERSITY HILLS SEWER PROJECT
Final payments of $400,000 from the County was contingent on the submittal of construction reports and notice of final project completion. Of the $400,000, eligible costs incurred in 2013 were $318,530.55 and the remaining $81,469.45 were incurred in prior years. The prior year expenditures were not previously reported.

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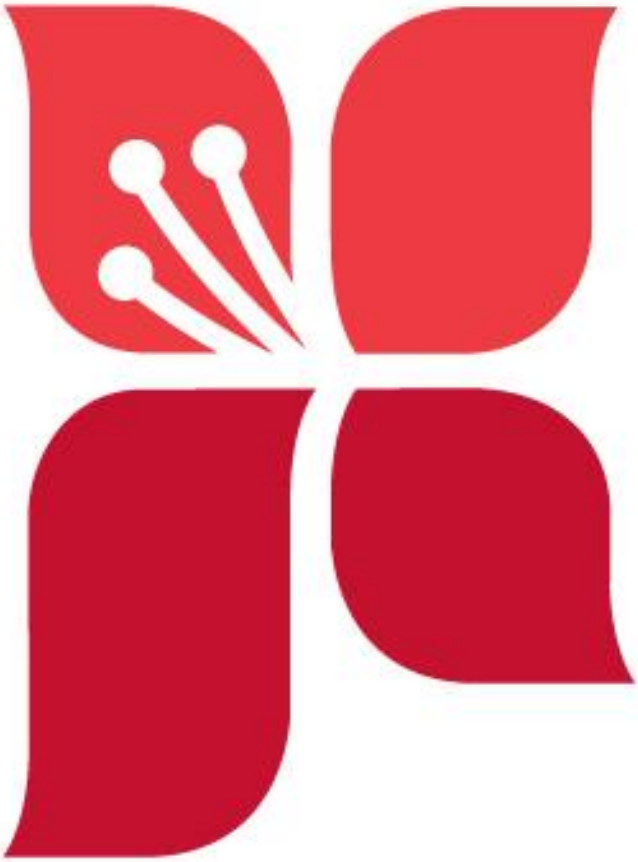

STATISTICAL SECTION

Financial Trends - These schedules contain trend information to help the reader understand how the city's financial performance and fiscal health has changed over time.

Entity Wide Perspective

Table 1 - Net Position by Component, Last Ten Years
Table 2 - Changes in Net Position, Last Ten Years
Table 3 - Program Revenues by Function/Program, Last TenYears

Fund Perspective

Table 4 - Fund Balances, Governmental Funds
Table 5 - Changes in Fund Balances, Governmental Funds

Revenue Capacity - These schedules contain information to help the reader assess the City's most significant revenue sources, property tax and retail sales tax.

Table 6 - Tax Revenue by Source
Table 7 - Assessed and Estimated Actual Value of Taxable Property – Current Year
Table 8 - Property Tax Levies - Direct and Overlapping Governments
Table 9 – Principal Taxpayers, Current and Nine Years Ago
Table 10 – Property Tax Levies and Collections
Table 11 – Sales Tax by Category
Table 12 – Direct and Overlapping Sales Tax Rates
Table 13 – Sales Tax Payers, Current and Nine Years Ago

Debt Capacity - These schedules present information used in assessing the current level of outstanding debt and the City's ability to issue additional debt in the future.

Table 14 – Ratios of Outstanding Debt by Type
Table 15 – Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt per Capita
Table 16 – Computation of Direct and Overlapping Debt
Table 17 – Computation of Limitation of Indebtedness
Table 18 – Compilation of General Obligation Debt Capacity

Demographic Statistics - These schedules offer demographic and economic indicators to help the reader understand the environment in which the City's financial activities take place.

Table 19 – Demographic Statistics
Table 20 – Principal Employers, Current and Nine Years Ago

Operating Information - These schedules offer operating data to help the reader understand how the information in the City's financial report relates to the services it provides and the activities it performs.

Table 21 – Full Time Equivalent Employees by Function
Table 22 – Operating Indicators by Function/Program
Table 23 – Capital Asset Statistics by Function/Program

LIBRARY

WHEELCHAIR RAMPS

CURTIS HIGH SCHOOL
NAVY JROTC

City of University Place

NET POSITION BY COMPONENT LAST TEN FISCAL YEARS

TABLE 1

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Total Government Activities										
Net investment in capital assets	$ 67,849,436	$ 69,383,924	$ 66,373,349	$ 58,517,697	$ 47,943,516	$ 47,536,216	$ 53,973,837	$ 52,262,278	$ 54,839,331	$ 51,594,485
Restricted										$ 4,977,561
Unrestricted	10,637,566	6,793,512	5,905,689	7,196,584	6,222,745	7,576,258	2,854,864	7,662,636	8,335,771	1,290,337
Total Government Activities Net Position	$ 78,487,002	$ 76,177,436	$ 72,279,038	$ 65,714,281	$ 54,166,261	$ 55,112,474	$ 56,828,701	$ 59,924,914	$ 63,175,102	$ 57,862,383
Business Type Activities										
Restricted	-	-	-	-	-	-	-	-	-	3,882,944
Total Business Type Activities Net Position	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,882,944
Primary Government										
Net Investment in Capital Assets	$ 67,849,436	$ 69,383,924	$ 66,373,349	$ 58,517,697	$ 47,943,516	$ 47,536,216	$ 53,973,837	$ 52,262,278	$ 54,839,331	$ 51,594,485
Restricted	-	-	-	-	-	-	-	-	-	8,860,505
Unrestricted	10,637,566	6,793,512	5,905,689	7,196,584	6,222,745	7,576,258	2,854,864	7,662,636	8,335,771	1,290,337
Total Primary Government Net Position	$ 78,487,002	$ 76,177,436	$ 72,279,038	$ 65,714,281	$ 54,166,261	$ 55,112,474	$ 56,828,701	$ 59,924,914	$ 63,175,102	$ 61,745,327

Source: City of University Place CAFR 2003-2012
City adopted GASB 34 in Fiscal Year 2003

City of University Place

CHANGES IN NET POSITION LAST TEN YEARS

TABLE 2

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Expenses										
Governmental Activities										
General Government	$ 3,407,468	$ 2,946,814	$ 5,286,655	$ 4,273,648	$ 4,093,015	$ 4,396,297	$ 4,528,050	$ 5,583,679	$ 4,078,073	$ 4,135,066
Public Safety	3,702,393	3,868,821	3,822,617	4,168,495	4,415,728	4,363,210	3,685,338	3,885,010	4,116,238	3,610,062
Physical Environment	631,772	274,159	224,425	171,685	196,215	164,811	171,793	235,696	(740)	1,501
Transportation	11,091,794	10,278,084	8,900,904	13,502,539	17,268,094	13,323,599	6,784,584	4,994,721	5,614,993	4,118,244
Economic Development	1,214,016	3,299,015	1,510,664	1,616,339	1,654,342	1,396,164	265,265	233,781	1,229,910	1,531,871
Culture and Recreation	900,823	944,675	1,198,216	1,445,780	1,468,448	1,510,424	1,276,647	571,511	921,633	1,103,983
Interest on Long Term Debt	926,084	799,776	974,856	1,159,880	1,519,783	1,842,624	2,661,848	2,707,817	2,868,939	2,750,344
Total Governmental Activities	21,874,350	22,411,344	21,918,337	26,338,366	30,615,625	26,997,129	19,373,525	18,212,215	18,829,046	17,251,071
Business-type Activity-										
Storm Water Management	-	-	-	-	-	-	-	-	-	1,559,845
Total Business-type Activity	-	-	-	-	-	-	-	-	-	1,559,845
Total Expenses	21,874,350	22,411,344	21,918,337	26,338,366	30,615,625	26,997,129	19,373,525	18,212,215	18,829,046	18,810,916
Program Revenues										
Governmental Activities										
Charges for Services										
General Government	2,481,538	2,154,594	1,902,981	1,997,227	2,121,795	2,210,936	2,632,389	2,421,481	2,884,980	3,432,163
Public Safety	-		84,848	90,766	-	-	-	-	129,907	92,195
Physical Environment	$ -	-	-	-	-	-	-	-	2,699,026	79,288
Transportation	$ -	-	-	-	-	-	-	-	-	44,434
Economic Development	2,564,591	2,832,914	3,158,802	3,523,400	3,412,101	3,838,012	3,558,410	3,626,800	714,299	736,287
Culture and Recreation	245,791	270,925	285,472	316,778	317,266	298,612	425,709	991,715	586,405	397,062
Interest on Long Term Debt										
Operating Grants and Contributions	1,361,579	19,581	28,016	81,710	69,944	215,309	174,078	116,833	2,642,625	763,943
Capital Grants and Contributions	1,055,477	839,396	303,089	1,744,611	1,597,628	5,644,741	2,211,066	2,468,217	621,526	2,816,307
Total Governmental Activities	7,708,976	6,117,410	5,763,208	7,754,492	7,518,734	12,207,610	9,001,652	9,625,046	10,278,768	8,361,679
Business-type Activity-										
Storm Water Management										
Charges for Services	-	-	-	-	-	-	-	-	-	2,819,837
Operating Grants and Contributions										158,308
Total Business-type Activity	-	-	-	-	-	-	-	-	-	2,978,145
Total Program Revenues	7,708,976	6,117,410	5,763,208	7,754,492	7,518,734	12,207,610	9,001,652	9,625,046	10,278,768	11,339,824
Revenues over (under) expenditures	(14,165,374)	(16,293,934)	(16,155,129)	(18,583,874)	(23,096,891)	(14,789,519)	(10,371,873)	(8,587,169)	(8,550,278)	(7,471,092)

TABLE 2, continued

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Revenues										
Governmental Activities										
Taxes:										
Property Taxes	3,484,790	3,391,208	3,483,775	3,576,794	3,665,872	3,742,760	3,727,676	3,780,850	3,856,992	4,012,030
Retail Sales and Use Taxes	1,849,891	1,947,492	2,628,659	2,784,774	2,992,380	2,781,426	2,541,251	2,714,260	3,093,414	3,419,454
Excise & Other Taxes	3,570,517	4,467,655	3,640,096	4,419,504	4,099,633	3,952,390	3,920,987	3,776,208	4,295,915	4,185,622
Interest and Investment Earnings	150,478	292,231	354,323	342,243	134,029	48,676	16,551	12,689	10,558	13,400
Intergovernmental Revenues	-	897,948	1,299,051	803,917	514,261	535,300	634,122	506,098	-	-
Other Revenues	222,674	314,842	850,827	91,885	142,696	575,180	1,247,513	893,277	955,057	1,068,493
Debt Proceeds	-	-	-	-	-	-	-	-	-	-
Capital Contributions to Other Governments	-	-	-	-	-	-	-	-	-	(1,764,902)
Total General Revenues and Transfers	9,278,350	11,311,376	12,256,731	12,019,117	11,548,871	11,635,732	12,088,100	11,683,382	12,211,936	10,934,097
Business-type Activity-										
Storm Water Management										(801,248)
Total Business-type Activity	-	-	-	-	-	-	-	-	-	(801,248)
Change in Net Position										
Governmental Activities	$ (4,887,024)	$ (4,982,558)	$ (3,898,398)	$ (6,564,757)	$ (11,548,020)	$ (3,153,787)	$ 1,716,227	$ 3,096,213	$ 3,661,658	$ 2,044,705
Business-type Activity-	-	-	-	-	-	-	-	-	-	617,052
	$ (4,887,024)	$ (4,982,558)	$ (3,898,398)	$ (6,564,757)	$ (11,548,020)	$ (3,153,787)	$ 1,716,227	$ 3,096,213	$ 3,661,658	$ 2,661,757

Source: City of University Place CAFR 2003-2012
City adopted GASB 34 in Fiscal Year 2003

City of University Place

PROGRAM REVENUES BY FUNCTION/PROGRAM
LAST TEN YEARS

TABLE 3

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Governmental Activities										
General Government	$ 2,836,840	$ 2,155,192	$ 1,904,781	$ 2,078,937	$ 2,123,400	$ 2,291,621	$ 2,714,295	$ 2,438,729	$ 5,246,885	$ 3,557,528
Public Safety	105,376	4,444	111,064	90,766	4,985	72,674	34,722	23,906	233,760	261,793
Physical Environment	-	6,484	-	-	-	-	-	-	2,782,067	520,034
Transportation	3,482,846	819,783	275,421	1,744,611	1,620,982	5,706,691	2,268,516	2,365,099	621,696	2,860,741
Economic Environment	304,956	2,832,914	3,158,802	3,523,400	3,452,101	3,838,012	3,558,410	3,678,741	743,867	736,287
Culture and Recreation	978,958	298,593	313,140	316,778	317,266	298,612	425,709	1,118,571	650,493	425,296
	7,708,976	6,117,410	5,763,208	7,754,492	7,518,734	12,207,610	9,001,652	9,625,046	10,278,768	8,361,679
Business-type Activity-										
Storm Water Management										
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,978,145
	-	-	-	-	-	-	-	-	-	2,978,145
Total	$ 7,708,976	$ 6,117,410	$ 5,763,208	$ 7,754,492	$ 7,518,734	$ 12,207,610	$ 9,001,652	$ 9,625,046	$ 10,278,768	$ 11,339,824

Source: City of University Place CAFR 2003-2012
City adopted GASB 34 in Fiscal Year 2003

City of University Place

FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN YEARS

TABLE 4

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Fund										
Reserved	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Unreserved	4,515,532	2,675,544	2,648,493	3,594,805	2,195,696	4,034,602	587,584	-	-	-
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	870,804	1,114,750	1,543,822
Unassigned	-	-	-	-	-	-	-	9,349	1,652,292	2,575,720
Total General Fund	4,515,532	2,675,544	2,648,493	3,594,805	2,195,696	4,034,602	587,584	880,153	2,767,042	4,119,542
All Other Governmental Funds										
Reserved	213,796	257,391	563,855	265,549	887,001	833,058	614,876	-	-	-
Unreserved										
Designated for Capital Projects Funds	3,719,769	2,031,282	1,022,635	1,684,996	1,223,506	1,495,449	480,312	-	-	-
Designated for Special Revenue Funds	638,800	711,318	746,150	797,245	814,386	820,922	823,154	-	-	-
Undesignated, Non-major Special Revenue Funds	204,390	290,756	138,077	256,012	334,950	257,404	205,731	-	-	-
Restricted	-	-	-	-	-	-	-	8,293,069	8,681,487	4,977,561
Committed	-	-	-	-	-	-	-	7,210	2,737	-
Assigned	-	-	-	-	-	-	-	17,077	305,820	630,218
Unassigned	-	-	-	-	-	-	-	(1,697,949)	-	-
Total All Other Governmental Funds	4,776,755	3,290,747	2,470,717	3,003,802	3,259,843	3,406,833	2,124,073	6,619,407	8,990,044	5,607,779
Total Governmental Fund Balances	$ 9,292,287	$ 5,966,291	$ 5,119,210	$ 6,598,607	$ 5,455,539	$ 7,441,435	$ 2,711,657	$ 7,499,560	$ 11,757,086	$ 9,727,321

(1) GASB 54 implemented new fund balance classifications in 2012
Source: City of University Place CAFR 2003-2012

City of University Place

CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

TABLE 5

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
REVENUES:										
Taxes	$ 8,784,407	$ 9,142,581	$ 9,752,530	$ 10,781,077	$ 10,757,885	$ 10,476,576	$ 10,189,914	$ 10,271,318	$ 10,844,349	$ 10,882,470
Licenses and permits	2,041,806	1,757,508	1,902,981	1,997,227	2,121,795	2,210,936	2,632,389	2,421,481	2,704,465	2,721,159
Intergovernmental	2,174,026	2,291,113	1,630,156	803,917	2,181,833	6,395,350	2,902,639	3,091,150	3,792,019	4,162,096
Service charges and fees	3,163,912	3,500,925	3,524,742	3,925,144	3,589,931	4,132,634	3,980,008	3,928,812	4,078,935	1,958,444
Fines and forfeitures	9,781	5,409	4,380	5,800	5,825	3,990	4,111	4,141	3,603	11,902
Miscellaneous:										
Interest	130,705	247,917	307,556	282,922	112,865	40,530	14,677	11,333	15,779	-
Other	152,940	309,433	850,827	1,855,093	142,696	575,180	1,238,752	889,478	456,112	304,003
Total revenues	16,457,577	17,254,886	17,973,172	19,651,180	18,912,830	23,835,196	20,962,490	20,617,713	21,895,262	20,040,074
EXPENDITURES:										
General Government	3,113,425	2,588,752	3,502,791	3,580,314	3,661,944	3,907,983	3,920,952	4,273,709	2,479,311	3,046,198
Public Safety	3,701,096	3,878,229	3,831,846	4,168,495	4,415,728	4,363,210	3,685,338	3,885,010	4,161,087	3,611,011
Physical environment	4,427	274,159	224,425	171,685	196,215	164,811	171,793	235,696	-	-
Transportation	2,317,086	2,198,206	2,309,236	2,692,047	2,040,884	5,233,942	2,903,748	2,661,714	3,360,629	1,625,130
Economic environment	1,197,042	3,426,050	1,640,871	1,616,339	1,654,342	1,396,164	265,265	233,781	1,347,956	1,513,284
Culture and recreation	901,420	1,027,545	1,309,183	1,410,074	1,468,448	1,510,424	990,394	1,037,499	1,063,147	1,098,592
Capital outlay	5,121,866	5,297,229	6,413,978	12,108,484	17,510,515	13,137,380	10,317,388	4,301,893	2,119,023	3,700,702
Debt service:										
Principal	605,000	1,971,000	716,000	13,079,722	804,722	18,847,468	872,468	1,897,468	15,152,467	1,306,240
Interest and fiscal charges	790,167	710,711	974,856	1,159,880	1,519,783	1,842,624	2,664,922	2,707,817	2,824,585	2,662,644
Debt issue costs	-	-	-	-	-	-	-	-	107,650	-
Total expenditures	17,751,529	21,371,881	20,923,186	39,987,040	33,272,581	50,404,006	25,792,268	21,234,587	32,615,855	18,563,801
Revenues over (under) expenditures	(1,293,952)	(4,116,995)	(2,950,014)	(20,335,860)	(14,359,751)	(26,568,810)	(4,829,778)	(616,874)	(10,720,593)	1,476,273
OTHER FINANCING SOURCES (USES):										
Bond Proceeds	-	-	-	20,100,000	-	22,077,647	-	5,885,000	14,130,000	-
Bond anticipation note	1,500,000	-	1,620,526	1,379,474	13,000,000	6,000,000	-	-	-	-
Bond Issuanc Costs								(392,239)	-	-
PWTF loan proceeds	96,000	-	650,059	-	216,686	-	-	-	-	-
Intergovernmental loan proceeds	-	-	-	63,113	-	-	-	-	-	-
				(48,803)						
				(178,537)						
Proceeds From Sale of Capital Assets	-	-	-	-	-	-	-	-	600,000	120,000
Transfers in	4,505,576	6,918,572	4,173,273	17,228,009	7,048,217	22,691,706	12,714,924	8,568,568	23,376,320	5,190,609
Transfers out	(4,610,406)	(6,127,572)	(4,340,923)	(16,728,009)	(7,048,217)	(22,214,646)	(12,614,924)	(8,656,552)	(23,128,200)	(4,934,568)
Total other financing sources (uses)	1,491,170	791,000	2,102,935	21,815,247	13,216,686	28,554,707	100,000	5,404,777	14,978,120	376,041
Net changes in fund balances	197,218	(3,325,995)	(847,079)	1,479,387	(1,143,065)	1,985,897	(4,729,778)	4,787,903	4,257,527	1,852,314
FUND BALANCES - BEGINNING OF YEAR	9,086,736	9,292,284	5,966,289	5,119,220	6,598,604	5,455,538	7,441,435	2,711,657	7,499,558	7,875,008
Prior period adjustments	8,330	-	-	-	-	-	-	-	-	-
FUND BALANCES - END OF YEAR	$ 9,292,284	$ 5,966,289	$ 5,119,210	$ 6,598,607	$ 5,455,539	$ 7,441,435	$ 2,711,657	$ 7,499,560	$ 11,757,085	$ 9,727,322
Debt service as a Percentage of Non-Capital Expenditures	11.05%	16.68%	11.65%	51.08%	14.75%	55.52%	22.86%	27.20%	58.95%	26.70%

Source: City of University Place, CAFR 2003-2012

City of University Place

TAX REVENUE BY SOURCE LAST TEN YEARS
GENERAL, SPECIAL REVENUE, AND DEBT SERVICE FUNDS

TABLE 6

Fiscal Year	General Property Taxes	General Sales Tax	Utility Taxes	(a) Miscellaneous Other Taxes and Assessments	Total Taxes
2004	3,484,790	1,849,891	1,905,917	1,543,809	8,784,407
2005	3,391,208	1,947,491	2,048,346	1,755,536	9,142,581
2006	3,483,775	2,628,659	2,201,047	1,439,049	9,752,530
2007	3,576,794	2,784,774	2,389,972	2,029,532	10,781,072
2008	3,665,872	2,992,380	2,474,650	1,624,983	10,757,885
2009	3,742,760	2,781,426	2,516,672	1,435,718	10,476,576
2010	3,727,676	2,541,251	2,432,540	1,488,447	10,189,914
2011	3,780,850	2,493,549	2,493,179	1,503,740	10,271,318
2012	3,856,992	2,552,103	2,456,160	1,979,094	10,844,349
2013	3,924,801	3,419,454	2,410,110	1,128,108	10,882,472
Change 2003-2012	**20.8%**	**19.2%**	**38.7%**	**94.7%**	**33.5%**

Source: City of University Place CAFR 2002-2012

(a) Includes real estate excise, gambling excise, admissions, fuel excise and leasehold excise tax

City of University Place

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY FOR TAXES COLLECTED IN CURRENT YEAR

TABLE 7

Fiscal Year	Real Property	Personal Property	State Public Service Property	Total	Assessed Value As a Percent of Actual Value	Total Direct Tax Rate
2004	1,972,059,537	21,704,413	26,931,557	2,020,695,507	100.0%	1.64
2005	2,109,966,056	21,157,278	27,551,651	2,158,674,985	100.0%	1.57
2006	2,532,785,820	21,821,293	12,049,984	2,566,657,097	100.0%	1.36
2007	3,152,199,908	23,811,652	22,528,555	3,198,540,115	100.0%	1.12
2008	3,434,005,020	25,441,289	24,873,860	3,484,320,169	100.0%	1.05
2009	3,451,322,426	46,707,420	23,748,622	3,521,778,468	100.0%	1.06
2010	3,266,641,553	48,768,711	25,013,932	3,340,424,196	100.0%	1.12
2011	3,018,686,530	53,748,116	26,258,631	3,098,693,277	100.0%	1.23
2012	2,836,789,663	30,980,728	24,309,053	2,892,079,444	100.0%	1.33
2013	2,602,333,635	28,645,527	24,091,119	2,655,070,281	100.0%	1.47

Tax Rates per $1,000 of Assessed Value

Source: Pierce County Assessor/Treasurer's Office

City of University Place

PROPERTY TAX LEVIES - DIRECT AND OVERLAPPING GOVERNMENTS

TABLE 8

Fiscal Year	City of University Place (1)	Pierce County	U.P. School District #83	Port of Tacoma	Library District	Fire District #3	State of Washington	Total
			Tax Rates Per $1,000 of Assessed Valuation					
2004	1.64	1.61	6.21	0.19	0.48	2.64	3.03	15.80
2005	1.57	1.58	5.90	0.19	0.46	2.51	2.91	15.12
2006	1.36	1.38	5.30	0.19	0.40	2.66	2.64	13.93
2007	1.12	1.14	5.68	0.19	0.48	2.21	2.29	13.10
2008	1.06	1.08	5.51	0.19	0.44	2.34	2.07	12.69
2009	1.06	1.08	5.42	0.18	0.44	2.37	2.02	12.57
2010	1.12	1.16	5.92	0.18	0.47	2.86	2.07	13.78
2011	1.23	1.29	6.60	0.18	0.50	2.88	2.27	14.95
2012	1.33	1.42	6.93	0.18	0.50	3.11	2.41	15.88
2013	1.47	1.69	7.47	0.18	0.50	3.29	2.63	17.23
			Detail of Tax Rates for 2013					
Basic Rate	1.47	1.69	-	0.18	0.50	2.00	2.63	8.47
Voted Rate	-	-	7.47	-	-	1.29	-	8.76

(1) Note: The City's direct rate consists wholly of the regular levy; there are no voted excess levies.
Source: Pierce County Assessor/Treasurer's Office

City of University Place

PRINCIPAL TAXPAYERS CURRENT AND NINE YEARS AGO

TABLE 9

Taxpayer	Type of Business	2013 Assessed Valuation	Rank	Percentage of Total Assessed Valuation*	2004 Assessed Valuation	Percentage of Total Assessed Valuation*
Chambers Creek Venture LP	Apartment Complex	$ 26,670,000	1	15.58%	$ 18,144,100	21.44%
Holland Holdings/Polo Club LLC	Apartment Complex	17,970,200	2	10.50%	10,402,100	0.00%
Fred Meyer	Commercial/Retail	17,047,707	3	9.96%	13,454,113	15.90%
PMF Investments Inc. LLC	Commercial/Retail	16,623,000	4	9.71%	12,893,739	15.24%
UP Cornerstone LLC	Commercial Developer	10,258,500	5	5.99%	-	0.00%
Ridgedale Associates LLC	Commercial Property	9,732,900	6	5.69%	4,792,700	0.00%
Peach Creek LLC	Real Estate/Homes	9,722,400	7	5.68%	-	0.00%
Abbey Lane Apartments LLC	Apartment Complex	9,222,800	8	5.39%	-	0.00%
Puget Sound Energy	Gas Utility	8,902,193	9	5.20%	8,566,909	10.12%
27th and Grandview LLC	Apartment Complex	8,152,200	10	4.76%	6,148,100	7.27%
Orchard Crest Apartments LLC	Apartment Complex	7,835,400	11	4.58%	-	0.00%
Qwest Corporation	Phone Utility	7,823,455	12	4.57%	-	0.00%
Hidden Vale Apartments LLC	Apartment Complex	7,236,500	13	4.23%	4,999,300	0.00%
Castellan West Apartments LLC	Apartment Complex	6,976,600	14	4.08%	-	0.00%
Dominion-Valley View Assoc LLC	Apartment Complex	6,956,800	15	4.07%	5,224,300	0.00%
		$ 171,130,655		**6.45%**	**$ 84,625,361**	**4.19%**
*** Total assessed value for the City:**		2,655,070,281			$ 2,020,695,507	

Source: Pierce County Assessor/Treasurer's Office
Information not available for assessed valuations for all of 2004

City of University Place

PROPERTY TAX LEVIES AND COLLECTIONS

TABLE 10

Fiscal Year	Taxes levied the Fiscal Year(1)	Current Tax Collections	Percent of Levy	Collections in Subsequent Years(2)	Total Tax Collections to Date	Percentage of Levy
2004	3,320,402	3,241,943	97.6%	78,433	3,320,376	100.0%
2005	3,385,830	3,331,408	98.4%	54,372	3,385,780	100.0%
2006	3,496,175	3,428,559	98.1%	67,560	3,496,119	100.0%
2007	3,608,645	3,509,566	97.3%	98,933	3,608,499	100.0%
2008	3,678,101	3,605,479	98.0%	71,809	3,677,288	100.0%
2009	3,748,944	3,673,364	98.0%	66,318	3,742,760	99.8%
2010	3,745,905	3,660,227	97.7%	60,006	3,727,676	99.5%
2011	$3,804,780	3,714,341	97.6%	12,909	3,727,250	98.0%
2012	$3,857,832	3,779,775	98.0%	6,529	3,786,304	98.1%
2013	$3,908,520	3,849,279	98.5%	14	3,849,293	98.5%

Source: Pierce County Budget and Finance
Note:
(1) Orignal amount levied for the fiscal year
(2) Includes levy adjustments, penalties, interest, and subsequent year tax collections

City of University Place

SALES TAXES COLLECTED BY CATEGORY
LAST TEN YEARS

TABLE 11

Fiscal Year	Retail	Services	Contracting	Transportation Communication Utilities	Wholesale	Manufacturing	Finance Insurance Real Estate	Government	Other	Total
2004	909,802	187,100	285,051	106,434	42,552	27,085	44,834	7,881	31,614	1,642,353
2005	954,972	108,522	282,213	126,532	50,878	44,623	54,255	30,815	85,399	1,738,209
2006	1,004,150	125,849	399,049	122,824	54,930	45,692	58,263	12,332	86,916	1,910,005
2007	1,200,959	147,174	412,579	87,872	51,863	45,892	56,853	4,264	68,994	2,076,450
2008	1,113,441	115,868	666,236	46,430	86,453	41,113	65,562	1,478	154,361	2,290,942
2009	742,216	392,867	543,758	137,508	96,155	30,870	148,193	31,930	66,016	2,189,513
2010	765,846	380,332	328,776	157,421	84,238	28,408	72,569	31,069	77,842	1,926,501
2011	763,223	397,122	289,103	141,609	63,401	27,293	63,781	30,888	108,403	1,884,823
2012	777,709	396,690	319,888	143,633	62,961	37,136	65,966	38,436	88,153	1,930,572
2013	806,134	379,997	521,074	148,118	75,150	27,248	77,041	42,368	104,726	2,181,856

Source: State of Washington Treasurer's Office using Tax Tools
Does not include, Local Revitalization Financing Sales Tax Revenue, Parks Sales Tax revenue or Criminal Justice Sales Tax revenue

City of University Place

DIRECT AND OVERLAPPING SALES TAX RATES

TABLE 12

Fiscal Year	State	Pierce Transit	Pierce Cty Jail	Criminal Justice	Regional Transit	Pierce County	911 Comm	Parks	Public Transport	State Adm Fee	City	Total Rate
2004	6.50%	0.30%	0.10%	0.10%	0.40%	0.15%	0.00%	0.10%	0.30%	0.01%	0.84%	8.80%
2005	6.50%	0.30%	0.10%	0.10%	0.40%	0.15%	0.00%	0.10%	0.30%	0.01%	0.84%	8.80%
2006	6.50%	0.30%	0.10%	0.10%	0.40%	0.15%	0.00%	0.10%	0.30%	0.01%	0.84%	8.80%
2007	6.50%	0.30%	0.10%	0.10%	0.40%	0.15%	0.00%	0.10%	0.30%	0.01%	0.84%	8.80%
2008	6.50%	0.30%	0.10%	0.10%	0.40%	0.15%	0.00%	0.10%	0.30%	0.01%	0.84%	8.80%
2009	6.50%	0.30%	0.10%	0.10%	0.90%	0.15%	0.00%	0.10%	0.30%	0.01%	0.84%	9.30%
2010	6.50%	0.30%	0.10%	0.10%	0.90%	0.15%	0.00%	0.10%	0.30%	0.01%	0.84%	9.30%
2011	6.50%	0.30%	0.10%	0.10%	0.90%	0.15%	0.00%	0.10%	0.30%	0.01%	0.84%	9.30%
2012	6.50%	0.30%	0.10%	0.10%	0.90%	0.15%	0.10%	0.10%	0.30%	0.01%	0.84%	9.40%
2013	6.50%	0.30%	0.10%	0.10%	0.90%	0.15%	0.10%	0.10%	0.30%	0.01%	0.84%	9.40%

Source: City of University Place Budgets 2004-2013

City of University Place

SALES TAX PAYERS BY INDUSTRY
CURRENT AND TEN YEARS AGO

TABLE 13

Industry	2013 Tax Liability	Percent of Total	2004 Tax Liability	Percent of Total
Retail Trade	$ 806,134	36.95%	$ 909,802	55.40%
Contracting	521,074	23.88%	285,051	17.36%
Services	379,997	17.42%	187,100	11.39%
Transportation, Communication, Utilities	148,118	6.79%	106,434	6.48%
Finance, Insurance, Real Estate	77,041	3.53%	44,834	2.73%
Wholesale	75,150	3.44%	42,552	2.59%
Manufacturing	27,248	1.25%	27,085	1.65%
Government	42,368	1.94%	7,881	0.48%
Other	104,726	4.80%	31,614	1.92%
Total	**$ 2,181,856**	**100.00%**	**$ 1,642,353**	**100.00%**

Source: State of Washington Treasurer's Office using Tax Tools to obtain the breakdown

City of University Place

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

TABLE 14

Fiscal Year	General Obligation Bonds	Public Works Trust Fund Loans	Revenue Bonds	Letter of Credit	Capital Leases	Total Debt	Percent of Taxable Value	Percent of Personal Income (1)	Per Capita
2004	8,660,000	3,233,277	-	10,500,000	8,538	22,401,815	1.04%	2.25%	727
2005	8,470,000	3,012,275	-	9,300,000	4,743	20,787,018	0.81%	1.96%	671
2006	7,975,000	3,441,334	-	11,020,526	-	22,436,860	0.70%	1.97%	721
2007	27,555,000	3,181,613	-	-	-	30,736,613	0.96%	2.51%	987
2008	27,010,000	3,201,690	-	13,000,000	-	43,211,690	1.23%	3.35%	1,374
2009	48,880,000	2,929,222	-	1,000,000	11,097	52,820,319	1.58%	4.25%	1,677
2010	48,280,000	2,656,754	-	1,000,000	6,165	51,942,919	1.68%	4.07%	1,646
2011	47,655,000	2,384,286	5,885,000	-	-	55,924,286	1.93%	4.38%	1,796
2012	47,005,000	2,111,818	5,785,000	-	-	54,901,818	2.07%	4.04%	1,756
2013	46,035,000	1,839,350	5,640,000	-	-	53,514,350	1.93%	0.00%	1,708

(1) Note: 2013 data not yet available
Source: City of University Place CAFR 2004-2012
Pierce County Assessor/Treasurer

City of University Place

RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA

TABLE 15

Fiscal Year	(a) Population	(b) Assessed Value	General Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
2004	30,800	2,158,674,985	8,660,000	0.40%	281.17
2005	30,980	2,577,657,097	8,470,000	0.33%	273.40
2006	31,140	3,198,540,115	7,975,000	0.25%	256.10
2007	31,300	3,484,320,167	27,555,000	0.79%	880.35
2008	31,440	3,521,778,468	27,010,000	0.77%	859.10
2009	31,500	3,340,414,196	49,880,000	1.49%	1,583.49
2010	31,550	3,098,693,277	48,280,000	1.56%	1,530.27
2011	31,144	2,892,079,444	47,655,000	1.65%	1,530.15
2012	31,270	2,655,070,281	47,005,000	1.77%	1,503.20
2013	31,340	2,779,532,023	46,035,000	1.66%	1,468.89

(a) Source: Washington State Office of Financial Management.

(b) The assessed value is the final certified Regular Levy assessed value of taxable property which was used by Pierce County Assessor's Office for use in calculating levy rates for the 2013 tax levy.

City of University Place

COMPUTATION OF DIRECT AND OVERLAPPING DEBT
December 31, 2013

TABLE 16

	(a) Gross General Obligation Debt Outstanding	(b) Percentage Applicable to City	Amount Applicable to University Place
Direct Debt:			
City of University Place	$ 46,035,000	100.00%	$ 46,035,000
Overlapping Debt:			
West Pierce Fire and Rescue	2,023,404	36.29%	734,293
Pierce County	183,068,506	3.82%	6,993,217
Tacoma School District No. 10	306,285,000	2.13%	6,523,871
University Place School District No. 83	74,915,000	93.73%	70,217,830
Clover Park School District No. 400	143,575,000	0.005%	7,179
Steilacoom Historical School District No. 1	58,065,000	0.11%	60,968
Port of Tacoma	189,110,000	3.82%	7,224,002
Pierce County Rural Library District	-	5.55%	-
Total Overlapping Debt:	$ 957,041,910		$ 91,761,359
GRAND TOTAL	**$ 1,003,076,910**	**13.74%**	**$137,796,359**

(a) Total general obligation bonds outstanding on December 31, 2013, exclusive of refunded bonds.
Source: West Pierce Fire District, Pierce County Finance and Budget Office, Tacoma School District, Clover Park School District, Port of Tacoma, & Pierce County Library

(b) Determined by ratio of assessed valuation of property subject to taxation in overlapping unit to valuation of property subject to taxation in reporting unit.
Source: Pierce County Assessor-Treasurers Office

City of University Place

COMPUTATION OF LIMITATION OF INDEBTEDNESS
December 31, 2013

TABLE 17

Total Taxable Property Value (Assessed at 100%, taxes payable in 2014)	**$**	**2,779,532,023**	
GENERAL PURPOSE INDEBTEDNESS			
Non-Voted General Purpose Indebtedness and Capital Leases (Councilmanic)			
Legal Limit 1.5% of Total Taxable Property Value	$	41,692,980	
Less: outstanding debt	$	47,874,350	
Less: contracts payable	$	-	
Less: excess of debt with a vote	$	-	
Add: available assets	$	-	
Remaining Non-Voted Debt Capacity - General Purposes			**$ (6,181,370)**
Total General Purpose Indebtedness With a 3/5 Vote of the People (includes non-voted)			
Legal Limit 2.5% of Total Taxable Property Value	$	69,488,301	
Less: Indebtedness Incurred - Non-Voted	$	47,874,350	
Less: outstanding debt - Voted	$	-	
Add: available assets	$	-	
Total Remaining Debt Capacity - General Purposes			**$ 21,613,951**
UTILITY PURPOSE INDEBTEDNESS			
Indebtedness for Utility Purposes With 3/5 Vote of the People			
Legal Limit 2.5% of Total Taxable Property Value	$	69,488,301	
Less: outstanding debt	$	-	
Less: contracts payable	$	-	
Add: available assets	$	-	
Remaining Debt Capacity - Utility Purposes			**$ 69,488,301**
OPEN SPACES AND PARKS FACILITIES INDEBTEDNESS			
Indebtedness for Open Spaces and Parks Facilities With 3/5 Vote of the People			
Legal Limit 2.5% of Total Taxable Property Value	$	69,488,301	
Less: outstanding debt	$	-	
Less: contracts payable	$	-	
Add: available assets	$	-	
Remaining Debt Capacity - Open Spaces and Parks Facilities			**$ 69,488,301**

SUMMARY

Total Indebtedness Allowable	Legal Limit 7.5% of Total Taxable Property Value	208,464,902
	Less: Indebtedness Incurred - General Purposes	47,874,350
	Less: Indebtedness Incurred - Utility Purposes	-
	Less: Indebtedness Incurred - Open Spaces and Parks Facilities	-
	Add: Assets Available	-
	Remaining Debt Capacity	**$ 160,590,552**
Legal Debt Margin to the Debt Limit (%)		**77.03%**
Total Net Debt Applicable to the Debt Limit (%)		**22.97%**

City of University Place

COMPILATION OF GENERAL OBLIGATION DEBT CAPACITY LAST TEN YEARS

TABLE 18

FISCAL YEAR	VOTER APPROVED DEBT CAPACITY	NET DEBT OUTSTANDING	REMAINING DEBT CAPACITY
2004	53,966,875	19,168,538	34,798,337
2005	64,441,427	21,129,349	43,312,078
2006	79,963,503	18,895,526	61,067,977
2007	87,108,004	27,555,000	59,553,004
2008	88,044,462	39,686,942	48,357,520
2009	83,510,605	50,111,877	33,398,728
2010	77,467,332	49,681,834	27,785,498
2011	77,467,325	48,060,584	29,406,741
2012	66,376,757	47,412,120	18,964,637
2013	69,488,301	47,874,350	21,613,951

Table 17 Identifies Individual Debt Limits by Category for 2014

City of University Place

DEMOGRAPHIC STATISTICS

TABLE 19

Fiscal Year	Population	Total Personal Income (1) (2)	Per Capita Personal Income (1) (2)	Median Age (1)	School Enrollment	Unemployment Rate (1)
2004	30,800	$ 23,905,533,000	$ 32,299	34.9	5,361	5.8%
2005	30,980	$ 25,579,464,000	$ 34,190	35.1	5,405	5.6%
2006	31,140	$ 27,915,787,000	$ 36,567	36.5	5,427	5.2%
2007	31,300	$ 30,164,757,000	$ 39,049	36.2	5,380	4.7%
2008	31,440	$ 32,198,440,000	$ 40,996	36.4	5,178	5.3%
2009	31,500	$ 31,395,360,000	$ 39,417	35.3	5,424	6.6%
2010	31,550	$ 32,212,709,000	$ 40,500	38.0	5,632	11.2%
2011	31,144	$ 33,117,849,000	$ 40,992	39.4	5,577	8.6%
2012	31,270	$ 35,232,946	$ 43,407	36.3	5,670	8.4%
2013	31,340	$ -	$ -	36.5	5,655	6.5%

(1) Note: Based on data for Pierce County
(2) Note: 2013 data not yet available
Sources: U.S. Bureau of Economic Analysis
Washington State Office of Financial Management
Washington State Office of Superintendent of Public Instruction
Washington State Employment Security

City of University Place

PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO

TABLE 20

Employer	Ranking 2013	Employees 2013 (a)	% of Total Employees	Ranking 2004 (b)	Employees 2004
University Place School District	1	514	27.11%	N/A	N/A
Franciscan Health System	2	283	14.93%	N/A	N/A
Fred Meyer Stores	3	247	13.03%	N/A	N/A
Pierce County Government	4	210	11.08%	N/A	N/A
Soundcare, Inc	5	136	7.17%	N/A	N/A
Charles Wright Academy	6	133	7.01%	N/A	N/A
Safeway Stores, Inc.	7	125	6.59%	N/A	N/A
Kemper Sports	8	120	6.33%	N/A	N/A
McDonald's Restaurants	9	77	4.06%	N/A	N/A
West Pierce Fire	10	51	2.69%	N/A	N/A
Total Employees (c)		1,896			

Source: (a)Tacoma-Pierce County Economic Development Board
(b) Only data available for prior years is the Tacoma area
(c) Puget Sound Regional Council

City of University Place

FULL TIME EQUIVALENT CITY EMPLOYEES BY FUNCTION
LAST TEN YEARS

TABLE 21

Fiscal Year	City Manager	City Attorney	Administrative Services	Public Works	Development Services	Engineering	Finance	Total
2004	2.50	2.00	17.21	17.00	8.25	12.50	6.00	65.46
2005	2.80	2.00	19.58	18.10	10.50	8.50	6.00	67.48
2006	3.60	2.00	18.06	20.00	11.50	6.50	6.00	67.66
2007	2.60	2.00	16.63	21.00	15.00	5.00	6.00	68.23
2008	3.10	2.00	17.25	21.00	14.00	6.00	6.00	69.35
2009	2.60	2.00	17.25	21.00	11.00	6.00	6.00	65.85
2010	2.50	2.00	11.72	16.00	6.25	4.66	4.90	48.03
2011	1.90	2.00	12.48	16.00	6.50	4.75	4.50	48.13
2012	1.90	2.00	12.48	16.00	6.50	4.75	4.00	47.63
2013	1.90	2.00	11.48	16.00	6.50	4.75	4.00	46.63

Source: City of University Place Budgets 2003-2012
Total does not include Council Members or Contract Police Officers

City of University Place

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN YEARS

TABLE 22

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Government										
Building Permits Issued	333	387	338	967	653	646	707	630	715	735
Police										
Part 1 Crimes*	1,261	1,372	1,262	1,075	950	960	1,079	884	1,026	882
DUI Arrests	146	104	121	132	133	101	76	86	69	41
Other Traffic Arrests	115	87	177	305	259	225	129	209	266	192
Fire**										
Emergency Medical Responses	2,268	2,507	2,543	2,418	2,482	2,612	2,736	8,412	8,716	8,961
Fire Responses	95	92	195	85	145	146	104	284	312	298
Other	596	612	659	685	767	797	914	4,063	4,564	4,306
Recreation										
Number of Programs Offered	879	977	1,008	1,170	1,227	1,308	1,243	1,285	1,116	1,043
Public Works										
Feet of Sidewalks Maintained	90,343	95,623	95,623	95,923	100,903	126,720	131,720	134,640	137,280	144,308

***In March, 2011, the Univeristy Place Fire District merged with the Lakewood Fire District to form West Pierce Fire. As a result, the 2011 through 2013 statistics reflect the total for West Pierce Fire.*

Source: City of University Place City Manager's Office

City of University Place

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN YEARS

TABLE 23

Fiscal Year	General Government	Culture and Recreation	Streets/ Transportation	Construction in Progress	Total
2003	15,722,525	8,223,302	150,918,593	1,755,338	176,619,758
2004	16,953,095	8,964,758	151,066,093	7,635,142	184,619,088
2005	17,929,623	13,025,413	154,421,085	7,980,860	193,356,981
2006	25,759,552	13,025,413	160,116,840	5,708,396	204,610,201
2007	26,469,578	13,728,768	163,151,059	10,090,618	213,440,023
2008	38,715,053	14,432,836	163,495,034	6,919,066	223,561,989
2009	38,533,785	14,798,988	163,495,034	19,871,562	236,699,369
2010	38,588,153	14,798,988	163,780,609	29,849,005	247,016,755
2011	39,614,405	14,841,746	170,451,913	27,187,141	252,095,205
2012	39,735,243	14,841,746	172,701,448	26,957,875	254,236,312
2013	55,107,519	15,108,936	174,264,047	7,880,766	252,361,268

Source: City of University Place CAFR 2003-2012. City implemented GASB 34 in 2003.

BACK TO AGENDA

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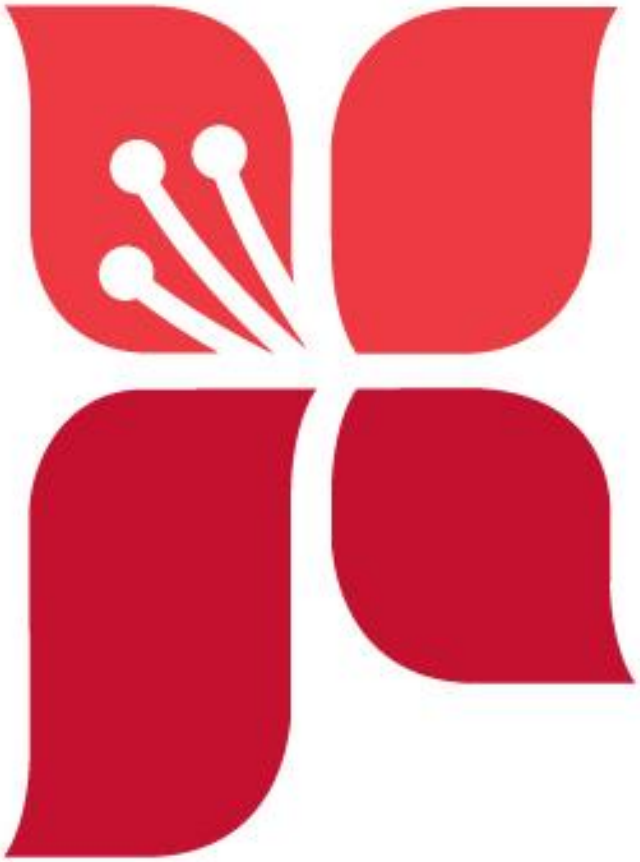

Business of the City Council
City of University Place, WA

Proposed Council Action:

Pass an Ordinance amending the 2013-2014 Biennial Budget authorizing adjustments to the 2013-2014 Adopted Biennial Budget.

Agenda No: 10

Dept. Origin: Finance Department

For Agenda of: October 6, 2014

Exhibits: Proposed Budget Amendment Ordinance with Exhibit A-2

Concurred by Mayor: _____
Approved by City Manager: _____
Approved as to form by City Atty.: _____
Approved by Finance Director: _____
Approved by Department Head: _____

Expenditure Required: $53,567,044	Amount Budgeted: $53,407,044	Appropriation Required: $260,000

SUMMARY / POLICY ISSUES

The attached budget ordinance is to authorize adjustments to the 2013-2014 Adopted Biennial Budget. The request is for a transfer from the Traffic Impact Fee fund to the PW CIP fund in the amount of $80,000 for the Bridgeport 5 – 27th Street Intersection Project. The 27th Street Intersection work is scheduled for construction in 2015, but right-of-way easement purchases need to occur in 2014. It also includes revenue and expenditure appropriations in the Municipal Facilities CIP Fund for revenue and expenses associated with the proposed sale of Town Center Lots 3 and 4.

ALTERNATIVES CONSIDERED

N/A

BOARD OR COMMITTEE RECOMMENDATION

N/A

RECOMMENDATION / MOTION

MOVE TO: Pass an Ordinance amending the 2013-2014 Biennial Budget authorizing adjustments to the 2013-2014 Adopted Biennial Budget.

BACK TO AGENDA

ORDINANCE NO. ___

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 OR ORDINANCE NO. 639

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

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

Section 1. 2013-2014 Amended Budget. Ordinance No. 639, 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 Exhibit A-2.

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 any prior to the effective date of this ordinance is hereby ratified and affirmed.

Section 4. Publication 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 and be in full force five (5) days after the date of publication.

PASSED BY THE CITY COUNCIL ON OCTOBER ___, 2014.

_____
Denise McCluskey, Mayor

ATTEST:

_____
Emelita Genetia, City Clerk

APPROVED AS TO FORM:

_____
Steve Victor, City Attorney

Published:
Effective Date:

BACK TO COUNCIL BILL

EXHIBIT A-2
CITY OF UNIVERSITY PLACE
2014 Amended Budget

		REVENUES & OTHER SOURCES			EXPENDITURES & OTHER USES			ENDING BALANCE	
	FUND	**Adopted**	**Adjust**	**Revised**	**Adopted**	**Adjust**	**Revised**	**Balance**	
Operating									
General									
001	General	11,855,280	-	11,855,280	9,862,180	-	9,862,180	1,993,100	
Special Revenue									
101	Street	1,104,649	-	1,104,649	1,104,649	-	1,104,649	-	
102	Arterial Street	221,137	-	221,137	217,401	-	217,401	3,736	
103	Real Estate Excise Tax	778,242	-	778,242	687,235	-	687,235	91,007	
104	Parks and Recreation	1,045,190	-	1,045,190	1,045,190		1,045,190	-	
105	Traffic Impact Fees	960,347	-	960,347	-	80,000	80,000	880,347	
106	Transportation Benefit District	150,000	-	150,000	4,000	-	4,000	146,000	
107	Development Services	1,230,983	-	1,230,983	1,206,093	-	1,206,093	24,890	
108	LRF	3,701,300	-	3,701,300	3,701,300	-	3,701,300	-	
109	Police/Public Safety	5,313,803	-	5,313,803	4,671,358	-	4,671,358	642,445	
120	Path & Trails	6,532	-	6,532	3,773	-	3,773	2,759	
140	Surface Water Mgmt	7,157,406	-	7,157,406	5,541,564	-	5,541,564	1,615,842	
188	Strategic Reserve	856,934	-	856,934	-	-	-	856,934	
	Sub-total Special Revenue	**22,526,523**	**-**	**22,526,523**	**18,182,563**	**80,000**	**18,262,563**	**4,263,960**	
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	**38,407,906**	**-**	**38,407,906**	**32,070,846**	**80,000**	**32,150,846**	**6,257,060**	
Capital Improvement									
301	Parks CIP	664,183	-	664,183	664,183	-	664,183	-	
302	Public Works CIP	19,327,183	80,000	19,407,183	19,327,183	80,000	19,407,183	-	
303	Municipal Facilities CIP	-	-	-	-	-	-	-	
	Sub-total CIP	**19,991,366**	**80,000**	**20,071,366**	**19,991,366**	**80,000**	**20,071,366**	**-**	
Internal Service									
501	Fleet & Equipment	831,009	-	831,009	252,361	-	252,361	578,648	Assets/Not Cash
502	Information Technology & Services	1,022,568	-	1,022,568	851,266	-	851,266	171,302	Assets/Not Cash
505	Property Management	-	-	-	-	-	-	-	
506	Risk Management	183,744	-	183,744	173,700	-	173,700	10,044	Assets/Not Cash
	Sub-total Internal Service	**2,037,321**	**-**	**2,037,321**	**1,277,327**	**-**	**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	**60,504,098**	**80,000**	**60,584,098**	**53,407,044**	**160,000**	**53,567,044**	**7,017,054**	

BACK TO COUNCIL BILL