



CITY OF LACEY, WASHINGTON 2011 BUDGET

City of Lacey, Washington 2011 Budget



City of Lacey
420 College St SE
P.O. Box 3400
Lacey, WA 98509-3400

*CITY OF LACEY, WASHINGTON
2011 City Officials*

Council

<i>Mayor</i>	<i>Thomas L. Nelson</i>	<i>Term - Dec. 2009</i>
<i>Deputy Mayor</i>	<i>Virgil Clarkson</i>	<i>Term - Dec. 2009</i>
<i>Councilmember</i>	<i>Mary Dean</i>	<i>Term - Dec. 2009</i>
<i>Councilmember</i>	<i>Jason Hearn</i>	<i>Term - Dec. 2011</i>
<i>Councilmember</i>	<i>Ron Lawson</i>	<i>Term - Dec. 2011</i>
<i>Councilmember</i>	<i>Cynthia Pratt</i>	<i>Term - Dec. 2011</i>
<i>Councilmember</i>	<i>Andy Ryder</i>	<i>Term - Dec. 2009</i>

Administration

<i>Greg J. Cuoio</i>	<i>City Manager</i>
<i>Scott H. Spence</i>	<i>Assistant City Manager</i>
<i>Kenneth R. Ahlf</i>	<i>City Attorney</i>
<i>Frederick O. Walk</i>	<i>Community Development Director</i>
<i>Troy M. Woo</i>	<i>Finance Director</i>
<i>Merri A. Lannoye</i>	<i>Human Resources Director</i>
<i>Lorraine M. Flemm</i>	<i>Parks and Recreation Director</i>
<i>Dusty D. Pierpoint</i>	<i>Police Chief</i>
<i>Scott Egger</i>	<i>Public Works Director</i>

Table of Contents

Budget Introductory Section:

Budget Message	1-1
Organizational Chart	1-3

Budget Summary Section:

Budget 2011 Summary	2-1
2010 - 2011 Comparison Total City Budget	2-29
Revenue Summary by Fund	2-30
Expenditure Summary by Fund	2-31
Budget at a Glance 2011 Budget Comparison to 2009 Amended Budget	2-33
2011 Summary of Expenditures by Budget Classification	2-35
FTE's By Department 2006 - 2011	2-36
2011 Capital Budget	2-40

Budget Detail Section:

Current Expense Fund:	
Detailed Revenue	3-1
Department Expenditures:	
City Council	3-5
Contracted Services	3-7
City Manager	3-11
Human Resources	3-13
Community Services and Public Affairs	3-17
Finance	3-19
Legal Services	3-21
Common Facilities	3-23
Police	3-27
Public Works Administration	3-35
Public Works Engineering	3-37
Public Works Parks Maintenance	3-41
Public Works Facilities Maintenance	3-45
Planning and Community Development	3-47
Public Works Water Resource	3-51
Parks and Recreation	3-55
Other Operating Expense	3-61
Criminal Justice Fund	3-63
Community Buildings Fund	3-67
Public Works - City Street Fund	3-73
Public Works - Arterial Street Fund	3-79
Regional Athletic Complex Fund	3-83
Lodging Tax Fund	3-87
Community Development Block Grant Fund	3-91

Table of Contents

<i>General Obligation Bond Fund</i>	3-95
<i>Local Improvement District Bond Fund</i>	3-99
<i>Building Improvement Fund:</i>	3-103
<i>Capital Equipment Fund</i>	3-107
<i>Parks and Open Space Fund</i>	3-111
<i>Regional Athletic Complex Capital Fund</i>	3-115
<i>Public Works - Water Utility Fund</i>	3-119
<i>Public Works - Wastewater Utility Fund</i>	3-127
<i>Public Works - Stormwater Utility Fund</i>	3-133
<i>Public Works - Reclaimed Water Utility Fund</i>	3-139
<i>Public Works - Water Capital Fund</i>	3-143
<i>Public Works - Wastewater Capital Fund</i>	3-147
<i>Public Works - Stormwater Capital Fund</i>	3-151
<i>Public Works - Reclaimed Water Capital Fund</i>	3-155
<i>Water Debt Service Fund</i>	3-159
<i>Wastewater Debt Service Fund</i>	3-163
<i>Equipment Rental Fund</i>	3-167
<i>Information Management Services Fund</i>	3-171
<i>Agency Budgets (Supplemental Information)</i>	
<i>Animal Svices</i>	4-1
<i>Thurston County Narcotics Task Force (Drug Unit)</i>	4-11

A Message from Greg J Cuoio, City Manager December 2, 2010

Citizens of Lacey, Honorable Mayor,
Councilmembers and City Staff:

I am pleased to present a balanced budget for the 2011 calendar year that continues the City's long-standing commitment to fiscal discipline and sound financial management.

The 2011 budget focuses on current needs as well as essential priorities that will serve the long-term interests of the community. It promotes efficiency in service delivery while at the same time enhancing park and recreation facilities, addressing priority transportation projects, expanding water utility capabilities, continuing environmental stewardship initiatives, building upon our successful public safety programs, promoting economic development, and planning for the future needs of the City.

The 2011 General Fund Budget totals \$31,547,928, a \$3.97 million or 11.2 percent reduction compared to the 2010 Budget. This decrease is primarily due to the elimination of fire and emergency medical service expenses from the City's budget as a result of the voter approved annexation to Thurston County Fire District 3. Lacey residents will now pay for these services through a direct property tax assessment by the District. To ensure Lacey property owners are treated fairly, this budget reduces the City's property tax collections by \$4,730,000 to account for this change.

The total budget for 2011 is \$107,432,163, a \$1.99 million increase from the amended 2010 budget.

The majority of the increase is associated with the larger capital expenditures necessary to



maintain the performance of the Water and Wastewater Utilities.

Historic funding levels are continued for the City's successful street overlay and rehabilitation program. Lacey's streets are some of the best maintained roads in the State with 94% of its streets rated as being in good or very good condition.

The 2011 budget also provides funding for the widening of Carpenter Road from Pacific Avenue to Martin Way. This multi-million transportation improvement project is Lacey's highest priority street project. It relieves traffic congestion along this corridor, enhances bicycle and pedestrian travel, and addresses historic storm water treatment challenges in Woodland Creek.

Environmental stewardship also is a priority within the 2011 budget. Funding is provided for the extension of a reclaimed water line from the LOTT Treatment Plant on Carpenter Road to Woodland Creek Community Park. The development of this resource will provide for the enhancement of stream flows in the creek and reduce the demand for potable water. This budget also continues Lacey's practice of promoting water conservation by expanding the successful high efficiency washing machine and irrigation system rebate programs.

Communication with Lacey citizens also is a

centerpiece of next year's budget and builds upon the success of the City's newly designed and upgraded website. For 2011, funding is included to further enhance citizen access to their local government by streaming and archiving City Council meetings. This will complement online services now available on the website such as utility payments, permit tracking, and recreation program registration.

Additional improvements anticipated in the 2011 budget include:

- Enhanced snow removal capabilities
- Remodeling of the Lacey/Timberland library
- Construction of a second trailhead at Woodland Creek Community Park
- Completion of architectural plan for expansion of the Senior Center
- Widening of Britton Parkway

Finally, it is important to note that this budget provides Lacey employees with the tools, equipment, and work environment necessary to ensure the continued delivery of quality services in a timely and efficient manner.

Over the past two decades, Lacey has successfully addressed its public safety, infrastructure, quality of life, and service challenges. The City's crime level is low. Streets are well-maintained. Utility infrastructure is in very good condition. Parks and public buildings are in excellent condition. And, the City of Lacey has received recognition for its

environmental stewardship, quality capital projects, and outstanding customer service.

Our investments over the past several years are producing positive outcomes and our strategic efforts for continuous improvement ensure this success continues. Our numerous comprehensive plans provide clear direction for the future and we continue to focus on the fundamentals of local government. Assets are safeguarded and resources are put to efficient use to ensure maximum value from Lacey's tax dollars.

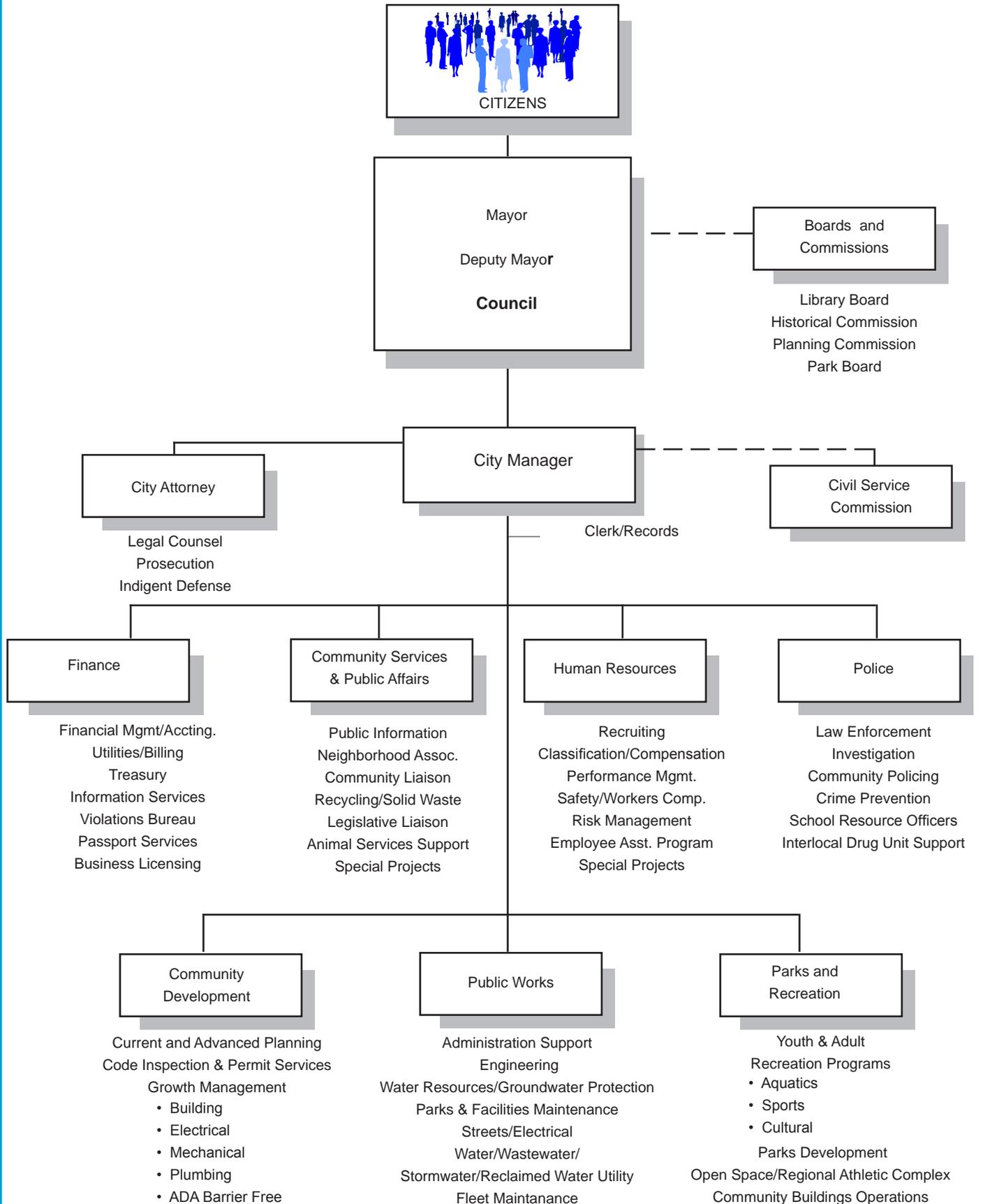
Despite the worst economic decline in recent history, residents may feel confident that the City is managing its responsibilities and resources in a financially prudent, thoughtful, and disciplined manner. The key priorities and responsibilities of local government continue to be effectively addressed. This budget ensures we stay the course that has served us so well for many years.

I personally want to thank the City Council, our citizen Boards and Commissions, Department Directors, and staff for work on behalf of the citizens of Lacey. This budget is a reflection of their dedication and service to the community. Our City is well-served through the leadership and commitment of these exceptional public servants.

Greg J. Cuoio
City Manager



LACEY CITY GOVERNMENT





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Budget 2011 Summary

The 2011 budget focuses on current needs as well as essential priorities that will serve the long-term interests of the community.

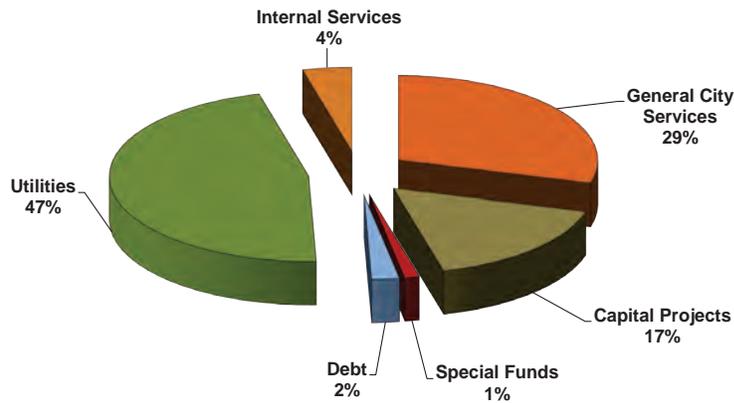
The 2011 budget totals \$107,432,163, an increase compared to the 2010 amended budget of \$1,994,965 or, 1.9%. The budget is balanced. The City is living within its means. Service levels are maintained, and the City continues its long-term track record of investing significantly in quality of life improvements and infrastructure maintenance and construction.

balanced and each fund must be closely monitored to ensure accuracy, accountability, and efficiency as well as remain solvent during the course of the fiscal year.

The Funds

The Current Expense, Criminal Justice, Community Buildings, City Street, and Capital Equipment

**Total City Budget by Funds
\$107,432,163**



This summary section of the 2011 budget will focus on the activities, goals, and priorities of the many funds making up the City's budget. It is our hope that this document becomes more than pages of numbers but an understandable and informative message to you, the reader.

Funds combine to make up the City's GENERAL FUND. There are ten separate funds that account for the major components of the City's water, wastewater, stormwater utilities, and reclaimed water utility. These are referred to as the *enterprise funds* of the City.

Other special purpose funds have been created to account for capital improvement expenditures for streets, buildings, parks and open space, the Regional Athletic Complex, and activities of the Lodging Tax Fund. Voter approved General obligation debt along with local improvement district (LID) debt also are accounted for separately.

Each of the funds that make up this budget has a specific role and responsibility. Revenues and expenditures must be



The City established two additional funds that account for the resources and assets of internal support activities. These are the Equipment Rental Fund that manages all vehicles and equipment used in providing services, and, the Information Management Services Fund that accounts for expenses associated with all of the City's computer and communications equipment used by all departments.

A Community Block Grant Fund has been

established to facilitate the pass through of state and federal grants to address special needs within the community such as housing rehabilitation, a child care facility, low income housing, the Lacey Senior Center and the Community Action Council building.

Overall, the City accounts for its resources and expenditures in twenty-six separate funds. It also maintains two joint-venture funds for Animal Services and Drug Enforcement activities.

The General Fund

The General Fund provides and accounts for most traditionally recognized local government functions. These include: police services, health and social services, recreation programs, financial and administrative services, community development including planning, zoning, permits, code enforcement and building inspection, maintenance of parks, streets and rights-of-way, public works administration and engineering services, administration of contracts

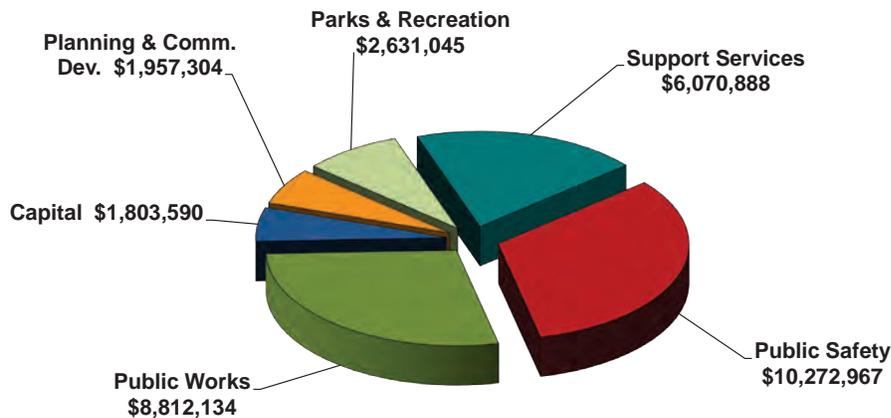
General Fund services and activities constitute 29.36 percent of the total \$107.4 million budget proposal. Excluding the transfers, the difference is largely associated with cost of labor adjustments, energy costs, elimination of contracted fire services, and inflation.

General Fund - Revenue Summary

Property and sales tax revenues are the dominant income sources for the General Fund. Combined, they total \$13,132,248. Of this amount, \$331,200 is transferred to the General Obligation Debt

Expenditures

The General Fund Budget
2011 General Fund \$31,547,928



with other agencies that provide emergency communications, district court, jail services, and the like.

The total General Fund budget for 2011 is \$31,547,928 which is 11.2 percent or \$3,968,138 less than the 2010 amended budget. The majority of the decrease is associated with the reduction to contract services as a result of the voter approved Lacey Fire District 3 annexation. The 2011 Budget eliminates the appropriation for contract services with Lacey Fire District 3 and a reduction of property taxes equal to the estimated amount that would have otherwise been paid to Lacey Fire District 3 if the contractual relationship would have continued.

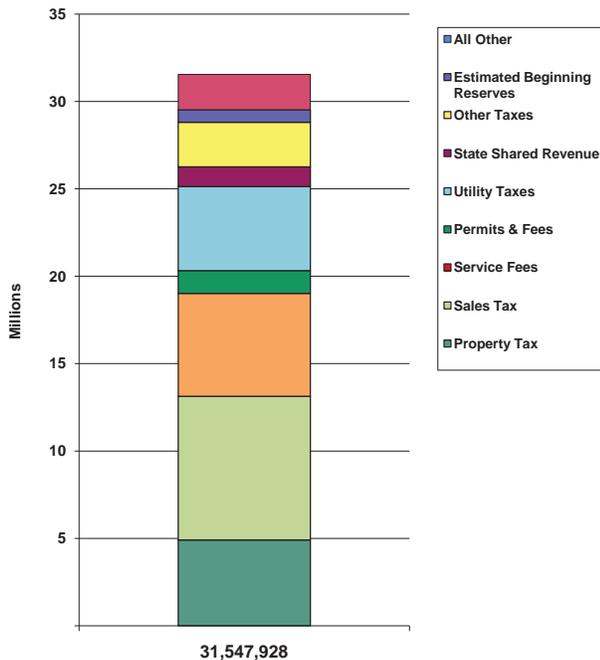
Fund for principal and interest expense for councilmanic bonds issued in 2006 for the 25,000 square foot addition to City Hall.

The property tax levy for 2011 has been determined by calculating the Initiative 747 one percent allowable limitation, recovering the value of refunds, adding new construction, and voluntarily reducing the levy by \$4,729,260 according to the pre-annexation agreement with Lacey Fire District 3. The one percent adjustment amounts to a \$93,457 increase in the property tax levy. While this tax limitation is appreciated by property owners, the one percent maximum adjustment in the property tax levy remains

insufficient to meet the inflation and fixed cost increases associated with a \$31.5 million public service operating budget. As such, it is critical that the City also experience a strong performance from new construction and other General Fund revenues in order to maintain service levels each year. Unfortunately, this is not the case.

Preliminary values issued by Thurston County Assessor’s Office indicate that the City’s total new construction value will increase \$74.6 million. This increase is very significant because it helps offset an expected overall decrease to assessment valuations. The preliminary estimate indicates that existing property assessments may decrease

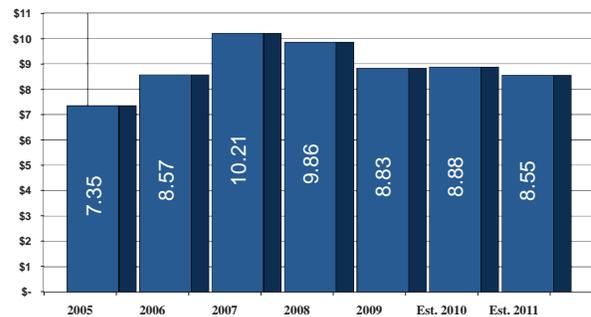
Summary of General Fund Revenue by Type



7.0 percent due to market value declines. Based on this information and the voluntary reduction due to the fire annexation, the City’s regular levy is estimated to be \$4,911,028. As a result, it is estimated that levy rate will decrease \$0.8251 to \$1.0723 per \$1,000 of assessed property value.

Sales tax receipts for 2011 are not meeting projections in large part due to slow recovery from the recent economic crisis. In fact, they are

Sales Tax Revenue In Millions



on a course to decline by nearly \$392,000 from 2009 collections. This is following the \$1.27 million decline in sales tax from 2008 to 2009. Construction activity has continued its decline. Overall consumer spending has not declined significantly, but remains at a slower pace than before the current recession.

The 2011 budget anticipates a decrease in sales tax receipts to \$8,552,420 or 3.7 percent. Retail sales receipts will be distributed to the Current Expense (\$7,698,052), and General Obligation Debt (\$331,200) Funds. The Criminal Justice Fund will receive \$523,167 in sales tax revenue that is collected from a special levy and distributed by the County.

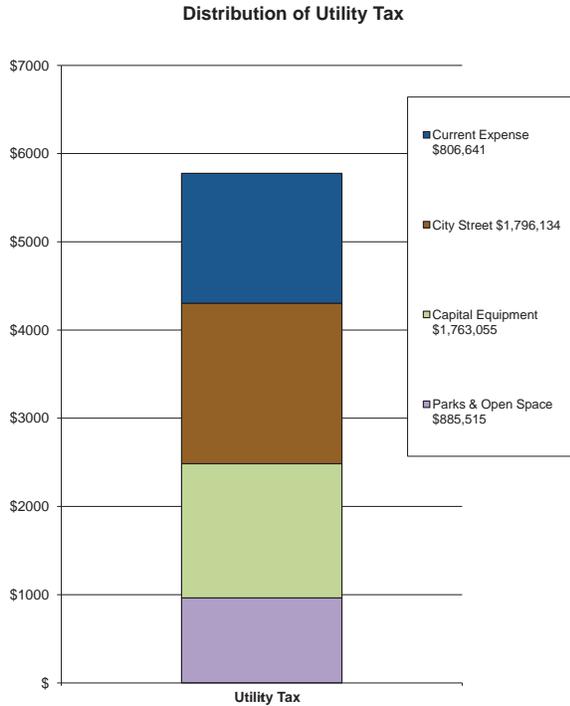
Sales tax receipts will be monitored very closely in case current economic conditions worsen and retail sales volumes decline further. These are uncertain times and the General Fund portion of this revenue source accounts for a significant 26.1 percent of the 2011 General Fund budget.

Lacey’s retail sales per capita remains low compared to the surrounding communities. Even so, Lacey has recently benefitted from new developments that have strengthened its collections – making a substantial contribution to supporting our public safety, parks, and transportation needs.

The City’s *utility tax* continues to be a very stable and flexible source of General Fund revenue. Income from this tax is distributed to the Current Expense, City Street, Capital Equipment, and the Parks and Open Space funds. It is estimated that

utility tax receipts for 2011 will be \$5.78 million.

The Parks and Open Space Fund will receive approximately \$962,710 of utility tax revenue.



Since 1990, these funds have been dedicated to acquiring hundreds of acres of park and open space property for the benefit of Lacey citizens. Beginning in 2004, a portion of these revenues were transferred to the Current Expense Fund to cover the cost of operating and maintaining Rainier Vista Park. The 2011 continues this practice. As planned, a transfer also will be made to help support the maintenance and operation budget of the Regional Athletic Complex. This practice began with the 2010 Budget. These transfers will be \$318,810 and \$347,801 respectively in 2011. The transfer to the Regional Athletic Complex will be higher in 2011 because the City is now solely responsible for the maintenance and operation of the facility.

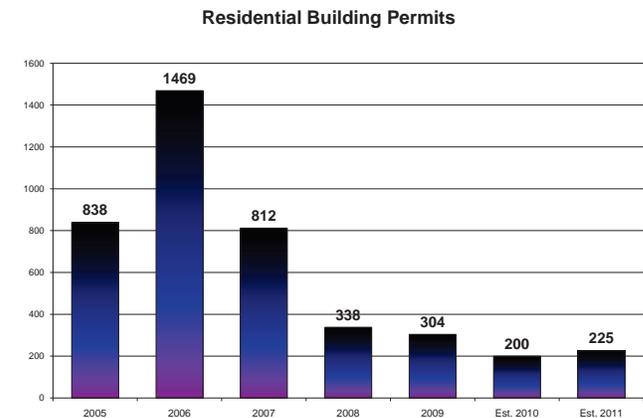
The balance of utility tax revenue is used to fund capital projects and to provide matching funds for transportation grants, street maintenance, and general government purposes. Over the past several years, this source of revenue has made it possible for the City to undertake numerous transportation projects that otherwise would not

have been possible.

“Other taxes” total \$2,548,151 or 8.09 percent of General Fund revenues. It is anticipated that *Business and Occupation tax* revenue will show only modest growth and total \$1,737,813 in 2011. Admissions taxes are expect to experience modest growth and gambling taxes are expected to experience a slight decline. These revenues are expected to be \$375,000 and \$428,589 respectively in 2011.

Anticipated revenue from *building permits, development review fees, and related services* declined \$446,792 million from 2008 to 2009 and are estimated to decline \$162,759 in 2010 from 2009 receipts. Projections for these revenues in 2011 total 683,000, which is a slight increase compared to the 2010 estimated revenues. This illustrates the dramatic development downturn that has impacted the construction industry.

Residential housing construction volume has

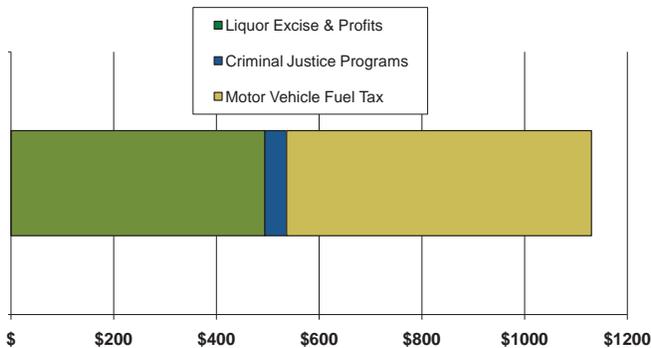


slowed considerably. As of the end of this past September, 184 single family permits have been issued. 836, 1,200, 807, 338, and 244 residential permits were issued in 2005, 2006, 2007, 2008, and 2009 respectively. It is likely that this lower volume of permit issuance will continue through 2011. Also, it is not expected that commercial construction activity will recover in 2011.

Many of the functions performed by the City are financed or partially reimbursed through service fees and user charges. These *fees for service* total

\$5,886,054 and represent 18.7 percent of the General Fund revenues. The most significant amount, \$4,179,303, comes from Public Works engineering, water resources, and maintenance support services performed for the benefit of the City's utilities and capital projects. These services include utility planning, ground and surface water protection activities, water conservation, wellhead protection, capital facilities planning, engineering design, construction oversight, and facilities maintenance. Parks & Recreation program fees are anticipated to increase \$38,785 to \$719,604. Also incorporated into this category of revenue are charges for administrative services to Animal Services and Metro Drug Unit, the North Thurston Public Schools pool and field use contracts, and other contracted and internal services.

State Shared Revenue \$1,130,204



Each year, Washington cities receives a per capita share of taxes collected by the State of Washington. These are commonly referred to as *state shared revenues* and include Liquor Profits Tax, Fuel Tax, and Criminal Justice funds. The General Fund will receive state-shared revenues totaling \$1,130,204 in fiscal year 2011. State shared revenues have gradually increased but are still below historical amounts received prior to the elimination of the Motor Vehicle tax with passage of Initiative 695 in 1999. State shared revenues, including the Fuel Tax allocated to the Arterial Street Fund (\$266,720), total \$34.81 per capita and have decreased \$1.25 in the past five years.

Initiatives 1100 and 1105 create some uncertainty

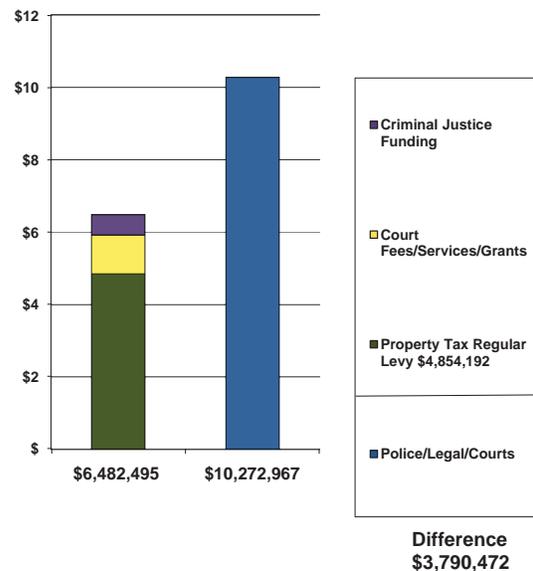
for the 2011 state shared revenue projections. If the voters approve one or both of the initiatives, the City's liquor excise tax and profit distributions will be negatively impacted. The 2011 state share revenues do not include adjustments to the liquor excise and profit distributions. If either of the initiatives pass in November, the budget may need to be amended prior to its final adoption in December.

General Fund - Expenditure Summary

The City of Lacey is a general-purpose government agency providing numerous services through its employees and other contracted sources. The cost of *public safety services* (i.e., police, emergency preparedness, district court, jail, prisoner medical expenses, prosecution, indigent defense, and victim advocacy) represents the single largest expenditure from the General Fund. These services will require \$10,272,967 in 2011, which represents 32.6 percent of all expenses within this \$31.5 million fund.

The corresponding chart on this page illustrates the cost of our public safety services in relation to the City's regular property tax levy and other revenues associated with these services (e.g. court fines). As demonstrated by this chart, revenue from property taxes falls \$5,438,875 short of

Public Safety Compared to Entire Regular Property Tax Levy and Other Public Safety Revenues



meeting public safety costs and \$3,790,472 short when all applicable public safety revenues are considered in the comparison.

It is always interesting to note that although property taxes are likely the single most frustrating to citizens, every last penny Lacey collects cannot fund the most basic purpose for which the City was incorporated (i.e., public safety).

Police Services

The police budget totals \$8,802,448, an increase of \$140,358 over the amended 2010 budget. The Police Department budget represents 27.9 percent of the General Fund budget.



The police department's outreach effort to businesses, youth, seniors, ethnic, and citizen groups is noteworthy and has produced positive benefits for the City and the community. The department's partnership with the Nisqually Indian Tribe and Lewis County for prisoner support services has also served the community well. Lacey allocates \$588,000 annually for prisoner support and medical expenses.

The department has established two police substations, one in south Lacey, the second in Hawks Prairie. These substations are strategically located to support patrol officers and enhance their efficiency.

In 2009, the Lacey Police Department (LPD) became the first city in Thurston County and only the 5th in the Washington to be state accredited.

This means the LPD is meeting the best practices of professional performance established by the State of Washington.

Lacey residents are most fortunate to have such a fine group of professional men and women dedicated to providing innovative and quality public safety services. Once again, local crime statistics indicate that Lacey's residents enjoy one of the lowest crime rates per capita among municipalities in the state. Lacey's overall crime rate dropped in 2008 by 6% and again in 2009 by 15%. Today, the city's crime rate is lower than the overall rate ten years ago in spite of a 30% increase in population over the same period.

Fire and Emergency Medical Services

Lacey Fire District 3 was the City's long-term partner in providing fire suppression and emergency medical services until the voters approved annexation of the City of Lacey into the fire district at the April 27, 2010 special election. Prior to the election, services were contracted with the District which managed, supervised, and administered the operations of the Department. Now the residents of the City are part of the District and pay directly for services through a separate property tax assessment.

An annexation agreement was necessary to facilitate the annexation. Property taxes cannot be collected from the City of Lacey residents until 2011, so the agreement included a provision requiring the City to continue 2010 payments as provided by the service contract dated June 8, 2006. The annexation agreement also included provisions for transferring ownership interest in three fire stations, a vehicle maintenance facility, a ladder truck, and two fire engines. These assets are being paid by bonds issued by both Lacey Fire District 3 and the City of Lacey. These assets have been transferred to the District.

Beginning in 2011, the City of Lacey taxpayers will pay a property tax levy to the Lacey Fire District 3, but will experience a reduction to the City's property tax levy, because fire and emergency medical services will no longer be provided through a contractual relationship

with the District. According to the annexation agreement, the City will be reducing its property tax levy in 2010 for taxes to be collected in 2011 by the amount equal to the sum the City would have otherwise paid to the Lacey Fire District 3 for fire services. That dollar amount is estimated to be \$ 4,729,591.

The annexation of the City of Lacey to the Lacey Fire District 3 will have a significant impact to the 2011 Budget. The cost of fire and emergency medical services has been a significant part of the City's expenditure budget. The impact annexation will have on property taxes is more significant. The reduction to property taxes will reduce the General Funds largest source of revenue by approximately 50 percent.

Parks and Recreation

This budget proposal maintains funding for



Lacey's highly successful recreation, aquatics, sport, cultural and special events programming including the Lacey Activities Coalition for Teens (ACT), and the After School and Day Camp programs.

Lacey's parks and recreation programs are held in high regard by jurisdictions throughout the state because of their excellent variety, organization, planning, and supervision. The popularity of the Friday evening ACT event is a testimony to the effectiveness of this program and the caring attitude of the staff and numerous volunteers who are dedicated to serving our community's youth.

During 2009, the City assumed the management and programming of the newly completed Regional Athletic Complex developed in partnership with Thurston County. During 2010, the City and Thurston County successfully negotiated an agreement that allowed Thurston County to transfer ownership and responsibility of the Regional Athletic Complex to the City of Lacey. Beginning in 2011, the City will have sole responsibility for operating and maintaining the Regional Athletic Complex.



Senior Center

The Community Center continues to grow in use as does the historic Jacob Smith House. The Senior Center is a very active place operated by Senior Services of South Sound with the City maintaining the facility. This budget provides funding for schematic plans and preliminary design for the expansion of the Senior Center by 5,000 square feet. The operation and maintenance of these three buildings are funded out of the Community Buildings Fund budget which is included in the General Fund.

The Community Center and Jacob Smith House will generate combined rental income estimated at \$214,000 with additional revenue coming from the City's regular property tax levy. The 2011 Community Buildings Fund budget totals \$508,489.

Registration and service fees, for the myriad of recreation programs Lacey Parks offers, are estimated at \$719,604, or about 33.9 percent of the \$2,122,556 Parks and Recreation's program budgets. General Fund revenues support the balance of the cost of these quality of life activities.

Some of the cultural programs offered by Lacey's Parks and Recreation department are supported through Lodging Tax receipts. (This fund is not included in the composition of the General Fund.) These programs include *Music in the Park*, *the Cinema series*, *Summer's End*, *Regional Athletic Complex NW Softball Championship*, *Regional Athletic Complex Rampage at the RAC*, and other events that attract visitors to our community. A portion of the operation of the City's museum is also financed by Lodging Tax revenues.



Health, Library and Human Services

Many of the services provided Lacey residents for public health, social services, youth initiatives, library services, cultural and community enrichment programs are performed by contract through other agencies and volunteer groups. Each is important to the quality of life and well being of our citizens.

The City owns and maintains the Lacey Timberland Library building located next to City Hall. Maintaining the building and grounds will cost \$138,100 in 2011. Each year the City replaces furniture and fixtures as required. The 2011 Budget includes Library building capital improvements. Lighting improvements, carpet replacement, and interior painting projects are planned for 2011 for energy efficiency and to celebrate the Library's 20th anniversary.

Lacey continues its participation in the Human Services Review Council (HSRC), an intergovernmental organization responsible for the distribution of social service dollars contributed by each funding jurisdiction. As participating jurisdictions face increasing financial challenges, funding for these services have been impacted. Thurston County has found it necessary to discontinue its contribution and Olympia is considering similar action. However, this 2011 budget provides that the City's contribution will be maintained at \$85,000. It also includes a small increase to the funding for TOGETHER at a total of \$14,000.

The cost of providing Indigent Defense counsel continues to rise requiring an additional \$3,700 next year. The cost of this mandated service has risen 49.8 percent in five years to a total \$145,000.

Planning and Community Development

The department of Planning and Community Development is responsible for building code enforcement, and planning services including commercial and residential construction. Transportation and utility infrastructure improvements in the Gateway Project continued in 2010 with the construction of a major wastewater lift station and conveyance system. The utility



Hawks Prairie Planned Community

infrastructure improvements will continue in 2011 with the completion the second west bound lane of Britton Parkway.

It has been the vision of the City Council, for nearly twenty years, that this area zoned Hawks Prairie Business District develop as high intensity, mixed-use urban center. This coming year, the City Council will approve a Master Plan and a Development Agreement that will guide construction of the Gateway Town Center project.

The transportation and utility infrastructure improvements represent an important step towards achieving this long-standing goal.

The number of residential housing permit applications as of the end of September totaled 184 compared to 244 this time last year and 302 the year before that. 739 residential housing permits were issued through September in 2007 when development was near its peak. It is anticipated that single family permits issued will continue at the same slow pace through 2011. Revenues projections for development proposals, permits, and building fees for 2011 have been adjusted accordingly.

The Community Development Department budget totals \$1,957,304, a 4.1 percent increase over the amended 2010 budget.

Public Works – Engineering and Maintenance Services

Public Works administration, project and utility engineering, construction management, transportation planning and engineering, water



resource management, and parks and street maintenance services all are included in the General Fund budget. Where appropriate, the cost of these services is reimbursed from city capital construction projects, charges to utilities, and from fees assessed to private development. Fees and charges collected for these services

account for \$3,030,081 or 9.6 percent of General Fund revenues. Expenditures will be \$8,812,134, or 28.0 percent of all General Fund activity.

The *Engineering Division* work program for 2011 continues to be dominated by the demands of



transportation and utility capital improvement projects. The focus remains fixed on obtaining additional water rights, the widening of Carpenter Road from Pacific Avenue to Martin Way, the extension of a reclaimed water line Carpenter Road to Woodland Creek Community Park, and residential roadway rehabilitation. A detailed listing of projects is provided in the summary pages entitled Arterial Street Fund, Water, Wastewater and Stormwater Utility Funds. The Engineering Division services budget is \$2,631,590, a decrease of \$36,846.

The *Water Resource Division* of Public Works faces a full schedule of responsibilities and projects for 2011. Water Resource personnel are not only heavily involved in securing water rights but also monitoring the quality of surface and groundwater, development review, flooding issues, treatment facility design and construction,



water system modeling, and water conservation efforts.

Implementing the state and federal requirements of Phase 2 NPDES (Stormwater treatment and discharge) also continues as a top priority for the City's Water Resource staff. Clearly, however, there is a long-term positive benefit to local waterways and Puget Sound. This budget initiates a ten-year program to focus on salmon recovery efforts in Woodland Creek as part of a long-term water rights mitigation and stream improvement strategy. Budget requirements for this division total \$953,065. This is a \$39,502 increase.

The *Facilities Management Division* will have a budget of \$386,416, an increase of \$3,794 from last year. This division is responsible for the care and upkeep of numerous city owned buildings and facilities including City Hall, Library, Community Center, Maintenance Center, Jacob Smith House, and the Senior Center.

The *Parks Maintenance Division* is responsible for the care and upkeep of City parks, park structures, planter strips, street trees, and other vegetated street rights-of-way. Maintenance staff also provides coordination and supervision for



the Council's WIN (Work Involvement Now) program that is an award winning community service partnership between the City and youth organizations within the community.

Part-time and seasonal employees are a key ingredient in meeting the significant workload of this division. The Parks Maintenance operating budget totals \$2,237,160, an increase of \$96,675.

This increase can be attributed to rising utility costs, the addition of right-of-way maintenance responsibilities, and benefit adjustments.

The *Street Maintenance Division* is responsible for the cleaning, upkeep, and repair of all City streets, sidewalks, street lighting, markings, and signals. Repair

and maintenance responsibilities continue to grow as new streets are added to the inventory of transportation infrastructure. The 2011 City Street fund budget totals \$2,519,664, an increase of \$65,113. Funds for this program come primarily from the motor vehicle fuel tax and dedicated utility tax revenues. Lacey annually evaluates the condition of its streets utilizing nationally recognized pavement management criteria. City streets continue to be very well maintained with 94% of our roadways rated as being in good or very good condition.

Capital Equipment Fund

The acquisition of tools and equipment for staff to effectively perform their work is provided for in the Capital Equipment Fund. One of the key reasons Lacey is able to operate with fewer employees than typical cities has been its willingness to ensure that our employees have the tools and working environment necessary to perform at high levels. This fund provides the desks, chairs, software, computers, vehicles, and equipment that are required each year. A listing of all operating capital is located at the end of this summary section of the budget document.

The 2011 Capital Equipment Fund budget totals

\$1,803,590, a decrease of \$294,032. This fund provides for an \$850,000 transfer to the Arterial Street Fund for the City's annual street overlay and rehabilitation program. The transfer was reduced from \$1M in 2009 due to shortfalls in revenue collections experienced because of the recession. The annual street overlay and rehabilitation program remains \$1M in 2011. The remaining \$150,000 is funded by the Arterial Street Fund's reserves. The budget decrease within the Capital Equipment Fund is due to an overall smaller capital budget reduction due to limited growth to revenues and increases to operation and maintenance expenditures.

Building Improvement Fund

The Building Improvement Fund was created to provide for the source and use of funds to account

for the acquisition of property and construction of City owned facilities.

The Building Improvement Fund budget for 2011 totals \$520,318 and includes the following projects:

2006 LTGO Bond Arbitrage	\$	44,418
City Hall Restroom Remodel		40,000
Community Center Carpet Replacement		6,000
Community Center Interior Paint		12,900
Community Center Laminate Replacement		10,000
Community Center Re-Roofing		20,000
Depot Museum Architect and Engineering		15,000
Library Lighting, Interior Paint, Carpeting Replacement		250,000
Police Station Armory/Weight Room Remodel		25,000
Police Station Carpet Replacement		15,000
Police Station Restroom Remodel		16,000
Public Art		10,000
Senior Center Phase 2 Architect and Engineering		50,000
Senior Center Interior Painting		<u>6,000</u>
Total	\$	<u>520,318</u>

The funding resources for these projects come from the Police seized funds, facility replacement reserves, Friends of the Library, Timberland Regional Library District, transfer from the GO Debt Fund, and transfer from the Parks and Open Space Fund.



Community Center



Parks and Open Space Fund

The Parks and Open Space Fund was created to acquire property for future park development and the preservation of open space. Funding was provided by dedicating a one percent utility tax to this purpose. Over the years, the City has been very successful in acquiring property and leveraging grant funds to augment resources. This fund also is the depository of the revenue from the sale of voter approved Park Improvement Bonds to construct improvements to various park properties.

As more parks have been developed and others improved, the City has planned to transfer some of the utility tax revenue to the Current Expense and the RAC maintenance Fund to assist with the ongoing cost of maintaining these facilities. The 2011 budget provides \$649,111 for this purpose.



Pleasant Glade Park

This is an increase because the City now has sole responsibility of the operations and maintenance of the RAC. In addition to the aforementioned operating transfers, the Park and Open Space Fund budget includes transfers for RAC capital, the Depot Museum Architect and Engineering services, and welcome sign improvements.

Arterial Street Fund

The 2011 Arterial Street Fund totals \$15,509,500 which is \$1,504,421 less than last year's budget. There are several significant projects that have been under construction in 2010 and will continue in 2011. These include Carpenter Road improvements, an additional westbound lane on Britton Parkway, College Street corridor improvements, and Interchange Justification Reports for Marvin Road and Martin Way.



Finding the necessary resources for roadway improvements always is a challenge. Over the years, our transportation engineers have done an exceptional job of securing funding through

various regional, state, and federal programs. Recently, they have secured grants for the



Woodland Trail

additional south bound I-5 exit lane at Marvin Road, Woodland Trail Phase 2, Carpenter Road design and right-of-way acquisition, 6th Avenue realignment project, major upgrade to Mullen Road east, and the westbound lane of Britton Parkway. Their skill in matching our needs with potential grant funds is second to none.

In 2011, the City will allocate the following resources to match grants and construct several transportation improvements: \$1,051,000 Real Estate Excise Tax, \$271,935 State Fuel Tax, and a special transfer in of \$850,000 from the General Fund. Approximately \$1,159,630 in collected mitigation fees will be used as well.

Many of the projects listed on this page have been in process for several months and/or will be in process in 2011 and will require the following resources during the 2011 budget year:

3rd Avenue Corten Pole Replacement	\$	180,000
Britton Parkway Additional Westbound Lane		793,000
Carpenter Road Widening		3,000,000
College St. & 22nd Ave Roundabout		134,590
College St. Corridor Right of Way Acquisition		500,000
College St. NE Extension		263,480
Golf Club Road Extension		50,000
Martin Way Interchange Justification Report		237,500
Marvin Road Interchange Justification Report		237,500
Mullen Rd. & Carpenter Rd Intersection Improvements		275,000
Willamette Dr. & 31st Ave Intersection Improvements		52,730
Willamette Dr. & Hogum Bay Road Intersection Improvements		115,000
Residential Street Overlay & Rehabilitation		1,000,000
Yelm Highway Sidewalk Connection		60,000
Miscellaneous 2011 Minor Projects		205,500
Miscellaneous Projects in Process		11,960
Ending Cash		<u>8,393,240</u>
Total	\$	15,509,500

Lodging Tax Fund

Particular mention needs to be made of the growing significance of this fund. It was not until the number of motels in our community grew beyond one and the state legislature permitted the doubling of the room tax rate (with certain use restrictions), that the revenue generated from this tax could have a truly meaningful and beneficial impact on our community. There are now seven hotel/motels in Lacey with one currently under construction.

The statute that increased the tax rate from 2 percent to 4 percent also required the formation of a Lodging Tax Advisory Committee comprised of representatives of the motel industry, authorized beneficiaries of the tax, and a member of the City Council. This committee has adopted the following mission statement:



Summer's End at Lacey

"Invest lodging tax revenues in community events and projects that attract the greatest number of visitors and tourism dollars to Lacey."

With this mission statement in mind and in accordance with the uses authorized by state statute, the following expenditures are for 2011:

Lacey Museum Operations	\$	48,500
Lacey Chamber of Commerce – Visitor Services & Community Profile		25,000
Washington Center for the Performing Arts		12,400
Visitor and Convention Bureau – Events Guide and Visitor Services		64,100
Fun Fair		7,000
Jazz Festival		14,000
Summer's End at Lacey (classic car show)		4,000
Alternate Fuel Fair		2,000
Senior Games		10,000
Lacey Community Market		7,000
Mushroom Festival – Hawks Prairie Rotary		25,000
Huntamer Park Concerts and Events		4,500
Regional Sports & Events Complex (Marketing & Promotion)		145,500
Kiosk – Regional Sports Complex		<u>11,500</u>
Total	\$	380,500

In 2001, the Lodging Tax Advisory Committee concluded that sport tournament play had a direct and beneficial impact to the community. In keeping with this determination, the Committee agreed that a substantial contribution to the Regional Athletic Complex (The RAC) was in total harmony with its mission statement. Lodging Tax contributions will focus on the marketing and promotion of this facility.

Total revenues are estimated at \$350,593 with \$29,907 coming from cash on hand and interest earnings. The economy has negatively impacted lodging revenues and interest earnings. Revenues are not expected to grow in 2011 despite the additional hotel opening. 2010 revenues are not meeting projections, so the 2011 projection assumes the new hotel will simply increase revenues to the 2010 original projection.

Regional Athletic Complex - Operating and Capital Funds

Beginning with the 2008 budget, capital expenditures relating to construction of improvements for the second phase of the Regional Athletic Complex (RAC) were budgeted as a separate fund. The 2009 budget was the first year that the City assumed full responsibility for management and maintenance of the RAC. To account properly for revenues, management, and operating expenses, the City created The RAC operating fund. Prior to 2009, Thurston County



took the lead for scheduling and maintaining this facility.

During 2010, the City and Thurston County successfully negotiated an agreement that allowed Thurston County to transfer ownership and responsibility of the Regional Athletic Complex to the City of Lacey. Beginning in 2011, the City will have sole responsibility of operating and maintaining the Regional Athletic Complex. The financial settlement was receipted into the Parks and Open Space Fund. Annual transfers will take place until 2014 when a long-range financial plan will be developed.

As part of the Public Facilities District interlocal agreement, an additional 26-acres was purchased

in 2007. This property is located on the southwest corner of Steilacoom and Marvin Roads. This land will be held in reserve until such time as funding for the third phase of the RAC is available for development. It is anticipated that all future improvements beyond Phase 2 will be funded by Public Facility District (PFD) revenues.

The operating budget for the RAC is \$887,001. Because it will take a few years for this facility to mature and attract the activity level it is able to handle, field use, sponsorship, concession contracts, and rental fees of \$233,700 will need to be supplemented by contributions from Lacey's Lodging Tax fund (\$145,500), an assessments

of \$347,801 from the City, and \$160,000 for PFD revenues. This operating budget provides for a full-time manager to promote and schedule the facility, two maintenance personnel, and appropriate part-time and seasonal workers.

The Regional Athletic Complex capital budget totals \$788,982. Of that amount, \$582,930 will be used to pay the interest and principal due on the \$8 million of debt issued to help finance recent improvements. \$20,000 has been allocated to construct additional backstops and netting to keep balls within the soccer field play area. \$9,340 has been allocated for the replacement of the 3 gang roller. The balance will be used to pay for the City's share of PFD expenses (\$8,000).

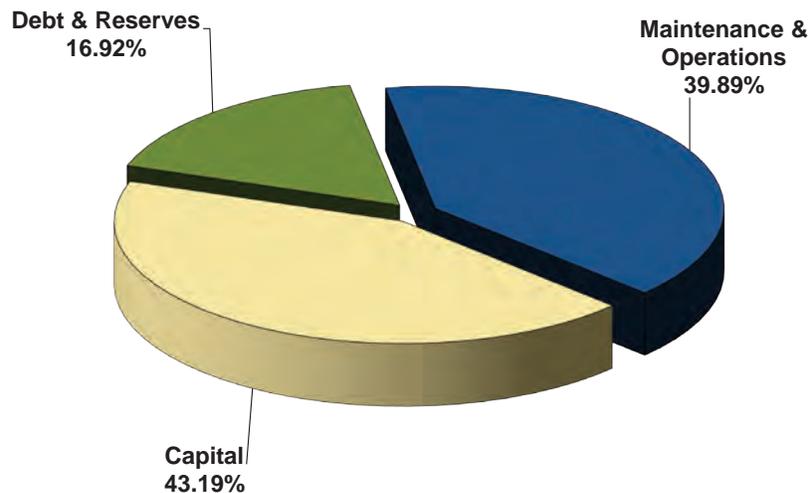
Water Utility Fund

The growth rate of the City's Water Utility has slowed as the number of new residential and commercial structures has declined. With over

an additional 1,200 gallons per minute of groundwater.

The cost of building chlorination facilities and a water treatment plant has required an interfund loan from the Wastewater Construction Fund in the amount of \$10 million. There is a repayment

2011 Water Utility Budget
\$20,682,986

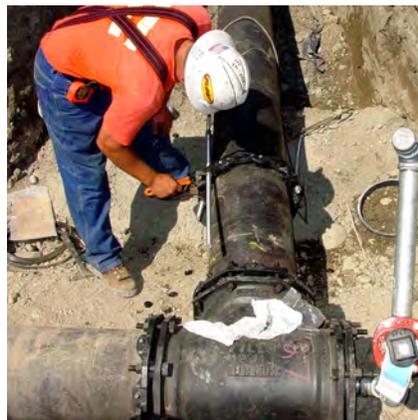


21,690 water accounts, the City's Water Utility serves approximately 59,000 customers. As an enterprise fund, the Water Utility must be self-supporting through the collection of fees for service and system connection charges.

Each year, through the budget process, improvements to the system's service delivery capacity are initiated. In 2007, the City completed the construction of permanent chlorination facilities at various well sites. This required a significant capital investment in equipment and facilities. Another significant project completed in 2008 is the Hawks Prairie water treatment plant next to the well and reservoir on Marvin Road. This \$12 million facility is now functioning and is capable of treating

plan in place, which includes \$700,000 principle and interest payment in 2011. In spite of the challenges acquiring additional water rights and financing essential capital improvements, Lacey

continues to take aggressive steps to ensure its water system is in peak condition to guarantee the consistent delivery of high quality water to our customers.



There are three major categories under which the Water Utility allocates revenues and expenditures. These are *Maintenance and Operations*, *Replacement and Capital Construction*, and *Debt and Reserves*.

Maintenance and Operations

The 2011 Maintenance and Operations budget

totals \$8,250,817, a \$251,008 or 3.1 percent increase over the 2010 amended budget. In recent years personnel was added to operate and maintain all the new treatment facilities including Hawks Prairie treatment plant.



The 2011 budget does not propose the addition of any personnel or new operating requirements.

However, operating a major new treatment plant, rising power costs, and adjustments to labor expenses all combine to increase production costs and subsequently impacted rates. Unfortunately, it is necessary to propose a 4.0 percent increase in water rates for 2011 to stay current with these expenses. As a result of this increase, a customer using 900 cubic feet of water will pay approximately \$0.90 more per month

Water System Improvements – Replacement and Construction

Within the Water Comprehensive Plan is a schedule of system improvements determined to be necessary to maintain and meet service demands for the next several years. Replacement dollars are allocated to perform well replacements, telemetry improvements, designing waterline replacement projects for 2011, and complete waterline modifications in various service areas. Each year, 15 percent of each water sales dollar collected is set aside for water system replacement projects.

The capital budget for 2011 totals \$8,932,169 and includes the following significant projects:

ATEC Water Treatment Facility Backwash	\$ 260,000
Carpenter Road Waterline Relocation	183,000
Corrosion Control – Well #4	763,500
Lacey Share of the Brewery Studies	90,000
Martin Way Waterline	800,000
Marvin Road Well Site Acquisition	250,000
Monitoring Wells	168,000
Skokomish Watermain Replacement Survey and Design	95,000
Telemetry Control Cla-Vals	290,000
Telemetry Data Management	120,000
Union Mills Altitude Valve	450,000
Water Rights Acquisition	750,000
Water Rights Mitigation	70,000
Waterline Replacement	500,000
Wells 1, 2, 3 and Booster Pumping Station	165,000
Well #6 Replacement	840,000
Debt Service Obligations	700,000

Revenue for system construction projects comes from General Facility Connection (GFC) charges, front footage charges, and user rates. Major system improvements are funded in large part through the assessment of the General Facility Charge (GFC) which is paid by all new customers connecting to the City's water system. The 2011 GFC fee for a standard 5/8" connection, a typical single family home meter size, will increase 6.0 percent to \$4,576. Larger meter connections will increase in proportion to the new cost of a residential meter.

Water System Debt and Reserves

Debt obligations of the Water Utility are normally secured by revenue bonds that are sold to investors. Until such time as the City sells revenue bonds, the Water Utility has the obligation to repay interim financing provided by the Wastewater Construction Fund. A principal and interest payment of \$700,000 is scheduled for 2011. The tremendous cost associated with current water system improvements will require issuing revenue bonds. Currently, the Council has authorized up to \$15 million in interfund

loans to meet capital improvement needs. To date \$10 million has been borrowed. Revenue to retire debt obligations comes from user fees,



connection charges, and local improvement district payments by benefiting property owners.

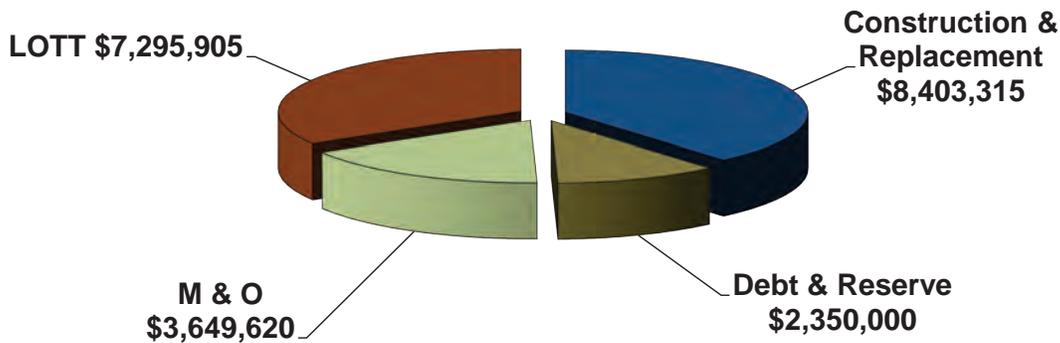
Wastewater Utility Fund

Lacey's Wastewater Utility provides service to over 15,123 connections. Lacey is responsible

the estimate for new service connections or Equivalent Residential Units (ERUs) and the planned \$1.50 increase in LOTT fees which the City collects and forwards to them.

The user fee collected for LOTT (\$31.50 per month per equivalent residential unit) is the

2011 Wastewater Budget \$21,698,840



for the utility's collection system, while the Lacey, Olympia, Tumwater, Thurston Council Alliance aka LOTT, provides wastewater treatment services.

The Wastewater Utility also is divided into three major categories for budgeting and cost accounting purposes, *Maintenance and Operations, Replacement and Capital Construction, and, Debt and Reserves*. Revenue for the utility comes from monthly user fees and connection charges.

Maintenance and Operations

The 2011 maintenance and operating budget totals \$10,945,525, which is \$591,506 or 5.7 percent more than the 2010 amended budget. This increase reflects



most significant expenditure or pass-through payment. The estimated total LOTT fee for 2011 is \$7,295,905 or 66.7 percent of the Wastewater Utility's operating budget.

The 2011 revenues for Wastewater Utility activities that fund City operations are estimated at \$3,358,430. A rate increase of \$0.25 per month is included in this budget. Lacey's portion of the monthly user charge will increase from \$15.50 to \$15.75 effective January 2011.

Replacement and Construction Activity

Replacement and construction of wastewater facilities is funded in the capital budget. Revenue

for replacement projects comes from a \$1.25 component incorporated in the monthly rates. When this is not sufficient to meet replacement

needs, additional resources are allocated from General Facility Connection (GFC) charges. The 2011 capital budget totals \$8,403,315.

Replacement and construction activity scheduled for 2011 are as follows:

Replacement Projects

Control Cabinet Replacements – LS#8, 11, and 12	\$	10,000
LS #10 Relocation		1,220,000
LS #25, 31, and 36 Pump and Electrical Upgrades		10,000
STEP Main Upgrade/Replacement		450,000
Upgrade Lift Station #14		10,000
Upgrade Lift Station #18		410,800
Wastewater Comprehensive Plan		450,000
Wastewater Main Rehab – 8th and Pacific at Sleater Kinney		175,000

Capital Projects

Lift Station #9	\$	905,000
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Wastewater Debt and Reserves

As of 2007, there is no outstanding debt in this utility.

Stormwater Utility Fund

The Stormwater Utility is divided into two funds. One provides for the maintenance and operation of existing facilities as well as engineering services for planning. The other fund is for the acquisition and construction of stormwater treatment facilities. Since there is no connection charge for this utility, funding for construction projects and improvements must come from monthly rates not required for maintenance and operation.



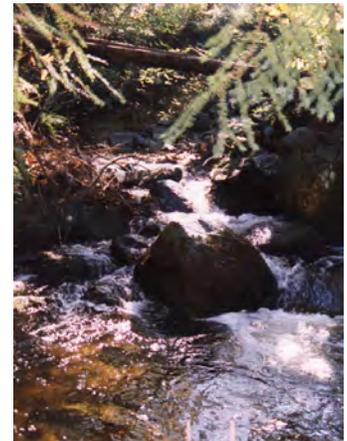
The Stormwater Utility operates and maintains storm drain facilities that serve the public right of way. An emphasis is placed on remediating water quality and flooding concerns; cleaning and maintaining catch basins, storm ponds, swales, and other rainwater treatment facilities; monitoring water quality to address pollution problems; and, ensuring compliance with state and federal standards for stormwater treatment. In 2011, an emphasis will be placed on the rehabilitation of aged and under performing stormwater facilities.

The operating budget for 2011 totals \$3,769,168, which is a \$340,633 or 9.9 percent increase over the 2010 budget. Implementation of Phase 2 NPDES requirements of inspecting and monitoring

stormwater treatment facilities continues to place increased demands on this utility. This budget proposes no increase to the monthly fee.

Capital Improvement Projects

Over the past several years, Lacey has taken aggressive steps to address stormwater flooding and treatment problems in the community. Lacey continues to be in the forefront of communities within the state and across the nation in addressing water quality issues associated with stormwater runoff. Lacey also takes great pride in taking steps to improve habitat, stream flows, and spawning beds to help restore salmon runs in Woodland Creek. The 2011 budget provides for the on-going commitment for salmon habitat restoration, stormwater treatment, and water rights mitigation. Planned for 2011 is the preparation of a stormwater comprehensive plan that will guide future capital construction and rehabilitation projects.



As mentioned above, funding of stormwater improvement projects comes from monthly system charges. For the past several years, \$250,000 has been transferred out of the Maintenance and Operations portion of the budget into the Construction Fund. Other funding has come from grants, mitigation fees, and loans.

Reclaimed Water Fund

The City created the Reclaimed Water Fund in 2008. This fund also is divided into two functions – Maintenance and Operations and Capital Projects.

Reclaimed water is highly treated wastewater that is environmentally safe to use as irrigation water or to supplement stream flows.

The Maintenance and Operations portion of the fund will begin by addressing the planning and design of the infrastructure of this utility. This will be accomplished through professional service contracts. Development of a tradition M&O budget will not begin until such time as there is a “system” to maintain and customers to be served.

Upon completion of a comprehensive plan for

this new utility, connection and user fees will be established and implemented to fund operations and capital projects.

The 2011 budget provides \$100,000 for miscellaneous Maintenance and Operations expenditures that may arise. The capital budget totals \$2,467,965 and includes a minor reclaimed water project and the construction of the Carpenter Road Reclaimed Waterline.

Over the past two years, the City has pursued federal and state assistance in initiating its reclaimed water utility. We are pleased to report that a \$500,000 federal grant has been secured to assist with the construction of a reclaimed water conveyance system from the LOTT wastewater treatment plant to the city-owned regional

72 acre Woodland Creek Community Park. From there, reclaimed water will be used to bolster stream flows in Woodland Creek benefitting salmon migration and improving water quality.



*LOTT Reclaimed Water Martin Way
Plant*

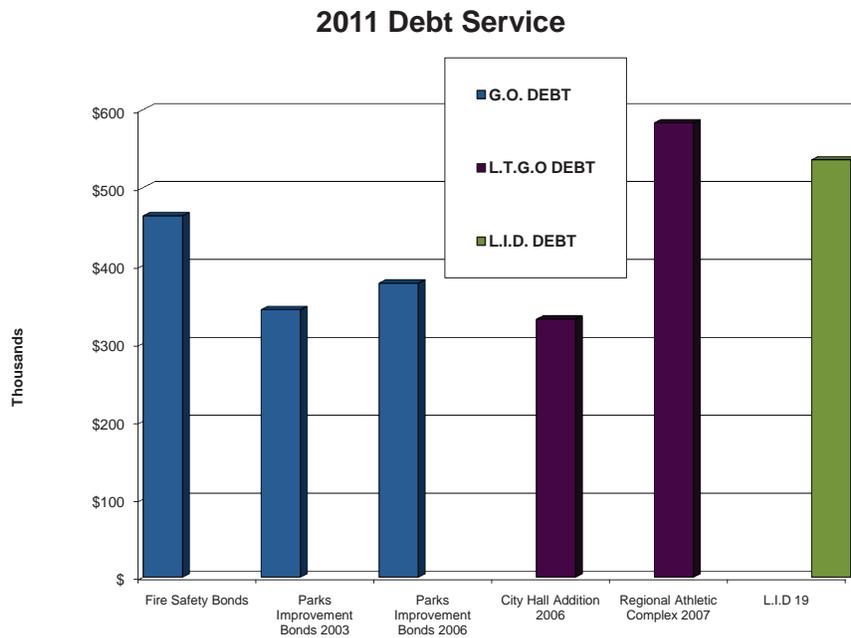
General Obligation Debt Funds

Voter Approved G. O. Debt

The General Obligation (G.O.) Debt Fund was created to provide for the payment of principal and interest on all general-purpose bonds issued by the City for facilities and equipment. When significant capital expenditures are funded by voter approval, the necessary revenue for debt

retirement comes from an excess property tax levy.

The 2011 excess levy rate for voter approved debt is estimated to be \$0.2484 per \$1,000 assessed value based on a \$1,184,544 levy. This includes a \$463,836 excess levy that began in 2002 is for Fire Safety Improvements and will mature in 2021; a \$343,308 excess levy that began in 2003 for the first group of Park Improvements maturing in 2023; and, a \$377,400 levy that began in 2007 for the final group of Parks Improvement projects.



The following table provides additional information about each G.O. Bond.

	Original Issue Amount	Jan. 1, 2011 Outstanding Balance	Maturity Date
2002 Fire Safety GO Bond	5,990,000	3,960,000	Dec. 2021
2003 Parks Improvement GO Bond	5,000,000	3,550,000	Dec. 2023
2006 Parks Improvement GO Bond	<u>4,985,000</u>	<u>4,435,000</u>	Dec. 2026
Total	15,975,000	11,945,000	

Councilmanic or L.T.G.O. Debt

State statutes permit city councils authority to issue a limited amount of debt without voter approval. This is referred to as Limited Tax General Obligation (L.T.G.O.) bonded indebtedness. Income to pay annual principal and interest obligations must come from general revenue sources of the City. L.T.G.O. debt has been issued in the past to construct the Library, Community Center, and an addition to City Hall. Some of the revenue from property, sales, business and occupation, and utility taxes was committed to debt retirement.

As a result of good fiscal management, the City was able to pay off all outstanding L.T.G.O. debt in 2005 saving \$433,019 in interest payments. However, new L.T.G.O. debt of \$3.5 million was issued in December 2006 to assist in the financing to construct a much needed 25,000 square foot addition to City Hall and \$8 million was issued in 2007 to fund phase II construction of the Regional Athletic Complex. \$331,200 of Sales Tax revenue is allocated in the 2011 budget toward retiring this debt obligation.

Local Improvement District Bond Fund

One of the tools available to assist property owners finance public improvements in their neighborhood is the formation of a special taxing district called a Local Improvement District (L.I.D.). This is accomplished by petitioning the City Council to hold a public hearing for the purpose of creating a benefit district. When these improvements are solely for the purpose of water or wastewater services, it is referred to as a Utility Local Improvement District (U.L.I.D.) and is accounted for in the utility debt portion of the budget. Transportation improvements funded through this mechanism are referred to as Local Improvement Districts (LIDs). In either case, benefiting property owners are assessed for their portion of improvement costs and are required to make annual payments to the City until their assessment is paid in full.

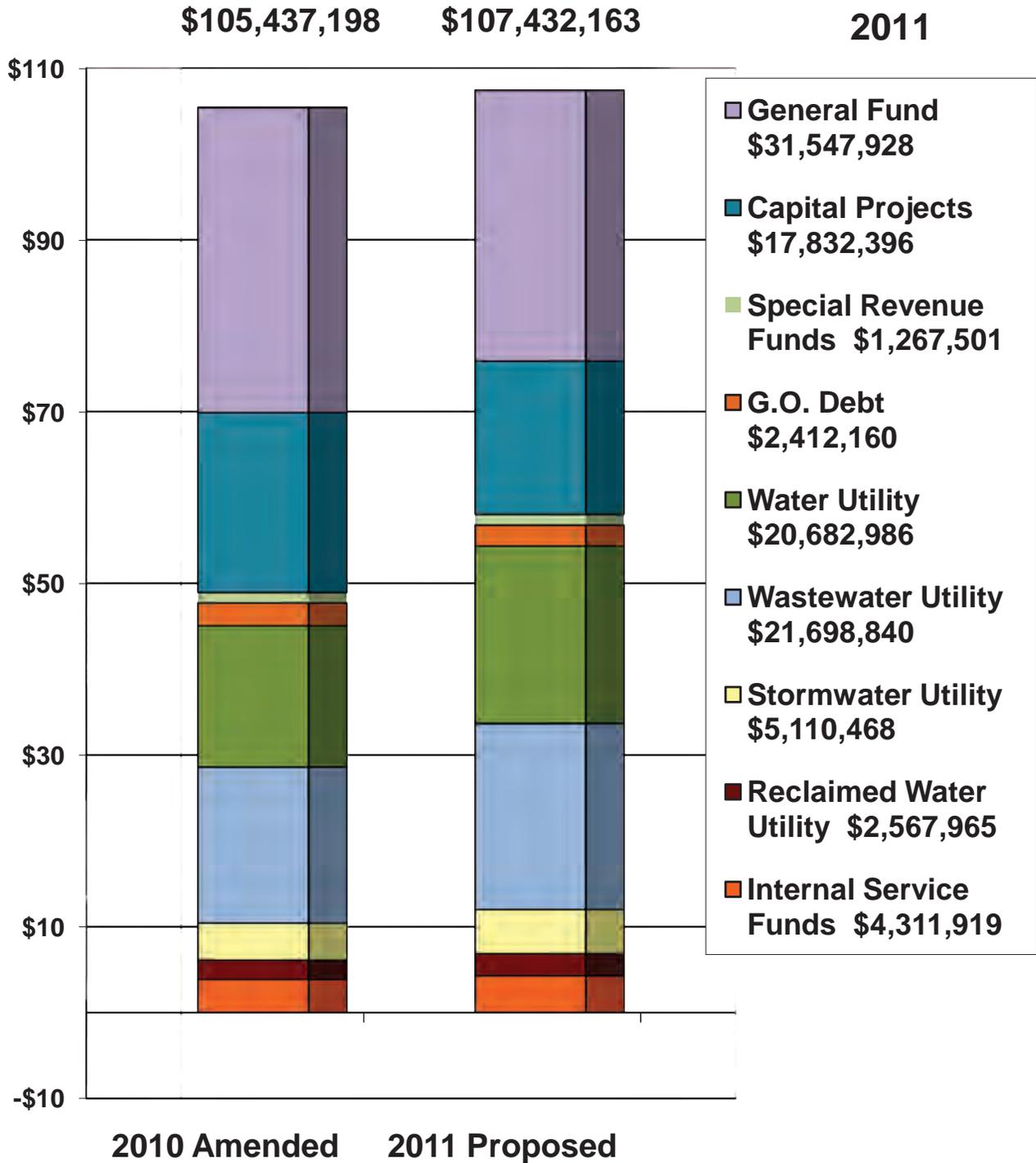
The L.I.D. Fund has only one active transportation improvement taxing district in the 2011 budget: L.I.D. #19 - Northeast Lacey Transportation Improvements.

Assessments receivable scheduled for 2011 total \$268,560 and will provide the revenue necessary to meet all debt obligations. No City funds are used to pay L.I.D. debt.



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2010 - 2011 Comparison Total City Budget



Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Revenue Summary by Fund</i>			
Current Expense Fund	28,811,703	29,845,595	26,148,882
Criminal Justice Fund	595,093	549,270	567,303
Community Buildings Fund	527,691	494,158	508,489
City Street Fund	2,558,410	2,529,421	2,519,664
Arterial Street Fund	9,554,928	17,013,921	15,509,500
Regional Athletic Complex Fund	840,656	831,391	887,001
Lodging Tax Fund	379,132	398,224	380,500
Community Block Grant Fund	13,536	-	-
General Obligation Bonds Fund	2,072,040	2,118,350	2,143,600
L.I.D. Debt Fund	515,997	535,655	268,560
Building Improvement Fund	1,016,092	250,151	520,318
Capital Equipment Fund	2,035,249	2,097,622	1,803,590
Parks & Open Space Fund	1,017,092	2,794,607	1,013,596
Regional Athletic Complex Capital Fund	750,553	918,322	788,982
Water Utility Fund	7,933,279	7,999,809	8,250,817
Wastewater Utility Fund	9,692,163	10,354,019	10,945,525
Stormwater Utility Fund	2,718,861	3,428,535	3,769,168
Reclaimed Water Utility Fund	-	100,000	100,000
Water Capital Fund	4,655,440	4,948,614	8,932,169
Wastewater Capital Fund	3,030,740	5,466,406	8,403,315
Stormwater Capital Fund	330,323	877,465	1,341,300
Reclaimed Water Capital fund	13,381	2,169,055	2,467,965
Water Debt Fund	1,576,687	3,500,000	3,500,000
Wastewater Debt Fund	680,260	2,350,000	2,350,000
Equipment Rental Fund	2,253,275	2,155,519	2,540,044
Information Mgmt Services Fund	1,257,004	1,711,089	1,771,875
Total Revenues	84,829,585	105,437,198	107,432,163

Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Expenditure Summary by Fund</i>			
City Council	166,306	183,405	186,219
Contracted Services	6,218,566	6,754,577	1,884,406
City Manager	447,969	486,201	511,118
Personnel Department	653,079	718,747	732,400
Comm Services & Public Affairs	363,478	423,986	433,227
Finance	641,883	677,183	746,161
Legal Services	436,342	445,313	445,433
Common Facilities	1,375,845	1,846,801	1,931,095
Police	7,091,032	8,112,820	8,235,145
P.W.-Support Services	126,009	86,793	84,239
P.W.-Engineering	2,518,510	2,668,436	2,631,590
P.W.-Parks Maintenance	1,803,152	2,141,036	2,237,160
P.W.-Facilities Maintenance	353,249	382,622	386,416
Planning & Comm Development	1,703,925	1,880,812	1,957,304
P.W.- Water Resources	836,967	913,563	953,065
Parks & Recreation	1,859,602	2,023,300	2,122,556
Other Operating Transfers/Unencumbered	-	100,000	671,348
Current Expense Fund	26,595,914	29,845,595	26,148,882
Criminal Justice Fund	620,144	549,270	567,303
Community Buildings Fund	413,364	494,158	508,489
City Street Fund	2,286,396	2,529,421	2,519,664
Arterial Street Fund	7,850,976	17,013,921	15,509,500
Regional Athletic Complex Fund	697,205	831,391	887,001
Lodging Tax Fund	393,144	398,224	380,500
Community Block Grant Fund	-	-	-
General Obligation Bonds Fund	2,092,951	2,118,350	2,143,600
L.I.D. Debt Fund	552,391	535,655	268,560
Building Improvement Fund	3,644,832	250,151	520,318
Capital Equipment Fund	1,433,424	2,097,622	1,803,590
Parks & Open Space Fund	613,280	2,794,607	1,013,596
Regional Athletic Complex Capital Fund	1,625,965	918,322	788,982
Water Utility Fund	7,004,158	7,999,809	8,250,817
Wastewater Utility Fund	9,906,425	10,354,019	10,945,525
Stormwater Utility Fund	3,345,136	3,428,535	3,769,168
Reclaimed Water Utility Fund	-	100,000	100,000
Water Capital Fund	529,814	4,948,614	8,932,169

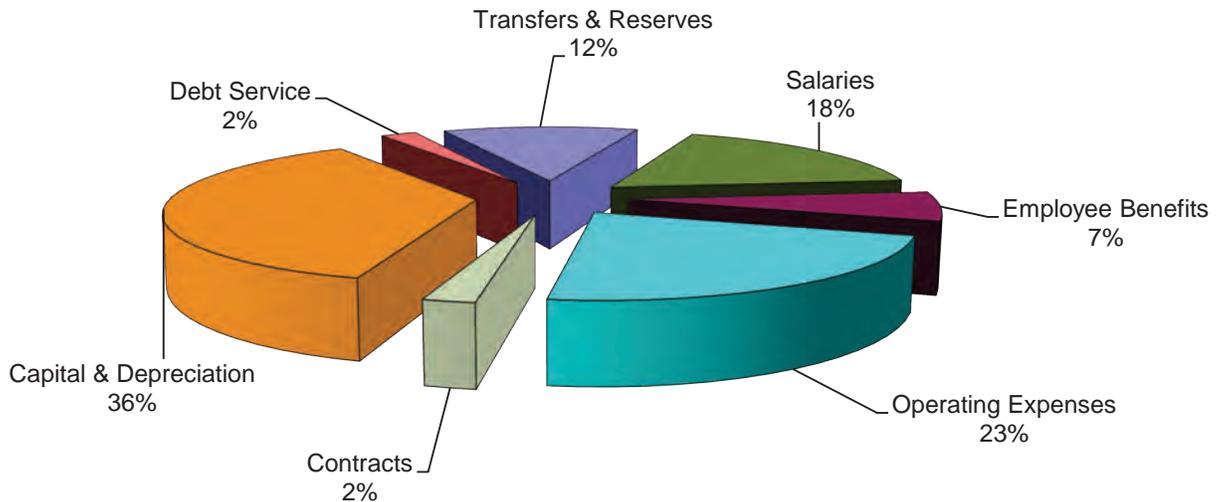
Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Expenditure Summary by Fund</i>			
Wastewater Capital Fund	8,067	5,466,406	8,403,315
Stormwater Capital Fund	168,703	877,465	1,341,300
Reclaimed Water Capital Fund	-	2,169,055	2,467,965
Water Debt Fund	2,996,740	3,500,000	3,500,000
Wastewater Debt Fund	1,954,352	2,350,000	2,350,000
Equipment Rental Fund	1,561,678	2,155,519	2,540,044
Information Mgmt Services Fund	1,555,223	1,711,089	1,771,875
Total Expenditures	77,850,282	105,437,198	107,432,163

Budget At A Glance 2011 Budget Comparison to 2010 Amended Budget				
	2010 Amended	2011 Adopted	Dollar Difference	Percent Difference
General Fund				
Current Expense Fund:				
City Council	183,405	186,219	2,814	1.53%
Contract Services	6,754,577	1,884,406	(4,870,171)	-72.10%
City Manager	486,201	511,118	24,917	5.12%
Human Resources	718,747	732,400	13,653	1.90%
Comm. Services & Public Affairs	423,986	433,227	9,241	2.18%
Finance	677,183	746,161	68,978	10.19%
City Attorney	445,313	445,433	120	0.03%
Common Facilities	1,846,801	1,931,095	84,294	4.56%
Police	8,112,820	8,235,145	122,325	1.51%
Public Works - Support Services	86,793	84,239	(2,554)	-2.94%
Public Works -Engineering	2,668,436	2,631,590	(36,846)	-1.38%
Public Works - Parks Maintenance	2,141,036	2,237,160	96,124	4.49%
Public Works - Facilities Maintenance	382,622	386,416	3,794	0.99%
Community Development	1,880,812	1,957,304	76,492	4.07%
Public Works - Water Resources	913,563	953,065	39,502	4.32%
Parks & Recreation	2,023,300	2,122,556	99,256	4.91%
Operating Transfers/Ending Fund Bal.	100,000	671,348	571,348	571.35%
Total Current Expense Fund	29,845,595	26,148,882	(3,696,713)	-12.39%
Criminal Justice Fund:				
Criminal Justice - Police	549,270	567,303	18,033	3.28%
Community Buildings Fund:				
Community Buildings	494,158	508,489	14,331	2.90%
City Street Fund:				
Public Works - Street Maintenance	2,529,421	2,519,664	(9,757)	-0.39%
Capital Equipment Fund:				
Capital Equipment/Projects	1,247,622	953,590	(294,032)	-23.57%
Transfers	850,000	850,000	-	0.00%
Total Capital Equipment Fund	2,097,622	1,803,590	(294,032)	-14.02%
Total General Fund	35,516,066	31,547,928	(3,968,138)	-11.17%
Capital Projects & Special Funds				
Arterial Street Fund	17,013,921	15,509,500	(1,504,421)	-8.84%
Regional Athletic Complex	831,391	887,001	55,610	6.69%
Lodging Tax Fund	398,224	380,500	(17,724)	-4.45%
Community Block Grant Fund	-	-	-	-
Building Improvement Fund	250,151	520,318	270,167	108.00%
Parks & Open Space/R.A.C. Fund	2,794,607	1,013,596	(1,781,011)	-63.73%
Regional Athletic Complex - Capital	918,322	788,982	(129,340)	-14.08%
Total Capital Projects & Special Funds	22,206,616	19,099,897	(3,106,719)	-13.99%
General Obligation Debt Funds				
General Obligation - Tax Supported	1,178,420	1,184,550	6,130	0.52%
Limited Tax General Obligations and Loans	939,930	959,050	19,120	2.03%
Local Improvement District Debt	535,655	268,560	(267,095)	-49.86%
Total G.O. and L.I.D. Debt	2,654,005	2,412,160	(241,845)	-9.11%

Budget At A Glance 2011 Budget Comparison to 2010 Amended Budget				
	2010 Amended	2011 Adopted	Dollar Difference	Percent Difference
Enterprise Funds				
Water Utility:				
Maintenance & Operations	7,999,809	8,250,817	251,008	3.14%
Capital Projects & Reserves	4,948,614	8,932,169	3,983,555	80.50%
Debt & Debt Reserves	3,500,000	3,500,000	-	0.00%
Total Water Utility	16,448,423	20,682,986	4,234,563	25.74%
Wastewater Utility:				
Maintenance & Operations	10,354,019	10,945,525	591,506	5.71%
Capital Projects & Reserves	5,466,406	8,403,315	2,936,909	53.73%
Debt & Debt Reserves	2,350,000	2,350,000	-	0.00%
Total Wastewater Utility	18,170,425	21,698,840	3,528,415	19.42%
Stormwater Utility:				
Maintenance & Operations	3,428,535	3,769,168	340,633	9.94%
Capital Projects & Reserves	877,465	1,341,300	463,835	52.86%
Total Stormwater Utility	4,306,000	5,110,468	804,468	18.68%
Reclaimed Water Utility:				
Maintenance & Operations	100,000	100,000	-	0.00%
Capital Projects & Reserves	2,169,055	2,467,965	298,910	13.78%
Total Reclaimed Water Utility	2,269,055	2,567,965	298,910	13.17%
Total Enterprise Funds	41,193,903	50,060,259	8,866,356	21.52%
Internal Service Funds				
Equipment Rental Fund	2,155,519	2,540,044	384,525	17.84%
Information Services Fund	1,711,089	1,771,875	60,786	3.55%
Total Internal Service Funds	3,866,608	4,311,919	445,311	11.52%
Total All Funds	105,437,198	107,432,163	1,994,965	1.89%

2011 SUMMARY OF EXPENDITURES BY BUDGET CLASSIFICATION						
Classification	General Fund	Capital Projects & Special Funds	G.O. & L.I.D. Debt Funds	Enterprise Funds	Internal Service Funds	Total
Salaries	14,198,459	333,087	-	3,601,002	902,244	19,034,792
Employee Benefits	5,007,474	154,932	-	1,582,892	381,818	7,127,116
Operating Supplies	760,024	126,662	-	822,755	872,050	2,581,491
Professional Services	1,432,832	46,600	-	2,655,466	21,750	4,156,648
Communications	260,200	6,800	-	127,455	24,620	419,075
Training/Travel	144,984	2,950	-	63,608	33,950	245,492
Advertising	55,950	-	-	-	-	55,950
Rentals/Internal Service Charges	2,803,727	93,304	-	851,874	62,837	3,811,742
Insurance	450,318	22,377	-	144,946	29,567	647,208
Utilities	1,062,300	125,179	-	8,359,305	-	9,546,784
Repairs & Maintenance	72,373	7,000	-	279,058	57,346	415,777
Other Miscellaneous	756,677	195,610	-	987,232	266,444	2,205,963
Contractual Services	2,042,669	44,418	-	355,423	14,694	2,457,204
Capital Equipment & Projects	1,823,593	16,126,240	-	11,939,485	783,986	30,673,304
Debt Service	-	-	2,412,160	-	-	2,412,160
Depreciation	-	-	-	7,500,000	860,613	8,360,613
Operating Transfers Out	564,768	1,415,041	-	3,787,689	-	5,767,498
Estimated Ending Fund Balance	111,580	399,697	-	7,002,069	-	7,513,346
Total Budget	31,547,928	19,099,897	2,412,160	50,060,259	4,311,919	107,432,163

2011 Summary of Expenditures by Budget Classification



FTE'S By Department	Actual 2006	Actual 2007	Actual 2008	Actual 2009	Actual 2010	Adopted 2011
<u>FTE SUMMARY BY CLASSIFICATION - GENERAL GOVERNMENT</u>						
<u>CITY MANAGER DEPARTMENT</u>						
City Manager	1.00	1.00	1.00	1.00	1.00	1.00
City Clerk	1.00	1.00	1.00	1.00	1.00	1.00
Deputy City Clerk/Admin Specialist	1.00	1.00	1.00	1.00	1.00	1.00
Department Assistant II	0.50	0.50	-	-	-	-
Department Assistant III	-	-	0.50	0.50	0.50	0.50
Total Department	3.50	3.50	3.50	3.50	3.50	3.50
<u>HUMAN RESOURCES DEPARTMENT</u>						
Director-Human Resources	1.00	1.00	1.00	1.00	1.00	1.00
Human Resources Analyst	2.00	2.00	2.00	2.00	2.00	2.00
Management Analyst	1.00	1.00	1.00	1.00	1.00	1.00
Department Assistant II	1.00	1.00	-	-	-	-
Department Assistant III	-	-	1.00	1.00	1.00	1.00
Total Department	5.00	5.00	5.00	5.00	5.00	5.00
<u>COMM. SERVICES & PUBLIC AFFAIRS</u>						
Director-Assistant City Manager	1.00	1.00	1.00	1.00	1.00	1.00
Senior Management Analyst	1.00	1.00	1.00	1.00	1.00	1.00
Management Analyst	-	-	1.00	1.00	1.00	1.00
Department Assistant II	0.50	0.50	-	-	-	-
Department Assistant III	-	-	0.50	0.50	0.50	0.50
Total Department	2.50	2.50	3.50	3.50	3.50	3.50
<u>FINANCE DEPARTMENT</u>						
Director-Finance	1.00	1.00	1.00	1.00	1.00	1.00
Financial Services Manager	1.00	1.00	1.00	1.00	1.00	1.00
Accounting Manager	1.00	1.00	1.00	1.00	1.00	1.00
Senior Accountant	1.00	1.00	1.00	1.00	1.00	1.00
Payroll/Accounting Svc Specialist	1.00	1.00	1.00	1.00	1.00	1.00
Accounting Technician	-	-	1.00	1.00	1.00	1.00
Department Assistant III	1.00	1.00	2.00	2.00	2.00	2.00
Department Assistant II	2.00	2.00	1.00	1.00	1.00	1.00
Department Assistant I	1.00	1.00	-	-	-	-
Total Department	9.00	9.00	9.00	9.00	9.00	9.00
<u>INFORMATION SERVICES</u>						
Information Services Manager	1.00	1.00	1.00	1.00	1.00	1.00
IS Tech Project Administrator	-	-	-	-	1.00	1.00
Systems Application Specialist	3.00	3.00	3.00	3.00	3.00	3.00
GIS Coordinator	-	-	1.00	1.00	1.00	1.00
Web Developer	-	-	1.00	1.00	1.00	1.00
Application Support Specialist	1.00	1.00	1.00	1.00	-	-
Computer Support Technician	1.00	1.00	1.00	1.00	1.00	1.00
Help Desk Tech Support	1.00	1.00	1.00	1.00	1.00	1.00
Total Department	7.00	7.00	9.00	9.00	9.00	9.00
<u>COMMUNITY DEVELOPMENT</u>						
Director-Community Development	1.00	1.00	1.00	1.00	1.00	1.00
Building Official	1.00	1.00	1.00	1.00	1.00	1.00
Assist Bldg Code Official	1.00	1.00	1.00	1.00	1.00	1.00
Building Code Compliance Specialist	1.00	1.00	1.00	1.00	1.00	1.00
Building/Fire Code Inspector	1.00	1.00	1.00	1.00	1.00	1.00
Building Code Specialist II	2.00	2.00	2.00	2.00	2.00	2.00
Building Code Specialist I	1.00	1.00	1.00	1.00	1.00	1.00
Senior Code Specialist	-	-	-	-	-	-
Electrical Inspector	1.00	1.00	1.00	1.00	1.00	1.00

FTE'S By Department	Actual 2006	Actual 2007	Actual 2008	Actual 2009	Actual 2010	Adopted 2011
<u>FTE SUMMARY BY CLASSIFICATION - GENERAL GOVERNMENT</u>						
COMMUNITY DEVELOPMENT - Continued						
Principal Planner (1 position unfunded)	1.00	1.00	2.00	2.00	2.00	2.00
Senior Planner	1.00	1.00	-	-	-	-
Associate Planner	2.00	2.00	2.00	2.00	3.00	3.00
Assistant Planner	-	1.00	1.00	1.00	-	-
Land Management Database Specialist	-	-	1.00	1.00	1.00	1.00
Department Assistant III	3.00	3.00	2.00	2.00	2.00	2.00
Department Assistant II	0.75	0.75	0.75	0.75	0.75	0.75
Total Department	16.75	17.75	17.75	17.75	17.75	17.75
<u>PARKS & RECREATION</u>						
Director-Parks & Recreation	1.00	1.00	1.00	1.00	1.00	1.00
Facilities Manager (RAC)	-	-	-	1.00	1.00	1.00
Recreation Supervisor II (1 position unfunded)	5.00	5.00	5.00	5.00	5.00	5.00
Recreation Coordinator	2.00	3.00	3.00	3.00	4.00	4.00
Recreation Assistant	2.00	2.00	2.00	2.00	1.00	1.00
Department Assistant III	1.00	1.00	1.00	1.00	1.00	1.00
Department Assistant II	1.00	2.00	2.00	2.00	2.00	2.00
Department Assistant I	1.00	-	-	-	-	-
Museum Curator	-	-	0.88	1.00	1.00	1.00
Total Department	13.00	14.00	14.88	16.00	16.00	16.00
<u>POLICE DEPARTMENT</u>						
Chief	1.00	1.00	1.00	1.00	1.00	1.00
Commander	2.00	2.00	2.00	2.00	2.00	2.00
Lieutenant	5.00	5.00	5.00	5.00	5.00	5.00
Sergeant	6.00	6.00	6.00	7.00	7.00	7.00
Police Officer/Detective	5.00	5.00	5.00	5.00	5.00	5.00
Police Officer	30.00	32.00	35.00	36.00	36.00	36.00
Customer Services Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Management Analyst	-	1.00	1.00	1.00	1.00	1.00
Police Services Specialist	1.00	1.00	1.00	1.00	1.00	1.00
Evidence/Property Tech	1.00	1.00	1.00	1.00	1.00	1.00
Department Assistant II	5.00	5.00	5.00	5.00	5.00	5.00
Community Service Officer (3 positions unfunded)	4.41	5.28	5.28	5.28	5.28	5.28
Total Department	61.41	65.28	68.28	70.28	70.28	70.28
1 salary reimbursed Lieutenant at Drug Unit and 1 salary reimbursed officer at WCJTC						
<u>PUBLIC WORKS DEPARTMENT - ENGINEERING DIVISION</u>						
<u>ADMINISTRATION</u>						
Director-Public Works	1.00	1.00	1.00	1.00	1.00	1.00
Department Assistant III	2.00	2.00	2.00	2.00	2.00	2.00
Management Analyst	1.00	1.00	1.00	1.00	1.00	1.00
Total Department	4.00	4.00	4.00	4.00	4.00	4.00
<u>ENGINEERING</u>						
City Engineer	1.00	1.00	1.00	1.00	1.00	1.00
Project Administrator	1.00	1.00	1.00	1.00	1.00	1.00
Transportation Design Services Manager	1.00	1.00	1.00	1.00	1.00	1.00
Civil Engineer (1 unfunded)	3.00	3.00	3.00	3.00	3.00	3.00
Construction/Design Manager	1.00	1.00	1.00	1.00	1.00	1.00
City Surveyor	1.00	1.00	1.00	1.00	1.00	1.00
Development Review Engineer	1.00	1.00	1.00	1.00	1.00	1.00
Engineering Technician III (1 unfunded)	12.00	15.00	16.00	16.00	16.00	16.00
Engineering Technician II	3.00	1.00	-	-	-	-
Total Department	24.00	25.00	25.00	25.00	25.00	25.00

FTE'S By Department	Actual 2006	Actual 2007	Actual 2008	Actual 2009	Actual 2010	Adopted 2011
<u>FTE SUMMARY BY CLASSIFICATION - GENERAL GOVERNMENT CONT.</u>						
<u>WATER RESOURCE</u>						
Water Resource Manager	1.00	1.00	1.00	1.00	1.00	1.00
Sr Civil Engineer/Utilities	1.00	1.00	1.00	1.00	1.00	1.00
Water Resource Specialist	1.00	1.00	1.00	1.00	1.00	1.00
Water Quality Analyst	1.00	1.00	1.00	1.00	1.00	1.00
Engineering Tech III	1.00	1.00	2.00	2.00	2.00	2.00
Civil Engineer	3.00	3.00	3.00	3.00	3.00	3.00
Total Department	8.00	8.00	9.00	9.00	9.00	9.00
Total Engineering Division	36.00	37.00	38.00	38.00	38.00	38.00
<u>OPERATIONS DIVISION</u>						
<u>ADMINISTRATION</u>						
Operations Manager	1.00	1.00	1.00	1.00	1.00	1.00
Department Assistant III	1.00	1.00	1.00	1.00	1.00	1.00
Total Department	2.00	2.00	2.00	2.00	2.00	2.00
<u>EQUIPMENT RENTAL</u>						
Equipment Maintenance Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Equipment Mechanic	1.00	1.00	1.00	2.00	2.00	2.00
Total Department	2.00	2.00	2.00	3.00	3.00	3.00
<u>PARKS MAINTENANCE</u>						
Parks Maintenance Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Sr Maintenance Tech (includes 1 at RAC)	2.00	2.00	2.00	3.00	3.00	3.00
Maint Tech Journey Level (Incudes 1 at RAC)	6.00	11.00	10.00	11.00	11.00	11.00
Horticulture Technician	-	-	1.00	1.00	1.00	1.00
Maintenance Assistant	3.00	-	-	-	-	-
Total Department	12.00	14.00	14.00	16.00	16.00	16.00
<u>FACILITIES MAINTENANCE</u>						
Senior Facilities Maintenance Technician	1.00	1.00	1.00	1.00	1.00	1.00
Total Department	1.00	1.00	1.00	1.00	1.00	1.00
<u>CITY STREETS</u>						
Elec/Streets/Strmwtr Maint. Supervisor	0.50	0.50	0.50	0.50	0.50	0.50
Senior Maintenance Technician	2.00	2.00	2.00	2.00	2.00	2.00
Maintenance Technician Journey Level	5.00	6.00	6.00	6.00	6.00	6.00
Sr. Electrical Maintenance Technician	1.00	1.00	1.00	1.00	1.00	1.00
Sweeper Operator	0.18	0.18	-	-	-	-
Maintenance Assistant	1.00	-	-	-	-	-
Electrical Maintenance Technician	2.00	2.00	2.00	2.00	2.00	2.00
Total Department	11.68	11.68	11.50	11.50	11.50	11.50
Total Operations Division	28.68	30.68	30.50	33.50	33.50	33.50
Total PW Dept (General Governmental)	64.68	67.68	68.50	71.50	71.50	71.50
Total General Government	182.84	191.71	199.41	205.53	205.53	205.53

FTE'S By Department	Actual 2006	Actual 2007	Actual 2008	Actual 2009	Actual 2010	Adopted 2011
<u>FTE SUMMARY BY CLASSIFICATION - ENTERPRISE FUNDS</u>						
CUSTOMER SERVICE-FINANCE						
<u>WATER DIVISION</u>						
Customer Service Supervisor	0.80	0.80	0.80	0.80	0.80	0.80
Meter Reader	2.75	2.75	1.75	1.75	1.75	1.75
Department Assistant II	0.90	0.90	-	-	-	-
Department Assistant III	-	-	0.90	0.90	0.90	0.90
<u>WASTEWATER DIVISION</u>						
Customer Service Supervisor	0.20	0.20	0.20	0.20	0.20	0.20
Meter Readers	0.25	0.25	0.25	0.25	0.25	0.25
Department Assistant II	0.10	0.10	-	-	-	-
Department Assistant III	-	-	0.10	0.10	0.10	0.10
Total Customer Service-Finance	5.00	5.00	4.00	4.00	4.00	4.00
PUBLIC WORKS OPERATIONS						
<u>WATER DIVISION</u>						
Department Assistant III	1.00	1.00	1.00	1.00	1.00	1.00
Water/Wastewater Maint. Supervisor	0.50	0.50	0.50	0.50	0.50	0.50
Senior Maintenance Technician	1.50	1.50	1.50	1.50	1.50	1.50
Quality Control Technician	1.00	1.00	1.00	1.00	1.00	1.00
Sr.Utility Control Tech/Plant Operator	0.50	0.50	1.00	1.00	1.00	1.00
Maint Tech Control Spec Plant Operator	-	-	1.00	1.00	1.00	1.00
Maint Tech Control Specialist JL	3.00	5.00	3.00	3.00	3.00	3.00
Maint Tech. Plant Operator JL	-	1.00	-	-	-	-
Maint Technician Journey Level	10.00	9.00	11.00	11.00	11.00	11.00
Water Treatment Plant Operator	-	-	2.00	2.00	2.00	2.00
Total Department	17.50	19.50	22.00	22.00	22.00	22.00
<u>WASTEWATER DIVISION</u>						
Water/Wastewater Maint. Supervisor	0.50	0.50	0.50	0.50	0.50	0.50
Senior Maintenance Technician	1.50	2.50	1.50	1.50	1.50	1.50
Senior Electrical Control Technician	-	-	1.00	1.00	1.00	1.00
Quality Control Technician	-	-	-	-	-	-
Utility Control Technician	0.50	0.50	-	-	-	-
Maintenance Tech Control Specialist JL	1.00	1.00	1.00	1.00	1.00	1.00
Maintenance Technician Journey Level	11.00	11.00	10.00	10.00	10.00	10.00
Total Department	14.50	15.50	14.00	14.00	14.00	14.00
<u>STORMWATER DIVISION</u>						
Elec/Streets/Stormwater Maint. Supervisor	0.50	0.50	0.50	0.50	0.50	0.50
Senior Maintenance Technician	1.00	1.00	1.00	1.00	1.00	1.00
Stormwater Code Compliance Specialist	-	-	-	-	1.00	1.00
Maintenance Technician Journey Level	2.00	3.00	4.00	4.00	3.00	3.00
Sweeper Operator	0.82	0.82	1.00	1.00	1.00	1.00
Maintenance Assistant	1.00	-	-	-	-	-
Total Department	5.32	5.32	6.50	6.50	6.50	6.50
Total Operations	37.32	40.32	42.50	42.50	42.50	42.50
TOTAL ENTERPRISE FUNDS	42.32	45.32	46.50	46.50	46.50	46.50
TOTAL CITY FTE'S	225.16	237.03	245.91	252.03	252.03	252.03
Salary information available upon request. Contact Human Resource Department						

2011 Capital Budget	
Department	Adopted Budget
<u>City Manager/HR/CS&PA</u>	
PEG/TCTV AV Equipment	36,000
Remodel City Restrooms - Front Entrance	40,000
Library Improvements - Lighting, Carpet, Paint	250,000
<u>Finance</u>	
LID Software	25,000
<u>IS-Finance</u>	
Website Video & video archiving	5,000
<u>Police</u>	
Intel Laptop	3,528
Weapons Sights and Lights	54,210
Weight Room/Armory Remodel	25,000
Bathroom Remodel - Downstairs	16,000
<u>PW - Parks Maintenance</u>	
Pit Fencing - 20%	12,000
RAC Capital:	
Fencing/Netting for RAC fields	20,000
3 Gang Roller	9,340
<u>PW - Facilities Maintenance</u>	
Interior Painting - Senior Center	6,000
Re-roof Community Center	20,000
Carpet Replacement - Community Center	6,000
Carpet Replacement - Police Department	15,000
<u>Parks & Recreation</u>	
Senior Center furnishings	1,100
Woodland Creek Community Park Trailhead	100,000
Rainier Vista Storage Shed	2,000
Recreation Equip/AV/Communication Equip - Community Center	17,930
Senior Center Phase 2 A/E	50,000
Interior Painting - Community Center	12,900
Community Center Laminate	10,000
Depot Museum	15,000
Welcome Sign at the Civic Plaza	
<u>PW - City Streets</u>	
10-Yard Dump Truck - 30% of Total	57,422
Snow Plow (Equipment Rental Fund - \$26,212)	26,212
De-Icer Equipment (Equipment Rental Fund \$27,000)	27,000
Pit Fencing - 20% of Total	12,000
Grinder	6,000
<u>PW - Water M&O</u>	
Step Van #162 Replacement - Additional Capital	73,700
10-Yard Dump Truck - 30% of Total	57,422
Pit Fencing - 20% of Total	12,000
<u>PW - Wastewater M&O</u>	
Septic Pumper #174 Replacement - Additional Capital	47,000
10-Yard Dump Truck - 10% of Total	19,141
Pit Fencing - 20% of Total	12,000
<u>PW - Stormwater M&O</u>	
10-Yard Dump Truck - 30% of Total	57,422
Pit Fencing - 20% of Total	12,000
Total Capital	1,171,327

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Current Expense Fund - Revenues</i>				
Revenues				
001-0000-308.00-00	Estimated Beginning Cash	-	115,104	494,730
001-0000-311.10-00	Property Taxes-Current	8,380,337	9,024,904	4,491,789
001-0000-311.15-00	Property Taxes-Delinquent	161,560	150,000	150,000
001-0000-313.10-00	Sales Taxes	6,889,432	8,045,001	7,698,052
001-0000-316.10-00	Business & Occupation Tax	1,763,330	1,723,016	1,737,813
001-0000-316.20-00	Admissions Tax	351,170	325,000	375,000
001-0000-316.41-00	Utility Tax/Electric	356,916	262,452	508,562
001-0000-316.42-00	Utility Tax/Water-Private	-	536	887
001-0000-316.43-00	Utility Tax/Gas	89,555	149,191	174,098
001-0000-316.45-00	Utility Tax/Solid Waste	12,976	29,689	66,451
001-0000-316.47-01	Utility Tax/Telephone	339,406	217,427	400,402
001-0000-316.52-00	Utility Tax/Olympia City	12	83	150
001-0000-316.70-00	Utility Tax/Lacey Utility	-	147,263	320,999
001-0000-317.20-00	Leasehold Excise Taxes	6,386	900	5,750
001-0000-317.51-00	Punch Board & Pull Tabs	104,896	99,250	93,408
001-0000-317.53-00	Amusement Games	84	100	100
001-0000-317.54-00	Card Games	327,308	350,000	335,080
001-0000-319.60-00	B & O Penalties	925	1,000	1,000
001-0000-321.60-00	Professional & Occupation	6,230	4,000	4,000
001-0000-321.70-00	Amusement Licenses	530	750	750
001-0000-321.90-00	Business Licenses	31,345	10,000	10,000
001-0000-321.91-00	Franchise Fees	503,338	490,000	550,980
001-0000-322.10-00	Building Permits	552,101	451,500	460,000
001-0000-322.11-00	Mechanical Permits	51,435	37,510	46,000
001-0000-322.12-00	Plumbing Permits	68,651	50,000	60,000
001-0000-322.13-00	Electrical Permits	108,674	91,000	95,000
001-0000-322.14-00	Tree Protection Fees	7,456	6,500	4,000
001-0000-322.40-00	Street & Curb Permits	25,952	15,000	18,000
001-0000-322.90-00	Gun Permits	5,906	6,500	6,000
001-0000-322.91-00	Farmers Market Proceeds	5,641	6,500	7,500
001-0000-331.16-72	Law Enforce Grant-Vests	4,764	-	-
001-0000-332.99-99	HITDA Grant	47,460	-	-
001-0000-333.10-55	Child Nutrition Program	62,612	50,000	70,000
001-0000-333.16-00	Drug Enforcement Grant	76,928	-	-
001-0000-333.20-60	CFDA 20.60X	20,945	42,895	42,895
001-0000-334.03-51	WTSC Grant	38,377	-	-
001-0000-334.04-21	Commerce DU grant	64,081	-	-

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Current Expense Fund - Revenues</i>				
Revenues				
001-0000-334.05-40	Work Study	4,512	3,000	3,000
001-0000-336.94-00	Liquor Excise Tax	188,702	187,615	199,847
001-0000-336.95-00	Liquor Board Profits	261,754	323,028	294,554
001-0000-336.99-00	Streamlined Mitigation	92,412	-	-
001-0000-337.05-00	AWC Wellness Grant	643	-	-
001-0000-338.07-00	Personnel Services	3,639	-	-
001-0000-338.21-00	Law Enforcement Service	607	-	-
001-0000-338.27-00	NTPS Security Contract	245,000	135,000	135,000
001-0000-338.37-00	Inspection Services	1,403	-	-
001-0000-338.39-00	Animal Services Admin	79,428	80,621	80,621
001-0000-338.74-00	Lydia Hawk Summer Program	25,811	9,661	20,000
001-0000-339.18-11	DOE / EECBG	5,872	-	-
001-0000-339.21-65	DOJ/ Violence Against WM	30,354	65,611	-
001-0000-339.21-68	DOJ(BJA) Byrne JAG Progm	63,496	-	-
001-0000-341.50-00	Sales of Maps/Publication	1,252	750	750
001-0000-341.53-00	Notary Services	102	-	-
001-0000-341.54-00	NSF Fees	20	-	-
001-0000-341.55-00	Other Taxable Fees	4,080	4,500	4,500
001-0000-341.99-00	Passport Fees	30,525	27,500	30,000
001-0000-342.11-00	Criminal Justice Training	128,409	95,000	100,000
001-0000-342.40-00	Overtime-Police Services	52,898	45,000	45,000
001-0000-345.81-00	Zoning & Subdivision Fees	42,071	42,500	42,500
001-0000-345.83-00	Plan Checking Fees	154,571	175,000	175,000
001-0000-345.83-01	Plan Check Fees-Streets	11,772	29,000	10,000
001-0000-345.83-02	Inspection Svs-Streets	6,380	13,000	6,500
001-0000-347.60-20	Youth & Teen Programs	143,174	146,600	147,675
001-0000-347.60-40	Aquatics Programs	181,696	155,500	173,710
001-0000-347.60-50	Physical Activities Prog	216,636	139,000	155,750
001-0000-347.60-60	Cultural Arts & Educ Prog	74,416	51,000	51,000
001-0000-347.60-70	Outdoor Activities Prog	19,808	29,840	32,840
001-0000-347.60-80	Fitness Program	29,208	27,250	27,250
001-0000-347.60-90	Special Events Program	31,286	22,750	16,500
001-0000-347.61-00	Program Fees-Replacement	3,263	9,000	11,688
001-0000-347.62-00	Shelter Fees	-	-	4,800
001-0000-347.63-00	Tumwater Pool Agreement	32,582	16,291	16,291
001-0000-347.64-00	Lacey ACT-Program Fees	26,791	37,500	37,500
001-0000-347.65-00	Field Use Fees	44,452	34,000	40,000

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Current Expense Fund - Revenues</i>				
Revenues				
001-0000-347.67-00	Concession Agreement	2,101	2,401	4,600
001-0000-348.95-00	Engineering Services Fees	1,493,601	1,618,976	1,692,556
001-0000-348.95-10	Engineering Svc - Culture	13,546	-	-
001-0000-348.95-20	Engineering Svc - Transp	927,782	952,792	911,376
001-0000-348.96-00	Parks Maintenance Service	30,422	57,539	65,083
001-0000-348.96-20	Parks Maint - Streets	235,801	316,084	361,066
001-0000-348.99-00	Water Resources Services	1,203,877	1,169,573	1,149,222
001-0000-349.16-00	Drug Unit Services	120,835	119,319	120,000
001-0000-349.18-00	Common Facilities Charges	175,151	186,636	235,117
001-0000-349.18-10	Common Fac. - Culture	21,894	23,330	29,390
001-0000-349.18-20	Common Fac. - Transp.	21,894	23,330	29,390
001-0000-349.19-00	Overhead & Services	135,000	135,000	135,000
001-0000-349.20-00	Administration-Charges	46,947	9,000	9,000
001-0000-351.10-00	District Court	275,443	245,000	275,000
001-0000-351.20-00	Lacey Violations	289,839	232,570	250,000
001-0000-351.40-00	Red Light Cameras	364,696	362,080	250,000
001-0000-361.11-00	Investment Interest	169,762	175,000	125,000
001-0000-361.40-00	Interest Sales Tax	16,731	26,000	15,000
001-0000-362.40-00	Facility Rentals	4,109	3,500	4,000
001-0000-367.03-00	Donation-Crime Prevention	1,095	500	500
001-0000-367.04-00	Donations-Police	769	-	-
001-0000-367.14-00	Donations-Concert/Events	10,682	6,000	25,000
001-0000-367.16-00	Donations-Senior Patrol	160	-	-
001-0000-367.20-00	Donations - Misc. Parks	573	-	2,000
001-0000-367.21-00	Parks - Youth Scholarship	4,500	8,600	13,100
001-0000-367.22-00	Summer Lunch Program	-	15,429	14,000
001-0000-369.10-00	Sale of Scrap & Surplus	3	1,000	1,000
001-0000-369.20-00	Sale/Unclaimed Property	2,769	2,500	2,500
001-0000-369.40-00	Court Fees/Judgments	10,773	500	3,000
001-0000-369.41-00	False Alarm	5,950	3,500	3,500
001-0000-369.43-00	Seizure Funds	109,058	-	-
001-0000-369.81-00	Cash Over & Short	(458)	-	-
001-0000-369.90-00	Other Misc Revenue	24,703	25,000	25,000
001-0000-369.93-00	LMC Book Sales	350	500	500
001-0000-369.95-00	Multi-Housing Program	5,765	-	-
001-0000-391.50-00	Capital Lease (noncash)	26,740	-	-
001-0000-397.00-00	Transfers In	-	-	5,000

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Current Expense Fund - Revenues</i>				
Revenues				
001-0000-397.09-00	Transfers In-Parks/ Open Space	353,096	315,348	301,310
Total Current Expense Fund Revenues		28,811,703	29,845,595	26,148,882

CITY COUNCIL

The City Council is the elected governing body of the City of Lacey. The Council is comprised of seven members elected at large, each serving four year staggered terms of office. Council members act as the City's legislative body with authority to enact laws, adopt the budget, determine service priorities, make public policy, and appoint citizen boards, commissions, and committees.

Every two years, the City Council selects a mayor and deputy mayor from among its membership. The Mayor presides over public meetings, recommends appointments to boards and commissions, and represents the City at community activities, events, and functions.

Members of the City Council serve on numerous intergovernmental committees, boards, and commissions responsible for regional service delivery, oversight and policy development. Council members also serve on one or more committees responsible for policy development on City finances and economic development, community relations, transportation planning, utility oversight, and general government activities.

BUDGET SUMMARY

The 2011 budget for the City Council is **\$186,219**. This amount funds salaries, travel and training, special community events, youth initiatives, and related materials, supplies, and services. The Council budget is organized into three program areas.

- City Council Services
- Boards, Commissions, and Special Activities
- Youth Initiatives

2011 PROGRAMS, GOALS AND PRIORITIES

- Obtain water rights necessary to meet the City's service requirements
- Fund Street Overlay program at current level to ensure our roads are well maintained
- Continue City's long-standing water quality, energy conservation, and environmental stewardship efforts
- Complete design of College Street and 22nd Avenue roundabout and pursue grant funding for construction of this project
- Evaluate the merits of implementing an Transportation Benefit District to provide funding for critical transportation improvement projects
- Monitor revenues and expenditures to ensure the financial solvency of the City
- Pursue grant funding that will allow the expansion of the Senior Center; assess ability of City to assume new maintenance and operating expense associated with the expansion
- Initiate a community-oriented Town Center planning process to review and modify where appropriate the current downtown goals, vision, and policies
- Provide funding to replace the carpet, improve lighting, and paint the interior of the Library in time to celebrate the twenty-year anniversary of the building
- Ensure a smooth transition of fire and emergency medical services being provided through annexation by Fire District III
- Update all Council members on Incident Command Training
- Develop and adopt a comprehensive set of Council operating policies and procedures
- Ensure there continues to be an emphasis on the proper funding and maintenance of the City's utility and transportation infrastructure

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Current Expense Fund - Expenditures</i>				
City Council				
Council Services				
001-0301-511.10-01	Salaries-Regular	87,780	94,639	94,639
001-0301-511.20-01	Employer Paid Benefits	7,684	8,568	9,558
001-0301-511.31-01	Office & Operating Supply	1,890	2,000	2,000
001-0301-511.41-01	Prof. Svc-Other	3,950	2,000	4,000
001-0301-511.42-01	Communications-Telephone	150	-	-
001-0301-511.43-01	Transportation/Per Diem	4,480	6,500	6,500
001-0301-511.43-03	Registrations	2,660	3,500	3,500
001-0301-511.45-02	IMS Rentals	1,049	2,640	2,545
001-0301-511.46-03	Insurance-Fidelity	1,611	1,724	2,229
001-0301-573.49-12	Special Events	11,138	10,300	8,300
Total Council Services		122,392	131,871	133,271
Boards/Memberships				
001-0302-519.49-14	Association of WA Cities	25,733	25,734	27,148
001-0302-519.49-15	National League of Cities	3,258	3,250	3,250
001-0302-519.49-41	ICLEI	-	600	600
001-0302-572.31-30	Other Boards/Memberships	638	4,950	4,950
Total Boards/Memberships		29,629	34,534	35,948
Youth Initiatives				
001-0304-511.49-42	WIN Program	14,285	15,200	15,200
001-0304-511.49-47	Sister City Program	-	1,800	1,800
Total Youth Initiatives		14,285	17,000	17,000
Total City Council		166,306	183,405	186,219

CONTRACTED SERVICES

This budget details the cost of a variety of public services the City of Lacey purchases from or contracts with other agencies. When quality public services can be contracted cost-effectively, the City will frequently negotiate contractual agreements to provide these services rather than performing services through our own programs and staff. We will continue to contract for these services as long as the quality of service meets the public's needs in a cost-effective manner.

BUDGET SUMMARY

The 2011 budget for Contracted Services is **\$1,884,406**. This amount maintains current services while providing for increases as negotiated and approved by the Council.

CONTRACTUAL - INTERLOCAL AGREEMENTS

Public Safety

COURT SERVICES:

Thurston County District Court currently provides court services for traffic and criminal citations issued by Lacey Police. These services include provision of a judge, court and process, probationary services, and the collection of fines and forfeitures.

PUBLIC DEFENDER:

The criminal justice system requires the City provide an attorney for those unable to afford one when charged with a criminal offense. All legal defense fees are paid by the City of Lacey.

JAIL SERVICES:

The City currently contracts with Thurston and Lewis County and the Nisqually Indian Tribe for incarceration of individuals charged or convicted of offenses committed in Lacey. Thurston County also conducts a work release and electronic monitoring program. Included in these charges are all medical and dental expenses that may be incurred while an individual is in the City's custody.

911/EMERGENCY DISPATCH:

911/CAPCOM provides dispatch services county-wide to police, fire, and medic agencies. Lacey is a partner in an inter-local agreement for these services. Operating costs are funded by a voter approved 1/10th of 1% sales tax. This budget allocation is for services provided to Public Works operations.

ANIMAL SERVICES:

Joint Animal Services is a service provider created through an Intergovernmental Cooperative Agreement to provide animal control and related services to Lacey, Olympia, Tumwater and unincorporated Thurston County. Services include licensing, adoption, education, complaint investigation, enforcement and a shelter for lost animals. Each member jurisdiction is charged an assessment for Animal Services' maintenance and operation expenses.

EMERGENCY DISASTER PREPAREDNESS:

In 1991, a multi-agency emergency preparedness task force was organized. The task force has developed a regional program to coordinate the communities' response in the event of a major disaster. The City continues in its efforts to implement a disaster plan within City departments and also provides ongoing education and training in the community.

Health and Human Services

SOCIAL SERVICES:

Lacey, Olympia, and Tumwater annually contribute funding through an Intergovernmental partnership called the Human Services Review Council (HSRC) to help support various social services programs. The cities distribute nearly \$ 300,000 annually in public funding for these critical social services needs that are provided through a number of local human service agencies.

VICTIM ADVOCATE:

This program provides an advocate to crime victims in helping them convey impacts to the Court and City Attorney's office. The Victim's Advocate also helps create a safety plan; obtains counseling services; keeps court dates; and provides access to community resources.

Planning/Growth ManagementREGIONAL PLANNING:

The City of Lacey is a partner with the Thurston Regional Planning Council that offers a mechanism to address common regional issues and provide for area-wide coordination and planning. This budget reflects the City's contribution for these general services. The City also contracts with TRPC for special planning studies relating to transportation, growth, and environmental issues.

FOREIGN TRADE ZONE:

The Port of Olympia is the Grantee for the South Puget Sound Foreign Trade Zone where customs duty can be deferred or reduced. The zone includes 389 acres in northeast Lacey. There are 12 sites in a four county area (Thurston, Mason, Lewis, and Kitsap). As business sites are activated within the zone, the funding from the governmental partners in the zone will be reduced.

Community ServicesELECTION/VOTER REGISTRATION:

The City is billed by the Thurston County Auditor's Office for its share of all general and special election costs. These amounts are based on the number of registered voters in the City.

THURSTON COMMUNITY TELEVISION:

Under contract with local jurisdictions, Thurston Community Television (TCTV) operates, maintains, and administers a public access channel and production facility as a part of its television cable services. The public access channel is available for public broadcasting by non-profit organizations and the general public.

ECONOMIC DEVELOPMENT COUNCIL:

The Economic Development Council (EDC) is a partnership between local public agencies and private business to promote and maintain a healthy economic environment. The focus of the EDC has been to nurture already existing businesses looking at expansion and to develop strategies to attract new manufacturing and warehousing companies that will create livable wage local jobs.

MISCELLANEOUS CONTRACTS:

The City also provides funding to a number of other public service agencies that provide public services for Lacey residents. Included in this category is funding to Intercity Transit for the Amtrak Depot and the Olympic Air Pollution Control Authority for monitoring and enforcement of air quality issues.

TOGETHER!:

TOGETHER! is a community partnership comprised of a coalition of local government entities, interested citizens, social service agencies, and community activists. The mission of TOGETHER! is to motivate community commitment to the health and safety of our youth through active community coalitions and neighborhood centers.

COMMUNITY MARKET:

This community event, held during the summer months at Huntamer Park, is in its fifth year of operation. The Lacey Community Market venue brings together a diverse vendor base offering fresh produce, nursery items, baked goods, antiques, personal treasures, and handcraft items to the public. Music and entertainment is also a major feature of this market.

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Current Expense Fund - Expenditures</i>				
Contracted Services				
Contracted Services				
001-0401-511.58-18	Election/Voter Registrare	13,016	104,633	50,000
001-0401-511.58-21	Inter-governmental	142,158	180,958	180,958
001-0401-512.58-12	District Court	219,059	200,000	250,000
001-0401-512.58-13	Public Defender-Indigent	137,935	141,300	145,000
001-0401-521.58-24	Victim Advocate	55,050	70,140	36,000
001-0401-522.58-08	Fire District #3	4,312,304	4,856,640	-
001-0401-523.58-10	Th Co Corrections	58,514	93,000	93,000
001-0401-523.58-11	Other Jail Services	417,703	455,000	455,000
001-0401-523.58-12	Medical Services	45,450	40,000	40,000
001-0401-525.58-22	Emergency Services Prog.	6,131	11,000	11,000
001-0401-528.58-05	Central Dispatch	5,609	6,086	6,086
001-0401-531.58-01	Pollution Control Auth.	16,142	17,118	17,663
001-0401-539.58-04	Joint Animal Services	194,193	205,000	215,000
001-0401-552.58-14	Dispute Resolution Center	2,700	2,700	2,800
001-0401-552.58-15	Social Services-HSRC	84,000	85,000	85,000
001-0401-552.58-16	TOGETHER	15,000	12,900	14,000
001-0401-552.58-17	Social Svc-Local Grants	-	15,000	15,000
001-0401-552.58-18	G.R.U.B.	3,150	2,500	3,000
001-0401-552.58-24	Foreign Trade Zone	3,335	3,350	3,350
001-0401-557.58-17	Th Community TV	84,153	89,000	93,000
001-0401-558.58-02	Thurston Region Planning	78,063	78,063	82,352
001-0401-559.58-03	Economic Develop. Council	25,000	25,000	25,000
001-0401-566.58-07	Th Co Social Services S/A	11,076	8,360	8,360
001-0401-573.58-20	IT/Amtrak	9,419	8,829	9,837
001-0401-573.58-23	Farmer's Market	27,442	43,000	43,000
001-0401-598.52-10	Grant Proceeds	251,964	-	-
Total Contracted Services		6,218,566	6,754,577	1,884,406



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CITY MANAGER

The City Manager is the chief administrative officer of the City, appointed by and accountable to the City Council.

The City Manager is responsible for the effective administration and management of the City and the efficient delivery of all City services. All department directors are appointed by and report directly to the City Manager. The City Manager is responsible for all hiring and employment decisions, the approval of all operating rules and procedures, ensuring quality performance, proper financial management of City funds, and carrying out the policy directives of the City Council.

The City Manager prepares the annual budget for Council approval, assists in the identification of community priorities, and facilitates public involvement and participation in key areas of policy development and service delivery. The City Manager proposes policy recommendations to the City Council, advises them on matters of community interest, and supplies facts and information as appropriate to provide the Council with a comprehensive basis for making decisions and establishing annual goals and priorities for the City. The City Manager also attends and represents the City on various intergovernmental committees.

BUDGET SUMMARY

The 2011 budget for the office of the City Manager is **\$511,118**. This amount maintains current levels of staffing and service. In addition to covering operating expenses, the Manager's budget includes funding for the City Clerk, Deputy City Clerk, and a one half-time Department Assistant III to provide technical and administrative support to the City Manager and the City Council.

2011 PROGRAMS, GOALS AND PRIORITIES

- Monitor revenues and expenditures to ensure the financial solvency of the City
- Pursue new water rights to meet Lacey short and long term needs
- Continue to promote business growth and economic development with the objective of improving Lacey's sales tax base, expanding shopping opportunities for area residents, and diversifying the community's employment base
- Enhance Lacey's emergency preparedness capability by initiating on-going staff training to improve the City's ability to respond to events and disasters
- Implement web and telephone based e-government improvements that enhance registrations, payment options, stream Council meetings, and improve service to the community
- Develop a funding strategy for I-5 Interchange improvements at Martin Way Exit 108/109
- Continue to build upon the City's strong environmental stewardship efforts with an emphasis on water quality improvements and energy efficiency
- Apply for a \$1 million CDBG grant to expand the Senior Center from 5,000 to 10,000 square feet. Pursue additional federal appropriation of \$500,000 for the Senior Center expansion project
- Develop an infrastructure improvement strategy for addressing the City's east-Lacey wastewater capacity requirements
- Provide 2011 budget financing necessary to sustain Lacey's excellent street infrastructure maintenance program
- Evaluate and present to Council the procedure, advantages, and disadvantages of Lacey forming a Transportation Benefit District
- Provide Council with an assessment of the financial impacts and service obligations associated with the annexation of properties adjacent to Martin Way in the Lacey UGA
- Advertise and promote Lacey's energy conservation, water savings, and environmental programs Acquire property along Woodland Creek Corridor to support Lacey's water mitigation and habitat protection goals

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Current Expense Fund - Expenditures</i>				
City Manager				
Administration				
001-0501-513.10-01	Salaries-Regular	252,407	262,006	273,307
001-0501-513.10-06	Salaries-Part-Time	-	2,600	2,600
001-0501-513.20-01	Employer Paid Benefits	73,471	83,088	94,916
001-0501-513.31-01	Office & Operating Supply	2,460	2,600	2,600
001-0501-513.41-01	Prof. Svc-Other	1,000	1,000	1,000
001-0501-513.43-01	Transportation/Per Diem	2,946	3,000	3,000
001-0501-513.43-02	Dues, Subscriptions, Publ	3,239	3,750	3,750
001-0501-513.43-03	Registrations	595	1,700	1,700
001-0501-513.45-02	IMS Rental	4,630	7,285	7,761
Total Administration		340,748	367,029	390,634
City Clerk/Records Management				
001-0502-514.10-01	Salaries-Regular	77,874	79,605	79,605
001-0502-514.20-01	Employer Paid Benefits	19,018	21,085	22,086
001-0502-514.31-01	Office & Operating Supply	615	1,000	1,000
001-0502-514.41-06	Codification/Microfilm	815	5,500	5,500
001-0502-514.41-07	Records Destruction	2,762	2,500	2,500
001-0502-514.43-02	Dues, Subscriptions, Publ	494	500	500
001-0502-514.43-03	Registrations	199	1,000	1,000
001-0502-514.44-04	Ordinances & Resolutions	2,882	3,500	3,500
001-0502-514.45-02	IMS Rental	2,315	3,482	3,793
001-0502-514.49-30	Software Maintenance	247	1,000	1,000
Total City Clerk/Records Management		107,221	119,172	120,484
Total City Manager		447,969	486,201	511,118

HUMAN RESOURCES

The Human Resources Department provides administrative and support services to all City departments related to the recruitment, training, performance, and compensation of the City's work force. In addition, this department manages labor contract negotiations, the employee relations and benefits program, and provides research and project support to the City Manager's office for special projects. Human Resources is also responsible for the City's loss control and safety programs, administration of the City's liability and worker's injury claims, and co-management of the City's emergency preparedness programs.

There are nine areas of program responsibility:

- Recruitment and selection
- Employee and labor relations
- Risk management, safety and wellness programs
- Personnel policy development and implementation
- Employee training and development
- Salary and employee benefits administration
- Compliance with employment law
- Emergency preparedness
- Claims administration for City liability, worker's compensation and unemployment insurance

Human Resources staffing includes the Director, two Human Resource Analysts, a Management Analyst, and a Department Assistant III.

BUDGET SUMMARY

The Human Resources Department budget is organized into two program areas.

- General Services
- Risk Management/Loss Control

The total 2011 budget for Human Resources is **\$732,400**. Recruitment activity for 2010 was steady throughout the year; including the hiring of a new Building Official, hiring a new maintenance position at the Regional Athletic Complex and back-filling positions in the Police Department.

Activities in risk management included continued participation in the AWC Retrospective Rating Program for the City's L & I workers compensation program, which resulted in a premium refund of \$87,559 since 2004. Updated key procedures in the City's Safety Manual and developed Commercial Drivers' License training procedures to meet the new state requirements and assist with Operations division confined space rescue training. In the Emergency Preparedness arena, staff successfully co-facilitated the Community Emergency Response Team (CERT) Training and continued to support the community-wide Emergency Preparedness Expo. Due to continued risk management initiatives and monitoring, the City additionally continues to have a lower general liability claims in comparison to other similar cities in Washington.

Additional noteworthy program efforts in 2010 included: providing support for the opening ceremony of the completed Woodland Creek Trail expansion project; continued support for employee training and development through numerous offerings and tailored programs; updated City policies and insurance coverage to meet law changes such as the "Everything but Marriage Act"; continued preparation for moving forward with changes to our employee benefits plans as proposed by the Association of Washington Cities Employees Benefit Trust and the 2010 Health Care Reform Act, including education and negotiation with employees; and participation on the City team negotiating renewal of the AFSCME labor contract.

Of final note, in 2010 the Wellness Committee received the AWC Well City Award for the tenth year in a row for motivating employee wellness in the workplace. The City truly has an outstanding and innovative program with a number of fun and/or educational events. Additionally, the Wellness program earned the Happy Heart Work Well Award from the Thurston County Chamber and Thurston County Public Health agency. This is the highest award given to local businesses and agencies. The committee also implemented Healthful Meeting Guidelines to encourage the purchase of food items that provide a balanced menu.

2011 PROGRAMS, GOALS AND PRIORITIES

- Introduce a new medical insurance option that encourages wise health care consumerism and reduces premium cost
- Improve new employee evaluation process
- Implement on-line notification and application process for City job openings
- Complete 5 year update of the City's Emergency Preparedness Plan
- Focus on improved selection strategies targeted at core values and behaviors important to job success in the Lacey workplace
- Continue needed updates to the City's Safety Program
- Continue implementation of HR software module to improve our capability to produce helpful reports and data for City supervisors and HR staff
- Implementation of additional background check criteria for new hires to verify applicant information

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Current Expense Fund - Expenditures</i>				
Human Resources				
General Services				
001-0701-516.10-01	Salaries-Regular	289,518	324,716	326,306
001-0701-516.10-05	Salaries-Overtime	223	-	-
001-0701-516.10-06	Salaries-Part-Time	354	-	-
001-0701-516.20-01	Employer Paid Benefits	110,687	127,987	138,511
001-0701-516.31-01	Office & Operating Supply	1,736	10,275	10,275
001-0701-516.31-04	Supplies - Testing/Exam	6,007	15,060	15,060
001-0701-516.41-01	Prof. Svc-Other	1,936	500	500
001-0701-516.41-03	Prof. Svc-Consultant	90,885	42,500	42,500
001-0701-516.41-04	EAP/SPS Labor Management	4,386	5,073	5,073
001-0701-516.43-01	Transportation/Per Diem	1,101	2,800	2,800
001-0701-516.43-02	Dues, Subscriptions, Publ	3,419	2,700	2,700
001-0701-516.43-03	Registrations	835	1,725	1,725
001-0701-516.44-01	Adv/Full-Time Position	10,268	30,000	30,000
001-0701-516.44-02	Adv/Part-Time Position	11,115	5,000	5,000
001-0701-516.45-02	IMS Rental	9,547	19,741	19,432
001-0701-516.49-02	Printing & Binding	520	3,500	3,500
001-0701-516.49-04	Employee Relations Proj	5,352	5,384	5,384
001-0701-516.49-05	Professional Development	23,060	23,750	23,750
001-0701-516.49-56	Emp Perform Recognition	1,154	5,000	5,000
Total General Services		572,103	625,711	637,516
Risk Management/Loss Control				
001-0702-514.10-01	Salaries-Regular	46,801	52,709	52,896
001-0702-514.20-01	Employer Paid Benefits	17,812	20,466	22,127
001-0702-514.41-03	Prof. Svc-Consultant	2,546	5,000	5,000
001-0702-514.42-01	Communications-Telephone	-	150	150
001-0702-514.43-02	Dues, Subscriptions, Publ	-	961	961
001-0702-514.49-17	Pre-employment Medicals	3,935	5,000	5,000
001-0702-514.49-18	Wellness Prog. AWC-Grant	6,803	6,000	6,000
001-0702-514.49-43	Drug & Alcohol Testing	3,079	2,750	2,750
Total Risk Management/Loss Control		80,976	93,036	94,884
Total Human Resources		653,079	718,747	732,400



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COMMUNITY SERVICES AND PUBLIC AFFAIRS

The Community Services and Public Affairs Office is responsible for administering the City's public information programs, supporting or developing activities that will foster community pride, assisting the Council and City Manager on a full array of special projects, providing legislative support, and serving as a resource for the resolution of citizen concerns and/or complaints. These activities include:

- Publication of the City's newsletter, Lacey Life
- Providing information about City activities through community meetings and public forums
- Fostering creation of ongoing relationships with neighborhood and homeowners' associations
- Administering the City's contractual agreements with Joint Animal Services, Comcast Cable, Thurston Community Television, and Thurston/Mason Head Start/ECEAP
- Responding to citizen questions, complaints, and concerns
- Provide staff representation for the regional Solid Waste Advisory Committee as needed
- Acting as liaison to Washington State Legislature on proposed bills, which would impact the City
- Provide staff representation for the HOME Consortium Committee as needed
- Coordinating efforts to acquire art for public facilities
- Grant writing and administration for special community projects
- Provide oversight related to content on City's website
- Assist local and regional media agencies by providing timely information and response to stories affecting Lacey
- Representing the City Manager on the Site Plan Review Committee
- Coordinate and produce programming for local cable access

Department services are provided by a Director, two Management Analysts, and a one half-time Department Assistant III.

BUDGET SUMMARY

The total 2011 budget for Community Services and Public Affairs is **\$433,227**.

2011 PROGRAMS, GOALS AND PRIORITIES

- Coordinate City's Emergency Cold Weather Response Plan for the Homeless
- Redesign Lacey Life as an e-newsletter
- Maintain a Neighborhood Resource Guide for Lacey neighborhoods
- Enhance communication between City Hall and neighborhood associations
- Continue acquisition of public art
- Continue Work Involvement Now (W.I.N.) project coordination
- Provide support to Lacey Area Youth Task Force as needed
- Work with TCTV, Olympia, and Thurston County to more fully utilize the government and education channels
- Provide ongoing support to the City's official website
- Acquire grant funding for economic development and other city projects
- Provide legislative evaluation and support services
- Provide staff and research support to the City Council and City Manager as needed
- Provide information to the local media about programs and events affecting Lacey residents
- Explore opportunities for partnerships with other organizations (Saint Martin's, Panorama, and Lacey Chamber of Commerce) that will benefit the Lacey community
- Coordinate 11 programs for broadcast on Panorama City's closed circuit television
- Oversee Lacey Community Market
- Oversee Lacey's Energy Efficiency Community Block Grant
- Assist the Lacey Community Development Department with the Local Revitalization Financing Program

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Current Expense Fund - Expenditures</i>				
Community Services and Public Affairs				
General Services				
001-0901-513.10-01	Salaries-Regular	267,851	276,726	278,493
001-0901-513.10-05	Salaries-Overtime	147	-	-
001-0901-513.10-06	Salaries-Part-Time	1,659	14,300	-
001-0901-513.20-01	Employer Paid Benefits	81,903	91,970	98,561
001-0901-513.31-01	Office & Operating Supply	1,750	3,800	3,800
001-0901-513.41-01	Prof. Svc-Other	-	-	15,000
001-0901-513.43-01	Transportation/Per Diem	16	750	750
001-0901-513.43-02	Dues, Subscriptions, Publ	2,038	2,700	2,700
001-0901-513.43-03	Registrations	75	1,000	1,000
001-0901-513.45-02	IMS Rental	6,413	8,240	8,423
001-0901-513.49-02	Printing & Binding	1,020	2,500	2,500
001-0901-573.49-12	Special Events	325	1,000	1,000
001-0901-573.49-20	Special Projects	281	3,000	3,000
001-0901-573.49-21	LaceyLife Newsletter	-	18,000	18,000
Total Community Services and Public Affairs		363,478	423,986	433,227

FINANCE

The Finance Department is responsible for ensuring the sound financial management of all City operations, the safekeeping of City assets, budget development, debt administration, and the administration of Lacey's Information Systems. Major program areas include:

- Payroll and Benefits
- Central Purchasing
- Miscellaneous Receivables, Accounts Payable and General Ledger Accounting
- Utilities Billing and Customer Services
- Budget and Financial Statements
- Investments and Debt Management
- Business Licensing, Registration and Passport processing
- Violations Bureau
- Information Systems, Support and Services

These services are provided by 22 full-time employees that are budgeted in the Current Expense, Utilities, and Information Management Services Funds.

BUDGET SUMMARY

The 2011 budget for the Finance Department is **\$746,161**. The Information Services division is listed under a separate budget because their expenses are managed as a separate fund. Finance Department payroll costs assigned to Utility Billing are budgeted in each of the Utilities.

2011 PROGRAMS, GOALS AND PRIORITIES

- Enhance financial reporting and compliance
- Revenue monitoring, forecasting and enhancement
- Pursue GFOA certification of Lacey's Comprehensive Financial Report
- Implement E-statements for utility customers
- Purchase and install LID/ULID software

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Current Expense Fund - Expenditures</i>				
Finance				
General Services				
001-1401-514.10-01	Salaries-Regular	430,736	423,918	460,686
001-1401-514.10-05	Salaries-Overtime	3	850	850
001-1401-514.20-01	Employer Paid Benefits	147,312	167,699	193,022
001-1401-514.31-01	Office & Operating Supply	5,499	5,000	5,000
001-1401-514.41-05	Prof. Svc-Audit	24,904	32,900	32,900
001-1401-514.43-01	Transportation/Per Diem	1,266	2,515	2,515
001-1401-514.43-02	Dues, Subscriptions, Publ	2,057	2,175	2,175
001-1401-514.43-03	Registrations	1,110	2,450	2,450
001-1401-514.45-02	IMS Rental	22,027	26,274	33,161
001-1401-514.48-01	Rep & Maint-Equipment	-	100	100
001-1401-514.49-02	Printing & Binding	682	3,950	3,950
001-1401-514.49-06	Maintenance Contracts	300	500	500
001-1401-514.49-08	Witness Fee-Court	308	1,000	1,000
001-1401-514.49-09	Interpreter Svcs-Court	4,454	6,500	6,500
001-1401-514.49-30	Software Maintenance	1,225	1,352	1,352
Total Finance		641,883	677,183	746,161

LEGAL SERVICES

The City Attorney's office provides legal counsel and related services to the City. This office is also responsible for the prosecution of all misdemeanors and infractions resulting from citations by Lacey Police officers, Animal Service officers, and code enforcement personnel. Legal services include advising the Council, City Manager, and all other departments, representing the city in litigation, and preparing legislation for consideration by the Council. The City contracts for these services through its adopted budget.

Personnel staffing includes 5 employees in the City Attorney's office. The Finance Department staffs the Violations Bureau at City Hall, which processes traffic, parking, and other citations issued by Lacey Police and the City Attorney's office. City staff also receipts paid fines or forfeitures for traffic and parking violations, and refers more serious citations to District Court.

BUDGET SUMMARY

The total 2011 budget for City Attorney is **\$445,433**.

2011 PROGRAMS, GOALS AND PRIORITIES

- Provide legal guidance to the Council and City administration on the planning and regulatory functions of the City
- Continue a positive approach to the City's legal ability to accomplish tasks and projects necessary for its citizens
- Acquire necessary property rights for future street, water and other City projects with a current emphasis on the last remaining parcels needed for the Carpenter Road Improvement Project

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Current Expense Fund - Expenditures</i>				
Legal Services				
Legal Services				
001-1501-515.10-01	Salaries-Regular	90,481	92,545	92,545
001-1501-515.20-01	Employer Paid Benefits	6,922	7,080	7,080
001-1501-515.31-01	Office & Operating Supply	265	4,200	4,200
001-1501-515.41-01	Prof. Svc-Other	97,184	108,348	108,348
001-1501-515.41-08	Prof. Svc-Litigation	15,852	3,000	3,000
001-1501-515.41-09	Prof. Svc-Prosecution	202,460	204,400	204,400
001-1501-515.43-01	Transportation/Per Diem	-	1,500	1,500
001-1501-515.43-02	Dues, Subscriptions, Publ	625	500	500
001-1501-515.43-03	Registrations	-	1,000	1,000
001-1501-515.45-05	Rentals-Other	12,840	12,840	12,960
001-1501-515.49-07	Support Services	9,713	9,900	9,900
Total Legal Services		436,342	445,313	445,433

COMMON FACILITIES

The Common Facilities budget provides funding for maintaining and operating City Hall, the Maintenance Service Center and the Library. Expenditures include all utilities, maintenance contracts, insurance, janitorial services, common supplies, postage, computer system replacement charges, maintenance of pooled vehicles, miscellaneous charges for services, and contract copying and support.

BUDGET SUMMARY

The Common Facilities budget is organized into two programs.

- Facilities - City Hall/Library Operations
- Facilities - Maintenance Service Center

The 2011 budget for Common Facilities is **\$1,931,095**. This amount maintains the current level of services while reducing the impact of Information Services support by direct allocation of expense to departments. Where appropriate, Common Facility charges are allocated back to various operating funds (e.g., Streets and utilities).

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Current Expense Fund - Expenditures</i>				
Common Facilities Overhead				
City Hall & Library Operations				
001-1901-514.31-01	Office & Operating Supply	21,060	20,370	20,370
001-1901-514.41-01	Prof. Svc-Other	36,270	40,846	40,846
001-1901-514.42-01	Communications-Telephone	13,213	52,913	52,913
001-1901-514.42-02	Communications-Postage	35,424	44,000	44,000
001-1901-514.45-01	Equipment Rental	20,202	21,655	19,229
001-1901-514.45-02	IMS Rental	434,690	625,651	697,350
001-1901-514.45-03	Copier Rental	57,284	73,700	73,700
001-1901-514.45-07	Rentals-Mailing Equipment	13,500	12,300	12,300
001-1901-514.45-08	Lease Miscellaneous	100	4,980	4,980
001-1901-514.46-01	Insurance-Liability	226,509	316,937	339,601
001-1901-514.46-02	Insurance-Fire/Property	29,683	32,992	32,788
001-1901-514.46-06	AWC-L & I Pool	11,510	12,294	12,294
001-1901-514.47-01	Utility-Electric	143,571	165,000	148,000
001-1901-514.47-02	Utility-City of Lacey	9,202	8,900	9,300
001-1901-514.47-07	Utility-Solid Waste	-	6,000	6,000
001-1901-514.48-01	Rep & Maint-Equipment	825	3,700	3,700
001-1901-514.49-02	Printing & Binding	1,489	8,000	8,000
001-1901-514.49-06	Maintenance Contracts	35,433	38,974	38,974
001-1901-514.49-25	Assessments/Taxes	1,153	2,050	2,050
001-1901-514.49-27	Bad Debt Expense	(60)	1,000	1,000
001-1901-572.46-02	Insurance-Fire/Property	7,505	8,342	8,317
001-1901-572.47-01	Utility-Electric	47,408	50,000	50,000
001-1901-572.47-02	Utility-City of Lacey	8,126	9,000	9,000
001-1901-572.47-07	Utility-Solid Waste	1,404	1,500	1,500
001-1901-572.48-01	Rep & Maint-Equipment	-	250	250
001-1901-572.49-06	Maintenance Contracts	899	736	736
Total City Hall & Library Operations		1,156,400	1,562,090	1,637,198
Maintenance Service Center				
001-1902-514.31-01	Office & Operating Supply	6,586	6,900	6,900
001-1902-514.31-02	Small Tools & Equipment	1,431	4,367	4,367
001-1902-514.31-23	Supplies-Building Maint.	3,094	3,600	3,600
001-1902-514.41-01	Prof. Svc-Other	1,637	2,200	2,200
001-1902-514.41-31	Prof. Svc-Building Maint.	1,898	1,500	1,500
001-1902-514.42-01	Communications-Telephone	2,192	2,750	2,750

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Current Expense Fund - Expenditures</i>				
Common Facilities Overhead				
Maintenance Service Center-continued				
001-1902-514.42-02	Communications-Postage	-	100	100
001-1902-514.43-02	Dues, Subscriptions, Publ	186	400	400
001-1902-514.44-03	Adv/Call for Bids	-	50	50
001-1902-514.45-01	Equipment Rental	21,758	17,104	19,203
001-1902-514.45-02	IMS Rental	46,967	73,788	80,920
001-1902-514.45-03	Copier Rental	4,559	4,912	4,912
001-1902-514.46-02	Insurance-Fire/Property	4,390	4,880	4,835
001-1902-514.47-01	Utility-Electric	31,610	39,000	39,000
001-1902-514.47-02	Utility-City of Lacey	9,147	9,900	9,900
001-1902-514.47-03	Utility-Natural Gas	16,311	22,000	22,000
001-1902-514.47-07	Utility-Solid Waste	12,212	30,000	30,000
001-1902-514.48-01	Rep & Maint-Equipment	1,944	1,000	1,000
001-1902-514.48-03	Rep & Maint-Facilities	917	1,000	1,000
001-1902-514.49-02	Printing & Binding	-	150	150
001-1902-514.49-06	Maintenance Contracts	11,095	14,546	14,546
001-1902-514.49-23	Custodial	40,556	43,764	43,764
001-1902-514.49-25	Assessments/Taxes	662	700	700
001-1902-514.49-31	Hardware Maintenance	293	100	100
Total Maintenance Service Center		219,445	284,711	293,897
Total Common Facilities Overhead		1,375,845	1,846,801	1,931,095



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POLICE

The Police Department's mission is to partner with the community to make Lacey a safe and desirable place to live, work, learn, and play. To accomplish this mission, the department operates under the following philosophies:

Community Based Policing, Problem Solving Policing, No Tolerance Policing, Preventative Policing, and Knowledge Based Innovative Policing.

As a part of these philosophies, officers work to establish professional, yet personable relationships with businesses, school officials, citizens, and youth.

Police Department Services in 2011 will be provided by 56 commissioned officers, 9.5 non-commissioned employees and 3 part-time Community Service Officers. Included is one commissioned officer assigned to the Criminal Justice Training Academy, and two officers assigned to the county-wide Drug Unit, of which one is funded by contract and grant dollars. Volunteer services are provided by Reserve Officers, Senior Patrol Officers, the Explorer Post and one civilian. The department is a partner in the Thurston County DUI Task Force and is aggressive in drug, alcohol and tobacco enforcement, prevention and education, working with community partners such as TOGETHER, Drug Court, DUI Court, Washington Traffic Safety Commission, and others.

PATROL DIVISION:

The patrol division is made up of a Commander, two Lieutenants, three School Resource Officers, a Crime Prevention Officer, 30 police officers and 6 sergeants who work in six squads providing 24-hour coverage to the city. The City is divided into 3 patrol districts to allow each officer to focus on a more concentrated area and provide quicker response times. Officers respond to calls for service, pro-actively seek out and attempt to prevent crime, enforce criminal codes, and work with the community on ways to reduce future problems.

SUPPORT SERVICES DIVISION:

The Support Services Division is made up of a Commander, an Administrative Lieutenant, the Records Division consisting of five Police Assistants and a supervisor. Our Evidence Technician is also responsible for the evidence room function which includes processing, storing, retrieval, and disposal of all evidence and found property.

The detective unit consists of 1 Lieutenant and 4 Detectives and a Police Service Specialist. The detective division is responsible for investigating major crimes and following up on complex cases. The division also works with other local agencies on criminal investigations, tracking sex offenders and the investigation of fraud, forgery and identity theft cases. They have several members trained in officer involved serious incidents and we are a member of the countywide Officer Involved Protocol Investigative Team.

PROGRAM DESCRIPTIONS:

The Police Department operates a variety of programs to help make Lacey a safe and enjoyable place to live, work, learn, and play. School Resource Officers are assigned to North Thurston Public School's four high schools and two middle schools providing not only enforcement and security, but also initiating proactive contact with the students, parents, and administration.

A Multi-Housing Crime Prevention Program, coordinated by the Crime Prevention Officer, has been implemented to reduce the number of police calls to rental property. To encourage citizen involvement and community outreach, the department will continue its annual Citizen Academy, the Chief of Police Roundtable and representation on the Hispanic Roundtable. The department has a K-9 Program, which is trained in tracking drug detection. A successful Senior Patrol Program enlists senior citizen volunteers to assist the Patrol Division in many areas, including issuing citations for violations of handicapped parking spaces, checking on resident's homes while they are on vacation, operating the Inmate Litter Patrol Program, Graffiti Cleanup Program, and performing numerous administrative assignments.

BUDGET SUMMARY

The Police Department budget is organized into nine programs.

- General Services
- Investigations and Apprehension
- Records and Support Services
- Protection and Enforcement Patrol
- Property Control
- Traffic
- Training
- Volunteers
- Prevention/Suppression of Crime

The total 2011 budget for Police is **\$8,235,145**, not including expenditures in the Criminal Justice Fund. Funding for court, 911, and jail services is budgeted separately. These services are provided through a contractual agreement with Thurston County, Lewis County and the Nisqually Tribe.

2011 PROGRAMS, GOALS AND PRIORITIES

- Continue enhancement of the department's policing philosophies
- Continue the close working relationship with the North Thurston Public Schools
- Continue to emphasize aggressive traffic enforcement to reduce accidents and related injuries.
- Continue community outreach programs to include the Citizens' Academy, Business Academy, Roundtable Meetings, Multi-housing Program, School Resource Officer's Program and cultural diversity enrichment programs
- Maintain high training and professional standards
- Upgrade the Records Management System and citizen reporting module
- Red Light Camera Intersection Safety Program; continually monitor effectiveness of program
- Increase participation in Multi-Family Crime Reduction Program
- Decrease calls for False alarms
- Reduce incidents of property crime
- Increase enforcement of drug violations
- Identify and reduce gang activity

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Current Expense Fund - Expenditures</i>				
Police				
General Services				
001-2101-521.10-01	Salaries-Regular	393,949	405,482	417,293
001-2101-521.10-05	Salaries-Overtime	-	500	500
001-2101-521.20-01	Employer Paid Benefits	91,056	99,711	107,786
001-2101-521.20-02	LEOFF Disability-Retired	227,259	210,960	210,960
001-2101-521.31-01	Office & Operating Supply	1,846	2,250	2,250
001-2101-521.31-15	Evidence Monies	100	1,000	1,000
001-2101-521.41-01	Prof. Svc-Other	5,940	4,000	4,000
001-2101-521.42-01	Communications-Telephone	4,058	3,400	4,100
001-2101-521.43-02	Dues, Subscriptions, Publ	888	1,000	1,000
001-2101-521.45-01	Equipment Rental	10,485	11,006	11,398
001-2101-521.45-02	IMS Rental	8,926	11,235	7,962
001-2101-521.48-01	Rep & Maint-Equipment	-	20	20
001-2101-521.49-27	Bad Debt Expense	450	-	-
Total General Services		744,957	750,564	768,269
Records and Support Services				
001-2102-521.10-01	Salaries-Regular	273,942	272,076	278,048
001-2102-521.10-05	Salaries-Overtime	235	5,100	5,100
001-2102-521.10-06	Salaries-Part-Time	-	1,000	1,000
001-2102-521.20-01	Employer Paid Benefits	105,628	114,132	119,289
001-2102-521.31-01	Office & Operating Supply	7,150	8,100	8,100
001-2102-521.31-02	Small Tools & Equipment	705	600	600
001-2102-521.31-17	Supplies-Uniform Purchase	-	600	600
001-2102-521.42-01	Communications-Telephone	2,542	2,540	2,540
001-2102-521.43-02	Dues, Subscriptions, Publ	275	275	275
001-2102-521.45-02	IMS Rental	6,942	11,235	8,215
001-2102-521.48-01	Rep & Maint-Equipment	-	100	100
001-2102-521.49-02	Printing & Binding	3,906	4,000	4,000
001-2102-521.49-24	Drug Education-10%	645	-	-
001-2102-521.50-01	Olympia Contract	50,108	53,411	53,411
Total Records and Support Services		452,078	473,169	481,278
Property Control				
001-2103-521.10-01	Salaries-Regular	65,223	67,826	69,600
001-2103-521.10-05	Salaries-Overtime	1,061	1,800	1,800
001-2103-521.20-01	Employer Paid Benefits	17,427	19,311	21,472

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Current Expense Fund - Expenditures</i>				
Police				
Property Control-continued				
001-2103-521.31-01	Office & Operating Supply	1,660	2,475	2,975
001-2103-521.31-02	Small Tools & Equipment	-	375	375
001-2103-521.31-17	Supplies-Uniform Purchase	4	250	250
001-2103-521.45-02	IMS Rental	992	2,247	2,203
001-2103-521.49-02	Printing & Binding	-	125	125
Total Property Control		86,367	94,409	98,800
Training				
001-2104-521.43-01	Transportation/Per Diem	7,517	15,000	15,000
001-2104-521.43-02	Dues, Subscriptions, Publ	235	50	450
001-2104-521.43-03	Registrations	12,130	15,000	15,000
001-2104-521.43-05	Memorial Fund-McMillen Sr	-	50	50
001-2104-521.49-05	Professional Development	2,935	3,000	3,000
Total Training		22,817	33,100	33,500
Crime Prevention				
001-2105-521.10-01	Salaries-Regular	93,912	99,982	101,026
001-2105-521.10-05	Salaries-Overtime	9,041	6,000	6,000
001-2105-521.20-01	Employer Paid Benefits	21,514	22,237	24,048
001-2105-521.31-01	Office & Operating Supply	2,086	1,965	1,965
001-2105-521.31-10	Supplies-Multi-Housing	226	400	400
001-2105-521.31-17	Supplies-Uniform Purchase	208	400	400
001-2105-521.41-01	Prof. Svc-Other	-	100	100
001-2105-521.42-01	Communications-Telephone	1,747	1,800	1,800
001-2105-521.43-02	Dues, Subscriptions, Publ	-	100	100
001-2105-521.45-01	Equipment Rental	1,247	2,326	2,408
001-2105-521.48-01	Rep & Maint-Equipment	-	10	10
001-2105-521.49-02	Printing & Binding	2,023	3,500	3,500
001-2105-521.49-10	Uniform Contract/Cleaning	95	400	400
001-2105-521.49-11	Public Education	579	750	750
Total Crime Prevention		132,678	139,970	142,907
Investigation and Apprehension				
001-2106-521.10-01	Salaries-Regular	732,076	755,208	778,392
001-2106-521.10-05	Salaries-Overtime	32,816	46,000	46,000

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Current Expense Fund - Expenditures</i>				
Police				
Investigation and Apprehension-continued				
001-2106-521.20-01	Employer Paid Benefits	162,246	182,521	179,025
001-2106-521.31-01	Office & Operating Supply	6,365	6,962	6,962
001-2106-521.31-02	Small Tools & Equipment	1,127	1,400	1,400
001-2106-521.31-17	Supplies-Uniform Purchase	3,046	1,500	1,500
001-2106-521.41-01	Prof. Svc-Other	190	500	500
001-2106-521.42-01	Communications-Telephone	4,932	5,040	5,040
001-2106-521.43-02	Dues, Subscriptions, Publ	120	300	300
001-2106-521.45-01	Equipment Rental	16,129	26,202	27,137
001-2106-521.45-02	IMS Rental	7,934	11,235	3,432
001-2106-521.48-01	Rep & Maint-Equipment	125	500	500
001-2106-521.49-02	Printing & Binding	-	100	100
001-2106-521.49-10	Uniform Contract/Cleaning	3,588	4,000	4,000
Total Investigation and Apprehension		970,694	1,041,468	1,054,288
Protective Enforcement Patrol				
001-2107-521.10-01	Salaries-Regular	2,816,198	3,252,194	3,311,801
001-2107-521.10-05	Salaries-Overtime	264,679	207,250	211,250
001-2107-521.10-06	Salaries-Part-Time	12,775	18,913	9,271
001-2107-521.20-01	Employer Paid Benefits	708,174	872,331	930,391
001-2107-521.20-03	Unemployment Compensation	6,074	-	-
001-2107-521.31-01	Office & Operating Supply	18,785	16,560	16,560
001-2107-521.31-02	Small Tools & Equipment	2,684	2,442	2,442
001-2107-521.31-05	Firearms/Ammunition	10,289	10,000	20,000
001-2107-521.31-06	Supplies-Water Patrol	43	394	394
001-2107-521.31-07	Supplies-Tactical Team	1,782	1,249	1,249
001-2107-521.31-08	Supplies-K-9 Unit	1,310	1,875	1,875
001-2107-521.31-17	Supplies-Uniform Purchase	23,855	35,000	35,000
001-2107-521.31-33	Supplies-Tactical Vests	12,790	12,790	12,790
001-2107-521.31-35	Supplies-Replaced Equip	19,000	20,000	20,000
001-2107-521.41-01	Prof. Svc-Other	21,862	43,395	43,395
001-2107-521.42-01	Communications-Telephone	36,978	44,827	44,127
001-2107-521.43-02	Dues, Subscriptions, Publ	189	200	200
001-2107-521.45-01	Equipment Rental	225,844	281,250	336,600
001-2107-521.45-02	IMS Rental	74,380	138,070	180,671
001-2107-521.45-03	Copier Rental	17,158	18,900	18,900

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Current Expense Fund - Expenditures</i>				
Police				
Protective Enforcement Patrol-continued				
001-2107-521.48-01	Rep & Maint-Equipment	5,895	8,000	8,000
001-2107-521.49-02	Printing & Binding	1,754	1,754	1,754
001-2107-521.49-10	Uniform Contract/Cleaning	9,711	13,610	13,310
001-2107-521.50-01	Olympia Contract	8,618	8,000	9,300
Total Protective Enforcement Patrol		4,300,827	5,009,004	5,229,280
Traffic				
001-2108-521.10-01	Salaries-Regular	147,203	157,819	162,906
001-2108-521.10-05	Salaries-Overtime	11,083	23,500	23,500
001-2108-521.20-01	Employer Paid Benefits	38,942	43,812	46,186
001-2108-521.31-01	Office & Operating Supply	694	1,450	1,450
001-2108-521.31-02	Small Tools & Equipment	-	500	500
001-2108-521.31-17	Supplies-Uniform Purchase	-	500	500
001-2108-521.42-01	Communications-Telephone	1,121	1,200	1,200
001-2108-521.43-02	Dues, Subscriptions, Publ	-	50	50
001-2108-521.45-01	Equipment Rental	25,160	27,719	28,708
001-2108-521.45-08	Lease Miscellaneous	115,140	113,685	113,685
001-2108-521.48-01	Rep & Maint-Equipment	352	200	200
001-2108-521.49-10	Uniform Contract/Cleaning	205	400	400
001-2108-521.49-48	Red Light Mitigation	-	150,000	-
Total Traffic		339,900	520,835	379,285
Volunteers				
001-2109-521.10-01	Salaries-Regular	26,673	27,471	29,117
001-2109-521.10-05	Salaries-Overtime	1,758	7,500	3,500
001-2109-521.20-01	Employer Paid Benefits	6,581	8,310	7,601
001-2109-521.31-01	Office & Operating Supply	444	450	450
001-2109-521.31-02	Small Tools & Equipment	-	125	125
001-2109-521.31-18	Uniforms	2,480	2,525	2,525
001-2109-521.43-01	Transportation/Per Diem	139	400	400
001-2109-521.43-02	Dues, Subscriptions, Publ	-	20	320
001-2109-521.43-03	Registrations	-	250	250
001-2109-521.49-10	Uniform Contract/Cleaning	228	750	750

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Current Expense Fund - Expenditures</i>				
Police				
Volunteers -continued				
001-2109-521.49-57	Senior Patrol	2,411	2,500	2,500
Total Volunteers		40,714	50,301	47,538
Total Police		7,091,032	8,112,820	8,235,145



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PUBLIC WORKS ADMINISTRATION

Public Works Administration provides administrative support and assistance to all Public Works divisions. The Director of Public Works is responsible for the overall management of Utility Operations, Engineering, Water Resources, Utility Operations and Maintenance, Parks Maintenance, Facility Maintenance, and Streets Maintenance.

Administrative services are provided by one Management Analyst and one Department Assistant. Staff are responsible for customer service at the front counter, providing telephone support, file maintenance of public works and development projects, issuing permits, issuing water meters, and collecting a variety of fees. Staff also coordinate all interdepartmental efforts including the annual operating budgets of the department, payroll and purchasing, and computer and software acquisition. In addition, administrative support is provided for a variety of special projects and research as needed by the Public Works Director.

BUDGET SUMMARY

The 2011 budget for Public Works Administration is **84,239**. Some operating costs are recovered through the assessment of plan fees and charges to utilities or projects.

2011 PROJECTS, GOALS AND PRIORITIES

- Continue to emphasize and improve customer service throughout the department
- Optimize all resources allocated to the department
- Continue to improve support to all Directors, the City Council, and the City Manager
- Ensure division goals and priorities are facilitated and achieved

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Current Expense Fund - Expenditures</i>				
Public Works Support Services				
General Services				
001-3101-532.10-01	Salaries-Regular	78,727	37,322	37,426
001-3101-532.10-05	Salaries-Overtime	-	200	200
001-3101-532.20-01	Employer Paid Benefits	23,387	11,208	12,809
001-3101-532.31-01	Office & Operating Supply	5,138	7,850	7,850
001-3101-532.31-02	Small Tools & Equipment	-	461	461
001-3101-532.31-27	Software Upgrade	517	1,500	1,500
001-3101-532.41-01	Prof. Svc-Other	982	1,000	1,000
001-3101-532.41-06	Codification/Microfilm	-	2,950	2,950
001-3101-532.43-01	Transportation/Per Diem	-	250	250
001-3101-532.43-02	Dues, Subscriptions, Publ	4,912	5,700	5,700
001-3101-532.43-03	Registrations	50	500	500
001-3101-532.45-01	Equipment Rental	6,034	5,719	5,243
001-3101-532.45-02	IMS Rental	5,935	9,833	6,050
001-3101-532.48-02	Rep & Maint-Equip Non-Pwr	-	300	300
001-3101-532.49-02	Printing & Binding	327	2,000	2,000
Total Public Works Support Services		126,009	86,793	84,239

PUBLIC WORKS-ENGINEERING

The City Engineer oversees the transportation, survey, design/construction management, and development review sections of the Public Works Department.

The Engineering staff identifies public improvement needs, designs and manages City-funded construction projects for utility and transportation systems, and provides technical support and information to utilities operators and the public. Engineering costs for these activities are charged to the utility or project for which the service is provided.

Engineering also reviews development proposals and inspects private construction of public facilities. This includes identifying the need for transportation and utility improvements. These costs are partially recovered from fees assessed to development for plan review and inspection services.

BUDGET SUMMARY

The Engineering budget is organized into six programs.

- General Services
- Transportation Engineering
- Water Utility Engineering
- Wastewater Utility Engineering
- Stormwater Utility Engineering
- Project Engineering

The total 2011 budget for Public Works Engineering is **\$2,631,590**. Some operating costs are recovered through the assessment of plan fees and charges to utilities or projects.

2011 PROJECTS, GOALS AND PRIORITIES

- Plan and execute the 2011 Street Overlay
- Construct the additional West Bound lane of Britton Parkway
- Begin construction of Carpenter Road capacity improvements from Martin Way to Pacific Avenue
- Complete design and right of way acquisition for College Street Extension NE
- Continue preparation of Interchange Justification Reports (IJRs) for Marvin Road and Martin Way Interchanges
- Complete design of the College Street and 22nd Ave Roundabout
- Complete design of the Willamette Drive and 31st Ave Roundabout
- Complete design of Golf Club Road Extension
- Complete design and right of way acquisition for Yelm Highway sidewalk connection
- Initiate design of the Willamette Drive and Hogum Bay Road Roundabout

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Current Expense Fund - Expenditures</i>				
Public Works Engineering Division				
General Services				
001-3201-532.10-01	Salaries-Regular	374,479	353,919	347,871
001-3201-532.10-05	Salaries-Overtime	1,867	3,000	3,000
001-3201-532.20-01	Employer Paid Benefits	121,857	131,986	137,716
001-3201-532.31-01	Office & Operating Supply	13,717	12,000	12,000
001-3201-532.31-02	Small Tools & Equipment	3,632	2,500	2,500
001-3201-532.31-17	Supplies-Uniform Purchase	3,098	3,000	3,000
001-3201-532.31-27	Software Upgrade	17,918	-	-
001-3201-532.41-01	Prof. Svc-Other	1,223	1,600	1,600
001-3201-532.42-01	Communications-Telephone	6,161	9,750	9,750
001-3201-532.43-01	Transportation/Per Diem	1,678	500	500
001-3201-532.43-02	Dues, Subscriptions, Publ	1,864	1,775	1,775
001-3201-532.43-03	Registrations	4,410	3,170	3,170
001-3201-532.45-01	Equipment Rental	51,022	63,889	57,082
001-3201-532.45-02	IMS Rental	33,962	54,055	57,424
001-3201-532.45-08	Lease Miscellaneous	6,788	7,720	7,720
001-3201-532.48-02	Rep & Maint-Equip Non-Pwr	2,247	1,020	1,020
001-3201-532.49-02	Printing & Binding	-	2,400	2,400
001-3201-532.49-03	Recording Fees	2,545	2,800	2,800
001-3201-532.49-06	Maintenance Contracts	2,328	2,800	5,698
001-3201-532.49-10	Uniform Contract/Cleaning	169	200	200
001-3201-532.49-30	Software Maintenance	763	21,500	21,500
001-3201-594.66-01	Capital Leases	26,740	-	-
Total General Services		678,468	679,584	678,726
Transportation Engineering				
001-3202-532.10-01	Salaries-Regular	295,082	342,540	297,825
001-3202-532.10-05	Salaries-Overtime	1,694	3,000	3,000
001-3202-532.10-06	Salaries-Part-Time	9,334	9,700	9,700
001-3202-532.20-01	Employer Paid Benefits	100,180	128,802	114,774
001-3202-532.31-01	Office & Operating Supply	954	700	700
001-3202-532.31-02	Small Tools & Equipment	390	300	300
001-3202-532.31-03	Traffic Counting Supplies	447	1,010	1,010
001-3202-532.31-17	Supplies-Uniform Purchase	-	75	75
001-3202-532.41-02	Prof. Svc-Engineering	-	2,000	2,000
001-3202-532.43-01	Transportation/Per Diem	393	250	250

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Current Expense Fund - Expenditures</i>				
Public Works Engineering Division				
Transportation Engineering-continued				
001-3202-532.43-02	Dues, Subscriptions, Publ	1,879	1,250	1,250
001-3202-532.43-03	Registrations	880	500	500
001-3202-532.45-01	Equipment Rental	2,463	3,246	2,901
001-3202-532.45-02	IMS Rental	5,075	8,694	-
001-3202-532.49-02	Printing & Binding	-	180	180
Total Transportation Engineering		418,771	502,247	434,465
Water Utility Engineering				
001-3203-532.10-01	Salaries-Regular	179,160	210,883	212,292
001-3203-532.10-05	Salaries-Overtime	2,353	8,000	8,000
001-3203-532.10-06	Salaries-Part-Time	-	3,990	3,980
001-3203-532.20-01	Employer Paid Benefits	61,333	78,531	83,500
Total Water Utility Engineering		242,846	301,404	307,772
Wastewater Utility Engineering				
001-3204-532.10-01	Salaries-Regular	179,315	170,474	171,601
001-3204-532.10-05	Salaries-Overtime	2,353	10,000	10,000
001-3204-532.10-06	Salaries-Part-Time	-	3,980	3,980
001-3204-532.20-01	Employer Paid Benefits	61,460	63,376	73,882
Total Wastewater Utility Engineering		243,128	247,830	259,463
Stormwater Utility Engineering				
001-3205-532.10-01	Salaries-Regular	103,366	105,574	106,288
001-3205-532.10-05	Salaries-Overtime	1,317	2,000	2,000
001-3205-532.20-01	Employer Paid Benefits	36,091	38,927	42,121
Total Stormwater Utility Engineering		140,774	146,501	150,409
Project Engineering				
001-3206-532.10-01	Salaries-Regular	560,979	559,712	556,842
001-3206-532.10-05	Salaries-Overtime	16,066	10,000	10,000
001-3206-532.10-06	Salaries-Part-Time	4,975	550	550
001-3206-532.20-01	Employer Paid Benefits	212,503	220,608	233,363
Total Project Engineering		794,523	790,870	800,755
Total Public Works Engineering Division		2,518,510	2,668,436	2,631,590



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PUBLIC WORKS-PARKS MAINTENANCE

The Public Works Parks Maintenance Division maintains the grounds of all City-owned and operated buildings, water/wastewater facilities, parks, open space, roundabouts, planter strips, and green belts. This includes over 660 acres of park land, grounds adjacent to occupied buildings, 74 water and wastewater sites, and 15 miles of right of way containing over 3,350 street trees.

The work performed by the Parks Maintenance Division includes routine and preventative maintenance, as well as repairs and special projects. Staff performs site repair, turf and grounds preservation, urban forest management, support of Parks and Recreation programs, limited construction, and coordination for volunteer and youth work groups. Work is prioritized to address safety and high community use areas.

BUDGET SUMMARY

The Parks budget is organized into four programs under the general service categories of Grounds.

- General Services
- Utilities/Right-of-Way
- Buildings/Structures/Grounds - Parks
- Rainier Vista Park Operations

The total 2011 budget for Parks, Grounds, and Facilities Maintenance is **\$2,237,160**. This includes staffing to 14 full-time equivalents. The staff adjusts seasonally with temporary labor to meet the demands created by warm weather and park activity. Parks Maintenance Operations are supported by the revenues the General Fund and Utility Tax receipts dedicated to parks maintenance.

2011 PROJECTS, GOALS AND PRIORITIES

- Develop innovative maintenance techniques and through networking and training.
- Develop resource and operations plans for the Parks Maintenance Team.
- Maintain or improve current service levels.

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Current Expense Fund - Expenditures</i>				
Public Works Parks Maintenance Division				
General Services				
001-3301-576.10-01	Salaries-Regular	210,584	177,931	180,938
001-3301-576.10-05	Salaries-Overtime	2,787	3,000	3,000
001-3301-576.10-06	Salaries-Part-Time	396	15,408	15,106
001-3301-576.20-01	Employer Paid Benefits	74,995	76,071	71,117
001-3301-576.20-03	Unemployment Compensation	28,917	17,432	25,500
001-3301-576.31-01	Office & Operating Supply	3,797	7,672	7,672
001-3301-576.31-17	Supplies-Uniform Purchase	7,957	6,385	6,385
001-3301-576.42-01	Communications-Telephone	2,207	5,925	5,925
001-3301-576.43-01	Transportation/Per Diem	2,320	2,820	2,820
001-3301-576.43-02	Dues, Subscriptions, Publ	832	835	835
001-3301-576.43-03	Registrations	3,269	1,792	1,792
001-3301-576.45-01	Equipment Rental	11,272	16,534	19,750
001-3301-576.45-02	IMS Rental	4,691	8,552	9,958
001-3301-576.49-10	Uniform Contract/Cleaning	-	2,342	2,342
001-3301-576.49-35	CDL-Physicals/Licenses	395	958	958
001-3301-576.50-02	Common Facilities-1902	21,954	23,330	29,390
Total General Services		376,373	366,987	383,488
Utilities/Right of Way				
001-3302-576.10-01	Salaries-Regular	124,768	176,591	206,292
001-3302-576.10-05	Salaries-Overtime	620	600	600
001-3302-576.10-06	Salaries-Part-Time	59,624	71,906	70,496
001-3302-576.20-01	Employer Paid Benefits	67,886	102,107	123,796
001-3302-576.31-01	Office & Operating Supply	10,794	36,250	36,250
001-3302-576.31-02	Small Tools & Equipment	762	1,675	1,675
001-3302-576.41-01	Prof. Svc-Other	9,531	13,468	13,468
001-3302-576.42-01	Communications-Telephone	818	1,490	1,490
001-3302-576.45-01	Equipment Rental	31,298	47,501	51,454
001-3302-576.47-01	Utility-Electric	1,226	1,200	1,300
001-3302-576.47-02	Utility-City of Lacey	46,858	49,000	49,000
001-3302-576.48-01	Rep & Maint-Equipment	2,067	2,617	2,617
001-3302-576.48-15	Repairs & Maint - Grounds	1,389	1,350	1,350
Total Utilities/Right of Way		357,641	505,755	559,788

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Current Expense Fund - Expenditures</i>				
Public Works Parks Maintenance Division				
Building/Structures/Grounds				
001-3303-576.10-01	Salaries-Regular	309,907	374,635	352,112
001-3303-576.10-05	Salaries-Overtime	4,102	1,500	1,500
001-3303-576.10-06	Salaries-Part-Time	92,823	97,587	95,673
001-3303-576.20-01	Employer Paid Benefits	150,094	190,413	182,358
001-3303-576.31-01	Office & Operating Supply	50,208	55,470	55,470
001-3303-576.31-02	Small Tools & Equipment	4,305	5,323	5,323
001-3303-576.34-01	Fuel	4,427	4,238	4,238
001-3303-576.41-01	Prof. Svc-Other	9,879	16,882	16,882
001-3303-576.42-01	Communications-Telephone	393	950	950
001-3303-576.45-01	Equipment Rental	71,689	107,767	172,445
001-3303-576.45-05	Rentals-Other	3,304	6,300	6,300
001-3303-576.46-02	Insurance-Fire/Property	3,780	4,202	4,811
001-3303-576.47-01	Utility-Electric	13,663	13,000	14,000
001-3303-576.47-02	Utility-City of Lacey	75,551	70,000	76,000
001-3303-576.47-07	Utility-Solid Waste	580	-	-
001-3303-576.48-01	Rep & Maint-Equipment	2,724	4,000	4,000
001-3303-576.48-03	Rep & Maint-Facilities	536	512	512
Total Building/Structures/Grounds		797,965	952,779	992,574
Rainier Vista Park				
001-3304-576.10-01	Salaries-Regular	52,883	67,898	69,323
001-3304-576.10-05	Salaries-Overtime	-	1,000	1,000
001-3304-576.10-06	Salaries-Part-Time	45,374	56,498	55,390
001-3304-576.20-01	Employer Paid Benefits	24,732	36,378	35,737
001-3304-576.31-01	Office & Operating Supply	37,351	45,310	45,310
001-3304-576.31-02	Small Tools & Equipment	1,845	1,350	1,350
001-3304-576.41-01	Prof. Svc-Other	596	596	596
001-3304-576.42-01	Communications-Telephone	1,516	1,514	1,514
001-3304-576.45-01	Equipment Rental	55,192	49,723	36,038
001-3304-576.45-02	IMS Rental	1,053	1,581	1,402
001-3304-576.46-02	Insurance-Fire/Property	1,644	1,827	1,810
001-3304-576.47-01	Utility-Electric	4,251	6,500	6,500
001-3304-576.47-02	Utility-City of Lacey	36,115	38,000	38,000
001-3304-576.47-07	Utility-Solid Waste	5,236	5,700	5,700
001-3304-576.48-01	Rep & Maint-Equipment	1,219	950	950

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Current Expense Fund - Expenditures</i>				
Public Works Parks Maintenance Division				
Rainier Vista Park-continued				
001-3304-576.48-03	Rep & Maint-Facilities	2,069	450	450
001-3304-576.49-23	Custodial	97	240	240
Total Rainier Vista Park		271,173	315,515	301,310
Total Public Works Parks Maintenance Division		1,803,152	2,141,036	2,237,160

PUBLIC WORKS-FACILITIES MAINTENANCE

The Public Works Facilities Maintenance Division is responsible for the maintenance of over 125,000 square feet of occupied buildings, including City Hall, Lacey Timberline Library, Lacey Museum, Maintenance Service Center, Jacob Smith House, Community Center, Senior Center, and over 74 water/wastewater facilities. Support is also provided to the Water and Wastewater divisions on an as needed basis.

BUDGET SUMMARY

The Facilities Maintenance Division is organized into one budget program under the umbrella of the General Fund. Funding for work in Water and Wastewater is provided through the applicable utility on as needed basis.

The total 2011 budget is **\$386,416**. The department is staffed by one Senior Maintenance Technician and one Seasonal Assistant.

2011 PROJECTS, GOALS AND PRIORITIES

- Continue to emphasize and provide quick work order response times to our customers.

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Current Expense Fund - Expenditures</i>				
Public Works Facilities Maintenance Division				
Facilities Maintenance				
001-3601-514.31-23	Supplies-Building Maint.	3,172	1,650	1,650
001-3601-514.31-24	Small Tools & Equip-Grnds	-	400	400
001-3601-514.31-29	Supplies-Grounds Maint.	4,507	3,930	3,930
001-3601-514.41-31	Prof. Svc-Building Maint.	9,059	6,870	6,870
001-3601-514.41-39	Prof. Svc-Tree Evaluation	-	585	585
001-3601-514.48-03	Rep & Maint-Facilities	16,698	12,450	12,450
001-3601-514.48-10	Rep & Maint-Equip-Grnds	-	200	200
001-3601-514.49-06	Maintenance Contracts	28,282	37,560	37,560
001-3601-514.49-23	Custodial	121,090	136,920	136,920
001-3601-519.10-01	Salaries-Regular	62,540	53,870	55,209
001-3601-519.10-05	Salaries-Overtime	1,309	1,000	1,000
001-3601-519.10-06	Salaries-Part-Time	12,390	15,408	15,106
001-3601-519.20-01	Employer Paid Benefits	28,887	27,372	30,429
001-3601-519.20-03	Unemployment Compensation	151	600	600
001-3601-519.31-17	Supplies-Uniform Purchase	232	500	500
001-3601-519.42-01	Communications-Telephone	522	741	741
001-3601-519.43-01	Transportation/Per Diem	-	500	500
001-3601-519.43-02	Dues, Subscriptions, Publ	55	-	-
001-3601-519.43-03	Registrations	70	345	345
001-3601-519.45-01	Equipment Rental	8,940	10,544	10,401
001-3601-519.45-02	IMS Rental	1,226	1,580	1,423
001-3601-519.49-06	Maintenance Contracts	75	350	350
001-3601-519.49-10	Uniform Contract/Cleaning	-	950	950
001-3601-572.31-23	Supplies-Building Maint.	984	5,385	5,385
001-3601-572.31-24	Small Tools & Equip-Grnds	-	503	503
001-3601-572.31-29	Supplies-Grounds Maint.	1,666	2,184	2,184
001-3601-572.41-01	Prof. Svc-Other	-	3,420	3,420
001-3601-572.41-31	Prof. Svc-Building Maint.	3,219	2,964	2,964
001-3601-572.48-03	Rep & Maint-Facilities	2,756	1,143	1,143
001-3601-572.48-10	Rep & Maint-Equip-Grnds	-	130	130
001-3601-572.49-06	Maintenance Contracts	15,751	22,220	22,220
001-3601-572.49-23	Custodial - Library	29,668	30,348	30,348
Total Public Works Facilities Maintenance		353,249	382,622	386,416

PLANNING & COMMUNITY DEVELOPMENT

The Department of Community Development is responsible for the City's full range of land use and construction code compliance services. The Department's mission is to ensure the highest quality of development and construction in the City, and provide citizens with timely and accurate assistance concerning City regulations, goals and policies. The major divisions in the Department include Building and Code Enforcement, Advanced and Current Planning, and support services to the Hearings Examiner. These program efforts are summarized below. Department services are provided by 17.75 full-time employees.

The Building and Code Enforcement Division assures compliance with the full family of International Codes including construction, fire safety, electrical and plumbing codes. This division is also responsible for coordination with other City departments to assure that land use codes, and other construction related regulations are fully complied with. The code enforcement section performs general City code enforcement including but not limited to zoning, property management, housing, grading and other enforcement and violation issues. Additionally, the Building Official/Fire Marshal oversees special building construction activity for projects such as the City Hall addition and Parks Buildings associated with the bond improvements.

No staff additions are proposed in 2011. Both Current Planning projects and construction activity are lower significantly from the 2006 high and we anticipate activity will not significantly pick up for 2011.

The Advanced Planning staff, in conjunction with the Planning Commission, the City Council, and Administration, develop and administer long range plans to achieve the growth and development goals of the City and the State Growth Management Act. This division is responsible for the major citizen involvement process for compliance with the Growth Management Act public involvement process. Advanced Planning is dedicated primarily to drafting public land use policy, compliance with the State Growth Management Act, and inter-jurisdictional planning efforts. Due to recent and ongoing legislative and administrative actions at the State level, amendments to several land use, critical area and shoreline related ordinances will need to be reviewed and kept up-to-date over the next several years.

Current Planning staff reviews land use applications and related development permits for compliance with federal, state and City guidelines and regulations. Permit activity to process major residential development is expected to slow over the next couple of years. With a strong emphasis in the City's economic development policies, current planning staff closely monitors the relationship between development permits and economic growth. The current planning division also closely monitors related ordinances for enforcement of environmental quality, wetland and tree regulations. Current planning staff frequently participates in strategic implementation plans at the direction of Council for specific planning projects. Implementation of strategic plans frequently leads to additional Site Design Review standards. Accelerated commercial construction and rehabilitation/re-development has increased the emphasis on design review of projects.

The hearings Examiner provides an official quasi-judicial review and objective hearing process to respond to individual applications for land use permits, administrative interpretations, wetland permits, shoreline permits and appeals.

BUDGET SUMMARY

The 2011 budget for Community Development is **\$1,957,304**. The Department has generally been able to fund all expenses from permit and fee revenues assessed users of City services. Due to the current economic downturn, revenues from permits continue to be significantly reduced.

2011 PROGRAMS, GOALS & PRIORITIES:

- Maintain timely plan review and inspection level of service
- Continue implementation and enhancement of permit tracking system and new Geographical Information Services
- Maintain land use permit and customer response level of service
- Maintain ongoing monitoring of comprehensive plan and amend as necessary through annual process, and monitor success of regulatory reform efforts
- Continue economic development efforts, especially as related to timely development of permit processing
- Review and update the vision of the Downtown 2000 Sub-Area Plan and the Woodland District Zoning District
- Update the Economic Development Plan and identify for economic development strategies to create jobs and revenue to serve the Lacey Community
- Respond to State Mandated land use, shoreline, and environmental requirements
- Regularly monitor development activity and approved projects to provide key information and reporting to Public Works on water system demands
- Continue implementation of the Urban Forestry Management Plan
- Coordinate, conduct and provide fire services, inspection and education.
- Implement and maintain the Resource Conservation Program
- Commence the review, analysis for the update of the Comprehensive Plan meeting the provisions of the Growth Management Act
- Continue in-house energy audit program through the Building Division with the goal of identifying significant energy savings

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Current Expense Fund - Expenditures</i>				
Planning and Community Development				
General Services				
001-3701-558.10-01	Salaries-Regular	390,224	407,904	430,135
001-3701-558.10-05	Salaries-Overtime	5,438	5,000	5,000
001-3701-558.20-01	Employer Paid Benefits	144,910	162,287	182,021
001-3701-558.31-01	Office & Operating Supply	2,464	6,500	6,500
001-3701-558.41-01	Prof. Svc-Other	19,924	-	-
001-3701-558.41-12	Special Needs Interpreter	164	500	500
001-3701-558.41-24	Tree Protection Specialist	22,479	40,000	38,000
001-3701-558.43-01	Transportation/Per Diem	2,252	2,000	2,000
001-3701-558.43-02	Dues, Subscriptions, Publ	3,237	3,000	3,000
001-3701-558.43-03	Registrations	2,092	2,300	2,300
001-3701-558.44-05	Adv/Public Hearings	9,547	14,000	14,000
001-3701-558.45-02	IMS Rental	45,948	81,496	77,366
001-3701-558.49-02	Printing & Binding	1,557	3,000	3,000
001-3701-558.49-20	Special Projects	217	2,000	4,000
Total General Services		650,453	729,987	767,822
Building Codes				
001-3702-524.10-01	Salaries-Regular	635,859	652,328	661,924
001-3702-524.10-05	Salaries-Overtime	3,187	13,000	13,000
001-3702-524.10-06	Salaries-Part-Time	-	6,200	6,200
001-3702-524.20-01	Employer Paid Benefits	231,653	257,227	285,903
001-3702-524.31-01	Office & Operating Supply	3,063	22,750	22,750
001-3702-524.41-01	Prof Svc-Other	79,378	59,000	59,000
001-3702-524.41-06	Codification/Microfilm	-	8,000	8,000
001-3702-524.42-01	Communications-Telephone	2,227	2,400	2,400
001-3702-524.43-01	Transportation/Per Diem	167	2,600	2,600
001-3702-524.43-02	Dues, Subscriptions, Publ	10,025	11,715	11,715
001-3702-524.43-03	Registrations	2,420	2,900	3,000
001-3702-524.45-01	Equipment Rental	19,862	27,061	23,481
001-3702-524.49-02	Printing & Binding	1,633	800	800
Total Building Codes		989,474	1,065,981	1,100,773

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Current Expense Fund - Expenditures</i>				
Planning and Community Development				
Hearings Examiner				
001-3703-558.10-01	Salaries-Regular	25,142	32,071	33,590
001-3703-558.10-05	Salaries-Overtime	268	500	500
001-3703-558.20-01	Employer Paid Benefits	9,195	12,273	14,619
001-3703-558.31-01	Office & Operating Supply	-	2,500	2,500
001-3703-558.41-10	Prof/Hearings Examiner	29,393	36,000	36,000
001-3703-558.44-05	Adv/Public Hearings	-	1,500	1,500
Total Hearings Examiner		63,998	84,844	88,709
Total Planning and Community Development		1,703,925	1,880,812	1,957,304

PUBLIC WORKS-WATER RESOURCES

The Water Resources Division of the Public Works Department provides a variety of technical, engineering and professional services relating to the water, wastewater, and stormwater utilities. These services include planning, regulatory compliance, community education/outreach, design and capital facilities programming, comprehensive review of developer utility projects, and broad oversight within the Utilities. The Water Resources Division draws upon resources both within and outside of the City to provide cross-departmental services throughout the City. The Water Resources Manager, a Senior Utility Engineer, three Utility Engineers, a Water Resource Specialist, a Water Quality Analyst, two Engineering Tech III's, and part-time and temporary employees provide Division services.

Water Resources is leading the City's efforts in a myriad of resource management issues, including: watershed planning, regional source development, water right acquisition, wastewater reduction, stormwater management, water conservation, water reuse, and ground/surface water quality monitoring. The Water Resource staff manages programs for cross-connection control, customer response, well-head protection, distribution system monitoring, volunteer programs, Project Green and Stream Team. Staff also participates with other local, state and federal agencies for regulatory issues, including wetland protection, water quality standards, permits, and environmental program evaluation. Additionally, Water Resources is the lead agency within the City for compliance with the Endangered Species Act. Water Resources is also the lead for providing engineering design/troubleshooting for the water, wastewater and stormwater utilities' comprehensive planning, capital projects and operational strategies and problems.

BUDGET SUMMARY

Implementing sound management practices and enhancing service to both internal and external customers remain the foremost goals of the Water Resources Division for 2011. In addition, Water Resources will emphasize and enhance our cross connection control efforts to minimize exposure to system contamination. The total budget for Water Resources is **\$953,065**.

2011 PROJECTS, GOALS AND PRIORITIES

- Obtain the Betti & Hawks Prairie 2 water rights
- Implement the programmatic requirements of NPDES II
- Monitor WRIA activities and assist in developing policy to ensure appropriate protection of these critical water resource areas
- Follow progress with the two Shellfish Protection Districts and participate as appropriate
- Identify and pursue property acquisitions and grant funding to address storm water treatment requirements
- Initiate a Reclaimed Water Utility including support facilities necessary to serve the Gateway Project, Regional Athletic Complex, and future water right mitigation efforts
- Purchase water rights in the Deschutes River basin and acquire critical resource property for mitigation of City's impacts from the Betti and Hawks Prairie 2 water rights

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Current Expense Fund - Expenditures</i>				
Public Works Water Resource Division				
General Services				
001-3801-532.10-01	Salaries-Regular	76,380	124,159	135,833
001-3801-532.10-05	Salaries-Overtime	-	1,000	-
001-3801-532.10-06	Salaries-Part-Time	-	-	13,026
001-3801-532.20-01	Employer Paid Benefits	25,922	47,404	60,456
001-3801-532.20-03	Unemployment Compensation	300	-	-
001-3801-532.31-01	Office & Operating Supply	6,923	8,000	8,000
001-3801-532.31-02	Small Tools & Equipment	4,283	5,000	5,000
001-3801-532.31-17	Supplies-Uniform Purchase	240	500	500
001-3801-532.31-27	Software Upgrade	9,978	6,000	6,000
001-3801-532.41-01	Prof. Svc-Other	1,522	1,500	1,500
001-3801-532.42-01	Communications-Telephone	-	100	100
001-3801-532.42-02	Communications-Postage	1,209	1,000	1,000
001-3801-532.43-01	Transportation/Per Diem	3,954	4,000	4,000
001-3801-532.43-02	Dues, Subscriptions, Publ	5,329	2,300	2,800
001-3801-532.43-03	Registrations	4,444	5,000	5,000
001-3801-532.45-01	Equipment Rental	13,211	12,571	12,184
001-3801-532.45-02	IMS Rental	11,885	19,639	18,497
001-3801-532.48-01	Rep & Maint-Equipment	-	350	350
001-3801-532.49-02	Printing & Binding	-	500	500
001-3801-532.49-03	Recording Fees	-	300	300
Total General Services		165,580	239,323	275,046
Water Utility				
001-3803-532.10-01	Salaries-Regular	191,216	156,453	163,133
001-3803-532.10-05	Salaries-Overtime	768	5,200	5,200
001-3803-532.10-06	Salaries-Part-Time	16,502	13,026	-
001-3803-532.20-01	Employer Paid Benefits	70,498	61,432	67,089
Total Water Utility		278,984	236,111	235,422
Wastewater Utility				
001-3804-532.10-01	Salaries-Regular	25,853	36,406	40,838
001-3804-532.10-05	Salaries-Overtime	104	500	500
001-3804-532.10-06	Salaries-Part-Time	3,503	2,731	3,200
001-3804-532.20-01	Employer Paid Benefits	9,806	14,877	18,779
Total Wastewater Utility		39,266	54,514	63,317

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Current Expense Fund - Expenditures</i>				
Public Works Water Resource Division				
Stormwater Utility				
001-3805-532.10-01	Salaries-Regular	118,025	135,256	127,563
001-3805-532.10-05	Salaries-Overtime	3,084	3,000	3,000
001-3805-532.10-06	Salaries-Part-Time	5,518	22,491	22,491
001-3805-532.20-01	Employer Paid Benefits	45,819	56,064	63,422
Total Stormwater Utility		172,446	216,811	216,476
Water Resource Projects				
001-3806-532.10-01	Salaries-Regular	131,633	119,770	113,935
001-3806-532.10-05	Salaries-Overtime	-	500	500
001-3806-532.10-06	Salaries-Part-Time	59	-	500
001-3806-532.20-01	Employer Paid Benefits	48,999	46,534	47,869
Total Water Resource Projects		180,691	166,804	162,804
Total Public Works Water Resource Division		836,967	913,563	953,065



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PARKS AND RECREATION

The mission of the City of Lacey Parks and Recreation Department is to enhance our community with parks, open space and natural habitat areas, and to provide Lacey's citizens with the best possible recreational opportunities through its facilities, services, and programs. The Department manages City parks, open space, and natural habitat areas to meet current and future community needs. Parks and Recreation staff include the Director, one Facility Manager at the Regional Athletic Complex, three full-time Department Assistants, four Recreation Supervisors, five Recreation Coordinators, one Recreation Assistant at the Lacey Community Center, one Museum Curator, and many seasonal part-time employees.

BUDGET SUMMARY

The Parks and Recreation Department budget is organized into nine programs.

- General Services
- Youth/Teens
- Recreation Administration
- Aquatics
- Physical Activities/Sports
- Cultural Arts and Education
- Outdoor Activities
- Fitness
- Special Events/Activities

The total 2011 budget for Parks and Recreation is **\$2,122,556**. The direct cost of most recreation programs and classes is recovered through user fees with the exception of the Long Lake Park lifeguards, some special events, and the Summer Playground Pals Program. Traditional programs and several special events designed for youth and family, are young adults are being planned for 2011. The Ethnic Fest is a special event that will be held in January 2011 for the first time in Lacey.

Many of the City's programs and indoor activities are possible and cost effective due to the use of school facilities under the long standing Joint Use Agreement between Lacey and the North Thurston Public Schools. The cost to use the three Pools is not fully recovered by fees charged for swim lessons and open swim, and is subsidized by the City. Continue to provide financial support at existing levels to the specialized recreation program, which is managed by Thurston County.

2011 PROGRAMS, GOALS AND PRIORITIES

- General Services: Implement on-line program registration.
- Youth/Teens: Continue the community and grant-supported summer playground and "hot meal" programs, and pursue a stable source of funds.
- Recreation Administration: Assist local "dog park" advocates to identify a development, funding and management strategy for off-leash use facilities.
- Aquatics: Offer new and more aquatic programs to increase revenues to reduce the subsidy for the Pool Agreement with NTPS.
- Physical Activities/Sports: Solicit sponsorships to offset program costs in order to offer new activities for youth and adults. Provide an opportunity for elementary age children to participate in a track and field program and at summer day camps.
- Cultural Arts and Education: Ensure that revenues generated by course fees cover expenditures.
- Outdoor Activities: Work in partnership with the local sponsors and volunteers to offer the youth fishing program and other outdoor programs.
- Fitness: Actively market programs in partnership with the high schools and middle schools to increase participation in existing programs.
- Special Events/Activities: Expand visibility, offer events at different locations and times, and improve year-round special events to attract more participants.

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Current Expense Fund - Expenditures</i>				
Parks and Recreation				
General Services				
001-7401-574.10-01	Salaries-Regular	159,890	122,935	122,035
001-7401-574.20-01	Employer Paid Benefits	39,394	43,212	46,777
001-7401-574.31-01	Office & Operating Supply	545	1,500	1,500
001-7401-574.31-02	Small Tools & Equipment	154	1,000	1,000
001-7401-574.41-01	Prof. Svc-Other	12,547	15,000	35,000
001-7401-574.41-36	Prof. Svc-Facility Plan	-	3,500	-
001-7401-574.41-40	Prof. Svc-Milfoil Project	-	1,500	1,500
001-7401-574.43-01	Transportation/Per Diem	-	670	670
001-7401-574.43-02	Dues, Subscriptions, Publ	135	720	720
001-7401-574.43-03	Registrations	520	750	750
001-7401-574.45-01	Equipment Rental	2,283	2,380	2,221
001-7401-574.45-02	IMS Rental	4,688	9,952	9,223
001-7401-574.48-01	Rep & Maint-Equipment	-	150	150
001-7401-574.49-02	Printing & Binding	350	400	400
001-7401-574.49-05	Professional Development	3,007	5,000	5,000
001-7401-574.49-06	Maintenance Contracts	-	50	50
001-7401-574.49-25	Assessments/Taxes	12,427	13,400	13,400
001-7401-574.49-30	Software Maintenance	1,477	1,675	1,675
001-7401-574.60-17	Replacement Reserves	3,263	9,000	11,450
Total General Services		240,680	232,794	253,521
Youth/Teens				
001-7402-574.10-01	Salaries-Regular	127,106	131,510	116,647
001-7402-574.10-05	Salaries-Overtime	2,307	2,000	2,000
001-7402-574.10-06	Salaries-Part-Time	117,774	124,330	126,070
001-7402-574.20-01	Employer Paid Benefits	57,361	62,622	63,778
001-7402-574.31-01	Office & Operating Supply	13,242	14,265	16,165
001-7402-574.31-02	Small Tools & Equipment	6,126	4,750	4,950
001-7402-574.41-01	Prof. Svc-Other	121,907	98,195	110,065
001-7402-574.45-05	Rentals-Other	80	-	-
001-7402-574.45-06	Rentals-School Facilities	2,030	8,880	5,155
001-7402-574.49-02	Printing & Binding	-	880	880
001-7402-574.60-17	Replacement Reserves	-	-	3,657
Total Youth/Teens		447,933	447,432	449,367

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Current Expense Fund - Expenditures</i>				
Parks and Recreation				
Recreation Administration				
001-7403-574.10-01	Salaries-Regular	139,445	139,262	148,511
001-7403-574.10-05	Salaries-Overtime	396	4,300	4,300
001-7403-574.10-06	Salaries-Part-Time	8,336	12,340	12,340
001-7403-574.20-01	Employer Paid Benefits	54,043	62,490	78,649
001-7403-574.20-03	Unemployment Compensation	(130)	-	-
001-7403-574.31-01	Office & Operating Supply	5,961	5,500	7,500
001-7403-574.31-02	Small Tools & Equipment	79	500	500
001-7403-574.31-17	Supplies-Uniforms	-	-	500
001-7403-574.41-01	Prof. Svc-Other	11,981	2,500	9,500
001-7403-574.41-37	Prof Svc-Sunshine Program	8,055	8,200	8,200
001-7403-574.42-01	Communications-Telephone	1,810	2,000	2,000
001-7403-574.42-03	Communications-Recreation	31,938	66,000	66,000
001-7403-574.43-01	Transportation/Per Diem	1,101	1,601	1,201
001-7403-574.43-02	Dues, Subscriptions, Publ	-	825	725
001-7403-574.43-03	Registrations	1,606	3,180	3,180
001-7403-574.44-02	Adv/Part-time Position	-	2,350	1,850
001-7403-574.45-01	Equipment Rental	20,452	19,999	18,667
001-7403-574.45-02	IMS Rental	18,752	28,466	23,838
001-7403-574.45-05	Rentals-Other	10,919	8,500	11,000
001-7403-574.45-06	Rentals-School Facilities	750	800	800
001-7403-574.49-02	Printing & Binding	2,580	2,500	2,700
001-7403-574.49-06	Maintenance Contracts	7,716	4,000	7,700
001-7403-574.49-58	Misc-Scholarships	-	-	10,000
Total Recreation Administration		325,790	375,313	419,661
Aquatics				
001-7404-574.10-01	Salaries-Regular	47,812	50,123	65,471
001-7404-574.10-05	Salaries-Overtime	1,309	1,000	1,000
001-7404-574.10-06	Salaries-Part-Time	100,406	91,753	104,500
001-7404-574.20-01	Employer Paid Benefits	29,319	29,959	44,174
001-7404-574.20-03	Unemployment Compensation	348	-	-
001-7404-574.31-01	Office & Operating Supply	2,735	5,550	6,050
001-7404-574.31-02	Small Tools & Equipment	2,292	2,000	2,500
001-7404-574.41-11	Prof. Svc-Recreational	-	-	200
001-7404-574.43-01	Transportation/Per Diem	-	900	200

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Current Expense Fund - Expenditures</i>				
Parks and Recreation				
Aquatics-continued				
001-7404-574.43-03	Registrations	-	-	200
001-7404-574.45-06	Rentals-School Facilities	18	-	-
001-7404-574.45-09	North Thurston Pool Agree	84,994	118,575	100,000
001-7404-574.49-02	Printing & Binding	-	500	-
001-7404-574.60-17	Replacement Reserves	-	-	3,034
Total Aquatics		269,233	300,360	327,329
Physical Activities				
001-7405-574.10-01	Salaries-Regular	93,846	96,654	105,104
001-7405-574.10-05	Salaries-Overtime	856	1,000	1,000
001-7405-574.10-06	Salaries-Part-Time	29,498	33,720	36,551
001-7405-574.20-01	Employer Paid Benefits	39,908	45,229	54,176
001-7405-574.20-03	Unemployment Compensation	839	-	-
001-7405-574.31-01	Office & Operating Supply	10,215	7,400	10,300
001-7405-574.31-02	Small Tools & Equipment	4,902	3,900	5,000
001-7405-574.41-11	Prof. Svc-Recreational	56,828	55,000	59,000
001-7405-574.45-05	Rentals-Other	2,892	2,750	3,150
001-7405-574.45-06	Rentals-School Facilities	35,533	35,250	37,250
001-7405-574.48-01	Rep & Maint-Equipment	-	350	350
001-7405-574.49-02	Printing & Binding	2,007	2,000	2,000
001-7405-574.60-17	Replacement Reserves	-	-	3,915
Total Physical Activities		277,324	283,253	317,796
Cultural Arts and Education				
001-7406-574.10-01	Salaries-Regular	14,186	14,871	15,241
001-7406-574.10-06	Salaries-Part-Time	23,117	26,418	26,418
001-7406-574.20-01	Employer Paid Benefits	7,827	9,009	9,928
001-7406-574.31-01	Office & Operating Supply	1,239	2,600	2,600
001-7406-574.31-02	Small Tools & Equipment	312	1,000	1,000
001-7406-574.41-01	Prof. Svc-Other	12,946	11,000	11,000
001-7406-574.44-02	Adv/Part-time Position	-	-	50
001-7406-574.45-05	Rentals-Other	4,663	6,000	6,000
001-7406-574.45-06	Rentals-School Facilities	604	26,870	1,000
001-7406-574.49-02	Printing & Binding	-	-	20
Total Cultural Arts and Education		64,894	97,768	73,257

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Current Expense Fund - Expenditures</i>				
Parks and Recreation				
Outdoor Activities				
001-7407-574.10-01	Salaries-Regular	18,380	19,268	13,399
001-7407-574.10-05	Salaries-Overtime	28	200	200
001-7407-574.10-06	Salaries-Part-Time	4,739	6,507	6,500
001-7407-574.20-01	Employer Paid Benefits	6,687	7,995	6,561
001-7407-574.20-03	Unemployment Compensation	-	100	100
001-7407-574.31-01	Office & Operating Supply	354	1,825	2,000
001-7407-574.31-02	Small Tools & Equipment	24	650	200
001-7407-574.41-01	Prof. Svc-Other	11,092	18,638	20,338
001-7407-574.45-05	Rentals-Other	46	-	-
001-7407-574.45-06	Rentals-School Facilities	-	170	100
001-7407-574.60-17	Replacement Reserves	-	-	537
Total Outdoor Activities		41,350	55,353	49,935
Fitness				
001-7408-574.10-01	Salaries-Regular	12,467	13,070	13,399
001-7408-574.10-05	Salaries-Overtime	17	100	100
001-7408-574.10-06	Salaries-Part-Time	7,548	15,733	9,100
001-7408-574.20-01	Employer Paid Benefits	5,054	6,825	7,511
001-7408-574.31-01	Office & Operating Supply	273	1,900	400
001-7408-574.31-02	Small Tools & Equipment	1,039	1,800	1,700
001-7408-574.41-01	Prof. Svc-Other	9,020	9,190	9,190
001-7408-574.45-05	Rentals-Other	2,646	1,836	1,100
001-7408-574.45-06	Rentals-School Facilities	825	2,650	2,100
001-7408-574.60-17	Replacement Reserves	-	-	545
Total Fitness		38,889	53,104	45,145
Special Events				
001-7409-574.10-01	Salaries-Regular	71,900	75,366	78,402
001-7409-574.10-05	Salaries-Overtime	393	-	-
001-7409-574.10-06	Salaries-Part-Time	5,651	7,350	6,000
001-7409-574.20-01	Employer Paid Benefits	32,265	36,357	41,893
001-7409-574.31-01	Office & Operating Supply	3,641	12,000	9,500
001-7409-574.31-02	Small Tools & Equipment	1,704	2,300	2,000
001-7409-574.41-11	Prof. Svc-Recreational	29,960	32,500	41,000
001-7409-574.45-05	Rentals-Other	4,716	8,800	4,500

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Current Expense Fund - Expenditures</i>				
Parks and Recreation				
Special Events-continued				
001-7409-574.45-06	Rentals-School Facilities	1,050	200	200
001-7409-574.48-01	Rep & Maint-Equipment	-	50	50
001-7409-574.49-02	Printing & Binding	2,229	3,000	3,000
Total Special Events		153,509	177,923	186,545
Total Parks and Recreation		1,859,602	2,023,300	2,122,556

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Current Expense Fund - Expenditures</i>				
Other Operating Expense				
001-7501-519.69-01	Estimated Ending Fund Bal	-	-	111,580
001-7501-597.02-01	Transfers out	-	100,000	559,768
Total Other Operating Expense		-	100,000	671,348
Total Current Expense Fund Expenditures		26,595,914	29,845,595	26,148,882



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CRIMINAL JUSTICE FUND

The Criminal Justice Fund was established in 1990 to account for the revenue and expenditures associated with special purpose public safety resources. State legislative action provided extra funding for criminal justice related activities with revenue for these activities coming from local option sales tax of .001 cents. Other funding comes from the Washington State Department of Community, Trade and Economic Development (CTED). The Criminal Justice Fund provides funding support for 4 full-time Police Officers and 3 Community Service Officers.

BUDGET SUMMARY

The total budget for 2011 is **\$567,303**. This budget amount maintains the current level of staffing and services.

2011 PROJECTS, GOALS AND PRIORITIES

- Continue enhancement of the department's policing philosophies

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Criminal Justice Fund - Revenues</i>				
Revenues				
003-0000-313.70-00	Sales Tax-Crim/Justice	536,481	502,057	523,167
003-0000-336.06-21	Criminal Justice - Pop	8,374	9,420	9,631
003-0000-336.06-26	Special Programs	31,889	31,793	32,505
003-0000-336.06-51	DUI/Other Criminal Asst	12,585	-	-
003-0000-361.11-00	Investment Interest	5,764	6,000	2,000
Total Criminal Justice Fund Revenues		595,093	549,270	567,303

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Criminal Justice Fund - Expenditures</i>				
Police				
Investigation and Apprehension				
003-2106-521.10-01	Salaries-Regular	402,335	342,069	337,563
003-2106-521.10-05	Salaries-Overtime	43,704	26,000	26,000
003-2106-521.10-06	Salaries-Part-Time	-	-	10,164
003-2106-521.20-01	Employer Paid Benefits	118,632	104,499	112,977
003-2106-521.31-01	Office & Operating Supply	556	725	725
003-2106-521.31-02	Small Tools & Equipment	297	1,100	1,100
003-2106-521.31-09	Supplies-Bike Patrol	-	2,000	2,000
003-2106-521.31-17	Supplies-Uniform Purchase	3,479	13,065	11,465
003-2106-521.41-01	Prof. Svc-Other	1,380	1,620	1,620
003-2106-521.45-01	Equipment Rental	13,035	24,322	22,447
003-2106-521.48-01	Rep & Maint-Equipment	-	500	500
003-2106-521.49-10	Uniform Contract/Cleaning	2,058	2,370	2,370
003-2106-521.49-30	Software Maintenance	3,668	-	1,600
003-2106-521.50-04	Olympia New World System	31,000	31,000	36,772
Total Criminal Justice Fund Expenditures		620,144	549,270	567,303



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COMMUNITY BUILDINGS FUND

The Community Buildings Fund was established to manage revenues and expenditures directly related to operation of two of city's public facilities: the Lacey Community Center and Jacob Smith House. The Community Center opened for public use in 1996. The Jacob Smith House was acquired and renovated in 2003, and opened for public use in 2004.

The Senior Center has been managed by Senior Services for South Sound since July 2003, under a contract that expires in 2013. The City is pursuing grant funds to expand the Senior Center.

BUDGET SUMMARY

Fourteen years of operations at the Community Center has provided a solid foundation for examining maintenance and operation costs for City public facilities, despite the recent decline in revenue with the current economic climate. That information has been used to project potential revenue in 2011 for the Community Center and the Jacob Smith House.

Senior Services uses revenues from membership fees to offset operating expenses. The City pays for utilities, plus routine maintenance and repair of the building and grounds.

For 2011 the operating budget will be **\$508,489**. The individual operating and maintenance budgets for each facility are as follows:

- Community Center \$328,099
- Jacob Smith House \$96,557
- Senior Center \$83,833

2011 PROJECTS, GOALS AND PRIORITIES

- Market all three facilities with a virtual tour on the website and a slide show to run continually at Lacey Community Center to attract more rental group use.
- Increase rentals at the Lacey Community Center and Jacob Smith House during the week by upgrading Audio Visual, internet connection, and communications equipment.
- Pursue grants and outside sources of capital funds necessary to construct the Senior Center expansion.
- Investigate original funding source of Senior Center to determine if community use can be accommodated during underutilized times.
- Identify new revenue sources that can offset operating expenditures associated with expansion of the Senior Center.
- Estimate life cycle repairs at both the Lacey Community Center and Lacey Senior Center, and develop a program.

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Community Buildings Fund - Revenues</i>				
Revenues				
005-0000-308.00-00	Estimated Beginning Cash	-	501	22,900
005-0000-311.10-00	Property Taxes-Current	284,254	275,407	269,239
005-0000-361.11-00	Investment Interest	3,071	1,250	1,250
005-0000-362.40-00	Facility Rentals	197,188	181,000	181,000
005-0000-362.60-00	Smith Facility Rentals	43,118	36,000	33,000
005-0000-369.90-00	Other Misc Revenue	60	-	-
005-0000-397.00-00	Transfers In	-	-	1,100
Total Community Buildings Fund Revenue		527,691	494,158	508,489

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Community Buildings Fund - Expenditures</i>				
Parks and Recreation				
Community Center				
005-7601-575.10-01	Salaries-Regular	91,142	96,208	97,104
005-7601-575.10-06	Salaries-Part-Time	12,703	14,880	14,880
005-7601-575.20-01	Employer Paid Benefits	35,312	38,613	46,399
005-7601-575.31-01	Office & Operating Supply	1,843	2,900	2,900
005-7601-575.31-02	Small Tools & Equipment	1,559	3,000	3,000
005-7601-575.31-17	Supplies-Uniform Purchase	-	600	600
005-7601-575.41-01	Prof. Svc-Other	10,610	10,700	780
005-7601-575.42-01	Communications/Telephone	3,150	2,750	2,750
005-7601-575.45-02	IMS Rental	4,224	8,153	7,728
005-7601-575.45-03	Copier Rental	1,179	2,000	2,000
005-7601-575.46-02	Insurance-Fire/Property	2,894	3,217	3,185
005-7601-575.47-01	Utility-Electric	14,373	16,000	16,000
005-7601-575.47-02	Utility-City of Lacey	4,925	6,000	9,000
005-7601-575.47-03	Utility-Natural Gas	7,139	10,000	10,000
005-7601-575.47-07	Utility-Solid Waste	5,888	6,000	6,000
005-7601-575.48-01	Rep & Maint-Equipment	799	1,000	1,000
005-7601-575.48-10	Rep & Maint-Equip-Grnds	-	103	103
005-7601-575.49-02	Printing & Binding	850	1,000	1,000
005-7601-575.49-06	Maintenance Contracts	328	1,370	1,370
005-7601-575.49-23	Custodial	4,235	6,100	6,100
005-7601-575.49-27	Bad Debt Expense	224	-	-
005-7601-575.60-01	Capital Outlays-Equipment	-	17,000	-
005-7601-575.60-03	Capital Outlays-Improvmen	-	-	765
005-7601-576.46-01	Insurance-Liability	-	5,780	6,644
005-7601-597.02-01	Transfers out	-	-	22,900
Total Community Center		203,377	253,374	262,208
Jacob Smith Facility				
005-7602-575.10-01	Salaries-Regular	24,977	22,689	22,914
005-7602-575.10-06	Salaries-Part-Time	6,723	8,732	8,732
005-7602-575.20-01	Employer Paid Benefits	10,691	10,629	12,647
005-7602-575.31-01	Office & Operating Supply	986	1,900	1,850
005-7602-575.31-02	Small Tools & Equipment	759	2,500	2,500
005-7602-575.41-01	Prof. Svc-Other	8,658	8,650	8,650
005-7602-575.42-01	Communications/Telephone	2,939	4,000	4,000
005-7602-575.45-02	IMS Rental	1,088	1,627	1,504

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Community Buildings Fund - Expenditures</i>				
Parks and Recreation				
Jacob Smith Facility-continued				
005-7602-575.46-02	Insurance-Fire/Property	383	426	422
005-7602-575.47-01	Utility-Electric	2,164	2,800	2,800
005-7602-575.47-02	Utility-City of Lacey	5,720	8,000	8,000
005-7602-575.47-03	Utility-Natural Gas	1,992	2,500	2,500
005-7602-575.47-07	Utility-Solid Waste	106	-	-
005-7602-575.48-01	Rep & Maint-Equipment	-	400	400
005-7602-575.48-03	Rep & Maint-Facilities	806	-	1,965
005-7602-575.48-10	Rep & Maint-Equip-Grnds	1,964	1,965	-
005-7602-575.49-02	Printing & Binding	300	800	800
005-7602-575.49-06	Maintenance Contracts	225	750	3,000
005-7602-575.49-23	Custodial	5,075	4,000	4,000
Total Jacob Smith Facility		75,556	82,368	86,684
Senior Center				
005-7603-555.31-01	Office & Operating Supply	-	500	100
005-7603-555.46-02	Insurance-Fire/Property	1,650	1,835	1,816
005-7603-555.47-01	Utility-Electric	9,217	9,300	9,400
005-7603-555.47-02	Utility-City of Lacey	1,201	1,500	1,600
005-7603-555.47-03	Utility-Natural Gas	4,781	4,500	4,800
005-7603-555.49-06	Maintenance Contracts	-	450	450
005-7603-555.60-01	Capital Outlays-Equipment	8,074	-	1,100
Total Senior Center		24,923	18,085	19,266
Community Center Facility Maintenance				
005-7611-575.31-23	Supplies-Building Maint.	5,341	5,041	5,041
005-7611-575.31-24	Small Tools & Equip-Bldg	-	200	200
005-7611-575.31-29	Supplies-Grounds Maint.	-	1,000	1,000
005-7611-575.41-31	Prof. Svc-Building Maint.	5,147	5,100	5,100
005-7611-575.48-01	Rep & Maint-Equipment	-	103	103
005-7611-575.48-03	Rep & Maint-Facilities	1,980	4,750	4,750
005-7611-575.48-10	Rep & Maint-Equip-Grnds	-	200	200
005-7611-575.49-06	Maintenance Contracts	7,752	7,694	7,694
005-7611-575.49-23	Custodial	39,580	41,803	41,803
Total Community Center Facility Maintenance		59,800	65,891	65,891

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Community Buildings Fund - Expenditures</i>				
Parks and Recreation				
Jacob Smith Facility Maintenance				
005-7612-575.31-23	Supplies-Building Maint.	71	875	875
005-7612-575.31-24	Small Tools & Equip-Bldg	164	-	-
005-7612-575.31-29	Supplies-Grounds Maint.	2,051	1,750	1,750
005-7612-575.41-31	Prof. Svc-Building Maint.	163	2,018	2,018
005-7612-575.41-39	Prof. Svc-Tree Evaluation	-	250	250
005-7612-575.48-01	Rep & Maint-Equipment	-	250	250
005-7612-575.48-03	Rep & Maint-Facilities	-	750	750
005-7612-575.48-10	Rep & Maint-Equip-Grnds	12	200	200
005-7612-575.49-06	Maintenance Contracts	-	3,780	3,780
Total Jacob Smith Facility Maintenance		2,461	9,873	9,873
Senior Center Facility Maintenance				
005-7613-555.31-23	Supplies-Building Maint.	287	1,126	1,126
005-7613-555.31-24	Small Tools & Equip-Bldg	-	200	200
005-7613-555.31-29	Supplies-Grounds Maint.	394	1,000	1,000
005-7613-555.41-31	Prof. Svc-Building Maint.	1,991	500	500
005-7613-555.41-39	Prof. Svc-Tree Evaluation	2,262	3,700	3,700
005-7613-555.48-01	Rep & Maint-Equipment	-	250	250
005-7613-555.48-03	Rep & Maint-Facilities	7,309	8,750	8,750
005-7613-555.48-10	Rep & Maint-Equip-Grnds	-	250	250
005-7613-555.49-06	Maintenance Contracts	6,653	8,000	8,000
005-7613-555.49-23	Custodial	23,475	40,791	40,791
005-7613-555.60-01	Capital Outlays-Equipment	4,876	-	-
Total Senior Center Facility Maintenance		47,247	64,567	64,567
Total Community Buildings Fund Expenditures		413,364	494,158	508,489



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PUBLIC WORKS-CITY STREET FUND

The Public Works Street Division is responsible for evaluating, maintaining and repairing all roadways, traffic signs, markings, and signals, drainage systems, sidewalks and roadsides as well as roadway lighting. The Division is also responsible for street cleaning, snow and ice removal, and removing road debris from traffic lanes. Additionally, the Street Division performs special projects such as the Christmas tree pickup, hanging the College Street banners and supporting special events, such as Fun Fair and car shows. The division also manages the Adopt A Roadway Program.

BUDGET SUMMARY

The Street Division budget is organized into nine programs.

- Supervision and Support
- Street Lights
- Signs & Markers
- Snow and Ice
- Street Cleaning
- Roadside Maintenance
- Road Maintenance
- Sidewalk Maintenance
- Traffic Signals/Electrical

The total 2011 budget for the Street Division is **\$2,519,664**. In addition to the general operating revenue, the City Street Fund receives State Fuel Tax revenue to partially offset the cost of street maintenance.

2011 PROJECTS, GOALS AND PRIORITIES

- Continue an active asphalt crack sealing program.
- Develop performance benchmarks for Street Division activities such as Street Sweeping.
- Develop a reporting system to monitor performance benchmarks.
- Continue to expand the Adopt A Road Program
- Develop Standard Operating Procedures for the division
- Maintain City's pavement management performance rating

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>City Street Fund - Revenues</i>				
Revenues				
101-0000-308.00-00	Estimated Beginning Cash	-	74,870	75,422
101-0000-316.41-00	Utility Tax/Electric	794,983	584,397	629,183
101-0000-316.42-00	Utility Tax/Water-Private	1,406	1,193	1,097
101-0000-316.43-00	Utility Tax/Gas	337,196	332,202	215,392
101-0000-316.45-00	Utility Tax/Solid Waste	33,097	66,108	82,212
101-0000-316.47-01	Utility Tax/Telephone	400,889	484,141	495,371
101-0000-316.52-00	Utility Tax/Olympia City	421	185	186
101-0000-316.70-00	Utility Tax/Lacey Utility	-	327,908	397,134
101-0000-316.72-00	Water	116,619	-	-
101-0000-316.74-00	Wastewater	129,933	-	-
101-0000-316.78-00	Stormwater	25,357	-	-
101-0000-333.83-00	FEMA 1682-DRWA	11,115	-	-
101-0000-334.83-00	State Share of FEMA	1,853	-	-
101-0000-336.87-00	Motor Vehicle Fuel Tax	598,927	612,877	593,667
101-0000-338.36-00	Signal Maintenance	14,740	10,000	10,000
101-0000-344.81-00	New Development Signage	15,864	-	-
101-0000-348.95-00	Engineering Services Fees	23,979	15,000	15,000
101-0000-361.11-00	Investment Interest	17,994	20,540	5,000
101-0000-369.10-00	Sale of Scrap & Surplus	3,013	-	-
101-0000-369.40-00	Court Fees/Judgments	31,024	-	-
Total Public Works City Street Fund Revenues		2,558,410	2,529,421	2,519,664

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>City Street Fund - Expenditures</i>				
Public Works Street Division				
General Services				
101-4201-543.10-01	Salaries-Regular	212,980	148,202	157,968
101-4201-543.10-05	Salaries-Overtime	1,441	1,700	2,200
101-4201-543.10-06	Salaries-Part-Time	3,146	3,441	2,862
101-4201-543.20-01	Employer Paid Benefits	71,284	53,936	60,533
101-4201-543.20-03	Unemployment Compensation	9,955	4,200	4,200
101-4201-543.31-01	Office & Operating Supply	577	2,300	2,300
101-4201-543.31-02	Small Tools & Equipment	25	1,400	1,400
101-4201-543.31-17	Supplies-Uniform Purchase	3,810	3,000	3,000
101-4201-543.33-01	Small Tools-Electrical	-	500	500
101-4201-543.41-01	Prof. Svc-Other	349	-	-
101-4201-543.42-01	Communications-Telephone	1,062	-	1,900
101-4201-543.43-01	Transportation/Per Diem	-	1,815	1,815
101-4201-543.43-02	Dues, Subscriptions, Publ	178	500	500
101-4201-543.43-03	Registrations	270	900	900
101-4201-543.45-01	Equipment Rental	7,439	9,035	7,668
101-4201-543.45-02	IMS Rental	6,184	11,794	18,486
101-4201-543.46-01	Insurance-Liability	111,034	12,818	30,684
101-4201-543.46-06	AWC-L & I Pool	846	882	882
101-4201-543.49-10	Uniform Contract/Cleaning	253	2,000	500
101-4201-543.49-27	Bad Debt Expense	11,576	8,785	8,785
101-4201-543.49-35	CDL-Physicals/Licenses	60	360	600
101-4201-543.50-02	Common Facilities-1902	21,894	23,330	29,390
Total General Services		464,363	290,898	337,073
Street Lighting				
101-4204-542.10-01	Salaries-Regular	41,716	65,893	64,471
101-4204-542.10-05	Salaries-Overtime	117	500	500
101-4204-542.10-06	Salaries-Part-Time	2,790	4,866	4,906
101-4204-542.20-01	Employer Paid Benefits	19,416	33,148	32,365
101-4204-542.31-17	Supplies-Uniform Purchase	500	500	500
101-4204-542.32-01	Electrical Supplies	52,927	19,500	19,500
101-4204-542.33-01	Small Tools-Electrical	714	2,000	2,000
101-4204-542.41-32	Prof. Svc-Utility Locates	234	340	340
101-4204-542.43-03	Registrations	465	1,000	1,000
101-4204-542.45-01	Equipment Rental	18,163	22,061	19,170

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>City Street Fund - Expenditures</i>				
Public Works Street Division				
Street Lighting-continued				
101-4204-542.47-01	Utility-Electric	412,805	400,000	413,000
101-4204-542.49-10	Uniform Contract/Cleaning	-	950	950
Total Street Lighting		549,847	550,758	558,702
Street Signs & Markers				
101-4205-542.10-01	Salaries-Regular	111,711	150,600	151,829
101-4205-542.10-05	Salaries-Overtime	555	790	790
101-4205-542.10-06	Salaries-Part-Time	27,872	38,967	35,627
101-4205-542.20-01	Employer Paid Benefits	46,884	62,883	71,345
101-4205-542.31-01	Office & Operating Supply	3,292	3,000	3,000
101-4205-542.31-02	Small Tools & Equipment	1,077	500	500
101-4205-542.31-27	Software Upgrade	-	1,075	1,075
101-4205-542.31-31	Supplies-City Projects	326	-	2,000
101-4205-542.31-32	Sign Making Supplies	27,266	32,750	32,750
101-4205-542.31-34	Road Marking Supplies	30,470	41,000	31,000
101-4205-542.41-01	Prof. Svc-Other	8,042	31,900	21,900
101-4205-542.41-32	Prof. Svc-Utility Locates	146	50	50
101-4205-542.45-01	Equipment Rental	20,278	24,630	21,087
Total Street Signs & Markers		277,919	388,145	372,953
Snow & Ice Removal				
101-4206-542.10-01	Salaries-Regular	12,810	21,479	21,866
101-4206-542.10-05	Salaries-Overtime	1,889	3,500	3,500
101-4206-542.20-01	Employer Paid Benefits	5,212	8,993	10,282
101-4206-542.31-01	Office & Operating Supply	14,082	8,500	10,000
101-4206-542.31-02	Small Tools & Equipment	58	-	-
101-4206-542.45-01	Equipment Rental	4,991	6,062	5,751
Total Snow & Ice Removal		39,042	48,534	51,399
Street Cleaning				
101-4207-542.10-01	Salaries-Regular	5,899	13,752	14,032
101-4207-542.10-05	Salaries-Overtime	30	300	300
101-4207-542.20-01	Employer Paid Benefits	1,779	5,352	6,652
101-4207-542.31-01	Office & Operating Supply	571	600	600
Total Street Cleaning		8,279	20,004	21,584

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>City Street Fund - Expenditures</i>				
Public Works Street Division				
Roadside Maintenance				
101-4208-542.10-01	Salaries-Regular	50,576	95,000	96,911
101-4208-542.10-05	Salaries-Overtime	1,273	200	200
101-4208-542.10-06	Salaries-Part-Time	2,887	14,833	7,271
101-4208-542.20-01	Employer Paid Benefits	18,521	39,470	42,147
101-4208-542.31-01	Office & Operating Supply	2,055	2,400	2,400
101-4208-542.31-02	Small Tools & Equipment	564	2,000	2,000
101-4208-542.34-01	Fuel	1,036	-	-
101-4208-542.41-01	Prof. Svc-Other	1,899	1,000	1,000
101-4208-542.41-16	Prof. Svc-Parks	235,801	316,084	316,084
101-4208-542.45-01	Equipment Rental	13,140	15,960	13,419
Total Roadside Maintenance		327,752	486,947	481,432
Roadway Maintenance				
101-4209-542.10-01	Salaries-Regular	92,202	85,411	87,121
101-4209-542.10-05	Salaries-Overtime	1,677	400	400
101-4209-542.10-06	Salaries-Part-Time	1,935	33,906	25,448
101-4209-542.20-01	Employer Paid Benefits	35,681	35,988	42,235
101-4209-542.20-03	Unemployment Compensation	-	60	60
101-4209-542.31-01	Office & Operating Supply	11,928	22,000	17,000
101-4209-542.31-02	Small Tools & Equipment	27	-	-
101-4209-542.41-01	Prof. Svc-Other	5,343	21,000	11,000
101-4209-542.45-01	Equipment Rental	30,825	37,441	32,589
101-4209-542.45-05	Rentals-Other	3,466	11,000	11,000
101-4209-542.48-15	Repairs & Maint-Grounds	4,276	12,000	12,000
Total Roadway Maintenance		187,360	259,206	238,853
Sidewalk Maintenance				
101-4210-542.10-01	Salaries-Regular	40,306	37,910	38,665
101-4210-542.10-05	Salaries-Overtime	60	100	100
101-4210-542.10-06	Salaries-Part-Time	288	5,562	2,727
101-4210-542.20-01	Employer Paid Benefits	14,553	15,854	17,571
101-4210-542.31-01	Office & Operating Supply	2,366	1,000	1,000
101-4210-542.31-02	Small Tools & Equipment	-	500	500
101-4210-542.41-01	Prof. Svc-Other	22,644	25,000	25,000
101-4210-542.41-41	Sidewalk Spraying	-	10,000	10,000

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>City Street Fund - Expenditures</i>				
Public Works Street Division				
Sidewalk Maintenance-continued				
101-4210-542.45-01	Equipment Rental	3,554	4,318	3,834
Total Sidewalk Maintenance		83,771	100,244	99,397
Traffic Control Device/Electrica				
101-4211-542.10-01	Salaries-Regular	47,741	53,751	52,784
101-4211-542.10-05	Salaries-Overtime	741	200	200
101-4211-542.10-06	Salaries-Part-Time	3,538	13,381	13,490
101-4211-542.20-01	Employer Paid Benefits	23,522	35,773	29,298
101-4211-542.32-01	Electrical Supplies	30,256	22,572	22,572
101-4211-542.33-01	Small Tools-Electrical	505	1,000	1,000
101-4211-542.41-01	Prof. Svc-Other	-	2,000	2,000
101-4211-542.41-32	Prof. Svc-Utility Locates	-	250	250
101-4211-542.42-01	Telephone	1,513	960	960
101-4211-542.45-01	Equipment Rental	78,665	95,549	91,633
101-4211-542.45-02	IMS Rental	2,473	5,425	-
101-4211-542.47-01	Utility-Electric	63,398	64,000	64,000
Total Traffic Control Device/Electrical		252,352	294,861	278,187
Electrical Other				
101-4212-543.10-01	Salaries-Regular	57,936	53,751	46,941
101-4212-543.10-05	Salaries-Overtime	905	500	500
101-4212-543.10-06	Salaries-Part-Time	2,598	4,866	4,906
101-4212-543.20-01	Employer Paid Benefits	27,656	27,707	24,737
101-4212-543.31-01	Office & Operating Supply	22	500	500
101-4212-543.32-01	Electrical Supplies	6,548	2,500	2,500
101-4212-543.33-01	Small Tools-Electrical	46	-	-
Total Electrical Other		95,711	89,824	80,084
Total Public Works City Street Fund Expenditures		2,286,396	2,529,421	2,519,664

PUBLIC WORKS-ARTERIAL STREET FUND

The Arterial Street Fund provides funding for street construction and transportation improvement projects. Work accomplished includes right-of-way acquisition, design, and construction of roadways, storm drainage, sidewalks, street lighting, traffic signals, and landscaping.

Revenues for the Arterial Street Fund come from the following sources:

- State and Federal Grants
- State Shared Fuel Taxes
- General Revenues of the City – Utility Tax
- Mitigation
- Real Estate Excise Tax

BUDGET SUMMARY

All expenditures are for specific improvement projects included in the City's Six-Year Transportation Plan and Capital Facilities Plan. Expenditures from this fund fluctuate dramatically based on the City's success in obtaining grant funding, new development occurring in the City, and the number of street projects ready for construction. For 2011, budgeted expenditures are **\$15,509,500**.

2011 PROJECTS, GOALS AND PRIORITIES

- College St Corridor right of way acquisition
- Miscellaneous pedestrian enhancements
- Enhancement of residential street repair, rehabilitation, and maintenance program
- Intersection improvements-Mullen/Carpenter Rd & Willamette/31st Avenue
- Britton parkway additional westbound lane
- Carpenter Road widening
- Marvin Road IJR
- Martin Way IJR
- College St & 22nd Ave roundabout
- College Street Corridor-Right of Way Acquisition
- College Street NE extension
- Transportation improvement comp plan
- Marvin Rd/Martin Way access study
- Willamette/Hogum Bay intersection improvements
- Golf Club Rd extension

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Arterial Street Fund - Revenues</i>				
Revenues				
102-0000-308.00-00	Estimated Beginning Cash	-	8,971,875	9,267,645
102-0000-317.34-00	Real Estate Excise Tax 1	1,171,202	1,051,000	1,051,000
102-0000-333.20-20	20.205 Highway Planning	1,191,031	319,484	410,750
102-0000-334.03-80	03.8x Trans Improv Board	1,465,819	3,515,247	2,255,870
102-0000-334.04-20	Commerce JDF - Gateway	1,361,771	-	242,670
102-0000-336.88-00	Motor Vehicle Fuel Tax	244,221	271,935	271,935
102-0000-339.22-02	DOT/ Hwy Planning & Const	1,000,000	-	-
102-0000-344.85-00	Mitigation/Impact Fees	1,422,704	1,075,745	1,159,630
102-0000-361.11-00	Investment Interest	95,114	-	-
102-0000-362.40-00	Facility Rentals	8,552	-	-
102-0000-369.90-00	Other Misc Revenue	1,061	958,635	-
102-0000-391.90-01	PSE Letter of Credit	743,453	-	-
102-0000-397.01-00	Capital Fund	850,000	850,000	850,000
Total Public Works Arterial Street Fund Revenues		9,554,928	17,013,921	15,509,500

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Arterial Street Fund - Expenditures</i>				
Public Works Arterial Streets				
Street and Transportation Improvements				
102-4101-595.69-01	Estimated Ending Fund Bal	-	7,447,807	8,393,240
102-4101-595.90-01	Preliminary Engineering	1,164,326	374,748	1,375,390
102-4101-595.90-02	Right of Way	1,246,442	1,630,000	888,580
102-4101-595.90-03	Road Way	2,843,860	6,703,004	3,395,340
102-4101-595.90-05	Construction Engineering	521,035	578,362	1,071,450
102-4101-595.90-06	Side Walks	-	-	50,000
102-4101-595.90-07	Special Purpose Paths	1,978,803	-	-
102-4101-595.90-08	Street Lighting	731	120,000	180,000
102-4101-595.90-09	Traffic Control Devices	7,475	-	55,500
102-4101-595.90-10	Roadside Development	48,053	-	-
102-4101-595.90-11	Construction Administrative	6,402	-	-
102-4101-595.90-13	Side Walks-ADA	-	125,000	50,000
102-4101-595.90-14	Signal Timing	591	15,000	15,000
102-4101-595.90-15	Pavement Mgmt System	33,258	-	-
102-4101-595.90-16	Pavement Restoration/PMS	-	20,000	35,000
Total Public Works Arterial Street Fund Expenditures		7,850,976	17,013,921	15,509,500



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THE REGIONAL ATHLETIC COMPLEX (RAC)

The Regional Athletic Complex (the RAC) is comprised of 98 acres, 68 of which opened for public use in May of 2009. Phase III is a 26 acre parcel located west of Marvin Road, and scheduled for future development. A four acre parcel located in the southeastern corner of the Steilacoom Road/Marvin Road intersection offers potential for a commercial venture in partnership with the City of Lacey.

Thurston County transferred its share of ownership along with all responsibilities for operations and maintenance in June of 2010, and paid their share of costs, projected through March of 2014. In 2009, a new facilities manager coordinated the scheduled use of the complex and all associated sponsorships and contracts. Since the softball/fastpitch/baseball complex opened in May, revenue generated at the RAC in 2009 does not reflect a full year of operations. An on site crew of two (2) full-time maintenance personnel and part-time staff maintain the 68 acre site as well as a full time RAC Manager who facilitates events.

The 2011 budget **\$887,001** is the estimated cost to operate the RAC. The costs to maintain this facility are covered by fees, and intergovernmental revenues. The intergovernmental revenues are made up of the City's contribution, the shared costs received from Thurston County through March of 2014 as well as revenues contractually received from the Capital Area Regional Public Facilities District.

2011 PROJECTS, GOALS AND PRIORITIES

- Increase revenues by optimizing tournament and league play
- Develop, promote, and maintain the complex as the premier athletic facility in Washington
- Offer new special events to increase revenue and off-season use
- Work with Finance Director to invest funds from County transfer of ownership at the best secure rate possible

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Regional Athletic Complex - Revenues</i>				
Revenues				
107-0000-308.00-00	Estimated Beginning Cash	-	887	-
107-0000-338.10-10	Capital Area - PFD	160,000	160,000	160,000
107-0000-338.10-20	Thurston County	180,598	185,302	-
107-0000-347.62-00	Shelter Fees	-	-	3,700
107-0000-347.65-00	Field Use Fees	166,623	165,000	180,000
107-0000-347.68-00	League Fees	-	-	25,000
107-0000-362.50-00	Lease Long-Term	4,000	8,400	10,500
107-0000-362.80-00	Concession Commission	2,004	1,500	7,500
107-0000-367.23-00	Banner Sponsorship	-	-	7,000
107-0000-397.10-01	Transfer in 303 Fund	202,431	185,302	347,801
107-0000-397.10-02	Transfer in (109) Fund	125,000	125,000	145,500
Total Regional Athletic Complex Fund Revenues		840,656	831,391	887,001

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Regional Athletic Complex - Expenditures</i>				
Regional Athletic Complex				
Regional Athletic Complex Maintenance				
107-3305-576.10-01	Salaries-Regular	97,849	114,747	117,591
107-3305-576.10-05	Salaries-Overtime	1,963	2,500	2,500
107-3305-576.10-06	Salaries-Part-Time	59,151	105,789	105,892
107-3305-576.20-01	Employer Paid Benefits	53,291	78,252	119,511
107-3305-576.31-01	Office & Operating Supply	82,692	103,500	103,500
107-3305-576.31-02	Small Tools & Equipment	3,262	4,923	4,923
107-3305-576.34-01	Fuel	4,098	-	-
107-3305-576.41-01	Prof. Svc-Other	5,009	8,000	8,000
107-3305-576.42-01	Communications-Telephone	2,530	3,000	3,000
107-3305-576.45-01	Equipment Rental	93,577	84,673	73,064
107-3305-576.45-02	IMS Rental	2,500	4,123	4,430
107-3305-576.45-05	Rentals-Other	58	5,000	5,000
107-3305-576.46-01	Insurance-Liability	-	5,112	12,498
107-3305-576.46-02	Insurance-Fire/Property	8,740	9,714	9,621
107-3305-576.47-01	Utility-Electric	31,430	46,879	46,879
107-3305-576.47-02	Utility-City of Lacey	64,840	60,000	65,000
107-3305-576.47-07	Utility-Solid Waste	5,618	10,000	10,000
107-3305-576.48-01	Rep & Maint-Equipment	2,437	3,500	3,500
107-3305-576.48-03	Rep & Maint-Facilities	1,382	3,500	3,500
107-3305-576.49-25	Assessments/Taxes	6,311	6,400	6,400
Total Regional Athletic Complex Maintenance		526,738	659,612	704,809
Regional Athletic Complex General Services				
107-7401-576.10-01	Salaries-Regular	59,168	61,903	61,904
107-7401-576.10-06	Salaries-Part-Time	12,067	16,000	20,000
107-7401-576.20-01	Employer Paid Benefits	17,828	19,509	23,809
107-7401-576.31-01	Office & Operating Supply	1,560	1,500	7,000
107-7401-576.31-02	Small Tools & Equipment	4,162	5,000	8,500
107-7401-576.31-17	Supplies-Uniform Purchase	-	-	1,000
107-7401-576.41-01	Prof. Svc-Other	68,232	10,000	30,000
107-7401-576.42-01	Communications-Telephone	110	4,500	2,500
107-7401-576.43-01	Transportation/Per Diem	931	1,500	1,500
107-7401-576.43-02	Dues & Subscriptions	-	-	120
107-7401-576.43-03	Registrations	409	1,000	880

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Regional Athletic Complex - Expenditures</i>				
Regional Athletic Complex				
Regional Athletic Complex General Services-continued				
107-7401-576.45-01	Equipment Rental	2,000	-	-
107-7401-576.45-02	IMS Rental	4,000	4,567	3,979
107-7401-576.45-05	Rentals-Other	-	5,000	5,000
107-7401-576.49-02	Printing & Binding	-	39,300	10,000
107-7401-576.49-06	Maintenance Contracts	-	2,000	2,000
107-7401-576.69-01	Estimated Ending Fund Bal	-	-	4,000
Total Regional Athletic Complex General Services		170,467	171,779	182,192
Total Regional Athletic Complex Fund Expenditures		697,205	831,391	887,001

LODGING TAX FUND

The Lodging Tax Fund is authorized by state law and must operate under the restrictive provision thereof. Revenue is generated from a 4% use tax on hotel/motel room rentals. Lodging tax receipts for 2011 are estimated at \$350,953. Expenditures of Lodging Tax dollars are limited to tourist promotion and for the acquisition and/or maintenance of tourism-related facilities. The budget is developed in concert with the Lodging Tax Advisory Committee.

Included in Contract Services expenditures are services performed by the Lacey Chamber of Commerce, Visitor and Convention Bureau, Washington Center for the Performing Arts, and publication of promotional materials. Community Events include Lacey Fun Fair, Jazz Festival, Summers End At Lacey (classic car show), Alternate Fuel Fair, Senior Games, Mushroom Festival, Lacey Farmers Market, and Concerts in the Park series. This fund also provides support to maintain and operate the Regional Athletic Complex (RAC) as well as the provide funding for special events held at the RAC.

The total 2011 budget for the Lodging Tax Fund is **\$380,500**.

The Lodging Tax budget is divided into 3 categories:

- Museum Operation
- Contracted Services
- Performing Arts & Events

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Lodging Tax Fund - Revenues</i>				
Revenues				
109-0000-308.00-00	Estimated Beginning Cash	-	72,724	27,407
109-0000-313.30-00	Hotel/Motel Taxes	352,273	305,593	350,593
109-0000-361.11-00	Investment Interest	6,885	7,907	2,500
109-0000-367.14-00	Donations-Concert/Events	18,140	12,000	-
109-0000-367.15-00	Donations-Miscellaneous	1,834	-	-
Total Lodging Tax Fund Revenues		379,132	398,224	380,500

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Lodging Tax Fund - Expenditures</i>				
Council / Parks and Recreation				
Museum Operation				
109-0303-575.10-01	Salaries-Regular	26,479	33,182	25,200
109-0303-575.20-01	Employer Paid Benefits	10,360	15,452	11,612
109-0303-575.31-01	Office & Operating Supply	1,805	1,400	1,150
109-0303-575.31-02	Small Tools & Equipment	171	189	189
109-0303-575.31-23	Supplies-Building Maint.	191	200	300
109-0303-575.31-29	Supplies-Grounds Maint.	-	100	100
109-0303-575.41-01	Prof. Svc-Other	357	500	500
109-0303-575.41-31	Prof. Svc-Building Maint.	-	-	100
109-0303-575.42-01	Communications/Telephone	1,216	1,300	1,300
109-0303-575.43-01	Transportation/Per Diem	-	50	50
109-0303-575.43-02	Dues, Subscriptions, Publ	225	350	350
109-0303-575.43-03	Registrations	-	50	50
109-0303-575.45-02	IMS Rental	1,631	1,631	1,631
109-0303-575.45-05	Rentals-Other	-	200	200
109-0303-575.46-02	Insurance-Fire/Property	234	260	258
109-0303-575.47-01	Utility-Electric	665	850	700
109-0303-575.47-02	Utility-City of Lacey	500	600	600
109-0303-575.47-03	Utility-Natural Gas	1,564	2,000	2,000
109-0303-575.49-02	Printing & Binding	273	100	100
109-0303-575.49-06	Maintenance Contracts	1,673	1,200	1,200
109-0303-575.49-23	Custodial	840	910	910
Total Museum Operation		48,184	60,524	48,500
Contracted Services				
109-0401-573.49-51	Promotion-Community Event	58,978	62,000	63,000
109-0401-575.49-33	Chamber of Commerce	25,000	25,000	25,000
109-0401-575.49-34	Washington Center	18,500	15,500	12,400
109-0401-575.49-38	Visitor/Convention Bureau	87,741	59,700	64,100
109-0401-575.69-01	Estimated Ending Fund Bal	-	3,000	-
109-0401-597.02-01	Transfers out	125,000	125,000	145,500
Total Contracted Services		315,219	290,200	310,000

Account Number	Description	2008 Actual Revenue/Expense	2009 Amended Budget	2010 Adopted Budget
<i>Lodging Tax Fund - Expenditures</i>				
Council / Parks and Recreation				
Performing Arts & Parks Events				
109-0601-573.49-52	Promotion-Parks Events	8,849	6,000	6,000
109-0601-573.49-54	Concert Series/Events	16,446	16,500	4,500
109-0601-575.60-04	Capital Outlays-Equipment	4,446	25,000	11,500
Total Performing Arts & Parks Events		29,741	47,500	22,000
Total Lodging Tax Fund Expenditures		393,144	398,224	380,500

COMMUNITY DEVELOPMENT BLOCK GRANT FUND

The Community Development Block Grant (CDBG) Fund provides for the accounting of state and federal grant dollars awarded to qualifying agencies serving Lacey citizens. This fund also facilitates block grants awarded to Lacey for housing and capital improvement projects primarily benefiting low-income residents.

Lacey has received CDBG grant funding for housing rehabilitation, low-income apartment complex acquisition, a child care and family services center, and a new senior center.

In 2011 the City will act as a pass through agency for a NSP grant received by Thurston County Housing Authority.

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Community Development Block Grant Fund - Revenues</i>				
Revenues				
120-0000-333.14-21	Program Income F96745006	13,536	-	-
Total Community Development Block Grant Revenues		13,536	-	-

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Community Development Block Grant Fund - Expenditures</i>				
Public Affairs and Community Relations				
120-3701-598.97-52	Pass Through Grant	-	-	-
Total Community Development Block Grant Expenditures		-	-	-



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GENERAL OBLIGATION BOND FUND

The General Obligation (G.O.) Bond Fund was created to provide for the retirement of all general purpose bonds issued for City facilities or equipment. When capital expenditures are funded by debt authorized by voter approval, the revenues generated to retire this debt come from property taxes. Debt issued or bonds sold without the guarantee of City tax revenues (i.e. Limited Tax General Obligations) must depend on general revenues of the City to retire the debt.

General Obligation debt currently supported by property taxes includes \$5.99 million of Fire Safety Improvement Bonds approved by voters in September 2000. It also includes Parks Improvement Bonds sold in 2003, \$5 million and in 2006, \$4.985 million.

Non-property tax supported debt was issued in 2006 for \$3.5 million for the addition to City Hall and in 2007 for \$8.0 million to complete the 68 acres of the Regional Athletic Complex.

Late November 2010, the City Council will consider the advance refunding of the Fire Safety Improvement Bonds. If bond interest rates remain at the current historically low level and meets a 5.0 percent target saving level, it is expected that the City Council will approve the refunding. The refunding will not impact City funds. The debt service savings will be directly passed on to the City of Lacey property owners.

The total outstanding General Obligation Tax support debt is \$11,945,000. The total outstanding Limited Tax General Obligation debt is \$10,115,000.

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>G. O. Bond Fund - Revenues</i>				
Revenues				
201-0000-308.00-00	Estimated Beginning Cash	-	-	44,420
201-0000-311.10-00	Property Taxes-Current	1,135,392	1,178,420	1,177,050
201-0000-311.15-00	Property Taxes-Delinquent	21,678	19,000	7,500
201-0000-313.10-00	Sales Taxes	332,400	333,800	331,200
201-0000-361.11-00	Investment Interest	2,840	3,000	500
201-0000-397.01-00	Capital Fund	579,730	584,130	582,930
Total General Obligation Bond Fund Revenues		2,072,040	2,118,350	2,143,600

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>G. O. Bond Fund - Expenditures</i>				
G.O. Debt - Finance				
G.O. Debt Tax Supported				
201-1904-591.70-11	Principal UTGO Bond 2002	255,000	265,000	280,000
201-1904-591.70-12	Principal UTGO Bond 2003	205,000	210,000	215,000
201-1904-591.70-13	Principal UTGO Bond 2006	185,000	190,000	200,000
201-1904-591.80-11	Interest UTGO 2002	204,318	194,440	183,840
201-1904-591.80-12	Interest UTGO 2003	139,103	133,980	128,310
201-1904-591.80-13	Interest UTGO 2006	192,400	185,000	177,400
Total G.O. Debt Tax Supported		1,180,821	1,178,420	1,184,550
L.T.G.O. & Loans				
201-1905-591.69-01	Estimated Ending Fund Bal	-	26,400	502
201-1905-591.70-14	Principal LTGO 2006	200,000	205,000	215,000
201-1905-591.70-16	Principal LTGO Bond 2007	265,000	280,000	290,000
201-1905-591.80-14	Interest LTGO 2006	132,400	124,400	116,200
201-1905-591.80-16	Interest LTGO 2007	314,730	304,130	292,930
201-1905-597.02-01	Transfers out	-	-	44,418
Total L.T.G.O. & Loans		912,130	939,930	959,050
Total General Obligation Bond Fund Expenditures		2,092,951	2,118,350	2,143,600



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LOCAL IMPROVEMENT DISTRICT BOND FUND

The Local Improvement District (L.I.D.) Bond Fund was created to provide for the retirement of all local improvement district bonds issued for City streets, utilities, and related equipment. Debt issued or bonds received without the guarantee of City tax revenues must depend on these special assessments against property owners.

There is one transportation improvement project in this fund: L.I.D. #19 – a variety of transportation improvements serving NE Lacey and Hawks Prairie area.

Although annual assessments are billed to property owners, the actual retirement of L.I.D. debt in any given year is based on the amount of dollars collected. The amount collected is either a result of billed assessment amounts received or payed-in-full as property changes ownership. Regardless when payments are received, the City must call (retire) outstanding bonds when funds are available to do so.

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>L.I.D. Bond Fund - Revenues</i>				
Revenues				
202-0000-361.11-00	Investment Interest	664	1,000	500
202-0000-361.50-01	L.I.D. # 13	10,099	11,480	9,200
202-0000-361.50-02	L.I.D. # 16	402	-	-
202-0000-361.50-03	L.I.D. # 19	174,725	267,705	100,000
202-0000-368.01-00	L.I.D. # 13	30,899	23,875	24,200
202-0000-368.03-00	L.I.D. # 19	299,208	231,595	134,660
Total L.I.D. Bond Fund Revenues		515,997	535,655	268,560

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>L.I.D. Bond Fund - Expenditures</i>				
L.I.D. Debt - Finance				
Debt Service				
202-1906-591.73-03	Principal L.I.D. # 19	265,000	270,000	-
202-1906-591.73-04	Principal L.I.D.# 19 PWTF	196,416	196,420	196,420
202-1906-591.83-03	Interest L.I.D. # 19	32,050	16,200	-
202-1906-591.83-04	Interest L.I.D. # 19 PWTF	58,925	53,035	47,140
202-1906-597.02-01	Transfers out	-	-	25,000
Total L.I.D. Bond Fund Expenditures		552,391	535,655	268,560



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BUILDING IMPROVEMENT FUND

The Building Improvement Fund is only used when there is a need to account for a significant building project or equipment acquisition that is usually funded by a bond sale or special revenue. The fund was originally created to account for impact fees associated with the WPPSS project of several years ago.

The 2011 budget is **\$520,318**.

2011 PROJECTS, GOALS & PRIORITIES

- City Hall restrooms remodel
- Library lighting, paint and carpet
- Senior Center paint and phase II design
- Community Center reroof, carpet, interior paint and laminate
- Police department carpet and armory remodel
- Depot museum design
- Pay 2006 LTGO arbitrage tax due

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Building Improvement Fund - Revenues</i>				
Revenues				
301-0000-308.00-00	Estimated Beginning Cash	-	240,151	-
301-0000-313.10-00	Sales Taxes	1,000,000	-	-
301-0000-361.11-00	Investment Interest	16,092	10,000	10,000
301-0000-367.00-00	Contributions	-	-	45,000
301-0000-397.00-00	Transfers In	-	-	465,318
Total Building Improvement Fund Revenues		1,016,092	250,151	520,318

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Building Improvement Fund - Expenditures</i>				
City Facilities Development				
Building Improvements				
301-0101-514.60-01	Capital Outlays-Equipment	358,191	157,205	-
301-0101-514.60-02	Capital Outlay-Public Art	37,500	39,151	10,000
301-0101-514.60-04	Capital Outlay-Buildings	3,249,141	53,795	465,900
301-0101-592.53-10	Arbitrage Tax Due	-	-	44,418
Total Building Improvement Fund Expenditures		3,644,832	250,151	520,318



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CAPITAL EQUIPMENT FUND

The Capital Equipment Fund accounts for special revenues dedicated to capital facility construction and equipment purchases that are required for general operating purposes. Utility and Real Estate Excise taxes are the main sources of revenue.

BUDGET SUMMARY

Expenditures are budgeted in three program areas.

- Operating Capital and Reserves
- Capital Improvement Projects
- Debt Service (transfer out to General Obligation Bond Fund)

The 2011 budget is **\$1,803,590**.

2010 PROJECTS, GOALS AND PRIORITIES

A full listing of Capital Equipment expenditures is provided in the Budget Summary section of this document. Major expenditures for 2011 include:

- Public, education, and government channel access broadcast equipment
- Police Department weapon sights and lights
- Website City Council meeting video streaming and archiving
- Local Improvement District administration software
- Street Fund share of the fencing of City property
- Street Fund share of a 10-yard dump truck
- Recreation Department equipment replacement and audio/video equipment for the Community Center
- \$850,000 transfer to the Arterial Street Fund for the 2011 Overlay Program
- Update the City's economic development element of the Comprehensive Plan

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Capital Equipment Fund - Revenues</i>				
Revenues				
302-0000-308.00-00	Estimated Beginning Cash	-	172,522	122,000
302-0000-316.41-00	Utility Tax/Electric	417,836	573,634	525,795
302-0000-316.42-00	Utility Tax/Water-Private	1,406	1,171	917
302-0000-316.43-00	Utility Tax/Gas	262,239	326,083	180,000
302-0000-316.45-00	Utility Tax/Solid Waste	114,834	64,891	68,703
302-0000-316.47-01	Utility Tax/Telephone	571,604	475,225	413,973
302-0000-316.52-00	Utility Tax/Olympia City	890	182	156
302-0000-316.70-00	Utility Tax/Lacey Utility	-	321,869	331,878
302-0000-316.72-00	Water	246,060	-	-
302-0000-316.74-00	Wastewater	274,152	-	-
302-0000-316.78-00	Stormwater	53,502	-	-
302-0000-321.91-01	PEG Fees	18,636	36,000	36,000
302-0000-334.03-51	WTSC Grant	8,083	-	-
302-0000-339.11-68	Byrne JAG Program Grant	-	42,045	-
302-0000-361.11-00	Investment Interest	60,007	80,000	17,000
302-0000-367.00-00	Contributions	6,000	4,000	4,000
302-0000-397.00-00	Transfers In	-	-	103,168
Total Capital Equipment Fund Revenue		2,035,249	2,097,622	1,803,590

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Capital Equipment Fund - Expenditures</i>				
General Fund Capital				
Capital Equipment				
302-0102-519.64-01	Capital-Council	16,776	-	-
302-0102-519.64-03	Capital-Human Resources	1,140	-	-
302-0102-519.64-05	Capital-Finance	-	-	25,000
302-0102-519.64-06	Capital-Common Facilities	1,768	9,313	-
302-0102-519.64-07	Capital-Common Fac.-Shop	97,999	-	-
302-0102-519.64-08	Capital-Common Fac.-Libra	27,564	-	-
302-0102-519.64-10	Capital-Police	39,904	142,545	57,738
302-0102-519.64-11	Capital-Public Works-Admi	1,626	35,000	-
302-0102-519.64-12	Capital-Public Works-Pks	68,173	38,680	12,000
302-0102-519.64-14	Capital-Public Works-Shop	-	12,760	-
302-0102-519.64-16	Capital-Parks & Recreatio	802	95,400	22,430
302-0102-519.64-17	Capital-City Streets	64,138	53,212	75,422
302-0102-519.64-19	Capital-Information Svcs	154,370	89,712	5,000
302-0102-519.64-20	Public Ed & Govt Prog	-	36,000	36,000
302-0102-554.48-00	Repairs & Maintenance	1,228	-	-
302-0102-594.60-02	Replacement Res-City Hall	28,795	-	-
302-0102-594.60-03	Replacement Res-Library	38,286	20,000	-
302-0102-594.60-04	Replacement Res-Telephone	5,898	-	-
302-0102-594.60-06	Replacement Res-Park Oper	28,686	-	-
302-0102-594.60-08	Replace Res-Child Care	6,271	-	-
302-0102-594.60-09	Replacement Res-Equipment	-	550,000	550,000
302-0102-594.60-10	Replacement Res-Facility	-	80,000	80,000
Total Capital Equipment		583,424	1,162,622	863,590
Projects				
302-0104-514.60-06	Capital-City Hall Repairs	-	20,000	20,000
302-0104-542.60-02	Capital-Streetscaping	-	20,000	20,000
302-0104-559.60-01	Economic Development	-	45,000	45,000
Total Projects		-	85,000	85,000
Capital Transfers				
302-0105-597.01-01	Tran Out-Arterial Streets	850,000	850,000	850,000
302-0105-597.02-01	Transfers out	-	-	5,000
Total Capital Transfers		850,000	850,000	855,000
Total Capital Equipment Fund Expenditures		1,433,424	2,097,622	1,803,590



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PARKS AND OPEN SPACE FUND

The Parks and Open Space Fund was established by Council action in 1989 to set aside the revenue generated by a one-percent Utility Tax rate to acquire property for future parks and open space. Other revenues from the sale of bonds and Public Facility District funds are deposited into this fund to re-develop existing parks and construct new parks. The City maximizes this fund by applying for and receiving local, state, and federal grant funds to finance a significant portion of acquisition and development costs. Maintenance and operating dollars are transferred from this fund for Rainier Vista Community Park and the Regional Athletic Complex.

PARK AND OPEN SPACE ACQUISITION

Since 1989, over 300 acres have been acquired with utility tax revenue, including Rainier Vista Community Park, Woodland Creek Community Park, McAllister Park, Lake Lois Habitat area, the Woodland Trail Abandoned Railroad Corridor, The Regional Athletic Complex, Huntamer Park, Pleasant Glade Park, and the Jacob Smith House.

RENOVATION AND EXPANSION OF EXISTING PARKS

Wonderwood Park was acquired in 1971-73, developed in 1974, and renovated in 2005 with Bond funds. Long Lake Park was acquired in 1983 – 86, developed in 1988, and renovated in 2005 with Bond funds.

NEW PARK DEVELOPMENT

A voter approved bond issue in 2002 and LTGO Bonds issued in 2006 have provided a significant portion of the funding necessary to develop ten new parks. All bond funds have been totally expended on park development projects.

	SIZE
THE REGIONAL ATHLETIC COMPLEX (RAC)	68 ACRES
RAINIER VISTA COMMUNITY PARK	46 ACRES
LAKEPOINTE PARK	8 ACRES
WOODLAND CREEK COMMUNITY PARK	70 ACRES
MERIDIAN PARK	24 ACRES
HORIZON POINTE PARK	9.5 ACRES
COMMUNITY SKATE PARK	.3 ACRES
AVONLEA PARK	6 ACRES
WANSCHERS COMMUNITY PARK	16 ACRES
BUSH PARK	8.5 ACRES
THORNBURY PARK	9 ACRES

BUDGET SUMMARY

The 2011 budget is **\$1,013,596**. This includes a transfer out of \$301,310 to the Current Expense Fund, to cover the cost of maintaining Rainier Vista Park; and \$347,801 for the RAC. The RAC transfer is a significant increase over the 2010 transfer, because the RAC is now the sole responsibility of the City as a result of an agreement that allowed Thurston County to transfer ownership and responsibility of the RAC to the City. A financial settlement was included in the agreement. The financial agreement will supplement the operating transfer until 2014 when a long-term financial plan will be developed.

2011 PROGRAMS, GOALS AND PRIORITIES

Apply for state grant funds to develop the next phase of Wanschers Park, to develop the trail and trailhead connecting Woodland Trail to Woodland Creek Community Park, the Train Depot Reconstruction, the Senior Center Expansion, and the purchase of two properties for future park development.

Promote legislation that will provide ongoing, substantial funding for acquisition and development of park and recreation facilities.

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Parks and Open Space Fund - Revenues</i>				
Revenues				
303-0000-308.00-00	Estimated Beginning Cash	-	568,424	37,500
303-0000-316.41-00	Utility Tax/Electric	316,059	285,920	346,608
303-0000-316.42-00	Utility Tax/Water-Private	1,406	1,425	1,425
303-0000-316.43-00	Utility Tax/Gas	136,543	159,974	112,947
303-0000-316.45-00	Utility Tax/Solid Waste	32,189	32,000	43,455
303-0000-316.47-01	Utility Tax/Telephone	253,342	216,972	243,200
303-0000-316.52-00	Utility Tax/Olympia City	319	303	303
303-0000-316.70-00	Utility Tax/Lacey Utility	-	189,224	214,772
303-0000-316.72-00	Water	87,272	-	-
303-0000-316.74-00	Wastewater	97,236	-	-
303-0000-316.78-00	Stormwater	18,976	-	-
303-0000-337.20-00	Interlocal Grants/Thurston Co.	-	1,320,910	-
303-0000-361.11-00	Investment Interest	4,625	7,069	1,000
303-0000-362.40-00	Facility Rentals	12,110	12,386	12,386
303-0000-369.13-00	Proceeds from Assets	57,015	-	-
Total Parks and Open Space Fund Revenues		1,017,092	2,794,607	1,013,596

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Parks and Open Space Fund - Expenditures</i>				
Parks and Recreation				
Acquisition and Park Improvements				
303-0106-576.48-03	Rep & Maint-Facilities	910	-	-
303-0106-576.60-03	Capital-Improvements	-	188,000	100,000
303-0106-576.60-04	Capital Outlay-Buildings	-	50,000	-
303-0106-576.60-05	Capital Outlay-Land	56,843	-	-
303-0106-576.69-01	Estimated Ending Fund Bal	-	1,955,957	226,985
303-0106-597.02-01	Transfers out	353,096	315,348	318,810
303-0106-597.10-08	Transfer out (RAC)	202,431	285,302	367,801
Total Parks and Open Space Fund Expenditures		613,280	2,794,607	1,013,596



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REGIONAL ATHLETIC COMPLEX CAPITAL FUND

The Regional Athletic Complex (RAC) is a joint venture governed by Thurston County and the City of Lacey. In 1998, Thurston County and the City entered into an agreement to jointly purchase and own recreational lands, cooperatively develop such lands and equally share the costs of maintaining the recreational facilities. Phase I of the facility was completed in September of 2005 and opened and dedicated for the benefit of the citizens of Thurston County. In 2006 the Capital Area Regional Public Facilities District (CARPFD) contracted with the City of Lacey to further develop the RAC in conjunction with a City of Olympia approved project. As a result of amendments to the CARPFD Inter-local agreements, the City of Lacey receives 71.77% of the revenues received by the CARPFD which are dedicated to the future development of the RAC. These funds in conjunction with other city contributions and a 2007 Park Bond were used to finance Phase II of this project. Phase II of the Regional Athletic Complex (RAC) opened in May, 2009. In June of 2010, Thurston County transferred its share of ownership along with all responsibilities for operation and maintenance to the City of Lacey.

IMPROVEMENT PROJECTS TO BE COMPLETED IN 2011

Regional Sports Complex Phase II Improvements: Backstops and Netting

PHASE III – MASTER PLAN REVISIONS	26 ACRES
CONCEPTUAL PLANNING OF THE ADJACENT COMMERCIAL PARCEL	4.3 ACRES

BUDGET SUMMARY

The 2011 budget is **\$788,982** for capital improvements.

This budget accounts for the \$582,930 transferred out to cover debt service for the 2007 LTGO Park Bond. Phase III (26 acres) is slated for future development.

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Regional Athletic Complex Capital Fund - Revenues</i>				
Revenues				
307-0000-308.00-00	Estimated Beginning Cash	-	100,000	-
307-0000-338.10-10	Capital Area - PFD	719,263	713,996	764,526
307-0000-361.11-00	Investment Interest	8,790	4,326	4,456
307-0000-362.91-00	Consessions	20,000	-	-
307-0000-367.00-00	Contributions	2,500	-	-
307-0000-397.10-01	Transfer in 303 Fund	-	100,000	20,000
Total Regional Athletic Complex Capital Fund Revenue		750,553	918,322	788,982

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Regional Athletic Complex Capital Fund - Expenditures</i>				
Parks and Recreation				
Regional Athletic Complex Capital				
307-0106-576.60-01	Capital Outlays-Equipment	545,836	100,000	29,340
307-0106-576.60-04	Capital Outlay-Buildings	41,356	100,000	-
307-0106-576.62-18	PFD - Administrative Cost	4,306	8,000	8,000
307-0106-576.62-20	Sport Com-Archit/Eng	36,255	-	-
307-0106-576.62-21	Sport Com-Contractor Prim	276,199	-	-
307-0106-576.62-23	Sport Com-Comm Sub	2,250	-	-
307-0106-576.62-24	Sport Com-Prof Service	54,768	-	-
307-0106-576.62-26	Sport Com-Staff Services	85,265	-	-
307-0106-576.69-01	Estimated Ending Fund Bal	-	126,192	168,712
307-0106-597.69-01	Transf Out-Debt Service	579,730	584,130	582,930
Total Regional Athletic Complex Capital Fund Expenditures		1,625,965	918,322	788,982



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PUBLIC WORKS-WATER UTILITY FUND

The Water Utility provides high quality drinking water in sufficient quantity and pressure to support the citizens of Lacey and residents of the entire water service area. Virtually all of Lacey's water comes from groundwater wells owned and operated by the Utility. Water rates cover current operating expenses, maintenance of the system, and replacement of worn and failing waterlines, emergency repairs, and debt service. In addition to water rates, new connections to the water system are charged a one-time fee to cover costs of infrastructure requirements necessary to ensure continued quality service to serve the connection. Such infrastructure includes City owned production wells, over 357 miles of distribution lines, numerous pressure control devices, and seven storage reservoirs

Public Works programs include distribution line maintenance and repair, water quality and regulatory compliance, resource management, conservation, wellhead protection, water production and storage operations, and system engineering. Financial services include meter reading, accounting, billing, and collection. The Operations Division is responsible for operating the system, repairs and preventive maintenance. Planning, capital improvements, regulatory compliance, community education/outreach, design and capital programming, development review, and source development are provided by the Water Resources and Engineering Divisions. Water Utility maintenance services are provided by 22 full-time employees. The Finance Department provides 3.45 full-time employees to provide customer services, billing and collections.

BUDGET SUMMARY

This budget reflects the Utility's current maintenance and operation expenses. Replacement projects and construction projects as well as debt payment for the utility are funded under the Water/Wastewater Replacement and Construction Fund and the Water/Wastewater Debt Service Fund.

The Water maintenance and operations budget is organized into seven programs.

- Supervision and Support
- Utility Billing
- Production and Storage
- Maintenance - Water
- Construction - Water
- Cross Connection Control
- Water Quality

The 2011 operating budget for the Utility is **\$8,250,817**. Water revenues are obtained from water rates with no support from the City's operating levy or general fund.

2011 PROJECTS, GOALS AND PRIORITIES

- Pursue water rights to meet future demand requirements.
- Maximize production capabilities from existing water production facilities.
- Fine tune operation of newly completed Hawks Prairie Water Treatment Plant.
- Continue priority programs such as leak detection, cross connection control, flushing, water conservation, education, and outreach.
- Evaluate the effectiveness of the existing work management software.

Explanation of Water Rates

The Base Rate reflects the cost of meter reading, billing, debt payment, debt reserves, replacement and replacement reserves. Revenues generated from consumption charges pay for maintaining and operating the utility as well as making additional contributions to replacement reserves and capital construction. The chart printed on this page illustrates rates for the years 2008 through 2011. The City has adopted two rate schedules - resident and nonresident. The nonresident rates are based on the schedule printed below plus 20%. This differential in charges reflects the costs associated with serving areas outside the City.

**2011
Rates and Cost Per 100 Cubic Feet (1)**

	2008	2009	2010	2011
Base Rate	\$9.27	\$10.43	\$10.85	\$11.28
First 600 c.f.	.7718	.8683	.9031	.9392
Tier 2 (601 to 1,200 c.f.) Per 100 c.f.	1.8116	2.0381	2.1199	2.2047
Tier 3 - 4 (1,201 c.f. plus) Per 100 c.f.	2.3154	2.6048	2.7090	2.8174
Tier 4 (2401 plus) Per 100 c.f.	3.0918	3.4783	3.6174	3.7621

**Example of Monthly Bill
900 Cubic Feet Consumption**

Description	2008	2009	2010	2011
Base Rate	\$9.27	\$10.43	\$10.85	\$11.28
Consumption	10.07	11.32	11.78	12.25
Total (1)	\$19.34	\$21.75	\$22.63	\$23.53
Change over Prior Year	\$.92	\$2.41	\$.88	\$.90
Percent Change	5.0%	12.5%	4.0%	4.0%

(1) The City provides a 50% discount for qualified low income senior and disabled citizens, earning less than 50% of the median income for Thurston County depending on the size of the household as it relates to income.

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Water Utility Fund - Revenues</i>				
Revenues				
401-0000-308.00-00	Estimated Beginning Cash	-	10,776	-
401-0000-343.05-00	Shut-Offs	120,063	124,320	124,320
401-0000-343.40-01	Sales	7,521,573	7,340,470	7,604,643
401-0000-343.40-02	Penalties	111,499	105,900	105,900
401-0000-345.83-00	Plan Checking Fees	1,329	2,347	6,151
401-0000-345.83-02	Inspection Svs-Streets	1,962	3,464	14,690
401-0000-345.83-06	Water/Fire Flow Analysis	2,500	3,531	1,030
401-0000-361.11-00	Investment Interest	114	-	-
401-0000-362.51-00	Cell Tower Lease	87,453	85,495	85,495
401-0000-362.90-00	Hydrant Meter Rental	25,629	29,500	29,500
401-0000-369.10-00	Sale of Scrap & Surplus	1,751	-	-
401-0000-369.11-00	Sale of Meters	-	160,000	160,000
401-0000-369.12-00	Construction Water	29,344	23,756	8,838
401-0000-369.14-00	Sale of H.E. Toilets	5,843	-	-
401-0000-369.40-00	Court Fees/Judgments	10,308	-	-
401-0000-369.90-00	Other Misc Revenue	1,531	750	750
401-0000-369.97-00	Escrow Search Fees	12,380	9,500	9,500
401-0000-397.11-01	Transfer In-Current Exp	-	100,000	100,000
Total Water Utility Fund Revenues		7,933,279	7,999,809	8,250,817

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Water Utility Fund - Expenditures</i>				
Public Works Water Division				
General Services				
401-3401-534.10-01	Salaries-Regular	463,426	477,139	482,974
401-3401-534.10-05	Salaries-Overtime	31,302	35,000	35,000
401-3401-534.10-06	Salaries-Part-Time	120	3,669	-
401-3401-534.20-01	Employer Paid Benefits	167,324	235,253	206,005
401-3401-534.20-03	Unemployment Compensation	5,010	-	-
401-3401-534.31-01	Office & Operating Supply	510	4,000	4,000
401-3401-534.31-02	Small Tools & Equipment	-	500	500
401-3401-534.31-17	Supplies-Uniform Purchase	6,308	5,412	5,412
401-3401-534.31-27	Software Upgrade	-	330	6,630
401-3401-534.41-01	Prof. Svc-Other	54,275	47,300	47,300
401-3401-534.41-02	Prof. Svc-Engineering	434,530	524,277	532,044
401-3401-534.41-05	Prof. Svc-Audit	7,134	9,425	9,425
401-3401-534.41-15	Prof. Svc-Legal	22,890	20,000	20,000
401-3401-534.41-17	Prof. Svc-Water Resources	477,298	410,790	394,098
401-3401-534.41-32	Prof. Svc-Utility Locates	996	2,000	2,000
401-3401-534.43-01	Transportation/Per Diem	2,482	11,872	11,872
401-3401-534.43-02	Dues, Subscriptions, Publ	2,865	5,000	5,000
401-3401-534.43-03	Registrations	3,549	22,280	22,280
401-3401-534.45-01	Equipment Rental	3,669	2,439	2,566
401-3401-534.45-02	IMS Rental	42,630	143,637	140,071
401-3401-534.45-08	Lease Miscellaneous	3,912	4,400	4,400
401-3401-534.46-01	Insurance-Liability	39,973	55,455	53,563
401-3401-534.48-03	Rep & Maint-Facilities	2,141	2,000	2,000
401-3401-534.49-02	Printing & Binding	1,195	500	500
401-3401-534.49-03	Recording Fees	1,543	3,000	3,000
401-3401-534.49-06	Maintenance Contracts	-	1,000	1,000
401-3401-534.49-10	Uniform Contract/Cleaning	1,579	5,147	5,147
401-3401-534.49-25	Assessments/Taxes	1,281	-	-
401-3401-534.49-35	CDL-Physicals/Licenses	2,086	210	210
401-3401-534.50-02	Common Facilities-1902	76,629	81,654	102,864
401-3401-534.50-03	Intra-Governmental	112,550	112,550	112,550
Total General Services		1,969,207	2,226,239	2,212,411
Customer Service				
401-3402-514.10-01	Salaries-Regular	341,792	349,349	394,646

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Water Utility Fund - Expenditures</i>				
Public Works Water Division				
Customer Service-continued				
401-3402-514.10-05	Salaries-Overtime	36	3,200	100
401-3402-514.20-01	Employer Paid Benefits	121,956	137,150	164,274
401-3402-514.31-01	Office & Operating Supply	2,329	21,950	21,950
401-3402-514.31-02	Small Tools & Equipment	4	500	500
401-3402-514.31-17	Supplies-Uniform Purchase	270	650	650
401-3402-514.41-25	Prof. Svc-Computer	276	750	750
401-3402-514.42-01	Communications-Telephone	12,578	11,500	11,500
401-3402-514.42-02	Communications-Postage	76,024	78,015	78,015
401-3402-514.43-01	Transportation/Per Diem	-	2,140	2,140
401-3402-514.43-03	Registrations	45	990	990
401-3402-514.45-01	Equipment Rental	13,680	10,179	10,003
401-3402-514.45-02	IMS Rental	66,332	33,062	32,964
401-3402-514.46-06	AWC-L & I Pool	2,201	2,340	2,340
401-3402-514.48-01	Rep & Maint-Equipment	412	150	150
401-3402-514.49-01	Excise Taxes	421,348	436,795	436,795
401-3402-514.49-02	Printing & Binding	28,249	23,900	23,900
401-3402-514.49-06	Maintenance Contracts	22,623	21,750	21,750
401-3402-514.49-10	Uniform Contract/Cleaning	-	500	500
401-3402-514.49-27	Bad Debt Expense	1,178	12,600	12,600
401-3402-514.49-30	Software Maintenance	3,716	7,900	7,900
401-3402-514.49-60	Contractual Services	51,735	45,700	45,700
401-3402-597.69-02	Transf Out-Construction	636,610	809,954	809,954
Total Customer Service		1,803,394	2,011,024	2,080,071
Production and Storage				
401-3403-534.10-01	Salaries-Regular	407,350	483,670	488,998
401-3403-534.10-05	Salaries-Overtime	9,892	19,000	19,000
401-3403-534.10-06	Salaries-Part-Time	-	5,000	-
401-3403-534.20-01	Employer Paid Benefits	169,674	223,094	240,489
401-3403-534.31-01	Office & Operating Supply	10,371	9,145	9,145
401-3403-534.31-02	Small Tools & Equipment	4,929	6,495	6,495
401-3403-534.31-11	Water Treatment Supplies	95,562	95,300	95,300
401-3403-534.31-28	Conf Space-Safety Equip	847	3,200	3,200
401-3403-534.32-01	Electrical Supplies	2,542	5,000	5,000

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Water Utility Fund - Expenditures</i>				
Public Works Water Division				
Production and Storage-continued				
401-3403-534.33-01	Small Tools-Electrical	667	700	700
401-3403-534.34-01	Fuel	240	-	-
401-3403-534.41-01	Prof. Svc-Other	13,614	84,100	84,100
401-3403-534.41-16	Prof. Svc-Parks	18,243	43,042	43,042
401-3403-534.41-23	Prof. Svc-H2O Smpls-DSHS	-	1,500	1,500
401-3403-534.42-01	Communications-Telephone	7,108	4,600	4,600
401-3403-534.45-01	Equipment Rental	61,533	40,909	43,618
401-3403-534.45-05	Rentals-Other	3,261	3,100	3,100
401-3403-534.46-02	Insurance-Fire/Property	31,078	34,545	34,108
401-3403-534.47-01	Utility-Electric	611,848	615,000	615,000
401-3403-534.47-02	Utility-City of Lacey	6,233	7,000	7,000
401-3403-534.47-06	Olympia Water Agreement	271,557	350,000	350,000
401-3403-534.48-01	Rep & Maint-Equipment	7,907	2,500	2,500
401-3403-534.48-02	Rep & Maint-Equip Non-Pwr	181	300	300
401-3403-534.48-03	Rep & Maint-Facilities	71,449	75,000	75,000
401-3403-534.48-11	Rep & Maint-Telemetry	18,982	23,000	23,000
401-3403-534.49-06	Maintenance Contracts	1,757	31,790	31,790
401-3403-534.60-01	Capital Outlays-Equipment	49,891	-	-
401-3403-534.60-99	Capitalized Assets	(19,828)	-	-
401-3403-587.60-99	Capital-Transferred Out	19,828	-	-
Total Production and Storage		1,876,716	2,166,990	2,186,985
System Maintenance				
401-3404-534.10-01	Salaries-Regular	515,945	423,639	427,328
401-3404-534.10-05	Salaries-Overtime	12,317	6,700	10,000
401-3404-534.10-06	Salaries-Part-Time	-	4,256	-
401-3404-534.20-01	Employer Paid Benefits	225,680	191,389	211,527
401-3404-534.31-01	Office & Operating Supply	12,165	10,700	10,700
401-3404-534.31-02	Small Tools & Equipment	7,290	9,518	9,518
401-3404-534.31-19	Inventory	55,646	55,000	55,000
401-3404-534.31-20	Street Restoration	38,836	20,000	20,000
401-3404-534.31-21	Non-Inventory-Under \$60	41,453	13,700	13,700
401-3404-534.31-22	Manhole/Ring/Lid Replace	-	250	250
401-3404-534.31-26	Valves	84,780	50,000	50,000
401-3404-534.31-36	Hydrants	-	50,000	50,000

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Water Utility Fund - Expenditures</i>				
Public Works Water Division				
System Maintenance-continued				
401-3404-534.41-01	Prof. Svc-Other	742	-	-
401-3404-534.41-30	Prof. Svc-Leak Survey	-	6,500	6,500
401-3404-534.42-01	Communications-Telephone	4,205	5,500	5,500
401-3404-534.45-01	Equipment Rental	218,057	187,189	202,534
401-3404-534.45-05	Rentals-Other	530	1,800	1,800
401-3404-534.48-01	Rep & Maint-Equipment	1,513	5,200	5,200
401-3404-534.48-02	Rep & Maint-Equip Non-Pwr	877	1,350	1,350
401-3404-534.60-01	Capital Outlays-Equipment	16,346	5,200	143,122
Total System Maintenance		1,236,382	1,047,891	1,224,029
Construction/Utility Crews				
401-3405-534.10-01	Salaries-Regular	23,346	93,728	95,888
401-3405-534.10-05	Salaries-Overtime	239	800	800
401-3405-534.10-06	Salaries-Part-Time	-	2,061	-
401-3405-534.20-01	Employer Paid Benefits	8,985	41,897	47,964
401-3405-534.31-01	Office & Operating Supply	81	1,450	1,450
401-3405-534.31-02	Small Tools & Equipment	-	2,150	2,150
401-3405-534.31-19	Inventory	316	15,000	15,000
401-3405-534.31-21	Non-Inventory-Under \$60	-	3,700	3,700
401-3405-534.31-37	Meters	-	160,000	160,000
401-3405-534.45-01	Equipment Rental	22,239	14,785	15,395
401-3405-534.45-05	Rentals-Other	-	500	500
401-3405-534.48-01	Rep & Maint-Equipment	-	1,350	1,350
401-3405-534.48-02	Rep & Maint-Equip Non-Pwr	395	1,200	1,200
401-3405-534.60-99	Capitalized Assets	(55,600)	-	-
Total Construction/Utility Crews		1	338,621	345,397
Cross Control Connections				
401-3406-534.31-01	Office & Operating Supply	-	1,600	1,600
401-3406-534.31-02	Small Tools & Equipment	-	1,200	1,200
401-3406-534.41-01	Prof. Svc-Other	-	500	500
401-3406-534.48-02	Rep & Maint-Equip Non-Pwr	-	750	750
401-3406-534.49-35	CDL-Physicals/Licenses	-	120	120
Total Cross Control Connections		-	4,170	4,170

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Water Utility Fund - Expenditures</i>				
Public Works Water Division				
Water Quality				
401-3407-534.20-01	Employer Paid Benefits	6	-	-
401-3407-534.31-01	Office & Operating Supply	-	750	750
401-3407-534.31-02	Small Tools & Equipment	-	1,150	1,150
401-3407-534.31-17	Supplies-Uniform Purchase	265	-	500
401-3407-534.41-01	Prof. Svc-Other	-	14,225	14,225
401-3407-534.41-14	Prof. Svc-Grdwater Mgmt	-	25,000	25,000
401-3407-534.41-23	Prof. Svc-H2O Smpls-DSHS	67,827	71,279	51,279
401-3407-534.42-01	Communications-Telephone	370	500	500
401-3407-534.42-02	Communications-Postage	7,004	9,500	9,500
401-3407-534.43-02	Dues, Subscriptions, Publ	-	500	500
401-3407-534.48-01	Rep & Maint-Equipment	-	250	250
401-3407-534.49-02	Printing & Binding	5,800	18,600	18,600
401-3407-534.49-32	Operating Permit-DSHS	7,557	8,500	8,500
401-3407-534.49-44	Project Green	-	2,500	2,500
401-3407-534.49-55	Conservation Program	29,629	52,120	64,500
Total Water Quality		118,458	204,874	197,754
Total Water Utility Fund Expenditures		7,004,158	7,999,809	8,250,817

PUBLIC WORKS-WASTEWATER UTILITY FUND

Lacey's Wastewater Utility consists of a collection system of sewer pipelines, sewage pump stations, STEP systems, and community on-site septic systems. These facilities serve to collect, initiate treatment, and transport wastewater to the regional LOTT Treatment Facilities. Lacey's Wastewater Utility is responsible for operation and maintenance of approximately 189 miles of wastewater lines, 44 lift stations and nearly 2,881 residential and community STEP systems.

Utility operations are funded through wastewater service fees. These revenues cover current operating expenses, maintenance of the system, replacement, and emergency repairs. Revenues required to finance needed capital improvements comes from the general facility charge (GFC) that all new connections must pay.

Management and administration of the Wastewater Utility is provided by 14 full-time employees in the Public Works Operations and Maintenance Division. This support includes repair and maintenance of collection systems, planning and capital improvements, design and construction compliance, and administrative support. The City's Finance Department allocates 0.55 full-time employees to customer services, billing and collections.

BUDGET SUMMARY

This budget reflects the Utility's current maintenance and operating expenses. Replacement and construction projects, as well as debt services for the Utility, are funded under the Water/Wastewater Replacement and Construction Fund and Water/Wastewater Debt Service Fund.

The Wastewater maintenance and operations budget is organized into five programs.

- Supervision and Support
- Utility Billing
- Maintenance - Wastewater Lift Stations
- Maintenance - Wastewater Mains (collection system)
- Maintenance - STEP Systems

The total 2011 operating budget for the Wastewater Utility is **\$10,945,525** of which \$7,295,905 will be paid to LOTT Alliance for treatment plant operations and capital requirements.

2011 PROJECTS, GOALS AND PRIORITIES

- Research and implementation of alternative odor control solutions.
- Research ATEC Waste Disposal issues.
- Repair/upgrade deficient lift stations.
- Review/enhance utilization of HTE Work Management Software.

EXPLANATION OF CHARGES

The monthly Wastewater Utility rate is made up of several components listed below. The current rates and the increase January 1, 2011, are:

CITY CHARGES (1)	2009	2010	2011
MAINTENANCE/OPERATIONS	\$13.00	13.25	\$13.50
REPLACEMENT RESERVES	1.25	1.25	1.25
CONSTRUCTION/CAPITAL	1.00	1.00	1.00
SUBTOTAL	15.25	15.50	15.75
LOTT CHARGES	28.50	30.00	31.50
TOTAL MONTHLY CHARGES	\$43.75	\$45.50	\$47.25

(1) The City provides a 50% discount for qualified low income senior and disabled citizens earning less than 50% of the median income for Thurston County depending on the size of the household as it relates to income.

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Wastewater Utility Fund - Revenues</i>				
Revenues				
402-0000-308.00-00	Estimated Beginning Cash	-	30,308	148,422
402-0000-343.50-01	Sales	3,139,595	3,278,070	3,358,430
402-0000-343.50-02	Penalties	113,268	117,435	127,370
402-0000-343.50-03	LOTT Sales	6,417,329	6,901,200	7,295,905
402-0000-343.50-05	Community on site systems	4,479	4,250	4,250
402-0000-345.83-00	Plan Checking Fees	1,161	2,050	1,818
402-0000-345.83-02	Inspection Svs-Streets	2,632	4,647	3,191
402-0000-345.83-04	Inspection Services-STEP	2,376	1,538	2,591
402-0000-361.11-00	Investment Interest	11,323	14,521	3,548
Total Wastewater Utility Fund Revenues		9,692,163	10,354,019	10,945,525

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Wastewater Utility Fund - Expenditures</i>				
Public Works Wastewater Division				
General Services				
402-3501-535.10-01	Salaries-Regular	330,506	372,487	371,469
402-3501-535.10-05	Salaries-Overtime	5,611	8,200	8,200
402-3501-535.10-06	Salaries-Part-Time	138	575	-
402-3501-535.20-01	Employer Paid Benefits	110,074	139,388	151,614
402-3501-535.20-03	Unemployment Compensation	-	500	500
402-3501-535.31-01	Office & Operating Supply	567	950	950
402-3501-535.31-02	Small Tools & Equipment	-	850	850
402-3501-535.31-17	Supplies-Uniform Purchase	5,220	4,607	4,607
402-3501-535.31-27	Software Upgrade	-	285	285
402-3501-535.41-01	Prof. Svc-Other	-	1,500	1,500
402-3501-535.41-02	Prof. Svc-Engineering	360,400	432,284	445,044
402-3501-535.41-05	Prof. Svc-Audit	466	615	615
402-3501-535.41-15	Prof. Svc-Legal	9,759	2,890	2,890
402-3501-535.41-17	Prof. Svc-Water Resources	133,121	94,151	107,855
402-3501-535.41-32	Prof. Svc-Utility Locates	967	2,000	2,000
402-3501-535.43-01	Transportation/Per Diem	625	7,900	7,900
402-3501-535.43-02	Dues, Subscriptions, Publ	255	335	335
402-3501-535.43-03	Registrations	2,190	7,650	7,650
402-3501-535.45-01	Equipment Rental	3,195	3,093	3,374
402-3501-535.45-02	IMS Rental	50,358	45,200	43,504
402-3501-535.45-08	Lease Miscellaneous	340	500	500
402-3501-535.46-01	Insurance-Liability	22,207	29,714	33,900
402-3501-535.47-04	LOTT Treatment	6,529,397	6,901,200	7,295,905
402-3501-535.48-03	Rep & Maint-Facilities	2,046	2,000	2,000
402-3501-535.49-03	Recording Fees	786	3,000	3,000
402-3501-535.49-10	Uniform Contract/Cleaning	2,573	5,400	5,400
402-3501-535.49-25	Assessments/Taxes	49	50	50
402-3501-535.49-30	Software Maintenance	1,400	1,400	1,400
402-3501-535.49-35	CDL-Physicals/Licenses	920	340	340
402-3501-535.50-02	Common Facilities-1902	76,689	81,654	102,864
402-3501-535.50-03	Intra-Governmental	18,920	18,920	18,920
Total General Services		7,668,779	8,169,638	8,625,421

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Wastewater Utility Fund - Expenditures</i>				
Public Works Wastewater Division				
Customer Service				
402-3502-514.10-01	Salaries-Regular	43,985	39,548	45,499
402-3502-514.10-05	Salaries-Overtime	4	100	100
402-3502-514.20-01	Employer Paid Benefits	14,361	14,147	18,444
402-3502-514.31-01	Office & Operating Supply	-	100	100
402-3502-514.31-17	Supplies-Uniform Purchase	-	80	80
402-3502-514.42-01	Communications-Telephone	-	200	200
402-3502-514.42-02	Communications-Postage	1,250	8,080	8,080
402-3502-514.45-01	Equipment Rental	1,520	2,545	1,828
402-3502-514.45-02	IMS Rental	42,747	5,893	6,202
402-3502-514.45-08	Lease Miscellaneous	-	1,000	1,000
402-3502-514.46-06	AWC-L & I Pool	846	954	954
402-3502-514.49-01	Excise Taxes	127,277	128,365	146,905
402-3502-514.49-02	Printing & Binding	-	450	450
402-3502-514.49-10	Uniform Contract/Cleaning	-	60	60
402-3502-514.49-27	Bad Debt Expense	865	9,000	9,000
402-3502-597.69-02	Transf Out-Construction	295,263	233,856	233,855
Total Customer Service		528,118	444,378	472,757
Lift Station Maintenance				
402-3503-535.10-01	Salaries-Regular	259,024	266,864	225,595
402-3503-535.10-05	Salaries-Overtime	13,817	12,000	12,000
402-3503-535.10-06	Salaries-Part-Time	-	2,538	-
402-3503-535.20-01	Employer Paid Benefits	112,621	122,292	109,418
402-3503-535.31-01	Office & Operating Supply	10,678	11,000	11,000
402-3503-535.31-02	Small Tools & Equipment	2,987	5,800	5,800
402-3503-535.31-28	Conf Space-Safety Equip	1,002	3,200	3,200
402-3503-535.32-01	Electrical Supplies	422	4,000	4,000
402-3503-535.33-01	Small Tools-Electrical	121	700	700
402-3503-535.34-01	Fuel	605	1,300	1,300
402-3503-535.41-01	Prof. Svc-Other	11,112	10,400	10,400
402-3503-535.41-16	Prof. Svc-Parks	4,637	14,497	14,497
402-3503-535.42-01	Communications-Telephone	4,845	7,410	7,410
402-3503-535.45-01	Equipment Rental	35,952	34,799	37,116
402-3503-535.45-05	Rentals-Other	95	1,000	1,000
402-3503-535.46-02	Insurance-Fire/Property	3,029	3,367	3,334

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Wastewater Utility Fund - Expenditures</i>				
Public Works Wastewater Division				
Lift Station Maintenance-continued				
402-3503-535.47-01	Utility-Electric	70,633	60,000	71,000
402-3503-535.47-02	Utility-City of Lacey	6,493	2,500	6,500
402-3503-535.48-01	Rep & Maint-Equipment	5,273	3,000	3,000
402-3503-535.48-02	Rep & Maint-Equip Non-Pwr	-	2,500	2,500
402-3503-535.48-11	Rep & Maint-Telemetry	4,493	2,500	2,500
402-3503-535.48-12	Rep & Maint-Liftstations	73,042	70,000	70,000
402-3503-535.49-06	Maintenance Contracts	21,395	30,000	30,000
402-3503-535.60-01	Capital Outlay-Equip	-	30,000	-
Total Lift Station Maintenance		642,276	701,667	632,270
Wastewater Main Maintenance				
402-3504-535.10-01	Salaries-Regular	257,406	247,557	344,506
402-3504-535.10-05	Salaries-Overtime	3,838	6,000	6,000
402-3504-535.10-06	Salaries-Part-Time	-	2,500	-
402-3504-535.20-01	Employer Paid Benefits	102,299	103,459	159,625
402-3504-535.31-01	Office & Operating Supply	7,756	8,230	8,230
402-3504-535.31-02	Small Tools & Equipment	1,369	6,850	6,850
402-3504-535.31-22	Manhole/Ring/Lid Replace	2,401	3,000	3,000
402-3504-535.31-25	Supplies-Odor Control	76	-	-
402-3504-535.41-01	Prof. Svc-Other	-	3,000	3,000
402-3504-535.41-38	Wastewater Testing	-	500	500
402-3504-535.45-01	Equipment Rental	116,438	69,902	84,014
402-3504-535.45-05	Rentals-Other	-	200	200
402-3504-535.48-01	Rep & Maint-Equipment	8,100	3,000	3,000
402-3504-535.48-02	Rep & Maint-Equip Non-Pwr	15,234	10,000	10,000
402-3504-535.49-28	Land Fill	-	2,000	2,000
402-3504-535.60-01	Capital Outlays-Equipment	41,704	-	31,141
402-3504-535.60-99	Capitalized Assets	(30,630)	-	-
402-3504-587.60-99	Capital-Transferred Out	7,504	-	-
Total Wastewater Main Maintenance		533,495	466,198	662,066
S.T.E.P. System Maintenance				
402-3505-535.10-01	Salaries-Regular	158,190	178,546	127,794
402-3505-535.10-05	Salaries-Overtime	10,316	10,000	10,000
402-3505-535.10-06	Salaries-Part-Time	-	2,030	-
402-3505-535.20-01	Employer Paid Benefits	73,006	85,432	69,278

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Wastewater Utility Fund - Expenditures</i>				
Public Works Wastewater Division				
S.T.E.P. System Maintenance-continued				
402-3505-535.31-01	Office & Operating Supply	7,298	14,903	14,903
402-3505-535.31-02	Small Tools & Equipment	3,085	4,650	4,650
402-3505-535.31-13	Supplies-Locks/STEP Sys	286	1,300	1,300
402-3505-535.31-25	Supplies-Odor Control	157,761	150,940	150,940
402-3505-535.41-38	Wastewater Testing	92	2,000	2,000
402-3505-535.41-41	On site septic system	-	950	950
402-3505-535.45-01	Equipment Rental	52,272	51,179	53,988
402-3505-535.45-05	Rentals-Other	-	50	50
402-3505-535.48-01	Rep & Maint-Equipment	322	2,500	2,500
402-3505-535.48-02	Rep & Maint-Equip Non-Pwr	2,856	1,300	1,300
402-3505-535.48-13	Rep & Maint-S.T.E.P. Sys	68,273	66,358	66,358
402-3505-535.60-01	Capital Outlays-Equipment	-	-	47,000
Total S.T.E.P. System Maintenance		533,757	572,138	553,011
Total Wastewater Utility Fund Expenditures		9,906,425	10,354,019	10,945,525

PUBLIC WORKS-STORMWATER UTILITY FUND

The Stormwater Utility operates and maintains City-owned storm drainage systems. The Utility is also responsible for developing plans and programs as necessary to comply with Federal, State and City non-point source surface water requirements. Significant resources are devoted to public education, responding to citizen and business inquiries, identifying water quality/ quantity concerns and developing solutions. An emphasis is placed on:

1. Identifying requirements for facilities to remediate known water quality and flooding concerns;
 2. Cleaning and maintaining catch basins, storm ponds, swales and other treatment devices;
 3. Developing water quality monitoring and maintenance plans for both public and private facilities to ensure resources devoted to maintenance; and,
 4. Maximizing pollutant removal efficiency of the storm water system through an aggressive street sweeping program.
- Stormwater Utility services are provided by 6.50 full-time employees.

BUDGET SUMMARY

This budget reflects the Utility’s current supervision and support, utility billing, and maintenance. Construction projects and land acquisition are funded in the Stormwater Construction Fund budget.

The Stormwater Utility budget is organized into four programs.

- Supervision and Support
- Customer Service
- Stormwater Facilities Maintenance
- Water Resources

The total 2011 budget for the Stormwater Utility is **\$3,769,168**. The rates provide for current operating expenses and reserves for future treatment facilities. Upon completion, the comprehensive capital improvement plan will identify new treatment facilities and programs that will be funded by rates.

2011 PROJECTS, GOALS AND PRIORITIES

- Complete development of a Stormwater Comprehensive Plan
- Initiate new programs and policies to maintain compliance with NPDES II requirements.
- Accomplish preventative maintenance goals on or ahead of schedule.
- Respond to citizen and business inquiries regarding maintenance of private facilities and provide technical assistance.
- Continue the implementation of the private facility monitoring program.
- Identify and improve stormwater flow problems in residential areas.
- Develop capital improvement plans for remaining unprotected outfalls

EXPLANATION OF RATE

RATES FOR STORMWATER	2009	2010	2011
RESIDENTIAL	7.15	7.15	7.15
DUPLEX	14.30	14.30	14.30

The City provides a 50% discount for qualified low income senior and disabled citizens, earning less than 50% of the median income for Thurston County, depending on the size of the household as it relates to income.

Commercial rates are calculated by a formula based on the parcel’s total impervious surface area.

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Stormwater Utility Fund - Revenues</i>				
Revenues				
403-0000-308.00-00	Estimated Beginning Cash	-	-	96,968
403-0000-308.04-00	Depreciation-Balancing	-	1,400,000	1,650,000
403-0000-343.51-01	Sales	1,923,650	2,013,766	2,013,766
403-0000-345.83-00	Plan Checking Fees	1,429	2,523	1,718
403-0000-345.83-02	Inspection Svs-Streets	4,018	7,095	5,419
403-0000-361.11-00	Investment Interest	4,499	5,151	1,297
403-0000-383.10-00	Contributed Capital	785,265	-	-
Total Stormwater Utility Fund Revenues		2,718,861	3,428,535	3,769,168

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Stormwater Utility Fund - Expenditures</i>				
Public Works Stormwater Division				
General Services				
403-4201-538.10-01	Salaries-Regular	171,331	169,977	218,332
403-4201-538.10-05	Salaries-Overtime	2,701	1,000	1,000
403-4201-538.10-06	Salaries-Part-Time	-	1,854	1,818
403-4201-538.20-01	Employer Paid Benefits	58,234	66,259	85,224
403-4201-538.20-03	Unemployment Compensation	3,038	-	-
403-4201-538.31-01	Office & Operating Supply	349	1,500	1,500
403-4201-538.31-02	Small Tools & Equipment	169	1,500	1,500
403-4201-538.31-17	Supplies-Uniform Purchase	261	2,260	2,260
403-4201-538.31-27	Software Upgrade	-	2,760	5,260
403-4201-538.41-01	Prof. Svc-Other	17,296	15,500	15,500
403-4201-538.41-02	Prof. Svc-Engineering	263,455	254,075	258,697
403-4201-538.41-05	Prof. Svc-Audit	342	450	450
403-4201-538.41-15	Prof. Svc-Legal	72	2,200	2,200
403-4201-538.41-17	Prof. Svc-Water Resources	281,077	377,558	369,530
403-4201-538.41-23	Prof. Svc-Local Monitor	21,444	20,000	26,000
403-4201-538.41-27	Prof. Svc-PIE Program	8,232	22,750	22,750
403-4201-538.41-32	Prof. Svc-Utility Locates	586	725	725
403-4201-538.41-33	Prof. Svc-Facility Eval	-	4,600	4,600
403-4201-538.41-42	Illicit Discharge Detect.	-	9,000	9,000
403-4201-538.41-43	Analyze Stormwater Sample	-	10,000	10,000
403-4201-538.42-01	Communications-Telephone	630	350	350
403-4201-538.43-01	Transportation/Per Diem	10	2,228	2,228
403-4201-538.43-02	Dues, Subscriptions, Publ	91	145	145
403-4201-538.43-03	Registrations	90	2,568	2,568
403-4201-538.45-01	Equipment Rental	2,415	1,974	1,967
403-4201-538.45-02	IMS Rental	22,905	22,441	24,794
403-4201-538.46-01	Insurance-Liability	17,765	27,807	16,261
403-4201-538.49-10	Uniform Contract/Cleaning	124	1,650	-
403-4201-538.49-25	Assessments/Taxes	9,372	9,000	12,000
403-4201-538.49-35	CDL-Physicals/Licenses	180	120	120
403-4201-538.49-43	Regional Monitoring Prog.	-	15,000	15,000
403-4201-538.49-44	Project Green	10,000	11,000	11,000
403-4201-538.49-45	Fones Road Treatment	-	8,250	8,250
403-4201-538.50-02	Common Facilities-1902	10,947	11,664	14,695

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Stormwater Utility Fund - Expenditures</i>				
Public Works Stormwater Division				
General Services-continued				
403-4201-538.50-03	Intra-Governmental	3,530	3,530	3,530
403-4201-538.60-01	Capital Outlays-Equipment	2,773	5,000	69,422
Total General Services		909,419	1,086,695	1,218,676
Customer Service				
403-4202-514.10-01	Salaries-Regular	3,708	3,789	5,489
403-4202-514.10-05	Salaries-Overtime	1	50	-
403-4202-514.20-01	Employer Paid Benefits	1,292	1,428	2,216
403-4202-514.31-01	Office & Operating Supply	-	200	200
403-4202-514.42-01	Communications-Telephone	-	50	50
403-4202-514.42-02	Communications-Postage	1,750	1,750	1,750
403-4202-514.45-02	IMS Rental	38,325	5,245	5,452
403-4202-514.45-08	Lease Miscellaneous	150	500	500
403-4202-514.46-06	AWC-L & I Pool	508	486	486
403-4202-514.49-01	Excise Taxes	30,521	31,380	38,545
403-4202-514.49-02	Printing & Binding	-	500	500
403-4202-514.49-27	Bad Debt Expense	212	1,800	1,800
403-4202-514.82-01	Depreciation-Utilities	1,496,096	1,400,000	1,650,000
403-4202-597.69-02	Transf Out-Construction	250,000	250,000	250,000
Total Customer Service		1,822,563	1,697,178	1,956,988
Stormwater Facility Maintenance				
403-4203-538.10-01	Salaries-Regular	264,219	272,131	229,930
403-4203-538.10-05	Salaries-Overtime	4,538	4,000	4,000
403-4203-538.10-06	Salaries-Part-Time	17,692	35,228	34,536
403-4203-538.20-01	Employer Paid Benefits	111,762	124,053	116,314
403-4203-538.31-01	Office & Operating Supply	27,863	25,040	25,040
403-4203-538.31-02	Small Tools & Equipment	3,047	2,500	2,500
403-4203-538.31-17	Supplies-Uniform Purchase	575	1,600	1,600
403-4203-538.31-22	Manhole/Ring/Lid Replace	619	4,000	4,000
403-4203-538.41-01	Prof. Svc-Other	4,492	13,000	13,000
403-4203-538.45-01	Equipment Rental	160,117	128,760	129,434
403-4203-538.47-01	Utility-Electric	801	900	900
403-4203-538.47-02	Utility-City of Lacey	9,411	13,000	13,000
403-4203-538.48-01	Rep & Maint-Equipment	517	800	800
403-4203-538.48-03	Rep & Maint-Facilities	272	2,050	2,050

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Stormwater Utility Fund - Expenditures</i>				
Public Works Stormwater Division				
Stormwater Facility Maintenance-continued				
403-4203-538.49-10	Uniform Contract/Cleaning	-	1,700	500
403-4203-538.49-29	Vactor Waste	7,229	15,900	15,900
Total Stormwater Facility Maintenance		613,154	644,662	593,504
Total Stormwater Utility Fund Expenditures		3,345,136	3,428,535	3,769,168



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PUBLIC WORKS-RECLAIMED WATER UTILITY FUND

The Martin Way Reclaimed Water Treatment Plant, owned and operated by the LOTT Alliance, is currently online and, through use of a membrane bioreactor system, is producing Class A reclaimed water. The reclaimed water available will provide the City of Lacey with the opportunity to reduce both peak and annual potable water demands by utilizing an alternative water supply for non-potable water applications such as irrigation, toilet flushing, and water rights mitigation. Initially, the City of Lacey will have access to 1.06 MGD of reclaimed water daily.

BUDGET SUMMARY

The 2011 maintenance and operating budget for the Reclaimed Water Utility Fund is **\$100,000**.

2011 PROJECTS, GOALS AND PRIORITIES

- LOTT plans to install a reclaimed water line under I-5 to connect to Lacey's purple pipe at Quinault Drive and Marvin Road. We will be coordinating with LOTT to identify appropriate system upgrades to the new line to ensure its future capability of serving the Regional Athletic Complex.
- Assist LOTT in its regional efforts to effect changes to the proposed Ecology Reclaimed Water Rules that are reasonable, justifiable, and affordable.

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Reclaimed Water Utility Fund - Revenues</i>				
Revenues				
404-0000-308.00-00	Estimated Beginning Cash	-	100,000	100,000
Total Reclaimed Water Utility Fund Revenues		-	100,000	100,000

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Reclaimed Water Utility Fund - Expenditures</i>				
Public Works Reclaimed Division				
General Services 404-3501-535.41-17	Prof. Svc-Water Resources	-	100,000	100,000
Total Reclaimed Water Utility Fund Expenditures		-	100,000	100,000



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PUBLIC WORKS-WATER CAPITAL FUND

The Water Capital Fund provides revenues and reserve dollars to construct new or replace older water production and distribution facilities. Revenues also provide resources for studies and resources to fund system improvements.

BUDGET SUMMARY

Revenues in this fund come from GFC's, user fees, bond sales, and loans. The Water Utility rate structure includes a specific component for reserves to fund future replacement or construction projects. After all expenses are paid, remaining revenues are carried forward into the next fiscal year and are allocated to fund reserves for construction.

The total 2011 budget for this fund is **\$8,932,169**. The Water Replacement Fund total is \$3,834,500. The Water Construction Fund total is \$5,097,669.

2011 PROJECTS, GOALS AND PRIORITIES

Water Replacement Fund:

- Corrosion control, Well #4
- Union Mills Altitude Valve Replacement
- 2011 Waterline Replacement Construction
- 2011 Waterline Replacement Design

Water Construction Fund:

- Water Rights Mitigation Study
- Purchase Water Rights
- Land Acquisition – Woodland Creek Basin to help address mitigation requirements
- Lacey Share of the Brewery Studies
- Complete Martin Way Waterline Construction

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Water Capital Fund - Revenues</i>				
Revenues				
410-0000-308.00-00	Estimated Beginning Cash	-	-	1,798,570
410-0000-308.01-00	Construction Cash	-	901,660	2,587,715
410-0000-343.40-05	Replacement Sales	1,060,035	1,417,000	1,452,425
410-0000-343.40-06	Replacement Sales-AMR	265,009	-	-
410-0000-343.40-07	General Facilities Charge	2,122,711	1,700,000	1,700,000
410-0000-361.11-00	Investment Interest	11,076	-	-
410-0000-369.11-00	Sale of Meters	159,999	-	-
410-0000-397.02-00	Transfers In-Water Fund	1,036,610	809,954	809,954
410-0000-397.12-00	Transfer In-Water Mitigat	-	-	583,505
410-0000-397.13-00	Transfers in-414 Fund	-	120,000	-
Total Water Capital Fund Revenue		4,655,440	4,948,614	8,932,169

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Water Capital Fund - Expenditures</i>				
Public Works Water Capital				
Replacement Construction				
410-3417-534.60-99	Capitalized Assets	(979,245)	-	-
410-3417-534.90-01	Preliminary Engineering	574,409	327,000	662,000
410-3417-534.90-05	Construction Engineering	117,099	145,000	261,500
410-3417-534.90-11	Construction Administrative	21,288	-	-
410-3417-534.90-13	Construction/Utilities	563,267	1,115,000	2,911,000
Total Replacement Construction		296,818	1,587,000	3,834,500
Construction				
410-3418-534.60-99	Capitalized Assets	(566,946)	-	-
410-3418-534.69-01	Estimated Ending Fund Bal	-	427,978	1,854,164
410-3418-534.90-01	Preliminary Engineering	61,300	175,000	185,760
410-3418-534.90-05	Construction Engineering	66,142	73,000	63,840
410-3418-534.90-11	Construction Administrative	75,271	700,000	-
410-3418-534.90-13	Construction/Utilities	183,185	677,000	640,400
410-3418-534.90-19	AMR Water Meter Project	171,845	-	-
410-3418-534.90-22	Purchase of Land	240,199	1,108,636	1,700,000
410-3418-534.90-25	Water Rights Mitigation	2,000	200,000	70,000
410-3418-597.02-01	Transfers out	-	-	583,505
Total Construction		232,996	3,361,614	5,097,669
Total Water Capital Fund Expenditures		529,814	4,948,614	8,932,169



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PUBLIC WORKS-WASTEWATER CAPITAL FUND

The Wastewater Capital Fund provides revenues to construct new or replace portions of existing wastewater collection and treatment systems. Revenues also provide funding for special studies and resources for system improvements.

BUDGET SUMMARY

Revenues in this fund come from user fees, bond sales, and loans. The Wastewater Utility rate structure includes a specific component of \$1.25 per month assessment for reserves to fund replacement projects. The Utility also has a separate component to fund future construction projects.

The total 2011 fund requirements are **\$8,403,315**. Wastewater Replacement Fund is budgeted at \$2,735,800. Wastewater Construction Fund is budgeted at \$5,667,515.

2011 PROJECTS, GOALS AND PRIORITIES

Wastewater Replacement Fund Projects:

- Upgrade Lift Station #18
- Wastewater Comprehensive Plan

Wastewater Construction Fund Projects:

- Complete the design and begin construction of major improvements to Lift Station #9 to relieve wastewater capacity construction in south Lacey

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Wastewater Capital Fund - Revenues</i>				
Revenues				
411-0000-308.00-00	Estimated Beginning Cash	-	818,405	518,950
411-0000-308.01-00	Construction Cash	-	2,172,145	3,476,160
411-0000-334.04-20	Commerce JDF - Gateway	1,110,594	-	-
411-0000-343.50-04	Replacement Sales	295,589	287,500	304,475
411-0000-343.50-08	General Facilities Charge	1,185,168	1,250,000	1,250,000
411-0000-361.11-00	Investment Interest	5,429	2,000	2,000
411-0000-361.12-00	Interest Construction	69,384	2,500	7,500
411-0000-366.10-00	Interfund Interest	69,313	100,000	100,000
411-0000-381.10-00	Loans Received	-	600,000	600,000
411-0000-397.03-00	Transfers In-Wastewater	295,263	233,856	233,855
411-0000-397.04-00	Transfers In-411 Const	-	-	1,910,375
Total Wastewater Capital Fund Revenues		3,030,740	5,466,406	8,403,315

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Wastewater Capital Fund - Expenditures</i>				
Public Works Wastewater Capital				
Replacement Construction				
411-3517-535.60-99	Capitalized Assets	(384,326)	-	-
411-3517-535.69-01	Estimated Ending Fund Bal	-	134,270	-
411-3517-535.90-01	Preliminary Engineering	193,376	72,350	485,000
411-3517-535.90-05	Construction Engineering	11,679	105,150	188,300
411-3517-535.90-11	Construction Administrative	5,621	-	-
411-3517-535.90-13	Construction/Utilities	176,589	796,135	2,062,500
Total Replacement Construction		2,939	1,107,905	2,735,800
Construction				
411-3518-535.60-99	Capitalized Assets	(4,031,229)	-	-
411-3518-535.69-01	Estimated Ending Fund Bal	-	631,325	2,852,140
411-3518-535.90-01	Preliminary Engineering	1,080,667	52,500	10,000
411-3518-535.90-05	Construction Engineering	163,574	244,500	105,000
411-3518-535.90-13	Construction/Utilities	2,785,416	3,430,176	790,000
411-3518-535.90-22	Purchase of Land	6,700	-	-
411-3518-597.02-03	411-All construction	-	-	1,910,375
Total Construction		5,128	4,358,501	5,667,515
Total Wastewater Capital Fund Expenditures		8,067	5,466,406	8,403,315



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PUBLIC WORKS-STORMWATER CAPITAL FUND

This fund provides revenues to construct new or replace portions of the stormwater collection and treatment system. Revenues also provide funding to purchase studies and resources for system improvements.

BUDGET SUMMARY

All expenditures are allocated for specific improvement projects included in the City's Capital Facilities Plan. Expenditures from this fund fluctuate significantly based on success in obtaining grant funding. Expenditures for 2011 are budgeted to be **\$1,341,300** Revenues for this fund come from rates, loans, and grants.

2011 PROJECTS, GOALS AND PRIORITIES

- Initiate Woodland Creek enhancement projects consistent with water right mitigation agreements
- Prepare Stormwater Comprehensive Plan
- Develop and implement NPDES 2 Permit outreach actions.
- Provide technical and financial assistance for residential storm pond rehabilitation projects.

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Stormwater Capital Fund - Revenues</i>				
Revenues				
412-0000-308.00-00	Estimated Beginning Cash	-	624,465	924,765
412-0000-333.66-46	66.460 SW Pond Maint	-	-	90,000
412-0000-334.03-13	Dept of Ecology	75,000	-	74,735
412-0000-361.11-00	Investment Interest	5,323	3,000	1,800
412-0000-397.05-00	Transfers In-Stormwater	250,000	250,000	250,000
Total Stormwater Capital Fund Revenues		330,323	877,465	1,341,300

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Stormwater Capital Fund - Expenditures</i>				
Public Works Stormwater Capital				
Construction				
412-4218-542.69-01	Estimated Ending Fund Bal	-	647,465	1,001,300
412-4218-542.90-01	Preliminary Engineering	141,833	125,000	245,000
412-4218-542.90-04	Storm Drainage	22,615	105,000	95,000
412-4218-542.90-11	Construction Administrate	4,255	-	-
Total Stormwater Capital Fund Expenditures		168,703	877,465	1,341,300



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PUBLIC WORKS-RECLAIMED WATER CAPITAL FUND

The Martin Way Reclaimed Water Treatment Plant, owned and operated by the LOTT Alliance, is currently online and, through use of a membrane bioreactor system, is producing Class A reclaimed water. The reclaimed water will provide the City of Lacey with the opportunity to reduce both peak and annual potable water demands by utilizing an alternative water supply for non-potable water applications such as irrigation, toilet flushing, and fire suppression. Additionally, the reclaimed water will be used to mitigate predicted depletions of surface water bodies resulting from use of new water rights. Initially, the City of Lacey will have access to 1.06 MGD of reclaimed water daily.

The Reclaimed Water Capital Fund provides the revenues to construct reclaimed water storage and distribution systems.

BUDGET SUMMARY

The 2011 budget for the Reclaimed Water Capital Fund is **\$2,467,965**. This fund will provide for the construction of the facilities necessary to irrigate rights-of-way in northeast Lacey, Regional Athletic Complex, and provide future water right mitigation efforts.

2011 PROJECTS, GOALS AND PRIORITIES

- Identify and acquire property for a future storage reservoir and pumping station in northeast Lacey
- Complete the Woodland Trail Reclaimed Waterline from Carpenter Road to Woodland Creek Community Park (2010-2011)
- Coordinate with LOTT on necessary upgrades to the I-5/Marvin Road reclaimed waterline installation project to ensure service to the Regional Athletic Complex

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Reclaimed Water Capital Fund - Revenues</i>				
Revenues				
414-0000-308.00-00	Estimated Beginning Cash	-	2,156,555	1,982,965
414-0000-361.11-00	Investment Interest	13,381	12,500	-
414-0000-369.90-00	Other Misc Revenue	-	-	485,000
Total Reclaimed Water Capital Fund Revenues		13,381	2,169,055	2,467,965

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Reclaimed Water Capital Fund - Expenditures</i>				
Public Works Reclaimed Water Capital				
Construction				
414-3518-535.69-01	Estimated Ending Fund Bal	-	1,909,055	1,294,465
414-3518-535.90-01	Preliminary Engineering	-	12,000	95,000
414-3518-535.90-05	Construction Engineering	-	8,000	98,500
414-3518-535.90-13	Construction/Utilities	-	120,000	980,000
414-3518-597.01-07	Transfer Out to 410	-	120,000	-
Total Reclaimed Water Capital Fund Expenditures		-	2,169,055	2,467,965



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WATER DEBT SERVICE FUND

The Water Debt Service Fund was created to remove debt obligations from the operating budget. This enhances the accountability of utility maintenance supervisors for their individual areas of responsibility.

Debt obligations must be retired from utility system operating revenues or by special assessment against benefited properties. The Water Utility has a debt cost component built into its rate structure. Current debt obligations are the result various improvement projects including reservoirs, tanks, and major transmission lines.

There is no revenue debt outstanding at this time.

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Water Debt Fund - Revenues</i>				
Revenues				
450-0000-308.04-00	Depreciation-Balancing	-	3,500,000	3,500,000
450-0000-361.51-00	ULID 20 Interest	2,468	-	-
450-0000-383.10-00	Contributed Capital	1,574,219	-	-
Total Water Debt Service Fund Revenues		1,576,687	3,500,000	3,500,000

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Water Debt Fund - Expenditures</i>				
Finance - Debt Retirement				
Debt Retirement				
450-3401-534.82-01	Depreciation-Utilities	2,996,740	3,500,000	3,500,000
Total Water Debt Service Fund Expenditures		2,996,740	3,500,000	3,500,000



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WASTEWATER DEBT SERVICE FUND

The Wastewater Debt Service Fund was created to separate the budgetary functions of this utility into three distinct funds including operations, construction and replacement, and debt. The change enhances the accountability of utility maintenance supervisors for their individual areas of responsibility.

Debt obligations must be retired from utility system operating revenues, general facility charges for new sewer connections, or by special assessment against benefited properties. Generally speaking, debt in the wastewater utility has been issued to finance lift stations and major transmission lines. When property owners request the formation of a local improvement district to finance the construction of sewer lines to serve their property, bonds are sold to provide financing. Property owners then make installment payments to retire the debt. Current debt obligations are for several projects completed including sewer interceptors, lift stations, force mains, and related equipment requirements.

There is no revenue debt outstanding at this time.

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Wastewater Debt Fund - Revenues</i>				
Revenues				
451-0000-308.04-00	Depreciation-Balancing	-	2,347,500	2,347,500
451-0000-361.13-00	Int. Earned Debt Reserve	5,276	2,500	2,500
451-0000-361.50-00	Interest on Assessments	1,496	-	-
451-0000-383.10-00	Contributed Capital	673,488	-	-
Total Wastewater Debt Service Fund Revenues		680,260	2,350,000	2,350,000

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Wastewater Debt Fund - Expenditures</i>				
Finance - Debt Retirement				
Debt Retirement				
451-3501-535.82-01	Depreciation-Utilities	1,554,352	2,350,000	2,350,000
451-3501-597.02-01	Transfers out	400,000	-	-
Total Wastewater Debt Service Fund Expenditures		1,954,352	2,350,000	2,350,000



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EQUIPMENT RENTAL FUND

The Equipment Rental Fund is an internal service fund created to provide for the repair, maintenance, and replacement of City-owned vehicles and equipment. The Finance Department provides administrative support while the Public Works Department provides maintenance, management, and repair services. The Equipment Rental Division is responsible for the repair and maintenance of 237 vehicles and pieces of equipment in addition to the operation of the fueling facility. Work is performed in-house by three full-time equipment mechanics with some specialized work being contracted to local automotive repair shops.

BUDGET SUMMARY

The Equipment Rental Fund budget is organized into three programs.

- General Services
- Preventative Maintenance and Repairs
- Fuel, Oil, and Tires

The 2011 budget for the Equipment Rental Fund is **\$2,540,044** inclusive of annual replacement reserve expenses. This budget maintains current level of services. Equipment Rental operations are funded by direct charges assessed to all operating budgets based on vehicle use and maintenance costs.

2011 PROJECTS, GOALS AND PRIORITIES

- Ensure 2011 charges provide full funding of depreciation and replacement
- Continue systematic preventive maintenance and repair of vehicles
- Improve utilization of operations vehicle/equipment fleet

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Equipment Rental Fund - Revenues</i>				
Revenues				
501-0000-308.00-00	Estimated Beginning Cash	-	386,519	710,530
501-0000-361.11-00	Investment Interest	51,195	60,500	13,965
501-0000-365.10-07	Police	293,430	372,825	428,698
501-0000-365.10-08	Planning & Comm. Dev.	19,862	27,061	23,481
501-0000-365.10-09	Public Works	59,519	72,854	65,226
501-0000-365.10-10	Parks & Recreation	22,735	22,379	20,888
501-0000-365.10-11	Facilities Maintenance	8,940	10,544	10,401
501-0000-365.10-12	Parks Maintenance	173,881	221,525	279,687
501-0000-365.10-13	Water	319,187	255,501	274,116
501-0000-365.10-14	Wastewater	209,760	161,518	180,320
501-0000-365.10-15	Stormwater	162,331	130,734	131,401
501-0000-365.10-16	Streets	178,091	215,056	195,151
501-0000-365.10-17	Animal Services	15,871	22,500	22,500
501-0000-365.10-20	City Hall	20,202	21,655	19,229
501-0000-365.10-21	City Shops	21,758	17,104	19,203
501-0000-365.10-22	Fire District #3	46,240	60,000	60,000
501-0000-365.10-23	Water Resource	13,208	12,571	12,184
501-0000-365.10-24	Regional Athletic Complex	95,577	84,673	73,064
501-0000-369.10-00	Sale of Scrap & Surplus	135	-	-
501-0000-369.13-00	Proceeds from Assets	46,210	-	-
501-0000-369.40-00	Court Fees/Judgments	42,667	-	-
501-0000-373.00-00	Other Gains & Losses	(2,648)	-	-
501-0000-383.11-00	From Governmental Funds	427,792	-	-
501-0000-387.00-00	Residual Equity Trans In	27,332	-	-
Total Equipment Rental Fund Revenues		2,253,275	2,155,519	2,540,044

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Equipment Rental Fund - Expenditures</i>				
Public Works Equipment Rental				
General Services				
501-4801-548.10-01	Salaries-Regular	151,314	116,645	115,032
501-4801-548.10-05	Salaries-Overtime	45	200	200
501-4801-548.20-01	Employer Paid Benefits	53,553	42,244	46,948
501-4801-548.31-01	Office & Operating Supply	284	750	750
501-4801-548.31-17	Supplies-Uniform Purchase	406	900	900
501-4801-548.41-01	Prof. Svc-Other	-	1,000	1,000
501-4801-548.41-26	Prof. Svc-Administration	-	250	250
501-4801-548.43-01	Transportation/Per Diem	-	450	450
501-4801-548.43-02	Dues, Subscriptions, Publ	100	300	300
501-4801-548.43-03	Registrations	140	800	800
501-4801-548.45-02	IMS Rental	1,344	3,020	3,253
501-4801-548.46-02	Insurance-Fire/Property	5,604	6,037	6,037
501-4801-548.46-04	Insurance-Vehicle	29,276	29,569	23,530
501-4801-548.48-01	Rep & Maint-Equipment	-	650	650
501-4801-548.48-03	Rep & Maint-Facilities	-	2,896	2,896
501-4801-548.49-10	Uniform Contract/Cleaning	3,181	2,300	2,300
501-4801-548.49-35	CDL-Physicals/Licenses	55	144	144
501-4801-548.50-02	Common Facilities-1902	10,947	11,664	14,694
501-4801-548.60-01	Capital Outlays-Equipment	3,467	17,750	-
501-4801-548.60-02	Capital Outlays-Replace	394,033	200,000	563,986
501-4801-548.60-99	Capitalized Fixed Asset	(357,467)	-	-
501-4801-548.65-02	Depreciation-Vehicles	663,201	627,291	662,927
Total General Services		959,483	1,064,860	1,447,047
Preventative Maintenance				
501-4802-548.10-01	Salaries-Regular	68,711	115,295	111,084
501-4802-548.10-05	Salaries-Overtime	-	200	200
501-4802-548.10-06	Salaries-Part-Time	8,741	9,478	9,292
501-4802-548.20-01	Employer Paid Benefits	27,647	49,700	56,297
501-4802-548.31-01	Office & Operating Supply	60,047	60,000	60,000
501-4802-548.31-02	Small Tools & Equipment	3,278	3,850	3,850
501-4802-548.31-27	Software Upgrade	1,030	2,550	2,550
501-4802-548.41-01	Prof. Svc-Other	-	1,000	1,000
501-4802-548.48-01	Rep & Maint-Equipment	27,550	50,000	50,000
501-4802-548.49-30	Software Maintenance	754	-	-
Total Preventative Maintenance		197,758	292,073	294,273

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Equipment Rental Fund - Expenditures</i>				
Public Works Equipment Rental				
Fuel, Oil, Tires				
501-4803-548.10-01	Salaries-Regular	13,253	21,161	20,342
501-4803-548.20-01	Employer Paid Benefits	4,903	8,625	9,582
501-4803-548.31-01	Office & Operating Supply	305	700	700
501-4803-548.34-01	Fuel	256,579	505,800	505,800
501-4803-548.34-02	Diesel	109,688	236,000	236,000
501-4803-548.34-03	Tires	18,580	22,500	22,500
501-4803-548.41-01	Prof. Svc-Other	104	2,000	2,000
501-4803-548.48-01	Rep & Maint-Equipment	1,025	1,800	1,800
Total Fuel, Oil, Tires		404,437	798,586	798,724
Total Equipment Rental Fund Expenditures		1,561,678	2,155,519	2,540,044

INFORMATION MANAGEMENT SERVICES FUND

Information Management Services (IMS) provides technical support and management of all computer software, hardware, and communication links for all city departments. Information Services Managements responsibilities include establishing standards and direction citywide, ensuring smooth operation of city services, and ensuring a total integrated solution. These services are accomplished through researching and evaluating new computer systems and technologies; correcting and revising programs to meet changing needs; and managing the City's networks, and iSeries operating systems to achieve maximum performance with minimum "downtime." Information Management Services staff also conducts word processing, desktop publishing, iSeries, PC, and telephone training for all city employees. Nine full-time employees provide support to this division.

BUDGET SUMMARY

The Information Management Fund is organized into three programs.

- Central System Support
- Personal Computer and Network Support
- Help Desk

The 2011 budget for Information Management Services is **\$1,771,875** including annual replacement expenses. Staff is comprised of an Information Services Manager, four System Application Specialists which provide network infrastructure and enterprise system support, a Computer Support Technician responsible for desktop hardware and software support, a GIS Coordinator responsible for facilitating the development and improvement of the City's geographic related information, a Web Developer responsible for supporting the City's website, and a Helpdesk/Telecommunication Specialist which provides technical support for software applications, telephone systems and the Help Desk. Information Management Services is totally funded by direct charges/user fees assessed back to all operating budgets.

2011 PROJECTS, GOALS AND PRIORITIES

- Continue to enhance and implement web services. This will allow more accessibility and flexibility for our citizens to perform city functions using the Internet.
- Setup and install replacement and new workstations.
- Expand Fiber-optic communication infrastructure
- Implement network improvements and develop procedures and standards to meet the payment card (PCI) requirements.
- Continue focusing on implementing solutions for disaster recovery and server consolidation.

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Information Management Service Fund - Revenues</i>				
Revenues				
502-0000-308.00-00	Estimated Beginning Cash	-	228,300	212,640
502-0000-361.11-00	Investment Interest	20,754	22,000	4,188
502-0000-365.90-01	City Manager	6,945	10,767	11,554
502-0000-365.90-02	Finance	22,027	26,274	33,161
502-0000-365.90-03	Council	1,049	2,640	2,545
502-0000-365.90-05	Personnel	9,547	19,741	19,432
502-0000-365.90-06	Community Relations	6,413	8,240	8,423
502-0000-365.90-07	Police	99,174	174,022	202,483
502-0000-365.90-08	Planning & Comm. Dev.	45,948	81,496	77,366
502-0000-365.90-09	Public Works	44,972	72,582	63,474
502-0000-365.90-10	Parks & Recreation	25,071	40,049	34,692
502-0000-365.90-11	Parks Maintenance	5,744	10,133	11,360
502-0000-365.90-12	Facility Maintenance	1,226	1,580	1,423
502-0000-365.90-13	Water	108,962	176,699	173,035
502-0000-365.90-14	Wastewater	93,105	51,093	49,706
502-0000-365.90-15	Stormwater	61,230	27,686	30,246
502-0000-365.90-16	City Streets	8,657	17,219	18,486
502-0000-365.90-18	Community Buildings	5,312	9,780	9,232
502-0000-365.90-19	Common Facilities	434,690	625,651	697,350
502-0000-365.90-20	Equipment Rental	1,344	3,020	3,253
502-0000-365.90-21	City Shops	46,967	73,788	80,920
502-0000-365.90-23	Water Resource	11,885	19,639	18,497
502-0000-365.90-24	Regional Athletic Complex	6,500	8,690	8,409
502-0000-383.11-00	From Governmental Funds	189,482	-	-
Total Information Mgmt. Services Fund Revenues		1,257,004	1,711,089	1,771,875
Total City Revenues		84,829,585	105,437,198	107,432,163

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Information Management Service Fund - Expenditures</i>				
Finance				
Central System Support				
502-1801-518.10-01	Salaries-Regular	324,207	316,177	193,906
502-1801-518.10-05	Salaries-Overtime	1,340	3,000	3,000
502-1801-518.20-01	Employer Paid Benefits	114,488	128,167	81,700
502-1801-518.31-01	Office & Operating Supply	18,217	17,000	14,000
502-1801-518.31-27	Software Upgrade	3,389	8,000	8,000
502-1801-518.41-25	Prof. Svc-Computer	3	10,000	10,000
502-1801-518.42-01	Communications-Telephone	20,606	18,120	18,120
502-1801-518.42-05	Communications-Webhosting	-	-	6,000
502-1801-518.43-01	Transportation/Per Diem	1,727	8,000	8,000
502-1801-518.43-02	Dues, Subscriptions, Publ	1,761	3,000	2,000
502-1801-518.43-03	Registrations	1,045	8,000	8,000
502-1801-518.45-08	Lease Miscellaneous	6,896	59,584	59,584
502-1801-518.48-01	Rep & Maint-Equipment	242	1,000	2,000
502-1801-518.49-02	Printing & Binding	-	500	500
502-1801-518.49-05	Professional Development	160	11,000	9,000
502-1801-518.49-30	Software Maintenance	169,332	200,000	200,000
502-1801-518.49-31	Hardware Maintenance	30,489	25,000	40,500
502-1801-518.49-67	Web Services	525	500	2,000
502-1801-518.80-83	Interest on Lease	845	-	-
Total Central System Support		695,272	817,048	666,310
PC & Network Support				
502-1802-518.10-01	Salaries-Regular	247,515	254,876	358,900
502-1802-518.10-05	Salaries-Overtime	1,783	3,000	3,000
502-1802-518.20-01	Employer Paid Benefits	88,547	98,515	150,326
502-1802-518.31-01	Office & Operating Supply	10,507	9,000	10,000
502-1802-518.41-25	Prof. Svc-Computer	4,000	10,000	7,500
502-1802-518.43-01	Transportation/Per Diem	2,725	6,000	6,000
502-1802-518.43-03	Registrations	250	5,000	5,000
502-1802-518.49-05	Professional Development	4,400	10,000	10,000
502-1802-518.60-01	Capital Outlays-Equipment	243,107	150,000	150,000
502-1802-518.60-09	Software Assurance	57,182	64,866	70,000
502-1802-518.60-99	Capitalize Assets	(140,341)	-	-
502-1802-518.65-04	Depreciation-IMS Equip	262,318	191,204	197,686
Total PC & Network Support		781,993	802,461	968,412

Account Number	Description	2009 Actual Revenue/Expense	2010 Amended Budget	2011 Adopted Budget
<i>Information Management Service Fund - Expenditures</i>				
Finance Expenditures				
Help Desk				
502-1803-518.10-01	Salaries-Regular	56,079	57,675	85,788
502-1803-518.10-05	Salaries-Overtime	136	1,500	1,500
502-1803-518.20-01	Employer Paid Benefits	17,286	19,505	36,965
502-1803-518.31-01	Office & Operating Supply	4,363	7,000	7,000
502-1803-518.42-01	Communications-Telephone	-	500	500
502-1803-518.43-01	Transportation/Per Diem	-	1,600	1,600
502-1803-518.43-02	Dues, Subscriptions, Publ	94	1,000	1,000
502-1803-518.43-03	Registrations	-	800	800
502-1803-518.49-05	Professional Development	-	2,000	2,000
Total Help Desk		77,958	91,580	137,153
Total Information Mgmt. Services Fund Expenditures		1,555,223	1,711,089	1,771,875
Total City Expenditures		77,850,282	105,437,198	107,432,163