

City of Lacey, Washington 2017 Proposed Budget



Prepared by the
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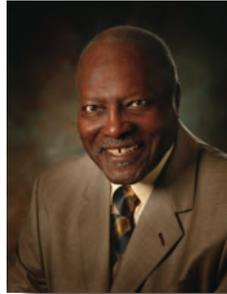
City of Lacey - City Council Members



Andy Ryder
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Mayor



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A Message from Scott H. Spence, City Manager October 27, 2016

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

It was 50 years ago when the future citizens of Lacey organized and voiced their support at the ballot box to form a new city for the betterment of present and future residents. Shortly after, Lacey was officially recognized as the State of Washington's newest city on December 5, 1966. Five decades later, Lacey has become one of the leading communities in Washington State with over 47,000 residents. This year's "2017 Budget" provides the necessary means for the City to fulfill its commitments as it celebrates 50 years, and looks ahead to the immediate future.

The 2017 budget was greatly aided by the foresight of the Lacey City Council endorsing a 6-year financial plan that provides a financial roadmap with flexibility to respond to the unexpected.

An improved economy has also made the 2017 Budget preparations less onerous than the recent past. Lacey continues to see strong residential construction, especially in NE Lacey. Close to 300 single-family residential homes are expected to be built in 2016, and the budget projects a similar level for 2017. Multi-family development is also on the rise with the addition of 600-plus units under construction—multi-family construction has not been at this pace since 2006. And, Lacey continues to attract private sector investment—Medline, a medical and surgical supply company, is building a 700,000 square foot facility in the Hawks Prairie Area; this company alone will bring 200 new jobs to Lacey. North Thurston Public Schools' Voter Approved Construction Bond is another positive indicator for the community bringing overall construction activity to near historical highs.

Although the 2017 budget has been more straightforward in the past, it also needs to be

recognized that there are potential headwinds in the future. The upcoming 2017 Washington State Legislative Session is, by all accounts, going to be long and difficult as the State of Washington grapples with a projected \$3.5 billion funding deficit of K-12 in response to the McCleary Decision. At risk is the state-shared revenue derived from liquor and marijuana sales distributed to the State's 281 cities; currently, Lacey receives over \$651,000. The other factor that could impact Lacey's future sustainability is the one-time nature of construction. In the short term, Lacey's budget benefits from sales tax generated from this type of development activity, but it does not always translate into future sales tax revenues over the long term.

In light of these variables, a \$122,653,037 Total Budget is proposed for 2017; this is a 9.3% decrease from the previous year. The establishment of key budget reserves, as part of the 6-year financial plan, and the creation of a "Strategic Investment" toolbox, to meet specific economic objectives, are contributing factors for the year-over-year decrease in Total Budget. Additionally, 2017 will experience reduced capital spending within the water, sewer, and stormwater utilities. These actions, combined with a decrease in \$1.5 million in debt-related transactions, directly translate to a smaller Total Budget for 2017.

The most traditionally recognized functions of local government are accounted for within the General Fund Budget. For 2017, the General Fund Budget totals \$43,071,686. Compared with the amended 2016 General Fund Budget, this represents a year-over-year decrease of 0.6%. As with most cities in the State of Washington, sales tax is the primary source of revenue to pay for these traditional services; sales tax receipts account for roughly 23% of the General Fund's revenue base. In comparison, property tax revenue accounts for 14%. Within the General Fund Budget, public safety is the single largest expenditure at over \$10.2 million. This provides for 52 commissioned police officers, nine non-commissioned officers, and 3 part-time community service officers.

Several key projects and priorities are included in the 2017 budget:

- Over \$125,000 is included to pay for a building lease and onsite manager for the newly opened Lacey Veterans Services Hub. An innovative collaboration between the City of Lacey and area non-profits to house key services in one location to serve our community's veterans.
- The widening of Marvin Road from two lanes to four lanes beginning at Briton Parkway roundabout to 29th Avenue NE totaling \$2.4 million. Although the project began in 2016, \$900,000 is included in 2017 to complete this model public-private partnership that resulted in this important corridor improvement.
- A strategic plan and visioning effort for the Depot District will be initiated in the amount of \$50,000.
- Construction of a new modern roundabout at Hogum Bay Road NE and Willamette Drive NE totaling \$4.32 million.
- The second year of the LED streetlight conversion project is funded for \$200,000. This project replaces Lacey's high pressure sodium street lights with new energy efficient lighting.
- \$25,000 is allocated for a renewed Neighborhood Grant Program.
- Masterplan effort totaling \$150,000 for the newly purchased museum/civic building at 5700 Pacific Avenue.

Two notable items incorporated in the development of the proposed 2017 budget include: (1) the retirement of the debt associated with the expansion of Lacey City Hall; and (2) Labor considerations. Guided by the 6-year financial plan, the City is exercising its option to retire the \$1,485,000 in debt related to the expansion of City Hall in 2006. This action will restore \$333,500 to the General Fund Budget since it is no longer needed for principal and interest payments. It will also provide the added benefit of saving Lacey residents \$182,800 in interest costs due to the early retirement of this debt obligation.

Lacey's workforce has been in retraction since the Great Recession. Approximately 11 positions were removed from past budgets as a measure to contain expenditures. The 2017 budget restores

workforce resources in the general fund and the utilities. In total, 10 positions will be included. To incorporate flexibility in Lacey's workforce, three of the positions will be designated as Limited Term Employee opportunities, meaning that funding is limited to three budget cycles. Limited Term Employees are also funded with one-time reserves, which further emphasize the defined time horizon.

The largest portion of the 2017 Total Budget is the Utilities Budget. Funding for Lacey's three utilities (water, sewer, and stormwater) represent 49% (\$59,737,209) of the Total Budget. Two of the three utilities are operating within a multi-year rate structure that extends until 2019, except for water (2017). Lacey utilities have a combined asset valuation of approximately \$243 million.

Planned utility projects for 2017 include the following:

- Steilacoom Regional Liftstation Construction Project at \$3,208,000. This single project will replace five smaller liftstations currently in use.
- Union Mills Reservoir Seismic Upgrade totaling \$1,475,000.
- Liftstation 15 Rehabilitation (Galaxy Drive) project at \$1,095,000.
- Hoh Street Water Transmission Project totaling \$1,515,000. This project will extend the water transmission from Hoh Street south to Steilacoom Road SE.
- 25th Loop SW stormwater improvements with a total project cost of \$280,000.

The proposed 2017 budget relies heavily on the guidance and leadership of the Lacey City Council in preparing the final document. Additionally, I want to recognize the Lacey Executive Leadership Team, key staff, and City employees for being fiscally-minded when preparing individual department budgets and overall requests—their dedication and service to the community is exceptional and greatly appreciated.

Thank you.

Scott H. Spence
City Manager

LACEY CITY GOVERNMENT



CITIZENS

Boards & Commissions

Library Board
 Historical Commission
 Planning Commission
 Park Board
 LEOFF
 TCTV
 Lodging Tax
 Public Facilities District

Mayor
 Deputy Mayor
 Council

City Manager

City Attorney

Legal Counsel
 Prosecution
 Indigent Defense

Civil Service Commission

Clerk/Records

Finance

Financial Mgmt/Accting.
 Utilities/Billing
 Treasury
 Information Services
 Violations Bureau
 Passport Services
 Business Licensing

Public Affairs & Human Resources

Public Information	Recruiting
Neighborhood Assoc.	Classification/Compensation
Community Liaison	Performance Mgmt.
Recycling/Solid Waste	Safety/Workers Comp.
Legislative Liaison	Risk Management
Animal Services Support	Employee Asst. Program
Special Projects	Special Projects

Police

Law Enforcement
 Investigation
 Community Policing
 Crime Prevention
 School Resource Officers
 Interlocal Drug Unit Support

Community & Economic Development

Current and Advanced Planning
 Code Inspection & Permit Services
 Growth Management

- Building
- Electrical
- Mechanical
- Plumbing
- ADA Barrier Free

Public Works

Administration Support
 Engineering
 Water Resources/Groundwater Protection
 Parks & Facilities Maintenance
 Streets/Electrical
 Water/Wastewater/
 Stormwater/Reclaimed Water Utility
 Fleet Maintenance

Parks & Recreation

Youth & Adult
 Recreation Programs

- Aquatics/Physical activities
- Sports/Fitness/Special Events
- Cultural/Outdoor Activities

Parks Development
 Open Space/Regional Athletic Complex
 Community Buildings Operations/Events



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Budget 2017 Summary

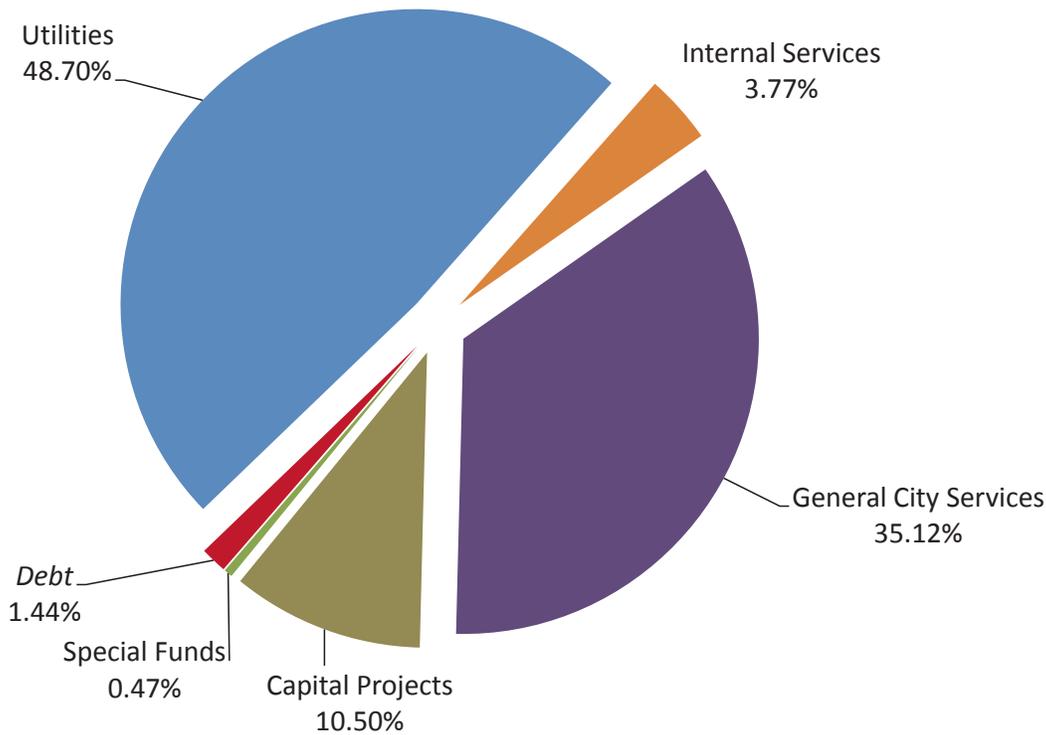
The 2017 budget totals \$122,653,037. This is a \$12,580,357 or 9.30 percent decrease compared to the amended 2016 budget. The City continues to live within its means. Service levels are principally maintained and in some areas are enhanced. The City continues its long-term track record of investing significantly in quality of life improvements and infrastructure maintenance and construction.

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, Regional Athletic Complex (RAC), City Street, and Capital Equipment Funds combine to make

Total City Budget by Funds \$122,653,037



This summary section of the proposed 2017 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.

Each of the funds that make up the proposed budget has a specific role and responsibility. Revenues and expenditures, as proposed, must be balanced and each

up the City’s GENERAL FUND. There are eleven 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, and activities of the Lodging Tax Fund. Voter approved General

Obligation Debt along with Local Improvement District (LID) debt also is accounted for separately. A new fund will be established in 2017 to account for the activities of the Hicks Lake Management District.

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.

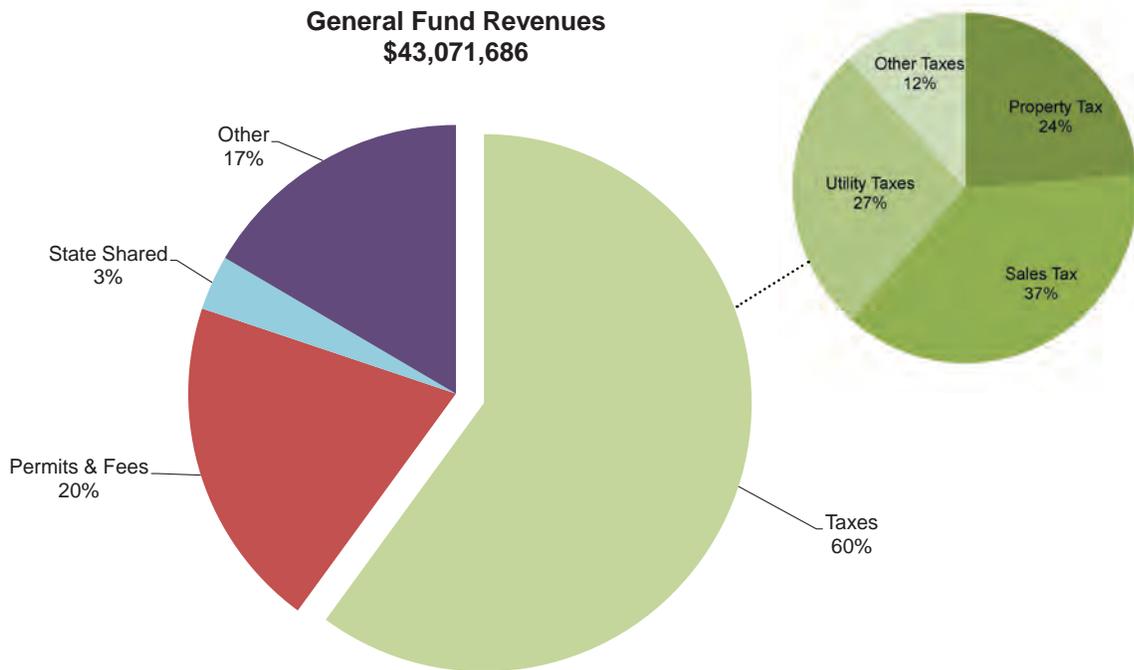
Overall, the City accounts for its resources and expenditures in twenty-eight (28) separate funds. It also maintains two joint-venture funds for Animal Services and Drug Enforcement activities as well as an agency fund for the Capital Area Regional Public Facilities District.

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

cost of labor.

General Fund services and activities constitute 35.1 percent of the total \$122.7 million budget proposal. The difference is largely associated with cost of labor adjustments, interfund transfers, reduction to 2016 one-time transfers, and inflationary increases. The 2017 General Fund Budget includes eight new positions. Three of the positions are considered limited-term employees, which will be funded through reserves, and one position will be financial supported by the utility budgets through interfund charges. Four positions will be funded directly by the General Fund. The new positions are further described in their specific sections of this budget summary.



The total General Fund budget for 2017 is \$43,071,686 which is 0.6 percent or \$259,249 less than the 2016 amended budget. The variance or change to the General Fund Budget expenditures is mostly attributed one-time reductions relating to the establishment of reserves for strategic investment during 2016, which were offset by increases to the

General Fund - Revenue Summary

Property and sales tax revenues are the dominant income sources for the General Fund. Combined, they total \$15,940,326. The 2017 Budget reprioritizes sales tax in the amount of \$334,400, which was historically received in the General

Obligation Debt Fund for principal and interest expense for councilmanic bonds issued in 2006 for the 25,000 square foot addition to City Hall. These bonds were retired early during late 2016.

The **property tax** levy for 2017 has been determined by calculating the one percent allowable limitation, recovering the value of refunds, and adding new construction valuation. The one percent adjustment amounts to a \$59,317 increase in the property tax levy. It should be noted that the one percent maximum adjustment in the property tax levy remains insufficient to meet the inflation and fixed cost increases associated with a \$43.1 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.

Preliminary values issued by Thurston County Assessor's Office indicate that the City's total new construction value will increase \$110.4 million. This increase is very significant because new construction valuation is not subject to the one percent maximum increase limitation. The preliminary estimate indicates that existing overall property assessments may increase 5.1 percent due to market value increases. Based on this information, the City's regular levy is estimated to be \$6,185,582. As a result, the levy rate will decrease \$0.0343 to \$1.1714 per \$1,000 of assessed property value.

Sales tax receipts for 2016 are exceeding projections, because new construction levels have increased due to major North Thurston Public Schools construction projects, commercial development in northeast Lacey, and elevated new residential development. Construction levels began to experience significant increases during the fourth quarter of 2014. Overall, retail sales tax has recently shown improvement. 2017 sales tax receipts are projected to increase \$656,380 compared to the original 2016 projection. Similar construction levels are expected through 2017 as a result of the North Thurston Public Schools voter-approved bond levy.

Current consumer spending is experiencing growth, but current construction activity increase is having

the most impact on sales taxes. The increase to construction activity is not considered sustainable in the long-term outlook, but next year continues to look promising.

The 2017 Budget anticipates an increase in overall sales tax receipts to \$9,754,744, which is a 4.0 percent increase compared to the 2016 Budget. Retail sales receipts will be fully distributed to the Current Expense as a result of the early retirement of the City Hall general obligation bonds. The Criminal Justice Fund is projected to receive \$725,000 in sales tax revenue that is collected from a special countywide levy and distributed by the County on a per capita basis.

Sales tax receipts will be monitored very closely in case current economic conditions worsen and retail sales volumes begin to decline. These are uncertain times and the General Fund portion of this revenue source accounts for a significant 22.7 percent of the proposed 2017 General Fund budget.

Lacey has benefitted from pre-recession developments that strengthened its collection base making a substantial contribution to supporting our public safety, parks, and transportation needs. Even so, Lacey's retail sales per capita remains low compared to the surrounding communities. Based on population, Lacey is the 25th largest city in the State, but on a sales tax per-capita basis ranks 72nd.

The City's **utility tax** continues to be a stable and flexible source of General Fund revenue. Income from this tax has historically been distributed to the Current Expense, City Street, Capital Equipment, and the Parks and Open Space funds. It is estimated that utility tax receipts for 2017 will be \$7.02 million.

Historically, 1.0 percent utility was dedicated to the Parks and Open Space Fund. 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 was transferred to the Current Expense Fund to cover the cost of operating and maintaining Rainier Vista Park. Transfers have also been made to help support the maintenance and operation budget of the Regional Athletic Complex.

This practice began with the 2010 Budget. The balance of the 1.0 percent utility tax has been used to acquire parks and open space property. Unfortunately, beginning in the 2014 it became necessary to dedicate the entire 1.0 percent utility tax for parks operations and maintenance. If other acquisitions are identified, different funding sources will need to be identified.

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.

The proposed budget includes an additional 6.04 percent water utility tax. This utility tax funds fire protection expenses, which are General Fund responsibilities that are incurred by the water utility. The total water utility tax is 12.04 percent. This utility tax is expected to increase \$144,942 due to growth and scheduled water rate increases.

“Other taxes” total \$2,908,092 or 6.8 percent of General Fund revenues. It is anticipated that **Business and Occupation** tax revenue will increase compared to the 2016 Budget and total \$2,222,242 in 2017. Admissions taxes projections are \$10,000 higher at \$285,000. Total gambling tax revenues are unchanged at \$400,100 in 2017.

Anticipated revenue from **building permits, development review fees, and related services** has not been consistent since the recent recession and has decreased significantly since the peak in 2007. The following table illustrates the most recent planning related revenues:

	<u>Planning Fees</u>	<u>Variance</u>
2017 Bud.	1,365,000	80,000
2016 Bud.	1,285,000	(648,343)
2015	1,933,343	374,326
2014	1,559,017	442,899
2013	1,116,117	(168,985)
2012	1,285,102	(59,303)
2011	1,344,405	311,607
2010	1,032,798	36,066
2009	996,732	(744,164)
2008	1,740,896	(1,557,796)
2007	3,298,692	N/A

Residential housing construction volume has slowed considerably since the 2006 housing peak, but recently has been exceeding historic levels. As of the end of this past September, 268 single-family permits have been issued. The following table illustrates the ten most recent years’ single family residence building permit issuances:

	<u>Single Family Permits Issued</u>
2016 YTD	268
2015	307
2014	314
2013	213
2012	287
2011	219
2010	266
2009	301
2008	345
2007	792
2006	1122
2005	836

It is anticipated the 2015 and 2016 permit issuance volume will continue through 2017.

Many of the functions performed by the City are financed or partially reimbursed through service fees and user charges. These **fees for service** total \$7,280,635 and represent 16.9 percent of the General Fund revenues. The most significant amount, \$4,692,177, 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 decrease \$95,835 to \$892,491. The most significant decrease is a result of the status of the Nisqually Ball Fields.

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.

Each year, every city 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 Revolving Funds, Liquor Excise Tax, Fuel Tax, and Criminal Justice Funds. The General Fund will receive state-shared revenues totaling \$1,420,365 in fiscal year 2017. Historic funding levels for state-shared revenues could be in jeopardy due to the budget challenges faced by the State.

Fuel tax 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, total \$37.86 per capita. This funding level is approximately the same state-shared funding level as prior to the impact of the “Great

Recession” on the State budget.

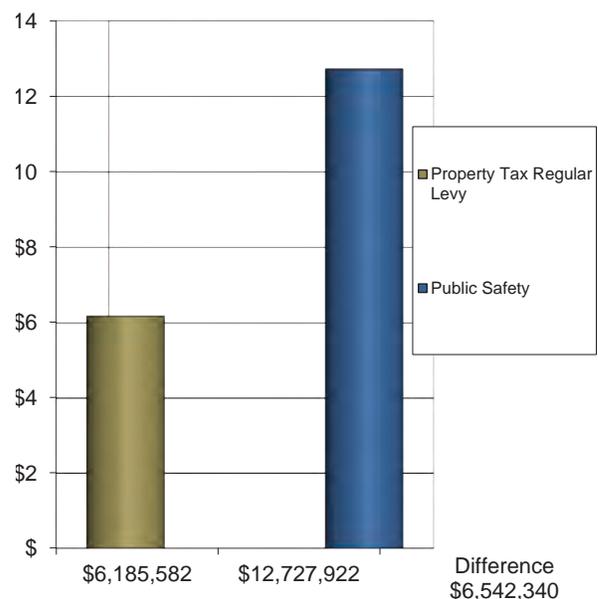
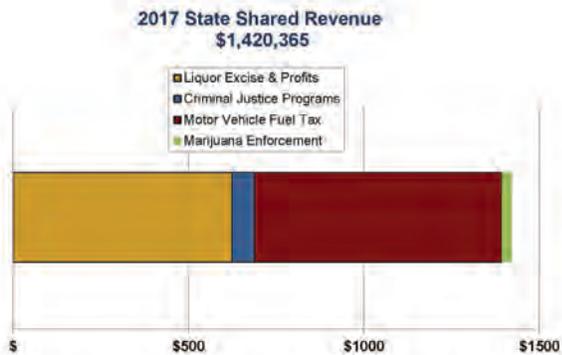
General Fund - Expenditure Summary

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 \$12,727,922 in 2017, which represents 29.6 percent of all expenses within this \$43.1 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 \$6,542,340 short of meeting public safety costs.

It is always interesting to note that although property taxes are likely the single most frustrating tax 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 proposed police budget totals \$10,215,502, an increase of \$164,986 over the amended 2016 budget. The Police Department budget alone represents 23.7 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 \$887,904 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 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.



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.

The Regional Athletic Complex (RAC) continues to be a premier destination for outdoor sporting events. The RAC offers synthetic fields and advanced lighting for all-year use. The RAC also serves as a community park that offers a play area and walking trails.

The Community Center continues to grow in use. The Senior Center is a very active place operated by Senior Services of South Sound with the City maintaining the facility. 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 \$237,000 with additional revenue coming from the City's regular property tax levy. The 2017 Community Buildings Fund budget totals \$541,493.

Registration and service fees, for the myriad of recreation programs Lacey Parks offers, are estimated at \$892,491, or about 34.9 percent of the \$2,559,968 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. (Note: 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 Car Show, Ethnic Celebration, 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.

Administrative Services – City Council, City Manager, and Public Affairs/Human Resources

Key components of the City's administrative support services include City Council, City Manager, and Public Affairs/Human Resources functions. Proposed 2017 expenditures will be \$2,706,878, an increase of \$434,015 over the



amended 2016 budget. The 2017 proposal includes four new positions: Public Records Assistant, Human Resources Specialist, Advanced Media Specialist, and an Assistant to the City Manager. Three of the positions are considered limited-term employees. The Public Records Assistant, Human Resources Specialist, and Advanced Media Specialist will be funded through identified reserves. The workloads of these positions are project focused or cyclical in nature, so the positions will be evaluated at the end of the limited term to determine whether they should be continued.

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 \$163,607 in 2017. Each year the City replaces furniture and fixtures as required.

Lacey continues its participation in the Health and Human Services Council (HHSC), 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. The 2017 budget assumes that the City's contribution will be \$47,852. The City is proud to be able to maintain its human services contributions.

Community and Economic Development

The department of Community and Economic Development is responsible for building code enforcement, and planning services including commercial and residential construction. It has been the vision of the City Council, for nearly twenty years, that the area zoned Hawks Prairie Business District develop as high intensity, mixed-use urban center. This coming year, the City Council will continue to focus time and energy on the Gateway Town Center project and Woodland and Depot Districts.

The number of residential housing permit applications as of the end of September totaled 268 compared to 239 this time last year and 248 the year before last. 961 residential housing permits were issued through September in 2006 when development was near its peak. It is anticipated that single-family permits issued will continue at the same pace through 2017. Revenues projections relating to building permits include development

proposals review, permits, and building fees.

The proposed Community and Economic Development Department budget totals \$2,404,662, a 10.0 percent increase compared to the amended 2016 budget. Contributing to the increase is the addition of a Planning Manager position and funding for the development of a master plan for the Depot District. The Planning Manager position will restore the current planning staffing to the 2009 level. Current planning is responsible for the City's land use permitting.

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 \$4,692,177 or 10.9 percent of General Fund revenues. Proposed expenditures will be \$11,140,184, or 25.9 percent of all General Fund activity.

The Engineering Division work program for 2017 continues to be dominated by the demands of transportation and utility capital improvement projects. The focus is fixed on water rights mitigation, well replacement, waterline improvement/replacement, lift station rehabilitation, Steilacoom Regional Liftstation, stormwater line installation, College Street improvements, Hogum Bay Road improvements, Marvin Road safety improvements, citywide pedestrian crossing improvements, 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 proposed Engineering Division services budget is \$2,880,792, a decrease of \$59,348 or 2.0 percent.

The Water Resource Division of Public Works

faces a full schedule of responsibilities and projects for 2017. Water Resource personnel are not only heavily involved in mitigating 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 National Pollutant Discharge Elimination System (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 continues 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 \$1,506,157. This is a \$170,605 increase. The 2017 Proposed Budget includes an additional Water Resources Specialist position. The increasing water resources activities and regulation necessitate the increased personnel. The position will be funded by the utilities through interfund charges for professional services.

The Facilities Management Division will have a budget of \$562,612, an increase of \$69,641 from last year. An additional full-time position has been included in the 2017 Budget to assist with 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. Previously, these activities have been performed by one full-time position.

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 component to meeting the significant workload of

this division. The proposed Parks Maintenance operating budget totals \$2,714,671, an increase of \$124,065. This increase includes salary and benefit adjustments and an additional full-time position to assist with the care and upkeep of the City’s expanding park and right-of-way infrastructure.

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 proposed 2017 City Street fund budget totals \$3,395,156, a decrease of \$383,818. The decrease is a result of 2016 one-time transfers to reprioritize reserves for strategic investments. Funds for this program come primarily from the motor vehicle fuel tax and dedicated utility tax revenues. City streets continue to be very well maintained with the majority of our roadways rated as being in good or excellent condition.

Regional Athletic Complex – Operating Fund

The Regional Athletic Complex - Operating Fund is responsible maintaining the fields and facilities as well as managing the scheduling of tournaments and events at this park. 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.

The proposed operating budget for the RAC is \$1,069,765. Field use, sponsorship, concession contracts, and rental fees of \$449,250 need to be supplemented by \$150,000 contribution from Lacey’s Lodging Tax fund, \$270,515 from the City, and \$200,000 from Public Facilities District (PFD)



revenues. This proposed operating budget provides for a full-time manager to promote and schedule the facility, two maintenance personnel, and appropriate part-time and seasonal workers.



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 software, computers, vehicles, tools, and equipment that are required each year. A listing of all proposed operating capital is located at the end of this summary section of the budget document.

The 2017 Capital Equipment Fund budget totals \$981,841. In the past, this fund provided for the

\$850,000 transfer to the Arterial Street Fund for the City's annual street overlay and rehabilitation program. The transfer was suspended in 2013 due to shortfalls in revenue collections experienced because of the recession and the cost of labor rising faster than the rate of inflation. The City was able to establish reserves for the funding of the annual street overlay and rehabilitation program through 2016. The 2016 program was limited to the portion of the 2015 program that was being delayed to align it with utility projects. A special election will be held during February 2017 for the approval of a proposed two-tenths of one percent sales tax to continue the critical overlay and rehabilitation and sidewalk repair programs.

Equipment and facility replacement remains flat due to limited growth to revenues and increases in 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 2017 totals \$412,923 and includes the following projects:

Window Film (Lacey Timberland Library)	\$ 4,223
Family Bathroom (Lacey Timberland Library)	40,000
50th Anniversary Public Art	100,000
Design for New Storage and Work Area (Transportation share)	25,000
Police Front Counter Remodel	30,000
City Hall Front Counter Modifications	10,000
Carpet Replacement (Maintenance Shop)	18,500
Museum Exterior Painting	10,200
Roof Replacement (Museum)	12,500
Master Plan for Museum/5700 Pacific Property	150,000

The funding resources for these projects come from General Fund reserves.

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 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

2017 budget provides \$828,860 for this purpose.

Unfortunately, beginning in 2014 it became necessary to use the remainder of the dedicated 1.0 percent utility tax for the maintenance of other park facilities.

Previously, the remaining dedicated funds were placed into reserves for future park acquisitions and park development.

Arterial Street Fund

The 2017 Arterial Street Fund totals \$10,538,655, which is \$1,241,332 more than last year’s budget. Several significant projects have been under construction during 2016 and will continue in 2017. These include College Street corridor improvements, Hawks Prairie area corridor improvements, and completion of the Citywide Pedestrian Crossings. General Fund contributions for the annual street overlay and rehabilitation program was suspended in 2013 due to shortfalls in revenue collections and the cost of labor rising faster than the rate of inflation. The City was able to establish reserves for the funding of the annual street overlay and rehabilitation program through 2016. The 2016 program was limited to the portion of the 2015 program that was being delayed to align it with utility projects. A special election will be held during February 2017 for two-tenths of one percent sales tax to continue the critical overlay and rehabilitation and sidewalk repair programs.

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 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, the westbound land of Britton Parkway, the College Street and 22nd Avenue roundabout, Smart Corridors, and Hogum Bay Road. Their skill in matching our needs with potential grant funds is second to none.



In 2017, the City will allocate the following resources to match grants and construct several transportation improvements: \$1,850,000 Real Estate Excise Tax and \$329,582 State Fuel Tax. Approximately \$1,058,979 of 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 2016 and will require the following resources during the 2017 budget year:

LED Street Lighting Replacement	\$ 200,000
Mullen Road – Thurston County	10,000
Ruddell Road Sidewalk/Retaining Walls	80,000
Citywide Pedestrian Crossings	534,700
Marvin Road Safety and Capacity Improvements	936,205
Carpenter Road Widening	7,500
Marvin Road Exit 111	50,000
College St. & 22nd Ave Roundabout	3,428,000
Hogum Bay Road Improvements	4,320,000
2017 Street Overlay (Preliminary Design Only)	50,000
College Street NE Extension	30,000
Hawks Prairie Road/Marvin Road Roundabout Design	100,000
Marvin Road Exit 109	30,000
College St. & 16th Ave Roundabout	100,000
Miscellaneous 2017 Projects	662,250
Total	\$ 10,538,655

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 eight hotel/motels in Lacey.

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:

"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 proposed for 2017:

Lacey Museum Operations	\$ 48,500
Lacey Chamber of Commerce – Visitor Services & Community Profile	25,000
Lacey Days	15,000
Washington Center for the Performing Arts	18,000
Visitor and Convention Bureau – Events Guide and Visitor Services	80,000
Fun Fair	9,500
Jazz Festival	35,000
Summer’s End at Lacey (classic car show)	4,000
S.T.E.M. Fair	3,000
Senior Games	10,000
Mushroom Festival – Hawks Prairie Rotary	20,000
Southsound Barbeque Festival	10,000
Huntamer Park Concerts and Events	4,500
St. Martin’s University Dragon Boat Festival	6,000
Olympic Flight Museum	3,000
Black Hills Triathlon in Lacey	5,000
Brats, Brews, and Bands/Tour de Lacey	10,000
Olympia Downtown Association	3,000
Chopin Concert (Lacey-Minsk Sister City)	8,000
Regional Sports & Events Complex (Marketing & Promotion)	<u>150,000</u>
Total	\$ 473,500

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 (RAC) was in harmony with its mission statement. Lodging Tax contributions will focus on the marketing and promotion of this facility.

Total revenues are estimated at \$473,500 with \$23,500 coming from reserves and interest earnings. Recently, the economy has negatively affected lodging revenues and interest earnings, but the efforts funded by the recently approved Thurston County Tourism Promotion Area are expected to continue to increase lodging revenues in 2017.

Regional Athletic Complex - Capital Fund

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.

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 Regional Athletic Complex capital budget totals \$1,102,500. Of that amount, \$569,900 will be used to pay the interest and principal due on the \$8.0 million of debt issued to help finance recent improvements. The balance will be used to pay for the City's share of PFD expenses, installation of a security camera system, replacement of an irrigation pump and soccer goal sets, and fence repairs at the Regional Athletic Complex.



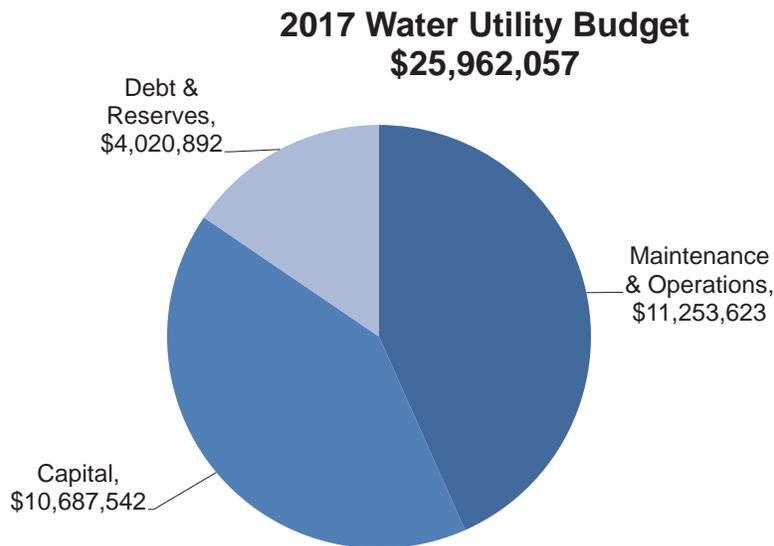
Water Utility Fund

The City’s Water Utility is consistently growing. With over 24,642 water accounts, the City’s Water Utility serves approximately 60,126 customers. As an enterprise fund, the Water Utility must be self-supporting through the collection of fees for service and system connection charges.

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 2017 Maintenance and Operations budget totals \$11,253,623, a \$142,759 or 1.3 percent increase



Each year, through the budget process, improvements to the system’s service delivery capacity are initiated. 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.

Completed in 2008, the Hawks Prairie water treatment plant next to the well and reservoir on Marvin Road required an interfund loan from the Wastewater Construction Fund in the amount of \$10.0 million. During 2016, the outstanding interfund loan was paid off in full.



over the 2016 amended budget.

The 2017 budget does not propose the addition of any personnel or new operating requirements. However, adjustments to labor expenses and increasing transfers to the capital fund combine to increase production costs and subsequently impacted rates. The multi-year water rate study, which was adopted in 2013, includes a 6.5 percent increase in water rates for 2017 to stay current with these expenses and future capital improvement program needs.

Because of this increase, a customer using 900 cubic feet of water will pay approximately \$2.17 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 2017, and complete waterline modifications in various service areas.

The capital budget for 2017 totals \$10,687,542 and includes the following projects:



Lacey Share of the Brewery Studies	\$ 5,000
College & 22nd Avenue Roundabout – Watermain Improvements	300,000
Water Rights Mitigation	10,000
Smith Farm Construction & On-Going Farm Management	270,000
Well Source 15 and 16 Replacement (Beachcrest)	735,000
Hawks Prairie Water Treatment Facility Recycle Equipment	125,000
Westside BPS VFDs and On-site Generator	490,000
SW 337 Pressure Zone Study	300,000
Hoh Street Transmission	1,515,000
Hawks Prairie Wellfield	67,000
Reclaimed Water Comprehensive Plan	150,000
Capitol City Golf Course Fireflow	500,000
Horizon Pointe/66th Avenue Water	80,000
Transmission/Development Projects	108,000
Overflow for Union Mills Reservoir	270,000
2017 Waterline Replacement (Shady Lane)	470,000
Survey for Future Watermain Replacement	5,000
Union Mills Reservoir Seismic Upgrade	1,475,000
2016 Critical Valves	90,000
2016 Well Review/Analysis	36,000
2017 Watermain Replacement, Project 1	990,000
2017 Watermain Replacement, Project 2	990,000
Water Comprehensive Plan Update	200,000
Water Filing Stations	100,000
337 Zone Reservoir	60,000
Well S01 Replacement	400,000
Union Mills Road Water Service	65,000
2018 Watermain Replacement, Project 1 & 2	220,000
Sleater Kinney Watermain	60,000
2017 Critical Valves	100,000
2017 Revenue Bond Debt Service Obligations	501,542

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 2017 GFC fee for a standard 5/8" connection, a typical single-family home meter size, will increase 6.0 percent to \$6,490. Larger meter connections will increase in proportion to the new cost of a residential meter.

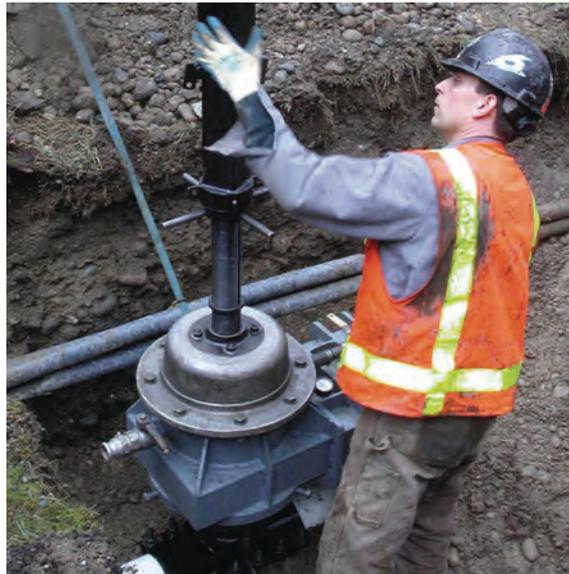
Water System Debt and Reserves

The Water Utility has the obligation to repay long-term financing provided by the 2016 Revenue

Bonds and Wastewater Construction Fund.

\$501,542 is included in the 2017 Budget for interest and principal payments for the 2013 Revenue Bonds. These debt service payments are funded through Water rates and will be transferred into the debt service fund from the capital fund.

By the end of 2008, the Water Capital Fund had an outstanding \$10 million interfund loan from the Wastewater Capital Fund. Water system improvements relating to water treatment made the interfund loan necessary. During 2016, the outstanding balance of \$5.9 million was paid off in full.



Wastewater Utility Fund

Lacey’s Wastewater Utility provides service to over 17,541 connections. Lacey is responsible for the utility’s collection system, while the Lacey, Olympia, Tumwater, Thurston County Alliance aka LOTT, provides wastewater treatment services.

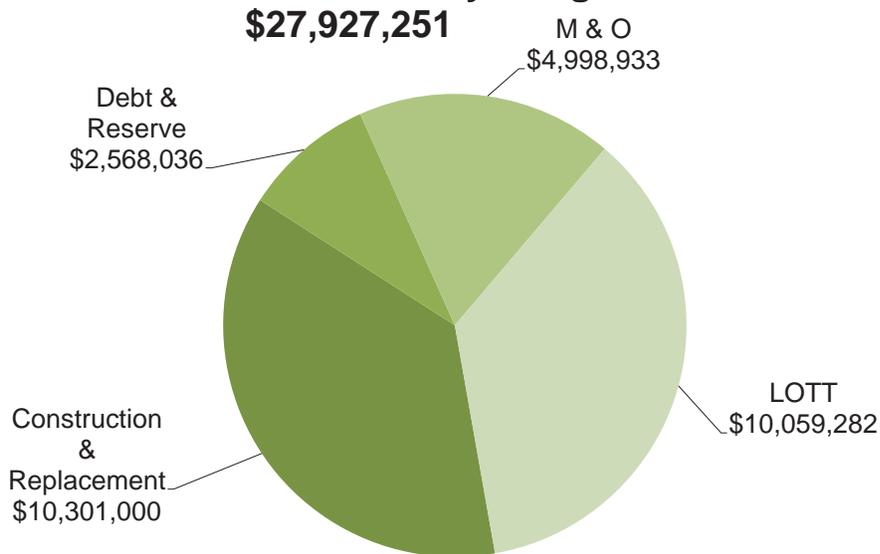
The comprehensive plan financial chapter includes

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 proposed 2017 maintenance and operating budget totals \$15,058,215, which is \$187,788 or 1.3 percent more than the 2016 amended budget. This increase reflects the estimate for new service

2017 Wastewater Utility Budget



4.25 percent annual increases to wastewater rates through 2019 to stay current with these expenses and future capital improvement program needs.

During 2014, the City Council adopted the multi-year rate increase schedule in advance of the official adoption of the Wastewater Comprehensive Plan during 2015. As a result of this increase, a residential customer will pay approximately \$0.80 more per month.



connections or Equivalent Residential Units (ERUs), the adopted \$0.74 increase in LOTT fees, which the City collects and forwards to them, and

increasing transfers to the capital fund. The proposed increase also includes a new position, Journey Level Maintenance Technician. The position is identified in the utility’s comprehensive plan, so it is funded by the adopted rate schedule. The proposed position will support increased sewer Liftstation and STEP system

The Wastewater Utility also is divided into three major categories for budgeting and cost

workloads.

The user fee collected for LOTT (\$37.88 per month per equivalent residential unit, which includes a 2017 2.0 percent rate increase) is the most significant expenditure or pass-through payment. The estimated total LOTT fee for 2017 is \$10,059,282 or 66.8 percent of the Wastewater Utility’s operating budget.

The 2017 revenues for Wastewater Utility activities that fund City operations are estimated at \$4,998,933. A rate increase of 4.25 percent is

included in this proposed budget. Lacey’s portion of the monthly user charge will increase from \$18.80 to \$19.60 effective January 2017.

Construction Activity

Construction of wastewater facilities is funded in the capital budget. The 2017 capital budget totals \$10,301,000.

Construction activity scheduled for 2017 is as follows:

Steilacoom Regional Liftstation	\$ 3,208,000
Lift Station #2 (LS, Gravity, and FM Replacement)	1,900,000
Lift Station #3 Outfall (Pipe and Manhole)	55,000
Shady Lane Sewer	450,000
Hogum Bay Road Improvements	206,000
Mullen Road STEP Main (Ph. 2 Lakepointe Bioxide)	20,000
Upgrade Lift Station #18 (Yelm and Intelco)	5,000
Liftstation 9 Corrosion Rehab (Ruddell at Rainier Vista Park)	914,000
Liftstation 12 Abandonment and New Mains (5th Court)	50,000
Liftstation 15 Rehabilitation (Galaxy Drive)	1,095,000
Liftstation 19 Rehabilitation (Willamette/Commercial Place)	154,000
Liftstation 21 Rehabilitation (Pacific Avenue)	164,000
Rumac Street STEP (Ph. 1 Lakepointe Bioxide)	525,000
College Street & 22nd Ave Slipline	140,000
Liftstation 21 Rehabilitation (4401 45th Ave SE)	520,000
Liftstation 21 Rehabilitation (1922 Abernethy Rd)	100,000
Sewer Decant Facility	40,000
Annual Miscellaneous Wastewater Improvements	150,000
Septic System Conversion Study	5,000
Miscellaneous 2017 Projects	600,000

Wastewater Debt and Reserves

Current local improvement district debt obligations are for Utility Local Improvement District (ULID) #23, which included a sewer line installation and connections. The 2016 budget includes appropriations for a bond issue for ULID #24, which includes the replacement of a community septic system with a sewer interceptor connection to the city system.

There is no revenue debt outstanding at this time.

Stormwater Utility Fund

The Stormwater 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. 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 operations.



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.

The operating budget for 2017 totals \$3,216,458. Implementation of NPDES Phase 2 requirements of inspecting and monitoring stormwater treatment facilities continues to place increased demands on this utility. As a result, a new position, Building Code Specialist, is proposed to monitor, through plan review and inspections, development activities for compliance with the City's NPDES Phase 2 permit.

The multi-year stormwater rate study, which was adopted in 2014, includes a 6.0 percent increase in stormwater rates for 2017 to stay current with these expenses and future capital improvement program

needs. As a result of this increase, a residential customer will pay approximately \$0.57 more per month.

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 2017 budget provides for the on-going commitment for stormwater treatment and water rights mitigation.

As mentioned above, funding of stormwater improvement projects comes from monthly service charges. The comprehensive plan increases the system replacement funding to 25 percent of the annual depreciation expense over the six-year plan period. Other funding has come from grants, mitigation fees, and loans.



Construction activity scheduled for 2017 are as follows:

25th Loop SW Improvements	\$ 280,000
Low Impact Development Code Revisions	10,000
Stormwater Manual Update	10,000
2017 Revenue Bond Debt Service Obligations	101,484

Stormwater System Debt and Reserves

An estimated \$101,484 is included in the 2017 Budget for interest and principal payments for the 2013 Revenue Bonds. These debt service payments are funded through Stormwater rates and will be transferred into the debt service fund from the capital funds.

Reclaimed Water Fund

The City created the Reclaimed Water Fund in 2008. This fund is divided into two functions – Maintenance and Operations and Capital Projects. The Reclaimed Water Fund remains dormant pending the completion of a comprehensive plan. In the meantime, reclaimed water functions are being accounted for in the Water Utility Fund.

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 traditional maintenance and operations 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.

General Obligation Debt/ L.I.D 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.

2010 Fire Safety Refunding GO Bond (2002)
2012 Parks Improve. Refunding GO Bond (2003)
2015 Parks Improve. Refunding GO Bond (2006)
Total

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.

In December 2006, new L.T.G.O. debt of \$3.5 million was issued to assist in the financing of a 25,000 square foot addition to City Hall. Sales tax revenue has allocated in past annual budgets to retiring this debt obligation. Due to strong fiscal management, the City was able to retire this debt early during late 2016. As a result, five years of interest payments were saved and sales tax revenues were reprioritized to meet growing demands within General Fund operations.

Also, \$8.0 million of L.T.G.O. debt was issued in 2007 for the development of phase 2 of the Regional Athletic

The 2017 excess levy rate for voter-approved debt is estimated to be \$0.2163 per \$1,000 assessed value based on a \$1,131,626 levy. This includes a \$454,876 excess levy that began in 2002 is for Fire Safety Improvements and will mature in 2021; a \$322,300 excess levy that began in 2003 for the first group of Park Improvements maturing in 2023; and, a \$354,450 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, 2017 Outstanding Balance	Maturity Date
3,790,000	2,040,000	Dec. 2021
2,845,000	2,055,000	Dec. 2023
2,995,000	2,945,000	Dec. 2026
9,630,000	7,040,000	

Complex. Public Facility District sales tax provides for the annual debt service for this bond obligation.

Local Improvement District Bond Fund

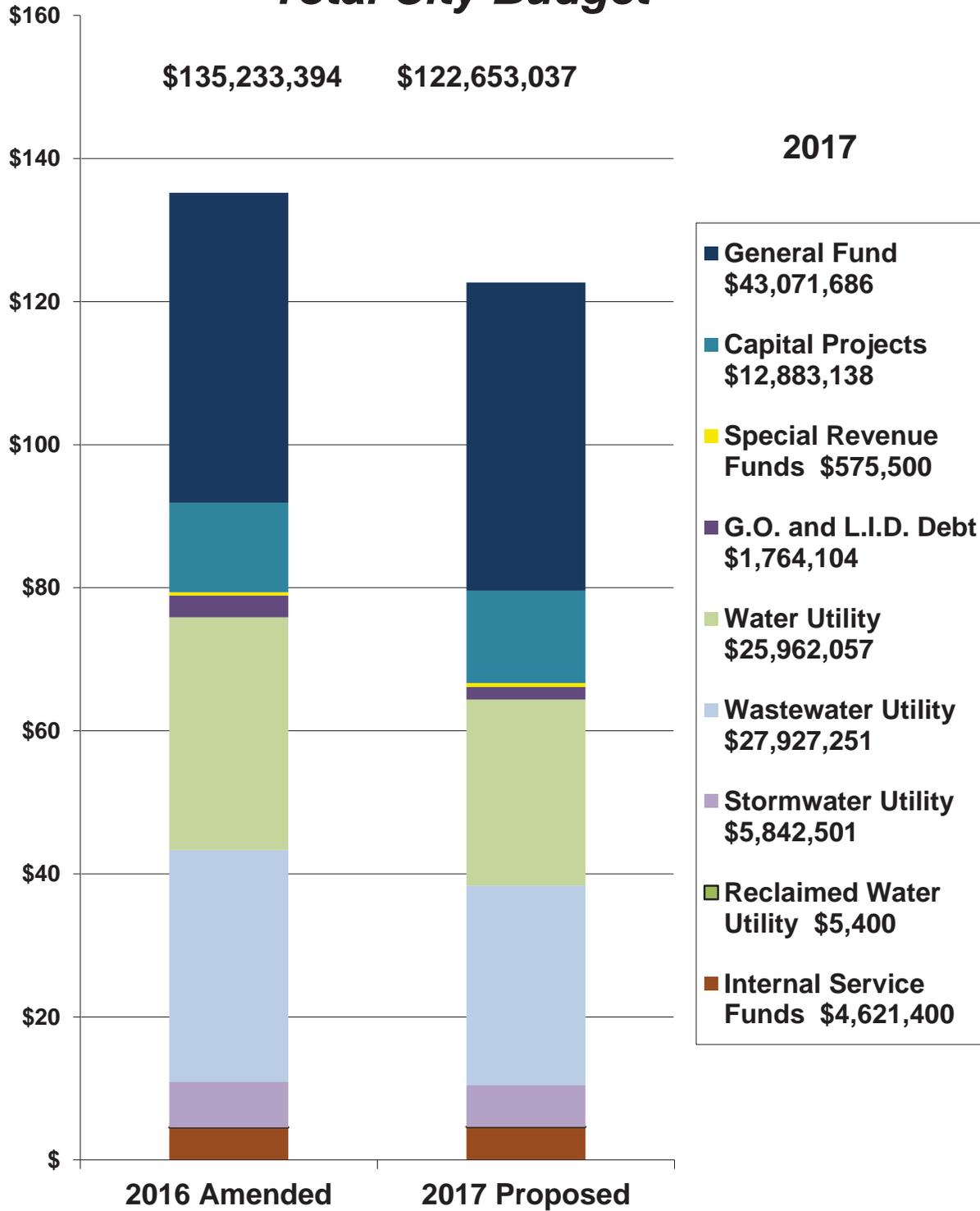
One of the tools available to assist property owners finance public improvements in their neighborhood is the formation of a special taxing district called a Local Improvement District (LID). This is accomplished by petitioning the City Council to hold a public hearing for the purpose of creating a benefit district. When these improvements are solely for the purpose of water or wastewater services, it is referred to as a Utility Local Improvement District (ULID) 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 ULID Fund has only two active improvement taxing districts in the 2017 budget: ULID #23 – College Street and Martin Way Sewer Improvements and ULID #24 – Tanglewilde East Sewer.



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2016 - 2017 Comparison Total City Budget



Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
Revenue Summary by Fund			
Current Expense Fund	34,338,710	34,555,950	36,291,252
Criminal Justice Fund	795,564	1,490,197	792,179
Community Buildings Fund	514,356	514,583	541,493
Regional Athletic Complex Fund	1,080,919	1,069,126	1,069,765
City Street Fund	3,001,372	3,778,974	3,395,156
Arterial Street Fund	4,948,556	9,297,323	10,538,655
Lodging Tax Fund	479,472	460,434	473,500
Community Block Grant Fund	55	200	200
Hicks Management Lake Fund	-	-	102,000
General Obligation Bonds Fund	10,826,554	2,026,525	1,702,776
L.I.D. Debt Fund	747,936	1,047,803	61,328
Building Improvement Fund	247,853	418,178	412,923
Capital Equipment Fund	817,632	1,922,105	981,841
Parks & Open Space Fund	662,490	1,896,752	828,860
Regional Athletic Complex Capital Fund	872,631	901,500	1,102,500
Water Utility Fund	11,302,096	11,110,864	11,253,623
Wastewater Utility Fund	14,145,664	14,870,427	15,058,215
Stormwater Utility Fund	2,727,355	2,935,700	3,216,458
Reclaimed Water Utility Fund	185,562	400	400
Water Capital Fund	6,794,656	17,380,006	10,687,542
Wastewater Capital Fund	3,641,236	12,765,300	10,301,000
Stormwater Capital Fund	551,076	1,654,310	874,559
Reclaimed Water Capital fund	3,779	3,500	5,000
Water Debt Fund	3,706,075	4,022,965	4,020,892
Wastewater Debt Fund	3,385,178	4,801,748	2,568,036
Stormwater Debt Fund	1,376,110	1,751,686	1,751,484
Equipment Rental Fund	2,373,910	2,651,102	2,670,431
Information Mgmt Services Fund	1,626,203	1,905,736	1,950,969
Total Revenues	111,153,000	135,266,394	122,653,037

Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
Expenditure Summary by Fund			
City Council	260,865	456,974	520,456
Contracted Services	2,371,379	2,627,314	2,935,250
City Manager	523,591	554,746	697,631
Public Affairs & Human Resources	1,071,225	1,261,143	1,488,791
Finance	798,996	848,165	883,471
Legal Services	583,860	594,585	607,742
Common Facilities	1,433,412	1,677,690	1,634,583
Police	8,614,119	8,560,319	9,423,323
P.W.-Support Services	70,541	78,437	80,796
P.W.-Engineering	2,734,255	2,940,140	2,880,792
P.W.-Parks Maintenance	2,497,582	2,590,606	2,714,671
P.W.-Facilities Maintenance	399,423	492,971	562,612
Community and Economic Development	2,084,325	2,186,334	2,404,662
P.W.- Water Resources	1,235,828	1,335,552	1,506,157
Parks & Recreation	2,289,285	2,558,111	2,559,968
Other Operating Transfers/Unencumbered	4,139,048	5,792,863	5,390,347
Current Expense Fund	31,107,734	34,555,950	36,291,252
Criminal Justice Fund	714,937	1,490,197	792,179
Community Buildings Fund	455,477	514,583	541,493
Regional Athletic Complex Fund	1,016,440	1,069,126	1,069,765
City Street Fund	3,184,451	3,778,974	3,395,156
Arterial Street Fund	4,215,011	9,297,323	10,538,655
Lodging Tax Fund	431,881	460,434	473,500
Community Block Grant Fund	-	200	200
Hicks Management Lake Fund	-	-	102,000
General Obligation Bonds Fund	10,808,466	2,026,525	1,702,776
L.I.D. Debt Fund	-	1,047,803	61,328
Building Improvement Fund	462,165	418,178	412,923
Capital Equipment Fund	632,433	1,922,105	981,841
Parks & Open Space Fund	671,456	1,896,752	828,860
Regional Athletic Complex Capital Fund	629,298	901,500	1,102,500
Water Utility Fund	9,173,249	11,110,864	11,253,623
Wastewater Utility Fund	13,792,088	14,870,427	15,058,215
Stormwater Utility Fund	2,452,228	2,935,700	3,216,458
Reclaimed Water Utility Fund	28,253	400	400
Water Capital Fund	610,524	17,380,006	10,687,542

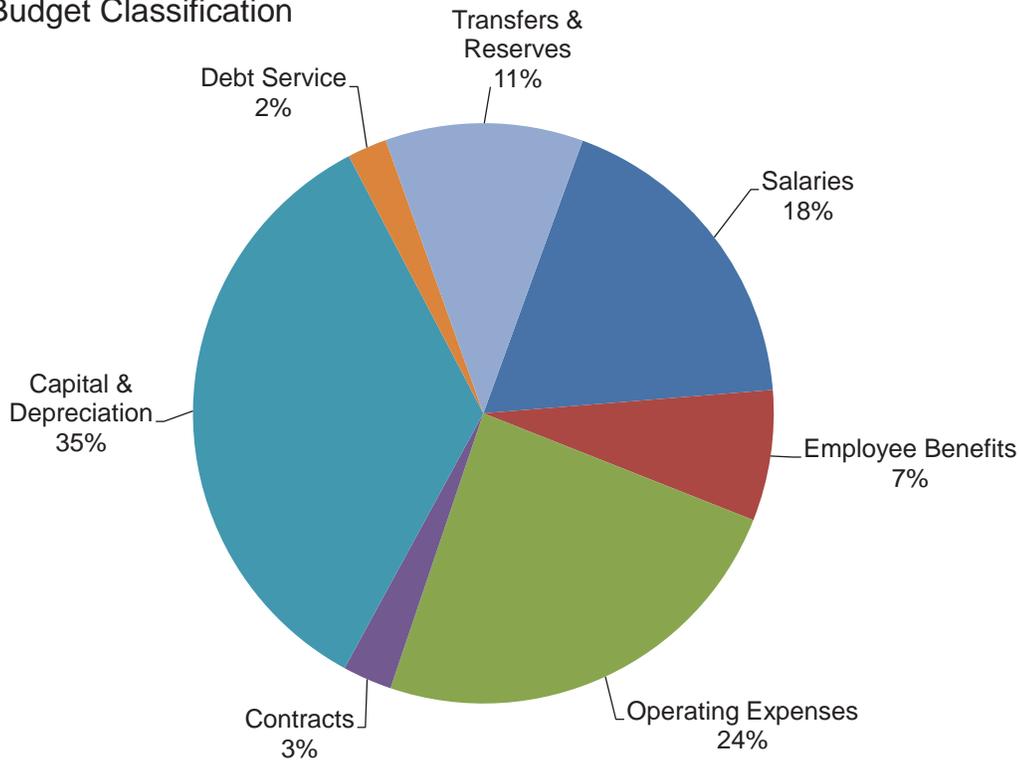
Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
Expenditure Summary by Fund			
Wastewater Capital Fund	53,008	12,765,300	10,301,000
Stormwater Capital Fund	219,910	1,654,310	874,559
Reclaimed Water Capital Fund	-	3,000	5,000
Water Debt Fund	3,683,649	4,022,965	4,020,892
Wastewater Debt Fund	2,505,133	4,801,748	2,568,036
Stormwater Debt Fund	1,722,288	1,751,686	1,751,484
Equipment Rental Fund	1,701,548	2,651,102	2,670,431
Information Mgmt Services Fund	1,495,814	1,905,736	1,950,969
Total Expenditures	91,767,441	135,233,394	122,653,037

Budget At A Glance 2017 Budget Comparison to 2016 Amended Budget				
	2016 Amended	2017 Proposed	Dollar Difference	Percent Difference
General Fund				
Current Expense Fund:				
City Council	456,974	520,456	63,482	13.89%
Contract Services	2,627,314	2,935,250	307,936	11.72%
City Manager	554,746	697,631	142,885	25.76%
Public Affairs & Human Resources	1,261,143	1,488,791	227,648	18.05%
Finance	848,165	883,471	35,306	4.16%
City Attorney	594,585	607,742	13,157	2.21%
Common Facilities	1,677,690	1,634,583	(43,107)	-2.57%
Police	8,560,319	9,423,323	863,004	10.08%
Public Works - Support Services	78,437	80,796	2,359	3.01%
Public Works -Engineering	2,940,140	2,880,792	(59,348)	-2.02%
Public Works - Parks Maintenance	2,590,606	2,714,671	124,065	4.79%
Public Works - Facilities Maintenance	492,971	562,612	69,641	14.13%
Community & Economic Development	2,186,334	2,404,662	218,328	9.99%
Public Works - Water Resources	1,335,552	1,506,157	170,605	12.77%
Parks & Recreation	2,558,111	2,559,968	1,857	0.07%
Sub-total Without Transfer	28,763,087	30,900,905	2,137,818	7.43%
Operating Tranfers - Transfer Out	5,792,863	5,390,347	(402,516)	-6.95%
Total Current Expense Fund	34,555,950	36,229,744	1,673,794	4.84%
Criminal Justice Fund:				
Criminal Justice - Police	1,490,197	792,179	(698,018)	-46.84%
Community Buildings Fund:				
Community Buildings	514,583	541,493	26,910	5.23%
Regional Athletic Complex Fund				
Regional Athletic Complex	1,069,126	1,069,765	639	0.06%
City Street Fund:				
Public Works - Street Maintenance	3,778,974	3,395,156	(383,818)	-10.16%
Capital Equipment Fund:				
Capital Equipment/Projects	1,922,105	981,841	(940,264)	-48.92%
Total General Fund	43,330,935	43,071,686	(259,249)	-0.60%
Capital Projects & Special Funds				
Arterial Street Fund	9,297,323	10,538,655	1,241,332	13.35%
Lodging Tax Fund	460,434	473,500	13,066	2.84%
Community Block Grant Fund	200	200	-	0.00%
Hicks Lake Management District	-	102,000	102,000	100.00%
Building Improvement Fund	418,178	412,923	(5,255)	-1.26%
Parks & Open Space/R.A.C. Fund	1,896,752	828,860	(1,067,892)	-56.30%
Regional Athletic Complex - Capital	901,500	1,102,500	201,000	22.30%
Total Capital Projects & Special Funds	12,974,387	13,458,638	484,251	3.73%
General Obligation Debt Funds				
General Obligation - Tax Supported	2,026,525	1,702,776	(323,749)	-15.98
Local Improvement District Debt	1,047,803	61,328	(986,475)	-94.15%
Total G.O. and L.I.D. Debt	3,074,328	1,764,104	(1,310,224)	-42.62%

Budget At A Glance 2017 Budget Comparison to 2016 Amended Budget				
	2016 Amended	2017 Proposed	Dollar Difference	Percent Difference
Enterprise Funds				
Water Utility:				
Maintenance & Operations	11,110,864	11,253,623	142,759	1.28%
Capital Projects & Reserves	17,380,006	10,687,542	(6,692,464)	-38.51%
Debt & Debt Reserves	4,022,965	4,020,892	(2,073)	-0.05%
Total Water Utility	32,513,835	25,962,057	(6,551,778)	-20.15%
Wastewater Utility:				
Maintenance & Operations	14,870,427	15,058,215	187,788	1.26%
Capital Projects & Reserves	12,765,300	10,301,000	(2,464,300)	-19.30%
Debt & Debt Reserves	4,801,748	2,568,036	(2,233,712)	-46.52%
Total Wastewater Utility	32,437,475	27,927,251	(4,510,224)	-13.90%
Stormwater Utility:				
Maintenance & Operations	2,935,700	3,216,458	280,758	9.56%
Capital Projects & Reserves	1,654,310	874,559	(779,751)	-47.13%
Debt & Debt Reserves	1,751,686	1,751,484	(202)	-0.01%
Total Stormwater Utility	6,341,696	5,842,501	(499,195)	-7.87%
Reclaimed Water Utility:				
Maintenance & Operations	400	400	-	0.00%
Capital Projects & Reserves	3,500	5,000	1,500	42.86%
Total Reclaimed Water Utility	3,900	5,400	1,500	38.46%
Total Enterprise Funds	71,296,906	59,737,209	(11,559,697)	-16.21%
Internal Service Funds				
Equipment Rental Fund	2,651,102	2,670,431	19,329	0.73%
Information Services Fund	1,905,736	1,950,969	45,233	2.37%
Total Internal Service Funds	4,556,838	4,621,400	64,562	1.42%
Total All Funds	135,233,394	122,653,037	(12,580,357)	-9.30%

2017 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	17,232,815	-	-	3,980,875	1,046,141	22,259,831
Employee Benefits	6,535,634	-	-	1,905,192	491,766	8,932,592
Operating Supplies	1,290,899	-	-	1,012,278	794,932	3,098,109
Professional Services	1,880,071	110,000	-	3,074,897	21,750	5,086,718
Communications	274,172	-	-	171,283	28,620	474,075
Training/Travel	239,036	-	-	63,876	34,991	337,903
Advertising	56,100	-	-	-	-	56,100
Rentals/Internal Service Charges	2,843,544	-	-	1,310,889	8,025	4,162,458
Insurance	394,157	-	-	127,811	36,195	558,163
Utilities	1,524,784	-	-	10,863,881	16,001	12,404,666
Repairs & Maintenance	129,140	-	-	495,351	63,624	688,115
Other Miscellaneous	1,209,389	-	-	1,293,154	280,740	2,783,283
Contractual Services	3,092,257	275,000	-	-	-	3,367,257
Capital Equipment & Projects	805,981	11,106,366	-	21,242,669	703,187	33,858,203
Debt Service	173,360	-	1,702,776	821,062	-	2,697,198
Depreciation	-	-	-	7,500,000	816,474	8,316,474
Operating Transfers Out	4,994,572	1,629,972	-	5,395,516	-	12,020,060
Estimated Ending Fund Balance	395,775	337,300	61,328	478,475	278,954	1,551,832
Total Budget	43,071,686	13,458,638	1,764,104	59,737,209	4,621,400	122,653,037

2017 Summary of Expenditures
by Budget Classification



FTE'S By Department	Actual 2012	Actual 2013	Actual 2014	Actual 2015	Actual 2016	Proposed 2017
FTE SUMMARY BY CLASSIFICATION - GENERAL GOVERNMENT						
GENERAL GOVERNMENT						
CITY MANAGER DEPARTMENT						
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 III	0.50	0.50	0.50	0.50	0.50	0.50
Assistant to the City Manager	-	-	-	-	-	1.00
Public Records Assistant (LTE)	-	-	-	-	-	1.00
Total Department	3.50	3.50	3.50	3.50	3.50	5.50
PUBLIC AFFAIRS/HUMAN RESOURCES DEPARTMENT						
Director-Public Affairs/Human Resources	2.00	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
Communications Specialist	1.00	1.00	1.00	1.00	1.00	1.00
Community Liason	-	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 III	1.50	1.50	1.50	1.50	1.50	1.50
Advanced Media Specialist (LTE)	-	-	-	-	-	1.00
Human Resources Specialist (LTE)	-	-	-	-	-	1.00
Total Department	8.50	8.50	8.50	8.50	8.50	10.50
FINANCE DEPARTMENT						
Director-Finance	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
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	1.00	1.00
Department Assistant III	3.00	3.00	3.00	3.00	3.00	3.00
Department Assistant II	1.00	1.00	1.00	1.00	1.00	1.00
Total Department	10.00	10.00	10.00	10.00	10.00	10.00
INFORMATION SERVICES						
Information Services Manager	1.00	1.00	1.00	1.00	1.00	1.00
IS Tech Project Administrator	1.00	1.00	1.00	1.00	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	1.00	1.00
Web Developer	1.00	1.00	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	9.00	9.00	9.00	9.00	9.00	9.00
COMMUNITY AND ECONOMIC DEVELOPMENT						
Director-Community & Econ. 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	-	-	-	-	-
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
Building Code Specialist I (Stormwater)	-	-	-	-	-	1.00
Electrical Inspector	1.00	1.00	1.00	1.00	1.00	1.00
Principal Planner	2.00	1.00	-	-	-	-
Planning Manager	-	-	1.00	1.00	1.00	2.00
Economic Development Coordinator	-	-	1.00	1.00	1.00	1.00
Associate Planner	3.00	3.00	3.00	3.00	3.00	3.00
Land Management Database Specialist	1.00	1.00	1.00	1.00	1.00	1.00

FTE'S By Department	Actual 2012	Actual 2013	Actual 2014	Actual 2015	Actual 2016	Proposed 2017
FTE SUMMARY BY CLASSIFICATION - GENERAL GOVERNMENT CONT.						
Department Assistant III Department Assistant II	2.00 0.75	2.00 -	2.00 -	2.00 -	2.00 -	2.00 -
Total Department	17.75	15.00	16.00	16.00	16.00	18.00
PARKS & RECREATION						
Director-Parks & Recreation	1.00	1.00	1.00	1.00	1.00	1.00
Facilities Manager (RAC)	1.00	1.00	1.00	1.00	1.00	1.00
Recreation Supervisor II	5.00	4.00	4.00	4.00	4.00	4.00
Recreation Supervisor I	1.00	1.00	-	-	-	-
Recreation Coordinator	3.00	3.00	4.00	4.00	4.00	4.00
Recreation Assistant	1.00	1.00	1.00	1.00	1.00	1.00
Department Assistant III	3.00	3.00	3.00	3.00	3.00	3.00
Museum Curator	1.00	1.00	1.00	1.00	1.00	1.00
Total Department	16.00	15.00	15.00	15.00	15.00	15.00
POLICE DEPARTMENT						
Chief	1.00	1.00	1.00	1.00	1.00	1.00
Commander	3.00	3.00	3.00	3.00	3.00	3.00
Lieutenant	1.00	1.00	-	-	-	-
Sergeant	8.00	7.00	8.00	8.00	8.00	8.00
Police Officer/Detective	5.00	5.00	5.00	5.00	5.00	5.00
Police Officer*	37.00	36.00	36.00	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	1.00
Police Services Specialist	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	-	-	-	-	-
Department Assistant III	-	5.00	5.00	4.00	4.00	4.00
Community Service Officer	5.28	2.64	2.64	4.00	4.00	4.00
Total Department * Includes 1 unfilled officer	69.28	64.64	64.64	64.00	64.00	64.00
PUBLIC WORKS DEPARTMENT ENGINEERING DIVISION ADMINISTRATION						
Director-Public Works	1.00	1.00	1.00	1.00	1.00	1.00
Department Assistant III	2.00	1.00	1.00	1.00	1.00	1.00
Management Analyst	1.00	1.00	1.00	1.00	1.00	1.00
Total Department	4.00	3.00	3.00	3.00	3.00	3.00
ENGINEERING						
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	3.00	2.00	2.00	2.00	2.00	2.00
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	16.00	14.00	14.00	14.00	14.00	14.00
Total Department	25.00	22.00	22.00	22.00	22.00	22.00
WATER RESOURCE						
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	2.00
Water Quality Analyst	1.00	1.00	1.00	1.00	1.00	1.00
Engineering Tech III	2.00	2.00	2.00	2.00	2.00	2.00
Civil Engineer	3.00	4.00	5.00	5.00	5.00	5.00

FTE'S By Department	Actual 2012	Actual 2013	Actual 2014	Actual 2015	Actual 2016	Proposed 2017
FTE SUMMARY BY CLASSIFICATION - GENERAL GOVERNMENT CONT.						
Total Department	9.00	10.00	11.00	11.00	11.00	12.00
Total Engineering Division	38.00	35.00	36.00	36.00	36.00	37.00
OPERATIONS DIVISION ADMINISTRATION						
Operations Manager	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
Total Department	3.00	3.00	3.00	3.00	3.00	3.00
EQUIPMENT RENTAL						
Equipment Maintenance Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Equipment Mechanic	2.00	2.00	2.00	2.00	2.00	2.00
Total Department	3.00	3.00	3.00	3.00	3.00	3.00
PARKS MAINTENANCE						
Parks Maintenance Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Senior Maintenance Technician (1 at RAC)	3.00	3.00	3.00	3.00	3.00	3.00
Maint Tech Journey Level (1 at RAC)	11.00	11.00	11.00	11.00	11.00	12.00
Horticulture Technician	1.00	1.00	1.00	1.00	1.00	1.00
Maintenance Assistant (RAC)	-	-	-	1.00	1.00	1.00
Maintenance Attendant	0.50	0.50	0.50	-	-	-
Total Department	16.50	16.50	16.50	17.00	17.00	18.00
FACILITIES MAINTENANCE						
Senior Facilities Maintenance Technician	1.00	1.00	1.00	1.00	1.00	1.00
Maintenance Technician Journey Level						1.00
Total Department	1.00	1.00	1.00	1.00	1.00	2.00
CITY STREETS						
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	6.00	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
Electrical Maintenance Technician	2.00	2.00	2.00	2.00	2.00	2.00
Total Department	11.50	11.50	11.50	11.50	11.50	11.50
Total Operations Division	35.00	35.00	35.00	35.50	35.50	37.50
Total PW Dept (General Governmental)	73.00	70.00	71.00	71.50	71.50	74.50
TOTAL GENERAL GOVERNMENT	207.03	195.64	197.64	197.50	197.50	206.50
ENTERPRISE FUNDS						
CUSTOMER SERVICE-FINANCE WATER DIVISION						
Customer Service Supervisor	0.80	0.80	0.80	0.80	0.80	0.80
AMI Tech	1.75	1.75	1.75	1.75	1.75	1.75
Department Assistant III	0.90	0.90	0.90	0.90	0.90	0.90
WASTEWATER DIVISION						
Customer Service Supervisor	0.20	0.20	0.20	0.20	0.20	0.20
AMI Tech	0.25	0.25	0.25	0.25	0.25	0.25

FTE'S By Department	Actual 2012	Actual 2013	Actual 2014	Actual 2015	Actual 2016	Proposed 2017
<u>FTE SUMMARY BY CLASSIFICATION - ENTERPRISE FUNDS CONT.</u>						
Department Assistant III	0.10	0.10	0.10	0.10	0.10	0.10
Total Customer Service-Finance	4.00	4.00	4.00	4.00	4.00	4.00
PUBLIC WORKS OPERATIONS WATER DIVISION						
Department Assistant III	0.50	0.50	0.50	0.50	0.50	0.50
Water/Wastewater 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
Sr. Water Distribution Tech	1.00	1.00	1.00	1.00	1.00	1.00
Sr Water Production Tech	1.00	1.00	1.00	1.00	1.00	1.00
Maint. Tech Control Spec. Plant Operator	2.00	3.00	3.00	3.00	3.00	3.00
Maintenance Tech Control Specialist JL	1.00	-	-	-	-	-
Maintenance Technician Journey Level	11.00	11.00	11.00	11.00	11.00	11.00
Water Treatment Plant Operator	2.00	2.00	2.00	2.00	2.00	2.00
Total Department	20.00	20.00	20.00	20.00	20.00	20.00
WASTEWATER DIVISION						
Department Assistant III	0.50	0.50	0.50	0.50	0.50	0.50
Water/Wastewater 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
Sr. Liftstation Tech	1.00	1.00	1.00	1.00	1.00	1.00
Maintenance Tech Control Specialist JL	2.00	2.00	2.00	2.00	2.00	2.00
Maintenance Technician Journey Level	10.00	10.00	10.00	10.00	10.00	11.00
Total Department	15.00	15.00	15.00	15.00	15.00	16.00
STORMWATER DIVISION						
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	1.00	1.00	1.00	1.00
Maintenance Technician Journey Level	3.00	3.00	3.00	3.00	3.00	3.00
Sweeper Operator	1.00	1.00	1.00	1.00	2.00	2.00
Total Department	6.50	6.50	6.50	6.50	7.50	7.50
Total Operations	41.50	41.50	41.50	41.50	42.50	43.50
TOTAL ENTERPRISE FUNDS	45.50	45.50	45.50	45.50	46.50	47.50
TOTAL CITY FTE'S	252.53	241.14	243.14	243.00	244.00	254.00
Salary information available upon request. Contact Human Resource Department						

2017 Capital Budget	
Department/Description	Proposed Budget
City Manager/HR/CS&PA	
Lacey Veterans Services HUB Signage	25,000
Meeting Room Furniture	7,000
Electrical Improvements for 3rd of July Celebration	5,000
Upgrade City Council iPads	3,543
50th Anniversary Public Art	100,000
Police	
Front Counter Remodel - Security	30,000
Speed Signs (2)	7,989
Surefire M600 Lights for AR15's (50)	12,229
Office Furniture for Sergeants Offices	11,868
Suppressors for Four LPD Officers	3,600
Common Facilities - Library	
Window Film	4,223
Family Bathroom	40,000
Common Facilities - City Hall	
Emergency Operations Center Equipment	20,000
Lock System for Water Dept Facilities	60,000
Design for new Stormwater/Transportation Work and Storage Areas	50,000
One-Year Trial for Verizon Network Fleet Telematics	3,240
PW - Parks Maintenance	
Lean to/Awnings for storage (2) at Rainier Vista	3,500
Irrigation Booster Pump for Rainier Vista	15,000
Skid Sprayer Replacement 55 gallon	4,400
Skid Sprayer Replacement 110 gallon	4,700
PW - Facilities Maintenance	
Carpet Replacement - Maintenance Shop	18,500
Exterior Painting and Fascia Board Replacement - Museum	10,200
Re-Roof Museum	12,500
Used 19' Genie Scissorlift	6,500
Public Works City Hall Workspace Modifications	10,000
Maintenance Shop Asphalt Replacement	225,000
Common Facilities - City Hall	
Rebrand Woodland District	30,000
Parks & Recreation	
Woodland Creek Community Park Trail Connection	117,288
Long Lake Park Beach Improvements	50,000
Master Plan for Museum/5700 Pacific	150,000
PW - Streets	
Flail Head for Slope Mower	13,500

2017 Capital Budget	
Department/Description	Proposed Budget
Regional Athletic Complex (RAC)	
New Irrigation Pump Package for RAC Phase 1	21,000
Fence Repairs and Alterations	21,000
New Soccer Goal Sets (3)	8,000
Security Camera System	150,000
PW - Wastewater M&O	
Workhorse Grunman Cargo Van (Wastewater)	191,072
PW - Stormwater M&O	
Hand-Held Line Camera	19,750



CITY
OF **LACEY**

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Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Current Expense Fund - Revenues</i>				
Revenues				
001-0000-308.00-00	Estimated Beginning Cash	-	316,643	1,280,691
001-0000-311.10-00	Property Taxes-Current	5,362,813	5,500,871	5,737,839
001-0000-311.15-00	Property Taxes-Delinquent	56,896	150,000	150,000
001-0000-313.10-00	Sales Taxes	9,240,676	8,373,364	9,029,744
001-0000-316.10-00	Business & Occupation Tax	1,969,473	1,893,858	2,222,242
001-0000-316.20-00	Admissions Tax	271,832	275,000	285,000
001-0000-316.41-00	Utility Tax/Electric	2,020,268	2,054,309	2,325,657
001-0000-316.42-00	Utility Tax/Water-Private	4,556	3,910	4,387
001-0000-316.43-00	Utility Tax/Gas	679,894	714,079	650,327
001-0000-316.45-00	Utility Tax/Solid Waste	348,228	357,506	361,348
001-0000-316.47-01	Utility Tax/Telephone	1,176,421	1,278,607	1,071,423
001-0000-316.52-00	Utility Tax/Olympia City	2,377	1,775	1,785
001-0000-316.70-00	Utility Tax/Lacey Utility	-	1,656,642	1,860,459
001-0000-316.72-00	Water Utility Tax	707,579	-	-
001-0000-316.72-10	Fire Suppression Util Tax	690,499	601,250	746,192
001-0000-316.74-00	Wastewater Utility Tax	853,226	-	-
001-0000-316.78-00	Stormwater Utility Tax	160,798	-	-
001-0000-317.20-00	Leasehold Excise Taxes	161	500	500
001-0000-317.51-00	Punch Board & Pull Tabs	49,676	50,000	50,000
001-0000-317.53-00	Amusement Games	-	100	100
001-0000-317.54-00	Card Games	385,702	350,000	350,000
001-0000-319.60-00	B & O Penalties	20	250	250
001-0000-321.60-00	Professional & Occupation	5,175	5,200	5,200
001-0000-321.70-00	Amusement Licenses	1,425	1,500	1,500
001-0000-321.90-00	Business Licenses	56,711	60,000	63,167
001-0000-321.91-00	Franchise Fees	669,016	650,000	700,000
001-0000-322.10-00	Building Permits	927,872	660,000	750,000
001-0000-322.11-00	Mechanical Permits	67,353	60,000	60,000
001-0000-322.12-00	Plumbing Permits	80,775	70,000	80,000
001-0000-322.13-00	Electrical Permits	186,705	140,000	150,000
001-0000-322.14-00	Tree Protection Fees	22,306	15,000	15,000
001-0000-322.40-00	Street & Curb Permits	41,913	30,000	30,000
001-0000-322.41-00	Banner/Sign Permits	500	-	-
001-0000-322.90-00	Gun Permits	14,587	10,000	12,500
001-0000-331.16-92	EQUITABLE SHARING	21,618	-	-
001-0000-331.95-00	ONDCP-HIDTA	44,448	-	-

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Current Expense Fund - Revenues</i>				
Revenues				
001-0000-333.10-55	Child Nutrition Program	60,874	63,500	63,500
001-0000-333.16-00	DOJ	136,626	-	-
001-0000-333.20-60	CFDA 20.60X	9,722	5,000	5,000
001-0000-334.05-10	SPI - SFSP	2,808	-	-
001-0000-334.05-40	Work Study	-	3,000	-
001-0000-335.03-01	LEOFF Plan Contribution	181,442	-	-
001-0000-336.06-41	Marijuana Enforcement	8,726	17,451	27,573
001-0000-336.94-00	Liquor Excise Tax	150,030	203,869	222,012
001-0000-336.95-00	Liquor Board Profits	397,530	396,232	401,713
001-0000-337.15-00	Thurs Cty Historic Comm	3,424	-	-
001-0000-337.69-10	Stay-At-Work Program	20,757	3,000	3,000
001-0000-338.21-00	Law Enforcement Service	13,995	-	-
001-0000-338.27-00	NTPS Security Contract	140,000	140,000	140,000
001-0000-338.39-00	Animal Services Admin	93,843	99,768	99,768
001-0000-338.40-00	Drug Unit Services	10,246	-	-
001-0000-341.50-00	Public Records/Reports	263	750	500
001-0000-341.53-00	Notary Services	783	500	350
001-0000-341.54-00	NSF Fees	225	150	150
001-0000-341.55-00	Police Taxable Fees	8,412	6,000	6,000
001-0000-341.70-10	Misc. Taxable Sales	178	100	100
001-0000-341.99-00	Passport Fees	29,550	27,500	27,500
001-0000-342.10-10	Nisqually MOA-Trust Prop.	1,056	1,000	1,000
001-0000-342.10-12	Polygraph Fees	-	2,500	2,500
001-0000-342.10-13	Overtime-Police Services	10,794	168,000	378,000
001-0000-342.40-01	Inspection Services	3,437	2,000	2,000
001-0000-343.95-00	RBRRP Abatement Charges	4,260	4,500	4,500
001-0000-345.81-00	Zonning/Subdivision Fees	102,368	75,000	60,000
001-0000-345.83-00	Plan Checking Fees	7,876	15,000	-
001-0000-345.83-01	Plan Check Fees	538,087	250,000	250,000
001-0000-347.60-20	Youth & Teen Programs	176,995	194,500	194,500
001-0000-347.60-40	Aquatics Programs	231,067	235,000	235,000
001-0000-347.60-50	Physical Activities Prog	164,835	211,335	175,500
001-0000-347.60-60	Cultural Arts & Educ Prog	74,940	64,000	64,000
001-0000-347.60-70	Outdoor Activities Prog	38,679	36,200	36,200
001-0000-347.60-80	Fitness Program	24,226	26,500	26,500
001-0000-347.60-90	Special Events Program	18,894	18,000	18,000
001-0000-347.62-00	Shelter Fees	14,725	10,000	10,000

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Current Expense Fund - Revenues</i>				
Revenues				
001-0000-347.63-00	Tumwater Pool Agreement	16,290	16,291	16,291
001-0000-347.64-00	Lacey ACT-Program Fees	32,800	35,500	35,500
001-0000-347.65-00	Field Use Fees	48,221	35,000	45,000
001-0000-347.65-10	Field Use Fees-NTSD	38,969	31,000	36,000
001-0000-347.65-20	Field Use Fees-Nisqually	3,407	75,000	-
001-0000-347.90-01	HOA-Conf/Participant Fees	2,505	-	-
001-0000-348.94-00	Parks & Recreation Serv.	3,446	-	-
001-0000-348.95-00	Engineering Services Fees	1,712,288	1,976,049	1,891,844
001-0000-348.95-10	Engineering Svc - Culture	599	-	-
001-0000-348.95-20	Engineering Svc - Transp	495,833	662,904	510,777
001-0000-348.96-00	Parks Maintenance Service	15,441	39,244	25,163
001-0000-348.96-20	Parks Maint - Streets	337,852	338,406	353,293
001-0000-348.99-00	Water Resources Services	1,571,869	1,601,515	1,911,100
001-0000-349.20-00	Project Administration	14,389	-	-
001-0000-351.10-00	District Court	226,098	275,000	225,000
001-0000-351.20-00	Lacey Violations	203,843	250,000	200,000
001-0000-351.40-00	Red Light Cameras	139,102	-	-
001-0000-359.60-01	B&O Penalties	10	-	-
001-0000-361.11-00	Investment Interest	45,745	50,000	100,000
001-0000-361.40-00	Interest Sales Tax	4,324	5,000	6,500
001-0000-362.50-10	Lease - Consessionaire	1,925	1,200	1,200
001-0000-362.50-20	Lease - Facilities	25,483	25,000	25,000
001-0000-362.80-00	Concession Commission	310	1,750	1,750
001-0000-367.10-01	Contributions-General	35	-	-
001-0000-367.10-02	Contribution-Police	7,020	500	-
001-0000-367.10-03	Contribution-Parks-Gen.	50	100	-
001-0000-367.10-04	Cont.-Parks Sponsor/Event	52,527	45,500	-
001-0000-367.10-05	Contribution-Museum	369	-	-
001-0000-367.10-06	Cont.-Summer Lunch Prog.	10,214	4,500	4,500
001-0000-367.10-07	Cont.-Parks-Youth Scholar	1,250	1,000	1,000
001-0000-367.10-08	Contr.- TOGETHER Parks	10,000	5,000	-
001-0000-367.22-10	Wild Waves Donations	-	1,000	-
001-0000-369.10-00	Sale of Scrap & Surplus	5	100	100
001-0000-369.13-00	Proceeds of Capital Asset	2,906	-	-
001-0000-369.20-00	Unclaimed Property	1,347	2,500	1,000
001-0000-369.30-00	Sale of Forfeited Prop.	1,655	1,000	1,000
001-0000-369.40-00	Court Fees /Judgments	10,240	3,000	3,000

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Current Expense Fund - Revenues</i>				
Revenues				
001-0000-369.41-00	False Alarm	5,400	3,500	3,500
001-0000-369.43-00	Seizure Funds	14,698	-	-
001-0000-369.45-00	AWC-Well City Discount	(13)	-	-
001-0000-369.81-00	Cash Over & Short	(30)	-	-
001-0000-369.90-00	Other Misc Revenue	-	5,000	2,500
001-0000-369.90-10	Misc. Revenue-Museum	19	-	-
001-0000-369.90-20	Parks-Event Raffles	1,006	-	-
001-0000-369.95-00	Multi-Housing Program	520	500	500
001-0000-391.50-00	Capital Lease (noncash)	40,924	-	-
001-0000-397.01-00	Transfer In 302 Fund	-	560,000	-
001-0000-397.10-01	Transfer in 303 Fund	386,147	392,838	391,057
001-0000-397.10-02	Transfer in 109 Fund	48,500	50,334	48,500
001-0000-397.10-03	Transfer In 101 Fund	-	500,000	-
Total Current Expense Fund Revenues		34,338,710	34,555,950	36,291,252

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 2017 budget for the City Council is **\$520,456**. 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

2017 PROGRAMS, GOALS AND PRIORITIES

- Maintain Lacey's record as a safe and secure community.
- Explore potential partnership opportunities with the Port of Olympia.
- Support efforts for job creation, new livable wage jobs, and promote the diversification of the community's businesses and employment sector.
- Monitor revenues and expenditures to ensure the financial solvency of the City.
- Continue to explore opportunities to make Lacey's "Community Connector" partnership with the JBLM Stryker Brigade stronger.
- Secure the Gateway Town Center vision and promote the construction on a major urban center along Interstate 5.
- Collaborate with neighboring jurisdictions, the County, Thurston Regional Planning Council, and Department of Transportation (WSDOT) in the development of a regional plan for relieving congestion along I-5 through Thurston County.
- Continue City's stewardship initiative within the Woodland Creek basin.
- Maintain and support partnerships that can assist Lacey veterans.
- Engage the Washington State Legislature on the City's legislative priorities.

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Current Expense Fund - Expenditures</i>				
City Council				
Council Services				
001-0301-511.10-01	Salaries-Regular	115,380	119,580	122,583
001-0301-511.20-01	Employer Paid Benefits	9,025	9,400	11,493
001-0301-511.31-01	Office & Operating Supply	445	2,000	2,000
001-0301-511.41-01	Prof. Svc-Other	-	6,500	6,500
001-0301-511.42-01	Telecommunications	2,033	2,040	2,040
001-0301-511.43-01	Transportation/Per Diem	12,751	13,500	13,500
001-0301-511.43-03	Registrations	5,559	9,500	9,500
001-0301-511.45-02	IMS Rentals	9,675	15,470	17,368
001-0301-511.46-03	Insurance-Fidelity	2,451	2,229	2,458
001-0301-573.49-12	Special Events	12,138	67,780	67,780
Total Council Services		169,457	247,999	255,222
Boards/Memberships				
001-0302-519.49-14	Association of WA Cities	31,115	31,912	33,171
001-0302-519.49-15	National League of Cities	3,813	3,813	3,813
001-0302-519.49-19	Neighborhood Grant Prog	-	-	25,000
001-0302-519.49-41	ICLEI	-	600	600
001-0302-519.49-50	Military Support	40,000	150,000	175,000
001-0302-572.31-30	Other Boards/Memberships	6,707	12,450	12,450
Total Boards/Memberships		81,635	198,775	250,034
Youth Initiatives				
001-0304-511.49-42	WIN Program	7,893	8,000	8,000
001-0304-511.49-47	Sister City Program	1,880	2,200	7,200
Total Youth Initiatives		9,773	10,200	15,200
Total City Council		260,865	456,974	520,456

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 2017 budget for Contracted Services is **\$2,935,250**. 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 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:

TCOMM 911 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:

The City continues in its efforts to maintain and implement an emergency preparedness plan in the event of a significant event impacting the community. This fund supports ongoing training for city departments and education to the community.

Health and Human Services

SOCIAL SERVICES:

Lacey, Olympia, and Tumwater annually contribute funding through an Intergovernmental partnership called the Health and Human Services Council (HHSC) to help support various social services programs. Annually the cities distribute 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 Management

REGIONAL PLANNING:

The City of Lacey is a partner with the Thurston Regional Planning Council (TRPC) 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 Services

ELECTION/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!, a non-profit, 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.

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Current Expense Fund - Expenditures</i>				
Contracted Services				
Contracted Services				
001-0401-511.58-18	Election/Voter Registrare	65,736	100,000	250,000
001-0401-511.58-21	Inter-governmental	97,000	96,064	100,000
001-0401-512.58-12	District Court	409,180	505,500	555,500
001-0401-512.58-13	Public Defender-Indigent	357,566	400,000	400,000
001-0401-521.49-08	Witness Fees	-	-	1,000
001-0401-521.49-09	Interpreter Service	-	-	6,500
001-0401-521.58-24	Victim Advocate	45,000	42,644	55,000
001-0401-523.58-10	Th Co Corrections	12,053	37,775	37,775
001-0401-523.58-11	Other Jail Services	584,625	752,279	810,129
001-0401-523.58-12	Medical Services	29,171	40,000	40,000
001-0401-525.58-22	Emergency Services Prog.	6,420	14,967	11,000
001-0401-528.58-05	Central Dispatch	5,550	6,274	6,274
001-0401-531.58-01	Pollution Control Auth.	19,958	20,394	34,515
001-0401-539.58-04	Joint Animal Services	240,779	248,696	248,696
001-0401-552.58-14	Dispute Resolution Center	3,100	3,100	3,100
001-0401-552.58-15	Social Services-HHSC	40,649	42,212	47,852
001-0401-552.58-16	TOGETHER	15,000	15,000	15,000
001-0401-552.58-17	Social Svc-Local Grants	-	15,000	-
001-0401-552.58-18	G.R.U.B.	2,000	2,000	2,500
001-0401-552.58-24	Foreign Trade Zone	70	3,000	3,000
001-0401-557.58-17	Th Community TV	94,349	102,561	102,561
001-0401-558.58-02	Thurston Region Planning	93,003	92,832	92,832
001-0401-559.58-03	Economic Develop. Council	27,083	25,000	50,000
001-0401-566.58-07	Th Co Social Services S/A	10,951	8,360	8,360
001-0401-573.58-20	IT/Amtrak	9,313	10,656	10,656
001-0401-573.58-23	Community Market	130	43,000	43,000
001-0401-598.52-10	Grant Proceeds	202,693	-	-
Total Contracted Services		2,371,379	2,627,314	2,935,250



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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 2017 budget for the office of the City Manager is **\$697,631**. 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, Assistant to the City Manager, Public Records Assistant and a one half-time Department Assistant III to provide technical and administrative support to the City Manager and the City Council.

2017 PROGRAMS, GOALS AND PRIORITIES

- Monitor revenues and expenditures to ensure the financial solvency of the City.
- 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 e-government solutions that enhance registrations, payment options, stream Council meetings, and improve service to the community.
- Assist efforts to finalize Masterplan for the proposed Gateway Town Center Project.
- Continue to build upon the City's strong environmental stewardship efforts with an emphasis on water quality improvements and energy efficiency.
- Represent Lacey on the South Sound Military and Communities Partnership initiative.
- Effectively coordinate the accomplishment of the City Council's strategic goals and priorities.

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Current Expense Fund - Expenditures</i>				
City Manager				
Administration				
001-0501-513.10-01	Salaries-Regular	243,913	253,131	362,869
001-0501-513.10-06	Salaries-Part-Time	-	5,000	-
001-0501-513.20-01	Employer Paid Benefits	104,395	114,738	158,710
001-0501-513.31-01	Office & Operating Supply	1,885	2,600	2,600
001-0501-513.41-01	Prof. Svc-Other	50	1,000	1,000
001-0501-513.42-01	Telecommunications	362	350	350
001-0501-513.43-01	Transportation/Per Diem	1,621	3,000	3,000
001-0501-513.43-02	Dues, Subscriptions, Publ	3,457	3,750	3,750
001-0501-513.43-03	Registrations	985	1,700	1,700
001-0501-513.45-02	IMS Rental	8,729	8,334	8,834
Total Administration		365,397	393,603	542,813
City Clerk/Records Management				
001-0502-514.10-01	Salaries-Regular	88,345	90,498	92,351
001-0502-514.10-06	Salaries-Part-Time	-	11,475	-
001-0502-514.20-01	Employer Paid Benefits	25,421	31,095	30,647
001-0502-514.31-01	Office & Operating Supply	1,060	1,000	1,000
001-0502-514.41-06	Codification/Microfilm	11,293	12,000	12,000
001-0502-514.41-07	Records Destruction	3,660	4,000	4,000
001-0502-514.43-02	Dues, Subscriptions, Publ	670	1,000	1,000
001-0502-514.43-03	Registrations	1,240	1,000	2,000
001-0502-514.44-04	Ordinances & Resolutions	7,237	5,000	7,500
001-0502-514.45-02	IMS Rental	4,268	4,075	4,320
001-0502-519.25-01	Settlements-Public Record	15,000	-	-
Total City Clerk/Records Management		158,194	161,143	154,818
Total City Manager		523,591	554,746	697,631

PUBLIC AFFAIRS AND HUMAN RESOURCES

HUMAN RESOURCES

The Human Resources Division is responsible for providing administrative and support services to all City departments related to the recruitment, training, performance, compensation, and benefits of the City's work force. In addition, this division manages labor contract negotiations and employee relations. 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 within the Human Resources Division:

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

Human Resources services are provided by a Senior Management Analyst, two Human Resources Analysts, a Human Resource Specialist, an Advanced Media Specialist, and a Department Assistant III. This division is managed by the Public Affairs and Human Resources Director.

PUBLIC AFFAIRS

The Public Affairs Division 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, and serving as a resource for the resolution of citizen concerns and/or complaints. These activities include:

- Publication of the City's e-newsletter, *Lacey Life*.
- Managing content and providing oversight of the City's website and social media sites.
- Providing information about City activities through community meetings and public Forums.
- Developing community engagement opportunities.
- Fostering creation of ongoing relationships with neighborhood and homeowners' associations.
- Administering the City's contractual agreements with Joint Animal Services, Comcast Cable, and Thurston Community Television.
- Overseeing various community events including Lacey Days, Third of July Freedom Concert, Fireworks Spectacular and the 50th Anniversary Celebration.
- Responding to citizen questions, complaints, and concerns.
- Grant writing and administration for special community projects.
- Assisting local and regional media agencies by providing timely information and response to stories affecting Lacey.

BUDGET SUMMARY

The total 2017 budget for Public Affairs and Human Resources is **\$1,488,791**.

2017 PROGRAMS, GOALS AND PRIORITIES

- Implement required Health Care Reform Act changes to the City's medical insurance plans; seek opportunities to introduce options to employees that encourage wise health care consumerism and reduce premium costs.
- Review and update the City policy manual.
- Develop and implement comprehensive supervisor and manager training program.

- Create training opportunities that meet the organization's needs and promote employee growth and development.
- Seek ways to increase outreach for recruitments and ensure diverse and qualified applicant pools.
- Solicit feedback from citizens about the most effective ways to obtain information about the City.
- Explore ideas for enhanced marketing and "branding" of Lacey as a community.
- Provide liaison services and staff support to Animal Services and the Joint Animal Services Commission (JASCOM).
- Enhance communication between City Hall and neighborhood associations.
- Strengthen Community Connector program with Joint Base Lewis McChord (JBLM).
- Coordinate various community events such as Lacey Days and 3rd of July Freedom Concert, Fireworks Spectacular events with community partners.
- Coordinate the City's 50th Anniversary celebration.
- Implement next phase of wayfinding signage project.
- Oversee Records Management project.
- Expand social media presence.
- Continue project coordination for the Work Involvement Now (W.I.N.) program.
- Work with TCTV, Olympia, and Thurston County to more fully utilize the government and education channels.
- Acquire grant funding for 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 (Lacey Chamber of Commerce, Saint Martin's, SPSCC, Panorama) that will benefit the Lacey community.

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Current Expense Fund - Expenditures</i>				
Public Affairs/Human Resources				
General Services				
001-0701-516.10-01	Salaries-Regular	295,565	321,987	394,650
001-0701-516.10-05	Salaries-Overtime	8,970	1,500	1,500
001-0701-516.10-06	Salaries-Part-Time	-	2,500	2,500
001-0701-516.20-01	Employer Paid Benefits	127,776	144,796	156,246
001-0701-516.31-01	Office & Operating Supply	5,765	6,500	6,500
001-0701-516.31-04	Supplies - Testing/Exam	6,986	1,560	1,560
001-0701-516.41-01	Prof. Svc-Other	4,370	31,673	31,673
001-0701-516.41-03	Prof. Svc-Consultant	15,585	41,000	41,000
001-0701-516.43-01	Transportation/Per Diem	47	2,800	2,800
001-0701-516.43-02	Dues, Subscriptions, Publ	749	2,700	2,700
001-0701-516.43-03	Registrations	188	4,000	4,000
001-0701-516.44-01	Adv/Full-Time Position	6,660	17,400	17,400
001-0701-516.44-02	Adv/Part-Time Position	275	5,000	5,000
001-0701-516.45-02	IMS Rental	10,750	11,076	12,633
001-0701-516.49-02	Printing & Binding	150	3,500	3,500
001-0701-516.49-05	Professional Development	15,590	26,590	26,590
001-0701-516.49-56	Emp Perform Recognition	9,718	13,000	13,000
Total General Services		509,144	637,582	723,252
Risk Management/Loss Control				
001-0702-514.10-01	Salaries-Regular	34,274	36,154	37,835
001-0702-514.10-05	Salaries-Overtime	259	-	-
001-0702-514.20-01	Employer Paid Benefits	18,624	19,926	21,377
001-0702-514.41-03	Prof. Svc-Consultant	3,120	5,000	5,000
001-0702-514.42-01	Telecommunications	-	150	150
001-0702-514.43-02	Dues, Subscriptions, Publ	747	961	961
001-0702-514.49-17	Pre-employment Medicals	2,231	5,000	5,000
001-0702-514.49-18	Wellness Prog. AWC-Grant	11,151	11,000	11,000
001-0702-514.49-43	Drug & Alcohol Testing	3,553	4,500	4,500
Total Risk Management/Loss Control		73,959	82,691	85,823

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Current Expense Fund - Expenditures</i>				
Public Affairs/Human Resources				
Public Affairs				
001-0703-513.10-01	Salaries-Regular	322,339	334,889	420,800
001-0703-513.10-05	Salaries-Overtime	463	-	-
001-0703-513.10-06	Salaries-Part-Time	1,025	3,000	14,520
001-0703-513.20-01	Employer Paid Benefits	117,674	128,081	157,174
001-0703-513.31-01	Office & Operating Supply	3,933	3,800	3,800
001-0703-513.41-01	Prof. Svc-Other	11,697	18,500	18,500
001-0703-513.43-01	Transportation/Per Diem	501	750	750
001-0703-513.43-02	Dues, Subscriptions, Publ	2,196	2,700	2,700
001-0703-513.43-03	Registrations	515	1,000	1,500
001-0703-513.45-02	IMS Rental	15,752	16,650	18,472
001-0703-513.49-02	Printing & Binding	2,536	2,500	2,500
001-0703-573.49-12	Special Events	4,656	7,000	17,000
001-0703-573.49-20	Special Projects	1,704	10,000	10,000
001-0703-573.49-21	LaceyLife Newsletter	3,131	12,000	12,000
Total Public Affairs		488,122	540,870	679,716
Total Public Affairs/Human Resources		1,071,225	1,261,143	1,488,791

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, revenue collections for all utility customers 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 23 full-time employees that are budgeted in the Current Expense, Utilities, and Information Management Services Funds.

BUDGET SUMMARY

The 2017 budget for the Finance Department is **\$883,471**. The Information Services division is listed under a separate budget because their expenses are managed as a separate fund. Finance Department costs assigned to Utility Billing are budgeted in each of the Utilities.

2017 PROGRAMS, GOALS AND PRIORITIES

- Maintain compliance with all financial reporting standards.
- Provide excellent customer service to external and internal customers.
- Revenue monitoring, forecasting and enhancement.
- Pursue GFOA certification of Lacey's Comprehensive Annual Financial Report.
- Implement procurement card system.
- Evaluate credit card payment processing systems for PCI compliance.
- Evaluate enhancement phone system call features.

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Current Expense Fund - Expenditures</i>				
Finance				
Finance				
001-1401-514.10-01	Salaries-Regular	495,708	512,069	519,707
001-1401-514.10-05	Salaries-Overtime	1	850	850
001-1401-514.20-01	Employer Paid Benefits	224,265	244,363	258,745
001-1401-514.31-01	Office & Operating Supply	3,240	5,000	5,000
001-1401-514.41-05	Prof. Svc-Audit	24,384	36,100	50,250
001-1401-514.43-01	Transportation/Per Diem	1,237	2,515	5,000
001-1401-514.43-02	Dues, Subscriptions, Publ	1,722	2,175	2,175
001-1401-514.43-03	Registrations	3,327	2,450	5,000
001-1401-514.45-02	IMS Rental	32,950	29,241	32,792
001-1401-514.48-01	Rep & Maint-Equipment	-	100	100
001-1401-514.49-02	Printing & Binding	-	3,950	1,000
001-1401-514.49-06	Maintenance Contracts	1,305	500	1,500
001-1401-514.49-08	Witness Fee-Court	2,734	1,000	-
001-1401-514.49-09	Interpreter Svcs-Court	8,123	6,500	-
001-1401-514.49-30	Software Maintenance	-	1,352	1,352
Total Finance		798,996	848,165	883,471

LEGAL SERVICES

The Ahlf Law Office contractually provides a city appointed City Attorney, 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.

The Office also represents the City in Washington State Superior or Appellate Court actions, Joint Animal Control legal actions, and work performed for the city when acting in a proprietary as distinguished from a governmental capacity. These services are billed separately and are included in appropriate project or enterprise funds.

BUDGET SUMMARY

The total 2017 budget for City Attorney is **\$607,742**.

2017 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, wastewater and other City projects.

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Current Expense Fund - Expenditures</i>				
Legal Services				
Legal Services				
001-1501-515.41-08	Prof. Svc-Litigation	11,332	3,000	5,000
001-1501-515.41-09	Prof. Svc-Prosecution	332,918	339,561	346,353
001-1501-515.41-15	Governmental Services	213,987	218,266	222,631
001-1501-515.43-02	Dues, Subscriptions, Publ	625	-	-
001-1501-515.49-07	Support Services	24,998	33,758	33,758
Total Legal Services		583,860	594,585	607,742

COMMON FACILITIES

The Common Facilities budget provides funding for maintaining and operating City Hall 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 2017 budget for Common Facilities is **\$1,634,583**. This amount maintains the current level of services for City Hall and Library services.

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Current Expense Fund - Expenditures</i>				
Common Facilities Overhead				
City Hall & Library Operations				
001-1901-519.31-01	Office & Operating Supply	12,375	20,370	20,370
001-1901-519.41-01	Prof. Svc-Other	5,656	40,846	40,846
001-1901-519.42-01	Telecommunications	15,379	52,913	52,913
001-1901-519.42-02	Communications-Postage	35,857	56,300	56,300
001-1901-519.45-01	Equipment Rental	15,263	17,467	16,459
001-1901-519.45-02	IMS Rental	716,622	739,960	773,746
001-1901-519.45-03	Copier Rental	20,774	73,700	73,700
001-1901-519.45-08	Lease Miscellaneous	110	500	500
001-1901-519.46-01	Insurance-Liability	268,519	339,601	263,078
001-1901-519.46-02	Insurance-Fire/Property	34,201	32,788	33,297
001-1901-519.46-06	AWC-L & I Pool	16,080	16,418	16,418
001-1901-519.47-01	Utility-Electric	118,853	148,000	148,000
001-1901-519.47-02	Utility-City of Lacey	12,319	12,300	12,300
001-1901-519.47-07	Utility-Solid Waste	1,745	3,000	3,000
001-1901-519.48-01	Rep & Maint-Equipment	-	3,700	3,700
001-1901-519.49-02	Printing & Binding	5,359	8,000	8,000
001-1901-519.49-06	Maintenance Contracts	27,173	38,974	38,974
001-1901-519.49-25	Assessments/Taxes	845	2,050	2,050
001-1901-519.49-27	Bad Debt Expense	(59)	1,000	1,000
001-1901-572.46-02	Insurance-Fire/Property	8,675	8,317	8,446
001-1901-572.47-01	Utility-Electric	48,633	50,000	50,000
001-1901-572.47-02	Utility-City of Lacey	6,612	9,000	9,000
001-1901-572.47-07	Utility-Solid Waste	1,571	1,500	1,500
001-1901-572.48-01	Rep & Maint-Equipment	-	250	250
001-1901-572.49-06	Maintenance Contracts	-	736	736
001-1901-591.75-01	Capital Leases	13,762	-	-
001-1901-592.83-10	Capital Lease Interest	6,164	-	-
001-1901-594.66-01	Capital Leases	40,924	-	-
Total City Hall & Library Operations		1,433,412	1,677,690	1,634,583

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,
- 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 2017 will be provided by fifty three (53) commissioned officers, seven (7) non-commissioned administrative employees and four (4) non-commissioned Community Service Officers. Included is one (1) commissioned officer assigned to the county-wide Drug Unit. Volunteer services are provided by the Community Resource Unit and the Explorer Post. The department is a partner in the Thurston County DUI Task Force and is aggressive in drug, alcohol and tobacco enforcement. The Lacey Police Department believes in drug and alcohol prevention and education, working with community partners such as TOGETHER, Problem Solving Courts, The Washington Traffic Safety Commission, and others to help prevent crime and decrease traffic fatalities.

PATROL DIVISION:

The patrol division is made up of one (1) Commander, six (6) Sergeants and thirty (30) Police Officers 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 and traffic codes, and work with the community on ways to reduce future problems. The Patrol Division is complimented by two (2) full-time Traffic Officers who work traffic enforcement and investigate traffic collisions.

ADMINISTRATIVE DIVISION:

The Administrative Division is made up of one (1) police chief, one (1) Commander, one (1) Administrative Sergeant, three (3) School Resource Officers, one (1) Management Analyst, one (1) Evidence Technician, and the Records Unit consisting of four (4) Police Assistants and one (1) supervisor. Our Evidence Technician is responsible for the evidence room function, which includes processing, storing, retrieval, and disposal of all evidence and found property. The Administrative Sergeant coordinates department training, including firearms, tactics and procedures.

INVESTIGATIONS DIVISION:

The Investigations Division consists of one (1) Commander, one (1) Sergeant, four (4) Detectives, one (1) Anti-Crime Officer and one (1) Narcotics Detective. The detective unit is responsible for investigating serious violent crimes, special victim and child crimes, white collar crimes and following up on complex or sensitive cases. The division partners with other local agencies for serious county wide criminal investigations involving property crimes, narcotics crimes, missing children cases and officer involved serious incidents. The Division is responsible for internal affairs investigations, hiring and background investigation.

PROGRAM DESCRIPTIONS:

The Police Department operates a variety of programs to help support our mission to make Lacey a safe and desirable 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.

The police department partners with other Law Enforcement Agencies in Thurston County, to include; Thurston County Narcotics Task Force, TCSO SWAT and the TCSO Dive Team.

The Multi-Housing Program, coordinated by the Anti-Crime Officer, has been implemented to reduce the number of police calls to rental properties. To encourage citizen involvement and community outreach, the department will continue its annual Cops, Cars and Kids event, the Chief of Police Roundtable, Meet MYLPD community meetings and representation on the Hispanic Roundtable. A successful Lacey Resource Unit enlists citizen volunteers to assist the Patrol Division in many areas, including issuing warnings for violations of handicapped parking spaces, checking on resident's homes while they are on vacation, operating the Inmate Litter Patrol Program, Graffiti Identification 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 2017 budget for Police is **\$9,423,323**, not including expenditures in the Criminal Justice Fund. Funding for court and jail services is budgeted separately. These services are provided through a contractual agreement with Thurston County and the Nisqually Tribe.

2017 PROGRAMS, GOALS AND PRIORITIES

- Enhancement of the department's intelligence led policing philosophy.
- Continue the close working relationship with the North Thurston Public Schools.
- Identify problem locations and work to reduce calls for service.
- Emphasize aggressive traffic enforcement to reduce accidents and related injuries.
- Continue community outreach programs to include the Cops, Cars & Kids event, Roundtable Meetings, Multi-housing Program, School Resource Officer's Program and Meet MYLPD community meetings.
- Maintain high training and professional standards.
- Implement the on-line citizen reporting module in the new Records Management System.
- Continue participation in the Multi-Housing Program.
- Reduce incidents of property crime.
- Identify and reduce gang activity using a "no tolerance" approach.
- Increase Quality contacts with the public to build partnerships and trust.

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Current Expense Fund - Expenditures</i>				
Police				
General Services				
001-2101-521.10-01	Salaries-Regular	434,831	438,202	449,394
001-2101-521.10-05	Salaries-Overtime	633	500	500
001-2101-521.20-01	Employer Paid Benefits	114,225	120,889	121,928
001-2101-521.20-02	LEOFF Disability-Retired	145,159	210,960	210,960
001-2101-521.20-42	GASB68 Pension Expense	181,442	-	-
001-2101-521.31-01	Office & Operating Supply	1,154	2,250	6,250
001-2101-521.31-15	Evidence Monies	545	1,000	1,000
001-2101-521.41-01	Prof. Svc-Other	2,402	4,900	7,900
001-2101-521.42-01	Telecommunications	4,270	5,057	5,057
001-2101-521.43-02	Dues, Subscriptions, Publ	1,275	1,200	1,200
001-2101-521.45-01	Equipment Rental	11,319	12,224	11,882
001-2101-521.45-02	IMS Rental	7,449	7,091	6,908
001-2101-521.48-01	Rep & Maint-Equipment	-	20	20
001-2101-521.49-27	Bad Debt Expense	(200)	-	-
Total General Services		904,504	804,293	822,999
Records and Support Services				
001-2102-521.10-01	Salaries-Regular	250,448	271,583	298,745
001-2102-521.10-05	Salaries-Overtime	2,374	5,100	5,100
001-2102-521.10-06	Salaries-Part-Time	728	1,000	1,000
001-2102-521.20-01	Employer Paid Benefits	91,321	108,914	120,300
001-2102-521.31-01	Office & Operating Supply	8,196	8,100	8,100
001-2102-521.31-02	Small Tools & Equipment	(116)	1,100	1,100
001-2102-521.31-17	Supplies-Uniform Purchase	508	600	600
001-2102-521.42-01	Telecommunications	3,596	3,540	3,540
001-2102-521.43-02	Dues, Subscriptions, Publ	160	475	475
001-2102-521.45-02	IMS Rental	7,687	7,317	7,129
001-2102-521.48-01	Rep & Maint-Equipment	-	100	100
001-2102-521.49-02	Printing & Binding	3,673	4,000	4,000
001-2102-521.50-04	Contract-RMS System	144,312	145,000	154,507
Total Records and Support Services		512,887	556,829	604,696
Property Control				
001-2103-521.10-01	Salaries-Regular	97,601	107,973	96,755
001-2103-521.10-05	Salaries-Overtime	93	1,800	1,800
001-2103-521.20-01	Employer Paid Benefits	30,950	37,583	33,118

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Current Expense Fund - Expenditures</i>				
Police				
Property Control-Continued				
001-2103-521.31-01	Office & Operating Supply	3,078	2,975	2,975
001-2103-521.31-02	Small Tools & Equipment	32	375	375
001-2103-521.31-17	Supplies-Uniform Purchase	250	500	700
001-2103-521.45-02	IMS Rental	2,061	1,962	1,911
001-2103-521.49-02	Printing & Binding	33	125	125
Total Property Control		134,098	153,293	137,759
Training				
001-2104-521.43-01	Transportation/Per Diem	13,011	15,000	20,000
001-2104-521.43-02	Dues, Subscriptions, Publ	187	450	450
001-2104-521.43-03	Registrations	27,161	30,000	35,750
001-2104-521.43-05	Memorial Fund-McMillen Sr	-	50	50
001-2104-521.49-05	Professional Development	24,910	30,233	30,233
Total Training		65,269	75,733	86,483
Crime Prevention				
001-2105-521.10-01	Salaries-Regular	112,959	119,172	121,005
001-2105-521.10-05	Salaries-Overtime	2,123	6,150	6,150
001-2105-521.20-01	Employer Paid Benefits	22,165	26,303	27,584
001-2105-521.31-01	Office & Operating Supply	348	1,965	1,965
001-2105-521.31-10	Supplies-Multi-Housing	319	400	400
001-2105-521.31-17	Supplies-Uniform Purchase	918	400	400
001-2105-521.41-01	Prof. Svc-Other	-	100	100
001-2105-521.42-01	Telecommunications	699	2,800	2,800
001-2105-521.43-02	Dues, Subscriptions, Publ	-	100	100
001-2105-521.45-01	Equipment Rental	2,392	2,583	2,511
001-2105-521.48-01	Rep & Maint-Equipment	-	10	10
001-2105-521.49-02	Printing & Binding	2,091	3,500	3,500
001-2105-521.49-10	Uniform Contract/Cleaning	-	400	400
001-2105-521.49-11	Public Education	-	750	750
Total Crime Prevention		144,014	164,633	167,675
Investigation and Apprehension				
001-2106-521.10-01	Salaries-Regular	657,855	667,166	587,432
001-2106-521.10-05	Salaries-Overtime	82,828	47,150	47,150
001-2106-521.20-01	Employer Paid Benefits	201,617	219,606	197,274

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Current Expense Fund - Expenditures</i>				
Police				
Investigation and Apprehension-Continued				
001-2106-521.31-01	Office & Operating Supply	12,345	20,661	15,156
001-2106-521.31-02	Small Tools & Equipment	529	1,400	1,400
001-2106-521.31-17	Supplies-Uniform Purchase	1,054	1,500	1,500
001-2106-521.41-01	Prof. Svc-Other	188	500	1,000
001-2106-521.42-01	Telecommunications	7,494	9,508	9,508
001-2106-521.43-02	Dues, Subscriptions, Publ	-	300	300
001-2106-521.45-01	Equipment Rental	26,952	29,108	28,293
001-2106-521.45-02	IMS Rental	3,211	3,057	2,978
001-2106-521.48-01	Rep & Maint-Equipment	-	500	500
001-2106-521.49-02	Printing & Binding	-	100	100
001-2106-521.49-10	Uniform Contract/Cleaning	3,910	4,000	4,000
Total Investigation and Apprehension		997,983	1,004,556	896,591
Protective Enforcement Patrol				
001-2107-521.10-01	Salaries-Regular	3,335,453	3,018,854	3,603,819
001-2107-521.10-05	Salaries-Overtime	346,801	497,103	695,175
001-2107-521.10-06	Salaries-Part-Time	9,809	10,057	10,057
001-2107-521.20-01	Employer Paid Benefits	1,032,013	1,029,654	1,281,905
001-2107-521.31-01	Office & Operating Supply	14,538	16,560	15,560
001-2107-521.31-02	Small Tools & Equipment	2,012	2,442	2,442
001-2107-521.31-05	Firearms/Ammunition	17,745	18,000	18,000
001-2107-521.31-06	Supplies-Water Patrol	324	394	394
001-2107-521.31-07	Supplies-Tactical Team	1,224	1,249	1,249
001-2107-521.31-17	Supplies-Uniform Purchase	20,009	34,250	34,950
001-2107-521.31-33	Supplies-Tactical Vests	23,104	12,790	12,790
001-2107-521.31-35	Supplies-Replaced Equip	30,166	30,000	30,000
001-2107-521.41-01	Prof. Svc-Other	3,130	7,000	3,000
001-2107-521.42-01	Telecommunications	43,356	46,711	46,711
001-2107-521.43-02	Dues, Subscriptions, Publ	512	3,775	3,775
001-2107-521.45-01	Equipment Rental	334,500	361,047	350,928
001-2107-521.45-02	IMS Rental	169,053	160,911	156,770
001-2107-521.45-03	Copier Rental	5,232	18,900	18,900
001-2107-521.48-01	Rep & Maint-Equipment	9,025	8,000	8,000
001-2107-521.49-02	Printing & Binding	1,976	1,754	1,754
001-2107-521.49-10	Uniform Contract/Cleaning	8,612	13,310	12,460
001-2107-521.49-30	Software Maintenance	1,397	8,045	8,045

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Current Expense Fund - Expenditures</i>				
Police				
Protective Enforcement Patrol-Continued				
001-2107-521.50-01	Olympia Range	7,905	10,000	10,000
001-2107-591.75-01	Capital Leases	6,811	-	-
001-2107-592.83-10	Capital Lease Interest	5,661	-	-
Total Protective Enforcement Patrol		5,430,368	5,310,806	6,326,684
Traffic				
001-2108-521.10-01	Salaries-Regular	181,919	190,769	194,769
001-2108-521.10-05	Salaries-Overtime	14,302	25,018	24,088
001-2108-521.20-01	Employer Paid Benefits	63,815	74,052	75,716
001-2108-521.31-01	Office & Operating Supply	355	1,450	1,450
001-2108-521.31-02	Small Tools & Equipment	224	500	500
001-2108-521.31-17	Supplies-Uniform Purchase	564	1,000	1,000
001-2108-521.42-01	Telecommunications	2,466	1,700	1,700
001-2108-521.43-02	Dues, Subscriptions, Publ	70	50	50
001-2108-521.45-01	Equipment Rental	28,512	30,793	29,930
001-2108-521.45-08	Lease Miscellaneous	83,050	113,685	-
001-2108-521.48-01	Rep & Maint-Equipment	-	200	200
001-2108-521.49-10	Uniform Contract/Cleaning	414	400	550
Total Traffic		375,691	439,617	329,953
Volunteers				
001-2109-521.10-01	Salaries-Regular	28,116	28,819	28,678
001-2109-521.10-05	Salaries-Overtime	5,954	3,588	3,588
001-2109-521.20-01	Employer Paid Benefits	8,960	9,282	9,347
001-2109-521.31-01	Office & Operating Supply	630	750	750
001-2109-521.31-02	Small Tools & Equipment	2	125	125
001-2109-521.31-18	Uniforms	1,908	2,525	2,525
001-2109-521.43-01	Transportation/Per Diem	392	400	400
001-2109-521.43-02	Dues, Subscriptions, Publ	1,245	750	750
001-2109-521.43-03	Registrations	-	1,070	1,070
001-2109-521.49-10	Uniform Contract/Cleaning	215	750	750
001-2109-521.49-57	Lacey Resource Officers	1,883	2,500	2,500
Total Volunteers		49,305	50,559	50,483
Total Police		8,614,119	8,560,319	9,423,323

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 the Engineering Division, Water Resources, Utility Operations and Maintenance, Parks Maintenance, Facility Maintenance, Streets Maintenance and Equipment Rental.

Administrative services are provided by one Management Analyst and one Department Assistant III. 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 2017 budget for Public Works Administration is **\$80,796**. Some operating costs are recovered through the assessment of plan fees and charges to utilities or projects.

2017 PROGRAMS, 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	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Current Expense Fund - Expenditures</i>				
Public Works Support Services				
General Services				
001-3101-532.10-01	Salaries-Regular	34,809	35,804	36,686
001-3101-532.10-05	Salaries-Overtime	40	200	200
001-3101-532.20-01	Employer Paid Benefits	11,291	12,579	13,245
001-3101-532.31-01	Office & Operating Supply	1,637	7,850	7,850
001-3101-532.31-02	Small Tools & Equipment	11	461	461
001-3101-532.31-27	Software Upgrade	457	1,500	1,500
001-3101-532.41-01	Prof. Svc-Other	594	1,000	1,000
001-3101-532.43-01	Transportation/Per Diem	-	250	250
001-3101-532.43-02	Dues, Subscriptions, Publ	6,321	5,700	5,700
001-3101-532.43-03	Registrations	330	500	500
001-3101-532.45-01	Equipment Rental	3,830	3,255	3,366
001-3101-532.45-02	IMS Rental	11,221	7,038	7,738
001-3101-532.48-02	Rep & Maint-Equip Non-Pwr	-	300	300
001-3101-532.49-02	Printing & Binding	-	2,000	2,000
Total Public Works Support Services		70,541	78,437	80,796

PUBLIC WORKS-ENGINEERING

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

The Engineering Division is made up of 22 FTE's. 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 2017 budget for Public Works Engineering is **\$2,880,792**. Some operating costs are recovered through the assessment of plan fees and charges to utilities or projects.

2017 PROGRAMS, GOALS AND PRIORITIES

- Continue the LED Street Lighting conversion project.
- Assist Thurston County in designing improvements to Mullen Road.
- If Transportation Improvement Board (TIB) funding becomes available complete design and right-of-way acquisitions for the Rainier Road Sidewalk Improvements.
- Begin design and right-of-way acquisitions for the Ruddell Road Sidewalk/Retaining Walls.
- Complete construction of city wide pedestrian crossings.
- Continue construction of the College Street & 22nd Avenue Roundabout.
- Continue construction of the Hogum Bay Road Improvements.

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Current Expense Fund - Expenditures</i>				
Public Works Engineering Division				
General Services				
001-3201-532.10-01	Salaries-Regular	514,271	458,187	511,804
001-3201-532.10-05	Salaries-Overtime	3,509	3,000	3,000
001-3201-532.20-01	Employer Paid Benefits	190,490	187,628	201,224
001-3201-532.31-01	Office & Operating Supply	11,518	12,000	12,000
001-3201-532.31-02	Small Tools & Equipment	2,498	2,500	2,500
001-3201-532.31-17	Supplies-Uniform Purchase	3,463	3,000	3,000
001-3201-532.31-27	Software Upgrade	-	2,174	2,174
001-3201-532.41-01	Prof. Svc-Other	-	1,600	1,600
001-3201-532.42-01	Telecommunications	6,515	9,750	9,750
001-3201-532.43-01	Transportation/Per Diem	3,541	5,000	5,000
001-3201-532.43-02	Dues, Subscriptions, Publ	3,002	1,775	1,775
001-3201-532.43-03	Registrations	6,248	6,070	6,070
001-3201-532.45-01	Equipment Rental	65,377	73,543	86,929
001-3201-532.45-02	IMS Rental	79,587	101,650	73,533
001-3201-532.45-08	Lease Miscellaneous	63	7,720	7,720
001-3201-532.48-02	Rep & Maint-Equip Non-Pwr	254	1,020	1,020
001-3201-532.49-02	Printing & Binding	2,553	-	-
001-3201-532.49-03	Recording Fees	-	2,800	2,800
001-3201-532.49-06	Maintenance Contracts	2,127	5,698	5,698
001-3201-532.49-10	Uniform Contract/Cleaning	-	200	200
001-3201-532.49-30	Software Maintenance	28,905	30,000	30,000
001-3201-591.75-01	Capital Leases	6,095	-	-
001-3201-592.83-10	Capital Lease Interest	1,906	-	-
Total General Services		931,922	915,315	967,797
Transportation Engineering				
001-3202-532.10-01	Salaries-Regular	356,946	325,627	341,448
001-3202-532.10-05	Salaries-Overtime	2,260	3,000	3,000
001-3202-532.10-06	Salaries-Part-Time	7,704	9,953	9,953
001-3202-532.20-01	Employer Paid Benefits	132,326	126,642	135,232
001-3202-532.31-01	Office & Operating Supply	127	700	700
001-3202-532.31-02	Small Tools & Equipment	-	300	300
001-3202-532.31-03	Traffic Counting Supplies	1,333	1,010	1,010
001-3202-532.31-17	Supplies-Uniform Purchase	-	75	75
001-3202-532.41-02	Prof. Svc-Engineering	-	500	500
001-3202-532.43-01	Transportation/Per Diem	284	250	250

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Current Expense Fund - Expenditures</i>				
Public Works Engineering Division				
Transportation Engineering-Continued				
001-3202-532.43-02	Dues, Subscriptions, Publ	1,683	1,250	1,250
001-3202-532.43-03	Registrations	785	500	500
001-3202-532.45-01	Equipment Rental	3,323	3,738	4,418
001-3202-532.49-02	Printing & Binding	-	180	180
Total Transportation Engineering		506,771	473,725	498,816
Water Utility Engineering				
001-3203-532.10-01	Salaries-Regular	184,666	221,431	209,478
001-3203-532.10-05	Salaries-Overtime	2,634	8,000	8,000
001-3203-532.20-01	Employer Paid Benefits	74,371	96,202	90,589
Total Water Utility Engineering		261,671	325,633	308,067
Wastewater Utility Engineering				
001-3204-532.10-01	Salaries-Regular	171,484	169,537	173,453
001-3204-532.10-05	Salaries-Overtime	2,634	10,000	10,000
001-3204-532.20-01	Employer Paid Benefits	69,287	73,837	74,727
Total Wastewater Utility Engineering		243,405	253,374	258,180
Stormwater Utility Engineering				
001-3205-532.10-01	Salaries-Regular	108,846	109,518	115,030
001-3205-532.10-05	Salaries-Overtime	1,474	2,000	2,000
001-3205-532.20-01	Employer Paid Benefits	44,554	46,893	49,610
Total Stormwater Utility Engineering		154,874	158,411	166,640
Project Engineering				
001-3206-532.10-01	Salaries-Regular	430,973	557,367	460,467
001-3206-532.10-05	Salaries-Overtime	10,856	10,000	10,000
001-3206-532.20-01	Employer Paid Benefits	193,783	246,315	210,825
Total Project Engineering		635,612	813,682	681,292
Total Public Works Engineering Division		2,734,255	2,940,140	2,880,792



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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 1000 acres of park land, grounds adjacent to occupied buildings, 74 water and wastewater sites, and 17 miles of right-of-way containing over 4,000 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 support 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 2017 budget for Parks, Grounds, and Facilities Maintenance is **\$2,714,671**. This includes staffing to 15 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 from the General Fund and Utility Tax receipts dedicated to parks maintenance.

2017 PROGRAMS, GOALS AND PRIORITIES

- Continue to develop innovative maintenance techniques to maximize efficiency.
- Continue to develop resource and operations plans for the Parks Maintenance Team.
- Maintain and improve current service levels.

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Current Expense Fund - Expenditures</i>				
Public Works Parks Maintenance Division				
General Services				
001-3301-576.10-01	Salaries-Regular	298,237	223,720	345,474
001-3301-576.10-05	Salaries-Overtime	1,529	3,000	3,000
001-3301-576.10-06	Salaries-Part-Time	5,286	2,412	2,412
001-3301-576.20-01	Employer Paid Benefits	124,036	99,620	136,209
001-3301-576.20-03	Unemployment Compensation	22,150	25,500	25,500
001-3301-576.31-01	Office & Operating Supply	10,862	10,645	10,645
001-3301-576.31-17	Supplies-Uniform Purchase	7,617	6,385	7,385
001-3301-576.41-01	Prof. Svc-Other	1,640	740	740
001-3301-576.42-01	Telecommunications	2,170	6,475	6,475
001-3301-576.43-01	Transportation/Per Diem	123	2,820	3,720
001-3301-576.43-02	Dues, Subscriptions, Publ	919	915	915
001-3301-576.43-03	Registrations	2,824	4,292	5,292
001-3301-576.45-01	Equipment Rental	17,753	16,153	15,695
001-3301-576.45-02	IMS Rental	14,173	13,599	13,542
001-3301-576.45-03	Copier Rentals	1,042	1,425	1,425
001-3301-576.46-02	Insurance-Fire/Property	1,009	967	982
001-3301-576.47-01	Utility-Electric	9,236	7,146	7,146
001-3301-576.47-02	Utility-City of Lacey	1,031	2,824	2,824
001-3301-576.47-03	Utility-Natural Gas	5,080	7,869	7,869
001-3301-576.47-07	Utility-Solid Waste	5,009	4,900	4,900
001-3301-576.48-01	Rep & Maint-Equipment	1,478	1,580	1,580
001-3301-576.48-03	Rep & Maint-Facilities	1,140	-	-
001-3301-576.49-02	Printing & Binding	19	-	-
001-3301-576.49-06	Maintenance Contracts	1,933	2,909	2,909
001-3301-576.49-10	Uniform Contract/Cleaning	-	300	300
001-3301-576.49-23	Custodial	5,268	8,753	8,753
001-3301-576.49-25	Assessments/Taxes	16	181	181
001-3301-576.49-30	Software Maintenance	154	-	-
001-3301-576.49-35	CDL-Physicals/Licenses	1,740	958	958
Total General Services		543,474	456,088	616,831
Utilities/Right of Way				
001-3302-576.10-01	Salaries-Regular	167,653	219,398	192,500
001-3302-576.10-05	Salaries-Overtime	1,946	3,100	3,100
001-3302-576.10-06	Salaries-Part-Time	79,064	82,019	82,019

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Current Expense Fund - Expenditures</i>				
Public Works Parks Maintenance Division				
Utilities/Right of Way-Continued				
001-3302-576.20-01	Employer Paid Benefits	104,630	131,524	114,251
001-3302-576.31-01	Office & Operating Supply	26,235	38,750	38,750
001-3302-576.31-02	Small Tools & Equipment	1,941	1,675	1,675
001-3302-576.41-01	Prof. Svc-Other	13,493	13,468	13,468
001-3302-576.42-01	Telecommunications	1,230	1,490	1,490
001-3302-576.45-01	Equipment Rental	46,254	42,086	40,892
001-3302-576.45-05	Rentals-Other	277	-	-
001-3302-576.47-01	Utility-Electric	684	1,300	1,300
001-3302-576.47-02	Utility-City of Lacey	95,098	49,000	120,000
001-3302-576.48-01	Rep & Maint-Equipment	2,817	2,617	2,617
001-3302-576.48-15	Rep & Maint-Grounds	-	1,350	1,350
Total Utilities/Right of Way		541,322	587,777	613,412
Building/Structures/Grounds				
001-3303-576.10-01	Salaries-Regular	323,183	433,112	396,767
001-3303-576.10-05	Salaries-Overtime	1,634	1,500	1,500
001-3303-576.10-06	Salaries-Part-Time	101,821	103,730	103,730
001-3303-576.20-01	Employer Paid Benefits	193,649	244,186	223,764
001-3303-576.31-01	Office & Operating Supply	58,768	55,470	55,470
001-3303-576.31-02	Small Tools & Equipment	6,634	5,323	5,323
001-3303-576.31-29	Supplies-Ground Maint	12,011	12,000	12,000
001-3303-576.34-01	Fuel	4,022	4,238	4,238
001-3303-576.41-01	Prof. Svc-Other	10,113	16,882	16,882
001-3303-576.42-01	Telecommunications	222	950	950
001-3303-576.45-01	Equipment Rental	155,018	141,046	137,049
001-3303-576.45-05	Rentals-Other	7,981	6,300	6,300
001-3303-576.46-02	Insurance-Fire/Property	5,018	4,811	4,886
001-3303-576.47-01	Utility-Electric	2,235	14,000	14,000
001-3303-576.47-02	Utility-City of Lacey	117,240	106,000	106,000
001-3303-576.47-03	Utility-Natural Gas	(387)	-	-
001-3303-576.48-01	Rep & Maint-Equipment	3,611	4,000	4,000
001-3303-576.48-03	Rep & Maint-Facilities	283	512	512
Total Building/Structures/Grounds		1,003,056	1,154,060	1,093,371

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Current Expense Fund - Expenditures</i>				
Public Works Parks Maintenance Division				
Rainier Vista Park				
001-3304-576.10-01	Salaries-Regular	89,302	78,323	89,985
001-3304-576.10-05	Salaries-Overtime	208	1,000	1,000
001-3304-576.10-06	Salaries-Part-Time	56,538	53,071	53,071
001-3304-576.20-01	Employer Paid Benefits	52,871	44,915	49,259
001-3304-576.31-01	Office & Operating Supply	45,596	45,310	45,310
001-3304-576.31-02	Small Tools & Equipment	758	1,350	1,350
001-3304-576.34-02	Diesel	4,180	14,000	14,000
001-3304-576.41-01	Prof. Svc-Other	-	596	596
001-3304-576.42-01	Telecommunications	2,188	1,514	1,514
001-3304-576.45-01	Equipment Rental	83,483	83,359	65,819
001-3304-576.45-02	IMS Rental	3,626	3,593	3,475
001-3304-576.46-02	Insurance-Fire/Property	1,888	1,810	1,838
001-3304-576.47-01	Utility-Electric	7,303	6,500	6,500
001-3304-576.47-02	Utility-City of Lacey	56,111	50,000	50,000
001-3304-576.47-07	Utility-Solid Waste	5,343	5,700	5,700
001-3304-576.48-01	Rep & Maint-Equipment	270	950	950
001-3304-576.48-03	Rep & Maint-Facilities	65	450	450
001-3304-576.49-23	Custodial	-	240	240
Total Rainier Vista Park		409,730	392,681	391,057
Total Public Works Parks Maintenance Division		2,497,582	2,590,606	2,714,671

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 2017 budget is **\$562,612**. The department is staffed by one Senior Maintenance Technician and one Maintenance Technician Journey Level.

2017 PROGRAMS, GOALS AND PRIORITIES

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

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Current Expense Fund - Expenditures</i>				
Public Works Facilities Maintenance Division				
Facilities Maintenance				
001-3601-519.10-01	Salaries-Regular	77,067	80,838	139,636
001-3601-519.10-05	Salaries-Overtime	3,559	1,000	1,000
001-3601-519.10-06	Salaries-Part-Time	16,359	19,220	19,220
001-3601-519.20-01	Employer Paid Benefits	48,867	59,103	65,692
001-3601-519.20-03	Unemployment Compensation	1,504	600	600
001-3601-519.31-17	Supplies-Uniform Purchase	137	500	1,500
001-3601-519.31-23	Supplies-Building Maint.	2,572	1,650	1,650
001-3601-519.31-24	Small Tools & Equip-Grnds	79	400	400
001-3601-519.31-29	Supplies-Grounds Maint.	3,943	3,930	3,930
001-3601-519.41-31	Prof. Svc-Building Maint.	7,401	6,870	6,870
001-3601-519.41-39	Prof. Svc-Tree Evaluation	-	585	585
001-3601-519.42-01	Telecommunications	995	741	741
001-3601-519.43-01	Transportation/Per Diem	-	500	1,400
001-3601-519.43-03	Registrations	65	345	1,345
001-3601-519.45-01	Equipment Rental	5,391	4,667	4,084
001-3601-519.45-02	IMS Rental	2,165	2,217	2,154
001-3601-519.48-03	Rep & Maint-Facilities	28,477	37,450	37,450
001-3601-519.48-10	Rep & Maint-Equip-Grnds	200	200	2,200
001-3601-519.49-06	Maintenance Contracts	34,701	40,610	40,610
001-3601-519.49-10	Uniform Contract/Cleaning	-	950	950
001-3601-519.49-23	Custodial	106,106	136,920	136,920
001-3601-572.31-23	Supplies-Building Maint.	1,763	5,385	5,385
001-3601-572.31-24	Small Tools & Equip-Grnds	660	503	503
001-3601-572.31-29	Supplies-Grounds Maint.	2,493	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.	3,465	12,964	12,964
001-3601-572.48-03	Rep & Maint-Facilities	15,700	16,521	16,521
001-3601-572.48-10	Rep & Maint-Equip-Grnds	129	130	130
001-3601-572.49-06	Maintenance Contracts	16,008	22,220	22,220
001-3601-572.49-23	Custodial	19,617	30,348	30,348
Total Public Works Facilities Maintenance		399,423	492,971	562,612

COMMUNITY AND ECONOMIC DEVELOPMENT

The Department of Community and Economic Development is responsible for the City's full range of land use planning and implementation, economic strategies and construction code compliance services. The Department's mission is to ensure the highest quality of development and construction in the City, a robust local economy 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, Economic Development and support services to the Hearings Examiner. These program efforts are summarized below. Department services are provided by 18 full-time employee positions including two full time proposed permanent staff additions in 2017 and they include a Building Code Specialist 1 and a Planning Manager. 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 met. The code enforcement section performs general building and land use 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.

The Department's economic development division focus is to facilitate a sustainable and robust local economy. This division serves to develop, update and implement economic development programs that improve economic conditions within the City. The economic development division provides various services including demographic, market data and site selection assistance to businesses interested in locating or expanding in the City of Lacey area. This division provides resources to link businesses and entrepreneurs to employment, workforce training and financial assistance providers. In addition, economic development staff is responsible for coordinating the implementation of the City's economic element being a resource for property owners, brokers and businesses and coordinating economic recruitment and retention strategies with Thurston EDC and the Lacey development community.

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 administering the citizen involvement process for compliance with the Growth Management Act. Advanced Planning is dedicated primarily to drafting public land use policy, ensuring compliance with the State Growth Management Act, and fostering inter-jurisdictional planning efforts. Due to recent and ongoing legislative and administrative actions at the State level, amendments to the City Comprehensive Plan and ordinances need constant analysis and kept up-to-date.

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 and commercial development has remained steady through 2016 and expected to continue in 2017. 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.

Both current planning projects and construction activity are back to historic levels prior to the high of 2006. The Department anticipates 2017 activity to remain steady and consistent with historic levels.

BUDGET SUMMARY

The 2017 budget for Community and Economic Development is **\$2,404,662**. The Department has generally been able to fund all expenses from permit and fee revenues assessed for City services. Due to the economic downturn, revenues from permits have been reduced. As the economy improves, it is anticipated that permit fees will also increase proportionately.

2017 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 industrial and retail recruitment, business retention and timely development permit processing.
- Complete the economic strategy and work plan based on the adopted economic development element.
- 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.
- Coordinate, conduct and provide fire services, inspection and education.
- Maintain the Resource Conservation Program.
- Monitor and maintain in-house energy audit program through the Building Division with the goal of identifying significant energy savings.

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Current Expense Fund - Expenditures</i>				
Community and Economic Development				
General Services				
001-3701-558.10-01	Salaries-Regular	566,892	576,864	696,641
001-3701-558.10-05	Salaries-Overtime	1,433	5,000	5,000
001-3701-558.20-01	Employer Paid Benefits	227,080	242,274	315,366
001-3701-558.31-01	Office & Operating Supply	8,490	5,500	5,500
001-3701-558.41-01	Prof. Svc-Other	3,430	-	2,500
001-3701-558.41-12	Special Needs Interpreter	-	500	500
001-3701-558.41-24	Tree Protection Specialist	30,327	40,000	40,000
001-3701-558.43-01	Transportation/Per Diem	4,139	6,500	7,500
001-3701-558.43-02	Dues, Subscriptions, Publ	2,957	3,000	3,000
001-3701-558.43-03	Registrations	3,392	3,300	6,800
001-3701-558.44-05	Adv/Public Hearings	10,731	14,000	14,000
001-3701-558.45-02	IMS Rental	65,107	82,868	69,008
001-3701-558.49-02	Printing & Binding	4,047	4,000	4,000
001-3701-558.49-20	Special Projects	8,269	20,000	60,000
001-3701-558.49-30	Software Maintenance	1,784	-	-
Total General Services		938,078	1,003,806	1,229,815
Building Codes				
001-3702-524.10-01	Salaries-Regular	616,635	647,221	638,221
001-3702-524.10-05	Salaries-Overtime	2,804	13,000	13,000
001-3702-524.10-06	Salaries-Part-Time	-	6,200	6,200
001-3702-524.20-01	Employer Paid Benefits	265,026	296,230	292,372
001-3702-524.31-01	Office & Operating Supply	7,720	22,750	22,750
001-3702-524.41-01	Prof. Svc-Other	131,999	55,000	55,000
001-3702-524.41-35	Prof Svc-Hazard Abatement	748	5,000	5,000
001-3702-524.42-01	Telecommunications	2,567	2,400	2,400
001-3702-524.43-01	Transportation/Per Diem	352	3,100	3,100
001-3702-524.43-02	Dues, Subscriptions, Publ	1,000	11,715	11,715
001-3702-524.43-03	Registrations	4,480	3,000	4,000
001-3702-524.45-01	Equipment Rental	24,522	25,272	26,433
001-3702-524.49-02	Printing & Binding	-	800	800
Total Building Codes		1,057,853	1,091,688	1,080,991

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Current Expense Fund - Expenditures</i>				
Community and Economic Development				
Hearings Examiner				
001-3703-558.10-01	Salaries-Regular	36,400	36,082	37,237
001-3703-558.10-05	Salaries-Overtime	38	500	500
001-3703-558.20-01	Employer Paid Benefits	13,728	14,258	16,119
001-3703-558.31-01	Office & Operating Supply	-	2,500	2,500
001-3703-558.41-10	Prof/Hearings Examiner	38,228	36,000	36,000
001-3703-558.44-05	Adv/Public Hearings	-	1,500	1,500
Total Hearings Examiner		88,394	90,840	93,856
Total Community and Economic Development		2,084,325	2,186,334	2,404,662

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, reclaimed water, 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 Division services are provided by 12 FTE's.

Water Resources is leading the City's efforts in a myriad of resource management issues, including: watershed planning, water right management, wastewater reduction, stormwater management, water conservation, water reuse, and ground/surface water quality monitoring and protection. The Water Resource staff manages programs for cross-connection control, customer response, well-head protection, distribution system monitoring, volunteer programs, and Stream Team; and works with South Sound Green. 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 salmon recovery efforts. 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.

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 2017. 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 **\$1,506,157**.

2017 PROGRAMS, GOALS AND PRIORITIES

- Implement the programmatic requirements of NPDES Phase II, including code updates.
- Follow progress with the two Shellfish Protection Districts and participate as appropriate
- Identify and pursue property acquisitions and grant funding to address stormwater treatment requirements.
- Replace aging water and wastewater infrastructure.
- Develop the Reclaimed Water Utility including support facilities necessary to serve the Gateway Project, Regional Athletic Complex, and future water right mitigation efforts.
- Continue water rights mitigation efforts in the Woodland Creek and Deschutes River basins

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Current Expense Fund - Expenditures</i>				
Public Works Water Resource Division				
General Services				
001-3801-532.10-01	Salaries-Regular	168,921	205,572	196,820
001-3801-532.10-05	Salaries-Overtime	119	-	-
001-3801-532.10-06	Salaries-Part-Time	553	-	-
001-3801-532.20-01	Employer Paid Benefits	63,251	87,339	83,117
001-3801-532.20-03	Unemployment Compensation	61	-	-
001-3801-532.31-01	Office & Operating Supply	5,454	8,000	8,000
001-3801-532.31-02	Small Tools & Equipment	2,470	5,000	5,000
001-3801-532.31-17	Supplies-Uniform Purchase	601	500	500
001-3801-532.41-01	Prof. Svc-Other	-	1,500	1,500
001-3801-532.42-01	Telecommunications	1,180	300	800
001-3801-532.42-02	Communications-Postage	-	500	500
001-3801-532.43-01	Transportation/Per Diem	1,342	9,500	5,000
001-3801-532.43-02	Dues, Subscriptions, Publ	1,424	2,800	5,000
001-3801-532.43-03	Registrations	7,786	20,600	13,000
001-3801-532.45-01	Equipment Rental	13,482	14,099	15,669
001-3801-532.45-02	IMS Rental	36,996	30,192	35,558
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
001-3801-532.49-30	Software Maintenance	16,148	14,600	17,200
Total General Services		319,788	401,652	388,814
Water Utility				
001-3803-532.10-01	Salaries-Regular	237,059	213,692	269,988
001-3803-532.10-05	Salaries-Overtime	678	5,200	5,200
001-3803-532.10-06	Salaries-Part-Time	11,019	20,580	20,580
001-3803-532.20-01	Employer Paid Benefits	101,700	97,366	118,838
Total Water Utility		350,456	336,838	414,606
Wastewater Utility				
001-3804-532.10-01	Salaries-Regular	53,133	56,070	72,140
001-3804-532.10-05	Salaries-Overtime	-	500	500
001-3804-532.10-06	Salaries-Part-Time	3,463	7,483	7,483
001-3804-532.20-01	Employer Paid Benefits	24,373	24,220	33,591
Total Wastewater Utility		80,969	88,273	113,714

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Current Expense Fund - Expenditures</i>				
Public Works Water Resource Division				
Stormwater Utility				
001-3805-532.10-01	Salaries-Regular	158,143	140,959	199,171
001-3805-532.10-05	Salaries-Overtime	1,801	3,000	3,000
001-3805-532.10-06	Salaries-Part-Time	6,434	1,871	1,871
001-3805-532.20-01	Employer Paid Benefits	68,253	64,029	90,500
Total Stormwater Utility		234,631	209,859	294,542
Water Resources Projects				
001-3806-532.10-01	Salaries-Regular	183,497	210,277	205,157
001-3806-532.10-05	Salaries-Overtime	167	500	500
001-3806-532.10-06	Salaries-Part-Time	1,125	7,483	7,483
001-3806-532.20-01	Employer Paid Benefits	65,195	80,670	81,341
Total Water Resources Projects		249,984	298,930	294,481
Total Public Works Water Resource Division		1,235,828	1,335,552	1,506,157



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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, trails, 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 plans City parks, trails, 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, and four Recreation Supervisors, four 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 ten programs.

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

The total 2017 budget for Parks and Recreation is **\$2,559,968**. 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.

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 North Thurston Public Schools.

The City does not offer its own specialized recreation program, but contributes financial support, as do the cities of Olympia and Tumwater, to Thurston County to manage a county-wide program.

2017 PROGRAMS, GOALS AND PRIORITIES

- General Services: Investigate the feasibility of a metropolitan park district for the city.
- Youth/Teens: Continue the community and grant-supported summer playground and hot lunch program, and pursue a stable source of funds. Integrate sixth graders into the ACT Night Program.
- Recreation Administration: Expand marketing of programs and activities. Upgrade our registration software.
- Aquatics: Increase variety of programs for community interest, such as swim camps, youth triathlon, and family swim nights, and cost-recovery the NTPS Pool Agreement
- Physical Activities/Sports: Increase youth participation by offering new and additional classes/program/leagues.
- Cultural Arts and Education: Expand program offerings to meet community needs and interests.
- Outdoor Activities: Work in partnership with the local sponsors and volunteers to offer the youth fishing program. Offer new outdoor programs targeted to seniors and families.
- Fitness: Continue to research new locations to expand and offer daytime classes.
- Special Events/Activities: Expand visibility with more advertising; enhance year-round special events with new activities and features to attract more participants. Solicit new sponsors.
- Museum Operations: Update museum policies and procedures, continue inventory and entry of the museum collection into the database, and develop a funding strategy for the new Lacey Museum project.

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Current Expense Fund - Expenditures</i>				
Parks and Recreation				
General Services				
001-7401-574.10-01	Salaries-Regular	140,011	140,792	137,632
001-7401-574.10-06	Salaries-Part-Time	-	101	104
001-7401-574.20-01	Employer Paid Benefits	51,663	54,431	56,178
001-7401-574.31-01	Office & Operating Supply	78	750	750
001-7401-574.31-02	Small Tools & Equipment	820	1,000	1,000
001-7401-574.35-35	Replaced Equipment	9,997	10,000	10,000
001-7401-574.41-01	Prof. Svc-Other	11,375	12,000	12,000
001-7401-574.41-40	Prof. Svc-Milfoil Project	-	1,250	1,250
001-7401-574.43-01	Transportation/Per Diem	199	78	78
001-7401-574.43-02	Dues, Subscriptions, Publ	1,115	1,177	1,177
001-7401-574.43-03	Registrations	227	650	650
001-7401-574.45-01	Equipment Rental	3,990	3,050	2,953
001-7401-574.45-02	IMS Rental	7,562	7,900	8,150
001-7401-574.48-01	Rep & Maint-Equipment	-	200	200
001-7401-574.49-02	Printing & Binding	93	-	-
001-7401-574.49-25	Assessments/Taxes	12,357	16,300	19,178
001-7401-574.49-30	Software Maintenance	150	9,280	6,820
Total General Services		239,637	258,959	258,120
Youth/Teens				
001-7402-574.10-01	Salaries-Regular	117,588	117,572	123,961
001-7402-574.10-05	Salaries-Overtime	2,046	2,500	2,500
001-7402-574.10-06	Salaries-Part-Time	137,103	135,097	139,150
001-7402-574.20-01	Employer Paid Benefits	67,856	65,298	75,691
001-7402-574.20-03	Unemployment Compensation	17	-	-
001-7402-574.31-01	Office & Operating Supply	14,046	15,365	15,365
001-7402-574.31-02	Small Tools & Equipment	4,707	4,950	4,950
001-7402-574.41-01	Prof. Svc-Other	20,389	-	-
001-7402-574.41-11	Prof. Svc-Recreational	88,808	125,500	125,500
001-7402-574.45-05	Rentals-Other	45	-	-
001-7402-574.45-06	Rentals-School Facilities	2,509	5,500	5,500
001-7402-574.49-02	Printing & Binding	800	880	880
Total Youth/Teens		455,914	472,662	493,497

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Current Expense Fund - Expenditures</i>				
Parks and Recreation				
Recreation Administration				
001-7403-574.10-01	Salaries-Regular	165,007	173,266	185,189
001-7403-574.10-05	Salaries-Overtime	-	2,000	2,000
001-7403-574.10-06	Salaries-Part-Time	2,311	14,921	15,369
001-7403-574.20-01	Employer Paid Benefits	76,420	86,180	86,261
001-7403-574.31-01	Office & Operating Supply	6,145	6,500	6,500
001-7403-574.31-02	Small Tools & Equipment	170	500	500
001-7403-574.31-17	Supplies-Uniform Purchase	-	250	250
001-7403-574.41-01	Prof. Svc-Other	4,317	9,200	9,200
001-7403-574.41-37	Prof Svc-Sunshine Program	8,055	8,377	8,377
001-7403-574.42-01	Telecommunications	847	2,000	2,000
001-7403-574.42-02	communications-Postage	4	-	-
001-7403-574.42-03	Communications-Recreation	44,698	46,495	46,495
001-7403-574.43-01	Transportation/Per Diem	1,431	1,201	1,201
001-7403-574.43-02	Dues, Subscriptions, Publ	70	875	875
001-7403-574.43-03	Registrations	2,460	4,180	4,180
001-7403-574.44-02	Adv/Part-time Position	-	500	500
001-7403-574.45-01	Equipment Rental	33,541	25,643	24,816
001-7403-574.45-02	IMS Rental	22,252	23,247	23,982
001-7403-574.45-05	Rentals-Other	1,945	771	771
001-7403-574.45-06	Rentals-School Facilities	176	-	-
001-7403-574.49-02	Printing & Binding	-	2,700	2,700
001-7403-574.49-06	Maintenance Contracts	21,377	20,000	20,000
001-7403-574.49-25	Assessments/Taxes	11,373	17,000	17,000
001-7403-574.49-58	Misc-Scholarships	7,362	6,678	6,678
Total Recreation Administration		409,961	452,484	464,844
Aquatics				
001-7404-574.10-01	Salaries-Regular	123,283	129,834	130,219
001-7404-574.10-05	Salaries-Overtime	3,326	2,500	2,500
001-7404-574.10-06	Salaries-Part-Time	133,384	143,187	147,483
001-7404-574.20-01	Employer Paid Benefits	67,963	70,705	71,546
001-7404-574.20-03	Unemployment Compensation	30	-	-
001-7404-574.31-01	Office & Operating Supply	9,076	8,500	8,500
001-7404-574.31-02	Small Tools & Equipment	6,513	5,000	5,650
001-7404-574.41-11	Prof. Svc-Recreational	2,158	2,000	2,000
001-7404-574.42-01	Telecommunications	-	-	720

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Current Expense Fund - Expenditures</i>				
Parks and Recreation				
Aquatics- Continued				
001-7404-574.43-01	Transportation/Per Diem	-	200	200
001-7404-574.43-03	Registrations	-	200	200
001-7404-574.45-09	North Thurston Pool Agree	85,438	105,000	108,000
001-7404-574.49-02	Printing & Binding	2,660	2,500	2,500
Total Aquatics		433,831	469,626	479,518
Physical Activities				
001-7405-574.10-01	Salaries-Regular	68,696	76,218	75,790
001-7405-574.10-05	Salaries-Overtime	32	1,100	1,100
001-7405-574.10-06	Salaries-Part-Time	31,300	70,478	51,500
001-7405-574.20-01	Employer Paid Benefits	38,575	48,457	44,619
001-7405-574.31-01	Office & Operating Supply	11,197	16,350	16,350
001-7405-574.31-02	Small Tools & Equipment	3,856	5,900	5,900
001-7405-574.41-11	Prof. Svc-Recreational	69,831	68,960	72,000
001-7405-574.45-05	Rentals-Other	12,740	8,360	13,000
001-7405-574.45-06	Rentals-School Facilities	36,543	89,105	42,000
001-7405-574.48-01	Rep & Maint-Equipment	-	600	600
001-7405-574.49-02	Printing & Binding	851	4,850	4,850
Total Physical Activities		273,621	390,378	327,709
Cultural Arts and Education				
001-7406-574.10-01	Salaries-Regular	19,429	19,200	20,828
001-7406-574.10-06	Salaries-Part-Time	15,593	16,377	17,205
001-7406-574.20-01	Employer Paid Benefits	10,631	10,704	12,182
001-7406-574.31-01	Office & Operating Supply	1,556	2,820	2,820
001-7406-574.31-02	Small Tools & Equipment	832	1,000	1,000
001-7406-574.41-01	Prof. Svc-Other	23,635	-	-
001-7406-574.41-11	Prof. Svc-Recreational	-	22,000	22,000
001-7406-574.45-05	Rentals-Other	4,085	5,000	5,000
001-7406-574.45-06	Rentals-School Facilities	480	500	500
Total Cultural Arts and Education		76,241	77,601	81,535
Outdoor Activities				
001-7407-574.10-01	Salaries-Regular	14,986	19,200	15,683
001-7407-574.10-05	Salaries-Overtime	180	200	200

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Current Expense Fund - Expenditures</i>				
Parks and Recreation				
Outdoor Activities-Continued				
001-7407-574.10-06	Salaries-Part-Time	11,082	10,553	10,870
001-7407-574.20-01	Employer Paid Benefits	6,644	7,790	7,163
001-7407-574.20-03	Unemployment Compensation	-	100	100
001-7407-574.31-01	Office & Operating Supply	1,698	2,840	2,840
001-7407-574.31-02	Small Tools & Equipment	312	300	300
001-7407-574.41-01	Prof. Svc-Other	9,205	-	10,550
001-7407-574.41-11	Prof. Svc-Recreational	9,104	16,625	16,625
Total Outdoor Activities		53,211	57,608	64,331
Fitness				
001-7408-574.10-01	Salaries-Regular	6,758	6,280	7,464
001-7408-574.10-05	Salaries-Overtime	31	105	105
001-7408-574.10-06	Salaries-Part-Time	4,060	5,174	5,329
001-7408-574.20-01	Employer Paid Benefits	3,330	3,618	3,996
001-7408-574.31-01	Office & Operating Supply	-	200	200
001-7408-574.31-02	Small Tools & Equipment	-	1,700	1,700
001-7408-574.41-01	Prof. Svc-Other	2,813	1,350	1,350
001-7408-574.41-11	Prof. Svc-Recreational	5,330	8,000	8,000
001-7408-574.45-05	Rentals-Other	1,331	1,900	1,900
001-7408-574.45-06	Rentals-School Facilities	300	500	500
Total Fitness		23,953	28,827	30,544
Special Events				
001-7409-574.10-01	Salaries-Regular	93,182	97,624	100,695
001-7409-574.10-05	Salaries-Overtime	56	-	-
001-7409-574.10-06	Salaries-Part-Time	13,491	15,075	15,834
001-7409-574.20-01	Employer Paid Benefits	40,520	43,513	46,036
001-7409-574.31-01	Office & Operating Supply	9,593	15,000	15,000
001-7409-574.31-02	Small Tools & Equipment	1,645	2,000	4,000
001-7409-574.41-11	Prof. Svc-Recreational	45,026	41,000	41,000
001-7409-574.44-06	Promotion - Events	497	10,200	10,200
001-7409-574.45-05	Rentals-Other	7,392	6,900	6,900
001-7409-574.45-06	Rentals-School Facilities	-	200	200
001-7409-574.48-01	Rep & Maint-Equipment	-	50	50
001-7409-574.49-02	Printing & Binding	2,769	2,000	2,000

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Current Expense Fund - Expenditures</i>				
Parks and Recreation				
Special Events-Continued				
001-7409-574.49-12	Special Events	91	-	-
Total Special Events		214,262	233,562	241,915
Museum Operation				
001-7410-575.10-01	Salaries-Regular	56,430	59,972	60,006
001-7410-575.10-06	Salaries-Part-Time	-	-	721
001-7410-575.20-01	Employer Paid Benefits	31,348	34,334	35,891
001-7410-575.31-01	Office & Operating Supply	1,014	1,323	1,623
001-7410-575.31-02	Small Tools & Equipment	-	5,063	1,762
001-7410-575.31-23	Supplies-Building Maint.	102	-	-
001-7410-575.41-01	Prof. Svc-Other	5,337	1,100	600
001-7410-575.41-31	Prof. Svc-Building Maint.	221	300	300
001-7410-575.42-01	Telecommunications	2,041	1,600	1,600
001-7410-575.43-01	Transportation/Per Diem	-	100	100
001-7410-575.43-02	Dues, Subscriptions, Publ	462	350	350
001-7410-575.43-03	Registrations	-	50	50
001-7410-575.45-02	IMS Rental	4,436	3,965	6,341
001-7410-575.45-05	Rentals-Other	849	1,205	1,205
001-7410-575.46-02	Insurance-Fire/Property	269	281	285
001-7410-575.47-01	Utility-Electric	732	800	800
001-7410-575.47-02	Utility-City of Lacey	722	650	650
001-7410-575.47-03	Utility-Natural Gas	1,124	1,649	1,649
001-7410-575.48-03	Rep & Maint-Facilities	1,837	-	-
001-7410-575.49-02	Printing & Binding	-	90	90
001-7410-575.49-06	Maintenance Contracts	1,448	1,800	1,800
001-7410-575.49-23	Custodial	-	910	910
001-7410-575.49-30	Software Maintenance	282	862	1,222
Total Museum Operation		108,654	116,404	117,955
Total Parks and Recreation		2,289,285	2,558,111	2,559,968

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Current Expense Fund - Expenditures</i>				
Other Operating Expense				
Other Operating Expense				
001-7501-508.90-00	Unassigned Funds	-	1,851,826	395,775
001-7501-597.02-01	Transfer Out 301 Fund	50,000	-	377,317
001-7501-597.02-09	Transfer out 101 Fund	-	-	48,000
001-7501-597.02-10	Transfer out 307 Fund	-	-	150,000
001-7501-597.10-04	Transfer Out-Util. Tax	3,484,640	3,339,787	3,424,984
001-7501-597.11-02	Transfer Out 302 Fund	50,000	-	248,079
001-7501-597.12-00	Transfer Out-WA Fireflow	554,408	601,250	746,192
Total Other Operating Expenses		4,139,048	5,792,863	5,390,347
Total Current Expense Fund Expenditures		31,107,734	34,555,950	36,291,252



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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 coming from local option sales tax of .001 cents. Other funding comes from the Washington State Department of Community, Trade and Economic Development (CTED).

BUDGET SUMMARY

The total budget for 2017 is **\$792,179**. This budget amount maintains the current level of staffing and services.

2017 PROGRAMS, GOALS AND PRIORITIES

- Continue enhancement of the department's policing philosophies.

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Criminal Justice Fund - Revenues</i>				
Revenues				
003-0000-308.00-00	Estimated Beginning Cash	-	754,672	-
003-0000-313.70-00	Sales Tax-Crim/Justice	728,727	675,000	725,000
003-0000-336.06-21	Criminal Justice - Pop	12,274	12,886	14,737
003-0000-336.06-26	Special Programs	44,919	44,639	49,442
003-0000-336.06-51	DUI/Other Criminal Asst	6,699	-	-
003-0000-361.11-00	Investment Interest	2,945	3,000	3,000
Total Criminal Justice Fund Revenues		795,564	1,490,197	792,179

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Criminal Justice Fund - Expenditures</i>				
Police				
Investigation and Apprehension				
003-2106-521.10-01	Salaries-Regular	430,591	1,035,857	545,424
003-2106-521.10-05	Salaries-Overtime	23,772	31,322	26,650
003-2106-521.20-01	Employer Paid Benefits	149,759	377,561	175,323
003-2106-521.31-01	Office & Operating Supply	2,788	4,725	4,725
003-2106-521.31-02	Small Tools & Equipment	3,010	4,100	4,100
003-2106-521.31-09	Supplies-Bike Patrol	1,264	2,000	2,000
003-2106-521.31-17	Supplies-Uniform Purchase	3,045	3,365	3,365
003-2106-521.41-01	Prof. Svc-Other	-	1,620	1,620
003-2106-521.45-01	Equipment Rental	22,293	24,077	23,402
003-2106-521.48-01	Rep & Maint-Equipment	157	500	500
003-2106-521.49-10	Uniform Contract/Cleaning	2,208	2,370	2,370
003-2106-521.49-30	Software Maintenance	-	2,700	2,700
003-2106-597.02-01	Transfer Out 301 Fund	71,000	-	-
003-2106-597.11-02	Transfer Out 302 Fund	5,050	-	-
Total Criminal Justice Fund Expenditures		714,937	1,490,197	792,179



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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.

Lacey's Senior Center was included in the fund in 2003, when it opened to public use. The Senior Center has been managed by Senior Services for South Sound since July 2003, under a contract that expired in 2013, and was renewed for another ten years. The City completed construction of a 5,344 square foot expansion to the Senior Center in April of 2013.

BUDGET SUMMARY

Eighteen years of operations at the Community Center and ten years of the Jacob Smith House have provided a solid foundation for examining maintenance and operation costs, and used to project potential revenue in 2016 for both the Community Center and the Jacob Smith House.

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

For 2017 the operating budget will be **\$541,493**.

2017 PROGRAMS, GOALS AND PRIORITIES

- Increase rentals at the Lacey Community Center and Jacob Smith House during the week by word of mouth and testimonials.
- Review and update if necessary the Lacey Community Center and Jacob Smith House Policy and Procedures.
- Continue to update our Employee Manual to reflect our expectations and job responsibilities.
- Pursue grants and outside sources of funds necessary to expand the raised garden beds at the Senior Center.
- Estimate life cycle repairs at the Lacey Community Center, Jacob Smith House, and Lacey Senior Center, and develop a program for repair and replacement to keep the building in good sound operating condition.

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Community Buildings Fund - Revenues</i>				
Revenues				
005-0000-311.10-00	Property Taxes-Current	284,469	280,783	297,743
005-0000-341.54-00	NSF Fees	40	-	-
005-0000-348.94-00	Parks & Recreation Serv.	7,811	-	4,000
005-0000-361.11-00	Investment Interest	1,653	1,750	2,750
005-0000-362.40-10	Rentals - Community Ctr.	184,977	195,000	200,000
005-0000-362.40-20	Rentals - Jacob Smith Fac	35,129	37,000	37,000
005-0000-367.00-00	Contributions	200	-	-
005-0000-369.90-00	Other Misc Revenue	77	50	-
Total Community Buildings Fund Revenue		514,356	514,583	541,493

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Community Buildings Fund - Expenditures</i>				
Parks and Recreation				
Community Center				
005-7601-575.10-01	Salaries-Regular	91,490	94,755	99,382
005-7601-575.10-05	Salaries-Overtime	17	-	-
005-7601-575.10-06	Salaries-Part-Time	16,590	17,588	20,000
005-7601-575.20-01	Employer Paid Benefits	45,018	48,856	49,957
005-7601-575.31-01	Office & Operating Supply	1,410	2,000	2,000
005-7601-575.31-02	Small Tools & Equipment	1,799	2,500	2,500
005-7601-575.31-17	Supplies-Uniform Purchase	-	600	600
005-7601-575.41-01	Prof. Svc-Other	9,173	12,400	12,400
005-7601-575.42-01	Telecommunications	3,503	5,000	5,000
005-7601-575.45-02	IMS Rental	8,513	7,898	9,077
005-7601-575.45-03	Copier Rental	323	500	500
005-7601-575.46-01	Insurance-Liability	5,253	6,644	5,147
005-7601-575.46-02	Insurance-Fire/Property	3,322	3,400	3,453
005-7601-575.46-06	AWC-L & I Pool	385	393	393
005-7601-575.47-01	Utility-Electric	17,350	18,200	18,200
005-7601-575.47-02	Utility-City of Lacey	9,716	9,000	9,000
005-7601-575.47-03	Utility-Natural Gas	4,866	7,800	7,800
005-7601-575.47-07	Utility-Solid Waste	8,261	8,500	8,500
005-7601-575.48-01	Rep & Maint-Equipment	524	1,000	1,000
005-7601-575.49-06	Maintenance Contracts	-	500	500
005-7601-575.49-23	Custodial	4,000	6,000	6,000
005-7601-575.49-25	Assessments/Taxes	3,172	3,600	3,600
005-7601-575.49-27	Bad Debt Expense	(10)	-	-
005-7601-597.02-01	Transfer Out 301 Fund	11,000	-	-
Total Community Center		245,675	257,134	265,009
Jacob Smith Facility				
005-7602-575.10-01	Salaries-Regular	29,306	24,588	28,182
005-7602-575.10-06	Salaries-Part-Time	6,596	8,040	8,040
005-7602-575.20-01	Employer Paid Benefits	14,110	13,087	14,129
005-7602-575.31-01	Office & Operating Supply	788	1,250	1,250
005-7602-575.31-02	Small Tools & Equipment	757	1,500	1,500
005-7602-575.41-01	Prof. Svc-Other	7,529	8,650	8,650
005-7602-575.42-01	Telecommunications	1,600	1,750	1,750
005-7602-575.45-02	IMS Rental	3,732	3,611	3,733
005-7602-575.46-02	Insurance-Fire/Property	440	450	457

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Community Buildings Fund - Expenditures</i>				
Parks and Recreation				
Jacob Smith Facility-Continued				
005-7602-575.47-01	Utility-Electric	1,214	2,000	2,000
005-7602-575.47-02	Utility-City of Lacey	7,037	6,500	6,500
005-7602-575.47-03	Utility-Natural Gas	1,325	2,000	2,000
005-7602-575.48-01	Rep & Maint-Equipment	-	400	400
005-7602-575.48-03	Rep & Maint-Facilities	1,245	500	500
005-7602-575.48-10	Rep & Maint-Equip-Grnds	-	1,000	1,000
005-7602-575.49-06	Maintenance Contracts	1,009	2,400	2,400
005-7602-575.49-23	Custodial	3,720	5,000	5,000
005-7602-575.60-01	Capital Outlays-Equipment	-	4,792	-
Total Jacob Smith Facility		80,408	87,518	87,491
Senior Center				
005-7603-555.31-01	Office & Operating Supply	575	600	600
005-7603-555.46-02	Insurance-Fire/Property	4,172	4,000	4,062
005-7603-555.47-01	Utility-Electric	12,828	16,000	16,000
005-7603-555.47-02	Utility-City of Lacey	2,171	2,200	2,200
005-7603-555.47-03	Utility-Natural Gas	3,488	4,500	4,500
005-7603-555.48-01	Rep & Maint-Equipment	-	250	1,250
005-7603-555.49-06	Maintenance Contracts	-	450	450
Total Senior Center		23,234	28,000	29,062
Museum Building				
005-7604-575.31-01	Office & Operating Supply	-	-	1,000
005-7604-575.46-02	Insurance-Fire/Property	-	-	2,000
005-7604-575.47-01	Utility-Electric	-	-	7,500
005-7604-575.47-02	Utility-City of Lacey	-	-	1,500
005-7604-575.47-03	Utility-Natural Gas	-	-	3,000
005-7604-575.48-03	Rep & Maint-Facilities	-	-	2,500
005-7604-575.49-06	Maintenance Contracts	-	-	500
Total Museum Building		-	-	18,000
Community Center Facility Maintenance				
005-7611-575.31-23	Supplies-Building Maint.	708	5,041	5,041
005-7611-575.31-24	Small Tools & Equip-Bldg	-	200	200
005-7611-575.31-29	Supplies-Grounds Maint.	995	1,000	1,000
005-7611-575.41-31	Prof. Svc-Building Maint.	5,456	5,100	5,100

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Community Buildings Fund - Expenditures</i>				
Parks and Recreation				
Community Center Facility Maintenance-Continued				
005-7611-575.48-01	Rep & Maint-Equipment	-	103	103
005-7611-575.48-03	Rep & Maint-Facilities	12,330	4,750	4,750
005-7611-575.48-10	Rep & Maint-Equip-Grnds	197	200	200
005-7611-575.49-06	Maintenance Contracts	8,735	7,694	7,694
005-7611-575.49-23	Custodial	35,863	41,803	41,803
Total Community Center Facility Maintenance		64,284	65,891	65,891
Jacob Smith Facility Maintenance				
005-7612-575.31-23	Supplies-Building Maint.	1,066	875	875
005-7612-575.31-29	Supplies-Grounds Maint.	1,739	1,750	1,750
005-7612-575.41-31	Prof. Svc-Building Maint.	869	2,018	2,018
005-7612-575.41-39	Prof. Svc-Tree Evaluation	-	250	250
005-7612-575.48-01	Rep & Maint-Equipment	209	250	250
005-7612-575.48-03	Rep & Maint-Facilities	1,245	750	750
005-7612-575.48-10	Rep & Maint-Equip-Grnds	113	200	200
005-7612-575.49-06	Maintenance Contracts	861	3,780	3,780
Total Community Center Facility Maintenance		6,102	9,873	9,873
Senior Center Facility Maintenance				
005-7613-555.31-23	Supplies-Building Maint.	770	1,126	1,126
005-7613-555.31-24	Small Tools & Equip-Bldg	-	200	200
005-7613-555.31-29	Supplies-Grounds Maint.	931	1,000	1,000
005-7613-555.41-31	Prof. Svc-Building Maint.	2,100	1,300	1,300
005-7613-555.41-39	Prof. Svc-Tree Evaluation	168	3,700	3,700
005-7613-555.48-01	Rep & Maint-Equipment	728	250	250
005-7613-555.48-03	Rep & Maint-Facilities	4,131	9,500	9,500
005-7613-555.48-10	Rep & Maint-Equip-Grnds	300	300	300
005-7613-555.49-06	Maintenance Contracts	9,585	8,000	8,000
005-7613-555.49-23	Custodial	17,061	40,791	40,791
Total Senior Center Facility Maintenance		35,774	66,167	66,167
Total Community Building Fund Expenditures		455,477	514,583	541,493



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REGIONAL ATHLETIC COMPLEX (RAC)

The Regional Athletic Complex operating fund (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.

An on-site crew of three (3) full-time maintenance personnel and seasonal staff maintain the 68 acre site as well as a full time RAC Manager and part-time recreational staff who schedule use of the complex, facilitate leagues, tournaments, and events, solicit sponsors and manage the concession contract. Since the softball/fastpitch/baseball complex opened in May 2009, revenue generated at the RAC has exceeded revenue projections. 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 2014. A 20 year Financial Plan was prepared by staff in 2014, and updated in 2015, to insure fiscal sustainability of the RAC.

BUDGET SUMMARY

The 2017 budget **\$1,069,765** 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 remaining shared costs previously received from Thurston County as well as revenues contractually received from the Capital Area Regional Public Facilities District.

2017 PROGRAMS, GOALS AND PRIORITIES

- Increase revenues by optimizing tournament and league play, and special events.
- Develop, promote, and maintain the complex as the premier athletic facility in Washington.
- Market special events to a wider audience to increase revenue and off-season use.
- Insure gender equitable use of the facility.
- Develop a marketing program for visitors to the RAC, in conjunction with the Visitor and Convention Bureau.
- Develop and promote a diversity of activities not typical to athletic complexes.

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Regional Athletic Complex - Revenues</i>				
Revenues				
007-0000-308.00-00	Estimated Beginning Cash	-	10,000	-
007-0000-338.10-10	Capital Area - PFD	200,000	200,000	200,000
007-0000-341.70-10	Misc. Taxable Sales	110	-	-
007-0000-347.40-00	Event Admissions Fee	4,772	8,000	8,000
007-0000-347.60-50	Physical Activities Prog	9,834	6,000	8,000
007-0000-347.60-90	Special Events Program	13,460	23,000	10,000
007-0000-347.62-00	Shelter Fees	13,782	10,000	10,000
007-0000-347.65-00	Field Use Fees	319,170	310,000	315,000
007-0000-347.68-00	League Fees	55,845	60,000	60,000
007-0000-361.11-00	Investment Interest	1,998	2,000	2,250
007-0000-362.30-10	RV-Parking	1,030	1,500	2,000
007-0000-362.50-10	Lease - Consessionaire	18,000	20,000	20,000
007-0000-367.10-03	Contribution-Parks-Gen.	15,000	-	-
007-0000-367.10-04	Cont.-Parks Sponsor/Event	15,242	12,000	14,000
007-0000-397.10-01	Transfer in 303 Fund	255,676	249,626	270,515
007-0000-397.10-02	Transfer in 109 Fund	157,000	157,000	150,000
Total Regional Athletic Complex Fund Revenues		1,080,919	1,069,126	1,069,765

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Regional Athletic Complex - Expenditures</i>				
Regional Athletic Complex				
Regional Athletic Complex Maintenance				
007-3305-576.10-01	Salaries-Regular	168,938	179,393	187,765
007-3305-576.10-05	Salaries-Overtime	3,241	2,563	2,563
007-3305-576.10-06	Salaries-Part-Time	95,341	81,066	81,066
007-3305-576.20-01	Employer Paid Benefits	104,153	109,647	102,403
007-3305-576.20-03	Unemployment Compensation	13,853	-	-
007-3305-576.31-01	Office & Operating Supply	100,174	110,000	110,000
007-3305-576.31-02	Small Tools & Equipment	2,688	4,923	4,923
007-3305-576.31-17	Supplies-Uniform Purchase	1,954	2,000	2,000
007-3305-576.34-01	Fuel	4,123	25,000	25,000
007-3305-576.41-01	Prof. Svc-Other	5,707	18,000	18,000
007-3305-576.42-01	Telecommunications	4,501	3,000	3,000
007-3305-576.43-02	Dues, Subscriptions, Publ	15	-	-
007-3305-576.43-03	Registrations	2,670	-	-
007-3305-576.45-01	Equipment Rental	120,333	88,921	75,869
007-3305-576.45-02	IMS Rental	4,131	4,253	4,670
007-3305-576.45-05	Rentals-Other	676	5,000	5,000
007-3305-576.46-01	Insurance-Liability	9,882	12,498	9,682
007-3305-576.46-02	Insurance-Fire/Property	10,036	9,621	9,770
007-3305-576.46-06	AWC L & I POOL	994	1,015	1,015
007-3305-576.47-01	Utility-Electric	79,981	80,000	80,000
007-3305-576.47-02	Utility-City of Lacey	57,246	82,000	82,000
007-3305-576.47-07	Utility-Solid Waste	13,764	12,000	12,000
007-3305-576.48-01	Rep & Maint-Equipment	5,641	3,500	3,500
007-3305-576.48-03	Rep & Maint-Facilities	3,866	3,500	3,500
007-3305-576.49-25	Assessments/Taxes	10,589	11,000	11,000
Total Regional Athletic Complex Maintenance		824,497	848,900	834,726
Regional Athletic Complex General Services				
007-7401-576.10-01	Salaries-Regular	76,657	76,167	86,911
007-7401-576.10-05	Salaries-Overtime	76	-	-
007-7401-576.10-06	Salaries-Part-Time	19,997	22,110	24,000
007-7401-576.20-01	Employer Paid Benefits	31,463	32,133	36,793
007-7401-576.20-03	Unemployment Compensation	416	500	500
007-7401-576.31-01	Office & Operating Supply	11,504	14,500	14,000

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Regional Athletic Complex - Expenditures</i>				
Regional Athletic Complex				
Regional Athletic Complex General Services-Continued				
007-7401-576.31-02	Small Tools & Equipment	5,292	8,500	8,000
007-7401-576.31-17	Supplies-Uniform Purchase	370	500	500
007-7401-576.41-01	Prof. Svc-Other	30,075	20,000	20,000
007-7401-576.41-11	Prof. Svc - Recreation	-	26,500	25,000
007-7401-576.43-01	Transportation/Per Diem	1,446	1,000	1,000
007-7401-576.43-02	Dues, Subscriptions, Publ	100	120	120
007-7401-576.43-03	Registrations	-	500	500
007-7401-576.45-02	IMS Rental	6,249	9,646	9,665
007-7401-576.45-05	Rentals-Other	-	500	500
007-7401-576.49-02	Printing & Binding	2,732	-	-
007-7401-576.49-06	Maintenance Contracts	-	550	550
007-7401-576.49-25	Assessments/Taxes	5,566	7,000	7,000
Total Regional Athletic Complex General Services		191,943	220,226	235,039
Total Regional Athletic Complex Fund Expenditures		1,016,440	1,069,126	1,069,765

PUBLIC WORKS-CITY STREET FUND

The Public Works Transportation Maintenance Division is responsible for the maintenance and operation of the City's transportation infrastructure. In addition, the division performs special projects such as Christmas tree recycling, hanging street and holiday banners, and supporting community events. The division also manages the volunteer Adopt-a-Roadway litter program.

BUDGET SUMMARY

The Transportation Maintenance Division budget is organized into ten programs.

- Supervision and Support
- Street Lights
- Signs & Markings
- Snow and Ice
- Street Cleaning
- Roadside
- Roadways
- Sidewalks
- Traffic Signals
- City Buildings, Electrical

There are three maintenance sections which address the ten programs. The three Sections are described below:

SIGNS & MARKINGS SECTION

Responsible for the evaluation, maintenance and repair of all signs, pavement markings, stripes and guardrails within the city as well as installing and removal of all street banners. Currently we maintain 88 miles of road edge lines, 105 miles of traffic buttons 7,500 street signs and 288 intersections with legends and symbols.

ROADS SECTION

Responsible for snow & ice control, street sweeping, vegetation control encroaching into the right of way as well as sidewalk repair, litter pickup, crack sealing and Christmas tree pickup. Currently we maintain 350 lane miles of road, sweeping on average of 5,400 miles of road generating 1,200 yards of debris each year.

ELECTRICAL SECTION

Responsible for all street light repair and all traffic signals within the city. The section also maintains some signals that are owned by the State DOT and Thurston County by contract. The section is also responsible for all electrical issues related to city facilities. Currently we maintain 42 city traffic signals, 8 county signals, 4 state signals, over 4,000 street lights and 9 flashing school beacons.

The total 2017 budget for the Transportation Maintenance Division is **\$3,395,156**. In addition to the general operating revenue, the City Street Fund receives State Fuel Tax revenue to partially offset the cost of street maintenance.

2017 PROGRAMS, GOALS AND PRIORITIES

- Continue an active and volunteer oriented Adopt-a-Roadway program and work with Parks Maintenance staff to expand the program to our park trail systems.
- Accomplish preventive maintenance goals on time and within budget.
- Continue inventory backlog of street lights.
- Reduce energy usage and enhance our street light maintenance program by replacing all street light burn-outs with energy efficient LED lights.

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>City Street Fund - Revenues</i>				
Revenues				
101-0000-308.00-00	Estimated Beginning Cash	-	829,622	-
101-0000-336.87-00	Motor Vehicle Fuel Tax	655,262	636,254	704,888
101-0000-338.36-00	Signal Maintenance	26,243	23,000	23,000
101-0000-344.81-00	New Development Signage	22,987	5,000	5,000
101-0000-345.83-01	Plan Check Fees	12,740	-	-
101-0000-345.83-02	Inspection Services	22,612	-	-
101-0000-348.95-20	Engineering Svc - Transp	1,313	2,500	2,500
101-0000-361.11-00	Investment Interest	4,815	3,500	3,500
101-0000-367.10-01	Contributions-General	-	45,000	-
101-0000-369.10-00	Sale of Scrap & Surplus	2,939	1,000	1,000
101-0000-369.40-00	Court Fees /Judgments	31,919	-	-
101-0000-369.90-00	Other Misc Revenue	1,930	-	-
101-0000-397.10-04	Transfer In - Utility Tax	2,218,612	2,233,098	2,407,268
101-0000-397.10-11	Transfer in 102 Fund	-	-	200,000
101-0000-397.10-12	Transfer in 001,003,005	-	-	48,000
Total Public Works City Street Fund Revenues		3,001,372	3,778,974	3,395,156

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>City Street Fund - Expenditures</i>				
Public Works Street Division				
General Services				
101-4201-543.10-01	Salaries-Regular	239,378	236,134	255,301
101-4201-543.10-05	Salaries-Overtime	3,772	2,200	2,200
101-4201-543.10-06	Salaries-Part-Time	2,903	12,454	12,454
101-4201-543.20-01	Employer Paid Benefits	89,261	99,616	102,875
101-4201-543.20-03	Unemployment Compensation	16,084	4,200	20,000
101-4201-543.31-01	Office & Operating Supply	2,228	3,433	3,433
101-4201-543.31-02	Small Tools & Equipment	51	1,000	1,000
101-4201-543.31-17	Supplies-Uniform Purchase	955	3,500	3,500
101-4201-543.41-01	Prof. Svc-Other	114	481	481
101-4201-543.42-01	Telecommunications	3,635	2,258	2,258
101-4201-543.43-01	Transportation/Per Diem	-	1,815	1,815
101-4201-543.43-02	Dues, Subscriptions, Publ	339	552	552
101-4201-543.43-03	Registrations	312	500	500
101-4201-543.45-01	Equipment Rental	8,821	8,268	9,067
101-4201-543.45-02	IMS Rental	26,615	23,016	23,094
101-4201-543.45-03	Copier Rental	815	926	926
101-4201-543.46-01	Insurance-Liability	24,262	30,684	23,770
101-4201-543.46-02	Insurance-Fire / Property	656	629	639
101-4201-543.46-06	AWC-L & I Pool	2,038	2,081	2,081
101-4201-543.47-01	Utility-Electric	5,705	9,090	9,090
101-4201-543.47-02	Utility-City of Lacey	277	1,586	1,586
101-4201-543.47-03	Utility-Natural Gas	562	2,085	2,085
101-4201-543.47-07	Utility-Solid Waste	3,256	3,185	3,185
101-4201-543.48-01	Rep & Maint-Equipment	768	1,027	1,027
101-4201-543.48-03	Rep & Maint-Facilities	741	-	-
101-4201-543.49-02	Printing & Binding	12	-	-
101-4201-543.49-06	Maintenance Contracts	1,305	1,891	1,891
101-4201-543.49-10	Uniform Contract/Cleaning	82	-	-
101-4201-543.49-23	Custodial	3,424	5,689	5,689
101-4201-543.49-25	Assessments/Taxes	503	2,900	2,900
101-4201-543.49-27	Bad Debt Expense	(852)	8,785	8,785
101-4201-543.49-35	CDL-Physicals/Licenses	102	600	600
101-4201-597.11-01	Transfer Out 001 Fund	-	500,000	-
Total General Services		438,124	970,585	502,784

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>City Street Fund - Expenditures</i>				
Public Works Street Division				
Street Lighting				
101-4204-542.10-01	Salaries-Regular	62,909	85,596	70,618
101-4204-542.10-05	Salaries-Overtime	1,883	500	500
101-4204-542.10-06	Salaries-Part-Time	17,154	6,276	6,276
101-4204-542.20-01	Employer Paid Benefits	30,192	38,155	34,246
101-4204-542.31-17	Supplies-Uniform Purchase	1,069	1,450	1,450
101-4204-542.32-01	Electrical Supplies	397,941	219,500	219,500
101-4204-542.33-01	Small Tools-Electrical	2,311	2,000	2,000
101-4204-542.41-13	Prof. Svc-Electrical	730	-	-
101-4204-542.41-32	Prof. Svc-Utility Locates	-	340	340
101-4204-542.43-03	Registrations	555	1,500	1,500
101-4204-542.45-01	Equipment Rental	22,053	20,670	22,662
101-4204-542.47-01	Utility-Electric	431,465	613,000	613,000
Total Street Lighting		968,262	988,987	972,092
Street Signs & Markers				
101-4205-542.10-01	Salaries-Regular	147,027	155,074	157,377
101-4205-542.10-05	Salaries-Overtime	6,217	790	790
101-4205-542.10-06	Salaries-Part-Time	32,601	36,565	36,565
101-4205-542.20-01	Employer Paid Benefits	68,620	71,049	73,031
101-4205-542.31-01	Office & Operating Supply	3,568	3,000	3,000
101-4205-542.31-02	Small Tools & Equipment	4,732	500	500
101-4205-542.31-27	Software Upgrade	-	1,075	1,075
101-4205-542.31-31	Supplies-City Projects	923	2,000	2,000
101-4205-542.31-32	Sign Making Supplies	41,107	27,750	27,750
101-4205-542.31-34	Road Marking Supplies	47,119	66,000	66,000
101-4205-542.41-01	Prof. Svc-Other	50,508	40,433	40,433
101-4205-542.41-32	Prof. Svc-Utility Locates	-	50	50
101-4205-542.43-03	Registrations	84	1,500	1,500
101-4205-542.45-01	Equipment Rental	24,258	22,736	24,928
Total Street Signs & Markers		426,764	428,522	434,999
Snow & Ice Removal				
101-4206-542.10-01	Salaries-Regular	16,537	16,251	15,098
101-4206-542.10-05	Salaries-Overtime	39	3,500	3,500
101-4206-542.10-06	Salaries-Part-Time	292	-	-
101-4206-542.20-01	Employer Paid Benefits	7,872	9,175	7,764

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>City Street Fund - Expenditures</i>				
Public Works Street Division				
Snow & Ice Removal-Continued				
101-4206-542.31-01	Office & Operating Supply	8,963	10,000	10,000
101-4206-542.45-01	Equipment Rental	22,053	20,670	22,662
101-4206-542.60-03	Capital Outlays-Improv	9,412	10,000	-
Total Snow & Ice Removal		65,168	69,596	59,024
Street Cleaning				
101-4207-542.10-01	Salaries-Regular	3,451	3,443	3,804
101-4207-542.10-05	Salaries-Overtime	39	300	300
101-4207-542.20-01	Employer Paid Benefits	1,463	1,995	1,686
101-4207-542.31-01	Office & Operating Supply	59	600	600
Total Street Cleaning		5,012	6,338	6,390
Roadside Maintenance				
101-4208-542.10-01	Salaries-Regular	106,338	84,698	90,740
101-4208-542.10-05	Salaries-Overtime	1,275	200	200
101-4208-542.10-06	Salaries-Part-Time	31,420	17,149	17,149
101-4208-542.20-01	Employer Paid Benefits	57,098	47,013	49,251
101-4208-542.31-01	Office & Operating Supply	6,807	12,900	27,900
101-4208-542.31-02	Small Tools & Equipment	2,228	2,000	2,000
101-4208-542.34-01	Fuel	1,081	1,750	1,750
101-4208-542.41-01	Prof. Svc-Other	3,938	6,000	6,000
101-4208-542.41-16	Prof. Svc-Parks	337,852	335,000	321,849
101-4208-542.41-47	Prof. Svc-Tree Inspection	-	-	10,000
101-4208-542.45-01	Equipment Rental	52,926	49,607	54,388
101-4208-542.45-05	Rentals-Other	2,083	-	-
Total Roadside Maintenance		603,046	556,317	581,227
Roadway Maintenance				
101-4209-542.10-01	Salaries-Regular	66,462	68,447	81,632
101-4209-542.10-05	Salaries-Overtime	1,145	400	400
101-4209-542.10-06	Salaries-Part-Time	15,113	22,865	22,865
101-4209-542.20-01	Employer Paid Benefits	34,276	40,517	43,986
101-4209-542.20-03	Unemployment Compensation	-	60	60
101-4209-542.31-01	Office & Operating Supply	14,691	22,000	22,000
101-4209-542.31-02	Small Tools & Equipment	-	813	-
101-4209-542.41-01	Prof. Svc-Other	20,095	21,000	21,000

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>City Street Fund - Expenditures</i>				
Public Works Street Division				
Roadway Maintenance-Continued				
101-4209-542.43-03	Registrations	56	3,000	3,000
101-4209-542.45-01	Equipment Rental	57,337	53,741	58,920
101-4209-542.45-05	Rentals-Other	1,496	11,000	11,000
101-4209-542.48-15	Rep & Maint-Grounds	3,006	2,000	12,000
Total Roadway Maintenance		213,677	245,843	276,863
Sidewalk Maintenance				
101-4210-542.10-01	Salaries-Regular	42,180	83,736	63,861
101-4210-542.10-05	Salaries-Overtime	78	100	100
101-4210-542.10-06	Salaries-Part-Time	1,308	14,219	14,219
101-4210-542.20-01	Employer Paid Benefits	19,780	44,797	32,913
101-4210-542.31-01	Office & Operating Supply	1,218	1,000	49,000
101-4210-542.31-02	Small Tools & Equipment	115	1,313	500
101-4210-542.41-01	Prof. Svc-Other	52,409	53,000	53,000
101-4210-542.45-01	Equipment Rental	8,821	8,268	9,064
Total Sidewalk Maintenance		125,909	206,433	222,657
Traffic Control Device/Electrical				
101-4211-542.10-01	Salaries-Regular	59,432	54,458	66,301
101-4211-542.10-05	Salaries-Overtime	1,636	200	200
101-4211-542.10-06	Salaries-Part-Time	6,450	13,808	13,808
101-4211-542.20-01	Employer Paid Benefits	26,510	25,904	31,962
101-4211-542.32-01	Electrical Supplies	31,970	27,572	27,572
101-4211-542.33-01	Small Tools-Electrical	1,145	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	Telecommunications	4,688	5,660	5,660
101-4211-542.45-01	Equipment Rental	24,258	22,735	24,928
101-4211-542.47-01	Utility-Electric	82,718	80,000	80,000
Total Traffic Control Device/Electrical		238,807	233,587	253,681
Electrical Other				
101-4212-543.10-01	Salaries-Regular	58,122	43,374	51,876
101-4212-543.10-05	Salaries-Overtime	162	500	500

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>City Street Fund - Expenditures</i>				
Public Works Street Division				
Electrical Other-Continued				
101-4212-543.10-06	Salaries-Part-Time	7,254	3,766	3,766
101-4212-543.20-01	Employer Paid Benefits	25,895	20,426	24,597
101-4212-543.31-01	Office & Operating Supply	405	500	500
101-4212-543.32-01	Electrical Supplies	7,663	3,700	3,700
101-4212-543.33-01	Small Tools-Electrical	181	500	500
Total Electrical Other		99,682	72,766	85,439
Total Public Works City Street Fund Expenditures		3,184,451	3,778,974	3,395,156



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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 Transfers – 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 2017, budgeted expenditures are **\$10,538,655**.

2017 PROGRAMS, GOALS AND PRIORITIES

- College St. & 22nd Ave Roundabout Permit Compliance
- Hogum Bay Road Improvements
- Hawks Prairie Road/Marvin Road Roundabout Design
- LED Street Lighting
- Ruddell Road Sidewalk/Retaining Walls
- Sleater-Kinney/Woodland Trail Pedestrian Crossing
- Marvin Road Safety & Capacity Improvements
- Miscellaneous 2017 Minor Projects

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Arterial Street Fund - Revenues</i>				
Revenues				
102-0000-308.00-00	Estimated Beginning Cash	-	392,876	2,631,388
102-0000-317.34-00	Real Estate Excise Tax 1	1,897,390	1,500,000	1,850,000
102-0000-333.20-20	20.205 Highway Planning	1,738,165	840,000	-
102-0000-334.03-61	WADOT	97,393	615,921	1,103,000
102-0000-334.03-80	03.8x Trans Improv Board	-	3,330,694	3,294,685
102-0000-336.88-00	Motor Vehicle Fuel Tax	295,404	297,491	329,582
102-0000-336.89-00	MVA Transpo City	13,796	58,906	49,917
102-0000-339.22-02	DOT/ Hwy Planning & Const	-	1,620,027	-
102-0000-344.85-00	Mitigation/Impact Fees	858,443	485,088	1,058,979
102-0000-361.11-00	Investment Interest	33,677	30,000	50,000
102-0000-362.60-10	Lease - Rental House	14,288	22,320	22,320
102-0000-367.27-00	Private Source/Developers	-	104,000	148,784
Total Public Works Arterial Street Fund Revenues		4,948,556	9,297,323	10,538,655

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Arterial Street Fund - Expenditures</i>				
Public Works Arterial Streets				
Street and Transportation Improvements				
102-4101-595.90-01	Preliminary Engineering	499,723	399,625	410,000
102-4101-595.90-02	Right of Way	599,128	1,100,000	343,000
102-4101-595.90-03	Road Way	2,555,651	6,883,204	8,432,057
102-4101-595.90-05	Construction Engineering	284,571	751,994	958,598
102-4101-595.90-06	Side Walks	89,612	-	-
102-4101-595.90-08	Street Lighting	4,038	-	-
102-4101-595.90-09	Traffic Control Devices	81,444	-	-
102-4101-595.90-11	Const Admin & Fac Maint	20,694	7,500	-
102-4101-595.90-13	Side Walks-ADA	6,966	50,000	50,000
102-4101-595.90-14	Signal Timing	-	15,000	30,000
102-4101-595.90-15	Pavement Mgmt System	73,184	40,000	65,000
102-4101-595.90-16	Pavement Restoration/PMS	-	50,000	50,000
102-4101-597.02-09	Transfer out 101 Fund	-	-	200,000
Total Public Works Arterial Street Fund Expenditures		4,215,011	9,297,323	10,538,655



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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 2017 are estimated at \$450,000. Expenditures of Lodging Tax dollars are limited to tourist promotion and for the acquisition and/or maintenance of tourism-related facilities. This budget provides a transfer to the General Fund to operate and maintain the Lacey Museum. 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 (classic car show), Senior Games, Mushroom Festival, South Sound BBQ Festival, Ethnic Celebration, Concerts in the Park series, S.T.E.M. Fair, Tour de Lacey and St. Martin's Dragon Boat Festival. This budget also provides support to maintain and operate the Regional Athletic Complex (RAC), as well as provide funding for special events held at the RAC.

BUDGET SUMMARY

The total 2017 budget for the Lodging Tax Fund is **\$473,500**.

The Lodging Tax budget is divided into 3 categories:

- Museum Operation (moved to General Fund 2015)
- Contracted Services
- Performing Arts & Events

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Lodging Tax Fund - Revenues</i>				
Revenues				
109-0000-308.00-00	Estimated Beginning Cash	-	33,434	21,500
109-0000-313.30-00	Hotel/Motel Taxes	477,897	425,000	450,000
109-0000-361.11-00	Investment Interest	1,575	2,000	2,000
Total Lodging Tax Fund Revenues		479,472	460,434	473,500

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Lodging Tax Fund - Expenditures</i>				
Council / Parks and Recreation				
Contracted Services				
109-0401-573.49-51	Promotion-Community Event	93,881	118,000	131,000
109-0401-575.49-33	Chamber of Commerce	35,000	35,000	40,000
109-0401-575.49-34	Washington Center	13,000	15,600	18,000
109-0401-575.49-38	Visitor/Convention Bureau	80,000	80,000	80,000
109-0401-597.10-08	Transfer out 007 Fund	157,000	157,000	150,000
109-0401-597.11-01	Transfer Out 001 Fund	48,500	50,334	48,500
Total Contracted Services		427,381	455,934	467,500
Performing Arts & Parks Events				
109-0601-573.49-54	Concert Series/Events	4,500	4,500	6,000
Total Performing Arts & Parks Events		4,500	4,500	6,000
Total Lodging Tax Fund Expenditures		431,881	460,434	473,500



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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.

In the past, 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.

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Community Development Block Grant Fund - Revenues</i>				
Revenues				
120-0000-361.11-00	Investment Interest	55	200	200
Total Community Development Block Grant Fund Revenues		55	200	200

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Community Development Block Grant Fund - Expenditures</i>				
Public Affairs and Community Relations				
General Services				
120-3701-508.30-00	Restricted Funds	-	200	200
Total Community Development Block Grant Fund Expenditures		-	200	200



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HICKS LAKE MANAGEMENT DISTRICT

The Hicks Lake Management District fund is established to manage revenues and expenditures directly related to the operation of the Hicks Lake Management District.

The District was created in October 2015 in accordance with the following plan:

- Studying various lake water quality problems and possible solutions
- Controlling or removing invasive aquatic plants and vegetation, and
- Developing and implementing appropriate lake management and educational activities.

All of these plans are designed to avoid adverse impacts on fish and wildlife while enhancing the recreational uses of the lake. The Lake Management District will exist for thirty (30) years, unless dissolved earlier by the members of the district. Special assessments are imposed annually for the duration of the Hicks Lake Management District. The amount of money to be raised by special assessments is approximately \$51,000 per year.

BUDGET SUMMARY

For 2017 the operating budget will be **\$102,000**.

2017 PROJECTS, GOALS AND PRIORITIES

- Adopt a Lake Management Plan to control or remove invasive plants.
- Implement plan recommendations to remove or control undesired plant growth that impact use of the lake.
- Research and apply for grants that leverage the limited funds collected by the district to meet plan objectives.
- Conduct public outreach to educate citizens on methods to minimize detrimental impacts to the lake.

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Hicks Lake Management District Fund - Revenues</i>				
Revenues				
130-0000-368.50-10	Hicks LMD#1	-	-	51,000
130-0000-397.10-15	Trasfer in 401 Fund	-	-	51,000
Total Hicks Lake Management Fund Revenues		-	-	102,000

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Hicks Lake Management District Fund - Expenditures</i>				
Expenditures				
General Services				
130-0401-553.41-70	Hicks Lake Mgmt Dist	-	-	102,000
Total Hicks Lake Management Fund Expenditures		-	-	102,000



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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 (i.e. Unlimited Tax General Obligation, or UTGO), 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, or LTGO) must depend on general revenues of the City to retire the debt.

General Obligation debt currently supported by property taxes includes:

- 2010 Unlimited General Obligated Refunding Bonds (originally issued as \$5.99 million of Fire Safety Improvement Bonds approved by voters in September 2000),
- 2012 Unlimited General Obligation Refunding Bonds (originally issued as \$5.0 million of Parks Improvement Bonds in 2003),
- 2015 Unlimited General Obligation Refunding Bonds (originally issued as \$4.985 million of Parks Improvement Bonds in 2003), and

Non-property tax supported debt includes:

- 2007 Limited Tax General Obligation Bonds (unrefunded portion of the 2007 LTGO for the RAC), and 2015 Limited Tax General Obligation Refunding Bonds (originally issued for \$8.0 million to complete the 68 acres of the Regional Athletic Complex)

The total outstanding Unlimited General Obligation Tax support debt as of September 30, 2016 is \$7,910,000. The total outstanding Limited Tax General Obligation debt as of September 30, 2016 is \$7,175,000.

The total 2017 debt service budget is **\$1,702,776**.

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>G. O. Bond Fund - Revenues</i>				
Revenues				
201-0000-311.10-00	Property Taxes-Current	1,130,257	1,107,575	1,116,626
201-0000-311.15-00	Property Taxes-Delinquent	11,542	15,000	15,000
201-0000-313.10-00	Sales Taxes	329,800	329,800	-
201-0000-361.11-00	Investment Interest	2,009	1,000	1,250
201-0000-369.90-00	Other Misc Revenue	1	-	-
201-0000-392.00-00	Premium on Bonds	1,015,321	-	-
201-0000-393.00-00	Refunding Debt Issue	7,765,000	-	-
201-0000-397.10-05	Transfer In 307 Fund	572,624	573,150	569,900
Total General Obligation Bond Fund Revenues		10,826,554	2,026,525	1,702,776

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>G. O. Bond Fund - Expenditures</i>				
G.O. Debt - Finance				
G.O. Debt Supported				
201-1904-591.70-13	Principal UTGO Bond 2006	235,000	245,000	-
201-1904-591.70-17	2010 Refunding (2002Fire)	350,000	365,000	380,000
201-1904-591.70-18	2012 Refunding(2003Parks)	260,000	260,000	275,000
201-1904-591.70-19	2015 UTGO RFDG (06 Parks)	50,000	-	250,000
201-1904-592.80-13	Interest UTGO 2006	19,200	9,800	-
201-1904-592.80-17	Interest UTGO 2010 Refund	96,325	85,825	74,875
201-1904-592.80-18	Interest UTGO 2012 Refund	57,700	52,500	47,300
201-1904-592.80-19	2015 UTGO RFDG (06 PARKS)	55,947	104,450	104,450
201-1904-592.84-00	Issue Cost	90,267	-	-
201-1904-599.89-00	Refunding Debt Escrow	8,691,603	-	-
Total G.O. Debt Supported		9,906,042	1,122,575	1,131,625
L.T.G.O. & Loans				
201-1905-508.50-00	Assigned Funds	-	1,000	1,251
201-1905-591.70-14	Principal LTGO 2006	250,000	260,000	-
201-1905-591.70-16	Principal LTGO 2007	345,000	365,000	380,000
201-1905-591.70-20	2015 LTGO RFDG (07 RAC)	85,000	-	-
201-1905-592.80-14	Interest LTGO 2006	79,800	69,800	-
201-1905-592.80-16	Interest LTGO 2007	51,050	37,250	19,000
201-1905-592.80-20	2015 LTGO RFDG (07 RAC)	91,574	170,900	170,900
Total L.T.G.O. & Loans		902,424	903,950	571,151
Total General Obligation Bond Fund Expenditures		10,808,466	2,026,525	1,702,776



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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.

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. There is no debt owing in this fund.

BUDGET SUMMARY

The total 2017 budget is **\$61,328**

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>L.I.D. Bond Fund - Revenues</i>				
Revenues				
202-0000-361.11-00	Investment Interest	6,215	3,500	5,000
202-0000-361.55-06	Interest-LID 19	81,826	134,692	-
202-0000-366.10-10	Interest - (451) (ULID23)	-	16,684	20,291
202-0000-368.10-06	Principal-LID 19	659,895	851,920	-
202-0000-381.20-10	Loan Repayment 451 Fund	-	20,582	16,687
202-0000-397.11-50	Transfer In 450 Fund	-	20,425	19,350
Total L.I.D. Bond Fund Revenues		747,936	1,047,803	61,328

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>L.I.D. Bond Fund - Expenditures</i>				
L.I.D. Debt - Finance				
202-1906-508.50-00	Assigned Funds	-	1,047,803	61,328
Total L.I.D. Bond Fund Expenditures		-	1,047,803	61,328



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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 or facility improvement project.

BUDGET SUMMARY

The 2017 budget is **\$412,923**.

2017 PROGRAMS, GOALS AND PRIORITIES

- Continue enhancement of the department's policing philosophies.
- Window Film (Lacey Timberland Library)
- Family Bathroom (Lacey Timberland Library)
- 50th Anniversary Public Art
- Design for New Storage and Work Area (Transportation share)
- Police Front Counter Remodel
- City Hall Front Counter Modifications
- Carpet Replacement (Maintenance Shop)
- Museum Exterior Painting
- Roof Replacement (Museum)
- Master Plan for Museum/5700 Pacific Property

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Building Improvement Fund - Revenues</i>				
Revenues				
301-0000-308.00-00	Estimated Beginning Cash	-	411,178	23,106
301-0000-334.04-22	Commerce/CSHD	24,979	-	-
301-0000-361.11-00	Investment Interest	7,697	7,000	12,500
301-0000-367.10-01	Contributions-General	20,177	-	-
301-0000-397.01-00	Transfer In 302 Fund	63,000	-	-
301-0000-397.11-01	Transfer In 001,003,005	132,000	-	377,317
Total Building Improvement Fund Revenues		247,853	418,178	412,923

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Building Improvement Fund - Expenditures</i>				
City Facilities Development				
301-0101-508.90-00	Unassigned Funds	-	7,000	12,500
301-0101-514.60-01	Capital Outlays-Equipment	4,429	-	-
301-0101-514.60-02	Capital Outlay-Public Art	-	-	100,000
301-0101-514.60-03	Capital-Improvements	126,433	62,827	121,200
301-0101-514.60-04	Capital Outlay-Buildings	331,303	348,351	179,223
Total Building Improvement Fund Expenditures		462,165	418,178	412,923



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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. Transfers in from Current Expense fund for utility tax collections is the main sources of revenue.

BUDGET SUMMARY

Expenditures are budgeted in three program areas.

- Operating Capital and Reserves
- Capital Improvement Projects

The 2017 budget is **\$981,841**.

2017 PROGRAMS, GOALS AND PRIORITIES

A full listing of Capital Equipment expenditures is provided in the Budget Summary section of this document. The majority of the capital budgeted in this fund is for reserves for future equipment replacements and a transfer to the Current Expense Fund for committed reserves.

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Capital Equipment Fund - Revenues</i>				
Revenues				
302-0000-308.00-00	Estimated Beginning Cash	-	1,075,321	-
302-0000-321.91-01	PEG Fees	38,864	38,500	38,500
302-0000-331.16-77	BJA Byrne JAG Prgm 16.738	14,313	-	-
302-0000-361.11-00	Investment Interest	8,157	8,000	8,000
302-0000-361.50-05	WA Local - TCOMM	9,842	13,321	10,088
302-0000-367.00-00	Contributions	6,000	7,500	3,000
302-0000-367.10-02	Contribution-Police	20,244	-	-
302-0000-368.10-05	Local - TCOMM	-	160,039	163,272
302-0000-369.40-00	Court Fees /Judgments	12,571	-	-
302-0000-397.10-01	Transfer in 303 Fund	20,000	2,000	-
302-0000-397.10-04	Transfer In - Utility Tax	632,591	617,424	510,902
302-0000-397.11-01	Transfer In 001,003,005	55,050	-	248,079
Total Capital Equipment Fund Revenues		817,632	1,922,105	981,841

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Capital Equipment Fund - Expenditures</i>				
General Fund Capital				
Capital Equipment				
302-0102-519.64-01	Capital-Council	-	-	3,543
302-0102-519.64-03	Capital-Human Resources	3,142	-	-
302-0102-519.64-04	Capital-Community Relatio	1,500	150,000	30,000
302-0102-519.64-05	Capital-Finance	-	5,000	-
302-0102-519.64-06	Capital-Common Facilities	912	15,000	33,500
302-0102-519.64-10	Capital-Police	35,719	18,116	35,686
302-0102-519.64-11	Capital-Public Works-Admi	20,277	30,989	-
302-0102-519.64-12	Capital-Public Works-Pks	100,759	120,200	72,600
302-0102-519.64-15	Capital-Community Develop	10,000	50,000	-
302-0102-519.64-16	Capital-Parks & Recreatio	69,734	137,076	-
302-0102-519.64-17	Capital-City Streets	-	26,960	42,750
302-0102-519.64-19	Capital-Information Svcs	2,081	-	-
302-0102-519.64-20	Public Ed & Govt Prog	19,432	38,500	38,500
302-0102-554.48-00	Repairs & Maintenance	2,506	2,500	2,500
302-0102-594.60-08	Replace Res-Child Care	790	20,500	20,500
302-0102-594.60-09	Replacement Res-Equipment	1,039	353,902	353,902
302-0102-594.60-10	Replacement Res-Facility	-	80,000	80,000
302-0102-597.01-05	Transfer Out 301 Fund	63,000	-	-
302-0102-597.11-01	Transfer Out 001 Fund	-	560,000	-
Total Capital Equipment		330,891	1,608,743	713,481
Projects				
302-0104-514.60-06	Capital-City Hall Repairs	10,582	20,000	20,000
302-0104-542.60-02	Capital-Streetscaping	-	20,000	20,000
302-0104-559.60-01	Economic Development	117,600	100,000	55,000
Total Projects		128,182	140,000	95,000
Capital Debt Service				
302-0105-591.79-05	Local - TCOMM 911 Princip	156,870	160,040	163,272
302-0105-592.89-05	Local-TCOMM 911 Interest	16,490	13,322	10,088
Total Capital Debt Service		173,360	173,362	173,360
Total Capital Equipment Fund Expenditures		632,433	1,922,105	981,841



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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. The City maximizes this fund by securing local, state, and federal grant funds to finance a significant portion of acquisition and development costs. 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. Park development has been accomplished primarily utilizing the 2002 and 2006 Park Bonds. Maintenance and operating dollars are transferred from this fund for Rainier Vista Community Park, the Regional Athletic Complex, Woodland Creek Community Park, the Lacey Woodland Trail and Huntamer Park.

PARK AND OPEN SPACE ACQUISITION

Since 1989, over 700 acres have been acquired with utility tax revenue, Woodland Creek Community Park, including Rainier Vista Community Park, Lake Lois Habitat Reserve, McAllister Park, the Lacey Woodland Trail Abandoned Railroad corridor, the Regional Athletic Complex, Huntamer Park, Pleasant Glade Park, and the Jacob Smith House, Greg J. Cuoio Community Park, and Palm Creek Headwaters.

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. Lake Lois Habitat Reserve was acquired in 1993 with a state grant and city funds, and expanded by 17.6 acres in 2001.

NEW PARK DEVELOPMENT

A voter approved bond issue in 2003 and LTGO Bonds issued in 2006 have provided a significant portion of the funding necessary to develop ten new parks.

	SIZE	
THE REGIONAL ATHLETIC COMPLEX (RAC)	68	ACRES
RAINIER VISTA COMMUNITY PARK	46	ACRES
LAKEPOINTE PARK	8	ACRES
WOODLAND CREEK COMMUNITY PARK	72	ACRES
MERIDIAN PARK	24	ACRES
HORIZON POINTE PARK	9.5	ACRES
AVONLEA PARK	6	ACRES
WANSCHERS COMMUNITY PARK	16	ACRES
WILLIAM A. BUSH PARK	8.5	ACRES
THORNBURY PARK	9	ACRES

BUDGET SUMMARY

The 2017 budget is **\$828,860**. This includes a transfer out of \$391,057 to the Current Expense Fund to cover the cost of maintaining Rainier Vista Community Park and \$270,515 to the RAC for ongoing maintenance. The RAC is 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, and was planned supplement the operating transfer until 2014. Funds were still available for 2017 and a long-term financial plan has been developed.

2017 PROGRAMS, GOALS AND PRIORITIES

- Safety Improvements Long Lake Beach
- WCCP Trail connection
- Pickleball Courts Rainier Vista

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Parks and Open Space Fund - Revenues</i>				
Revenues				
303-0000-308.00-00	Estimated Beginning Cash	-	1,325,929	249,374
303-0000-333.10-60	Forest Service DNR	8,826	-	-
303-0000-334.02-70	Outdoor Recreation IAC	-	53,172	53,172
303-0000-361.11-00	Investment Interest	6,874	16,000	6,500
303-0000-362.60-10	Lease - Rental House	13,353	12,386	13,000
303-0000-397.10-04	Transfer In - Utility Tax	633,437	489,265	506,814
Total Parks and Open Space Fund Revenues		662,490	1,896,752	828,860

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Parks and Open Space Fund - Expenditures</i>				
Parks and Recreation				
Acquisition and Park Improvements				
303-0106-576.48-03	Rep & Maint-Facilities	165	-	-
303-0106-576.49-25	Assessments/Taxes	642	-	-
303-0106-576.60-03	Capital-Improvements	8,826	277,288	167,288
303-0106-576.60-04	Capital Outlay-Buildings	-	975,000	-
303-0106-597.10-08	Transfer out 007 Fund	255,676	249,626	270,515
303-0106-597.11-01	Transfer Out 001 Fund	386,147	392,838	391,057
303-0106-597.11-02	Transfer Out 302 Fund	20,000	2,000	-
Total Parks and Open Space Fund Expenditures		671,456	1,896,752	828,860



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REGIONAL ATHLETIC COMPLEX CAPITAL FUND

The Regional Athletic Complex (RAC) was a joint venture between Thurston County and the City of Lacey. In March of 1998, Thurston County and the City entered into an agreement to jointly purchase, own, and cooperatively develop recreational lands, then 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 the Hands on Children's Museum, 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 operations and capital improvements at 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.

BUDGET SUMMARY

The 2017 budget is \$**1,102,500** for capital improvements.

This budget accounts for the \$569,900 transferred out to cover debt service for the 2007 LTGO Park Bond. Phase III (26 acres) is slated for future development, dependant on generating sufficient revenue for operation, maintenance and development.

2017 PROGRAMS, GOALS AND PRIORITIES

- Purchase equipment to repair synthetic turf
- Bleacher cover

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Regional Athletic Complex Capital Fund - Revenues</i>				
Revenues				
307-0000-308.00-00	Estimated Beginning Cash	-	100,000	50,000
307-0000-338.10-10	Capital Area - PFD	870,995	800,000	900,000
307-0000-361.11-00	Investment Interest	1,636	1,500	2,500
307-0000-397.10-12	Transfer in 001,003,005	-	-	150,000
Total Regional Athletic Complex Capital Fund Revenues		872,631	901,500	1,102,500

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Regional Athletic Complex Capital Fund - Expenditures</i>				
Parks and Recreation				
Regional Athletic Complex Capital				
307-0106-508.50-00	Assigned Funds	-	214,850	324,600
307-0106-576.60-01	Capital Outlays-Equipment	-	5,500	200,000
307-0106-576.60-03	Capital-Improvements	54,778	100,000	-
307-0106-576.62-18	PFD - Administrative Cost	1,896	8,000	8,000
307-0106-597.69-03	Transfer Out 201 Fund	572,624	573,150	569,900
Total Regional Athletic Complex Capital Fund Expenditures		629,298	901,500	1,102,500



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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 utility customers. Such infrastructure includes City owned production wells, over 393 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 20 full-time employees. The Finance Department provides 3.45 full-time employees to provide customer services, billing, collections and meter drops and repairs.

BUDGET SUMAMRY

This budget reflects the Utility's current maintenance and operation expenses. Construction projects as well as debt payments for the utility are funded under the Water Capital Fund and the Water Debt Service Fund.

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

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

The 2017 operating budget for the Utility is **\$11,253,623**. Water revenues are obtained from water rates with no support from the City's operating levy or general fund.

2017 PROGRAMS, GOALS AND PRIORITIES

- Pursue water rights to meet future demand requirements.
- Maximize production capabilities from existing water production facilities.
- Continue priority programs such as leak detection, cross connection control, flushing, water conservation, education, and outreach.
- Develop large water meter preventative maintenance program consisting of annual inspection, maintenance and calibration.

Explanation of Water Rates

Beginning in 2006, the City adopted a new water rate schedule that is designed to encourage conservation. These rates place greater emphasis on the relationship of water usage to the amount paid by the customer. This change rewards the water conserving customer while encouraging, through a higher rate, the high water use consumer to conserve water resources. The rates have 4 tier fees instead of the 2 tiers that were in place prior to 2006.

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, operating, and replacement of the utility infrastructure as well as making additional contributions to replacement reserves and capital construction. The chart printed on this page illustrates rates for the years 2013 through 2017. 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.

2017 Rates and Cost Per 100 Cubic Feet (1)

	2014	2015	2016	2017
Base Rate	\$12.59	\$13.41	\$14.28	\$15.21
First 600 c.f.	1.0480	1.1162	1.1887	1.2660
Tier 2 (601 to 1,200 c.f.)Per 100 c.f.	2.4601	2.6201	2.7904	2.9717
Tier 3 (1,201 to 2,400 c.f.)Per 100 c.f.	3.1443	3.3486	3.5663	3.7981
Tier 4 (2401 plus)Per 100 c.f.	4.1986	4.4715	4.7621	5.0716

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

Description	2014	2015	2016	2017
Base Rate	\$12.59	\$13.41	\$14.28	\$15.21
Consumption	<u>13.67</u>	<u>14.56</u>	<u>15.50</u>	<u>16.51</u>
Total (1)	\$26.26	\$27.97	\$29.78	\$31.72

The City of Lacey engaged the services of a rate consultant to prepare a multi-year water rate study in conjunction with the preparation of its water comprehensive plan update. The rate study determined that 6.5% per year rate increases were necessary to address ongoing operation, maintenance, and replacement costs and to fund the capital improvement plan and related debt.

(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	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Water Utility Fund - Revenues</i>				
Revenues				
401-0000-308.00-00	Estimated Beginning Cash	-	128,078	-
401-0000-343.05-00	Shut-Offs	32,448	36,000	36,000
401-0000-343.40-01	Sales	10,032,135	9,727,042	9,882,907
401-0000-343.40-02	Penalties	248,975	225,000	225,000
401-0000-345.16-01	Hicks Lake Mgmt District	-	51,000	-
401-0000-345.83-00	Plan Checking Fees	-	8,539	8,539
401-0000-345.83-01	Plan Check Fees	10,488	-	-
401-0000-345.83-02	Inspection Services	14,724	16,205	16,205
401-0000-345.83-06	Water/Fire Flow Analysis	-	-	1,030
401-0000-361.11-00	Investment Interest	11,320	7,500	17,500
401-0000-362.51-00	Cell Tower Lease	138,565	130,000	140,000
401-0000-362.90-00	Hydrant Meter Rental	33,361	20,000	20,000
401-0000-369.10-00	Sale of Scrap & Surplus	2,939	-	-
401-0000-369.11-00	Sale of Meters	186,223	150,000	150,000
401-0000-369.40-00	Court Fees /Judgments	6,953	-	-
401-0000-369.90-00	Other Misc Revenue	-	750	750
401-0000-369.90-01	Olympia Share WCGRRF M&O	6,983	-	-
401-0000-369.97-00	Escrow Search Fees	22,574	9,500	9,500
401-0000-397.11-01	Transfer In 001,003,005	554,408	601,250	746,192
Total Water Utility Fund Revenues		11,302,096	11,110,864	11,253,623

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Water Utility Fund - Expenditures</i>				
Public Works Water Division				
General Services				
401-3401-534.10-01	Salaries-Regular	524,170	501,568	518,955
401-3401-534.10-05	Salaries-Overtime	27,408	35,000	35,000
401-3401-534.20-01	Employer Paid Benefits	222,986	231,074	231,173
401-3401-534.20-42	GASB68 Pension Expense	(170,600)	-	-
401-3401-534.31-01	Office & Operating Supply	5,957	8,757	8,757
401-3401-534.31-02	Small Tools & Equipment	125	500	500
401-3401-534.31-17	Supplies-Uniform Purchase	6,809	5,412	5,412
401-3401-534.31-27	Software Upgrade	-	-	2,000
401-3401-534.41-01	Prof. Svc-Other	3,227	10,000	10,000
401-3401-534.41-02	Prof. Svc-Engineering	448,970	553,723	525,548
401-3401-534.41-05	Prof. Svc-Audit	7,005	9,425	9,425
401-3401-534.41-15	Prof. Svc-Legal	3,033	20,000	20,000
401-3401-534.41-17	Prof. Svc-Water Resources	599,212	538,818	710,776
401-3401-534.41-32	Prof. Svc-Utility Locates	2,976	2,000	2,000
401-3401-534.41-45	Long Lake Mgmt Dist	4,340	7,500	7,500
401-3401-534.41-46	Hicks Lake Mgmt. District	704	51,000	-
401-3401-534.42-01	Telecommunications	502	880	880
401-3401-534.43-01	Transportation/Per Diem	-	11,872	8,372
401-3401-534.43-02	Dues, Subscriptions, Publ	4,522	5,128	5,128
401-3401-534.43-03	Registrations	15,011	22,280	25,780
401-3401-534.45-01	Equipment Rental	3,610	4,215	3,918
401-3401-534.45-02	IMS Rental	145,017	157,136	166,848
401-3401-534.45-03	Copier Rental	1,223	2,280	2,280
401-3401-534.45-08	Lease Miscellaneous	322	6,900	6,900
401-3401-534.46-01	Insurance-Liability	42,352	53,563	41,493
401-3401-534.46-02	Insurance-Fire/Property	1,614	1,547	1,571
401-3401-534.47-01	Utility-Electric	7,688	8,465	8,465
401-3401-534.47-02	Utility-City of Lacey	7,014	4,500	4,500
401-3401-534.47-03	Utility Gas	1,778	3,706	3,706
401-3401-534.47-07	Utility-Solid Waste	8,024	8,300	8,300
401-3401-534.48-01	Rep & Maint-Equipment	135	2,528	2,528
401-3401-534.48-03	Rep & Maint-Facilities	1,825	2,000	2,000
401-3401-534.49-02	Printing & Binding	30	500	500
401-3401-534.49-03	Recording Fees	4,115	3,000	5,000
401-3401-534.49-06	Maintenance Contracts	3,367	5,655	5,655

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Water Utility Fund - Expenditures</i>				
Public Works Water Division				
General Services-Continued				
401-3401-534.49-10	Uniform Contract/Cleaning	1,620	1,000	1,000
401-3401-534.49-23	Custodial	8,429	14,004	14,004
401-3401-534.49-25	Assessments/Taxes	2,349	2,010	2,010
401-3401-534.49-35	CDL-Physicals/Licenses	1,022	210	210
401-3401-597.01-13	Transfer out 130 Fund	-	-	51,000
Total General Services		1,947,891	2,296,456	2,459,094
Customer Service				
401-3402-514.10-01	Salaries-Regular	390,182	404,192	399,288
401-3402-514.10-05	Salaries-Overtime	98	100	100
401-3402-514.20-01	Employer Paid Benefits	165,726	180,954	175,274
401-3402-514.31-01	Office & Operating Supply	11,661	4,000	4,000
401-3402-514.31-02	Small Tools & Equipment	-	500	500
401-3402-514.31-17	Supplies-Uniform Purchase	528	650	650
401-3402-514.31-37	Meters	109,730	138,262	100,000
401-3402-514.41-25	Prof. Svc-Computer	-	750	750
401-3402-514.42-01	Telecommunications	6,617	21,500	21,500
401-3402-514.42-02	Communications-Postage	132,548	110,000	110,000
401-3402-514.43-01	Transportation/Per Diem	-	2,140	2,140
401-3402-514.43-03	Registrations	80	990	990
401-3402-514.45-01	Equipment Rental	14,478	16,900	15,711
401-3402-514.45-02	IMS Rental	32,312	35,013	37,177
401-3402-514.46-06	AWC-L & I Pool	3,244	3,312	3,312
401-3402-514.48-01	Rep & Maint-Equipment	109	150	150
401-3402-514.49-01	Excise Taxes	586,462	625,000	560,884
401-3402-514.49-02	Printing & Binding	970	8,900	8,900
401-3402-514.49-06	Maintenance Contracts	131,980	124,250	101,750
401-3402-514.49-10	Uniform Contract/Cleaning	-	500	500
401-3402-514.49-27	Bad Debt Expense	1,272	6,600	6,600
401-3402-514.49-30	Software Maintenance	3,544	1,000	1,000
401-3402-514.49-60	Contractual Services	64,503	51,700	69,700
401-3402-514.60-01	Capital Outlays-Equipment	-	4,551	132,000
401-3402-597.69-04	Transfer Out 410 Fund	1,920,326	2,764,328	3,184,937
Total Customer Service		3,576,370	4,506,242	4,937,813

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Water Utility Fund - Expenditures</i>				
Public Works Water Division				
Production and Storage				
401-3403-534.10-01	Salaries-Regular	362,459	436,810	399,501
401-3403-534.10-05	Salaries-Overtime	6,962	19,000	19,000
401-3403-534.10-06	Salaries-Part-Time	464	-	-
401-3403-534.20-01	Employer Paid Benefits	165,061	197,284	183,164
401-3403-534.31-01	Office & Operating Supply	12,244	9,145	9,145
401-3403-534.31-02	Small Tools & Equipment	1,519	6,495	6,495
401-3403-534.31-11	Water Treatment Supplies	164,868	175,392	175,392
401-3403-534.31-28	Conf Space-Safety Equip	2,564	3,200	3,200
401-3403-534.32-01	Electrical Supplies	1,398	5,000	5,000
401-3403-534.33-01	Small Tools-Electrical	126	700	700
401-3403-534.34-01	Fuel	44	800	800
401-3403-534.41-01	Prof. Svc-Other	39,191	91,100	91,100
401-3403-534.41-16	Prof. Svc-Parks	10,108	22,528	16,472
401-3403-534.41-23	Prof. Svc-H2O Smpls-DSHS	-	1,500	1,500
401-3403-534.42-01	Telecommunications	6,086	4,600	4,600
401-3403-534.45-01	Equipment Rental	61,361	71,628	66,589
401-3403-534.45-05	Rentals-Other	1,394	3,100	3,100
401-3403-534.46-02	Insurance-Fire/Property	35,578	34,108	34,637
401-3403-534.47-01	Utility-Electric	696,915	615,000	615,000
401-3403-534.47-02	Utility-City of Lacey	7,407	7,000	7,000
401-3403-534.47-06	Olympia Water Agreement	208,348	175,000	-
401-3403-534.48-01	Rep & Maint-Equipment	845	2,500	2,500
401-3403-534.48-02	Rep & Maint-Equip Non-Pwr	-	300	300
401-3403-534.48-03	Rep & Maint-Facilities	91,711	150,000	150,000
401-3403-534.48-11	Rep & Maint-Telemetry	5,163	26,200	23,000
401-3403-534.49-06	Maintenance Contracts	168	31,790	31,790
401-3403-534.49-30	Software Maintenance	995	-	-
401-3403-534.49-31	Hardware Maintenance	542	-	-
401-3403-534.60-01	Capital Outlays-Equipment	-	12,500	-
Total Production and Storage		1,883,521	2,102,680	1,849,985
System Maintenance				
401-3404-534.10-01	Salaries-Regular	617,776	652,716	648,483
401-3404-534.10-05	Salaries-Overtime	14,542	10,800	10,800
401-3404-534.20-01	Employer Paid Benefits	325,326	355,479	348,057

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Water Utility Fund - Expenditures</i>				
Public Works Water Division				
System Maintenance-Continued				
401-3404-534.31-01	Office & Operating Supply	16,861	12,150	12,150
401-3404-534.31-02	Small Tools & Equipment	9,186	11,668	11,668
401-3404-534.31-19	Inventory	214,261	230,000	230,000
401-3404-534.31-20	Street Restoration	20,654	20,000	20,000
401-3404-534.31-21	Non-Inventory-Under \$60	546	17,400	17,400
401-3404-534.31-22	Manhole/Ring/Lid Replace	-	250	250
401-3404-534.31-26	Valves	22,209	41,000	41,000
401-3404-534.31-36	Hydrants	32,345	50,000	50,000
401-3404-534.31-38	Hydrant Meters	-	9,000	9,000
401-3404-534.41-01	Prof. Svc-Other	2,620	-	-
401-3404-534.41-30	Prof. Svc-Leak Survey	2,087	6,500	6,500
401-3404-534.42-01	Telecommunications	4,886	5,500	5,500
401-3404-534.45-01	Equipment Rental	306,581	357,878	332,699
401-3404-534.45-05	Rentals-Other	1,360	2,300	2,300
401-3404-534.48-01	Rep & Maint-Equipment	5,590	6,550	6,550
401-3404-534.48-02	Rep & Maint-Equip Non-Pwr	1,897	2,550	2,550
401-3404-534.60-01	Capital Outlays-Equipment	-	165,541	-
Total System Maintenance		1,598,727	1,957,282	1,754,907
Utility Crew Construction				
401-3405-534.10-01	Salaries-Regular	58	-	-
401-3405-534.20-01	Employer Paid Benefits	36	-	-
Total Utility Crew Construction		94	-	-
Cross Connection Control				
401-3406-534.31-01	Office & Operating Supply	1,626	1,600	1,600
401-3406-534.31-02	Small Tools & Equipment	74	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	93	120	120
Total Cross Connection Control		1,793	4,170	4,170
Water Quality				
401-3407-534.20-01	Employer Paid Benefits	90	-	-
401-3407-534.31-01	Office & Operating Supply	1	750	750

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Water Utility Fund - Expenditures</i>				
Public Works Water Division				
Water Quality-Continued				
401-3407-534.31-02	Small Tools & Equipment	-	1,150	1,150
401-3407-534.31-17	Supplies-Uniform Purchase	-	500	500
401-3407-534.41-01	Prof. Svc-Other	2,015	15,725	15,725
401-3407-534.41-14	Prof. Svc-Grdwater Mgmt	-	25,000	25,000
401-3407-534.41-23	Prof. Svc-H2O Smpls-DSHS	48,606	66,000	66,000
401-3407-534.42-01	Telecommunications	-	500	500
401-3407-534.42-02	Communications-Postage	9,386	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	2,717	18,600	18,600
401-3407-534.49-32	Operating Permit-DSHS	30,271	32,000	32,000
401-3407-534.49-44	Project Green	1,000	2,500	2,500
401-3407-534.49-55	Conservation Program	43,971	64,500	64,500
Total Water Quality		138,057	237,475	237,475
Reclaimed Water				
401-3408-534.10-01	Salaries-Regular	9,715	3,847	6,796
401-3408-534.20-01	Employer Paid Benefits	4,043	2,412	3,083
401-3408-534.31-01	Office & Operating Supply	10,355	-	-
401-3408-534.31-19	Inventory	2,432	-	-
401-3408-534.47-01	Utility-Electric	251	300	300
Total Reclaimed Water		26,796	6,559	10,179
Total Water Utility Fund Expenditures		9,173,249	11,110,864	11,253,623

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 157 miles of sewer transmission lines, 55 miles of STEP transmission lines, 48 lift stations and approximately 4,058 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. Capital improvements are also supported from the general facility charge (GFC) that all new connections must pay.

Management and administration of the Wastewater Utility is provided by 16 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 2017 operating budget for the Wastewater Utility is **\$15,058,215** of which \$10,059,282 will be paid to LOTT Alliance for treatment plant operations and capital requirements.

2017 PROGRAMS, GOALS AND PRIORITIES

- Continue with sewer manhole grouting program.

Explanation of Charges

The monthly Wastewater Utility rate is made up of several components listed below. The current rates and the increase approved by LOTT are as follows:

City Charges (1)	2015	2016	2017
Maintenance/Operations	\$15.79	\$16.55	\$17.35
Replacement Reserves ^{1.25}	1.25	1.25	1.25
Construction/Capital ^{1.00}	1.00	1.00	1.00
Subtotal	18.04	18.80	19.60
LOTT Charges	<u>36.06</u>	<u>37.14</u>	<u>37.88</u>
Total Monthly Charges	\$54.10	\$55.94	\$57.48

(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	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Wastewater Utility Fund - Revenues</i>				
Revenues				
402-0000-308.00-00	Estimated Beginning Cash	-	103,200	-
402-0000-343.50-01	Sales	4,411,548	4,596,512	4,816,017
402-0000-343.50-02	Penalties	135,726	122,500	122,500
402-0000-343.50-03	LOTT Sales	9,484,385	9,999,424	10,059,282
402-0000-343.50-05	Community on site systems	-	4,250	4,250
402-0000-345.83-00	Plan Checking Fees	252	8,666	8,666
402-0000-345.83-01	Plan Check Fees	15,160	-	-
402-0000-345.83-02	Inspection Services	18,692	19,375	10,000
402-0000-345.83-04	Inspection Services-STEP	30,466	12,500	30,000
402-0000-361.11-00	Investment Interest	5,544	4,000	7,500
402-0000-369.40-00	Court Fees /Judgments	42,074	-	-
402-0000-369.90-00	Other Misc Revenue	1,817	-	-
Total Wastewater Utility Fund Revenues		14,145,664	14,870,427	15,058,215

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Wastewater Utility Fund - Expenditures</i>				
Public Works Wastewater Division				
General Services				
402-3501-535.10-01	Salaries-Regular	424,785	413,373	483,478
402-3501-535.10-05	Salaries-Overtime	10,820	8,200	8,200
402-3501-535.20-01	Employer Paid Benefits	180,156	189,440	209,551
402-3501-535.20-03	Unemployment Compensation	-	500	500
402-3501-535.20-42	GASB68 Pension Expense	(85,725)	-	-
402-3501-535.31-01	Office & Operating Supply	5,172	5,113	5,113
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	7,043	2,536	2,536
402-3501-535.41-02	Prof. Svc-Engineering	417,522	432,921	441,636
402-3501-535.41-05	Prof. Svc-Audit	8,066	615	615
402-3501-535.41-15	Prof. Svc-Legal	5,782	2,890	2,890
402-3501-535.41-17	Prof. Svc-Water Resources	137,565	153,674	193,840
402-3501-535.41-32	Prof. Svc-Utility Locates	1,063	2,000	2,000
402-3501-535.42-01	Telecommunications	439	770	770
402-3501-535.43-01	Transportation/Per Diem	1,776	7,900	7,900
402-3501-535.43-02	Dues, Subscriptions, Publ	308	447	447
402-3501-535.43-03	Registrations	12,958	7,650	7,650
402-3501-535.45-01	Equipment Rental	5,250	5,418	5,498
402-3501-535.45-02	IMS Rental	93,682	91,658	98,163
402-3501-535.45-03	Copier Rentals	1,133	1,995	1,995
402-3501-535.45-08	Lease Miscellaneous	340	3,000	3,000
402-3501-535.46-01	Insurance-Liability	26,804	33,900	26,261
402-3501-535.46-02	Insurance-Fire/Property	1,412	1,354	1,375
402-3501-535.47-01	Utility-Electric	6,977	32,000	32,000
402-3501-535.47-02	Utility-City of Lacey	-	2,288	2,288
402-3501-535.47-03	Utility-Natural Gas	975	1,500	1,500
402-3501-535.47-04	LOTT Treatment	9,484,385	9,999,424	10,059,282
402-3501-535.47-07	Utility-Solid Waste	7,013	7,500	7,500
402-3501-535.48-01	Rep & Maint-Equipment	1,655	2,212	2,212
402-3501-535.48-03	Rep & Maint-Facilities	1,597	2,000	2,000
402-3501-535.49-02	Printing & Binding	26	10,400	10,400
402-3501-535.49-03	Recording Fees	3,252	3,000	3,000
402-3501-535.49-06	Maintenance Contracts	4,927	4,073	4,073

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Wastewater Utility Fund - Expenditures</i>				
Public Works Wastewater Division				
General Services-Continued				
402-3501-535.49-10	Uniform Contract/Cleaning	701	1,000	1,000
402-3501-535.49-23	Custodial	7,375	12,256	12,256
402-3501-535.49-25	Assessments/Taxes	69	301	301
402-3501-535.49-30	Software Maintenance	1,957	1,400	1,400
402-3501-535.49-35	CDL-Physicals/Licenses	902	340	340
402-3501-535.60-01	Capital Outlays-Equipment	1,562	-	67,127
Total General Services		10,784,944	11,450,790	11,715,839
Customer Service				
402-3502-514.10-01	Salaries-Regular	40,170	41,602	41,684
402-3502-514.10-05	Salaries-Overtime	9	100	100
402-3502-514.20-01	Employer Paid Benefits	15,829	17,152	17,203
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	Telecommunications	189	200	200
402-3502-514.42-02	Communications-Postage	-	8,080	8,080
402-3502-514.45-01	Equipment Rental	3,153	3,253	3,301
402-3502-514.45-02	IMS Rental	9,165	8,967	9,604
402-3502-514.45-08	Lease Miscellaneous	-	1,000	1,000
402-3502-514.46-06	AWC-L & I Pool	2,028	2,071	2,071
402-3502-514.49-01	Excise Taxes	181,311	170,650	170,650
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	1,286	9,000	9,000
402-3502-597.02-03	Transfer Out 411 Fund	584,107	905,621	665,144
Total Customer Service		837,247	1,168,386	928,727
Lift Station Maintenance				
402-3503-535.10-01	Salaries-Regular	443,551	429,346	442,550
402-3503-535.10-05	Salaries-Overtime	13,320	12,000	12,000
402-3503-535.10-06	Salaries-Part-Time	135	-	-
402-3503-535.20-01	Employer Paid Benefits	215,362	215,269	222,687
402-3503-535.31-01	Office & Operating Supply	18,098	11,000	21,500
402-3503-535.31-02	Small Tools & Equipment	3,036	5,800	5,800
402-3503-535.31-28	Conf Space-Safety Equip	2,071	3,200	3,200
402-3503-535.32-01	Electrical Supplies	2,062	4,000	4,000

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Wastewater Utility Fund - Expenditures</i>				
Public Works Wastewater Division				
Lift Station Maintenance-Continued				
402-3503-535.33-01	Small Tools-Electrical	2,000	700	700
402-3503-535.34-01	Fuel	1,183	1,300	1,300
402-3503-535.41-01	Prof. Svc-Other	10,815	10,400	10,400
402-3503-535.41-16	Prof. Svc-Parks	5,333	9,220	8,691
402-3503-535.42-01	Telecommunications	3,377	7,410	7,410
402-3503-535.45-01	Equipment Rental	58,943	59,601	60,472
402-3503-535.45-05	Rentals-Other	13,114	1,000	1,000
402-3503-535.46-02	Insurance-Fire/Property	3,478	3,334	3,386
402-3503-535.47-01	Utility-Electric	81,336	55,000	85,000
402-3503-535.47-02	Utility-City of Lacey	5,511	6,500	6,500
402-3503-535.47-03	Utility-Natural Gas	1,587	2,500	2,500
402-3503-535.47-07	Utility-Solid Waste	663	-	-
402-3503-535.48-01	Rep & Maint-Equipment	910	3,000	3,000
402-3503-535.48-02	Rep & Maint-Equip Non-Pwr	3,154	2,500	2,500
402-3503-535.48-11	Rep & Maint-Telemetry	3,030	5,700	2,500
402-3503-535.48-12	Rep & Maint-Liftstations	117,251	170,000	120,000
402-3503-535.49-06	Maintenance Contracts	5,880	30,000	30,000
402-3503-535.49-30	Software Maintenance	263	-	-
402-3503-535.49-31	Hardware Maintenance	542	-	-
402-3503-535.60-01	Capital Outlays-Equipment	3,197	-	-
Total Lift Station Maintenance		1,019,202	1,048,780	1,057,096
Wastewater Main Maintenance				
402-3504-535.10-01	Salaries-Regular	232,655	291,660	256,158
402-3504-535.10-05	Salaries-Overtime	3,266	6,000	6,000
402-3504-535.20-01	Employer Paid Benefits	126,402	163,780	142,738
402-3504-535.31-01	Office & Operating Supply	7,500	8,230	8,230
402-3504-535.31-02	Small Tools & Equipment	2,000	6,850	6,850
402-3504-535.31-22	Manhole/Ring/Lid Replace	2,538	3,000	3,000
402-3504-535.31-25	Supplies-Odor Control	178,636	113,205	113,205
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	130,732	134,911	136,881
402-3504-535.45-05	Rentals-Other	844	200	200
402-3504-535.48-01	Rep & Maint-Equipment	225	3,000	3,000

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Wastewater Utility Fund - Expenditures</i>				
Public Works Wastewater Division				
Wastewater Main Maintenance-Continued				
402-3504-535.48-02	Rep & Maint-Equip Non-Pwr	6,643	10,000	10,000
402-3504-535.49-28	Land Fill	-	2,000	2,000
402-3504-535.60-01	Capital Outlays-Equipment	-	-	191,072
Total Wastewater Main Maintenance		691,441	746,336	882,834
S.T.E.P. System Maintenance				
402-3505-535.10-01	Salaries-Regular	137,388	117,382	129,552
402-3505-535.10-05	Salaries-Overtime	9,722	10,000	10,000
402-3505-535.20-01	Employer Paid Benefits	75,792	74,312	78,460
402-3505-535.31-01	Office & Operating Supply	4,893	14,903	14,903
402-3505-535.31-02	Small Tools & Equipment	1,877	4,650	4,650
402-3505-535.31-13	Supplies-Locks/STEP Sys	248	1,300	1,300
402-3505-535.31-25	Supplies-Odor Control	66,834	37,735	37,735
402-3505-535.41-38	Wastewater Testing	-	2,000	2,000
402-3505-535.41-41	On site septic system	-	950	950
402-3505-535.45-01	Equipment Rental	84,009	86,695	87,961
402-3505-535.45-05	Rentals-Other	816	50	50
402-3505-535.48-01	Rep & Maint-Equipment	36	2,500	2,500
402-3505-535.48-02	Rep & Maint-Equip Non-Pwr	1,784	1,300	1,300
402-3505-535.48-13	Rep & Maint-S.T.E.P. Sys	59,770	66,358	66,358
402-3505-535.48-17	Rep & Maint-Grinders	16,085	36,000	36,000
Total S.T.E.P. System Maintenance		459,254	456,135	473,719
Total Wastewater Utility Fund Expenditures		13,792,088	14,870,427	15,058,215

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, stormponds, 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 stormwater system through an aggressive street sweeping program.

BUDGET SUMMARY

This budget reflects the Utility’s current supervision and support, utility billing, and maintenance as well as support and program services from Water Resource staff. Construction projects and land acquisition are funded in the Stormwater Capital Fund budget and debt payments are accounted for in the Stormwater Debt Service Fund.

The Stormwater Utility budget is organized into three programs.

- Supervision and Support
- Customer Service
- Stormwater Facilities Maintenance

The total 2017 budget for the Stormwater Utility is **\$3,216,458**. 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.

2017 PROJECTS, GOALS AND PRIORITIES

- Initiate new programs and policies to maintain compliance with NPDES II requirements.
- Integrate Low Impact Development approaches into City of Lacey codes and standards.
- 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	2015	2016	2017
RESIDENTIAL	\$ 8.75	\$ 9.54	\$ 10.11
DUPLEX	\$17.50	\$19.07	\$20.22

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	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Stormwater Utility Fund - Revenues</i>				
Revenues				
403-0000-334.03-13	Dept of Ecology	14,877	-	-
403-0000-343.51-01	Sales	2,681,112	2,914,025	3,193,255
403-0000-345.83-00	Plan Checking Fees	-	4,069	4,069
403-0000-345.83-01	Plan Check Fees	9,671	-	-
403-0000-345.83-02	Inspection Services	12,060	14,634	14,634
403-0000-361.11-00	Investment Interest	3,385	2,972	4,500
403-0000-369.40-00	Court Fees /Judgments	6,250	-	-
Total Stormwater Utility Fund Revenues		2,727,355	2,935,700	3,216,458

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Stormwater Utility Fund - Expenditures</i>				
Public Works Stormwater Division				
General Service				
403-4201-538.10-01	Salaries-Regular	207,199	201,604	241,366
403-4201-538.10-05	Salaries-Overtime	1,442	1,000	1,000
403-4201-538.10-06	Salaries-Part-Time	-	953	953
403-4201-538.20-01	Employer Paid Benefits	78,486	85,630	120,821
403-4201-538.20-42	GASB68 Pension Expense	(33,507)	-	-
403-4201-538.31-01	Office & Operating Supply	1,193	2,541	2,541
403-4201-538.31-02	Small Tools & Equipment	27	1,500	1,500
403-4201-538.31-17	Supplies-Uniform Purchase	771	2,260	2,260
403-4201-538.31-27	Software Upgrade	-	5,260	5,260
403-4201-538.41-01	Prof. Svc-Other	1,397	15,759	15,759
403-4201-538.41-02	Prof. Svc-Engineering	265,195	259,478	283,672
403-4201-538.41-05	Prof. Svc-Audit	2,272	450	450
403-4201-538.41-15	Prof. Svc-Legal	366	2,200	2,200
403-4201-538.41-17	Prof. Svc-Water Resources	399,086	357,901	499,237
403-4201-538.41-23	Prof. Svc-Local Monitor	35,277	40,000	40,000
403-4201-538.41-27	Prof. Svc-PIE Program	30,635	22,750	23,000
403-4201-538.41-32	Prof. Svc-Utility Locates	213	725	725
403-4201-538.41-42	Illicit Discharge Detect.	-	9,000	9,000
403-4201-538.41-43	Analyze Stormwater Sample	226	10,000	10,000
403-4201-538.42-01	Telecommunications	914	543	543
403-4201-538.43-01	Transportation/Per Diem	-	2,228	2,228
403-4201-538.43-02	Dues, Subscriptions, Publ	21	173	173
403-4201-538.43-03	Registrations	112	2,568	2,568
403-4201-538.45-01	Equipment Rental	3,307	3,397	3,148
403-4201-538.45-02	IMS Rental	45,497	42,926	45,315
403-4201-538.45-03	Copier Rentals	317	499	499
403-4201-538.45-08	Lease Miscellaneous	580	-	-
403-4201-538.46-01	Insurance-Liability	12,857	16,261	12,597
403-4201-538.46-02	Insurance-Fire/Property	353	338	343
403-4201-538.47-01	Utility-Electric	2,402	2,800	2,800
403-4201-538.47-02	Utility-City of Lacey	-	529	529
403-4201-538.47-03	Utility-Natural Gas	281	811	811
403-4201-538.47-07	Utility-Solid Waste	1,744	2,000	2,000
403-4201-538.48-01	Rep & Maint-Equipment	414	553	553
General Service-Continued				

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Stormwater Utility Fund - Expenditures</i>				
Public Works Stormwater Division				
403-4201-538.48-03	Rep & Maint-Facilities	399	-	-
403-4201-538.49-02	Printing & Binding	6	-	-
403-4201-538.49-06	Maintenance Contracts	686	1,018	1,018
403-4201-538.49-23	Custodial	1,844	3,063	3,063
403-4201-538.49-25	Assessments/Taxes	7,491	14,750	15,700
403-4201-538.49-35	CDL-Physicals/Licenses	282	120	120
403-4201-538.49-43	Regional Monitoring Prog.	2,453	10,000	10,000
403-4201-538.49-44	Project Green	11,000	11,900	11,900
403-4201-538.60-01	Capital Outlays-Equipment	-	-	15,750
Total General Service		1,083,238	1,135,488	1,391,402
Customer Service				
403-4202-514.10-01	Salaries-Regular	5,487	5,719	4,970
403-4202-514.20-01	Employer Paid Benefits	2,472	2,672	2,616
403-4202-514.31-01	Office & Operating Supply	-	200	200
403-4202-514.42-01	Telecommunications	-	50	50
403-4202-514.42-02	Communications-Postage	-	1,750	1,750
403-4202-514.45-02	IMS Rental	7,687	7,253	7,657
403-4202-514.45-08	Lease Miscellaneous	563	500	500
403-4202-514.46-06	AWC-L & I Pool	749	765	765
403-4202-514.49-01	Excise Taxes	42,671	46,400	46,400
403-4202-514.49-02	Printing & Binding	-	500	500
403-4202-514.49-27	Bad Debt Expense	204	1,800	1,800
403-4202-514.60-01	Capital Outlays-Equipment	-	-	29,970
403-4202-597.69-02	Transfer Out 412 Fund	547,224	858,810	872,059
Total Customer Service		607,057	926,419	969,237
Stormwater Facility Maintenance				
403-4203-538.10-01	Salaries-Regular	283,860	306,776	282,840
403-4203-538.10-05	Salaries-Overtime	14,487	4,000	4,000
403-4203-538.10-06	Salaries-Part-Time	14,110	18,101	18,101
403-4203-538.20-01	Employer Paid Benefits	156,530	167,299	169,865
403-4203-538.31-01	Office & Operating Supply	29,208	35,040	35,040
403-4203-538.31-02	Small Tools & Equipment	2,023	2,500	2,500
403-4203-538.31-17	Supplies-Uniform Purchase	1,702	1,600	1,600
403-4203-538.31-22	Manhole/Ring/Lid Replace	-	4,000	4,000
Stormwater Facility Maintenance-Continued				

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Stormwater Utility Fund - Expenditures</i>				
Public Works Stormwater Division				
403-4203-538.34-01	Fuel	453	750	750
403-4203-538.41-01	Prof. Svc-Other	6,196	13,000	13,000
403-4203-538.45-01	Equipment Rental	217,564	223,477	207,123
403-4203-538.47-01	Utility-Electric	727	900	900
403-4203-538.47-02	Utility-City of Lacey	8,703	13,000	13,000
403-4203-538.48-01	Rep & Maint-Equipment	-	800	800
403-4203-538.48-03	Rep & Maint-Facilities	13,178	52,050	52,050
403-4203-538.49-10	Uniform Contract/Cleaning	-	500	500
403-4203-538.49-29	Vactor Waste	8,250	30,000	30,000
403-4203-538.60-01	Capital Outlays-Equipment	4,942	-	19,750
Total Stormwater Facility Maintenance		761,933	873,793	855,819
Total Stormwater Utility Fund Expenditures		2,452,228	2,935,700	3,216,458



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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. In time, 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. For the immediate future, reclaimed water will be used to mitigate the predicted impacts to surface and shallow ground water from water rights Lacey is planning to receive. Initially, the City of Lacey will have access to 1.06 MGD of reclaimed water daily.

BUDGET SUMMARY

The 2017 maintenance and operating budget for the Reclaimed Water Utility Fund is **\$400**.

All associated costs for this fund have been transferred to the Water Utility for maintenance of systems.

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Reclaimed Water Utility Fund - Revenues</i>				
Revenues				
404-0000-361.11-00	Investment Interest	274	400	400
404-0000-383.10-00	Contributed Capital	185,288	-	-
Total Reclaimed Water Utility Fund Revenues		185,562	400	400

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Reclaimed Water Utility Fund - Expenditures</i>				
Public Works Reclaimed Division				
General Services				
404-3501-508.80-00	Unreserved Funds	-	400	400
404-3501-535.82-01	Depreciation-Utilities	28,253	-	-
Total Reclaimed Water Utility Fund Expenditures		28,253	400	400



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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 2017 budget for this fund is **\$10,687,542**.

2017 PROGRAMS, GOALS AND PRIORITIES

Water Construction Fund:

- Lacey Share of the Brewery Studies
- College & 22nd Roundabout - Water main Improvements
- Water Rights Mitigation
- Smith Farm Construction & On-going Farm Management
- Well Source 15 and 16 Replacement (Beachcrest)
- HPWTF Recycle Equipment
- Westside BPS VFDs and On-site Generator
- SW 337 Pressure Zone Study
- Hoh Street Water Transmission
- Hawks Prairie Wellfield
- Marvin Road Widening (Development/Transportation)
- Cantergrove Water Replacement (Development/Transportation)
- Beachcrest Waterline Loop (Development/Transportation)
- Overflow for Union Mills Reservoir
- Shady Lane, 2016 Watermain Replacement
- Union Mills Reservoir Seismic Upgrade
- Survey for Future Watermain Replacement
- Gateway RPBA
- Capital City golf Course Fire-flow
- Horizon Pointe/66th Ave Water
- 2017 Critical Valves
- 2016 Well Review/Analysis
- 2017 Watermain replacement, Projects 1 & 2
- Reclaimed Water Plan
- 2017 Misc. work on trans/development projects
- Water Comprehensive Plan Update
- Water Filling Stations
- 337 Zone Reservoir
- Well S01 Replacement
- Union Mills Road Water Service
- 2018 Watermain Replacement, Project 1 & 2
- Sleater Kinney Water Main
- 2017 Revenue Bond Repayment (83.17%)

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Water Capital Fund - Revenues</i>				
Revenues				
410-0000-308.00-00	Estimated Beginning Cash	-	10,410,764	3,156,426
410-0000-308.01-00	Construction Cash	-	666,666	-
410-0000-343.40-05	Replacement Sales	1,770,377	1,716,537	1,791,179
410-0000-343.40-07	General Facilities Charge	2,937,008	1,795,711	2,500,000
410-0000-361.11-00	Investment Interest	47,491	25,000	25,000
410-0000-361.12-00	Interest Construction	3,661	1,000	30,000
410-0000-397.02-00	Transfer In 401 Fund	1,920,326	2,764,328	3,184,937
410-0000-397.11-50	Transfer In 450 Fund	115,793	-	-
Total Water Capital Fund Revenues		6,794,656	17,380,006	10,687,542

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Water Capital Fund - Expenditures</i>				
Public Works Water Capital				
Water Capital Construction				
410-3418-534.60-99	Capitalized Assets	(2,813,778)	-	-
410-3418-534.90-01	Preliminary Engineering	451,397	2,035,643	1,937,025
410-3418-534.90-05	Construction Engineering	250,260	683,368	641,100
410-3418-534.90-13	Construction/Utilities	2,190,453	8,245,455	7,537,875
410-3418-534.90-22	Purchase of Land	2,796	-	60,000
410-3418-534.90-25	Water Rights Mitigation	7,822	10,000	10,000
410-3418-534.90-98	Settlement Expense	7,664	-	-
410-3418-581.20-30	Loan Repayments 411 Fund	-	5,903,000	-
410-3418-592.85-01	Interfund Loan Interest	10,206	-	-
410-3418-597.69-01	Transfer Out 450 Fund	503,704	502,540	501,542
Total Water Capital Fund Expenditures		610,524	17,380,006	10,687,542



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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 2017 fund requirements are **\$10,301,000**.

2017 PROGRAMS, GOALS AND PRIORITIES

Wastewater Construction Fund Projects:

- Steilacoom Regional Liftstation
- LS 18 Generator - Yelm and Intelco
- Lift Station #2 LS, Gravity and FM Replacement (Westlake)
- Lift Station #3 Outfall (Pipe and Manhole)
- LS 9 Corrosion Rehab - Ruddell at Rainier Vista Park
- Rumac St. STEP (Part 1 Lakepointe bioxide)
- Shady Lane Sewer
- LS 15 Rehab - Galaxy Drive
- LS 19 Rehab - Willamette DR & Commercial Place DR
- LS 21 Rehab - Pacific Ave at the Mayan Resturant
- LS 12 Abandonment & New Mains - 5th Court
- College / 22nd Slipline
- Hogum Bay Road Improvements
- Mullen Road STEP Main (Part 2 Lakepointe Bioxide)
- LW 22 New Equipment (4401 45th Ave SE)
- LS 23 Generator/Flowmeter (1922 Abernethy Road)
- Sewer Decant Facility
- Annual Misc. Wastewater improvements

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Wastewater Capital Fund - Revenues</i>				
Revenues				
411-0000-308.00-00	Estimated Beginning Cash	-	576,343	7,460,686
411-0000-308.01-00	Construction Cash	-	1,734,565	-
411-0000-343.50-04	Replacement Sales	328,436	331,700	343,580
411-0000-343.50-08	General Facilities Charge	2,195,043	1,150,103	1,500,000
411-0000-361.11-00	Investment Interest	15,171	-	-
411-0000-361.12-00	Interest Construction	11,272	14,000	45,000
411-0000-366.10-00	Interfund Interest	10,206	-	-
411-0000-381.10-00	Loans Received	-	5,903,000	-
411-0000-397.03-00	Transfer In 402 Fund	584,107	905,621	951,734
411-0000-397.04-00	Transfer In 451 Fund	497,001	2,149,968	-
Total Wastewater Capital Fund Revenues		3,641,236	12,765,300	10,301,000

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Wastewater Capital Fund - Expenditures</i>				
Public Works Wastewater Capital				
Wastewater Capital Construction				
411-3518-508.80-00	Unreserved Funds	-	3,235,392	-
411-3518-535.60-99	Capitalized Assets	(2,075,331)	-	-
411-3518-535.90-01	Preliminary Engineering	438,595	1,276,227	1,787,475
411-3518-535.90-05	Construction Engineering	123,191	653,168	683,475
411-3518-535.90-11	Construction Administrative	16,502	-	-
411-3518-535.90-13	Construction/Utilities	1,544,956	7,600,513	7,830,050
411-3518-535.90-22	Purchase of Land	5,095	-	-
Total Wastewater Capital Fund Expenditures		53,008	12,765,300	10,301,000



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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 2017 are budgeted to be **\$874,559**. Revenues for this fund come from rates, loans, and grants.

2017 PROGRAMS, GOALS AND PRIORITIES

- Low Impact Development Code Revisions
- Stormwater Manual Update
- 25th Loop SW Improvements
- 2017 Revenue Bond Repayment (16.83%)

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Stormwater Capital Fund - Revenues</i>				
Revenues				
412-0000-308.00-00	Estimated Beginning Cash	-	441,000	-
412-0000-334.03-13	Dept of Ecology	-	352,000	-
412-0000-361.11-00	Investment Interest	3,274	2,500	2,500
412-0000-397.10-06	Transfer In 403 Fund	547,224	858,810	872,059
412-0000-397.11-52	Transfer In 452 Fund	578	-	-
Total Stormwater Capital Fund Revenues		551,076	1,654,310	874,559

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Stormwater Capital Fund - Expenditures</i>				
Public Works Stormwater Capital				
Stormwater Capital Construction				
412-4218-508.80-00	Unreserved Funds	-	56,624	473,075
412-4218-542.60-99	Capitalized Assets	(764,564)	-	-
412-4218-542.90-01	Preliminary Engineering	190,758	255,000	20,000
412-4218-542.90-04	Storm Drainage	-	1,147,925	259,000
412-4218-542.90-05	Construction Engineering	121,277	93,075	21,000
412-4218-542.90-11	Construction Administrative	11,483	-	-
412-4218-542.90-13	Construction/Utilities	559,035	-	-
412-4218-597.69-05	Transfer Out 452 Fund	101,921	101,686	101,484
Total Stormwater Capital Fund Expenditures		219,910	1,654,310	874,559



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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.

BUDGET SUMMARY

The 2017 budget for the Reclaimed Water Capital Fund is **\$5,000**. This fund will provide for the future construction of the facilities necessary to irrigate rights-of-way in northeast Lacey, Regional Athletic Complex, and provide future water right mitigation efforts.

There are no construction projects for 2017.

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Reclaimed Water Capital Fund - Revenues</i>				
Revenues				
414-0000-361.11-00	Investment Interest	3,779	3,500	5,000
Total Reclaimed Water Capital Fund Revenues		3,779	3,500	5,000

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Reclaimed Water Capital Fund - Expenditures</i>				
Public Works Reclaimed Water Capital				
Reclaimed Water Capital Construction				
414-3518-508.80-00	Unreserved Funds	-	3,500	5,000
Total Reclaimed Water Capital Fund Expenditures		-	3,500	5,000



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WATER DEBT SERVICE FUND

The Water Debt Service Fund was created to remove debt obligations from the operating budget.

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.

The 2017 budget includes **\$4,020,892** for interest and principal payments for the 2013 revenue bonds. These debt service payments are funded through Water rates and are transferred into the debt service fund from the Water Capital fund.

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Water Debt Fund - Revenues</i>				
Revenues				
450-0000-308.04-00	Depreciation-Balancing	-	3,499,900	3,499,990
450-0000-361.11-00	Investment Interest	842	100	10
450-0000-361.13-00	Int. Earned Debt Reserve	6,109	-	-
450-0000-361.51-08	Penalty-ULID 21	(107)	-	-
450-0000-361.55-08	Interest-ULID 21	9,518	9,333	8,526
450-0000-368.10-08	Principal-ULID 21	-	11,092	10,824
450-0000-383.10-00	Contributed Capital	3,186,009	-	-
450-0000-397.06-00	Transfer In 410 Fund	503,704	502,540	501,542
Total Water Debt Service Fund Revenues		3,706,075	4,022,965	4,020,892

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Water Debt Fund - Expenditures</i>				
Finance - Debt Retirement				
450-3401-534.82-01	Depreciation-Utilities	3,373,514	3,500,000	3,500,000
450-3401-591.72-05	Principal-2013 Rev Bonds	-	270,306	274,464
450-3401-592.83-05	Interest-2013 Rev Bonds	193,989	232,234	226,828
450-3401-592.84-00	Issue Cost	353	-	250
450-3401-597.69-04	Transfer Out 410 Fund	115,793	-	-
450-3401-597.69-06	Transfers Out 202 Fund	-	20,425	19,350
Total Water Debt Service Fund Expenditures		3,683,649	4,022,965	4,020,892



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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.

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 local improvement district debt obligations are for Utility Local Improvement District (ULID) #23, which included a sewer line installation and connections. The 2017 budget includes appropriations for a bond issue for ULID #24, which includes the replacement of a community septic system with a sewer interceptor connection to the city system.

2017 budget includes \$36,978 for interest and principal for 2015 revenue bonds (ULID23).

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Wastewater Debt Fund - Revenues</i>				
Revenues				
451-0000-308.04-00	Depreciation-Balancing	-	2,349,650	2,349,650
451-0000-361.11-00	Investment Interest	(3,909)	-	-
451-0000-361.13-00	Int. Earned Debt Reserve	-	350	350
451-0000-361.55-09	Interest-ULID #23	21,149	20,582	20,291
451-0000-361.55-10	Interest-ULID #24	-	-	46,334
451-0000-368.10-09	Principal-ULID# 23	502,001	16,684	16,687
451-0000-368.10-10	Principal-ULID #24	-	-	134,724
451-0000-369.90-00	Other Misc Revenue	-	381	-
451-0000-383.10-00	Contributed Capital	2,865,937	-	-
451-0000-391.30-04	ULID #24	-	2,414,101	-
Total Wastewater Debt Service Fund Revenues		3,385,178	4,801,748	2,568,036

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Wastewater Debt Fund - Expenditures</i>				
Finance - Debt Retirement				
451-3501-508.80-00	Unreserved Funds	-	381	-
451-3501-535.82-01	Depreciation-Utilities	1,996,760	2,350,000	2,350,000
451-3501-535.85-01	Debt Reserve for Covenant	-	207,133	-
451-3501-591.72-07	ULID #24 Bonds	-	-	181,058
451-3501-592.84-00	Issue Cost	5,000	57,000	-
451-3501-592.85-02	to Fund 202-ULID23	6,372	37,266	36,978
451-3501-597.02-03	Transfer Out 411 Fund	497,001	2,149,968	-
Total Wastewater Debt Service Fund Expenditures		2,505,133	4,801,748	2,568,036



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STORMWATER DEBT SERVICE FUND

The Stormwater Debt Service Fund was created to remove debt obligations from the operating budget.

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.

The 2017 budget includes \$101,433 for interest and principal for the 2013 revenue bonds. These debt service payments are funded through Stormwater rates and are transferred into the debt service fund from the Stormwater Capital fund.

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Stormwater Debt Fund - Revenues</i>				
Revenues				
452-0000-308.04-00	Depreciation-Balancing	-	1,650,000	1,650,000
452-0000-361.11-00	Investment Interest	140	-	-
452-0000-373.00-00	Other Gains & Losses	(115,902)	-	-
452-0000-383.10-00	Contributed Capital	1,389,951	-	-
452-0000-397.05-00	Transfer In 412 Fund	101,921	101,686	101,484
Total Stormwater Debt Service Fund Revenues		1,376,110	1,751,686	1,751,484

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Stormwater Debt Fund - Expenditures</i>				
Finance - Debt Retirement				
452-4201-538.82-01	Depreciation-Utilities	1,693,280	1,650,000	1,650,000
452-4201-591.72-05	Principal-2013 Rev Bonds	-	54,695	55,536
452-4201-592.83-05	Interest-2013 Rev Bonds	28,358	46,991	45,897
452-4201-592.84-00	Issue Cost	72	-	51
452-4201-597.69-02	Transfer Out 412 Fund	578	-	-
Total Stormwater Debt Service Fund Expenditures		1,722,288	1,751,686	1,751,484



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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 approximately 242 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 2017 budget for the Equipment Rental Fund is **\$2,670,431** 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.

2017 PROGRAMS, GOALS AND PRIORITIES

- Ensure 2017 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	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Equipment Rental Fund - Revenues</i>				
Revenues				
501-0000-308.00-00	Estimated Beginning Cash	-	309,991	424,658
501-0000-348.10-07	M&O-Police	292,071	324,288	287,164
501-0000-348.10-08	M&O-Planning & Comm. Dev.	12,320	15,892	19,622
501-0000-348.10-09	M&O-Public Works	36,438	42,073	59,811
501-0000-348.10-10	M&O-Parks & Recreation	24,347	18,629	17,924
501-0000-348.10-11	M&O-Facilities Maint.	4,448	3,777	3,194
501-0000-348.10-12	M&O-Parks Maintenance	155,997	166,939	170,014
501-0000-348.10-13	M&O-Water	209,866	256,039	225,258
501-0000-348.10-14	M&O-Wastewater	116,654	127,147	114,829
501-0000-348.10-15	M&O-Stormwater	109,863	121,432	106,735
501-0000-348.10-16	M&O-Streets	131,549	127,705	145,259
501-0000-348.10-17	M&O-Animal Services	16,769	26,038	28,056
501-0000-348.10-18	Drug Unit	-	-	2,038
501-0000-348.10-20	M&O-City Hall Common	6,363	6,618	8,328
501-0000-348.10-22	M&O-Fire District #3	53,276	85,861	83,026
501-0000-348.10-23	M&O-Water Resources	6,031	7,361	8,930
501-0000-348.10-24	M&O-RAC	35,821	39,503	29,755
501-0000-348.20-07	Replacement-Police	134,782	135,544	159,782
501-0000-348.20-08	Replacement-Planning & CD	12,202	9,380	6,811
501-0000-348.20-09	Replacement-Public Works	36,092	38,463	34,902
501-0000-348.20-10	Replacement-Parks & Rec.	13,184	10,064	9,845
501-0000-348.20-11	Replacement-Facility Main	943	890	890
501-0000-348.20-12	Replacement-Parks Maint.	150,533	115,705	89,442
501-0000-348.20-13	Replacement-Water	176,208	194,583	193,659
501-0000-348.20-14	Replacement-Wastewater	181,919	162,731	179,284
501-0000-348.20-15	Replacement-Stormwater	111,461	105,443	103,536
501-0000-348.20-16	Replacement-Streets	90,059	78,990	81,360
501-0000-348.20-20	Replacement-City Hall	8,900	10,849	8,131
501-0000-348.20-23	Replacement-Water Resourc	7,451	6,738	6,739
501-0000-348.20-24	Replacement-RAC	84,512	49,418	46,114
501-0000-361.11-00	Investment Interest	18,083	15,335	15,335
501-0000-369.10-00	Sale of Scrap & Surplus	165	-	-
501-0000-369.13-00	Proceeds of Capital Asset	65,438	-	-
501-0000-369.40-00	Court Fees /Judgments	27,913	37,676	-
501-0000-373.00-00	Other Gains & Losses	(5,405)	-	-
501-0000-383.11-00	From Governmental Funds	47,657	-	-
Total Equipment Rental Fund Revenues		2,373,910	2,651,102	2,670,431

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Equipment Rental Fund - Expenditures</i>				
Public Works Equipment Rental				
General Services				
501-4801-508.80-00	Unreserved Funds	-	305,026	278,954
501-4801-548.10-01	Salaries-Regular	126,254	130,247	131,387
501-4801-548.10-05	Salaries-Overtime	20	200	200
501-4801-548.20-01	Employer Paid Benefits	50,114	53,956	56,561
501-4801-548.20-42	GASB68 Pension Expense	(19,435)	-	-
501-4801-548.31-01	Office & Operating Supply	2,059	750	750
501-4801-548.31-17	Supplies-Uniform Purchase	2,292	2,200	2,200
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	120	300	641
501-4801-548.43-03	Registrations	84	1,500	1,500
501-4801-548.45-02	IMS Rental	8,602	8,172	8,025
501-4801-548.46-02	Insurance-Fire/Property	6,297	6,752	6,857
501-4801-548.46-04	Insurance-Vehicle	28,735	30,018	28,587
501-4801-548.46-06	AWC-L & I Pool	504	515	607
501-4801-548.47-01	Utility-Electrical	3,926	5,001	5,001
501-4801-548.47-02	Utility-City of Lacey	4,441	4,300	5,000
501-4801-548.47-03	Utility-Gas	2,811	6,000	6,000
501-4801-548.48-01	Rep & Maint-Equipment	12	650	650
501-4801-548.48-03	Rep & Maint-Facilities	630	2,896	2,896
501-4801-548.49-10	Uniform Contract/Cleaning	819	1,000	1,000
501-4801-548.49-25	Assessments/Taxes	222	-	150
501-4801-548.49-35	CDL-Physicals/Licenses	-	172	350
501-4801-548.60-01	Capital Outlays-Equipment	-	21,119	17,491
501-4801-548.60-02	Capital Outlays-Replace	522,153	336,548	405,858
501-4801-548.60-99	Capitalized Fixed Asset	(487,851)	-	-
501-4801-548.65-02	Depreciation-Vehicles	681,648	693,512	654,162
Total General Services		934,457	1,612,534	1,616,527
Preventative Maintenance				
501-4802-548.10-01	Salaries-Regular	125,144	128,778	131,482
501-4802-548.10-05	Salaries-Overtime	-	200	200
501-4802-548.10-06	Salaries-Part-Time	6,024	10,057	10,057
501-4802-548.20-01	Employer Paid Benefits	58,169	63,809	61,408

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Equipment Rental Fund - Expenditures</i>				
Public Works Equipment Rental				
Preventative Maintenance-Continued				
501-4802-548.31-01	Office & Operating Supply	106,743	125,000	125,000
501-4802-548.31-02	Small Tools & Equipment	4,955	5,000	5,000
501-4802-548.31-27	Software Upgrade	2,656	2,900	2,900
501-4802-548.41-01	Prof. Svc-Other	-	1,000	1,000
501-4802-548.48-01	Rep & Maint-Equipment	48,495	50,000	55,262
501-4802-548.49-30	Software Maintenance	1,842	1,595	1,595
Total Preventative Maintenance		354,028	388,339	393,904
Fuel, Oil, Tires				
501-4803-548.10-01	Salaries-Regular	22,996	23,659	24,156
501-4803-548.20-01	Employer Paid Benefits	10,298	11,080	10,946
501-4803-548.31-01	Office & Operating Supply	1,118	700	1,387
501-4803-548.34-01	Fuel	230,172	377,109	377,109
501-4803-548.34-02	Diesel	122,646	206,381	206,381
501-4803-548.34-03	Tires	23,990	27,500	35,205
501-4803-548.41-01	Prof. Svc-Other	331	2,000	2,000
501-4803-548.48-01	Rep & Maint-Equipment	1,512	1,800	2,816
Total Fuel, Oil, Tires		413,063	650,229	660,000
Total Equipment Rental Fund Expenditures		1,701,548	2,651,102	2,670,431

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. IMS 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." IMS 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 2017 budget for Information Management Services is **\$1,950,969** 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.

2017 PROGRAMS, 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	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Information Management Service Fund - Revenues</i>				
Revenues				
502-0000-308.00-00	Estimated Beginning Cash	-	220,274	231,099
502-0000-348.10-01	M&O-City Manager	9,870	9,890	10,314
502-0000-348.10-02	M&O-Finance	26,834	25,811	26,486
502-0000-348.10-03	M&O-City Council	6,010	11,992	13,933
502-0000-348.10-05	M&O-Public Affairs/HR	18,855	19,635	23,488
502-0000-348.10-06	M&O-Community Bldgs	8,533	8,519	8,884
502-0000-348.10-07	M&O-Police	113,845	108,591	117,529
502-0000-348.10-08	M&O-Planning & Comm. Dev.	50,143	55,598	57,843
502-0000-348.10-09	M&O-Public Works	45,860	47,875	45,617
502-0000-348.10-10	M&O-Parks & Recreation	23,226	27,853	30,765
502-0000-348.10-11	M&O-Facilities Maint.	1,476	1,579	1,585
502-0000-348.10-12	M&O-Parks Maintenance	13,168	13,737	14,028
502-0000-348.10-13	M&O-Water	158,418	178,723	189,702
502-0000-348.10-14	M&O-Wastewater	91,979	92,721	99,138
502-0000-348.10-15	M&O-Stormwater	49,699	47,730	50,441
502-0000-348.10-16	M&O-Streets	17,863	16,475	16,944
502-0000-348.10-20	M&O-City Hall Common	672,911	714,316	755,318
502-0000-348.10-21	M&O-Equipment Rental	6,154	6,156	6,362
502-0000-348.10-23	M&O-Water Resources	26,288	22,231	27,476
502-0000-348.10-24	M&O-RAC	7,741	9,337	9,678
502-0000-348.20-01	Replacement-City Manager	3,127	2,519	2,840
502-0000-348.20-02	Replacement-Finance	6,116	3,430	6,306
502-0000-348.20-03	Replacement-City Council	3,665	3,478	3,435
502-0000-348.20-05	Replacement-PA/HR	7,647	8,092	7,617
502-0000-348.20-06	Replacement-Comm Bldgs	3,712	2,989	3,926
502-0000-348.20-07	Replacement-Police	75,616	71,746	58,167
502-0000-348.20-08	Replacement-Planning & CD	14,964	27,270	11,165
502-0000-348.20-09	Replacement-Public Works	44,948	60,814	35,654
502-0000-348.20-10	Replacement-Parks & Rec.	11,024	7,259	7,707
502-0000-348.20-11	Replacement-Facility Main	689	638	569
502-0000-348.20-12	Replacement-Parks Maint.	4,631	3,454	2,989
502-0000-348.20-13	Replacement-Water	18,911	13,427	14,323
502-0000-348.20-14	Replacement-Wastewater	10,868	7,904	8,629
502-0000-348.20-15	Replacement-Stormwater	3,485	2,448	2,531
502-0000-348.20-16	Replacement-Streets	8,752	6,541	6,150
502-0000-348.20-20	Replacement-City Hall	43,711	25,644	18,428
502-0000-348.20-21	Replacement-Equip Rent	2,448	2,016	1,663

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Information Management Service Fund - Revenues/Expenditures</i>				
Finance				
Revenues-Continued				
502-0000-348.20-23	Replacement-Water Resourc	10,708	7,962	8,082
502-0000-348.20-24	Replacement-RAC	2,639	4,562	4,658
502-0000-361.11-00	Investment Interest	4,651	4,500	9,500
502-0000-373.00-00	Other Gains & Losses	(4,982)	-	-
Total Information Mgmt. Services Fund Revenues		1,626,203	1,905,736	1,950,969
Total City Revenues		111,153,000	135,233,394	122,653,037
Central System Support				
502-1801-518.10-01	Salaries-Regular	215,378	223,409	222,761
502-1801-518.10-05	Salaries-Overtime	426	3,000	3,000
502-1801-518.20-01	Employer Paid Benefits	90,992	99,549	107,083
502-1801-518.20-42	GASB68 Pension Expense	(58,287)	-	-
502-1801-518.31-01	Office & Operating Supply	2,634	14,000	14,000
502-1801-518.31-27	Software Upgrade	3,859	8,000	8,000
502-1801-518.41-25	Prof. Svc-Computer	1,565	10,000	10,000
502-1801-518.42-01	Telecommunications	9,447	18,120	18,120
502-1801-518.42-05	Communications-Webhosting	6,000	6,000	10,000
502-1801-518.43-01	Transportation/Per Diem	1,887	8,000	8,000
502-1801-518.43-02	Dues, Subscriptions, Publ	195	2,000	2,000
502-1801-518.43-03	Registrations	1,055	8,000	8,000
502-1801-518.46-06	AWC-L & I Pool	141	144	144
502-1801-518.48-01	Rep & Maint-Equipment	2,887	2,000	2,000
502-1801-518.49-02	Printing & Binding	-	500	500
502-1801-518.49-05	Professional Development	-	9,000	9,000
502-1801-518.49-30	Software Maintenance	197,508	182,663	188,145
502-1801-518.49-31	Hardware Maintenance	63,421	52,000	66,000
502-1801-518.49-67	Web Services	2,925	2,000	2,000
Total Central System Support		542,033	648,385	678,753
PC & Network Support				
502-1802-518.10-01	Salaries-Regular	398,356	422,221	440,774
502-1802-518.10-05	Salaries-Overtime	142	3,000	3,000

Account Number	Description	2015 Actual Revenue/Expense	2016 Amended Budget	2017 Proposed Budget
<i>Information Management Service Fund - Expenditures</i>				
Finance Expenditures				
PC & Network Support-Continued				
502-1802-518.20-01	Employer Paid Benefits	173,924	192,831	214,797
502-1802-518.31-01	Office & Operating Supply	3,868	10,000	10,000
502-1802-518.41-25	Prof. Svc-Computer	-	7,500	7,500
502-1802-518.43-01	Transportation/Per Diem	305	6,000	6,000
502-1802-518.43-03	Registrations	-	5,000	5,000
502-1802-518.49-05	Professional Development	-	10,000	10,000
502-1802-518.60-01	Capital Outlays-Equipment	188,489	242,000	219,838
502-1802-518.60-09	Software Assurance	53,828	60,000	60,000
502-1802-518.60-99	Capitalize Assets	(51,988)	-	-
502-1802-518.65-04	Depreciation-IMS Equip	66,572	159,149	162,312
Total PC & Network Support		833,496	1,117,701	1,139,221
Help Desk				
502-1803-518.10-01	Salaries-Regular	82,059	84,247	77,624
502-1803-518.10-05	Salaries-Overtime	-	1,500	1,500
502-1803-518.20-01	Employer Paid Benefits	38,040	41,003	40,971
502-1803-518.31-01	Office & Operating Supply	186	7,000	7,000
502-1803-518.42-01	Telecommunications	-	500	500
502-1803-518.43-01	Transportation/Per Diem	-	1,600	1,600
502-1803-518.43-02	Dues, Subscriptions, Publ	-	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		120,285	139,650	132,995
Total Information Mgmt. Services Fund Expenditures		1,495,814	1,905,736	1,950,969
Total City Expenditures		91,767,441	135,233,394	122,653,037