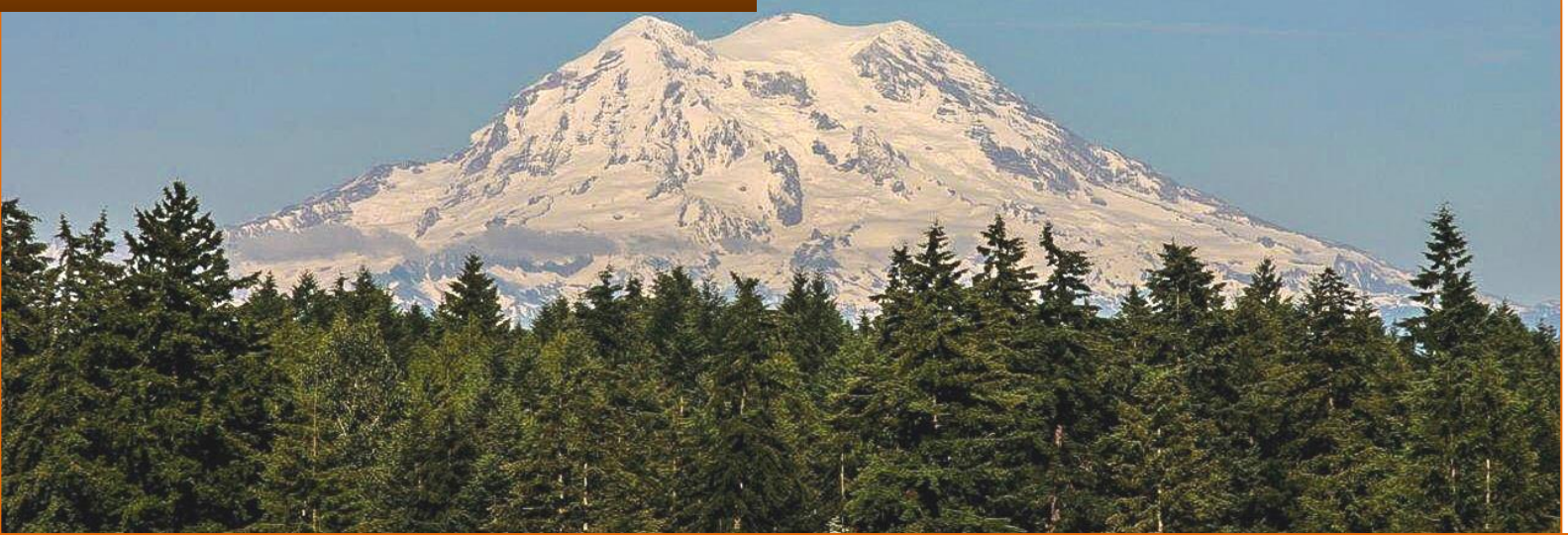


City of Yelm



Fiscal Year 2018 Budget

# Team Yelm

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## **MAYOR**

JW FOSTER

## **CITY COUNCIL**

EJ Curry

Molly Carmody

Jennifer Littlefield

Tad Stillwell

Tracey Wood

Joe DePinto

Russ Hendrickson

## **CITY ADMINISTRATOR**

Michael Grayum

## **FINANCE**

Joe Wolfe

## **CITY CLERK/HUMAN RESOURCES**

Lori Mossman

## **MUNICIPAL COURT CLERK**

Sonia Ramirez

## **PLANNING & ECONOMIC DEVELOPMENT**

Grant Beck

## **POLICE**

Todd Stancil

## **PUBLIC WORKS**

Chad Bedlington

# 2018 CITY OF YELM BUDGET ORDINANCE

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## CITY OF YELM ORDINANCE NO. 1033

### **AN ORDINANCE OF THE CITY OF YELM ADOPTING THE YELM MUNICIPAL BUDGET AND SALARY AND BENEFIT SCHEDULE FOR THE CALENDAR YEAR 2018.**

### **BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF YELM, THURSTON COUNTY, STATE OF WASHINGTON, AS FOLLOWS:**

Section 1. The monies in the funds of the City Treasury as identified in Appendix I are hereby budgeted and appropriated for the calendar year 2018 to be used for the purposes for which said funds have been established and maintained.

Section 2. The 2018 salary and hourly salary rates for officers and employees of the City of Yelm shall be, and the same are hereby fixed and established as set forth in the "2018 Salary Schedule", annexed hereto as Appendix II, and by this reference incorporated as though fully set forth.

Sick leave, bereavement leave, vacation, holidays, medical, dental and life insurance benefits shall in calendar year 2018 be accumulated and provided to officer and employees of the City of Yelm in the manner set forth in the "2018 Benefit Schedule", annexed hereto as Appendix III, and by this reference incorporated as though fully set forth.

Section 3. Copies of this Ordinance shall be sent to the State Auditor, Thurston County Auditor, and Municipal Research Services.

Section 4. Effective Date. This Ordinance shall take effect five days following publication.

Section 5. Ratify and Confirmation Clause. Any action taken pursuant to this ordinance but prior the effective date is hereby ratified and confirmed.

  
JW Foster, Mayor

Authenticated:

  
Lori Mossman, City Clerk

PASSED AND APPROVED: October 24, 2017

PUBLISHED: Nisqually Valley News, September 29, 2017

**CITY OF YELM**  
**2018 REVENUE BUDGET SUMMARY**

FUND NUMBER	2018 REVENUE FUND DESCRIPTION	BEGINNING NET CASH	REVENUE APPROPRIATION	TRANSFER TYPE	TRANSFER AMOUNT	2018 TOTALS
001	General Fund	\$ 2,995,860	\$ 6,143,672			\$ 9,139,532
101	City Street Fund	\$ 101,785	\$ 147,587	1	\$ 300,000	\$ 549,372
102	Arterial Street Fund	\$ 84,583	\$ 122,861			\$ 207,444
104	Cumulative Reserve/Urban Development	\$ 13,322	\$ 50	3	\$ 1,000,000	\$ 1,013,372
105	Park Reserve	\$ 893	\$ 3			\$ 896
107	Tourism Promotion	\$ 232,507	\$ 21,450			\$ 253,957
109	YPD School Resource	\$ 43,835	\$ 60,210			\$ 104,045
119	Deposits/Surety/Retainage	\$ 8,070				\$ 8,070
120	Transportation Facilities Charges	\$ 189,593	\$ 140,700			\$ 330,293
200	LTGO Bond Redemption Fund	\$ 19,824		2	\$ 483,260	\$ 503,084
202	Killion Rd LID #2 Repayments	\$ 497,673	\$ 203,000			\$ 700,673
203	Sewer Revenue Bond/Loans	\$ 589		2	\$ 173,026	\$ 173,615
204	Sewer Bond/Loan Reserves	\$ 427,235				\$ 427,235
205	Park Reserve				\$ -	\$ -
302	Municipal Building Fund	\$ 772,444	\$ 569,019		\$ 150,000	\$ 1,491,463
316	Road/Street Construction	\$ 208,915	\$ 721,370		\$ 170,848	\$ 1,101,133
400	Stormwater Utility	\$ 77,114	\$ 282,750		\$ -	\$ 359,864
401	Municipal Water	\$ 4,226,833	\$ 3,382,200			\$ 7,609,033
402	Utility Consumer Deposits	\$ 100,938			\$ -	\$ 100,938
404	Water Capital Improvement	\$ 1,820,639	\$ 362,000	3		\$ 2,182,639
405	Water Revenue Debt Redemption	\$ 97,514	\$ 1,800	2	\$ 930,869	\$ 1,030,183
406	Water Revenue Debt Reserve	\$ 933,411	\$ 6,150			\$ 939,561
412	Sewer/Reuse Operations/Maintenance	\$ 1,635,381	\$ 2,459,900			\$ 4,095,281
413	Sewer/Reuse Capital Reserve	\$ 3,377,485	\$ 2,620,000	2	\$ 97,326	\$ 6,094,811
415	Sewer Bond Refi & Reserve	\$ 97,101	\$ 24,037	2	\$ 97,101	\$ 218,239
430	Shortline Railroad				\$ -	\$ -
431	Water Construction Fund	\$ 1,390,064	\$ 9,500			\$ 1,399,564
501	Information Technology Equipment Rental & Repair			1	\$ 200,000	\$ 200,000
502	Equipment Rental & Repair		\$ 1,000	1	\$ 1,280,659	\$ 1,281,659
<b>2018 REVENUE APPROPRIATION</b>		<b>\$ 19,353,608</b>	<b>\$ 17,279,259</b>		<b>\$ 4,883,089</b>	<b>\$ 41,515,956</b>

Transfer types: 1 = Operating Transfers, 2 = Debt Service Transfers, 3 = Equity, Reserve, or Capital Transfers

\*Operations Include Interfund Loan Repayments

Fund 001, Current/General Fund - provides general government services including the following:

Administration	1,228,623
Public Safety	2,434,893
Public Works & Parks	498,342
Community Development	1,335,961
Debt Service, Transfers and Reserve Balances	<u>3,641,713</u>
	9,139,532

Administration : Legislative, Executive, Administrative & Financial Services, Legal, Central Svcs, L&I Retro

Public Safety: Court, Police, Fire, Prisoner Support Costs:

Community Development: Building, Engineering, Planning, Code Compliance, Planning Commission:

Programs & Services: Parks, Streets, Library, Historic Preservation, Animal Control, Community Support:

Debt Service and Reserves: Ending Cash ,Debt Service, Transfer Capital Repairs, Machinery & Equipment

Dedicated Funds - provide services, fund programs, fund capital expenditures and/or repay debt

Utility/Enterprise Capital Improvement Funds: 404, 413, 431

Debt Service Payments and/or Reserves: General/Current Fund Supported 200, 202, 203, 204;

Special/Dedicated Projects/Reserve Funds (may include capital exp.): 104,105, 107, 109, 302,430

Funds 119 and 402 are Trust Accounts (Money held for a period of time but not belonging to the City.)

**CITY OF YELM**  
**2018 EXPENDITURE BUDGET SUMMARY**

FUND NUMBER	2018 EXPENDITURE FUND DESCRIPTION	OPERATION PURPOSES	DEBT SERVICE PURPOSES	CAPITAL PURPOSES	RESERVE PURPOSES	ENDING CASH	TRANSFER TYPE	TRANSFER AMOUNT	2018 TOTAL
001	General Fund	\$ 5,680,019				\$ 426,569	1,2,3	\$ 3,032,944	\$ 9,139,532
101	City Street Fund	\$ 281,452		\$ 143,000		\$ 124,920			\$ 549,372
102	Arterial Street Fund			\$ 78,000		\$ 102,201	2	\$ 27,243	\$ 207,444
104	Cumulative Reserve/Urban Development				\$ 1,000,000	\$ 13,372			\$ 1,013,372
105	Park Reserve					\$ 896			\$ 896
107	Tourism Promotion	\$ 21,450				\$ 232,507			\$ 253,957
109	TYPD School Resource	\$ 60,226				\$ 43,819			\$ 104,045
119	Deposits/Surety/Retainage					\$ 8,070			\$ 8,070
120	Transportation Facilities Charges			\$ 22,232		\$ 67,130	1	\$ 240,931	\$ 330,293
200	LTGO Bond Redemption Fund		\$ 483,860			\$ 19,224			\$ 503,084
202	Killion Rd LID #2 Repayments	\$ 3,000	\$ 200,000			\$ 497,673			\$ 700,673
203	Sewer Revenue Bond/Loans		\$ 173,026			\$ 589			\$ 173,615
204	Sewer Bond/Loan Reserves				\$ 365,225	\$ 62,010			\$ 427,235
205	Park Reserve								\$ -
302	Municipal Building Fund			\$ 776,019		\$ 715,444			\$ 1,491,463
316	Road/Street Construction			\$ 960,138		\$ 140,995			\$ 1,101,133
400	Stormwater Utility		\$ 1,257	\$ 314,548		\$ 44,059			\$ 359,864
401	Municipal Water	\$ 1,493,292		\$ 125,000		\$ 4,961,671	1,2,3	\$ 1,029,070	\$ 7,609,033
402	Utility Consumer Deposits					\$ 100,938			\$ 100,938
404	Water Capital Improvement			\$ 1,794,000		\$ 388,639			\$ 2,182,639
405	Water Revenue Debt Redemption		\$ 931,169			\$ 99,014			\$ 1,030,183
406	Water Revenue Debt Reserve				\$ 921,410	\$ 18,151			\$ 939,561
412	Sewer/Reuse Operations/Maintenance	\$ 2,311,289				\$ 1,231,091	1,3	\$ 552,901	\$ 4,095,281
413	Sewer/Reuse Capital Reserve			\$ 3,018,000		\$ 3,076,811			\$ 6,094,811
415	Sewer Bond Refi & Reserve		\$ 97,101			\$ 121,138			\$ 218,239
430	Shortline Railroad								\$ -
431	Water Construction Fund					\$ 1,399,564			\$ 1,399,564
501	Information Technology Equipment Rental & Repair	\$ 200,000							\$ 200,000
502	Equipment Rental & Repair	\$ 654,000				\$ 627,659			\$ 1,281,659
<b>2018 EXPENDITURE APPROPRIATION</b>		<b>\$ 10,704,728</b>	<b>\$ 1,886,413</b>	<b>\$ 7,230,937</b>	<b>\$ 2,286,635</b>	<b>\$ 14,524,154</b>		<b>\$ 4,883,089</b>	<b>\$ 41,515,956</b>

**CITY OF YELM**  
**2018 BUDGET TRANSFERS SUMMARY**

TRANSFER AMOUNT	TRANSFERRING FUND DESCRIPTION	TRANSFERRING ACCOUNT NUMBER	RECEIVING FUND DESCRIPTION	RECEIVING ACCOUNT NUMBER	T/O FUND
\$ 300,000	GENERAL FUND	597.44.00.00	City Streets	397.44.00.00	001
\$ 200,000	GENERAL FUND	597.10.00.00	Information Technology Equipment Rental & Replacement	397.00.00.00	001
\$ 100,000	GENERAL FUND	597.21.64.00	Equipment Rental & Replacement	365.10.01.00	001
\$ 799,684	GENERAL FUND	597.48.00.00	Equipment Rental & Replacement	365.10.01.00	001
\$ 349,635	GENERAL FUND	597.21.62.01	LTGO Bond Redemption Fund-PSB	397.21.62.01	001
\$ 133,625	GENERAL FUND	597.10.62.00	LTGO Library Pmt	397.10.62.00	001
\$ 1,000,000	GENERAL FUND	597.10.00.00	Cumulative Reserve	397.10.00.00	001
\$ 150,000	GENERAL FUND	597.76.63.04	Municipal Building Fund	397.76.00.04	001
\$ 3,032,944	GENERAL FUND TOTAL				
\$ 97,326	Transportation Facility Charge	597.95.63.00	Killion Interfund Loan Repayment-Sewer/Reuse Capital Improvement	381.20.00.00	120
\$ 97,326	SPECIAL REVENUE FUND TOTAL				
\$ 27,243	Road/Street Transfer Repayment	597.42.00.00	Road/Street Construction	397.95.60.07	102
\$ 143,605	Sewer/Reuse Capital Improvement	597.95.63.08	Road/Street Construction	397.95.60.08	120
\$ 170,848	CAPITAL PROJECT FUND TOTAL				
\$ 179,363	Municipal Water Fund	597.80.72.00	Water Revenue Bond Debt Redemption	397.80.72.00	401
\$ 9,462	Municipal Water Fund	597.80.72.01	Water Revenue Bond Debt Redemption	397.80.72.01	401
\$ 51,856	Municipal Water Fund	597.80.72.02	Water Revenue Bond Debt Redemption	397.80.72.02	401
\$ 690,188	Municipal Water Fund	597.80.72.05	Water Revenue Bond Debt Redemption	397.80.72.05	401
\$ 98,201	Municipal Water Fund	597.48.00.00	Equipment Rental & Replacement	365.10.01.00	401
\$ 1,029,070	WATER FUND TOTAL				
\$ -	Water Capital Improvement Fund	597.34.63.03	Water Construction Fund	397.00.00.00	404
\$ -	Water Capital Improvement Fund	597.34.63.02	Water Utility	397.34.63.02	404
\$ -	WATER CAPITAL IMPROVEMENT TOTAL				
\$ 173,026	Sewer Operations	597.80.72.00	Sewer Bond/Loan Payments	397.00.00.00	412
\$ 97,101	Sewer Operations	597.35.70.01	SRL Sewer Bond Refi Payment/Reserve	397.35.70.00	412
\$ 282,774	Sewer Operations	597.80.72.00	Equipment Rental & Replacement	365.10.01.00	412
\$ 552,901	SEWER FUND TOTAL				
\$ -	Sewer Capital Improvement Fund	-	Sewer Utility	-	
\$ -	SEWER CAPITAL IMPROVEMENT TOTAL				
\$ 4,883,089	Total 2018 Transfers				
\$ 470,848	Operating Transfers	Operating Transfers are made to funds lacking sufficient funding to support activity.			
\$ 2,214,356	Debt Service Transfers	Debt Service Transfers pay bond or loan payments on existing debt.			
\$ 2,197,885	Equity/Reserve/Capital Transfer	Equity/Reserve/Capital Transfers open/close funds, meet reserve requirements or accumulate capital.			
\$ 4,883,089					

Appendix II			
Salary Schedule 2018 City of Yelm Annual Salary			
Classification	Flat Rate	Minimum	Maximum
Accounting Clerk/Office Assist.		\$42,649	\$51,170
Assistant to City Administor		\$57,421	\$68,469
Associate Planner		\$69,529	\$83,425
Baliff	\$17.49/Hour		
Building Inspector		\$57,926	\$69,492
Building Official		\$66,150	\$79,368
Certified Court Interpreter	\$40 -\$55 per session		
City Administrator		\$124,508	\$148,675
City Clerk/HR Manager		\$77,652	\$92,808
Civil Service Secretary - hourly	\$18.56/Hour		
Community Development Director		\$89,282	\$106,704
Computer Support Specialist		\$57,643	\$69,171
Councilmembers	\$7,200/Year		
Court Administrator		\$65,731	\$78,542
Court Clerk		\$45,596	\$54,696
Custodian/Maintainance Worker		\$46,200	\$55,226
Deputy City Clerk		\$52,242	\$62,661
Finance Director		\$85,632	\$102,339
IT Systems Administrator		\$66,483	\$79,381
Judge	\$34,356/Year		
Judge Pro-Tem	\$45.00/hour		
Mayor	\$30,000/Year		
Permit Coordinator / Office Assistant		\$43,969	\$52,748
Police Chief		\$96,273	\$115,051
Police Commander		\$99,799	\$103,831
Police Dept. Admininstrative Asst.		\$49,715	\$59,628
Police Detective (Officers rate + 5%)		\$68,173	\$81,415
Police Officer		\$64,930	\$77,543
Police Records Clerk		\$45,596	\$54,696
Police Sergeant		\$87,629	\$90,724
Provisional Police Officer			
Public Works Administrative Asst.		\$49,715	\$59,628
Public Works Director		\$90,983	\$108,751
Public Works Field Supervisor		\$66,989	\$79,997
PW Maint. Worker/Equip Operator		\$52,255	\$62,365
Maint. Worker/Mechanic		\$56,250	\$67,174
PW Maintainance Worker		\$46,200	\$55,226
Public Works Manager		\$79,763	\$95,237
Seasonal PW-hourly	\$13.00/Hour		
Senior Accountant		\$55,066	\$66,064
Treasurer		\$60,010	\$71,995
Utility Clerk		\$49,776	\$59,727
Water Plant Operator		\$58,272	\$69,578
WWTP Manager		\$71,329	\$85,163
WWTP Op Assistant		\$48,223	\$57,606
WWTP Operator		\$58,259	\$69,578



## **CITY OF YELM 2018 BENEFIT SCHEDULE**

All regular full -time and regular part -time employees are eligible to participate in the benefits listed below. Regular part -time employees (min 20 hours per week) receive benefits pro -rated according to hours worked.

### **PAID SICK LEAVE**

Sick leave accumulates at the rate of eight (8) hours per month for full -time employees or one ( 1) equivalent workday per month for part time employees. Upon termination of employment for reasons other than dismissal for misfeasance or malfeasance, each employee will be paid for twenty -five percent 25 %) of the total number of accumulated sick leave days at the rate of pay applicable for such employee. However, the payment of accumulated sick leave shall not exceed an amount equal to one month of gross salary or equivalent wage.

### **PAID VACATION**

Each employee covered by this agreement shall be entitled to vacation with pay. Unless approved by the Mayor /City Administrator, new employees must satisfactorily complete their trial period to be entitled to use accrued vacation leave. Vacation leave accrues monthly. Each regular full -time employee is entitled to vacation leave as follows:

Regular part -time employees ( min 20 hours per week) receive benefits pro -rated according to hours worked.

### **MEDICAL, DENTAL, VISION, EMPLOYEE ASSISTANCE AND LIFE INSURANCE BENEFITS**

Regular full -time and regular part -time (min 20 hours per week) employees and their dependents are eligible to participate in the City' s medical insurance program on a pro -rata basis. The current City contribution to this benefit is 100 % for employees and 80 % for eligible family members. Current insurance company policy requires 100% participation in dental, vision and life insurance programs by all "Regular" full -time and /or part -time employees. This policy also permits a maximum of 25% of all "Regular" full -time and / or part time employees to forego participation in the City sponsored medical plan. "Regular" full -time employees choosing not to participate receive a monthly payment of 150.00 in lieu of medical insurance. "Regular" part -time employees receive one -half of the stipend amounts. Dental and vision benefits for employees and eligible family members remain active when choosing this option.

### **RETIREMENT**

All employees participate in the Social Security program with the City paying a matching contribution. Police officers are eligible for participation in the LEOFF II retirement program. Other employees participate in the state PERS I, PERS II or PERS III program. The City' s contribution is determined by the program and is subject to adjustments at various times throughout the year. Employees may elect to participate in a state sponsored deferred compensation program. The City does not contribute to this program.

### **OTHER BENEFITS**

The City provides state worker' s compensation and unemployment insurance for employees. The program determines coverage costs.

<b>Year of Employment</b>	<b>Vacation Days Earned Per Year</b>
First and Second Year	96 hours per year
Third and Fourth Year	104 hours per year
Fifth — Ninth Year	120 hours per year
Tenth — Fourteenth Year	160 hours per year
Fifteenth — Nineteenth Year	180 hours per year
Twenty or More Years	200 hours per year



## CITY OF YELM 2018 BENEFIT SCHEDULE

### PAID HOLIDAYS

The following paid holidays are recognized by the City. Full -time employees receive eight hours of pay for each of the holidays: Regular part -time employees and police personnel receive a pro -rata share based upon the usual number of hours worked per regular daily shift hours for each holiday.

New Year' s Day	January 1 <sup>st</sup>
Martin Luther King' s Birthday	3 <sup>rd</sup> Monday in January
President' s Day	3 <sup>rd</sup> Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4 <sup>th</sup>
Labor Day	1 <sup>st</sup> Monday in September
Veteran' s Day	November 11
Thanksgiving Day	4 <sup>th</sup> Thursday in November
Day after Thanksgiving	Friday after Thanksgiving
Christmas Day	December 25
One " Floating' Holiday	Date selected by employee

### UNPAID HOLIDAYS

Employees are entitled to two unpaid holidays per calendar year for a reason of faith or conscience or an organized activity conducted under the auspices of a religious denomination, church, or religious organization.

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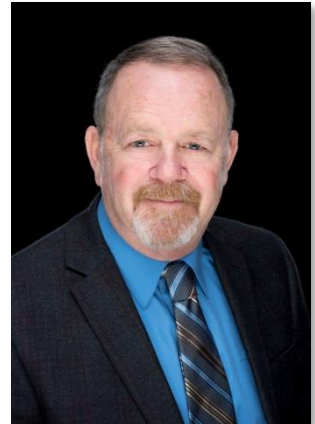
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# BUDGET MESSAGE, MAYOR JW FOSTER

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It has been an honor to serve as your Mayor for the last fourteen months. I am proud of our work to improve customer service, increase accountability, and simplify our work processes to be more responsive to the needs of our community and the citizens we serve. I have been actively working with our employees and am impressed by the professionalism and dedication of our workforce.

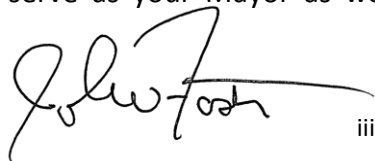
Together, in partnership with our City Council and dedicated volunteers serving on numerous committees, we have increased communication and transparency, fixed many issues of the past, and established plans and resources to guide us into the future. Filling vacant positions in the Police Department, establishing reserve funds in the budget for 'rainy day' operating and equipment expenses, and adopting the City's Parks and Comprehensive Plans are some of the many achievements we have made together.



Looking forward, this budget was developed with three perspectives in mind: our situation today, our shared priorities, and our plan for the future. We live in one of the fastest growing cities in Thurston County and Washington State. This presents significant challenges and opportunities, and I am proud to present a balanced budget that invests in our future by starting with saving money in our reserve funds while adding needed services and equipment for the future.

The City Council Finance Committee has been instrumental in moving our community forward and the 2018 budget continues to invest strategically in the priorities I share with our City Council: public safety, economic development, sustainable infrastructure, and abatement of nuisance properties. The budget also lays the foundation for a strong financial future. We must be excellent stewards of the resources our taxpayers have given us with your annual taxes as well as the buildings, facilities and infrastructure. To achieve that goal, this proposed budget ensures our financial reserves are stronger, in case of a significant emergency or economic downturn. Lastly, the proposed 2018 budget aligns with three primary strategic objectives to create a **best run government**, **grow our economy**, and **strengthen public safety** by investing in our police department with personnel, equipment and training. These objectives are crucial to creating a brighter future for all of us, now and for generations to come.

The outcomes we have achieved together have marked significant progress and this proposed 2018 annual budget will continue moving us forward. The following sections of my budget contain specific proposals to advance our shared priorities and objectives. Thank you again for the opportunity to serve as your Mayor as we continue working together toward our best possible future.

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## 2017 KEY ACCOMPLISHMENTS

- Final design and funding moved up to complete State Route 510 Yelm Alternative Loop, beginning 2018
- Completed Water Reclamation Facility Phase 1 design and funding plan
- Yelm City Park and First Street Sidewalk installation
- Adopted City Parks Master Plan
- Adopted City Comprehensive Plan
- Created Yelm's first Economic Development Plan and Downtown Corridor Plan, started in 2017 to be finalized in 2018
- Increased information and communication sharing through social media
- Reduced jury trials and bench trials through more effective prosecution, saving taxpayer funding
- Successfully transitioned new employees, including: City Administrator, Prosecutor, Finance Director, Senior Accountant and restructured Finance Department personnel to address past audit issues
- Filled vacant positions in the Police Department with quality, dedicated Police Officers
- Convened two Town Hall meetings on important community topics
- Strengthened partnerships to create Yelm's first Jazz Festival and UFO Festival in collaboration with business and community leaders
- Partnered with SafePlace of Olympia to provide confidential services and programs for victims of domestic violence

## OUR GUIDING BUDGET PRINCIPALS

In developing the 2018 budget, Mayor Foster and the executive leadership team established a set of core budget principals that guide our thinking in developing responsible, aligned, sustainable budgets across the organization. This proposed budget is founded on the following principles:

- Don't spend more than you take in
- Don't spend one-time money on ongoing expenses
- Establish and maintain prudent budget reserves
- Maintain strict controls on hiring and spending
- Fund the highest priority services first

We continue to work diligently to control the cost of City government while investing in citizen's top priorities, resulting in an even safer, smarter and more sustainable City of Yelm. The development of the Fiscal Year 2018 Budget development was guided by the City's three primary strategic objectives to create a **best run government**, **grow our economy**, and **strengthen public safety** by investing in infrastructure, personnel, equipment and training. These objectives are crucial to creating a brighter future for all of us, now and for generations to come.

Three primary strategic objectives:



**Best run government** – Establishing a more efficient government that provides better service for less money continues to be a priority for the City of Yelm. This budget invests in software upgrades to make more efficient, strengthens reserves, and invests in personnel, training and equipment necessary to increase transparency, improve accountability and enhance communication.



**Grow our economy** – A strong economy is essential to ensuring access to family wage jobs. This budget invests in tools to enhance the business climate, attract new residents, advance the city's infrastructure to meet the demands of a modern economy, and improve our quality of life.



**Strengthen public safety** - Public safety continues to be our highest priority. This budget invests in additional police officers to increase community safety and technology to make our courts safer and more efficient.

## CITY OF YELM 2018 BUDGET INVESTMENTS

### *Major Service Changes*



Deputy City Clerk/Human Resource Specialist  
Custodian



Economic Development Engineer  
Two additional Parks Seasonal employees



Police Officers (2), including vehicles and equipment



### *One-Time Investments*



Reserve Fund  
City Hall office improvements  
Financial System Software Upgrades  
Equipment Rental and Replacement (ER&R) and IT Replacement Funds



YMCA planning and design  
Reconstruction of Veteran Memorial  
Bike Pump Park planning, design and construction  
Yelm Prairie Line Trail expansion in partnership with Nisqually Land Trust  
Longmire Park expansion, Splash Park and playground equipment at Yelm City Park  
Buxton economic development services and analytics for retail retention and recruitment

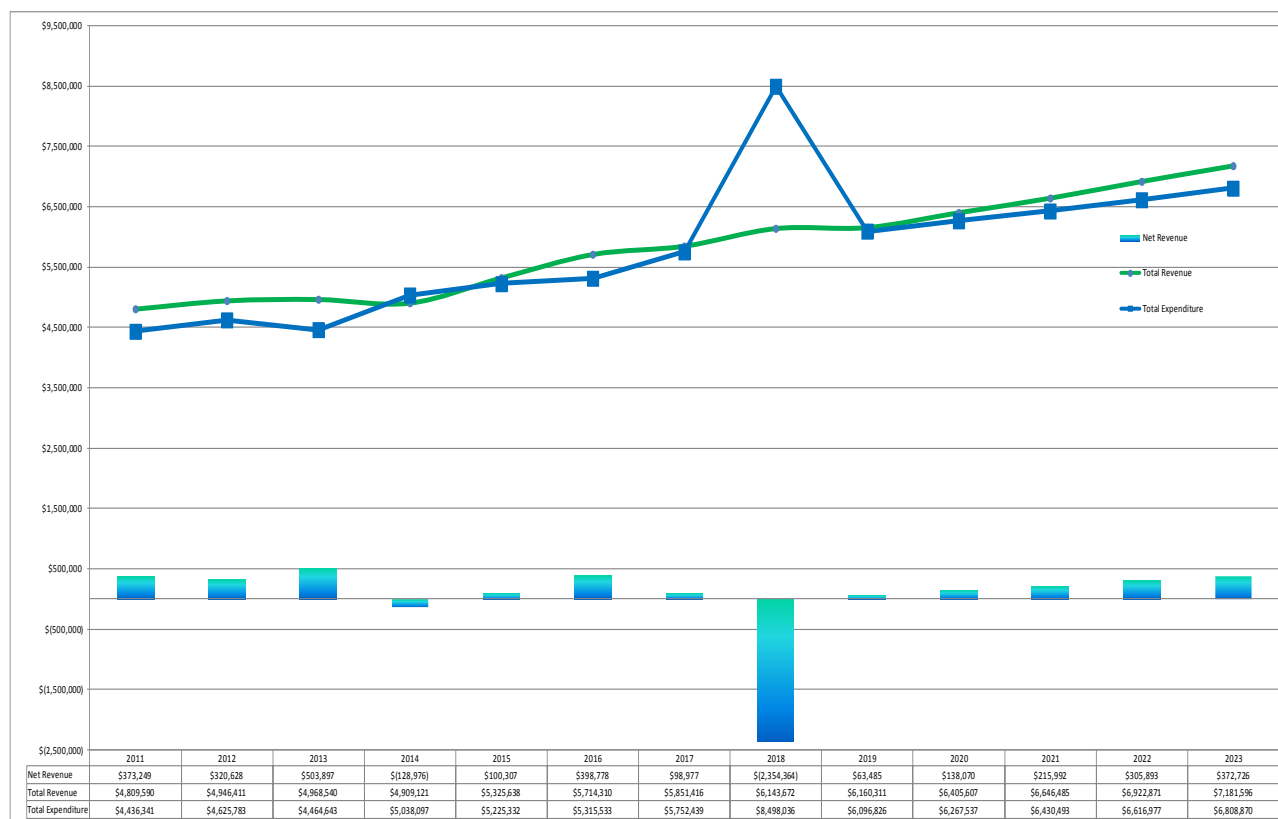


Security Fence, Yelm Police Department  
Metal Detectors in Yelm Municipal Court  
Video Conferencing between Nisqually Jail and Yelm Municipal Court



## LONG-TERM REVENUE FORECAST

### Historical and Projected Revenues, Expenses and Net Revenue



2018 expenditure line includes one-time expenditures and transfers out to the ER&R (\$799,684) & Revenue Stabilization Funds (\$1.0M).

Expenditure Estimates based on past actuals, expected inflation (Seattle CPI-U) and population projections.

Revenue Estimates based on Linear Trend Analysis and expected inflation (Seattle CPI-U).

## CITY OF YELM ORGANIZATIONAL FRAMEWORK

As we build a path to a sustainable financial future for the City of Yelm we must connect with the City's mission statement. Until this year, the City has not had one and developing it was part of our priorities to put the building blocks in place for a best run government. It was developed by our employees and reads:

### OUR MISSION

To provide essential municipal services, create quality infrastructure, and manage public resources with transparency, accountability, and sustainability.

### OUR VISION

- Working together, we make the City of Yelm a safe, healthy, happy home for all, with:
- Safe neighborhoods and schools
- Sustainable, cost effective public infrastructure
- Strong, diverse economy
- Vibrant public places with an enduring connection to our history

## OUR OPERATING PRINCIPLES

We believe in and strive for collaboration, innovation, and excellence in everything we do. These values guide our individual and collective actions across all city operations.

**Collaboration** - We cultivate lasting relationships with residents, businesses, co-workers, and community organizations. We listen and understand each other's needs and priorities to ensure public services and resources are appropriately aligned. We take collective responsibility and treat everyone with unconditional positive respect.

**Innovation** - We embrace a culture of continuous improvement that institutes best management practices, fosters creativity, maintains and sustains the best workforce, and strives for customer service that is second-to-none.

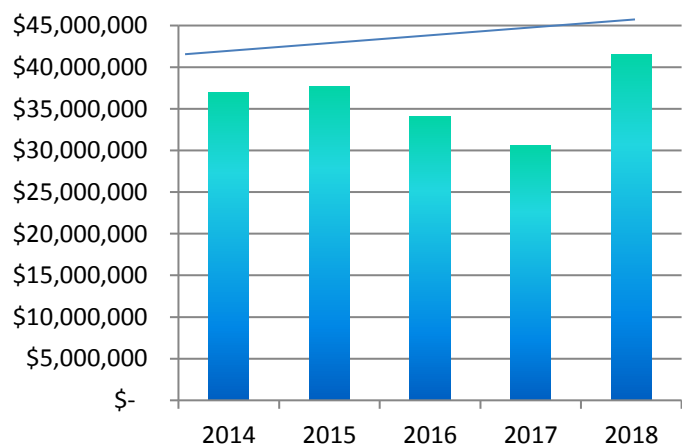
**Excellence** – We are proactive and forward thinking, setting the standard for excellence by managing and safeguarding public resources in ways that strengthen our community.

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## BUDGET TRENDS

The City of Yelm has continued to grow in recent years, and this growth is assumed to increase in line with projections in the [2017 City of Yelm Comprehensive Plan](#). This growth has increased demand for City services, including increased demand for water and sewer, public safety, planning, economic development. These service demands require administrative and financial support, and produce increased revenues. The City of Yelm budget has trended up over the last 5 years, corresponding to increases in population and service levels to the citizens of Yelm.

**City of Yelm 5-Year Budget History**



## 2018 MAYOR'S BUDGET DEVELOPMENT GUIDANCE

September 21, 2018

Dear City Council:

I'm writing to share some new approaches our team has taken in developing the 2018 Budget. The purpose of this letter is to share the framework and focus of the budget I will propose to you and ask for your input, insight, and collaboration as we continue moving our City forward. One of the key focus areas for my administration has been to put the building blocks in place to establish Yelm as one of the best run governments and a model for other cities to follow. We have recently established a Mission statement, Vision statement, and Operating Principles in a way that involved every City employee. This organizational framework has not existed in the City and will be used to guide our operations in an integrated, unified approach. The 2018 Budget will support and advance the following key organizational elements: Mission, Vision, and Operating Principles.

Consistent with our team approach inside City Hall, I am reaching out to you to ask what outcomes you would like to see in the Budget proposed for 2018. By sharing your ideas on what to fund and how to fund it, you will help me propose a budget for your consideration that reflects our shared priorities to serve the residents, businesses, and organizations of the City of Yelm.

**Please email me by September 26th, and copy our City Administrator and Finance Director, with any 'big picture' ideas and desired outcomes you would like to see in the budget that I will propose to you on October 3rd.**

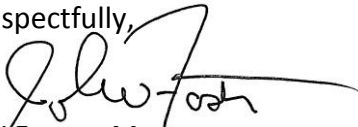
For me, the guidance I've provided to our dedicated team of City employees is two-fold: to present a balanced budget that invests in our future by saving money in the reserve accounts we have been working with the Council Finance Committee to establish, while increasing capacity to better serve the community by adding necessary staffing, equipment, training, and services.

The budget I will propose will include the following framework and focus:

- All current levels of staffing, services, and operations will be maintained or improved;
- We will establish dedicated reserve accounts to strategically and transparently plan for emergency operating expenses;
- We will proactively dedicate funding and plan for the repair or replacement of necessary equipment;
- Facility Maintenance will be scheduled and completed; and Public Safety will be a top priority.

Although we know all the ideas and desires for new investments will not be affordable at this time, I believe through this new and more collaborative budget development process we will be able to share our interests, understand the known or anticipated increased costs of operations, and prioritize competing budget needs within our limited resources. Thank you in advance for sharing via email any ideas, input, and insights you may have by September 26th.

Respectfully,



JW Foster, Mayor



# BUDGET DOCUMENT OVERVIEW

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The City of Yelm budget includes the financial planning and legal authority to obligate public funds. Additionally, the budget provides significant policy direction by the City Council to the staff and community. As a result, the City Council, staff and public are involved in establishing the budget. The budget document provides four functions:

## **POLICY DOCUMENT**

The budget functions as a policy document in that the decisions made within the budget will reflect the general principles or plans that guide the actions taken for the future. As a policy document, the budget makes specific attempts to link desired goals and policy direction to the actual day-to-day activities of the City staff.

## **OPERATIONAL GUIDE**

The budget of the City reflects its operations. Activities of each City function and organization have been planned, discussed, formalized, and described in the following sections. This process will help to maintain an understanding of the various operations of the City and how they relate to each other and to the attainment of the policy issues and goals of the City Council.

## **LINK WITH THE GENERAL PUBLIC**

The budget provides a unique opportunity to allow and encourage public review of City operations. The budget describes the activities of the City, the reason or cause for those activities, future implications, and the direct relationship to the citizenry.

## **LEGALLY REQUIRED FINANCIAL PLANNING TOOL**

The budget as a financial planning tool has been its most traditional use. Preparing and adopting a budget is a State law requirement of all cities as stated in Title 35A of the Revised Code of Washington (RCW). The budget must be adopted as a balanced budget and must be in place prior to the beginning of the City's fiscal year. The budget is the legal authority to expend public moneys and controls those expenditures by limiting the amount of the appropriation at the fund level. The revenues of the City are estimated, along with available cash carry-forward, to indicate funds available.

# BUDGET PROCESS

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The City of Yelm operates on a calendar year basis. It utilizes an incremental budgeting approach that assumes, for most functions of government, that the current year's budget is indicative of the base required for the following year. Any increases are incremental and are based on need, emerging issues, Council goals, and available resources.

The budget process begins in late spring with departments preparing requests for new staff, programs, or significant increases to their current year budget that will address emerging issues and other operational needs. The Finance Director and City Administrator conduct an analysis of the departmental base budgets and the revenue outlook for the coming year to determine the availability of funds for any new initiatives. During the summer the departments also prepare their base budgets. These budget requests are submitted to the Finance Director for review. By late summer the Mayor reviews each department's budget requests and develops a preliminary budget recommendation.

As mandated by RCW 35A.33.135, the first requirement is that the Mayor submit estimated revenues and expenditures to the City Council on or before the first Monday in October. The preliminary budget is presented to the City Council in early October. Public hearings are held to obtain taxpayer's comments, and Council budget workshops are held throughout October. The Council makes its adjustments to the preliminary budget and adopts by ordinance a final balanced budget on October 26, 2017. The final operating budget as adopted is published, distributed, and made available to the public during the first quarter of the following year.

After the budget is adopted, the City enters a budget implementation and monitoring stage. Throughout the year, expenditures are monitored by the Finance Division and department directors to ensure that funds are within the approved budget. Finance provides financial updates to the City Council to keep them current with the City's financial condition. Any budget amendments made during the year are adopted by City Council ordinance. These amendments allow for necessary adjustments to the budget that could not have been planned for during the normal budgeting process. Typical amendments include administrative adjustments, carry forward appropriations resulting from projects that were not completed at year end, and new grant revenues awarded after the budget adoption.

The Mayor is authorized to transfer budgeted amounts within a fund; however, any revisions that alter the total expenditures of a fund, or that affect the number of authorized employee positions, salary ranges, or other conditions of employment must be approved by the City Council.

# MAJOR BUDGET ASSUMPTIONS

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- Service level increases in this budget are necessary to maintain and enhance service levels for the growing population of Yelm. The 2017 population figure used in the 2018 Budget is 8,665 as determined by the Office of Financial Management for the State of Washington. This is an increase of 2.18% over 2016, and an increase of 26.53% since 2010. This figure is important when determining distribution of State shared revenues on a per capita basis.
- City of Yelm population growth is assumed to increase in line with projections in the [2017 City of Yelm Comprehensive Plan](#).
- The 2018 assessed valuation (AV) is \$826,705,744. The City's assessed valuation is determined by the Thurston County Assessor.
- Property taxes are levied based on assessed value and the City's authorized levy rate of \$1.71 per thousand dollars of assessed value. This includes the regular property tax.
- Gas taxes, liquor excise taxes and liquor profits are based upon estimates from the Municipal Research and Services Center (MRSC).
- Building permit and land use fees are estimated by the Planning & Economic Development Department based on expected 2018 activity.



# BASIS OF ACCOUNTING/BUDGETING

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## BASIS OF PRESENTATION - FUND ACCOUNTING

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. Each fund has a specific role and responsibility. Each fund is accounted for with a separate set of single-entry accounts that comprises its cash, investments, revenues and expenditures, as appropriate. Revenues and expenditures within each fund are closely monitored to ensure accuracy, accountability, and efficiency. The City's resources are allocated to and accounted for in individual funds depending on their intended purpose. The following are the fund types used by the City of Yelm:

### GOVERNMENTAL FUND TYPES

Governmental funds are used to account for activities typically associated with state and local government operations. There are four governmental fund types used by the City of Yelm:

#### **General Fund**

This fund is the primary fund of the City of Yelm. It accounts for all financial resources except those required or elected to be accounted for in another fund. It is used to meet the basic services that your local government provides. The General Fund covers Police, Administration, Engineering, Planning, Building Development, Finance, Legal, and Legislative Services. Major revenue sources include taxes, fees, licenses and permits, and intergovernmental revenues (Federal, State and County).

#### **Special Revenue Funds**

These funds account for revenues that are legally restricted or designated to finance particular activities. The Street Fund is a Special Revenue Fund. Gas taxes are collected into the Street Fund and must be used for the maintenance of our arterial streets, sidewalks, and trails. Other Special Revenue funds include the Street Depreciation Fund, Hotel/Motel Tax Fund, Public Tourism Promotion Fund, and the Yelm Police Department School Resource Fund.

#### **Debt Service Funds**

These funds account for the financial resources that are restricted, committed, or assigned to expenditures for principal, interest and related costs on general long-term debt. The Long Term General Obligation Fund, Killion Road Local Improvement District (LID) Fund and Yelm's Water/Sewer Revenue Bonds and Loans are Debt Service Funds.

#### **Capital Project Fund**

These funds account for financial resources which are designated for the acquisition or construction of general government capital projects. A portion of the revenues received into this fund (such as Real Estate Excise Taxes or REET) are restricted by law to be used for

general capital improvements. Several street/sidewalk projects are included in the Capital Projects fund.

### **Proprietary Fund Types**

Proprietary Funds are used to account for services to the general public where all or most of the costs, including depreciation, are to be financed or recovered from users of such services.

There are two generic fund types in this category:

### **Enterprise Funds**

These funds account for operations that provide goods or services to the general public and are supported primarily by user charges. The Water Utility Fund and the Stormwater Fund are enterprise funds. These Utility Funds cover the City's water utility, as well as the maintenance and costs of the City's stormwater system.

### **Internal Service Fund**

This fund accounts for operations that provide goods or services to other departments or funds of the City on a cost-reimbursement basis. The newly established Equipment Rental & Replacement (ER&R) Fund is an internal service fund. The ER&R Fund collects user fees from those departments with vehicles and major equipment. These fees are used to replace the vehicles or equipment based on a predetermined schedule. With the exception of the General Fund, money within each fund cannot be used in other funds. Many of the revenues received in each fund are restricted in use by law and/or by legislative action. Funds may make interfund loans to other funds. However, any interfund loan must be paid back based on a predetermined schedule and must pay prevailing interest rates. The General Fund can make transfers to other funds if money is available.

Relationship between Functional Units and Major Funds							
Department	Legislative	Administration	Finance	Court	Community Development	Police	Public Works
<b>Governmental Funds</b>							
General Fund	x	x	x	x	x	x	x
<b>Internal Service Funds</b>							
Information Technology	x	x	x	x	x	x	x
Equipmental Rental & Replacement		x			x	x	x
<b>Special Revenue Funds</b>							
Street Operating							x
Arterial Streets							x
Cumulative Reserve		x					
Tourism Promotion					x		
YPD School Resource						x	
Transportation Facilities Charge							x
<b>Debt Service Funds</b>							
Limited Tax GO Bond Redemption Fund		x					
Killion Road LID Fund		x					
<b>Capital Project Funds</b>							
Municipal Building Fund		x					x
Road & Street Construction Fund							x
<b>Enterprise Funds</b>							
Stormwater		x	x				x
Sewer Capital Improvements Fund							x
Sewer Utility Fund		x	x				x
Water Capital Improvements Fund							x
Water Construction Fund							x
Water Utility		x	x				x

## BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. The City of Yelm uses a cash basis of accounting. Revenues are recognized only when cash is received and expenditures are recognized when paid, including those properly chargeable against the report year budget appropriations as required by state law.

Purchases of capital assets are expensed during the year of acquisition. There is no capitalization of capital assets, nor allocation of depreciation expense. Inventory is expensed when purchased.

### **Budgets and Budgetary Accounting**

The City of Yelm adopts an annual appropriated budget for 17 funds. These budgets are appropriated at the fund level. The budget constitutes the legal authority for expenditures at that level. Annual appropriations for these funds lapse at the fiscal year end. Annual appropriated budgets are adopted on the same basis of accounting as used for financial reporting. When council determines that it is in the best interest of the City to increase or decrease the appropriation for a particular fund/department/object class, it may do so by ordinance approved by a simple majority.

Budgeted amounts are authorized to be transferred between (departments within any fund/object classes within departments); however, any revisions that alter the total expenditures of a fund, or that affect the number of authorized employee positions, salary ranges, hours, or other conditions of employment must be approved by the City of Yelm's legislative body. These values EXCLUDE estimated ending cash, there are for actual expenditures, capital uses/debt payments and transfers only.



# BUDGET SCHEDULE

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Created 3/16/2017 | Updated 9/15/17

## **JANUARY – APRIL – Implementation Phase**

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- Install annual budget in financial system
- Monitor and Report
- Review 2018 Q1 Forecast/Actuals

## **MAY- JULY – Budget Amendment Phase**

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- City Council Study Session

All Staff Meeting

- Amend budget as necessary based on 2018 Q1 Forecast/Actuals

City Council Finance Committee - Develop priorities, plan, and timeline for creating Budget-Policy Framework in June, July, August, and September:

- **Reserve Funds**
- **Equipment, Replacement, and Reserve (ER&R) Program**
- Transportation Benefit District
- Parks Use Fees
- Public Safety/Tourism Sales Tax
- **REET 2**

*Bold options represent the recommendations of the Committee to advance in 2017 for 2018.*

- Finance Department prepares 2018 salary and benefits
- City Council Study Session - Review 2017 Q2 Forecast/Actuals
- City Council Finance Committee - Budget-Policy Framework

## **AUGUST – Budget Priorities Departmental Needs Assessment**

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Department Budget Review

- Baseline Budgets
- Prepare Operating & Capital Budget Requests, due to City Administrator September 1

City Council Finance Committee

- Reviews Revenue Assumptions for long-term forecast
- Union Negotiations update and negotiations framework

City Council Finance Committee discusses Budget-Policy Framework

## **SEPTEMBER - Mayor's Budget Development Phase**

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### City Council Finance Committee

- Review Revenue Assumptions
- Review Council Finance Committee's progress developing Budget-Policy Framework
- Union Negotiations Update
- Finance Department Prepares Preliminary Budget

File official notice for Public Hearing on 2017 Budget and publish public hearings with local newspaper

## **OCTOBER – NOVEMBER – Adoption/Implementation – Final Budget Phase**

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### City Council Study Session (Budget 101 Presentation)

**October 3**

- Mayor Foster's Budget Presentation, official budget filing per RCW
- Budget Overview and Revenue Projections
- Long-Term Financial Projections and Staffing Plan Mayor's Budget Presentation

### Regular City Council Meeting, adjourn to Budget Workshop

**October 10**

- Public Hearing on Preliminary Budget, 2018 Budget Ordinance, 1<sup>st</sup> reading
- Public hearing on Revenue
- City Council shares input and proposes amendments to Finance Committee
- Public Works Presentation, including operations, water, stormwater, streets and facilities
- Infrastructure Projects Presentation
- City Council provides input to Finance Committee

### Special City Council Meeting, adjourn to Budget Workshop

**October 17**

- Public Safety Presentation, Police and Municipal Court
- Council Finance Committee reports on proposed amendments
- City Council provides input to Finance Committee

### Regular City Council Meeting

**October 24**

- Public Hearing on Preliminary Budget, 2018 Budget Ordinance, 2<sup>nd</sup> reading
- Personnel Presentation
- Council Finance Committee reports on proposed amendments
- City Council provides input to Finance Committee
- Council may adopt Final 2018 Budget

### Special City Council Special Meeting (if needed)

**October 31**

- Council Finance Committee reports on proposed amendments
- Adopt Final 2018 Budget (if needed)

# CITY REVENUE SUMMARY

Revenue comes from taxes, fees and charges, and intergovernmental revenues. The services provided include public safety, street maintenance, development services, parks and recreation and human services. The non-operating part of the budget accounts for principal and interest payments on outstanding debt, capital improvements, and reserves. Revenues in 2018 will continue to be reviewed throughout the year and will be adjusted accordingly.

Each of the funds detailed within the 2018 Budget have a specific purpose and responsibility. The funds act much like the separate checking accounts maintained by family members. Each fund accounts for all revenues and all expenditures/expense transactions that occur throughout the year. This allows the City to accurately record revenues and authorize and monitor expenditures as to source and purpose for greater accountability and improved efficiency.

Most traditional local government functions, including police, fire, parks and recreation, finance, administration, planning, engineering, legal, building inspection, and legislative services, are budgeted within the General Fund. Following is a listing of many of the funding sources for the City. This list is not meant to be all-inclusive, but is meant to assist in understanding how and where much of the money comes from in the support of general services of the City.

Top Taxpayers - Tax Year 2018			
Rank	TAXPAYER	Taxable Assessed Value	% of Total Taxable Assessed Value
1	WAL-MART	\$ 21,211,268	2.56%
2	YELM CREEK APARTMENTS LLC	19,078,200	2.31%
3	C SISTERS LLC	18,321,500	2.22%
4	YELM PLAZA LLC	12,889,400	1.56%
5	PUGET SOUND ENERGY	11,120,771	1.34%
6	PROPERTY DEVELOPMENT ASSOCIATES	8,628,800	1.04%
7	EAST HAVEN VILLA LLC	8,029,100	0.97%
8	CHP YELM ROSEMONT WA OWNER LLC	7,111,500	0.86%
9	YCOM NETWORKS INC	6,908,497	0.84%
10	CREEK STREET PLAZA LLC	6,214,700	0.75%
	Total Top Ten Value	\$ 119,513,736	14.45%
	<b>Total City of Yelm Assessed Value</b>	<b>\$ 827,148,177</b>	

## TAXES

### Property Tax

Property taxes are the largest source of revenue in the General Fund. All real and personal property (except where exempt by law) is assessed by the Thurston County Assessor at 100 percent of the property's fair market value. Assessed values are adjusted each year based on market value changes. The county treasurer acts as an agent to collect property tax levied in the county for all taxing authorities, including Yelm. Collections are distributed after the end of each month. Property tax revenues are recognized when cash is received by City of Yelm. Delinquent taxes are considered fully collectible because a lien affixes to the property after tax is levied. Although property taxes represent a major source of funding for City services, the portion of each

property owner's total tax bill allocated to the City is relatively small.

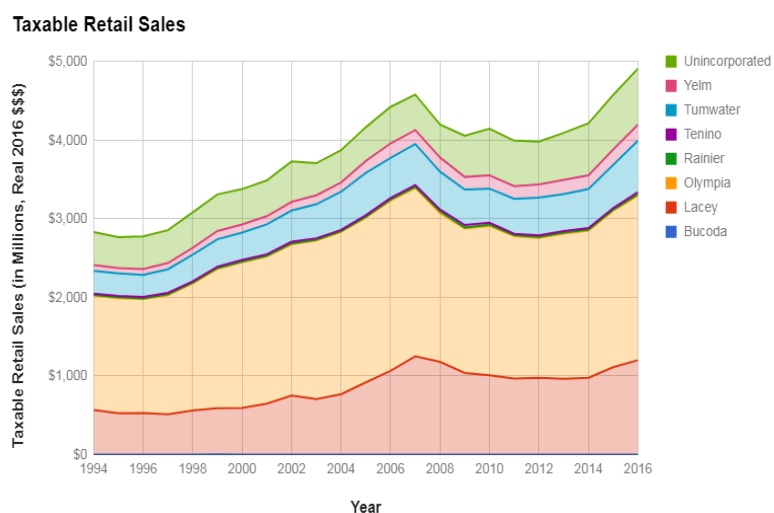
Initiative 747, which passed in November 2001, limits the annual increase in the regular property tax levy to the lesser of one percent or the implicit price deflator. Previously, the cap was six percent. The City can only exceed the limitation with the approval of voters. I-747 does not affect special levies that are approved by voters. The initiative does not affect property values and has no impact on the annual valuation of property that is done by the County Assessor. It does not cap the value of your property or your total property tax bill. In 2007 the Washington State Supreme Court ruled Initiative 747 unconstitutional. The Governor convened a special session of the Legislature to address the issue and a bill was passed to reinstate the one percent cap on annual property tax increases by taxing districts. The Legislature also approved a measure that allows home owners earning less than the median state income (currently \$55,000 per year) to defer up to half of their property taxes. Although they will have to pay the taxes with interest upon the sale of the house this will have an immediate impact on local taxing districts.

The City is also provided an allowance for new construction, which entitles the City to the property tax revenue generated by newly constructed businesses and homes. The new construction levy does not increase the overall tax rate paid by property owners. The annual tax impact on a property owner is usually different than the percent increase of the levy, since it depends on several factors such as changes in the assessed valuation of the property, growth in the City's overall assessed valuation, and levy increases by other taxing districts. Yelm voters created a Regional Fire Authority in 2011 that replaced the regular levies for Fire Districts #2 and #4. Residences in the City of Yelm now pay directly to the RFA. These funds must be used for fire protection purposes, and are not part of the City Budget.

### Retail Sales and Use Tax

Sales tax is levied on the sale of consumer goods (except most food products and services) and construction. The amount of revenue generated by sales tax fluctuates from year to year due to changes in the economy, buying habits of consumers, and the level of construction taking place in the City.

The combined sales tax rate for Yelm, WA is 8.7%. This is the total of state, county and city sales tax rates. The Washington state sales tax rate is currently 6.5% and Thurston County receives 1.4%. The City's effective rate is 0.8 percent.





## **Utility Taxes**

Utility taxes are levied on the gross operating revenues that public and private utilities earn from operations within the boundaries of the City. This applies to electric, natural gas, water, sewer, surface water, solid waste, and telephone. Legislation passed in 1982 limits the tax rate on electric, gas, steam, and telephone utilities to six percent. While there are no restrictions on the rates for water, sewer, surface water, and solid waste utilities, the City intends to keep rates as low as possible while keeping up with population growth and infrastructure needs.

## **Real Estate Excise Tax (REET)**

The Real Estate Excise Tax is levied on all sales of real estate, measured by the full selling price, including the amount of any liens, mortgages, and other debts given to secure the purchase. The State levies this tax at the rate of 1.28 percent. Cities are also authorized to impose a local tax of 0.50 percent. The first 0.25 percent tax must be used primarily to implement the capital facilities and maintenance plan elements of the City's Comprehensive Plan. The second 0.25 percent, which is optional, must also be used solely on capital projects. Capital projects are defined as those public works projects of a local government for the planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, bridges, domestic water systems, storm and sanitary sewer systems, and parks. The acquisition of land for parks is not a permitted use of the second quarter percent funds.

## **Business & Occupation (B&O) Tax**

The City of Yelm currently has a Business & Occupation (B&O) Tax ordinance which requires all businesses conducting business within the City limits to pay a business and occupation tax. This tax applies to the gross revenues of most businesses with a rate of one-tenth of one percent.

## **Hotel/Motel Tax**

Hotel/Motel tax is levied upon charges made for the furnishing of lodging by a hotel, rooming house, tourist court, motel, trailer camp and other transient accommodations in the City. Most cities may impose a "basic" two percent tax under RCW 67.28.180 on all charges for furnishing lodging at hotels, motels, and similar establishments (including bed & breakfasts and RV parks) for a continuous period of less than one month. The tax is taken as a credit against the state sales tax, so that what a patron pays in retail sales tax and the hotel/motel tax combined is equal to the retail sales tax in the jurisdiction. It is collected and administered by the Washington State Department of Revenue. State law requires that these taxes be credited to a special fund with limitations on use, principally to generate tourism/convention activities that bring new visitors to our area, as prescribed by RCW 67.28.310. The City of Yelm has created the Tourism Promotion Fund for this purpose. Cities with over 5,000 population are required to have a "Lodging Tax Advisory Committee" of at least five members

appointed by the City Council. The City of Yelm created this committee in 2006.

## LICENSES & PERMITS

### Building Related Permits

This category consists primarily of revenue collected by the Community & Economic Development Department. Included in this category are building permits, plumbing permits, and mechanical permits. Fees imposed for permits are typically subject to a base charge determined by the type of permit, plus additional fees determined by either the dollar value or size (square foot or number of units) of the project.

### Planning/Land Development Permits

Approvals for the use of property, including subdivisions, special use permits, and site plan reviews comprise this category of revenue and also includes civil plan review charges. Fees are typically set to reflect the relative cost to process the application, with permits that require a public hearing having higher fees due to the cost of the Hearing Examiner and public notices.

### Business Licenses and Permits

This category includes the issuance of business licenses. The fee structure for business permits is typically an annual fee or one-time charge depending on the particular type of license or permit. The City of Yelm also requires businesses with no physical presence in Yelm that are doing business in the City (e.g. contractors) to obtain a business license.

### Franchise Fees

Franchise fees are charges levied on private utilities for the right to use city streets, alleys and other public properties. Cable TV franchise fees are governed by federal rather than state law and may be levied at a rate of five percent of gross revenues, regardless of the cost of managing the franchise process. The Federal Communication Commission ruled in 2002 that cable companies do not have to pay franchise fees on cable modem services.

## INTERGOVERNMENTAL REVENUES

### State Shared Revenues

The State of Washington shares revenues from several sources with counties, cities, and towns across the state. These revenues come from a variety of sources and are often distributed on a per capita basis, although some shared revenues are distributed according to other criteria. State shared revenues are collected

2018 Estimated State Shared Revenue Distributions City of Yelm	
Liquor Profits	\$ 71,833
Liquor Tax	\$ 42,632
Criminal Justice - Population Based	\$ 2,686
Criminal Justice - Special Programs	\$ 9,185
Gas Tax	\$ 177,546
Increased Gas Tax	\$ 10,658
Multi-Modal Distribution	\$ 12,218
Marijuana Excise Tax	\$ 3,033
<b>Total Estimated Distribution</b>	<b>\$ 329,791</b>

by the State of Washington and shared with local governments based on population. State shared revenues are distributed on either a monthly or quarterly basis, although not all quarterly revenues are distributed in the same month of the quarter.

The population figure used in the 2018 Budget is 8,665 as determined by the Office of Financial Management for Washington State. This figure is important when determining distribution of state shared revenues on a per capita basis.

State shared revenues also used to include motor vehicle excise tax and local vehicle license fees. The 2015 legislative session produced a transportation package that was adopted in 2nd ESSB 5987, laws of 2015, 3rd sp. session. The result of this legislation is that there will be an increase in the motor vehicle fuel tax of 11.9 cents. The tax will increase over the next two years with the first increase beginning August 1, 2015 and the second increase to be effective July 1, 2016. The resulting revenues from the motor vehicle fuel tax increase are being shared with cities and counties based upon a set allocation provided in the bill. The direct transfers are to be split equally between cities and counties and the distributions began in the 3rd quarter of 2015. They will be distributed on the last day of the month in September, December, March and June.

## LIQUOR RECEIPTS PROFITS AND TAXES

In Washington State, liquor sales were controlled by a state-operated monopoly until Initiative 1183 passed in November 2011 which privatized the distribution and retail sale of liquor, effective June 1, 2012. The markups on liquor have been replaced as a state revenue source by license fees that are paid to the state by retailers and distributors.

Liquor revenue is received by the cities from 2 sources - liquor excise taxes and liquor profits. Liquor excise tax revenue will continue to be assessed and distributed under the new privatized system; however, with the passage of ESHB 2823, all liquor excise tax revenue was diverted from the cities and counties to the State General Fund beginning October 2012 for the period of one year. Quarterly distributions began again with the October 2013 period. Additionally, beginning with the October 2013 distribution, \$10 million was transferred from the Liquor Excise Tax Fund to the State's General Fund annually. This was a permanent loss of revenue to cities and counties. The 2013-2015 state budget (3ESSB 5034), passed by the 2013 legislature, contained a provision that increased the share of liquor taxes, collected and remitted to the state general fund under RCW 82.08.150(1) and (2), from 65 percent to 77.5 percent. This meant that the share going to the liquor excise tax fund for distribution to cities and counties fell from 35 percent to 22.5 percent. The 2015-2017 state budget (ESSB 6052), passed by the 2015 legislature has returned the percentage distribution to pre-2013 state budget provisions which means that 35 percent of revenues collected under RCW 82.08.150(1) and (2) are to be deposited in the liquor excise tax fund to be distributed to counties, cities, and towns.

The Liquor Control Board (LCB) collects revenue in the form of license fees from retailers and

distributors under Initiative 1183. The LCB continues to call these funds "liquor profits" and will continue to distribute to cities and counties on a quarterly basis. Additionally, the LCB added \$10 million to the distribution amount to enhance public safety programs.

### **Criminal Justice Revenues**

The Washington State Legislature approved the Criminal Justice Funding Act in a special session of the Legislature in July 1990. The principal focus of the Act is to provide funding for county and city criminal justice systems, including police protection, mitigation of congested court systems, and relief of over crowded jails. The City of Yelm currently qualifies in two of the five possible funding areas for cities: Special Programs and Population.

### **Motor Vehicle Fuel Tax (Gas Tax)**

In Washington State, cities receive a portion of the state-collected gasoline tax. Beginning July 1, 2003, the state fuel tax increased to 28 cents per gallon from 23 cents as part of the "Nickel Funding Transportation Package" enacted by the state legislature. The State distributes 10.6961 percent of the base amount of 23 cents to cities (less some small deductions).

New transportation funding enacted by ESSB 6103, passed by the 2005 Washington Legislature and signed into law by Governor Gregoire, provided additional revenues to incorporated cities and towns. Cities and towns received 8.333 percent of a three cent tax increase which began July 1, 2005, and 8.333 percent of another three cent increase which began July 1, 2006. This is in addition to the base amount of 23 cents to cities. Cities did not receive a share of the increases in 2007 and beyond.

The 2015 legislative session produced a transportation package that was adopted in 2nd ESSB 5987, laws of 2015, 3rd sp. session. The result of this legislation is that there will be an increase in the motor vehicle fuel tax of 11.9 cents. The tax will increase over the next two years with the first increase beginning August 1, 2015 and the second increase to be effective July 1, 2016. The resulting revenues from the motor vehicle fuel tax increase are being shared with cities and counties based upon a set allocation provided in the bill. The direct transfers are to be split equally between cities and counties and the distributions began with the 3rd quarter of 2015.

### **Multi-Modal Distribution**

The state provides a set amount of revenue deposited into the Multimodal Transportation Account to counties, cities and towns. One-half of the funds are to be distributed to cities as provided under RCW 46.68.110(4). Of this amount, Yelm is estimated to receive \$12,218 during 2018, which is to be used solely for transportation purposes.

### **Marijuana Excise Tax**

The Legislature amended the state's marijuana regulatory and taxation system in 2013, providing for revenue sharing with cities and counties. The state distributes a portion of the

marijuana excise taxes to the Liquor and Cannabis Board (LCB) and various state agencies and programs on a quarterly basis. Yelm is estimated to receive \$3,033 during 2018. The City will also receive revenue from Business and Occupations licensing and planning and Development Fees from marijuana retailers. **Note that this represents only the state shared excise tax and does not include anticipated sales tax revenue to the City.**

## CHARGES FOR SERVICES

### Planning and Development Fees

These fees are collected for services related to the issuance of permits and the review of plans for compliance with City codes. Fees are generally collected at a level estimated to recover the cost of the service provided.

### Water Utility Rates

Water revenues fund costs associated with the operations of the water system, repairs and maintenance to the system, and fund needed capital improvements to the utility for growth and overall system operations. Revenues are garnered through rate charges to customers, system development charges to new customers, interest earnings on investments, and other connection charges.

### Wastewater Utility Rates

Wastewater revenues fund costs associated with the operations of the wastewater system, repairs and maintenance to the system, and fund needed capital improvements to the utility as needed for growth and overall system operations. Revenues are garnered through rate charges to customers, system development charges to new customers, interest earnings on investments, and other connection charges and fees.

### Stormwater Utility Rates

Stormwater rates collected from customers are used to fund operations and maintenance of the stormwater collection system, support capital improvements to the system, assist with education and outreach, and financially support street infrastructure capital improvements that have stormwater elements.

## MISCELLANEOUS REVENUE

### Investment Income

In the City of Yelm, available cash is invested with the Local Government Investment Pool. The amount of interest received will vary with interest rates and the amount of cash available for investment during any particular budget year. Interest income is allocated to City funds according to average cash balance.

## **Rentals and Leases**

Sources of rental and lease income include the rental of City owned facilities for events, and the leasing of City owned land for cell-tower usage. In 2016 the City began renting the new Community Center for community events.

## **Other Financing Sources**

Other financing sources represent those funding sources that are one-time or non-recurring in nature. Examples include general long-term debt such as General Obligation Bonds, Local Improvement District (LID) financing, interfund transfers, insurance proceeds, restitution, and grants.

## **Interfund Transfers**

Some funds receive revenues from other funds in the form of an interfund transfer. These transfers may represent payments for service, an operating transfer, or a concentration of revenues for a specific project. The following funds are budgeted to receive transfers from other funds.

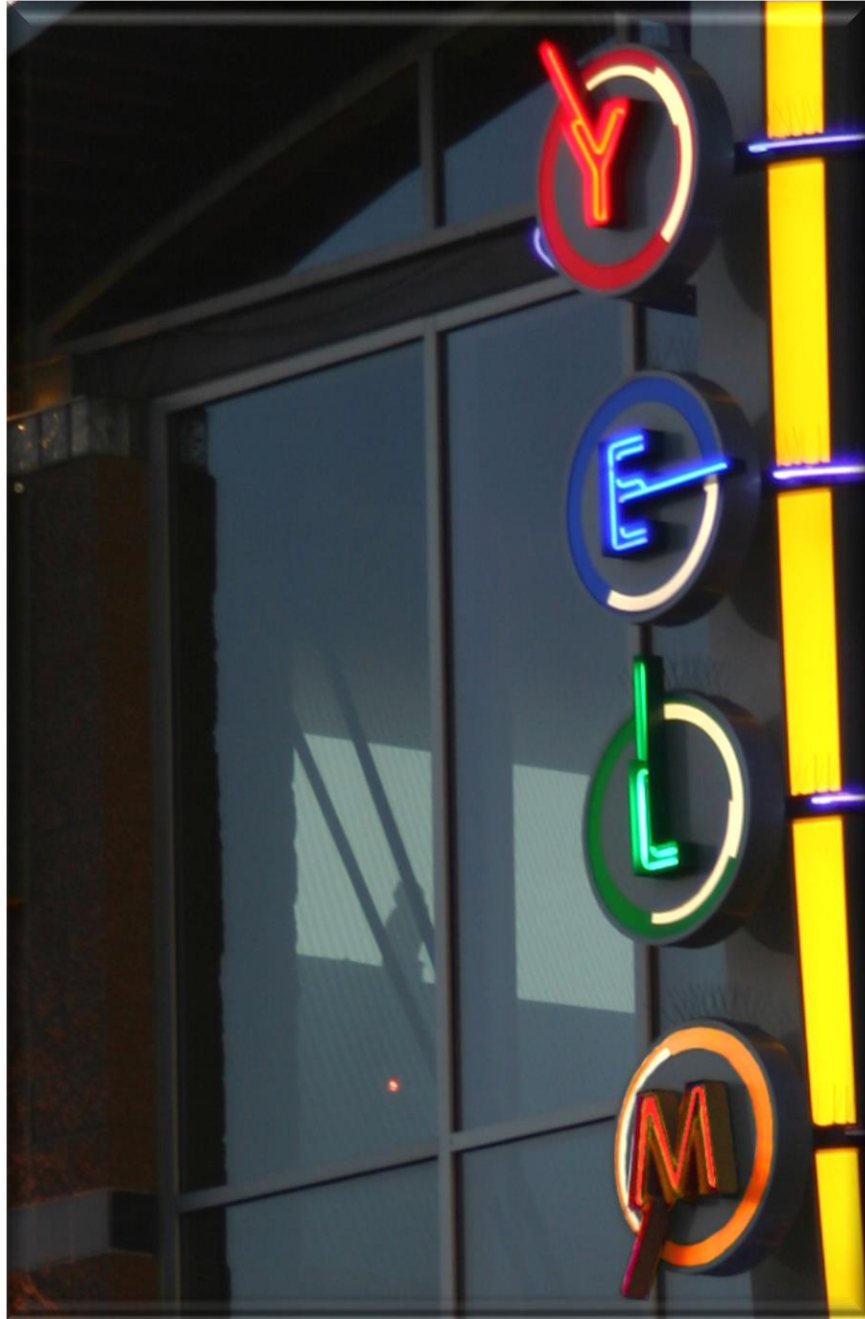
- The Equipment Rental and Revolving fund (ER&R fund) is to receive \$1,000,000 from the General Fund Balance to capitalize the fund. ER&R Funds are established to provide equipment purchase, maintenance and repair for the City's equipment, including vehicles, facilities and computers.
- The Transportation Facilities Fund is budgeted to receive a transfer from the General Fund for the traffic modeling project.
- The Municipal Building Fund is budgeted to receive a transfer from the General Fund.





# GENERAL FUND BUDGET

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## GENERAL FUND SUMMARY

The purpose of the General Fund is to provide for traditional government programs such as Police, Planning & Community Development, Administration, Parks, Recreation, and Facilities Maintenance. It also Transfers resources to other funds for support of streets and other projects not otherwise supported by Special Revenue funds.

City of Yelm 2018 Budget					
General Fund Department Summary					
Department	2015 Actual	2016 Actual	2017 Budget	2017 YE Estimate	2018 Projection
Administration	487,274	491,957	633,040	528,416	968,775
Finance	237,946	272,955	261,293	304,320	279,848
Court	197,249	206,171	221,472	215,620	227,095
Community Development	1,014,739	1,049,726	1,174,267	1,019,524	1,335,961
Police	1,711,319	1,818,240	1,963,744	1,935,579	2,207,798
Public Works & Parks	409,595	460,662	534,109	566,816	498,342
Nondepartmental	1,167,216	1,007,801	1,043,490	1,182,164	3,195,144
	5,225,338	5,307,512	5,831,415	5,752,439	8,712,963
Plus: Ending Fund Balance			1,559,033	2,995,860	426,569
<b>Total Expenditure Appropriation</b>			<b>\$ 7,390,448</b>	<b>\$ 8,748,299</b>	<b>\$ 9,139,532</b>

## CITY COUNCIL

The Yelm City Council represents the needs and interests of the citizens of Yelm. The seven-member Council establishes policy for the city, adopts the annual budget, and represents Yelm's interest on regional boards and commissions.

Legislative Department						
Account Code	Account Description	2015 Actual	2016 Actual	2017 Current Budget	2017 YE Estimate	2018 Proposed
511.10.42.00	Legislative Communications	\$ -	\$ -	\$ 500	\$ -	\$ 500
511.10.44.01	Public Relations	-	-	100	200	200
511.20.41.00	Lobbyist Professional Services	5,600	2,202	15,000	15,000	15,000
511.30.41.00	Advertising/Chamber Contract	4,565	3,750	6,000	6,500	6,500
511.30.44.00	Official Publications Service	8,137	1,963	5,500	5,000	5,500
511.60.10.00	Salaries/Wages	50,400	49,262	50,400	50,400	50,400
511.60.20.00	F.I.C.A.	3,856	3,768	3,856	3,856	3,856
511.60.22.00	Industrial Insurance	158	122	153	153	150
511.60.31.00	Office & Operating Supplies	333	4,339	500	300	500
511.60.40.00	Travel/Training/Mtgs	758	3,269	3,000	3,000	23,000
511.60.49.00	Miscellaneous	197	66	200	-	-
<b>Total Expenditures</b>		<b>\$ 74,004</b>	<b>\$ 68,741</b>	<b>\$ 85,209</b>	<b>\$ 84,409</b>	<b>\$ 105,606</b>

## EXECUTIVE DEPARTMENT

MICHAEL GRAYUM, CITY ADMINISTRATOR  
LORI MOSSMAN, CITY CLERK/HR MANAGER

### MISSION

The mission of the Executive Department is to provide proactive leadership and maintain compliance while addressing the needs of the City and its employees in a timely and professional manner.

### VISION

The vision for the Executive Department is to provide decisive leadership for the City to ensure that the City operates in the most organized and efficient manner.

### THE ORGANIZATION

The City Clerk preserves the legislative history of the City and is responsible for the management and preparation of Council meeting agendas, packets, meeting notices, and the recording of meetings and actions taken; maintains official minutes of all proceedings, records ordinances, resolutions and other City documents and public records.

The Human Resource department is responsible for the overall effectiveness of Human Resource programs, activities and functions, such as personnel, recruitment, on boarding, succession planning, coordinate personnel changes and adjustments with the finance department, serves as the primary contact with Association of Washington Cities and insures compliance with requirements of membership in programs, accepts and manages claims, and is the primary contact for employees with benefit questions.

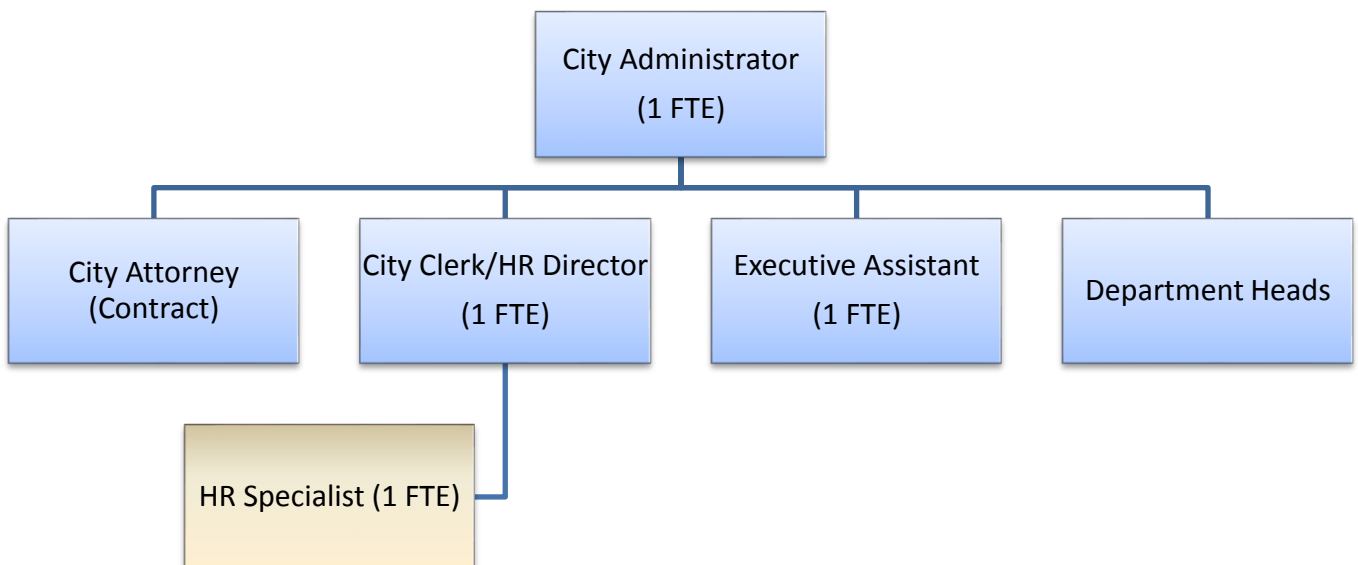
### 2017 MAJOR ACCOMPLISHMENTS

- Transitioned and added City Administrator and other key personnel to the Finance, Public Works and the Police Departments
- Completed Human Resource Development Series
- Identified inefficiencies in Human Resource Management and Personnel files
- A third party will be do an Analysis and Assessment of the Human Resource department and help identify and implement efficient processes going forward.

## 2018 MAJOR GOALS

- Hire one full time employee
- Standardize new employee on boarding and other Human Resource functions
- Update Personnel Policies
- Re-establish the Wellness Committee Budget
- Establish and maintain in house training for employees
- Continuing education for certification
- Records management
- Succession planning for personnel

## ORGANIZATION CHART



## EXECUTIVE DEPARTMENT BUDGET

Executive Department						
Account Code	Account Description	2015 Actual	2016 Actual	2017 Current Budget	2017 YE Estimate	2018 Proposed
513.10.10.00	Executive Salary	\$ 165,219	\$ 94,574	\$ 235,022	195,000	312,372
513.10.10.01	Executive Intern Salary	739	-	2,500	-	-
513.10.20.00	F.I.C.A.	12,145	6,846	17,980	14,300	23,897
513.10.20.01	F.I.C.A. Intern	-	-	192	-	-
513.10.21.00	Retirement	16,484	9,536	25,669	18,100	35,747
513.10.22.00	Industrial Insurance	399	322	672	475	906
513.10.22.01	Industrial Ins. -Intern	10	-	63	-	-
513.10.23.00	Unemployment Insurance	245	125	1,025	315	1,407
513.10.23.01	Unemployment Ins. -Intern	1	-	13	-	-
513.10.24.00	Medical Insurance	48,599	34,453	61,445	50,000	74,840
513.10.31.00	Office/Operating Supplies	2,371	1,291	1,500	2,000	1,750
513.10.35.00	Small Tools/Minor Equipment	60	3,859	500	2,500	1,500
513.10.40.00	Executive Travel/Training	2,164	3,184	7,500	6,183	7,500
513.10.41.00	Contract Professional Services	-	107,643	-	24	160,000
513.10.41.01	Planning/Design Prof Svcs	-	-	-	-	50,000
513.10.44.00	Advertising/Chamber Contract	3,750	4,250	4,250	4,250	4,250
513.10.44.01	Public Relations	9,182	7,273	10,000	8,860	10,000
513.10.49.00	Executive Miscellaneous Exp.	520	280	500	500	-
513.10.49.01	Wellness Program	1,403	2,112	2,500	500	2,500
513.10.49.02	SSM&C Partnership	6,500	6,628	6,500	6,500	6,500
<b>Total Expenditures</b>		<b>\$ 269,791</b>	<b>\$ 282,376</b>	<b>\$ 377,831</b>	<b>\$ 309,507</b>	<b>\$ 693,169</b>

Executive Department <i>Legal</i>						
Account Code	Account Description	2015 Actual	2016 Actual	2017 Current Budget	2017 YE Estimate	2018 Proposed
515.20.41.00	Labor Relations Consultant	\$ 32,570	\$ 31,455	\$ 15,000	\$ 18,000	\$ 15,000
515.30.41.00	Legal Services/Criminal	34,638	35,833	35,000	35,000	35,000
515.30.41.01	Legal Services/Civil	59,671	57,252	70,000	65,000	70,000
515.91.41.00	Indigent Defense Costs	16,600	16,300	50,000	16,500	50,000
<b>Total Expenditures</b>		<b>\$ 143,479</b>	<b>\$ 140,840</b>	<b>\$ 170,000</b>	<b>\$ 134,500</b>	<b>\$ 170,000</b>

- Salaries and benefits include \$88,871 for Human Resource Specialist/Deputy City Clerk.

# FINANCE DEPARTMENT

JOSEPH WOLFE, FINANCE DIRECTOR

## MISSION

The mission of the Finance Department is to provide outstanding and timely customer service to Yelm citizens and customers, ensure that the City's financial assets are protected through the implementation of sound financial policies and procedures and to provide users with meaningful financial data. The Finance Department serves as the primary advisor to the Mayor and City Council about financial issues.

## VISION

To excel in providing accurate and timely data, demonstrate integrity in relationships, and foster a keen focus on providing insight to our customers

## THE ORGANIZATION

The Finance Department is responsible for providing accurate and timely information regarding the City's financial affairs. To achieve this, the Department provides the following services:

**Collection of revenue** – Revenue is collected from a variety of sources including tax such as sales tax, property tax, and utility user's tax. Other sources of revenue include grant funds, charges for services, interest earnings, and intergovernmental transfers.

**Distribution of funds** – payments are made to vendors for services and material received. An improved system of issuing checks made the release of funds a reality on a weekly basis. Employee payroll checks and related benefits are paid on a bi-weekly basis.

**Proper transaction recording** – detailed accounting is achieved by recording all financial transactions in the City's financial system using the statewide Budget, Accounting and Reporting System coding structure. Each of these General Ledger Numbers are unique, are individually budgeted, and performance against these budgets are tracked.

**Financial reporting** – Specially designed reports are prepared and distributed monthly. Reports identify the approved budget for line items and performance relative to that budget.

**Budget administration** – A budget is prepared for Council review and approval on a yearly basis. The approved budget is distributed and made available for public review and reference via the internet. Internally, the City's executive staff manages their department's respective budgets.

**Debt management** – Outstanding debt is administered in full accordance with the Official Statements of the City's bond issuances. Accordingly, principal and interest payments are made based on the amortization Schedules and all Disclosure Statements are regularly prepared and issued. From time-to-time, outstanding City debt is analyzed and opinions are provided to Council

regarding possible refunding efforts.

**Investment of City funds** – the City’s idle cash is invested with the Local Government Investment Pool (LGIP).

**Risk Management** – Policies and procedures are established and stringently followed to identify and minimize the City’s exposure to risk and potential financial loss. All contracts are reviewed for adequacy and compliance with these policies, and special training classes are held to heighten City employee’s and volunteer’s awareness of certain high-risk issues.

**Purchasing** – Items required to run and operate the City are procured in accordance with State and Federal requirements.

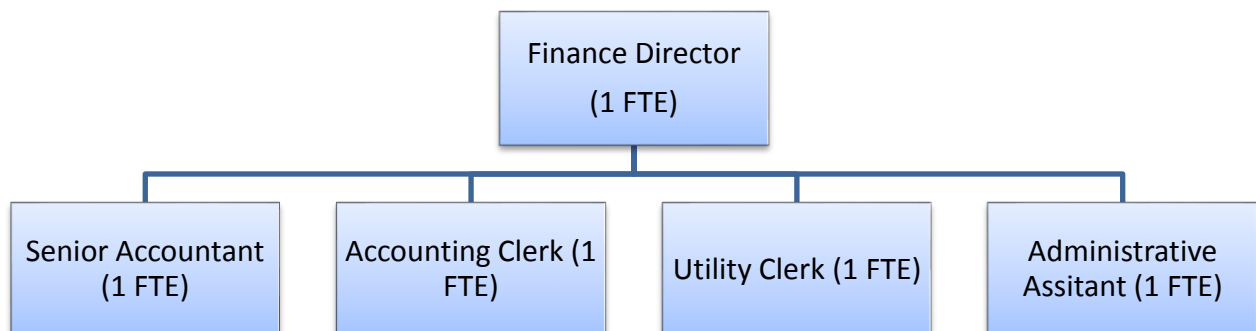
## 2017 MAJOR ACCOMPLISHMENTS

- Implemented electronic Accounts Payable system to improve efficiency of process and record keeping effectiveness.
- On boarded new Finance Director and Senior Accountant

## 2018 MAJOR GOALS

- Staff will continue to provide quarterly financial updates at regular City Council meetings for the edification of the general public and elected officials.
- Develop and maintain fiscal policies based on program and performance measures while engaging community involvement.
- The Finance Department will continue to optimize the use of technology to enhance public services.
- The Finance Department will continue to work with the Public Works Department to finalize the Utility Billing Policy and Procedures and all associated fee changes.
- The Finance Department staff will continue to engage the City Council Finance Committee concerning any and all financial matters deemed to be in the best interest of the City.

## ORGANIZATION CHART



## FINANCE DEPARTMENT BUDGET

Finance Department						
Account Code	Account Description	2015 Actual	2016 Actual	2017 Current Budget	2017 YE Estimate	2018 Proposed
514.23.10.00	Salaries/Wages	\$ 142,863	\$ 184,516	\$ 135,779	191,750	147,591
514.23.11.00	Accrued Vac./Holiday/Sick	953	354	-	2,800	-
514.23.12.00	Overtime	3,433	1,890	2,500	500	2,000
514.23.20.00	F.I.C.A.	11,157	14,173	10,388	14,965	11,291
514.23.21.00	Retirement	14,680	19,777	17,761	21,650	18,745
514.23.22.00	Industrial Insurance	482	552	486	590	502
514.23.23.00	Unemployment Insurance	287	358	679	375	738
514.23.24.00	Medical Insurance	13,626	13,050	31,795	27,000	34,671
514.23.31.00	Office/Operating Supplies	5,581	3,631	8,000	3,000	7,000
514.23.32.00	Fuel/Vehicle Maintenance	204	182	300	300	300
514.23.35.00	Small Tools/Minor Equipment	597	3,328	3,000	3,550	3,000
514.23.41.00	Professional Services/Legal	-	-	150	-	-
514.23.41.01	Professional Services Banking	8,659	13,803	15,000	12,500	15,000
514.23.43.00	Travel/Training/Dues	3,788	4,107	7,500	4,150	7,500
514.23.44.00	Printing/Advertising	1,108	141	800	125	800
514.23.46.00	Property/Casualty/Bond Insur.	70	60	70	70	70
514.23.48.00	Contracted Repairs/Maint	-	109	500	500	500
514.23.49.00	Miscellaneous	-	86	100	100	100
514.23.51.00	Auditor/Professional Expense	-	18,661	15,000	1,245	15,000
514.23.53.00	Taxes & Assessments External	52	60	75	140	140
514.30.41.00	Records Services	375	18	200	-	200
514.40.41.00	Election Costs	6,164	(2,408)	3,100	3,100	3,100
514.50.35.00	Bldg/Grounds Maint. Supplies	-	-	-	950	1,000
514.81.49.00	Bus. License Background Checks	70	108	110	600	600
514.90.41.00	Voter Registration Costs	23,797	(7,406)	8,000	14,360	10,000
<b>Total Expenditures</b>		<b>\$ 237,946</b>	<b>\$ 272,955</b>	<b>\$ 261,293</b>	<b>\$ 304,320</b>	<b>\$ 279,848</b>



# PLANNING & ECONOMIC DEVELOPMENT DEPARTMENT

GRANT BECK, PLANNING & ECONOMIC DEVELOPMENT DIRECTOR

## MISSION

To provide easy and understandable information in a responsive manner to our customers. To be fair to all and to be results driven.

## VISION

To facilitate the creation of community and to create great places for residents, businesses, and visitors.

## THE ORGANIZATION

The Community & Economic Development Department is a high functioning team responsible for Planning and Permitting, promoting Economic Development, and providing support to a number of Boards and Commissions advisory to the Mayor and City Council.

**Permitting & Inspection** - The Department processes and issues all permits required by the Washington State Building Code, Chapter 19.27 RCW and Growth Management Act, Chapter 36.70A RCW. These regulations are implemented through the Yelm Unified Development Code (UDC), codified at Title 18 YMC. The UDC was adopted in 2016 and is a model of form based code. It streamlines the process for permits while ensuring that decisions are based on firm criteria and are reviewable.

**Planning** - All Comprehensive Planning as required by the Growth Management Act and by Mayor and Council is completed by the two professional planners in the Department.

**Economic Development** - In 2017, the Department was tasked to formally be the Economic Development agency for the City.

**Boards & Commissions** - Staff from Planning & Economic Development provide support relating to land use, planning, permitting, and economic development to the City Council, the Community & Economic Development Committee of the Council, the Planning Commission, the Tree Board, and to the Historic Commission.

## 2017 MAJOR ACCOMPLISHMENTS

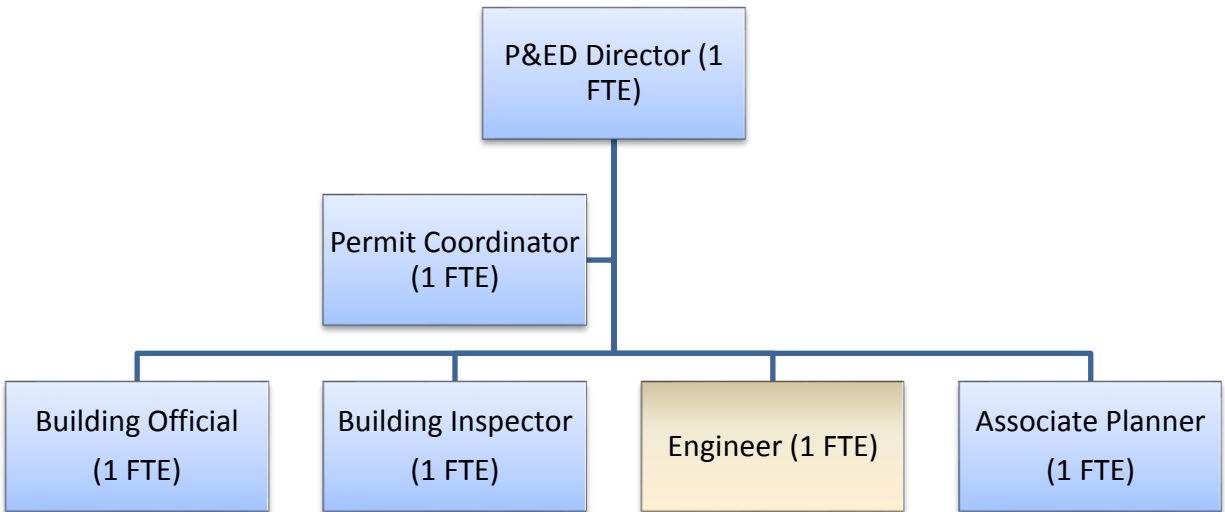
- The Growth Management Act (GMA) requires that Comprehensive Plans be updated periodically. In 2017, the City Council adopted an updated plan that not only included minor changes to reflect changes in the (GMA) and case law, but was a complete and thorough update. The adoption was the culmination of a three year process with community and stakeholder participation and resulted in a professional template for the future.

- Planning is a cycle, and once the Comprehensive Plan was updated the implementing regulations had to be updated to reflect newly adopted goals and policies. The Department prepared for review and adoption changes to the Unified Development Code to reflect some of the major new policies, including rules for food trucks and marijuana retailers, and economic development initiatives.
- The Department began work on developing an economic strategy by consolidating new Comprehensive Plan policies relating to business and economic development and hosted an Economic Summit.
- A \$90,000 Surface Transportation Program through the Thurston Regional Planning Council was awarded to Yelm in order to complete a Downtown Corridor plan. The plan will develop strategies to move cars through downtown on Yelm Avenue (A State Highway) while ensuring safe and convenient pedestrian movement with plenty of on street parking. The plan will be a key part of the Yelm Economic Strategy and was kicked off in 2017 with completion in 2018.
- This was all accomplished with a key position (Building Official) being unfilled for most of the year.

## 2018 MAJOR GOALS

- Complete the Downtown Corridor plan. This will entail much involvement by the community and stakeholders in the downtown core.
- Prepare an updated 20 year transportation plan for review by the Planning Commission and adoption by the City Council.
- Complete a LEAN review of the City's permit processes, starting with those processes that interface with the Public Works Department.
- Improve Levels of Service for customers of the Department.

## ORGANIZATION CHART



## PLANNING DEPARTMENT BUDGET

Planning & Economic Development Department						
Account Code	Account Description	2015 Actual	2016 Actual	2017 Current Budget	2017 YE Estimate	2018 Proposed
558.10.10.00	Salaries/Wages	\$ 363,866	\$ 363,607	\$ 375,922	331,000	418,204
558.10.11.00	Accrued Vacation/Holiday/Sick	961	20,635	21,000	3,000	2,000
558.10.12.00	Overtime	-	497	500	800	600
558.10.20.00	F.I.C.A.	27,171	28,553	28,757	25,000	31,992
558.10.21.00	Retirement	36,504	39,405	47,065	34,100	53,111
558.10.22.00	Industrial Insurance	3,880	4,250	1,259	2,600	1,359
558.10.23.00	Unemployment Insurance	696	740	1,880	680	2,091
558.10.24.00	Medical Insurance	72,643	73,026	81,322	73,000	110,433
558.10.31.00	Office/Operating Supplies	5,842	3,127	7,500	6,500	8,250
558.10.32.00	Fuel	1,152	907	1,500	1,000	2,000
558.10.35.00	Small Tools/Minor Equipment	2,070	5,470	1,800	12,000	5,300
558.10.41.01	Consultant Svcs/Plan Review	46,855	18,187	8,000	9,000	8,000
558.10.41.03	Tree: Professional Services	1,057	-	2,000	200	2,000
558.10.42.01	Communications: Phone	2,911	1,777	2,000	2,800	3,200
558.10.43.00	Travel/Training/Dues	2,783	4,913	5,700	5,200	6,300
558.10.43.01	Tree: Travel/Training/Dues	229	-	200	15	200
558.10.44.00	Printing & Advertising	8,379	2,960	6,000	3,500	6,000
558.10.44.01	Tree: Events/Advertising	395	602	1,500	500	1,500
558.10.48.00	Vehicle/Equipment Rep/Maint.	2,011	515	1,400	700	1,400
558.10.48.01	Tree: City Repairs/ Maint.	3,113	1,509	1,500	500	1,500
558.10.49.00	Misc/Record Ordinances	3,517	390	1,000	500	1,000
558.60.41.00	Regional Planning	28,196	29,406	36,000	30,000	35,000
558.80.48.00	Amtrak Station Operation/Maint.	1,039	1,110	1,400	1,066	1,400
<b>Total Expenditures</b>		<b>\$ 615,270</b>	<b>\$ 601,586</b>	<b>\$ 635,205</b>	<b>\$ 543,661</b>	<b>\$ 702,840</b>

- Salaries and benefits include \$59,113 for 1FTE, Development Engineer, funded at 50% from General Fund and 50% from the water utility fund.

# POLICE DEPARTMENT

TODD STANCIL, CHIEF OF POLICE

## MISSION

The mission of the Police Department is to be proactive, accountable and responsive to the needs of the community through professional police services to enhance the quality of life for the City of Yelm.

## VISION

The Yelm Police Department strives to be a leader in the law enforcement community and provide excellent customer service to the citizens we serve. Our vision is to create an environment throughout the City of Yelm in which residents can carry on with the priorities in their lives without the stress of criminal behavior in their neighborhoods and businesses.

## THE ORGANIZATION

The Yelm Police Department is organized into two divisions: Administration and Operations. We currently have a Chief, (2) Sergeants, Detective, School Resource Officer and (8) Patrol Officers. We have an Administrative Secretary, Records Clerk, (4) Reserve Officers and (4) volunteers.

**Administration** - The Administration Division consists of the Chief of Police, Administrative Secretary and the Records Clerk. The Chief is responsible for the overall management and administration of the Police Department. The Administrative Secretary handles all administrative issues and the Records Clerk is responsible for all records related matters. The expenditures in this division are used to fund these positions, necessary materials and services for administering the department, and some overall departmental expenses.

**Operations** - The Chief is responsible for the overall operations of the Operations Division which consists of (2) Sergeants, (8) Patrol Officers, School Resource Officer and Detective. The Chief has supervisory responsibility over the two Sergeants, School Resource Officer and Detective. In addition, the Chief of Police is directly responsible for Crime Prevention and Community Education practices within the community. The Chief of Police also serves as the City of Yelm Emergency Management Director for the City of Yelm and is responsible for the maintenance and operations of the Comprehensive Emergency Management Plan as well as educating the citizens on awareness and preparedness.

The Sergeants' are responsible for the supervision of the (8) patrol officers, Reserve Program and the Field Training Program. The Sergeants are also tasked with administering Internal Investigations when needed and responding to emergency service calls to assist Patrol.

The Detective is responsible for overseeing and conducting criminal investigations, follow-up investigations, and for the dissemination of criminal information. The Detective is also responsible

for conducting background investigations on new hires as well as the direct oversight of the Department Evidence Room.

Patrol Officers are responsible for general patrol, responding to calls for service, initial case investigation community policing and traffic enforcement. The School Resource Officer is assigned to the Yelm School District during the school year to enforce laws, educate staff and students and to serve as a liaison between the Police and Schools.

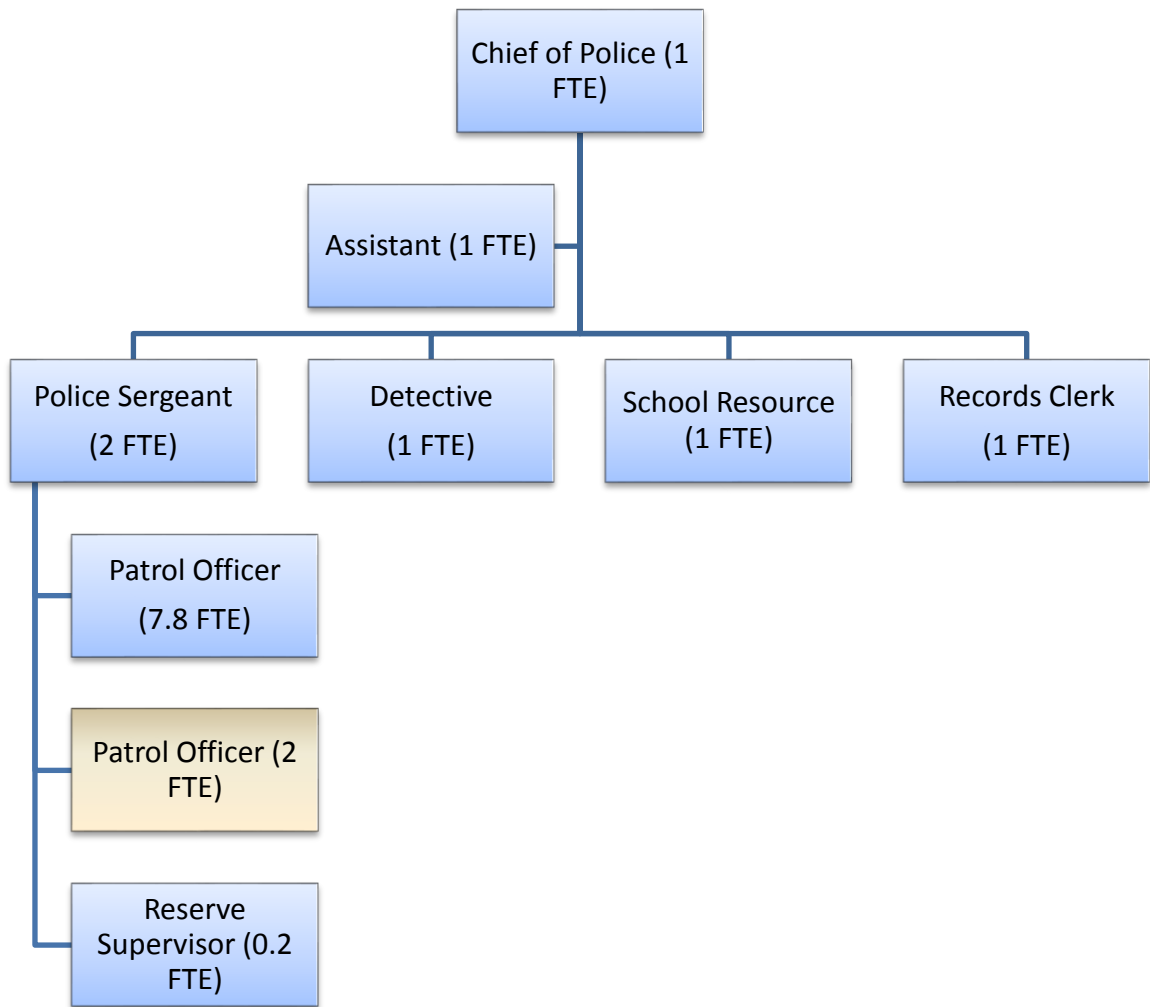
## **2017 MAJOR ACCOMPLISHMENTS**

- Maintained a great group of dedicated officers to serve the community
- Met and/or exceeded all training requirements from the WSCJTC
- Purchased and outfitted (3) new patrol vehicles
- Filled all funded department positions with excellent Officers
- Apprehended suspects from two Bank Robberies within 10 days of the incident
- Started a series of open discussions with the community to enhance transparency
- Recognized the Officer and Reserve Officer of the Year
- Made significant progress on the Emergency Management CEMP Plan

## **2018 MAJOR GOALS**

- Recover to our pre-recession staffing level to maintain service level
- Add additional staffing to maintain and expand services to the community
- Staff the position of Assistant Chief to support the foundation for future growth
- Staff the position of Crime Prevention/Code Enforcement Officer
- Complete the Comprehensive Emergency Management Plan
- Develop a succession plan for supervisory level positions
- Establish a 5 and 10 year staffing plan
- Expand Reserve Officer and Volunteer Program
- Implement the first Citizens Police Academy
- Bring back the Survivor Summer Camp for area youth

## ORGANIZATION CHART



## POLICE DEPARTMENT BUDGET

Police Department						
Account Code	Account Description	2015 Actual	2016 Actual	2017 Current Budget	2017 YE Estimate	2018 Proposed
<b>LAW ENFORCEMENT</b>						
521.10.10.00	Salaries/Wages	\$ 993,001	\$ 1,047,574	\$ 1,123,293	1,130,700	1,273,863
521.10.11.00	Police Accrued	28,828	39,443	25,000	30,000	30,000
521.10.12.00	Overtime	57,018	64,720	60,000	45,000	60,000
521.10.16.00	Civil Service Salaries	737	687	1,114	900	1,100
521.10.20.00	F.I.C.A.	80,496	85,950	86,017	88,000	97,449
521.10.21.00	Retirement	59,941	64,282	67,061	68,000	77,484
521.10.22.00	Industrial Insurance	19,644	22,850	28,723	23,000	28,727
521.10.23.00	Unemployment Insurance	2,082	2,218	5,623	2,300	6,370
521.10.24.00	Medical/Disability Insurance	236,885	224,996	251,713	260,000	319,841
521.10.25.00	Uniforms	9,000	11,209	10,850	10,500	18,100
521.10.25.01	Reserve Uniforms	3,585	3,796	4,000	1,500	1,500
521.10.31.00	Office/Operating Supplies	7,632	6,240	6,000	5,500	6,000
521.10.32.00	Fuel Consumed/Oil	30,911	25,310	35,000	36,000	36,000
521.10.40.00	Civil Service/Other Charges	1,654	2,090	2,000	1,000	2,000
521.10.41.00	Professional Services	33,257	3,990	4,700	3,500	4,700
521.10.41.02	Prof Svcs: Web Usage	(299)	-	-	-	-
521.10.42.01	Communication: Phones	10,432	11,287	13,000	12,500	14,000
521.10.42.02	Communication: Postage	-	12	-	-	-
521.10.43.00	Travel/Training Fees	4,204	5,243	7,800	5,000	7,800
521.10.44.00	Printing & Advertising	68	76	100	100	100
521.10.47.00	Public Utilities Services	-	-	-	15	-
521.10.48.00	Vehicle Repairs & Maintenance	23,866	23,870	22,000	24,000	22,000
521.10.49.00	Fees/Dues	3,856	25,600	36,000	36,000	37,000
521.10.50.00	Office/Radio Equip. Repair/Maint.	4,309	3,769	5,000	3,500	5,000
521.10.53.00	Taxes & Assessments External	11	14	-	14	14
521.10.97.00	Thurston County Communicatio	-	-	250	250	250
521.30.31.00	Crime Prevention	1,656	1,819	2,000	1,800	2,000
521.31.35.00	Small Tools/Minor Equipment	17,172	19,030	19,000	19,000	19,000
521.40.31.00	Training Supplies/Ammunition	10,386	5,510	7,500	7,500	7,500
521.50.41.00	Bldg/Ground Custodial/Cleaning	-	58	-	-	-
<b>Total Expenditures</b>		<b>\$ 1,640,332</b>	<b>\$ 1,701,643</b>	<b>\$ 1,823,744</b>	<b>\$ 1,815,579</b>	<b>\$ 2,077,798</b>
<b>DETENTION/CORRECTION</b>						
523.60.51.00	Care & Custody Of Prisoners	\$ 70,987	\$ 116,597	\$ 140,000	\$ 120,000	\$ 130,000
<b>Total Expenditures</b>		<b>\$ 70,987</b>	<b>\$ 116,597</b>	<b>\$ 140,000</b>	<b>\$ 120,000</b>	<b>\$ 130,000</b>

- Salaries and benefits include \$202,472 for two police officers – patrol and community resource officer.
- \$100,000 for cars and equipment is included in the non-departmental budget.



# PUBLIC WORKS DEPARTMENT

CHAD BEDLINGTON, PUBLIC WORKS DIRECTOR

## MISSION

Public Works provides essential services to the citizens of Yelm in a prompt, courteous, safe, efficient, and cost-effective manner. Public Works, through its dedicated employees, strives to plan, design, build, maintain, and operate public infrastructure in a manner that respects the environment and the ability of government to adequately preserve these assets for succeeding generations.

## VISION

We, as Public Works staff, pledge to continue to build public confidence, conquer all challenges, and demand the best of ourselves. We will honor our pledge by empowering all employees to provide information and services that exceed our customers' expectations and strengthen our community. Public Works pursues excellence and will be recognized as a leader for our innovative strategies and programs.

## THE ORGANIZATION

The Yelm Public Works Department is organized into three divisions: Administration, Operations, Capital Projects and Programs. We currently have a Public Works Director, Public Works Manager, Water Reuse Facility (WRF) Plant Manager, Field Supervisor, Administrative Assistant (currently vacant), three water system operators, five wastewater plant operators, three parks workers, and three street maintenance workers. Public Works also brings on three to five seasonal employees each year during the summer months and also coordinates Eagle Scout volunteer projects.

### Administration

The Administration Division consists of the Public Works Director, Public Works Manager, and Administrative Assistant. The Director is responsible for the overall management and administration of the Public Works Department. The Public Works Manager oversees operations and manages the departments Capital Improvement Plan (CIP) and execution of capital projects and programs. The Administrative Assistant position supports both operations staff and administrative staff's daily needs and program administration. The expenditures in this division are used to fund these positions, necessary materials and services for administrating the department, and some overall departmental expenses. These positions are support by general fund monies as well as the Enterprise Funds (water, wastewater, stormwater).

### Operations

The Public Works Manager oversees the bulk of the Operations Division which consists of a Field Supervisor, three water system operators, three parks workers, and three street maintenance

workers. The WRF Plant Manager is supervised by the Public Works Director and oversees the wastewater operators and the day-to-day operations of the WRF and the wastewater collections system. The Field Supervisor handles oversight of the daily operations of the Parks, Facilities, Streets, Stormwater, and Water operations staff and daily work assignments. When needed, all Managers and Supervisors are regularly called upon to perform additional duties to support the operations teams ranging from procurement, emergency response, to coordination of special projects and events.

### **Water Operations**

The water system operators are responsible for operating and maintaining over 100 miles of water mains and appurtenances including three reservoirs and three potable water sources and treatment facilities. Their duties include maintenance repairs, flushing, fire hydrant exercising, and leak detection. This group is also responsible for water sampling, monthly water quality report, water shutoffs, leak detection, construction and inspection support, and water code enforcement. Water operations is an Enterprise Fund supported by Water Rates collected from our customers.

### **Wastewater Operations**

The wastewater plant operators are responsible for operating and maintaining over 105 miles of wastewater collections pipe and reuse water distribution, operations of the WRF, and inspection and maintenance of close to 3000 STEP (Septic Tank Effluent Pump) tank systems. This includes repairs, valve servicing, sample testing, monthly reporting, construction inspection & support and sewer code enforcement. Wastewater operations are an Enterprise Fund supported by Sewer Rates collected from our customers.

### **Parks Operations**

Parks employees are responsible for regular maintenance of right-of-way areas, parks and trails including over 75 acres of public parks and landscape areas. This includes facilities located on park lands and all City facilities (Public Safety, City Hall, Yelm Community Center, Public Works Operations, and Library). Regular duties include cleaning and repair of facilities, custodial, grounds maintenance, street tree maintenance, and preparation and planning assistance for special events (Prairie Days, parades, etc.). Park operations are funded by the general fund, with a portion of employee salaries and benefits being paid from the Stormwater Fund for stormwater facility maintenance in parks, trails and rights-of-way.

### **Street Operations**

Street department employees are responsible for a variety of activities associated with operations and maintenance of our City streets and rights-of-way. Their duties include: Pothole repair, striping, street sweeping, mowing, sidewalk repair, ice and snow removal, stormwater system repair and maintenance, pavement condition assessment, weed control, sign inventory, and construction inspection and support. Street operations is funded by the general fund, with

stormwater operations and maintenance activities funded by the stormwater fund.

### **Capital Projects & Programs**

Capital projects and programs are jointly overseen by the Public Works Director and Manager. This division is responsible for the CIP administration, execution, and updating as well as managing regular programs to maintain and maximize the life of capital improvement investments. In support of that responsibility, the following tasks are regularly performed within this division: comprehensive planning, contract management, project management, administration of franchise agreements, permitting, inspections and condition assessments, funding requisition and grant writing, strategic planning, and coordination of public involvement and education in city projects and programs.

## **2017 MAJOR ACCOMPLISHMENTS**

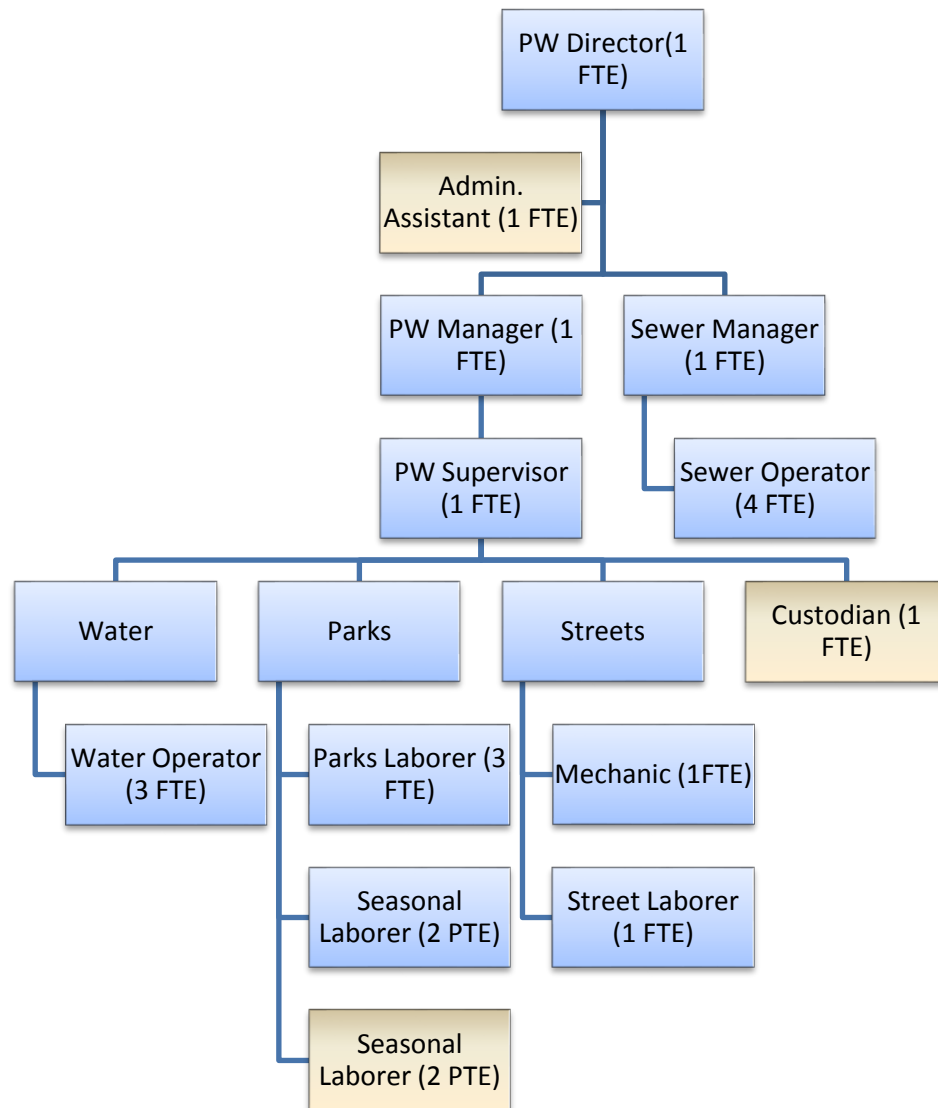
- Trenched and Installed 4000 LF of irrigation pipe at City Park
- Effective execution of Snow and Ice Removal January, February, and March
- Restored ADA gravel on trails and installed new landscaping plants at Cochrane Park
- Repaired 7 watermain breaks
- Serviced 57 vehicles
- Successfully supported several community and regional events including: STP, UFO festival, Prairie Days, Circus, and Jazz Festival
- Pavement condition rating completed for all City streets
- Completed striping of half the City streets
- Fulfilled Maintenance and Repair of 150 S.T.E.P. tanks and holding facilities for commercial and residential homes to include inspection, testing of new facilities, and responded to over 330 Alarms through September of 2017.
- Upgraded Longmire Park Restrooms
- 50% of the ADA Transition Plan completed
- Completed Stormwater, Water, and Sewer Rate Analysis for financial stability
- Capital Accomplishments
- Design and Construction 1st Street Sidewalk Project
- Design and Construction Cullens RD Overlay
- Preliminary environmental and design for Coates RD (Cullens Rd to Killion Rd)
- Environmental NEPA for Fort Stevens Pedestrian Improvements
- Environmental and preliminary ROW Phase for Mosman Phase 2
- Initiated Public Stake Holder Team and Completed NEPA for City Splash Park
- Design of Water Reclamation Facility Phase 1 Improvements
- Design of the WRF EQ Basin Modifications
- Design of 2017 AC Watermain Improvements
- Local and Regional Traffic/Transportation Models
- Rate Analysis for Sewer, Storm, and Water

- WRF Facilities Plan Adopted
- 30% Design of SE Water Reservoir
- Equipment Repair and Replacement (ER& R) fund for the City
- 6-year Capital Improvement Plan
- Preliminary ADA Capital Transition Plan
- Regional Travel Demand Modeling and Local Model Forecasts

## 2018 MAJOR GOALS

- Complete ADA Transition Plan
- Initiate GIS mapping of Stormwater Facilities
- Complete Study and funding strategy for Bald Hills Road
- Complete a 20-year Capital Parks Implementation Plan and funding strategy
- Dredge Cochrane Park Fish Pond
- Reorganize control center at WRF
- Secure funding for Longmire Park turf improvements
- Prioritize annual road maintenance program
- Update Development Standards and Inspection Program
- Capital Project Goals
- Secure funding for Mosman Phase 2
- Construct Water Reclamation Facility Phase 1 Improvements
- Secure funding for Cochrane Park Treatment Cell 2 for Design and Construction
- Complete Sewer Collection System Upgrades
- Construct WRF Equilization Basins
- Construct 2017 Water Main Replacements
- Design 2018 Water Main Replacements
- Construct Fort Stevens Elementary Improvements
- Construct City Splash Park
- Secure funding for Coates Rd (Cullens Rd to Killion Rd)
- Complete SE Water Reservoir design and siting

## ORGANIZATION CHART



## PUBLIC WORKS DEPARTMENT BUDGET

Public Works Department Garbage and Recycling						
Account Code	Account Description	2015 Actual	2016 Actual	2017 Current Budget	2017 YE Estimate	2018 Proposed
537.10.31.00	Office/Operating Supplies	177	97	400	250	750
537.10.42.00	Postage And Mailing	733	782	800	774	800
537.10.49.00	Miscellaneous	23	14	30	30	30
<b>Total Expenditures</b>		<b>\$ 933</b>	<b>\$ 893</b>	<b>\$ 1,230</b>	<b>\$ 1,054</b>	<b>\$ 1,580</b>

Public Works Department <i>Library</i>						
Account Code	Account Description	2015 Actual	2016 Actual	2017 Current Budget	2017 YE Estimate	2018 Proposed
572.10.41.00	Library Services Operations & Maint.	\$ 61,621	\$ 50,863	\$ 55,000	\$ 55,000	\$ 30,000
<b>Total Expenditures</b>		<b>\$ 61,621</b>	<b>\$ 50,863</b>	<b>\$ 55,000</b>	<b>\$ 55,000</b>	<b>\$ 30,000</b>

Public Works Department <i>Historic Preservation</i>						
Account Code	Account Description	2015 Actual	2016 Actual	2017 Current Budget	2017 YE Estimate	2018 Proposed
573.60.31.00	Participant Recreation Services	\$ 215	\$ -	\$ 1,000	\$ 200	\$ 1,000
573.90.31.00	Operating Supplies/Plaques	-	1,804	500	400	500
<b>Total Expenditures</b>		<b>\$ 215</b>	<b>\$ 1,804</b>	<b>\$ 1,500</b>	<b>\$ 600</b>	<b>\$ 1,500</b>

Public Works Department <i>Culture and Recreation</i>						
Account Code	Account Description	2015 Actual	2016 Actual	2017 Current Budget	2017 YE Estimate	2018 Proposed
575.10.40.00	Contracted Services	\$ -	\$ 10,000	\$ -	\$ -	\$ -
575.50.10.00	Salaries/Wages	-	-	-	-	4,691
575.50.20.00	F.I.C.A.	-	-	-	-	359
575.50.21.00	Retirement	-	-	-	-	596
575.50.22.00	Industrial Insurance	-	-	-	-	153
575.50.23.00	Unemployment Insurance	-	-	-	-	23
575.50.24.00	Medical Insurance	-	-	-	-	2,452
575.50.30.00	Yelm CC - Supplies	-	333	500	500	500
575.50.40.00	Yelm CC - Garbage	-	1,279	1,000	1,400	1,500
575.50.40.01	Yelm CC - Phone/Alarm/Internet	-	687	1,200	1,200	1,200
575.50.40.02	Yelm CC - Water/Sewer/Storm	-	3,969	5,000	8,500	8,500
575.50.40.03	Yelm CC - Electric/Gas	-	3,650	5,000	7,500	8,000
<b>Total Expenditures</b>		<b>\$ -</b>	<b>\$ 19,918</b>	<b>\$ 12,700</b>	<b>\$ 19,100</b>	<b>\$ 27,974</b>

Public Works Animal Control						
Account Code	Account Description	2015 Actual	2016 Actual	2017 Current Budget	2017 YE Estimate	2018 Proposed
539.30.10.00	Salaries/Wages	\$ 18,118	\$ 23,241	\$ 25,992	35,700	11,549
539.30.11.00	Accrued Vacation/Holiday/Sick	245	-	750	-	-
539.30.12.00	Overtime	47	174	200	200	200
539.30.13.00	Stand By Pay	650	-	2,000	-	1,000
539.30.20.00	F.I.C.A.	1,400	1,712	1,988	2,650	884
539.30.21.00	Retirement	1,686	2,666	3,254	4,050	1,467
539.30.22.00	Industrial Insurance	419	567	601	700	214
539.30.23.00	Unemployment Insurance	36	46	130	80	57
539.30.24.00	Medical Insurance	5,033	6,849	7,300	8,800	2,536
539.30.31.00	Office & Operating Supplies	239	-	200	200	200
539.30.33.00	Small Tools/Minor Equipment	-	-	100	-	200
539.30.41.00	Animal Control/Care & Custody	1,990	750	2,000	2,000	2,000
<b>Total Expenditures</b>		<b>\$ 29,863</b>	<b>\$ 36,005</b>	<b>\$ 44,515</b>	<b>\$ 54,380</b>	<b>\$ 20,307</b>

Public Works Department Parks						
Account Code	Account Description	2015 Actual	2016 Actual	2017 Current Budget	2017 YE Estimate	2018 Proposed
576.10.53.00	Taxes & Assessments External	\$ 81	\$ 92	\$ -	\$ 92	\$ 92
576.80.10.00	Salaries/Wages	164,128	185,218	201,023	215,000	200,370
576.80.11.00	Accrued Vacation/Holiday/Sick	823	42	-	-	-
576.80.12.00	Overtime	86	1,209	1,100	400	1,100
576.80.20.00	F.I.C.A.	12,204	13,509	15,379	15,600	15,328
576.80.21.00	Retirement	14,522	12,401	18,442	11,900	23,208
576.80.22.00	Industrial Insurance	4,408	6,177	6,610	5,900	5,758
576.80.23.00	Unemployment Insurance	310	350	1,005	500	1,002
576.80.24.00	Medical Insurance	39,296	39,785	48,855	55,000	49,573
576.80.25.00	Uniforms/Safety Equipment	115	1,512	1,250	1,250	1,250
576.80.31.00	Office/Operating Supplies	252	1,022	600	900	1,000
576.80.31.01	Christmas In The Park	3,500	3,561	4,000	4,000	4,000
576.80.32.00	Fuel Consumed	4,859	5,959	9,000	8,000	8,500
576.80.35.00	Small Tools & Minor Equipmen	782	2,781	3,000	10,000	7,500
576.80.41.00	Professional Services	-	-	-	800	300
576.80.42.01	Communications: Phone	-	124	100	100	100
576.80.42.02	Communications: Postage	49	-	-	40	-
576.80.43.00	Travel/Training/Dues	377	802	600	500	600
576.80.47.00	Public Utility Services	35,256	26,807	35,000	26,000	30,000
576.80.48.00	Repairs/Maint. Vehicles & Equip.	5,254	6,837	6,000	6,000	6,000
576.80.48.01	Bldg/Grounds/Mtce/Janitor	-	129	2,400	1,000	-
576.80.48.02	Bldg/Grounds/Mtce-Skateboard Pk	-	874	4,000	4,200	4,200
576.80.48.03	Bldg/Grounds/Mtce-Longmire	17,352	32,037	40,000	40,000	35,000
576.80.48.04	Bldg/Grounds/Mtce-Cochran	3,167	2,839	6,000	13,000	8,000
576.80.48.05	Bldg/Grounds/Mtce- City Park	8,120	5,160	12,000	15,000	12,000
576.80.48.06	Bldg/Grounds/Mtce-Trail	2,022	1,593	2,800	1,500	2,100
576.80.49.00	Miscellaneous	-	359	-	-	-
<b>Total Expenditures</b>		<b>\$ 316,963</b>	<b>\$ 351,179</b>	<b>\$ 419,164</b>	<b>\$ 436,682</b>	<b>\$ 416,981</b>



# MUNICIPAL COURT

SONIA RAMIREZ, MUNICIPAL COURT CLERK

## MISSION

The mission of the Yelm Municipal Court is to promptly, fairly, and accurately resolve legal matters that come before the court, to be open and accessible to all court users, and to instill public trust and confidence in the operation of the court.

## VISION

The Court currently has one appointed Judge, one Court Administrator and one Court Clerk. We have one contract Public Defender and one contract Prosecuting Attorney.

## THE ORGANIZATION

We are a Court of Limited Jurisdiction that handles only gross misdemeanors, misdemeanors and infractions cases. Note: The only significant difference between simple misdemeanors and gross misdemeanors is the maximum punishments a judge could impose: Misdemeanor: Up to 90 days in jail and up to a \$1,000 fine. Gross misdemeanor: Up to 364 days in jail and up to a \$5,000 fine.

The Court Administrator, under the direction of the presiding Judge, oversees the daily functions of the court and maintains administrative and court records. With the support of the one Court Clerk, the court is responsible for assisting the public with telephone and front counter inquiries regarding court procedures, maintain court files in order and prepare court calendars, dockets and histories for upcoming court proceedings. The Court Clerk assists the Judge with courtroom clerk functions for various types of hearings and performs court dockets in Judicial Information System (JIS) of what transpired in each individual case. Daily/monthly/yearly accounting reports are prepared by the administrator. The court staff currently monitors all defendants for compliance of court ordered conditions for any treatment, jail time, fines, and any new violations as well as monitor collection assignments of court fines.

The court also provides the Public Defender and Prosecuting Attorney any assistance they may need to help with the process of court cases to include preparation of files and discovery and have any case history available to them. Our Court provides a neutral forum for the resolution of legal disputes within the scope of our limited jurisdiction and does individual justice in individual cases.

Since 2006, the Yelm Municipal Court has been providing passport processing services to the public. We are the only passport agency in Yelm and only one of three to provide this service in Thurston County. Judge Meyer is empowered to perform marriage ceremonies under the laws of the State of Washington and provides this service and is available to those interested.

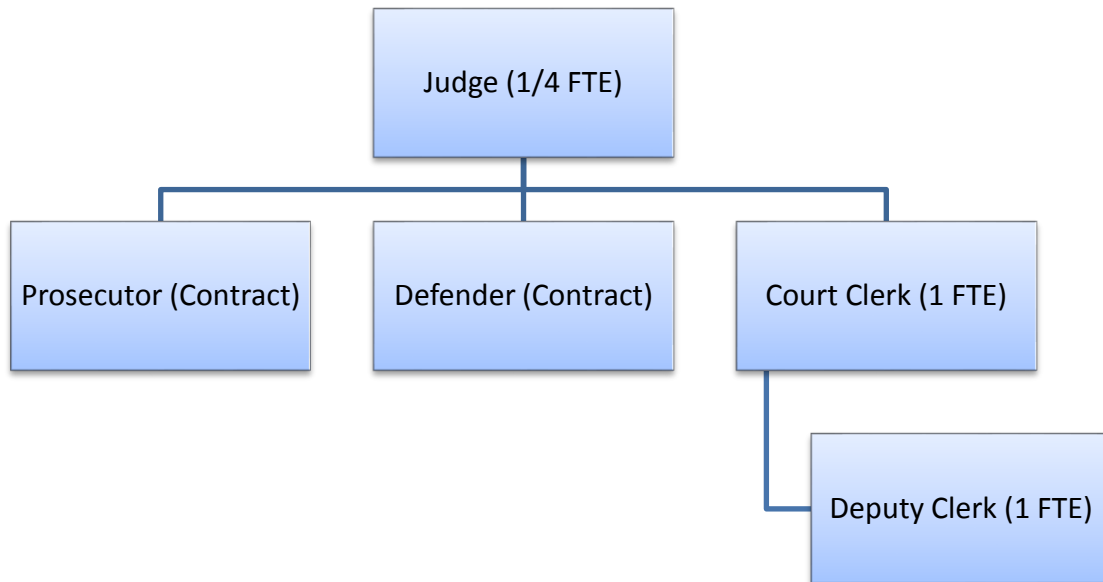
## 2017 MAJOR ACCOMPLISHMENTS

- Increase in case dispositions and closing of cases by the city, resulting in fewer bench and jury trials.
- Decreasing the passport service hours allowed more time spent in court work to help provide more efficient service to court files and customers.
- Partnered with SafePlace of Olympia to offer court defendants and anyone in the community with various resources such as: victim advocacy, safety planning, basic needs like transportation and food assistance, support groups, childcare resources, and much more. SafePlace is present in our building on the last court date of each month.

## 2018 MAJOR GOALS

- Continue to work together with IT Department and Nisqually Jail to finalize and implement audio/video conferencing transmission for in custody defendants when scheduled for court instead of transporting them to the courtroom.
- Continuity of Operations Plan (COOP): developing a plan together with Thurston County District Court on a mutual aid agreement to cooperate and facilitate emergency response/disaster coordination assistance between the courts.
- Visit Thurston County District Court to learn more about their Mental Health Program and researching the possibilities of working together to offer same program to our own defendants.
- Partner with IT Department to work on a plan for becoming a paper-less court.

## ORGANIZATION CHART



Municipal Court						
Account Code	Account Description	2015 Actual	2016 Actual	2017 Current Budget	2017 YE Estimate	2018 Proposed
512.40.49.00	District Court Misc. Fees/Charges	\$ 639	\$ 1,581	\$ 2,000	\$ 2,000	\$ 2,000
512.50.10.00	Salaries/Wages	147,702	153,258	163,213	160,000	167,101
512.50.12.00	Overtime	605	368	1,000	500	1,000
512.50.20.00	F.I.C.A.	11,189	11,586	12,485	12,000	12,783
512.50.21.00	Retirement	11,789	13,655	15,909	14,150	16,858
512.50.22.00	Industrial Insurance	474	487	527	500	517
512.50.23.00	Unemployment Insurance	291	302	807	320	835
512.50.24.00	Medical Insurance	20,219	20,261	19,131	21,250	19,501
512.50.31.00	Office/Operating Supplies	2,207	1,517	2,250	2,500	2,250
512.50.41.00	Professional Services	912	1,560	1,800	1,500	1,800
512.50.43.00	Travel/Training/Dues	1,103	1,437	2,000	800	2,000
512.50.48.00	Contracted Repairs/Maint	119	159	-	100	100
512.50.49.00	Miscellaneous/Dues	-	-	350	-	350
<b>Total Expenditures</b>		<b>\$ 197,249</b>	<b>\$ 206,171</b>	<b>\$ 221,472</b>	<b>\$ 215,620</b>	<b>\$ 227,095</b>

## BUDGET

# INFORMATION TECHNOLOGY

GRANT BECK, PLANNING & ECONOMIC DEVELOPMENT DIRECTOR

## MISSION

To provide a stable and sustainable network backbone that serves the needs of all City Departments and to provide software and hardware support to City employees.

## VISION

Maintain a sustainable and robust network and provide quality customer support.

## THE ORGANIZATION

Information Technology maintains network infrastructure that provides the backbone for mission critical software applications, including fiber links between four City campuses. In addition, IT provides hardware and software support to City employees, orders and installs new and replacement equipment, and backs up and secures City data.

## 2017 MAJOR ACCOMPLISHMENTS

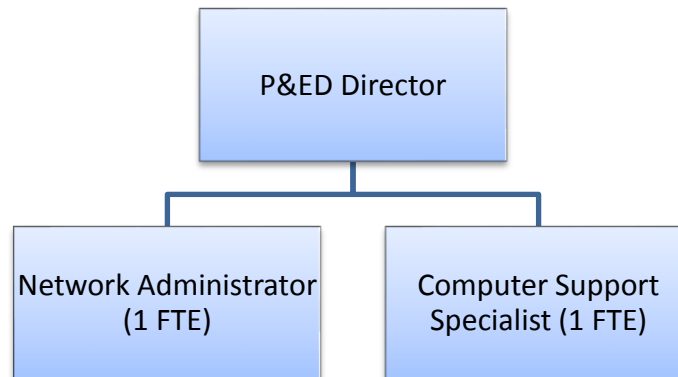
- The Department contracted with a third party network company to conduct an assessment and Audit of the City's network. The City's network was in the top 5 percent of all assessments completed by the firm
- As part of the 2018 budget process, the Department prepared a complete inventory of all desktop and network assets, created a replacement schedule for these assets, and prepared a capitalization and replacement plan in order to create an Equipment Replacement and Revolving Fund. The City will have a true cost for providing the equipment and support to its employees for the first time, and will have a stable and sustainable funding source for the replacement of outdated equipment and software.
- The network was stable throughout 2017 with no major outages or data losses. This is considered a major accomplishment given the limited staff support for both network maintenance and the helpdesk and the fact the Computer Support Specialist position was unfilled most of the year.
- The Department is working on replacing the existing leased 20Mbps network connections between the Public Safety Building and City Hall and the Public Safety Building and Public Works with a high bandwidth City owned connection. This project will start in 2017 and be completed in 2019.

## 2018 MAJOR GOALS

- Complete the City owned, high bandwidth connection between City buildings.
- Establish the infrastructure between the Public Safety Building and Nisqually Jail to all for video arraignment.

- Purchase and install replacement equipment according to the replacement schedule established as part of the ER&R fund.
- Provide better helpdesk customer support by filling the Computer Support Specialist position.
- Implement the recommendations of the network assessment.

## ORGANIZATION CHART



## INFORMATION TECHNOLOGY BUDGET

Information Technology						
Account Code	Account Description	2015 Actual	2016 Actual	2017 Current Budget	2017 YE Estimate	2018 Proposed
518.20.48.00	Building Maint./Repairs	\$ 17,499	\$ 27,596	\$ 23,000	\$ 25,000	\$ -
518.23.46.00	RMSA Insurance	165,768	172,438	177,717	177,869	183,205
518.30.10.00	Salaries/Wages - Maint. Staff	-	-	-	-	18,764
518.30.20.00	F.I.C.A.	-	-	-	-	1,435
518.30.21.00	Retirement	-	-	-	-	2,383
518.30.22.00	Industrial Insurance	-	-	-	-	611
518.30.23.00	Unemployment Insurance	-	-	-	-	94
518.30.24.00	Medical Insurance	-	-	-	-	9,808
518.30.48.00	Custodial/Janitorial Service	4,509	7,587	6,000	7,500	-
518.30.48.01	Bldg Maint./Repairs-City Hall	-	-	-	-	65,000
518.35.00.01	Small Equipment-Safety	-	1,395	500	506	1,000
518.81.10.00	Salaries/Wages - IT Staff	35,462	36,377	91,306	49,000	98,672
518.81.12.00	Overtime	216	314	500	750	500
518.81.20.00	F.I.C.A.	2,597	2,671	6,985	3,760	7,549
518.81.21.00	Retirement	3,578	4,102	11,432	5,550	12,532
518.81.22.00	Industrial Insurance	127	132	368	165	361
518.81.23.00	Unemployment Insurance	68	71	457	100	493
518.81.24.00	Medical Insurance	4,925	4,944	20,952	6,900	24,869
518.81.31.00	Office/Operating Supplies	-	2,596	4,000	3,000	4,000
518.81.42.01	Communications: Phone	15,006	15,692	16,000	16,000	16,000
518.81.42.02	Communications: Postage	8,786	6,735	10,000	11,000	11,000
518.81.42.03	Communication: Copiers	16,211	20,939	19,245	20,000	19,245
518.81.42.04	Communication: Network	29,650	27,675	30,000	25,000	30,000
518.81.43.00	IT Training	-	-	600	-	600
518.85.41.00	Software Maintenance	34,594	38,219	40,000	40,000	40,000
518.89.49.00	Data Processing Other Exp.	-	-	-	263	-
518.90.00.00	Public Utilities (Wtr/Swr/Pwr)	60,473	78,657	80,000	83,500	85,000
<b>Total Expenditures</b>		<b>\$ 399,469</b>	<b>\$ 448,140</b>	<b>\$ 539,062</b>	<b>\$ 475,863</b>	<b>\$ 633,121</b>

The IT Budget will be moved into a new IT Replacement Fund and the costs allocated to each Department. This will result in a minor cost savings to the General Fund.

## NON-DEPARTMENTAL GENERAL FUND BUDGET

General Government expenditures not associated with a specific department are accounted for in the Non-Departmental Budget, including state programs, one-time investments for police and courts, and transfers.

Nondepartmental						
Account Code	Account Description	2015 Actual	2016 Actual	2017 Current Budget	2017 YE Estimate	2018 Proposed
517.60.49.00	L&I Retro Program	3,718	4,057	4,100	4,000	4,100
552.10.49.00	OMWBE Operating Costs	100	-	100	100	100
553.70.41.00	Pollution Control	3,602	3,562	3,600	6,124	6,300
565.10.49.00	Annual Contributions	13,400	12,400	15,000	15,000	15,000
566.00.41.00	Substance Abuse/Social Services	1,803	1,644	1,700	1,700	1,700
581.10.00.00	Interfund Loan To Fund 316	67,530	-	-	-	-
586.00.00.00	Crime Victims Compensation	974	837	-	900	-
586.03.00.00	YCC-Damage Deposit Return	-	4,750	-	-	-
586.04.00.00	YCC-Sales Tax Remit	-	273	-	-	-
586.06.00.00	Drugseized-State-RCW69.50	-	243	-	-	-
586.85.01.00	Highway Safety Account	581	450	-	550	-
586.87.02.00	Judicial Stablization Trust Account	-	22	-	-	-
589.00.00.00	Public Safety & Education	28,353	26,232	-	27,000	-
589.01.00.00	Public Safety & Educ. 86 Ass	13,001	12,311	-	12,500	-
589.02.00.00	Building Code Fee	583	460	-	200	-
589.03.00.00	JIS Funds To State	8,276	9,188	-	9,800	-
589.04.00.00	School Zone Safety	19	55	-	125	-
589.06.00.00	Trauma Care	1,685	1,439	-	1,700	-
589.07.00.00	Public Safety & Education 3	1,517	1,272	-	1,150	-
589.12.52.00	Breath Test/Lab/Crime Invest	2,671	1,993	-	1,500	-
589.83.31.00	Auto Theft Prevention	3,219	2,731	-	3,000	-
589.83.32.00	Traumatic Brain Injury	377	360	-	350	-
591.21.75.00	Auto Lease Principal	28,095	9,443	-	-	-
592.21.83.00	Auto Lease Interest	610	142	-	-	-
594.12.64.00	Machinery/Equipment (Court)	-	-	-	-	50,000
594.18.64.00	Machinery/Equipment/Software	38,317	21,049	59,825	40,000	45,000
594.21.62.00	Bldgs/Structures/Grounds	-	-	-	-	40,000
594.19.63.00	Bnc Reserve	-	-	-	-	-
594.21.64.00	Machinery & Equipment	-	7,390	46,000	148,000	-
594.58.64.00	Machinery/Equipment/Software	-	-	7,000	-	-
594.76.64.00	Machinery & Equipment	13,894	-	22,700	25,000	-
597.10.62.00	T/O To Fund 200 Library Debt Pmt	138,305	125,452	134,975	134,975	133,625
597.10.00.00	T/O To Fund 104 Cumulative Reserve	-	-	-	-	1,000,000
597.18.64.00	T/O To Fund 501 IT	-	-	-	-	200,000
597.19.62.01	T/O To PW LTGO Bond Fund 200	23,077	25,375	-	-	-
597.21.00.00	T/O To YPD Sch Resource Fund 109	40,639	-	-	-	-
597.21.62.01	T/O To PSB LTGO Bond Fund 200	317,103	352,040	348,490	348,490	349,635
597.21.64.00	T/O To Fund 502 ER&R	-	-	-	-	100,000
597.42.00.00	T/O To Fund 316	75,000	2,631	-	-	-
597.44.00.00	T/O To Street Fund 101	340,767	350,000	400,000	400,000	300,000
597.47.00.01	T/O To Fund 430	-	30,000	-	-	-
597.48.00.00	T/O To Fund 502 ER&R	-	-	-	-	799,684
597.76.63.04	T/O to Fund 302 Municipal Building Fund	-	-	-	-	150,000
<b>Total Expenditures</b>		<b>\$ 1,167,216</b>	<b>\$ 1,007,801</b>	<b>\$ 1,043,490</b>	<b>\$ 1,182,164</b>	<b>\$ 3,195,144</b>

# SPECIAL REVENUE FUNDS

The **Street Operating and Arterial Street Funds** are required by state law to account for dedicated state shared revenue. The Street Fund receives state motor vehicle fuel tax and revenue from business license fees, electric and cable franchise fees, and garbage utility fees and taxes. Funds are used by primarily by the Public Works Department for street maintenance.

Public Works Department Street Operating Fund						
Account Code	Account Description	2015 Actual	2016 Actual	2017 Current Budget	2017 YE Estimate	2018 Proposed
542.30.10.00	Salaries/Wages	\$ 157,867	\$ 163,208	\$ 188,208	\$ 186,000	\$ 78,975
542.30.11.00	Accrued Vacation/Holiday/Sick	736	-	-	-	-
542.30.12.00	Overtime	135	79	250	350	300
542.30.13.00	Stand By Pay	650	-	1,500	-	-
542.30.20.00	F.I.C.A.	11,809	12,047	14,398	13,900	6,043
542.30.21.00	Retirement	15,290	18,167	20,905	20,400	8,910
542.30.22.00	Industrial Insurance	4,007	4,252	5,150	4,100	1,723
542.30.23.00	Unemployment Insurance	304	312	941	360	396
542.30.24.00	Medical Insurance	39,735	42,368	48,972	45,300	14,648
542.30.25.00	Uniforms/Safety Equipment	510	1,519	1,250	1,250	1,250
542.30.31.00	Office/Operating Supplies	39	371	600	600	600
542.30.32.00	Fuel Consumed	3,913	2,538	4,000	3,300	3,977
542.30.35.00	Small Tools & Minor Equipment	3,232	3,437	3,500	7,500	5,000
542.30.41.00	Computer Software O&M	-	3,600	3,601	3,600	3,600
542.30.42.01	Communications: Phone	207	724	750	750	750
542.30.42.02	Communications: Postage	-	-	-	-	-
542.30.43.00	Travel/Training	370	485	1,000	1,000	1,000
542.30.46.00	Property/Equipment/Liability Ins	25	28	-	28	30
542.30.48.00	Vehicle Repair/Maintenance	3,008	9,890	8,500	6,000	8,500
542.30.49.00	Rental Equipment	-	-	1,500	1,800	2,000
542.40.48.00	Drainage Repair Maintenance	-	-	-	-	-
542.50.41.00	Bldg/Ground/Maint. & Janitorial	-	47	500	500	500
542.62.48.00	Repairs & Maintenance-Rail Line	-	-	-	-	30,000
542.63.00.00	Street Lighting	121,943	139,162	140,000	141,000	143,000
542.64.31.00	Traffic Control Devices	4,275	7,571	7,500	5,000	5,000
542.64.48.00	Sidewalk Repair Maintenance	5,542	5,337	20,000	20,000	20,000
542.80.49.00	Miscellaneous	254	103	250	259	250
542.90.48.00	Street Repairs/Maintenance	37,620	34,629	65,000	55,000	55,000
543.20.41.00	Engineer/Survey Plans/Service	3,935	635	5,000	5,000	6,000
543.30.44.00	Printing/Advertising	-	-	200	1,105	1,000
543.30.48.00	Gen Svcs Equip Repair/Maint.	-	-	-	143	-
543.30.64.00	Gen Svc Machinery/Equipment	-	-	-	-	-
543.50.47.00	Public Utility Services	-	-	-	-	-
594.44.64.00	Machinery & Equipment	1,759	-	26,000	26,000	26,000
594.64.00.00	Vehicle Repairs/Mtce Reserve	-	-	-	-	-
597.95.63.06	T/O To Fund 316	-	-	-	-	-
<b>Total Expenditures</b>		<b>\$ 417,165</b>	<b>\$ 450,509</b>	<b>\$ 569,475</b>	<b>\$ 550,245</b>	<b>\$ 424,452</b>
508.80.00.00	Ending Fund Balance-Unreserved	85,583	109,436	7,364	101,785	124,920
<b>Total Appropriation</b>		<b>\$ 502,748</b>	<b>\$ 559,945</b>	<b>\$ 576,839</b>	<b>\$ 652,030</b>	<b>\$ 549,372</b>



The **Arterial Street Fund** was created by the City Council Ordinance No. 98 §1 in 1961. The Arterial Street Fund receives motor vehicle fuel funds, state grant fund and other state shared revenues, as well as investments earnings and miscellaneous fees to be used for planning, construction, improvement, and repair of arterial highways and city streets.

Public Works Department Arterial Street Fund						
Account Code	Account Description	2015 Actual	2016 Actual	2017 Current Budget	2017 YE Estimate	2018 Proposed
543.30.41.00	Prof Svcs-Traffic Modeling	\$ 6,296	\$ -	\$ 10,000	\$ 30,000	\$ -
543.30.41.01	Lobbyist Contract Svcs	23,200	11,009	15,000	15,000	15,000
543.30.41.02	Planning Study (SR 507 & 1st Str.)	-	-	93,501	30,000	63,000
595.30.00.03	Epp Const. (2013 TIB Grant)	3,403	-	-	-	-
597.95.63.06	T/O To Fund 316	-	80,080	-	-	27,243
<b>Total Expenditures</b>		<b>\$ 32,899</b>	<b>\$ 91,089</b>	<b>\$ 118,501</b>	<b>\$ 75,000</b>	<b>\$ 105,243</b>
508.80.00.00	Ending Fund Balance-Unreserved	89,209	59,448	71,499	84,583	102,201
<b>Total Appropriation</b>		<b>\$ 122,108</b>	<b>\$ 150,537</b>	<b>\$ 190,000</b>	<b>\$ 159,583</b>	<b>\$ 207,444</b>

The **Cumulative Reserve Fund** is used for revenue stabilization in the event of temporary revenue losses due to economic cycles or other time-related causes. The money in the fund accumulates from year to year until the legislative authority of the city determines to expend the moneys in the fund. The 2018 budget transfers \$1.0 million from the General Fund to the Cumulative Reserve.

City of Yelm Cumulative Reserve Fund							
Fund	Code	Description	2015 Actual	2016 Actual	Current Budget	2017 YE Estimate	2018 Budget Estimate
104	508.10.00.00	Ending Cash-Reserved	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000
104	508.80.00.00	Ending Cash-Unreserved	-	-	12,388	-	13,372
104	581.10.01.00	I/F Loan To 314, Ord 753	-	-	-	-	-
104	584.00.00.00	Cr Investment Purchases	-	-	-	-	-
104	591.76.75.00	Reichel Loan - Principal	8,041	7,658	8,000	7,917	-
104	592.76.83.00	Reichel Loan - Interest	799	445	160	160	-
104	597.76.63.00	T/O To Fund 302	389,326	-	-	-	-
<b>Total Appropriation</b>			<b>\$ 398,166</b>	<b>\$ 8,103</b>	<b>\$ 20,548</b>	<b>\$ 8,077</b>	<b>\$ 1,013,372</b>

The **Tourism Promotion Fund** is used to promote eligible tourism and cultural activities within the City of Yelm. The sole source of revenue is the Hotel/Motel tax. This fund is administered by the Finance Department and the used of these funds are directed by the Lodging Tax Advisory Committee (LTAC).

Tourism Promotion Fund						
Account Code	Account Description	2015 Actual	2016 Actual	2017 Current Budget	2017 YE Estimate	2018 Proposed
557.30.41.00	Tourism/Promotion Services	\$ -	\$ -	\$ -	\$ -	\$ 21,450
<b>Total Expenditures</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 21,450</b>
508.80.00.00	Ending Fund Balance-Unreserved	187,834	213,582	232,826	232,507	232,507
<b>Total Appropriation</b>		<b>\$ 187,834</b>	<b>\$ 213,582</b>	<b>\$ 232,826</b>	<b>\$ 232,507</b>	<b>\$ 253,957</b>

The **YPD School Resource Fund** supports the presence of a sworn law enforcement officer to that works closely with Yelm School District school administrators in an effort to create a safer environment. This fund is used by the Yelm Police Department.

<b>Police Department</b> <i>YPD School Resource Fund</i>						
<b>Account Code</b>	<b>Account Description</b>	<b>2015 Actual</b>	<b>2016 Actual</b>	<b>2017 Current Budget</b>	<b>2017 YE Estimate</b>	<b>2018 Proposed</b>
521.31.10.00	Salaries	\$ 57,234	\$ 42,214	\$ 41,008	\$ 44,250	\$ 40,440
521.31.11.00	Accrued Vac/Hol/Sick Cashout	-	44	-	-	-
521.31.12.00	Overtime	2,159	1,952	-	-	-
521.31.20.00	F.I.C.A.	4,544	3,371	3,137	3,260	3,094
521.31.21.00	Retirement	3,022	1,661	2,153	2,360	2,196
521.31.22.00	Industrial Insurance	1,231	701	1,040	825	1,014
521.31.23.00	Unemployment Insurance	114	78	205	80	202
521.31.24.00	Medical/Disability Insurance	2,756	2,091	12,571	12,750	13,280
<b>Total Expenditures</b>		<b>\$ 71,060</b>	<b>\$ 52,112</b>	<b>\$ 60,114</b>	<b>\$ 63,525</b>	<b>\$ 60,226</b>
508.80.00.00	Ending Fund Balance- Unreserved	39,215	47,150	24,101	43,835	43,819
<b>Total Appropriation</b>		<b>\$ 110,275</b>	<b>\$ 99,262</b>	<b>\$ 84,215</b>	<b>\$ 107,360</b>	<b>\$ 104,045</b>

The **Transportation Facilities Charge** is a fee charged to new construction in Yelm. The Transportation Facilities Charge Fund collects traffic mitigation fees from new development projects that add traffic to the City Transportation system to ensure that the impacts of new development is assessed to that development and not current residents.

<b>Public Works Department</b> <i>Transportation Facilities Charge</i>						
<b>Account Code</b>	<b>Account Description</b>	<b>2015 Actual</b>	<b>2016 Actual</b>	<b>2017 Current Budget</b>	<b>2017 YE Estimate</b>	<b>2018 Proposed</b>
595.60.65.01	Reserve Signal @ Longmire/SR 510	\$ -	\$ -	\$ 22,232	\$ -	\$ 22,232
595.60.65.02	Reserve-Improv @ 93rd/SR 510	-	-	52,287	52,287	-
595.60.65.03	Reserve-Coates Rd Extension	-	-	10,219	10,219	-
597.95.63.00	T/O To Fund 413 (Killion I/F Ln Pmt)	44,680	97,326	97,326	97,326	97,326
597.95.63.08	T/O To Fund 316 (For Capital)	-	-	369,552	369,552	143,605
<b>Total Expenditures</b>		<b>\$ 44,680</b>	<b>\$ 97,326</b>	<b>\$ 551,616</b>	<b>\$ 529,384</b>	<b>\$ 263,163</b>
508.80.00.00	Ending Fund Balance-Unreserved	538,263	582,677	91,060	189,593	67,130
<b>Total Appropriation</b>		<b>\$ 582,943</b>	<b>\$ 680,003</b>	<b>\$ 642,676</b>	<b>\$ 718,977</b>	<b>\$ 330,293</b>

# DEBT SERVICE FUNDS

## Municipal DebtCapacity

Under RCW 39.36.020(2), the public may vote to approve bond issues for general government in an amount not to exceed 2.5% of the assessed valuation. Within the 2.5% limit, the City Council may approve bond issues not to exceed 1.5% of the City's assessed valuation.

Under RCW 39.36.020(4), the public may vote to approve bond issues for park facilities and utilities, each of which is limited to 2.5% of the City's assessed valuation. A total of 7.5% of the City's assessed valuation may be issued in bonds. All voted bonds require a 60% majority approval. To validate the election, the total votes cast must equal at least 40% of the total votes cast in the last general election.

The City currently has approximately \$4.5 million in non-voted general obligation debt and *does not plan to issue any new debt in 2018*. This debt is the direct obligation of the City and pledged by its full faith and credit. Principal and interest are paid from debt service funds as well as from utility funds. The City does not currently have any voted general obligation debt. Debt service for voted bond issues is funded with special property tax levies. The 1.5% can be used for any municipal purpose, including using the entire amount for bonds. Currently, the City's remaining debt capacity within the 1.5% limit is estimated to be approximately \$7.9 million as of October 1, 2017.

The **Limited Tax General Obligation Bond Redemption Fund** accounts for the accumulation of resources for and the payment of general long-term obligation principal and interest. Revenues for this purpose include ad valorem property taxes on voted bond issues. Costs charged to this fund include scheduled principal and interest payments, debt issue costs, fiscal agent fees, and other debt-related costs. Debt service currently scheduled for payment from this fund includes the 2015 Limited Tax General Obligation Refunding Bonds as well as the remaining 2009 Certificates of Participation for the financing of the Civic Center project.

Debt Service LTGO Bond Redemption Fund								
	Account Code	Account Description	2015 Actual	2016 Actual	2017 Current	YTD Actual - July 31st	2017 YE Estimate	2018 Proposed
200	508.10.00.00	Ending Cash - Reserved	\$ -	\$ -	\$ -	\$ -		
200	508.80.00.00	Ending Cash - Unreserved	-	-	11,085	245,288	19,074	19,224
200	591.21.70.00	PSB Bond Principal	215,000	225,000	230,000	-	230,000	240,000
200	591.34.71.00	PW Bond Principal	45,000	50,000	-	-	-	-
200	591.72.71.00	Library Bond Principal	90,000	90,000	90,000	-	90,000	90,000
200	592.21.83.00	PSB Bond Interest	135,103	127,040	118,490	59,245	118,490	109,635
200	592.21.86.00	PSB Bond Miscellaneous Costs	479	300	300	-	300	300
200	592.34.83.00	PW Bond Interest	1,155	750	-	-	-	-
200	592.72.83.00	Library Bond Interest	47,135	46,325	44,975	22,488	44,975	43,625
200	592.72.84.00	Library Debt Issue Costs	479	300	300	-	300	300
Expenditure Total			\$ 534,351	\$ 539,715	\$ 495,150	\$ 327,021	\$ 503,139	\$ 503,084

## Special Assessment and Revenue Bond Funds

The City of Yelm administers the **Killion Road LID Fund** on behalf of the Killion Local Improvement District. The City is not responsible for the bond, only for administering the fund, which includes accounting for revenue and ensuring that payments are made to the debt holder. The Killion Road LID Fund is used to service the Debt on the Killion Road LID. The LID is only required to make interest payments each September until the loan comes due in 2026. The City has been making additional principal payments each year to pay off the loan prior to 2026. The estimates how much LID revenue it will receive each year and budgets to have the loan retired prior to 2026.

Debt Service Killion Road LID Fund								
	Account Code	Account Description	2015 Actual	2016 Actual	2017 Current	YTD Actual - July 31st	2017 YE Estimate	2018 Proposed
202	508.10.00.00	Ending Cash-Reserved	\$ -	\$ -	\$ -	\$ -		
202	508.80.00.00	Ending Cash-Unreserved	-	-	351,103	853,063	497,673	497,673
202	543.10.40.00	LID Management Costs	2,779	2,424	3,000	1,401	3,000	3,000
202	591.95.71.00	LID #2 Debt Redemption	525,767	233,600	-	-		
202	592.95.83.00	LID #2 Interest Costs	436,286	392,478	372,535	-	372,535	200,000
Expenditure Total			\$ 964,832	\$ 628,502	\$ 726,638	\$ 854,464	\$ 873,208	\$ 700,673

Certain debt service obligations are also met through the use of proprietary funds, including principal and interest for sewer and water revenue bonds and revolving fund loans. Sewer and Water Bond Refinance & Reserve Accounts also roll up to these funds. The City is pursuing options to use increase our bond rating to refinance existing debt in 2018, allowing Yelm to take advantage of lower interest rates available in the current marketplace.

# CAPITAL PROJECT FUNDS

The Capital Project Funds account for receipts and disbursements related to acquisition, design, construction and any other expenditures related to capital projects including public buildings, facilities, road and street construction and parks. City park projects, capital facility construction and improvements, road and street construction projects, and general governmental projects make up the activity in these funds.

The primary funding sources are state and federal grants, Real Estate Excise Tax (REET), and interest earnings from investments. This tax is levied on all sales of real estate, measured by the full selling price, including any liens, mortgages, and other debts given to secure the purchase.

The first .25% of REET proceeds must be spent solely on capital projects that are listed in the Capital Facilities Plan. The definition of capital projects includes, but is not limited to, public works of a local government for the planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, bridges, domestic water systems, storm and sanitary sewer systems, parks, recreational facilities, law enforcement facilities, fire protection facilities, trails, libraries, and administrative and judicial facilities.

Public Works Department Municipal Building Fund						
Account Code	Account Description	2015 Actual	2016 Actual	2017 Current Budget	2017 YE Estimate	2018 Proposed
594.19.62.00	Building Improvements	\$ -	\$ -	\$ -		\$ 70,000
594.73.62.02	Community Center-Const. Mgmt	108,091	43,406	-	303	-
594.73.62.03	Community Center - Construct.	2,048,053	179,464	40,000	40,000	-
594.76.61.00	Skate Park Demo/Abatement	25,692	-	-	-	-
594.76.62.01	Longmire Park Shed Expansion	-	-	-	-	174,000
594.76.63.00	Yelm City Park - Master Plan	-	-	1,500	-	-
594.76.63.01	Yelm Skatepark	149,474	430,625	-	-	-
594.76.63.02	Yelm Spray Park	-	-	330,000	12,500	332,019
594.76.63.03	Yelm Parks - 20 Year CIP	-	-	-	-	50,000
594.76.63.04	Bike Pump Park	-	-	-	-	150,000
<b>Total Expenditure</b>		<b>\$ 2,331,310</b>	<b>\$ 653,495</b>	<b>\$ 371,500</b>	<b>\$ 52,803</b>	<b>\$ 776,019</b>
508.80.00.00	Ending Fund Balance-Unreserved	670,446	561,347	438,929	772,444	715,444
<b>Total Appropriation</b>		<b>\$ 3,001,756</b>	<b>\$ 1,214,842</b>	<b>\$ 810,429</b>	<b>\$ 825,247</b>	<b>\$ 1,491,463</b>

The second .25% of REET proceeds can only be levied by cities that are required to plan under the regulations of the Growth Management Act (GMA). This portion is to help defray the costs of implementing GMA. The definition of capital projects which qualify for use by these proceeds includes, but is not limited to, public works of a local government for the planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, bridges, domestic water systems, storm and sanitary sewer systems, and the planning, construction, reconstruction, repair, rehabilitation, or improvement of parks. Use of these funds for the acquisition of land for parks is not permitted. Additionally up to the greater of 35% of the available funds or \$100,000 can be spent on Operations and Maintenance of existing capital projects as defined above.

<b>Public Works Department</b> <i>Road and Street Construction Fund</i>						
<b>Account Code</b>	<b>Account Description</b>	<b>2015 Actual</b>	<b>2016 Actual</b>	<b>2017 Current Budget</b>	<b>2017 YE Estimate</b>	<b>2018 Proposed</b>
581.20.00.00	Interfund Loan Pmt To 001	-	67,530	-	-	-
595.10.40.01	Design Engineering-Mosman Ph3	-	-	106,449	55,000	76,000
595.10.40.02	Design Engineering Coates Ave	-	-	70,000	81,000	58,000
595.10.40.03	Design Engineering Cullens Rd	-	-	75,232	75,232	-
595.10.40.04	Design Engineering Fort Steven	-	-	20,000	20,000	66,000
595.10.61.00	Mosman Phase 2 Engineering	36,539	12,264	134,523	96,942	239,138
595.30.63.05	Mosman Const. Engineering	39,530	-	-	-	-
595.30.63.06	Cullens/Solberg Engineering	21,565	-	-	-	-
595.30.63.07	Cullens/Solberg Construction	191,725	10,011	-	-	-
595.30.63.08	Cullens Road Construction	-	-	605,270	605,270	-
595.30.63.09	Emergency Roadway Repair (TIB)	-	-	-	35,000	-
595.41.63.00	Annual Overlay Match	-	-	-	-	30,000
595.61.41.00	SR 507 Sidewalk Engineering	-	24,112	27,078	17,227	-
595.61.63.00	SR 507 Sidewalk Construction	-	-	384,190	252,465	-
595.61.63.04	Mosman Realignment-Const	376,772	-	-	-	-
595.61.63.06	ADA Compliance - Sidewalk Ramps	-	-	-	-	20,000
595.61.63.07	Fort Stevens Elem Safety Project	-	-	-	-	471,000
597.42.00.00	T/O To Fund 001	-	41,831	-	-	-
<b>Total Expenditures</b>		<b>\$ 666,131</b>	<b>\$ 155,748</b>	<b>\$ 1,422,742</b>	<b>\$ 1,238,136</b>	<b>\$ 960,138</b>
508.80.00.00	Ending Fund Balance-Unreserved	136,955	99,653	44,082	208,915	140,995
<b>Total Appropriation</b>		<b>\$ 803,086</b>	<b>\$ 255,401</b>	<b>\$ 1,466,824</b>	<b>\$ 1,447,051</b>	<b>\$ 1,101,133</b>

# ENTERPRISE FUNDS

Some activities of a government, such as operation of a municipal water system, are similar to those of commercial enterprises. The objective of the government is to recover its costs in these operations through a system of user charges. Proprietary funds are used to account for such operations.

There are two types of proprietary funds: 1) Enterprise funds, and 2) Internal Service funds. The City of Yelm currently uses 2 enterprise funds and 2 internal service funds.

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

The **Stormwater Utility Fund** provides for the maintenance and operation of the City's storm drainage facilities. This fund receives its revenues mostly from user fees. Good maintenance of the drainage facilities reduces the impact of heavy rain or prolonged wet weather conditions.

Public Works Department Stormwater Fund						
Account Code	Account Description	2015 Actual	2016 Actual	2017 Current Budget	2017 YE Estimate	2018 Proposed
531.10.41.00	Storm Water Planning	\$ -	\$ 25,056	\$ -	\$ 87	\$ 20,000
538.30.10.00	Salaries/Wages	38,641	33,826	37,015	25,000	159,951
538.30.11.00	Accrued Vac/Hol/Sick Cashout	147	10	-	-	-
538.30.12.00	Overtime	311	255	-	60	50
538.30.20.00	F.I.C.A.	2,896	2,531	2,832	1,900	12,237
538.30.21.00	Retirement	3,808	3,602	4,635	2,800	20,316
538.30.22.00	Industrial Insurance	578	494	624	370	3,192
538.30.23.00	Unemployment Insurance	76	65	185	50	801
538.30.24.00	Medical Insurance	8,686	6,756	8,714	5,100	43,957
538.30.25.00	Uniforms	-	-	1,250	-	1,250
538.30.31.00	Supplies	922	387	5,000	2,500	4,000
538.30.42.00	Communications/Phone/Postage	1,695	1,496	2,000	2,000	2,000
538.30.43.00	Travel/Training/Dues	130	-	1,000	1,000	1,000
538.30.46.00	Liability Insurance	3,584	3,657	3,769	3,769	3,844
538.30.48.00	Repairs/Maintenance	18,439	11,183	20,000	20,000	15,000
538.30.49.01	Printing	2,867	1,296	2,500	2,000	2,000
538.30.64.00	Machinery/Equipment	-	-	-	-	-
538.31.54.00	City Utility Tax	7,701	7,415	5,400	7,725	21,150
538.31.54.01	Utility Excise Tax	-	-	1,350	-	-
538.85.41.00	Computer And Software O&M	-	3,600	3,600	3,600	3,800
581.20.00.00	Interfund Loan Pmt To Fund 401	-	25,064	-	-	-
592.31.00.00	Stormwater Int Loan Repayment	-	-	-	1,257	1,257
594.31.41.00	Storm Water Comp Plan	49,503	-	-	-	-
594.38.64.00	Machinery/Equipment	5,681	-	4,000	4,000	-
<b>Total Expenditures</b>		<b>\$ 145,665</b>	<b>\$ 126,693</b>	<b>\$ 103,874</b>	<b>\$ 83,218</b>	<b>\$ 315,805</b>
508.80.00.00	Ending Fund Balance-Unreserved	27,570	56,907	15,284	77,114	44,059
<b>Total Appropriation</b>		<b>\$ 173,235</b>	<b>\$ 183,600</b>	<b>\$ 119,158</b>	<b>\$ 160,332</b>	<b>\$ 359,864</b>

## SEWER

The Sewer Capital Improvement and Sewer Utility Funds are used to operate, maintain and improve the City's sewer system and provides for the safe disposal and treatment of wastewater of the residents of Yelm's sewer service area. Charges for services, Sale of Reclaimed Water and Investment Earnings make up nearly all of the revenue in these funds.

Public Works Department <i>Sewer Capital Improvements Fund</i>						
Account Code	Account Description	2015 Actual	2016 Actual	2017 Current Budget	2017 YE Estimate	2018 Proposed
535.10.41.00	Sewer Comp Planning	\$ -	\$ 114,276	\$ -	\$ 61	\$ -
594.35.41.01	Sewer Facilities Plan	162,423	-	75,000	75,000	-
594.35.41.02	Analysis Rib @ Cochrane Park	-	47,475	200,000	-	180,000
594.35.48.00	Collection System Improvements	-	-	80,000	60,000	163,000
594.35.63.00	WRF Short Term Improvements	47,725	32,974	600,000	239,685	2,300,000
594.35.63.01	Eq Basin Facility Modification	-	-	-	-	275,000
594.35.63.02	WRF Office/Lunch Room Addt	-	-	-	-	40,000
594.35.63.03	Cochrane Park-Valve&Control Repl	-	-	-	-	60,000
594.35.64.02	Mach & Eq Software/Radio	-	-	20,338	20,338	-
597.35.00.00	T/O To Fund 412	82,563	-	-	-	-
597.76.63.00	T/O To Fund 302	58,300	-	-	-	-
<b>Total Expenditures</b>		<b>\$ 351,011</b>	<b>\$ 194,725</b>	<b>\$ 975,338</b>	<b>\$ 395,084</b>	<b>\$ 3,018,000</b>
508.80.00.00	Ending Fund Balance-Unreserved	2,810,814	3,375,243	2,599,349	3,377,485	3,076,811
<b>Total Appropriations</b>		<b>\$ 3,161,825</b>	<b>\$ 3,569,968</b>	<b>\$ 3,574,687</b>	<b>\$ 3,772,569</b>	<b>\$ 6,094,811</b>



Public Works Department Sewer Utility Fund						
Account Code	Account Description	2015 Actual	2016 Actual	2017 Current Budget	2017 YE Estimate	2018 Proposed
535.10.10.00	Salaries/Wages	\$ 401,056	\$ 418,860	\$ 541,764	\$ 500,000	\$ 652,566
535.10.11.00	Accrued Vacation/Holiday/Sic	4,227	71	-	-	-
535.10.12.00	Overtime	5,815	7,339	10,000	4,500	8,000
535.10.13.00	Standby Pay	4,525	4,200	5,000	3,500	5,000
535.10.20.00	F.I.C.A.	30,988	32,438	41,445	38,000	49,922
535.10.21.00	Retirement	40,670	47,963	68,199	57,000	81,755
535.10.22.00	Industrial Insurance	7,930	9,405	11,415	9,400	11,668
535.10.23.00	Unemployment Insurance	788	829	2,709	1,000	3,262
535.10.24.00	Medical Insurance	88,803	81,665	108,773	98,000	150,862
535.10.25.00	Uniforms	6,133	2,870	6,000	3,500	5,000
535.10.31.00	Office/Operating Supplies	7,529	3,696	9,000	7,000	7,000
535.10.35.00	Small Tools/Minor Equipment	1,069	10,679	15,000	18,000	15,000
535.10.42.01	Communications: Phone	8,740	9,478	11,200	10,000	10,000
535.10.42.02	Communications: Postage	8,127	6,774	8,000	7,500	7,500
535.10.42.03	Communications: Copier	1,895	293	1,500	1,500	1,500
535.10.43.00	Travel/Training	3,005	1,844	5,000	5,000	5,000
535.10.44.00	Printing/Advertising	15,727	9,111	10,250	10,000	10,000
535.10.46.00	Property/Casualty/Liabili	36,335	37,060	38,181	38,195	38,959
535.10.47.00	Public Utilities Services	107,396	126,503	110,000	110,000	112,000
535.10.48.00	Equipment Repairs & Mtce	107	1,056	2,000	7,500	4,000
535.10.49.00	Miscellaneous/Dues/Fees	57,017	20,744	16,000	16,000	16,000
535.10.53.00	Utility Excise Tax	57,040	57,033	52,000	61,425	64,530
535.10.54.00	City Utility Tax	130,481	131,629	113,600	136,500	143,400
535.20.41.00	Engineer/Professional Servic	10,138	17,150	30,000	25,000	25,000
535.50.35.00	Bldg Maint/Supplies	2,539	1,454	3,500	3,500	3,500
535.50.41.00	Custodial Cleaning/Supplies	197	-	1,000	500	600
535.50.41.01	Software Maint	12,528	6,395	12,000	12,000	12,350
535.50.48.00	Trmt. Plant Mtce	384,948	292,665	400,000	350,000	350,000
535.50.48.01	System Testing/Outside Lab	25,595	42,040	30,000	30,000	30,000
535.50.48.02	Equip/Veh Repairs & Mtce	3,697	7,016	5,000	5,000	4,000
535.50.48.03	Contracted Repairs/Maint	-	-	-	10,124	-
535.80.31.00	Operating Supplies/Lab Etc.	2,109	27,889	2,500	7,500	6,000
535.80.32.00	Fuel Consumed	4,057	4,077	5,000	4,500	4,500
535.80.35.00	Small Tools/Minor Equipment	9,393	693	1,500	1,500	1,500
535.80.47.00	Utility Locates	184	127	300	300	300
535.80.48.00	Collection Repairs/Maint/Spt	22,230	19,797	85,000	30,000	60,000
535.80.48.01	Reuse Facilities Mtce.	2,770	2,945	15,000	10,000	15,000
535.80.48.02	Waste Activated Sludge Dispo	48,045	155,996	200,000	75,000	180,000
535.80.48.03	Septage Disposal	114,888	108,210	172,000	100,000	140,000
535.85.41.00	Computer & Software O&M	-	3,814	3,815	3,815	3,815
535.90.52.00	Centralia Power And Light	24,106	25,270	35,000	35,000	35,000
594.35.63.00	O & M Reserve	-	51,904	35,000	35,000	35,000
594.35.64.00	Machinery & Equipment	16,729	23,127	149,000	149,000	-
594.35.64.01	Mach & Eq Software	-	-	1,800	1,800	1,800
597.35.70.01	T/O To 415 Sewer Bond Reserve	97,101	97,102	97,102	97,102	97,101
597.48.00.00	T/O to Fund 502 ER&R	-	-	-	-	282,774
597.80.72.00	T/O To 203 Sewer Revenue Bonds	266,281	266,283	266,283	266,283	173,026
<b>Total Expenditures</b>		<b>\$ 2,072,938</b>	<b>\$ 2,175,494</b>	<b>\$ 2,737,836</b>	<b>\$ 2,396,444</b>	<b>\$ 2,864,190</b>
508.80.00.00	Ending Fund Balance-Unreserved	1,585,344	1,726,565	542,769	1,635,381	1,231,091
<b>Total Appropriations</b>		<b>\$ 3,658,282</b>	<b>\$ 3,902,059</b>	<b>\$ 3,280,605</b>	<b>\$ 4,031,825</b>	<b>\$ 4,095,281</b>

## WATER

The Water Capital Improvement, Water Construction and Water Utility Funds are used to operate, maintain and improve the water distribution system that provides for the delivery of safe, high quality water for all water users. Charges for services, system development and investment interest make up nearly all of the revenue in these funds.

Public Works Department Water Capital Improvements Fund						
Account Code	Account Description	2015 Actual	2016 Actual	2017 Current Budget	2017 YE Estimate	2018 Proposed
534.10.41.00	Water Comp Plan	\$ -	\$ 39,433	\$ -	\$ -	\$ -
594.34.41.00	Water Rights-Professional Sv	-	-	50,000	50,000	50,000
594.34.41.03	Water Comprehensive Plan	121	-	175,000	150,000	50,000
594.34.41.04	Deschutes Wtr Right Mitigation	24,814	-	-	3,920	21,000
594.34.61.00	Water Rights Acquisition	-	-	100,000	100,000	100,000
594.34.63.01	Water Conservation Program	-	-	200,000	-	200,000
594.34.63.05	Capital-Watermains	-	-	645,000	158,500	300,000
594.34.63.10	AC Wtrmain Replace-Engineering	122,349	18,562	45,000	153,483	-
594.34.63.11	AC Wtrmain Replace-Const Eng	36,999	3,366	50,000	22,929	50,000
594.34.63.12	AC Wtrmain Replace-Costruction	332,126	601,300	800,000	-	800,000
594.34.63.13	D9 And D10 Water Main Repl - Eng	-	-	-	-	202,500
594.34.64.02	Mach & Eq Software/Radio	-	-	20,338	20,338	20,500
597.34.63.02	T/O Fund 401 Water Utility	65,000	-	-	-	-
597.34.63.03	T/O To Fund 431	701,916	55,000	-	-	-
597.76.63.00	T/O To Fund 302	11,780	-	-	-	-
<b>Total Expenditures</b>		<b>\$ 1,295,105</b>	<b>\$ 717,661</b>	<b>\$ 2,085,338</b>	<b>\$ 659,170</b>	<b>\$ 1,794,000</b>
508.80.00.00	Ending Fund Balance-Unreserved	1,757,523	2,107,309	442,586	1,820,639	388,639
<b>Total Appropriation</b>		<b>\$ 3,052,628</b>	<b>\$ 2,824,970</b>	<b>\$ 2,527,924</b>	<b>\$ 2,479,809</b>	<b>\$ 2,182,639</b>

Public Works Department Water Construction Fund						
Account Code	Account Description	2015 Actual	2016 Actual	2017 Current Budget	2017 YE Estimate	2018 Proposed
534.20.41.09	DT Well Construction	\$ -	\$ 15,422	\$ -	\$ -	\$ -
594.34.61.01	Water Rights Acquisition	-	100	-	-	-
594.34.63.03	SW Yelm Well 1A Prelim Engineering	256,836	-	-	-	-
594.34.63.06	SW Yelm Well 1A Const Engineering	198,572	297,028	30,000	45,000	-
594.34.63.07	SW Yelm Well 1A Construction	1,253,252	3,688,605	-	40,000	-
<b>Total Expenditures</b>		<b>\$ 1,708,660</b>	<b>\$ 4,001,155</b>	<b>\$ 30,000</b>	<b>\$ 85,000</b>	<b>\$ -</b>
508.80.00.00	Ending Fund Balance-Unreserved	5,396,083	1,465,564	328,661	1,390,064	1,399,564
<b>Total Appropriations</b>		<b>\$ 7,104,743</b>	<b>\$ 5,466,719</b>	<b>\$ 358,661</b>	<b>\$ 1,475,064</b>	<b>\$ 1,399,564</b>

Public Works Department Water Utility						
Account Code	Account Description	2015 Actual	2016 Actual	2017 Current Budget	2017 YE Estimate	2018 Proposed
534.10.10.00	Salaries/Wages	\$ 386,274	\$ 359,225	\$ 475,580	\$ 432,000	\$ 530,230
534.10.11.00	Accrued Vacation/Holiday/Sick	948	71	-	-	-
534.10.12.00	Overtime	2,485	1,498	2,300	1,000	2,300
534.10.13.00	Standby Pay	4,875	5,201	5,200	5,200	5,200
534.10.20.00	F.I.C.A.	29,551	27,404	36,382	34,000	40,564
534.10.21.00	Retirement	38,565	40,412	58,668	50,000	66,218
534.10.22.00	Industrial Insurance	6,527	6,780	7,918	6,800	7,679
534.10.23.00	Unemployment Insurance	747	697	2,378	900	2,648
534.10.24.00	Medical Insurance	55,966	50,688	76,755	61,000	89,660
534.10.25.00	Uniforms/Safety Equipment	678	1,963	1,400	1,400	1,400
534.10.31.00	Gen Svc Office/Operating Supplies	4,216	5,031	7,000	5,000	5,000
534.10.35.00	Gen Svcs Tools/Equipment	3,654	10,780	5,000	5,000	6,500
534.10.42.01	Communications: Phone	8,813	9,104	9,000	9,300	9,300
534.10.42.02	Communications: Postage	7,509	6,496	8,100	8,100	8,000
534.10.42.03	Communications: Copier	1,467	641	2,750	1,500	2,000
534.10.43.00	Travel/Training	2,766	2,936	4,000	4,000	4,500
534.10.44.00	Printing/Advertising	12,303	17,127	10,000	10,000	11,000
534.10.46.00	Property/Casualty/Liability Insurance	35,138	35,855	35,912	36,954	37,693
534.10.47.00	Public Utilities Services	36,621	36,395	37,000	40,000	41,000
534.10.48.00	Gen Svcs Equip Repir/Maintenance	430	2,978	10,000	8,000	10,000
534.10.49.00	Miscellaneous	9,215	11,528	2,500	12,000	13,000
534.10.53.00	Utility Excise Tax	161,761	155,487	150,000	160,250	168,050
534.10.54.00	City Utility Tax	203,510	185,508	178,000	189,000	198,000
534.20.41.00	Engineering Plans & Services	84,505	147,762	175,000	100,000	125,000
534.20.47.00	Water Conservation Program	-	-	5,000	3,500	5,000
534.30.41.00	Lobbist Contract Svcs	3,200	8,807	5,000	5,000	5,000
534.50.35.00	Bldg Maint/Supplies	3,868	90	5,000	4,000	4,000
534.50.41.00	Custodial Cleaning/Supplies	333	-	2,000	1,000	1,500
534.50.41.01	Software Maint	14,028	8,644	8,500	8,500	8,750
534.50.48.00	System Gen Repairs/Maintenance	144,306	70,845	200,000	75,000	160,000
534.50.48.01	Vehicle Repairs/Maintenance	5,734	4,450	8,300	6,000	8,000
534.50.48.02	Contracted Repairs/Maintenance	-	-	5,000	5,000	5,000
534.70.48.00	Cross Connection Control Pro	-	-	2,050	-	-
534.80.32.00	Fuel/Oil Consumed	7,125	5,621	10,000	8,000	8,000
534.80.47.00	Utility Locates/Leak Checks	176	195	1,000	1,000	1,000
534.80.48.00	Water Sampling Fees	16,819	8,192	15,000	12,000	13,000
534.80.49.00	Annual/Waiver Fees	5,583	5,252	10,225	8,000	10,200
534.85.41.00	Computer & Software O&M	-	3,814	3,815	3,815	3,900
581.10.00.00	Interfund Loan To Fund 400	25,000	-	-	-	-
594.34.64.00	Capital - Machinery/Equipment	14,707	17,395	33,000	33,000	-
594.34.64.01	Machinery & Equipmet Software	-	-	1,800	1,800	-
597.34.63.01	T/O Fund 404 - Wtr Sys Reinvst	200,000	200,000	-	-	-
597.34.63.02	T/O Fund 404 Wtr Sytm Plan Update	-	250,000	-	-	-
597.48.00.00	T/O Fund 502 - ER&R	-	-	-	-	98,201
597.80.72.00	T/O Fund 405 - 2003 Bond Debt	174,413	176,613	173,713	173,713	179,363
597.80.72.01	T/O Fund 405 - DWSRL	9,853	9,723	9,593	9,593	9,462
597.80.72.02	T/O Fund 405 - DOE Reclmd Water	51,857	51,857	51,859	51,857	51,856
597.80.72.04	T/O Fund 200 - Ltgo Bond (PSB)	23,078	25,376	-	-	-
597.80.72.05	T/O Fund 405 - Wtr Rev Bond Debt	691,438	691,238	688,889	688,889	690,188
<b>Total Expenditures</b>		<b>\$ 2,490,042</b>	<b>\$ 2,659,679</b>	<b>\$ 2,540,587</b>	<b>\$ 2,281,071</b>	<b>\$ 2,647,362</b>
508.80.00.00	Ending Fund Balance-Unreserved	2,712,708	3,281,526	3,510,674	4,226,833	4,961,671
<b>Total Appropriations</b>		<b>\$ 5,202,750</b>	<b>\$ 5,941,205</b>	<b>\$ 6,051,261</b>	<b>\$ 6,507,904</b>	<b>\$ 7,609,033</b>

# INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments of the City, or to other governmental units on a cost-reimbursement basis. The **Equipment Rental & Replacement Fund** accounts for the replacement of all City vehicles and equipment. The major source of revenue is user charges to other departments within the City. The replacement rates are established to create a reserve for the necessary replacement of City equipment and vehicles.

Internal Service Fund <i>Equipment Rental and Replacement Fund</i>						
Account Code	Account Description	2015 Actual	2016 Actual	2017 Current Budget	2017 YE Estimate	2018 Proposed
594.18.64.00	Capital Equipment - Admin.	\$ -	\$ -	\$ -	\$ -	\$ 27,000
594.21.64.00	Capital Equipment - Police	-	-	-	-	400,000
594.34.64.00	Capital Equipment - Water	-	-	-	-	62,000
594.35.64.00	Capital Equipment - Sewer	-	-	-	-	31,000
594.44.64.00	Capital Equipment - Streets	-	-	-	-	31,000
594.58.64.00	Capital Equipment - Comm Devel.	-	-	-	-	62,000
594.76.64.00	Capital Equipment - Parks	-	-	-	-	41,000
<b>Total Expenditures</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 654,000</b>
508.80.00.00	Ending Fund Balance-Unreserved	-	-	-	-	627,659
<b>Total Appropriation</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,281,659</b>

The **Information Technology Equipment Rental & Repair** accounts for the replacement of all City information technology equipment. The major source of revenue is user charges to other departments within the City. The replacement rates are established to create a reserve for the necessary replacement of City information technology equipment.

Internal Service Fund <i>Information Technology Equipment Rental and Replacement Fund</i>							
Account Code	Account Description	2015 Actual	2016 Actual	2017 Current Budget	YTD Actual - July 31st	2017 YE Estimate	2018 Proposed
594.21.64.00	Machinery & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 90,000
<b>Total Expenditures</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 90,000</b>
508.10.00.00	Ending Cash-Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	110,167
508.80.00.00	Ending Fund Balance-Unreserved	-	-	-	-	-	
<b>Total Appropriation</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 200,167</b>

# APPENDIX A - FINANCIAL POLICIES

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## Statement of Purpose

Written, adopted financial policies have many benefits, such as assisting the elected officials and staff in the financial management of the City, saving time and energy when discussing financial matters, engendering public confidence, and providing continuity over time as elected officials and staff members change. While these policies will be amended periodically, they will provide the basic foundation and framework for many of the issues and decisions facing the City. They will promote sound financial management and assist in the City's stability, efficiency, and effectiveness. The City's financial goals seek to ensure the financial integrity of the City; manage the financial assets in a sound and prudent manner; improve financial information for decision makers at all levels; maintain and further develop programs to ensure the long-term ability to pay all costs necessary to provide the level and quality of service required by the citizens; and maintain a spirit of openness and transparency while being fully accountable to the public for the City's fiscal activities.

## Adoption of Policies

The City Council adopted a revised comprehensive set of Financial Policies on October 24, 2017 as part of the 2018 City Budget. These policies address revenue, expenditures, operating budget, capital management, accounting, debt, cash management, investments, and reserves.

## Summary of Financial Policies

Yelm's financial policies address the following major areas:

- General Policies
- Revenue Policies
- Expenditure Policies
- Operating Budget Policies
- Capital Management Policies
- Reserve Policies
- Accounting Policies
- Debt Policies
- Communication Policies
- Compliance Policies
- Investment & Cash Management Policies

## Financial Goals

The City of Yelm's financial goals seek to:

- Ensure the financial integrity of the City
- Manage the financial assets in a sound and prudent manner
- Improve financial information for decision makers at all levels:
  - Policy makers as they contemplate decisions that affect the City on a long-term basis
  - Managers as they implement policy on a day-to-day basis
- Maintain and further develop programs to ensure the long term ability to pay all costs necessary to provide the level and quality of service required by the citizens
- Maintain a spirit of openness and transparency while being fully accountable to the public for the City's fiscal activities

These policies may be addressed in this policy or separate policies of the City, including but not limited to a Post-Issuance Compliance Policy.

**City of Yelm**  
**General Financial Policies**

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1. The City Council may adopt resolutions or ordinances to set financial policies to assure the financial strength and accountability of the City.
2. The Mayor and/or City Administrator shall develop administrative directives and general procedures for implementing the City Council's financial policies.
3. All City Departments will share in the responsibility of meeting policy goals and ensuring long-term financial health. Future service plans and programs will be developed to reflect current policy directives, projected resources, and future service requirements.
4. To attract and retain employees necessary for providing high quality services, the City shall establish and maintain a competitive compensation and benefit package with the public and private sectors.
5. Efforts will be coordinated with other governmental agencies to achieve common policy objectives, share the cost of providing governmental services on an equitable basis, and support favorable legislation at the state and federal level.
6. Initiate, encourage, and participate in economic development efforts to create job opportunities and strengthen the local economy.
7. The City will strive to maintain fair and equitable relationships with its contractors and suppliers.

## **City of Yelm Revenue Policies**

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Design, maintain, and administer a revenue system that will assure a reliable, equitable, diversified, and sufficient revenue stream to support desired City services.

### **General Revenues**

1. Current expenditures will be funded by current revenues. The City will try to maintain a diversified and stable revenue system to protect programs from short-term fluctuations in any single source.
2. Budgeted revenues will be estimated conservatively using accepted standards and estimates provided by the state, other governmental agencies or reliable economic forecasters when available.
3. General Fund and other unrestricted revenues will not be earmarked for specific purposes, activities or services unless otherwise authorized by City Council or required by law, or generally accepted accounting practices (GAAP). All nonrestricted revenues will be deposited into the General Fund and appropriated by the budget process.
4. If revenues from "one-time" or limited duration sources are used to balance the City's annual operating budget, it is to be fully disclosed and explained at the time the budget is presented. It is the City's goal to not rely on these types of revenues to balance or sustain the operating budget.
5. The City will not use deficit financing and borrowing to support on-going operations in the case of long-term (greater than one year) revenue downturns. Revenue forecasts will be revised and expenses will be reduced to conform to the revised long-term revenue forecast or revenue increases will be considered.
6. The City will follow an aggressive and professional policy of collecting revenues. When necessary, discontinuing service, small claims court, collection agencies, foreclosure, liens and other methods of collection, such as imposing penalties, collection and late charges, may be used.

### **Fees and Charges**

7. Enterprise and Internal Service operations will be self-supporting.
8. The City will maximize the use of service users' charges in lieu of ad valorem (property) taxes and subsidies from other City funds, for services that can be identified and where costs are directly related to the level of service provided.
  - a. Charges for providing utility services shall be sufficient to finance all operating, capital outlay, and debt service expenses of the City's enterprise funds, including operating contingency, planned capital improvements, and reserve requirements.
  - b. User charges shall fund 100% of the direct cost of development review and building

activities. User charges include, but are not limited to, land use, engineering inspection, building permit and building inspection fees.

- c. Park recreation programs shall be funded by a users' charge. User charges shall be comparable to other neighboring cities where practical.
- d. Other reimbursable work performed by the City (labor, meals, contracted services, equipment and other indirect expenses) shall be billed at actual or estimated actual cost.
- e. Charges for services shall accurately reflect the actual or estimated cost of providing a specific service. The cost of providing specific services shall be recalculated periodically, and the fee adjusted accordingly. The City shall maintain a current schedule of fees and charges, showing when the fees were last reviewed and/or recalculated. Fees and charges, and utility rates will be reviewed every three years at a minimum.
- f. The City will consider market rates and charges levied by other municipalities for like services in establishing rates, fees, and charges.
- g. Certain fees, such as rental fees, will be based upon market conditions and are not subject to the limitations of cost recovery.

#### Grants and Gifts

- 9. Grant funding for programs or items which address the City's current priorities and policy objectives should be considered to leverage City funds. Inconsistent and/or fluctuating grants should not be used to fund on-going programs.
- 10. Before accepting any grant the City shall thoroughly consider the implications in terms of ongoing obligations that will be required in connection with acceptance of said grant.
- 11. All grants and other federal and state funds shall be managed to comply with the laws, regulations, and guidance of the grantor, and all gifts and donations shall be managed and expended in accordance with the City's Donation Policy and the wishes and instructions of the donor.



**City of Yelm**  
**Expenditure Policies**

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Identify priority services, establish appropriate service levels, and administer the expenditure of available resources to assure fiscal stability and the effective and efficient delivery of services.

1. The City will strive to adopt an annual General Fund budget in which current expenditures do not exceed current projected revenues. Capital expenditures may be funded from one-time revenues.
2. Department Directors are responsible for managing their budgets within the total appropriation for their department.
3. The City will take immediate corrective actions if at any time during the fiscal year expenditure and revenue re-estimates are such that an operating deficit is projected at year-end. Corrective actions can include a hiring freeze, expenditure reductions, fee increases, or use of contingencies. The City Council may approve a short-term interfund loan or use of one-time revenue sources to address temporary gaps in cash flow, although this will be avoided if possible.
4. Long-term debt or bond financing shall not be used to finance current operating expenditures.
5. The City will assess funds for services provided internally by other funds. Interfund service fees charged to recover these costs will be recognized as revenue to the providing fund.
6. Emphasis will be placed on improving individual and work group productivity rather than adding to the work force. The City will invest in technology and other efficiency tools to maximize productivity. The City will hire additional staff only after the need for such positions has been demonstrated and documented.
7. All compensation planning and collective bargaining will focus on the Total Cost of Compensation (TCC) which includes direct salary, health care benefits, pension contributions, and other benefits which are a cost to the City. The rate of increase of TCC of negotiated labor contracts will be the same or less than the growth rate in revenues projected in the Six-year Forecast so as not to add to the structural gap. Contracts presented for approval by the Mayor that do not meet these requirements will have specific operational, legal or other compulsory items identified and discussed before ratification by the City Council will be considered.
8. Periodic comparisons of service delivery will be made to ensure that quality services are provided to our citizens at the most competitive and economical cost. Privatization and contracting with other governmental agencies will be evaluated as alternatives to service delivery where appropriate. Programs that are determined to be inefficient and/or ineffective shall be reduced in scope or eliminated.
9. Whenever feasible, government activities will be considered enterprises if so doing will increase efficiency of service delivery or recover the cost of providing the service from the benefiting entity by user fees.
10. The City will make every effort to maximize any discounts offered by creditors/vendors.

**City of Yelm**  
**Operating Budget Policies**

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1. The City Council will adopt and maintain a balanced annual operating budget.
2. The City will strive to adopt a budget where current annual operating revenues will be equal to or greater than current operating expenditures.
3. Balanced revenue and expenditure forecasts will be prepared to examine the City's ability to absorb operating costs due to changes in the economy, service demands, contractual obligations, and capital improvements. The forecast will encompass six years and will be updated annually.
4. In the event a balanced budget is not attainable, and the cause of the imbalance is expected to last for no more than one year, the planned use of reserves to balance the budget is permitted. In the event that a budget shortfall is expected to continue beyond one year, the planned use of reserves must be developed as part of a corresponding strategic financial plan to close the gap through revenue increases or expenditure decreases.
5. Any year-end operating surpluses will revert to unappropriated balances for use in maintaining reserve levels set by policy and will be available for capital expenditures and/or "one-time" only General Fund expenditures.
6. The City will provide for adequate maintenance and the orderly replacement of capital assets and equipment. Fleet and equipment replacement will be accomplished through the use of a "rental" rate structure. The rates will be revised annually to ensure that charges to operating departments are sufficient for the replacement of the vehicles and equipment.
7. The operating budget shall serve as the annual financial plan for the City. It will serve as the policy document of the City Council for implementing Council goals and objectives. The budget will provide the staff the resources necessary to accomplish City Council determined service levels.
8. As mandated by RCW 35A.33 the Mayor shall annually present a proposed operating budget to the City Council on or before the first Monday in October. The City Council must adopt by ordinance a final balanced budget no later than December 31 of each year.
9. Funds may not be expended or encumbered for the following fiscal year until the budget has been adopted by the City Council.
10. Budget control and accountability is maintained at the departmental level.
11. The Mayor has the authority to approve appropriation transfers between programs or departments within a fund. In no case may total expenditures of a particular fund exceed that which is appropriated by the City Council without a budget , Operating Budget ment. Amendments to the budget are approved by the City Council.
12. The City's budget should satisfy criteria as a financial and programmatic policy document, as a comprehensive financial plan, as an operations guide for all organizational units, and as a

communications device for all significant budgetary issues, trends and resources. It should be a goal of the Finance Department to submit the budget document to the Washington Finance Officers Association (WFOA) or Government Finance Officers Association (GFOA) Distinguished Budget Presentation program.

## **City of Yelm**

### **Capital Management Policies**

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Review and monitor the state of the City's capital equipment and infrastructure, setting priorities for its replacement and renovation based on needs, funding alternatives, and availability of resources.

#### **Capital Facilities Plan**

The City will develop a Capital Facilities Plan (CFP) as defined and required by [RCW 36.70A](#) which is consistent with the City Comprehensive Plan. The plan shall be for a period of six years.

The CFP will include all projects to maintain public capital facilities required to maintain service levels at standards established by the City Council. It may also include for consideration such other projects as requested by the Mayor or City Council.

The CFP will provide details on each capital project plan including estimated costs, sources of financing and a full description of the project.

The City will finance only those capital improvements that are consistent with the adopted CFP and City priorities. All capital improvement operating and maintenance costs will be included in operating budget forecasts.

A status review of the CFP will be conducted annually and a report will be presented by the Community Development Director or his/her designee, to the City Council.

#### **Capital Asset Management**

The City will maintain its capital assets at a level adequate to protect the City's capital investment and to minimize future maintenance and replacement costs. The budget will provide for adequate maintenance and orderly replacement of capital assets from current revenues where possible.

The capitalization threshold used in determining if a given asset qualifies for capitalization is \$5,000 per item with a useful life of over one year. All capital assets shall have a City of Yelm property tag affixed to it when placed into service.

Minor equipment that falls below the \$5,000 threshold but is subject to shrinkage shall have a City of Yelm property tag affixed to it when placed into City service and will be accounted for on the "Small and Attractive" inventory list.

The Public Works Department will conduct an annual physical count/inspection of all capital assets.

Adequate insurance will be maintained on all capital assets consistent with the results of the annual physical count/inspection.

**City of Yelm**  
**Accounting Policies**

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Comply with prevailing federal, state, and local statutes and regulations. Conform to a comprehensive basis of accounting in compliance with Washington State statutes and with generally accepted accounting principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB) and the Government Finance Officers Association (GFOA) where applicable.

1. The City uses the cash basis of accounting which is a departure from generally accepted accounting principles (GAAP).
2. The City will maintain expenditure categories according to state statute and administrative regulation. The City will use the "Budgeting, Accounting & Reporting System" (BARS) prescribed by the State Auditor for its revenue and expenditure classification.
3. The city will issue warrants, checks or electronic payments check/warrants/EFT in advance of legislative approval as necessary to maintain the operation of the City.
  - a. The City Council will review and approve the claims paid at a regularly scheduled public meeting within one month from issuance.
  - b. If the Council disapproves some claims, the Finance Director will recognize these claims as receivables of the taxing district and pursue collection diligently until the amounts are either collected or the Council is satisfied and approves the claims.
4. Electronic financial systems will be maintained to monitor revenues, expenditures, and program performance on an ongoing basis.
5. Monthly financial updates will be presented to the City Council.
6. Quarterly budget reports showing the current status of revenues and expenditures will be prepared and distributed to appropriate legislative, staff and management personnel in a timely manner and made available for public inspection.
7. The Annual Financial Report will be prepared and submitted to the State Auditor's Office no later than 150 days from the end of the preceding fiscal year.
8. The Annual Financial Report will be prepared on the basis of accounting that demonstrates compliance with Washington State statutes and the BARS manual prescribed by the State Auditor, which is a comprehensive basis of accounting other than generally accepted accounting principles. The report will provide full disclosure of all financial activities and related matters.
9. An annual financial audit shall be performed by the Washington State Auditor's Office, which will issue an official opinion on the annual financial statements. The accountability audit (i.e., accountability for public resources and compliance with state laws and regulations and its own policies and procedures) shall be performed every two years by the Washington State Auditor's Office.

## **City of Yelm Debt Policies**

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Establish guidelines for debt financing that will provide needed capital equipment and infrastructure improvements while minimizing the impact of debt payments on current revenues.

### **Purpose and Overview**

The Debt Policy for the City is established to help ensure that all debt is issued both prudently and cost effectively. The Debt Policy sets forth comprehensive guidelines for the issuance and management of all financings of the City Council. Adherence to the policy is essential to ensure that the Council maintains a sound debt position and protects the credit quality of its obligations.

### **Capital Planning:**

The City shall integrate its debt issuance with its Capital Improvement Program (CIP) spending to ensure that planned financing conforms to policy targets regarding the level and composition of outstanding debt. This planning considers the long-term horizon, paying particular attention to financing priorities, capital outlays and competing projects. Long-term borrowing shall be confined to the acquisition and/or construction of capital improvements and shall not be used to fund operating or maintenance costs. For all capital projects under consideration, the City shall set aside sufficient revenue from operations to fund ongoing normal maintenance needs and to provide reserves for periodic replacement and renewal. The issuance of debt to fund operating deficits is not permitted.

### **Legal Governing Principles**

In the issuance and management of debt, the City shall comply with the state constitution and with all other legal requirements imposed by federal, state, and local rules and regulations, as applicable.

1. State Statutes – The City may contract indebtedness as provided for by State law, subject to the statutory and constitutional limitations on indebtedness.
2. Federal Rules and Regulations – The City shall issue and manage debt in accordance with the limitations and constraints imposed by federal rules and regulations including the Internal Revenue Code of 1986, as amended; the Treasury Department regulations there under; and the Securities Acts of 1933 and 1934.
3. Local Rules and Regulations – The City shall issue and manage debt in accordance with the limitations and constraints imposed by local rules, policies, and regulations.

## **Roles & Responsibilities**

The City Council shall:

- Approve indebtedness;
- Approve appointment of the bond underwriter and bond counsel;
- Approve the Financial Policy, including the section on the Debt Policy;
- Approve budgets sufficient to provide for the timely payment of principal and interest on all debt; and

The Finance Director in consultation with the City Administrator, Finance Committee, the Mayor and full Council shall:

1. Assume primary responsibility for debt management
2. Provide for the issuance of debt at the lowest possible cost and risk;
3. Determine the available debt capacity;
4. Provide for the issuance of debt at appropriate intervals and in reasonable amounts as required to fund approved capital expenditures;
5. Recommend to the City Council the manner of sale of debt;
6. Monitor opportunities to refund debt and recommend such refunding as appropriate.
7. Comply with all Internal Revenue Service (IRS), Securities and Exchange (SEC), and Municipal Securities Rulemaking Board (MSRB) rules and regulations governing the issuance of debt.
8. Provide for the timely payment of principal and interest on all debt and ensure that the fiscal agent receives funds for payment of debt service on or before the payment date;
9. Provide for and participate in the preparation and review of offering documents;
10. Comply with all terms, conditions and disclosure required by the legal documents governing the debt issued.
11. Submit to the City Council all recommendations to issue debt;
12. Provide for the distribution of pertinent information to rating agencies;
13. Comply with undertakings for ongoing disclosure pursuant to SEC Rule 15c2-
14. Apply and promote prudent fiscal practices.

## **Ethical Standards Governing Conduct**

The members of the City staff, the Mayor and the City Council will adhere to the standards of conduct as stipulated by the Public Disclosure Act, [RCW 42.17](#) and Ethics in Public Service, [RCW 42.52](#).

### **Types of Debt Instruments:**

The City may utilize several types of municipal debt obligations to finance long-term capital projects. Subject to the approval of City Council, the City is authorized to sell:

1. **Unlimited Tax General Obligation Bonds** – The City shall use Unlimited Tax General Obligation Bonds (UTGO), also known as “Voted General Obligation Bonds” for the purpose of general purpose, open space and parks, and utility infrastructure. Voted issues are limited to capital purposes only.

Every project proposed for financing through general obligation debt should be accompanied by a full analysis of the future operating and maintenance costs associated with the project. UTGO Bonds are payable from excess tax levies and are subject to the assent of 60% of the voters at an election to be held for that purpose, plus validation requirements.

2. **Limited Tax General Obligation Bonds** – A Limited-Tax General Obligation debt (LTGO), also known as “Non-Voted General Obligation Debt”, requires the City to levy a property tax sufficient to meet its debt service obligations but only up to a statutory limit. The City shall use LTGO Bonds as permitted under State law for lawful purposes only. General Obligation debt is backed by the full faith and credit of the City and is payable from non-voter approved property taxes and other money lawfully available. LTGO Bonds will only be issued if:
  - a. A project requires funding not available from alternative sources;
  - b. Matching fund monies are available which may be lost if not applied for in a timely manner; or,
  - c. Emergency conditions exist.
3. **Revenue Bonds** – The City shall use Revenue Bonds as permitted under State law for the purpose of financing construction or improvements to facilities of enterprise (i.e., utility) systems operated by the City in accordance with the Capital Improvement Plan.
4. **Special Assessment/Local Improvement District Bonds** – The City shall use Special Assessment Bonds as permitted under State law for the purpose of assuring the greatest degree of public equity in place of general obligation bond where possible. Local Improvement District (LID) Bonds represent debt that is repaid by the property owners who specifically benefit from the capital improvements through annual assessments paid to the City. LID’s are formed by the City Council after a majority of property owners agree to the assessment. No taxing power or general fund pledge is provided as security, and LID Bonds are not subject to statutory debt limitations. The debt is backed by the value of the property within the district and an LID Guaranty Fund, as required by State Law.
5. **Short Term Debt** – The City shall use short term debt as permitted by State law for the purpose of meeting any lawful purpose of the municipal corporation, including the immediate financing needs of a project for which long term funding has been secured but not yet received. The City may use inter-fund loans rather than outside debt instruments to meet short-term cash flow needs for the project. Inter-fund loans will be permitted only if an analysis of the affected fund indicates excess funds are available and the use of



the funds will not impact the fund's current operations. All inter-fund loans will be subject to Council approval and will bear interest at prevailing rates.

6. **Leases** – The City is authorized to enter into capital leases under State law, subject to the approval of City Council.
7. **Public Works Trust Fund Loans** – The City shall use Public Works Trust Fund Loans as provided under State law for the purpose of repairing, replacing or creating domestic water systems, sanitary sewer systems, storm sewer systems, roads, streets, solid waste/recycling facilities and bridges.

### **General Requirements**

1. The City will not use long-term debt to pay for current operations. The use of bonds or certificates of participation will only be considered for significant capital and infrastructure improvements.
2. The term of the debt shall never extend beyond the useful life of the improvements to be financed.
3. General obligation debt will not be used for self-supporting enterprise activity.

The general policy of the City is to fund general-purpose public improvements and capital projects that cannot be financed from current revenues with voter-approved general obligation debt. Non-voter approved debt may be utilized when a dedicated revenue source other than general revenue can be identified to pay debt service expenses.

4. The general policy of the City is to establish debt repayment schedules that use level annual principal and interest payments.
5. Interest earnings on bond proceeds will be limited to 1) funding the improvements specified in the authorizing bond ordinance, or 2) payment of debt service on the bonds.

Proceeds from debt will be used in accordance with the purpose of the debt issue. Funds remaining after the project is completed will be used in accordance with the provisions stated in the bond ordinance that authorized the issuance of the debt.

6. The City will use the most prudent methods of acquiring capital outlay items, including the use of lease-purchase agreements. In no case will the City lease- purchase equipment whose useful life is less than the term of the lease.
7. The City will maintain its bond rating at the highest level fiscally prudent, so that future borrowing costs are minimized and access to the credit market is preserved. The City will encourage and maintain good relations with financial bond rating agencies and will follow a policy of full and open disclosure.
8. The City shall use refunding bonds in accordance with the Refunding Bond Act, [RCW 39.53](#). Unless otherwise justified, the City will refinance debt to achieve true savings as market opportunities arise. Refunding debt shall never be used for the purpose of

avoiding debt service obligations. A target 4% cost savings (discounted to its present value) over the remainder of the debt must be demonstrated for any “advance refunding”, unless otherwise justified.

9. With Council approval, interim financing of capital projects may be secured from the debt financing marketplace or from other funds through an inter-fund loan as appropriate in the circumstances.
10. When issuing debt, the City shall strive to use special assessment, revenue or other self-supporting bonds in lieu of general obligation bonds.

#### **Limitations on General Obligation Debt Issuance**

The City shall remain in compliance with all debt limitations. As part of the annual budgeting process, a current summary of outstanding debt and compliance targets is prepared. The City shall observe the following limitations on debt issuance:

- **General Obligation** – 2.5% of Assessed Value, from such amount 1.5% may be non-voted general obligation debt
- **Parks, Open Space, Community Center, Facilities for Economic Development** – (Voted) 2.5% of Assessed Value

Debt payments shall not extend beyond the estimated useful life of the project being financed. The City shall keep the average maturity of general obligations bonds at or below 20 years, unless special circumstances arise warranting the need to extend the debt schedule.

**City of Yelm**  
**Communication Policy**

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1. It is the policy of the City to remain as transparent as possible.
2. The City shall manage relationships with the rating analysts assigned to the City's credit, using both informal and formal methods to disseminate information.
3. The City's Basic Financial Statements and Notes shall be a vehicle for compliance with continuing disclosure requirements. The Notes to the Financial Statements may be supplemented with additional documentation as required. Each year included in the Notes to the Financial Statements, the City will report its compliance with debt targets and the goals of the Debt Policies.
4. The City shall seek to maintain and improve its current bond rating.

## **City of Yelm Compliance Policy**

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### **Investment of Proceeds**

The City shall comply with all applicable Federal, State and contractual restrictions regarding the investment of bond proceeds. This includes compliance with restrictions on the types of investment securities allowed, restrictions on the allowable yield of invested funds as well as restrictions on the time period over which some of the proceeds may be invested.

### **Legal Covenants**

The City shall comply with all covenants and conditions contained in governing law and any legal documents entered into at the time of a bond offering.

### **Periodic Policy Review**

At a minimum, the Debt Policy and the City's Post Issuance Compliance Policy will be reviewed and updated every five years.

**City of Yelm**  
**Investment and Cash Management Policies**

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Manage and invest the City's operating cash to ensure its legality, safety, provide for necessary liquidity, avoid imprudent risk, and optimize yield.

1. Cash and Investment programs will be maintained in accordance with City regulations and will ensure that proper controls and safeguards are maintained. City funds will be managed in a prudent and diligent manner with an emphasis on safety of principal, liquidity, and financial return on principal, in that order.
2. The City will invest funds as authorized in [Chapter 3.44 YMC](#). The city is authorized to invest inactive funds or other funds in excess of current needs in interest bearing savings accounts or time certificates of deposit at the Yelm branches of Evergreen Savings Association of the Bank of Olympia, or in such other investments as are authorized by RCW [35.39.030](#) and [35.39.034](#).
3. The City will maintain written guidelines on cash handling, accounting, segregation of duties, and other financial matters.
4. Monthly reports will be prepared and distributed to all departments and the City Council showing cash position, and year-to-date budgeted and actual expenditures.
5. The City will conduct annual reviews of its internal controls and cash handling procedures
6. Internal controls will be tested on a quarterly basis at a minimum.

## **City of Yelm Reserve Policies**

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Maintain the reserves, contingencies, and ending fund balances of the various operating funds at levels sufficient to protect the City's credit as well as its financial position from emergencies.

1. At each fiscal year end the remaining dollars left in each fund that are undesignated and unencumbered constitute available reserves of the City.
2. The City will include all fund balances in the annual budget.

### Cumulative Reserve

1. A Cumulative Reserve for general municipal purposes will be maintained as specified in [Chapter 3.16 YMC](#).
2. The reserve is defined as a reserve solely for the purpose of addressing temporary revenue losses due to economic cycles or other time-related causes.
3. Annual contributions will be budgeted from the General Fund resources as available to establish and maintain the target reserve level.
4. All expenditures drawn from the reserve account shall require a prior approving vote by two-thirds majority by Council.

### General Fund

5. The City's goal shall be to maintain a General Fund ending fund balance of at least 15 percent of the budgeted General Fund operating expenses.

### Contingency Reserve

6. A contingency account in an amount of 5 percent of the General Fund expenditure budget may be maintained annually in the City budget as City resources allow. The contingency account will be reestablished annually as part of the budget process
7. The Contingency account will be maintained in accordance with [RCW 35A.33](#), to meet any municipal expense, the necessity or extent of which could not have been reasonably foreseen at the time of adopting the annual budget. The account provides some flexibility for unforeseen events without the necessity to appropriate additional funds from the City's reserves.
8. All transfers from the Contingency account will require City Council approval.
9. Per [RCW 35A.33.145](#) the contingency account may not exceed \$0.375 per \$1,000 of Assessed Valuation.

### Enterprise Funds

10. The City's Enterprise Funds will maintain reserves equal to at least 10 percent of their adopted operating expenditures.

#### Equipment Rental & Replacement Fund

11. Sufficient reserves will be maintained to provide for the scheduled replacement of City vehicles and capital equipment at the end of their useful lives.
12. Contributions will be made through assessments to the operating departments and maintained on a per asset basis.

#### Additional Reserves

13. Additional reserve accounts may be created by the City Council to be set aside for specific purposes or special projects, for known significant future expenditures, or as general operational reserves.

## APPENDIX B – GLOSSARY

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**Account** – A record of additions, deletions, and balances of individual assets, liabilities, equity, revenues, and expenses.

**Administrative Services Departments** – Refers to organizational units or departments that primarily provide services to other departments or divisions. These include:

- **Legislative** – city council and its functions;
- **Finance** – Provides financial services including budget, fiscal planning, tax and license, data processing, risk management, and the accounting, financial reporting, customer service, treasury functions and representation on the independent Civil Service panel that works with personnel/hiring issues for the Public safety departments.
- **Clerk/Human Resources** – provides centralized personnel services to all city operations;

**Appropriation** – The legal spending level authorized by an ordinance of the city council. Spending should not exceed this level without prior approval of the council.

**Assessed Valuation** – The value assigned to properties within the city that is used in computing the property taxes to be paid by property owners.

**BARS** – The Budgeting, Accounting, and Reporting System for accounting systems prescribed by the Washington State Auditor’s Office.

**Benefits** – City-provided employee benefits, such as social security insurance, retirement, worker’s compensation, life insurance, medical insurance, vision insurance, and dental insurance.

**Bonds** - A bond is a written promise to pay a specified sum of money (called the face value or principal amount) at a specified date or dates in the future (called the maturity date) together with period interest at a specified rate. Yelm uses the sale of bonds to finance some of its large capital projects.

**Budget** – A financial plan of operations for the city. It is a plan, not a list of accounts and amounts.

**Capital Improvement Program (CIP)** – The plan or schedule of expenditures and funding sources for major construction of roads, sidewalks, City facilities, and water/sewer systems, and for the purchase of equipment. Yelm's CIP follows a six-year schedule and includes projects which are classified as capital projects. These projects become fixed assets and, with the exception of certain equipment, have a useful life of ten years or more. Although the City adopts the CIP budget in a process which is separate from the adoption of the biennial budget, the biennial budget incorporates the first and second years of the program.

**Capital Outlay (Expenditure)** – A budget category that may be a part of a capital improvement program, or in the case of expending less than \$5,000 but more than \$500, is a part of the operating budget.



**Capital Project** – A single project within the Capital Improvements Program. Capital projects typically involve the acquisition, construction, improvement, replacement or renovation of land, structures and improvements thereon, and equipment. When the City Council authorizes a capital project, it adopts a capital project budget which continues until the project is complete.

**Councilmanic Bonds** – Bonds that can be authorized by the city council without a vote of the public in an amount up to .75 percent of the assessed valuation of the city.

**Debt Capacity** - The amount of debt which the City can issue given legal limits and fiscal policies. Debt capacity is calculated based on a percentage of the total assessed city property valuation plus the net of current assets and liabilities.

**Debt Service** – Interest and principle payments on debt.

**Department** - To facilitate organizational and budgetary accountability, Yelm breaks its funds into departments. Each department serves a specific function as a distinct organizational unit of city government.

**Enterprise Fund** – A type of proprietary fund in which the direct beneficiaries pay for all costs of the fund through fees, or where a periodic determination of revenues and expenses is desired by management.

**Fund** – A self-balancing group of accounts that includes revenues and expenditures.

**Fund Balance** - The cumulative difference between expenditures and revenue over the life of a fund. A negative fund balance is usually referred to as a deficit.

**Full Time Equivalent (FTE)** - budgets its employee positions in terms of the work year of a regular, full-time employee. For example, when the City budgets a position full-time for only six months, that position is 0.5 FTE. Likewise, a half-time position budgeted for a full year is also 0.5 FTE. A full-time position is 1.00 FTE.

**Expenditure** - The payment for goods and services. On the cash-basis, expenditures are recognized only when the payments are made for the cost of goods received or services rendered.

**General Obligation Bonds** – Bonds for which the City pledges its full faith and credit (the general taxing power) for repayment. Debt Service is paid from property tax revenue levied (in the case of voter approved bonds) or other general revenue (in the case of Councilmanic bonds).

**Governmental Fund Types** – Funds that provide general government services. These include the General Fund, Special Revenue Funds, Capital Project Funds, and Debt Service Funds.

**Intergovernmental Revenues** – Interfund charges to pay for external transactions of the fund.

**Internal Controls** – A system of controls established by the city that are designed to safeguard the assets of the city and provide reasonable assurances as to the accuracy of financial data.

**LEOFF** – The “Law Enforcement Officers and Fire Fighters” retirement system of the state that provides coverage for city public safety employees.

**Levy Rate** – The property tax percentage rate used in computing the property tax amount to be paid.

**Licenses and Permits** – A revenue category of the city derived from business licenses and building or development permits.

**LID** – "Local Improvement Districts." A financing mechanism that permits the building of public infrastructure improvements which benefit a confined area and where the costs for those improvements are to be paid by the benefiting area land owners.

**Local Government Investment Pool (LGIP)** – The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

**Operating Budget** – The annual appropriation to maintain the provision of city services to the public.

**PERS** – "Public Employee Retirement System." the state system for public employment retirement applicable in most cities for employees, except where LEOFF is applicable.

**Preliminary Budget** – That budget which is proposed by staff to the council and has not yet been adopted by the council.

**Property Tax Levy** - This represents the amount of property tax allowable under State law which the City may levy annually without approval by the City's registered voters. Yelm uses this tax primarily to support the General Fund and street-related services. State law fixes the maximum levy in dollars per \$1,000 of assessed valuation and the annual rate at which total regular levy property taxes may increase.

**Public Safety** – A term used to define the combined budget of the police and fire departments.

**Reserve** - An account which the City uses either to set aside budgeted revenues that it does not need to spend in the current biennium or to earmark revenues for a specific future purpose.

**Revenue** - Sources of income which the City receives during a fiscal year. Examples of revenue include taxes, intergovernmental grants, charges for service, and other financing sources such as the proceeds derived from the sale of fixed assets.

**Revenue Bonds** – Bonds sold by the city that are secured only by the revenues of a particular system, usually the water/sewer fund and the regional water fund.

**Special Revenue Funds** – General government funds for which the source of monies is dedicated to a specific purpose.

**User Charges** - The amount the government receives for the provision of services and commodities, or the performance of specific services benefiting the person charged. User charges tend to be voluntary in nature, in contrast to mandatory property and income taxes. Citizens only pay user charges when a specific service is received.

# APPENDIX C – POSITION SUMMARY

## City of Yelm Position Summary

### By Fund

Fund/Department		2016	2017	2018
<b>General Fund</b>				
	City Council	7.00	7.00	7.00
	Executive	3.35	3.35	4.35
	Finance	1.53	2.03	2.03
	Planning & Economic Development	5.00	5.00	5.50
	Police	13.48	14.48	16.48
	Public Works	3.66	5.16	5.91
	Municipal Court	2.00	2.00	2.00
	Information Technology	0.46	1.46	1.46
<b>Total General Fund</b>		<b>36.48</b>	<b>40.48</b>	<b>44.73</b>
<b>Other General Gov't Operating Funds</b>				
101	Street Operating Fund	1.35	1.35	1.90
109	TPD School Resource Fund	0.52	0.52	0.52
<b>Total Other General Gov't Operating Funds</b>		<b>1.87</b>	<b>1.87</b>	<b>2.42</b>
<b>Utility Funds</b>				
400	Stormwater Utility Fund	1.14	2.14	2.44
401	Water Utility Fund	6.51	7.51	8.16
412	Sewer Utility Fund	8.50	9.00	10.25
<b>Total Utility Funds</b>		<b>16.15</b>	<b>18.65</b>	<b>20.85</b>
<b>Total FTE</b>		<b>54.50</b>	<b>61.00</b>	<b>68.00</b>
<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>Increase</b>	
Authorized & Funded Positions	Authorized & Funded Positions	Authorized & Funded Positions	(+/- %)	
<b>54.50</b>	<b>61.00</b>	<b>68.00</b>	<b>11.5%</b>	

## APPENDIX D – COMMUNITY PROFILE

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### Yelm At-a-Glance

Founded	1853
Incorporated	1924
Population	8665
Elevation	354 Feet
Total Area	5.69 Square Miles
Miles of City Streets	18.5 Miles
Miles of Sewers	50 Miles
Miles of Water Lines	53
Residential Dwellings	2299
City Employees	48
Standard and Poor's Bond Rating	A

The City of Yelm is located in southeast Thurston County, Washington. It is a suburban city, surrounded by other suburban cities and pockets of unincorporated Thurston County. The City is near several major transportation routes including Interstate 5, State Routes 507, 510 and 702. These routes connect the City economically and socially to the greater Puget Sound Region and provide a gateway to Mount Rainier. The City and the surrounding area experience fair-weather summers and the grey, wet overcast winters of the Pacific Northwest.

Tempered by the Japanese trade current, the mild northwest climate favors lushly forested landscapes replete with ferns and mosses. Rainfall tends to be spread out over a large number of days. With about 52 clear days out of the year, Thurston County residents live under some form of cloud cover 86 percent of the year, with more than a trace of rain falling on almost half of the days of the year.



Average Temperatures: January, high of 46 ° F and low of 34° F; July, high of 77° F and low of 51 ° F; annual average, 49.95° F Average Annual Precipitation: 50 inches

## Government

The City of Yelm is an elected Mayor-Council form of government, and a non-charter code city. The City Council is the policy-making branch of Yelm's government and consists of seven members elected at large to staggered, four-year terms. The Mayor is elected at large and serves as the city's chief executive officer.

The Yelm City Council represents the needs and interests of the citizens of Yelm. The seven-member Council establishes policy for the city, adopts the annual budget, represents Yelm's interest on regional boards and commissions, and serves as the legislative group responsible for approving City ordinances. The Council meets the second and fourth Tuesday of each month at 6:00 PM in the Council Chambers in the Yelm Public Safety Building, 206 McKenzie Street SE. The public is invited to attend all meetings and each agenda has time at the beginning for public comments, questions, or concerns. Meetings are streamed live on the internet, and past meetings may be [viewed online](#).

Councilmembers are part-time employees. Many Councilmembers hold full-time jobs in addition to their duties on the City Council. Yelm's City Council positions are nonpartisan, are elected for four-year terms, and represent the community

at-large rather than designated districts. The seven positions are staggered, with positions ending for three members at one time and four members the next. The Mayor presides at all meetings of the Council and is recognized as the head of the City for ceremonial purposes and by the Governor for purposes of military law. The Council selects another member to serve a two-year term as Mayor Pro Tem. State law requires that Councilmembers reside within the City limits and be registered voters, 18 years of age or over. The City Council is supported by several advisory boards and commissions and the City Administrator.

The City Administrator is appointed by the Mayor and confirmed by City Council. The City Administrator serves as the Mayor's professional administrator of the organization as the Chief Administrative Officer of the City.

The City government offers a full range of municipal services which are provided by seven operating departments. We maintain a robust park system available for the use and enjoyment of the entire community, including those living outside the city limits of Yelm. The broad range of recreational facilities provides year-round services for citizens of all ages.

# Population

The City of Yelm is the fourth most populous city in Thurston County, with a population of 8,665 in 2017. To a large extent, Yelm acts as a bedroom community for residents working in the surrounding cities of Tacoma, Olympia and Centralia. It also hosts a large number of military families currently or formerly stationed at nearby Joint Base Lewis-McChord.

The Thurston Regional Planning Council forecasts the population of Yelm to grow 70% (16,990) by 2025 and 99.6% (19,910) by 2030. This growth will create an increased demand for housing and services in the Yelm Urban Growth Area.

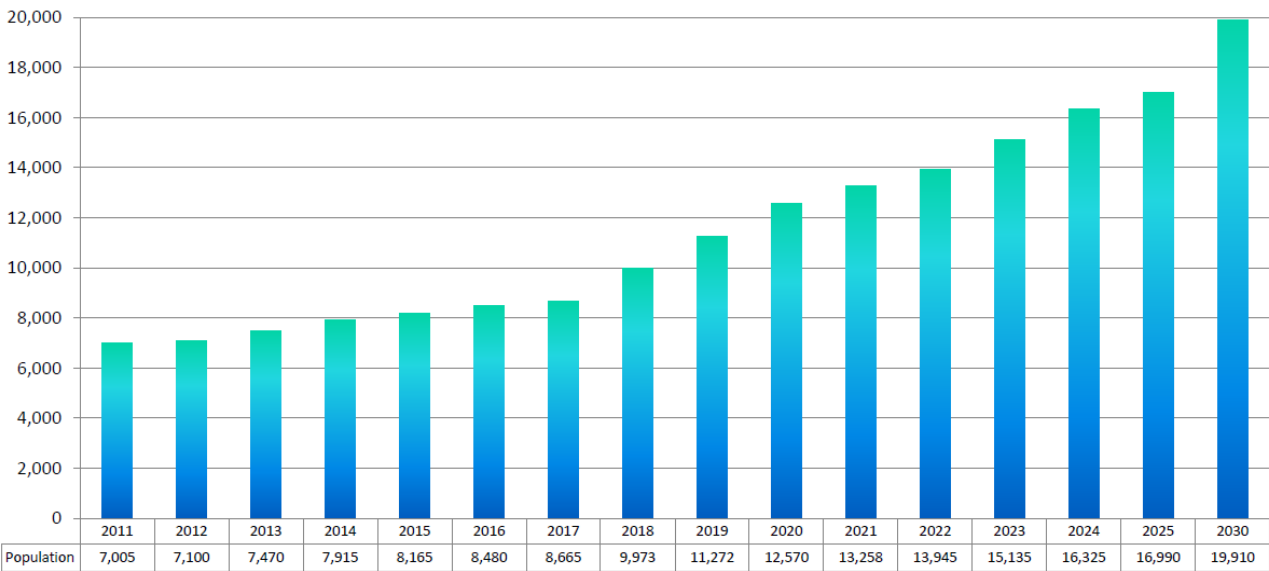
## Demographics

The age of the population in Thurston County as a whole is getting older. Census figures show that the median age of the county’s population was 38.5 years in 2010, up from 36.5 years in 2000 and 33.6 years in 1990. Some interesting

distinctions in median age, however, do exist between different areas of the county. For example, Yelm’s median age (29.0 years) was lower than the county’s median age (38.5), and the proportion of its population under age 18 (18 percent) was lower than the county average (27 percent).

Individuals aged 65 and over are a growing segment of the population in Thurston County, and migration plays a key role in this population growth. Amenities that an older population finds attractive, such as advanced health care and retirement facilities, draw many retirement-aged people to Thurston County. In 2010, persons age 65 and older constituted 13% of the total County population. This percentage of residents age 65 and older is expected to climb to roughly 17% by 2020 and should reach 20% by 2030. The first of the “baby boomers” turned 65 in 2011.

Population Projections



2011-2017 based on Office of Financial Management Official Projections  
2018-2019 & 2021-2024 based on Linear Regression forecast method  
2020, 2025 & 2030 based on [2017 City of Yelm Comprehensive Plan](#)

## Education

Thurston County has a variety of educational opportunities available to the students and adults of the community. These include both private and public primary, secondary, and higher education institutions. Eight school districts provide primary and secondary education to most of Thurston County's students. These school districts offer a wide variety of services and opportunities for students, including the Head Start Program for preschoolers, advanced placement services for high school students, and numerous community based learning experiences for all grade levels.

South Puget Sound Community College (SPSCC) is the largest institution of higher education in Thurston County. SPSCC currently serves more than 7,000 students, including degree-seeking students, high school students, veterans, international students, and underemployed workers. The college offers day and evening classes, continuing education courses, basic education, job skills training, and personal enrichment courses. In 2016, SPSCC was listed as one of the nation's 150 best community colleges by the Aspen Institute College Excellence Program.

**Thurston County College Enrollment  
2006-2016**

Enrollment		South Puget Sound Community College	St. Martin's University	The Evergreen State College
Fall 2006	Head Count	6,974	1,256	4,416
	FTE	3,964	1,035	4,294
Fall 2007	Head Count	7,458	1,270	4,586
	FTE	4,015	1,093	4,483
Fall 2008	Head Count	8,361	1,228	4,696
	FTE	4,404	1,063	4,616
Fall 2009	Head Count	7,133	1,272	4,891
	FTE	4,672	1,073	4,835
Fall 2010	Head Count	7,110	1,335	4,833
	FTE	4,857	1,122	4,779
Fall 2011	Head Count	6,558	1,392	4,794
	FTE	4,309	1,161	4,811
Fall 2012	Head Count	6,308	1,416	4,509
	FTE	N/A	1,163	4,794
Fall 2013	Head Count	6,154	1,443	4,170
	FTE	4,200	1,181	4,794
Fall 2014	Head Count	6,152	1,437	3,989
	FTE	4,162	1,124	3,985
Fall 2015	Head Count	6,075	1,380	3,985
	FTE	4,148	1,081	4,021
Fall 2016	Head Count	6,081	1,355	4,089
	FTE	4,232	1,114	4,094

Source: TRPC's The Profile - Education - Higher Education Enrollment, Nov 2016.

Note: Includes only those persons enrolled at campuses located in Thurston County. Head count includes both full- and part-time persons. FTE is full-time equivalent.

**Racial and Ethnic Distribution of Thurston County Public School Students 2015-2016**

	Olympia		Thurston County	
	Total	%	Total	%
American Indian	36	0.4	641	1.5
Asian	740	7.4	2077	4.9
Black / African American	234	2.3	1,241	2.9
Hispanic	1044	10.4	6,082	14.3
Pacific Islander	20	0.2	458	1.1
Two or More Races	968	9.7	4,415	10.2
White	6,963	69.5	27,528	64.9

Source: WA State Superintendent of Public Instruction, Jan 2017

The Evergreen State College is a public college of liberal arts and sciences with a national reputation for innovation in teaching and learning. Founded in 1967, Evergreen opened its doors in 1971 and now enrolls around 4,300 students. While most of Evergreen's students are enrolled at the Olympia campus in full-time undergraduate programs, the College also provides an evening and weekend studies program and three graduate programs (Environmental Studies, Public Administration, and Teaching). Evergreen has 60+ fields of study to explore and 88% of graduates or employed or pursuing graduate/professional studies within one year of graduation.

Saint Martin's University is a four - year coeducational, comprehensive university with a strong liberal arts foundation. It is one of 14 Benedictine colleges and universities in the U.S. and Canada and the only one west of the Rockies. It offers 27 undergraduate programs in the liberal arts and professions, seven graduate programs and numerous pre-professional and certification programs. Established in 1895 by the Roman Catholic Benedictine Order, Saint Martin's is located on a 300-acre campus in Lacey. More than 1,600 students attend the University's main campus, about 370 students are enrolled in courses at extension campuses at Joint Base Lewis-McChord, and at Centralia Community College, and Tacoma Community College.

**Educational Attainment 2011-2015**

Olympia	Thurston County	Washington State	U.S.
<b>High School Graduate or Higher</b>			
93.3%	93.4%	90.4%	86.7%
<b>Bachelor's Degree or Higher</b>			
42.4%	33.4%	32.9%	29.8%

Source: U.S. Census Bureau, Quick Facts



## Employment and Income

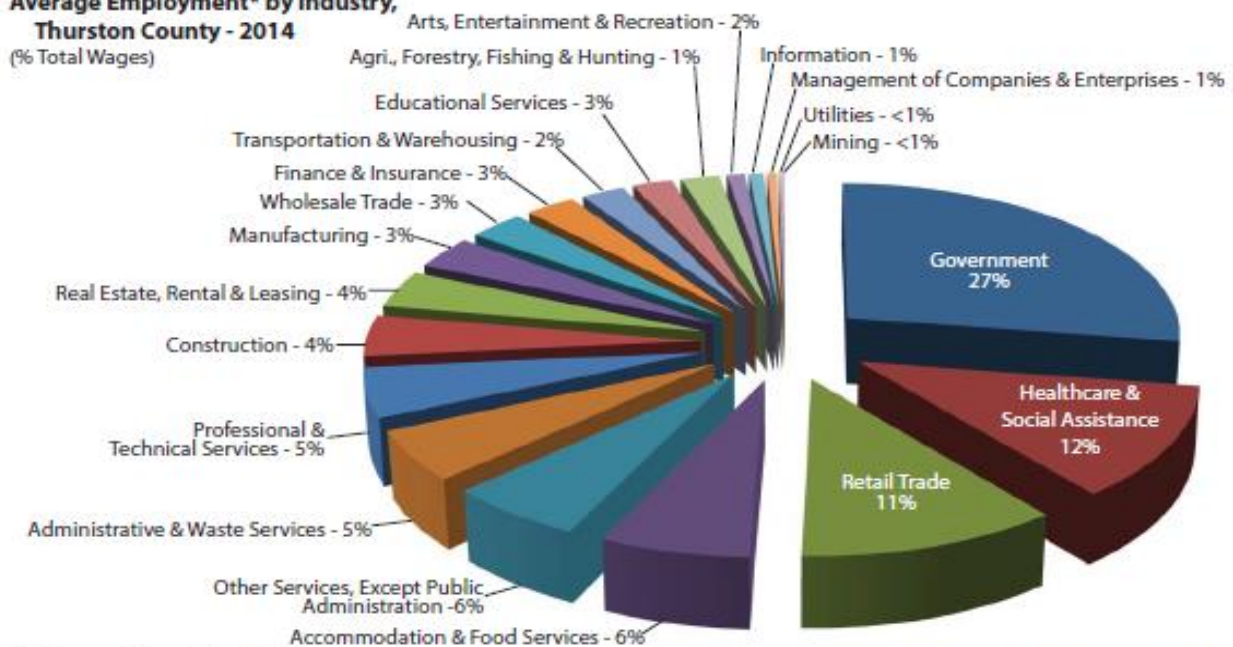
The City's early development was based on agriculture and trade. The first permanent American settlers came in 1853 to join the Hudson's Bay Company sheep farmers who were already in the area. With the coming of the Northern Pacific Railway in 1873, Yelm began to prosper, having found an outlet for its agricultural and forestry products. Its economic base was further enhanced in the early 1900s when an irrigation company was formed in 1916, making Yelm a center for commercial production of beans, cucumbers, and berries.

Yelm-area merchants provide the public with a wealth of choices to acquire most all of their for goods and

services right here where we live. Our locally-owned and operated businesses have invested resources in their community, showing their commitment to the success of where we call home. Multi-national, national & state corporations have also found Yelm a place to invest a franchise or affiliated storefront to offer their wares. And, our internet website providers that are based here offer a myriad of products, many of which are locally handmade.

From 2014 to 2015, employment in Yelm grew at a rate of 4.36%, from 2,661 to 2,777 employees. The most common employment sectors for those who live in Yelm are Public Administration, Accommodation & Food Service, and Educational Services.

**Average Employment\* by Industry,  
Thurston County - 2014**  
(% Total Wages)



\* Employment of Persons Covered by Unemployment Insurance

Source: TRPC's *The Profile*, Employment by Sector, Oct 2016



# APPENDIX E – ORGANIZATIONAL CHART

