



City of Olympia, Washington 2016 Adopted Budget Summary



Letter from the City Manager

December 16, 2015

Dear City Council, Citizens, and Employees,

I am pleased to present the 2016 Operating Budget. This is a practical, responsible, strategic budget. This budget provides the reliable public services we have come to expect while responsibly addressing infrastructure replacement and maintenance needs. And, it goes further. It is also aspirational in that it proposes quality of life enhancements and drives quality redevelopment and private investment to make Olympia an even greater city. It keeps our momentum growing.

When I presented the Capital Facilities Plan in July, I recommended a focus on developing a resilient approach to budgeting. Sustainability has been our guiding star for policies, planning, and operations but we must also recognize our budget world is constantly changing. Revenue sources are lost or decreased (motor vehicle excise tax, property tax limit and private utility taxes), expenses grow beyond our control (medical insurance, retirement costs), and new mandates are added (public defense case limits). Resiliency enables us to shift and adapt to the changes that come our way. This will be driven by our creativity, innovation, efficiency, and flexibility. With all the changes and challenges facing local governments today the need for resiliency is imperative.

I am pleased to say the 2016 budget continues all of our current services and programs without eliminating any jobs. Our economy is steadily improving. The City of Olympia's 2016 Operating Budget is \$132 million, representing an increase of 6.3 percent. The General Fund (regular operations) revenues are \$67.2 million for an increase of 3.2 percent over the current budget.

So what happens to this revenue increase? The single largest increase in our expenses continues to be for benefits. Our benefits puzzle consists of three major pieces: retirement contributions, wage increases, and medical insurance. The 2016 budget includes a two percent PERS rate increase (effective July 1st) in retirement system contributions. Further, we have been told to plan for an additional two percent increase in 2017. Our other pension systems rates for public safety employees are increasing also, although not as rapidly as for PERS employees. This is a significant cost increase, but Washington State is one of the few states with a fully funded defined benefit retirement plan. This promises long-term financial stability for the system and for our employees.

The second piece of the benefit puzzle is for medical insurance. As you know, the City is part of the Association of Washington Cities Trust for insurance. Participating in the trust, made up of approximately 300 entities, provides some stability in rates and avoids major rate spikes. Nevertheless, our insurance costs are increasing next year—3.1 percent for Regence and 9.5 percent for Group Health. The medical cost of benefits provides some opportunity for cost containment but it will take work with our labor force to achieve lower rates. Looking to full implementation of the Affordable Care Act (ACA) now scheduled for 2020, the 40 percent excise tax on high cost benefit plans known as the “Cadillac Tax” is going to require further benefit changes. Over the last few years we have made modest changes to reduce these benefit costs. However, 2016 brings major changes—introducing health insurance plans with a deductible, and increasing out-of-pocket co-insurance maximums. These changes will postpone the impact of the “Cadillac Tax” four or five years while still providing our employees very good health plans.

The last piece of the benefits puzzle is wage increases. Overall, the General Fund benefit costs are up almost \$2.2 million or 3.4 percent. The City of Olympia is first and foremost a service organization. As such, our biggest asset is our employees. In order to stay an attractive employer — meaning we are able to recruit and retain good employees — the City must offer competitive wages. This budget includes a wage increase for all employees. Staying competitive with wage increases is essential to address what is being called “the quiet crisis” — the loss of the baby boomers from the work force and the need to attract qualified workers to take their place.

Almost one quarter of the City's managerial and professional employees could be retiring in the next three to five years. It is critical we address this “quiet crisis” with competitive wages and benefits to attract and retain good employees.

While benefits are the largest single expense increase, the single largest department increase for 2016 is in Community Planning and Development (CP&D). Earlier this year you approved additional staffing to support a corresponding increase in development activity. Since 2012 new commercial permits, tenant improvement permits, and inspections have more than doubled. In addition to CP&D's steady increase in ongoing core development projects, some large projects are anticipated for 2016 and beyond. The State's new 1063 Capitol Way building (215,000 square feet), a new 50,000 square foot addition to Capital Mall, and an 88-lot subdivision in Northwest Olympia are planned for next year. The resultant development fees will cover all of those increases in expenditures. In addition, some of the increase is due to the shift of additional costs to CP&D as a result of the merger of the front counter and mail services staff with the permit staff. These additional expenses to CP&D are offset by decreases in expenditures in the Executive and Administrative Services Department. This merger provides efficiencies, cross training and backup support to improve the customer experience.



I also want to draw your attention to other successes. Page 28 of the budget includes some of the many achievements and efficiencies accomplished by the City in 2015. Through a variety of changes and innovations, we have saved over \$2 million. That is efficiency!

Of course a great City does more than provide basic services — it also supports a vibrant urban core, a thriving business sector, safe and connected neighborhoods, and a vision for a sustainable future. A big part of a sustainable future is economic development. The Council's establishment of the Community Renewal Area and the hiring of an Economic Development Director are two big steps towards a sustainable future.

I also want to apprise you of another recent achievement. Our fire insurance rating increased from Class Three to Class Two. This is no small thing — we are only the fourth city in the state to achieve this status; there are no Class One fire rated cities. This means our business community will have the opportunity to reduce their fire insurance costs by 15% or more. A lower cost of business makes Olympia more attractive to businesses wanting to remain or relocate here.

There are other programs and services that we wanted to add or expand in the budget. Unfortunately we ran out of money to support added projects such as; implementation of the Downtown Strategy, expanded emergency management, remodel of our jail, increased park security, expanded urban forestry and police body cameras. Funding for these programs is not possible at this time without cutting other programs and services.

Letter from the City Manager

Utilities

The vision for our utilities is to provide reliable service while also enhancing our physical environment without losing sight of the cost to tax payers. Under state law the utilities are managed as separate enterprise funds with dedicated funding through rates and charges. The budget includes rate increases to ensure stable revenues while maintaining existing service levels. Emphasis is placed on minimizing rate increases while ensuring essential utility services are provided reliably and without interruptions. The proposed rate increases are:

Storm and Surface Water	6.7%
Wastewater	0%
LOTT	3%
Drinking Water	7.3%
Waste Resources	
Drop Boxes	3%
Residential	5.5%
Commercial	4%
Organics	9%

Beginning in 2016 the City of Olympia will become a leader in sewer collection. This will be accomplished through innovative use of technology by implementing volumetric based sewer billing. Although the chart above shows a zero percent increase in sewer revenues, the actual increase or decrease will depend on the customer and the volume used. Some residents may see a 35 percent decrease and others around a five percent increase. In addition, Olympia will be working with our partners (Lacey and Tumwater) to encourage volume-based billing for sewer collection, and continue working with LOTT for volumetric billing for sewer treatment. Because the City is moving to volume-based billing it is difficult to show the percent increase over the prior year. Depending on the volume used, the average bill could decrease as much as \$2.16 a month or increase as much as \$5.71 per month. Volumetric billing ensures those who contribute more to the sewer system, pay more.

Waste ReSources is proposing rate increases in all classifications. Key drivers include inflationary increases in disposal fees, salaries, benefits, equipment, fuel, and taxes. The revenue from recycled materials helps offset expenses but falls short of covering all our costs. Growth and annexations drive the need for an additional residential truck and at least one half-time employee.

Revenue Outlook

Total revenues have increased \$9.2 million or 9.2 percent. (\$4.6 million of the increase is due to creation of two new government fund sub-funds. The increase without the new funds is 4.7 million or 3.8 percent.) In the General Fund (regular operations), revenues are up \$2.1 million or 3.2 percent; so we are cautiously optimistic. Our economy is steadily improving. As you can see, dirt is moving all around us — this is a sign of progress, and of strategic public investment that is catalyzing significant private investment in our City.

An improved local economy shows up early in Sales and in Business and Occupation (B&O) taxes. For 2016 the general sales tax is up 7.3 percent (\$1.2 million) and the B&O tax is up 9.2 percent (\$460,000). A large portion of the B&O tax increase is a reflection of the Council changes last year to remove some exemptions on medical service providers. For sales tax, this finally brings us up to the pre-recession levels. I know you have heard the Toyota dealership is leaving the Auto Mall next year. For 2016, we expect to receive a full year of tax receipts. This will, however, have a significant impact on the 2017 revenue and budget.

Further signs the economy is improving are the program revenues from development activity. We are projecting a 33 percent increase (\$864,350) in development-related fees with the proposed new commercial activity.

With the legislative changes authorized this year, state shared revenues will increase 17.6% (\$275,000). Cities will finally receive a small portion of the marijuana revenue. Olympia is anticipating approximately \$50,000 for 2016. Revenues from marijuana sales may be used for public safety or marijuana enforcement. The State's transportation package provides a new revenue for cities that is in addition to the motor vehicle fuel tax revenues. Cities will share the multi-modal funds on a per capita basis. For Olympia, we are anticipating approximately \$50,000. All of these revenues are restricted toward use in Transportation. With the proposed rate increase on the City utilities plus new customers, we have budgeted a 7.6 percent increase in the City utility tax (\$320,000) for the General Fund. And finally, property taxes reflect a one percent tax rate increase.

In contrast to revenue increases elsewhere, private utility tax will decrease. This tax on gas, electric, and telephone has been declining for several years. The unusually mild winter contributed to the declining revenue for both gas and electricity. Overall, we have projected a 1.5 percent decrease (\$65,000) in the private utility taxes. This decline impacts both the operating and capital budgets. The rest of the City's revenues are either flat or down slightly.

And lastly, voters agreed to increase their property taxes for Parks by establishing a Metropolitan Parks District (MPD). The MPD board could set the tax up to 75 cents per \$1,000 of assessed valuation for park purposes only. However, no funds will be received until May of 2017. At the full tax rate, the district would generate approximately \$4.5 million. The State transportation package also provides cities an option to increase the Transportation Benefit District (TBD) fee up to a maximum of \$50 without voter approval. The TBD board will consider increasing the fee at its March 2016 meeting. Again, if the board approves increases the funds would not be received until 2017. The TBD revenues are all dedicated to Transportation.

Conclusion

The budget process is more than balancing numbers. It is about building the right budget — the right budget for Olympia.

The right budget for Olympia:

- Provides good stewardship of tax payers' dollars.
- Delivers the excellent services our citizens need and want.
- Recognizes and responds to changing funding levels, mandates, and community needs.
- Initiates opportunities and investments that make Olympia a great City in which to prosper today and a more competitive city for the jobs and talents of tomorrow.

I believe this budget is practical, responsible and strategic. We should be heartened by the rebound of our economy, but wiser from the lessons learned by not adding or expanding new services that we can't sustain. We have been resilient to this point, and will continue to be so. I believe this budget meets the councils goals through change and innovation. I look forward to working with you in 2016 as we continue to adapt to changes coming our way.

Respectfully submitted,



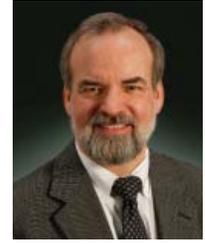
Steven R. Hall
City Manager

Meet Your City Council and their Goals and Priorities



Stephen H. Buxbaum
Mayor - Dec 2015*

- **Adopt a Sustainable Budget**
- **Champion Downtown**
- **Deliver Proactive Community Development**
- **Inspire Strong Relationship Goals**



Nathaniel Jones
Mayor Pro Tem
Dec. 2015*



Jim Cooper
Dec. 2017*



Julie Hankins
Dec. 2017*



Steve Langer
Dec. 2015*



Jeannine Roe
Dec. 2017*



Cheryl Selby
Dec. 2017*

** Term Ends*

The seven members on Olympia’s City Council are elected to four year terms from the community as a whole (commonly called at-large elections), not from districts or wards. The positions are non-partisan. The terms are staggered, with positions ending for three members at one time and four members the next. Olympia City Council elections are part of the Thurston County general election held in odd-numbered years.

For more information on the City Council and the City of Olympia’s form of government, please visit our website at www.olympiawa.gov

Citizen Advisory Boards & Commissions

- Arts Commission
- Ad hoc Committee on Police and Community Relations
- Bicycle/Pedestrian Advisory Committee
- Design Review Board
- Heritage Commission
- Lodging Tax Advisory Committee
- Parking Business Improvement Area Board
- Parks and Recreation Advisory Committee
- Planning Commission
- Utility Advisory Committee

Long Term Financial Strategy - Key Financial Principles

- Make Trade-Offs
- Do It Well
- Focus Programs on Olympia Residents & Businesses
- Preserve Physical Infrastructure
- Use Unexpected One-Time Revenues for One-Time Costs or Reserves
- Invest in Employees
- Pursue Innovative Approaches to Service Delivery
- Contract In/Contract Out
- Maintain Capacity to Respond to Emerging Community Needs
- Pursue Entrepreneurial Initiatives
- Address Unfunded Liabilities
- Selectively Recover Costs
- Recognize the Connection between the Operating Budget and the Capital Budget
- Consider Alternative Service Delivery to Maximize Efficiency and Effectiveness

Long Term Financial Strategy - Guidelines

What Should the City Do in the Following Year’s Budget When the Financial Forecast is Positive?

- Assess the situation
- Maintain adequate reserves
- Use one-time revenues only for one-time expenses
- Use recurring revenues for recurring costs or for one-time expenses
- Stay faithful to City goals over the long run
- Think carefully when considering revenue cuts
- Think long-term

What Should the City Do Every Year, Whether the Financial Forecast is Positive or Negative?

- Increase operating cost recovery
- Pursue cost sharing

What Should the City Do in the Following Year’s Budget When the Financial Forecast is Negative?

- Assess the situation
- Use reserves sparingly
- Reduce services
- Continue to think carefully when considering tax increases

What should the Council consider before increasing taxes?

- Will the increase result in programs or services that will have a quantifiable public benefit?
- Is the tax source related and connected to the services that are to be supported by the new revenue?
- Is the increase fully justifiable in terms of need?
- Has every effort to educate citizens about the tax been taken in advance of the increase?
- Are the services that are intended to be supported by the new revenue supportable into the foreseeable future?

What should the Council consider before asking residents to increase taxes?

- Have efforts to educate residents about the tax been made?
- Has there been ample time for residents to debate and discuss the issue?
- Has the council taken the time to listen to residents’ concerns?
- Do our residents understand what the results will be following implementation of the new tax?

City of Olympia | *The Budget Process*

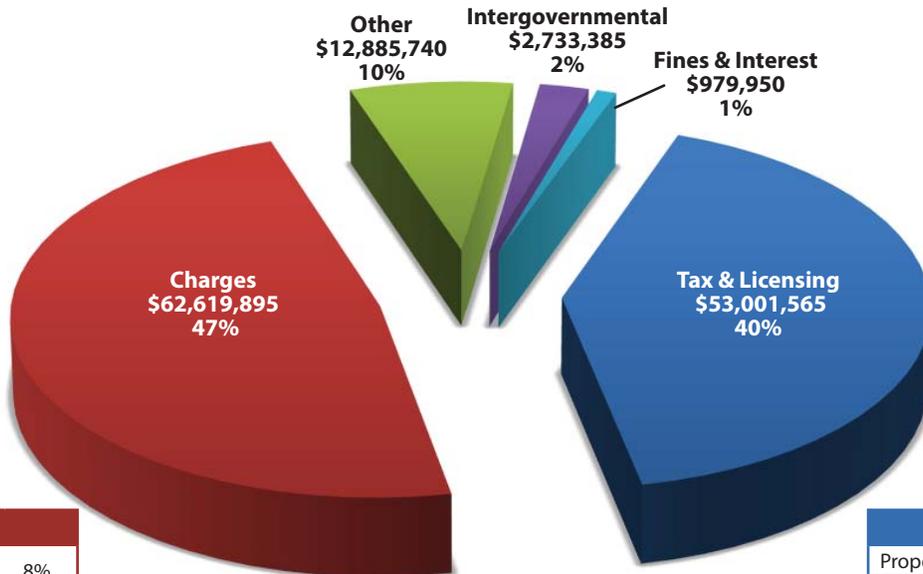
Development of the 2016 budget continues the implementation of **Budget 365**. Preparation of the City's budget is more than projecting revenues and expenditures for a given year. The budget provides a financial plan for the City Council, City staff, and citizens that identifies the operating costs considered essential to the successful operation of the City. The cycle does not end with the budget document as the end product of the arduous task of balancing the budget, or with adoption of the budget. The budget cycle for the City Manager, Budget Review Team, Finance Committee, City Council, and our citizens is year-round in nature since budget development and implementation occurs throughout the year.



Budget 365 is the City's budget process designed to inform citizens about how to get involved in our budget decision-making process. This year-round conversation will help us better understand which programs are the highest priority for our citizens and more quickly identify potential financial issues.

Where the Money Comes From - Total Operating Revenues

\$132,220,535

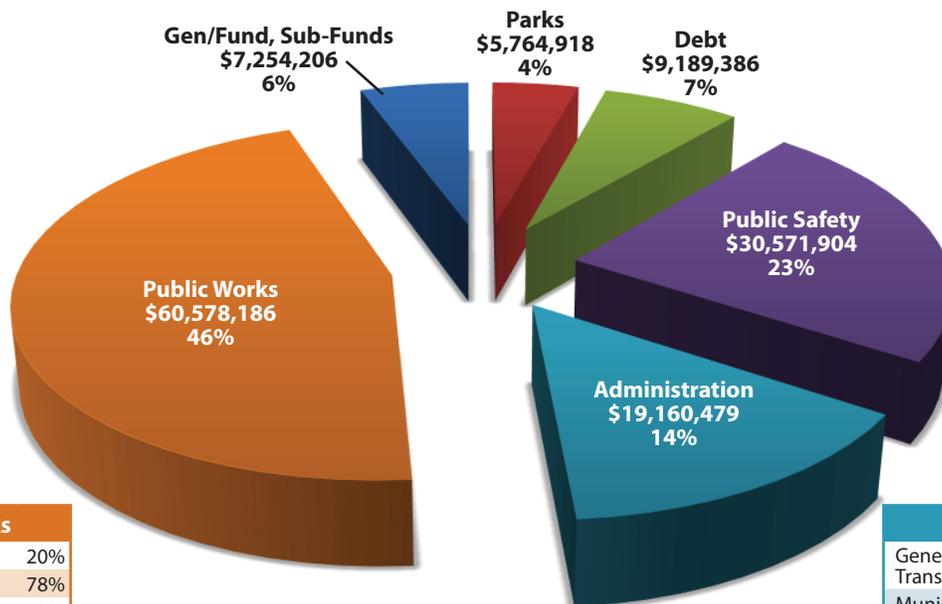


Charges	
Security (Persons & Property)	8%
General Government	13%
Drinking Water	19%
Wastewater	30%
Stormwater	8%
Waste ReSources	17%
Equipment Rental	3%
Other	2%

Tax & Licensing	
Property	26%
Sales	38%
Business	11%
Utility	18%
Other Taxes	1%
Licenses & Permits	6%

Where the Money Goes - Total Operating Expenditures

\$132,519,079

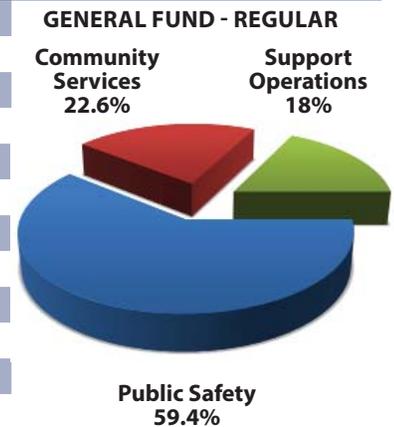


Public Works	
General Fund	20%
Utilities	78%
Equipment Rental	2%

Administration	
General Gov. (incl. Transfer to CIP)	25%
Municipal Court	9%
Admin. Services	37%
Community Dev.	29%

Operating Funds

	Expenses	Program Revenues	General Revenues*	% General Revenues	Reserves Use (Gain)
GENERAL FUND - Regular					
Public Safety					
Court & Probation	\$ 2,807,570	\$ 457,340	\$ 2,350,230	4.8%	
Fire	15,143,390	3,501,820	11,641,570	23.6%	
Police & Jail	15,668,020	342,240	15,325,780	31.0%	
Community Services					
Community Services & Planning	5,592,910	3,612,770	1,980,140	4.0%	
Parks, Arts & Recreation	5,917,920	1,027,130	4,890,790	9.9%	
Transportation Operations & Maint.	5,899,470	1,594,300	4,305,170	8.7%	
Support Operations					
Council, Executive & Legal	1,967,020	331,370	1,635,650	3.3%	
General Administration	8,606,190	2,612,800	5,993,390	12.1%	
Engineering	3,636,940	4,070,170	(433,230)	-0.9%	
Facilities, Operation & Maintenance	2,104,060	394,050	1,710,010	3.5%	
Total General Fund - Regular	\$ 67,343,490	\$ 17,943,990	\$ 49,399,500		

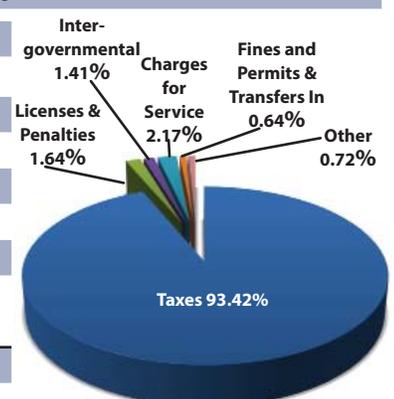


GENERAL FUND - Sub/Funds				
Special Accounts Control Fund	\$ 1,317,880	\$ 1,053,000		\$ 264,880
Washington Center Operations	311,600	306,600		5,000
Arts Fund	50,400	50,000		400
Facilities Major Repair & Maint.	1,419,570	1,481,610		(62,040)
DEBT SERVICE - General Obligation	7,072,890	3,635,890	3,438,140	(1,140)
Total Governmental Funds	\$ 77,515,830	\$ 24,471,090	\$ 52,837,640	\$ 207,100

BUSINESS TYPE ACTIVITIES				
Utilities:				
Drinking Water	\$ 12,328,250	\$ 12,328,250		\$ -
Wastewater	18,939,510	18,853,130		86,380
Stormwater	5,191,690	5,137,830		53,860
Waste ReSources	10,528,480	10,547,360		(18,880)
Debt Service - Bonds	2,116,500	2,143,840		(27,340)
Total Utility Funds	\$ 49,104,430	\$ 49,010,410		

Fleet (Equipment Rental)	1,744,090	1,744,770		(680)
TOTAL OPERATING FUNDS	\$ 128,364,350	\$ 75,226,270	\$ 52,837,640	\$ 300,440

GENERAL REVENUES				
Taxes				93.42%
General Fund, Regular		\$ 45,497,820		
Debt Service - General Obligation		3,438,140		
Licenses & Permits		859,700		1.64%
Intergovernmental		737,690		1.41%
Charges for Service		1,137,690		2.17%
Fines & Penalties		332,450		0.63%
Other		377,450		0.72%
Total		\$ 52,380,940		

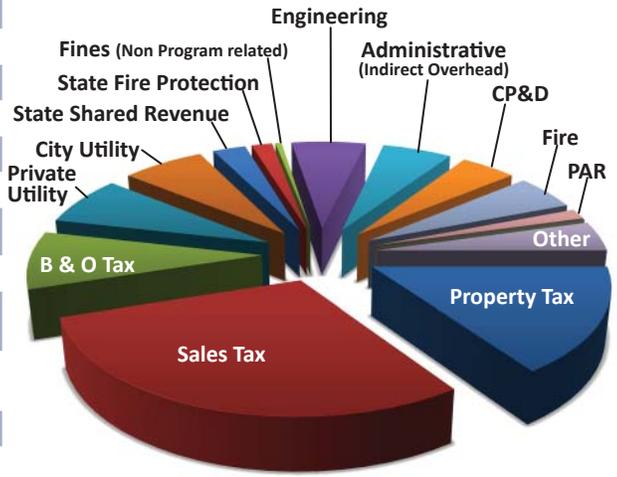


All numbers have been rounded in this table

*General Revenues totals reflected by City service rather than separated by specific Line of Business or Department.

General Fund (Regular) Revenues

	2015 Budget	% of Budget	2016 Budget	% of Total	% Change 2015 to 2016
Property Tax (1)	\$ 10,269,888	15.8%	\$ 10,356,623	15.4%	0.8%
Sales Tax (2)	18,683,610	28.7%	19,998,310	29.7%	7.0%
B&O Tax, and Licensing	5,386,000	8.3%	5,690,000	8.5%	5.6%
Utility Tax					
Private Utilities (3)	4,946,860	7.6%	4,881,790	7.3%	-1.3%
City Utilities	4,217,430	6.5%	4,538,093	6.8%	7.6%
State Shared Revenue (4)	1,578,360	2.4%	1,797,484	2.7%	13.9%
State Fire Protection	988,990	1.5%	1,114,490	1.7%	12.7%
Fines, non-program related	332,800	0.5%	332,450	0.5%	-0.1%
Engineering	4,191,190	6.4%	4,070,169	6.1%	-2.9%
Administrative Indirect Overhead	2,908,540	4.5%	3,847,660	5.7%	32.3%
Community Planning & Development	2,579,950	4.0%	3,117,711	4.6%	20.8%
Fire	3,495,370	5.4%	3,501,816	5.2%	0.2%
Parks, Arts & Recreation (5)	929,710	1.4%	1,027,127	1.5%	10.5%
Parking	1,518,700	2.3%	-	0.0%	-100%
Other	3,042,332	4.7%	2,953,242	4.4%	-2.9%
	\$ 65,069,730		\$ 67,226,965		



Notes:

(1) Property Tax Allocation, regular levy

General Fund (amount shown above)	\$10,269,890	76.1%	\$10,356,623	68.7%
Debt Service Funds	\$ 2,313,240	17.1%	\$ 3,438,138	22.8%
LEOFF 1 retiree medical (a)			\$ 1,277,870	
Firemen's Pension Fund (b)	\$ 906,310	6.8%	\$ -	8.5%

(a) LEOFF I refers to police and firefighters pension system which existed prior to October 1977. These employees received post employment medical and dental benefits. Prior to the 2016 budget the police portion was paid by the General Fund and the Firemen's Pension Fund paid for the firefighters portion. In 2015 the Council established a separated fund for paying these benefits.

(b) The Firemen's Pension Fund is projected to be fully funded for pension benefits based on the 2014 actuarial study. This Fund pays retirement benefits for firefighters hired prior to March 1970.

(2) Sales tax:

Regular (non dedicated)	\$ 16,398,600	\$ 17,597,800
Criminal Justice	\$ 721,540	\$ 791,900
Public Safety	\$ 1,500,470	\$ 1,548,610
Brokered Natural Gas	\$ 63,000	\$ 60,000

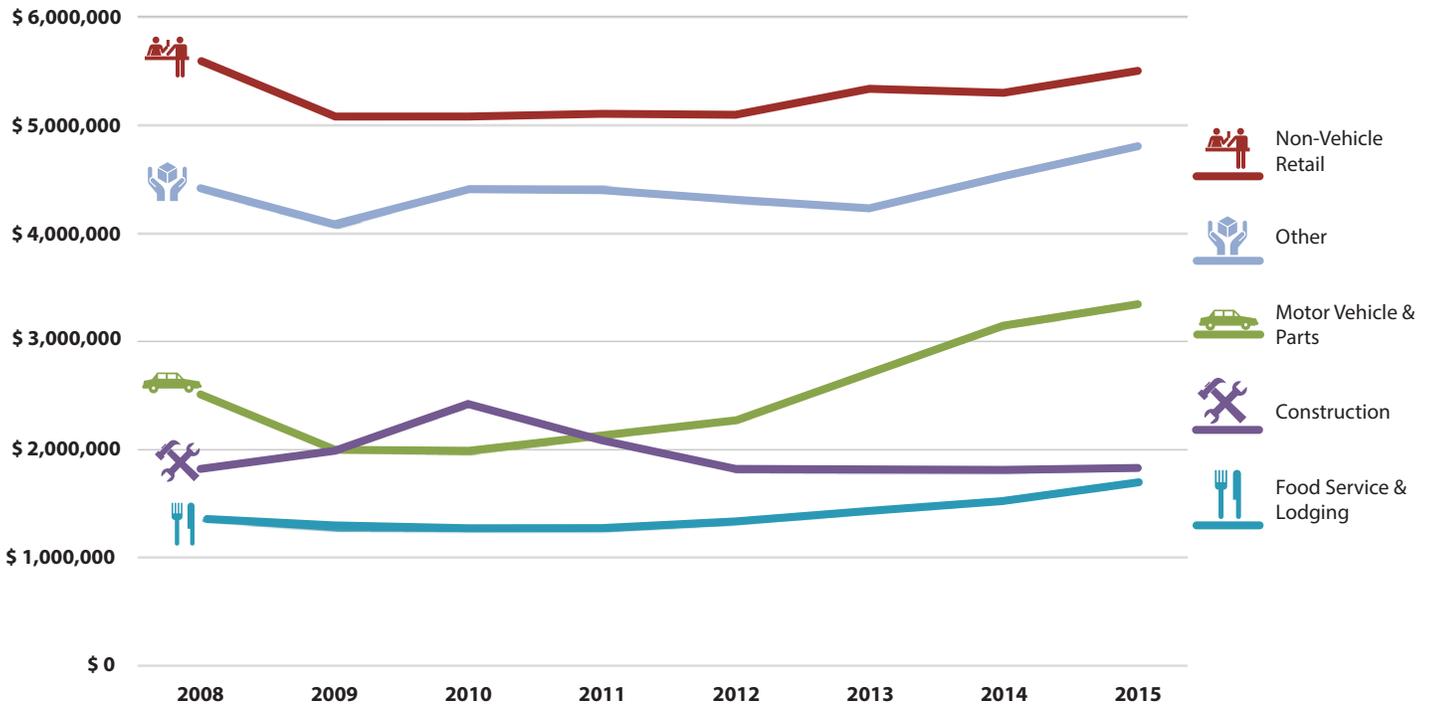
(3) The reduction in this tax on a budget basis is related to lower revenues related to the telecommunications.

(4) Liquor related revenues are projected to increase by \$157,500. The State Legislature restored distributions that were reduced in prior years. Fuel Tax related revenues are projected to increase by \$111,300 due to increases in State fuel tax.

(5) Parks, Arts & Recreation Department revenue increase is primarily related to increases recreation activity.

Retail Sales Tax

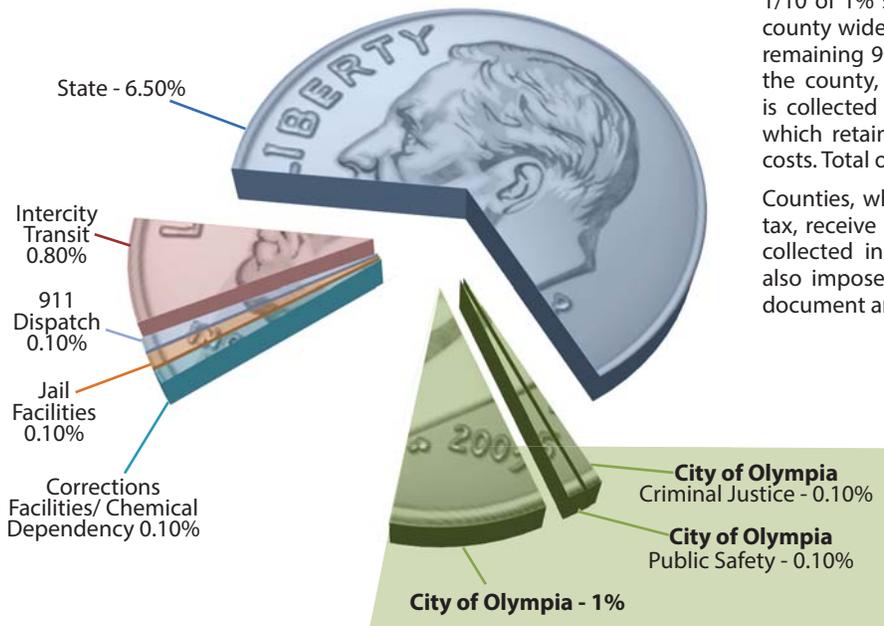
Sales Tax received by the City (Regular 1%)



Sales Tax

Sales Tax Distribution

Where does the 8.8% go?



Sales Tax (RCW 82.14 and OMC 3.48)

The City imposes a sales tax of 1.2% of which 1% is for general use, 1/10% for Public Safety, and a county wide 1/10 of 1% sales tax funds Criminal Justice activities. The county wide tax is distributed 10% to the county with the remaining 90% distributed on a per capita basis between the county, cities and towns within the county. The tax is collected and distributed by the State of Washington, which retains 1% of the tax collected for administration costs. Total overlapping sales tax within the City is 8.8%.

Counties, which also have imposed the general use sales tax, receive 15% of the city portion of sales tax revenues collected in cities of that county. Thurston County has also imposed a sales tax of 1%. Amounts shown in this document are exclusive of the County portion.

General Fund (Regular) Expenses by Type and Expenses by Function

Expenses by Type	2015 Budget	% of Total	2016 Budget	% of Total	% Change 2015-2016
Wages (1)	\$ 37,356,940	57.4%	38,626,244	56.80%	3.4%
Benefits (2)	13,660,910	21.0%	13,708,055	20.20%	0.3%
Supplies	2,024,880	3.1%	2,151,758	3.20%	6.3%
Professional Services	1,960,500	3.0%	2,129,482	3.10%	8.6%
Utility Costs	1,466,970	2.3%	1,486,316	2.20%	1.3%
Contracted Maintenance	968,870	1.5%	977,321	1.40%	0.9%
Vehicle rents & repairs	1,292,430	2.0%	1,466,252	2.20%	13.4%
Liability & Property Insurance	1,119,650	1.7%	1,118,030	1.60%	-0.1%
Intergovernmental Payments	1,278,650	2.0%	1,241,321	1.80%	-2.9%
Transfers to Other Funds (3)	895,220	1.4%	1,022,881	1.50%	14.3%
Other	3,087,980	4.7%	4,053,770	6.00%	31.3%
	\$ 65,113,000		\$ 67,981,430		

Expenses by Function	2015 Budget	% of Total	2016 Budget	% of Total	% Change 2015-2016
City Administration	\$ 9,717,450	14.9%	\$ 9,559,395	14.2%	-1.6%
Special Accounts (4)	2,634,040	4.0%	2,307,859	3.4%	-12.4%
Court	1,718,020	2.6%	1,781,664	2.6%	3.7%
CP&D	4,177,310	6.4%	5,511,561	8.2%	31.9%
Fire	14,344,900	22.0%	15,017,886	22.3%	4.7%
Police	14,824,510	22.8%	15,554,018	23.1%	4.9%
Parks, Arts & Recreation	5,335,450	8.2%	5,764,918	8.6%	8.0%
Public Works					
Administration	632,490	1.0%	658,987	1.0%	4.2%
Engineering	3,434,820	5.3%	3,636,937	5.4%	5.9%
Facilities	1,869,310	2.9%	1,925,775	2.9%	3.0%
Transportation	5,406,050	8.3%	5,624,465	8.4%	4.0%
Parking (5)	1,018,650	1.6%	-	0.0%	-100.0%
	\$ 65,113,000		\$ 67,343,465		

Notes:

(1) FTE Changes for 2016
 -1 FTE Office Specialist III reduction for Budget balancing- Administrative Services
 1 FTE Office Specialist II addition funded from development fees - CP&D
 1 FTE Permit Specialist addition funded from development fees - CP&D
 1 FTE Associate Planner addition funded from development fees - CP&D

(2) Reflects increase in PERS II retirement rates from 9.21% to 11.18% , medical insurance increase of 3.1% to 9.5% and no increase in dental premiums. In 2015 the City established a separate Fund to account for post employment benefits of police and firefighters hired prior to October 1, 1977 (LEOFF 1). The police portion of these benefits were previously accounted for within the General Fund (Fire was within the Firemen's Pension Fund).

	2015 Budget	2016 Budget
Employee Benefits Current	\$13,008,909	\$13,708,055
Retired LEOFF 1 Police Benefits	\$652,000	\$ -

(3) General revenue of the General Fund are used to support functions or activities which are not accounted for within the General Fund.

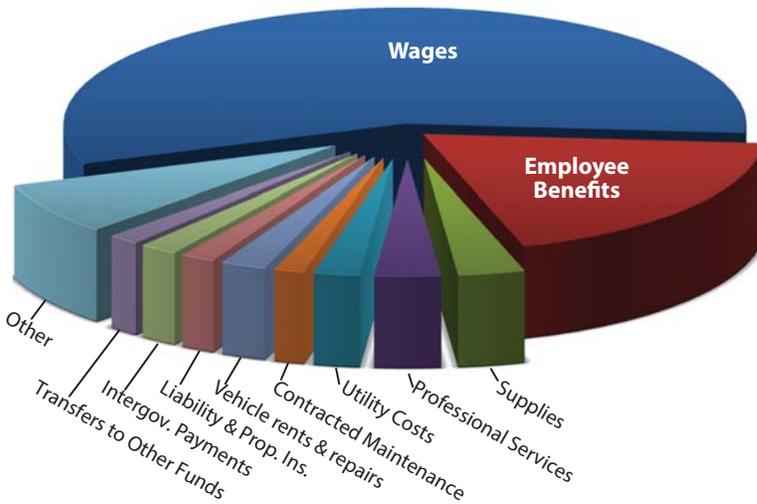
Transfer to:	2015 Budget	2016 Budget
Special Accounts Control Fund		
Parking System Reserve Acct	\$ 193,638	\$ 180,432
Information Technology Acct	\$ -	\$ 200,000
Debt Services Funds:		
Energy Efficiency improvements	\$ 178,282	\$ 178,281
LED Streetlight Conversion	\$ 198,300	\$ 194,100
Municipal Art Fund	\$ 50,000	\$ 50,000
Capital Improvement Fund,		
Portion of Motor Vehicle Fuel Tax	\$ 275,000	\$ 275,000
Fire Equipment Reserve Fund	\$ -	\$ 125,000

(4) The Special Accounts Fund is used for general reserves and items which are not generally associated with a specific department.

(5) Parking Management moved to a General Fund Sub Fund in 2015.

General Fund Expenses by Type

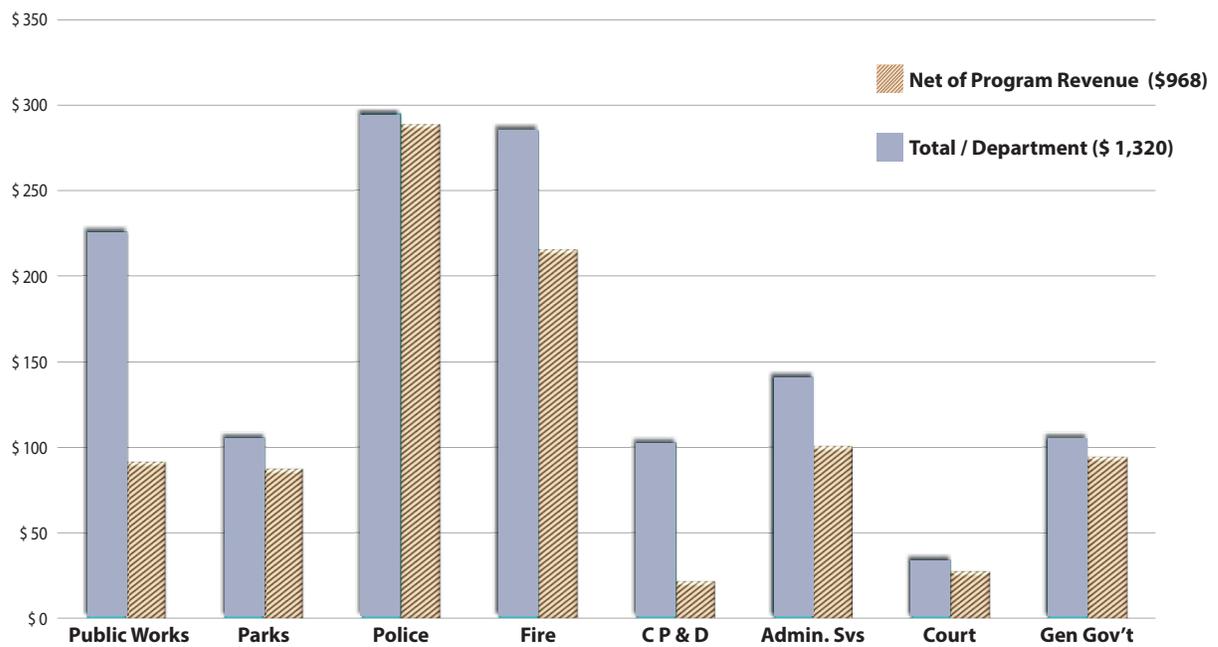
Total Expenses - \$ 67,981,430



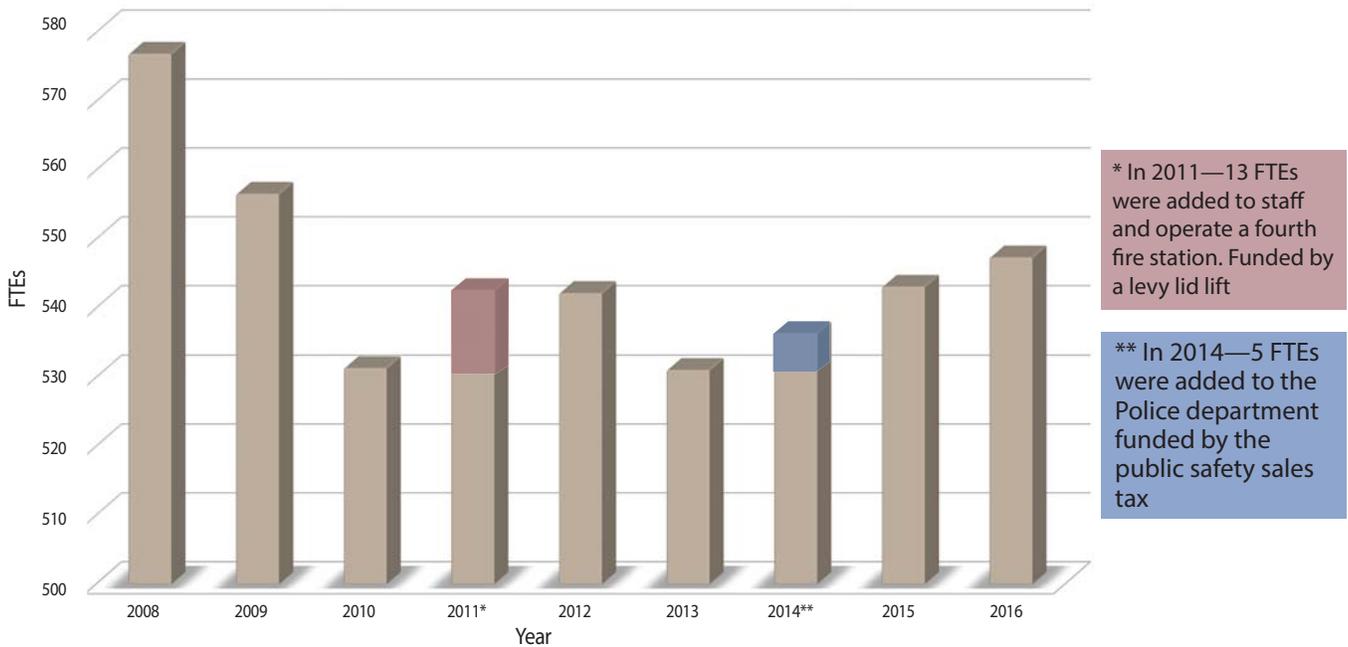
	% of Total	
Wages	\$ 38,626,244	56.8%
Employee Benefits	12,906,972	19.0%
Supplies	2,151,758	3.2%
Professional Services	2,129,482	3.1%
Utility Costs	1,486,316	2.2%
Contracted Maintenance	977,321	1.4%
Vehicle rents & repairs	1,466,252	2.2%
Liability & Property Insurance	1,118,030	1.6%
Intergovernmental Payments	1,241,321	1.8%
Transfers to Other Funds	1,022,881	1.5%
Other	4,854,853	7.1%
Total Expenses	\$ 67,981,430	

General Fund Cost Per Capita by Department

Total Cost per person per day \$3.62



City Employee Full Time Equivalents (FTE)



Information

The full version of the 2016 Adopted Operating Budget, in addition to the 2016-2021 Adopted Capital Facilities Plan, may be viewed online at: <http://olympiawa.gov/budget>

City of Olympia Buildings

City Hall Complex

601 4th Ave 98501
PO Box 1967 98507-1967

Fire Stations & Fire Training Center

#1 100 Eastside St NE 98506
#2 330 Kenyon St NW 98502
#3 2525 22nd Ave SE 98501
#4 3525 Stoll Rd SE 98501
Mark Noble Regional Fire Training Center-1305 Fones Rd 98501

Lee Creighton Justice Center

900 Plum St SE 98501

The Olympia Center

222 Columbia St NW 98501

Priest Point Park

2600 East Bay Dr NE 98506

Public Works Maintenance Center

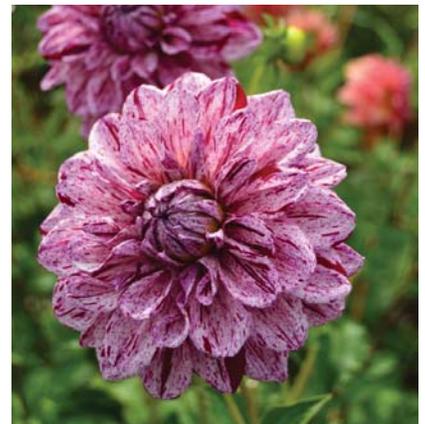
1401 Eastside St SE 98501

Westside Police Station

221 N Perry 98502

City of Olympia Phone Numbers

Administrative Services	753-8325
Utilities	753-8340
Business Licensing/B&O Tax.....	753-8448
Transportation Benefit District.....	753-3727
Human Resources	753-8442
Community Planning & Development	753-8314
Criminal Justice Center	753-8312
Municipal Court Services	753-8312
Jail.....	753-8417
Parking	753-8017
Probation	753-8263
Prosecutor	753-8449
Fire Department	753-8348
General Government	753-8447
City Manager/Risk Management.....	753-8447
City Council	753-8244
Legal (Civil)	753-8338
Parks, Arts & Recreation	753-8380
Police Department	753-8300
Records	753-8302
Public Works	753-8588
Maintenance Center	753-8272



City Of Olympia
Capital of Washington State

www.olympiawa.gov

