

Section V: Supplemental Information

Section V:
Table of Contents

Table of Contents

Section V: Supplemental Information

| | | |
|---------------------------------|------|--------|
| Salaries & Positions | Page | V – 1 |
| Local Economy Statistics | | V - 7 |
| Glossary of Terms | | V - 13 |
| Acronyms Glossary | | V - 19 |
| WCIA | | V - 23 |

Section V:
Supplemental Information

2012 Position List

| Position Title | Elected Officials | Monthly Salary |
|-----------------------|--------------------------|-----------------------|
| Mayor | | \$632 |
| Councilmember | | \$526 |

| Position Title | Appointed Positions | |
|-----------------------|----------------------------|----------|
| City Manager | | Contract |

International Association of Machinists and Aerospace Workers

Full Time Positions

| Position Title | Pay Grade |
|---|------------------|
| Building Official | 15 |
| Senior Planner | 14 |
| Deputy Clerk/Treasurer | 12 |
| Deputy City Clerk | 12 |
| Finance Analyst | 12 |
| Plans Examiner | 12 |
| Court Services Supervisor | 11 |
| Senior Engineering Technician | 11 |
| Building Inspector | 10 |
| Senior Accounting Assistant | 10 |
| Information/License Officer | 10 |
| Judicial Assistant – Court Compliance Monitor | 10 |
| Associate Planner | 10 |
| Senior Accounting Clerk | 10 |
| Accounting Clerk II | 9 |
| Engineering Technician | 9 |
| GIS Technician | 9 |
| CADD/GIS Technician | 9 |
| Lead Court Clerk | 9 |
| Aquatics Manager | 9 |
| Network Administrator | 9 |
| Information Systems Technician | 8 |
| Planner I | 8 |
| Code Compliance Inspector | 8 |
| Court Clerk | 8 |
| Senior Administrative Assistant | 8 |
| Permit Coordinator | 7 |
| Recreation Coordinator II | 7 |
| Aquatics Supervisor | 7 |
| Administrative Assistant | 7 |
| Office Assistant | 6 |
| Finance Cashier | 6 |
| Court Security Officer | 6 |
| Aquatics Coordinator | 6 |
| Parks Maintenance Worker – Facilities | 6 |
| Parks Maintenance Worker – Grounds Keeper II | 6 |
| Parks Maintenance Worker – Grounds Keeper I | 5 |

Section V:
Supplemental Information

Part Time Positions

| | |
|---|-----|
| Judicial Assistant – Court Compliance Monitor | H12 |
| Court Clerk | H11 |
| Court Security Officer | H10 |
| Recreation Receptionist | H4 |
| Recreation Assistant | H2 |
| Recreation Leader 1 | RL1 |
| Recreation Leader 2 | RL2 |
| Recreation Leader 3 | RL3 |

City of Fife Full-Time Salary Range for Year 2012

| | 0-6 | 7-18 | 19-30 | 31-42 | 43-78 | 79+ |
|--------|------------|------------|------------|------------|------------|------------|
| SALARY | MONTHS | MONTHS | MONTHS | MONTHS | MONTHS | MONTHS |
| RANGE | STEP A | STEP B | STEP C | STEP D | STEP E | STEP F |
| 1 | \$2,437.47 | \$2,522.42 | \$2,607.37 | \$2,696.24 | \$2,833.51 | \$2,889.35 |
| 2 | \$2,607.36 | \$2,696.24 | \$2,791.64 | \$2,883.12 | \$2,986.38 | \$3,090.90 |
| 3 | \$2,791.64 | \$2,883.12 | \$2,986.38 | \$3,085.70 | \$3,195.49 | \$3,307.35 |
| 4 | \$2,986.38 | \$3,085.70 | \$3,195.49 | \$3,298.73 | \$3,417.67 | \$3,537.28 |
| 5 | \$3,195.50 | \$3,298.73 | \$3,417.67 | \$3,531.36 | \$3,658.15 | \$3,786.18 |
| 6 | \$3,417.67 | \$3,531.34 | \$3,658.15 | \$3,782.30 | \$3,915.62 | \$4,052.66 |
| 7 | \$3,658.16 | \$3,782.30 | \$3,915.62 | \$4,042.39 | \$4,187.47 | \$4,334.03 |
| 8 | \$3,915.61 | \$4,042.39 | \$4,187.47 | \$4,327.30 | \$4,480.22 | \$4,637.03 |
| 9 | \$4,187.47 | \$4,327.30 | \$4,480.22 | \$4,627.91 | \$4,792.58 | \$4,960.33 |
| 10 | \$4,480.23 | \$4,627.91 | \$4,792.58 | \$4,955.94 | \$5,128.47 | \$5,307.97 |
| 11 | \$4,792.58 | \$4,955.94 | \$5,128.47 | \$5,298.37 | \$5,487.87 | \$5,679.94 |
| 12 | \$5,128.47 | \$5,298.37 | \$5,487.87 | \$5,673.46 | \$5,872.12 | \$6,077.65 |
| 13 | \$5,487.87 | \$5,673.46 | \$5,872.12 | \$6,072.07 | \$6,283.80 | \$6,503.74 |
| 14 | \$5,872.12 | \$6,072.07 | \$6,283.80 | \$6,495.54 | \$6,726.87 | \$6,962.30 |
| 15 | \$6,283.80 | \$6,495.54 | \$6,726.87 | \$6,952.97 | \$7,193.45 | \$7,445.22 |
| 16 | \$6,726.87 | \$6,952.97 | \$7,193.45 | \$7,436.54 | \$7,696.61 | \$7,966.00 |

Section V:
Supplemental Information

City of Fife Part-Time Salary Range for Year 2012

| | Hours | Hours | Hours | Hours | Hours | Hours |
|--------|---------|----------|-----------|-----------|-----------|---------|
| SALARY | 0-519 | 520-1559 | 1560-2599 | 2600-3639 | 3640-6759 | 6760+ |
| RANGE | STEP A | STEP B | STEP C | STEP D | STEP E | STEP F |
| H1 | \$9.39 | \$9.93 | \$10.54 | \$11.14 | \$11.73 | \$12.14 |
| H2 | \$11.00 | \$11.35 | \$11.73 | \$12.16 | \$12.65 | \$13.09 |
| H3 | \$11.73 | \$12.16 | \$12.65 | \$13.10 | \$13.58 | \$14.06 |
| H4 | \$12.65 | \$13.10 | \$13.58 | \$14.04 | \$14.52 | \$15.02 |
| H5 | \$13.58 | \$14.04 | \$14.52 | \$15.11 | \$15.55 | \$16.09 |
| H6 | \$14.52 | \$15.11 | \$15.55 | \$16.03 | \$16.62 | \$17.19 |
| H7 | \$15.55 | \$16.03 | \$16.62 | \$17.22 | \$17.80 | \$18.43 |
| H8 | \$16.62 | \$17.22 | \$17.80 | \$18.36 | \$19.09 | \$19.77 |
| H9 | \$17.80 | \$18.36 | \$19.09 | \$19.79 | \$20.34 | \$21.06 |
| H10 | \$19.09 | \$19.79 | \$20.49 | \$21.07 | \$21.80 | \$22.57 |
| H11 | \$20.34 | \$21.07 | \$21.80 | \$22.61 | \$23.30 | \$24.11 |
| H12 | \$21.80 | \$22.61 | \$23.30 | \$24.01 | \$24.71 | \$25.57 |
| | | | | | | |
| RL1 | \$12.26 | \$12.77 | \$13.28 | \$13.81 | \$14.34 | \$14.85 |
| RL2 | \$13.18 | \$13.70 | \$14.25 | \$14.82 | \$15.40 | \$15.94 |
| RL3 | \$14.19 | \$14.75 | \$15.34 | \$15.95 | \$16.59 | \$17.16 |

Section V:
Supplemental Information

Police Guild Non-Commissioned

| | Step 1 | Step 2 | Step 3 | Step 4 | Step 5 | Step 6 |
|----------------------------------|------------|------------|------------|------------|------------|------------|
| | 0-6 Mos | 7-12 Mos | 13-24 Mos | 25-42 Mos | 43-60 Mos | 61+ Mos |
| Communications / Records Officer | \$3,194.81 | \$3,646.54 | \$4,018.39 | \$4,238.37 | \$4,663.89 | \$4,707.13 |
| Police Clerk | \$3,484.17 | \$3,600.72 | \$3,729.03 | \$3,930.67 | \$4,069.47 | \$4,707.13 |
| Property / Evidence Clerk | \$3,484.17 | \$3,600.72 | \$3,729.03 | \$3,930.67 | \$4,069.47 | \$4,707.13 |
| Corrections Officer | \$4,140.17 | \$4,347.03 | \$4,644.27 | \$4,970.28 | \$5,308.11 | \$5,359.17 |
| Police Services Specialist | \$3,393.77 | \$3,563.95 | \$3,740.83 | \$3,927.44 | \$4,122.80 | \$4,143.41 |

| | Step 1 | Step 2 | Step 3 |
|---------------------------|------------|------------|------------|
| | 0-6 Mos | 7-17 Mos | 18+ Mos |
| Corrections Sergeant | \$5,747.72 | \$6,136.25 | \$6,243.44 |
| Communications Supervisor | \$5,048.40 | \$5,389.67 | \$5,483.81 |

Police Guild Commissioned

| | Step 1 | Step 2 | Step 3 | Step 4 | Step 5 | Step 6 |
|-----------------|------------|------------|------------|------------|------------|------------|
| | 0-6 Mos | 7-12 Mos | 13-24 Mos | 25-42 Mos | 43-60 Mos | 61+ Mos |
| Police Officers | \$4,812.05 | \$5,212.60 | \$5,524.59 | \$6,182.95 | \$6,242.44 | \$6,300.60 |

| | Step 1 | Step 2 | Step 3 |
|------------|------------|------------|------------|
| | 0-6 Mos | 7-17 Mos | 18+ Mos |
| Lieutenant | \$6,757.40 | \$7,214.19 | \$7,403.21 |

| | Step 1 | Step 2 |
|-----------|------------|------------|
| | 0-6 Mos | 7+ Mos |
| Detective | \$6,615.63 | \$6,930.66 |

Section V:
Supplemental Information

Teamsters

| SALARY RANGE Year 2012 | 0-24 MONTHS | 25-48 MONTHS | 49-72 MONTHS | 73-96 MONTHS | 96-120 MONTHS | 121+ MONTHS |
|---------------------------------|----------------|-----------------|-----------------|-----------------|------------------|----------------|
| | STEP A | STEP B | STEP C | STEP D | STEP E | STEP F |
| Public Works Superintendent | \$6,060.91 | \$6,151.83 | \$6,244.10 | \$6,337.77 | \$6,432.83 | \$6,529.33 |
| Lead Mechanic | \$5,658.47 | \$5,743.34 | \$5,829.51 | \$5,916.94 | \$6,005.69 | \$6,095.78 |
| Mechanic | \$5,177.73 | \$5,255.41 | \$5,334.24 | \$5,414.26 | \$5,495.47 | \$5,577.90 |
| Senior Maintenance Leadman | \$5,658.47 | \$5,743.34 | \$5,829.51 | \$5,916.94 | \$6,005.69 | \$6,095.78 |
| Maintenance Leadman | \$5,177.73 | \$5,255.41 | \$5,334.24 | \$5,414.26 | \$5,495.47 | \$5,577.90 |
| Senior Maintenance Technician | \$4,600.42 | \$4,669.42 | \$4,739.47 | \$4,762.93 | \$4,886.76 | \$4,955.95 |
| Senior Water Quality Specialist | \$5,177.73 | \$5,255.41 | \$5,334.24 | \$5,414.26 | \$5,495.47 | \$5,577.90 |
| Water Quality Specialist | \$4,878.86 | \$4,952.04 | \$5,026.32 | \$5,101.71 | \$5,178.24 | \$5,255.91 |
| Maintenance Technician | \$3,975.36 | \$4,034.99 | \$4,095.52 | \$4,156.95 | \$4,219.31 | \$4,282.59 |
| Laborer | \$3,450.31 | \$3,502.37 | \$3,554.60 | \$3,607.92 | \$3,662.05 | \$3,716.97 |
| Step 1 * | \$3,552.60 | \$3,605.89 | \$3,659.98 | \$3,715.88 | \$3,770.59 | \$3,827.16 |
| Step 2 ** | \$3,659.42 | \$3,714.32 | \$3,770.04 | \$3,826.58 | \$3,883.98 | \$3,942.24 |

*After 18 months of full time employment as a Laborer, with satisfactory performance, as determined by the Public Works Director, and possessing and maintaining a valid WDL Class B CDL, with tanker endorsement and no airbrake restrictions an employee in the Laborer classification will be entitled to a 3% base salary incentive pay increase for as long as such license is retained and kept valid and performance remains satisfactory. The incentive pay shall cease in the month following the loss of certification and/or unsatisfactory performance and shall resume the month following recertification and/or satisfactory performance, as the case may be.

**After 36 months of full time employment as a Laborer, continued compliance with all Step 1 requirements, and obtaining two of the three certifications listed below, an employee in the Laborer classification shall receive an additional 3% base salary incentive pay increase for as long as such certification are retained and kept valid and performance remains satisfactory. The incentive pay shall cease in the month following the loss of a required certification and/or unsatisfactory performance and shall resume the month following recertification and/or satisfactory performance, as the case may be.

1. Water distribution Manager Level 1 or higher issued by the WSDOH;
2. Wastewater Collection Specialist Level 1 or higher issued by WWCPA, or
3. Signs & Markings Specialist Level 1 or higher issued by IMSA.

Section V:
Supplemental Information

Non Represented

Permanent Positions

| Classification | Minimum | Maximum |
|---------------------------------------|----------------|----------------|
| Assistant City Manager & Police Chief | \$8,194.46 | \$11,440.73 |
| Director | \$7,573.65 | \$10,180.99 |
| Assistant Chief of Police | \$6,725.82 | \$9,948.60 |
| Administrator & Assistant Director | \$6,636.26 | \$8,432.83 |
| Professional Administrative | \$5,604.51 | \$7,006.25 |
| Confidential Administrative | \$4,171.72 | \$5,214.66 |

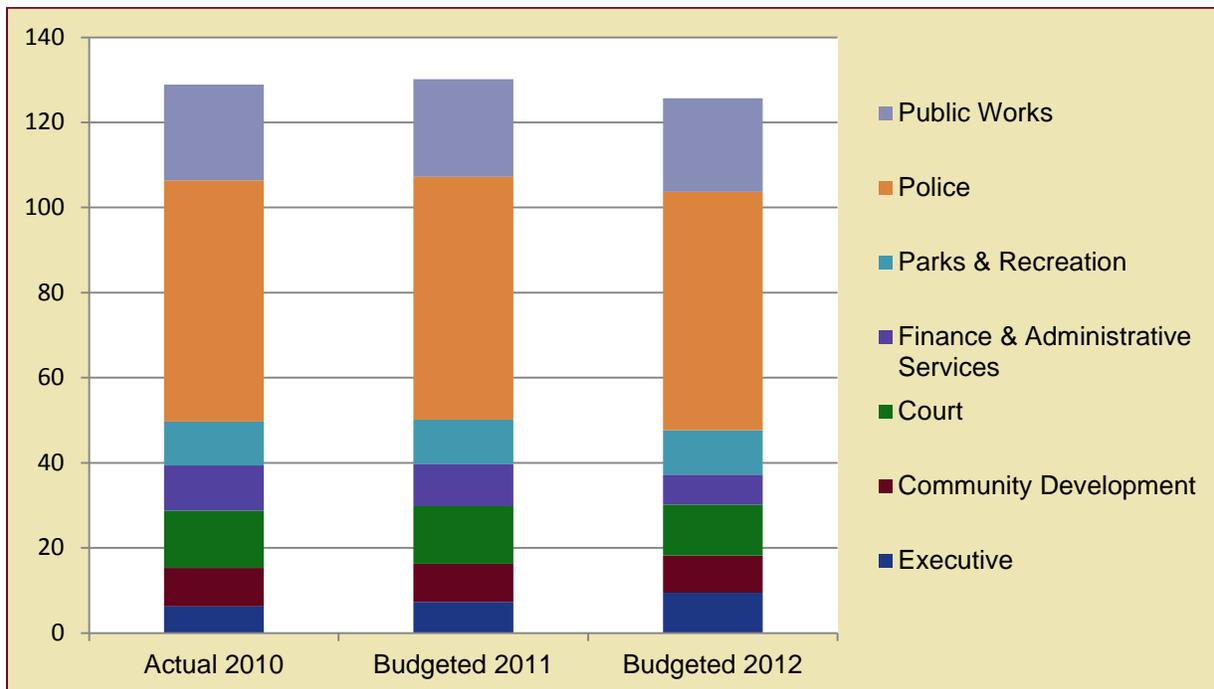
Temporary Positions

- Seasonal Recreation Assistant
- Seasonal Recreation Leader
- Seasonal Parks Maintenance Worker
- Seasonal Laborer

Section V:
Supplemental Information

City of Fife FTEs Employment Numbers 2011 – 2012

| | Actual 2010 | Budgeted 2011 | Budgeted 2012 |
|-----------------------------------|--------------|---------------|---------------|
| Executive | 6.3 | 7.3 | 9.5 |
| Community Development | 9.0 | 9.0 | 8.7 |
| Court | 13.5 | 13.5 | 12.0 |
| Finance & Administrative Services | 10.6 | 9.9 | 7.0 |
| Parks & Recreation | 10.3 | 10.5 | 10.5 |
| Police | 56.7 | 57.0 | 56.0 |
| Public Works | 22.5 | 23.0 | 22.0 |
| FTEs | 128.9 | 130.2 | 125.7 |



Section V:
Supplemental Information

Statistical Information

Major Taxpayers

The following table lists the ten largest taxpayers within the City for tax collection year 2011 listed in declining order of assessed value.

| Taxpayer | Business |
|--|---------------------------------|
| Teachers Insurance & Annuity Corporation | Fife Landing Industrial Complex |
| AMB Partners II LP | Real Estate Investment |
| Milgard Manufacturing Inc. | Window Manufacturing |
| Puyallup Tribe of Indians | Commercial Property & Farmland |
| Fife Commerce Center LLC | Industrial Complex |
| CMKM LLC | HVAC Equipment |
| Harsch Investment Properties LLC | Fife Business Park |
| Benaroya Capital Company LLC | Commercial Real Estate |
| Larson, Robert S. & Jennifer S. | Property Management |
| CLPF - PCCP II LP | Real Estate Services |

Economic & Demographic Information

Labor Force and Unemployment

The following table shows labor force and employment data for the County since 2006 as well as unemployment rates for the State and the United States for the same period.

| Year | Pierce County | | - - - - Unemployment Rates - - - - | | |
|------|---------------|----------|------------------------------------|---------------------|---------------|
| | Labor Force | Employed | Pierce County | State of Washington | United States |
| 2011 | 390,860 | 352,290 | 9.9% | 9.4% | 9.0% |
| 2010 | 396,510 | 357,090 | 9.9 | 9.6 | 9.6 |
| 2009 | 396,970 | 358,570 | 9.7 | 9.0 | 9.7 |

Section V:
Supplemental Information

Major Employers

The major employers in the Tacoma-Pierce County area for 2011 as reported by the Tacoma-Pierce County Economic Development Board are as follows:

| Employer | Type of Business Activity | Number of Employees |
|--------------------------------------|----------------------------------|----------------------------|
| Joint Base Lewis-McChord | Military | 55,603 |
| Local Public School Districts (K-12) | Education | 13,735 |
| Multicare Health System | Health Care | 6,756 |
| Washington State Employees | Public Sector | 6,662 |
| Franciscan Health System | Health Care | 5,507 |
| Pierce County Government | Public Sector | 2,947 |
| Washington State Higher Education | Education | 2,720 |
| City Of Tacoma | Public Sector | 2,316 |
| Emerald Queen Casino | Gaming | 2,230 |
| Boeing (Frederickson Site) | Aerospace | 1,450 |

Major City Employers

| Employer | Type of Business Activity | Employment |
|-----------------------------------|--|-------------------|
| Milgard | Window and Door Manufacturing | 1,011 |
| Comcast Cable Services | Telecommunications | 500 |
| Prologix Distribution Services | Logistics and Display Solutions | 387 |
| Gensco, Inc. | Manufacturer Heating & Plumbing Supplies | 300 |
| Mission Foods | Food Product Distribution | 250 |
| Norwesco/Noll Inc. | Sheet Metal Manufacturing | 184 |
| US Foodservice | Wholesale Grocery | 171 |
| United Parcel Service | Parcel Delivery Service | 160 |
| Emerald Queen Casino ¹ | Indian Gaming | 142 |
| Continuant Inc. ² | Telecommunications | 127 |
| Mega Brands America, Inc. | Toy Manufacturing | 74 |

Section V:
Supplemental Information

Building Permits

The following table shows total number and valuation of new single-family and multi-family residential permits in the County for calendar years 2005 through 2010. Recent recessionary trends are not fully reflected in this table.

| Year | New Single-Family | | New Multi-family | | Total Valuation |
|------|-------------------|---------------|------------------|---------------|-----------------|
| | Number | Valuation | Number | Valuation | |
| 2010 | 1,708 | \$398,553,753 | 192 | \$ 22,130,123 | \$ 420,683,876 |
| 2009 | 1,243 | 243,510,179 | 804 | 79,995,681 | 323,505,860 |
| 2008 | 1,805 | 342,505,780 | 162 | 64,597,860 | 407,103,640 |
| 2007 | 3,532 | 716,889,789 | 1,490 | 76,217,591 | 893,107,380 |
| 2006 | 4,839 | 864,902,045 | 1,062 | 131,476,813 | 996,378,858 |
| 2005 | 5,622 | 946,563,541 | 1,262 | 140,207,572 | 1,086,771,113 |

Personal Income Trends

The following table shows total and per capita personal income growth in the County and the State from 2005 through 2009. Data presented does not fully reflect recent changes in personal income due to recent recessionary trends.

| Year | Pierce County | | Washington State | |
|------|-------------------------------|-------------------|-------------------------------|-------------------|
| | Total Personal Income (000's) | Per Capita Income | Total Personal Income (000's) | Per Capita Income |
| 2009 | \$32,332,969 | \$40,577 | \$285,696,255 | \$42,870 |
| 2008 | 31,846,581 | 40,461 | 280,677,561 | 42,747 |
| 2007 | 28,949,941 | 37,446 | 265,738,395 | 41,203 |

Section V:
Supplemental Information

Median Household Income Trends

The following table shows median household income growth in the County and the State for years 2006 through 2010. Changes due to recent recessionary trends are not fully reflected in this table.

| Year | Pierce County | Washington State |
|------|---------------|------------------|
| 2010 | \$55,302 | \$55,379 |
| 2009 | 55,436 | 56,317 |
| 2008 | 56,740 | 56,995 |
| 2007 | 57,486 | 56,971 |
| 2006 | 52,476 | 57,675 |

Employment by Major Industry

The table below sets forth the total number of full-time and part-time employees in the County for the years and industries as shown. Figures are presented in thousands.

| Employment Sector | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 |
|-----------------------------------|-------|-------|-------|-------|-------|-------|
| Total Non-Farm Employment | 264.7 | 264.9 | 269.0 | 280.5 | 280.9 | 271.7 |
| Construction | 240.6 | 17.3 | 19.0 | 23.5 | 25.4 | 22.9 |
| Manufacturing | 17.3 | 16.3 | 16.9 | 19.8 | 20.4 | 20.1 |
| Trade, Transportation & Utilities | 16.2 | 53.0 | 53.1 | 55.6 | 56.4 | 53.6 |
| Information | 7.7 | 2.9 | 3.1 | 3.7 | 3.7 | 3.6 |
| Financial Activities | 11.4 | 11.9 | 12.7 | 13.3 | 13.7 | 14.5 |
| Professional & Business Services | 3.0 | 23.4 | 23.9 | 24.9 | 25.5 | 24.2 |
| Education and Health Services | 13.8 | 43.5 | 43.2 | 41.6 | 40.5 | 39.1 |
| Leisure and Hospitality | 14.0 | 25.4 | 26.2 | 27.8 | 27.4 | 26.4 |
| All Other Services | 25.1 | 12.5 | 12.7 | 12.9 | 12.7 | 12.4 |
| Government & Govt Enterprises | 19.8 | 58.5 | 58.0 | 56.9 | 54.9 | 54.6 |

Section V:
Supplemental Information

Historical Taxable Retail Sales

The following table lists the taxable retail sales within the City and the County since 2005.

| Year | City of Fife | Pierce County |
|-------------------|---------------------|----------------------|
| 2011 ¹ | \$114,590,391 | \$ 2,450,536,979 |
| 2010 | 534,976,068 | 10,624,265,947 |
| 2009 ² | 522,186,999 | 10,434,800,308 |
| 2008 | 648,596,545 | 11,711,653,486 |
| 2007 | 893,829,003 | 12,535,645,654 |
| 2006 | 944,658,865 | 12,154,468,767 |

¹ First quarter only.

² In 2009, the City began receiving a quarterly tax distribution from the State's Sales and Use Tax Mitigation Account, established to compensate taxing jurisdictions for local revenue losses as a result of a change in sourcing provisions of a new streamlined sales and use tax agreement.

Section V: *Supplemental Information*

Glossary of Terms

Accrual Basis of Accounting. A method of accounting that matches revenues and expenses with the period to which they relate, rather than focusing on actual cash flows. In this method, for example, an asset is depreciated as it is “used up”, and the expense is recognized in periodic increments, rather than assuming the asset holds its value until it is actually disposed of.

Adjusted Budget. The budget as revised through supplemental appropriations approved by Council during the year and included in the annual budget amendment ordinance.

Adopted Budget. Financial program that forms the basis for appropriations. Adopted by the governing body.

Agency Fund. A fund set up to account for assets held by the City in a trustee capacity. For example Court bail money or the regional facilities sewer fee.

Assessed Valuation. The taxable portion of fair market value of both real and personal property as determined by the Pierce County Assessors Office.

Assets. Resources owned or held by the City which have monetary value.

Audit . Conducted by the Washington State Auditor’s Office, the primary objective of an audit is to determine if the City’s Financial Statements present the City’s financial position fairly and results of operations are in conformity with generally accepted accounting principals.

Balanced Budget. A budget in which planned expenditures do not exceed projected funds available.

BARS. The State of Washington Budget, Accounting and Reporting System required for all governmental entities in the state of Washington.

Benefits. City paid benefits provided for employees such as social security, retirement, worker’s compensation, life insurance, medical insurance and management benefits.

Bond Refinancing. The payoff and re-issuance of bonds to obtain better interest rates and/or bond conditions.

Budget . The financial plan for the operation of a program or organization for the year or for the project through completion. Legal authority and requirements are found in Revised Code of Washington (RCW 35A.33).

Budget Document . The compilation of the spending plans for the various funds, along with supporting schedules, tables and charts which, in total, comprises the annual revenue and expenditure plan.

Budget Message. Written explanation of the budget and the local government’s financial priorities. This message was prepared by the City Manager, the executive officer of the governing body.

Section V: *Supplemental Information*

Capital Expenditures. Funds spent for the acquisition of a long-term asset.

Capital Facility Plan. The portion of the Capital Improvement Plan that relates to the city facilities and infrastructure that are planned for under the growth management act and are included in the City of Fife Comprehensive Plan. The plan includes estimated project costs, sources of funding and timing of work over a six-year period. For financial planning, the capital facility plan is presented as a plan of work and proposed expenditures and is the basis for annual appropriation requests and bond issues.

Capital Improvement Budget. The capital projects approved and funded in the first year of the adopted Budget Capital Improvement Program.

Capital Improvement Program (CIP). The plan of all capital projects, including those that do not qualify as Program (CIP) "facilities" for the Capital Facility Plan, such as large pieces of equipment or vehicles.

Capital Outlay. Fixed assets which have a value of \$5,000 or more and have a useful economic lifetime of more than three years or assets of any value, if the nature of the item is such that it must be controlled for custody purposes as a fixed asset.

Capital Project. The largely one-time cost for acquisition, construction, improvement, replacement, or renovation of land, structures and improvements thereon. The cost must usually be \$25,000 or more in order to be considered a capital project; amounts under \$25,000 are considered in the operating budget. In addition, equipment is considered a capital project if it is \$25,000 or more in cost.

Capital Reserve. An account used to segregate a portion of the government's equity to be used for future capital program expenditures.

Charges for Services. A revenue category which includes a charge for a specific service. These primarily include park recreation fees, plan check fees, court cost and prisoner work release fees and other miscellaneous fees.

Comprehensive Budget. The comprehensive budget combines both the annual financial plan for the operation of government and the annual portion of the Capital Improvement Budget. Excluded from the operating budget are carry-over capital projects which have been previously approved.

Contingency. The General Contingency is established as a department, not as a fund. It is a line item appropriation within the operating fund. The estimate for general operating contingencies is based on the assumption that in any municipal operating fund, anticipated revenues may not be collected and/or certain unforeseen expenditures may become necessary.

Cost Allocation. Assignment of cost charges from one department that reimburse another department for services received. Some examples are Attorney services, Finance services and Human Resource services.

CPI. Consumer Price Index. A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living.

Section V: *Supplemental Information*

Debt Service. The annual payment of principal and interest on the City's bonded indebtedness. Bonds are issued to finance the construction of capital projects such as public buildings, parks, roads, storm sewers and water system improvements.

Department. A major organizational unit of the City which has been assigned overall management responsibility for an operation or a group of related operations within a functional area.

Depreciation. The loss of asset value over time and usage, recorded as an expense under the full accrual method of accounting.

Designated Fund Balance. Fund balance that is not legally restricted to a specific use, but is nonetheless planned to be used for a particular purpose. For example, the General Fund has a fund balance that is designated for contingency. There is no legal restriction on the use of this fund balance, but it is budgeted to provide financial stability.

Enterprise Fund. A fund used to account for operations that are financed and operated in a manner similar to private business enterprise where the measurement focus is on the cost of providing a service, such as water on a continual basis. Costs are recovered through user charges.

Estimated Actual. An estimate of the year end balance of a revenue or expenditure account.

Expenditure. The payment of cash or the transfer of property or services for the purpose of acquiring an asset, service or settling a loss.

Expense. Charges incurred (whether paid immediately or deferred) for proprietary fund operations, maintenance, interest or other charges.

Fees. A general term used for any charge for services levied by government associated with providing a service, permitting an activity, or imposing a penalty. Major types of fees include business and non-business licenses and user charges.

Fines and Forfeitures. A revenue category which primarily includes court, police, traffic and parking fines and forfeitures of property.

Fund. A self-balancing set of accounts with revenues and expenses that are segregated for the purpose of carrying out a specific purpose or activity.

Fund Balance. Working capital, or the net current assets less short term liabilities.

GAAFR. "Governmental Accounting, Auditing and Financial Reporting." The "blue book" published by the Municipal Finance Officers Association (now the Government Finance Officers Association) to provide detailed guidance for the application of accounting principals for governments.

GAAP Generally Accepted Accounting Principles. Standards used for accounting and reporting by both private industry and governments.

Section V: Supplemental Information

GASB. Government Accounting Standards Board established in 1985 to regulate the rules and standards for all governmental units.

General Fund. The General Fund is used to account for all of the City's resources except for those resources which are accounted for in a special purpose fund.

General Obligation Bonds. Bonds for which the full faith and credit of the insuring government are pledged for payment.

Licenses and Permits. Revenue category that includes building permits, business and amusement licenses and any other miscellaneous licenses or permits.

LID. Local Improvement District or Special Assessments made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

LTGO. Limited Tax General Obligation bonds refer to bonds issued with the approval of the Council, as opposed to voted bonds which must be approved by vote of the public. LTGO bonds must not exceed 1.5 percent of the assessed valuation. The total of LTGO and voted bonds must not exceed 2.5 percent of assessed valuation per State R.C.W.

Miscellaneous Revenue. A revenue category that basically includes leases and rentals of the various city facilities, Senior Center donations plus other revenue such as pay phone revenue.

Modified Accrual. A basis of accounting in which revenues are recognized when available and measurable and expenditures are recorded in the period the liabilities are incurred.

Net Budget. The net budget eliminates double counting of the budget by excluding fund transfers and internal service charges such as interfund equipment rental and insurance charges. The net budget represents the true level of spending in the budget.

Object of Expenditure. Expenditure classifications based upon the types or categories of goods and services purchased. Typical objects of expenditure include salaries and wages, benefits, supplies, contracted services and capital outlay.

Operating Budget. An operations plan, expressed in financial terms, whereby an operating program is funded for a single year. Per state law, operating budgets lapse at year-end.

Operating Expense. Those costs including expenditures for salaries and wages, benefits, supplies, services and charges which are necessary to support the primary services of the organization. For example, telephones, printing and motor pool charges, and office supplies are operating expenses.

Organization. A major organizational unit usually responsible for carrying out a major component of department or program responsibilities.

PERS. Public Employees Retirement System provided for employees other than Police and Fire by the State of Washington.

Section V: *Supplemental Information*

Preliminary Actual. The balance of revenue or expenditure accounts at year-end, but before the final closing of the City's books. This will usually be close to the final actual amounts, but may not include all accruals or other adjustments.

Preliminary Budget . The Mayor's recommended budget submitted to the City Council and the public for approval in October of each year.

Public Works Trust Fund. PWTF Established by the state as a trust fund for public utility purposes. Funds are loaned at minimal rate of interest for qualifying projects.

Reserved Fund Balance. Those portions of fund balance that are not appropriable for expenditure or that are legally segregated for a specific future use.

Reserves (Fund). The unencumbered year-end balance of revenue less expenditures in governmental funds.

Restricted Fund Balance. The portion of working capital that is not available for general expenditure. The balance is maintained for a specific designated use.

Revenue Income. Received by the City in support of its program of services to the community. It includes such items as property taxes, fees, user charges, grants, fines, interest income and other miscellaneous revenue.

Revenue Bonds. Bond issued pledging future revenues, usually water, sewer, or drainage charges to cover debt payments in addition to operating costs.

RFP. Request for Proposal

Salaries and Wages. A majority of City employees are paid a semi-monthly salary based on an annual standard work year consisting of 2,080 hours. Some types of positions are paid hourly wages based on the prevailing wage scale.

Standard Work Year. 2,080 hours or 260 days is the equivalent of one work year.

Supplemental Appropriation. An appropriation approved by the Council after the initial budget appropriation. Supplemental appropriations are approved by Council during the year and an annual budget amendment ordinance is approved in December of each year.

Unreserved Fund Balance. The difference between fund assets and fund liabilities of governmental or similar trust funds that is available for general expenditures.

User Charges. The amount the government receives for the provision of services and commodities, or the performance of specific services benefiting the entity 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.

Section V:
Supplemental Information

Working Capital. The year-end balance of current assets less current liabilities in the Enterprise and Internal Service Funds. The unencumbered balance at year-end is available for appropriation in the next year's budget.

ACRONYMS GLOSSARY

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| ADA | Americans with Disabilities Act |
| AWC | Association of Washington Cities |
| BAN | Bond Anticipation Note |
| BARS | Budget, Accounting and Reporting System |
| B & O TAX | Business and Occupation Tax |
| CCS | Catholic Community Services |
| CDBG | Community Development Block Grant |
| COLA | Cost of Living Adjustment |
| CIP | Capital Improvement Plan |
| CPI | Consumer Price Index |
| CM-POT | Construction Management of the Port of Tacoma Road |
| DOE | State of Washington's Dept of Ecology |
| DOE | Department of Energy |
| EAP | Employee Assistance Program |
| EIS | Environmental Impact Statement |
| EMS | Emergency Medical Service |
| EPA | Environmental Protection Agency |
| FEMA | Federal Emergency Mgt Agency |
| FEMA CERT | Federal Emergency Mgmt Agency, Community Emergency Response Team |
| FMC | Fife Municipal Code |

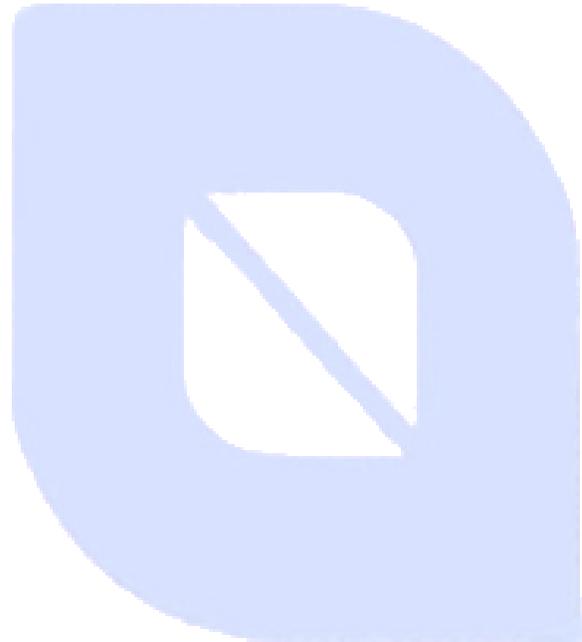
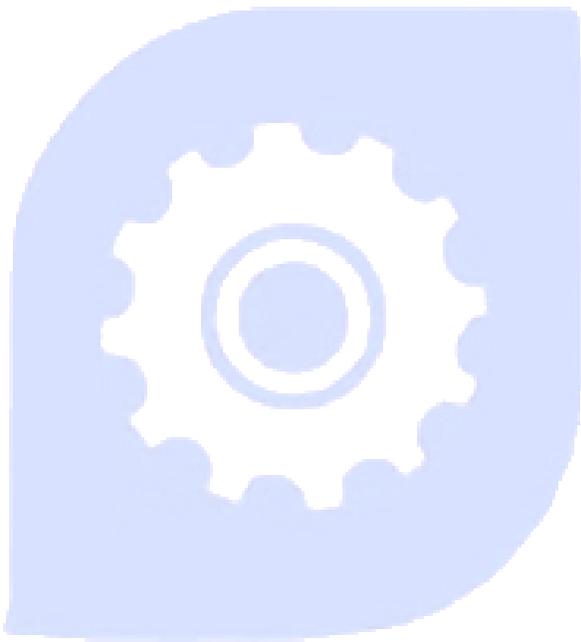
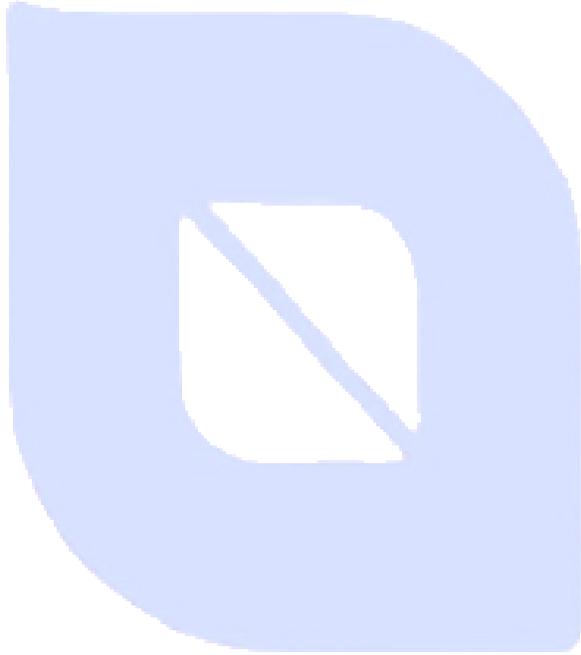
Section V:
Supplemental Information

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| FTE | Full Time Equivalent |
| GAAFR | Governmental Accounting, Auditing and Financial Reporting |
| GAAP | Generally Accepted Accounting Principles |
| GASB | Government Accounting Standards Board |
| GFC | General Facilities Charge |
| GIS | Geographical Information System |
| GMA | Growth Management Act |
| GDP | Gross Domestic Product |
| IAMAW | International Association of Machinists and Aerospace Workers, local 160 |
| IBNR | Medical expenses Incurred but Not Reported by the claimants to the insurance company |
| IT | Information Technology |
| LEOFF | Law Enforcement Officers and Firefighters Retirement System provided in the State of Washington |
| LID | Local Improvement District |
| LID | Low Impact Development |
| LGIP | Local Government Investment Pool |
| LTAC | Lodging Tax Advisory Committee |
| LTGO | Limited Tax General Obligation Bonds |
| MSDS | Material Safety Data Sheet |
| METH | Methamphetamine |
| MVE | Motor Vehicle Excise Tax |
| NLC | National League of Cities |
| NPDES | National Pollution Discharge Elimination System |

Section V:
Supplemental Information

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| NPSI | National Playground Safety Institute |
| PERS | Public Employees Retirement System |
| PS 8 | Pump Station 8 |
| PWTF | Public Works Trust Fund |
| RCW | Revised Code of Washington |
| REET | Real Estate Excise Tax |
| RFP | Request for Proposal |
| ROW | Right Of Way |
| SCA | Suburban Cities Association |
| SEPA | State Environmental Policy Act |
| SRO | School Resource Officer |
| SWAT | Special weapons and tactics team |
| SWM | Surface Water Management |
| TRCVB | Tacoma Regional Convention Visitors Bureau |
| RPCSC | Tacoma Pierce County Sports Commission |
| TPU | Tacoma Public Utilities charge |
| WASPC | Washington Association of Sheriffs and Police Chiefs |
| WCIA | Washington Cities Insurance Authority |
| WSDOT | Washington State Department of Transportation |
| ULID | Utility Local Improvement District |
| UPRR | United Pacific Rail Road |

Section V:



Washington Cities Insurance Authority (WCIA)

Risk Management

The City of Fife is a member of the Washington Cities Insurance Authority (WCIA).

Utilizing Chapter 48.62 RCW (self-insurance regulations) and Chapter 39.34 RCW (the Interlocal Cooperation Act), nine cities originally formed WCIA on January 1, 1981. WCIA was formed for the purpose of providing a pooling mechanism for jointly purchasing insurance, jointly self-insuring, and /or jointly contracting for risk management services. WCIA has a total of 126 members.

New members initially contract for a three-year term and, thereafter, automatically renew on an annual basis. A one-year withdrawal notice is required before membership can be terminated. Termination does not relieve a former member from its unresolved loss history incurred during membership.

Liability coverage is written on an occurrence basis, without deductibles. Coverage includes general, automotive, police, public officials' errors or omissions, stop gap, and employee benefit liability. Limits are a \$3 million per occurrence layer and a \$12 million per occurrence in the re-insured excess layer, with no annual aggregate stop loss except \$10 million per member for public officials' errors and omissions. The excess layer is insured by the purchase of reinsurance and insurance. Total limits are \$15 million per occurrence. The Board of Directors determines the limits and terms of coverage annually.

Insurance coverage for property, automobile physical damage, fidelity, inland marine, and boiler and machinery are purchased on a group basis. Various deductibles apply by type of coverage. Property insurance and automobile physical damage are self-funded from the members' deductible to \$500,000, for all perils other than flood and earthquake, and insured above that amount by the purchase of reinsurance.

In-house services include risk management consultation, loss control field services, claims and litigation administration, and loss analysis. WCIA contracts for the claims investigation consultants for personnel issues and land use problems, insurance brokerage, and lobbyist services.

WCIA is fully funded by its members, who make annual assessments on a prospectively rated basis, as determined by an outside, independent actuary. The assessment covers loss, loss adjustment, and administrative expenses. As outlined in the Interlocal Agreement, WCIA retains the right to additionally assess the membership for any funding shortfall.

An investment committee, using investment brokers, produces additional revenue by investment of WCIA assets in financial instruments which comply with all State guidelines. These revenues directly offset portions of the membership's annual assessment.

The Board of Directors governs WCIA, which is comprised of one designated representative from each member. The Board elects an Executive Committee and appoints a Treasurer to provide general policy direction for the organization. The WCIA Executive Director reports to the Executive Committee and is responsible for conducting the day-to-day operations of WCIA.

