Tuesday, September 3, 2024
City Council Workshop - Hybrid (In-Person & Electronic)

5:30 P.M.
City Council Workshop - Hybrid (In-Person & Electronic)
Agenda: https://go.boarddocs.com/wa/cocp/Board.nsf/goto?open&id=D8EN6X5E75D4

In-Person at College Place City Hall, 625 S College Avenue, College Place Washington

Workshop may be viewed at: Live Stream on City of College Place, Washington YouTube at https://www.youtube.com/channel/UCbx3qrqzLDL_05NusReSl-g/featured
Zoom Attendee Link: https://us06web.zoom.us/j/82559928617

Or you may call this number to listen: 1-669-900-9128 ID# 82559928617 Phone controls: *6 - toggle mute /un-mute and *9 - raise hand

1. Opening Items.

Subject :	1.01 Call To Order
Meeting :	Sep 3, 2024 - City Council Workshop - Hybrid (In-Person & Electronic)
Category :	1. Opening Items.
Access :	Public
Type :	Procedural

Public Content

Mayor Hernándezwill call the workshop to order.

Subject :	1.02 Roll Call
Meeting :	Sep 3, 2024 - City Council Workshop - Hybrid (In-Person & Electronic)
Category :	1. Opening Items.
Access :	Public
Type :	Procedural

Public Content

Mayor	Norma L. Hernández
	Paul T. Jessup,
	Michael Cleveland,
	Tito Espinoza Jr.,
Council Members	Loren Peterson,

	Melodie Williams, Heather Schermann, Monica Boyle
Staff	Administrator, Mike Rizzitiello; City Attorney, Rea Culwell; Finance Director, Brian Carleton; Public Works Director, Robert McAndrews; Police Chief, Troy Tomaras; Fire Chief, David Winter; Community Development Director, Jon Rickard; HR Manager, Shawn Doering; City Clerk, Maryelizabeth Garcia Deputy Clerk, Athen Reid

Subject :	1.03 Pledge of Allegiance
Meeting :	Sep 3, 2024 - City Council Workshop - Hybrid (In-Person & Electronic)
Category :	1. Opening Items.
Access :	Public
Type :	Procedural

Public Content

"Ipledge allegianceto the Flag of the United States of America, and to the Republic for which it stands, one Nation under God, indivisible, with liberty and justice for all."

Subject :	1.04 Public Comment -
Meeting :	Sep 3, 2024 - City Council Workshop - Hybrid (In-Person & Electronic)
Category :	1. Opening Items.
Access :	Public
Type :	Information

Public Content

Council meetings are primarily structured to permit Council Membersto arrive at the decisions necessary to govern the City.
Meeting Protocol for Public Comment:
When submitting public comments, include the following information regardless of the manner you are using: (Note that there are deadlines for writtencomments to be included in the meeting documents.)

- Your Name
- Your Address

WrittenPublic comments may be provided by submitting comment to Clerk@cpwa.usno later than 4:30 PMon the meeting date to be included in the record.(If typewritten, no less than 11 pt font).
VerbalPublic Comments may be made during the meeting:

- In-person at the meeting location - provided at the beginning of each agenda.

Telephone and Virtual Comments:
Any member of the public who desires to make a public comment at the City Council meeting by telephone or remote access, shall provide at least 24 hours notice (excluding weekends and holidays) prior to the start of the meeting at which the member of the public wants to make a comment, notify the City Clerk or designee in writing or by direct verbal communication of their desire to make a comment. Those notice shall include the member's first and last name, address or place of residence, and the topic or topics the comment will touch upon.

- Telephone comment - Call1-669-900-9128, entering the meeting ID (provided at beginning of agenda) and raise your hand (*9 to raise hand, *6 to mute/un-mute) when comments are requested.
- Virtual comment -Join using theZoom Attendee link (provided at beginning of agenda) and raise your hand when comments are requested.

Once recognized, you will have five minutes to speak on any subject that is under the control of the Council.

File Attachments

It is SO EASY to participate in public meetings!.png (224 KB)

2. Workshop Topics.

Subject :	2.01 Strategic Plan Update - Mr. Ratkai
Meeting :	Sep 3, 2024 - City Council Workshop - Hybrid (In-Person & Electronic)
Category :	2. Workshop Topics.
Access :	Public
Type :	Information

Public Content

More information to be added Tuesday morning.

File Attachments

Community Interview Report_CPWA.pdf (135 KB)
CPWA Survey Report Aug 2024 .pdf (411 KB)

Subject :	2.02 Pacificorp dba Pacific Power and Light (PP&L) - Ms. Culwell
Meeting :	Sep 3, 2024 - City Council Workshop - Hybrid (In-Person & Electronic)
Category :	2. Workshop Topics.

Access :	Public
Type :	Discussion

Public Content

Historical Perspective:

RCW 35A.47.040 authorizes the City to grant, permit, and regulate non-exclusive franchises for the use of public right of ways. Generally, each franchise must have substantially similar terms and conditions to avoid giving any one purveyor a benefit over another and to encourage competition in the market to benefit customers and to avoid any favoritism by the City. The City regulates such franchises pursuant to City Code Title 20. The granting of a franchise is memorialized in a Franchise Agreement with the City and the user.

Information for Consideration:

20 years ago, the City granted a 20-year franchise to PacifiCorp to provide electric power within City limits. PacifCorp is requesting to continue to operate its electrical service within the City, thus is requesting the City grant it a new franchise to do so. Provided with this Bill is a copy of the draft franchise agreement.

Public Works Department is reviewing the draft and any final draft will include any agreed revisions. Staff will recommend granting the franchise.

File Attachments

Franchise Agreement - PacificCorp - PP&L - DRAFT.pdf (478 KB)

Subject :	2.03 Government Finance 101 - Mr. Carleton
Meeting :	Sep 3, 2024 - City Council Workshop - Hybrid (In-Person & Electronic)
Category :	2. Workshop Topics.
Access :	Public
Type :	Information

Public Content

Historical Perspective:

Listen to the presentation by the City Finance Director and ask questions.

Information for Consideration:

The city finance director will present basic level government accounting rules as compared to private sector.

File Attachments

PowerPoint - Government Finance 101 2022(PPTX).pptx (74 KB)

Subject :	2.04 June Yard of the month - Chief Tomaras
Meeting :	Sep 3, 2024 - City Council Workshop - Hybrid (In-Person & Electronic)
Category :	2. Workshop Topics.
Access :	Public
Type :	Information

Public Content

Historical Perspective:

The City of College Place adopted a "Yard of the Month" program to be awarded during the months of June, July, August and September.

Information for Consideration:

The June yard of the month recipients are Alex Reyes and Alma Ceron who reside at 411 Mountain View drive. They have lived in College Place for 8 years

File Attachments

June 2024 YOM photo.jpg (2,441 KB)

Subject :	2.05 July Yard of the Month - Chief Tomaras
Meeting :	Sep 3, 2024 - City Council Workshop - Hybrid (In-Person & Electronic)
Category :	2. Workshop Topics.
Access :	Public
Type :	Reports

Public Content

Historical Perspective:

The City of College Place awards a yard of the month for June, July, August and September each year.

Information for Consideration:

Recipients for July 2024 are Bob & Betty Jo Wresch. They have lived in College Place for 2 years.

File Attachments

IMG_7349.JPG (5,396 KB)
IMG_7314.JPG (5,850 KB)

Subject :	2.06 August Yard of the Month - Chief Tomaras

Meeting :	Sep 3, 2024 - City Council Workshop - Hybrid (In-Person & Electronic)
Category :	2. Workshop Topics.
Access :	Public
Type :	Reports

Public Content

Historical Perspective:

Each month during June, July, August and September the City of College Place awards a yard of the month.

Information for Consideration:

The August 2024 Yard of the month recipients live at 1161 SE Scenic View Drive.

File Attachments

IMG_7527.JPG (5,650 KB)
IMG_7526.JPG (5,577 KB)
IMG_7525.JPG (5,120 KB)

3. Closing Items.

Subject :	3.01 Good of the Order
Meeting :	Sep 3, 2024 - City Council Workshop - Hybrid (In-Person & Electronic)
Category :	3. Closing Items.
Access :	Public
Type :	Discussion, Information
Subject :	3.02 Conclusion
Meeting :	Sep 3, 2024 - City Council Workshop - Hybrid (In-Person & Electronic)
Category :	3. Closing Items.
Access :	Public
Type :	Procedural

Public Content

Mayor Hernández will conclude the workshop.

City of College Place – Community Interview Report

Strategic Priorities and Goals

The City of College Place has embarked on a strategic planning process to evaluate identify its current strategic priorities and goals to establish a roadmap for the future. This is an update to the 2017 Strategic Plan. Initial feedback is an essential component of the process to establish a foundation for prioritization through the identification of the current state of the city, outline key issues, and identify common priorities.

This report focuses on the personal interview results of the City Council. These interviews provided great insight into both the current and future state of the community and city operations identifying both areas of improvement and methods by which success can continue collectively.

Personal Interview Overview

For every strategic plan, it is helpful to get feedback from elected officials prior to the retreat. That broad range of thoughts and feedback can inform areas of the retreat such as the Key Areas of Focus, Goals, Outcomes, and priorities for the future.

This is a summary of the personal interviews that were conducted with the identified community stakeholders. The interviews were conducted by phone and through Zoom online video chat. There were a standard set of questions:

- What is working well for the College Place Community right now?
- What is the community not leveraging currently that it should be?
- What perceptions about the community do you feel are adversely impacting the Community?
- IN the past 5 years, do you feel the community is moving forward in a positive, negative, or neutral manner?
- For the next 10 years, what would be your Top 3 priorities for the community?
- Looking forward 10 years, what does a "wildly successful" College Place look like?
- How do you describe the community of College Place to colleagues, family members, or friends?
- What are the priorities or outcomes you would like to see come out of the strategic planning process?
- Anything I should know that hasn't been covered above?

Because the interviews are by nature conversations, each answer led to more in-depth conversations and questions. When information was offered, follow up questions to gain more detail, suggestions and thoughts were asked.
This report focuses ONLY on the results from those interviews, which does mean that this is a very small segment of the overall information. However, it is also the most

detailed and informative, since the interviews took place in person, on the phone and via email allowing for more in-depth conversations and follow up questions.

All the conversations were completely confidential, so the information in this report has been compiled into the most common themes, and often the language was adapted to have context and make more sense in the written form. These are NOT recommendations, nor are they suggestions. This is information that will lead to a revised set of priorities and strategic plan and was offered in that context. It is important to note that some of this information will be strenuously defended by some of the interviewees, and some of this information will be strenuously denied by some of the interviewees. Because the report focuses on THEMES, not individual comments, it needs to be understood that many opinions were expressed, and **only the most commonly recurring themes are noted below**.

[Key Themes]

What is Working Well

Almost all respondents emphasized the quality of leadership, noting that the current team is the best the community has ever had. This leadership is described as visionary, proactive, and passionate.

Growth in the community has been experienced in recent years, and it was often noted that the approach to improvements to infrastructure has been positive, including the focus on improving sidewalk placement and accessibility.

The city is recognized for its efforts in getting input from residents, forming partnerships, and being responsive to issues. Residents feel that the city listens to them and cares about their needs. This effort has culminated in a positive community atmosphere through increased community events that are seen as well-planned.

Overall, the combination of effective leadership, well-managed growth, focus on accessibility, and strong community engagement are key factors contributing to the success and positive atmosphere in College Place.

Opportunities for Improvement

The responses indicate that while College Place is making significant progress, there are several areas where the community could improve or leverage untapped potential. Key concerns include the need for greater community participation, particularly among younger generations, and improving communication about community projects and successes. There's also a desire for better infrastructure, including sidewalks, bike lanes, and recycling programs. Additionally, the community could benefit from developing a more vibrant downtown area with businesses that attract people, especially on weekends. Staffing levels and compensation in city services are also highlighted as areas needing attention.

Priorities for the Future

The responses highlight a wide range of priorities for the next decade in College Place, with a focus on housing, infrastructure, community spaces, and business development. There is a strong emphasis on maintaining and improving existing services, while also planning for future growth in a balanced and thoughtful way. The importance of collaboration with neighboring Walla Walla, enhancing safety and accessibility, and fostering a vibrant community atmosphere are also key themes.

Future Vision

The vision of a "wildly successful" College Place in 10 years includes a thriving, self-sufficient community with robust retail and business opportunities, accessible services, and strong community engagement. The priorities highlight the importance of maintaining leadership, adapting to trends, and fostering a sense of belonging among residents. The community is envisioned to grow significantly while retaining its core strengths and continuing to meet the needs of its diverse population.

For the Inclusion in the Plan

The priorities and desired outcomes for the strategic planning process emphasize the need for a thoughtful, actionable, and transparent plan that supports staff, addresses community needs, and aids in securing funding. There is a strong focus on creating a plan that is realistic, consensus-driven, and aligned with the community's vision, while also addressing key issues like affordable housing, alternative transportation, and small business growth.

Summary

The interview process for the City of College Place showed that there is great pride in the community, a positive viewpoint on the current state of the community, and a desire to keep College Place on a positive trajectory.

The themes outlined above prevailed throughout the interviews and discussion with stakeholders, but do not capture additional talking points that may not be relevant to the strategic planning effort. It should be noted that interviews are one of many forms of feedback and opinion gathering and that interviews offer far more in-depth opportunities to communicate and discuss issues. The information herein was offered confidentially to help the City of College Place improve in a strategic manner in the coming years.

For questions or comments, please contact Zach Ratkai at Sageland Strategic, LLC: zach@sagelandstrategic.com or (303) 594-9569.

City of College Place Community Survey Analysis

BACKGROUND

From July 8 to August 8, a survey was conducted in College Place to gather valuable input from community stakeholders. The purpose of the survey is to ensure that the voices, ideas, and concerns of the community are actively considered in updating the College Place strategic plan. Through these outreach and engagement channels which include the survey (as well as interviews), College Place is demonstrating its commitment to inclusive decision-making and will use this data to create a strategic plan that includes the needs and aspirations of the community.

ENGAGEMENT PROCESS

The community was encouraged to engage in the strategic planning process by completing an online survey. This feedback/opinion survey is not statistically based. Demographic data was collected solely to determine the level of involvement in the library system.

55 respondents answered 12 questions (a Spanish language survey was offered, with 0 respondents):

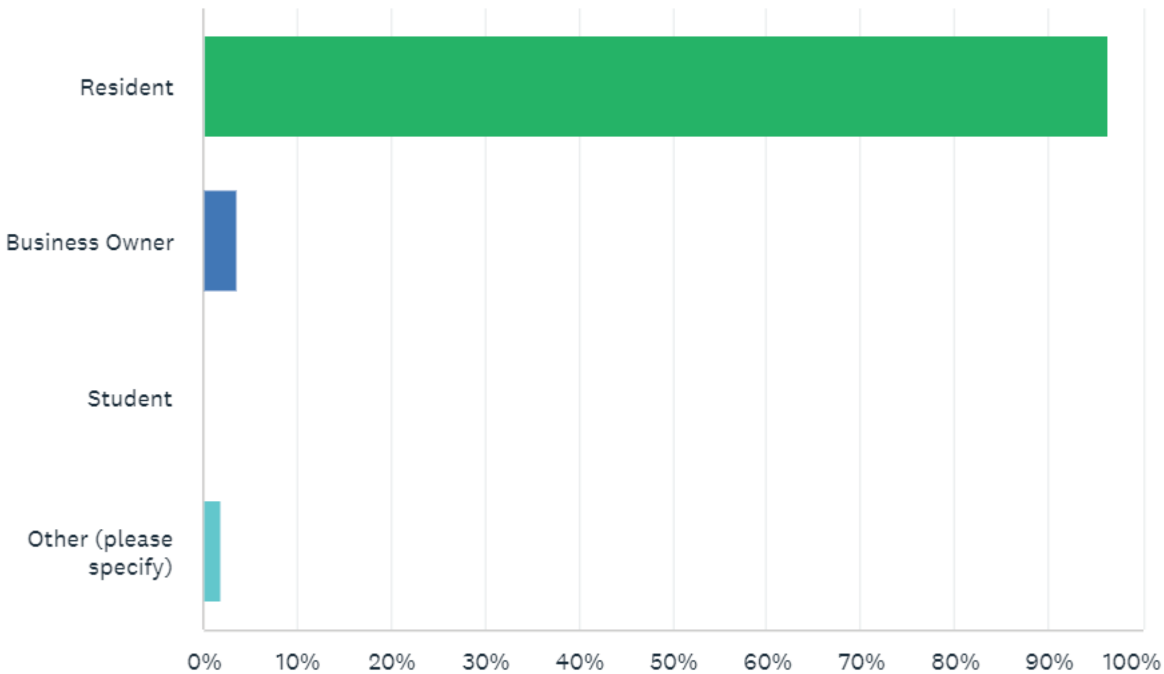
SURVEY QUESTIONS

1. Please tell us if you are a:
    a. Resident
    b. Business Owner
    c. Student
    d. Other (please specify)
2. How long have you been a resident of College Place?
3. Age Range
4. How do you feel about the direction that College Place is moving?
5. What is your involvement or level of participation in community organizations such as: service organizations, business organization, faith based groups, and youth sports among others?
6. (Ranking in order of most value to least value) What services do you feel provide you, your family, and/or your business the most value from the City of College Place?
    a. Police
    b. Fire
    c. EMS
    d. Parks
    e. Building and Planning

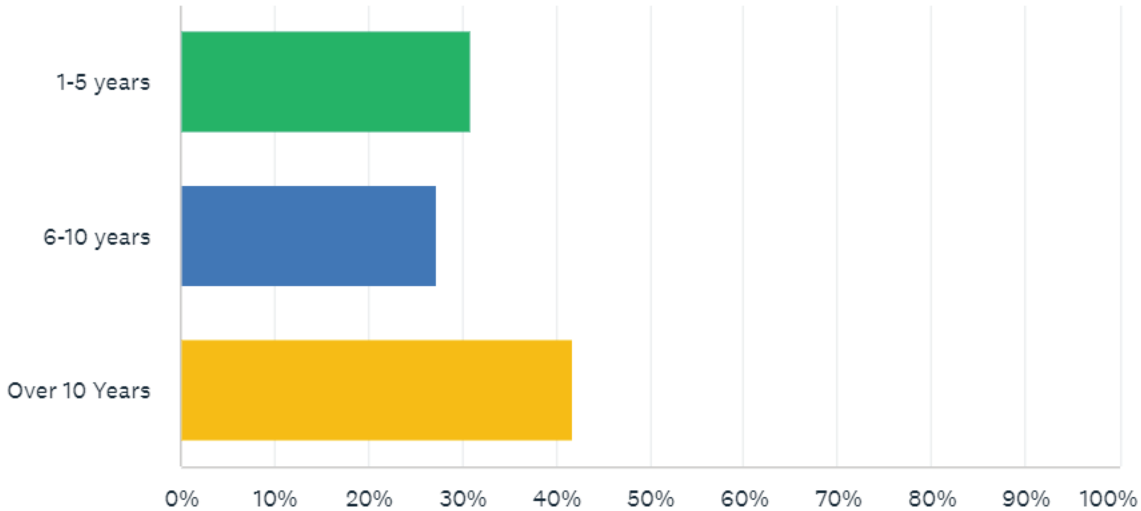
    f. Economic Development
    g. Community Events
    h. Youth Recreation
    i. General Utility Services
    j. Streets/Transportation
7. Of the above list, what is missing or lacking that the City of College Place should include/improve?
8. On a scale of 1-5, how much do you know about community services, programs, and events offered by the City of College Place?
9. What are the 3 greatest strengths of the College Place community right now?
10. Do you feel that the City of College Place is prepared to face challenges to accomplish its goals in the next 10 years?
11. What are the barriers to success that College Place may encounter in the next 10 years?
12. What are trends that you see in the region/state/country that College Place should consider moving forward?
13. What should College Place preserve in the community no matter what?
14. Name one priority for College Place to focus on in the next ten years?

KEY THEME BY QUESTION

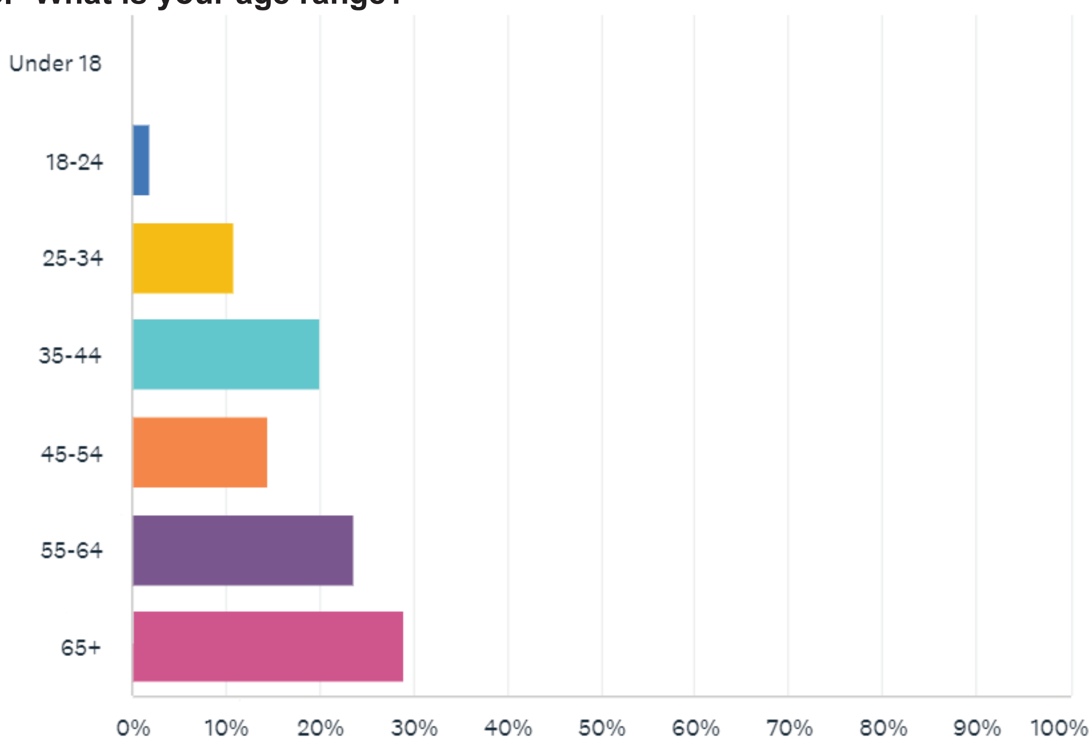
1. Please tell us if you are:
    a. A Resident
    b. A Business Owner
    c. A Student
    d. Other (please specify)



2. **How long have you been a resident of College Place?**



3. **What is your age range?**



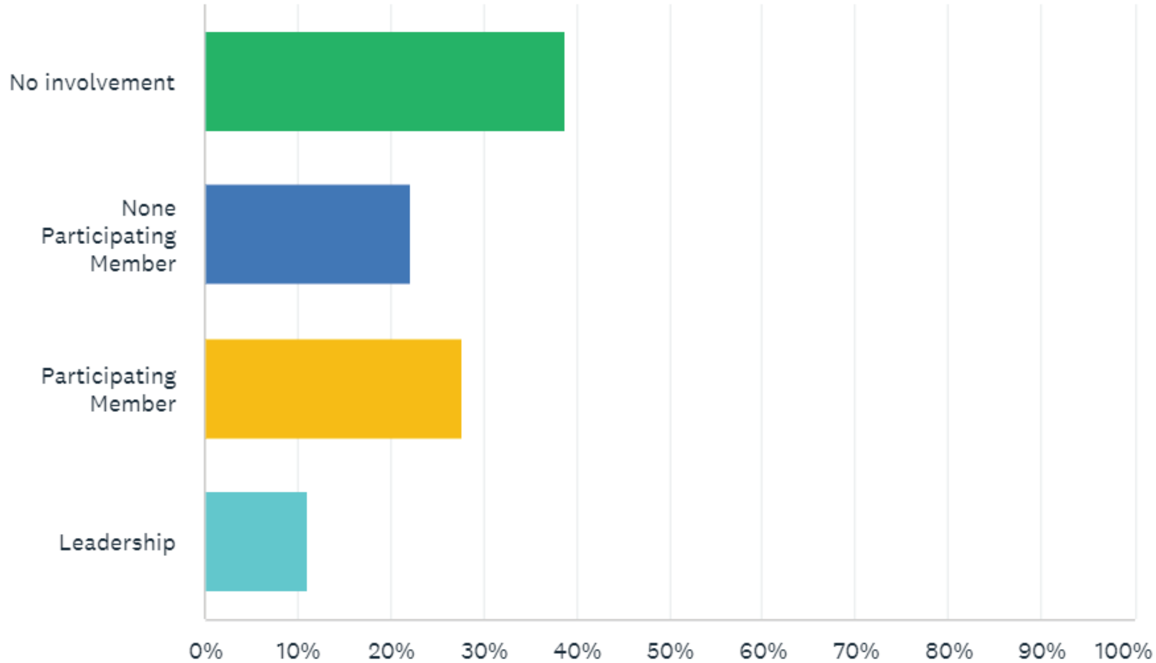
4. How do you feel about the direction that College Place is moving?

3.8

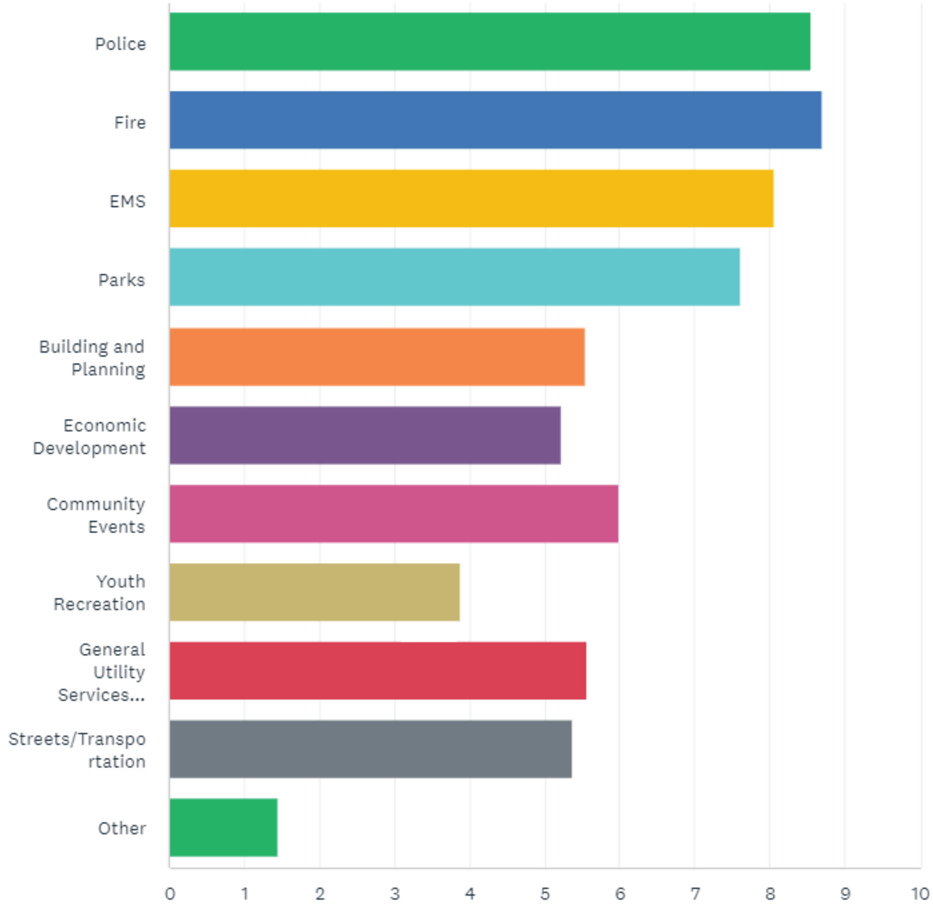
average rating

	POOR DIRECTION	(NO LABEL)	NEUTRAL	(NO LABEL)	POSITIVE DIRECTION	TOTAL	WEIGHTED AVERAGE
☆	3.92% 2	7.84% 4	29.41% 15	21.57% 11	37.25% 19	51	3.80

5. **What is your involvement or level of participation in community organizations such as: service organizations, business organization, faith based groups, and youth sports among others?**



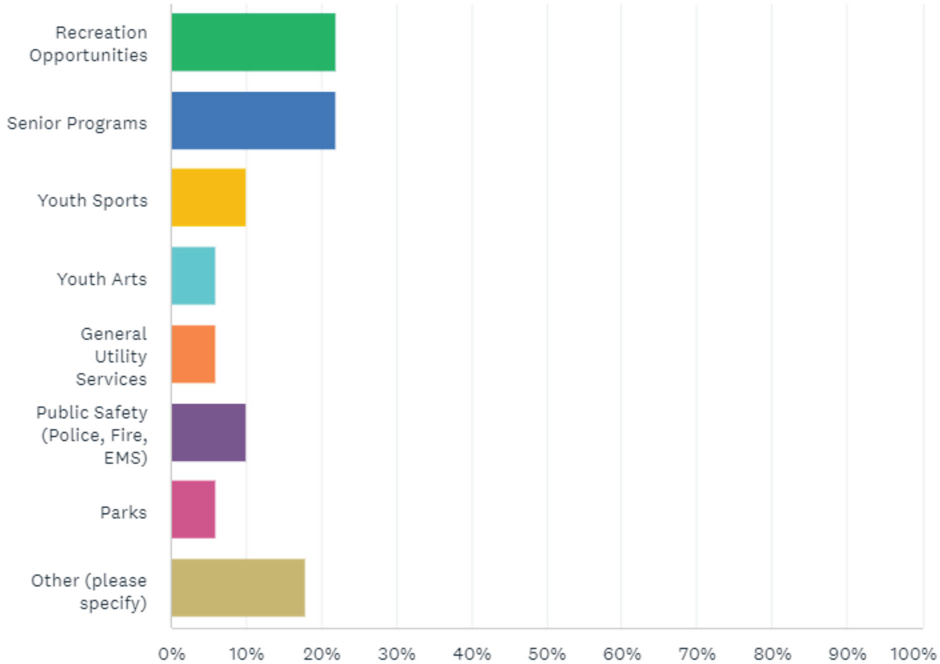
6. **(Ranking in order of most value to least value) What services do you feel provide you, your family, and/or your business the most value from the City of College Place?**



SAGELAND STRATEGIC LLC

COLLEGE PLACE WALLA WALLA VALLEY

7. **Of the above list, what is missing or lacking that the City of College Place should include/improve?**

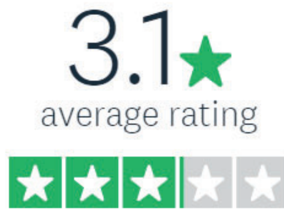


8. **On a scale of 1-5, how much do you know about community services, programs, and events offered by the City of College Place?**

(technical difficulty with answer analysis, will further analyze data and amend answer)

9. What are the 3 greatest strengths of the College Place community right now?

10. Do you feel that the City of College Place is prepared to face challenges to accomplish its goals in the next 10 years?



	NOT PREPARED	(NO LABEL)	PREPARED	(NO LABEL)	VERY PREPARED	TOTAL	WEIGHTED AVERAGE
☆	5.00% 2	17.50% 7	47.50% 19	25.00% 10	5.00% 2	40	3.08

11. What are the barriers to success that College Place may encounter in the next 10 years?

Survey respondents highlighted several concerns affecting their community, including excessive taxes, declining business revenue, and a lack of essential services like grocery stores. Issues with customer service for utilities were also reported, particularly difficulties with water billing. Respondents pointed out potential barriers to growth, such as land ownership issues, economic challenges, and balancing environmental initiatives with financial sustainability. Additionally, some others raised concerns about urban growth areas, inflation, and the financial strain of state mandates on city operations.

12. What are trends that you see in the region/state/country that College Place should consider moving forward?

Respondents emphasized the importance of historical preservation, self-sufficiency, and individuality within the community. They highlighted the need for a strong sense of community, acceptance of minorities, and a continuation of trust in leadership. Concerns were raised about reducing taxes and limiting public funding for social programs. There were calls for more inclusive recreational areas for families, investment in infrastructure, and continued support for strong police and fire programs. Additionally, respondents suggested implementing youth programs to prevent delinquency and promote positive engagement.

13. What should College Place preserve in the community no matter what?

Respondents expressed a desire to maintain a small-town feel. They emphasized the importance of fostering a strong sense of community, support, and safety, along with hosting community events. Prioritizing infrastructure improvements and dependability was also highlighted, alongside a commitment to ensuring that no child is left behind in terms of education and opportunities.

14. Name one priority for College Place to focus on in the next ten years?

35 respondents out of 55 provided an answer to the question, with the Top 10 priorities outlined below:

- Attracting more businesses to the area.
- Increasing housing availability and options.
- Supporting the growth of families within the community.
- Enhancing street infrastructure and maintenance.
- Developing affordable and diverse housing solutions.
- Encouraging economic development through new businesses.
- Improving amenities and services for families.
- Fostering a business-friendly environment.
- Addressing community infrastructure needs.
- Strengthening the local economy through strategic growth initiatives.

SUMMARY

Again, it should be noted that this is one part of several types of feedback gathered for the Strategic Plan. While all the feedback components are valuable, they must be evaluated in light of the other data and information collected during the process.

FRANCHISE AGREEMENT BETWEEN CITY OF COLLEGE PLACE AND PACIFICORP

The City of College Place, a municipal code city pursuant to Title 35A, Revised Code of Washington (RCW), ("CITY") and PacifiCorp, an Oregon Corporation dba Pacific Power and Light ("PP&L") (collectively "PARTIES") enter into this Franchise Agreement for the purposes of the CITY granting permission to PP&L to place, maintain, and operate its Facilities on, in, under, and over the CITY's right of ways.

The PARTIES hereby agree to the following:

WHEREAS, Section 35A.47.040 of the Revised Code of Washington authorizes the City to grant, permit, and regulate non-exclusive franchises for the use of public ways;

WHEREAS, the City and PP&L have drafted a Franchise Agreement to allow PP&L to operate its facilities within the City right of way;

WHEREAS, a franchise does not include, and is not a substitute for any other permit, agreement, or other authorization required by the City or required by any other agency, including without limitation, permits required in connection with construction and maintenance activities in the City's right of ways;

WHEREAS, the grant of a non-exclusive franchise requires submission to the City attorney, an affirmative vote of at least a majority of the entire City Council, and publication at least once in newspaper of general circulation; and

WHEREAS, the City Council finds that the franchise terms and conditions contained in this ordinance are in the public interest;

NOW, THEREFORE, the City Council of College Place, Washington does ordain as follows:

Section 1: Definitions:

For the purposes of this Ordinance, the following terms, phrases, words, and their derivations will have the meanings given herein wherever used. When not inconsistent with the context, words used in the present tense include the future, words in the plural include the singular, and words in the singular include the plural. Words not defined will have the meaning ascribed to those words in the College Place Municipal Code; specifically within

CPMC 20.02.020 (and as amended or recodified) - Definitions unless inconsistent herewith.

“At capacity” means the current placement of existing private and public utilities in areas of City properties, public streets, or public ways is such that any additional placement of private utilities in those areas would adversely affect the ability of the City to replace and maintain existing and planned City utilities and infrastructure according to generally accepted engineering standards.

“City” means the City of College Place, Washington, its officials, appointees, employees, volunteers, and agents.

“City property” means and includes all real property owned by the City, other than public ways, including without limitation, City parks and all property owned in fee by the City.”

“Costs” means costs, expenses, and other financial obligations of any kind whatsoever.

“CPMC”: City of College Place Municipal Code.

“Effective Date” means five days following the publication of this franchise or a summary thereof occurs in an official newspaper of the City as provided by law.

“Emergency” means a condition of imminent danger to the health, safety, or welfare of property or persons located within the City including, without limitation, damage to persons or property from accidents, terrorist acts, or natural consequences such as storms, earthquakes, riots, or wars.

“Existing” means in actual physical being upon the effective date of this franchise.

“Facilities” means all equipment providing water for human consumption through pipes or other constructed conveyances, and includes, but is not limited to, collection, treatment, storage and distribution facilities, tanks, meters, mains, valves, blow-offs, vaults, fire hydrants, risers, manholes, generators, electrical control panels, power meters, pressure reducing valves, pumps and pump stations, meter stations, lift stations, connections, fixtures, appurtenances, appliances, and other necessary or convenient facilities and appurtenances thereto for the purpose of operating water utility services, whether located on, over, through, or underground.

“Franchisee” means PP&L and the lawful successor, transferee or assignee of said person or entity subject to such conditions as defined herein.

“Governmental use” means use by any governmental agency, including but not limited to city, county, state, the federal government, or division thereof and special purpose districts.

“Incremental costs” means the actual and necessary costs incurred which exceed costs which would have otherwise been incurred. Incremental costs shall not include any part, portion, or proration of costs, of any kind whatsoever, including without limitation overhead or labor costs, which would otherwise been incurred.

“Information” means knowledge or intelligence represented by any form of writing, signs, signals, pictures, sounds, or any other symbols.

“Municipal arborist” means the person or persons designated by the City to carry out the provisions of chapter 11.70 CPMC.

“Public street” means any highway, street, alley or other public right of way for motor and pedestrian travel under the jurisdiction and control of the City which has been acquired, established, dedicated or devoted to such purposes.

“Public way” means and includes all public streets, utilities easements, and other right of ways, now or hereafter owned by the City, but only to the extent of the City’s right, title, interest or authority to grant a license or franchise to occupy and use such public way for telecommunications facilities. “Public way” does not include City property; state highways; land dedicated for roads, streets, and not opened and not improved for motor vehicle and pedestrian use by the public; structures, including poles and conduits, located within the public way; federally granted trust lands or forest board trust lands; lands owned or managed by the state parks and recreation commission; or federally granted railroad rights of way that are not open for motor vehicle use.

“Service provider” or “Person”:

“Street tree” means any tree located in, or that portion over-hanging, any public way and any tree planted on private property near a public way at the direction of the City.

“State” means the State of Washington, its agencies, departments, and governmental subdivisions and all agencies, departments and divisions of its agencies, departments, and governmental subdivisions.

“Underground facilities” means facilities located under the surface of the ground, other than underground foundations or supports for overhead facilities.

“Urban Forest” means all trees now or hereafter on or in any City properties, public street, or public ways or easement, or street trees on private property.

Section 2: Franchise

A. The City grants to Franchisee, subject to the terms and conditions of this franchise, a non-exclusive franchise to enter, occupy, and use public ways for constructing, installing, operating, maintaining, repairing, and removing Facilities necessary to provide water utility services. Except as expressly provided otherwise in this Franchise, Franchisee shall construct, install, operate, maintain, repair, and remove its facilities at its expense.

B. Any rights, privileges, and authority granted to Franchisee under this franchise are pursuant and subject to Title 20 of the College Place Municipal Code and subject to the legitimate rights of the police power of the City to adopt and enforce general ordinances necessary to protect the safety and welfare of the public, and nothing in this franchise excuses Franchisee from its obligation to comply with all applicable laws enacted by the City pursuant to such power. Any conflict between the terms or conditions of this franchise and any other present or future exercise of the City's police powers, including Title 20 CPMC will be resolved in favor of the City and its exercise of the City's police power.

C. Franchisee must abide by the College Place Municipal Code. The City specifically calls attention to CPMC 20.02 – General Provisions, CPMC 20.06 – Franchise, CPMC 20.08 – Facilities Lease, and CPMC 20.10 – Conditions of Franchises and Facilities Leases as herein enacted or later amended or recodified.

D. Nothing in this franchise excuses Franchisee of its obligation to comply with applicable federal, state and local codes, rules, regulations, and standards subject to verification by the City of such compliance to include the federal American Disability Act, the City of College Place Municipal Code Chapter 12.08 (Excavations), and the current applicable provisions of the Street Restoration Act (Resolution 890) as subsequently amended by Council.

E. Nothing in this franchise shall be construed to limit any taxing authority or other lawful authority to impose generally applicable charges or fees, or to excuse Franchisee of any obligation to pay applicable taxes, charges or fees.

F. Nothing in this franchise grants authority to Franchisee to impair, impede or damage any City property, public way, or other property, whether publicly or privately owned.

G. Nothing in this franchise shall be construed to create a duty upon the City to be responsible for construction, installation, maintenance, repair, removal and the like, of facilities, to modify public ways to accommodate Franchisee's facilities, or to act or not act as it pertains to any other user of City public ways.

H. Nothing in this franchise shall be construed to create, expand, or extend any City liability or City duty to any third-party user of Franchisee's facilities or to otherwise recognize or create third party beneficiaries to this franchise. The City's obligation is limited to that contained within this Franchise and all other obligations are to the public as a whole.

I. Nothing in this franchise shall be construed to permit Franchisee to unlawfully enter onto, over, across, or under the property or premises of another.

J. Nothing in this franchise authorizes Franchisee to enter onto, over, across, or under to construct, maintain, repair, or deconstruct improvements within any property or right-of-way of any third party without that party's permission.

K. Nothing in this franchise excuses Franchisee of its obligation to identify its facilities and proposed facilities and their location or proposed location in the public ways and to obtain use and/or development authorization and permits from the City before entering, occupying, or using public ways to construct, install, operate, maintain, repair, or remove such facilities.

Section 3: Term.

Authorization granted under this franchise shall be for a period of five (5) years from the effective date of this franchise.

A. Renewal.

Renewal of franchise is governed by CPMC 20.06.130 – Renewal of franchise, CPMC 20.06.140 – Determination by City for renewal of franchise, and 20.06.150 – Obligation to cure as a condition of renewal.

Section 4: Location of facilities.

A. Franchisee must abide by all of the codes and provisions of CPMC 20.10 – Condition of Franchises and Facilities Leases unless mentioned in this agreement.

B. With the exception of public intersections, the Franchisee shall not place any overhead crossings in accordance with CPMC 20.10.056 – Overhead lines in downtown mixed-use zone.

C. Franchisee's facilities shall not damage or impair the City's urban forest. Franchisee shall not place any overhead facilities in any area where the Public Works Director of the

City determines, in his, her, or their sole discretion in accordance with the City's Municipal Code Title 12, that the facilities may damage or impair a street tree.

D. Franchisee shall not impair or damage any City property, public way, other ways or other property, whether publicly or privately owned.

E. Franchisee's facilities shall not unreasonably interfere with the use of public ways or City property by the City, the general public, or other persons authorized to enter, occupy, or use public ways or City property. Whenever new facilities will exhaust the capacity of a public way to reasonably accommodate future users or facilities, the Franchisee shall provide nondiscriminatory access to its facilities to future users and facilities.

F. Franchisee shall provide the City with information in such form requested by the City which accurately reflects the location and configuration of all of Franchisee's facilities. Franchisee shall provide the City with updated information annually or upon request of the City.

G. Franchisee shall relocate, in whole or in part, Facilities as directed by the City, when, in the sole discretion of the City, such relocation is needed to accommodate use of the City right of way. Franchisee shall complete the relocation by the date specified by the City, unless the City, or a reviewing court, establishes a later date for completion, after a showing by Franchisee that the relocation cannot be completed by the date specified using best efforts and meeting safety and service requirements. Franchisee shall relocate its facilities at its expense except:

1. Where the Franchisee had paid for relocation costs of the same facilities at the request of the City within the past five (5) years, the Franchisee's share of the cost of relocation will be paid by the City if it requested the subsequent relocation.

2. Where the City requests relocation of underground facilities solely for aesthetic purposes, the cost of relocation shall be paid by the City; provided, however, in no event shall a request by the City to relocate overhead facilities to underground be considered to be made for aesthetic purposes. Franchisee is authorized to operate overhead facilities only as an exception to pre-existing City policies which require undergrounding, and the cost of relocating overhead facilities to underground shall be paid by the Franchisee except as provided in section 4(G)(4).

3. Where the construction, alteration, repair or improvement of a public way is primarily for private benefit, the Franchisee may seek reimbursement from the

private party or parties for the cost of relocation in the same proportion as their contribution to the costs of the project; provided, however, in no event shall the City be considered a private party for purposes of seeking reimbursement under this section.

G. Franchisee shall relocate its facilities at its expense at the request of the City in the event of an emergency, or when the Facilities create an immediate threat to the public safety, health or welfare.

Section 5: Pole, structures and property owned by others

Franchisee must abide by CPMC 20.10.460 – Use of utility poles and facilities of others, CPMC 20.10.470-Use of poles and facilities by city, and CPMC 20.10.475 – Congested utility corridors.

Section 6: Construction and installation requirements.

Franchisee must abide by CPMC 20.10.265 – Construction and installation requirements.

Section 7: Coordination of construction and installation activities and other work

A. Franchisee shall coordinate its construction, installation, maintenance, and removal activities and other work with the City in accordance with CPMC 20.10.270 – Coordination of construction activities as well as all of CPMC 20.10 – Conditions of Franchises and Facilities Leases.

B. All construction, installation, repair, and removal activities and schedules shall be coordinated, as determined by the City, to minimize public inconvenience, disruption or damages.

C. Should the Franchisee fail to identify Facilities located within a location where a City construction project occurs as requested by the City prior to the City requesting bids or qualifications, resulting in additional cost and/or delay to the City or its contractors, Franchise shall be pay to the City, its actual costs due to the failure to identify by the facilities.

D. The Franchisee shall review proposed development utility plans or other development plans that may impact the Franchisee's facilities, provided by either the City or developers whose plans are currently under review by the City and shall either approve or provide written reasons for declining to approve said plans within two weeks of proposed plans being made available to the Franchisee.

E. If construction, installation, maintenance, or removal activities is of such a nature that the City requires a use and/or development authorization and permit, Franchisee shall give notice, at its own cost, to owners and occupiers of property adjacent to such public ways indicating the nature and location of the work to be performed. Such notice shall be provided at least twenty-four (24) hours prior to start of work and the notice shall be physically posted by door hanger. Franchisee shall make a good faith effort to coordinate the work with the property owner or occupier to avoid unnecessary impacts to the property and make a good faith effort to comply with the property owner or occupier's preferences, if any, on location or placement of underground facilities, consistent with sound engineering practices.

F. Franchisee shall make available and accept the co-location of property of others within trenches excavated or used by Franchisee in the public ways provided the costs of any work are proportionately allocated between the parties or by agreement of the parties.

G. Franchisee shall, by February 1 of each year, provide the City with a schedule of its proposed construction, installation, maintenance and repair activities and other work in, on, through, under, or around, or that may affect the public ways or City property.

H. In the event of an unexpected repair or emergency, Franchisee may commence such repair and emergency response work as required under the circumstances, provided Franchisee shall notify the City as promptly as possible before such repair or emergency work commences or as soon thereafter as possible if advance notice is not practicable.

Section 8: Temporary removal, adjustment or alteration of facilities

Franchisee must abide by CPMC 20.10.135 – Temporary removal, adjustment, or alteration of facilities, CPMC 20.10.140 – Building moving, CPMC 20.10.160 – Emergency removal or relocation of facilities, CPMC 20.10.170 – Damage to facilities, and CPMC 20.10.180 – Restoration of rights-of-ways, other ways, city property, and public/private utility property.

Section 9: Safety and maintenance requirements.

A. All work authorized and required under this Franchise will be performed in a safe, thorough, and competent manner, in compliance with all applicable rules, laws, and regulations.

B. Franchisee, in accordance with applicable federal, state, and local safety requirements shall, at all times, employ ordinary care and shall use commonly accepted methods and devices for preventing failures and accidents which are likely to cause death, damage, injury, or nuisance to occur. All facilities, wherever situated or located, shall at all times be kept in a good, safe, and suitable condition. If a violation of a safety code or other applicable regulation is found to exist by the City, the City may, after discussions with Franchisee, establish a reasonable time for Franchisee to make necessary repairs or alterations. If the repairs or alterations are not made within the established time frame, the City may make the repairs or alterations or cause such repairs or alterations to occur at cost to Franchisee. By receiving this Franchise, Franchisee specifically grants to the City and its agents, permission to repair and alter Franchisee's facilities to abate the presence of an unsafe situation or the presence of a situation that may cause damage, above normal wear and tear, to any property, person or the public.

C. Franchisee, and any person acting in its behalf shall use suitable barricades, flags, flaggers, lights, flares, and other measures as required for the safety of the public during performance of work, of any kind whatsoever, in public ways to prevent, death, injury or damage to any person, property, or the public.

D. Franchisee shall maintain its Facilities in proper working order. Franchisee shall restore its facilities to proper working order upon receipt of notice from the City that facilities are not in proper working order. The City may, after discussions with Franchisee, establish a reasonable time for Franchisee to restore its Facilities to proper working order. If the Facilities are not restored to proper working order within the established time frame, the City may restore or cause to be restored, the Facilities to proper working order at the cost of Franchisee.

E. Franchisee's Facilities shall not interfere with any City operations (including, but not limited to, traffic lights, public safety radio systems, or other City communications infrastructure), or Walla Walla Emergency Services Communications, WESCOM (or its successor entity) communications operations or equipment. If the City determines that the facilities cause such interference, Franchisee shall respond to the City's request to address the source of the interference as soon as practicable, but in no event later than forty-eight (48) hours. The City may require, but written notice, that Franchisee cease operation of the specific facilities causing such interference and either modify, remove or relocate such facilities. If within ten (10) days after receipt of such written notice from the City of such interference, Franchisee has not abated such interference, such facility may be deemed an unauthorized facility and subject to summary removal consistent with the City's police power authority as described herein to protect the safety and welfare of the public.

Section 10: Removal of unauthorized facilities.

Franchisee shall abide by CPMC 20.10.150 – Removal of unauthorized facilities.

Section 11: Restoration of public ways and other property

Franchisee shall abide by CPMC 20.10.180-Restoration of right-of-ways, other ways, city property, and public/private utility property.

Section 12: Use and/or development authorization and permits.

CPMC 12.06 – Right-of-Way permits and Chapter 20.02-General Provisions shall govern this section.

Section 13: Hold harmless and assumption of risk.

A. CPMC 20.10.230-General indemnification shall govern this section.

B. Assumption of risk. Franchisee assumes all risk of damage to its facilities located in the City's public ways from activities conducted by third parties or the City. Franchisee releases and waives any and all claims against the City for damage to or destruction of the Franchisee's facilities except to the extent any such damage is caused by or arises from active sole negligence of the City.

Franchisee bears sole responsibility to insure its property. Franchisee shall ensure that its insurance contracts waive subrogation claims against the City, including its elected officials, officers, employees, servants, volunteers, appointees, agents and representatives, and Franchisee shall indemnify, defend and hold harmless the City, its elected officials, officers, employees, servants, volunteers, appointees, agents and representatives against any and all subrogation claims if it fails to do so.

Section 14: Insurance.

In addition to the provisions in CPMC 20.10.220 – Insurance, the Franchisee shall:

A. Cause each and every contractor and subcontractor to provide insurance coverage that complies with all applicable requirements of the Franchisee-provided insurance, except the Franchisee shall have the sole responsibility for determining the limits of coverage required to be obtained by Subcontractors. The Franchisee shall ensure that the City is an additional insured on each and every Subcontractor's Commercial General liability insurance policy using an endorsement at least as broad as ISO CG 2026. Subcontractors coverage is supplemental to Franchisee's, and Franchisee sets Subcontractors coverage amount at Franchisee's own risk.

B. Furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the franchise. Upon request by the City, the

Franchisee shall furnish certified copies of all required insurance policies, including endorsements, required in this franchise and evidence of all subcontractors' coverage.

If the Franchisee maintains higher insurance limits required pursuant to CPMC 20.10.220, the City shall be insured for the full available limits of Commercial General and Excess or Umbrella liability maintained by the Franchisee, irrespective of whether such limits maintained by the Franchisee are greater than those required by this franchise or whether any certificate of insurance furnished to the City evidences limits of liability lower than those maintained by the Franchisee.

Section 15: Security Fund.

CPMC 20.10.250 – Security options shall govern this section of the agreement.

Section 16: Taxes, charges, and fees.

In addition to paying the required Franchise fee and other assessments pursuant to chapter 20.06 CPMC, Franchisee shall:

A. Pay and be responsible for all applicable taxes, charges and fees imposed by the City due to this Franchise, including costs and fees assessed by the City for this application process, including approval of this franchise, inspection and review of plans, construction, installation, repair, maintenance and removal of Facilities, or the preparation of a statement pursuant to chapter 43.21C, RCW;

B. Pay and be responsible for all non-City applicable taxes, charges, fees and the like arising from or directly related to this Franchise and/or use of the public rights of way.

C. Pay and be responsible for any and all penalties and other remedies for which Franchisee may be subjected, including but not limited to CPMC 20.02.030 – Business registration required, CPMC 20.02.110 – Fees and compensation, not a tax, and 20.02.120 – Taxes are not to be a credit.

Section 17: [RESERVED]

Section 18: Access to facilities and universal service.

CPMC 20.06.110 – Nondiscrimination shall govern this section.

Section 19: Acquisition of facilities.

Upon Franchisee's acquisition of any facilities in the public way, or upon any addition or annexation to the City of any area in which Franchisee has facilities, such facilities shall immediately be subject to the terms of this franchise without further action of the City or Franchisee.

Section 20: One-call system.

Franchisee is responsible for complying with the provisions of Washington's One-Call statutes: chapter 19.122 RCW.

Section 21: Vacation of public ways.

The City reserves the right to vacate any public way, which is subject to rights, privileges, and authority granted by this franchise. If Franchisee has facilities in such public way, the City shall reserve an easement for Franchisee. Franchisee shall pay the City's costs for reserving said easement.

Section 22: Duty to provide information.

CPMC 20.06.190 – Accounts, books, and record, CPMC 20.10.190 – Facilities Maps, and CPMC 20.10.200 – Duty to provide information, shall govern this section.

Section 23: Records.

CPMC 20.06.190 – Accounts, books, and records shall govern this section.

Section 24: Assignment or Transfer.

CPMC 20.10.280 – Assignments or transfers of franchises, or leases shall govern this section.

Section 25: Operating Authority

A. Generally Applicable Design Standards **[this addressed use of poles (e.g. colocation, concealment etc – do we need this for water utility?]**

B. Third Party Requirements

1. All installations of Facilities on, in, under, or over non-City property or structure are prohibited without written permission from the property or structure owner.

2. Governing Construction or Electrical Code. All installations of Facilities shall comply with any governing construction or electrical code such as the National Electrical Safety Code, the National Electric Code, or state electrical code, as applicable.

3. Electrical Connection. The City is not responsible for providing electricity to Facilities. Any third-party utility providing such as electricity must obtain a franchise from the City prior to operating in the Rights-of-Way.

C. Water provision and Connection. The Parties understand and agree that nothing in this Franchise Agreement requires the City to provide water, provide a particular amount or flow of water, or provide a particular type of or potable water to Franchisee or any of its customers/beneficiaries. The provision or lack of provision of water by the City is governed by applicable state and federal law and Chapter 13.04 CPMC.

Section 26: Notices.

A. Any regular notice or information required or permitted to be given to the parties under this franchise may be sent to the following addresses unless otherwise specified:

The City:	City of College Place, Attn: City Clerk 625 S. College Ave. College Place, WA 99324 Phone: (509) 529-1200
Franchisee:	PacifiCorp

B. Franchisee shall additionally provide a phone number and designated responsible officials to respond to emergencies. After being notified of an emergency, Franchisee shall cooperate with the City and make best efforts to immediately respond to minimize damage, protect the health safety of the public and repair facilities to restore them to proper working order. Annually, on request of the City, Franchisee will meet with City emergency response personnel to coordinate emergency management operations and, at least once a year, at the request of the City, actively participate in emergency preparations.

Section 27: Non-waiver.

The failure of the City to exercise any rights or remedies under this franchise or to insist upon compliance with any terms or conditions of this franchise shall not be a waiver of any such rights, remedies, terms or conditions of this franchise by the City and shall not prevent the City from demanding compliance with such terms or conditions at any future time or pursuing its rights or remedies.

Section 28: Eminent domain.

This franchise is subject to the power of eminent domain. In any proceeding under eminent domain, the franchise itself shall have no value.

Section 29: Limitation of liability

CPMC 20.10.230 – General Indemnification shall govern this section.

Section 30: Damage to facilities.

CPMC 20.10.170 – Damage to facilities shall govern this section.

Section 31: Governing law and venue.

CPMC 20.10.370 – Venue of any court action shall govern this section.

Section 32: Severability

If any section, sentence, clause or phrase of this franchise or its application to any person or entity should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality will not affect the validity or constitutionality of any other section, sentence, clause or phrase of this franchise nor its application to any other person or entity.

Section 33: Miscellaneous.

A. Equal Employment and Nondiscrimination. Throughout the term of this franchise, Franchisee will fully comply with all equal employment and nondiscrimination provisions and requirements of federal, state, and local laws, and in particular, FCC rules and regulations relating thereto.

B. Descriptive Headings. The headings and titles of the sections and subsections of this franchise are for reference purposes only and do not affect the meaning or interpretation of the text herein.

C. Costs and Attorneys' Fees. If any action or suit arises in connection with this franchise, the prevailing party will be entitled to recover all of its reasonable costs, including attorneys' fees, in addition to such other relief, as the court may deem proper.

D. No Joint Venture. Nothing herein will be deemed to create a joint venture or principal-agent relationship between the parties and neither party is authorized to, nor shall either party act toward third persons or the public in any manner that would indicate any such relationship with the other.

E. Mutual Negotiation. This franchise was mutually negotiated by the Franchisee and the City and has been reviewed by the legal counsel for both parties. Neither party will be deemed to be the drafter of this franchise.

F. Third-Party Beneficiaries. There are no third-party beneficiaries to this Franchise.

G. Actions of the City or Franchisee. In performing their respective obligations under this franchise, the City and Franchisee will act in a reasonable, expeditious, and timely manner. Whenever this franchise sets forth a time for any material act to be performed by Franchisee, such time shall be deemed to be of the essence, and any failure of Franchisee to perform within the allotted time may be considered a material breach of this franchise, and sufficient grounds for the City to invoke any relevant remedy.

H. Entire Agreement. This franchise represents the entire understanding and agreement between the parties with respect to the subject matter and supersedes all prior oral and written negotiations between the parties.

I. Modification. The parties may alter, amend or modify the terms and conditions of this franchise upon written agreement of both parties to such alteration, amendment or modification. Nothing in this subsection shall impair the City's exercise of authority reserved to it under this franchise.

J. Non-exclusivity.

This franchise does not confer any exclusive right, privilege, or authority to enter, occupy or use public ways for delivery of telecommunications services or any other purposes. This franchise is granted upon the express condition that it will not in any manner prevent the City from granting other or further franchises in, on, across, over, along, under or through any public way.

K. Rights granted.

This franchise does not convey any right, title or interest in public ways, but shall be deemed only as authorization to enter, occupy, or use public ways for the limited purposes and term stated in this franchise. Further, this franchise shall not be construed as any warranty of title.

L. Contractors and subcontractors

Franchisee's contractors and subcontractors must be licensed and bonded in accordance with the City's ordinances, rules, and regulations. Work by contractors and subcontractors is subject to the same restrictions, limitations and conditions as if the work were performed by Franchisee.

M. Force Majeure

Neither party shall be liable for failure to perform the party's obligations if such failure is a result of unforeseeable Acts of God (including fire, flood, earthquake, storm, hurricane or other natural disaster), war, invasion, act of foreign enemies, hostilities (regardless of whether war is declared), terrorist activities, nationalization, government sanction, blockage, embargo, labor dispute, strike, or lockout. If a party asserts Force Majeure as an excuse for failure to perform the party's obligation, then the nonperforming party must prove that the party took reasonable steps to minimize delay or damages caused by foreseeable events, that the party substantially fulfilled all non-excused obligations, and that the other party was timely notified of the likelihood or actual occurrence of the unforeseen event.

N. College Place Municipal Code Title 20

To the extent that express provisions of this franchise conflict with Title 20 of the College Place Municipal Code, the provisions of this franchise will control.

O. Funding appropriation not required

Nothing in this franchise shall require the City to appropriate funding to fulfill the terms and conditions of this franchise.

Section 34: Acceptance of franchise.

Within thirty (30) days after the passage and approval of this ordinance, this franchise may be accepted by the Franchisee by its filing with the City Clerk an unconditional written acceptance thereof. Failure of the Franchisee to so accept this franchise within said period of time shall be deemed a rejection thereof by the Franchisee, and the rights, privileges, and authority herein granted shall, after the expiration of the 30-day period, absolutely cease and terminate, unless the time period is extended by ordinance duly passed for that purpose.

Section 35**:** The City Clerk is authorized and directed to publish a summary hereof in accordance with Revised Code of Washington §§ 35A.13.200 and 35A.12.160.

PASSED by the City Council of the City of College Place, Washington,

____
Mayor

Attest:

____
City Clerk

Form approved:

____
City Attorney

ACCEPTANCE:

The provisions of this franchise are agreed to and hereby accepted. By accepting this franchise, Franchisee covenants and agrees to perform and be bound by each and all of the terms and conditions imposed by the franchise and the municipal code and ordinances of the City.

By: ___________________________________

Printed Name: _________________________

Title: _________________________________

CERTIFICATION OF COMPLIANCE WITH CONDITIONS AND EFFECTIVE DATE:

I certify that I have received confirmation that: (1) the Franchisee returned a signed copy of this franchise to the City Council in accordance with this franchise; (2) the Franchisee has presented to the City acceptable evidence of insurance and security as required in this franchise; and (3) the Franchisee has paid all applicable processing costs set forth in the franchise.

The effective date of this franchise ordinance is: _______________ ____, 2018.

By: _________________________________

Printed Name: ________________________
Title: _______________________________

Governmental Accounting Finance "101"

Topics

- Generally Accepted Accounting Principles (GAAP)
- Basis of Accounting
- Fund Accounting
- Governmental Budgeting

Government vs Profit Business

- KEY DIFFERENCES BETWEEN GOVERNMENTS AND FOR PROFIT BUSINESSES:
  - Legal structure
  - Political process
  - Lack of profit motive
  - Government activities - resources driven by budgets
  - For profit businesses - resources driven by the free market
  - Governments are the provider of services that are not based on fees for service (although some activities that operate as Business type activities are based on user fees such as public utilities, etc.)

Government Financial Statements

- FINANCIAL STATEMENT USERS
  - Taxpayers
  - Citizens
  - Creditors
  - Legislative bodies
  - Grantors
  - Management
  - Rating agencies such as Moody’s and Fitch/S&P 500

Generally Accepted Accounting Principles

- Common standards and procedures set by policy boards used to record and report accounting information and compile financial statements.

Basis of Accounting

- Determined by when transactions are recorded in the financial statements
  - Cash
    - Transactions recorded when cash is received and disbursed
    - Easy to understand
    - Not GAAP compliant for governmental financial statements
  - Accrual
    - Used to prepare government-wide & fund financial statements
    - Revenue recorded when earned or expected to be realized
    - Expenses recorded when incurred or goods/services used
    - Cash exchange is not a factor
    - GAAP compliant
  - Modified Accrual
  - Budgetary
- Based on WA State RCW 43.09.200, the Washington State Auditor's Office allows local governments the option to report on either a GAAP or cash basis. However, while the State Auditor's Office does not require reporting on a GAAP basis, it may be a requirement of federal grants, bonds, contracts, or other oversight agencies.

4.1.7.60 **Cash basis reporting**

Advantages	Disadvantages
•Financial reports that are simpler and easier to understand and use •Clear presentation of cash flows and available cash •Financial reporting that is aligned with budgets •Financial reporting may be less costly •Less training required for staff	•Statements are focused on short-term rather than long-term financial position •Less information on non-cash assets, including infrastructure, and changes in these assets •Less information on liabilities and changes in liabilities •May not be as familiar to external user

Washington State – Budgeting, Accounting and Reporting System (BARS)

- The BARS Manual directs accounting and reporting standards for local governments in accordance with RCW 43.09.200. Its purpose is to provide:
  - 1. Uniform accounting and financial reporting to allow for meaningful use and comparison of financial data;
  - 2. Accounting and reporting instructions as a resource for local government managers; and
  - 3. A consistent framework for financial reporting to intended users, including managers, governing bodies, granting and regulatory agencies, the state Legislature, and the general public.
- The manual is maintained by the State Auditor's Office with input from the Local Government Advisory Committee. It is continuously reviewed to ensure prescription and instructions remain current and appropriate to meet the needs of intended users.
- This manual is designated for all cash basis cities, counties and special purpose districts.

Fund Accounting

- Consists of financial statements for governmental accounting entities (Funds).
- The key **difference** in for-profit and nonprofit standards is the concept of **fund accounting**, which focuses on accountability rather than profitability. Whereas a profit entity would have a general ledger, which is a single self-balancing account, nonprofits typically have a number of general ledgers, or **funds**.

- The number of separate entities (funds) varies by agency
  - Legal requirements
  - Management judgement

- City of College Place uses 33 separate funds for financial reporting.
- The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The City uses governmental, proprietary, and fiduciary funds. Each governmental fund, expendable trust, or agency fund is accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues, and expenditures. Proprietary and similar trust funds use the revenue, expenses, and equity accounts similar to businesses in the private sector. The City of College Place segregates money to funds based on use and function as is specified by the Budgeting Accounting Reporting System (BARS) cash basis manual created by the State of Washington Auditor's Office. The City of College Place has 33 active funds. Funds can be added or omitted to the city ledger of accounts based upon future updates of the BARS manual, recommendation of city finance staff, and passage of an ordinance by City Council. Types and definitions of funds are located below.

Fund Types

- **Governmental Funds** - The governmental fund is the default fund to be used to account for all activities of a government, except for those required to be accounted for in a different fund.
  - *Capital projects funds. Used to account for financial resources that have been set aside for capital outlays (usually major outlays).*
  - *Debt service funds. Used to account for financial resources that have been set aside to pay for principal and interest.*
  - *General fund. Used to account for all financial resources not being reported in any other fund.*
  - *Permanent funds. Used to account for financial resources for which only the earnings can be used for the support of government programs.*
  - *Special revenue funds. Used to account for the proceeds from targeted revenue sources for which there is a commitment for expenditures other than capital projects or debt service.*

- **Proprietary Funds** - Proprietary funds are used to account for the business-type activities of a government. The proprietary funds category includes the following funds:
  - *Enterprise funds*. These funds are used to account for any activity for which external users are charged a fee for goods and services, even when the government subsidizes a portion of the activity's costs.
  - *Internal service funds*. These funds are used to account for activities that provide goods or services to other funds, as well as departments or agencies of the primary government, or to other government entities on a cost-reimbursement basis.

- **Fiduciary Funds -** Fiduciary funds are used to report on assets held in trust for the benefit of organizations or other governments that are not part of the reporting entity. The fiduciary funds category includes the following funds:
  - *Agency (custodial) funds*. Used to report on resources held in a custodial capacity, where funds are received, temporarily invested, and remitted to other parties.
  - *Investment trust funds*. Used to report the external portion of an investment pool that is reported by the sponsoring government.
  - *Pension and employee benefit trust funds*. Used to report on assets held in trust for pension plans, other postemployment benefit plans, and employee benefit plans.
  - *Private-purpose trust funds*. Used to report on trust arrangements where individuals, private organizations, and other governments are the beneficiaries.

City of College Place Funds Listing

Governmental	001	Current Expense Fund
	005	Current Expense Reserve Fund
	012	Technology Reserve Fund
	061	Employee Benefit Reserve Fund
Special Revenue	100	Street Fund
	120	Criminal Justice Fund
	121	Forfeited Proceeds Fund
	130	Hotel/Motel Tax
Debt Service	201	ULTGO Bond Fund
	235	Commercial Drive Bond Debt Service Fund
Capital	301	Street Capital Contribution Fund
	305	Capital Improvement Fund (REET)
	306	Capital Improvement Fund (REET 2)
	309	CDBG Projects Fund
	311	Street Improvement Fund
	315	Facility Maintenance Reserve Fund (CE)
	320	Equipment Reserve Fund
	330	Economic Development Fund
	340	Economic Development Reserve Fund
Proprietary	400	Water Fund
	410	Water Capital Reserve Fund
	413	Water Capital Improvement Reserve Fund
	426	Water Bond Reserve Fund
	431	Water System Construction Fund
	401	Wastewater Fund
	411	Wastewater Capital Reserve Fund
	412	Wastewater Debt Service Fund
	425	Water Revenue Bond Fund
	402	Stormwater Fund
	403	Stormwater Capital Reserve Fund
	440	Ambulance Utility
Internal Service	500	Equipment Rental & Replacement
Fiduciary	625	Flexible Benefits Plan Fund

Reserves/Contingencies

- Adequate reserve levels are a necessary component of the City's overall financial management strategy and a key factor in external agencies' measurement of the City's financial strength. Prudent use of reserve funds enables the City to defray future costs, take advantage of matching funds, and other beneficial (but limited) opportunities. Reserve funds provide the city with the ability to exercise flexible financial planning in developing future capital projects. Reserve funds are necessary to enable the City to deal with unforeseen emergencies.
  - Unreserved Fund Balances – It is the City's policy to maintain an unreserved fund balance within all operating funds in a reasonable amount for emergency or unforeseen needs. The target ending fund balance shall be at least 17% of the budgeted revenues (excluding transfers in and interfund loan repayments) for the Current Expense Fund and at least 60 days' operating and maintenance expense for the other City operating funds.
  - Debt Service Funds – It is the City's policy to maintain, as a target, a one (1) year average annual debt service payment reserve for all debt except assessment debt.
  - Facilities Capital Reserve – The City has Facility Maintenance Reserve Fund #315 to address unforeseen City facilities capital expenditures. Contributions to the Facilities Capital Reserve Fund will be budgeted from the Real Estate Excise Tax (REET) #305 and #306 and/or Current Expense Fund #001 resources. The fund balance target to maintain in this account is $300,000.
  - Rainy Day Fund #005 – Once unreserved fund balance goals are met the City will establish a rainy day fund with the purpose of meeting any unforeseen municipal expense. Annual contributions to this fund will be budgeted from Current Expense Fund resources. All expenditures from this fund shall have prior approval of the City Council. The City will strive to achieve a target reserve fund balance of 10% of the Current Expense Fund's annual budgeted revenues (excluding transfers in and interfund loan repayments).

Budget

- The operating budget is probably a municipality's most important work product. The budget serves a number of functions:
  - At the most basic level it is a legal document that gives local government officials the authority to incur obligations and pay expenses.
  - It allocates resources among departments, reflecting the legislative body's priorities and policies, and controls how much each department may spend.
  - In most jurisdictions, the budget has evolved to include more than just financial data. Mission statements, goals, and objectives convey how budget decisions relate to a wider vision for the future of the municipality.
  - A budget can also be an evaluation tool, comparing commitments made in the previous year's budget with actual accomplishments.

Budget

- Why have a budget? Budgets play an important role for organizations of all sizes and forms. For example, budgets are used in managing the operations of government agencies, churches, hospitals, small businesses, and manufacturing companies. The expenditure levels in the budget are call appropriations and they represent spending limits.
- Appropriated Budgets
  - Appropriated budgets are mandatory in Washington State by RCW for Cities, Counties and Special Purpose Districts.
  - Budgets are adopted by:
    - Cities: by Ordinance
    - Counties: by Resolution
    - Special Purpose District: by local policy
- Budgeting affects the following managerial functions:
  - Planning, which involves setting goals to guide decisions and help motivate employees.
  - Directing, which involves decisions and actions to achieve budgeted goals.
  - Controlling, which involves comparing actual performance against the budgeted goals.

City’s Budget Process

- March — August
  - Pre-Budget Items.
  - Council retreat.
  - Update and/or adopt financial policies.
  - Public hearings for capital facility plan updates.
  - Public forums or community outreach (ex: community priorities).
  - Mayor/Administrator communicates budget objectives to staff.
- Sept 12
  - Budget request to all department heads.
- Sept 13-26
  - Department heads prepare estimates of revenues and expenditures.
  - Clerk prepares estimates for debt service and all other estimates.
- Sept 26
  - Budget estimates from department heads filed with clerk
- Oct 03
  - Clerk provides estimates filed by department heads to Mayor/Manager showing complete financial program.

City's Budget Process

- Oct 4
  - Mayor/Manager provides Council with estimates of revenues from all sources including estimates prepared by clerk for consideration of setting property tax levy.
- Mid-October to Mid-November (suggested)
  - Public hearing on revenue sources including possible increases in property tax.
- November 2
  - Mayor/Manager prepares preliminary budget and budget message.
  - Files with clerk and council.
- Nov 1–18
  - Publication notice of preliminary budget and final hearing.
- Nov 1–25
  - Public hearing(s) on preliminary budget.
  - Public hearing on revenue sources for levy setting.
- Nov 08
  - Copies of budget available to public.
- Nov 30
  - Property tax levies set by ordinance and filed with the County December.
- Dec 12
  - Final budget hearing.
- Dec 31
  - Budget adoption.

Financial Transparency

- Monthly Financial Reporting
  - Actual compared to Budget
- Financial Policy
- Comprehensive Annual Financial Reports
- Adopted Annual Budgets
- Debt Information
- All information available on City website

Questions???