City of Sequim
Adopted Budget 2024



Last updated 11/28/23

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INTRODUCTION



Transmittal Letter

City Manager's 2024 Budget Message

Honorable Mayor, City Council and Sequim Residents:

I am pleased to present the proposed 2024 City Budget to the City Council – an annual financial roadmap for the City of Sequim.

This budget appropriates resources to the city's top priorities: enhancing the City's infrastructure and facilities, ensuring the safety of our community, and improving the quality of life in Sequim. Moreover, it reflects the specialized knowledge of our city departments and underscores the Administration's appreciation to the City Council for their continued support and trust.

Our guiding principles, as outlined in the adopted City Council Financial Policies and Budget Development Policy provide the foundation for this proposed budget, which includes:

- Prioritizing the city's primary needs.
- Achieving a balance between revenues and expenses while maintaining optimal reserve levels.
- Minimizing impacts of tax and fee increases on residents and ratepayers.
- Continuously refining the City's financial plan and creating a foundation to maintain a balanced budget in future years.
- Maintaining and improving the quality of all municipal services.

This budget is a testament to the city's dedication to sound financial stewardship and prudent fiscal management. It establishes the direction for the City Council, city departments, and all programs, and services. Additionally, it embodies the 2024 Operational Goals, crafted to address the continuously expanding municipal needs across our community.

Administration's 2024 Operational Goals:

1. Improved Municipal Infrastructure: Execution of an extensive Capital Improvement Plan (CIP) addressing the vital infrastructure needs regarding city streets, water, sewer, parks, and facilities.
2. Community Engagement: Enhanced communication with residents and businesses through satisfaction surveying, improved website and social media initiatives, community (comprehensive/master) planning, park development, and quality-of-life interactions.
3. Digital Transformation: Expanding the 'smart city' initiative and e-government automation plan to decrease costs while increasing efficiencies, access, cybersecurity, employee satisfaction, and productivity.
4. Workforce Stabilization: Investing in staff retention through competitive salaries, benefits, and skill-set development and ensuring a seamless succession of senior management transitioning into their planned retirement.
5. Continual Process Improvement: Evaluating all processes for improvement opportunities by implementing efficiencies and eliminating waste in time and materials. Evaluating return on investment with every decision, mandating data-driven decisions, and expanding analytics and business intelligence across all departments.

While individual departments have their unique operational goals, there is a unified commitment to delivering exceptional value across the organization. This commitment is realized through the provision of quality municipal services, superb customer service to our residents and businesses, and reducing costs through technology and improved efficiencies identified through a tenacious process improvement model.

This budget reflects an array of economic forecasts that predict slower but continued positive economic activity due to moderate growth and a healthy retail environment. Accordingly, operational expenses demonstrate modest increases from prior years reflecting a combination of inflationary pressures, market and cost-of-living adjustments for employees, and continued maintenance and preventive measures. This forecast is reflected in our conservative revenue estimates which will continue to support street operations, equipment and replacement reserves, funding of debt service, and other General Fund services.

The City's 2024 Capital Improvement Plan (CIP) is reflective of many projects delayed or affected by COVID restrictions and supply chain issues. This budget includes capital projects for streets ($537K), parks ($450K), stormwater ($680K), water ($4.08M), sewer ($600K), facilities ($2.05M), new categories of projects that cover multiple divisions and disciplines ($2.90M), and annual projects ($1.08M) – all of which are consistent with the City Council goals and the adopted 2023 Capital Improvement Plan.

The 6-year CIP totals $106M, which includes 46 key municipal projects, 61% (or $65M) of which are unfunded outside the City's General Fund. The completion of these projects is dependent upon securing external funding via grants, low-interest loans, and/or bonds.

The City of Sequim stands out as a regional retail hub. Many people outside the city come into town for shopping, entertainment, and professional services. Recognizing this, the city extends municipal services such as parks, roads, and sidewalks to this broader community, and diligently cares for and maintains these services.

General Fund

The 2024 General Fund revenue projections are $12.68M and slightly exceed operational expenditures. Revenues are projected to increase by 2% over the prior year's conservative estimates and are reflective of current revenue performance. Operational expenses are projected to increase by 2% as well, with the most significant increases seen in charges for goods and services.

Sales tax is one of the largest single general revenue sources and the only one that typically expands or contracts per the local economy.
Utility tax revenues continue to be strong with year-over-year growth.
Property tax from new construction (although slowing) is also contributing to projected revenues.

General Fund Highlights:

- Projected revenues conservatively reflect the current economic marketplace demonstrated in recent years.
- Interfund/Overhead service costs in the General Fund are applied throughout the organization.
- Existing labor contracts and cost-of-living adjustments provide for increases and movement within existing wage ranges.

- Continued contributions to Street Operations, Equipment Reserve, Debt Service, and the Arts Funds.

Fund Balance and Reserves

The Fund Balance and Reserve Policy provides guidelines for long-range financial planning. Ending fund balances include adequate amounts for revenue fluctuations, cyclical activity, economic uncertainty, emergencies, and potential future liabilities. This budget provides for projected fund balances of $3.83M - with $3.53M in the General fund and $292K in the Street Fund. These ending fund balances in addition to $1.61M in the Equipment Reserve Fund and $1.46M in the Rainy-Day Fund, continue to maintain the City in a strong financial position.

Personnel

City employee salaries and benefits represent a significant portion of the operating expenses, including up to 71% of total expenses (excluding transfers) of the General Fund. This percentage is reflective of the costs necessary to staff governmental services supported by the General Fund. The chart below shows the City's historical staffing costs and reflects the 2024 changes.

Historical Staffing Summary

	Actual 2020	Actual 2021	Actual 2022	Budget 2023 Adopted	Budget 2024	2023 - 2024 %
Budgeted positions (FTE, not including Council)	*87.00*	*86.51*	*89.04*	*94.27*	*95.71*	*1.5%*
OFM Census	8,024	8,125	8,215	8,350	8,517	2.0%
Employees per 1000 OFM Population	*10.8*	*10.6*	*10.8*	*11.3*	*11.2*	-0.5%
				*staff estimate 2% inc.**		
Salaries	$ 6,587,800	$ 6,708,797	$ 7,265,578	$ 8,011,330	$ 8,418,836	5.1%
Benefits	$ 2,922,431	$ 2,797,830	$ 2,861,201	$ 3,577,454	$ 3,403,687	-4.9%
Total Comp	**$ 9,510,231**	**$ 9,506,627**	**$ 10,126,779**	**$ 11,588,784**	**$ 11,822,523**	2.0%
Year over Year % increase		*0.0%*	*6.5%*	*14.4%*	*2.0%*	

Total citywide compensation costs are projected to increase by 2%. This increase is reflective of one of the three bargaining unit contracts, as well as cost-of-living and market adjustments for our non-represented staff. The proposed staffing model (per thousand residents) has held relatively static over the last five years but does show a slight increase in recent years for temporary positions needed to support specific activities. In 2024, two temporary FTEs have been added to allow for cross-training with retiring personnel and one-time support for software conversion projects that extend across all major business processes.

Specifically, salaries and benefits for all bargaining units are modified by contractual increases, individual employee step increases, and longevity adjustments. Non-union employees' salaries do not include "step increases"; however, the proposed budget includes a minimal increase for these employees, as well.

2024 will continue to see organizational transitions in staffing due to planned retirements. Budgetary provisions have been included for the anticipated vacancies and cross-training of new staff. The city will continue to implement a variety of options for addressing vacancies as set forth in our succession planning processes, as developed by Human Resources and the affected department. The net increase in staffing noted above is primarily due to temporary staff.

Utilities

Establishing appropriate utility rates is extremely important. Rates not only support the costs associated with operations, but also expenses tied to master planning, capital improvement planning, and debt service. In 2020, an extensive study of utility rates was commissioned; after which, a 4% annual increase in water rates and a 2% increase in sewer rates were recommended through 2030. With this data and recommendation, the City Council authorized rate increases of 3% for each utility from 2023 through 2025. While any recommendation to the City Council regarding a rate increase is difficult, such will always be firmly based on current and quantitative data. To that end, when city staff updated the financial model from the 2020 comprehensive utility rate study, the data led to a staff recommendation for a 3% annual increase for each utility over a three-year period.

It is worth noting that the average total utility bill (water/sewer) for a single-family residence, based upon 500 cubic feet of water consumption, has risen by an average of just 1% annually over the last 9 years (a total increase of only $2.83). Many families, specifically those using 1,000 cubic feet or more, have seen their monthly bills decrease, primarily due to the removal of the higher two-tiered sewer rate. Therefore, the administration has diligently complied with budget policy to "minimize the impact of any tax and fee increases on residents."

The general consensus, though debatable, is that regular smaller rate increases to address rising costs are more manageable for residents than infrequent, larger rate increases. As a result, the 2024 budgeted utility revenues are only slightly higher than in 2023. This increase is due to the proposed rate increase mentioned earlier and the anticipated growth in the number of utility accounts. Following the City Council's direction, the low-income discount program has been continued, offering reduced utility bills for those who qualify.

The utility debt service in 2024 is $317K for Sewer and $480K for Water Funds. Major repair and replacement projects are planned, as are smaller ongoing maintenance projects for both water and sewer. Completing these projects will require utilizing fund balances, loans, grants, and developer fees. Please see individual project details in the Capital Projects and Utilities section of the Detailed Budget.

Community Requests for City Funding

During the annual budget process, the city reviews requests for service contracts from the community; such as a contract with the Sequim-Dungeness Valley Chamber of Commerce to operate the Visitor Information Center. Additionally, the 35% rise in human service funding included in the 2023 budget has been included in the 2024 budget.

The recommended budget allocations for outside agencies are as follows:

Chamber of Commerce Visitor Information Center (lodging tax funds)	$97,000
Human Services Contracts – increased	$ 133,100
Community Services Funding – static	$ 45,500
Economic Development Contracts – static	$ 35,000

Civic Center Debt Service

In 2024, debt service on the bonds financing the Civic Center will continue. The City's annual General Obligation (GO) debt over 30 years is approximately $665,000. Funding sources to service this debt are shown below. When feasible, the city builds these reserves to enable the prepayment of Civic Center-related debt.

Funding Source:	**2023**	**2024**
Public Safety Tax	$290,000	$350,000
REET Transfer	$ 75,000	$100,000
General Fund	$335,000	$250,000
Total:	**$700,000**	**$700,000**

The annual Utility Revenue Bond debt service (over 20 years) related to the Civic Center is $225K.

Conclusion

I am proud to present this balanced budget which meets the long-term needs of the city in consideration of the current economic reality and financial trends. This budget has undergone substantial internal review and discussion. I am also pleased that this budget contains appropriations to maintain staffing and deliver vital municipal services while addressing City Council goals and community needs. Statutorily, the City Council's role now is to review this proposed budget.

This 2024 Budget addresses the city's top priorities for municipal services and capital requirements, allowing for the achievement of key operational goals. This budget aligns with the "dashboard" that reflects key metrics for all municipal services indicating accurate, quantitative, and timely Sequim ratings alongside national comparisons.

This budget reflects the administration's Vision "to be Washington's most sought-after city to work and live in", and our Mission "to provide maximum VALUE to our community by: provision of high-quality municipal services, ensuring superb customer (co-workers, citizens, businesses) satisfaction, and decreasing costs through technology and improved efficiencies". The administration and the senior management team remain committed to demonstrating effective leadership at all levels and encouraging innovative problem-solving while adapting to the changing community needs and regional environment.

Finally, it should be clearly noted that the preparation and adoption of the budget is a team effort, involving leadership, staff, and City Council members. Sincere appreciation goes out to our department directors for submitting conservative budget requests and for considering alternative ways to accomplish priorities. Special thanks also go to the Administrative Services finance staff for their assistance in contributing endless hours and detailed preparation of this budget. Finally, sincere appreciation is extended to City Council members for their leadership in adopting financial policies and prudent fiscal guidelines that have been foundational for this proposed 2024 Budget.

Respectfully submitted,

Matthew B. Huish
City Manager

City Council Vision and Goals

2023 - 2024 Sequim City Council Vision and Goals



History of City



The City of Sequim is located on the north Olympic Peninsula in the northwest corner of Washington State. It is a semi-rural city, with a population of approximately 8,000 citizens, and covers six square miles. The City is surrounded by the Sequim-Dungeness Valley, which lies in unincorporated Clallam County and is home to an additional 25,000 residents who rely on the City of Sequim for certain amenities and community activities. Valued for the beauty of its natural surroundings, the City is bordered by the Olympic Mountains to the south and the Strait of Juan de Fuca to the north. Due to a rain shadow caused by the surrounding mountains, Sequim is one of the driest places in western Washington, averaging 16 inches in annual rainfall.

The City of Sequim is in a semi-remote location and is separated from the largest population base in the state, the Seattle – Tacoma Metropolitan areas, by two bodies of water: the Puget Sound and the Hood Canal. There are several transportation routes to Sequim and the Olympic Peninsula including Washington State Ferries through Kingston, Bremerton, and Bainbridge Island, and state routes 104 and 101 once across the Hood Canal Bridge. Trips from Seattle generally take two hours and from Tacoma approximately one hour and forty-five minutes.

Sequim History

Settlement of the Dungeness area by men of European ancestry began more than 150 years ago in the mid 1850's. Not that the land had been totally unoccupied before. For thousands of years, ancestors of the S'Klallam Tribe had fished the rich waters of Dungeness River, the Strait and Sequim Bay. They had made their homes along the beach, hunted in the dark forests and moved inland along the river and streams in search of food. The town was originally named Seguin, translated from the native Klallam language as "hunting place." According to legend, a postal clerk in the east misread the "g" and the "n" and the town was renamed to Sequim in 1907.

Formed by a group of local farmers, the Sequim Prairie Ditch Company built and opened a series of wooden flumes and irrigation ditches in 1896 bringing much needed water from the Dungeness River to the arid valley. A celebration was held on May 1, 1896 to commemorate the first irrigation ditch and the celebration continues to this day with the annual Irrigation Festival, now in its 128th year. It is the longest continuous running community festival in the state of Washington.

With a population of more than 300 residents, Sequim was incorporated in 1913 as a town. Jilson White, a local salesman was elected as the first mayor and a town council of five men was created to establish ordinances to promote public safety and regulate businesses. In 1973 the town of Sequim was advanced to the classification of city with a council of seven members and the election of all officers: mayor, council, treasurer, clerk, and attorney. In 1995 the City adopted the Council/ Manager form of government. The citizens now elect the City Council, which elects one of its members as mayor, one as deputy mayor, and hires a professional City Manager.



In 1915 railroad passenger and freight service between Port Angeles and Sequim and Sequim and Port Townsend was established allowing Sequim to become an agricultural center, and to grow and prosper.

In the 1920s and 1930s, Sequim thrived as a dairy farming community. The lush valley continued to prosper with fields of alfalfa and other grains. In 1922, the town purchased a private water system utilizing wells and small springs on the prairie. Seven years later bonds were issued to extend the system to secure a water supply from the Dungeness River.

In 1934 the University of Washington declared Sequim was “The Healthiest Place in the World.” 1936 brought Sequim’s largest project of the decade, bonding and building a sewer system with 246 connections. In 1947, the Town had a population of 880 and its first annexation since the beginning of the century. In 1950, the Town bought its first police car and established a curfew. For many years, Sequim streets remained unpaved. By 1950 residents began to protest the condition of the streets and surfacing began. The first paving project was completed in 1957. The City Council directed that horses were to be kept off all resurfaced streets.

In 1961 Washington State Governor Albert D. Rosellini cut a ribbon to open the Hood Canal Bridge, connecting the Olympic Peninsula to the larger metropolitan area. Sequim was first touted nationally as a good retirement location in 1966. In the latter half of the decade, many of the dairy farms were being sold and the land annexed into the city.
Progress continued and the City opened a modern sewage treatment plant in 1967 and established a Police Department in 1970.



Developers began noticing the Sequim-Dungeness Valley and by 1973, Sequim’s population had risen to 2,287. The City Council responded to the rapid growth and passed a comprehensive planning/zoning ordinance.

A new city hall opened on Cedar Street in 1973. The building cost $110,000. In 1974, Sequim had a population of 2,600 and voters approved a measure to reclassify Sequim as a city.

In anticipation of the Highway 101 by-pass completion, Sequim 2000, a Chamber of Commerce committee, was formed in 1995 to spark ways to increase tourism in the area. One of the ideas of the committee was the concept of fields of flowers. That concept evolved into the commercial production of lavender. In 1997 there were seven lavender farms in the valley. Today there are more than two dozen lavender farms and lavender product businesses in the Sequim-Dungeness Valley and Sequim is recognized as the Lavender Capital of North America. The first Lavender Festival was held in downtown Sequim in 1997 and drew several hundred local attendees. Today, Sequim Lavender Weekend, home to the Sequim Lavender Festival Street Fair, lavender farm festivals and events, and community events, is the premier lavender celebration in the country and draws approximately 30,000 visitors from all over the world for the three day event.

The Highway 101 bi-pass opened in 2000 taking drivers along the south side of the City instead of down Washington Street, the City's main arterial. While local merchants feared this would divert business from their stores, the reduced traffic actually made it easier for patrons to get to their desired location. The face of Sequim changed dramatically in the beginning of the 21st Century with the development of a regional retail center at the west end of the City. Housing developments and real estate boomed until the 2008 recession began.



A new Civic Center, housing the Police Department, City Hall, and a Community Plaza was designed and constructed between 2013 and 2015. The new facility brought most City services under the same roof for the first time in decades. The facility cost $14.5 million and was financed by a Sequim voter approved .1% Public Safety Tax, which helps to pay a portion of the Police Station, $10.4 million in municipal bonds were sold in 2013 to pay for construction, and $3 million in utility bonds were sold to pay for the utility portion of the building. The Civic Center received a Gold Certificate from Leadership in Energy and Environmental Design (LEED) in 2016.

Sequim saw its largest population growth through the early part of the 21st century and has grown from 4,334 residents in 2000 to 8,200 in 2022.

Local Economy

The economy in Sequim has grown along with its population and has diversified from an agricultural base to become a regional retail center, a nucleus for medical and community services, and an internationally recognized tourism destination. There are currently 1,673 active business licenses in the City of Sequim, representing a 34% increase from 2013, when the City began using the Department of Revenue's Master Business License database.

Regional Retail

The retail economy in Sequim began its major expansion with the 2003 announcement that Walmart was building a store on the west end of the City. The store opened in October 2004 and expanded in 2012 by adding a full grocery. After the opening of Walmart, the west end of Sequim quickly developed into a regional center for national brand stores. Home Depot, Costco, Office Depot, Petco, Starbucks, Discount Tires, Sleep Country USA, Michaels, and Ross Dress for Less are all located within close proximity, making Sequim the regional retail center for the Olympic Peninsula.

In addition to national brand retailers, Sequim enjoys a vibrant, walkable downtown core, which serves as the cultural and civic heart of the Sequim-Dungeness Valley. Filled with unique family-owned shops that offer locally produced products as well as antiques, and specialty items, downtown Sequim is a welcoming attraction for local residents and tourists. The downtown core has an active merchant group who work together to develop programs and events to enhance the experience of visiting downtown. Local restaurants, coffee shops, and wine tasting rooms bring diversity and offer hospitality for visitors. Recognizing the importance of a healthy downtown area to the continued success of the City, the Sequim City Council adopted a Downtown Plan in July of 2011 which provides a strategic guide for the growth, development, and visual style of the area. Since the plan's adoption, refinement has been made to the relevant zoning codes to ensure development remains consistent with the plan's vision. Additionally, a streetscaping program to establish color schemes and standards for street furniture and signage has been developed and was implemented in the summer of 2013.

Retail sales are an important component of the City of Sequim economy providing between 60 – 67% of the sales tax annually.





Medical Services

In response to the needs of a growing population, the medical industry in Sequim has expanded over the past decade to provide state of the art services to local residents. Olympic Medical Center, located in the City of Port Angeles 15 miles west of Sequim opened the Olympic Medical Center Physicians Specialty Clinic in Sequim in 2002. The clinic provides services in the areas of cardiology, gastroenterology, neurology, pulmonary medicine, sleep medicine, urology, and critical care. Through the Olympic Medical Cancer Center in Sequim, local patients have full access to the world-renowned therapies developed at the Fred Hutchinson Cancer Research Center, University of Washington Medicine, and the Seattle Children's Hospital. The Olympic Medical Center also operates an orthopedic clinic, medical imaging center, and a walk-in clinic in Sequim.

In addition to the services provided by the Olympic Medical Center, Sequim is home to a wide range of medical services including primary care physicians, dental care services, and vision care services for the whole family.

The Jamestown S'Klallam Tribe opened the Jamestown Family Health Clinic in Sequim in 2002, renting offices from Olympic Medical Center. The Jamestown Family Health Clinic moved to its current location in 2010, expanding capacity to meet the needs of the growing retirement population in Sequim. The clinic is open to non-tribal community members as well as Jamestown S'Klallam Tribal citizens. Services offered include: family practice, preventative care, geriatric care, chronic disease management, women's health, annual wellness visits, pharmacist consultation, behavioral health counseling, anticoagulation management, diabetes management and minor surgery.

The growing medical industry in Sequim enhances the livability of the City for residents of all ages and provides a growing number of family wage jobs to the support the local economy.



Tourism

Tourism is an important component of the City of Sequim's economy. There are over 360 hotel rooms in the city, as well as bed and breakfast facilities, vacation rental homes, and recreational vehicle parks offering visitors a wide range of lodging choices for their stay. Local restaurants and many retail establishments benefit from tourists that visit Sequim throughout the year. In addition to bringing outside dollars into the local economy, accommodations and food services account for between 10% and 15% of Sequim's sales tax.

Surrounded by the natural beauty of the Olympic Mountains to the south, the waters of the Strait of Juan de Fuca to the north, and Sequim Bay to the east, outdoor enthusiasts are drawn to Sequim for hiking, boating, and fishing. The 130 mile long Olympic Discovery Trail runs through the City of Sequim and is a destination for bikers, walkers, and runners.

Sequim is most well-known on a national and international level for the family-owned farms that grow the herb lavender. Each year the Sequim Lavender Weekend, home of the Sequim Lavender Festival Street Fair, lavender farm festivals and events, and community events, draws approximately 30,000 visitors for the three days of festivities. Thousands of other tourists visit Sequim throughout the summer months while the lavender is in bloom and during the harvest season.



The Sequim Sunshine Festival was introduced in 2020 to celebrate one of Sequim's best-known features – Sunshine. The festival celebrates the end of winter and the coming of the spring and summer seasons. The Sun Fun Color Run and illuminated drone show have become festival favorites. The festival was reduced and modified in 2021 to ensure a safe event in the middle of the COVID-19 pandemic but returned with a full festival in 2022. Plans are currently underway for 2024.

Sequim is also host to the Sequim Irrigation Festival. Now in its 129th year, it is the longest running community festival in the state of Washington. The events take place the first two weekends in May and include a carnival, logging show, strongman competition, arts and crafts fair, and a grand parade. The Sequim Irrigation Festival is staffed entirely with volunteers. Over a hundred people are involved in the making of the Irrigation Festival. Individuals and businesses within Sequim contribute money, goods and services to help put on the festival.



The Olympic Game Farm is located just outside of the city and is home to many species of animals, including many veterans of the film industry. The farm worked exclusively for Walt Disney Studios for 28 years and was used as a film location for many popular productions including “Charlie the Lonesome Cougar”, “The Incredible Journey”, “White Wilderness”, and the “Grizzly Adams” television and movie series. Visitors can take a self-guided driving tour and feed animals from their cars. National media attention has been given to the Kodiak bears that will wave to visitors in the hopes of getting a rewarding treat.

The Dungeness Spit is part of the Dungeness National Wildlife Refuge. With over 250 documented species of birds, as well as land and marine mammals, is an international attraction for bird and wildlife enthusiasts. The 5.5 mile spit is the longest natural sand spit in North America. At the end of the spit is the New Dungeness Lighthouse where tours are available.

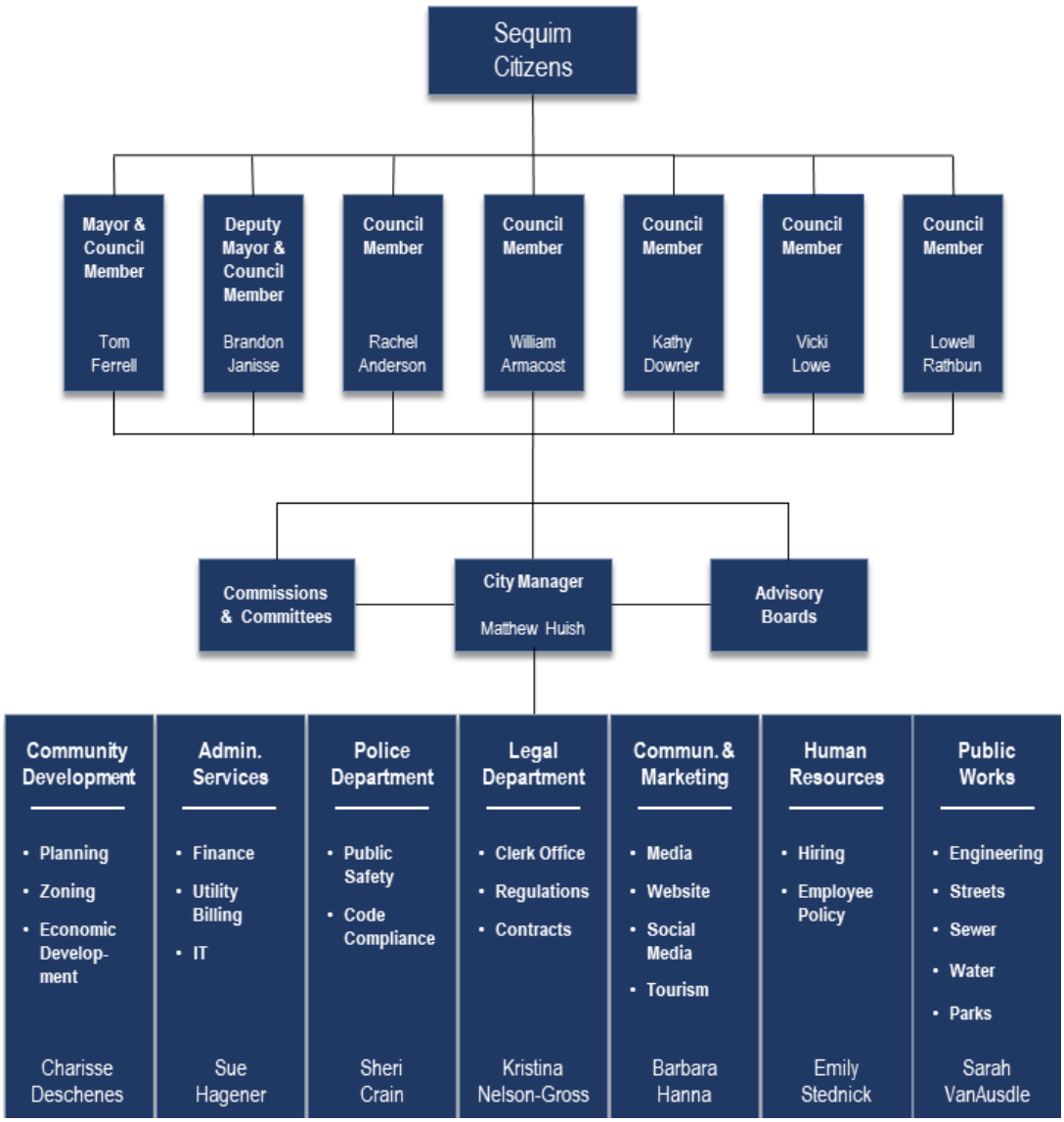
With Sequim’s close proximity to the Seattle-Tacoma metropolitan areas, it is an easy weekend destination as well as a desirable, central place to stay for tourists visiting the Olympic National Park, the city of Fork made famous by the “Twilight” books and movies, and the Victorian seaport of neighboring city, Port Townsend.

Community Services

The City of Sequim is home to the many essential community service agencies that serve the population of the Sequim-Dungeness Valley. The Sequim School District delivers kindergarten through grade 12 education for more than 2,700 students. The Sequim Library is part of the North Olympic Library System. In addition to its collection of over 55,000 books and videos, the library makes available community meeting rooms and computers for public use. The City of Sequim is served by Clallam County Fire District No. 3, which houses its headquarter office in the city and provides emergency and non-emergency response services. The Sequim Senior Center provides a community focal point for the area’s senior population and offers support and training as well as social activities. The Port of Port Angeles focuses on economic development in Clallam County and operates the John Wayne Marina on Sequim Bay. The marina was constructed in 1982 on 22 acres of land donated by the John Wayne family and was named “Best of the West” for small marinas by SEA Magazine. Additionally, two Rotary Clubs, the Lions Club, Soroptomist International, and Elks Club serve the City and the community through special projects and support of local charities.



Organization Chart



Council/Manager Form of Government

COUNCIL

TOM FERRELL (Mayor)	***BRANDON JANISSE (Deputy Mayor)***
RACHEL ANDERSON	***WILLIAM ARMACOST***
KATHY DOWNER	***VICKI LOWE***
LOWELL RATHBUN	

CITY MANAGER	Matthew Huish

Deputy City Manager / Director of Community Development	Charisse Deschenes
Administrative Services Director	Sue Hagener
Chief of Police	Sheri Crain
City Attorney	Kristina Nelson-Gross
City Clerk	Amy Aschenbrenner
Communications & Marketing Director	Barbara Hanna
Public Works Director	Sarah VanAusdle
Human Resource Director	Emily Stednick

BUDGET MANAGERS / STAFF

ADMINISTRATIVE SERVICES

Accounting Manager	Leslie White
IT Manager	Anthony Martin
Budget Analyst	Becky Erskine

CITY ADMINISTRATION

Human Resources Analyst	Marta Johnson
Paralegal	Erika Hamerquist
Legal Assistant / Risk Analyst	Tellina Sandaine
Arts Coordinator	Sarah Hurt
Marketing Coordinator	Patsene Dashiell
Assistant City Clerk	Heather Robley

POLICE

Deputy Police Chief	Mike Hill
Support Services Supervisor	Tiffany Banning

PUBLIC WORKS

Deputy Public Works Director/City Engineer	Nick Dostie
Operations Manager	Ty Brown
Sr. Management Analyst	Amy Dougherty
Parks and Facilities Manager	Hannah Merrill
Utilities Manager	Pete Tjemsland
Resource Analyst	Meggan Uecker

CATEGORY 2 CODE CITY, CLASSIFIED UTILITIES
2020 OFFICIAL CENSUS 8,024
2023 OFM ESTIMATE 8,350

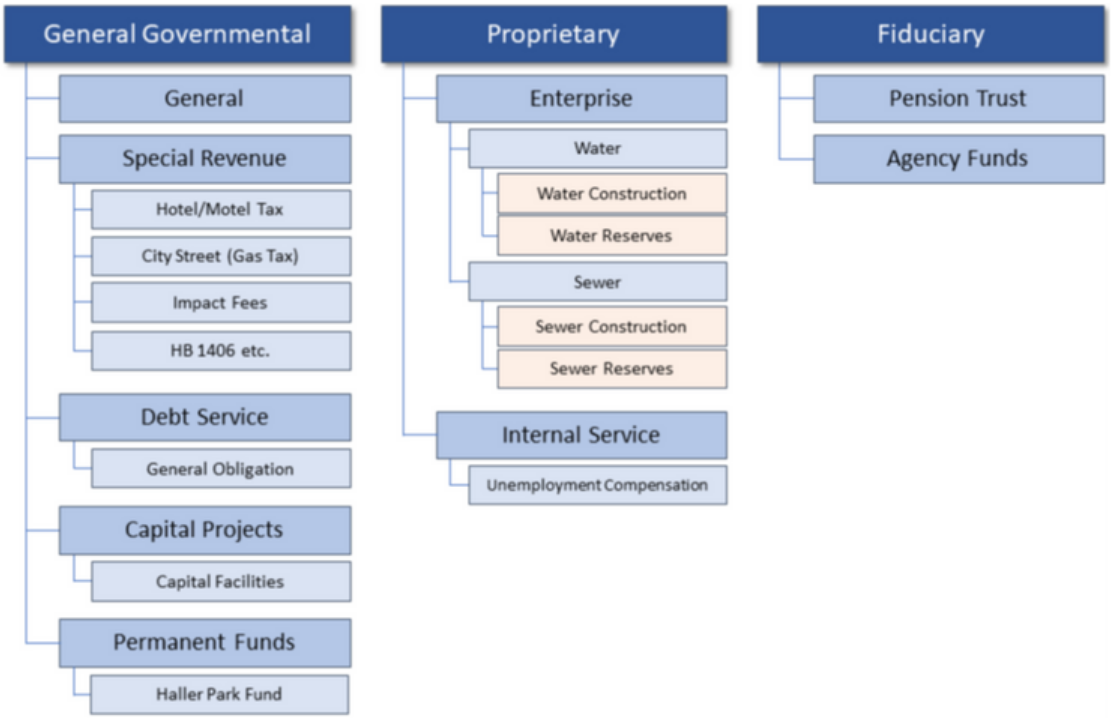
Fund Structure

The City of Sequim reports financial activity in accordance with the *Cash Basis Budgeting, Accounting and Reporting System* (BARS) Manual prescribed by the State Auditors' Office under the authority of Washington State law, Chapter 43.09 RCW. This manual prescribes a financial reporting framework that differs from generally accepted accounting principles (GAAP) in the following manner:

- Financial transactions are recognized on a cash basis of accounting.
- Component units are required to be disclosed but are not included in the financial statements.
- Government-wide statements, as defined in GAAP, are not presented.
- All funds are presented rather than a focus on major funds.
- The *Schedule of Liabilities* is required to be presented with the financial statements as supplementary information.
- Supplementary information required by GAAP is not presented.

Financial transactions of the government are reported in individual funds. Each fund uses a separate set of self-balancing accounts that comprises its cash and investments, revenues and expenditures. The government's resources are allocated to and accounted for in individual funds depending on their intended purpose. The following fund types are used:

Fund Types



Governmental Fund Types:

General Fund
This fund is the primary operating fund of the government. It accounts for all financial resources except those required or elected to be accounted for in another fund.

Special Revenue Funds
These funds account for specific revenue sources that are restricted or committed to expenditures for specified purposes of the government.

Debt Service Funds
These funds account for the financial resources that are restricted, committed, or assigned to expenditures for principal, interest and related costs on general long-term debt.

Capital Projects Funds
These funds account for financial resources which are restricted, committed, or assigned for the acquisition or construction of capital facilities or other capital assets

Permanent Funds
These funds are used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the City's government programs.

Proprietary Fund Types:

Enterprise Funds
These funds account for operations that provide goods or services to the general public and are supported primarily through user charges. An enterprise fund is legally required to recover the cost of those services, including related debt service and capital costs, through user charges.

Internal Service Funds
These funds account for operations that provide goods or services to other departments or funds of the government on a cost reimbursement basis.

Fiduciary Fund Types:

Fiduciary Funds
These funds are used to account for assets that the government holds on behalf of others in a custodial capacity.

Financial statements are prepared using the cash basis of accounting and measurement focus. Revenues are recognized when cash is received and expenditures are recognized when paid. In accordance with state law, the City also recognizes expenditures paid during twenty days after the close of the fiscal year for claims incurred during the previous period.

Department Fund Relationship

Department	Division	Sub Fund	Associated Fund
Council			
		City Council	001-General Fund
City Administration			
	City Administration Organization		
		City Clerk	001-General Fund
		City Manager	001-General Fund
		City Attorney	001-General Fund
		Communications	001-General Fund
		Human Resources	001-General Fund
		Criminal Justice Services	001-General Fund
	City Administration Special Funds		
		Hotel/Motel	115-Lodging Tax Hotel/Motel
		Arts & Culture-Arts Commission Programs	160-Arts & Culture-Arts Commission
Administrative Services			
	Administrative Services Department		
		Finance	001-General Fund
		IT (Information Technology)	001-General Fund
		Non-Departmental	001-General Fund
	Administrative Services -Other		
		Affordable Housing HB 1406	112-Affordable Housing
		REET	150-Real Estate Excise Tax
		American Rescue Plan Act	180-American Rescue Plan Act
		Rainy Day Fund	199-Rainy Day Fund
		Debt Service Fund-City Hall	206-Debt Service Fund-City Hall
		Equipment Reserve	164-Equipment Reserve
		Trust and Agency Funds	Trust, Agency & Permanent Funds
Community Development			
	Community Development		
		Growth Planning / Development Services	001-General Fund
Police			
	Public Safety Operations		
		Police Department	001-General Fund
	Public Safety Restricted		
		Police Restricted	120-Police Restricted, 121- Police Asset Seizure
Public Works			
	Public Works Operating		
		Facilities Maintenance	001-General Fund
		Park Operations	001-General Fund
		PW Administration	001-General Fund
		Street Operations	101-Street Unrestricted
		Storm Water Operations	107-Stormwater Unrestricted
		Water Operations	401-Water Unrestricted
		Sewer Operations	402-Sewer Unrestricted
	Public Works Capital		
		GIS/Engineering	001-General Fund
		Streets Restricted	111-street Restricted
		Storm Water Restricted	117-StormWater Restricted
		Parks Restricted	140-Parks Restricted
		Capital Facilities Fund	306-Capital Facilities Fund
		Water Restricted	411-Water Restricted
		Sewer Restricted	422-Sewer Restricted

Bold	**City Employees**

Basis of Budgeting

The City of Sequim adopts ***annual*** appropriated budgets for all its governmental and proprietary funds. These budgets are appropriated at the fund level. The budget constitutes the legal authority for expenditures at that level. Annual appropriations for these funds lapse at the fiscal year end (December 31).

Annual appropriated budgets are adopted on the same basis of accounting as used for financial reporting, which is cash basis, and in accordance with the Cash Basis Budgeting, Accounting and Reporting System (BARS) Manual prescribed by the State Auditor's Office under the authority of Washington State law, Chapter 43.09 RCW.

Budgeted amounts are authorized to be transferred between a fund or within line items within departments. However, any revisions that alter the total expenditures of a fund, or that affect the number of authorized employee positions, salary ranges, hours or other conditions of employment must be approved by the Sequim City Council.



Financial Policies

The financial policies of the City of Sequim are established by the City Council. The policies are designed to provide guidance to all stakeholders, whether they are directly involved in financial processes, internal control oversight, or any financial transaction. Financial policies are intended to serve as a blueprint to achieve fiscal stability required to accomplish the City's Strategic Plan, all other comprehensive and master plans, and City Council goals. The City Council sets forth the authorities, responsibilities, and accountability requirements of those participating in the operations of City government at all levels of the organization and endeavors to:

- Set forth financial standards.
- Reduce financial risks to withstand the ups and downs of local and regional economic environments.
- Maintain appropriate financial capacity for present and future levels of service.
- Ensure the legal use of financial resources through an effective system of internal controls.
- Provide financial transparency to the public.

General Financial Goals

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

Primary Budget Responsiblity

The City Council has final responsibility for approving the annual Operating Budget and appropriating funding for the capital needs of the City. The City's budget is adopted at the fund level and *monitored* at the department level.

The City Manager and the Finance Department have the primary responsibility for bringing the budget forward for Council consideration. Department Heads have the primary responsibility for proposing programs, recommending funding levels, analyzing position expense distributions and formulating budget proposals for implementing service programs in accordance with established City Council goals and directives. The City Manager and Department Heads are responsible for the overall management of their respective budgets through monitoring, identifying and correcting any budgetary problems as they arise. The Finance Department will assist the Department Heads as needed.

At the direction of the City Manager, the Finance Department coordinates the overall preparation and administration of the City's budget in compliance with applicable State of Washington statutes. The Finance Department provides the budget calendar and revenue budget estimates, assists department staff in identifying budget problems and formulating alternative solutions, and prepares and distributes the final budget documents.

Budget Development Policy

The purpose of this policy is to help guide the budget development process. There may be differences between this policy and the budget based on the uniqueness of each year's budget.

The City allocates scarce resources to programs and services through the budget process. The budget process is more than balancing revenues and expenditures one year at a time. In addition to being a short-term operational plan, it is the primary means for implementing the City's strategic plan. The budget authorizes the level of City services for the year, as defined by the City's goals, priorities and objectives and adjusted for the constraints identified in the long range financial plan.

The link between the strategic plan, long range financial plan and the budget can be challenging. Strategic planning sets overall direction for the City, defining what is to be accomplished through its use of resources by identifying the City's goals, priorities, and objectives. The long range financial plan positions the City to remain effective over the long term.

General

1. Budget at Fund Level: Budget adoption by the City Council shall be at the fund level. Any changes in appropriations at fund level require City Council approval.
2. Balance Ongoing Revenues with Ongoing Expenses: Current revenues, including unencumbered fund balances, should be sufficient to support current expenditures. Although Fund Balance is considered revenue, its use in balancing the budget should be restricted to special situations, such as one-time expenditures or carry-over of a prior year funded project (see Reserves/Fund Balance Policy for more guidance).
3. City Council Goals Identified in Annual Workplan: The City Council identifies specific goals as part of the City's workplan. Departmental budgets should include adequate resources to accomplish those goals in the expected timeframes.
4. Municipal Service Levels: The City Council will establish municipal service levels and priorities prior to and during the development of the preliminary budget. The following will be taken into consideration to determine the proper levels of service:
    a. Maintain Quality Service Programs: If expenditure reductions are necessary as a result of changing economic status, selective service elimination is preferable to across the board cuts which can result in poor or marginal quality programs.
    b. New Programs and Services: Adding new programs and services that require additional resources should be limited to the extent that they can be reasonably funded over the near-to-long-term given the current revenue stream.
        i. Funding New vs Existing Programs: If new sustainable funding is not available, then new or enhanced services will compete directly with maintaining existing programs in determining the appropriate allocation of resources. This will provide the best mix of services to citizens and keep pace with the changing needs of the community.
        ii. Adding Fee for Service Revenues: Where practical, new services that provide private benefit should be supported by new fees instead of increasing general City taxes.
        iii. Programs with Dedicated Funding: Programs that are funded through a dedicated revenue source (i.e., grants or other non-tax revenue), that meet the goals of the City Council, will receive priority consideration, as long as ongoing funding is addressed.
5. Cost Allocation: The full cost of providing central support services shall be allocated to other funds and capital projects, and if appropriate to grants and specific programs. Indirect costs

are calculated for General Fund Departments, but are not allocated. These indirect costs will be considered in evaluating the total cost of programs.

a. Meet Federal Indirect Rate Requirements: The cost allocation plan should meet Federal requirements (Title 2, CFR Part 200-Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards) to allow for indirect cost recovery on Federal and State grants.

Revenues

1. Baseline Revenues: Significant revenues that contain variable components related to economic activity, such as development, or other one-time, non-recurring or unusual items should be identified in order to determine baseline revenues. The variable component of revenues should not be used for ongoing operating programs and services.
    a. Property Tax: Tends to be stable; contains an unpredictable component for new construction and annexation; can be impacted by zoning changes and assessed valuation changes
        i. Variable Component: new construction and annexations in year added to the tax roll (tax is based on levy rate instead of 1% increase)
    b. Sales Tax: Minimum base tends to be stable; contains an unpredictable component related to economic changes, particularly the “boom and bust” housing cycles
        i. Variable Component: consider construction sales tax above 10 year average; other sales tax above 3% growth; may need to adjust based on economic conditions or changes in tax base such as new stores or the closing of stores
    c. Utility (B&O) Tax: Tends to be stable; subject to changes in utility rates, usage, conservation, regulations
        i. Variable Component: not significant; no exclusions unless specific situations warrant an exclusion
    d. Interfund Service Charges: Minimum base tends to be stable; contains an unpredictable component related to capital projects
        i. Variable Component: capital projects above 5 year average; may need to adjust based on unusual large projects or economic conditions
    e. Development Related Fees: Minimum base is difficult to determine, large unpredictable component related to “boom and bust” housing cycles
        i. Variable Component: consider amounts above 10 year average or 3% growth based on economic conditions
    f. Interest Earnings: Interest on minimum fund balance may be included for baseline revenues.
    g. Potential New Revenues: Proposed new revenues that are early in the Council review process are typically not included in the budget. Public input may change the process and revenues may be difficult to quantify. If Council provides a quantifiable commitment to adopt new revenues they could be included in the budget.
        i. Unknown Component: excluded unless Council provides quantifiable commitment
2. Limit Use of One-Time Revenues: Revenues that are not predictable should be identified and should not be used for ongoing operating program and services.
    a. Types of One-time Revenues: This includes significant revenues from sales of assets, bond refunding savings, infrequent intergovernmental revenues, grants, and so forth. It also includes the variable component of taxes and other revenues.
    b. Use of One-Time Revenues: The use of significant one-time revenues should be set aside in reserves or restricted to non-recurring expenses, such as, research/analysis projects,

expenses caused by transition, startup costs, capital projects, debt retirement, and so forth.

3. Revenue Diversification: The City will strive for a diversified mix of revenues to handle fluctuations in revenues and to better distribute the cost of providing services.
    a. Analysis Factors: When evaluating diversification, the following factors should be considered:
        i. Balance amongst taxpayers and ability to diversify tax base such as changes in zoning
        ii. Sensitivity of revenues to changes in economic cycles and rates
        iii. Fairness of the tax or fee
        iv. Regulations or changes in state shared revenue distributions
        v. Impact on economic growth
        vi. Other, such as administrative aspects
    b. Taxes Should be Balanced: When City taxes are changed (increased, decreased, extended) the following factors should be considered:
        i. Stability of tax source over its expected life; suitability for pledge against future debt if that is part of the intent
        ii. Spread of tax burden throughout the City's tax base through a broad array of taxes
        iii. Tax impact to both residential and business taxpayers and its affect on future growth
        iv. Investigation of mitigation for inequities or hardships, such as low-income deferrals, rebates or exemptions
4. Unrestricted Revenues Should Remain Unrestricted: Unless otherwise stated specifically by City Council, unrestricted resources should not be earmarked for specific purpose in the General Fund. This will preserve the ability of the Council to determine the best use of available resources to meet changing service requirements.
5. Interfund Services (Cost Allocations): Indirect costs include general management, facility and equipment costs, and operational costs that are pooled. These costs are accounted for in central support service centers and should be fully allocated to funds that benefit from the services, such as Enterprise Funds, Capital Projects and selective Special Revenue Funds or specific programs where appropriate. Grant applications should include indirect costs where allowed. Indirect costs of General Fund operating units will be calculated for use in evaluating program costs but will not be allocated.
6. Fee for Service Revenues: As much as reasonably possible, City services that provide private benefit or service limited interests should be supported by fees and charges in order to provide maximum flexibility in use of general City taxes to meet the cost of services of broader public benefit.
    a. Recover Full Cost: Fees should be set to recover full costs, including all direct costs and indirect costs (capital costs, department overhead and city-wide overhead (cost allocations)).
    b. Justify Subsidy: Charging less than full costs results in using general city taxes to subsidize the cost of the service. A subsidy must be justified, and may be considered if it meets other City interests and objectives, such as remaining competitive. Intentional subsidies will be documented and periodically reviewed with City Council.
    c. Cost Studies: Departments that impose fee for service charges should periodically prepare and update cost-of-service studies. These studies may be performed and documented internally. An external consultant may be required for complex studies or where fee surveys are not available or where fees may be contested.
    d. Human Needs Type Services: Exception may be considered for human needs type services to persons with limited ability to pay.

7. Intergovernmental Revenues: The City should take advantage of opportunities to enhance service delivery through intergovernmental cooperation, shared revenues and grants. However, this revenue should be treated as temporary, uncertain or unpredictable revenue.
    a. Not for Ongoing Basic Services: Typically intergovernmental revenues and grants will not be used to fund ongoing basic service needs. If grants are for new, enhanced or discretionary services, then the service may need to be reduced or eliminated when the funding ends. Before accepting a grant, consideration should include not only the cost/benefits over the life of the grant, but the cost of interruption in service when the grant ends.
    b. Capital Projects Consistent with Plan: Grants for capital improvements should be for priority projects or projects consistent with the capital improvement plan. The project should consider resources to support ongoing maintenance, operating, and replacement costs. The grant application should attempt to recover all costs, including ongoing maintenance, operating costs and replacement costs, as well as indirect costs. If a city match is required, this should be reviewed in light of other competing projects.

Expenses

1. Baseline Expenses: Significant expenses that contain variable components related to economic activity, such as development, and other one-time or unusual items, should be identified in order to determine baseline expenses. The variable component of expenses may be funded by associated variable revenue or by one-time revenues and reserves (see Reserves/Fund Balance Policy).
    a. Include Maintaining Facilities and Equipment: Maintenance of facilities, technology infrastructure, operating equipment and vehicles, as well as the planned replacement of such assets should be included as baseline operating expenses. The amount included as baseline operating expenses will be determined by the Capital Improvement Plan Policy.
        i. Lowest Life Cycle Costs: When practical, resources should be allocated for selective preventative investments that can be made to avoid even larger costs in the future.
        ii. Funding Continuous Replacement: The use of short-term financing or lease/purchase arrangements should be minimized because of the ongoing requirement for operating equipment. (See Capital Improvement Plan Policy, Debt Management Policy.) The amount necessary to fund equipment reserves will take into account both financing and transfers to Equipment Reserves.
    b. Include Interfund Operating Transfers: Transfers to operations, such as Street Unrestricted, should be included as baseline operating expenses if General Fund is a significant revenue source for another operating fund.
    c. Exclude Interfund Capital and Reserve Transfers: Transfers for capital projects or to replenish reserve funds should be excluded from baseline operating expenses and would be funded by one-time or excess revenues.
    d. Exclude Community Investments: Discretionary investments for community/public benefit are excluded from baseline operating expenses. Funding from one-time revenues would be decreased if total baseline revenues fall or baseline expenses increase by 5% or more.
        i. Funding Level Health & Human Services: The amount of funds available will fluctuate based on the City's financial situation. Council may want to consider a separate funding policy based on a percent of sales tax revenues, such as 2%, or an amount per capita, which would be reviewed along with the funding criteria.

ii. Funding Level Community Service Contracts: The amount of funds available will fluctuate based on the City's financial situation and service needs. Funding will be included in the City Manager's proposed Budget based on criteria for similar expenses. They will be included if they address services or facilities that support the city's mission and are a high priority compared to other options and proposed expenditures.

2. Personnel: This is the most significant operating expense.
   a. Competitive Compensation: Salaries and benefits should be comparable to cities and private sector employers that are within the same labor market and with other cities or private sector employers that offer comparable quality services in order to attract and retain high quality staff.
   b. Union Contract Negotiations: If a collective bargaining agreement is, or will be, under negotiations, then a specific amount will not be included in the budget for potential wage adjustments resulting from the negotiation, other than continuing the basis for a COLA adjustment, except a negative COLA will not be budgeted. This is to protect the City from any claims of not "bargaining in good faith". Funding for unknown contract terms must be considered in balancing ongoing revenues with ongoing expenses.
   c. Fluctuation in Staffing Requirements: Additional personnel resources needed for large projects or responding to a "housing" cycle boom may be retained on a temporary, term (non-permanent employee) or contract basis.
3. Technology Investments that Forestall Adding Permanent Staff: Recognizing that personnel related expenditures represent the largest portion of the City's budget, methods to increase efficiency and effectiveness of the delivery of City services through technology improvements should receive priority funding if it can forestall the addition of permanent staff.
4. Contingency: The budgeting for contingencies will be separately identified within each fund. An amount for General Fund contingencies will consider amounts across all departments in which only 50% of the costs are included, since all contingencies are not expected to occur.

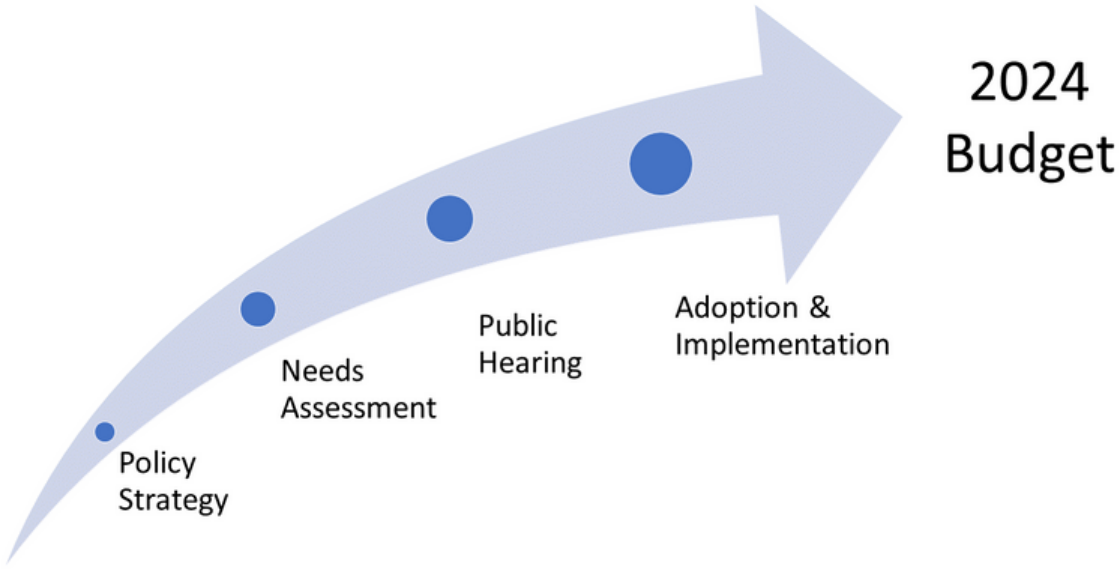
Procedure

1. City Council: The City Council has final responsibility for approving the annual Operating Budget.
2. City Manager: The City Manager oversees the budget development process and proposes the preliminary budget to City Council.
3. Departments: The Department directors under the guidance of the City Manager are responsible for proposing programs, recommending funding levels, and formulating budget proposals for implementing service programs in accordance with established goals and directives.
4. Finance: The Finance Department is responsible for coordinating the overall preparation and administration of the City's budget in compliance with applicable State of Washington statutes governing local government budgeting practices.
   a. The Finance Department provides revenue budget estimates, assists department staff in identifying budget problems and formulating alternative solutions, and prepares and distributes the final budget document.
   b. The operating budget is classified and segregated according to a standard classification of accounts as prescribed by the State Auditor.
5. Public Hearings: The Council will hold public hearings as required and approve operating and capital budgets prior to the end of the fiscal year in accordance with State law.

6. Quarterly Reporting: The Finance Department will maintain a system for monitoring the City's budget performance. This system will provide the City Council with quarterly reports regarding fund level resource collections and department level expenditures.
7. Budget Amendments: Semi-annually budget amendments will be presented in order to address unanticipated needs, emergencies, or compliance with State of Washington budgetary statutes. Budget amendments requiring City Council approval will occur through a process coordinated by the Finance Department. Significant financial issues that need to be addressed between quarterly reports will be provided to Council as warranted.



Budget Development Process



Policy Strategy Phase

Council Planning
6 Year Capital Improvement Plan
Public Input via Council Meetings & Community Surveys

Needs Assessment Phase

Department Program and Staff Requests
"Budget Scrub"
City Manager Review of Requests
City Manager Proposed Budget

Public Hearing

Public Hearing on Revenue Sources
(Property Tax Levy, Rates and Fees Schedule)
Public Hearing on Budget

Adoption & Implementation

Council Adopts Budget

Budget Timeline

May 1, 2023

Requests sent to all department heads to prepare budget estimates of revenues and expenditures, including assessing personnel needs. Finance Director prepares estimates for debt service and all other estimates.

Jul 14, 2023

Budget estimates from department heads filed with the Finance Director

Jul 27, 2023

"Budget Scrub" meeting of all department heads to identify areas of potential savings and to balance operational budgets (depart. budget assumptions are "scrubbed")

Sep 15, 2023

Delivery of 2024 Budget Book to City Council (including access to on-line budget materials)

Sep 25, 2023

Presentation of 2024 Budget Overview and proposed 2024 Rates & Fees to Council

Oct 23, 2023

Optional: Address Council's 2024 Budget Comments, Questions and Concerns

Nov 13, 2023

Public Hearing (first reading) - 2024 Budget
Public Hearing - 2024 Rates and Fees / 2024 Property Tax Ordinance

Nov 27, 2023

Public Hearing (second reading) - 2024 Budget Adoption

Nov 30, 2023

Deadline for filing Property Tax Ordinance with Clallam County

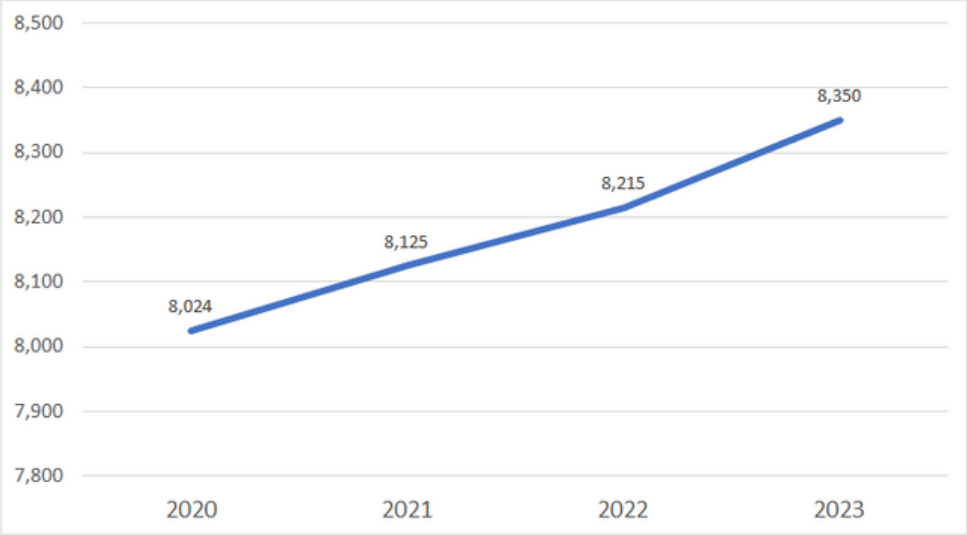
Dec 31, 2023

Deadline for 2024 Budget Adoption

Statutory Budget Timeline – Per MRSC

2024 Budget Calendar for Cities and Towns	
Pre-Budget Items (Spring/Summer)	Council retreat; Adopt/update financial policies; Public hearings for capital facility plan updates; Public forums or community outreach (ex: community priorities); Mayor/manager communicates budget objectives to staff
Sept. 11	Budget request to all department heads
Sept. 11-24	Department heads prepare estimates of revenues and expenditures; Clerk prepares estimates for debt service and all other estimates
Sept. 25	Implicit price deflator calculated (only applies to cities of 10,000+ population)
Sept. 25	Budget estimates from department heads filed with clerk
Oct. 2	Clerk provides estimates filed by department heads to mayor/manager showing complete financial program
Oct. 2	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 (approx.)	Public hearing on revenue sources including possible increases in property tax
Nov. 2	Mayor/manager prepares preliminary budget and budget message; files with clerk and council
Nov. 1-18 (approx.)	Publication notice of preliminary budget and final hearing
Nov. 1-25 (approx.)	Public hearing(s) on preliminary budget
Nov. 21	Copies of budget available to public
Nov. 30	Property tax levies set by ordinance and filed with county
Dec. 4	Final budget hearing
Dec. 31	Budget adoption deadline

Population Estimates



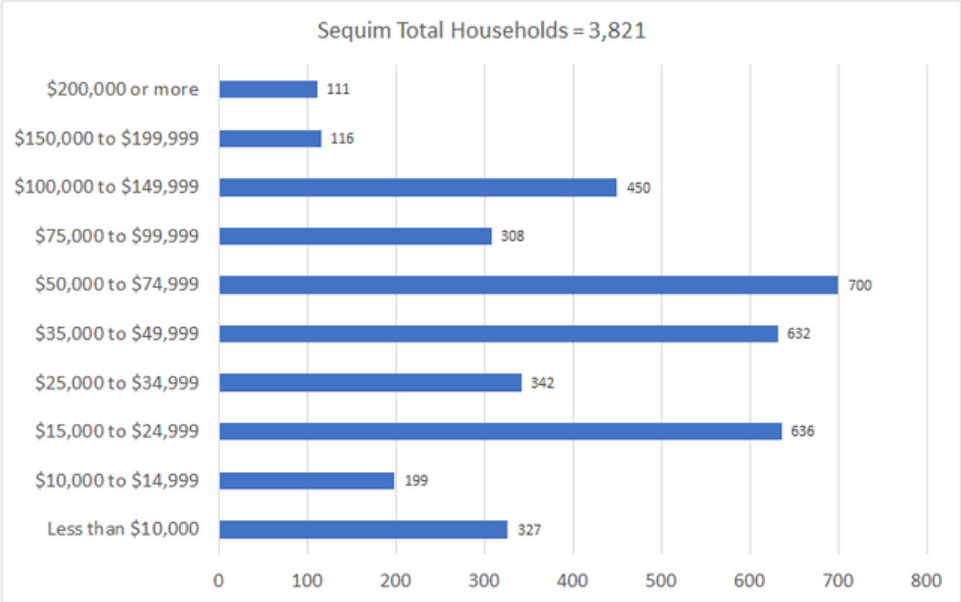
April 1, 2023 Population of Cities, Towns and Counties
Used for Allocation of Selected State Revenues
Office of Financial Management, Forecasting and Research Division

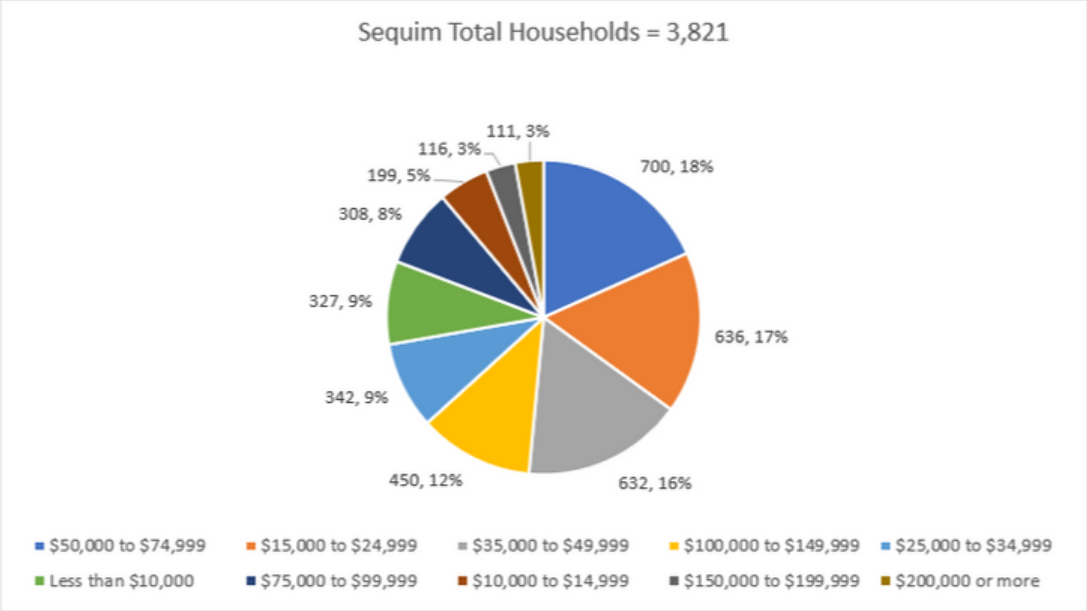
	2020 Census	2021 Estimate	2022 Estimate	2023 Estimate
Sequim	8,024	8,125	8,215	8,350

April 1 official population estimates_Office of Financial Management (wa.gov)



Household Income Estimates



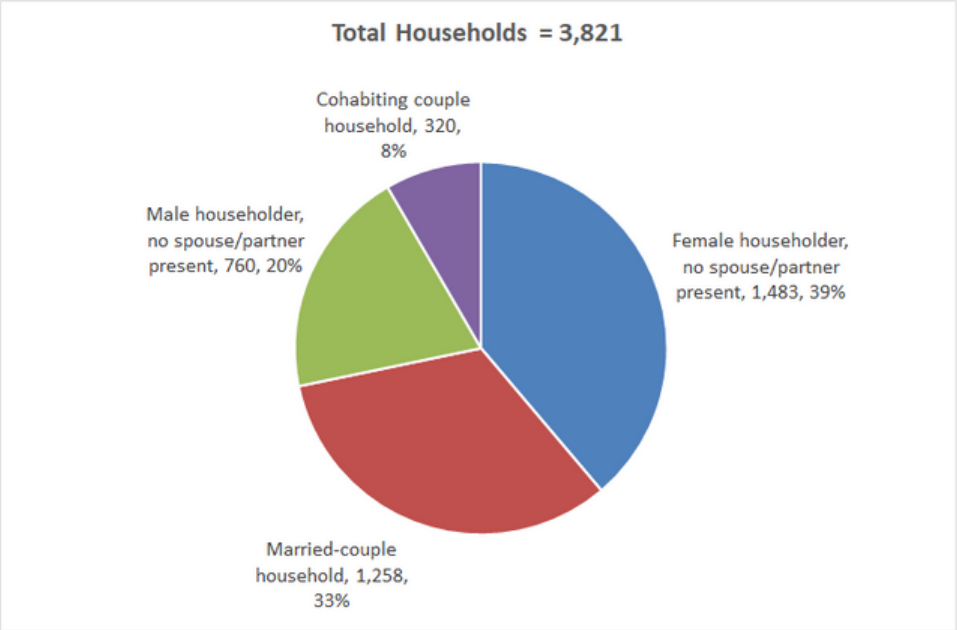


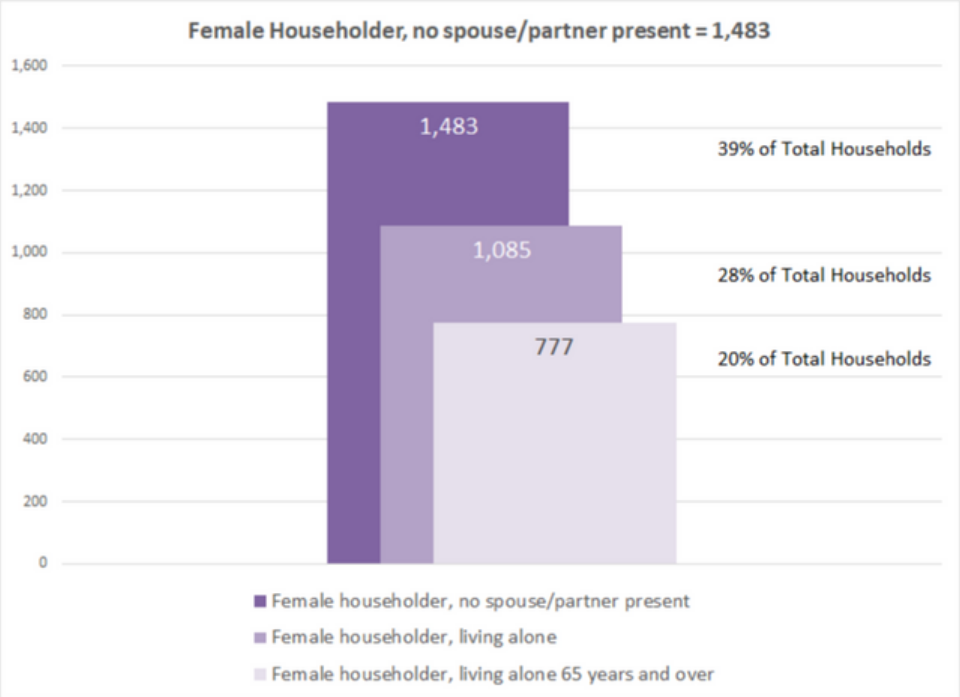
Median household income (dollars) = $41,571

(in 2021 inflation-adjusted dollars)

Data Source: American Community Survey, 2021, ACS 5-Year Estimates Data Profiles
DP03: SELECTED ECONOMIC CHARACTERISTICS - Census Bureau Table

Household Analysis Estimates





20% of Total Households are "Female householder, living alone 65 year and over"

Data Source: American Community Survey, 2021, ACS 5-Year Estimates Data Profiles
DP02: SELECTED SOCIAL CHARACTERISTICS - Census Bureau Table