

CITY OF LAKE FOREST PARK

17425 Ballinger Way NE | Lake Forest Park | WA

Telephone (206) 368-5440 | cityoflfp.gov



Mayor's Proposed 2023-2024 Biennial Budget

General Government, Utilities, Capital, and Enterprise Funds



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

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**City of Lake Forest Park
Washington**

For the Biennium Beginning

January 01, 2021

Christopher P. Morrell

Executive Director

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Mayor
Jeff R. Johnson

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Mayor's Budget Message: 2023-2024 Preliminary Biennial Budget

As we continue our recovery from the ongoing pandemic, a glaring deficiency is the City's continued disparity between revenues and expenditures. With a July-to-July inflation rate between 9.5% and 10.1% and a property tax cap of 1% annually, the City's mission to provide exemplary service to the residents becomes increasingly difficult each biennium. Thanks to a dedicated staff that rejects the use it or lose it mentality and the benefit of some one-time and ARPA funds, I am able to present to you a balanced budget that does not rely on reserves.

Each biennium we are faced with ongoing expenditures exceeding ongoing revenues. This biennium is no different and with the rate of inflation, this delta continues to increase. This budget represents ongoing expenditures exceeding ongoing revenues by \$1,211,533. As with past budgets, thanks to the staff's cost containment efforts and another one-time revenue bump, which in the 19/20 biennium was building permits and in the 21/22 biennium was school zone speed enforcement, we are able to cover the ongoing expenditures with those one-time revenues.

Although we have yet again pulled the proverbial rabbit out of the budget hat, we must identify new, reliable revenue sources moving forward if we are to close this gap, provide the services our residents deserve, and provide them with the new and expanded services they desire. How we approach this must be tempered with the effect on rate payers, not only from a city perspective, but that of the region. All governmental entities are feeling the sting of inflation and the effects of the one-percent property tax cap, and for these reasons are looking for either new or increased sources of revenue. The majority of funds in the City have needs beyond available revenue and we will not be able to solve this in one biennium, but we must begin to avoid falling further behind. Revenues must build over time to address the long term needs of the city and avoid large increases in any given year. We must begin closing the gap in the general fund and increasing revenues in the capital funds to provide for ongoing operations and the ability to finance necessary capital projects.

With an unemployment rate of 3.9% (February 2020 & June 2022), lower than any other time in the past 20 years, and the ever-increasing cost of living in the region, it is increasingly difficult to attract and retain talented employees. The impacts are felt in the loss of institutional knowledge and the strain on employees as we work to fill those positions. Of note, the maintenance worker position in public works has been open now for three years; the project manager position 3 months with no applicants; and we are just beginning the journey to hire a new assistant planner and arborist. Due to the already lean nature of our workforce, this only further complicates the delivery of projects and maintenance of assets. While we work to fill these positions, there will be limited resources to provide current levels of service, let alone take on new projects and tasks.

You will recall during your retreat; we introduced several options for new revenue. Increased user fees in storm and sewer funds, new utility taxes in those same funds, fee, and sales tax options through our Transportation Benefit District (TBD), and a voter approved annual property tax increase, based on the Consumer Price Index (CPI), to support general fund operations. How we put these together to address the priorities of the Council will be the challenge we face in this and biennia to come. I would like future Mayor's and Councilmembers to look back to this Council and Administration as the team who put together the financial strategy that moved this City forward.

The attached table (pg. 7) represents the budget enhancement requests from each department for this next biennium. In the One-Time and Ongoing categories, the items included in this proposed budget are proposed to be funded as noted. In the ongoing category, there are five necessary items included in this budget that as part of our financial strategy discussions will add to our ongoing general fund revenue needs. They are:

- RADAR expansion – as part of our commitment to an evolving policing model and the ever-growing mental and substance use disorders in our region, this is a proven model for a much-needed service. In the first two biennia it is recommended that ARPA funds be utilized to support this effort.
- Accountant 0.4 FTE Increase – as a result of our most recent audit, the State Auditor's Office (SAO) has directed that the accounting function of the Municipal Court must have increased oversight and involvement from the Finance Department. While this necessitates the need for increasing the FTE count in the Finance Department, it will relieve the court of many of these duties, allowing them to focus on their core mission.
- Pro-tem Judge pay increase – this wage has remained static for numerous years and needs to be increased to address inflation and ensure the court is able to attract backup for our judge.
- Increased Arborist hours – there is a recognized need to increase the hours of this position to allow for time beyond permitting and code enforcement to ensure compliance with landscape and tree replacement plans as well as conducting inventory assessments. This increase could be supported by the tree fund account through this biennium.
- Bi-Directional Amplifier – with the implementation of the new dispatch radio system, this piece of equipment is necessary to provide radio service within city hall and has an ongoing maintenance fee.

I am excited to include in this proposed budget, funding for equipment and programs that will move this city forward in addressing climate change, which include:

- The City's first electric vehicle in the Public Work's fleet;
- Beginning the conversion of Public Works tools from gasoline powered to electric; and
- Financial support of the Climate Action Committee.

The staff and I look forward to working with the Council, tackling the challenges of this budget, and helping to realize your priorities. While we won't be able to address all of the needs and

priorities in this biennium, we can set the city on the path to a more financially stable future. When you look to the successes of communities, they were not accomplished in short order, but through planning and perseverance.

Remember, "You have to motivate yourself with challenges. That's how you know you're still alive." Jerry Seinfeld



Mayor Jeff Johnson

Introduction:

The budget before the City Council is balanced, with the General Fund utilizing ending fund balance as a result of revenues being forecasted cautiously and significant one-time revenue. The City has maintained healthy cash balances during this biennium and this proposed budget does not rely on utilizing any of those reserves. Every budgeted fund with a minimum fund balance target is projected to start and end the biennium with a fund balance meeting or exceeding the targets set by policy.

In putting together the budget, I have tried, with varying degrees of success, to emphasize the things needed to take care of Lake Forest. The budget is very lean in all aspects, while providing the funding necessary to keep core functions intact and provide, to the best of our ability, the services our residents deserve and expect. I am proud to say that this budget also includes sustained funding for our service providers. Now, more than ever, their services are vital to the success and health of our community.

In the following sections of this message, I will describe the programs of the City and highlight efforts to move the City forward. This budget is put together by preserving existing levels of service. Hang in there. It takes a lot of pieces to put together a city and its budget, and the state law requires that I describe them.

GENERAL FUND

It has been noted before that the General Fund is the workhorse of the City Budget, funding the majority of employee positions. The following is a department by department recap, in the order in which the departments appear in the budget. The services provided by each department are best described in the narrative at the beginning of each departmental budget. The following sections cover the highlights.

Revenues:

General Fund revenue highlights are few. This is a substantially tax dependent Fund and taxes tend to grow slowly, if at all. This budget includes adjusting the property tax by the one percent (1%) increase that can be voted by Council. Sales tax is trending slightly higher as a result of the point-of-sale changes implemented by the legislature, and the pivot to more online shopping that accelerated as a result of the pandemic. Revenue from Passport fees continues to recover, but still falls significantly short of pre-pandemic levels. Traffic camera fees are returning to pre-pandemic levels as traffic increases across the region. The purpose is still to influence driver behavior and reduce collisions, and that still happens at a net gain to the budget.

Executive:

This department has the Mayor, City Administrator and Human Resources Director. The 2023-24 budget provides \$30,000 professional services allocation for a labor negotiator. It also continues the state legislative advocate services for a biennial cost of about \$30,000. We live in an area where billions of dollars are allocated and spent regionally, in addition to the state and federal level.

Council: This budget year-in and year-out is almost identical. This budget does increase professional services allocations back to pre-pandemic levels and includes increased funding for travel and training.

Finance & Information Technology: During the current biennium, City was notified by the State Auditor's Office that the finance department would need to begin providing accounting oversight of the Municipal Court. This increased workload for the finance department requires the 0.4 FTE increase recommended in this budget. The Information Technology (IT) services are overseen by Finance. The IT Manager's salary and benefits are paid from the General Fund, but the IT budget of annual contract payments and hardware & software repairs and replacements are all paid from the Replacement Fund.

Municipal Services: The communications program continues to receive increased attention, thanks in part to the introduction of the e-newsletter. As we near the Real ID deadline in 2023, it is anticipated that many will opt for passports for their travels (resulting in many renewals), making our passport revenue a plus for the budget. This department also continues to respond to increasing amounts of public records requests and provide support to the Mayor, Council and City Administrator.

Legal: Legal services will exceed the 2022 budget, with litigation and public records costs and one-time negotiations as leading factors. No increase for the biennium is included, as these negotiated contracts are long term.

Municipal Court: Several line items have been increased slightly to keep up with changing needs and legal requirements.

Police: The City continues to focus on public safety by funding critical support items for our police department. While I was not able to provide the additional officer requested, the police department will benefit from the increased availability of crisis navigators resulting from the expansion of the RADAR program in this next biennium.

Community Services: These services are overseen by the Public Works Department's Environmental Services Specialist to support committee, task force and commission work; oversee the community partner contracts; and support community outreach elements of environmental and waste reduction programs. We continue to have very successful "Picnic in the Park" and other community events. This budget also oversees funding for our community partners.

Planning & Building: The department continues to experience a high level of complex land use permit activity. Planning staff is integral to development and building permit review and provides quality counter service every day of the week and back up Building staff when they are not available. In the department is responsible for critical code updates, including sign regulations, wireless communications, shoreline master plan and an update to the Tree Canopy study.

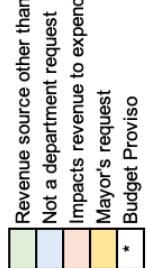
Parks & Facilities: A very important part of our City is the health and maintenance of our parks and facilities. In the upcoming biennium there are a number of projects planned, including a master plan for the new Lakefront Property, Lyon Creek restoration, and the addition of pickleball courts at Horizon View and Lake Forest Park Elementary.

OTHER FUNDS

Public Works & Engineering: Streets, Surface Water, and Sewer are separate funds. They are kept at current levels of service. Parks & Facilities are General Fund departments staffed and managed by Public Works and are described above. During investments will be made in the design of replacement project for the L90 culvert, the Ballinger and 40th Place NE roundabout, and improvements at the public works facility. We will also continue the study of the grade separated crossing between City Hall and the Burke Gilman trail.

Capital Improvement Program: The CIP often drives the efforts for infrastructure improvement, and for parks and facilities. Funding sources such as REET 1 & 2, Surface Water and Sewer fees result in projects budgeted in the Capital Improvement Fund; Transportation Capital; Sewer Capital; and Surface Water Capital. As noted above, a number of projects have been identified. Several projects now included in the CIP came out of the Safe Streets and Safe Highways planning efforts.

Replacement Fund: This fund was created to make vehicle, equipment replacement, and computer replacement much more routine to align with best practices. The replacement fund was budgeted at 50% for the 21-22 biennium due to the financial pandemic challenges, except for annual contracts. It is recommended that this fund be replenished using one-time funds due to the significant vehicle needs in police and public works. The one item to note is that the City has recently reevaluated the life expectancy for light fleet vehicles and has increased the years the vehicles are in use from 7 to 10 years due to a review on maintenance costs.

| ARPA | | General Fund | | Mayor's Budget (one-time) | |
|---|----------------------------|----------------------------------|--|---------------------------|--|
| \$ 2,368,700 | 2022 YE Balance | \$ 1,847,329 | 21/22 Surplus | \$ 23,000 | |
| \$ (95,000) | 23/24 Lost Revenue | \$ (1,211,533) | 23/24 GF Delta | \$ 12,000 | |
| \$ 2,273,700 | Balance | \$ 95,000 | Lost Revenue (ARPA) | \$ 60,000 | |
| \$ (184,000) | 23/24 RADAR | \$ 730,796 | Balance | \$ 93,000 | |
| \$ (419,000) | Replenish Fleet/IT fund | \$ (1,044,400) | One-time requests | \$ 250,000 | |
| \$ (200,000) | Replenish street fund | \$ 350,000 | Parks (CFT Funding) | \$ 100,000 | |
| \$ (200,000) | Surface Water Master Plan* | \$ 23,000 | RADAR Startup (ARPA) | \$ 75,000 | |
| \$ (100,000) | ARPA Management | \$ 90,000 | CCTV Crawler (Sewer) | \$ 30,000 | |
| \$ (300,000) | Small Business assistance | \$ 75,000 | PW Parking (303 Fund) | \$ 90,000 | |
| \$ 870,700 | Lost Revenue Balance | \$ 93,000 | Electric Handheld Tool & Equip. Conversion | \$ 15,000 | |
| | | \$ 317,396 | Surface Water Master Plan* | \$ 65,000 | |
| | | \$ (473,000) | PD Locker (303 Fund) | \$ 200,000 | |
| | | \$ 161,000 | Ongoing requests | \$ 31,400 | |
| | | \$ 200,000 | RADAR (ARPA) | \$ 1,044,400 | |
| | | \$ (200,000) | Street Improvements | | |
| | | \$ 41,916 | General Fund Balance | | |
| | | Mayor's Budget (ongoing) | | | |
| | | RADAR Expansion | | \$ 161,000 | |
| | | Accountant (0.4 FTE increase) | | \$ 104,000 | |
| | | Pro tem Judge Pay Increase | | \$ 4,000 | |
| | | Increase Arborist Hours | | \$ 24,500 | |
| | | WCIA Insurance Increase (78% GF) | | \$ 166,000 | |
| | | Bi-Directional Amplifier | | \$ 10,000 | |
| | | Laserfiche Maintenance | | \$ 3,500 | |
| | | Total | | \$ 473,000 | |
|  | | | | | |

OVERVIEW

2023-2024 PROPOSED BUDGET

- Budget Overview
- Community Profile
- Organizational Chart
- Financial Organizational Chart
- Financial Policies, Summary
- Budget Process
- Adopted 2023-2024 Biennial Budget Calendar

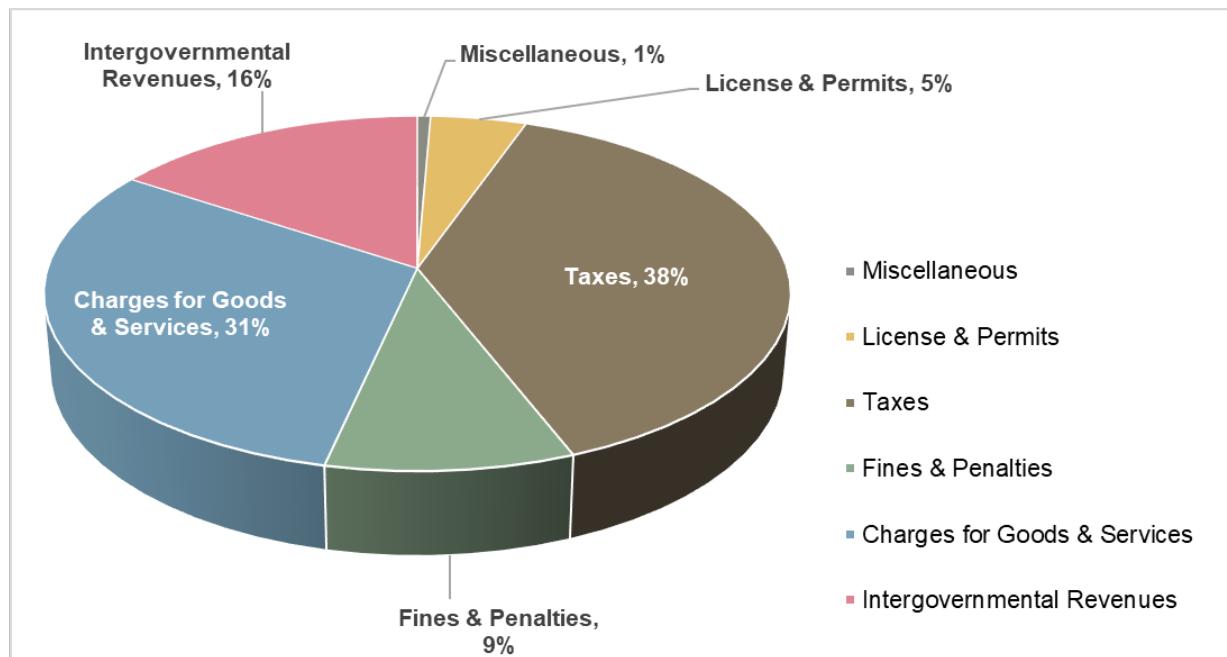
BUDGET OVERVIEW

The Mayor's Proposed 2023/2024 Biennial Budget (the Budget) is comprised of 18 funds with total budgeted revenues of \$45,624,624 and budgeted expenditures of \$49,045,958.¹ The City is projected to begin the 2023/2024 biennium with a beginning fund balance of \$23,368,135 for all funds. The projected ending fund balance for the 2023/2024 biennium is \$19,946,801 for all funds. The 2023/2024 budget is aligned with, and makes investments in, the City's priorities. The budget is balanced consistent with the definition in the Comprehensive Financial Management Policies (Financial Policies). Also, the budget maintains fund balances in excess of the minimum fund balance targets found in the Financial Policies for all budgeted funds.

BUDGETED REVENUES

Each of the City's revenues is categorized into one of six revenue types: taxes, licenses & permits, intergovernmental revenues, charges for goods & services, fines & penalties, and miscellaneous.

Citywide Revenue, All Funds



Taxes, which includes property and real estate taxes, sales tax, business tax, utility tax and franchise fees, among others, is projected to be the largest total revenue in the 2023/2024 budget with over \$16.5 million in revenue for the biennium. The second largest budgeted revenue type is charges for goods and services, with a budgeted value of over \$13 million. Charges for goods and services include utility revenues and other user fees. Intergovernmental revenues are projected to be the third largest revenue source during the biennium budgeted over \$6.7 million

¹ Budgeted revenues and expenditures include amounts budgeted for inter-fund services, but are exclusive of amounts budgeted for transfers between operating and capital funds.

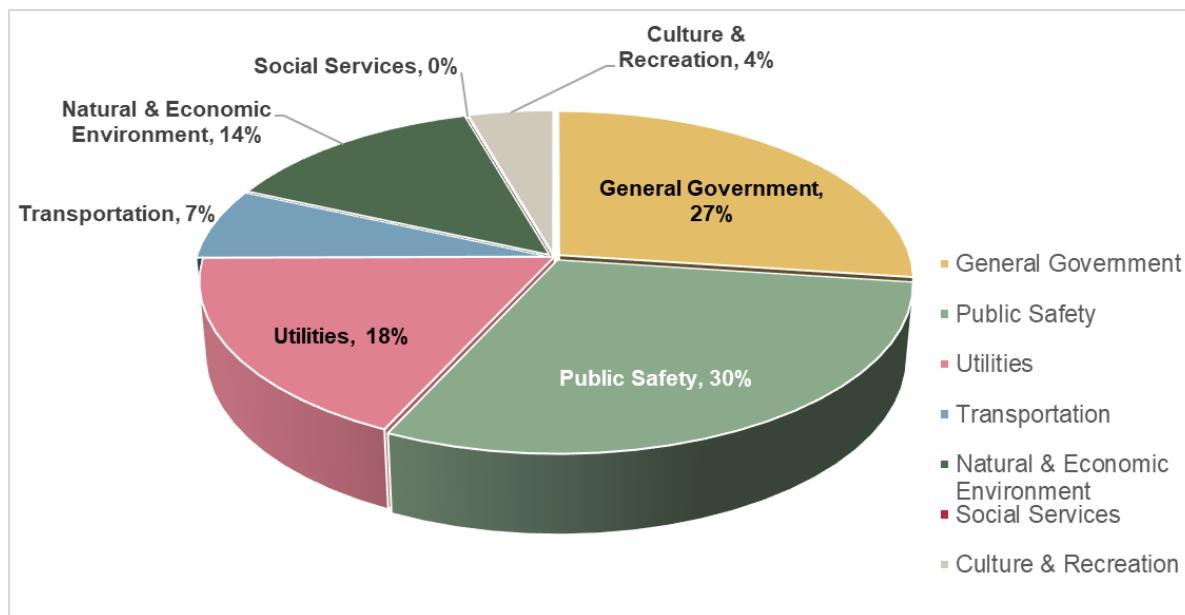
BUDGET OVERVIEW

of projected revenue; intergovernmental revenues are primarily state shared revenues and grants. Fines and penalties are budgeted to be the fourth largest revenue source at just over \$4 million, this revenue is primarily attributable to traffic safety camera fines. Licenses and permits and miscellaneous revenues round out the revenue picture for the biennium with \$2 million and \$281,000 projected, respectively. Revenue projections for the biennium are conservative for the 2023/2024 budget.

BUDGETED EXPENDITURES

Each of the City's expenditures is classified into one of eight expenditure categories: general government, public safety, utilities, transportation, natural & economic environment, social services, culture & recreation, and miscellaneous. The largest spending category during the 2023/2024 biennium is public safety, with budget expenditures of almost \$11 million. The second largest expenditure category is general government, with budgeted expenditures of nearly \$10 million for the biennium. Next largest is utilities, with over \$6.6 million, followed by natural & economic environment at \$5.1 million. Transportation is budgeted at nearly \$2.5 million. Culture & recreation is budgeted over \$1.6 million and social services is budgeted at \$9,700. Miscellaneous expenditures are not budgeted in the 2023/2024 biennium.

Citywide Expenditures by Category, All Funds



Most operating expenditures are budgeted with modest increases, with some exceptions like City wide insurance coverage that increased over 40% from 2022, court security costs, and continued increasing surface water operating and capital costs. Overall, the City's expenditures are continuing to exceed the City's ongoing revenues.

COMMUNITY PROFILE



GEOGRAPHY

The City of Lake Forest Park is located in north King County, Washington, just north of Seattle city limits along the shore of Lake Washington. The City's proximity to the major urban center of Seattle does not, however, define its character. Lake Forest Park is a community known for streets that meander along creeks, a dense tree canopy, and a green natural landscape that give the City a tranquil suburban feel despite its proximity to Seattle.

Two highways travel through the City, SR 104 and SR 522, carrying thousands of commuters through the City daily, but do not significantly impact its character. The City is completely built out, meaning there are no unincorporated areas on or near its borders and very few undeveloped parcels in the City. Lake Forest Park shares borders with Seattle, Shoreline, Mountlake Terrace, Brier, and Kenmore. The City is approximately three and one-half square miles.

COMMUNITY HISTORY

Lake Forest Park was founded as a planned residential community in the early 1900s. At the time, points north of Lake Forest Park along Lake Washington were accessible only by boat and Lake Forest Park was at the end of the road that traveled north from Seattle. By 1914 a road had been built all the way around Lake Washington and Lake Forest Park was no longer at the end of the road. Single family residential development continued in the area known as Lake Forest Park and in 1961 the area known as Lake Forest Park incorporated as a City. The City continued to grow over the subsequent decades as a result of development and annexations of unincorporated areas along the City's borders. The most recent annexations occurred in the 1990s and are likely the last of the annexations as there are no significant unincorporated areas along the City's borders.

THE GOVERNMENT

Lake Forest Park utilizes the mayor-council form of government. This form of government is characterized by an elected Mayor, who is the chief executive of the executive branch of the local government. The Mayor is responsible for appointing department heads, those appointments are subject to confirmation by the City Council. The Mayor is responsible for the daily operations of the City.

The City Council is a seven-member elected body which is the legislative branch of government. City council members serve staggered four-year terms. The City Council is responsible for setting City policy, adopting the biennial budget, and for establishing short- and long-range goals and plans.

COMMUNITY PROFILE

The budget process is broken down into two distinct phases; phase one is the development of the Mayor's Proposed Budget, phase two is the council's deliberations on the budget. From a purely technical perspective, the two phases of the budget process are exclusive of one another. More about the budget process can be found in the section of this budget document titled "The Budget Process."

Lake Forest Park is considered a full-service local government as the City provides a full range of local government services including public safety, utilities, municipal court, and enterprise activities. Nearly all services are performed by employees, as opposed to contracted third parties. Operating departments of the City, in order of employee count, are as follows: Police, Public Works, Finance & IT, Municipal Services, Municipal Court, Planning, Executive & HR, and Building. The City employs approximately 60 employees.

DEMOGRAPHICS¹

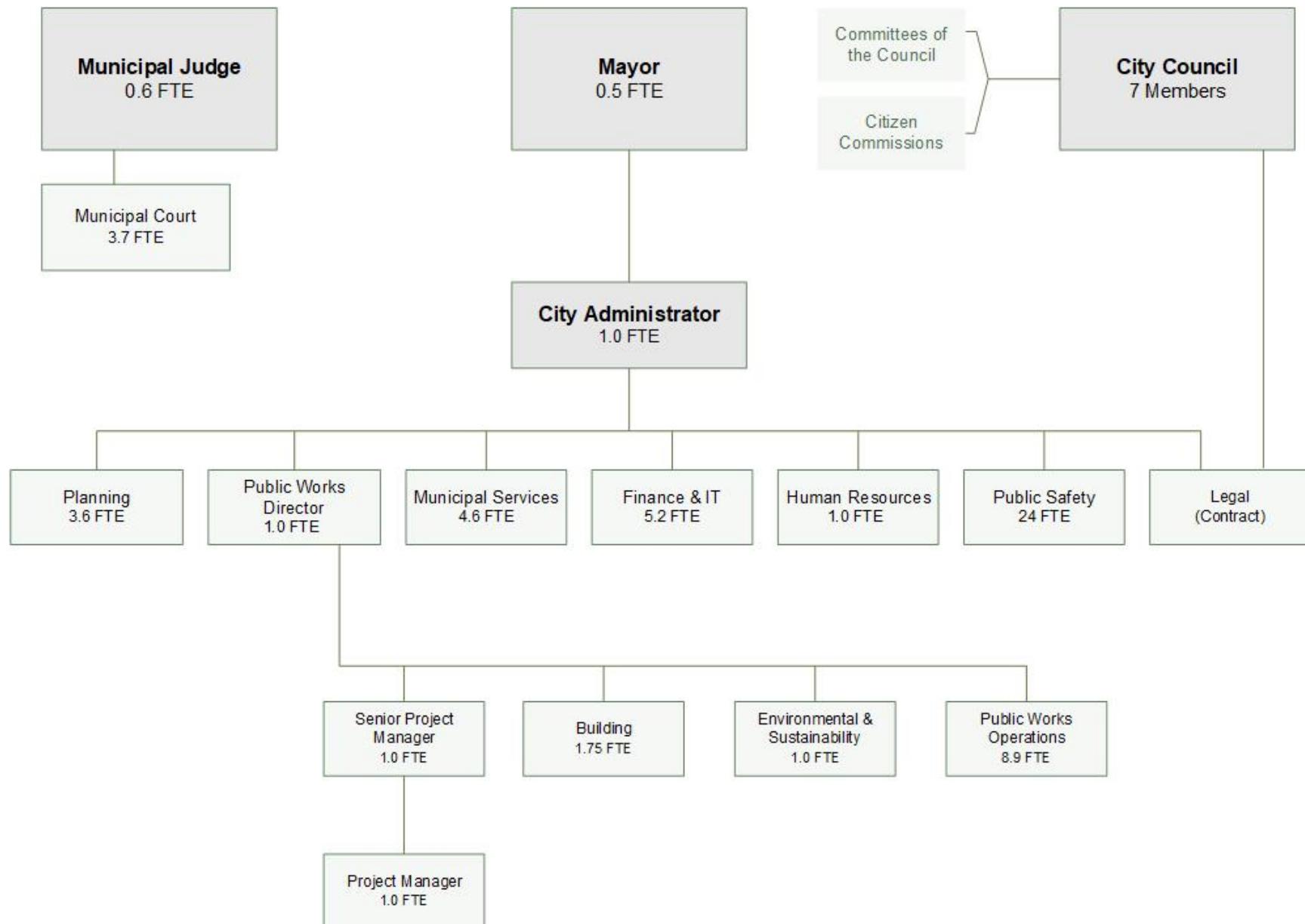
The 2020 Census found the population of Lake Forest Park to be 13,630, the adjusted 2021 population estimate is 13,358, which indicates a little over two percent decrease in one year. In 2020 4.7% of the Lake Forest Park population was under the age of 5 and 20.2% was over the age of 65, slightly over 75% of the population was between the ages of 5 and 64. 77.9% of the Lake Forest Park population identified as white in the 2020 census; 8.3% identified as Asian; almost 6% identified as two or more races; Hispanic, American Indian and Alaska Native, and Black or African American made up 3.3%, 0.3%, and 6.8% respectively. The 2020 Census counted 5,565 housing units in the City, nearly 81% of which were owner occupied. The 2020 median household income in Lake Forest Park was \$138,043

Comparative Statistics, Neighboring Cities

| | <u>Brier</u> | <u>Kenmore</u> | <u>Lake Forest Park</u> | <u>Mountlake Terrace</u> | <u>Seattle</u> | <u>Shoreline</u> |
|--|--------------|----------------|-------------------------|--------------------------|----------------|------------------|
| Population, 2021 est. | 6,497 | 23,502 | 13,358 | 21,428 | 733,919 | 57,918 |
| Density (Population per Sq. Mile) | 2,987 | 3,890 | 3,875 | 5,248 | 8,791 | 5,037 |
| Housing Units | 2,413 | 9,589 | 5,565 | 9,202 | 368,308 | 24,043 |
| Owner Occupied Housing Unit Rate | 89.9% | 73.1% | 80.9% | 53.3% | 44.9% | 66.7% |
| Median Value of Owner Occupied Housing Units | 619,600 | 617,000 | 676,400 | 424,700 | 713,600 | 582,000 |
| Median Household Income | 124,651 | 115,093 | 138,043 | 80,738 | 97,185 | 91,524 |
| Percent in Poverty | 3.9% | 5.1% | 3.0% | 6.9% | 10.2% | 8.3% |
| Percent of 25 and Older with Bachelor's Degree or Higher | 42.3% | 57.1% | 60.8% | 37.4% | 65.0% | 51.1% |
| Total Retail Sales per Capita (2017) | 437 | 5,207 | 2,340 | 5,709 | 82,840 | 17,593 |

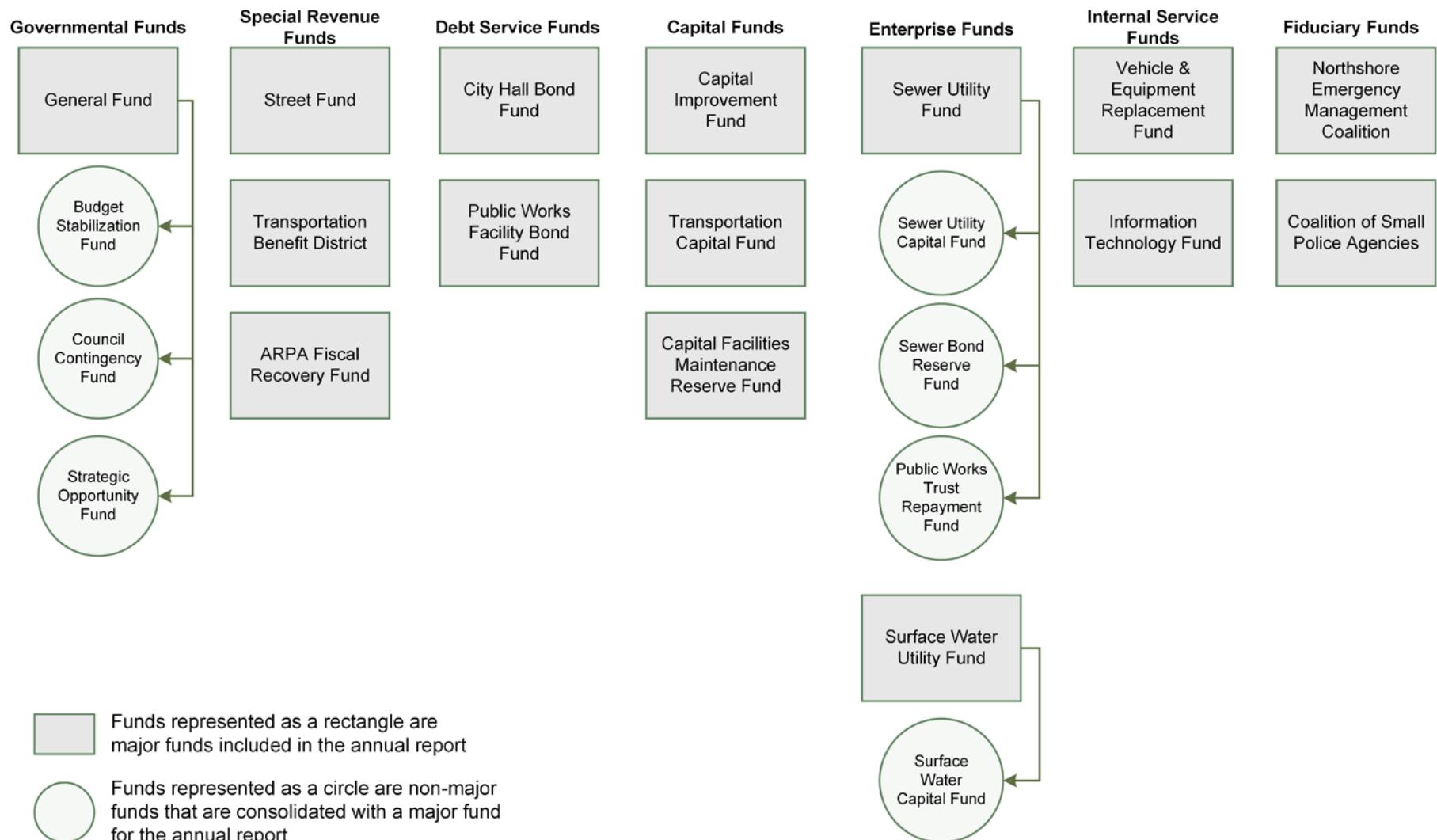
¹ Source of information is the United States Census Bureau www.census.gov

CITY OF LAKE FOREST PARK ORGANIZATION CHART



FINANCIAL ORGANIZATION CHART (FUND STRUCTURE)

The following chart displays the fund structure for Lake Forest Park and is organized by fund type. The fund structure is prescribed by the Washington State Budgeting and Reporting System (BARS) and bears no connection to the organizational structure.



SUMMARY FINANCIAL MANAGEMENT POLICIES

The Summary Financial Management Policies is a brief summary of the financial policies adopted by the City Council that directs the work of the administration for financial matters. The Comprehensive Financial Management Policies (the Policies) is the detailed document of financial policies; some of the matters addressed in the comprehensive policy are absent in this summary. The complete Comprehensive Financial Management Policies document can be found in the appendix.



FUND ACCOUNTING AND THE BUDGET ACCOUNTING AND REPORTING SYSTEM

The City of Lake Forest Park (the City) utilizes the fund accounting method of accounting and keeps its books and records on the cash basis of accounting. The City utilizes the Budget and Accounting Reporting System for Cash Basis Entities (BARS) published by the Washington State Auditor's Office for accounting and reporting matters. The use of fund accounting and BARS for accounting and reporting are dictated by State Statute. Appropriate internal controls will be designed and maintained to ensure the safeguarding of City assets and the quality of reporting.

LONG RANGE FINANCIAL PLANNING

The primary tool for long range financial planning is the six-year financial forecast that includes projected revenue and expense for six years beginning on the first day of the current biennium. The six-year financial forecast is updated every year during biennial budget development or during the mid-biennial budget review and adjustment. The policies dictate the use of prudent assumptions in the development and updating of the six-year financial forecast.

BIENNIAL BUDGET DEVELOPMENT AND ADOPTION

The City adopts a biennial, or two-year, budget in even numbered years. Biennial budgets begin on odd numbered years. Budgets are developed at the line-item level of revenue and expense but are adopted at the fund level meaning that a single revenue and a single expense is adopted for each of the City's funds. The adopted budget includes a schedule of staff positions.

SUMMARY FINANCIAL MANAGEMENT POLICIES

The City budget implements City Council adopted goals and policies, long-range plans, the service choices for the community and revenue allocation policies of the Council. The Mayor, working with his/her administration, develops a “Mayor’s Proposed Budget” that is presented to the City Council for consideration of changes and adoption. The City Council may make any changes to the Mayor’s Proposed Budget that the Council desires and ultimately the City Council is responsible for adopting the final biennial budget.

The Director of Finance is responsible for the management of the budget process and subsequent budget status reporting to departments and the City Administrator. Budget monitoring is the responsibility of all Department Directors and the City Administrator.

FUND BALANCES AND RESERVES

The Policy establishes fund balance reserves for all of the City’s operating funds; for the purposes of the Policy operating funds are those with payroll expense. All operating funds have a minimum fund balance target of eight percent (8%) except as noted below.

- General Fund, 16%
- Street Fund, 16%
- Sewer Utility Fund, 16%
- Surface Water Utility, 16%

Minimum fund balance targets are calculated as a percentage of current year revenue, less identified one-time revenue. General Fund ending fund balance is calculated as the sum of ending fund balances in the General Fund, the Council Contingency Fund, and the Budget Stabilization Fund.

REVENUES

The City will strive to maintain a diversified mix of revenues to provide for continuity and predictability of resources and to minimize the impacts of periodic economic cycles. Revenue forecasts will be prepared using prudent assumptions. One-time revenues will be identified during budget development and in the six-year financial forecast. Grant revenue will be included in future resources when staff determines that the revenue is likely to be received.

EXPENDITURES AND CONTRACTS

Department Directors have primary responsibility for purchasing and expenditures for their respective departments in accordance with the adopted budget and purchasing policy. Purchasing and contracting rules and requirements are contained in the purchasing policy and related legislation.

SUMMARY FINANCIAL MANAGEMENT POLICIES

Expenditures are reviewed by a member of the City Council prior to the payment being released to the vendor, except in the case of a “prepaid batch” and/or payroll. A prepaid batch is a batch of checks that are paid in advance of City Council review due to the Council’s meeting schedule. Amounts paid in a prepaid batch are subject to the same purchasing policy and staff approval process as a normal check batch.

DEBT

Debt may be utilized to address short-term cash flow needs. Debt may also be used to finance significant capital or other obligations. The City Council is required to approve the issuance of debt. Debt will not be used to fund long-term revenue shortages.

INVESTMENTS

The City will utilize the Washington State Local Government Investment Pool (LGIP) and the City’s Bank as its primary investment vehicles. Both accounts are considered short-term investments meaning the funds can easily be deposited or withdrawn. These two accounts do accrue interest at a minimal level.

The City recently updated the Comprehensive Financial Management Policy to expand the investment option for longer-term investments using government agency bonds to assist in diversifying the City’s cash. The change was made in response to a Council discussion around future resiliency.

All short-term and long-term investments fully comply with State law as allowable investments for City monies.

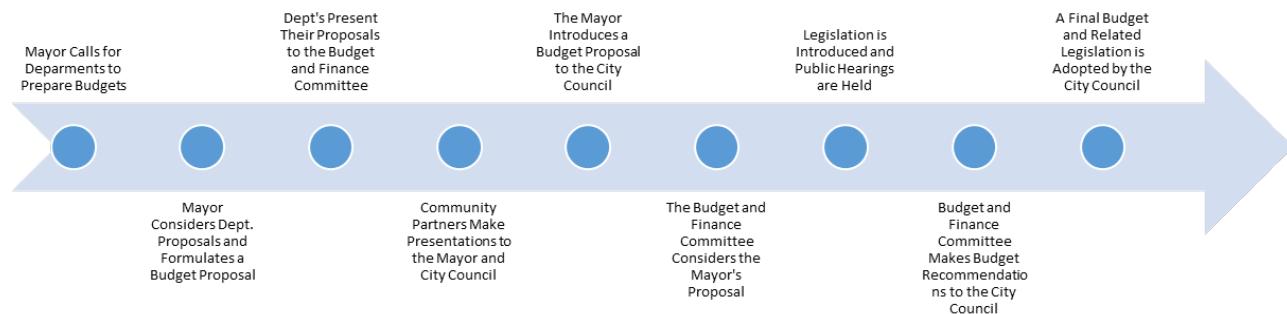
ASSETS

Fixed assets are defined as land, buildings, equipment, and improvements to existing fixed assets costing more than \$5,000 and having a useful life in excess of one year. Assets with a value or cost under \$5,000, but more than \$300 are defined as small and attractive assets. A Fixed Asset Policy and a Small and Attractive Asset Policy maintain accountability for the City’s non-cash assets.

COMPLETE COMPREHENSIVE FINANCIAL MANAGEMENT POLICIES updated
February 2020 – see appendix ([link](#))

THE BUDGET PROCESS

The City adopts a biennial, or two-year, budget in even numbered years. Biennial budgets begin in odd numbered years. In the simplest form, the budget process can be divided into two distinct phases: development of the Mayor's proposed budget and development of the City Council's budget. In actuality there are many steps in the process. The following is a summary of the various steps of the budget process followed by a description of the process to amend a budget.



PHASE ONE: DEVELOPMENT OF THE MAYOR'S PROPOSED BUDGET

Step One: The Budget Calendar

The budget process kicks off with the budget calendar. The Administration works with the Budget and Finance Committee to draft a budget calendar which assigns dates to each milestone in the budget process.

Step Two: Mayor Communicates Budget Priorities and Calls for Department Budget Requests

The Administration begins the budget process with the consideration of budget priorities; those priorities are subsequently communicated to departments. Next, the City Administrator instructs department heads to prepare a budget request for their respective department for the biennium. The Finance Department works with departments to prepare preliminary revenue estimates. Step Two is completed in late May to allow a month for department budget preparation.

Step Three: Department Presentations to the Budget Team

The third step of the budget process is department presentations to the administration's budget team; the budget team consists of the Mayor, City Administrator, and Finance Director. This step of the process occurs when the Mayor is considering department budget proposals; department presentations help to inform the Mayor's decisions about the budget and occurs in July.

THE BUDGET PROCESS

Step Four: Creation of the Mayor's Proposed Budget

Next, the Mayor communicates to the Finance Department what to include in the Mayor's Proposed Budget. The Finance Department prepares the Mayor's Proposed Budget and begins the exercise of balancing the budget. Step four occurs in the August timeframe. The Mayor's Proposed Budget is presented to City Council Members during a council meeting in September with a presentation by the City Administrator and Finance Director.

Step Five: Mayor's Proposed Budget and Public Hearings on Budget Related Legislation

Step five of the budget process is the Mayor's presentation of the Mayor's Proposed Budget to the City Council at an open public meeting. Historically, public hearings on the proposed property tax levy, utility rates, and fees schedule have also been scheduled for the same open public meeting.

The City Council's deliberations on the budget officially start immediately after the Mayor releases his/her proposed budget. It should be noted that the Council is generally gathering data and considering the budget in advance of the official release of the Mayor's Proposed Budget.

PHASE TWO: DEVELOPMENT OF THE CITY COUNCIL'S BUDGET AND BUDGET ADOPTION

Step Six: Studying the Mayor's Proposed Budget and Information Gathering

The second phase of the budget process kicks off with the City Council, sitting as the Budget and Finance Committee, studying the Mayor's proposed budget, asking questions, and gathering information. The Budget and Finance Committee also solicits feedback and information from the community in the form of public hearings. The Budget and Finance Committee schedules a meeting for public comment prior to the start of Council deliberations in late September.

Step Seven: Budget and Finance Committee Makes Budget Recommendations to the City Council

After review of the Mayor's Proposed Budget, consideration of the City Council's priorities and goals, and input from the community, the Budget and Finance Committee makes budget recommendations to the City Council.

Step Eight: City Council Deliberations, Finalize the Council's Budget

At this point the City Council works with Finance Department staff to create a final version of the budget and prepares the budget for adoption. Final public hearings must occur before the City Council calls for a vote on the budget.

Step Nine: Budget Adoption

The final step of the budget process is for the City Council to call for a vote to adopt the budget. The budget is adopted by majority vote of the City Council. Final public hearings and votes on

THE BUDGET PROCESS

the property tax levy rate, utility rates, and the fee schedule generally occur around the same time as the budget but are technically subject to different timelines. The Biennial Budget is anticipated to be adopted mid-November.



AMENDING A BUDGET

Budgets are developed based on a set of predictions about the future. A City budget is a living document and, since it is impossible to know what will happen in the future, adjustments to the adopted budget are frequently required once the budgetary period is underway. A formal change to an adopted budget is known as a budget amendment. An example is when a City receives a grant award. Budgets are adopted at the fund level, as opposed to the line-item or department level, therefore budget amendments are also made at the fund level.

Budget amendments originate with the Administration (the Mayor and staff) and must be passed by a majority of the City Council at an open public meeting. Budget amendments do not require public hearings and do not have specific timelines associated with them. However, it is best practice to formally amend a budget before an expenditure is allocated (amend before you spend). A budget amendment must be passed before the last day of the budgetary period to become effective for that adopted fiscal period.

**City of Lake Forest Park
Budget Calendar, 2023-2024 Biennium**

| <u>Date</u> | | <u>Description</u> | <u>Time</u> | <u>Meeting Type</u> |
|-------------|-----------|---|--------------------|---|
| 7-Jun-22 | Tuesday | Call for Department Budget Requests Issued by Administration | - | N/A |
| 9-Jun-22 | Thursday | Draft Budget Calendar Provided to City Council | 6:00 PM | Work Session, Open to the Public |
| 15-Jun-22 | Wednesday | Discuss Budget Calendar for 2023-2024 for future adoption | 6:00 PM | Special Budget & Finance Meeting, Open to the Public |
| 23-Jun-22 | Thursday | Budget 101 & Adopt Budget Calendar for 2023-2024 Biennial Budget (City Council Mtg.) | 6:00 PM | Special Work Session, Open to the Public |
| 1-Jul-22 | Friday | Department Budget Requests Due to Administration | - | N/A |
| 5-Jul-22 | Tuesday | Administration Reviews Department Proposals | - | N/A |
| 12-Jul-22 | Tuesday | Department Presentations to Mayor, City Administrator, & Finance Director | - | N/A |
| 14-Jul-22 | Thursday | Department Presentations to Mayor, City Administrator, & Finance Director (Continued) | - | N/A |
| 28-Jul-22 | Thursday | Revenue & Expenditure Fiscal Year End Projections for 2021-2022 Biennium | 6:00 PM | Special Work Session, Open to the Public |
| 11-Aug-22 | Thursday | Capital Improvement Project (CIP) Included in 2023-2024 Biennial Budget <i>Community Partners (Human Services) Presentations</i> | 6:00 PM 7:30 PM | <i>Extended Work Session, Open to Public</i> <i>Regular City Council Meeting, Open to the Public</i> |
| 18-Aug-22 | Thursday | Capital Improvement Project (CIP) & Community Partners follow up, if needed | 6:00 PM | Budget & Finance Meeting, Open to the Public |
| 8-Sep-22 | Thursday | Mayor's Proposed Budget Presented to City Council | 7:00 PM | City Council Meeting, Open to the Public |
| 12-Sep-22 | Monday | Detailed Department Presentations of Mayor's Proposed Budget | 6:00 PM | Special Budget & Finance Meeting, Open to the Public |
| 15-Sep-22 | Thursday | Detailed Department Presentations of Mayor's Proposed Budget | 6:00 PM | Budget & Finance Meeting, Open to Public |
| 22-Sep-22 | Thursday | Mayor's Proposed Revenue Projection Overview & Public Comment After the Mayor's Proposed 2023-2024 Biennial Budget | 6:00 PM | Work Session, Open to the Public |
| 26-Sep-22 | Monday | Begin City Council Budget Deliberations and Recommendations | 6:00 PM | Special Budget & Finance Meeting, Open to the Public |
| 13-Oct-22 | Thursday | City Council Budget Deliberations and Recommendations | 6:00 PM | Work Session, Open to the Public |
| 20-Oct-22 | Thursday | City Council Budget Deliberations and Recommendations | 6:00 PM | Budget & Finance Meeting, Open to Public |
| 27-Oct-22 | Thursday | Public Hearings - Property Tax Levy, Rates, and Budget Related Items | 7:00 PM | City Council Meeting, Open to the Public |
| 3-Nov-22 | Thursday | City Council Budget Deliberations and Recommendations, if needed | 6:00 PM | City Council Special Budget Meeting, Open to the Public |
| 10-Nov-22 | Thursday | Final Public Hearings on Property Tax Levy, Rates, and Budget Related Items | 7:00 PM | City Council Meeting, Open to the Public |
| 17-Nov-22 | Thursday | Adoption of Budget, Property Tax Levy, Rates, and Related Items | 6:00 PM | Special City Council Meeting, Open to Public |

FINANCIAL AND EMPLOYMENT INFORMATION

2023-2024 PROPOSED BUDGET

- Consolidated Financial Schedule
- Revenue Forecast
- Schedule of Fund Balances
- Debt
- Budgeted Positions and Salary Schedule

CONSOLIDATED FINANCIAL SCHEDULE

The consolidated financial schedules display the budget in a format consistent with the Budgeting, Accounting, and Reporting System (BARS) and is consistent with the presentation of financial information in the City's annual financial statements.



The data presentation included in these schedules combines revenue and expenditure budget data into broad categories and/or functional areas allowing readers to see the budget data in a format that is easily understood at a glance. Similarly, the separate funds, or accounting entities, of the city are also consolidated based on fund type for ease of understanding. Fund categories are found in columns; revenue and expenditure information is found in rows.

CONSOLIDATED FINANCIAL SCHEDULE

| City of Lake Forest Park Consolidated Financial Schedule, Mayor's Proposed Budget For the Biennium Ending December 31, 2024 | | | | | | |
|---|-------------------|--------------------|--------------------|----------------------|------------------|--------------------|
| | Fund Type | | | | | |
| | General | Special Revenue | Capital | Enterprise / Utility | Internal Service | Total |
| Beginning Cash and Investments¹ | | | | | | |
| Fund Balance | 6,660,291 | 3,725,893 | 4,319,390 | 6,827,459 | 712,849 | 22,245,882 |
| Fund Balance | 1,122,253 | - | - | - | - | 1,122,253 |
| Total Beginning Cash and Investments | 7,782,544 | 3,725,893 | 4,319,390 | 6,827,459 | 712,849 | 23,368,135 |
| Operating Revenues | | | | | | |
| Taxes | 14,038,954 | 850,000 | 1,600,000 | 51,000 | - | 16,539,954 |
| License and Permits | 1,386,465 | 620,000 | - | 30,000 | - | 2,036,465 |
| Intergovernmental Revenues | 1,249,675 | 502,500 | 4,484,763 | 490,000 | - | 6,726,938 |
| Charges for Goods and Services | 1,017,551 | - | 112,022 | 10,502,769 | 1,566,824 | 13,199,166 |
| Fines and Penalties | 4,041,000 | - | - | - | - | 4,041,000 |
| Miscellaneous Revenue | 171,600 | 13,000 | 20,500 | 71,000 | 5,000 | 281,100 |
| Total Operating Revenues | 21,905,246 | 1,985,500 | 6,217,285 | 11,144,769 | 1,571,824 | 42,824,624 |
| Nonoperating Revenues | | | | | | |
| Debt Proceeds | - | - | - | - | - | - |
| Transfers-In | 998,000 | 491,000 | 300,000 | 1,011,000 | - | 2,800,000 |
| Custodial Activities | - | - | - | - | - | - |
| Other Resources | - | - | - | - | - | - |
| Total Nonoperating Revenues | 998,000 | 491,000 | 300,000 | 1,011,000 | - | 2,800,000 |
| Total Revenues | 22,903,246 | 2,476,500 | 6,517,285 | 12,155,769 | 1,571,824 | 45,624,624 |
| Operating Expenditures | | | | | | |
| General Government | 8,497,972 | 224,138 | 533,608 | 663,476 | 72,000 | 9,991,194 |
| Public Safety | 10,989,081 | - | - | - | - | 10,989,081 |
| Utilities | - | - | - | 6,640,518 | - | 6,640,518 |
| Transportation | - | 2,196,849 | 112,000 | - | 198,000 | 2,506,849 |
| Natural and Economic Environment | 2,680,150 | 232,000 | - | 2,187,924 | - | 5,100,074 |
| Social Services | 9,700 | - | - | - | - | 9,700 |
| Culture and Recreation | 562,276 | - | 1,075,000 | - | - | 1,637,276 |
| Total Operating Expenditures | 22,739,179 | 2,652,987 | 1,720,608 | 9,491,918 | 270,000 | 36,874,692 |
| Nonoperating Expenditures | | | | | | |
| Debt Service | 29,400 | - | - | 577,475 | - | 606,875 |
| Capital Expenditures | 378,200 | - | 6,522,358 | 1,020,000 | 643,833 | 8,564,391 |
| Transfers Out | 691,000 | 998,000 | 300,000 | 1,011,000 | - | 3,000,000 |
| Custodial Activities | - | - | - | - | - | - |
| Other Uses | - | - | - | - | - | - |
| Total Nonoperating Expenditures | 1,098,600 | 998,000 | 6,822,358 | 2,608,475 | 643,833 | 12,171,267 |
| Total Expenditures | 23,837,779 | 3,650,987 | 8,542,966 | 12,100,393 | 913,833 | 49,045,958 |
| Increase (Decrease) in Cash and Investments | (934,533) | (1,174,487) | (2,025,681) | 55,376 | 657,991 | (3,421,334) |
| Ending Cash and Investments | | | | | | |
| Fund Balance | 5,725,758 | 2,551,406 | 2,293,709 | 6,882,835 | 1,370,840 | 18,824,548 |
| Fund Balance | 1,122,253 | - | - | - | - | 1,122,253 |
| Total Ending Cash and Investments | 6,848,011 | 2,551,406 | 2,293,709 | 6,882,835 | 1,370,840 | 19,946,801 |

¹ Beginning cash and investments are estimates, actual results may vary from the amounts contained in this schedule.

REVENUE

REVENUE POLICY

The City's Revenue Policy (the Policy) states that the City will strive to maintain a diversified mix of revenues to provide for continuity and predictability of resources and to minimize the impacts of periodic economic cycles.

The Policy continues that where the City has authority to set fees and charges, all such fees and charges should be adjusted to reflect inflation and cost of services and should be reviewed and reported to the Finance Committee on a periodic basis.

With respect to grant revenue, the policy states that grant revenue shall be included in the financial forecasts and biennial budgets when it is deemed likely by staff that the City will receive the grant award. Should planned or budgeted grant revenue not be received, offsetting expenditure reductions shall be implemented or alternative revenue sources shall be identified.

REVENUE FORECAST DEVELOPMENT

The City forecasts revenue for each line item of revenue expected to be received during the biennium. Each revenue is forecasted using one of three forecasting methods: the application of trend analysis, utilization of trusted economists' estimates, and actual amounts pledged by the funding agencies or programs.



Trend Analysis

Trend analysis is a method used to predict what will happen in the future based on what has happened in the past. The use of trend analysis begins by removing unusual or one-time events from prior period results. Next, an average of the prior period results is calculated, that average is the starting point for the forecast for future periods. If unusual, or one-time, events are expected in the upcoming periods, those items are added in; the result is the projected amount for the upcoming period. Trend analysis is used to forecast many types of revenue the City receives including utility taxes, permit fees, and revenue from franchise agreements.

Economists' Estimates

Many of the City's revenues projections are calculated by applying forecasts established by trusted sources to the City's data. King County and the City of Seattle publish a variety of

REVENUE

forecasts established by their economists on a periodic basis. Since the City of Lake Forest Park is located within King County and borders the City of Seattle, Lake Forest Park can expect to have a similar experience as those entities. As such, staff utilizes the estimates established by those trusted economists to forecast several revenue sources. Staff also, however, considers factors that are unique to the City of Lake Forest Park in its forecasts of these items.

Projections Based on Actuals

Several of the City's revenue sources are received from other governmental agencies, including the State of Washington. In many cases, the funding agency publishes the amount that the City will receive in advance of making payment of those amounts. When the funding agency publishes the amount of the future payment as either a lump sum, or an amount that is based on a known value, like population, the City refers to this type of projection as "actual". An example is Liquor Profits that are distributed by the State to cities based on population. The City forecasts Liquor Profit Revenue by multiplying the per capita distribution amount by the published population of Lake Forest Park, the result is the forecasted Liquor Profit Revenue.

The schedule on the following pages display revenue projections for the biennium and includes a column labeled "Method". The method column indicates which projection method was used to project the revenue for the biennium; "T" represents trend analysis, "E" represents economists' estimates, and "A" represents projections based on actuals.

| Revenue Forecast | | Method | 2021-2022 Projected | | 2023-2024 Budget | |
|--------------------------------|---------------------|---------------|----------------------------|----------------------|-------------------------|--|
| Description | GENERAL FUND | | | | | |
| TAXES | | | | | | |
| Property Tax | | T | \$ 6,830,442 | \$ 6,902,329 | | |
| Sales and Use Tax | | T | \$ 3,074,176 | \$ 3,355,357 | | |
| Affordable/Supportive Housing | | A | \$ 24,880 | \$ 25,000 | | |
| Local Criminal Justice / State | | T | \$ 874,613 | \$ 914,364 | | |
| Business Tax | | A | \$ 799,881 | \$ 815,879 | | |
| Solid Waste Collection Tax | | T | \$ 267,985 | \$ 280,165 | | |
| Utility Tax | | T | \$ 691,841 | \$ 695,301 | | |
| Sea. City Light Contract Fee | | T | \$ 1,001,176 | \$ 1,025,100 | | |
| Leasehold Excise Tax | | A | \$ 2,533 | \$ 2,750 | | |
| Admission Tax | | T | \$ 11,187 | \$ 22,710 | | |
| TOTAL TAXES | | | \$ 13,578,715 | \$ 14,038,954 | | |

REVENUE

| Revenue Forecast | | Method | 2021-2022 Projected | | 2023-2024 Budget | | |
|--------------------------------------|---|-----------|---------------------|-----------|------------------|--|--|
| Description | | | | | | | |
| <u>GENERAL FUND</u> | | | | | | | |
| LICENSES AND PERMITS | | | | | | | |
| Cable Television Franchise Fee | T | \$ | 390,687 | \$ | 392,640 | | |
| Telecommunication Franchise | T | \$ | 12,500 | \$ | 10,000 | | |
| Business Licenses | T | \$ | 167,410 | \$ | 170,850 | | |
| Construction Permits | T | \$ | 351,441 | \$ | 420,000 | | |
| Land Use Permits | T | \$ | 150,835 | \$ | 160,000 | | |
| Plumbing Permits | T | \$ | 34,563 | \$ | 36,500 | | |
| Mechanical Permits | T | \$ | 76,654 | \$ | 82,000 | | |
| Concealed Weapon Permit / City | T | \$ | 4,822 | \$ | 5,075 | | |
| Development Tech. Surcharge | T | \$ | 29,189 | \$ | 38,500 | | |
| Credit Card Fee | T | \$ | 9,888 | \$ | 10,000 | | |
| Other Licenses / Permits | T | \$ | 45,765 | \$ | 60,900 | | |
| TOTAL LICENSES AND PERMITS | | \$ | 1,273,755 | \$ | 1,386,465 | | |
| INTERGOVERNMENTAL REVENUES | | | | | | | |
| Bulletproof Vest Partnership | A | \$ | 4,224 | \$ | 7,800 | | |
| Less than Lethal - Dept. of Commerce | A | \$ | 62,604 | | | | |
| EMPG Grant | E | \$ | 40,800 | \$ | 42,230 | | |
| SB 5092 Appropriations | A | \$ | 52,802 | \$ | - | | |
| Multimodal Transportation City | E | \$ | 35,886 | \$ | 37,555 | | |
| Criminal Justice - Population | E | \$ | 9,019 | \$ | 9,700 | | |
| CJ - Special Programs | E | \$ | 32,244 | \$ | 33,000 | | |
| Marijuana Excise Tax Distrib. | A | \$ | 34,972 | \$ | 39,585 | | |
| DUI Distribution | T | \$ | 4,383 | \$ | 4,800 | | |
| Liquor Excise Tax | A | \$ | 180,992 | \$ | 198,940 | | |
| Liquor Board Profits | A | \$ | 210,828 | \$ | 214,065 | | |
| Local Hazardous Waste Grant | A | \$ | 11,315 | \$ | 17,000 | | |
| KC Waste Reduction Recycling | A | \$ | 24,865 | \$ | 20,000 | | |
| KC Waterworks Grant | A | \$ | 48,293 | | | | |
| TOTAL INTERGOVERNMENTAL | | \$ | 753,227 | \$ | 624,675 | | |

REVENUE

| Revenue Forecast | | Method | | | |
|---|---|---------------------|----------------------------|-------------------------|--|
| Description | | | 2021-2022 Projected | 2023-2024 Budget | |
| <u>GENERAL FUND</u> | | | | | |
| CHARGES FOR GOODS AND SERVICES | | | | | |
| Court Administrative Fees | - | \$ 927 | \$ 1,750 | | |
| Interfund Svc. From Fund Surface Water | T | \$ 131,016 | \$ 140,636 | | |
| Interfund Svc. From Fund Sewer Utility | T | \$ 247,360 | \$ 232,818 | | |
| Interfund Svc. From Fund Streets | T | \$ 97,852 | \$ 104,376 | | |
| Interfund Svc. From Fund Transportation Capital | T | \$ 42,570 | \$ 49,472 | | |
| Interfund Svc. From Capital Improvement | T | \$ 10,442 | \$ 6,834 | | |
| Interfund Svc. From Replacement Fund | T | \$ 12,636 | \$ 13,250 | | |
| Passport Revenue | T | \$ 240,595 | \$ 372,000 | | |
| Adult Probation Services | T | \$ 60,000 | \$ 75,000 | | |
| Television/Cable Sub. Fee | T | \$ 14,826 | \$ 15,499 | | |
| Support Service From TBD | T | \$ 2,958 | \$ 2,916 | | |
| Animal Control Reimbursement | T | \$ 6,900 | \$ 3,000 | | |
| TOTAL CHARGES FOR GOODS & SERVICES | | \$ 868,081 | \$ 1,017,551 | | |
| FINES AND PENALTIES | | | | | |
| Other Civil Penalties | T | \$ 402 | \$ 500 | | |
| Traffic Infraction Penalties | T | \$ 123,313 | \$ 125,000 | | |
| Traffic Safety Camera Fines | T | \$ 4,569,487 | \$ 3,840,000 | | |
| Local/JIS Account | T | \$ 1,011 | \$ 1,000 | | |
| Legislative Assessment | T | \$ 7,323 | \$ 10,000 | | |
| Civil Parking Infraction Penalties | T | \$ 3,185 | \$ 4,000 | | |
| DUI Fines | T | \$ 8,122 | \$ 10,000 | | |
| Other Crim. Traffic Misdemeanor | T | \$ 21,676 | \$ 25,000 | | |
| Emergency Services | | \$ 1,334 | \$ 1,000 | | |
| Other Crim. Non-Traffic Fines | T | \$ 6,907 | \$ 6,000 | | |
| Court Fines & Forfeits | T | \$ 15,544 | \$ 18,500 | | |
| TOTAL FINES AND PENALTIES | | \$ 4,758,303 | \$ 4,041,000 | | |

REVENUE

| Revenue Forecast | | Method | 2021-2022 Projected | | 2023-2024 Budget | | |
|---|---|---------------|----------------------------|-----------|-------------------------|--|--|
| Description | | | | | | | |
| <u>GENERAL FUND</u> | | | | | | | |
| MISCELLANEOUS REVENUE | | | | | | | |
| Investment Interest | T | \$ | 17,469 | \$ | 20,000 | | |
| Sales Tax Interest-State Treas | T | \$ | 2,638 | \$ | 4,000 | | |
| Turner (Lakefront) Rent | A | \$ | 24,000 | \$ | 24,000 | | |
| Facility Rental Fees | | \$ | 1,000 | \$ | 3,000 | | |
| Donations | - | \$ | 100 | \$ | 1,000 | | |
| Safe Harbor Donations (DV) | - | \$ | 500 | \$ | - | | |
| City Forestry Account | T | \$ | 9,433 | \$ | 12,000 | | |
| Sales of Surplus | | \$ | 400 | \$ | 3,000 | | |
| P-Card Rebate | A | \$ | 20,157 | \$ | 22,500 | | |
| Forfeits / Asset Seizure | T | \$ | 5,614 | \$ | 1,000 | | |
| Cash Adjustments | - | \$ | 73 | \$ | - | | |
| Police Miscellaneous Revenue | | \$ | 23,217 | \$ | 16,000 | | |
| Miscellaneous Court Fees | | \$ | 528 | \$ | 600 | | |
| Notary Fees | | \$ | 1,050 | \$ | 5,500 | | |
| Refundable Sound Transit Deposit | | \$ | 97,206 | | | | |
| Miscellaneous Revenue | A | \$ | 41,476 | \$ | 45,000 | | |
| Transfer from ARPA 107 Fund | | \$ | 186,612 | \$ | 998,000 | | |
| TOTAL MISCELLANEOUS | | \$ | 431,474 | \$ | 1,155,600 | | |
| TOTAL GENERAL FUND REVENUE | | \$ | 21,663,556 | \$ | 22,264,246 | | |
| <u>STREET FUND</u> | | | | | | | |
| R.O.W. Permits - Construction | T | \$ | 105,310 | \$ | 135,000 | | |
| ROW Rev. / Utility Franchise | T | \$ | 469,830 | \$ | 485,000 | | |
| Gas Taxes (MVET Cities) | A | \$ | 501,069 | \$ | 502,500 | | |
| Investment Interest | T | \$ | 2,301 | \$ | 5,000 | | |
| Miscellaneous Revenue | T | | | \$ | 2,000 | | |
| Transfer From Gen. Fund (001) | A | \$ | 263,000 | \$ | 491,000 | | |
| TOTAL | | \$ | 1,341,511 | \$ | 1,620,500 | | |
| <u>COUNCIL CONTINGENCY FUND</u> | | | | | | | |
| Investment Interest | T | | 1,742 | | 10,000 | | |
| TOTAL | | \$ | 1,742 | | 10,000 | | |
| <u>TRANSPORTATION BENEFIT DISTRICT</u> | | | | | | | |
| TBD Vehicle Fees-State | T | \$ | 864,481 | \$ | 850,000 | | |
| Investment Interest | T | \$ | 2,431 | \$ | 6,000 | | |
| TOTAL | | \$ | 866,912 | \$ | 856,000 | | |

REVENUE

| Revenue Forecast | | Method | | |
|--|---|---------------------|---------------------|------------------|
| Description | | | 2021-2022 Projected | 2023-2024 Budget |
| <u>BUDGET STABILIZATION FUND</u> | | | | |
| Interest | T | | 923 | 2,000 |
| TOTAL | | | 923 | 2,000 |
| <u>STRATEGIC OPPORTUNITY FUND</u> | | | | |
| Dept of Commerce State Grant Lake Front Prop. | - | | 423,360 | - |
| Recreation & Cons. State Grant Lake Front Prop | - | | 856,949 | - |
| King County Park Levy Grant Lake Front Prop. | - | | 2,269,691 | - |
| KC Conservation Futures Grant Lake Front Prop. | - | | 950,000 | - |
| KC Conservation Futures Grant (Parks) | | | | 625,000 |
| Interest | T | | 724 | 2,000 |
| IF from Sewer Capital (402) Fund | | | 1,300,000 | - |
| Transfer from Fund (301) | | | 800,000 | - |
| TOTAL | | | 6,600,724 | 627,000 |
| <u>ARPA FUND</u> | | | | |
| American Rescue Plan Act 2021 | A | | 3,771,455 | - |
| TOTAL | | | 3,771,455 | - |
| <u>CAPITAL IMPROVEMENT FUND</u> | | | | |
| Real Estate Excise Tax I | T | \$ 1,245,037 | \$ 800,000 | |
| King County Parks Levy | T | \$ 268,241 | \$ 271,000 | |
| Investment Interest | T | \$ 4,655 | \$ 6,000 | |
| Transfer from Fund (302) | | \$ 60,000 | \$ 60,000 | |
| TOTAL | | \$ 1,577,933 | \$ 1,137,000 | |
| <u>TRANSPORTATION CAPITAL FUND</u> | | | | |
| Real Estate Excise Tax II | T | \$ 1,245,037 | \$ 800,000 | |
| WSDOT Grants RAB | - | \$ 31,619 | \$ 618,381 | |
| State Transportation Improvement Board RAB | - | \$ 125,816 | \$ 2,435,382 | |
| Department of Commerce | A | | \$ 100,000 | |
| Interfund Svc From Surface Water | T | \$ 56,011 | \$ 56,011 | |
| Interfund Svc. From Sewer | T | \$ 56,011 | \$ 56,011 | |
| Investment Interest | T | \$ 4,830 | \$ 8,500 | |
| Transfer From TBD (104) Overlay/ADA Ramps | A | \$ 1,200,000 | \$ 800,000 | |
| TOTAL | | \$ 2,719,323 | \$ 4,874,285 | |

REVENUE

| Revenue Forecast | | Method | | |
|---|---|---------------------|---------------------|------------------|
| Description | | | 2021-2022 Projected | 2023-2024 Budget |
| <u>CAPITAL FACILITIES MAINTENANCE FUND</u> | | | | |
| Investment Interest | T | \$ 2,102 | \$ 6,000 | |
| Trans. From Capital Fund | A | \$ 350,000 | \$ 300,000 | |
| TOTAL | | \$ 352,102 | \$ 306,000 | |
| <u>SEWER UTILITY FUND</u> | | | | |
| Licenses and Permits | T | \$ 30,800 | \$ 30,000 | |
| Utility Charges | T | \$ 6,515,676 | \$ 7,306,288 | |
| Late Charges - Utility Bills | T | \$ 18,213 | \$ 40,000 | |
| Investment Interest | T | \$ 6,493 | \$ 11,500 | |
| Sewer Miscellaneous Revenue | - | \$ - | \$ 3,000 | |
| Sewer Certificate Fee | T | \$ 1,740 | \$ 2,000 | |
| Sewer Lien Filing/Removal Fee | T | \$ - | \$ 1,000 | |
| TOTAL | | \$ 6,572,921 | \$ 7,393,788 | |
| <u>SEWER CAPITAL FUND</u> | | | | |
| Investment Interest | T | \$ 6,760 | \$ 20,000 | |
| Interfund Loan from Strat. Opp (106) Interest | | \$ 1,000 | \$ - | |
| Interfund Loan from Strat. Opp (106) Lake Front | - | \$ 1,300,000 | \$ - | |
| Transfer From Sewer Fund | A | \$ 200,000 | \$ 250,000 | |
| TOTAL | | \$ 1,507,760 | \$ 270,000 | |
| <u>SURFACE WATER UTILITY FUND</u> | | | | |
| Muni. Stormwater Grant (DOE) | A | \$ 2,003 | \$ - | |
| Utility Service Charges | T | \$ 2,640,416 | \$ 3,056,481 | |
| Investment Interest | T | \$ 4,152 | \$ 10,000 | |
| Miscellaneous Revenue | - | \$ - | \$ 3,000 | |
| TOTAL | | \$ 2,646,572 | \$ 3,069,481 | |
| <u>SURFACE WATER CAPITAL FUND</u> | | | | |
| Muni. Stormwater Grant (DOE) | A | \$ 43,534 | \$ - | |
| WSDOT Grant | A | \$ 8,608 | \$ 265,000 | |
| Department of Commerce | A | \$ - | \$ 225,000 | |
| King County Flood District | A | \$ 245,274 | \$ - | |
| Investment Interest | A | \$ 2,865 | \$ 10,000 | |
| Miscellaneous Revenue | - | \$ 59,510 | \$ - | |
| Trans From Surface Water (403) | A | \$ 350,000 | \$ 425,000 | |
| TOTAL | | \$ 709,792 | \$ 925,000 | |

REVENUE

| Revenue Forecast | | Method | | |
|---|---|-------------------|----------------------------|-------------------------|
| Description | | | 2021-2022 Projected | 2023-2024 Budget |
| <u>SEWER BOND RESERVE FUND</u> | | | | |
| Investment Interest | T | | 358 | 2,000 |
| TOTAL | | | 358 | 2,000 |
| <u>PUBLIC WORKS TRUST FUND REPAYMENT FUND</u> | | | | |
| Excise Tax Revenue | T | | 50,000 | 51,000 |
| Connection Charges | T | | 70,408 | 100,000 |
| Investment Interest | T | | 1,659 | 8,500 |
| Transfer From Sewer Utility | A | | 350,000 | 336,000 |
| TOTAL | | | 472,067 | 495,500 |
| <u>VEHICLE & EQUIPMENT REPAIR & REPLACEMENT FUND</u> | | | | |
| Interfund Svc. From Fund General Fund | A | \$ 318,664 | \$ 901,246 | |
| Interfund Svc. From Fund Streets | A | \$ 72,996 | \$ 102,144 | |
| Interfund Svc. From Fund Surface Water | A | \$ 91,772 | \$ 137,168 | |
| Interfund Svc. From Fund Sewer Utility | A | \$ 70,606 | \$ 105,234 | |
| Interfund Svc. From Fund Transportation Capital | A | \$ 4,882 | \$ 12,878 | |
| Investment Interest | T | \$ 3,376 | \$ 4,000 | |
| Equipment Sales | A | \$ 30,525 | \$ - | |
| Trans. In from Surface Water Cap. (404) | | \$ 40,000 | \$ - | |
| TOTAL | | \$ 632,821 | \$ 1,262,670 | |
| <u>INFORMATION TECHNOLOGY EQUIPMENT REPLACEMENT FUND</u> | | | | |
| Interfund Svc. From Fund General Fund | | \$ 254,188 | | |
| Interfund Svc. From Fund Streets | | \$ 12,932 | | |
| Interfund Svc. From Fund Surface Water | | \$ 19,746 | | |
| Interfund Svc. From Fund Sewer Utility | | \$ 3,730 | | |
| Interfund Svc. From Fund PW Contract | | \$ 13,828 | | |
| Interfund Svc. From Fund Transportation Capital | | \$ 3,730 | | |
| Investment Interest | | \$ 1,000 | | |
| | | \$ 309,154 | | |

SCHEDULE OF FUND BALANCES

DEFINITIONS

Fund Balance: the amount of cash and investments available at year end.

Minimum Fund Balance Target: the amount of fund balance that is set as the minimum target amount of cash and investments that, by policy, should be available at year end.

SCHEDULE OF FUND BALANCE

The City is projected to begin the 2023-2024 biennium with a beginning fund balance of \$23,368,135 for all funds. The projected ending fund balance at the end of the biennium is \$19,946,801 for all funds. The following schedule of beginning and ending fund balance displays the change in fund balance for each fund included in the 2023-2024 biennial budget. It should be noted that the projected beginning fund balances at January 1, 2023 are projected estimates based on the 2021-2022 budget trends and the actual beginning fund balances will vary. The final beginning balances are available after the audited financial statements are published.

Ending Fund Balance Analysis

| Fund | Projected Beginning Fund Balance 1/1/2023 | 2023-2024 Revenue | 2023-2024 Expenditure | Projected Ending Fund Balance 12/31/2024 | Minimum Fund Balance Target Achieved, Yes/No? |
|---------------------------------------|---|-------------------|-----------------------|--|---|
| General | 6,660,291 | 22,264,246 | 23,475,779 | 5,448,758 | Yes |
| Street | 608,292 | 1,620,500 | 1,616,301 | 612,491 | Yes |
| Council Contingency | 732,349 | 10,000 | - | 742,349 | n/a |
| Transportation Benefit Dist. | 748,901 | 856,000 | 804,686 | 800,215 | n/a |
| Budget Stabilization | 319,093 | 2,000 | - | 321,093 | n/a |
| Strat. Opportunity Fund | 70,811 | 627,000 | 362,000 | 335,811 | n/a |
| ARPA Fund | 2,368,700 | - | 1,230,000 | 1,138,700 | n/a |
| Capital Improvement | 1,702,512 | 1,137,000 | 1,384,000 | 1,455,512 | n/a |
| Transportation Capital | 1,810,842 | 5,074,285 | 6,473,466 | 411,661 | n/a |
| Capital Facilities Maintenance | 806,036 | 306,000 | 685,500 | 426,536 | n/a |
| Sewer Utility | 667,331 | 7,393,788 | 7,385,080 | 676,039 | Yes |
| Sewer Capital | 3,565,492 | 270,000 | 90,000 | 3,745,492 | n/a |
| Surface Water Utility | 735,402 | 3,069,481 | 3,061,309 | 743,574 | Yes |
| Surface Water Capital | 1,113,115 | 925,000 | 1,076,000 | 962,115 | n/a |
| Sewer Bond Reserve | 106,847 | 2,000 | - | 108,847 | n/a |
| PW Trust Fund Repayment | 639,272 | 495,500 | 488,004 | 646,768 | n/a |
| Vehicle & Equip. Replacement | 712,849 | 1,262,670 | 577,300 | 1,398,219 | n/a |
| <i>IT Equipment Replacement *NEW*</i> | | 309,154 | 336,533 | (27,379) | n/a |

SCHEDULE OF FUND BALANCES

EXPLANATION OF SIGNIFICANT CHANGES IN FUND BALANCE

Changes in fund balance are expected during every biennium, below is a list of funds that are projected to draw-down their respective fund balance during the biennium by more than ten percent, a brief explanation of the reason for the draw-down is also provided.

General Fund

The General Fund is projected to use over \$1.2 million in unallocated ending fund balance for the 2023-2024 budget. The City is meeting the ending fund balance requirement of 16% per the City's Comprehensive Financial Management Policy (see appendix for full document). The overall expenditures in the General Fund are increasing from Municipal Court security costs, dispatch Interlocal Agreement (ILA) costs with Bothell, jail costs, and the City's overall insurance increased over 40% from 2022. These increasing costs have had a significant impact to the general fund.

The Mayor has also included some new expenditures in the General Fund starting with the funding of the RADAR Program to assist in addressing the behavioral health need in North King County with other regional partners, funding for the Climate Action Committee, and increasing the funding to the Senior Center. The Mayor's Proposed budget also includes a slight increase in hours for the City Arborist position, an additional 0.4 Full Time Equivalent (FTE) Employee in the Finance Department (mainly to assist with the Municipal Court finance support needs), a paperless software system for the Municipal Court, new AED's for the City, additional funding for future street improvements, and increasing the salary for the Pro-Tem Judge that has not been increased in over 10 years.

ARPA Fiscal Recovery Fund

These federal funds were provided as a one-time allocation with two distributions in 2021 and 2022. The funds will continue to decrease until all the funding has been allocated.

Capital Improvement Fund

The Capital Improvement Fund is currently proposed to pay for the construction portion of the NE 35th Avenue Drainage Project which requires an amendment to the adopted Capital Improvement Plan (CIP). One time capital improvements are considered normal justification for a fund balance reduction.

Transportation Capital Fund

The main project in the Transportation Capital Fund is the Ballinger Way NE (SR 104) & 40th Place NE Roundabout Project. The current projected construction costs for the Roundabout Project greatly exceeds the original cost estimates. The Public Works Department has submitted for grants to assist in covering a large portion, if not all, of the outstanding balance for the Roundabout Project. One time capital improvements are considered normal justification for a fund balance reduction.

SCHEDULE OF FUND BALANCES

Capital Facilities Maintenance Fund

Facilities replacements and improvements are the primary contributors to the decrease in fund balance for the Capital Facilities Fund. These improvements are considered facility capital projects and represent a normal justification for a draw-down.

Surface Water Capital Fund

The CIP includes culvert costs with design and Right-of-Way (ROW) acquisition for the L90 culvert project. The construction of the L90 culvert project will require a grant award, or additional funding. The Surface Water Fund is also scheduled to construct material bin covers for the Public Works Facility and perform required creek restoration at Lyon Creek. The City is also partnering with Shoreline through an interlocal agreement for the 195th St. NE & Ballinger Way NE (SR 104) Culvert Replacement Project. As noted above, capital projects are a normal use of fund balance.

IT Replacement Fund *NEW*

The IT Replacement Fund saves for the replacement of significant hardware equipment and computer software over time. The fund will also pay for ongoing professional services annual maintenance. It is customary for the fund balance to fluctuate; these fluctuations are especially noticeable in any biennium when significant replacements are scheduled. The Vehicle and Equipment Replacement Fund will allocate a beginning fund balance to the IT replacement fund at the beginning of 2023.

DEBT

DEBT POLICY

The City's debt policy states that debt may be utilized to address short-term cash flow needs and to finance significant capital or other obligations. The City Council is required to approve the issuance of debt. Debt will not be used to fund long-term revenue shortages. The debt policy also requires that debt is used prudently in a manner that avoids any adverse impact on the City's credit rating or ability to issue additional debt. The Policy requires that prior to the issuance of any debt, staff perform significant analysis to ensure that all policy requirements are met and that the Mayor and City Council are well aware of long-term effects of the debt issuance.

DEBT LIMIT

External restrictions on the issuance of debt also exist. The State Constitution sets limits for the amount of general obligation debt that a city can issue (hereinafter referred to as the Statutory Debt Limit). The Statutory Debt Limits were enacted based on the legislature's perception of what is safe and reasonable. The statutory debt limit for cities is the combination of non-voted and voted debt. Limits are currently set at 1.5% of assessed value for non-voted debt and 2.5% of assessed value for voted debt. It should be noted that voted refers to a vote of the public. Non-voted debt is councilmanic, meaning that it requires only a vote of the City Council. It should also be noted that additional debt is allowed for specific purposes associated with a local government. These purposes include debt associated with certain utilities and open space, parks, and economic development facilities.



DEBT

DEBT LIMIT CALCULATION

The following table is the City of Lake Forest Park Debt Limit Calculation. The values in the table are exclusive of the aforementioned specific purpose debt.

Debt Limit Calculation Table

| <u>2022 Assessed Valuation</u> | <u>Non-Voted Percent Limit</u> | <u>Non-Voted Limit</u> | <u>Voted Percent</u> | <u>Voted Limit</u> | <u>Combined Limit</u> |
|--------------------------------|--------------------------------|------------------------|----------------------|--------------------|-----------------------|
| \$ 4,070,645,494 | 1.5% | \$ 61,059,682 | 2.5% | \$ 101,766,137 | \$ 162,825,820 |

CURRENT DEBT

The following table shows the City's current debt and debt payment schedule. All of the City's current outstanding debt is non-voted debt, subject to the 1.5% limit described above.

Schedule of Outstanding Debt and Payment Schedule

| | Sewer Extension | Sewer Extension | Sweeper Purchase | Sweeper Purchase | |
|-------------|--------------------|-------------------|--------------------|-------------------|-------------------|
| <u>Year</u> | <u>(Principal)</u> | <u>(Interest)</u> | <u>(Principal)</u> | <u>(Interest)</u> | <u>Total Debt</u> |
| 2022 | \$ 239,607 | \$ 4,792 | \$ 55,979 | \$ 5,535 | \$ 305,913 |
| 2023 | \$ 239,607 | \$ 3,594 | \$ 58,521 | \$ 2,993 | \$ 304,715 |
| 2024 | \$ 239,607 | \$ 2,396 | \$ 30,250 | \$ 507 | \$ 272,760 |
| 2025 | \$ 239,607 | \$ 1,198 | \$ - | \$ - | \$ 240,805 |
| Total | \$ 958,428 | \$ 11,980 | \$ 144,750 | \$ 9,035 | \$ 1,124,194 |

The City's current outstanding debt is less than 1% of the total debt capacity. The 2021-2022 budget does not include the issuance of any debt.

BUDGETED EMPLOYMENT POSITIONS AND SALARIES

Employment positions and salaries are authorized during the budget process. The official document adopted by the City Council during the budget process is the Budgeted Positions and Salary Schedule (the Schedule). The Schedule is organized by department and contains a column labeled FTE which represents the number of Full Time Equivalent (FTE) position(s) authorized in the budget. The City utilizes a six-step salary range for most positions, except the following: elected officials, positions subject to an employment agreement, and certain Police Department positions. Step 1 indicates the lowest pay for a position; Step 6 indicates the highest pay for a position. Employees move through the steps based on merit; merit increases are available to employees on their anniversary date as established in the employee's annual performance evaluation. Amounts on the schedule are monthly.



The Adopted 2023/2024 Budget (the Budget) authorizes 59.65 FTEs; the count at adoption of the 2021/2022 budget was 58.80 FTEs. The following table is comparative and displays the overall and department level employment for eight years. Following the table is a narrative description of employment changes scheduled for the 2023/2024 budget. The adopted Budgeted Positions and Salary Schedule is found on subsequent pages.

Eight Year Schedule of Authorized Positions by Department

| Department | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Executive | 2.50 | 2.50 | 2.50 | 2.50 | 2.50 | 2.50 | 2.50 | 2.50 |
| Municipal Court | 4.30 | 4.30 | 4.30 | 4.30 | 4.30 | 4.30 | 4.30 | 4.30 |
| Municipal Services | 4.45 | 4.45 | 4.75 | 4.75 | 4.60 | 4.60 | 4.85 | 4.85 |
| Finance & Information Technology | 5.38 | 5.38 | 5.38 | 5.38 | 5.20 | 5.20 | 5.60 | 5.60 |
| Planning | 5.00 | 5.00 | 3.60 | 3.60 | 3.60 | 3.60 | 3.80 | 3.80 |
| Building | 0.00 | 0.00 | 2.00 | 2.00 | 1.75 | 1.75 | 1.75 | 1.75 |
| Community Services | 0.95 | 0.95 | 0.95 | 0.95 | 0.95 | 0.95 | 0.35 | 0.35 |
| Engineering | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 0.00 | 0.00 |
| Police | 23.00 | 23.00 | 23.00 | 23.00 | 23.00 | 23.00 | 23.00 | 23.00 |
| Emergency Management | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Public Works | 14.90 | 14.90 | 9.90 | 9.90 | 10.90 | 10.90 | 12.50 | 12.50 |
| Total Budgeted FTE's | 61.48 | 61.48 | 58.38 | 58.38 | 58.80 | 58.80 | 59.65 | 59.65 |

BUDGETED EMPLOYMENT POSITIONS AND SALARIES

DESCRIPTION OF CHANGES IN THE 2023-2024 BUDGET

Municipal Services Department, +0.25 FTE

The Municipal Services Department is responsible for staffing passport services. Passport services generates revenue for the City and helps fund city services. The Municipal Services Department utilizes a flexible staffing model to provide passport services and has identified a need to increase the authorized Passport Clerk position from 0.75 FTE to 1 FTE. The same flexible staffing model will remain in place with the increase, but the City is utilizing a scheduling system for all passport appointments resulting from the pandemic shutdown.

Finance Department, +0.4 FTE

The Finance Department is requesting an additional 0.4 FTE of an Accountant Position to comply with current audit recommendations to further support the Municipal Court's routine daily, weekly, and month-end reconciliation demands. The Finance Department is also extremely lean with staff and providing additional support for daily, weekly, monthly, quarterly, and annual needs is much needed.

Planning Department, +0.2 FTE

The Planning Department is requesting to increase the City Arborists hours by 0.20 FTE due to the current demands of the position with the new tree code being recently adopted. The adoption of the recently enhanced the tree code language but left the tree sizing table untouched until a better understanding of the previously adopted numbers could be explored. The Planning Department has been requesting the addition of hours in previous budgets, however the request was unable to be granted. The Mayor is very pleased to be able to grant the addition of these hours to support the ongoing needs of the City for the 2023/2024 budget.

Public Works Department, Organizational Change, 0 FTE

The Public Works Department has gone through an organizational change by removing a City Engineering position to result in a Senior Project Manager and create the Environmental & Sustainability Specialist which more accurately reflects the work that is currently being completed. The total employee FTE count has not changed for the Public Works Department.

2023 Budgeted Positions and Salary Schedule

Amounts on this schedule are monthly

| | FTE | Step 1 | Step 2 | Step 3 | Step 4 | Step 5 | Step 6 |
|---------------------------------|------|--------|--------|--------|--------|--------|--------|
| Legislative | | | | | | | |
| Councilmembers | 7.00 | | | | | | 600 |
| Executive | | | | | | | |
| Mayor | 0.50 | | | | | | 3,000 |
| City Administrator | 1.00 | | | | | | 16,509 |
| Human Resources Director | 1.00 | 7,905 | 8,432 | 8,959 | 9,486 | 10,013 | 10,540 |
| | 2.50 | | | | | | |
| Judicial | | | | | | | |
| Municipal Court Judge | 0.60 | | | | | | 16,604 |
| Court Administrator | 1.00 | 6,957 | 7,421 | 7,885 | 8,349 | 8,813 | 9,277 |
| Court Clerk | 2.50 | 4,377 | 4,669 | 4,961 | 5,252 | 5,544 | 5,836 |
| Probation Officer | 0.20 | 5,585 | 5,957 | 6,330 | 6,702 | 7,074 | 7,447 |
| Pro-tem Judges | | | | | | | |
| | 4.30 | | | | | | |
| Municipal | | | | | | | |
| City Clerk | 1.00 | 7,009 | 7,475 | 7,943 | 8,411 | 8,878 | 9,345 |
| Deputy City Clerk | 1.00 | 5,683 | 6,061 | 6,440 | 6,819 | 7,198 | 7,577 |
| Records Mgmt. & Office Support | 0.85 | 4,262 | 4,546 | 4,830 | 5,114 | 5,398 | 5,683 |
| Receptionist / Office Clerk | 1.00 | 4,130 | 4,406 | 4,682 | 4,957 | 5,233 | 5,507 |
| Passport Clerk | 1.00 | 3,698 | 3,944 | 4,190 | 4,438 | 4,684 | 4,930 |
| | 4.85 | | | | | | |
| Finance | | | | | | | |
| Finance Director | 1.00 | 9,483 | 10,115 | 10,747 | 11,379 | 12,012 | 12,643 |
| Accounting Supervisor | 1.00 | 6,665 | 7,109 | 7,553 | 7,998 | 8,442 | 8,886 |
| Accountant | 1.00 | 4,534 | 4,836 | 5,137 | 5,441 | 5,742 | 6,044 |
| Utility and Payroll Analyst | 1.00 | 5,278 | 5,630 | 5,982 | 6,334 | 6,686 | 7,037 |
| Info. Tech. Program Manager | 1.00 | 8,157 | 8,700 | 9,244 | 9,788 | 10,332 | 10,876 |
| Accounting Clerk | 0.60 | 4,342 | 4,632 | 4,921 | 5,210 | 5,500 | 5,789 |
| | 5.60 | | | | | | |
| Planning | | | | | | | |
| Planning Director | 1.00 | 9,133 | 9,742 | 10,350 | 10,960 | 11,569 | 12,177 |
| Senior Planner | 1.00 | 6,688 | 7,135 | 7,580 | 8,026 | 8,471 | 8,918 |
| Assistant Planner | 1.00 | 5,065 | 5,402 | 5,740 | 6,078 | 6,415 | 6,753 |
| Arborist | 0.80 | | | | | | 7,802 |
| | 3.80 | | | | | | |
| Building | | | | | | | |
| Building Official | 1.00 | 7,176 | 7,654 | 8,132 | 8,611 | 9,089 | 9,568 |
| Permit Technician | 0.75 | 4,586 | 4,891 | 5,197 | 5,502 | 5,808 | 6,113 |
| | 1.75 | | | | | | |
| Community Services | | | | | | | |
| Community Volunteer Coordinator | 0.00 | 4,661 | 4,972 | 5,282 | 5,593 | 5,903 | 6,214 |
| Domestic Violence Advocate | 0.35 | 4,823 | 5,145 | 5,466 | 5,788 | 6,110 | 6,431 |
| | 0.35 | | | | | | |
| Emergency Management | | | | | | | |
| Emergency Manager | 1.00 | 7,848 | 8,062 | 8,276 | 8,490 | 8,704 | 8,918 |
| | 1.00 | | | | | | |

| Police | | | | | | | |
|--------------------------|-------|-------|-------|-------|-------|--------|--------|
| Police Chief | 1.00 | | | | | | 14,206 |
| Lieutenant | 2.00 | 7,920 | 8,449 | 8,976 | 9,504 | 10,032 | 10,560 |
| Sergeant 2 | 3.00 | | | | | | 9,025 |
| Sergeant 1 | 1.00 | | | | | | 8,573 |
| Police Officer | 9.00 | 6,105 | 6,587 | 7,111 | 7,628 | | |
| Detective | 2.00 | 6,715 | 7,246 | 7,822 | 8,391 | | |
| Traffic | 1.00 | 6,410 | 6,916 | 7,467 | 8,010 | | |
| K-9 | 1.00 | 6,410 | 6,916 | 7,467 | 8,010 | | |
| Support Services Officer | 1.00 | 4,850 | 5,197 | 5,542 | 5,898 | | |
| Records Specialist | 2.00 | 4,680 | 4,847 | 5,013 | 5,177 | 5,342 | 5,508 |
| | 23.00 | | | | | | |

Public Works (Streets, Surface Water, Sewer, and Parks Maintenance)

| | | | | | | | |
|---|-------|--------|--------|--------|---------------------------------------|--------|--------|
| Public Works Director | 1.00 | 10,683 | 11,003 | 11,691 | 12,378 | 13,066 | 13,754 |
| Senior Project Manager | 1.00 | 7,500 | 7,912 | 8,407 | 8,902 | 9,397 | 9,891 |
| Project Manager | 1.00 | 6,461 | 6,892 | 7,322 | 7,753 | 8,184 | 8,615 |
| Public Works Superintendent | 1.00 | 6,077 | 6,483 | 6,887 | 7,292 | 7,698 | 8,102 |
| Environmental & Sustainability Specialist | 1.00 | 5,746 | 6,129 | 6,512 | 6,896 | 7,279 | 7,662 |
| PW Admin. Assistant | 0.50 | 4,534 | 4,836 | 5,137 | 5,441 | 5,742 | 6,044 |
| Lead Maintenance Worker | 2.00 | 5,742 | 5,945 | 6,151 | 6,348 | 6,553 | 6,755 |
| Maintenance Worker | 4.00 | 5,342 | 5,530 | 5,718 | 5,907 | 6,096 | 6,284 |
| Seasonal Maintenance Worker | 1.00 | | | | Seasonal up to 1.0 FTE at Market Rate | | |
| | 12.50 | | | | | | |

Total Positions in Budget 59.65

2024 Budgeted Positions and Salary Schedule

Amounts on this schedule are monthly

| | FTE | Step 1 | Step 2 | Step 3 | Step 4 | Step 5 | Step 6 |
|---------------------------------|------|---------------|--------|--------|--------|--------|--------|
| Legislative | | | | | | | |
| Councilmembers | 7.00 | | | | | | 600 |
| Executive | | | | | | | |
| Mayor | 0.50 | | | | | | 3,000 |
| City Administrator | 1.00 | | | | | | 17,004 |
| Human Resources Director | 1.00 | 8,142 | 8,685 | 9,228 | 9,771 | 10,314 | 10,857 |
| | 2.50 | | | | | | |
| Judicial | | | | | | | |
| Municipal Court Judge | 0.60 | | | | | | 17,102 |
| Court Administrator | 1.00 | 7,166 | 7,644 | 8,121 | 8,599 | 9,077 | 9,555 |
| Court Clerk | 2.50 | 4,508 | 4,809 | 5,109 | 5,410 | 5,710 | 6,011 |
| Probation Officer | 0.20 | 5,753 | 6,136 | 6,520 | 6,903 | 7,287 | 7,670 |
| Pro-tem Judges | 4.30 | \$65 per hour | | | | | |
| | 4.85 | | | | | | |
| Municipal | | | | | | | |
| City Clerk | 1.00 | 7,219 | 7,700 | 8,181 | 8,663 | 9,145 | 9,625 |
| Deputy City Clerk | 1.00 | 5,853 | 6,243 | 6,634 | 7,024 | 7,414 | 7,804 |
| Records Mgmt. & Office Support | 0.85 | 4,390 | 4,682 | 4,975 | 5,268 | 5,560 | 5,853 |
| Receptionist / Office Clerk | 1.00 | 4,254 | 4,539 | 4,823 | 5,106 | 5,390 | 5,673 |
| Passport Clerk | 1.00 | 3,809 | 4,062 | 4,316 | 4,571 | 4,824 | 5,078 |
| | 4.85 | | | | | | |
| Finance | | | | | | | |
| Finance Director | 1.00 | 9,767 | 10,418 | 11,070 | 11,721 | 12,372 | 13,022 |
| Accounting Supervisor | 1.00 | 6,865 | 7,322 | 7,780 | 8,238 | 8,695 | 9,153 |
| Accountant | 1.00 | 4,670 | 4,981 | 5,292 | 5,604 | 5,915 | 6,226 |
| Utility and Payroll Analyst | 1.00 | 5,437 | 5,799 | 6,161 | 6,524 | 6,886 | 7,249 |
| Info. Tech. Program Manager | 1.00 | 8,401 | 8,961 | 9,522 | 10,082 | 10,642 | 11,202 |
| Accounting Clerk | 0.60 | 4,472 | 4,771 | 5,069 | 5,367 | 5,665 | 5,963 |
| | 5.60 | | | | | | |
| Planning | | | | | | | |
| Planning Director | 1.00 | 9,407 | 10,034 | 10,661 | 11,289 | 11,916 | 12,543 |
| Senior Planner | 1.00 | 6,888 | 7,349 | 7,807 | 8,267 | 8,726 | 9,186 |
| Assistant Planner | 1.00 | 5,217 | 5,565 | 5,912 | 6,260 | 6,608 | 6,956 |
| Arborist | 0.80 | | | | | | 8,036 |
| | 3.80 | | | | | | |
| Building | | | | | | | |
| Building Official | 1.00 | 7,391 | 7,884 | 8,376 | 8,869 | 9,362 | 9,855 |
| Permit Technician | 0.75 | 4,723 | 5,038 | 5,353 | 5,667 | 5,982 | 6,297 |
| | 1.75 | | | | | | |
| Community Services | | | | | | | |
| Community Volunteer Coordinator | 0.00 | 4,801 | 5,121 | 5,441 | 5,760 | 6,080 | 6,400 |
| Domestic Violence Advocate | 0.35 | 4,968 | 5,299 | 5,630 | 5,962 | 6,293 | 6,624 |
| | 0.35 | | | | | | |
| Emergency Management | | | | | | | |
| Emergency Manager | 1.00 | 8,084 | 8,304 | 8,525 | 8,745 | 8,965 | 9,186 |
| | 1.00 | | | | | | |

Police

| | | | | | | | | |
|--------------------------|-------|-------|-------|-------|-------|--------|--------|--------|
| Police Chief | 1.00 | | | | | | | 14,632 |
| Lieutenant | 2.00 | 8,157 | 8,702 | 9,246 | 9,789 | 10,333 | 10,877 | |
| Sergeant 2 | 3.00 | | | | | | | 9,296 |
| Sergeant 1 | 1.00 | | | | | | | 8,830 |
| Police Officer | 9.00 | 6,288 | 6,784 | 7,324 | 7,857 | | | |
| Detective | 2.00 | 6,917 | 7,463 | 8,057 | 8,643 | | | |
| Traffic | 1.00 | 6,602 | 7,124 | 7,691 | 8,250 | | | |
| K-9 | 1.00 | 6,602 | 7,124 | 7,691 | 8,250 | | | |
| Support Services Officer | 1.00 | 4,996 | 5,353 | 5,709 | 6,075 | | | |
| Records Specialist | 2.00 | 4,821 | 4,993 | 5,163 | 5,332 | 5,502 | 5,674 | |
| | 23.00 | | | | | | | |

Public Works (Streets, Surface Water, Sewer, and Parks Maintenance)

| | | | | | | | |
|---|-------|--------|--------|--------|--------|---------------------------------------|--------|
| Public Works Director | 1.00 | 11,003 | 11,333 | 12,042 | 12,750 | 13,458 | 14,167 |
| Senior Project Manager | 1.00 | 7,725 | 8,150 | 8,659 | 9,169 | 9,679 | 10,188 |
| Project Manager | 1.00 | 6,655 | 7,099 | 7,542 | 7,986 | 8,429 | 8,873 |
| Public Works Superintendent | 1.00 | 6,259 | 6,677 | 7,094 | 7,511 | 7,929 | 8,345 |
| Environmental & Sustainability Specialist | 1.00 | 5,919 | 6,313 | 6,708 | 7,102 | 7,497 | 7,892 |
| PW Admin. Assistant | 0.50 | 4,670 | 4,981 | 5,292 | 5,604 | 5,915 | 6,226 |
| Lead Maintenance Worker | 2.00 | 5,742 | 5,945 | 6,151 | 6,348 | 6,553 | 6,755 |
| Maintenance Worker | 4.00 | 5,342 | 5,530 | 5,718 | 5,907 | 6,096 | 6,284 |
| Seasonal Maintenance Worker | 1.00 | | | | | | |
| | 12.50 | | | | | | |
| | | | | | | Seasonal up to 1.0 FTE at Market Rate | |

Total Positions in Budget 59.65

OPERATING DEPARTMENT INFORMATION

2023-2024 PROPOSED BUDGET

- City Council
- Executive
- Legal
- Municipal Services
- Finance and Information Technology
- Community Services
- Municipal Court
- Police
- Other Criminal Justice
- Planning
- Building
- Public Works

CITY COUNCIL

GUIDING PRINCIPLES

Collaboration – We achieve greater results through collaborative engagement of each other and the communities around us.

Equity – Our actions provide all people with access to a good quality of life.

Accountability - We are committed to addressing the concerns and priorities of Lake Forest Park through transparent community engagement, decisions, and actions.

Stewardship - We are effective, efficient, financially prudent, and innovative stewards of the public's resources, and strive to achieve sustainable results through continuous improvement.

Integrity - We uphold the high standards, skills, competencies, and integrity of our professions in doing the work of City government.



WHAT WE DO

The City Council serves as the legislative and governing body of the City of Lake Forest Park. The Council enacts ordinances, approves the budget, sets policy, confirms appointments, and grants franchise agreements.

Regularly scheduled meetings of the Council are held at City Hall on the second and fourth Thursdays of the month, with Work Sessions the second Thursday and Committee of Whole set for Monday before the fourth Thursday. Agendas and minutes of meetings are available online at the City's website: www.cityoflfp.com.

Ongoing Functions:

- Review and develop City policy on all issues affecting the City
- Adopt resolutions and ordinances
- Review and approve the biennial City Budget
- Grant franchise agreements
- Represent the City on State and regional boards, commissions, and task forces

CITY COUNCIL

CITY COUNCIL GOALS

The City Council is most effective in looking at the future Lake Forest Park. This has been done through its retreat and strategic plan development process. City Council Strategic Plan goals are:

Mobility – Providing, maintaining, and enhancing a safe, accessible, and integrated mobility system, emphasizing bicycle, walking, safe streets and transit connectivity, consistent with the character of Lake Forest Park.

Healthy Environment – Ensuring the community and environmental health of Lake Forest Park through the effective policies that protect lands, waters, trees, and wildlife and promote human health.

Community Vitality – Creating a sense of community pride and identity in order to create and maintain thriving neighborhoods and vibrant business districts where people can gather, engage, and grow together.

Public Safety and Access to Justice – Maintaining a safe community and an accessible justice system through fair, equitable and customer service driven systems.

Accountable and Engaged Government – Delivering a financially sustainable, model government that is responsive to the people of Lake Forest Park.

These goals will be furthered in the 2023/2024 biennium by several plans and studies that will help to direct resources, set priorities, and create value for our community. They are: Safe Highways; Safe Streets; Healthy Creeks; Parks, Recreation & Open Space Plan; and the creation of a Climate Action Plan.

The City of Lake Forest Park's Strategic Plan can be found in the appendix of this Budget Document and on the City's website.

| Department Budget Summary, City Council | | | | | |
|---|-------------------|-----------------------------|------------------------|---------------------|-------------|
| Description | | 2021-2022 Adopted Budget | 2021-2022 Projected | 2023-2024 Budget | % Change |
| Salaries | \$ 101,000 | \$ 104,000 | \$ 135,000 | 33.7% | |
| Employee Benefits | \$ 8,500 | \$ 8,500 | \$ 11,000 | 29.4% | |
| Supplies | \$ 1,200 | \$ 678 | \$ 1,000 | -16.7% | |
| Professional Services | \$ 10,000 | \$ 8,000 | \$ 10,000 | 0.0% | |
| Communication-Legislative Act. | \$ 2,000 | \$ 1,000 | \$ 2,000 | 0.0% | |
| Travel Exp. (lodging, meals) | \$ - | \$ 5,949 | \$ 6,000 | | |
| Conference - Training | \$ 6,000 | \$ 1,999 | \$ 7,000 | 16.7% | |
| Total | \$ 128,700 | \$ 130,126 | \$ 172,000 | 33.6% | |

EXECUTIVE DEPARTMENT

MISSION

The mission of the Executive Department is to support and carry out the mission of the City of Lake Forest Park by way of providing exceptional council support, administrative oversight, and services to a wide variety of clients, including residents, taxpayers, city council, other governments, citizen volunteers, and our employees, within the resources given. We strive to do so with care, integrity, and as a team.



WHAT WE DO

The Executive Department is responsible for the overall administration of the affairs of the city. This includes implementing the policies and codes of the city and representing the city with the public and other governmental agencies. The Department also coordinates support of the city council and makes recommendations to the council regarding adoption of new policies and codes, as well as items for approval of the governing body, such as contracts, interlocal agreements, and other activities requiring the consent of the council.

This is accomplished through the provision of four programs: Administration, Human Resources, Public Information, and Risk Management.

ADMINISTRATION

The Mayor of the City of Lake Forest Park is the chief executive officer and, by statute, is responsible for carrying out the policies, contracts, and agreements approved by the city council. The Mayor presides at all meetings of the city council, submits the annual budget proposal to the city council, and serves as the ceremonial head of the city. The Mayor serves as the appointing authority for the Municipal Judge and Civil Service Commission, as well as the other city commissions, and, with council confirmation, the city administrator and department heads.

Since the Mayor is a part-time position, internal operations of the city are delegated to the City Administrator, who, under direction of the Mayor, serves as the chief operating officer. The City Administrator manages the municipal affairs of the city and supervises all administrative staff.

EXECUTIVE DEPARTMENT

ADMINISTRATION KEY 2021-2022 ACCOMPLISHMENTS

During the past biennium, managing stability of city resources has been key:

- Going into the 2021/2022 biennium, balancing the budget relied on fund reserves to ensure continued operations. Through early actions to offset lost revenue in 2020, supported by budget cuts and employee furloughs, and including an extremely thoughtful and conservative approach to the 2021/2022 budget, fund reserves were not needed.
- Continued working with Sound Transit on the SR-522 BRT system to ensure the needs of Lake Forest Park are addressed.
- Federal & State advocacy for surface water and streets enhancements.
- Continued supporting Northshore Emergency Management Coalition (NEMCo) agreement between Northshore Fire, Northshore Utility District, City of Kenmore and Lake Forest Park.
- Managed the allocation of ARPA funds to support the city, community partners and local businesses.
- Supported city council retreat focusing on capital projects and financial sustainability.

HUMAN RESOURCES

The Human Resources Director heads the human resources program, which includes responsibilities such as recruitment and staffing, classification and compensation needs, benefits administration, employee and labor relations, and update/compliance with the personnel policies.

HUMAN RESOURCES KEY 2021-2022 ACCOMPLISHMENTS

- Successful labor negotiations with the Police Guild for the 2022-2024 Collective Bargaining Agreement
- Coordinated successful Project Manager, Public Works Director, Emergency Manager, Building Permit Coordinator, Assistant Planner, City Arborist, Police Records Clerk, Accounting Supervisor, IT Manager, Court Clerk, Court Administrator, Municipal Court Judge, Records Management Specialist, and City Clerk recruiting and selection processes.
- Implemented multiple policies related to the Covid-19 pandemic.
- Association of Washington Cities Well-City Award for 2021, resulting in a two percent insurance benefits cost reduction realized by both the city and participating employees.



RISK MANAGEMENT PROGRAM

The Human Resources Director acts as the City's Risk Manager and the City Administrator is the Alternate. The risk management program consists of placement of liability, property/auto and fidelity coverage through membership in the Washington Cities Insurance Authority. This includes coordination of compliance with the member compact, coordination of management/employee training, proper and timely reporting of incidents and claims, and claims management oversight.

EXECUTIVE DEPARTMENT

RISK MANAGEMENT KEY 2021-2022 ACCOMPLISHMENTS

- Successful completion of the 2021-member compact and audit (Fleet Management).
- Coordination of risk-oriented training for staff members, including numerous directly provided by WCIA and reimbursed trainings during 2021 & 2022.

| Department Staffing Summary, Executive | Full Time Equivalent (FTE) | |
|--|----------------------------|-----------|
| | 2021-2022 | 2023-2024 |
| Department Employee Count | 2.50 | 2.50 |

| Description | 2021-2022 Adopted Budget | 2021-2022 Projected | 2023-2024 Budget | % Change |
|-------------------------------|-----------------------------|------------------------|---------------------|-------------|
| Salaries | \$ 712,000 | \$ 712,000 | \$ 760,000 | 6.7% |
| Overtime | \$ - | \$ - | \$ - | |
| Employee Benefits | \$ 265,000 | \$ 259,997 | \$ 286,000 | 7.9% |
| Disability Insurance | \$ - | \$ - | \$ - | |
| Office/Operating Supplies | \$ 2,000 | \$ 1,267 | \$ 2,000 | 0.0% |
| Small Tools and Equipment | \$ 400 | \$ 200 | \$ 400 | 0.0% |
| Professional Services | \$ 123,000 | \$ 114,773 | \$ 75,000 | -39.0% |
| Communications | \$ 11,400 | \$ 9,923 | \$ 10,000 | -12.3% |
| Travel Exp. (lodging, meals) | \$ 2,400 | \$ 2,602 | \$ 6,000 | 150.0% |
| Dues / Subscriptions | \$ 13,000 | \$ 8,263 | \$ 8,800 | -32.3% |
| Training | \$ 10,000 | \$ 2,669 | \$ 6,000 | -40.0% |
| Volunteer & Staff Recognition | \$ 6,000 | \$ 3,615 | \$ 8,000 | 33.3% |
| Mayor's Reserve | \$ 5,000 | \$ 2,500 | \$ 5,000 | 0.0% |
| Total | \$ 1,150,200 | \$ 1,117,810 | \$ 1,167,200 | 1.5% |

| Description | 2021-2022 Adopted Budget | 2021-2022 Projected | 2023-2024 Budget | % Change |
|--------------------------------|-----------------------------|------------------------|---------------------|--------------|
| Association of WA Cities | \$ 21,400 | \$ 19,719 | \$ 21,495 | 0.4% |
| Puget Sound Regional Council | \$ 12,500 | \$ 11,448 | \$ 12,000 | -4.0% |
| Sound Cities Association | \$ 18,500 | \$ 18,029 | \$ 21,050 | 13.8% |
| SeaShore Transportation Forum | \$ 1,000 | \$ 1,000 | \$ 1,000 | 0.0% |
| Puget Sound Clean Air Agency | \$ 23,907 | \$ 23,429 | \$ 24,100 | 0.8% |
| OMWBE | \$ 400 | \$ 100 | \$ 300 | -25.0% |
| NUHSA - N. Urban H.S. Alliance | \$ 2,100 | \$ 2,000 | \$ 2,400 | 14.3% |
| King County-Cities Climate | \$ 1,900 | \$ 1,700 | \$ 2,000 | 5.3% |
| Total | \$ 81,707 | \$ 77,425 | \$ 84,345 | 14.3% |

LEGAL SERVICES (CONTRACT)

OVERVIEW

City legal services are provided through a contract City Attorney from an outside legal firm specializing in municipal law. With oversight of the Executive Department, a variety of legal services are provided.

Prosecuting Attorney and Public Defense services are provided under separate contracts.

WHAT WE DO

- Legal consultation during City Council meetings
- Conferences with staff on various City issues, such as:
- Land use
- Public Records Requests
- Bond issues
- Utility issues
- Business licensing
- Resolution and ordinance development and review
- Review and draft city contracts and other legal agreements
- Review and draft city purchase and sale agreements
- Provide legal advice on land use and zoning issues
- Provide legal advice on personnel and labor negotiations issues
- Represent the City on claims and litigation not covered by the risk pool



EXPLANATION OF LEGAL SERVICES BUDGET

Legal Services is adequately budgeted for a normal year. The budget reflects the average, week-to-week legal services needs for the City, including City Council meeting support, Planning Commission support, assistance with legal documents such as resolutions, ordinances, contracts; lawsuits; and personnel issues.

The 2021/2022 legal year to date has been impacted by defending litigation, supporting involved land use issues and complex public records requests. It is anticipated that these higher legal expenses will not continue into the 2023/2024 biennium.

| Department Budget Summary, Contract Legal Services | | | | | |
|--|--------------------------------|------------------------|---------------------|-------------|--|
| Description | 2021-2022 Adopted Budget | 2021-2022 Projected | 2023-2024 Budget | % Change | |
| Other Legal Services | \$ 300,000 | \$ 476,884 | \$ 320,000 | 6.7% | |

MUNICIPAL SERVICES DEPARTMENT

MISSION

To provide service and assistance to the public, City Council, and staff in an efficient, courteous and service-oriented manner; by providing a welcoming environment to citizens and all visitors; by being effective in the legislative process; by serving as the custodian of city records; and by ensuring compliance with the Washington Open Public Meetings Act and Public Records Act.

WHAT WE DO

Municipal Services is responsible for providing access to City services, information and records. Staff members provide assistance and support to citizens, the Mayor, City Council and staff through:

- Reception for City Hall – assist visitors and callers; process incoming and outgoing mail; process and issue pet licenses and solicitors, special event, and facility use permits; process payments for sewer utility, business licenses and other services as needed
- Public records requests – coordinate and respond to all requests within five business days
- Council meeting support – staff all council meetings; prepare, coordinate, distribute, post electronically agenda materials, ordinances, resolutions, minutes, recordings; publish and post notices
- Contracts, agreements – prepare approved documents, initiate/complete signing process, maintain centralized files
- Records management – retain official City documents; coordinate with Regional Archives for storage and archiving of permanent records; prepare Citywide and department-specific policies and procedures; coordinate with each City department on retention and disposition of paper and electronic records; maintain records disaster plans and supplies
- Communications – prepare and issue newsflashes and social media postings; serve as webmaster for City website; maintain Municipal Services and History webpages; assist departments with website and communications updates
- Quarterly *LFP Times* newsletter and monthly eNewsletter
- Municipal Code update – submit ordinances, update electronic code upon adoption of ordinances, update all paper code books annually
- Passport services – process applications and provide photo services
- Notary services – provide to general public for fee set by resolution

ONGOING FUNCTIONS

- Provide information and services to citizens by preparing, posting and distributing notices, agendas, meeting summaries and informational materials related to City activities; responding to requests for public records; processing contracts, permits, and licenses

MUNICIPAL SERVICES DEPARTMENT

- Provide staff support for administration and City Council from meeting preparation through completion of minutes, ordinances, resolutions, and other documents
- Manage official records in accordance with State records retention schedule
- Increase access to City information by preparing and posting to the City website Council meeting agenda packets, approved meeting minutes, ordinances, resolutions, recordings, contracts and franchises
- Provide passport application and photo services to the general public

KEY 2021-2022 ACCOMPLISHMENTS

City Council Support

- Provided staff support at all Council regular meetings, work sessions, committee of the whole, retreats, and special meetings
- Prepared action minutes, ordinances, resolutions, contracts and agreements, correspondence, publications, and other documents
- Set up and oversaw hybrid meeting procedures for all City meetings
- Implemented electronic sign-in for citizen comments for virtual Council/public hearing meetings using Waitwhile software program
- Implemented a new agenda management system
- Oversaw Council Chamber audio-visual upgrades

Records Management / Public Disclosure

- Improved response times to public records requests in compliance with Public Records Act
- Coordinated with all City departments in cleaning up archived records
- Updated Annual Citywide Essential Records Protection Plan and Records Disaster Plan
- Coordinated with all City departments in project to clean up electronic records

Passport Services

- Resumed passport application acceptance and provided photo services
- Implemented appointment scheduling through Waitwhile available on City's website or in person



Reception Services

- Provided notary services by fee as requested
- Continued to assist Citywide departments with administrative support as needed

MUNICIPAL SERVICES DEPARTMENT

Communications Services

- Served as webmaster; prepared and issued newsflashes and social media postings
- Coordinated, wrote, edited quarterly City newsletter for printing and distribution
- Coordinated and prepared monthly City eNews for distribution
- Program local government TV channel

2023-2024 PLANNED ACTIVITIES

- Research and implement website redesign to better serve the public
- Implement records management functionality in Microsoft 365, including configuration of program and coordination with all City departments
- Update City Records Management Manual
- Move more records, audio and video to the Washington State Digital Archives
- Continue to provide access to City services and records as required by state law
- Look for opportunities to improve responses to public records requests
- Continue to emphasize teamwork and training opportunities

MUNICIPAL SERVICES DEPARTMENT

| Department Staffing Summary, Municipal Services | Full Time Equivalent (FTE) | |
|---|----------------------------|-----------|
| | 2021-2022 | 2023-2024 |
| Department Employee Count | 4.60 | 4.85 |

| Description | 2021-2022 | 2021-2022 | 2023-2024 | % Change |
|--------------------------------|---------------------|---------------------|---------------------|--------------|
| | Adopted Budget | Projected | Budget | |
| Salaries | \$ 706,900 | \$ 652,256 | \$ 761,500 | 7.7% |
| Overtime | \$ 1,000 | \$ 1,000 | \$ 4,200 | 320.0% |
| Employee Benefits | \$ 239,100 | \$ 233,112 | \$ 302,000 | 26.3% |
| Office/Operating Supplies | \$ 30,000 | \$ 25,000 | \$ 20,000 | -33.3% |
| Taxes & Assessments (Passport) | \$ 5,500 | \$ 6,000 | \$ 12,000 | 118.2% |
| Professional Services | \$ 16,000 | \$ 17,626 | \$ 24,000 | 50.0% |
| LFP Code Update | \$ 6,000 | \$ 6,000 | \$ 12,000 | 100.0% |
| Communications | \$ 30,000 | \$ 35,180 | \$ 36,000 | 20.0% |
| Newsletter | \$ 20,000 | \$ 22,419 | \$ 46,000 | 130.0% |
| Communications / Internet | \$ 14,000 | \$ 14,000 | \$ 40,000 | 185.7% |
| Travel Exp. (lodging, meals) | \$ - | \$ 1,000 | \$ 12,000 | |
| Advertising | \$ 3,000 | \$ 4,500 | \$ 10,000 | 233.3% |
| Postage Equipment Rental | \$ 4,600 | \$ 4,600 | \$ 5,000 | 8.7% |
| Insurance | \$ 145,700 | \$ 141,308 | \$ 220,284 | 51.2% |
| Repairs & Maintenance | \$ 1,000 | \$ - | \$ 2,000 | 100.0% |
| Dues / Subscriptions | \$ 2,000 | \$ 2,244 | \$ 4,000 | 100.0% |
| Training | \$ 6,000 | \$ 5,800 | \$ 6,000 | 0.0% |
| Copier Rental | \$ 9,000 | \$ 2,500 | \$ 8,000 | -11.1% |
| Machinery & Equipment | \$ - | \$ - | \$ 3,200 | |
| Election/Voter Costs | \$ 100,000 | \$ 103,195 | \$ 118,000 | 18.0% |
| Total | \$ 1,339,800 | \$ 1,277,740 | \$ 1,646,184 | 22.9% |

FINANCE AND INFORMATION TECHNOLOGY

MISSION

To provide high quality finance and technology services that are responsive to our internal and external customer needs, delivers the services that the community desires, and demonstrates the careful stewardship of resources.

WHAT WE DO

Finance and Information Technology is responsible for all financial and technological aspects of the City government including:

- Budget Preparation and Administration
- Financial Reporting and Audit Representation
- Investment and Debt Management
- Treasury and Disbursements
- Business Tax and License Program
- Utility Billing and Accounting
- Payroll Processing and Accounting
- Information and Technology Services



2021-2022 DEPARTMENT ACCOMPLISHMENTS

The Finance and IT Department performed all daily finance and IT functions during the 2021-2022 biennium and completed several additional projects aligned with our mission. The following are a few notable accomplishments:

- Received the Government Finance Officers Association Distinguished Budget Presentation Award for the 2021-2022 budget document
- Updated the Comprehensive Financial Management Policies that is included in the Appendix
- Implemented a Cloud based Financial Software System and kept the project on schedule through the challenges of working remote
- Completed a clean Financial & Accountability Audit through the Washington State Auditor's Office
- Continually modifying and improving the monthly financial reporting dashboard; posted new reporting to the website monthly to increase ongoing financial transparency
- Moved to a virtual network for IT with increased focus on reliability and continuity
- Established a backup location at Yakima County with the loss of being able to store tapes at the State Archive Office and updated the City's backup software
- Adapted to the need for virtual meetings due to the pandemic for City Council, Committee of the Whole, Work Sessions, Budget & Finance, and Planning Commission
- Moved to a hybrid system for all future City Meetings to provide a virtual attendance option for those who are unable to attend in person

FINANCE AND INFORMATION TECHNOLOGY

2023-2024 DEPARTMENT PLANNED ACTIVITY

Finance and IT will be working on a number of process improvement opportunities during the biennium in our ongoing effort to streamline Department operations. The Department will also be working on the following projects:

- Increase financial transparency by improving reporting to the City Council and the community
- Submit the 2023-2024 adopted budget for the Distinguished Budget Award
- Create and improve policies for ongoing financial & informational technology
- IT replacement schedule for all hardware and software
- Work with the Public Works Department to improve coordination between the budget and the Capital Improvement Project Plan



| Department Staffing Summary, Finance and IT | Full Time Equivalent (FTE) | |
|---|----------------------------|-----------|
| | 2022-2023 | 2023-2024 |
| Department Employee Count | 5.20 | 5.60 |

| Description | 2021-2022 Adopted Budget | 2021-2022 Projected | 2023-2024 Budget | % Change |
|------------------------------|--------------------------------|------------------------|---------------------|--------------|
| Salaries | \$ 976,600 | \$ 976,600 | \$ 1,048,500 | 7.4% |
| Overtime | \$ - | \$ - | \$ 2,000 | |
| Employee Benefits | \$ 313,900 | \$ 313,900 | \$ 405,500 | 29.2% |
| Office / Operating Supplies | \$ 9,000 | \$ 8,738 | \$ 9,500 | 5.6% |
| Professional Services | \$ 58,000 | \$ 63,334 | \$ 50,000 | -13.8% |
| Communications | \$ 11,800 | \$ 10,935 | \$ 12,500 | 5.9% |
| Travel Exp. (lodging, meals) | \$ - | \$ 3,565 | \$ 9,500 | |
| Advertising | \$ - | \$ 500 | \$ 1,000 | |
| Dues / Subscriptions | \$ 1,300 | \$ 3,029 | \$ 3,500 | 169.2% |
| Training | \$ 7,000 | \$ 3,935 | \$ 10,500 | 50.0% |
| Municipal Auditor Expenses | \$ 74,000 | \$ 69,577 | \$ 75,000 | 1.4% |
| Total | \$ 1,451,600 | \$ 1,454,113 | \$ 1,627,500 | 12.1% |

COMMUNITY SERVICES

MISSION

To provide a variety of programs and services that support the quality of life in Lake Forest Park including human services, parks and recreation, conservation and recycling, volunteer organizations and management, and public outreach and education.

WHAT WE DO



Human Services:

The City contracts with human services agencies around north King County to provide services for Lake Forest Park residents. The City's Community Partners are: Senior Center, Center for Human Services, Hang Time program at Kellogg Middle School, ShoreLake Arts, and Friends of Third Place Commons.

Parks and Recreation:

The City supports and maintains eight public parks as well as three properties that have been purchased for future development of public park space. Art programs, volunteer activities, and clean up events are offered throughout the year. The City also holds an interlocal agreement with the City of Shoreline to allow Lake Forest Park residents access to discounted and early registration to participate in Shoreline's recreation programs. Recreation scholarships are offered to low-income residents who qualify. The City, in partnership with the Parks and Recreation Advisory Board, began hosting free Yoga in the Park Summer Series.

Conservation and Recycling:

The City implements "best conservation practices" for lawn and garden maintenance. With grant funding, the City has been able to provide educational outreach materials and giveaways to promote environmental consciousness and earth friendly habits for residents to implement in their homes. The City also provides educational opportunities regarding conservation, recycling, and reusing through its annual green fair, farmer's market events, programs, and with the distribution of literature and publications on the City website.



COMMUNITY SERVICES

and social media. The City also receives waste reduction and recycling grants that are used for a variety of waste reduction and stormwater best practices and activities.

ADMINISTRATION

The Environmental and Sustainability Specialist (ESS) is responsible for all community services programs and activities in the City along with administering the human services contracts and programs. The ESS also serves as the liaison to the Parks and Recreation Advisory Board, Climate Action Committee, and park volunteers in three parks, and oversees the conservation and recycling education, grants, parks and recreation, and volunteer programs and services.

KEY 2021-2022 ACCOMPLISHMENTS

Human Services Programs

- Hundreds of residents used the Senior Center for activities and services throughout the pandemic in person, online, and with delivery options
- Thousands of hours of counseling and family services provided to residents
- More than 300 attendees at each park concert and Battle of the Bands, a ShoreLake Arts partnership
- Third Place Commons offered in person and online programs during the pandemic
- Hundreds of residents enrolled in recreation programs
- Continue to develop and improve volunteer participation and commitment to City sponsored events, activities, and parks programs
- Picnic in the Park was cancelled in 2021 due to Covid-19 but was held in 2022 with the addition of a community salmon mural painting along NE 178th Street near Pfingst Animal Acres Park

Grant Funded Programs

- More than 2,500 pounds of batteries recycled
- 500 pounds of electronic waste recycled
- 1000s of hazardous light bulbs recycled
- Promotion of waste reduction and recycling programs through educational giveaways
- Partnership with the City of Kenmore continued with a joint city Recycling Collection Event that included hazardous waste recycling
- Dumpster Maintenance program was implemented with the Town Center businesses

COMMUNITY SERVICES

Community Events in 2022

- Picnic in the Park!
- Concert in the Park
- Battle of the Bands
- Styrofoam Collection Event
- Winter Porch Light Parade
- Volunteer Work Parties at Grace Cole Nature Park, Five Acre Woods, and the Master Gardener Demonstration Garden at Pfingst Animal Acres Park

Some community events were cancelled in 2021-2022 due to Covid-19. We expect to have all of our programs and activities fully operational in 2023, including the Earth Smart Green Fair.

2023-2024 PLANNED ACTIVITIES

- Continuing Human Service contracts with Community Partners
- Increase hazardous waste recycling and education through grant funded programs
- Continued growth of community events (Picnic in the Park, Yoga in the Park, Family Day at the Farmers Market, Battle of the Bands, Concerts in the Parks, Winter Porch Light Parade, Earth Smart Green Fair, and more) with educational outreach on environmental issues

COMMUNITY SERVICES

| Department Staffing Summary, Community Svcs. | Full Time Equivalent (FTE) | |
|--|----------------------------|-----------|
| | 2021-2022 | 2023-2024 |
| Department Employee Count | 0.95 | 0.35 |

| Description | 2021-2022 Adopted Budget | 2021-2022 Projected | 2023-2024 Budget | % Change |
|---------------------------------|--------------------------------|------------------------|---------------------|--------------|
| Salaries | \$ 137,200 | \$ 137,200 | \$ 167,500 | 22.1% |
| Overtime | \$ 2,000 | \$ 2,000 | \$ 3,250 | 62.5% |
| Employee Benefits | \$ 50,300 | \$ 45,747 | \$ 45,500 | -9.5% |
| Community Events - Supplies | \$ 30,000 | \$ 30,000 | \$ 10,000 | -66.7% |
| Youth Council | \$ 1,000 | \$ - | \$ - | -100.0% |
| Waste Reduction / Recycle Grant | \$ 10,000 | \$ 15,972 | \$ 20,000 | 100.0% |
| Office / Operating Supplies | \$ 550 | \$ 200 | \$ 600 | 9.1% |
| Senior Services | \$ 36,000 | \$ 39,750 | \$ 50,000 | 38.9% |
| Middle - After School Prog. | \$ 28,000 | \$ 14,000 | \$ 20,000 | -28.6% |
| Drug & Alcohol Prevention | \$ 54,000 | \$ 27,000 | \$ 54,000 | 0.0% |
| Recreation Programs | \$ 35,200 | \$ 15,974 | \$ 35,200 | 0.0% |
| Local Hazardous Waste Grant | \$ 16,000 | \$ 18,925 | \$ 20,000 | 25.0% |
| Coordinated Prevention Grant | \$ 6,000 | \$ - | \$ - | -100.0% |
| Community Events - Services | \$ 40,000 | \$ 40,000 | \$ 20,000 | -50.0% |
| Community Development | \$ 57,000 | \$ 57,060 | \$ 57,000 | 0.0% |
| Lake Forest Park Arts Council | \$ 36,000 | \$ 36,000 | \$ 36,000 | 0.0% |
| Communications | \$ 2,000 | \$ 500 | \$ 6,000 | 200.0% |
| Youth Services Co-Funding Rent | \$ 6,000 | \$ 6,000 | \$ 6,000 | 0.0% |
| Travel Exp. (lodging, meals) | \$ - | \$ - | \$ 300 | |
| Dues / Subscriptions | \$ 2,000 | \$ 1,579 | \$ 2,000 | 0.0% |
| Training | \$ 800 | \$ 25 | \$ 1,600 | 100.0% |
| Climate Action Committee | \$ - | \$ - | \$ 30,000 | |
| RADAR | \$ - | \$ - | \$ 184,000 | |
| Total | \$ 550,050 | \$ 487,932 | \$ 768,950 | 39.8% |

MUNICIPAL COURT

OVERVIEW

The Municipal Court is organized under RCW 3.50 as a limited jurisdiction court to hear misdemeanor and gross misdemeanor crimes and civil infractions committed within its geographical boundaries. The Court is open Monday through Friday, 9:00 a.m. to 5:00 p.m., and hears cases from the bench twice a week. Jury trials are held during a four-day jury term each month. Residents living in the 98155-zip code area may be called as jurors for the Lake Forest Park Municipal Court.

The Presiding Judge exercises general administrative supervision over the Court, the court staff, and the probation officer. The Presiding Judge is appointed by the Mayor and confirmed by the City Council for a four-year term, pursuant to RCW 3.50.040. The Court Administrator oversees daily court operations and implementation of policies and procedures.

DUTIES OF THE PRESIDING JUDGE

- Supervise the business of the Court to assure the expeditious and efficient handling of all cases, including photo infractions
- Develop and coordinate statistical and management information for the Court
- Review and develop all policies, procedures and forms needed to carry out the function of the Court
- Accounting and auditing, procurement and disbursement of Court funds
- Preparation and control of the Court's biennial budget
- Promulgation of local court rules
- Supervision of the court-monitored probation programs and the professional probation officer
- Prepare and disseminate information to the public about the Court's activities

Presiding Judge Jennifer Grant was appointed to a four-year term beginning January 2022. She is an active member of the District and Municipal Court Judge's Association (DMCJA).

Court Administrator Pamela McConville is an active member of the National Association for Court Management (NACM) and the District and Municipal Court Management Association (DMCMA). She is currently working on her certificate in court management from the National Center for State Courts (NCSC). She continues to serve as the Court liaison to the City Administration.

2021-2022 COURT ACCOMPLISHMENTS

- Bench Warrant Amnesty Program
- Court processes an unprecedented volume of photo tickets
- Court Administrator virtually attended first ICM course Purposes & Responsibilities
- Interpreter Reimbursement from Administrative Office of the Courts (AOC) received
- Hybrid Criminal Court commences July 2022

MUNICIPAL COURT

2021-2022 INTERAGENCY AGREEMENTS AND REIMBURSEMENTS

- Received reimbursement from AOC for new staff computer laptops
- Received reimbursement from AOC for a courtroom printer
- Interagency Agreement with AOC for Interpreter Reimbursement up to 50%
- Interagency Agreement with AOC for Reimbursement on the *Blake* Decision

2021-2022 STAFFING CHANGES

- Loyce Weishaar hired as full-time court clerk
- Lori Hayes hired as part-time court cashier
- Judge Linda Portnoy retires after 23 years
- Jennifer Johnson Grant appointed to 4-year term as Presiding Judge

2021-2022 COURTROOM & SAFETY IMPROVEMENTS

- New video monitor provides views of the courthouse entrance, hallway, and courtroom
- Staff completed De-escalate Hostile Customers training
- Armed security provided by LFP Police Officers and Puget Sound Executive Service, Inc. (PSES) for in person court hearings
- Courtroom opened to the public for hybrid in person criminal court hearings

2023-2024 UPDATES & IMPROVEMENTS REQUESTED

- Transition to paperless court with Laserfiche and OCourt for document management
- Replace antiquated jury system software
- Revitalize and support Youth Court

CHANGES IN THE COURT

Supreme Court Impacts

The Washington State Supreme Court in *State v. Blake* declared Washington's strict liability drug possession statute unconstitutional. Consequently, persons convicted in Washington State under RCW 69.50.4013 (1) for Possession of controlled substances may be eligible to vacate their conviction and be refunded for any associated fines, assessments, and fees paid. AOC has set aside state funds for this purpose and awarded Lake Forest Park Municipal Court up to a maximum of \$82,841 in reimbursement funds for legal and financial obligations and up to a maximum of \$95,921 for extraordinary judicial, prosecutorial, or defense-related costs to resentence and vacate sentences. These funds must be requested by June 2023.

MUNICIPAL COURT

Interpreter Reimbursement Program:

AOC increased funding and expanded court eligibility for their established interpreter reimbursement program. Lake Forest Park Municipal Court was invited to participate due, in part, to the Court's active participation and compliance with King County's Language Access Plan (LAP). As a participating court we can now offset the cost of providing certified court interpreters. This 50% reimbursement furthers our efforts to provide access to justice in our court.

| Department Staffing Summary, Court | Full Time Equivalent (FTE) | |
|------------------------------------|----------------------------|-----------|
| | 2021-2022 | 2023-2024 |
| Department Employee Count | 4.30 | 4.30 |

| Description | 2021-2022 | 2021-2022 | 2023-2024 | % Change |
|---|---------------------|---------------------|---------------------|--------------|
| | Adopted Budget | Projected | Budget | |
| Salaries | \$ 806,400 | \$ 915,819 | \$ 862,500 | 7.0% |
| Security Detail Overtime | \$ - | \$ 29,000 | \$ 60,900 | |
| Overtime | \$ - | \$ 148 | \$ 1,000 | |
| Employee Benefits | \$ 314,100 | \$ 314,100 | \$ 295,500 | -5.9% |
| Security Detail OT Benefits | \$ - | \$ 4,000 | \$ 10,500 | |
| Court Supplies | \$ 11,000 | \$ 9,107 | \$ 22,000 | 100.0% |
| Probation Supplies | \$ - | \$ - | \$ 500 | |
| Youth Court Supplies | \$ 1,600 | \$ 900 | \$ 3,600 | 125.0% |
| Small Tools & Equipment | \$ - | \$ 600 | \$ 1,000 | |
| Prof. Svcs.-Security, Loomis, Laserfisc | \$ 26,000 | \$ 4,000 | \$ 50,400 | 93.8% |
| Bank Charges | \$ 4,000 | \$ 2,000 | \$ 5,000 | 25.0% |
| Communications | \$ 17,000 | \$ 17,000 | \$ 19,000 | 11.8% |
| Travel Exp. (lodging, meals) | \$ 3,000 | \$ 2,000 | \$ 5,000 | 66.7% |
| Insurance | \$ 34,600 | \$ 33,529 | \$ 52,280 | 51.1% |
| Repair & Maintenance | \$ 400 | \$ 381 | \$ 1,000 | 150.0% |
| Dues - Subscriptions | \$ 5,900 | \$ 2,000 | \$ 7,000 | 18.6% |
| Training | \$ 4,000 | \$ 2,000 | \$ 4,000 | 0.0% |
| Witness Fee (Court) | \$ - | \$ - | \$ - | |
| Jury Service | \$ 3,000 | \$ 1,400 | \$ 2,500 | -16.7% |
| Interpreters | \$ 7,500 | \$ 7,500 | \$ 9,000 | 20.0% |
| Salaries - Pro Tem | \$ 16,000 | \$ 13,685 | \$ 26,000 | 62.5% |
| Employee Benefits - Pro Tem | \$ 3,000 | \$ 962 | \$ 4,000 | 33.3% |
| Copier Rental | \$ 4,584 | \$ 1,147 | \$ 6,000 | 30.9% |
| Probation Costs | \$ 20,000 | \$ 10,000 | \$ 23,000 | 15.0% |
| Machinery & Equipment | \$ 500 | \$ 488 | \$ 1,000 | 100.0% |
| Total | \$ 1,282,584 | \$ 1,371,765 | \$ 1,472,680 | 14.8% |

POLICE DEPARTMENT

MISSION

To develop and support a team of professionals which consistently seeks and finds innovative policing strategies to affirmatively promote, preserve, and deliver those quality services which enhance security and safety in our community. To support this mission, we work in strong partnership with the community.



VALUES

Our department values the sanctity of all life. We strive for the equal, equitable, and compassionate application of law enforcement services for all, and the universal acceptance of all people. We endeavor for the highest level of training and diversity for our police staff and maintain partnerships within our community and local governments to provide urgently needed resources for those in need.

WHAT WE DO

The Police Department is responsible for maintaining law and order. It provides services to the community under the direction of the Police Chief. With a full-time staff of 24, the Department provides for the preservation of life, protection of property, prevention of crime, apprehension of criminals, and facilitation of traffic. Most of the officers are in the patrol division; additionally, there are a traffic unit, criminal investigation detectives, professional support staff, patrol sergeants, and two Lieutenants that serve as the Division Commanders.

DEPARTMENT GOALS

The Police Department has identified four goals for the work of the Department:

1. Reduce crime and collision loss in our community.
2. Provide quality services and innovative policing strategies delivered through excellent customer service.
3. Provide appropriate resources to employees that foster a safe, ethical, innovative, knowledgeable, and diverse workforce.
4. Provide emergency management oversight for City infrastructure and our community.

POLICE DEPARTMENT

DIVISIONS

The Lake Forest Park Police Department is organized into three divisions:

- Patrol Operations
- Support Services
- Emergency Management



Patrol Operations:

Commanded by a Lieutenant, this division provides professional police services to the citizens of Lake Forest Park twenty-four hours a day, seven days a week. The division consists of four squads in the Patrol Section, the Traffic Unit, Crime Watch, and Block Watch. Other functions include narcotics enforcement, Special Weapons and Tactics/Hostage Negotiations (SWAT/HNT), and gang/graffiti investigations.

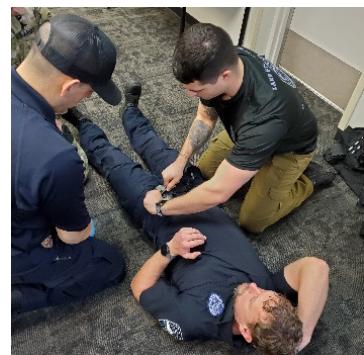


Support Services:

Commanded by a Lieutenant, this division assists in the daily operation of police support services. The division strives for quality customer experience through the delivery of services that enhance the overall mission of the Department. The division consists of the Investigations Unit, Professional Services, Jail Transports, Accreditation, the Records Unit, Training, and the Evidence/Property Unit.

Emergency Management:

Overseen by the Police Chief, responsibilities include coordinating the Northshore Emergency Management Coalition (NEMCo), supervising the Emergency Manager of NEMCo as they interface with the King County Department of Emergency Management, and networking with neighboring emergency management professionals. The division organizes emergency drills for the city, ensures compliance with the National Incident Management System (NIMS), and provides command oversight during emergencies within the city. Additionally, the division ensures the Comprehensive Emergency Management Plan (CEMP) and Hazard Mitigation Plan (HMP) are updated.



POLICE DEPARTMENT

DEPARTMENT FUNCTIONS

- Providing Patrol Operations, Support Services, and Emergency Management as major functions of the Police Department.
- Develop and enhance a yearly operations plan that focuses on crime reduction, providing quality services and innovative policing strategies, ensuring employee accountability, and providing emergency management oversight.
- Strengthen relationships with our schools for emergency response planning and exercises.
- Development of community partnerships through the Community Traffic Safety Program, Block Watch, extra patrol requests, local community groups, and positive police/citizen interactions.
- Enhance public transparency and public disclosure through paperless systems.
- Promote community education through crime prevention presentations in partnership with volunteer Block Watch Captains.
- Enhanced training to build a team of professionals that engage the community at levels of service.
- Reinforce community communication efforts delivered through a variety of formats, including the City website, social media accounts, media releases, neighborhood meetings, Safety Fair, and National Night Out.



2023-2024 PLANNED ACTIVITIES

- Increase proactive law enforcement activities linked to the Operational Plan
- Continue to enhance traffic safety and calming objectives
- Build on NEMCo responsibilities
- Reduce property related crimes
- Increase community engagement
- Solutions for more accountability to the public

POLICE DEPARTMENT

2023-2024 STAFFING LEVELS AND NEEDS

- Authorized 20 commissioned officers, one limited commission officer, two civilians, one emergency manger
 - Staffing Model – two additional patrol officers needed:
 - Motorcycle Traffic Officer
 - Community Service Officer
- Add Mental Health Professional to staff for use with RADAR program (similar to DV Advocate)



2023-2024 EQUIPMENT NEEDS

- Police Vehicles replacement plan
 - 2023: two Patrol; one Detective
 - 2024: two Patrol; one Admin
- Ballistic Vest Replacements
 - 2023: three replacements; two new hire or turnover
 - 2024: six replacements; two new hire or turnover
- Firearm upgrades and replacements
 - Red Dot accuracy attachments
 - Transition to 9mm as standard issue
- Capital Improvements
 - Security fencing for patrol vehicles to improve safety of police department parking and access
 - Bi-Directional Amplifier (BDA) for in-building emergency radio service
 - Exhaust Venting (HVAC) in holding cells and PD sink area
 - Staff locker room upgrades
 - Gym equipment
 - Storage solutions for City Hall and PD
- Technology Improvements
 - E-bikes for Burke Gilman Trail / Town Center Patrol
 - Unmanned Aerial Vehicle (for Collision Investigations, Emergency Management, Search and Rescue, Vehicle Pursuit Interdictions)
 - License Plate Readers (LPR's)
 - Non-lethal options (Pepperball)
 - Vehicle disabling in lieu of pursuits
 - Software for policy and accreditation assurance



Calls for Service - Incidents

“Calls for Service” are received by dispatch and entered as many different call types. For 2021, there were 108 different call types that have been combined into these 15 broad categories.

- For example, the call type category of “**Burglary/Theft**” includes:

| | |
|--------------------------------------|----------------------------|
| <i>Burglary</i> | <i>Forgery</i> |
| <i>Fraud</i> | <i>Identity Theft</i> |
| <i>Motor Vehicle Recovery</i> | <i>Motor Vehicle Theft</i> |
| <i>Possession of Stolen Property</i> | <i>Robbery</i> |
| <i>Theft</i> | <i>Vehicle Prowl</i> |

| Type of Call | 2017 | 2018 | 2019 | 2020 | 2021 | +/- | vs. Last Year |
|----------------------------------|------|------|------|------|------|------|---------------|
| 911/Information | 160 | 171 | 224 | 195 | 206 | 6% | ↑ |
| Alarms | 361 | 319 | 368 | 235 | 218 | -7% | ↓ |
| Assault/Fights/Harassment | 55 | 60 | 58 | 37 | 46 | 24% | ↑ |
| Burglary/Theft | 378 | 427 | 337 | 526 | 348 | -34% | ↓ |
| Disturbance/Noise | 190 | 168 | 158 | 134 | 145 | 8% | ↑ |
| Domestic | 64 | 48 | 52 | 33 | 43 | 30% | ↑ |
| Investigations | 1923 | 1619 | 1602 | 1331 | 1180 | -12% | ↓ |
| Juvenile | 50 | 39 | 38 | 29 | 21 | -28% | ↓ |
| Liquor/Narcotics | 63 | 41 | 27 | 20 | 11 | -45% | ↓ |
| Miscellaneous | 1846 | 1729 | 1425 | 1106 | 1059 | -4% | ↓ |
| Parking | 289 | 257 | 275 | 166 | 232 | 40% | ↑ |
| Property | 92 | 85 | 88 | 96 | 81 | -16% | ↓ |
| Public Service | 2891 | 3055 | 2934 | 2633 | 2721 | 3% | ↑ |
| Traffic | 4275 | 3903 | 4596 | 2859 | 2726 | -5% | ↓ |
| Trespass | 45 | 51 | 58 | 36 | 39 | 8% | ↑ |

**Incidents include officer-initiated police

Call types are assigned by dispatcher and may/may not reflect the true nature of the call or report type completed by the officer. For example, a traffic stop incident type could change to a DUI report based on the officer’s investigation.

POLICE DEPARTMENT

| Department Staffing Summary, Police | Full Time Equivalent (FTE) | |
|-------------------------------------|----------------------------|-----------|
| | 2021-2022 | 2023-2024 |
| Department Employee Count | 23.00 | 23.00 |
| Emergency Manager | 1.00 | 1.00 |

| Description | 2021-2022 | 2021-2022 | 2023-2024 | % Change |
|-------------------------------------|---------------------|---------------------|---------------------|--------------|
| | Adopted Budget | Projected | Budget | |
| <u>Police Department Operations</u> | | | | |
| Salaries | \$ 4,437,500 | \$ 4,467,500 | \$ 4,917,000 | 10.8% |
| Overtime | \$ 249,723 | \$ 147,500 | \$ 366,000 | 46.6% |
| Employee Benefits | \$ 1,974,000 | \$ 1,910,595 | \$ 2,175,000 | 10.2% |
| LEOFF 1 Expenses | \$ 30,000 | \$ 30,000 | \$ 30,000 | 0.0% |
| Disability Insurance | \$ 3,600 | \$ 3,466 | \$ 3,600 | 0.0% |
| Uniform Expenses | \$ 35,000 | \$ 45,032 | \$ 40,000 | 14.3% |
| Police - Dry Cleaning Contract | \$ 2,000 | \$ 2,873 | \$ 3,000 | 50.0% |
| Police - Badges & Vests | \$ 10,500 | \$ 9,614 | \$ 13,000 | 23.8% |
| Supplies - General | \$ 29,037 | \$ 18,352 | \$ 30,000 | 3.3% |
| Operations / Vehicle Supplies | \$ 39,000 | \$ 48,612 | \$ 60,250 | 54.5% |
| K-9 Narcotics | \$ - | \$ - | \$ 5,000 | |
| Fuel | \$ 60,400 | \$ 81,726 | \$ 70,000 | 15.9% |
| Small Tools & Equipment | \$ 2,000 | \$ 1,813 | \$ 13,000 | 550.0% |
| Professional Services | \$ 30,500 | \$ 30,358 | \$ 30,000 | -1.6% |
| Communications | \$ 110,000 | \$ 106,031 | \$ 154,400 | 40.4% |
| Travel Exp. (lodging, meals) | \$ 12,000 | \$ 12,000 | \$ 27,000 | 125.0% |
| Insurance | \$ 189,650 | \$ 183,923 | \$ 286,778 | 51.2% |
| Vehicle Repair & Maintenance | \$ 62,000 | \$ 100,077 | \$ 90,000 | 45.2% |
| Office Equip.- Repair & Maint. | \$ 5,500 | \$ 4,312 | \$ 3,000 | -45.5% |
| Operations Repair/Maintenance | \$ 4,000 | \$ 3,981 | \$ 4,000 | 0.0% |
| Dues / Subscriptions | \$ 50,292 | \$ 53,300 | \$ 62,000 | 23.3% |
| Training | \$ 34,000 | \$ 47,747 | \$ 40,000 | 17.6% |
| Marine Patrol | \$ 26,000 | \$ 32,197 | \$ 32,500 | 25.0% |
| Call Out Services - SWAT | \$ 4,500 | \$ 5,402 | \$ 8,000 | 77.8% |
| Copier Rental | \$ 11,334 | \$ 10,788 | \$ 11,400 | 0.6% |
| Safe Harbor Expenses (DV) | \$ 1,000 | \$ 601 | \$ 1,000 | 0.0% |
| Computer Hardware/Software | \$ 28,940 | \$ 28,745 | \$ 14,000 | -51.6% |
| Machinery & Equipment | \$ 6,000 | \$ 15,484 | \$ 10,000 | 66.7% |
| Total Police Operations | \$ 7,448,476 | \$ 7,402,029 | \$ 8,499,928 | 14.1% |

POLICE DEPARTMENT

| <u>Technology</u> | | | | | | |
|--|---------------------|---------------------|---------------------|---------------|--|--|
| Supplies - General | \$ - | \$ 35,030 | \$ 5,000 | | | |
| Software | \$ 52,576 | \$ - | \$ - | | | |
| Equipment / Hardware | \$ 3,080 | \$ 51,014 | \$ 6,000 | 95% | | |
| Dues / Subscriptions | \$ 50,000 | \$ 19,007 | \$ 30,000 | -40% | | |
| Training | \$ - | \$ 375 | \$ 7,700 | | | |
| Total Police Operations | \$ 105,656 | \$ 105,426 | \$ 48,700 | -117% | | |
| <u>Crime Watch</u> | | | | | | |
| Supplies | \$ 5,750 | \$ 5,908 | \$ 5,000 | -13.0% | | |
| Comm. Oriented Policing Prog. | \$ 4,000 | \$ 1,535 | \$ 5,000 | 25.0% | | |
| Total Crime Watch | \$ 9,750 | \$ 7,443 | \$ 10,000 | 2.6% | | |
| <u>Emergency Management</u> | | | | | | |
| Office / Operating Supplies | \$ 1,000 | \$ 6,945 | \$ 4,000 | 300.0% | | |
| Professional Services | \$ 101,333 | \$ 140,910 | \$ 90,000 | -11.2% | | |
| Travel Expenses | \$ - | \$ - | \$ - | | | |
| Kenmore - EMPG | \$ 20,400 | \$ 20,058 | \$ 20,000 | -2.0% | | |
| Dues / Subscriptions | \$ 100 | \$ - | \$ 100 | 0.0% | | |
| Training | \$ - | \$ 616 | \$ 2,000 | | | |
| Total Emergency Management | \$ 122,833 | \$ 168,529 | \$ 116,100 | -5.5% | | |
| <u>Traffic Safety Camera Program</u> | | | | | | |
| Traffic Camera Service Fee | \$ 1,566,000 | \$ 1,521,992 | \$ 1,615,950 | 3.2% | | |
| Professional Services | \$ 18,000 | \$ 17,737 | \$ 10,000 | -44.4% | | |
| Total Traffic Safety Camera Program | \$ 1,584,000 | \$ 1,539,729 | \$ 1,625,950 | 2.6% | | |
| <u>Dispatch</u> | | | | | | |
| Equipment Maintenance | \$ 129,000 | \$ 112,619 | \$ 140,809 | 9.2% | | |
| Contracted Services | \$ 215,000 | \$ 227,028 | \$ 227,395 | 5.8% | | |
| Total Dispatch | \$ 344,000 | \$ 339,646 | \$ 368,204 | 7.0% | | |
| <u>Civil Service Commission</u> | | | | | | |
| Supplies | \$ 500 | \$ - | \$ 700 | 40.0% | | |
| Professional Services | \$ 12,283 | \$ 10,179 | \$ 12,400 | 1.0% | | |
| Travel Exp.(lodging, meals) | \$ 1,400 | \$ - | \$ 1,000 | -28.6% | | |
| Training | \$ 400 | \$ - | \$ 500 | 25.0% | | |
| Total Civil Service Commission | \$ 14,583 | \$ 10,179 | \$ 14,600 | 0.1% | | |
| <u>Animal Control</u> | | | | | | |
| Animal Control Services | \$ 12,000 | \$ 3,470 | \$ 4,800 | -60.0% | | |
| Total Animal Control | \$ 12,000 | \$ 3,470 | \$ 4,800 | -60.0% | | |

OTHER CRIMINAL JUSTICE SERVICES (PROSECUTOR, PUBLIC DEFENSE, AND DETENTION)

OVERVIEW

- The City contracts for prosecutor and public defender services. Neither is an employee of the court and are under the direction of the Executive branch.
- The City contracts for detention services with King County, the City of Lynnwood, and Chelan County. In an effort to save costs, the City uses one of the detention centers depending upon the type and length of sentencing.



PROSECUTOR

The prosecuting attorney has provided services for the city since 2001. This budget projects inflationary increases in prosecution costs in 2023 and 2024 which, by contract, are commensurate with that provided to non-represented city staff.

PUBLIC DEFENDER

The Public Defender began providing services for the city in 2019 and has been able to easily manage within the prescribed case limits. The contract for services had a term of two years, with two 1-year extensions, necessitating negotiations of a new contract in the third quarter of 2023. For this reason, an inflationary increase is recognized in the 2024 budget.

DETENTION AND ELECTRONIC HOME MONITORING

The budgeted actual amount reflects the Municipal Court using home detention in some sentencing, when criteria are met. A separate line item is included in the budget to account for electronic home monitoring. The 2023/2024 budget considers this factor and is set with a projected increase because sentencing needs cannot be projected with accuracy in a court this size.

| Department Budget Summary, Other Criminal Justice | | | | |
|---|--------------------------------|------------------------|---------------------|--------------|
| Description | 2021-2022 Adopted Budget | 2021-2022 Projected | 2023-2024 Budget | % Change |
| Prosecutor | \$ 180,000 | \$ 179,724 | \$ 205,569 | 14.2% |
| Public Defender | \$ 192,000 | \$ 116,550 | \$ 184,500 | -3.9% |
| Jail Expenses | \$ 220,000 | \$ 249,974 | \$ 300,000 | 36.4% |
| Elec. Monitor/Wk. Release | \$ 16,000 | \$ 3,391 | \$ 19,000 | 18.8% |
| Total | \$ 608,000 | \$ 549,639 | \$ 709,069 | 16.6% |

PLANNING DEPARTMENT

MISSION

To serve all persons in a professional and courteous manner and help ensure that Lake Forest Park continues to be a healthy, safe, attractive, and enjoyable place to live, work, and visit.

WHAT WE DO

Under the direction of the Planning Director and Building Official, the Planning and Building departments play a key role in shaping the future of the City's built environment. Planning serves residents directly in response to inquiries at the counter, over the phone, and via email and indirectly by ensuring that all development activity conforms to the City's adopted plans and regulations.



Planning & Building Counter Assistance

The City places a high priority on providing timely, accurate information on land use and construction standards to the public.

Planning's workload continues to justify having both assistant planner and senior planner positions. Planning is expected to provide counter service every day of the week and review land use permits in a timely manner. The Department is also expected to support the Planning Commission and the Tree Board and keep code update and long-range planning initiatives moving through the public engagement and adoption process.

Development Compliance Review and Inspection

Planning and Building staff work closely together to ensure new development proposals comply with the City's land use and construction codes. The cost of this work is offset by permit fees, which cover the staff time involved in assuring compliance, public notification of complex projects, and construction inspections. Certain applications require a public hearing before the City's Hearing Examiner, which the department also supports.

Department staff continue to be very busy working with applicants who wish to improve their property or create new residential development. Sound Transit's planned Bus Rapid Transit improvements on SR 522 will generate a significant amount of permitting review for the Department over the 2023-2024 biennium.

PLANNING DEPARTMENT

Long Range Planning and Land Use Code Update

The Department prepares land use plans and code amendments at the direction of the Mayor and City Council. In some cases, these projects require the assistance of planning consultants, whose work is directed by the department. The draft plans or regulations are reviewed by the Planning Commission, which is staffed by the department. The Commission usually makes recommendations to the Mayor and City Council regarding updates to the Comprehensive Plan and land use codes. Through this process, the Commission also provides an important forum for citizen participation.

Initiatives Reviewed by Planning Commission during 2021-2022:

- Accessory Dwelling Unit Regulations Update
- Sign Code Update
- Critical Area Reasonable Use Exception Regulations

Land Use Initiatives Reviewed by Council during 2021-2022:

- Updates to Town Center Zoning Regulation and Design Guidelines and other related code updates include Multifamily Residential Property Tax Exemption (adopted in 2021)
- Interim Development Regulation pertaining to Emergency Shelters and Housing (adopted in 2021)
- Accessory Dwelling Unit Regulations Update (adopted in 2022)
- Tree Preservation Regulations Update (adopted in 2022)

Land Use Initiatives Anticipated during 2023-2024

- Public Outreach Phase of Comprehensive Plan Periodic Update
- Adoption of Comprehensive Plan Periodic Update (adoption due by end of 2024)
- Subdivision Code Update
- Wireless Communication Facilities Code Update
- Stormwater Mapping and Policy Integration with Comprehensive Plan

Code Enforcement Investigation and Follow-up

This program involves responding to code enforcement requests from citizens, and following up with site visits to document violations, writing letters, calling violators and complainants, and posting notices.

PLANNING DEPARTMENT

Tree Permit Processing

Having the City Arborist's hours set at 24 hours per week has not allowed adequate time to be systematic about ensuring that permit recipients are fulfilling their required tree replacement. Increasing the position's hours to 30 hours/week will address this issue, reduce the need for consulting arborists, and allow more time for the City Arborist to engage in community forest planning with the Tree Board.

Tree Board Support and 2022 Inventory

Tree Board members have played an important role in the consultant selection process for the 2022 tree inventory which will be helpful in determining if there is a need for future amendments to the tree regulations.

| Department Staffing Summary, Planning | Full Time Equivalent (FTE) | |
|---------------------------------------|----------------------------|-----------|
| | 2021-2022 | 2023-2024 |
| Department Employee Count | 3.60 | 3.80 |

| Description | 2021-2022 | 2021-2022 Projected | 2023-2024 Budget | % Change |
|-------------------------------|---------------------|------------------------|---------------------|--------------|
| | Adopted Budget | | | |
| Salaries | \$ 728,600 | \$ 718,933 | \$ 776,000 | 6.5% |
| Overtime | \$ 4,000 | \$ 3,000 | \$ 3,000 | -25.0% |
| Employee Benefits | \$ 258,400 | \$ 241,998 | \$ 298,500 | 15.5% |
| Office / Operating Supplies | \$ 8,000 | \$ 3,000 | \$ 5,000 | -37.5% |
| Professional Services | \$ 154,000 | \$ 112,119 | \$ 250,000 | 62.3% |
| Engineering Services | \$ 110,000 | \$ 51,075 | \$ 125,000 | 13.6% |
| Communications | \$ 8,800 | \$ 8,216 | \$ 8,400 | -4.5% |
| Travel Exp. (lodging, meals) | \$ - | \$ - | \$ - | |
| Advertising | \$ 10,000 | \$ 4,829 | \$ 10,000 | 0.0% |
| Dues / Subscriptions | \$ 3,000 | \$ 2,303 | \$ 3,000 | 0.0% |
| Training | \$ 5,500 | \$ 3,231 | \$ 5,000 | -9.1% |
| Copier Rental | \$ 4,000 | \$ 2,000 | \$ 4,000 | 0.0% |
| Machinery & Equipment | \$ - | \$ - | \$ - | |
| Tree Acct. Operating Supplies | \$ 2,000 | \$ 3,996 | \$ 6,000 | 200.0% |
| Tree Acct. Professional Svcs. | \$ 48,000 | \$ 40,000 | \$ 5,000 | -89.6% |
| Total | \$ 1,294,300 | \$ 1,150,704 | \$ 1,487,900 | 15.0% |

BUILDING DEPARTMENT

MISSION

Serve all residents in a positive and courteous manner to ensure that Lake Forest Park continues to be a healthy, safe, attractive, and enjoyable place to live, work, and visit.



WHAT WE DO

Under the direction of the Public Works Director, the City's Building Official works in concert with the Planning Department to ensure development is reviewed and permitted correctly.

The Building Department serves residents directly at the building and planning counter and online to ensure that all development activities conform to the City's adopted plans and regulations.

Development and Building Compliance Review and Inspection

This program involves review of development projects to ensure each complies with the City's land use and building codes. The cost of this work is offset by permit fees which cover the staff time involved in assuring code compliance, public notification of complex projects, and onsite construction inspections. The Department supports compliance reviews that require a public hearing before the City's Hearing Examiner.

Code Enforcement Investigation and Follow-up

This program involves responding to code enforcement requests from residents, following up with site visits to document violations, writing letters, calling violators and complainants, and posting notices. This activity is not offset by permit fees.

Planning & Building Counter Assistance

The City places a high priority on providing timely, accurate information on land use and construction standards for our residents. Department staff routinely assist customers with questions and permit intakes as well as fielding thousands of inquiries by phone and email.

Right-of-Way Permit Processing and Inspection

The Building Official inspects the City's streets to ensure they are properly repaired after utility crews finish their work.

Sewer Permit Processing and Inspection

The Permit Coordinator processes sewer permit applications, and the Building Official inspects the work.

BUILDING DEPARTMENT

| Department Staffing Summary, Building | | Full Time Equivalent (FTE) | |
|---------------------------------------|--|----------------------------|-----------|
| | | 2021-2022 | 2023-2024 |
| Department Employee Count | | 1.75 | 1.75 |

| Department Budget Summary, Building | | | | | |
|-------------------------------------|--------------------------------|------------------------|---------------------|-------------|--|
| Description | 2021-2022 Adopted Budget | 2021-2022 Projected | 2023-2024 Budget | % Change | |
| Salaries | \$ 276,000 | \$ 276,000 | \$ 295,000 | 6.9% | |
| Overtime | \$ 2,000 | \$ - | \$ 2,000 | 0.0% | |
| Employee Benefits | \$ 99,500 | \$ 92,668 | \$ 91,500 | -8.0% | |
| Office / Operating Supplies | \$ 6,000 | \$ 3,899 | \$ 6,000 | 0.0% | |
| Professional Services | \$ 12,000 | \$ 5,927 | \$ 10,000 | -16.7% | |
| Fire Marshall Inspections | \$ 2,000 | \$ 1,480 | \$ 2,000 | 0.0% | |
| Communications | \$ 1,650 | \$ 1,266 | \$ 1,500 | -9.1% | |
| Dues / Subscriptions | \$ 1,045 | \$ 804 | \$ 1,000 | -4.3% | |
| Training | \$ 2,500 | \$ - | \$ 2,500 | 0.0% | |
| Total | \$ 402,695 | \$ 382,043 | \$ 411,500 | 2.2% | |

PUBLIC WORKS DEPARTMENT

MISSION

Efficiently operate, responsibly maintain, and improve the City's most valuable assets including public streets, sanitary sewers, parks, public facilities, and surface water infrastructure.

WHAT WE DO

The Public Works Department provides a wide variety of services for the residents of Lake Forest Park. Services include maintenance, operation, and repair of the City's streets, surface water infrastructure, buildings and grounds facilities, parks, sanitary sewer system, building permits, and 24/7 emergency response. Four separate funds provide the financial resources for these services: the General Fund, the City Street Fund, the Surface Water Utility Fund, and the Sewer Utility Fund.



Facility Maintenance

Funding Source: General Fund/Other

The Public Works Department maintains City Hall, the Public Works Office, and the Public Works Maintenance Shop according to a facility preventive maintenance program through a mix of in-house operations and outside vendors for janitorial and HVAC upkeep. This blend of service provides a safe, economical, and productive environment for City customers and staff.

Parks Maintenance

Funding Source: General Fund

Public Works' parks maintenance team provides landscape maintenance services to preserve and improve the quality of outdoor facilities including nearly 40 acres of parks and open spaces. Skilled workers maintain and improve the green spaces including the trees, shrubs, annual plants, grass areas, sport fields, irrigation systems, and 6 miles of pathways. The team also tends to the other park amenities such as drinking fountains, tennis courts, viewing decks, boardwalks, parking areas, park signage, and outdoor play equipment.

PUBLIC WORKS DEPARTMENT

Streets

Funding Source: Street Fund

The Street Fund supports the maintenance and operations performed by the Public Works team including pothole patching, crack sealing, roadway shoulder maintenance, guard rail repair, snowplowing, sanding, de-icing, and annual road overlays. Funds are used for engineering services, road maintenance, traffic maintenance, and sidewalk construction projects. Some street operations services are funded through the Transportation Benefit District's approved plan.

Surface Water Utility

Funding Source: Surface Water Utility Fund

Surface water facility maintenance, operations, and capital improvements are funded through the Surface Water Utility Fund. This includes geographic information systems mapping of the City's surface water system, street sweeping, surface water infrastructure inspections, capital project design and construction, and maintenance of the network of pipes, ditches, detention facilities, and streams.

Surface water utility funds are also used to implement the stormwater management program that improves water quality through public education and involvement, inspections, operations review and monitoring. Neighborhood environmental mini-grants and Stream Keepers' water quality monitoring support is also provided through surface water funds.

Sewer Utility

Funding Source: Sewer Utility Fund

The Public Works Department operates and maintains the City's sewer utility to ensure the health, safety, and welfare of all residents and visitors in Lake Forest Park. The Sewer Utility is responsible for maintaining approximately 225,000 feet of gravity sewer main, 11,000 feet of pressure main, and two sewer lift stations. The City maintains relationships with water districts, sewer districts, neighboring cities, King County Metro, the State Department of Ecology (DOE), and the Seattle/King County Health Department in the operation of this utility.

PUBLIC WORKS DEPARTMENT

KEY 2021-2022 ACCOMPLISHMENTS

Facilities and Parks

- Installed new fencing at Phingst Animal Acres Park
- Provided ongoing maintenance on City Hall's HVAC system
- Replaced carpeting in the Council Chambers and upper level of City Hall
- Repainted the Council Chambers
- Added air conditioning and heating units in the Public Works facility
- Converted approximately 90% of the lights in City Hall to energy conserving LED lights

Streets

- Maintained street and regulatory signs and all pavement markings
- Completed the Annual Paving Program
- Installed enhanced school zone signage on 40th Place NE
- Removed fallen and dangerous trees
- Purchased a new backhoe and surplussed the old backhoe; purchased new de-icing equipment
- Maintained the pavement network including snowstorm response and pavement patching



Surface Water

- Maintained compliance with the NPDES Phase II Municipal Stormwater Permit administered by the WA Department of Ecology ("Ecology"). This included:
 - Completed annual inspections and cleanings of stormwater system catch basins and NPDES-regulated surface and stormwater management facilities, including the McAleer and Brookside Elementary Bypasses
 - Continued implementation of a community-based social marketing strategy for stormwater public education and outreach program
 - Used Ecology grant funding to hire a temporary GIS intern. The intern assisted in the completion or initiation of numerous updates and improvements to the City's stormwater system GIS data (e.g., mapping connections to private systems) and processes (e.g., GIS-based documentation of catch basin inspections) as per NPDES permit requirements and industry best practices
 - Advanced the permit-required Stormwater Management Action Plan (SMAP) to a >50% complete state, including completion of a receiving water inventory and public workshop and other feedback collection to inform basin prioritization

PUBLIC WORKS DEPARTMENT

- Developed a Source Control for Existing Development program, including working with Council to enact an ordinance establishing the program and site inventory
- Prepared and submitted NPDES annual report and 2021-2022 Stormwater Management Program Plans to Ecology.
- Continued participation in the Lake Ballinger/McAleer Creek Forum
- Continued informal coordination with neighboring jurisdictions including routine meetings of staff within the Lyon Creek watershed
- Maintained 9 miles of ditch lines
- Swept 900 miles of city streets
- Initiated or continued development of surface water and stormwater management capital projects

Sewer Utility

- 3,617 residents served by the sewer utility
- 600+ annual sewer locates
- Maintained 2 sanitary sewer lift stations
- Serviced more than 35 sewer grinder pumps



2023-2024 PLANNED ACTIVITIES

Facilities and Parks

- Develop a Master Plan for all City Parks including the new Lake Front Property with New Park Naming and Design
- Work with volunteer groups to assist with parks maintenance and projects
- Monitor the Phingst Animal Acres Park slope stability
- Add Pickleball Court(s) at Horizon View Park and/or Lake Forest Park Elementary School

Streets

- Provide roadway surface system maintenance
- Respond to evolving winter and storm events with limited resources
- Maintain the new Speed Radar signage
- Assess and remove fallen or dangerous trees

Surface Water Utility

- Maintain compliance with NPDES Municipal Stormwater Permit, including continuing existing programs and operationalizing new programs and projects required in the 2019-2024 permit
- Initiate stormwater program planning in anticipation of forthcoming NPDES Municipal Stormwater Permit update whose term is expected to begin as soon as August 2024. The terms of the permit update are currently to be determined

PUBLIC WORKS DEPARTMENT

- Initiate a stormwater system planning study to complete routine updates to asset preservation and management plans and related surface water management rate forecast, and complete other vital system planning
- Pending funding availability, complete two active surface water and stormwater management capital improvement projects
- Pursue federal, state and county funding for the replacement of undersized and deficient culverts throughout the City as identified in the 2017 Lyon Creek Culvert Replacement study and other studies
- Continue formal and informal coordination efforts with neighboring jurisdictions and other local partners



Sewer Utility

- Proactively maintain the sewer system
- Continue to work with the King County Wastewater Treatment Division to provide effective sewer conveyance across jurisdictional boundaries
- Continue to implement a fats, oils, and grease reduction program
- Initiate a sewer system planning study to complete routine updates to asset preservation and management plans and related sewer utility rate forecast, and complete other vital system planning
- Continue integrating sewer utility into a GIS-based platform

PUBLIC WORKS DEPARTMENT

| Department Staffing Summary, Public Works | Full Time Equivalent (FTE) | |
|---|----------------------------|-----------|
| | 2021-2022 | 2023-2024 |
| Department Employee Count | 10.90 | 12.50 |

| Description | 2021-2022 Adopted Budget | 2021-2022 Projected | 2023-2024 Budget | % Change |
|-------------------------------------|--------------------------------|------------------------|---------------------|--------------|
| <u>Parks</u> | | | | |
| Salaries | \$ 257,500 | \$ 225,978 | \$ 274,500 | 6.6% |
| Overtime | \$ 8,000 | \$ 4,682 | \$ 3,000 | -62.5% |
| On-Call Services | \$ 8,000 | \$ 6,343 | \$ 5,000 | -37.5% |
| Employee Benefits | \$ 106,500 | \$ 99,327 | \$ 89,000 | -16.4% |
| Safety Clothing / Boots | \$ 1,200 | \$ 500 | \$ 1,000 | -16.7% |
| Office Supplies | \$ 500 | \$ 332 | \$ 5,300 | 960.0% |
| Operating Supplies | \$ 17,000 | \$ 12,650 | \$ 8,000 | -52.9% |
| Kenmore Closeout Charges | \$ - | \$ - | \$ - | - |
| Small Tools & Equipment | \$ 3,400 | \$ 3,830 | \$ 8,000 | 135.3% |
| Professional Services | \$ 32,000 | \$ 11,505 | \$ 30,000 | -6.3% |
| Communications | \$ 6,600 | \$ 6,669 | \$ 8,000 | 21.2% |
| Travel Exp. (lodging, meals) | \$ - | \$ 1,764 | \$ 500 | - |
| Equipment Rental | \$ 6,000 | \$ 5,843 | \$ 4,000 | -33.3% |
| Insurance | \$ 17,200 | \$ 16,659 | \$ 25,976 | 51.0% |
| Utilities | \$ 52,500 | \$ 49,924 | \$ 55,000 | 4.8% |
| Repairs & Maintenance | \$ 56,000 | \$ 60,948 | \$ 30,000 | -46.4% |
| Repairs & Maintenance - Enhancement | \$ - | \$ 20 | \$ - | - |
| Dues / Subscriptions | \$ 385 | \$ 309 | \$ 1,000 | 159.7% |
| Training | \$ 1,000 | \$ 1,000 | \$ 2,000 | 100.0% |
| Total Parks | \$ 573,785 | \$ 508,283 | \$ 550,276 | -4.1% |

PUBLIC WORKS DEPARTMENT

| Department Budget Summary, Public Works | | | | | |
|---|--------------------------------|------------------------|---------------------|-------------|--|
| Description | 2021-2022 Adopted Budget | 2021-2022 Projected | 2023-2024 Budget | % Change | |
| <u>Facilities</u> | | | | | |
| Salaries | \$ 59,000 | \$ 56,883 | \$ 67,000 | 13.6% | |
| Overtime | \$ 2,000 | \$ 1,545 | \$ 2,500 | 25.0% | |
| On-Call Services | \$ 1,600 | \$ 1,461 | \$ 1,500 | -6.3% | |
| Employee Benefits | \$ 26,000 | \$ 25,114 | \$ 21,500 | -17.3% | |
| Safety Clothing / Boots | \$ 700 | \$ 325 | \$ 600 | -14.3% | |
| Office Supplies | \$ 400 | \$ 411 | \$ 600 | 50.0% | |
| Operating Supplies | \$ 17,710 | \$ 17,599 | \$ 21,000 | 18.6% | |
| Small Tools & Equipment | \$ 3,000 | \$ 3,059 | \$ 3,000 | 0.0% | |
| Property Assessments | \$ 18,500 | \$ 18,152 | \$ 20,000 | 8.1% | |
| Janitorial Contract | \$ 90,000 | \$ 76,691 | \$ 90,000 | 0.0% | |
| Professional Services | \$ 30,000 | \$ 30,009 | \$ 35,000 | 16.7% | |
| Communications | \$ 1,980 | \$ 1,602 | \$ 2,000 | 1.0% | |
| Travel Exp. (lodging, meals) | \$ 200 | \$ 516 | \$ 1,000 | 400.0% | |
| Equipment Rental | \$ 800 | \$ 683 | \$ 1,500 | 87.5% | |
| Insurance | \$ 4,250 | \$ 4,108 | \$ 6,406 | 50.7% | |
| Utilities - P.W. Facilities | \$ 21,500 | \$ 21,485 | \$ 25,000 | 16.3% | |
| Utilities - City Hall | \$ 134,500 | \$ 122,218 | \$ 130,000 | -3.3% | |
| Repairs & Maintenance | \$ 43,500 | \$ 52,016 | \$ 46,000 | 5.7% | |
| Emergency Management | \$ 2,000 | \$ - | \$ 1,000 | -50.0% | |
| Dues & Subscriptions | \$ 400 | \$ 118 | \$ 200 | -50.0% | |
| Training | \$ 200 | \$ 200 | \$ 400 | 100.0% | |
| Comcast Broadcast Equip. | | | | | |
| Bid Bond Deposit Refund | | | | | |
| Machinery & Equipment | | | | | |
| Total Facilities | \$ 458,240 | \$ 434,196 | \$ 476,206 | 3.9% | |
| <u>Street Maintenance</u> | | | | | |
| Road Surface Maintenance | \$ 45,000 | \$ 44,975 | \$ 50,000 | 11.1% | |
| Repairs & Maintenance | \$ 2,750 | \$ 2,750 | \$ 2,000 | -27.3% | |
| Shoulder Maintenance | \$ 26,000 | \$ 26,076 | \$ 30,000 | 15.4% | |
| Structure Maintenance | \$ 15,400 | \$ 14,680 | \$ 19,400 | 26.0% | |
| Traffic / Pedestrian Maint. | \$ - | \$ - | \$ - | - | |
| Street Lighting Maintenance | \$ 310,000 | \$ 284,619 | \$ 291,000 | -6.1% | |
| Sign Replacement | \$ 8,800 | \$ 8,533 | \$ 8,800 | 0.0% | |
| Sign Maintenance | \$ 46,200 | \$ 45,431 | \$ 46,200 | 0.0% | |
| Pavement Marking / Striping | \$ 48,400 | \$ 29,922 | \$ 53,000 | 9.5% | |
| Snow Plowing / Sanding | \$ 90,000 | \$ 28,303 | \$ 90,000 | 0.0% | |
| Roadside Maintenance | \$ 78,000 | \$ 78,746 | \$ 80,000 | 2.6% | |
| Roadside Maintenance - Enhancement | \$ - | \$ - | \$ - | - | |
| Total Street Maintenance | \$ 670,550 | \$ 564,036 | \$ 670,400 | 0.0% | |

PUBLIC WORKS DEPARTMENT

| Department Budget Summary, Public Works | | 2021-2022 Adopted Budget | 2021-2022 Projected | 2023-2024 Budget | % Change |
|---|-------------------|--------------------------------|------------------------|---------------------|-------------|
| <u>Street Operations</u> | | | | | |
| Machinery & Equipment | | | | | |
| On-Call Services | | | | | |
| Salaries | \$ 431,300 | \$ 377,352 | \$ 401,000 | -7.0% | |
| Overtime | \$ 10,000 | \$ 7,971 | \$ 10,000 | 0.0% | |
| On-Call Services | \$ 14,000 | \$ 10,567 | \$ 11,000 | -21.4% | |
| Employee Benefits | \$ 187,200 | \$ 168,118 | \$ 143,000 | -23.6% | |
| Safety Clothing / Boots | \$ 1,980 | \$ 781 | \$ 3,000 | 51.5% | |
| Office Supplies | \$ 1,540 | \$ 691 | \$ 1,500 | -2.6% | |
| Operating Supplies | \$ 9,600 | \$ 9,227 | \$ 10,000 | 4.2% | |
| Small Tools & Equipment | \$ 3,000 | \$ 2,891 | \$ 3,500 | 16.7% | |
| Professional Services | \$ 66,000 | \$ 65,537 | \$ 70,000 | 6.1% | |
| Legal Publishing | \$ - | \$ - | \$ - | | |
| Communications | \$ 10,500 | \$ 10,185 | \$ 12,000 | 14.3% | |
| Travel Exp. (lodging, meals) | \$ 500 | \$ 2,851 | \$ 1,000 | 100.0% | |
| Equipment Rental | \$ 5,500 | \$ 5,369 | \$ 2,500 | -54.5% | |
| Insurance | \$ 28,750 | \$ 27,866 | \$ 43,449 | 51.1% | |
| Utilities | \$ 13,000 | \$ 10,352 | \$ 13,000 | 0.0% | |
| Dues / Subscriptions | \$ 550 | \$ 561 | \$ 500 | -9.1% | |
| Training | \$ 1,500 | \$ 1,525 | \$ 1,000 | -33.3% | |
| Copier Rental | \$ 1,400 | \$ 745 | \$ - | -100.0% | |
| Interfund Svc. To Fund (001) | \$ 97,852 | \$ 104,376 | \$ 104,376 | 6.7% | |
| Interfund Svc. To (501 & 502) | \$ 72,996 | \$ 72,996 | \$ 115,076 | 57.6% | |
| Total Street Operations | \$ 957,168 | \$ 879,959 | \$ 945,901 | -1.2% | |
| <u>Engineering Operations</u> | | | | | |
| Interfund Svc. To GF (001) | \$ 41,570 | \$ 50,736 | \$ 50,500 | 21.5% | |
| Office / Operating Supplies | \$ - | \$ 652 | \$ - | | |
| Interfund Svc. To Replacement (501 & 502) | \$ 4,882 | \$ 4,882 | \$ 16,608 | 240.2% | |
| Professional Services | \$ 50,000 | \$ 146,449 | \$ 100,000 | 100.0% | |
| Travel Exp. (lodging & meals) | \$ 6,500 | \$ - | \$ 8,000 | 23.1% | |
| Training | \$ 2,000 | \$ - | \$ 4,000 | 100.0% | |
| Lobbying Activity | \$ 80,500 | \$ 87,850 | \$ 95,000 | 18.0% | |
| Salaries | \$ 294,500 | \$ 245,642 | \$ 298,500 | 1.4% | |
| Overtime | \$ - | \$ 3,552 | \$ 6,000 | | |
| Employee Benefits | \$ 115,000 | \$ 84,419 | \$ 18,000 | -84.3% | |
| Insurance | \$ 8,050 | \$ 7,798 | \$ 12,158 | 51.0% | |
| Dues / Subscriptions | \$ 600 | \$ 797 | \$ - | -100.0% | |
| Total Engineering Operations | \$ 603,602 | \$ 632,776 | \$ 608,766 | 0.9% | |

PUBLIC WORKS DEPARTMENT

| Department Budget Summary, Public Works | | 2021-2022 Adopted Budget | 2021-2022 Projected | 2023-2024 Budget | % Change |
|--|---------------------|--------------------------------|------------------------|---------------------|----------|
| Description | | | | | |
| <u>Sewer Utility</u> | | | | | |
| Salaries | \$ 506,000 | \$ 471,733 | \$ 565,500 | 11.8% | |
| Overtime | \$ 9,900 | \$ 9,949 | \$ 10,000 | 1.0% | |
| On-Call Services | \$ 5,500 | \$ 11,197 | \$ 8,000 | 45.5% | |
| Employee Benefits | \$ 220,000 | \$ 188,023 | \$ 184,000 | -16.4% | |
| Safety Clothing / Boots | \$ 2,000 | \$ 1,781 | \$ 8,000 | 300.0% | |
| Office Supplies | \$ 1,980 | \$ 1,337 | \$ 2,000 | 1.0% | |
| Operating Supplies/Materials | \$ 13,200 | \$ 11,879 | \$ 15,000 | 13.6% | |
| Small Tools & Equipment | \$ 9,900 | \$ 9,914 | \$ 14,000 | 41.4% | |
| METRO Charges | \$ 4,763,000 | \$ 4,742,036 | \$ 5,204,772 | 9.3% | |
| Professional Services | \$ 121,000 | \$ 69,176 | \$ 125,000 | 3.3% | |
| Communications | \$ 16,500 | \$ 9,288 | \$ 17,000 | 3.0% | |
| Travel Exp. (lodging, meals) | \$ 220 | \$ 2,877 | \$ 1,000 | 354.5% | |
| Advertising | \$ 1,100 | \$ - | \$ 1,000 | -9.1% | |
| Equipment Rental | \$ 2,200 | \$ - | \$ 2,000 | -9.1% | |
| Insurance | \$ 30,600 | \$ 29,659 | \$ 46,246 | 51.1% | |
| Utilities | \$ 16,500 | \$ 16,541 | \$ 18,000 | 9.1% | |
| Repairs & Maintenance | \$ 123,200 | \$ 123,288 | \$ 130,000 | 5.5% | |
| Dues & Subscriptions | \$ 2,200 | \$ 692 | \$ 11,000 | 400.0% | |
| Training | \$ 2,660 | \$ 625 | \$ 3,000 | 12.8% | |
| METRO Charges (DNU) | | | | | |
| Taxes & Assessments: Sewer Utility Fund 40 | \$ 52,800 | \$ 197,815 | \$ 70,000 | 32.6% | |
| Taxes & Assessments: PWTF Repayment | \$ 6,000 | \$ 2,002 | \$ 2,800 | -53.3% | |
| Taxes & Assessments (DNU) | | | | | |
| Copier Rental | \$ 1,540 | \$ 750 | \$ 1,500 | -3% | |
| Public Works Trust Fund-Ronald | | | | | |
| Public Works Trust Fund-Int. | | | | | |
| Repayment of PWTF Loan (Prin) | \$ 479,214 | \$ 479,214 | \$ 479,214 | 0.0% | |
| Repayment of PWTF Loan (Int.) | \$ 10,782 | \$ 10,782 | \$ 5,990 | -44.4% | |
| Machinery & Equipment | | | | | |
| Interfund Svc. To GF (001) | \$ 246,360 | \$ 236,409 | \$ 243,000 | -1.4% | |
| Interfund Svs. To Fund (501 & 502) | \$ 70,606 | \$ 70,606 | \$ 119,062 | | |
| Interfund Svc. Trans. Cap. (302) | \$ 56,011 | \$ 56,011 | \$ 56,200 | 0.3% | |
| Transfer To Sewer Cap. (402) | \$ 200,000 | \$ 200,000 | \$ 250,000 | 25.0% | |
| Transfer To PWTF Repay. (407) | \$ 350,000 | \$ 350,000 | \$ 336,000 | -4.0% | |
| Total Sewer Utility | \$ 7,320,973 | \$ 7,303,586 | \$ 7,929,284 | 8.3% | |

PUBLIC WORKS DEPARTMENT

| Department Budget Summary, Public Works | | 2021-2022 Adopted Budget | 2021-2022 Projected | 2023-2024 Budget | % Change |
|--|------------------------------|--------------------------------|------------------------|---------------------|----------|
| Description | | | | | |
| | <u>Surface Water Utility</u> | | | | |
| Salaries | \$ 625,500 | \$ 613,969 | \$ 695,500 | 11.2% | |
| Overtime | \$ 10,000 | \$ 10,000 | \$ 10,000 | 0.0% | |
| On-Call Services | \$ 12,000 | \$ 12,080 | \$ 15,000 | 25.0% | |
| Employee Benefits | \$ 276,000 | \$ 241,515 | \$ 168,500 | -38.9% | |
| Safety Clothing / Boots | \$ 2,500 | \$ 1,938 | \$ 3,000 | 20.0% | |
| Office Supplies | \$ 1,650 | \$ 2,081 | \$ 8,000 | 384.8% | |
| Operating Supplies | \$ 15,400 | \$ 22,895 | \$ 18,000 | 16.9% | |
| Taxes & Assessments | \$ 43,000 | \$ 46,998 | \$ 43,000 | 0.0% | |
| Small Tools & Equipment | \$ 6,600 | \$ 7,043 | \$ 10,000 | 51.5% | |
| Prof. Services/Engineering | \$ 306,616 | \$ 277,059 | \$ 373,000 | 21.7% | |
| Communications | \$ 17,600 | \$ 33,478 | \$ 30,000 | 70.5% | |
| Travel Exp. (lodging, meals) | \$ 1,000 | \$ 3,421 | \$ 1,000 | 0.0% | |
| Equipment Rental | \$ 1,100 | \$ 8,155 | \$ 5,000 | 354.5% | |
| Insurance | \$ 41,300 | \$ 40,035 | \$ 62,424 | 51.1% | |
| Utilities | \$ 3,080 | \$ 957 | \$ 3,200 | 3.9% | |
| System Maintenance & Operation | \$ 418,000 | \$ 651,159 | \$ 500,000 | 19.6% | |
| Street Drainage Maintenance | \$ 121,000 | \$ 12,564 | \$ 125,000 | 3.3% | |
| Neighborhood Surface Water | \$ 16,500 | \$ - | \$ 20,000 | 21.2% | |
| Repairs & Maintenance | \$ 15,400 | \$ - | \$ 20,000 | 29.9% | |
| Dues / Subscriptions | \$ 550 | \$ 19,716 | \$ 42,300 | 7590.9% | |
| Training | \$ 7,000 | \$ 4,550 | \$ 10,000 | 42.9% | |
| County Administration Billing | \$ 44,000 | \$ 19,085 | \$ 25,000 | -43.2% | |
| Copier Rental | \$ 1,400 | \$ 593 | \$ 2,000 | 42.9% | |
| Sweeper Principal | \$ 109,527 | \$ 109,527 | \$ 88,771 | -19.0% | |
| Sweeper Interest | \$ 13,501 | \$ 13,501 | \$ 3,501 | -74.1% | |
| Interfund Svc. To GF (001) | \$ 126,824 | \$ 140,636 | \$ 141,000 | 11.2% | |
| Interfund Svc. To Replacement Fund (501 & 5) | \$ 91,772 | \$ 91,772 | \$ 156,914 | 71.0% | |
| Transfer To Surface Water Capital (404) | \$ 350,000 | \$ 350,000 | \$ 425,000 | 21.4% | |
| Total Surface Water Utility | \$ 2,678,820 | \$ 2,734,727 | \$ 3,005,109 | 12.2% | |

NON-OPERATING DEPARTMENT INFORMATION

2023-2024 PROPOSED BUDGET

- Vehicle and Equipment Replacement
- Information Technology Replacement
- Fixed and Capital Assets

VEHICLE AND EQUIPMENT SERVICES AND REPLACEMENT FUND

PURPOSE

The purpose of the vehicle and equipment services and Replacement Fund is to support and carry out the mission of the City by setting aside funds for the purchase, replacement, operation, and repair of major City assets such as vehicles, machinery, and major equipment.



WHAT WE DO

Vehicle and equipment services plans for the purchase and replacement of the City's vehicles and equipment. The services provided include planning for the maintenance and operating costs associated with those assets.

Most often purchases of new or replacement equipment are made by utilizing contracts secured by Washington State Department of Enterprise Services. The Washington State Department of Enterprise Services contracts with vendors after a competitive bidding process has been performed. The utilization of these contracts by the City ensures that the City gets the best pricing on its purchases and satisfies the requirements of the City's purchasing policy. The City contracts with Northshore Utility District for vehicle and equipment maintenance and repair. The City also purchases fuel from Northshore Utility District.

| Vehicle and Equipment Services and Replacement Fund | | 2021-2022 Adopted Budget | | 2021-2022 Projected | | 2023-2024 Budget | | % Change |
|---|--|-----------------------------|--|------------------------|--|---------------------|--|---------------|
| Description | | \$ | | \$ | | \$ | | |
| Interfund Svc. To General Fund | | \$ 15,980 | | \$ 14,625 | | \$ 16,000 | | 0.1% |
| Info.Svc. & Equip. Replacement | | \$ 382,904 | | \$ 324,789 | | \$ 260,354 | | -32.0% |
| Citywide Vehicle - Replacement | | \$ - | | \$ - | | \$ - | | - |
| Public Works - Fuel | | \$ 50,000 | | \$ 50,000 | | \$ 50,000 | | 0.0% |
| Public Works Equip. - Maint. | | \$ 135,062 | | \$ 135,062 | | \$ 145,000 | | 7.4% |
| PD Vehicle Replacement | | \$ 65,000 | | \$ 65,000 | | \$ 135,000 | | -13.9% |
| PW Equipment - Replacement | | \$ 197,264 | | \$ 197,264 | | \$ 75,300 | | 313.9% |
| PW Vehicles - Replacement | | \$ 108,969 | | \$ - | | \$ 153,000 | | 0.0% |
| Total | | \$ 955,179 | | \$ 786,740 | | \$ 834,654 | | -12.6% |

IT INTERNAL SERVICE FUND

PURPOSE

The purpose of the Information Technology Internal Service Fund is to support and implement the mission of the City with a specific fund for IT needs. The fund will improve the tracking of IT expenditures and enterprise technology projects resulting in better stewardship and awareness of technology needs.

DESCRIPTION

Information Technology infrastructure, maintenance, and capital projects make up a significant portion of the City's budget. With a separate fund dedicated to IT, the process to forecast expenditures and track costs will be straightforward and more transparent. Oversight of capital equipment replacements, professional services, enterprise software maintenance/licensing, computer equipment replacement cycles and larger technology projects will all be included in the IT Internal Service Fund. Technology plays an important role for the City, whether it be Public Safety, Finance, or Communication, this fund will assist in managing these important resources.



| Information Technology Fund | | | | | |
|---|----------------|-------------|-------------|-------------------|-------------|
| Description | 2021-2022 | | 2021-2022 | | % Change |
| | Adopted Budget | Projected | Projected | Budget | |
| Capital Equipment Purchases/Replacement: Hardware | \$ - | \$ - | \$ - | \$ 130,000 | |
| Computer Software | \$ - | \$ - | \$ - | \$ 150,533 | |
| Professional Services | \$ - | \$ - | \$ - | \$ 56,000 | |
| Total | \$ - | \$ - | \$ - | \$ 336,533 | 0.0% |

FIXED AND CAPITAL ASSETS

Fixed and capital assets are defined in the City's Financial Policies as land, buildings, equipment, and improvements to existing fixed assets costing more than \$5,000 and having a useful life greater than one year.

The 2023/2024 budget contains almost \$9 million in total fixed and capital asset expenditures. Most of these expenditures are project related identified in the City's Capital Improvement Plan (CIP). However, not every expenditure included in the CIP is considered a standalone capital or fixed asset. Similarly, some fixed and capital asset expenditures are routine or recurring and are not found in the CIP. All fixed and capital expenditures scheduled in the CIP to occur during the 2023/2024 biennium are included in the adopted budget.

The 2023/2024 budget includes recurring fixed and capital asset expenditures such as the replacement of vehicles and equipment per the replacement schedule and the annual street overlay program which is funded with the City's vehicle tabs revenue. The following narrative describes non-recurring fixed and capital expenditures, organized by funding source, that are included in the 2023/2024 budget.



CAPITAL FACILITIES MAINTENANCE FUND

The Capital Facilities Maintenance Fund budget provides for the maintenance and upgrades to City owned facilities such as City Hall and the Public Works Facility. The 2023/2024 budget includes \$450,000 for City Hall Facilities including upgrades or replacements to the HVAC system, carpet, and interior paint. Other City Hall improvements include a new Bi-Directional Amplifier (\$60,000) to improve emergency communications within City Hall and Police Department locker room improvements (\$93,000). The Public Works Facility will have the parking lot repaved (\$75,000). These investments are consistent with the Strategic Plan Goal of Accountable and Engaged Government.

CAPITAL IMPROVEMENT FUND

The Capital Improvement Fund budget includes a surface water project on NE 35th Avenue to move the discharge location, improve flow, and water quality (\$1,075,000).

TRANSPORTATION CAPITAL FUND

The Transportation Capital Fund budget includes multiple items that advance the Strategic Plan Goal of Mobility. The budgeted items include: \$100,000 to continue the SR 522 Grade Separated Pedestrian Crossing study; \$4.7 million for improvements at the intersection of Ballinger Way (SR 104) and 40th Place NE to install a roundabout; \$400,000 for the Annual Street Overlay Program; \$200,000 for Street Improvements; \$400,000 for the completion of ADA-Compliant Curb Ramps; and \$100,000 for safety improvements recommended by the Safe Streets, Early Action Investments.

FIXED AND CAPITAL ASSETS

SEWER CAPITAL FUND

The Sewer Capital fund includes a proviso project which is a Sewer Master Plan which includes a comprehensive assessment of the sewer system and the City's two lift stations (\$360,000).

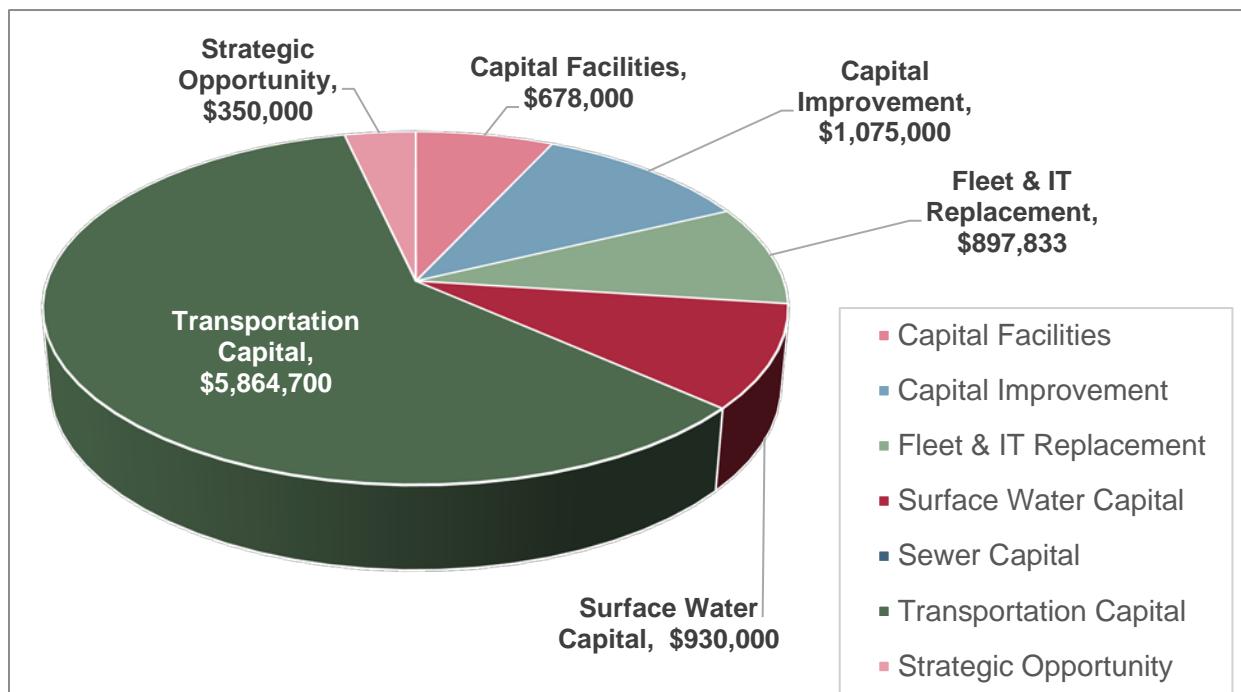
SURFACE WATER CAPITAL FUND

The Surface Water Capital Fund includes \$270,000 for the design and installation of Material Bin Covers at the Public Works Facility as well as \$400,000 for the design and right-of-way acquisition of the L90 Culvert Replacement Project. The 195th & SR104 Culvert Replacement Project is part of a joint project with the City of Shoreline which includes \$160,000 for the preliminary assessment and design. \$100,000 is allocated for the work required for the Lyon Creek Restoration work. The Surface Water Capital fund includes a proviso project which is the development of a Surface Water Master Plan estimated at \$200,000.

STRATEGIC OPPORTUNITY FUND

The Strategic Opportunity Fund includes \$250,000 for a Parks Master Plan and \$100,000 for the Lake Front Park Property Development.

The following graph shows the value of budgeted capital expenditures by fund.



The schedule on the following page lists capital projects budgeted in the 2023/2024 biennium and includes the budgeted value and the funding source or fund that is financially responsible for the project.

FIXED AND CAPITAL ASSETS

More information regarding fixed and capital asset expenditures can be found in the Capital Improvement Plan that is available on the City's website (cityoflfp.gov) and in the department section titled Vehicle and Equipment Services and Replacement Fund.

| Schedule of 2023-2024 Capital Improvement Plan Projects | | | |
|---|------------------------------|-------------------------------|---|
| Project Title | 2023-2024 Projected Value | Funding Source (Fund Name) | Grant Funding Source County/ State/ Federal (Additional Notes) |
| City Hall Facilities | \$ 450,000 | Capital Facilities | |
| Bi-Directional Amplifier for City Hall Building | \$ 60,000 | Capital Facilities | |
| Public Works Parking Lot Paving | \$ 75,000 | Capital Facilities | |
| City Hall Police Locker Room Improvements | \$ 93,000 | Capital Facilities | |
| Parks Master Plan | \$ 250,000 | Strategic Opportunity | CFT |
| Lake Front Park Property Development | \$ 100,000 | Strategic Opportunity | CFT |
| NE 35th Avenue - Construction | \$ 1,075,000 | Capital Improvement | |
| SR 522 Grade Separated Pedestrian Crossing | \$ 100,000 | Transportation Capital | Dept of Commerce |
| SR 104 & 40th PI NE Roundabout- Design, ROW | \$ 633,700 | Transportation Capital | TIB, WSDOT |
| SR 104 & 40th PI NE Roundabout- Construction* | \$ 4,031,000 | Transportation Capital | TIB, WSDOT |
| Annual Street Overlay Program | \$ 400,000 | Transportation Capital | |
| Street Improvements (One Time Funds) | \$ 200,000 | Transportation Capital | |
| ADA Ramps | \$ 400,000 | Transportation Capital | |
| Safe Streets, Early Action Investments | \$ 100,000 | Transportation Capital | |
| Material Bin Covers | \$ 270,000 | Surface Water Capital | |
| Culvert L90 Replacement- Design, ROW | \$ 400,000 | Surface Water Capital | WSDOT/ Dept of Commerce |
| Culvert L90 Replacement - Construction** | \$ - | Surface Water Capital | Possible Dept. of Commerce |
| 195th & SR104 Culvert Replacement /ILA Shoreline | \$ 160,000 | Surface Water Capital | |
| Lyon Creek Restoration | \$ 100,000 | Surface Water Capital | |
| Total CIP | \$ 8,897,700 | | |
| Unfunded CIP | | | |
| SR 104 & 40th PI NE Roundabout- Construction* | \$ 1,250,000 | Transportation Capital | TIB, WSDOT |
| Culvert L90 Replacement - Construction** | \$ 2,400,000 | Surface Water Capital | Possible Dept. of Commerce |
| Total Unfunded CIP | \$ 3,650,000 | | |
| Proviso (Staffing Capacity) | | | |
| Sewer Master Plan | \$ 360,000 | Sewer Capital | \$360,000 |
| Surface Water Master Plan | \$ 200,000 | Surface Water Capital | \$200,000 |
| Total CIP Proviso | \$ 560,000 | | |
| *Partially grant funded | | | |
| **Unfunded | | | |

APPENDIX

2023-2024 PROPOSED BUDGET

- Comprehensive Financial Management Policies
- Glossary
- Acronyms

City of Lake Forest Park

Comprehensive Financial Management Policies

February 13, 2020

City of Lake Forest Park
Comprehensive Financial Management Policies

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City of Lake Forest Park Comprehensive Financial Management Policies

The City's Comprehensive Financial Management Policies serves as a Mayor and Council-approved framework for the financial planning, budgeting accounting reporting and other financial management practices. The purpose of these policies is to ensure the City operates in a prudent manner, using sound fiscal policies to ensure the safekeeping of the City's assets and provide the delivery of services to the community.

A. Director of Finance

1. The Director of Finance is designated as the City's Chief Financial Officer and City Treasurer.
2. The Director of Finance is designated as the City's Auditing Officer pursuant to RCW 42.22.080 and as such will be responsible for the review of all claims and certification that the goods have been received or the services rendered and that the claims are valid and should be paid by the City.

B. City Funds

The City shall utilize "governmental fund accounting" as the organizational structure for its financial activities. The following funds have been established for budgeting, accounting and reporting.

OPERATING FUNDS

1. The *General Fund* is the general operating fund of the City. It accounts for all financial resources and transactions, except those required to be accounted for in another fund.
2. The *Street Fund* is required by state law to account for State-shared Motor Vehicle Fuel Tax revenue distributed on a per capita basis for transportation maintenance or capital improvements (RCW 47.24).
3. The *Surface Water Utility Fund* accounts for fees charged to all property owners for maintenance to the City's surface water drainage system (Ord. 459, Section 10 (1990)).
4. The *Sewer Utility Fund* accounts for collections from property owners connected to the City's sewer system. Expenditures include payment to King County and for City sewer system operating costs (Ord. 106, Section 5 (1966)).
5. The *Public Works Contract Fund*¹ – accounts for costs related to the agreement to provide services to Kenmore or other agency.

¹ The Public Works Contract Fund (Fund 450) was created administratively as part of the 2002 budget cycle, as referenced on page 152 of the 2002 City of Lake Forest Park Budget Book.

6. The *Transportation Benefit District* Fund accounts for revenues authorized by RCW 36.73 and supports the Street Overlay program, snow removal and street sweeping. It can be used to support local and regional transportation plans (Ord. 1003 (2009)).

DEBT SERVICE FUNDS

7. Periodically the City may administratively create one or more debt service funds to pursuant to a debt issuance. Any such funds are to be created administratively, are governed by the agreement necessitating the fund, and if created pursuant to a debt issuance approved by the City Council, do not require separate council action.

RESERVE FUNDS

8. The *Council Contingency Reserve Fund* is established per RCW 35A.33.45 for capital purchases or for operating shortfalls due to unforeseen cost increases or unanticipated revenue losses (Ord. 660 (1995)).
9. The *Budget Stabilization Fund* is established as a subsidiary fund to the General Fund and accounts for transfers from the General Fund in accordance with Ordinance No. 1071. The City Council may authorize transfers during Biennial Budget adoption or Mid-biennial Adjustment to the Adopted Budget between the parent and subsidiary fund to mitigate fluctuations in General Fund revenues and expenditures in order to provide for uninterrupted public services (Ord. 1071 (2014)).

CAPITAL FUNDS

10. The *Capital Improvement Fund* accounts for the excise tax on the sale of real property within the City, the Parks Levy, grants and other sources. Real Estate Excise Tax (REET) proceeds are restricted pursuant by State law. Expenditures from the Fund are for facility and parks capital projects (RCW 82.46.035).
11. The *Capital Facilities Reserve Fund*, established by Ordinance No. 1051 (2012), is for the purposes of providing a reserve account for anticipated major maintenance and repairs to City Hall and the Public Works Facility. Transfers to the account for City Hall maintenance and repairs shall be from REET. Transfers to the account for Public Works facility maintenance and repairs shall be made from various funds in rough proportion to the annual percentage of maintenance-worker hours dedicated to the work supported by those various funds.
12. The *Transportation Capital Fund* accounts for REET and other sources for transportation capital projects (RCW 82.46.035).
13. The *Surface Water Capital Fund* accounts for transfers of storm water fees for capital improvements to the City's surface water drainage system (Ord. 459, Section 10 (1990)).
14. The *Sewer Capital Fund* accounts for transfers from Sewer rates for capital improvements to the City's Sewer Capital Fund (Ord. 927 (2005)).

15. The *Vehicle/Equipment Replacement Fund* accounts for the expenditures for the repair, maintenance and replacement for the City's vehicles, the City's information technology equipment and licensing, and Fixed Assets (Ord. 659 (1995)).

AGENCY FUNDS

16. Periodically the City may administratively create one or more agency funds to support regional coalitions of two or more local entities where the City has agreed to act as the finance fiduciary. Any such funds are to be created administratively, are governed by the agreement creating the coalition, and if created pursuant to an interlocal agreement approved by the City Council, do not require separate council action.

C. Financial Planning and Budget

1. The Director of Finance shall develop a financial planning calendar that will provide for the timely update of the six-year financial forecasts for all City funds to adopt the City's biennial budget and Capital Improvement Plan. The six-year forecast will also be updated during the mid-biennial budget review and adjustment.
2. A six-year financial forecast shall be prepared and updated on a biennial basis for all City funds as a multi-year financial planning tool. The financial forecast shall be integrated in the City's biennial operating capital budgeting process.
3. The City will use prudent revenue and expenditure assumptions in the development of the six-year financial forecast and budgets for all City funds.
4. The City budget will implement City Council adopted goals and policies, long-range plans, the service choices for the community and revenue allocation policies of the Council.
5. When budgeting for the General Fund, the Recommended Biennial Budget proposed by the Mayor shall be a two-year balanced budget. For the purposes of this policy, a balanced budget is defined as total biennial resources (fund balance, plus projected revenue) that is greater than or equal to approved biennial expenditures, plus the calculated minimum fund balance, if applicable, for each fund. The published budget overview will identify whether the adopted budget is balanced.
6. The relationship between the General Fund and Capital Improvement Plan (CIP) budgets will be incorporated into the financial forecasts and the biennial Budget Process. Maintenance and operating costs associated with new CIP projects shall be estimated and included for each project within the CIP. Such costs should be included in the operating budgets when the projects are complete.
7. The City shall prepare and adopt its budget on a biennial basis and shall comply with the provisions of state law with respect to the biennial budget process. The adopted biennial budget will include one revenue and one expenditure amount for the biennium for each of the City's funds; budget appropriations unspent in the first year of the biennium will

automatically carry over to the second year of the budget unless adjusted by an ordinance adopted by the City Council. The Director of Finance shall be responsible for the management of the City's biennial budget development process. The Director of Finance shall provide timely and accurate budget monitoring reports to Department Directors on a regular basis and quarterly budget monitoring reports to the Budget and Finance Committee.

8. Department Directors have primary responsibility for the development, implementation, management, and monitoring of their respective budgets in accordance with direction from the Mayor. Any significant variances from the adopted budget shall be reported by department directors to the city administrator in a timely manner.
9. The biennial budget process and materials shall be developed in a manner to provide information in a readily understandable manner, and to the greatest extent possible avoid jargon, acronyms, and the like.
10. One-time resources shall be identified and should be used to support one-time expenditures. Ongoing expenditures should be supported by ongoing resources.
11. Budgeted staff positions (part-time, full-time, and temporary) will be included in the biennial Budget.
12. In accordance with State law, the City Council will adopt the biennial budget at the fund level. The Mayor is authorized to transfer budgeted amounts within any fund.
13. The City shall exhaust restricted funds to finance uses authorized by State or local law before General Fund resources are used to finance those activities. Restricted fund balance reserves should not be exhausted below the minimum fund balance reserve required by this policy.

D. Fund Balances and Reserves

1. Operating funds of the city have a minimum fund balance target equal to 30 days operating expense or eight percent (8%) except as noted below.²
 - General Fund, 60 days operating expense or 16 percent of total estimated current year revenue
 - Street Fund, 60 days operating expense or 16 percent of total estimated current year revenue
 - Sewer Fund, 60 days operating expense or 16 percent of total estimated current year revenue
 - Surface Water Utility Fund, 60 days operating expense or 16 percent of total estimated current year revenue.

Current year revenue is defined as total estimated (budgeted) resources less beginning fund balances and one time revenues. Projected variances from the minimum fund targets shall be disclosed during the biennial budget process or during the current year if unanticipated circumstances occur that negatively impact current year revenue and/or expenditure projections. Fund Balance targets may be modified by Council action.

2. The Council Contingency Reserve should be maintained in accordance with RCW 35A.33.145 to cover unforeseen issues.
3. The Budget Stabilization Fund should be maintained to provide for General Fund operating reserves in accordance with Ordinance 1071.

E. Accounting

1. The City will maintain an accounting and financial reporting system that fully meets governmental accounting professional standards and State of Washington budgeting, accounting, and reporting requirements as established in the cash basis Budgeting Accounting and Reporting System (BARS) Manual.
2. Financial procedures shall be maintained to assure appropriate internal controls are in place to protect city assets. This includes recording all purchased fixed assets in the fixed asset inventory system at the time of purchase. This enables the City to have timely and accurate financial reporting of its assets.
3. The City will report the results of operations using the cash basis of accounting allowed by the State for reporting.

Financial Reporting

² Operating funds, for the purpose of the minimum fund balance target, is any fund with payroll expense coded directly to the fund in the year that the target is calculated.

1. The City shall prepare and submit in a timely manner an annual financial report to the Washington State Auditor's Office in accordance with the standards established for such reports.

F. Revenues

4. The City will strive to maintain a diversified mix of revenues to provide for continuity and predictability of resources and to minimize the impacts of periodic economic cycles.
5. Where the City has authority to set fees and charges, all such fees and charges should be adjusted to reflect inflation and cost of services and should be reviewed and reported to the Budget and Finance Committee on a periodic basis.
6. Grant revenue shall be included in the financial forecasts and biennial budgets when it is deemed likely by staff that the City will receive the grant award. Should planned or budgeted grant revenue not be received, offsetting expenditure reductions shall be implemented or alternative revenue sources shall be identified.
7. Investment Interest shall be credited to the appropriate City funds based on the monthly cash balances.

G. Expenditures and Contract Management

1. The City shall implement procedures for purchasing, credit card usage, and contract management consistent with the policy framework established in this section.
2. The Department Directors have primary responsibility for purchasing and expenditures for their respective budgets in accordance with the adopted biennial budget. Any significant variances from the adopted budget shall be reported by department directors to the City Administrator in a timely manner.
3. Subject to competitive bidding requirements, the administration/staff is granted the authority to execute contracts for goods and services up to a contract value of \$50,000 for Public Works and \$30,000 for all others. Staff is allowed to exercise this authority only when the purchase is consistent with the type of acquisition routinely and regularly included in a line item in the current year adopted budget. Contracts or services that could reasonably be defined as carrying out policy provisions in the budget are not subject to the aforementioned contracting authority.
4. In the case of significant damage or threat to public infrastructure or public facilities that require immediate action to prevent significant future loss or threat to property or to public safety and meets the definition of "emergency" in RCW 39.04.280(3), a contract of up to \$100,000 is authorized. Reasonable attempts will be made to follow the Small Works Roster process authorized in Resolution No. 617.
5. City claims payments will be reviewed by a member of the City Council (Currently the Budget and Finance Committee Chair). The Councilmember review is intended to provide

for a general, high-level review of claims to assure that adequate documentation is being maintained and the initiating department along with the Finance Department are doing appropriate due diligence in their review activities.

6. The City will seek to optimize the efficiency and effectiveness of its services to reduce costs and improve service quality.

H. Debt

1. Debt may be utilized to address short-term cash flow needs. Debt may also be used to finance significant capital or other obligations. The City Council is required to approve the issuance of debt. Debt will not be used to fund long-term revenue shortages.
2. When evaluating the use of non-voted (councilmanic) debt and the associated debt service obligations, an analysis shall be performed to determine the City's ability to make debt service payments, taking into account revenue fluctuations associated with periodic economic cycles. Debt may be considered when there is sufficient projected discretionary revenue to service the debt.
3. Voted and non-voted (councilmanic) debt will be used prudently in a manner to avoid any adverse impact on the City's credit rating or ability to issue subsequent or additional debt.
4. Upon the issuance of any debt, the City will establish the appropriate procedures to assure compliance with bond/debt covenants and applicable federal, State and local laws, policies and regulations.

I. Investments

1. Purpose: To Invest the City of Lake Forest Park funds in a manner which will provide the highest investment return consistent with a high degree of security while meeting the necessary cash flow demands of the City and conforming to all state statutes governing the investment of public funds.
2. Investment Objective: The purpose of this document is to identify those funds that are considered available for investment, to invest funds to the fullest extent possible, and to formalize the investment-related activities to assure the highest return with maximum security. In order of priority to invest the City's funds are the following: safety, liquidity, and return on investment (yield).
 - a. Safety: Investments of the City will be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. Diversification is a key component to ensuring the safety of the City's investment portfolio.
 - b. Liquidity: The City's investments will remain sufficiently liquid to enable the City to meet all operating requirements which might be reasonably anticipated.
 - c. Return on Investment (yield): The City's investment portfolio shall be designed with the objective of attaining a market rate of return given the City's risk constraints and cash flow requirements.

3. Delegation of Authority & Responsibility: The Designated Investment Officer will be the Finance Director. The Budget & Finance Committee must approve all investment strategies that are eventually implemented by the Finance Director. The Alternative Investment Officer in the event the Finance Director position is vacant, or in the event that the Finance Director is absent and/or unavailable to implement a Committee decision, will be the City Administrator. The Alternate Investment Officer will be required to follow the same guidelines as the Designated Investment Officer.

4. Authorized Investments types for Diversification:

- a. Washington State Local Government Investment Pool (LGIP) – Max 100%
- b. City's designated Bank – Max 100%
- c. Government Agency Bonds – Max 60%, Target 50%

Diversifying funds using a balance of both short and longer term investment types enhances the investment portfolio of the City. For the longer term investments the maturity dates will be strategically laddered not to exceed a 5 year maturity date.

5. Reporting: The Finance Director, or designee, shall provide the Budget & Finance Committee a quarterly investment report for regular reporting.

J. Assets

- 1. Fixed assets are defined as land, buildings, equipment, and improvements to existing fixed assets costing more than \$5,000 and having a useful life in excess of one year. Assets with a value or cost under \$5,000, but more than \$500 are not defined as fixed assets and are subject to the Small and Attractive Asset Policy.
- 2. Small and Attractive Assets are safeguarded by a Small and Attractive Asset Policy designed to ensure controls over items that might not be noticed immediately after disappearance. The Policy maintains accountability for items that do not meet the criteria of a fixed asset. In certain cases the Administration may classify items below the threshold as small and attractive, despite having a value or cost below the threshold.

Appendix

**City of Lake Forest Park
Credit Card Policy**

Purpose.

The purpose of this policy is to establish guidelines and rules for the use of credit cards by City officials and employees. This policy shall be interpreted to provide for the use of credit cards by authorized persons to the fullest extent allowed by law including RCWs 43.09.2855 and 42.24.115.

Definitions.

As used in this policy, the term "credit card" means a card or device issued under an arrangement pursuant to which the issuer (credit card company) gives to the card holder (the City) the privilege of obtaining credit from the issuer. Credit cards include cards imprinted with a specific named individual user, cards imprinted with a specific named city department, and cards issued for use by the City with a specific vendor.

Issuance, use and control of credit cards.

A. The City adopts the following system for the issuance, use and control of credit cards by City officials and employees. The Finance Director is authorized to obtain City credit cards under the following system, which provides for the distribution, authorization, control, credit limits and payment of bills through the use of the credit cards by City officials and employees.

- 1) Issuance and Use. Credit cards may be issued to the City of Lake Forest Park and used by authorized City officials and employees for purchasing goods, services, supplies and other items from vendors; incurring registration, training or travel expenses in connection with the performance of their duties on behalf of the City. Each card imprinted with the name of an individual must be "signed for" by that individual using the City's card user agreement.
- 2) Authorization and Control. Upon authorization from the Finance Director or designee, City officials and employees may obtain a credit card from the Finance Director who shall maintain a ledger of individuals and departments receiving credit cards, including the date the card was received. The Finance Director shall implement accounting controls to promote the proper use of credit cards and reduce the risk of loss or misuse.
- 3) Credit card limits shall be set administratively for each card, reflecting among other things purchases expected to be made during a typical billing cycle and additional credit capacity needed in an emergency or other contingency.
- 4) Payment of Bills. The Finance Director shall establish a procedure for the prompt payment of all credit card bills on or before the due date.
- 5) Unauthorized Charges. No official or employee shall use the City-issued credit card for non-City business purposes. No charge(s) shall exceed amounts established and available in the City budget.
- 6) Prohibited Uses. Cash advances on credit cards are prohibited.

B. Expenses incident to authorized travel may be charged to a City-issued credit card provided the official or employee returns to the City with credit card receipts in accordance with the City travel policies and procedures.

C. Failure to provide detailed documentation as required by the policy will result in the user being responsible for the charge. If certain credit charges are disallowed as a result of audit or City policy, such charge must be repaid to the City with the City having the right to withhold funds payable to the official or employee up to the amount of the disallowed charge including interest at the rate charged by the credit card company. Misuse of a City credit card may result in disciplinary action up to and including termination and legal action.

D. The Finance Director is authorized to revoke the use of any credit card issued and immediately require the surrender of the credit card. The Finance Director may deliver a revocation order to the credit card company with the City not being liable for any future costs incurred after the date of revocation. Credit cards are to be returned to the City immediately upon ending employment.

E. The Finance Director is authorized to adopt any additional rules or policies necessary to implement the provisions of this policy.

GLOSSARY

ANNUAL BUDGET A budget applicable to a single fiscal year

APPROPRIATION A legal authorization granted by a legislative body to make expenditures and incur obligations for specific purposes

ASSESSED VALUATION A valuation set upon real estate or other property by a government as a basis for levying taxes

ASSETS Resources owned or held by a government which have monetary value

BALANCED BUDGET A budget situation where budgeted resources are equal to or greater than budgeted expenditures (Comprehensive Financial Management Policies (2020))

BIENNIA A two year period

BOND A written promise to pay a specified sum of money, called the face value or principal amount, at a specified date or dates in the future, called the maturity date(s), together with periodic interest at a specified rate

BUDGET A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them

BUDGET ACCOUNTING AND REPORTING SYSTEM (BARS) The accounting guide issued by the Washington State Auditor's Office to guide accounting matters for local governments

BUDGET ADOPTION The formal legislative process to approve a budget for the budgetary period

BUDGET AMENDMENT A change to the adopted budget that is formally adopted by the City Council

BUDGETED Included in the adopted budget

BUDGET DOCUMENT The instrument used by the budget-making authority to present a comprehensive financial program to the appropriating body

BUDGET MESSAGE A general discussion of the proposed budget as presented in writing by the budget-making authority to the legislative body, with certain portions required by law

CAPITAL IMPROVEMENTS Expenditures related to the acquisition, expansion or rehabilitation of an element of the government's physical plant

CAPITAL FACILITES PLAN A plan for capital outlay to be incurred each year over a fixed number of years to meet capital needs arising from the government's long-term needs

GLOSSARY

CAPITAL ASSETS Also known as fixed assets, are land buildings, equipment and improvements to existing fixed assets costing more than \$5,000 and having a useful life greater than one year

CAPITAL PROJECT Major construction, acquisition, or renovation activities which add value to a government's physical assets or significantly increase their useful life; also called capital improvements

CASH BASIS A basis of accounting under which transactions are recognized only when cash is received or disbursed

COMPREHENSIVE FINANCIAL MANAGEMENT POLICIES The document containing all of the adopted financial policies of the City

CONSUMER PRICE INDEX (CPI) A statistical description of price levels provided by the U.S. Department of Labor used as a measure of the increase in cost of living (i.e. economic inflation)

CONTINGENCY A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted

COUNCILMANIC Refers to action that can be taken with a majority vote of the City Council and not requiring a vote of the public

DEBT LIMIT The maximum amount of gross or net debt which is legally permitted

DEBT SERVICE The cost of paying principal and interest on borrowed money according to a predetermined payment schedule

DEBT SERVICE FUND A fund used to account for the accumulation of resources for, and the payment of general long term debt principal and interest

DEFICIT The excess of an entity's liabilities over its assets or the excess of expenditures or expenses over revenues during a single accounting period

DIRECT COSTS Those expenses which can be charged directly as a part of the cost of a product, service, department, operating unit or activity, as distinguished from indirect costs (overhead) which must be prorated among several products, services, departments, operating units or activities

EMPLOYEE BENEFITS Contributions made by a government to meet commitments or obligations for employee fringe benefits including the government's share of costs for Social Security and the various pension and medical plans

ENDING FUND BALANCE The amount of money that a fund has at the end of a year or reporting period

GLOSSARY

ENTERPRISE FUND An accounting entity which the City uses to record and report transactions for its business-type activities; all expenditures must be supported by income dedicated to the fund, most commonly utility funds

EXPENDITURE/EXPENSE The amount of money actually spent or budgeted to be spent

FIDUCIARY FUND TYPE The trust and agency funds used to account for assets held by a government unit in a trustee capacity or as an agent for individuals, private organizations, other government units and/or other funds

FIXED ASSETS Also known as capital assets, are land buildings, equipment and improvements to existing fixed assets costing more than \$5,000 and having a useful life greater than one year

FRANCHISE A special privilege granted by a government permitting a monopoly or the continuing use of public property

FULL-TIME EQUIVILANT POSITION (FTE) A part-time position converted to the decimal equivalent of a full-time position based on 2,080 hours per year

FUND A fiscal entity with revenues and expenses which are segregated for the purpose of carrying out a specific purpose or activity

FUND ACCOUNTING A system of accounting that is characterized by the use of accounting entities (funds) to account for resources whose use has been limited by donor, grantor, governmental agencies, governing bodies, or by law

FUND BALANCE The total amount of cash and investments available for spending at the end of a year or reporting period

GENERAL FUND The primary operation fund of the local government. Most revenues accounted for in the General Fund are unrestricted and can be used for any lawful purpose of government; operating departments include: Police, Municipal Services, Parks, Facilities, Planning, Building, and Municipal Court, among others

GRANTS External contributions or gifts of cash or other assets to be used or expended for a specified purpose, activity, or facility

INDIRECT COST A cost necessary for the functioning of the organization as a whole, but which cannot be directly assigned to one service

INFRASTRUCTURE The physical assets of a government (e.g. streets, water, sewer, public buildings and parks)

INTERFUND SERVICES Services provided by one fund of the local government for the benefit of another fund for compensation

GLOSSARY

INTERGOVERNMENTAL REVENUE Funds received from federal, state, and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes

INTERNAL SERVICE FUND An accounting entity which the City uses to record and report transactions for goods and services provided by one department to other City departments on a cost reimbursement basis

LEVY (Verb) To impose taxes, special assessments, or service charges for the support of governmental activities; (Noun) The total amount of taxes, special assessments, or service charges imposed by a government

LIABILITIES Debt or other legal obligations arising out of transactions in the past which must be liquidated, renewed, or refunded at some future date

LIMITED TERM EMPLOYEE An employment position that is not permanent and expires on a certain date

LONG-TERM DEBT Debt with a maturity of more than one year after the date of issuance

MAINTENANCE The upkeep of physical properties in condition for use or occupancy

MAYOR'S PROPOSED BUDGET The budget submitted by the Mayor to the City Council that proposes a funding plan for the upcoming biennium for consideration by the City Council

MINIMUM FUND BALANCE TARGET The minimum amount of cash and investments that, by policy, should be left in a fund at the close of the year or budget period

MISSION STATEMENT A broad statement of purpose, in terms of meeting public service needs, that a department is organized to meet

NON-VOTED See Councilmanic

OBJECTIVE Something to be accomplished in specific, well-defined, and measurable terms and is achievable within a specific time frame

OBLIGATIONS Amounts which a government may be required legally to meet out of its resources

OPERATING EXPENSES The cost for personnel, materials, and equipment required for a department to function; excludes capital and project expenses

OPERATING REVENUE Funds that the government receives as income to pay operating expenses; generally excludes one-time and capital revenues

OTHER FINANCING SOURCES Governmental fund general long-term debt proceeds, operating transfers-in, and material proceeds of fixed assets dispositions; classified separately from revenues

GLOSSARY

OTHER FINANCING USES Governmental fund operating transfers-out; classified separately from revenues

POLICY A principal or course of action chosen to guide decision making

PREPAID BATCH A batch of payments made in advance of City Council review and approval due to the City Council meeting schedule

PROGRAM A group of related activities performed by one or more organization units for the purpose of accomplishing a function for which the government is responsible

PROJECTION A prediction of the future outcome of a budgetary item

RESERVE An account used either to set aside budgeted revenues that are not required for expenditure in the current budget year or to earmark revenues for a specific future purpose

RESERVED FUND BALANCE A fund balance that is subject to externally or internally imposed restrictions

RESOURCES Total amounts available for appropriation including estimated revenues, fund transfers, and beginning balances

REVENUE Sources of income financing the operations of government

REVENUE FORECAST A set of predictions about future revenues that will be received by the City

SIX YEAR FINANCIAL FORECAST A planning tool that forecasts revenues and expenditures six years into the future to demonstrate the long-range impacts of current levels of services on financial sustainability

SPECIAL REVENUE FUNDS Funds used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes

STAFF All or any non-elected employees of the City of Lake Forest Park

STATUTORY DEBT LIMIT The limit set by State Statute that is the amount of total debt that a local government is allowed to have outstanding at any given time

TAXES Compulsory charges levied by a government for the purpose of financing services performed for the common benefit of the people; does not include user fees

UNRESERVED FUND BALANCE The portion of a fund's balance that is not restricted for a specific purpose and is available for spending on any lawful purpose of government

USER FEES The payment of a fee for direct receipt of a public service by the party who benefits from the services

ACRONYMS

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| AOC | Administrative Office of the Courts |
| APA | American Planning Association |
| APWA | American Public Works Association |
| ARMA | Association of Records Management Archives |
| ASCE | Associated Society of Civil Engineers |
| AWC | Association of Washington Cities |
| BARS | Budgeting Accounting and Reporting System |
| CIP | Capital Improvement Program |
| CPI | Consumer Price Index |
| CSC | Community Services Commission |
| DOE | Washington State Department of Ecology |
| EDC | Economic Development Commission |
| ESA | Endangered Species Act |
| EOC | Emergency Operations Center |
| EQC | Environmental Quality Commission |
| ESHB | Engrossed Substitute House Bill |
| ETP | Eastside Transportation Partnership |
| FTE | Full Time Equivalent |
| GFOA | Government Finance Officers Association |
| GIS | Geographic Information System |
| GMA | Growth Management Act |
| IDP | Interim Design Principles |
| IIMC | International Institute of Municipal Clerks |
| IT | Information Technology Department |

ACRONYMS

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|---------------|---|
| ITE | Institute of Transportation Engineers |
| KCCA | King County Clerks Association |
| LID | Low Impact Development |
| NEMCo | Northshore Emergency Management Coalition |
| NRPA | National Recreation and Parks Association |
| PAW | Planning Association of Washington |
| PC | Planning Commission |
| PSAPCA | Puget Sound Air Pollution Control Authority |
| PSRC | Puget Sound Regional Council |
| REET | Real Estate Excise Tax |
| SAO | State Auditor's Office |
| SEPA | State Environmental Policy Act |
| SWAT | Special Weapons and Tactics |
| SWM | Surface Water Management |
| TC | Transportation Commission |
| TIB | Transportation Improvement Board |
| WCIA | Washington Cities Insurance Authority |
| WCPDA | Washington Cities Planning Directors Association |
| WFOA | Washington Finance Officers Association |
| WMCA | Washington Municipal Clerks Association |
| WRPA | Washington Recreation and Parks Association |
| WSAMA | Washington State Association of Municipal Attorneys |
| WSEMA | Washington State Emergency Management Association |
| WSRA | Washington State Recycling Association |