



CITY OF LAKE FOREST PARK

MAYOR'S PROPOSED 2017-2018 MID-BIENNIAL BUDGET ADJUSTMENT

SEPTEMBER 21, 2017

Mayor
Jeff R. Johnson

17425 Ballinger Way NE
Lake Forest Park, WA 98155-5556
Telephone: 206-368-5440
Fax: 206-364-6521
E-mail: cityhall@ci.lake-forest-park.wa.us
www.cityoflfp.com



Councilmembers
Tom French
Phillippa M. Kassover
Mark Phillips
E. John Resha III
Semra Riddle
Catherine Stanford
John A. E. Wright

City Council and Lake Forest Park Community:

I am pleased to present the 2017-2018 Mayor's Proposed Mid-Biennial Budget Adjustment to the City Council for consideration. The Proposed Adjustment is generally just a true up of actual results to the budget, but I have added two items that I believe are important to the Community. The details of the true up are described in the attached documents, but I want to introduce the two items that I have added to the budget.

First is a proposal to add \$10,000 for an expansion of the community events programming. The recently reinvigorated community events programming that includes Picnic in the Park and the Pet Parade have done a lot for the community spirit and furthered the goal of community vitality. This additional funding would allow the City to expand the programming to include more events. A few of the ideas that have been kicked around are a holiday tree lighting event, a Halloween event and costume contest, and an event at Horizon View. This additional programming is an opportunity to build on the current momentum and enhance the sense of community in Lake Forest Park.

The other item that I am proposing is a reinstatement of the marine patrol after the marine patrol program was discontinued several years ago. Since the marine patrol program was discontinued, the Police Department has had no means to respond to calls for service on the City's waters. The marine patrol will allow the City to maintain order on Lake Forest Park waters and provide for the safety of the community in this part of the City.

The proposed budget update is a balanced budget proposal, but unfortunately it does not address all of the financial issues that Lake Forest Park faces. I want to take this opportunity to remind you of two important and intertwined issues that are left unresolved with this budget: police department staffing and the long term financial sustainability of the General Fund. Our Police Department operates at minimum staffing levels most of the time and meeting staffing requirements becomes difficult anytime that we have an officer on injured status or otherwise unavailable, which is a condition that the PD is currently experiencing. While it would have been my pleasure to propose the addition of another officer in this adjustment, there is no way to make the numbers work. The six year financial forecast that was updated during the mid-biennial update process shows that the City is at risk of not maintaining adequate fund balance to fund operations within the six year forecast period. This is not a new issue for the City, rather it is just one that we have been able to delay dealing with due to the recent economic boom. It was not that long ago that the City had to make cuts to its workforce which resulted in a degradation of service to the community and we will likely be faced with a similar challenge when current economic conditions cool off. There is no silver bullet to solve this problem, the Administration and the City Council need to work together to do some creative thinking in order to identify a long-term solution to this complicated problem.

In conclusion, I am pleased to present the Mayor's Proposed Mid-Biennial Budget Adjustment to you and look forward to dialogue about this proposal and the financial future of the City.

Sincerely,
Mayor Jeff Johnson

2017-2018 MAYOR'S PROPOSED MID-BIENNIAL BUDGET ADJUSTMENT INTRODUCTION

Executive Summary

The Administration has performed the required mid-biennial budget review and is proposing a mid-biennial budget adjustment. The proposal includes both discretionary and non-discretionary items. The vast majority of the proposed adjustments are in the General Fund, but adjustments are proposed for all operating funds of the City due to increases in employee benefits costs. The total value of the proposed General Fund adjustment is an increase in expenditures of \$155,317, net of revenue adjustments. The proposal also increases the business license fee, in response to increasing program costs, and an increase in the sewer utility rates to respond to rising operating costs.

Background

The City of Lake Forest Park (the "City") adopts a biennial, or two year, budget. Local governments choosing to adopt biennial budgets are required by State Statute to perform a detailed review of the budget at the mid-point of the budget cycle to identify any significant differences between budgeted amounts and actual biennium-to-date financial results. If significant differences are identified, then a mid-biennial budget adjustment should be considered.

The City is approaching the mid-point of its 2017-2018 budget and has completed the required mid-biennial budget review (the Review). The Review revealed that while most line items of revenue and expenditure are performing as expected (consistent with budget) a few items each of revenue and expenditure differ from budgeted amounts causing consideration of a budget adjustment. Based on the preceding the Administration is proposing a 2017-2018 mid-biennial budget adjustment (hereinafter referred to as the Mayor's Proposed Adjustment). The details of the Mayor's Proposed Adjustment are contained in the attached schedules. It should be noted that only those budgets and schedules that are adjusted in the Mayor's Proposed Adjustment are contained in this document; the entire 2017-2018 adopted budget can be found on the City's website at cityofflp.com.

The following documents are included in the Mayor's Proposed Adjustment packet; a brief description of each document is provided orient readers to the contents of each document.

1. Narrative of Adjustments

The Narrative of Adjustments contains a description of the mid-biennial budget adjustment process and a description of each adjustment, the value of each adjustment in the current biennium, and the ongoing annual value, if applicable. The narrative also includes the justification for each adjustment. The Adjustments are grouped into three broad categories: Development Related; Operational, Non-Discretionary; and Operational, Discretionary.

2017-2018 MAYOR'S PROPOSED MID-BEINNIAL BUDGET ADJUSTMENT INTRODUCTION

2. Schedule of Adjustments

The Schedule of Adjustments is a table of the updates and changes included in the Mayor's Proposed Mid-Biennial Budget Adjustment. The table contains a column titled "Adjustment Type" indicating whether the item is Development Related "D"; Operational, Non-Discretionary "ND"; or Operational, Discretionary "MP".

3. Six Year Financial Forecast Summary

The Six Year Financial Forecast Summary (the Forecast) is a table with the projected beginning and ending fund balances for each of the City's operating and capital funds. The Forecast takes into account the actual biennial budget, including items included in the Mayor's Proposal, and accounts for a continuation of the levels of service established in the current budget. A projection, or inflation, factor is applied to each line item supporting the current budget to arrive at the fund balances displayed in the Forecast. One-time items, or items that are not expected to be reoccurring, are removed during the creation of the Forecast.

4. User Fee Schedule

The User Fee Schedule is the schedule that establishes user fees charged by the City. Changes to the User Fee Schedule are shown with a strikethrough of the current user fee; the proposed new fee is shown with an underline. No new user fees are proposed in the Adjustment.

5. Ordinances and Resolutions

Ordinance Amending the 2017-2018 Adopted Budget

Ordinance Establishing the 2018 Sanitary Sewer Rate

Coming Soon: Property Tax Ordinance

Coming Soon: Wastewater Excise Tax Rate Ordinance

NARRATIVE OF ADJUSTMENTS

The following narrative describes the adjustments included in the Mayor's Proposed Adjustment. The adjustments are grouped into three broad categories: Development Related; Operational, Non-Discretionary; and Operational, Discretionary.

Development Related

Sales and Use Tax Revenue (General Fund) +\$35,000

Business Tax Revenue (General Fund) +\$20,000

Permit Fee Revenue (General Fund) +\$90,000

Permitting Professional Services Expenditure (General Fund) +\$60,000

Planned development and remodel activity was considered during budget development, but the actual activity during the first part of the biennium has outpaced those projections. The result is an increase in sales tax collections; business tax collections; permit fees revenue; and an increase in the City's costs to review and issue permits. Additionally, the new Tree Ordinance has shifted tree permit review from staff resources to a third party arborist, causing increased professional fees. The ongoing value of professional fees resulting from the new Tree Ordinance will only be known after the Administration has more experience with the issue, staff will report to the Mayor and City Council as better data become available. Updated projections show the development activity slowing towards the end of the biennium; each of the above items is considered one-time or not likely to be reoccurring.

Operational, Non-Discretionary

Passport Revenue (General Fund) +\$40,000

The demand for passport processing services continues to be high causing passport revenue to exceed budgeted amounts. This adjustment increases passport revenue for the biennium in response to the high demand for these services.

Interest Income (General Fund) +\$16,000

In 2016 the Administration moved its banking relationship to Opus, which has allowed staff to engage in more active treasury management resulting in increased interest income. The interest rate environment has also improved. The result of both of these factors is significantly increased interest earnings. Funds other than the General Fund are benefitting from the above too, but generally to a lesser extent than the General Fund due to lower cash balances. As such, no adjustment is proposed for interest income for funds other than the General Fund.

NARRATIVE OF ADJUSTMENTS

Employee Benefits Expenditure (General Fund) +\$95,000

Employee Benefits Expenditure (Other Funds) +\$77,000

This adjustment is required due to increases in the cost to the City to provide benefits to employees. This item is the result of an increase in the City's cost for unemployment insurance, worker's compensation insurance, and retirement benefits. It should be noted that the cost of benefits paid by employees is also increasing significantly; the increase in retirement costs are shared 50/50 with employees and the City's total cost of this adjustment is offset by savings resulting from significantly higher healthcare deductibles and maximum out-of-pocket costs for non-represented employees.

2016 Salary Survey Implementation Expenditure (General Fund) +\$57,250

In 2016 the City hired a third party to perform a salary survey for non-represented employees. Due to the timing of the final report, the results of the survey were only partially included in the budget during budget development. This item accounts for the complete implementation of the salary survey results.

Legal Fees Expenditure (General Fund) +\$30,000

An increase in the budget for legal fees is proposed as the City's legal expenditures are trending above budgeted amounts due to a number of unforeseen legal issues that have arisen since budget development. The issues include significant public records requests, code updates, and consideration of property acquisitions.

Mayor's Reserve (General Fund) +\$30,000

From time-to-time sensitive issues arise that require that require a budget adjustment. This item is one such item; the details of this item are subject to executive privilege.

Police Department Overtime (General Fund) +\$30,000

The Police Department has two staff members who are on extended leave due to injury. Due to current staffing levels, the PD must incur overtime to meet minimum staffing levels during extended absences of staff. This item increases the PD budget to satisfy minimum staffing during the period of leave due to injury.

Executive Succession Costs (General Fund) +\$20,000

By policy separating employees get paid out for any accrued vacation balance available at the time of separation. Additionally, employment positions are budgeted pursuant to the adopted salary schedule and do not include room for overlap of the departing employee and their respective successor. The City Administrator has scheduled his retirement in early 2018, this item will fund the departing City Administrator's vacation payout and provide for up to two weeks of overlapping coverage.

NARRATIVE OF ADJUSTMENTS

Business License Revenue (General Fund) +\$9,500

Business Licensing Program Costs (General Fund) +\$9,500

The City recently joined FileLocal to offer a web based business licensing and tax filing system to the business community. The current estimate for go-live in the system is Q4 2017 or early 2018; the annual cost of partnering with FileLocal is \$9,500. This adjustment also requires an adjustment to the User Fee Schedule to increase the annual business license fee by \$10, continuing the policy of full business license program cost recover through business license fees.

Municipal Court Judge Salaries, Temporary Coverage (General Fund) +\$5,000

Planned and unplanned absences of the Municipal Judge require coverage by a pro tem judge. The current Municipal Judge has more planned and/or unplanned absences than were expected during budget development; this item will fund the temporary coverage during absences.

Court Operating Expenditures (General Fund) +\$4,800

The Court has requested additional appropriations to fund the higher than budgeted costs. The nature of the costs are as follows: travel, training, and communications.

Court Prior Period Error, Unclaimed Property (General Fund) +\$2,100

The Court recently discovered an accounting error that caused their Court Bail Trust Bank Account to be underfunded. This item is a request to fund a payment to unclaimed property from the City's checking account for the Court's cash short fall.

Real Estate Excise Tax (Capital Improvement Fund and Transportation Capital Fund) +\$150,000 each

Real Estate Excise Tax (REET) is a tax collected on real estate transactions; the tax is calculated based on the transaction value or sales price. The red hot real estate market and upward real estate values are resulting in significantly higher than projected REET collections. The value of this adjustment is \$150,000 each for REET I and REET II.

Operational, Discretionary

Marine Patrol Expenditure (General Fund) +\$12,500

The City discontinued its marine patrol several years ago and was left with no way to respond to policing issues that arise on the City's waters. This proposal would reinstate the contract with the King County Sheriff's Office to provide marine patrol on the City's waters.

Community Events (General Fund) +\$10,000

The City has recently made significant gains in community vitality by organizing and funding popular community events such as Picnic in the Park and the Pet Parade. The Mayor's Proposal includes funding for an expansion of the current community events programming. Additional events considered for the expanded community events programming include: a holiday tree lighting, a Halloween costume contest, and an event at Horizon View Park.

SCHEDULE OF ADJUSTMENTS

GENERAL FUND				
Title	Revenue(R)/Expend.(E)	Adjustment Type ¹	2017-2018	Annual Ongoing
			Adjustment Amount	
Sales and Use Tax (One-Time)	R	D	35,000	-
Business Tax (One-Time)	R	D	20,000	-
Permit Fee Revenue (One-Time)	R	D	90,000	-
Passport Revenue	R	ND	40,000	20,000
Interest Income	R	ND	16,000	4,000
Business License Fees	R	ND	9,500	9,500
General Fund Revenue Adjustment Total			210,500	33,500
Permitting Professional Fees	E	D	60,000	-
2016 Salary Survey Implementation	E	ND	57,250	67,250
Employee Benefits Cost Increase	E	ND	94,667	94,667
Legal Fees	E	ND	30,000	-
Mayor's Reserve	E	ND	30,000	30,000
Police Department Overtime	E	ND	30,000	-
Executive Succession Costs	E	ND	20,000	-
Web Based Business Licensing and Tax Filing	E	ND	9,500	9,500
Judge Salaries, Temporary Coverage	E	ND	5,000	2,500
Court Operating Expenditures	E	ND	4,800	2,400
Court Prior Period Error, Unclaimed Property	E	ND	2,100	-
Marine Patrol	E	MP	12,500	12,500
Community Events	E	MP	10,000	10,000
General Fund Expenditure Adjustment Total			365,817	228,817
STREET FUND				
Title			2017-2018 Budget	Annual Ongoing
			Amount	
Employee Benefits Cost Increase	E	ND	13,056	13,056
Street Fund Expenditure Adjustment Total			13,056	13,056

¹ Adjustment type codes are as follows: "D" – Development Related, "ND" – Non Discretionary, "MP" - Discretionary

SCHEDULE OF ADJUSTMENTS

CAPITAL IMPROVEMENT FUND				
Title			2017-2018 Budget	Annual Ongoing
			Amount	
Real Estate Excise Tax I (REET I)	R	ND	150,000	-
Capital Improvement Fund Revenue Adjustment Total			150,000	-
TRANSPORTATION CAPITAL FUND				
Title			2017-2018 Budget	Annual Ongoing
			Amount	
Real Estate Excise Tax II (REET II)	R	ND	150,000	-
Transportation Capital Fund Revenue Adjustment Total			150,000	-
Employee Benefits Cost Increase	E	ND	1,807	1,807
Transportation Capital Fund Expenditure Adjustment Total			1,807	1,807
SEWER UTILITY FUND				
Title			2017-2018 Budget	Annual Ongoing
			Amount	
Sewer Utility Charges	R	ND	30,000	30,000
Sewer Utility Fund Revenue Adjustment Total			30,000	30,000
Wastewater Treatment Charges	E	ND	15,000	15,000
Employee Benefits Cost Increase	E	ND	13,399	13,399
Sewer Utility Fund Expenditure Adjustment Total			28,399	28,399
SURFACE WATER UTILITY FUND				
Title			2017-2018 Budget	Annual Ongoing
			Amount	
Employee Benefits Cost Increase	E	ND	19,729	19,729
Surface Water Utility Fund Revenue Adjustment Total			19,729	19,729
PUBLIC WORKS CONTRACT FUND				
Title			2017-2018 Budget	Annual Ongoing
			Amount	
Employee Benefits Cost Increase	E	ND	28,381	28,381
Public Works Contract Fund Expenditure Adjustment Total			28,381	28,381

SIX YEAR FINANCIAL FORECAST

Description	2017 Budget	2018 Budget	2019	2020	2021	2022
<u>General Fund</u>						
Beginning Fund Balance	2,315,720	2,165,483	1,953,678	1,759,903	1,520,913	1,236,194
Ending Fund Balance	2,165,483	1,953,678	1,759,903	1,520,913	1,236,194	905,198
<u>Street Fund</u>						
Beginning Fund Balance	808,762	755,534	660,598	591,975	520,314	445,486
Ending Fund Balance	755,534	660,598	591,975	520,314	445,486	367,357
<u>Transportation Benefit District</u>						
Beginning Fund Balance	165,522	175,700	388,984	596,946	799,444	996,333
Ending Fund Balance	175,700	388,984	596,946	799,444	996,333	1,187,466
<u>Capital Improvement Fund</u>						
Beginning Fund Balance	1,064,701	703,605	581,434	686,988	723,394	784,664
Ending Fund Balance	703,605	581,434	686,988	723,394	784,664	898,899
<u>Transportation Capital Fund</u>						
Beginning Fund Balance	1,030,256	541,815	287,201	305,585	317,151	276,691
Ending Fund Balance	541,815	287,201	305,585	317,151	276,691	288,989
<u>Sewer Utility Fund</u>						
Beginning Fund Balance	608,444	658,806	737,686	817,942	899,624	982,719
Ending Fund Balance	658,806	737,686	817,942	899,624	982,719	1,067,235

Note: 2017 Beginning Fund Balances amounts are the actual beginning fund balances.

SIX YEAR FINANCIAL FORECAST

Description	2017 Budget	2018 Budget	2019	2020	2021	2022
<u>Sewer Capital Fund</u>						
Beginning Fund Balance	2,416,864	2,612,562	2,402,562	1,462,895	1,678,862	1,900,532
Ending Fund Balance	2,612,562	2,402,562	1,462,895	1,678,862	1,900,532	2,128,055
<u>Surface Water Utility Fund</u>						
Beginning Fund Balance	828,544	976,496	911,305	830,759	646,569	333,761
Ending Fund Balance	976,496	911,305	830,759	646,569	333,761	10,889
<u>Surface Water Capital Fund</u>						
Beginning Fund Balance	669,673	905,673	823,673	709,567	455,567	288,067
Ending Fund Balance	905,673	823,673	709,567	455,567	288,067	920,567
<u>Public Works Contract Fund</u>						
Beginning Fund Balance	264,089	276,389	273,042	266,891	257,753	245,436
Ending Fund Balance	276,389	273,042	266,891	257,753	245,436	229,739
<u>Replacement Fund</u>						
Beginning Fund Balance	466,018	514,300	562,904	612,796	664,011	716,582
Ending Fund Balance	514,300	562,904	612,796	664,011	716,582	770,547

Note: 2017 Beginning Fund Balances amounts are the actual beginning fund balances.

2018 User Fee Schedule

		Fees
Licensing / Permits / Services		
Adult Cabaret License Application	\$	1,500
Adult Cabaret Manager License		250
Adult Cabaret Entertainer License		200
Business License, Annual (Calendar Year)		
Business located in the City	30	<u>40</u>
Business located outside of the City	60	<u>70</u>
Home occupation license		30
Coin operated Amusement Devices		60
Initiative Filing		250
Referendum Filing		250
(to be refunded if the ordinance is overturned)		
Open House Sign Removal Fee		25
Outdoor Promotion Permit		50
Secondhand Dealer Permit		60
Solicitor Permit		100
Services		
Returned Payment Fee		40
Duplication of <i>Audio Recording</i>		10
Fingerprinting		20
False Alarm Fines		40-76
<i>Notary services</i>		10
Photocopies, Records / Reports		
Accident Reports (non-participants)		5
Certified Copies		5
Paper copies or scanned copies provided electronically	(per page)	0.15
Copies requiring outside copy services		At Cost
Electronic records provided on disk		10
Police Reports (non-participants)		5
Municipal Court		
<i>Municipal Court fees are set by the Court based on the actual costs incurred, subject to a maximum set by State statute. The Municipal Court may adjust the court fees from time to time to correlate to actual costs incurred and/or changes in State law concerning the maximum fee that may be charged.</i>		
Sanitary Sewer		
Copy of Sewer Comp. Plan		
Color		125
Black and White		45
Sewer Availability		100
Onsite Wastewater License Application Fee		25
Sewer Connection		

2018 User Fee Schedule

	Fees	
Single Family		5,034
Multi-Family		
Each Additional Unit		
5/8" x 3/4" Meters		5,034
3/4" x 3/4" Meters		7,551
1" Meters		12,584
1 1/2" Meters		25,169
2" Meters		40,270
3" Meters		80,541
4" Meters		125,845
Sewer Permit (2 inspections)		300
Sanitary Sewer Grinder Pump Review		300
Additional Inspection		100
Lien Filing and Removal Fee		185
Credit Card Surcharge - A three percent (3%) credit card surcharge will be added to all sewer availability, sewer permit review and inspection fees paid by credit card.		3%
Development Review Technology Surcharge - A five percent (5%) technology surcharge will be added to all sewer availability, sewer permit review and inspection fees. Surcharge is not applied to Sewer Connection Fees		5%
Sewer Monthly Service		
Residential	61.31	<u>62.16</u>
Sewer Excise Tax	17.09	<u>17.94</u>
Commercial / Multi-Family Residential (per ccf)	9.04	<u>9.21</u>
Credit Card Transaction Fee ¹		3.95
¹ The credit card transaction fee is charged for sewer payments made by credit card. The fee is charged by the third party transaction processor and is not remitted to the City.		
Streets		
Street Excavation (2 inspections)		200
Additional Inspection		100
Street and Alley Vacation Fee		500
Right-of-Way Permit		200
(may be waived by City Council)		
Telecommunications Right-of-Way (ROW) Rental Fee		
Master Use Permit Application Fee		2,500
Master Use Permit Renewal Fee		2,500
Lease Application Fee		2,500
Lease Renewal Fee		2,500
City Property-Minimum Monthly Rent		825
Credit Card Surcharge - A three percent (3%) credit card surcharge will be added to all right-of-way and street excavation permit and inspection fees paid by credit card.		3%
Development Review Technology Surcharge - A five percent (5%) technology surcharge will be added to all right-of-way and street excavation permit and inspection fees.		5%

2018 User Fee Schedule

Fees

Land Use

For land use, development, and surface water and drainage plan reviews and applications that exceed the scope of the established fees, the applicant will be responsible for reimbursement of the actual costs of specialty consultant or staff review.

Administrative Appeal	500
(refunded if appeal is sustained and the administrative decision is overturned)	
Administrative Variance	500
Copy of Comprehensive Plan	80
Comprehensive Plan Amendment	No extra charge for Rezone 3,000
Conditional Use Application	2,500
Land Clearing/Grading/Excavation/ Filing	
Regular	300
Arborist Review	100 deposit + hourly rate
Tree Permits	50
Arborist Review - Based on Actual Cost of Arborist Review (per hour)	125
Land Use Public Notice Signage	plus \$25 per additional posting 200
Boundary Line Adjustment	2,000
Property Profile, Pre-application meetings, special requests (per hour), minimum 0.5 hour	100
Rezone Application	No extra charge for Comp. Plan Amend. 3,000
SEPA / Regulatory Review	
Checklist	750
EIS administration/supervision/preparation	5,000
Sensitive Area Work Permit	
Major	550
Minor	85
Tree-related	125
Sensitive Area Reasonable Use Exception	4,000
Copy of Shoreline Master Plan	15
Shoreline Substantial Development Permit	3,500
Shoreline Conditional Use Permit	3,500
Shoreline Variance	3,500
Shoreline Exemption	500
Shortplat Application	\$4,000 flat fee
Subdivision	\$12,000 + \$300 per lot
Variance	2,500
Wireless Communication Facility Permit (not requiring conditional use)	2,000
Zoning/Land Use Code Text Amendment	3,500

2018 User Fee Schedule

	Fees
Towne Centre Design / Site Plan Review Fee	8,500
Credit Card Surcharge - A three percent (3%) credit card surcharge will be added to all land use permit fees paid by credit card.	3%
Development Review Technology Surcharge - A five percent (5%) technology surcharge will be added to all land use permit fees.	5%

Building Fees

Building, mechanical, and plumbing fees are based on the most current version of the International Building Code, the International Residential Code, the International Mechanical Code, and the Uniform Plumbing Code. The individual project fees will vary on a project by project basis.

Credit Card Surcharge - A three percent (3%) credit card surcharge will be added to all building, mechanical, and plumbing permit fees paid by credit card.	3%
Development Review Technology Surcharge - A five percent (5%) technology surcharge will be added to all building, mechanical, and plumbing permit fees.	5%

Surface Water and Drainage Plan Review Fees

Single Family Building Permit		
Requiring Engineering Plan		600
Without Engineering Plan		300
Multi-family site development	per 1,000 square feet of	300
	impervious surface	0
Commercial site development	per 1,000 square feet of	300
	impervious surface	0
Land Use Permits*		0
Subdivisions / Shortplats	per lot	500
Reasonable use exemptions	per lot	500
Conditional Use Permit	per lot	500
Variances	per lot	500
* These would be preliminary review fees, where additional drainage review fees may be applied for future development or to other permit applications necessary for development.		

Surface Water Utility Assessments

1	Single Family Residential		203.50
	<u>Class</u>	<u>% Impervious Surface</u>	
2	Very Light	0%-10%	203.50
3	Light	10%-20%	489.14
4	Medium	20%-45%	983.74
5	Medium High	45%-60%	1,899.60

2018 User Fee Schedule

			Fees
6	High	65%-80%	2,408.39
7	Very High	85%-100%	3,157.86

Facility Fees

Lake/Forest Room

Evening Use (6 p.m. - 10 p.m.)	50.00
--------------------------------	-------

Council Chambers

	\$50 per hour plus
Evening Use (6 p.m. - 10 p.m.)	\$50

The fee for use of the Lake/Forest Room by other governmental organizations and non-profit organizations may be waived or negotiated.

ORDINANCE NO. XXXX

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAKE FOREST PARK, WASHINGTON, AMENDING THE 2017-2018 BUDGET

WHEREAS, State law, Chapter 35A.34 RCW provides for the biennial adoption of the City's budget and provides procedures for filing of the proposed budget, deliberations, public hearings, and final fixing of the budget; and

WHEREAS, a budget for fiscal years 2017-2018 was adopted by ordinance 1144 and subsequently amended by various ordinances; and

WHEREAS, the City of Lake Forest Park is required by RCW 35A.34.120 to review all revenues and expenditures for each fund in the adopted budget at the mid-point of the biennium and consider adjustments; and

WHEREAS, the Administration has performed the required review and has proposed adjustments for several funds to better align the budget with current conditions and to include two discretionary items not included in the originally adopted budget; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAKE FOREST PARK, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. AMENDMENT. The 2017-2018 budget is hereby amended as follows:

Fund No.	Fund Name	2017-2018 Adopted		2017-2018 Adjusted	
		Revenue	Expenditure	Revenue	Expenditure
001	General Fund	16,887,887	17,094,612	17,098,387	17,460,429
101	Street Fund	1,095,150	1,230,258	1,095,150	1,243,314
301	Capital Improvement Fund	779,075	1,412,342	929,075	1,412,342
302	Transportation Capital Fund	1,433,998	2,325,246	1,583,998	2,327,053
401	Sewer Utility Fund	6,160,143	6,032,502	6,190,143	6,060,901
403	Surface Water Utility Fund	2,404,663	2,302,173	2,404,663	2,321,902
450	Public Works Contract Fund	1,765,154	1,727,820	1,765,154	1,756,201

Section 3. AMENDMENT. The 2018 User Fee Schedule is amended as attached.

Section 4. CORRECTIONS. The City Clerk is authorized to make necessary corrections to this ordinance including, but not limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

Section 5. EFFECTIVE DATE. This ordinance shall take effect five (5) days after passage and publication.

APPROVED BY A MAJORITY of the Lake Forest Park City Council this XX day of XX, 2017, and signed into authentication this _____ day of _____, 2017.

APPROVED:

Jeff Johnson
Mayor

ATTEST/AUTHENTICATED:

Evelyn Jahed
City Clerk

APPROVED AS TO FORM:

Kim Adams Pratt
City Attorney

Introduced: _____
Adopted: _____
Posted: _____
Published: _____
Effective: _____

ORDINANCE NO. XXX

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
LAKE FOREST PARK, WASHINGTON, SETTING 2018
SEWER UTILITY RATES**

WHEREAS, the setting of City sewer rates are authorized in Section 13.08.090 of the Lake Forest Park Municipal Code; and

WHEREAS, the City of Lake Forest Park has a sewer rate structure where a portion of the rate is for King County treatment charges and a portion is for the operation and maintenance of the City's sewer infrastructure; and

WHEREAS, in 2004 the City completed a study of the sewer rates for operation, maintenance, and for the long-term replacement of the sewer system infrastructure; and

WHEREAS, the study recommended that the City's portion of the sewer rates be increased and a portion of the revenue be set aside in a new fund for future capital replacement of the City's sewer system; and

WHEREAS, The City's portion of the sewer rate has increased by an average of one percent per year over the last decade; and

WHEREAS, the City has increased its portion of the sewer rate every-other year for over a decade; and

WHEREAS, The City has determined that an increase of five percent of the City's portion of the sewer rate, or approximately a one percent increase in the total charge to customers, is required to keep up with rising operating costs of the sewer sysem; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAKE FOREST PARK, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Effective January 1, 2018, the following classification of sewer use and schedule of rates and charges for sanitary sewer service are adopted, for properties located within the boundaries of the City of Lake Forest Park as now or hereafter determined:

Class No.	Description	Rate
------------------	--------------------	-------------

I.	Residential (single-family and housing units with four or less residential units per building),	\$61.31 \$62.16 per month per unit
II.	Multi-family Residential (housing units with five or more units per building)	\$9.04 \$9.21 per hundred cubic feet (ccf) per month
III.	Commercial	\$8.76 \$9.04 per hundred cubic feet (ccf) per month per unit of business

Section 2. SEVERABILITY. Should any portion of this ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, such decision shall not affect the validity of the remaining portions of this Ordinance or its application to other persons or circumstances.

Section 3. CORRECTIONS. The City Clerk is authorized to make necessary corrections to this ordinance including, but not limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

Section 4. EFFECTIVE DATE. This ordinance shall take effect five (5) days after passage and publication.

APPROVED BY A MAJORITY of the Lake Forest Park City Council this XXth day of XX, 2017.

APPROVED:

Jeff Johnson
Mayor

ATTEST/AUTHENTICATED:

Evelyn Jahed
City Clerk

APPROVED AS TO FORM:

Kim Adams Pratt
City Attorney

Introduced: _____
Adopted: _____
Posted: _____
Published: _____
Effective: _____