

City of Lake Forest Park | cityoflfp.com

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ADOPTED BIENNIAL BUDGET

2017-2018

General Government, Utilities, Capital, and Enterprise Funds

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Mayor
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TO: Lake Forest Park City Council

FROM: Jeff Johnson, Mayor

RE: MAYOR'S BUDGET MESSAGE – 2017-2018 Adopted Budget
PLANNING A NEW BEGINNING ...

After 30 years of having a part-time job with the Seattle Seahawks, this year I began a new part-time job as your Mayor. By its nature, in my old job we moved back and forth a lot. In my job as Mayor, it is my hope that we have our eyes focused solidly on the future, and I will spend my time in office trying to move the City one direction -- forward. It is in that spirit and with that outlook that I deliver to you the 2017-2018 Adopted Budget.

My humble goal for Lake Forest Park, while it is on my watch, is to make the City I love better and better with each passing year. While the City government is in our hands, we need to do something. Several weeks ago, the City Council passed its first strategic plan, and combined it with the City-Wide Work Plan. It is a document that outlines values and creates a vision for the next 5-7 years. It also creates a policy blueprint for us to move the city organization forward -- to move toward a compelling future. This blueprint will take planning, time and resources to build and the budget I am bringing you carefully and judiciously uses the resources we have to get us started. The planning is already underway with Safe Streets, Safe Highways and Healthy Creeks. Let's get it started.

Introduction: The adopted budget is balanced. General Fund revenues once again do not quite equal expenditures, with this difference pretty small -- being about \$100,000, and more than \$100,000 being taken up by one-time needs or improvements. As well, the budget is balanced meeting the new sixteen percent (16%) unallocated cash balance standard adopted in the Comprehensive Financial Management Policies. The City is in a good position for General Fund cash reserves with regard to this 16%, the Council Contingency (\$690,000), and the Budget Stabilization Fund (\$300,000), plus unallocated reserves of \$350,000 above the 16%. The entire financial policies document is included as an appendix to this document.

In putting together the budget, the City Council and I have tried, with varying degrees of success, to emphasize the things needed to take care of Lake Forest Park: public safety – taking care of our community; community services – taking care of those most in need; and infrastructure -- taking care of our street and utility assets. We have a great police department, and one of the things I was unsuccessful in doing is figuring out a sustainable way to keep the additional police officer the City Council allowed while

the Police Department worked its way through retirements and vacancies. The proposed budget included matching funds for a community officer to support the COPS grant application, the City has been notified that it was not selected for the grant and the item was removed from the adopted budget. The City Council and Administration will continue to search for opportunities to increase staffing in our Police Department. The budget includes good increases for the Shoreline Senior Center and the Center for Human Services. It does not match what was lost from United Way funding, but it is an improvement. The ST3 ballot measure passed and is likely to be the largest infrastructure investment ever in Lake Forest Park, and we have to prepare for it. The Safe Highways study that was funded by legislative repurposing of money for Lake Forest Park is a good start, and we need to give it our full attention. This budget does not include sufficient funding for a town center sub-area plan, but it merits discussion and critical thinking. This area is the most likely location for a parking structure and smart planning will be needed for changes in vehicle circulation and retail/housing options. An improved and vibrant town center is also the best opportunity to improve our sales tax, which supports budget sustainability. The thought at this point is to have a good discussion and decide whether it is worth reducing fund balance to do this study.

In the following sections of this message, I will describe the programs of the City and highlight efforts to move the City forward. With limited exceptions, 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, with forty-five percent (45%) of the total 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 a little higher than usual, mainly as the 12 Degrees North construction sales tax comes into the budget. This same project has caused permit fees and review service fees to spike – which coincides with a demand for more services. This project will be winding down by the end of the upcoming biennium. Passport fees have been on a decided upward trend. Traffic camera fees have not met 2015-16 projections and have been ratcheted back for 2017-18. 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 services. This department remains without direct clerical support since the recessionary cuts, which hampers responsiveness. An operational move has been made to transfer web site and some communications program responsibilities to Municipal Services, which has helped. The 2017-18 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. The 2016 budget included a \$10,000 allocation for regional advocacy, which was very helpful to position Lake Forest Park well in the SR 522/523 cities coalition. This allocation was not continued. Rather than draw down fund balance for this, we will come to the City Council if an opportunity presents itself. The results of the recent compensation study will be fully implemented during the biennium.

Council: This budget year-in and year-out is almost identical. The 2016 budget had several one-time professional services allocations totaling nearly \$60,000. This is reduced to cover ongoing needs for the 2017-18 biennium to \$30,000.

Finance: The 2016 operational reorganization has been successful, including the movement of the payroll function fully to Finance. A set-aside of \$10,000 has been included to pay for reclassification of positions taking more responsibility. Also, \$15,000 has been included to expand on-line services offerings, with a particular focus on business licensing. The Information Technology (IT) services are overseen by Finance. This budget provides for an IT service back-up contract in the amount of \$10,000. We cannot go another year without back-stopping this one-person service. The budget also (in the Replacement Fund) includes the replacement of the notebook technology for the Council paperless program.

Municipal Services: The communications program has received increased attention since many responsibilities were transferred to the Deputy Clerk. The Council Communications Committee is also receiving staff support from that position. A budget enhancement is included to retool the website with the current vendor at \$15,950, with an ongoing cost of \$5,000. As we near the 10-year anniversary of needing passports to go to Canada (resulting in many renewals), our passport revenue has been a plus for the budget.

Legal: Legal services will exceed the 2016 budget, with litigation and public records costs as leading factors. A \$16,000 increase for the biennium is included.

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

Police: This is the largest combined department in the City budget. As noted above, there were personnel needs this budget partially addresses. It was also decided to let the issues around public records for dash cameras and body cameras take a little more time to sort themselves out. Police requests for a City Hall security study (\$15,000) and reception areas safety glass (\$54,000) are included in the Capital Improvement Fund. The 2017-18 CIP also includes \$70,000 in early action money in case there are small, quick improvements like this that can come out of the Safe Streets study and priorities. Chief Sutton also asked for some portable radios to bridge the gap to the new PSERN communications system – and he has found a way to do this in the current budget, and we applaud this enterprising nature.

Community Services: This is a budgetary department that has a partial position to support committee, task force and commission work; oversees the community partner contracts; and supports community outreach elements of environmental and waste

reduction programs. The staff member spearheaded the very successful “Picnic in the Park” community event. A \$10,000 allocation is included for each year in the biennium to continue to develop this event. This budget also has special increases of twenty-five percent (25%) for Center for Human Services, and twenty percent (20%) for the Shoreline Senior Center. Among our community partners, these agencies help our most needy and vulnerable. Their recent cuts from other funders leave our citizens in the funding gap.

Planning & Building: This department is in the midst of the changeover to new software that will allow the Council and Administration to see reports in better frequency and detail than the past, as well as allowing applicants and citizens to track permits. The department is also experiencing the highest permit and other activity volumes in anyone’s memory. The 12 Degrees North project will keep the activity high during the biennium. As a result, the budget includes the term-limited temporary Planning Technician position at 1 FTE for the entire biennium. We are not ready to propose an addition to the long-term staffing level before evaluating workload projections beyond 2018. There is not an allocation for \$160,000 for a town center sub-area plan. As explained above, there should be a discussion of allocation triggers for the Council. This study, if determined necessary, will at least position the City to determine whether targeted improvement in the retail area can contribute to budget sustainability as well as local retail/housing options for our citizens. It also allows the City to examine the changes proposed by ST3 with regard to impacts on highway and land uses, and with regard to opportunities for the land use system.

Parks & Facilities: There is currently a Parks Task Force looking at maintenance service levels. The staff and community perception is that there is a post-recession slow deterioration in the quality of our parks. To try to be nimble, an allocation of \$60,000 in professional services has been submitted as a down payment on service level improvements – half each for park maintenance (General Fund) and streetscape maintenance (Streets Fund). As the City Council is aware, there is a CIP effort to add some park land and improvements to Pfingst Animal Acres and to redevelop Eagle Scout Park for more active recreation (playground) which is included in this budget.

You may also notice that several line items in the facilities budget have been updated to reflect actual contract and maintenance numbers. There are budgeted CIP items to perform a building safety study for City Hall, to update the safety glass at the reception counters, and a third project to examine building efficiency. The remaining interior of the building is funded to be re-painted in the biennium.

OTHER FUNDS

Public Works & Engineering: Streets, Surface Water, Sewer and Kenmore contract 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. Surface Water again budgeted a 6% fee increase to support the planned program of culvert replacements and strategic plan goal of Healthy Creeks. A creek planning consultant effort is underway and the next package of replacements to promote to funding agencies should be determined early in the biennium. A \$50,000 capital expenditure is included for a sewer camera. This will be a cash expenditure. It

will pay for itself in a few years by reducing our need to call on third parties to perform inspections.

Engineering is finishing the job of recent project closeout and will spend a good part of the biennium nurturing CIP development and projects and seeking the next round of grants for the Mobility and Healthy Creeks goals of the strategic plan.

Capital Improvement Program: The CIP often drives the efforts for infrastructure improvement, and for parks and facilities. Its fund sources such as REET 1 & 2, TBD, Surface Water and Sewer fees manifest themselves 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. Also, consistent with the theme of this message, there are street, highway and surface water planning efforts underway that have populated the CIP with future projects, all CIP projects occurring in 2017 and 2018 are funded in the budget. You will also notice some items that do not have allocations in the six year planning period. These are placeholders with strategy or funding problems to be solved. Primary among them is the need for attention to the replacement of the Public Works office facility. The work of the Parks Task Force, and the results of the Safe Highways and Safe Streets studies are likely to expose the need for serious policy effort to fund infrastructure improvement and replacement needs.

Replacement Fund: This fund has had a makeover starting with the 2013-14 biennium. It has made vehicle, equipment replacement and computer replacement much more routine. The only thing to be noted here is the replacement of the original Council paperless notepad equipment. There is hope this will resolve some of the operational difficulties

The staff and I appreciate the collaboration with the City Council through the entire budget process, and are proud to present this budget to the Community.

OVERVIEW

2017-2018 ADOPTED BUDGET

- ☐ Budget Overview
- ☐ Community Profile
- ☐ Organizational Chart
- ☐ Financial Organizational Chart
- ☐ Financial Policies, Summary
- ☐ Budget Process

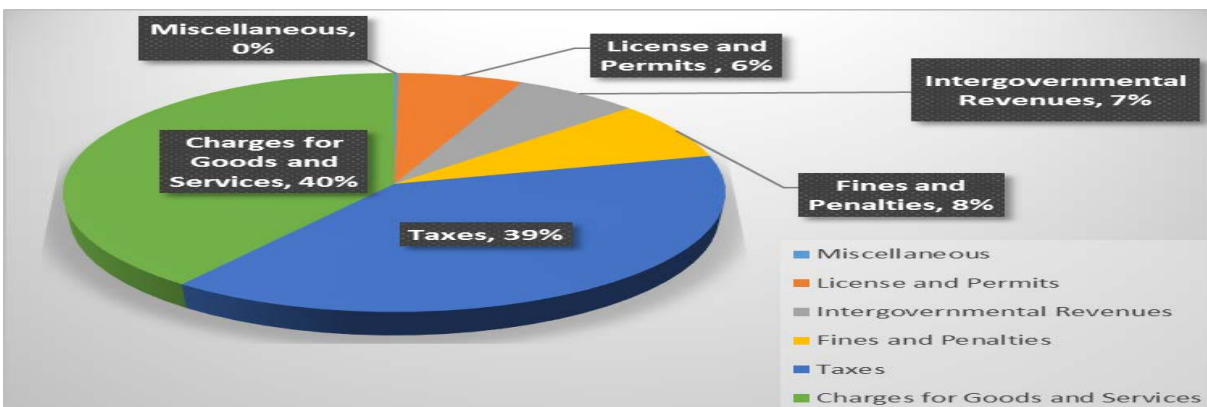
BUDGET OVERVIEW

The 2017-2018 Biennial Budget is comprised of 17 funds with total budgeted revenues of \$33,033,838 and budgeted expenditures of \$33,243,023.¹ The City is projected to begin the 2017-2018 biennium with a beginning fund balance of \$11,433,321 for all funds. The projected ending fund balance at the end of the biennium is \$11,224,136 for all funds. The 2017-2018 budget is aligned with, and makes investments in, the priorities and goal areas identified in the City of Lake Forest Park Strategic Plan. 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 and permits, intergovernmental revenues, charges for goods and services, fines and penalties, and miscellaneous.

Citywide Revenue, All Funds



Charges for goods and services, primarily utility charges and charges for inter-fund services, are projected to be the largest total revenue in the 2017-2018 budget with over \$13 million for the biennium. The second largest budgeted revenue is taxes at just under \$13 million, which includes property and real estate taxes, sales tax, business tax, utility tax and franchise fees, among others. Fines and penalties are budgeted to be the third largest revenue at \$2.5 million, this revenue source is nearly all attributable to traffic safety camera fines. Intergovernmental revenues and licenses and permits are budgeted at over \$2.1 million each claiming the fourth and fifth largest revenue spots, respectively. Intergovernmental revenue are primarily state shared revenues and grants; license and permits are primarily development fees and business license fees. Miscellaneous revenue is a distant sixth place for projected revenue size of \$75,000 for the biennium.

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.

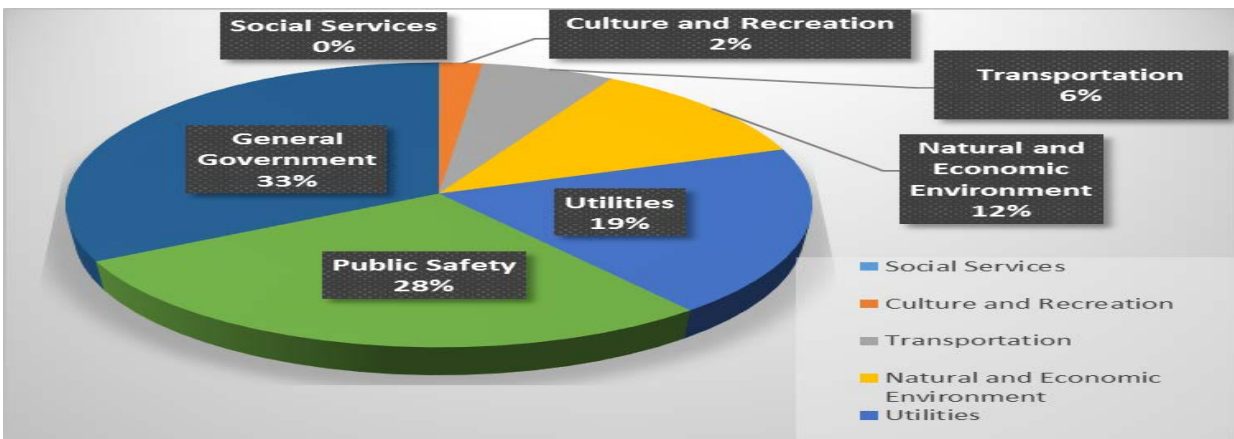
BUDGET OVERVIEW

Revenue projections for the biennium are generally consistent with the prior biennium results, plus account for expected inflation and other systematic increases. One notable exception are revenues that are affected by development activity in the City, those revenues (sales tax, permit fees, and future property tax) are all projected to increase at a faster pace than inflation due to planned development in the City during the 2017-2018 biennium.

BUDGETED EXPENDITURES

Each of the City's expenditures is classified into one of eight expenditure categories: general government, public safety, utilities, transportation, natural and economic environment, social services, culture and recreation, and miscellaneous. The largest spending category during the 2017-2018 biennium is general government with budgeted expenditures of over \$9 million, followed by public safety with nearly \$8 million in budgeted expenditures for the biennium. Next largest is utilities with almost \$5.5 million, followed by natural and economic environment with over \$3 million. Culture and recreation is budgeted at \$564,000 and social services is budgeted at \$7,000. Miscellaneous expenditures do not have a budget in the biennium.

Citywide Expenditures by Category, All Funds



Nearly all operating expenditures are budgeted to increase at a rate between zero and the projected rate of inflation, except healthcare benefits. Salaries for represented workers are scheduled to increase at the rate of inflation for both years of the budget, non-represented worker salaries are also scheduled to increase at a rate near inflation. Healthcare benefits are budgeted to increase at a rate that is more than double the projected rate of inflation; all other benefits are budgeted for no increase or a modest increase that is consistent with inflation.

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 close proximity to the city of Seattle.

Two highways travel through the city, SR 104 and SR 522, the highways carry thousands of commuters through the city daily, but don't significantly impact its character. The City is completely built out, meaning that 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 1900's, 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 1990's 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 who are 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, Planning & Building, Municipal Services, Municipal Court, Executive & HR, and Community Services. The City employs approximately 62 employees.

DEMOGRAPHICS ¹

The 2010 Census found the population of Lake Forest Park to be 12,598, the adjusted 2015 population estimate is 13,243, which indicates five percent growth in five years. In 2010 4.8% of the Lake Forest Park population was under the age of 5 and 15.1% was over the age of 65, slightly over 80% of the population was between the ages of 5 and 64. 83% of the Lake Forest Park population identified as white in the 2010 census, nearly 9% identified as Asian, almost 5% identified as two or more races, Hispanic, Black or African American, and Pacific Islander made up 3.6%, 1.8% and .2% respectively. The 2010 Census counted 5,268 housing units in the City, nearly 81% of which were owner occupied. The adjusted 2014 median household income in Lake Forest Park was \$90,495.

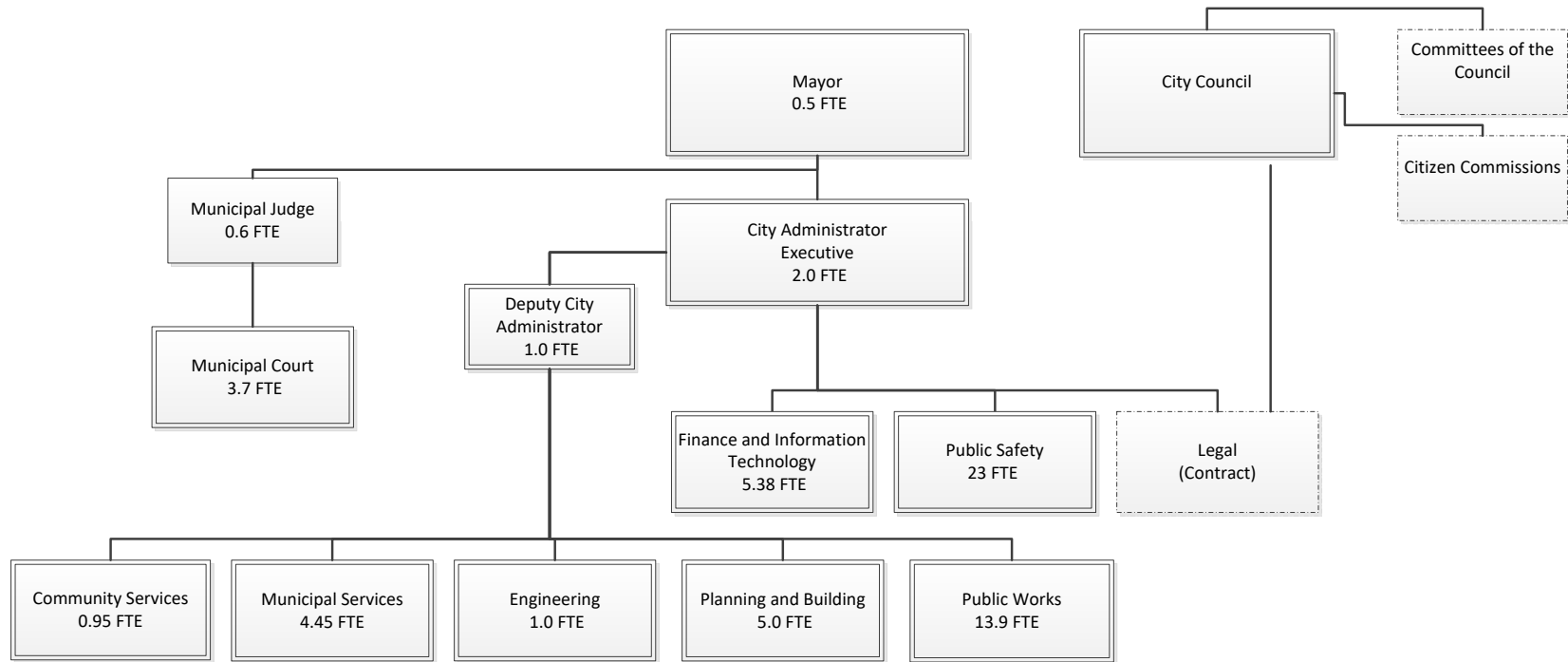
Comparative Statistics, Neighboring Cities

	<u>Brier</u>	<u>Kenmore</u>	<u>Lake Forest Park</u>	<u>Mountlake Terrace</u>	<u>Seattle</u>	<u>Shoreline</u>
Population, 2015 est.	6,656	22,030	13,243	20,989	684,451	55,439
Density (Population per Sq. Mile)	2,859	3,327	3,569	4,908	7,251	4,540
Housing Units, 2010	2,220	8,569	5,183	8,602	290,822	21,360
Owner Occupied Housing Unit Rate	86.9%	73.2%	80.7%	61.0%	46.2%	64.2%
Median Value of Owner Occupied Housing Units	361,600	392,900	426,700	254,100	437,400	330,200
Median Household Income, 2014 est.	98,125	88,472	90,495	61,477	67,365	64,096
Percent in Poverty	5.0%	8.6%	6.0%	7.8%	13.5%	10.6%
Percent of 25 and Older with Bachelor's Degree or Higher	36.9%	50.6%	55.7%	27.7%	58.9%	42.2%
Total Retail Sales Per Capita	266	5,645	2,519	5,228	63,098	15,376

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

CITY OF LAKE FOREST PARK ORGANIZATION CHART

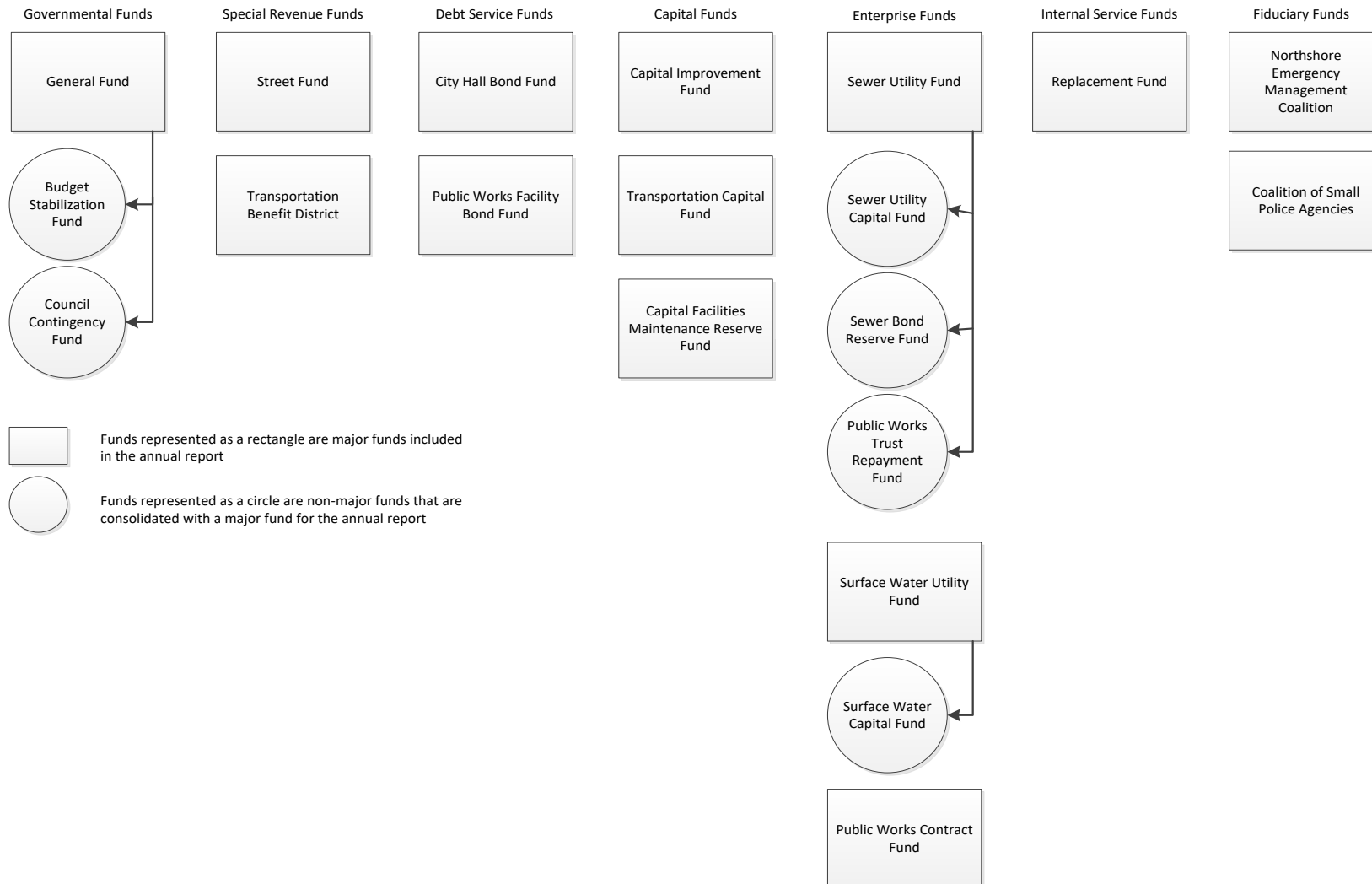
The following chart displays the organizational structure of the City of Lake Forest Park.



The City of Lake Forest Park is organized by department. Budgets are generally developed at the department level, but adopted at the fund level. This organization chart indicates the number of full time equivalent employees (FTEs) immediately below the department or position name.

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 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”, which 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 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 departments 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 percent
- Street Fund, 16 percent
- Sewer Utility Fund, 16 percent
- Surface Water Utility, 16 percent

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.

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 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.

SUMMARY FINANCIAL MANAGEMENT POLICIES

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) as its primary investment vehicle.

The City may utilize investments provided by the City's Bank as a supplement to the LGIP for short-term investments. All such Bank investments shall 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 \(link\)](#)

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 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.

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 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 public hearings are continued to another 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 One: 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 and town hall meeting(s).

Step Six: 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 Seven: City Council Deliberations, Finalize the Council's Budget

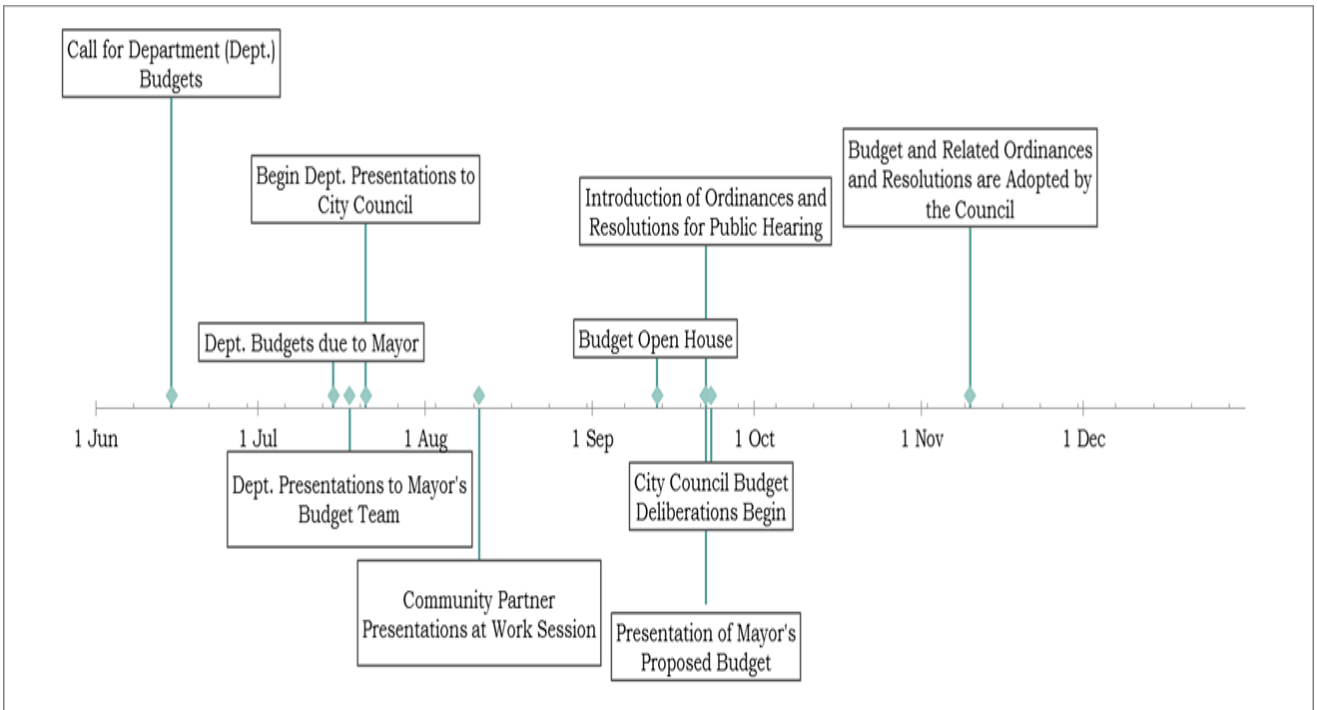
At this point the City Council works with Finance Department staff to create a final version of the budget and prepares the budget for adoption. Final public hearings must occur before the City Council calls for a vote on the budget.

Step Eight: 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 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 BUDGET PROCESS

Approximate Budget Timeline, Adopted 2017-2018 Budget



AMENDING A BUDGET

Budgets are developed based on a set of predictions about the future. Since it's impossible to know what will happen in the future, adjustments to the adopted budget are frequently required once the budgetary period is underway. Formal changes to an adopted budget is known as a budget amendment. Budgets are adopted at the fund level, as opposed to the line-item or department level, and 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, they must be passed before the last day of the budgetary period to become effective for that period.

FINANCIAL AND EMPLOYMENT INFORMATION

2017-2018 ADOPTED BUDGET

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

CONSOLIDATED FINANCIAL SCHEDULES

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 Four Year Consolidated and Fund Financial Schedule is presented in a comparative format and includes the actual results from 2015 and the projected results from 2016. 2015 and 2016 are combined, despite being budgeted and accounted for separately in the 2015-2016 biennium. The purpose of the combination is to enhance the usefulness of the schedule in response to the change to a single two year budget period that was adopted by the City Council for the 2017-2018 budget.¹

¹ The City has adopted a biennial, or two-year, budget for many years. In the past the biennial budget was two one-year budgets adopted as a pair, the change to one two-year period was adopted by the City Council in 2016 as part of the Comprehensive Financial Management Policies update.

CONSOLIDATED FINANCIAL SCHEDULES

City of Lake Forest Park							
Consolidated Financial Schedule, Adopted Budget							
For the Biennium Ending December 31, 2018							
	Fund Type						
	General	Special Revenue	Debt Service	Capital	Enterprise / Utility ²	Internal Service	Total
Beginning Cash and Investments ¹							
Fund Balance, Reserved	-	881,205	-	1,822,216	5,186,916	256,470	8,146,807
Fund Balance, Unreserved	2,916,729	-	-	-	369,785	-	3,286,514
Total Beginning Cash and Investments	2,916,729	881,205	-	1,822,216	5,556,701	256,470	11,433,321
Operating Revenues							
Taxes	11,196,640	828,274	-	900,000	-	-	12,924,914
License and Permits	1,573,298	528,000	-	-	50,000	-	2,151,298
Intergovernmental Revenues	479,988	563,150	-	800,075	334,000	-	2,177,213
Charges for Goods and Services	824,246	-	-	504,598	10,822,060	919,227	13,070,131
Fines and Penalties	2,561,665	-	-	-	-	-	2,561,665
Miscellaneous Revenue	30,303	4,800	-	8,400	22,100	2,584	68,187
Total Operating Revenues	16,666,140	1,924,224	-	2,213,073	11,228,160	921,811	32,953,408
Operating Expenditures							
General Government	6,361,370	192,966	-	291,536	2,150,191	220,693	9,216,756
Public Safety	7,972,300	-	-	-	-	-	7,972,300
Utilities	-	-	-	97,938	5,345,350	-	5,443,288
Transportation	28,812	1,429,414	-	142,700	1,298	155,062	1,757,286
Natural and Economic Environment	1,761,314	-	-	-	1,501,507	-	3,262,821
Social Services	7,000	-	-	-	-	-	7,000
Culture and Recreation	564,758	-	-	-	-	-	564,758
Miscellaneous Expense	-	-	-	-	-	-	-
Total Operating Expenditures	16,695,554	1,622,380	-	532,174	8,998,346	375,755	28,224,209
Nonoperating Revenues							
Other Financing Sources	8,000	-	-	-	-	-	8,000
Transfers In	-	-	64,533	-	500,000	-	564,533
Total Nonoperating Revenues	8,000	-	64,533	-	500,000	-	572,533
Total Revenues	16,674,140	1,924,224	64,533	2,213,073	11,728,160	921,811	33,525,941
Nonoperating Expenditures							
Other Financing Uses	-	-	-	-	-	-	-
Debt Service	-	-	64,533	-	596,762	-	661,295
Capital Expenditures	66,356	-	-	2,964,346	813,302	449,169	4,293,173
Transfers Out	11,201	10,365	-	-	42,967	-	64,533
Total Nonoperating Expenditures	77,557	10,365	64,533	2,964,346	1,453,031	449,169	5,019,001
Total Expenditures	16,773,111	1,632,745	64,533	3,496,520	10,451,377	824,924	33,243,210
Increase (Decrease) in Cash and Investments	(98,971)	291,479	-	(1,283,447)	1,276,783	96,887	282,731
Ending Cash and Investments							-
Fund Balance, Reserved	-	1,172,684	-	538,769	6,463,699	353,357	8,528,509
Fund Balance, Unreserved	2,817,758	-	-	-	369,785	-	3,187,543
Total Ending Cash and Investments	2,817,758	1,172,684	-	538,769	6,833,484	353,357	11,716,052
¹ Beginning cash and investments are projected amount, actual amounts may vary.							
² Transfers between funds in this category are eliminated to improve the clarity of the schedule.							

FOUR YEAR CONSOLIDATED AND FUND FINANCIAL SCHEDULE

City of Lake Forest Park													
Four-Year Consolidated and Fund Financial Schedules, Adopted Budget													
For the Four Year Period Ending December 31, 2018													
	Fund Type												
	General		Special Revenue		Debt Service		Capital		Enterprise / Utility		Internal Service		
	2015-2016 ²	2017-2018	2015-2016 ²	2017-2018	2015-2016 ²	2017-2018	2015-2016 ²	2017-2018	2015-2016 ²	2017-2018	2015-2016 ²	2017-2018	
Beginning Cash and Investments ¹													Beginning Cash and Investments ¹
Fund Balance, Reserved	-	-	620,726	881,205	411,391	-	1,500,139	1,822,216	4,107,169	5,186,916	316,709	256,470	Fund Balance, Reserved
Fund Balance, Unreserved	2,616,375	2,916,729	-	-	-	-	-	-	288,815	369,785	-	-	Fund Balance, Unreserved
Total Beginning Cash and Investments	2,616,375	2,916,729	620,726	881,205	411,391	-	1,500,139	1,822,216	4,395,984	5,556,701	316,709	256,470	Total Beginning Cash and Investments
Operating Revenues													Operating Revenues
Taxes	10,747,172	11,196,640	-	828,274	-	-	1,187,996	900,000	54,079	-	-	-	Taxes
License and Permits	1,604,269	1,573,298	517,101	528,000	-	-	-	-	30,000	50,000	-	-	License and Permits
Intergovernmental Revenues	468,108	479,988	528,177	563,150	-	-	2,217,791	800,075	4,743,349	334,000	-	-	Intergovernmental Revenues
Charges for Goods and Services	823,933	824,246	301,575	-	-	-	311,685	504,598	11,083,299	10,822,060	704,357	919,227	Charges for Goods and Services
Fines and Penalties	2,445,063	2,561,665	-	-	-	-	-	-	-	-	-	-	Fines and Penalties
Miscellaneous Revenue	23,621	30,303	1,239	4,800	437	-	3,027	8,400	10,627	22,100	561	2,584	Miscellaneous Revenue
Total Operating Revenues	16,112,166	16,666,140	1,348,092	1,924,224	437	-	3,720,499	2,213,073	15,921,354	11,228,160	704,918	921,811	Total Operating Revenues
Nonoperating Revenues													Nonoperating Revenues
Other Financing Sources	675,341	8,000	-	-	-	-	-	-	661,421	-	4,694	-	Other Financing Sources
Transfers In	-	-	-	-	357,755	64,533	100,000	-	90,000	500,000	-	-	Transfers In
Total Nonoperating Revenues	675,341	8,000	-	-	357,755	64,533	100,000	-	751,421	500,000	4,694	-	Total Nonoperating Revenues
Total Revenues	16,787,507	16,674,140	1,348,092	1,924,224	358,192	64,533	3,820,499	2,213,073	16,672,775	11,728,160	709,612	921,811	Total Revenues
Operating Expenditures													Operating Expenditures
General Government	5,850,637	6,361,370	113,171	192,966	-	-	87,386	291,536	1,940,687	2,150,191	243,301	220,693	General Government
Public Safety	7,741,345	7,972,300	-	-	-	-	-	-	-	-	-	-	Public Safety
Utilities	43,873	-	-	-	-	-	-	97,938	5,351,026	5,345,350	-	-	Utilities
Transportation	-	28,812	949,140	1,429,414	-	-	60,806	142,700	-	1,298	169,920	155,062	Transportation
Natural and Economic Environment	1,607,976	1,761,314	-	-	-	-	-	-	1,372,855	1,501,507	-	-	Natural and Economic Environment
Social Services	2,933	7,000	-	-	-	-	-	-	-	-	-	-	Social Services
Culture and Recreation	510,583	564,758	-	-	-	-	-	-	-	-	-	-	Culture and Recreation
Miscellaneous Expense	-	-	-	-	-	-	-	-	-	-	-	-	Micellaneous Expense
Total Operating Expenditures	15,757,347	16,695,554	1,062,311	1,622,380	-	-	148,192	532,174	8,664,568	8,998,346	413,221	375,755	Total Operating Expenditures
Nonoperating Expenditures													Nonoperating Expenditures
Other Financing Uses	661,421	-	-	-	-	-	-	-	-	-	-	-	Other Financing Uses
Debt Service	-	-	-	-	769,583	64,533	-	-	1,341,151	596,762	-	-	Debt Service
Capital Expenditures	36,405	66,356	-	-	-	-	2,987,210	2,964,346	5,476,541	813,302	356,630	449,169	Capital Expenditures
Transfers Out	31,980	11,201	25,302	10,365	-	-	363,020	-	110,768	42,967	-	-	Transfers Out
Total Nonoperating Expenditures	729,806	77,557	25,302	10,365	769,583	64,533	3,350,230	2,964,346	6,928,460	1,453,031	356,630	449,169	Total Nonoperating Expenditures
Total Expenditures	16,487,153	16,773,111	1,087,613	1,632,745	769,583	64,533	3,498,422	3,496,520	15,593,028	10,451,377	769,851	824,924	Total Expenditures
Increase (Decrease) in Cash and Investments	300,354	(98,971)	260,479	291,479	(411,391)	-	322,077	(1,283,447)	1,079,747	1,276,783	(60,239)	96,887	Increase (Decrease) in Cash and Invest
Ending Cash and Investments													Ending Cash and Investments
Fund Balance, Reserved	-	-	881,205	1,172,684	-	-	1,822,216	538,769	5,186,916	6,426,365	256,470	353,357	Fund Balance, Reserved
Fund Balance, Unreserved	2,916,729	2,817,758	-	-	-	-	-	-	369,785	407,119	-	-	Fund Balance, Unreserved
Total Ending Cash and Investments	2,916,729	2,817,758	881,205	1,172,684	-	-	1,822,216	538,769	5,556,701	6,833,484	256,470	353,357	Total Ending Cash and Investments
	1 Beginning cash and investments are estimates, actual results may vary from the amounts contained in this schedule.												
	2 Amounts in the 2015-2016 column are a combination of actual-audited 2015 results and projected 2016 results, or estimates. Actual results for the 2015-2016 period may differ from the estimates 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 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



REVENUE

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 described in the preceding narrative 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	Notes					
Description			2014 Actual	2015 Actual	2016 Projected	2017 Budget	2018 Budget
GENERAL FUND							
TAXES							
Property Tax	T	1	2,930,089	2,963,815	3,018,656	3,111,742	3,176,415
Sales and Use Tax	E	2	729,119	909,357	875,000	889,072	926,502
Local Criminal Justice / State	E		300,999	325,932	310,278	313,212	326,398
Business Tax	E		231,520	302,451	280,000	282,014	259,947
Solid Waste Collection Tax	A		86,391	87,863	96,759	97,727	98,704
Utility Tax	T	3	570,598	529,087	555,000	555,000	560,550
Sea. City Light Contract Fee	T	3	251,213	233,440	266,368	279,687	293,671
Admission Tax	T		10,841	10,202	13,328	13,000	13,000
TOTAL TAXES			5,110,770	5,362,147	5,415,389	5,541,454	5,655,187

1-Property tax projections assume a 1% increase, plus an increase from new construction of approximately \$60k.

2-Projection includes a percentage increase forecasted by economists, plus construction sales tax on construction.

3-Projection includes the combined effects of conservation and changes in technology that impact collections.

4-Additional revenue is projected as a result of development in the Southern Gateway of the City.

5-Revenues resulting from fees and fines levied by the Court are budgeted as a group, but are reported separately.

6-King County treatment charges are scheduled to increase in 2017; by policy rates will reflect this increase.

7-Surface water utility revenue includes an additional amount resulting from the sunseting of rate credits for school district property in the city.

REVENUE

Revenue Forecast							
	Method	Notes					
Description			2014 Actual	2015 Actual	2016 Projected	2017 Budget	2018 Budget
GENERAL FUND							
LICENSES AND PERMITS							
Cable Television Franchise Fee	T		224,570	232,845	220,000	226,600	233,398
Telecommunication Franchise	T		2,750	2,500	10,000	7,500	7,500
Business Licenses	T		50,622	73,320	50,000	50,000	50,000
Construction Permits	T	4	174,781	248,269	325,000	275,000	250,000
King County Trail Application	A		1,050	3,000	1,650	-	-
Land Use Permits	T	4	209,126	245,809	150,000	96,000	86,000
Plumbing Permits	T	4	18,806	30,409	45,000	55,000	45,000
Mechanical Permits	T	4	25,983	38,113	50,000	44,500	34,500
Concealed Weapon Permit / City	T		1,433	1,656	2,000	1,500	1,500
Development Tech. Surcharge	T	4	-	25,290	32,000	23,525	20,775
Other Licenses / Permits	T		31,310	34,414	31,152	32,500	32,500
TOTAL LICENSES AND PERMITS			740,431	935,625	916,802	812,125	761,173
INTERGOVERNMENTAL REVENUES							
Bulletproof Vest Partnership	A		474	3,043	-	1,000	1,000
COPS Grant	A		-	-	-	-	-
Coordinated Prevention Grant	A		4,397	19,109	-	3,500	3,500
Traffic Safety Comm. Grant	A		6,407	6,653	2,000	6,500	6,500
Multimodal Transportation City	E		-	-	13,587	13,587	13,587
Criminal Justice - Population	A		3,285	3,407	3,570	4,011	4,011
CJ - Special Programs	A		12,081	12,483	12,367	13,458	13,458
DUI Distribution	T		2,283	1,932	1,500	2,000	2,000
Liquor Excise Tax	E		23,827	62,633	56,483	60,430	60,430
Liquor Board Profits	E		112,666	83,799	111,818	109,343	109,343
Marijuana Excise Tax	E		-	-	-	7,505	7,505
Local Hazardous Waste Grant	A		7,871	-	8,537	8,000	8,000
KC Waste Reduction Recycling	A		28,286	-	1,500	10,660	10,660
TOTAL INTERGOVERNMENTAL			201,577	193,059	211,362	239,994	239,994

- 1-Property tax projections assume a 1% increase, plus an increase from new construction of approximately \$60k.
- 2-Projection includes a percentage increase forecasted by economists, plus construction sales tax on construction.
- 3-Projection includes the combined effects of conservation and changes in technology that impact collections.
- 4-Additional revenue is projected as a result of development in the Southern Gateway of the City.
- 5-Revenues resulting from fees and fines levied by the Court are budgeted as a group, but are reported separately.
- 6-King County treatment charges are scheduled to increase in 2017; by policy rates will reflect this increase.
- 7-Surface water utility revenue includes an additional amount resulting from the sunseting of rate credits for school district property in the city.

REVENUE

Revenue Forecast							
	Method	Notes					
Description			2014 Actual	2015 Actual	2016 Projected	2017 Budget	2018 Budget
GENERAL FUND							
CHARGES FOR GOODS AND SERVICES							
AWC Wellness Grant	-		-	480	-	-	-
Court Administrative Fees	-		1,809	-	-	-	-
Interfund Svc. From Fund (403)	T		73,857	48,708	51,686	49,439	56,680
Interfund Svc. From Fund (401)	T		39,676	78,055	76,790	79,226	85,414
Interfund Svc. From Fund (101)	T		73,857	56,643	62,075	57,493	58,355
Interfund Svc. From Fund (450)	T		41,397	57,167	58,063	58,025	58,895
Interfund Svc. From Fund (1044)	T		-	1,216	-	1,234	1,253
Interfund Svc. From Fund (302)	T		29,747	19,863	20,048	20,161	20,463
Interfund Svc. From (301)	T		-	1,622	-	1,646	1,671
Interfund Svc. From (501)	T		-	4,054	-	4,115	4,177
Passport Rev. (Passport/Photo)	T		92,268	118,654	130,000	120,000	110,000
Adult Probation Services	T		55,707	-	-	-	-
Television/Cable Sub. Fee	T		-	6,024	12,000	12,000	12,000
Support Service From TBD (104)	T		5,000	-	1,000	1,000	1,000
Animal Control Reimbursement	E		4,791	1,170	5,500	5,000	5,000
TOTAL CHARGES FOR GOODS & SERVICES			418,109	393,656	417,162	409,339	414,908
FINES AND PENALTIES							
Other Civil Penalties	A		1,558	-	-	-	-
Traffic Infraction Penalties	-	5	67,664	-	-	-	-
Traffic Safety Camera Fines	T		1,051,824	767,780	1,000,000	1,025,000	1,125,000
Legislative Assessment	-	5	8,580	-	-	-	-
Civil Parking Infraction Penal	-	5	3,901	-	-	-	-
DUI Fines	-	5	10,369	-	-	-	-
Other Crim.Traffic Misdemeanor	-	5	21,494	-	-	-	-
Other Crim. Non-Traffic Fines	-	5	4,827	-	-	-	-
Court Costs Recouped	-	5	13,591	-	-	-	-
Misc. G.F. Court Revenue	A		-	205,833	191,590	205,833	205,833
TOTAL FINES AND PENALTIES			1,183,808	973,613	1,191,590	1,230,833	1,330,833

1-Property tax projections assume a 1% increase, plus an increase from new construction of approximately \$60k.

2-Projection includes a percentage increase forecasted by economists, plus construction sales tax on construction.

3-Projection includes the combined effects of conservation and changes in technology that impact collections.

4-Additional revenue is projected as a result of development in the Southern Gateway of the City.

5-Revenues resulting from fees and fines levied by the Court are budgeted as a group, but are reported separately.

6-King County treatment charges are scheduled to increase in 2017; by policy rates will reflect this increase.

7-Surface water utility revenue includes an additional amount resulting from the sunseting of rate credits for school district property in the city.

REVENUE

Revenue Forecast							
	Method	Notes					
Description			2014 Actual	2015 Actual	2016 Projected	2017 Budget	2018 Budget
GENERAL FUND							
MISCELLANEOUS REVENUE							
Investment Interest	E		1,421	1,661	1,750	4,000	4,000
Sales Tax Interest-State Treas	E		223	511	300	300	300
Facility Rental Fees	-		100	-	-	-	-
Space & Facilities Leases	A		-	25	-	-	-
Donations	-		650	-	-	-	-
Donations-Public Safety	-		770	1,100	-	-	-
Safe Harbor Donations (DV)	-		306	425	-	-	-
City Forestry Account	T		1,650	6,620	32,000	5,000	5,000
Forfeits / Asset Seizure	-		-	5,213	-	-	-
Restitution	-		880	525	-	-	-
Cash Adjustments	-		26	(36)	-	-	-
Miscellaneous Court Fees	-	5	184	-	-	-	-
Notary Services	T		1,275	1,200	1,200	800	800
Fingerprinting Services	T		20	40	50	50	50
Miscellaneous Revenue	A		1,866	1,887	2,700	5,000	5,000
Emergency Services	T		10,521	-	7,800	4,000	4,000
School Safety Speed	-		96	-	-	-	-
FSA Forfeitures	-		8,254	-	-	-	-
Insurance Recoveries	-		-	676	-	-	-
TOTAL MISCELLANEOUS			28,242	19,847	45,800	19,150	19,150
TOTAL GENERAL FUND REVENUE			7,682,937	7,877,947	8,198,105	8,252,895	8,421,245
STREET FUND							
R.O.W. Permits - Construction	T		94,823	63,509	32,000	60,000	60,000
ROW Rev. / Utility Franchise	T		210,314	216,792	200,000	200,000	200,000
R.O.W. Permits	T		4,200	4,800	-	4,000	4,000
Gas Taxes (MVET Cities)	E		261,557	268,668	270,000	281,575	281,575
Roadway Maint. From TBD (104)	A		150,000	150,000	100,000	-	-
Kenmore Interlocal Reimb.	-		5,981	1,575	-	-	-
Investment Interest	T		450	745	2,000	2,000	2,000
FSA Forfeitures	-		67	-	-	-	-
TOTAL			727,392	706,089	604,000	547,575	547,575

1-Property tax projections assume a 1% increase, plus an increase from new construction of approximately \$60k.

2-Projection includes a percentage increase forecasted by economists, plus construction sales tax on construction.

3-Projection includes the combined effects of conservation and changes in technology that impact collections.

4-Additional revenue is projected as a result of development in the Southern Gateway of the City.

5-Revenues resulting from fees and fines levied by the Court are budgeted as a group, but are reported separately.

6-King County treatment charges are scheduled to increase in 2017; by policy rates will reflect this increase.

7-Surface water utility revenue includes an additional amount resulting from the sunseting of rate credits for school district property in the city.

REVENUE

Revenue Forecast							
Description	Method	Notes	2014 Actual	2015 Actual	2016 Projected	2017 Budget	2018 Budget
<u>COUNCIL CONTINGENCY FUND</u>							
Investment Interest	T		656	2,083	1,800	1,800	1,800
TOTAL			656	2,083	1,800	1,800	1,800
<u>TRANSPORTATION BENEFIT DISTRICT</u>							
TBD Vehicle Fees-State	T		207,372	214,513	303,894	414,137	414,137
Investment Interest	T		180	234	300	400	400
TOTAL			207,552	214,747	304,194	414,537	414,537
<u>BUDGET STABILIZATION FUND</u>							
Interest	T		83	571	750	750	750
TOTAL			83	571	750	750	750
<u>CITY HALL BOND FUND</u>							
Investment Interest	T		535	393	-	-	-
TOTAL			535	393	-	-	-
<u>PUBLIC WORKS FACILITY BOND FUND</u>							
Investment Interest	T		34	40	-	-	-
TOTAL			34	40	-	-	-
<u>CAPITAL IMPROVEMENT FUND</u>							
Real Estate Excise Tax I	T		324,181	389,494	325,000	225,000	225,000
K.Co. Parks Levy	A		41,191	31,816	27,500	27,500	27,500
K.Co. Flood District Levy	A		-	55,748	-	-	-
State Parks Grant Program	A		-	-	-	270,075	-
WCIA Risk Reduction Grant	-		7,473	-	-	-	-
Investment Interest	T		580	846	2,000	2,000	2,000
City Hall Improvement Bond	-		1,750	-	-	-	-
TOTAL			375,175	477,904	354,500	524,575	254,500

- 1-Property tax projections assume a 1% increase, plus an increase from new construction of approximately \$60k.
- 2-Projection includes a percentage increase forecasted by economists, plus construction sales tax on construction.
- 3-Projection includes the combined effects of conservation and changes in technology that impact collections.
- 4-Additional revenue is projected as a result of development in the Southern Gateway of the City.
- 5-Revenues resulting from fees and fines levied by the Court are budgeted as a group, but are reported separately.
- 6-King County treatment charges are scheduled to increase in 2017; by policy rates will reflect this increase.
- 7-Surface water utility revenue includes an additional amount resulting from the sunseting of rate credits for school district property in the city.

REVENUE

Revenue Forecast							
	Method	Notes					
Description			2014 Actual	2015 Actual	2016 Projected	2017 Budget	2018 Budget
TRANSPORTATION CAPITAL FUND							
Real Estate Excise Tax II	T		324,181	389,494	325,000	225,000	225,000
Fed. Safe TeaLU (178th)	-		24,216	775,107	-	-	-
Fed. 178th Roadway Imp.	-		52,162	-	-	-	-
WSDOT Safe Routes to School	-		-	377,080	-	-	-
Interfund Service From Fund (403)	-		8,690	8,690	8,902	26,211	26,788
Interfund Service From Fund (401)	-		76,592	76,592	76,592	26,211	26,788
Roadway Maintenance From TBD	-		50,000	50,000	50,000	200,000	200,000
State Trans. Imp. Board-Design	-		290,197	450,540	561,225	-	-
State TIB-Urban Arterial Prog.	-		23,235	-	-	-	-
Safe Highways Program	-		-	-	-	150,000	325,000
Investment Interest	T		690	841	1,500	1,500	1,500
TOTAL			849,963	2,128,344	1,023,219	628,922	805,076
CAPITAL FACILITIES MAINTENANCE FUND							
Investment Interest	T		133	187	700	700	700
TOTAL			133	187	700	700	700
SEWER UTILITY FUND							
Licenses and Permits	T		13,500	19,500	25,000	25,000	25,000
Sewer Lien Filing/Removal Fee	-		-	185	-	-	-
Utility Charges	A	6	2,741,871	2,874,057	2,898,487	3,005,797	3,031,346
Charges for Goods & Services			-	-	-	-	-
Late Charges - Utility Bills	T		31,321	34,184	35,000	35,000	35,000
Investment Interest	T		494	558	1,500	1,500	1,500
Sewer Certificate Fee	T		800	800	1,000	-	-
TOTAL			2,787,986	2,929,284	2,960,987	3,067,297	3,092,846
SEWER CAPITAL FUND							
Investment Interest	T		1,650	2,533	1,760	5,000	5,000
TOTAL			1,650	2,533	1,760	5,000	5,000
SURFACE WATER UTILITY FUND							
Utility Service Charges	A	7	953,886	1,016,835	1,132,388	1,200,332	1,200,332
Kenmore Interlocal Reimb.	-		11,423	9,106	2,225	-	-
Investment Interest	T		426	552	2,000	2,000	2,000
TOTAL			965,735	1,026,493	1,136,613	1,202,332	1,202,332

- 1-Property tax projections assume a 1% increase, plus an increase from new construction of approximately \$60k.
- 2-Projection includes a percentage increase forecasted by economists, plus construction sales tax on construction.
- 3-Projection includes the combined effects of conservation and changes in technology that impact collections.
- 4-Additional revenue is projected as a result of development in the Southern Gateway of the City.
- 5-Revenues resulting from fees and fines levied by the Court are budgeted as a group, but are reported separately.
- 6-King County treatment charges are scheduled to increase in 2017; by policy rates will reflect this increase.
- 7-Surface water utility revenue includes an additional amount resulting from the sunseting of rate credits for school district property in the city.

REVENUE

Revenue Forecast								
	Method	Notes						
Description			2014 Actual	2015 Actual	2016 Projected	2017 Budget	2018 Budget	
SURFACE WATER CAPITAL FUND								
Lyon Creek FEMA Pre-Disaster	A		284,071	2,355,164	-	-	-	
Muni. Stormwater Grant (DOE)	A		113,790	56,210	-	-	-	
WSDOT Grant	A		-	1,427,525	-	-	-	
King County Flood District	A		104,799	529,364	-	216,000	118,000	
Investment Interest	A		434	335	705	-	-	
Transfer from Surface Water Utl (403)	A		137,344	-	137,344	200,000	300,000	
Transfer from Trans. Cap.(302)	A		30,000	-	30,000	-	-	
TOTAL			670,439	4,368,598	168,049	416,000	418,000	
SEWER BOND RESERVE FUND								
Investment Interest	T		96	115	350	350	350	
TOTAL			96	115	350	350	350	
PUBLIC WORKS TRUST FUND REPAYMENT FUND								
Excise Tax Revenue	-		(288,870)	-	-	-	-	
Excise Tax Revenue	-		27,999	25,368	28,711	-	-	
Excise Tax Revenue	-		1,628	-	-	-	-	
Connection Charges	T	4	75,510	171,156	275,000	275,000	275,000	
Investment Interest	T		297	399	1,250	1,750	1,750	
TOTAL			(183,436)	196,923	304,961	276,750	276,750	
PUBLIC WORKS CONTRACT FUND								
Kenmore Interlocal Agreement	A		847,901	873,223	856,094	881,777	881,777	
Investment Interest	T		263	401	800	800	800	
TOTAL			848,164	873,624	856,894	882,577	882,577	
REPLACEMENT FUND								
Investment Interest	T		335	384	1,100	1,100	1,100	
Interfund Svc. From Fund (001)	A		186,771	194,071	194,071	227,171	227,171	
Interfund Svc. From Fund (101)	A		32,762	34,959	34,959	37,315	37,315	
Interfund Svc. From Fund (302)	A		-	-	-	2,508	2,508	
Interfund Svc. From Fund (403)	A		32,842	37,487	37,487	46,101	46,101	
Interfund Svc. From Fund (401)	A		11,499	14,131	14,131	44,399	44,399	
Interfund Svc. From Fund (450)	A		88,319	-	-	102,311	102,312	
Equipment Sales	A		20,015	2,347	16,014	-	-	
TOTAL			372,543	283,379	297,762	460,905	460,906	

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- 4-Additional revenue is projected as a result of development in the Southern Gateway of the City.
- 5-Revenues resulting from fees and fines levied by the Court are budgeted as a group, but are reported separately.
- 6-King County treatment charges are scheduled to increase in 2017; by policy rates will reflect this increase.
- 7-Surface water utility revenue includes an additional amount resulting from the sunseting of rate credits for school district property in the city.

SCHEDULE OF FUND BALANCES

DEFINITIONS

Fund Balance. Fund balance refers to the amount of cash and investments available.

Reserved Fund Balance. Reserved fund balance is the amount of the fund balance with use restrictions imposed on them by external parties or from formal internal commitments.

Unreserved Fund Balance. Unreserved fund balance is the amount of fund balance without any specific constraints imposed on use or only constrained by the government's informal or non-specific intent.

Minimum Fund Balance Target. Minimum fund balance target is 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 ¹

The City is projected to begin the 2017-2018 biennium with a beginning fund balance of \$11,433,321 for all funds. The projected ending fund balance at the end of the biennium is \$11,223,238 for all funds. The following schedule of beginning and ending fund balance displays the change in fund balance for each fund included in the 2017-2018 biennial budget. It should be noted that the projected beginning fund balances at 1/1/2017 are estimates based on the 2015-2016 budget and projected actual results from the 2015-2016 biennium. The final beginning balances are available after the audited 2016 financial statements are published in mid-to-late 2017.

Ending Fund Balance Analysis

Fund	Reserved (R)/Unreserved (U)	Projected Beginning Fund Balance, 1/1/2017	17 Revenue	17 Expenditure	Projected Ending Fund Balance, 12/31/2017	18 Revenue	18 Expenditure	Projected Ending Fund Balance, 12/31/2018	Minimum Fund Balance Target Achieved, Yes No?
General	U	1,924,835	8,252,892	8,195,380	1,982,347	8,421,245	8,577,732	1,825,860	Yes
Street	R	700,836	547,575	600,803	647,608	547,575	629,455	565,728	Yes
Council Contingency	R	690,957	1,800	-	692,757	1,800	-	694,557	n/a
Transportation Benefit Dist.	R	180,369	414,537	201,234	393,672	414,537	201,253	606,956	n/a
Budget Stabilization	R	300,937	750	-	301,687	750	-	302,437	n/a
Capital Improvement	R	742,905	524,575	872,796	394,684	254,500	376,671	272,513	n/a
Transportation Capital	R	838,821	628,922	1,148,613	319,130	805,076	1,057,882	66,324	Yes
Capital Facilities	R	240,490	150,700	151,938	239,252	150,700	188,629	201,323	n/a
Sewer Utility	R	452,456	3,067,297	3,016,935	502,818	3,092,846	3,015,567	580,097	Yes
Sewer Capital	R	2,424,788	205,000	9,302	2,620,486	205,000	415,000	2,410,486	n/a
Surface Water Utility	R	857,419	1,202,332	1,054,379	1,005,372	1,202,332	1,226,794	980,910	Yes
Surface Water Capital	R	798,997	416,000	180,000	1,034,997	418,000	500,000	952,997	n/a
PWTF Repayment	R	653,256	427,450	252,790	827,916	427,450	252,790	1,002,576	n/a
Public Works Contract	U	369,785	882,577	870,276	382,086	882,577	857,543	407,120	Yes
Replacement	R	256,470	460,905	412,431	304,944	460,906	412,493	353,357	n/a

¹ The Schedule of Fund Balance uses estimates to parse the biennial budget into two separate years to demonstrate the annual impact of the adopted budget on ending fund balance.

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.

Street Fund

The Street Fund is expected to experience increased one-time costs associated with street lighting and is budgeted for an intentional draw down of excess fund balance that will result from a temporary diversion of funding provided by the Transportation Benefit District in prior periods.

Capital Improvement Fund

The Capital Improvement Fund is budgeted to acquire new park property, add park improvements, and redevelop an existing park during the 2017-2018 biennium. Capital projects are a frequent and normal justification for a draw-down of fund balance.

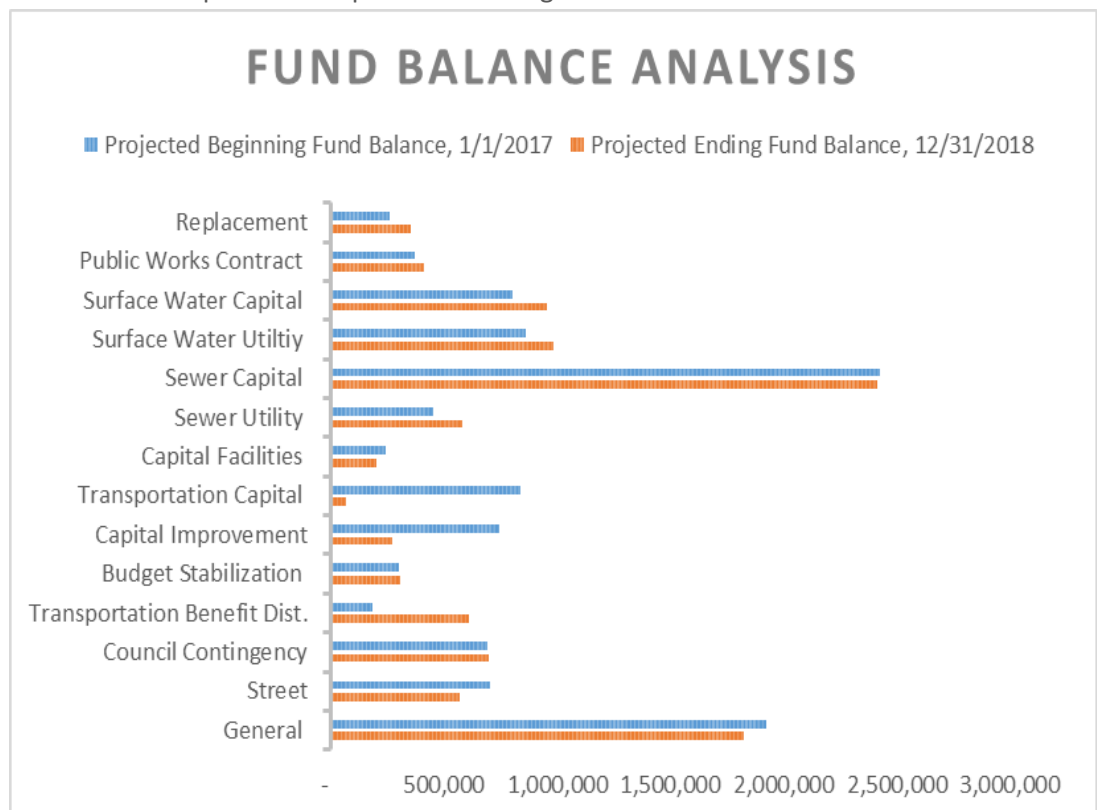
Transportation Capital Fund

The safe streets, safe highways, and asphalt overlay capital programs are projected to cause a sharp decrease in the ending fund balance for the Transportation Capital Fund during the 2017-2018 biennium. As was noted

above, capital projects are a frequent and normal justification for a draw-down of fund balance.

Capital Facilities

Fund
Facilities security improvements are the primary contributors to the decrease in fund balance for the Capital Facilities Fund.



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 debt that a city can issue, lower statutory limits have been enacted based on the legislature's perception of what is safe and reasonable. The statutory debt limit for cities is currently set at 1.5% of assessed value for non-voted debt and 2.5% of assessed value for voted and non-voted debt combined. It should be noted that non-voted refers to a vote of the public, non-voted debt is councilmanic, meaning that it requires only a vote of the City Council. The following table is the City of Lake Forest Park Debt Limit Calculation.

Debt Limit Calculation

<u>2016 Assessed</u> <u>Valuation</u>	<u>Non-Voted</u> <u>Percent</u>	<u>Non-Voted Limit</u>	<u>Voted Percent</u> <u>Limit</u>	<u>Voted Limit</u>	<u>Combined Limit</u>
\$ 2,443,275,523	1.5%	\$ 36,649,133	2.5%	\$ 61,081,888	\$ 61,081,888

CURRENT DEBT

The following table is a listing of 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

<u>Debt Description</u>	<u>Fund</u>	<u>Payments by Year</u>					<u>Total</u>
		<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021-2025</u>	
Sewer Extension	Sewer Utility	250,389	249,191	247,993	246,795	1,216,005	2,210,373
PW Facility	PW Facility Bond	85,778	-	-	-	-	85,778
Sewer Acquisition I	Sewer Utility	68,864	-	-	-	-	68,864
Sewer Acquisition II	Sewer Utility	7,938	7,717	7,496	-	-	23,151
Surface Water Facilities	Surface Water Util.	9,035	8,946	-	-	-	17,981
Total		422,004	265,854	255,489	246,795	1,216,005	2,406,147

The City's current outstanding debt amounts to approximately 4% of the total debt capacity. The 2017-2018 budget does not include the issuance of any debt.

BUDGETED POSITIONS AND SALARY SCHDULE

The Budgeted Positions and Salary Schedule is organized by department. The Schedule 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 2017-2018 budget authorizes 61.48 FTEs; the count at adoption of the 2015-2016 budget was 60.48 FTEs. The 2017-2018 budget includes some minor reclassifications and personnel changes. The overall increase in employee count is the result of adding an Emergency Manager to the City's payroll; it should be noted that while Lake Forest Park is the employer of record, the new position is funded by the Northshore Emergency Management Coalition and not the City of Lake Forest Park. A description of all of the changes to budgeted positions for the 2017-2018 budget is found in the following narrative. The Budgeted Positions and Salary Schedule is found on subsequent pages.

DESCRIPTION OF CHANGES IN THE 2017-2018 BUDGET

Executive-Finance

During the 2015-2016 biennium the Finance Department took over responsibility for payroll and moved the payroll accountant/analyst position under the Finance Department (previously under Executive/HR). This change reduced the Executive Department FTE count from 3.1 FTE to 2.5 FTE. Subsequent to the transition, the Finance Department implemented new payroll software and reduced the payroll accountant/analyst position from 0.6 FTE to 0.5 FTE. This change reduced the Finance Department FTE count from 5.4 FTE to 5.3 FTE

BUDGETED POSITIONS AND SALARY SCHDULE

Finance

The Finance Department agreed to manage the finances of the Coalition of Small Police Agencies (Coalition) in exchange for a monthly fee. To support the additional work load the staff accountant/accounting clerk position was increased from 0.30 FTE to 0.38, the increase is fully offset by fees charged to the Coalition.

Planning and Building

The Planning and Building Department added a limited-term assistant planner position to respond to a projected increase in permit activity that is expected during the 2017-2018 biennium. The position is authorized for two years and automatically terminates on December 31, 2018.

Police

The Police Department received authorization during the 2015-2016 biennium to add a police officer to help with staffing during a period of retirements, injuries, and other personnel matters. The position was vacant during 2017-2018 budget development and was not reauthorized for the 2017-2018 biennium.

An Emergency Manager was added to the Police Department employee count for the 2017-2018 biennium. The Northshore Emergency Management Coalition is financially responsible for this position. Lake Forest Park's Finance Department manages NEMCo's finances and is also the employer of record for this new position.

Public Works

Public Works utilized seasonal workers during the summer for parks maintenance in the 2015-2016 biennium. The Public Works department is employing a different strategy for seasonal parks maintenance for the 2017-2018 and did not seek to reauthorize the seasonal positions for 2017-2018.

2017 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							600
Executive							
Mayor	0.50						3,000
City Administrator	1.00						13,520
Human Resources Manager	1.00	6,722	7,170	7,618	8,066	8,514	8,963
	2.50						
Judicial							
Municipal Court Judge	0.60						13,161
Court Administrator	1.00	5,916	6,310	6,705	7,099	7,493	7,888
Court Clerk	2.50	3,722	3,970	4,218	4,466	4,714	4,962
Probation Officer	0.20	4,749	5,066	5,382	5,699	6,015	6,332
Pro-tem Judges		\$55 per hour					
	4.30						
Municipal							
City Clerk	1.00	5,960	6,356	6,754	7,152	7,549	7,946
Deputy City Clerk	1.00	4,832	5,154	5,476	5,798	6,121	6,443
Records Mgmt. & Office Support	1.00	3,624	3,866	4,107	4,349	4,590	4,832
Office Assistant/Reception	1.00	3,512	3,747	3,981	4,215	4,449	4,683
Passport Clerk	0.45	3,144	3,354	3,563	3,773	3,983	4,192
	4.45						
Finance							
Finance Director	1.00	8,063	8,601	9,138	9,676	10,213	10,751
Accounting Supervisor	1.00	5,667	6,045	6,423	6,801	7,178	7,556
Business and Tax Accountant	1.00	3,855	4,112	4,368	4,626	4,883	5,139
Utility and Payroll Analyst	1.00	4,488	4,787	5,086	5,386	5,685	5,984
Info. Tech. Program Manager	1.00	6,936	7,398	7,860	8,323	8,785	9,248
Accounting Clerk	0.38	3,692	3,938	4,184	4,431	4,677	4,923
	5.38						
Planning							
Planning & Building Director	1.00	7,766	8,283	8,801	9,320	9,837	10,355
Building Official	1.00	6,102	6,508	6,915	7,322	7,729	8,135
Principal Planner	1.00	5,687	6,067	6,445	6,825	7,203	7,583
Permit Technician	1.00	3,899	4,159	4,419	4,679	4,939	5,198
Assistant Planner, Limited Term	1.00	4,307	4,594	4,881	5,168	5,455	5,742
	5.00						
Community Services							
Community Volunteer Coordinator	0.60	3,963	4,227	4,491	4,755	5,019	5,284
Domestic Violence Advocate	0.35	4,101	4,375	4,648	4,922	5,195	5,469
	0.95						
Engineering							
City Engineer	1.00	7,234	7,716	8,198	8,681	9,163	9,646
	1.00						

2017 Budgeted Positions and Salary Schedule

Amounts on this schedule are monthly

	FTE	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
Police							
Police Chief	1.00						12,029
Police Captain	1.00	7,489	7,988	8,487	8,987	9,486	9,985
Administrative Sergeant	1.00						7,897
Sergeant 2	3.00						7,520
Sergeant 1	0.00						7,146
Police Officer	9.00	5,088	5,490	5,926	6,358		
Detective	2.00	5,597	6,039	6,519	6,994		
Traffic/Motorcycle	1.00	5,342	5,764	6,223	6,675		
K-9	1.00	5,342	5,764	6,223	6,675		
Emergency Manager	1.00	6,673	6,855	7,037	7,219	7,401	7,583
Support Services Officer	1.00	4,124	4,418	4,712	5,014		
Records Specialist	2.00	3,979	4,121	4,262	4,402	4,542	4,683
	23.00						
Public Works (Streets, Surface Water, Sewer, and Parks Maintenance)							
Public Works Director/Deputy Ciy Admin.	1.00	9,084	9,356	9,941	10,525	11,110	11,695
Public Works Superintendent	1.00	5,167	5,512	5,856	6,200	6,545	6,889
Environmental Program Mgr.	1.00	5,494	5,860	6,226	6,593	6,959	7,325
Surface Water Technician	0.40	3,963	4,227	4,491	4,755	5,019	5,284
PW Admin. Assistant	0.50	3,855	4,112	4,368	4,626	4,883	5,139
Lead Maintenance Worker	2.00	4,941	5,116	5,290	5,465	5,639	5,813
Maintenance Worker	9.00	4,597	4,759	4,921	5,083	5,246	5,408
	14.90						
Total Positions in Budget	61.48						

2018 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							600
Executive							
Mayor	0.50						3,000
City Administrator	1.00						14,204
Human Resources Manager	1.00	6,856	7,313	7,770	8,228	8,685	9,142
	2.50						
Judicial							
Municipal Court Judge	0.60						13,161
Court Administrator	1.00	6,034	6,436	6,839	7,241	7,643	8,046
Court Clerk	2.50	3,796	4,049	4,302	4,555	4,808	5,062
Probation Officer	0.20	4,844	5,167	5,490	5,813	6,136	6,459
Pro-tem Judges		\$55 per hour					
	4.30						
Municipal							
City Clerk	1.00	6,079	6,484	6,889	7,295	7,700	8,105
Deputy City Clerk	1.00	4,929	5,257	5,586	5,914	6,243	6,571
Records Mgmt. & Office Support	1.00	3,696	3,943	4,189	4,436	4,682	4,929
Office Assistant/Reception	1.00	3,582	3,822	4,061	4,299	4,538	4,777
Passport Clerk	0.45	3,207	3,421	3,634	3,849	4,062	4,276
	4.45						
Finance							
Finance Director	1.00	8,225	8,773	9,321	9,869	10,418	10,966
Accounting Supervisor	1.00	5,780	6,166	6,551	6,937	7,322	7,707
Business and Tax Accountant	1.00	3,932	4,194	4,456	4,719	4,980	5,242
Utility and Payroll Analyst	1.00	4,578	4,883	5,188	5,494	5,799	6,104
Info. Tech. Program Manager	1.00	7,074	7,546	8,018	8,489	8,961	9,433
Accounting Clerk	0.38	3,766	4,017	4,268	4,519	4,770	5,021
	5.38						
Planning							
Planning & Building Director	1.00	7,921	8,449	8,977	9,506	10,034	10,562
Building Official	1.00	6,224	6,639	7,053	7,468	7,883	8,298
Principal Planner	1.00	5,800	6,188	6,574	6,961	7,347	7,735
Permit Technician	1.00	3,977	4,242	4,507	4,772	5,037	5,302
Assistant Planner, Limited Term	1.00	4,393	4,686	4,978	5,271	5,564	5,857
	5.00						
Community Services							
Community Volunteer Coordinator	0.60	4,043	4,312	4,581	4,851	5,120	5,389
Domestic Violence Advocate	0.35	4,183	4,462	4,741	5,020	5,299	5,578
	0.95						
Engineering							
City Engineer	1.00	7,378	7,871	8,362	8,855	9,346	9,839
	1.00						

2018 Budgeted Positions and Salary Schedule

Amounts on this schedule are monthly

	FTE	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
Police							
Police Chief	1.00						12,638
Police Captain	1.00	7,639	8,148	8,657	9,166	9,676	10,185
Administrative Sergeant	1.00						8,055
Sergeant 2	3.00						7,671
Sergeant 1	0.00						7,289
Police Officer	9.00	5,189	5,600	6,045	6,485		
Detective	2.00	5,708	6,160	6,650	7,134		
Traffic/Motorcycle	1.00	5,449	5,879	6,348	6,809		
K-9	1.00	5,449	5,879	6,348	6,809		
Emergency Manager	1.00	6,807	6,992	7,178	7,364	7,549	7,735
Support Services Officer	1.00	4,206	4,507	4,806	5,115		
Records Specialist	2.00	4,058	4,203	4,348	4,490	4,632	4,777
	<u>23.00</u>						
Public Works (Streets, Surface Water, Sewer, and Parks Maintenance)							
Public Works Director/Deputy Ciy Admin.	1.00	9,265	9,543	10,140	10,736	11,332	11,929
Public Works Superintendent	1.00	5,270	5,622	5,973	6,324	6,676	7,027
Environmental Program Mgr.	1.00	5,604	5,977	6,351	6,724	7,098	7,472
Surface Water Technician	0.40	4,043	4,312	4,581	4,851	5,120	5,389
PW Admin. Assistant	0.50	3,932	4,194	4,456	4,719	4,980	5,242
Lead Maintenance Worker	2.00	5,065	5,244	5,423	5,601	5,780	5,959
Maintenance Worker	9.00	4,712	4,878	5,044	5,210	5,377	5,543
	<u>14.90</u>						
Total Positions in Budget	<u>61.48</u>						

OPERATING DEPARTMENT INFORMATION

2017-2018 ADOPTED BUDGET

- ☐ City Council
- ☐ Executive
- ☐ Legal
- ☐ Municipal Services
- ☐ Finance and Information Technology
- ☐ Community Services
- ☐ Municipal Court
- ☐ Police
- ☐ Other Criminal Justice
- ☐ Planning and 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 franchises.

Regularly scheduled meetings of the Council are held at City Hall on the second and fourth Thursdays of the month, with Work Sessions 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.cityofflp.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 2017-18 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; Developing Community Events; Communication Plan; Town Center Sub-Area Plan; and Parks, Recreation & Open Space Plan

Department Budget Summary, City Council		
Description	2015-2016	2017-2018
Salaries	100,800	100,800
Employee Benefits	8,420	8,092
Supplies	839	1,200
Professional Services	57,982	30,750
Communication-Legislative Act.	4,000	8,000
Travel Exp. (lodging, meals)	8,580	12,000
Conference - Training	5,322	6,000
	185,942	166,842

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 2015-2016 ACCOMPLISHMENTS

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

- Stability. Final General Fund financial results for 2014 & 2015 were a surplus, revenues exceeded expenditures and cash balance grew over \$200,000 each year.
- Regional advocacy for Sound Transit 25-year plan
- Federal advocacy for surface water and streets
- Successful franchises with Republic (solid waste), Seattle City Light (electric) and Century Link (cable TV).
- Strategic Planning. Working with the City Council in development of the Strategic Plan

Human Resources

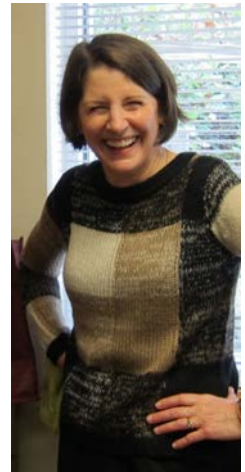
The Administrative Services Manager heads the human resources program, which includes responsibilities such as recruitment and staffing, classification and compensation needs, benefits administration, employee and labor relations, and update/compliance with the personnel policies.

HR KEY 2015-2016 ACCOMPLISHMENTS

- Successful labor negotiations for successor contracts for the Police Guild and Teamsters union
- Coordinating 2016 pay study for management/professional/exempt/and support group
- Association of Washington Cities Well-City Award for 2015 and 2016, resulting in a 2 percent insurance benefits cost reduction realized by both the city and participating employees

Communications / Website

This program provides the community with information about the city and coordinates management of the city website. The Administrative Services Manager had assumed interim responsibility for this work, which includes serving as webmaster and receiving support from the City Administrator and content maintenance responsibilities distributed to city departments.



COMMUNICATIONS/WEBSITE KEY 2015-2016 ACCOMPLISHMENTS

- Increased frequency of newsflashes and public notices
- Continued production of city newsletter within limited budget constraints – four issues per year

EXECUTIVE DEPARTMENT

- Secured adoption of social media policy; started Facebook and Twitter messages plus Instagram LFP photo wall.

Risk Management Program

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.

RISK MANAGEMENT KEY 2015-2016 ACCOMPLISHMENTS

- City Administrator elected as vice president of Washington Cities Insurance Authority
- Successful completion of the 2015 member compact (cyber risk focus) and 2016 member compact (parks)
- Coordination of risk-oriented training for staff members, including numerous directly provided and reimbursed trainings during 2015 & 2016.

Executive Department Staffing	(FTE)			
	2015	2016	2017	2018
Department Employee Count	3.35	3.10	2.50	2.50

Department Budget Summary, Executive Department		
Description	2015-2016	2017-2018
Salaries	577,417	605,949
Employee Benefits	208,554	212,841
Office/Operating Supplies	2,317	3,000
Small Tools and Equipment	107	400
Professional Services	74,281	82,220
Communications	7,678	10,500
Travel Exp. (lodging, meals)	8,833	8,550
Dues / Subscriptions	2,717	3,620
Training	8,780	13,750
Volunteer & Staff Recognition	4,790	6,000
Mayor's Reserve	43,257	90,000
	938,730	1,036,829

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, assistance with legal documents such as resolutions, ordinances, contracts; lawsuits; and personnel issues.

The 2016 legal year to date has been impacted by defending litigation and complex public records requests. This has led to planning for higher legal expenses in the 2017-18 biennium. If extraordinary legal circumstances arise during the 2017-2018 budget cycle, additional funds will need to be provided for legal services—either by directly charging the appropriate fund, or by budget amendment.

Department Budget Summary, Contract Legal Services		
Description	2015-2016	2017-2018
Contract Legal Services	239,907	270,000

MUNICIPAL SERVICES DEPARTMENT

MISSION

To provide assistance to the public, City Council, and staff in a courteous and service-oriented manner, by providing a welcoming environment to citizens and other 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 building permits
- 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; 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
- Municipal Code update – submit ordinances, update electronic code upon adoption of ordinances, update all code books annually
- Passport services –process application and 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
- 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



MUNICIPAL SERVICES DEPARTMENT

- Increase access to City information by preparing and posting to the City website Council meeting agenda packets, approved meeting minutes, ordinances, contracts and franchises
- Provide passport application services to the general public

KEY 2015-2016 ACCOMPLISHMENTS

City Council Support

- Provided staff support at all Council regular meetings, study sessions, committee of the whole, communications committee and special meetings
- Prepared action minutes, ordinances, resolutions, contracts and agreements, correspondence, and other documents

Records Management / Public Disclosure

- Annual Update of Citywide Essential Records Protection Plan and Records Disaster Plan
- Issued quarterly records management updates to departments
- Researched options and vendors for proposed enterprise content management system
- Established policy and procedure for agreements/contracts and public records requests
- Streamlined maintenance and disposition of active and inactive agreements and contracts

Passport Services

- Continued passport application acceptance and photo services
- Hired part-time Saturday passport agents for additional help to reduce customer wait time

Reception Services

- Provided notary services by fee as requested
- Assisted Citywide departments with administrative support as needed

Administration Services

- Transitioned website administration to department; increased responsibility for writing newsflashes and adding items to the website
- Coordinated and prepared quarterly City newsletter for printing and distribution
- Lead on citywide communications team; includes additional



2017-2018 PLANNED ACTIVITIES

- Continue to provide access to City services and records as required by state law
- Redesign and upgrade website for ease of access to City information and improved user navigation
- Continue to emphasize teamwork and training through department meetings

MUNICIPAL SERVICES DEPARTMENT

Municipal Services Department Staffing	(FTE)			
	2015	2016	2017	2018
Department Employee Count	4.45	4.45	4.45	4.45

Department Budget Summary, Municipal Services		
Description	2015-2016	2017-2018
Salaries	558,058	642,651
Overtime	588	-
Employee Benefits	189,900	206,020
Office/Operating Supplies	24,313	30,000
Professional Services	9,146	26,950
LFP Code Update	5,597	6,000
Communications	25,372	28,000
Newsletter	33,458	40,000
Communications / Internet	11,693	12,000
Travel Exp. (lodging, meals)	4,524	3,600
Advertising	3,257	3,000
Postage Equipment Rental	4,403	4,600
Insurance	149,484	160,426
Repairs & Maintenance	2,363	4,000
Dues / Subscriptions	2,933	3,000
Training	3,315	4,000
Taxes & Assessments (Passport)	3,755	4,000
Copier Rental	-	8,644
Machinery & Equipment	15,020	5,356
Total Municipal Services	1,047,178	1,192,247
<u>Elections</u>		
Election/Voter Costs	70,231	70,000
<u>City Memberships</u>		
Association of WA Cities	16,711	17,500
Puget Sound Regional Council	11,362	12,600
Sound Cities Association	14,736	16,000
SeaShore Transportation Forum	400	400
Puget Sound Clean Air Agency	19,111	23,500
National League of Cities	1,489	2,978
OMWBE	200	200
NUHSA - N. Urban H.S. Alliance	1,000	2,000
Total City Memberships	65,009	75,178

FINANCE AND INFORMATION TECHNOLOGY

MISSION

The mission of the Finance and Information Technology (IT) Department is 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 Accounting
- Payroll Processing and Accounting
- Information and Technology Services



2015-2016 DEPARTMENT ACCOMPLISHMENTS

The Finance and IT Department performed all daily finance and IT functions during the 2015-2016 biennium and completed several additional projects aligned with our mission. The following are a few notable accomplishments:

- Recipient of the State Auditor's Office Stewardship Award
- Launched E-commerce for the Lake Forest Park Sewer Utility
- Replaced the City's phone system
- Created and Implemented an IT Business Continuity Plan
- Streamlined business licensing process to significantly reduce wait times
- Implemented a web based payroll system

2017-2018 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:

FINANCE AND INFORMATION TECHNOLOGY

- Operational continuity planning in utility accounting and business licensing
- Offering more opportunities for the community to do business with the City online including:
 - Business licensing and renewals
 - Utility online forms and self service
 - Finance and utility website update
- Publishing an entirely new budget document that is aligned with best practices in budget presentation



Finance and Information Technology Staffing	(FTE)			
	2015	2016	2017	2018
Department Employee Count	4.80	4.80	5.38	5.38

Department Budget Summary, Finance		
Description	2015-2016	2017-2018
Salaries	792,239	842,835
Overtime	4,166	-
Employee Benefits	251,767	265,322
Office / Operating Supplies	30,154	14,000
Professional Services	18,515	34,000
Communications	6,245	7,500
Travel Exp. (lodging, meals)	5,853	7,000
Advertising	150	-
Info. Svcs. - Repairs & Maint.	7,479	-
Copier Rental	-	5,280
Dues / Subscriptions	1,940	2,000
Training	5,537	6,000
Machinery & Equipment	1,691	2,000
Municipal Auditor Expenses	39,193	54,000
Total	\$1,164,931	\$1,239,937

COMMUNITY SERVICES



MISSION

To provide a variety of programs and services that support the quality of life in Lake Forest Park. This includes human services, parks and recreation, conservation and recycling, volunteer organizations and management, youth leadership training, 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, YMCA Hang Time, Shoreline/Lake Forest Park Arts Council and Friends of Third Place Commons.

Parks and Recreation: The City supports and maintains seven parks in Lake Forest Park. Art programs, volunteer activities, and clean up events are offered throughout the year. In addition, the City 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.

Conservation and Recycling: The City implements "best conservation practices" for lawn and garden maintenance. With grant funds the City has been restoring stream banks by removing invasive species and replanting with native shade bearing plants using volunteer labor. The City also provides educational opportunities regarding conservation, recycling and reusing through its annual green fair, farmer's market events, programs and distribution of literature and publications on the City website and social media. The City also receives waste reduction and recycling grants that are used for a variety of waste reduction activities.

COMMUNITY SERVICES

Youth Council: The Lake Forest Park Youth Council is composed of approximately 15-20 Lake Forest Park youth who learn leadership skills by participating in city government and community events, programs, and activities. Volunteer adult advisors provide guidance to the youth council, attending each meeting and group activity and event.

ADMINISTRATION

The Community Volunteer Coordinator is responsible for community services programs and activities in the City. The coordinator administers human services contracts and programs, the volunteer commission system, conservation and recycling education, grants, the youth council, parks and recreation, and volunteer programs and services.

Key 2015/2016 Accomplishments

Human Services Programs

- Hundreds of residents used the Senior Center for activities and services
- On average, 80 youth visit Hang Time after school program per day
- Thousands of hours of counseling and family services provided to residents
- 300+ attendees at each park concert
- Over 900 events are offered at Third Place Commons per year
- Hundreds of residents enrolled in recreation programs
- Continue to develop and improve volunteer participation and commitment to City's events and activities
- Youth Council program implementation and internships at City Hall
- Community event, Picnic in the Park was brought back for an annual event

Grant Funded Programs

- 400+ attendees at Annual Green Fair
- 2,500+ pounds of batteries recycled
- 500 pounds of electronic waste recycled
- 1000's of hazardous light bulbs recycled
- Trex Boardwalk was installed at Whispering Willow with educational signage and successful plastic bag recycling program
- Two Natural Yard Care workshops provided throughout the year
- Promotion of waste reduction and recycling programs through educational giveaways



COMMUNITY SERVICES

2017-2018 Planned Activities

- Continuing Human Service contracts with Community Partners
- Increase hazardous waste recycling through grant funded programs
- Adding recycled playground equipment and educational signage/program on recycling and reusing

Community Services Department Staffing	(FTE)			
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Department Employee Count	0.95	0.95	0.95	0.95

Department Budget Summary, Community Programs		
Description	2015-2016	2017-2018
Salaries	108,346	121,972
Overtime	467	1,000
Employee Benefits	31,305	38,113
Office / Operating Supplies	152	300
Community Development	53,040	54,000
Lake Forest Park Arts Council	32,640	33,000
Communications	1,707	6,000
Travel Exp. (lodging, meals)	167	300
Dues / Subscriptions	1,787	2,000
Training	300	600
Senior Services	25,300	34,000
Teen Services	500	1,000
Middle - After School Prog.	23,100	24,000
Drug & Alcohol Prevention	26,400	34,000
Recreation Programs	27,752	35,200
Local Hazardous Waste Grant	16,048	16,000
Coordinated Prevention Grant	7,500	6,000
Waste Reduction/Recycle Grant	11,671	10,000
King County Alcohol Program	2,933	6,000
	371,115	423,485

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, from 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. Registered voters and licensed drivers living in the City of Lake Forest Park may be called as jurors.



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 term of four years, 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 in such a manner as 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
- Responsible for accounting and auditing, as well as procurement and disbursement of Court funds
- Responsible for preparation and control of the Court's biennial budget
- Responsible for promulgation of local court rules
- Responsible for ongoing training and evaluation of staff
- Responsible for 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 Linda Portnoy was reappointed to a four-year term on December 31, 2013. She continues in her capacity as an active member of the District and Municipal Court Judge's Association (DMCJA), having served on the Association's nominating Committee. Judge Portnoy completed revisions to the Washington State Judge's DUI Bench Book, in

MUNICIPAL COURT

collaboration with the Administrative Office of the Court (AOC) and the Washington Traffic Safety Commission.

Court Administrator Kelley Gradwohl is an active member of the National Association for Court Management (NACM) and the District and Municipal Court Management Association (DMCMA). She holds a certificate in court management from the National Center for State Courts (NCSC). She was elected president of the Washington State Association of Youth Courts in the fall of 2014. She continues to serve as the Court liaison to the Leadership Team.

2014-2015 Court Accomplishments

- Added half time court cashier
- Implemented RAPS pilot program
- Began enhanced probation program
- *Skip the Trip to Court* Campaign
- Created court logo

2014-2015 Awards and Recognition

- 2014, 2015, Food Frenzy/First Place Per Capita, Public Sector Legal Organizations
- \$1,200 Youth Court Donation made by Shoreline Achievers Kiwanis Club

2014-2016 Noteworthy

- Court hosts training and education sessions: legal financial obligations and the heroin epidemic
- Youth court creates logo
- Probation officer speaks before LFP rotary

2016-2017 Planned Court Activities

- Continue to monitor RAPS pilot program
- Continue to evaluate court safety to improve security and emergency preparedness
- Continue to identify and attend education and training opportunities through local and regional conferences and webinars.
- Organize and host in-house training for local municipal courts

2015-2016 MAJOR CHANGES IN THE COURT

Pre-Trial Release Program

In May, 2014, the Court established a Pre-Trial Release Program, pursuant to RCW 10.21. Under this chapter, an offender is released prior to trial and ordered to be supervised by the Court's professional probation officer. The program safeguards the community, helps reduce pre-trial incarceration costs, reduces the failure to appear rate and promotes defendant accountability.

MUNICIPAL COURT

The Court utilizes the program for pre-trial sobriety monitoring for people charged with drug or alcohol offenses. A 2013 unfunded state mandate requires pre-trial installation of an ignition interlock device for anyone charged with a DUI who has a prior DUI within a lifetime.

The Court is experiencing a significant increase in the number of defendants assigned to the program. A 63% increase was noted in electronic monitoring costs between 2014 and 2015. Costs for drug patch supplies and analysis have also increased notably. The 2016 trend indicates a continued increase in costs for the program.

Release and Planning Services (RAPS):

The RAPS program is a voluntary program created in collaboration with the Center for Human Services (CHS), Shoreline, designed for motivated offenders who have a desire to change the direction of their life course. Research shows that offenders often experience multiple problems, such as mental illness or substance abuse which lead to difficulties in accessing services to meet their basic needs. The key service requirement for those returning to the local community is related to immediate needs and ongoing persona support. The RAPS program consists of two, one hour sessions with a professional CHS resource counselor who works with the offender to design a customized, step by step plan to achieve a desire life goal.



Municipal Court Staffing	(FTE)			
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Department Employee Count	4.30	4.30	4.30	4.30

MUNICIPAL COURT

Department Budget Summary, Municipal Court		
Description	2015-2016	2017-2018
Salaries	645,736	684,426
Employee Benefits	201,448	261,348
Court Supplies	10,803	15,106
Court Banking Fees	-	6,100
Youth Court Supplies	-	4,084
Small Tools & Equipment	344	300
Prof. Svcs.-Security	26,160	26,204
Communications	12,791	11,000
Travel Exp. (lodging, meals)	3,403	2,400
Insurance	28,267	31,284
Repair & Maintenance	4,408	500
Dues - Subscriptions	3,348	3,000
Training	2,001	2,000
Jury Service	2,731	3,000
Interpreters	5,909	6,000
Salaries - Pro Tem	7,450	5,000
Employee Benefits - Pro Tem	656	440
Probation Costs	5,418	10,000
Copier Rental	-	4,566
Machinery & Equipment	2,577	1,000
Total Court	963,448	1,077,758

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.

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 23, the Department provides for the preservation of life, protection of property, prevention of crime, apprehension of criminals, and facilitation of traffic. A majority of the officers is in the patrol division; additionally, there are a traffic unit, criminal investigation detectives, a canine (K9) unit, professional support staff, sergeants, a captain and police chief.



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:

- Operations
- Support Services
- Emergency Management

The *Operations Division* is commanded by a Captain and provides professional police services to the citizens of Lake Forest Park twenty-four hours a day, seven days a week. The Division consists of three squads in the Patrol Section, the K9 Unit, the Traffic Unit, Crime Watch, and Block Watch. Other functions include narcotics enforcement, training, Special Weapons and Tactics (SWAT), and gang/graffiti investigations.



The *Support Services Division* is supervised by a Sergeant and assists in the daily operation of police support services. The Division strives for quality customer support through the delivery of services that enhance the overall mission of the Department. The Division consists of the Investigations Unit, the Records Unit, and the Evidence/Property Unit.

The *Emergency Management Division* is overseen by the Police Chief. Responsibilities include coordinating the newly formed Northshore Emergency Management Coalition (NEMCo), interfacing 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.

ONGOING DEPARTMENT FUNCTIONS:

- Continue to provide Operations, Support Services, and Emergency Management as major functions in the Department.
- Continue to develop and enhance a yearly operations plan that focuses on crime reduction, providing quality services and innovative policing strategies, ensuring employee account-ability, and providing emergency management oversight.
- Enhance relationship with our schools to continue emergency response planning and exercises.

POLICE DEPARTMENT

- Continue development of community partnerships through the Community Traffic Safety Program, Neighborhood Block Watch, extra patrol requests, local community groups, and positive police/citizen contacts.
- Promote community education through crime prevention presentations in partnership with volunteer Block Watch Captains.
- Enhance community communication efforts delivered through a variety of formats, including the City website, social media accounts (Twitter and Facebook), media releases, attendance at Block Watch neighborhood meetings, and National Night Out.

2017 – 2018 PLANNED ACTIVITIES

- Increase proactive law enforcement activities linked to the Operational Plan
- Implement Strategic Traffic Safety Plan
- Enhance NEMCo responsibilities
- Reduce crime related to residential burglaries

<i>Type of Call</i>	2013	2014	2015	+/-	
<i>Alarms</i>	310	366	371	1%	↑
<i>Assault / Fights / Harassment</i>	52	58	76	31%	↑
<i>Burglary / Theft</i>	370	462	425	-8%	↓
<i>Disturbance / Noise</i>	155	208	194	-7%	↓
<i>Domestic</i>	60	74	65	-12%	↓
<i>Information / 911 Hang-up</i>	281	350	318	-9%	↓
<i>Investigations</i>	1365	1387	1745	26%	↑
<i>Juvenile</i>	60	50	51	2%	↑
<i>Liquor / Narcotics</i>	80	76	77	1%	↑
<i>Miscellaneous</i>	1518	1606	1264	-21%	↓
<i>Parking</i>	240	253	346	37%	↑
<i>Public Service</i>	1900	1832	2481	35%	↑
<i>Robbery</i>	3	3	3	0%	---
<i>Traffic</i>	2365	2709	3735	38%	↑
<i>Trespass</i>	58	55	64	16%	↑

DEPARTMENT STAFFING AND BUDGET SUMMARY

Police Department Staffing	(FTE)			
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Department Employee Count	23.00	23.00	23.00	23.00

POLICE DEPARTMENT

Department Budget Summary, Police Department		
Description	2015-2016	2017-2018
<u>Police Department Operations</u>		
Salaries	3,817,305	3,844,392
Overtime	206,085	190,000
Employee Benefits	1,462,137	1,486,536
LEOFF 1 Expenses	63,025	70,000
Disability Insurance	6,934	7,626
Uniform Expenses	41,667	42,000
Police - Dry Cleaning Contract	900	1,200
Police - Badges & Vests	20,095	18,000
Supplies - General	16,126	19,920
Operations / Vehicle Supplies	37,966	47,000
K-9 Narcotics	8,484	10,000
Fuel	59,952	67,000
Small Tools & Equipment	8,921	2,000
Professional Services	43,949	44,000
Juvenile Intervention Program	-	-
Communications	107,212	110,000
Travel Exp. (lodging, meals)	14,986	16,000
Copier Rental	-	11,334
Insurance	194,363	215,110
Vehicle Repair & Maintenance	94,303	84,000
Office Equip.- Repair & Maint.	23,318	4,746
Operations Repair/Maintenance	3,255	4,000
Dues / Subscriptions	16,444	13,900
Training	30,705	30,000
Call Out Services - SWAT	3,244	4,400
Safe Harbor Expenses (DV)	500	1,000
Computer Hardware/Software	2,134	4,000
Machinery & Equipment	5,500	13,000
Police Total	6,289,511	6,361,164
<u>Crime Watch</u>		
Employee Benefits	11	-
Supplies	7,162	5,000
Comm. Oriented Policing Prog.	6,622	10,000
Crime Watch Total	13,795	15,000

POLICE DEPARTMENT

Department Budget Summary, Police Department		
Description	2015-2016	2017-2018
<u>Emergency Management</u>		
Office / Operating Supplies	9,729	1,000
Professional Services	923	82,000
Travel Expenses	500	1,000
Dues / Subscriptions	55,165	-
Training	1,325	2,000
Machinery & Equipment	500	4,000
Emergency Management Total	68,141	90,000
<u>Traffic Safety Camera Program</u>		
Professional Services	768,176	930,000
Traffic Safety Camera Total	768,176	930,000
<u>Dispatch</u>		
Equipment Maintenance	43,442	55,000
Contracted Services	196,882	211,670
Equipment Maintenance	-	-
Contracted Services	-	-
Dispatch Total	240,324	266,670
<u>Civil Service Commission</u>		
Supplies	852	1,000
Professional Services	10,647	15,000
Travel Exp.(lodging, meals)	633	1,400
Training	200	400
Civil Service Commission Total	12,332	17,800
<u>Animal Control</u>		
Animal Control Services	13,195	16,000
Animal Control Total	13,195	16,000
Police Department Total	7,405,474	7,696,634

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

OVERVIEW

- The City contracts for prosecutor and public defender services.
- The City contracts for detention services with King County, the City of Lynnwood, and Chelan and Yakima Counties. In an effort to save costs, the City uses one of the detention centers depending upon the type and length of sentencing.
- Only about 10% of the defendants who come through the City's court system are Lake Forest Park residents.



PROSECUTOR

This budget projects an increase in prosecution costs of 2.0% in 2017 and estimating the same in 2018. An inflationary increase is built into the prosecutor contract. The increase is an assumption of inflation (Seattle CPI 1.8%) for urban consumers for 2016.

PUBLIC DEFENDER

The Public Defender service was bid out in 2014. It resulted in an estimated cost increase of about (10%) for the Public Defender for 2016. Higher costs are the result of a new state court ruling limiting the caseloads of public defenders. Through one and one-half years of this service, the Public Defender has been able to easily manage within the prescribed case limits.

DETENTION AND ELECTRONIC HOME MONITORING

The budget actual amount reflects the Municipal Court using home detention in some sentencing, when criteria are met, a separate line item was added in this budget to account for electronic home monitoring. The 2017-2018 budget takes into account this factor and are 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	2015-2016	2017-2018
Prosecutor	168,859	177,195
Public Defender	190,249	190,000
Elec. Monitor/Wk. Release	17,953	50,000
Witness Fee (Court)	1,510	-
Jail Expenses	292,459	265,000
Other Criminal Justice Total	671,030	682,195

PLANNING AND BUILDING DEPARTMENT

MISSION

To serve all persons in a positive 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 and Building Director, who is appointed by and reports to the Mayor and City Administrator, the Planning and Building Department plays a key role in shaping the future of the City's development. The Department serves residents directly at the planning counter and indirectly by ensuring that all development activity conforms to the City's adopted plans and regulations.



This is accomplished through provision of the following seven programs:

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 consultant services, which are managed by the Director. The draft work product is then reviewed by the Planning Commission, which is supported by the Department. The Commission makes recommendations to the Mayor and City Council if it is decided changes and updates to the Comprehensive Plan and land use codes are necessary. Through this process, the Commission provides an important forum for citizen participation.

Planning Commission issues reviewed in 2015-2016:

- 2015 Comprehensive Plan Update Recommended Draft for Adoption (September 2015)
- Zoning Code Amendment to create a conditional use for Conservation Cluster Housing Recommendation for Adoption (February, 2016)
- Tree Regulations Update Recommendation for Adoption (September, 2016)

Land use policy issues brought to Council in 2015-2016

- Retail Marijuana - Adopted (March 2015)
- Comprehensive Plan Update - Adopted (January 2016)
- Code Enforcement Process Update
- Land Use Process Update
- Tree Regulations Update

PLANNING AND BUILDING DEPARTMENT

Development Compliance Review and Inspection: This program involves review of development projects—from new hot water tanks to new subdivisions—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 compliance, public notification of complex projects, and construction inspections. In certain cases, compliance review involves a public hearing before the City’s Hearing Examiner, which the Department also supports.

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. The recently adopted update to the code enforcement regulations will improve the efficiency with which City staff is able to resolve violations. This activity is not offset by permit fees.

Tree Removal and Replacement: The City’s tree protection regulations were last updated in 2011. As a result of the recent increase in development activity, new updates will be considered by Council for adoption in late 2016. These updates will place a higher priority on preserving and protecting existing trees.

The City Arborist is retiring effective August 31, 2016. The Department will most likely seek a contract with an interim arborist and then determine if a request for proposals process is necessary to appoint a regular consulting arborist next year. Current charges for tree permits involving the City Arborist are based on fee of \$105 per hour. The City has been paying the outgoing arborist \$95 per hour. Initial inquiries show that potential interim arborists are charging \$135 per hour, so fees will most likely need to increase in 2017 to adjust for higher expenses.

Planning & Building Counter Assistance: The City places a high priority on providing timely, accurate information on land use and construction standards to the public. The permit counter has been receiving an average of 1800 visitors/year over the last few years. Many more received help by phone and email. In early 2017, a new permit system is scheduled for implementation that will allow applying for and checking the status of permits electronically.

Right-of-Way Permit Processing and Inspection: In addition to other duties, the Building Official also inspects the City’s streets to ensure they are properly repaired after utility crews finish their work. The permit fees for such projects go to the Street Fund and do not offset the cost of inspection.

Sewer Permit Processing and Inspection: The Permit Coordinator processes these permit applications, and the Building Official inspects the work. The Permit Coordinator’s salary is partially offset by permit fees.

PLANNING AND BUILDING DEPARTMENT

Planning and Building Department Staffing	(FTE)			
	2015	2016	2017	2018
Department Employee Count	4.00	4.00	5.00	5.00

Department Budget Summary, Planning and Building		
Description	2015-2016	2017-2018
<u>Planning</u>		
Copier Rental	-	3,554
Tree Acct. Operating Supplies	2,000	4,000
Tree Acct. Professional Svcs.	3,269	2,000
Salaries	398,614	472,288
Overtime	1,102	-
Employee Benefits	130,428	152,294
Office / Operating Supplies	10,012	8,446
Professional Services	104,357	64,000
Engineering Services	174,935	180,000
Communications	5,109	5,000
Travel Exp. (lodging, meals)	1,325	1,700
Advertising	4,710	12,000
Dues / Subscriptions	2,342	2,800
Training	3,184	3,000
Machinery & Equipment	4,315	31,000
Planning Total	845,703	942,083
<u>Building</u>		
Salaries	255,120	286,426
Overtime	2,728	-
Employee Benefits	90,325	94,074
Office / Operating Supplies	5,979	6,000
Professional Services	21,688	30,000
Fire Marshall Inspections	1,380	2,000
Communications	962	1,200
Dues / Subscriptions	530	600
Machinery & Equipment	5,168	6,000
Building Total	383,878	426,300
Planning and Building Total	1,229,581	1,368,383

PUBLIC WORKS DEPARTMENT

MISSION

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

WHAT WE DO

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



The City of Kenmore compensates the City of Lake Forest Park for its share of Public Works services through an interlocal agreement. This collaboration between the two cities enables Public Works to provide more efficient services by reducing response times and sharing fleet capital investment costs. Ultimately, this provides more cost-effective services than either city could provide individually.

Facility Maintenance, Funding Source: General Fund/ Other

The Public Works Department preserves all of the City's buildings through a janitorial contract and a facilities preventive maintenance program. This blend of service provides a safe, pleasant and productive work environment for city customers and staff. The City has three facilities: City Hall, the Public Works Office, and the Public Works Maintenance Shop.

Parks Maintenance, Funding Source: General Fund

The parks team provides landscape maintenance services to preserve and improve the quality of outdoor facilities. These maintenance services cover 34.58 acres of parks and open space. A broad range of equipment and skilled workers maintain and improve the variety of trees, shrubs, annual plants, grass areas, sport fields, irrigation systems, pathways (which span 30,000 feet), and parks amenities such as; drinking fountains, two tennis courts, viewing decks, boardwalks, parking areas, park signage, and outdoor play equipment.

PUBLIC WORKS DEPARTMENT

Streets, Funding Source: Street Fund

The Street Fund funds the maintenance and operations that includes pothole patching, skin patching, crack sealing, road shoulder maintenance, guard rail repair, snowplowing, sanding and 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 provided by the Transportation Benefit District's approved plan.

Surface Water Utility, Funding Source: Surface Water Utility Fund

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

Surface water utility funds are also used to implement the stormwater management program that seeks to improve water quality through public education and involvement, inspection, operations review and monitoring. This includes neighborhood environmental mini-grants and Stream Keepers' water quality monitoring.

Sewer Utility, Funding Source: Sewer Utility Fund

The Public Works Department operates and maintains a City sewer utility to ensure the health, safety, and welfare of citizens and visitors of Lake Forest Park. The Sewer Utility is responsible for the maintenance of approximately 225,000 feet of gravity sewer main, 11,000 feet of pressure main and two sewer lift stations. The City maintains relationships with adjoining cities, water districts, sewer districts, 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 2015-16 ACCOMPLISHMENTS

Facilities and Parks

- Maintained parks and facilities in light of ongoing 2015-2016 budget reductions
- Completed the design, permitting, and construction of phase II of Whispering Willow Park
- Repaired and maintained playground equipment at Horizon View Park
- Completed Lyon Creek Waterfront Preserve

Streets

- Completed NE 178th Street Phase 2 project - \$2.4 million project
- Maintained street signs, regulatory signs, and street markings
- Mowed 21 miles of slope
- Repaired streets with 40 tons of asphalt
- Overlaid 1.5 lane miles of street surface
- Collaborated with WSDOT to restrict turning from Brookside Blvd NE onto SR 522
- Coordinated with the Police Department to install no parking signs on NE 165th and 39th Ave NE
- Installed pedestrian flags at three major intersection to assist pedestrian travel



Surface Water

- Completed Lyon Creek Flood Reduction Project - \$6.5 million project
- Replaced McAleer Creek culvert at NE 178th Street
- Participated in the King County Flood Control District project review process
- Continued participation in the Lake Ballinger/McAleer Creek Forum
- Administered millions of dollars of county/state/federal funds for capital projects
- Maintained Water Quality permit compliance
- Maintained 8 miles of ditch lines
- Swept 1,025 miles of city streets

Sewer Utility

- 3500 residents served by the sewer utility
- 630 sewer locates

PUBLIC WORKS DEPARTMENT

- 2 sanitary sewer lift stations maintained
- 33 sewer grinder pumps serviced
- Completed digitization of sewer records

2017-18 PLANNED ACTIVITIES

Facilities and Parks

- Construct boardwalks over the wetlands on the McKinnon Creek Trail
- Work with volunteer groups to assist with parks maintenance
- Design restoration project to stabilize the Animal Acres Park slope
- Complete a Parks, Recreation and Open Space Plan (PROS Plan)
- Construct a picnic shelter in Animal Acres Park

Streets

- Continually inspect all transportation elements
- Provide crack sealing and overlays to protect the integrity of the road surface system
- Continually respond to needs evolving out of winter storm events
- Seek grant opportunities for street overlays and enhancements
- Pursue integrated multi-modal transportation opportunities

Surface Water Utility

- Develop a maintenance needs based inspection program of the City's surface water infrastructure with new NPDES Phase II Permit requirements including Low Impact Development code revisions and training
- Pursue federal, state and county funding for the replacement of undersized and deficient culverts throughout the City
- Improve water quality through public outreach, mini-grants, collaboration with upstream jurisdictions, and implementation of green infrastructure principles in capital projects.

Sewer Utility

- Proactively maintain the sewer utility
- 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
- Work towards integrating GIS platform into sewer utility

PUBLIC WORKS DEPARTMENT

Public Works Department Staffing	(FTE)			
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Department Employee Count	15.28	15.28	14.90	14.90

Department Budget Summary, Public Works		
Description	2015-2016	2017-2018
<u>Parks</u>		
Salaries	258,888	239,865
Overtime	5,607	12,069
On-Call Services	3,547	7,635
Employee Benefits	104,791	101,355
Safety Clothing / Boots	966	1,400
Office Supplies	412	800
Operating Supplies	11,167	17,000
Small Tools & Equipment	2,311	3,400
Professional Services	25,426	60,000
Communications	3,388	3,600
Travel Exp. (lodging, meals)	194	300
Equipment Rental	6,439	7,000
Insurance	16,070	17,784
Utilities	27,664	35,600
Repairs & Maintenance	42,318	56,000
Dues / Subscriptions	295	350
Training	1,101	600
Parks Total	510,583	564,758

PUBLIC WORKS DEPARTMENT

Department Budget Summary, Public Works		
Description	2015-2016	2017-2018
<u>Facilities</u>		
Salaries	61,949	63,770
Overtime	1,399	3,011
On-Call Services	887	1,909
Employee Benefits	27,465	26,665
Safety Clothing / Boots	476	700
Office Supplies	299	400
Operating Supplies	11,285	16,120
Small Tools & Equipment	1,607	3,000
Janitorial Contract	67,653	71,114
Professional Services	56,878	60,000
Communications	1,595	1,800
Travel Exp. (lodging, meals)	96	200
Equipment Rental	400	800
Insurance	8,009	8,864
Utilities - P.W. Facilities	3,774	6,000
Utilities - City Hall	103,320	116,870
Repairs & Maintenance	44,696	46,500
Emergency Management	1,000	2,000
Dues & Subscriptions	148	400
Training	551	200
Property Assessments	10,529	13,000
Comcast Broadcast Equip.	43,873	-
Bid Bond Deposit Refund	-	-
Facilities Total	447,888	443,323
<u>Street Maintenance</u>		
Road Surface Maintenance	21,857	40,500
Repairs & Maintenance	5,352	2,000
Shoulder Maintenance	16,590	24,000
Structure Maintenance	14,544	12,000
Street Lighting Maintenance	79,423	100,000
Sign Replacement	6,157	6,000
Sign Maintenance	26,780	40,000
Pavement Marking / Striping	45,810	32,000
Snow Plowing / Sanding	9,939	15,000
Roadside Maintenance	80,130	72,000
Street Maintenance Total	306,581	343,500

PUBLIC WORKS DEPARTMENT

Department Budget Summary, Public Works		
Description	2015-2016	2017-2018
<u>Street Operations</u>		
Salaries	362,304	377,104
Overtime	7,957	17,127
On-Call Services	5,025	10,817
Employee Benefits	155,748	156,118
Safety Clothing / Boots	1,428	2,000
Office Supplies	1,480	702
Operating Supplies	9,500	9,000
Small Tools & Equipment	2,842	3,000
Professional Services	57,971	66,000
Legal Publishing	171	-
Communications	4,520	5,000
Travel Exp. (lodging, meals)	290	400
Equipment Rental	4,000	5,000
Insurance	22,916	26,648
Utilities	3,095	2,200
Dues / Subscriptions	443	500
Training	2,868	3,000
Copier Rental	-	1,299
Street Operations Total	642,559	685,914
<u>Engineering Operations</u>		
Professional Services	60,500	142,500
Travel Exp. (lodging & meals)	56	200
Advertising	-	-
Training	250	-
Salaries	236,504	234,376
Overtime	146	-
Employee Benefits	87,848	94,590
Insurance	8,411	9,790
Dues / Subscriptions	316	400
Engineering Operations Total	394,031	481,856

PUBLIC WORKS DEPARTMENT

Department Budget Summary, Public Works		
Description	2015-2016	2017-2018
<u>Sewer Operations</u>		
Legal Expenses	13,171	5,000
Salaries	231,082	251,438
Overtime	4,150	8,267
On-Call Services	1,774	5,076
Employee Benefits	89,334	94,088
Safety Clothing / Boots	516	600
Office Supplies	1,156	1,702
Operating Supplies/Materials	10,882	8,000
Small Tools & Equipment	1,510	12,000
Professional Services	69,044	105,000
Communications	3,614	6,200
Travel Exp. (lodging, meals)	135	200
Advertising	400	1,000
Equipment Rental	3,000	2,000
Insurance	9,752	11,354
Utilities	6,671	6,000
Repairs & Maintenance	91,664	104,000
Dues & Subscriptions	914	200
Training	1,031	1,000
METRO Charges	4,040,832	4,258,226
Taxes & Assessments	50,329	42,000
Copier Rental	-	1,298
Ronald Assumption - Principal	124,000	19,000
Public Works Trust Fund-Ronald	16,712	18,000
Ronald Assumption - Interest	13,845	2,200
Public Works Trust Fund-Int.	1,838	40,000
Machinery & Equipment	15,000	29,000
Interfund Svc. To T. Cap.(302)	153,184	52,999
Sewer Operations Total	4,955,538	5,085,849

PUBLIC WORKS DEPARTMENT

<u>Surface Water Operations</u>		
Interfund Svc. To T. Cap.(302)	-	52,999
Legal Services	1,000	2,000
Copier Rental	-	-
Salaries	485,808	513,357
Overtime	8,876	-
On-Call Services	5,025	5,076
Employee Benefits	198,361	211,523
Safety Clothing / Boots	1,428	2,000
Office Supplies	1,443	702
Operating Supplies	14,718	14,000
Small Tools & Equipment	3,234	5,000
Prof. Services/Engineering	112,320	195,000
Communications	12,024	16,000
Travel Exp. (lodging, meals)	1,660	8,000
Equipment Rental	2,000	4,000
Insurance	22,916	26,648
Utilities	2,776	2,200
System Maintenance & Operation	286,580	300,000
Street Drainage Maintenance	106,430	110,000
Neighborhood Surface Water	31,108	10,000
Repairs & Maintenance	10,341	12,000
Dues / Subscriptions	20,585	25,000
Training	4,157	5,000
County Administration Billing	-	-
Taxes & Assessments	33,667	36,000
Surface Water Operations Total	1,366,456	1,503,507

PUBLIC WORKS DEPARTMENT

Department Budget Summary, Public Works		
Description	2015-2016	2017-2018
<u>Public Works Contract Operations</u>		
Salaries	799,371	837,198
Overtime	21,179	22,105
On-Call Services	13,302	13,438
Employee Benefits	367,158	361,928
Safety Clothing/Boots	3,861	5,000
Office Supplies	1,690	600
Operating Supplies	9,965	10,000
Small Tools & Equipment	10,953	13,000
Communications	14,071	17,000
Travel Exp. (lodging, meals)	782	1,000
Equipment Rental	3,500	7,000
Insurance	61,459	71,489
Utilities	2,609	6,000
Dues / Subscriptions	1,191	1,500
Training	5,059	5,000
Public Works Contract Operations Total	1,316,149	1,372,258

NON-OPERATING DEPARTMENT INFORMATION

2017-2018 ADOPTED BUDGET

- ☐ Vehicle and Equipment 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 of Lake Forest Park by setting aside funds for the purchase, replacement, operation, and repair of major City assets such as vehicles, machinery, major equipment, and network and computer hardware.



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 the Northshore Utility District.

Department Budget Summary, Vehicle and Equipment Replacement		
Description	2015-2016	2017-2018
Info.Svc. & Equip. Replacement	239,247	212,402
Public Works - Fuel	67,358	85,226
Public Works Equip. - Maint.	100,213	69,836
PD Vehicle Replacement	173,513	157,000
PW Equipment - Replacement	22,996	68,000
PW Vehicles - Replacement	160,121	224,169
Total	763,449	816,633

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 in excess of one year.

The 2017-2018 budget contains \$3.8 million in total fixed and capital asset expenditures. The majority of these expenditures are project expenditures for projects contained in the City's Capital Improvement Plan (CIP). It should be noted that not every expenditure included in the CIP is considered a capital or fixed asset, similarly, some fixed and capital asset expenditures are routine and/or reoccurring, and are not found in the CIP. All fixed and capital expenditures scheduled in the CIP to occur

during the 2017-2018 biennium are included in the adopted budget.

Recurring fixed and capital asset expenditures included in the 2017-2018 budget include the annual asphalt overlay and the replacement of vehicles and equipment per the replacement schedule. Below is a list of non-reoccurring fixed and capital expenditures that are included in the 2017-2018 budget, items are organized by fund.

Capital Improvement Fund

The Capital Improvement Fund budget includes \$540,000 to acquire a new park property; the new park is expected to accommodate a number of uses including some active recreation. The Capital Improvement Fund budget also includes \$279,000 for improvements in Animal Acres and Eagle Scout parks. The improvements include a picnic structure, development of the aforementioned new park property, and the redevelopment of Eagle Scout Park. The budget also includes \$90,000 for the development of a new trail in the City and \$35,000 to replace the existing tennis court lighting at the courts adjacent to Lake Forest Park Elementary. The purpose of all of these items is to increase recreation opportunities in the City, advancing the Strategic Plan Goals of Healthy Environment and Community Vitality.

Transportation Capital Fund

The Transportation Capital Fund budget includes multiple items that advance the Strategic Plan Goal of Mobility. The budgeted items include: \$150,000 to upgrade many of the ADA ramps in the City; \$160,000 for early action investments to fund safety improvements recommended by the upcoming safe streets study; and \$60,000 to begin a project to add sidewalks to a section of 37th Avenue.

Capital Facilities Maintenance Fund

The Capital Facilities Maintenance Fund budget provides for the maintenance and upgrades to City owned facilities including \$54,000 for City Hall security improvements and \$214,000 and \$38,000 for maintenance of the City Hall and Public Works buildings, respectively. The purpose of these

FIXED AND CAPITAL ASSETS

investments is to preserve and improve City facilities; these investments are consistent with the Strategic Plan Goal of Accountable and Engaged Government.

Sewer Utility Fund

The Sewer Utility Fund budget includes \$50,000 to purchase a camera for sewer inspections. In the long run this investment is expected to lower operating costs for the sewer resulting in savings for sewer customers. Currently, inspections of this type are performed under contract by third parties or by staff with rented equipment. This investment supports the Strategic Plan Goal of Accountable and Engaged Government.

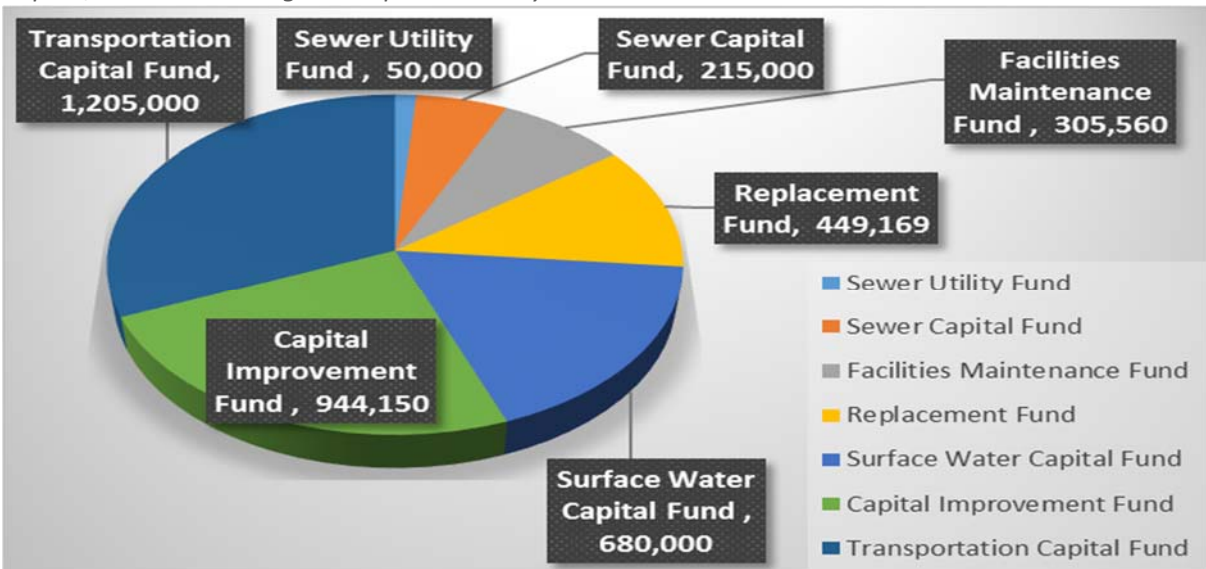
Sewer Capital Fund

The Sewer Capital Fund budget includes \$215,000 to replace the aging Beach Drive lift stations. The investment will improve the reliability of the sewer system and is consistent with the Strategic Plan Goals of Healthy Environment and Accountable and Engaged Government.

Surface Water Capital Fund

The Surface Water Capital Fund budget includes \$680,000 for culvert replacement during the biennium. The investment will replace aging and structurally deficient culverts and improve fish passage advancing the Strategic Plan Goal of Healthy Environment.

Capital/Fixed Asset Budgeted Expenditures by Fund



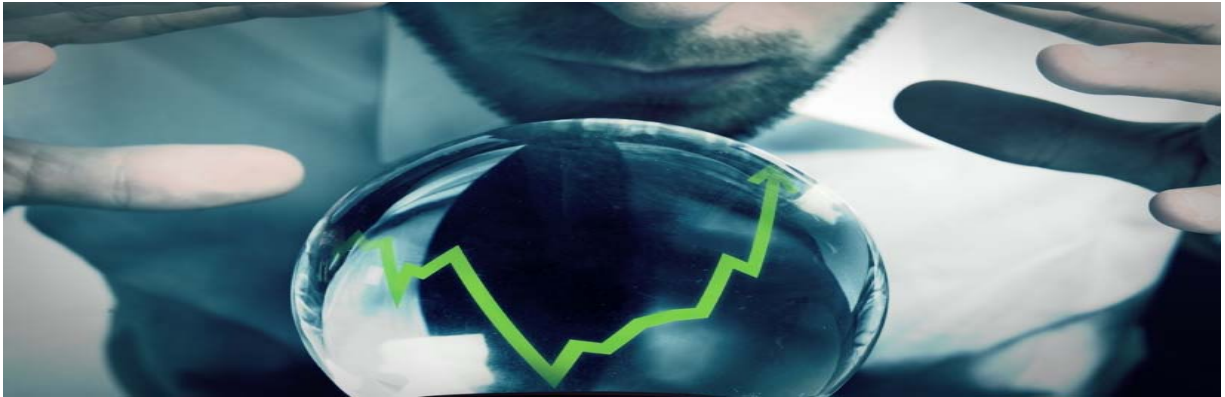
The above graph shows the value of budgeted capital expenditures by fund. More information regarding fixed and capital asset expenditures can be found in the Capital Improvement Plan that is available on the City's website (cityofflp.com) and in the department section titled Vehicle and Equipment Services and Replacement Fund.

APPENDIX

2017-2018 ADOPTED BUDGET

- ☐ Six Year Financial Forecast
- ☐ Comprehensive Financial Management Policies
- ☐ Glossary and Acronyms

SIX YEAR FINANCIAL FORECAST



The City utilizes a six year financial forecast (the “forecast”) as one of its long range financial planning tools; the Comprehensive Financial Management Policies call for an update of the forecast during budget development and during the mid-biennial budget adjustment. The Comprehensive Financial Management Policies state that prudent revenue and expenditure assumptions will be used in the development of the forecast.

The forecast displays line item level detail for all budgeted funds for a six year period. The forecast includes the line item detail used in the 2017-2018 biennial budget development and applies an annual “projection factor” to the 2018 line items to estimate subsequent years’ revenue and expenditures. The projection factor used for each line item is found in the far right column of the forecast. In most cases the projection factor is an inflationary percentage. Several items of revenue and expenditure, however, are expected to increase at a rate that differs from inflation and utilize a different projection factor. These items include: property tax, traffic camera revenue, court revenue, capital improvement plan expenditures, grants, interfund transfers, and Transportation Benefit District fees.

Beginning fund balances are included for each budgeted fund to show the effects of the prior year revenues and expenditures on fund balance; beginning fund balance is the first line item under each fund title.

ASSUMPTIONS

The following are notable assumptions used in the development of the forecast.

Baseline. Expenditures used in the forecast assume that levels of service and the costs to provide services will remain constant throughout the six year period. Inflation is accounted for in the forecast.

Capital Improvement Plan (CIP). Projects from the adopted CIP are included for all six years of the forecast.

SIX YEAR FINANCIAL FORECAST

Healthcare Costs. Healthcare costs are projected to grow at a rate above inflation for the six year period; this is accounted for in the forecast by applying an annual projection factor of 4% to all benefits.

Inflation. Inflation is accounted for in the forecast; the rate used is based on economist's estimates/projections for the six year period. The projected annual inflation was calculated as the average of economists' estimates for the six year period and is applied beginning with year three of the forecast (2019). The calculated annual value for inflation is 2.64%.

One-Time Items. One-time items occurring during the 2017-2018 biennium have been removed and are not presented in subsequent years of the forecast.

Sales Tax and Related. Revenues from sales tax are projected to grow at a faster rate than inflation based on economist's estimates. The annual rate of increase used in the forecast is 3.94%.

FORECAST SCHEDULE NOTES

Rounding

The forecast displays a level of detail that is used in budget development, but is not adopted and not present elsewhere in the budget document. Due to the level of detail presented, the effects of rounding are present, as a result some amounts may differ slightly from other schedules in the budget document.

Capital Improvement Plan (CIP)

Amounts forecasted for capital funds are based on the adopted CIP and in some cases include operations, which are not included in the CIP. The complete adopted CIP document can be found on the City's website at cityofflp.com.

100% Projection Factor

Some line items in the schedule have a projection factor of 100% which indicates that the line item is either not reoccurring and/or is not expected to increase at the rate of inflation.

Six Year Financial Forecast

							Projection
Description	2017 Budget	2018 Budget	2019	2020	2021	2022	Factor
General Fund							
Beginning Fund Balance	1,924,835	1,922,348	1,825,860	1,737,465	1,704,797	1,620,603	
Property Tax	3,111,742	3,176,415	3,219,297	3,262,758	3,306,805	3,351,447	101.35%
Sales and Use Tax	889,072	926,502	963,006	1,000,948	1,040,386	1,081,377	103.94%
Local Criminal Justice / State	313,212	326,398	339,258	352,625	366,518	380,959	103.94%
Business Tax	282,014	259,947	270,189	280,834	291,899	303,400	103.94%
Solid Waste Collection Tax	97,727	98,704	101,305	103,974	106,714	109,526	102.64%
Utility Tax	555,000	560,550	575,349	590,538	606,128	622,130	102.64%
Sea. City Light Contract Fee	279,687	293,671	301,424	309,382	317,549	325,933	102.64%
Admission Tax	13,000	13,000	13,000	13,000	13,000	13,000	100.00%
Cable Television Franchise Fee	226,600	233,398	239,560	245,884	252,375	259,038	102.64%
Telecommunication Franchise	7,500	7,500	7,698	7,901	8,110	8,324	102.64%
Business Licenses	50,000	50,000	51,320	52,675	54,065	55,493	102.64%
Construction Permits	275,000	250,000	256,600	263,374	270,327	277,464	102.64%
Land Use Permits	96,000	86,000	88,270	90,601	92,993	95,448	102.64%
Plumbing Permits	55,000	45,000	46,188	47,407	48,659	49,944	102.64%
Mechanical Permits	44,500	34,500	35,411	36,346	37,305	38,290	102.64%
Concealed Weapon Permit / City	1,500	1,500	1,540	1,580	1,622	1,665	102.64%
Development Tech. Surcharge	23,525	20,775	21,323	21,886	22,464	23,057	102.64%
Other Licenses / Permits	32,500	32,500	33,358	34,239	35,143	36,070	102.64%
Bulletproof Vest Partnership	1,000	1,000	1,026	1,053	1,081	1,110	102.64%
Coordinated Prevention Grant	3,500	3,500	3,592	3,687	3,785	3,884	102.64%
Traffic Safety Comm. Grant	6,500	6,500	6,672	6,848	7,029	7,214	102.64%
Multimodal Transportation City	13,587	13,587	13,946	14,314	14,692	15,080	102.64%
Criminal Justice - Population	4,011	4,011	4,117	4,226	4,337	4,452	102.64%
CJ - Special Programs	13,458	13,458	13,813	14,178	14,552	14,936	102.64%
DUI Distribution	2,000	2,000	2,053	2,107	2,163	2,220	102.64%
Liquor Excise Tax	60,430	60,430	62,025	63,663	65,344	67,069	102.64%
Liquor Board Profits	109,343	109,343	112,230	115,193	118,234	121,355	102.64%
Marijuana Excise Tax	7,505	7,505	7,703	7,906	8,115	8,329	102.64%
Local Hazardous Waste Grant	8,000	8,000	8,211	8,428	8,650	8,879	102.64%
KC Waste Reduction Recycling	10,660	10,660	10,941	11,230	11,527	11,831	102.64%
Interfund Svc. From Fund (403)	49,439	56,680	58,177	59,712	61,289	62,907	102.64%
Interfund Svc. From Fund (401)	79,226	85,414	87,669	89,984	92,359	94,797	102.64%
Interfund Svc. From Fund (101)	57,493	58,355	59,896	61,477	63,100	64,766	102.64%
Interfund Svc. From Fund (450)	58,025	58,895	60,450	62,046	63,684	65,365	102.64%
Interfund Svc. From Fund (634)	1,234	1,253	1,286	1,320	1,355	1,390	102.64%
Interfund Svc. From Fund (302)	20,161	20,463	21,004	21,558	22,127	22,711	102.64%
Interfund Svc. From (301)	1,646	1,671	1,715	1,760	1,807	1,855	102.64%
Interfund Svc. From (501)	4,115	4,177	4,287	4,400	4,516	4,635	102.64%
Passport Rev. (Passport/Photo)	120,000	110,000	112,904	115,885	118,944	122,084	102.64%
Adult Probation Services	-	-	-	-	-	-	102.64%
Television/Cable Sub. Fee	12,000	12,000	12,317	12,642	12,976	13,318	102.64%
Support Service From TBD (104)	1,000	1,000	1,026	1,053	1,081	1,110	102.64%
Animal Control Reimbursement	5,000	5,000	5,132	5,267	5,407	5,549	102.64%
Other Civil Penalties	-	-	-	-	-	-	102.64%
Traffic Infraction Penalties	-	-	-	-	-	-	102.64%
Traffic Safety Camera Fines	1,025,000	1,125,000	1,147,500	1,170,450	1,193,859	1,217,736	102.00%
Legislative Assessment	-	-	-	-	-	-	102.64%
Civil Parking Infraction Penal	-	-	-	-	-	-	102.64%
DUI Fines	-	-	-	-	-	-	102.64%
Other Crim.Traffic Misdemeanor	-	-	-	-	-	-	102.64%
Other Crim. Non-Traffic Fines	-	-	-	-	-	-	102.64%
Court Costs Recouped	-	-	-	-	-	-	102.64%
Misc. G.F. Court Revenue	205,833	205,833	209,949	214,148	218,431	222,800	102.00%
Investment Interest	4,000	4,000	4,106	4,214	4,325	4,439	102.64%
Sales Tax Interest-State Treas	300	300	308	316	324	333	102.64%
Facility Rental Fees	-	-	-	-	-	-	102.64%
Space & Facilities Leases	-	-	-	-	-	-	102.64%

Six Year Financial Forecast

Description	2017 Budget	2018 Budget	2019	2020	2021	2022	Projection Factor
Donations	-	-	-	-	-	-	102.64%
Donations-Public Safety	-	-	-	-	-	-	102.64%
Safe Harbor Donations (DV)	-	-	-	-	-	-	102.64%
City Forestry Account	5,000	5,000	5,132	5,267	5,407	5,549	102.64%
Forfeits / Asset Seizure	-	-	-	-	-	-	102.64%
Restitution	-	-	-	-	-	-	102.64%
Cash Adjustments	-	-	-	-	-	-	102.64%
Miscellaneous Court Fees	-	-	-	-	-	-	102.64%
Notary Services	800	800	821	843	865	888	102.64%
Fingerprinting Services	50	50	51	53	54	55	102.64%
Miscellaneous Revenue	5,000	5,000	5,132	5,267	5,407	5,549	102.64%
Emergency Services	4,000	4,000	4,106	4,214	4,325	4,439	102.64%
School Safety Speed	-	-	-	-	-	-	102.64%
FSA Forfeitures	-	-	-	-	-	-	102.64%
Insurance Recoveries	-	-	-	-	-	-	102.64%
Total General Fund Revenue	8,252,892	8,421,245	8,613,391	8,810,662	9,013,211	9,221,199	
Internal Svc. To Fund (501)	227,171	227,171	233,168	239,324	245,642	252,127	102.64%
Interfund Svc. To Fund (302)	-	-	-	-	-	-	102.64%
Transfer to PW Fac. Bond (202)	11,201	-	-	-	-	-	102.64%
Trans To Budget Stable (105)	-	-	-	-	-	-	102.64%
<u>Legislative Department</u>							
Salaries	50,400	50,400	51,731	53,096	54,498	55,937	102.64%
Employee Benefits	4,046	4,046	4,208	4,376	4,551	4,733	104.00%
Supplies	600	600	616	632	649	666	102.64%
Professional Services	15,000	15,750	16,166	16,593	17,031	17,480	102.64%
Communication-Legislative Act.	4,000	4,000	4,106	4,214	4,325	4,439	102.64%
Travel Exp. (lodging, meals)	6,000	6,000	6,158	6,321	6,488	6,659	102.64%
Conference - Training	3,000	3,000	3,079	3,160	3,244	3,330	102.64%
<u>Executive Department</u>							
Salaries	297,215	308,734	316,885	325,250	333,837	342,650	102.64%
Employee Benefits	103,962	108,879	113,234	117,763	122,474	127,373	104.00%
Office/Operating Supplies	1,500	1,500	1,540	1,580	1,622	1,665	102.64%
Small Tools and Equipment	200	200	205	211	216	222	102.64%
Professional Services	42,110	40,110	41,169	42,256	43,371	44,516	102.64%
Communications	5,250	5,250	5,389	5,531	5,677	5,827	102.64%
Travel Exp. (lodging, meals)	4,275	4,275	4,388	4,504	4,623	4,745	102.64%
Dues / Subscriptions	1,795	1,825	1,873	1,923	1,973	2,025	102.64%
Training	6,875	6,875	7,057	7,243	7,434	7,630	102.64%
Volunteer & Staff Recognition	3,000	3,000	3,079	3,160	3,244	3,330	102.64%
Mayor's Reserve	45,000	45,000	46,188	47,407	48,659	49,944	102.64%
<u>Legal</u>							
Other Legal Services	135,000	135,000	138,564	142,222	145,977	149,831	102.64%
<u>Municipal Services Department</u>							
Salaries	317,359	325,293	333,880	342,695	351,742	361,028	102.64%
Employee Benefits	100,753	105,267	109,478	113,857	118,411	123,148	104.00%
Office/Operating Supplies	15,000	15,000	15,396	15,802	16,220	16,648	102.64%
Professional Services	5,500	21,450	22,016	22,598	23,194	23,806	102.64%
LFP Code Update	3,000	3,000	3,079	3,160	3,244	3,330	102.64%
Communications	14,000	14,000	14,370	14,749	15,138	15,538	102.64%
Newsletter	20,000	20,000	20,528	21,070	21,626	22,197	102.64%
Communications / Internet	6,000	6,000	6,158	6,321	6,488	6,659	102.64%
Travel Exp. (lodging, meals)	1,800	1,800	1,848	1,896	1,946	1,998	102.64%
Advertising	1,500	1,500	1,540	1,580	1,622	1,665	102.64%
Postage Equipment Rental	2,300	2,300	2,361	2,423	2,487	2,553	102.64%
Insurance	78,257	82,169	84,339	86,565	88,850	91,196	102.64%
Repairs & Maintenance	2,000	2,000	2,053	2,107	2,163	2,220	102.64%
Dues / Subscriptions	1,500	1,500	1,540	1,580	1,622	1,665	102.64%
Training	2,000	2,000	2,053	2,107	2,163	2,220	102.64%

Six Year Financial Forecast

Description	2017 Budget	2018 Budget	2019	2020	2021	2022	Projection Factor
Taxes & Assessments (Passport)	2,000	2,000	2,053	2,107	2,163	2,220	102.64%
Copier Rental	4,322	4,322	4,436	4,553	4,673	4,797	102.64%
Machinery & Equipment	2,678	2,678	2,749	2,821	2,896	2,972	102.64%
Election/Voter Costs	45,000	25,000	25,660	26,337	27,033	27,746	102.64%
Association of WA Cities	8,750	8,750	8,981	9,218	9,461	9,711	102.64%
Puget Sound Regional Council	6,300	6,300	6,466	6,637	6,812	6,992	102.64%
Sound Cities Association	8,000	8,000	8,211	8,428	8,650	8,879	102.64%
SeaShore Transportation Forum	200	200	205	211	216	222	102.64%
Puget Sound Clean Air Agency	11,500	12,000	12,317	12,642	12,976	13,318	102.64%
National League of Cities	1,489	1,489	1,528	1,569	1,610	1,653	102.64%
OMWBE	100	100	103	105	108	111	102.64%
NUHSA - N. Urban H.S. Alliance	1,000	1,000	1,026	1,053	1,081	1,110	102.64%
<u>Finance and IT Department</u>							
Salaries	413,745	429,089	440,417	452,044	463,978	476,227	102.64%
Employee Benefits	130,005	135,317	140,730	146,359	152,213	158,302	104.00%
Office / Operating Supplies	7,000	7,000	7,185	7,374	7,569	7,769	102.64%
Professional Services	4,500	29,500	30,279	31,078	31,899	32,741	102.64%
Communications	3,750	3,750	3,849	3,951	4,055	4,162	102.64%
Travel Exp. (lodging, meals)	3,500	3,500	3,592	3,687	3,785	3,884	102.64%
Copier Rental	2,640	2,640	2,710	2,781	2,855	2,930	102.64%
Dues / Subscriptions	1,000	1,000	1,026	1,053	1,081	1,110	102.64%
Training	3,000	3,000	3,079	3,160	3,244	3,330	102.64%
Machinery & Equipment	1,000	1,000	1,026	1,053	1,081	1,110	102.64%
Municipal Auditor Expenses	36,000	18,000	18,475	18,963	19,464	19,977	102.64%
<u>Municipal Court</u>							
Salaries	339,135	345,291	354,406	363,763	373,366	383,223	102.64%
Employee Benefits	127,835	133,513	138,853	144,407	150,184	156,191	104.00%
Court Supplies	7,553	7,553	7,752	7,957	8,167	8,383	102.64%
Court Banking Fees	3,050	3,050	3,131	3,213	3,298	3,385	102.64%
Youth Court Supplies	2,042	2,042	2,096	2,151	2,208	2,266	102.64%
Small Tools & Equipment	150	150	154	158	162	166	102.64%
Prof. Svcs.-Security & Pro-tem	13,102	13,102	13,448	13,803	14,167	14,541	102.64%
Communications	5,500	5,500	5,645	5,794	5,947	6,104	102.64%
Travel Exp. (lodging, meals)	1,200	1,200	1,232	1,264	1,298	1,332	102.64%
Insurance	15,261	16,024	16,447	16,881	17,327	17,784	102.64%
Repair & Maintenance	250	250	257	263	270	277	102.64%
Dues - Subscriptions	1,500	1,500	1,540	1,580	1,622	1,665	102.64%
Training	1,000	1,000	1,026	1,053	1,081	1,110	102.64%
Jury Service	1,500	1,500	1,540	1,580	1,622	1,665	102.64%
Interpreters	3,000	3,000	3,079	3,160	3,244	3,330	102.64%
Salaries - Pro Tem	2,500	2,500	2,566	2,634	2,703	2,775	102.64%
Employee Benefits - Pro Tem	220	220	226	232	238	244	102.64%
Probation Supplies	5,000	5,000	5,132	5,267	5,407	5,549	102.64%
Copier Rental	2,283	2,283	2,343	2,405	2,469	2,534	102.64%
Machinery & Equipment	500	500	513	527	541	555	102.64%
<u>Other Criminal Justice</u>							
Prosecutor	87,720	89,475	91,837	94,262	96,750	99,304	102.64%
Public Defender	95,000	95,000	97,508	100,082	102,724	105,436	102.64%
<u>Police Department</u>							
Salaries	1,896,332	1,948,059	1,999,488	1,944,275	1,995,603	2,048,287	102.64%
Overtime	95,000	95,000	97,508	100,082	102,724	105,436	102.64%
Employee Benefits	724,508	762,028	792,509	824,209	857,178	891,465	104.00%
LEOFF 1 Expenses	35,000	35,000	35,924	36,872	37,846	38,845	102.64%
Disability Insurance	3,813	3,813	3,914	4,017	4,123	4,232	102.64%
Uniform Expenses	21,000	21,000	21,554	22,123	22,707	23,307	102.64%
Police - Dry Cleaning Contract	600	600	616	632	649	666	102.64%
Police - Badges & Vests	9,000	9,000	9,238	9,481	9,732	9,989	102.64%
Supplies - General	9,960	9,960	10,223	10,493	10,770	11,054	102.64%
Operations / Vehicle Supplies	23,500	23,500	24,120	24,757	25,411	26,082	102.64%

Six Year Financial Forecast

Description	2017 Budget	2018 Budget	2019	2020	2021	2022	Projection Factor
K-9 Narcotics	5,000	5,000	5,132	5,267	5,407	5,549	102.64%
Fuel	33,500	33,500	34,384	35,292	36,224	37,180	102.64%
Small Tools & Equipment	1,000	1,000	1,026	1,053	1,081	1,110	102.64%
Professional Services	22,000	22,000	22,581	23,177	23,789	24,417	102.64%
Communications	55,000	55,000	56,452	57,942	59,472	61,042	102.64%
Travel Exp. (lodging, meals)	8,000	8,000	8,211	8,428	8,650	8,879	102.64%
Insurance	104,932	110,178	113,087	116,073	119,137	122,282	102.64%
Vehicle Repair & Maintenance	42,000	42,000	43,109	44,247	45,415	46,614	102.64%
Office Equip.- Repair & Maint.	2,373	2,373	2,436	2,500	2,566	2,634	102.64%
Operations Repair/Maintenance	2,000	2,000	2,053	2,107	2,163	2,220	102.64%
Dues / Subscriptions	6,950	6,950	7,133	7,322	7,515	7,713	102.64%
Training	15,000	15,000	15,396	15,802	16,220	16,648	102.64%
Call Out Services - SWAT	2,200	2,200	2,258	2,318	2,379	2,442	102.64%
Copier Rental	5,667	5,667	5,817	5,970	6,128	6,290	102.64%
Safe Harbor Expenses (DV)	500	500	513	527	541	555	102.64%
Computer Hardware/Software	2,000	2,000	2,053	2,107	2,163	2,220	102.64%
Machinery & Equipment	6,500	6,500	6,672	6,848	7,029	7,214	102.64%
Supplies	2,500	2,500	2,566	2,634	2,703	2,775	102.64%
Comm. Oriented Policing Prog.	5,000	5,000	5,132	5,267	5,407	5,549	102.64%
Office / Operating Supplies	500	500	513	527	541	555	102.64%
Professional Services	31,000	31,000	31,846	32,728	33,647	34,603	102.64%
Travel Expenses	500	500	513	527	541	555	102.64%
Training	1,000	1,000	1,026	1,053	1,081	1,110	102.64%
Machinery & Equipment	2,000	2,000	2,053	2,107	2,163	2,220	102.64%
Professional Services	465,000	465,000	477,276	489,876	502,809	516,083	102.64%
Equipment Maintenance	27,500	27,500	28,226	28,971	29,736	30,521	102.64%
Contracted Services	103,760	107,910	110,759	113,683	116,684	119,765	102.64%
Supplies	500	500	513	527	541	555	102.64%
Professional Services	6,500	8,500	8,724	8,955	9,191	9,434	102.64%
Travel Exp.(lodging, meals)	700	700	718	737	757	777	102.64%
Training	200	200	205	211	216	222	102.64%
Animal Control Services	8,000	8,000	8,211	8,428	8,650	8,879	102.64%
Tree Acct. Operating Supplies	4,000	-	-	-	-	-	102.64%
Tree Acct. Professional Svcs.	2,000	-	-	-	-	-	102.64%
Jail Expenses	132,500	132,500	135,998	139,588	143,273	147,056	102.64%
Elec. Monitor/Wk. Release	25,000	25,000	25,660	26,337	27,033	27,746	102.64%
<u>Community Programs</u>							
Salaries	60,233	61,739	63,369	65,042	66,759	68,521	102.64%
Overtime	500	500	513	527	541	555	102.64%
Employee Benefits	18,587	19,527	20,308	21,120	21,965	22,843	104.00%
Office / Operating Supplies	150	150	154	158	162	166	102.64%
Community Development	27,000	27,000	27,713	28,444	29,195	29,966	102.64%
Lake Forest Park Arts Council	16,500	16,500	16,936	17,383	17,842	18,313	102.64%
Communications	3,000	3,000	3,079	3,160	3,244	3,330	102.64%
Travel Exp. (lodging, meals)	150	150	154	158	162	166	102.64%
Dues / Subscriptions	1,000	1,000	1,026	1,053	1,081	1,110	102.64%
Training	300	300	308	316	324	333	102.64%
Senior Services	17,000	17,000	17,449	17,909	18,382	18,868	102.64%
Teen Services	500	500	513	527	541	555	102.64%
Middle - After School Prog.	12,000	12,000	12,317	12,642	12,976	13,318	102.64%
Drug & Alcohol Prevention	17,000	17,000	17,449	17,909	18,382	18,868	102.64%
Recreation Programs	17,600	17,600	18,065	18,542	19,031	19,533	102.64%
Local Hazardous Waste Grant	8,000	8,000	8,211	8,428	8,650	8,879	102.64%
Coordinated Prevention Grant	3,000	3,000	3,079	3,160	3,244	3,330	102.64%
Waste Reduction/Recycle Grant	5,000	5,000	5,132	5,267	5,407	5,549	102.64%
King County Alcohol Program	3,000	3,000	3,079	3,160	3,244	3,330	102.64%
<u>Planning and Building Department</u>							
Copier Rental	1,777	1,777	1,824	1,872	1,921	1,972	102.64%
Salaries	223,970	248,319	204,874	210,283	215,835	221,533	102.64%

Six Year Financial Forecast

Description	2017 Budget	2018 Budget	2019	2020	2021	2022	Projection Factor
Employee Benefits	74,808	77,486	70,586	73,409	76,345	79,399	104.00%
Office / Operating Supplies	4,223	4,223	4,334	4,449	4,566	4,687	102.64%
Professional Services	32,000	32,000	32,845	33,712	34,602	35,515	102.64%
Engineering Services	90,000	90,000	92,376	94,815	97,318	99,887	102.64%
Communications	2,500	2,500	2,566	2,634	2,703	2,775	102.64%
Travel Exp. (lodging, meals)	850	850	872	895	919	943	102.64%
Advertising	6,000	6,000	6,158	6,321	6,488	6,659	102.64%
Dues / Subscriptions	1,400	1,400	1,437	1,475	1,514	1,554	102.64%
Training	1,500	1,500	1,540	1,580	1,622	1,665	102.64%
Machinery & Equipment	15,500	15,500	15,909	16,329	16,760	17,203	102.64%
Salaries	141,445	144,981	148,809	152,737	156,769	160,908	102.64%
Employee Benefits	46,035	48,039	49,308	50,609	51,945	53,317	102.64%
Office / Operating Supplies	3,000	3,000	3,079	3,160	3,244	3,330	102.64%
Professional Services	15,000	15,000	15,396	15,802	16,220	16,648	102.64%
Fire Marshall Inspections	1,000	1,000	1,026	1,053	1,081	1,110	102.64%
Communications	600	600	616	632	649	666	102.64%
Dues / Subscriptions	300	300	308	316	324	333	102.64%
Machinery & Equipment	3,000	3,000	3,079	3,160	3,244	3,330	102.64%
<u>Parks</u>							
Salaries	118,452	121,413	124,618	127,908	131,285	134,751	102.64%
Overtime	5,887	6,182	6,345	6,512	6,684	6,861	102.64%
On-Call Services	3,725	3,911	4,014	4,120	4,229	4,340	102.64%
Employee Benefits	50,171	51,184	53,231	55,361	57,575	59,878	104.00%
Safety Clothing / Boots	700	700	718	737	757	777	102.64%
Office Supplies	400	400	411	421	433	444	102.64%
Operating Supplies	11,000	6,000	6,158	6,321	6,488	6,659	102.64%
Small Tools & Equipment	1,700	1,700	1,745	1,791	1,838	1,887	102.64%
Professional Services	5,000	55,000	56,452	57,942	59,472	61,042	102.64%
Communications	1,800	1,800	1,848	1,896	1,946	1,998	102.64%
Travel Exp. (lodging, meals)	150	150	154	158	162	166	102.64%
Equipment Rental	3,500	3,500	3,592	3,687	3,785	3,884	102.64%
Insurance	8,675	9,109	9,349	9,596	9,849	10,110	102.64%
Utilities	17,700	17,900	18,373	18,858	19,355	19,866	102.64%
Repairs & Maintenance	28,000	28,000	28,739	29,498	30,277	31,076	102.64%
Dues / Subscriptions	175	175	180	184	189	194	102.64%
Training	300	300	308	316	324	333	102.64%
<u>Facilities</u>							
Salaries	31,491	32,279	33,131	34,006	34,903	35,825	102.64%
Overtime	1,469	1,542	1,583	1,624	1,667	1,711	102.64%
On-Call Services	931	978	1,004	1,030	1,057	1,085	102.64%
Employee Benefits	13,191	13,474	14,013	14,573	15,156	15,763	104.00%
Safety Clothing / Boots	350	350	359	369	378	388	102.64%
Office Supplies	200	200	205	211	216	222	102.64%
Operating Supplies	8,000	8,120	8,334	8,554	8,780	9,012	102.64%
Small Tools & Equipment	1,500	1,500	1,540	1,580	1,622	1,665	102.64%
Janitorial Contract	35,118	35,996	36,946	37,922	38,923	39,950	102.64%
Professional Services	30,000	30,000	30,792	31,605	32,439	33,296	102.64%
Communications	900	900	924	948	973	999	102.64%
Travel Exp. (lodging, meals)	100	100	103	105	108	111	102.64%
Equipment Rental	400	400	411	421	433	444	102.64%
Insurance	4,324	4,540	4,660	4,783	4,909	5,039	102.64%
Utilities - P.W. Facilities	3,000	3,000	3,079	3,160	3,244	3,330	102.64%
Utilities - City Hall	58,000	58,870	60,424	62,019	63,657	65,337	102.64%
Repairs & Maintenance	23,000	23,500	24,120	24,757	25,411	26,082	102.64%
Emergency Management	1,000	1,000	1,026	1,053	1,081	1,110	102.64%
Dues & Subscriptions	200	200	205	211	216	222	102.64%
Training	100	100	103	105	108	111	102.64%
Property Assessments	6,500	6,500	6,672	6,848	7,029	7,214	102.64%
Total General Fund Expenditure	8,255,380	8,517,732	8,701,786	8,843,330	9,097,404	9,359,010	

Six Year Financial Forecast

Description	2017 Budget	2018 Budget	2019	2020	2021	2022	Projection Factor
Street Fund							
Beginning Fund Balance	700,836	696,269	629,389	560,743	490,285	417,967	
R.O.W. Permits - Construction	60,000	60,000	61,584	63,210	64,879	66,591	102.64%
ROW Rev. / Utility Franchise	200,000	200,000	205,280	210,699	216,262	221,971	102.64%
R.O.W. Permits	4,000	4,000	4,106	4,214	4,325	4,439	102.64%
Gas Taxes (MVET Cities)	281,575	281,575	289,009	296,638	304,470	312,508	102.64%
Roadway Maint. From TBD (104)	-	-	-	-	-	-	102.64%
Kenmore Interlocal Reimb.	-	-	-	-	-	-	102.64%
Investment Interest	2,000	2,000	2,053	2,107	2,163	2,220	102.64%
FSA Forfeitures	-	-	-	-	-	-	102.64%
Total Street Fund Revenue	547,575	547,575	562,031	576,869	592,098	607,729	
Road Surface Maintenance	20,000	20,500	21,041	21,597	22,167	22,752	102.64%
Repairs & Maintenance	1,000	1,000	1,026	1,053	1,081	1,110	102.64%
Shoulder Maintenance	12,000	12,000	12,317	12,642	12,976	13,318	102.64%
Structure Maintenance	6,000	6,000	6,158	6,321	6,488	6,659	102.64%
Street Lighting Maintenance	50,000	50,000	51,320	52,675	54,065	55,493	102.64%
Sign Replacement	3,000	3,000	3,079	3,160	3,244	3,330	102.64%
Sign Maintenance	20,000	20,000	20,528	21,070	21,626	22,197	102.64%
Pavement Marking / Striping	16,000	16,000	16,422	16,856	17,301	17,758	102.64%
Snow Plowing / Sanding	7,500	7,500	7,698	7,901	8,110	8,324	102.64%
Roadside Maintenance	36,000	36,000	36,950	37,926	38,927	39,955	102.64%
Salaries	186,224	190,880	195,919	201,091	206,400	211,849	102.64%
Overtime	8,355	8,772	9,004	9,242	9,486	9,736	102.64%
On-Call Services	5,276	5,540	5,687	5,837	5,991	6,149	102.64%
Employee Benefits	77,225	78,893	80,976	83,114	85,308	87,560	102.64%
Safety Clothing / Boots	1,000	1,000	1,026	1,053	1,081	1,110	102.64%
Office Supplies	351	351	360	370	380	390	102.64%
Operating Supplies	4,500	4,500	4,619	4,741	4,866	4,994	102.64%
Small Tools & Equipment	1,500	1,500	1,540	1,580	1,622	1,665	102.64%
Professional Services	33,000	33,000	33,871	34,765	35,683	36,625	102.64%
Legal Publishing	-	-	-	-	-	-	102.64%
Communications	2,500	2,500	2,566	2,634	2,703	2,775	102.64%
Travel Exp. (lodging, meals)	200	200	205	211	216	222	102.64%
Equipment Rental	2,500	2,500	2,566	2,634	2,703	2,775	102.64%
Insurance	12,999	13,649	14,009	14,379	14,759	15,148	102.64%
Utilities	1,100	1,100	1,129	1,159	1,189	1,221	102.64%
Dues / Subscriptions	250	250	257	263	270	277	102.64%
Training	1,500	1,500	1,540	1,580	1,622	1,665	102.64%
Copier Rental	649	649	666	684	702	721	102.64%
Interfund Svc. To Cap. (302)	-	-	-	-	-	-	102.64%
Interfund Svc. To Fund (001)	57,493	58,355	59,896	61,477	63,100	64,766	102.64%
Interfund Svc. To (501)	37,315	37,315	38,301	39,312	40,350	41,415	102.64%
Transfer To PWFB (202)	10,365	-	-	-	-	-	102.64%
Total Street Fund Expenditure	615,803	614,455	630,677	647,327	664,416	681,957	
Council Contingency Fund							
Beginning Fund Balance	690,957	692,757	694,557	696,405	698,301	700,247	
Investment Interest	1,800	1,800	1,848	1,896	1,946	1,998	102.64%
Total Council Contingency Revenue	1,800	1,800	1,848	1,896	1,946	1,998	
Transportation Benefit District							
Beginning Fund Balance	180,369	393,672	606,956	770,218	933,456	1,096,671	
TBD Vehicle Fees-State	414,137	414,137	414,137	414,137	414,137	414,137	100.00%
Investment Interest	400	400	411	421	433	444	102.64%
Transfer from TBD (634)	-	-	-	-	-	-	102.64%
Total TBD Revenue	414,537	414,537	414,548	414,558	414,570	414,581	
Roadway Maint. To Street-101	-	-	-	-	-	-	102.64%
Support Service To G.F. (001)	1,234	1,253	1,286	1,320	1,355	1,390	102.64%

Six Year Financial Forecast

Description	2017 Budget	2018 Budget	2019	2020	2021	2022	Projection Factor
Roadway Maint. To Tran Cap-302	200,000	200,000	250,000	250,000	250,000	250,000	100.00%
Insurance	-	-	-	-	-	-	102.64%
Total TBD Expenditure	201,234	201,253	251,286	251,320	251,355	251,390	
Budget Stabilization Fund							
Beginning Fund Balance	300,937	301,687	302,437	303,207	303,997	304,808	
Interest	750	750	770	790	811	832	102.64%
Transfer From Gen. Fund (001)	-	-	-	-	-	-	102.64%
Total Budget Stabilization Revenue	750	750	770	790	811	832	
Capital Improvement Fund							
Beginning Fund Balance	742,905	394,684	272,513	378,056	414,411	475,601	
Real Estate Excise Tax I	225,000	225,000	230,940	237,037	243,295	249,718	102.64%
K.Co. Parks Levy	27,500	27,500	28,226	28,971	29,736	30,521	102.64%
K.Co. Flood District Levy	-	-	-	-	-	-	102.64%
State Parks Grant Program	270,075	-	-	-	-	-	102.64%
WCIA Risk Reduction Grant	-	-	-	-	-	-	102.64%
Investment Interest	2,000	2,000	2,053	2,107	2,163	2,220	102.64%
City Hall Improvement Bond	-	-	-	-	-	-	102.64%
Transfer from GF (001)	-	-	-	-	-	-	102.64%
Total Capital Improvement Fund Revenue	524,575	254,500	261,219	268,115	275,193	282,458	
City Hall Improvements	2,000	-	-	-	-	-	102.64%
King County Parks Levy	-	35,000	-	-	-	-	102.64%
Horizon View Park	-	-	-	-	-	-	102.64%
McKinnon Creek Trail Svcs.	-	-	-	-	-	-	102.64%
Material Bin Covers	-	-	-	-	50,000	-	102.64%
Professional Services	-	-	-	-	-	-	102.64%
Park Acquisition and Dev.	719,150	190,000	-	-	-	-	102.64%
Interfund Svc. To Fund (001)	1,646	1,671	1,715	1,760	1,807	1,855	102.64%
Interfund Svc. Trans. Cap.-302	-	-	-	-	-	-	102.64%
Trans. To Long Term Bond (201)	-	-	-	-	-	-	102.64%
Trans. to Sewer Capital (402)	-	-	-	-	-	-	102.64%
Trans. To Cap. Res. Fund (303)	150,000	150,000	153,960	230,000	162,196	166,478	102.64%
Total Capital Improvement Fund Expendit	872,796	376,671	155,675	231,760	214,003	168,333	
Transportation Capital Fund							
Beginning Fund Balance	838,821	319,130	66,323	71,580	69,689	15,436	
Real Estate Excise Tax II	225,000	225,000	230,940	237,037	243,295	249,718	102.64%
Fed. Safe TeaLU (178th)	-	-	-	-	-	-	100.00%
Fed. 178th Roadway Imp.	-	-	-	-	-	-	100.00%
WSDOT Safe Routes to School	-	-	-	-	-	-	100.00%
State Trans. Imp. Board-Design	-	-	-	-	-	-	100.00%
State TIB-Urban Arterial Prog.	-	-	-	560,000	2,210,000	2,210,000	100.00%
Safe Highways Program	150,000	325,000	-	-	-	-	100.00%
Interfund Svc From S.Wtr (403)	26,211	26,788	27,495	28,221	28,966	29,731	102.64%
Interfund Svc From C.Imp (301)	-	-	-	-	-	-	102.64%
Interfund Svc. From Swr. (401)	26,211	26,788	27,495	28,221	28,966	29,731	102.64%
Interfund Svc. From GF (001)	-	-	-	-	-	-	102.64%
Interfund Svc. From Street-101	-	-	-	-	-	-	102.64%
Roadway Maint. From TBD (104)	200,000	200,000	250,000	250,000	255,000	265,000	100.00%
Investment Interest	1,500	1,500	1,540	1,580	1,622	1,665	102.64%
Total Transportation Capital Fund Revenue	628,922	805,076	537,470	1,105,059	2,767,849	2,785,844	
Interfund Svc. To GF (001)	20,161	20,463	21,004	21,558	22,127	22,711	102.64%
Interfund Svc. To Replacement (501)	2,508	2,508	2,574	2,642	2,712	2,783	102.64%
Professional Services	70,000	72,500	74,414	76,379	78,395	80,465	102.64%
Travel Exp. (lodging & meals)	100	100	103	105	108	111	102.64%
Advertising	-	-	-	-	-	-	102.64%
Training	-	-	-	-	-	-	102.64%
Salaries	115,741	118,635	121,767	124,982	128,281	131,668	102.64%

Six Year Financial Forecast

Description	2017 Budget	2018 Budget	2019	2020	2021	2022	Projection Factor
Overtime	-	-	-	-	-	-	102.64%
Employee Benefits	46,128	48,462	50,401	52,417	54,513	56,694	104.00%
Insurance	4,775	5,014	5,147	5,282	5,422	5,565	102.64%
Dues / Subscriptions	200	200	205	211	216	222	102.64%
Transfer to Surface Wtr. Cap.	-	-	-	-	-	-	102.64%
Roadway Overlays (REET 2)	584,000	250,000	256,600	263,374	270,327	277,464	102.64%
Salaries	-	-	-	-	-	-	102.64%
Overtime	-	-	-	-	-	-	102.64%
Employee Benefits	-	-	-	-	-	-	102.64%
Safe Highways Program	150,000	325,000	-	-	-	-	102.64%
Safe Streets, Early Investments	80,000	80,000	-	-	-	-	100.00%
Material Bin Covers	-	-	-	-	50,000	-	102.64%
Pedestrian Infrastructure Projects	75,000	135,000	-	560,000	2,210,000	2,210,000	100.00%
Total Transportation Capital Expenditures	1,148,613	1,057,882	532,214	1,106,949	2,822,102	2,787,683	

Capital Facilities Maintenance Fund

Beginning Fund Balance	240,490	239,252	201,323	254,874	54,607	166,913	
Investment Interest	700	700	718	737	757	777	102.64%
Trans. From Capital Fund (301)	150,000	150,000	153,960	230,000	162,196	166,478	102.64%
Total Cap. Facilities Maint. Fund Revenue	150,700	150,700	154,678	230,737	162,953	167,255	
Operating Supplies	-	-	-	-	-	-	102.64%
Small Tools & Equipment	-	-	-	-	-	-	102.64%
Professional Services	97,938	-	1,240	-	-	-	102.64%
Misc. Building Improvements	54,000	188,629	99,887	431,005	50,647	49,798	100.00%
Painting	-	-	-	-	-	-	100.00%
Electrical	-	-	-	-	-	-	100.00%
HVAC	-	-	-	-	-	-	100.00%
Total Capital Facilities Maint. Fund Expense	151,938	188,629	101,127	431,005	50,647	49,798	

Sewer Utility Fund

Beginning Fund Balance	452,456	502,818	580,097	658,767	738,838	820,320	
Licenses and Permits	25,000	25,000	25,660	26,337	27,033	27,746	102.64%
Sewer Lien Filing/Removal Fee	-	-	-	-	-	-	102.64%
Utility Charges	3,005,797	3,031,346	3,111,374	3,193,514	3,277,823	3,364,357	102.64%
Charges for Goods & Services	-	-	-	-	-	-	102.64%
Late Charges - Utility Bills	35,000	35,000	35,924	36,872	37,846	38,845	102.64%
Investment Interest	1,500	1,500	1,540	1,580	1,622	1,665	102.64%
Sewer Certificate Fee	-	-	-	-	-	-	102.64%
Sewer Utility Fund Revenue	3,067,297	3,092,846	3,174,497	3,258,304	3,344,323	3,432,614	
Legal Expenses	-	-	-	-	-	-	102.64%
Salaries	121,698	124,740	128,034	131,414	134,883	138,444	102.64%
Overtime	4,103	4,164	4,274	4,387	4,503	4,621	102.64%
On-Call Services	2,519	2,557	2,625	2,694	2,765	2,838	102.64%
Employee Benefits	46,313	47,775	49,687	51,674	53,741	55,891	104.00%
Safety Clothing / Boots	300	300	308	316	324	333	102.64%
Office Supplies	851	851	873	897	920	944	102.64%
Operating Supplies/Materials	4,000	4,000	4,106	4,214	4,325	4,439	102.64%
Small Tools & Equipment	11,000	1,000	1,026	1,053	1,081	1,110	102.64%
Professional Services	52,500	52,500	53,886	55,309	56,769	58,267	102.64%
Communications	3,000	3,200	3,284	3,371	3,460	3,552	102.64%
Travel Exp. (lodging, meals)	100	100	103	105	108	111	102.64%
Advertising	500	500	513	527	541	555	102.64%
Equipment Rental	1,000	1,000	1,026	1,053	1,081	1,110	102.64%
Insurance	5,539	5,816	5,969	6,127	6,289	6,455	102.64%
Utilities	3,000	3,000	3,079	3,160	3,244	3,330	102.64%
Repairs & Maintenance	52,000	52,000	53,373	54,782	56,228	57,713	102.64%
Dues & Subscriptions	100	100	103	105	108	111	102.64%
Training	500	500	513	527	541	555	102.64%
METRO Charges	2,129,113	2,129,113	2,185,322	2,243,014	2,302,230	2,363,009	102.64%

Six Year Financial Forecast

Description	2017 Budget	2018 Budget	2019	2020	2021	2022	Projection Factor
Taxes & Assessments	21,000	21,000	21,554	22,123	22,707	23,307	102.64%
Copier Rental	649	649	666	684	702	720	102.64%
Ronald Assumption - Principal	9,500	9,500	9,751	10,008	10,272	10,544	102.64%
Public Works Trust Fund-Ronald	9,000	9,000	9,238	9,481	9,732	9,989	102.64%
Ronald Assumption - Interest	1,100	1,100	1,129	1,159	1,189	1,221	102.64%
Public Works Trust Fund-Int.	20,000	20,000	20,528	21,070	21,626	22,197	102.64%
Machinery & Equipment	14,500	14,500	14,883	15,276	15,679	16,093	102.64%
Interfund Svc. To GF (001)	79,226	85,414	87,669	89,984	92,359	94,797	102.64%
Interfund Svs. To Fund (501)	44,399	44,399	45,571	46,775	48,009	49,277	102.64%
Interfund Svc. To T. Cap.(302)	26,211	26,788	27,495	28,221	28,966	29,731	102.64%
Transfer To Sewer Cap. (402)	200,000	200,000	205,280	210,699	216,262	221,971	102.64%
Transfer To PWTF Repay. (407)	150,000	150,000	153,960	158,025	162,196	166,478	102.64%
Transfer To PWFB Fund (202)	3,214	-	-	-	-	-	102.64%
Total Sewer Utility Fund Expenditure	3,016,935	3,015,567	3,095,828	3,178,233	3,262,842	3,349,711	

Sewer Capital Fund

Beginning Fund Balance	2,424,788	2,620,486	2,410,486	1,470,898	1,686,865	1,908,533	
Investment Interest	5,000	5,000	5,132	5,267	5,407	5,549	102.64%
Transfer from Cap. Fac. (301)	-	-	-	-	-	-	102.64%
Transfer From Sewer Fund (401)	200,000	200,000	205,280	210,699	216,262	221,971	102.64%
Total Sewer Capital Fund Revenue	205,000	205,000	210,412	215,967	221,668	227,520	
Salaries	-	-	-	-	-	-	102.64%
Employee Benefits	-	-	-	-	-	-	102.64%
Professional Services	-	200,000	-	-	-	-	100.00%
Beach Dr. Sewer Lift Station	-	215,000	1,150,000	-	-	-	100.00%
Sewer Facilities Projects	9,302	-	-	-	-	-	100.00%
Water/Sewer Comp. Plan	-	-	-	-	-	-	100.00%
Total Sewer Capital Fund Expenditure	9,302	415,000	1,150,000	-	-	-	

Surface Water Utility Fund

Beginning Fund Balance	857,419	1,005,371	980,909	882,593	708,004	450,458	
Utility Service Charges	1,200,332	1,200,332	1,272,352	1,348,693	1,429,614	1,515,391	106.00%
State and Federal Grant Programs	-	-	-	-	-	-	100.00%
Investment Interest	2,000	2,000	2,053	2,107	2,163	2,220	102.64%
Total Surface Water Utility Revenue	1,202,332	1,202,332	1,274,404	1,350,800	1,431,777	1,517,611	
Legal Services	-	-	-	-	-	-	102.64%
Copier Rental	-	-	-	-	-	-	102.64%
Salaries	253,510	259,847	266,707	273,749	280,976	288,393	102.64%
Overtime	-	-	-	-	-	-	102.64%
On-Call Services	2,519	2,557	2,625	2,694	2,765	2,838	102.64%
Employee Benefits	104,250	107,274	111,565	116,027	120,668	125,495	104.00%
Safety Clothing / Boots	1,000	1,000	1,026	1,053	1,081	1,110	102.64%
Office Supplies	351	351	360	370	380	390	102.64%
Operating Supplies	7,000	7,000	7,185	7,374	7,569	7,769	102.64%
Small Tools & Equipment	2,500	2,500	2,566	2,634	2,703	2,775	102.64%
Prof. Services/Engineering	65,000	130,000	133,432	136,955	140,570	144,281	102.64%
Communications	8,000	8,000	8,211	8,428	8,650	8,879	102.64%
Travel Exp. (lodging, meals)	4,000	4,000	4,106	4,214	4,325	4,439	102.64%
Equipment Rental	2,000	2,000	2,053	2,107	2,163	2,220	102.64%
Insurance	12,999	13,649	14,009	14,379	14,759	15,148	102.64%
Utilities	1,100	1,100	1,129	1,159	1,189	1,221	102.64%
System Maintenance & Operation	150,000	150,000	153,960	158,025	162,196	166,478	102.64%
Street Drainage Maintenance	55,000	55,000	56,452	57,942	59,472	61,042	102.64%
Neighborhood Surface Water	5,000	5,000	5,132	5,267	5,407	5,549	102.64%
Repairs & Maintenance	6,000	6,000	6,158	6,321	6,488	6,659	102.64%
Dues / Subscriptions	12,500	12,500	12,830	13,169	13,516	13,873	102.64%
Training	2,500	2,500	2,566	2,634	2,703	2,775	102.64%
County Administration Billing	-	-	-	-	-	-	102.64%
Taxes & Assessments	18,000	18,000	18,475	18,963	19,464	19,977	102.64%

Six Year Financial Forecast

Description	2017 Budget	2018 Budget	2019	2020	2021	2022	Projection Factor
PWTF Loan Payment	8,858	8,858	9,092	9,332	9,578	9,831	102.64%
PWTF Loan Interest	177	89	91	93	96	98	102.64%
Interfund Svc. To GF (001)	49,439	56,680	58,177	59,712	61,289	62,907	102.64%
Interfund Svc. To Fund (501)	46,101	46,101	47,318	48,567	49,849	51,165	102.64%
Interfund Svc. To T. Cap.(302)	26,211	26,788	27,495	28,221	28,966	29,731	102.64%
Interfund Svc. To Fund (450)	-	-	-	-	-	-	102.64%
Transfer To P.W. Fac. (202)	10,365	-	-	-	-	-	102.64%
Transfer To Sur.Water Cap.-404	200,000	300,000	420,000	546,000	682,500	682,500	100.00%
Total Surface Water Utility Expend.	1,054,380	1,226,794	1,372,720	1,525,389	1,689,323	1,717,544	

Surface Water Capital Fund

Beginning Fund Balance	798,997	1,034,997	952,997	838,891	584,891	417,391	
State and Federal Grant Programs	-	-	1,600,000	3,200,000	3,200,000	-	102.64%
WSDOT Grant	-	-	-	-	-	-	102.64%
King County Flood District	216,000	118,000	-	-	-	-	102.64%
Investment Interest	-	-	-	-	-	-	102.64%
Transfer from Trans. Cap.(302)	-	-	-	-	-	-	102.64%
Trans From Surface Water (403)	200,000	300,000	420,000	546,000	682,500	682,500	100.00%
Total Surface Water Capital Revenue	416,000	418,000	2,020,000	3,746,000	3,882,500	682,500	
Professional Services	-	-	-	-	-	-	102.64%
Advertising	-	-	-	-	-	-	102.64%
Office/Operating Supplies	-	-	-	-	-	-	102.64%
Professional Services	120,000	-	-	-	-	-	102.64%
Communications	-	-	-	-	-	-	102.64%
Surface Water Facility Projects	-	-	-	-	50,000	-	102.64%
Surface Water Projects	60,000	500,000	2,134,106	4,000,000	4,000,000	50,000	102.64%
Lyon Creek Prop. Purchase	-	-	-	-	-	-	102.64%
Total Surface Water Capital Expend.	180,000	500,000	2,134,106	4,000,000	4,050,000	50,000	

Public Works Contract Fund

Beginning Fund Balance	369,785	382,085	407,119	430,329	451,567	470,680	
Kenmore Interlocal Agreement	881,777	881,777	905,056	928,949	953,473	978,645	102.64%
Investment Interest	800	800	821	843	865	888	102.64%
Total Public Works Contract Revenue	882,577	882,577	905,877	929,792	954,339	979,533	
Salaries	413,431	423,767	434,955	446,437	458,223	470,320	102.64%
Overtime	10,970	11,135	11,429	11,731	12,040	12,358	102.64%
On-Call Services	6,669	6,769	6,948	7,131	7,319	7,513	102.64%
Employee Benefits	179,244	182,684	189,991	197,591	205,495	213,715	104.00%
Safety Clothing/Boots	2,500	2,500	2,566	2,634	2,703	2,775	102.64%
Office Supplies	300	300	308	316	324	333	102.64%
Operating Supplies	5,000	5,000	5,132	5,267	5,407	5,549	102.64%
Small Tools & Equipment	6,500	6,500	6,672	6,848	7,029	7,214	102.64%
Communications	8,500	8,500	8,724	8,955	9,191	9,434	102.64%
Travel Exp. (lodging, meals)	500	500	513	527	541	555	102.64%
Equipment Rental	3,500	3,500	3,592	3,687	3,785	3,884	102.64%
Insurance	34,873	36,616	37,583	38,575	39,593	40,639	102.64%
Utilities	3,000	3,000	3,079	3,160	3,244	3,330	102.64%
Dues / Subscriptions	750	750	770	790	811	832	102.64%
Training	2,500	2,500	2,566	2,634	2,703	2,775	102.64%
Interfund Svc. To GF (001)	58,025	58,895	60,450	62,046	63,684	65,365	102.64%
Interfund Svc. To Fund (501)	104,627	104,627	107,389	110,224	113,134	116,121	102.64%
Transfer To PWFB Fund (202)	29,388	-	-	-	-	-	102.64%
Total Public Works Contract Expend.	870,276	857,543	882,667	908,553	935,226	962,711	

Replacement Fund

Beginning Fund Balance	256,470	304,944	353,356	403,047	454,049	506,398	
Interfund Svc. From Fund (001)	227,171	227,171	233,168	239,324	245,642	252,127	102.64%
Interfund Svc. From Fund (101)	37,315	37,315	38,301	39,312	40,350	41,415	102.64%
Interfund Svc. From Fund (302)	2,508	2,508	2,574	2,642	2,712	2,784	102.64%

Six Year Financial Forecast

Description	2017 Budget	2018 Budget	2019	2020	2021	2022	Projection Factor
Interfund Svc. From Fund (403)	46,101	46,101	47,318	48,567	49,849	51,165	102.64%
Interfund Svc. From Fund (401)	44,399	44,399	45,571	46,775	48,009	49,277	102.64%
Interfund Svc. From Fund (450)	102,311	102,311	105,012	107,784	110,630	113,550	102.64%
Investment Interest	1,100	1,100	1,129	1,159	1,189	1,221	102.64%
Equipment Sales	-	-	-	-	-	-	102.64%
Total Replacement Fund Revenue	460,905	460,905	473,073	485,562	498,381	511,538	
Interfund Svc. To Fund (001)	4,115	4,177	4,287	4,400	4,516	4,635	102.64%
Info.Svc. & Equip. Replacement	106,201	106,201	109,005	111,882	114,836	117,868	102.64%
Public Works - Fuel	42,613	42,613	43,738	44,893	46,078	47,294	102.64%
Public Works Equip. - Maint.	34,918	34,918	35,840	36,786	37,757	38,754	102.64%
PD Vehicle Replacement	78,500	78,500	80,572	82,700	84,883	87,124	102.64%
PW Equipment - Replacement	34,000	34,000	34,898	35,819	36,765	37,735	102.64%
PW Vehicles - Replacement	112,085	112,085	115,044	118,081	121,198	124,398	102.64%
Total Replacement Fund Expenditure	412,431	412,493	423,383	434,560	446,033	457,808	

City of Lake Forest Park

Comprehensive Financial Management Policies

August 11, 2016

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. The Long Term General Obligation Bond Fund (*City Hall Bond Fund*) – accounts for transfers of REET from the Capital Improvement Fund to pay Debt Service on City Hall Bonds (RCW 82.46.035).
8. The *Public Works Facility Bond Fund* – accounts for transfers from the General Fund, Street Fund, Surface Water Fund, Sewer Utility Fund and Public Works Contract Fund to pay Debt Service on City Bonds for the Public Works Facility (Ord. 880, Section 14 (2002)).

RESERVE FUNDS

9. 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)).
10. 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

11. 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).
12. 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.
13. The *Transportation Capital Fund* accounts for REET and other sources for transportation capital projects (RCW 82.46.035).

14. 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)).
15. The *Sewer Capital Fund* accounts for transfers from Sewer rates for capital improvements to the City's Sewer Capital Fund (Ord. 927 (2005)).
16. 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

1. 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 Fund budgets will be incorporated into the financial forecasts and the biennial Budget Process.

Maintenance and operating costs associated with new Capital Improvement Plan projects shall be estimated and included for each project within the Capital Improvement Plan. 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 Council Budget 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 (budget adjustment).
13. The City shall exhaust restricted funds to finance uses authorized by State or local law before general funds 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

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

1. 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. City's Long-Term General Obligation Bond Fund reserve should be maintained to provide for City Hall Bond debt service payments.
4. 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.

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.

F. Financial Reporting

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.

G. 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 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.

H. 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 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.

I. 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.

J. Investments

1. The City will utilize the Washington State Local Government Investment Pool (LGIP) as its primary investment vehicle.
2. The City may utilize investments provided by the City's Bank as a supplement to the LGIP for short-term investments. All such Bank investments shall fully comply with State law as allowable investments for City monies.

K. 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 \$300 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.

Glossary

ANNUAL BUDGET A budget applicable to a single fiscal year.

APPROPRIATION A legal authorization granted by a legislative body to make expenditures and to 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 (2016)).

BIENNIUM 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 FACILITIES 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.

CAPITAL PROJECT FUNDS Funds used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds)

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. The index is used as 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 Councilmanic refer 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. Included are 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.

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. The most common enterprise funds are 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 EQUIVALENT 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 who 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 operating 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. General Fund operating departments include: Police, Municipal Services, Parks, Facilities, Planning and Building and the 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 TRANSFER The movement of money between funds of the same governmental entity.

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

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 date certain.

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 the 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 that 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. The term excludes capital and project expenses.

OPERATING REVENUE Funds that the government receives as income to pay operating expenses. The term 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 asset dispositions. Such amounts are classified separately from revenues.

OTHER FINANCING USES Governmental fund operating transfers-out. Such amounts are classified separately from revenues.

POLICY A principle 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 organizational 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. This term does not include user fees.

UNRESERVED FUND BALANCE The portion of 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

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

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