

2017-18 Mid-Biennial Budget

City of Burien, Washington



MID-BIENNIAL BUDGET PRESENTATION

OCTOBER 16, 2017



Mid-Biennial Review

- Action to date
 - October 2, 2017 Council meeting
 - Staff presentation – overview of mid-biennial budget amendment and General Fund revenue
 - 1st Public Hearing on Revenue Sources and Expenditures, including potential 1% property tax increase
 - Staff presentation – 2018 Proposed Financial Policies



Mid-Biennial Review

- Goals for tonight
 - Review detail of changes proposed by staff
 - General Fund expenditures
 - Other Funds
 - Capital Improvement Program Funds



2017-18 Mid-Biennial Budget Highlights

- Changes since October 2, 2017 presentation
 - General Fund – Refined estimate for salaries and benefits
 - Street Fund – Refined estimate for salaries and benefits
 - SWM Fund – Refined estimate for salaries and benefits and increased transfers to the SWM Capital Projects Fund
 - Public Works Reserve Fund – Increased Real Estate Excise Tax estimate and increased transfers out to the Transportation Capital Projects Fund
 - Corrected Beginning Fund Balance for Capital Project Reserve Fund
 - Transportation Benefit District Fund – added \$5,000 in professional services for audit
 - Parks and General Government Capital Improvement Project Fund – Refined estimate for Gateway Arch project
 - Transportation Capital Projects Fund – Increased transfers from the Public Works Reserve Fund and the SWM CIP Fund; increased 1st Avenue S project costs
 - SWM CIP Fund – Increased transfers in from SWM Fund and increased transfers out to Transportation CIP Fund



2017-18 Mid-Biennial Budget Highlights

- Citywide Staffing Highlights
 - Include 3% Cost of Living Adjustment for 2018 (According to CPI-W)
 - Adjusted 2018 benefit costs to reflect newly established rates
 - Regence Blue Shield – 1.2% more than estimated
 - Group Health – 1.6% more than estimated
 - Dental and Vision – 3% less than estimated
 - PERS – small increase over original estimate
 - Unemployment – small decrease over original estimate
 - Approved staffing changes included in mid-biennial amendment:
 - Public Records Officer – approved by Council on March 20, 2017
 - Human Services Manager – approved by Council on September 18, 2017



2017-18 Mid-Biennial Budget Highlights

- Citywide Staffing Highlights continued
 - Proposed **ongoing** staffing changes:
 - Reclassify Administrative Services Manager to Administrative Services Director
 - Reclassify Front Desk Assistant to Department Assistant
 - Reclassify Information Services Technician to Information Systems Analyst (partially funded by reduction in professional services)
 - Add Customer Service Supervisor in Parks Department (partially funded by reduction in intermittent staff)
 - Add .575 Facility Attendant to address safety concerns in BCC on weekends
 - Increase Contract Management Analyst from .70 to .80 FTE



2017-18 Mid-Biennial Budget Highlights

- Citywide Staffing Highlights continued
 - Proposed **one-time** staffing changes:
 - Increase Parks Department Assistants from 1.23 FTE to 1.80 FTE for software conversion (2018)
 - Hire an incoming Assistant Public Works Director to overlap with the outgoing Assistant Director (estimated at 7 months)
 - Hire an incoming Department Assistant to overlap with outgoing Department Assistant in Public Works (estimated at 6 months)
 - Add Limited-Term IT Help Desk Technician to meet customer service demands during system conversions (2018-2019)
 - Add a Part-Time Accounting Intern (2018)



2017-18 Mid-Biennial Budget Highlights

- Citywide Staffing Highlights continued
 - Total labor increase for 2017-2018: \$690,210
 - General Fund - \$635,020
 - Street Fund - \$54,625
 - Surface Water Management Fund - \$565



2017-18 Mid-Biennial Budget Highlights

- General Fund Revenue, as presented on October 2, 2017
 - Property Tax increased by \$115,000
 - Sales Tax increased by \$675,000
 - Utility Tax increased by \$80,000
 - Licenses and Permits increased by \$132,000
 - Federal and State Grants increased by \$47,000
 - Seattle City Light Revenues increased by \$125,000
 - Charges for Services increased by \$100,000
 - Fines & Miscellaneous Revenue increased by \$85,000
- Total projected revenue increase for 2017-2018 is \$1.38 million



2017-18 Mid-Biennial Budget Highlights

- Other Highlights – General Fund
 - Increases as reported on October 2, 2017:
 - SCORE and District Court Contract costs - \$175,000
 - Animal Control Services - \$100,000
 - Business License Contract - \$55,000
 - Document management system - \$110,000
 - Biennial Community Survey - \$30,000
 - Total ongoing increase = \$345,000
 - Total one-time increase = \$125,000
 - Shifted work program initiatives/capital purchases from 2017 to 2018
 - Urban Center plan - \$75,000
 - Financial System implementation - \$150,000
 - Council Chambers audio and video equipment replacement - \$350,000
 - Telephone system replacement - \$150,000
 - Planning professional services - \$75,000
 - City Manager professional services - \$150,000
 - Total Proposed Expenditure Increase for 2017-2018 is \$1.1 million



2017-18 Mid-Biennial Budget Highlights

- General Fund
 - Appropriates \$2.8 million of Fund Balance for one-time expenditures
 - Approximately \$200,000 more than Adopted Budget
 - New costs include document management system and short-term staffing increases
 - Excluding one-time costs, maintains balanced budget with modest surplus in 2018



2017-18 Mid-Biennial Parks & General Government CIP

- Project adjustments
 - Eagle Landing Park Stair Configuration – added \$125,000 to reflect current construction costs
 - Lake Burien School Park Improvements – added \$25,000 CDBG/\$15,000 City funding for path design, as approved by Council on October 2, 2017
 - Moshier Park Restroom and Field Improvements – added \$25,000 for additional geotechnical work
 - Parks Facilities Restoration – added \$7,020 in additional parks levy funds
 - Town Square Spray Park – added \$32,322 to reflect additional construction costs and contingency
 - Staff Coordination – added \$5,000 for total of \$10,000
 - Total adjustments to current projects: \$234,342 increase



2017-18 Mid-Biennial Parks & General Government CIP

- Funding carried forward from 2016
 - Lake Burien School Park Improvements – moved \$50,000 from 2016 to 2018
 - Moshier Park Restroom and Field Improvements – moved \$420,209 from 2016 to 2017
 - Parks Facilities Restoration – Moved \$20,000 from 2016 to 2017
 - Total funding re-appropriated from 2016 to 2017-2018 biennium: \$490,209
- Total adjustments to Parks and General Government CIP: \$724,551 increase



2017-18 Mid-Biennial Transportation CIP Updates

- New Projects
 - 1st Avenue South Phase 3 – added \$2.6 million in City funds for project design
 - Peter Western Bridge Replacement – added \$8.565 million
 - \$565,000 City funds
 - \$500,000 State Legislative appropriation
 - \$7.5 million Federal Highway Emergency funds
 - South 128th Street Corridor Study – added \$80,000 to analyze traffic operations on South 128th corridor between 2nd Avenue South and Des Moines Memorial Drive
 - South 136th Street Sidewalk Improvements – moved from unfunded to funded with \$800,000 in City funds for project design
 - Total new projects: \$12,045,000



2017-18 Mid-Biennial Transportation CIP Updates

- Project Adjustments
 - 4th Ave SW Sidewalks – reduced by (\$800,000)
 - 4th-6th Ave SW/SW 148th – added \$40,000 for right-of-way purchase
 - Pavement Management Program – added \$100,000 to enhance project
 - S. 144th Way Improvements – reduced by (\$483,000) in project design
 - S/SW 160th St. Corridor Study – added \$20,000 for contingency
 - Lake to Sound Trail – added \$1,000
 - Total adjustments to current projects – (\$1,122,000) decrease



2017-18 Mid-Biennial Transportation CIP Updates

- Funding carried forward from 2016:
 - 4th-6th Ave SW/SW 148th – moved \$89,576 from 2016 to 2017
 - Citywide ADA Barrier Mitigation – moved \$1,024,325 from 2016 to 2017
 - Hilltop Elementary Crosswalk – moved \$14,969 from 2016 to 2017
 - Lake to Sound Trail – moved \$94,463 from 2016 to 2017
 - NERA Infrastructure Pilot Program – moved \$456,272 from 2016 to 2017
 - Signal Controller/Interconnect Upgrades – moved \$106,515 from 2016 to 2017
 - S. 132nd St. Pedestrian Signal – moved \$48,457 from 2016 to 2017
 - Total funding re-appropriated from 2016 to 2017-2018 biennium:
\$1,834,577
- Total adjustments to Transportation CIP: \$12,757,577 increase



2017-18 Mid-Biennial Transportation CIP Decision

- 1st Avenue South Project Options – from SW 128th to SW 140th
 - 1st Avenue South Phase 3 – project design \$2.6 million (City funds)
 - Total project - \$21.8 million; designed project more attractive for grants
 - Reconstruction to include installation of curb, gutter, sidewalk, two traffic signals, a pedestrian HAWK signal, storm drainage, utility undergrounding, and landscaping
 - Included funding in Street Fund to patch section in need of repair
 - Long-term solution aligned with City goals
 - 1st Avenue South Paving – project estimate \$3.085 million (\$1.2 million in City funds)
 - Requires grant approval
 - Full width grind and asphalt overlay including 6 foot shoulders; ADA at South 128th and South 136th
 - Short-term solution



2017-18 Mid-Biennial SWM CIP Updates

- New Project
 - Miller Creek Enhancements – added \$3.55 million to realign Miller Creek
 - \$565,000 City funds
 - \$2.985 million grant funds
- Project Adjustments
 - 20th Avenue South Drainage Improvements – reduced by (\$550,000) as construction moved from 2018 to 2019
 - Cove Point Outfall Repair – added \$75,000 to reflect current estimates
 - Hermes Outlet Improvements – added \$150,000 for pump replacement
 - SW 152nd and 8th Ave SW – added \$125,000 to reflect current estimates
 - SW 165th St. Drainage Improvements – added \$100,000 for contingency
 - Total adjustments to current projects: (\$100,000) decrease



2017-18 Mid-Biennial SWM CIP Updates

- Funding carried forward from 2016:
 - 8th Avenue S. Sub-Basin Retrofit – moved \$1,932,787 from 2016 to 2017
 - SW 158th Street and 4th Ave SW – moved \$66,788 from 2016 to 2017
 - SW 152nd and 8th Ave SW – moved \$103,241 from 2016 to 2017
 - SW 165th St. Drainage Improvements – moved \$39,174 from 2016 to 2017
 - Total funding re-appropriated from 2016 to 2017-2018 biennium: \$2,141,990
- Total adjustments to SWM CIP: \$5,591,990 increase



General Fund

Revenue	2017 Budget			2018 Budget		
	Rev. Ord 666	Changes	Rev. Ord 674	Rev. Ord 666	Changes	Rev. Ord 674
Beginning Fund Balance	13,835,165	4,406,760	18,241,925	12,318,885	5,881,210	18,200,095
Property Tax	6,870,000	(5,000)	6,865,000	6,930,000	115,000	7,045,000
Parks Levy	-	-	-	-	-	-
Sales Taxes	8,850,000	310,000	9,160,000	9,200,000	365,000	9,565,000
Business & Occupation Tax	1,215,000	40,000	1,255,000	1,245,000	100,000	1,345,000
Utility Taxes	2,560,000	60,000	2,620,000	2,585,000	20,000	2,605,000
Gambling Excise Tax	505,000	(50,000)	455,000	505,000	(50,000)	455,000
Total Taxes	20,000,000	355,000	20,355,000	20,465,000	550,000	21,015,000
Franchise Fees	695,000	6,000	701,000	720,000	6,000	726,000
Permits	1,015,000	55,000	1,070,000	1,045,000	65,000	1,110,000
Total Licenses & Permits	1,710,000	61,000	1,771,000	1,765,000	71,000	1,836,000
Federal Grants	100,000	-	100,000	100,000	47,000	147,000
State - Criminal Justice	205,000	(40,000)	165,000	205,000	18,000	223,000
Liquor Tax and Profits	655,000	5,000	660,000	655,000	5,000	660,000
Intergovernmental Services	165,000	-	165,000	165,000	-	165,000
Intergovernmental - Seattle City Light	930,000	70,000	1,000,000	970,000	55,000	1,025,000
Total Intergovernmental	2,055,000	35,000	2,090,000	2,095,000	125,000	2,220,000
Charges for Services	1,085,000	50,000	1,135,000	1,095,000	50,000	1,145,000
Fines & Miscellaneous	775,000	30,000	805,000	775,000	55,000	830,000
Total Revenues	25,625,000	531,000	26,156,000	26,195,000	851,000	27,046,000
Total Transfers In	80,000	-	80,000	80,000	-	80,000
Total Revenues & Transfers	25,705,000	531,000	26,236,000	26,275,000	851,000	27,126,000



General Fund

Expenditures by Department	2017 Budget			2018 Budget		
	Rev. Ord 666	Changes	Rev. Ord 674	Rev. Ord 666	Changes	Rev. Ord 674
City Council	260,895	-	260,895	265,395	-	265,395
City Manager	1,041,540	(117,355)	924,185	946,890	225,215	1,172,105
Economic Development	795,160	(63,350)	731,810	808,240	96,170	904,410
Administrative Services	927,290	(40,230)	887,060	851,510	310,805	1,162,315
Finance	4,725,545	(734,640)	3,990,905	3,464,420	1,147,490	4,611,910
Legal	1,247,755	62,325	1,310,080	1,267,990	4,200	1,272,190
Police	12,045,000	-	12,045,000	12,490,000	-	12,490,000
Public Works	670,425	7,545	677,970	649,660	13,115	662,775
Community Development	1,721,455	(64,415)	1,657,040	2,480,655	102,915	2,583,570
Parks, Recreation & Cultural Services	3,434,160	(12,250)	3,421,910	3,384,795	144,830	3,529,625
Subtotal Department Expenditures	26,869,225	(962,370)	25,906,855	26,609,555	2,044,740	28,654,295
Transfers Out						
To Equipment Reserve Fund	150,000	-	150,000	150,000	-	150,000
To Debt Service Fund	150,000	-	150,000	200,000	-	200,000
To Parks & General Government CIP	32,055	21,020	53,075	-	-	-
To Art in Public Places Fund	20,000	-	20,000	20,000	-	20,000
Total Transfers Out	352,055	21,020	373,075	370,000	-	370,000
Total Expenditures & Transfers	27,221,280	(941,350)	26,279,930	26,979,555	2,044,740	29,024,295
Ending Fund Balance	12,318,885	5,879,110	18,197,995	11,614,330	4,685,370	16,299,700
Reserve Set-Aside	9,205,000	5,112,000	14,317,000	9,205,000	5,112,000	14,317,000
Fund Balance	3,113,885	767,110	3,880,995	2,409,330	(426,630)	1,982,700



General Fund Reserves

2017-18 Revised General Fund Reserves		
Fund	Reservation	Designated Reserves
General Fund	Operating Reserve - 20%	\$ 5,409,000
General Fund	Capital Partnership Reserve	7,500,000
General Fund	Capital Equipment Reserve	1,000,000
General Fund	Asset Forfeiture (Drug Seizure) Funds	270,000
General Fund	Parking Reserve	138,000
TOTAL GENERAL FUND - FUND BALANCE RESERVATIONS		\$ 14,317,000



Other Operating Funds

Other Operating Funds	2017 Budget			2018 Budget		
	Rev. Ord 666	Changes	Rev. Ord 674	Rev. Ord 666	Changes	Rev. Ord 674
Street Fund						
Beginning Fund Balance	591,705	512,165	1,103,870	151,630	608,225	759,855
Revenues	2,756,000	50,000	2,806,000	2,816,000	45,000	2,861,000
Expenditures	1,906,075	273,940	2,180,015	1,911,720	101,685	2,013,405
Transfers Out	1,290,000	(320,000)	970,000	875,000	450,000	1,325,000
Total Expenditures & Transfers Out	3,196,075	(46,060)	3,150,015	2,786,720	551,685	3,338,405
Ending Fund Balance	151,630	608,225	759,855	180,910	101,540	282,450
Surface Water Management Fund						
Beginning Fund Balance	895,090	684,825	1,579,915	261,270	1,158,240	1,419,510
Revenues	3,365,000	500,000	3,865,000	3,465,000	-	3,465,000
Expenditures	2,438,820	26,585	2,465,405	2,436,095	89,980	2,526,075
Transfers Out	1,560,000	-	1,560,000	1,010,000	1,000,000	2,010,000
Total Expenditures & Transfers Out	3,998,820	26,585	4,025,405	3,446,095	1,089,980	4,536,075
Ending Fund Balance	261,270	1,158,240	1,419,510	280,175	68,260	348,435



Other Operating Funds

Other Operating Funds	2017 Budget			2018 Budget		
	Rev. Ord 666	Changes	Rev. Ord 674	Rev. Ord 666	Changes	Rev. Ord 674
Public Works Reserve Fund (Real Estate Excise Tax)						
Beginning Fund Balance	360,200	926,700	1,286,900	76,200	1,506,700	1,582,900
Revenues	1,416,000	700,000	2,116,000	1,516,000	100,000	1,616,000
Transfers Out	1,700,000	120,000	1,820,000	1,500,000	1,575,000	3,075,000
Ending Fund Balance	76,200	1,506,700	1,582,900	92,200	31,700	123,900
Equipment Replacement Reserve Fund						
Beginning Fund Balance	833,480	496,070	1,329,550	803,480	496,070	1,299,550
Transfers In	270,000	-	270,000	270,000	-	270,000
Expenditures	300,000	-	300,000	300,000	550,000	850,000
Ending Fund Balance	803,480	496,070	1,299,550	773,480	(53,930)	719,550
Art in Public Places Fund						
Beginning Fund Balance	5,425	24,140	29,565	5,425	44,140	49,565
Transfers In	20,000	-	20,000	20,000	-	20,000
Expenditures	20,000	(20,000)	-	20,000	15,000	35,000
Ending Fund Balance	5,425	44,140	49,565	5,425	29,140	34,565



Other Operating Funds

Other Operating Funds	2017 Budget			2018 Budget		
	Rev. Ord 666	Changes	Rev. Ord 674	Rev. Ord 666	Changes	Rev. Ord 674
Capital Projects Reserve Fund						
Beginning Fund Balance	481,595	(89,235)	392,360	397,595	735,765	1,133,360
Revenues	766,000	-	766,000	771,000	15,000	786,000
Transfers Out	850,000	(825,000)	25,000	620,000	980,000	1,600,000
Ending Fund Balance	397,595	735,765	1,133,360	548,595	(229,235)	319,360
Transportation Benefit District Fund						
Beginning Fund Balance	37,185	31,335	68,520	32,185	6,335	38,520
Revenues	670,000	(20,000)	650,000	720,000	30,000	750,000
Expenditures	-	5,000	5,000	-	-	-
Transfers Out	675,000	-	675,000	720,000	-	720,000
Ending Fund Balance	32,185	6,335	38,520	32,185	36,335	68,520
Debt Service Fund						
Beginning Fund Balance	92,220	155,330	247,550	42,255	55,330	97,585
Revenues	242,000	-	242,000	242,000	-	242,000
Transfers In	2,325,000	(100,000)	2,225,000	2,355,000	-	2,355,000
Total Revenues & Transfers In	2,567,000	(100,000)	2,467,000	2,597,000	-	2,597,000
Expenditures	2,616,965	-	2,616,965	2,618,670	-	2,618,670
Ending Fund Balance	42,255	55,330	97,585	20,585	55,330	75,915



Capital Improvement Program Funds

Capital Improvement Program Funds	2017 Budget			2018 Budget		
	Rev. Ord 666	Changes	Rev. Ord 674	Rev. Ord 666	Changes	Rev. Ord 674
Parks and General Government CIP						
Beginning Fund Balance	436,205	1,702,650	2,138,855	57,202	1,182,104	1,239,306
Revenues	668,000	31,985	699,985	95,000	221,000	316,000
Transfers In	432,055	(353,980)	78,075	-	-	-
Total Revenues & Transfers In	1,100,055	(321,995)	778,060	95,000	221,000	316,000
Expenditures	1,479,058	198,551	1,677,609	100,000	526,000	626,000
Transfers Out	-	-	-	-	-	-
Total Expenditures & Transfers Out	1,479,058	198,551	1,677,609	100,000	526,000	626,000
Ending Fund Balance	57,202	1,182,104	1,239,306	52,202	877,104	929,306
Transportation CIP						
Beginning Fund Balance	1,489,500	2,307,750	3,797,250	1,030,500	834,099	1,864,599
Revenues	1,153,000	1,466,676	2,619,676	3,821,000	5,354,000	9,175,000
Transfers In	2,165,000	(691,750)	1,473,250	1,865,000	3,495,000	5,360,000
Total Revenues & Transfers In	3,318,000	774,926	4,092,926	5,686,000	8,849,000	14,535,000
Expenditures	3,777,000	2,248,577	6,025,577	5,766,000	10,509,000	16,275,000
Transfers Out	-	-	-	-	-	-
Total Expenditures & Transfers Out	3,777,000	2,248,577	6,025,577	5,766,000	10,509,000	16,275,000
Ending Fund Balance	1,030,500	834,099	1,864,599	950,500	(825,901)	124,599
Surface Water Maintenance CIP						
Beginning Fund Balance	1,941,890	682,730	2,624,620	1,486,890	617,181	2,104,071
Revenues	-	1,559,691	1,559,691	-	2,985,000	2,985,000
Transfers In	1,450,000	-	1,450,000	900,000	1,000,000	1,900,000
Total Revenues & Transfers In	1,450,000	1,559,691	3,009,691	900,000	3,985,000	4,885,000
Expenditures	1,590,000	1,766,990	3,356,990	1,550,000	3,825,000	5,375,000
Transfers Out	315,000	(141,750)	173,250	395,000	490,000	885,000
Total Expenditures & Transfers Out	1,905,000	1,625,240	3,530,240	1,945,000	4,315,000	6,260,000
Ending Fund Balance	1,486,890	617,181	2,104,071	441,890	287,181	729,071



Next Steps

- November 6, 2017
 - Continued discussion of mid-biennial budget amendment
 - Second public hearing on revenue sources/expenditures
 - Introduction of Ordinance No. 672, setting the 2018 Property Tax Levy
 - Introduction of Ordinance No. 673, establishing the Surface Water Management Fees and amending Burien Municipal Code 13.10
- November 20, 2017
 - Introduction of Ordinance No. 674, amending the 2017-2018 biennial budget
 - Adoption of Ordinance No. 672, setting the 2018 Property Tax Levy
 - Adoption of Ordinance No. 673, establishing the Surface Water Management Fees and amending Burien Municipal Code 13.10
- December 4, 2017
 - Adoption of Ordinance No. 674, amending the 2017-2018 biennial budget
 - Adoption of the 2018 Financial Policies

Questions?



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