

Mid-Biennial Budget Amendments



Mayor's Message

**Amendments Re:
FY 2007 / 2008 Budget**

**September 24, 2007
City of Lynnwood, Washington**



Thank You

- Thank you to all those who have helped put these mid-biennial budget amendments together
- It takes a lot of work and time
- Tonite: Hit the “Highlights”
- This presentation and more written materials will be on our city website for review



Budget Documents

- **Organization & Sequence:**
 - An “Overview” Tonite
 - At the Monday, October 1, 2007, Council Work Session work session we look forward to council questions
 - A set of ordinances and other documents will be available in October for council review



Budget Structure & Decision-Making

2007 Amendments

- Two (2) Types Defined:
 - “On-Going”
 - “One-Time”
- Consistent with the budget related Financial Policies.



City Financial Policies: Reserve Funds

Res. #2005-04 Reserve Policies

Status:

- The General Fund Cash Flow Reserve **remains** fully funded at the goal of **\$5,000,000**.
- The Revenue Stabilization Fund #198 **remains** fully funded at **\$2,000,000**.
- No increase in reserves is proposed at this time (2009-10 issue).



Budget Structure & Decision-Making

In 2006, I said: Under the topic: “Major ‘Beginning’ Budget Decisions”

- **“Streamlined Sales Tax is anticipated to begin January 1, 2008 ...”**
- The legislature decided to start SST effective **July 1, 2008**.
- **100% mitigation** to Lynnwood is funded
- However, mitigation will likely **lag** quarterly beginning in the **3rd Qtr. 2008**.
- No specific adjustments need to be made at this time. The sources of funding to resolve any unanticipated SST [**impacts**] will be:
 - First, Program Development Fund #199 (\$1 Million);
 - Spending controls and reductions;
 - Direct budget cuts.



Budget Decisions: Equip. Rental & Reserve

- Update: The special payment to help stabilize the ER& R fund was invested early this year, together with other available ER&R funds
- Result: Estimated interest earnings approaching \$130-140,000 for 2007-08 will help stabilize the Fund
- No adjustments are needed at this time



Budget Decisions: Administrative Services

- It is critical to continue investing in upgrading the city's digital infrastructure.
 - Fire Dept. Mobile Data
Computers: EMS & Fire Vehicles
 - Geographic Information System (GIS) & Permits
 - Human Resources Job
Application Software
 - Did establish **credit card and cash payment systems.**
- No City-Wide Fee Increases
- Postage cost increases



Budget Decisions: Buildings & Property

- In 2006 I said we needed to develop a strategic approach to inventorying the condition of our buildings and to set forth a comprehensive maintenance and repair plan – not just respond to problems as they arise, i.e. like library boilers and computer room HVAC repairs and replacements in 2007.
- An inventory and strategic plan is due November 2007.

Budget Decisions: Community Development



- In April 2007 Council directed that staff move forward to set forth a series of steps to addresses annexations of Lynnwood's Urban Growth Areas.
- Update: Implementation, remodeling, and re-positioning of staff to create a **"one-stop" permit center** is about completed.



Budget Decisions: Economic Development

- The Hwy 99 revitalization economic feasibility study is on track to be completed
- Funds are proposed for an effort to work on defining and communicating what Lynnwood future is through a “branding” effort like other cities and communities have used



Budget Decisions: Executive

- Assessing Family Leave impacts and how those situations are funded by our city.
- They are un-funded liabilities that do affect our budget
- We have some examples to show the council and to discuss



Budget Decisions: Community Affairs

- Administrative Assistant is needed and requested.
- Director Yim will be preparing a Strategic Plan for the Department to share with the council later this fall.



Budget Decisions: Fire Department

- Major equipment acquisitions:
 - Mobile Data Computers for enhanced safety of staff while driving and our citizens who ultimately receive our help
 - Accommodate several grants
 - Acquire a special injection tool to provide better service to our citizens.



Budget Decisions: Police Department

- General categories:
 - Added costs for inmate supplies and care
 - New equipment for new officers.
 - Mobile computer operation improvements
 - Polygraph capability: training and increased costs
 - Increased cost related to specialty supplies



Budget Decisions: Human Resources

- Human Resources:
 - Using Technology for added efficiencies in the department
 - Labor Relations Specialist
- The annual General Salary Ordinance (GSO) will be presented in October. A standard 90% CPI COLA is proposed.



Budget Decisions: Legislative - Council

- Issues:
 - Council compensation:
 - Annual COLA amount
 - Meeting pay issue
 - Council health insurance

Budget Decisions: Parks, Recreation and Cultural Arts



- Senior Center Building Expansion and Improvements
- August 2007 actions for Mid-November Review:
 - Community Center Update
 - Recreation Center Update
- Golf Course Updated Business Plan
 - Working capital for golf course operations is exhausted.



Budget Decisions: Public Works

- Cooperative LID improvements on 204th Street with our Partners: Edmonds Community College & Edmonds School District
- Street Signal Partnering Assistance: Cities of Edmonds & Mountlake Terrace
- Portable Backup Generators: Traffic Signals



Budget Decisions: Public Works

- Stormwater Utility
 - Comprehensive Management Plan
 - Stormwater manager position



Budget Decisions: Strategic Investment

- Strategic Investment Plan 28
Projects :
 - Revenue “on-target”: \$8.1 M
 - Rebuilding Olympic View Drive
 - Park Improvements
 - Re-locating our City Court
 - High priority & Existing Grants: \$3.6 M
 - Match Pool: \$1.0 M
 - Projects Design/Construction: \$1.25 M
 - Increased Costs Buffer: \$1.1 M



Budget Decisions: Municipal Court

- Red Light Camera:
 - Very serious and dangerous intersection traffic enforcement
 - Workload increase requires and increase to 1.0 FTE
 - An increase in general expenses to handle specific cases is needed



Budget Structure & Decision-Making

In 2006 I said that one “Major ‘Beginning’ Budget Decision was:

- “No ‘red light’ enforcement revenue has been included, except that such revenue will offset all needed city **startup costs such as court staff time and police review time.**”
- Starting in mid-July Red Light Camera revenue has been doing quite well in the first two months and is projected to continue doing quite well – indeed.



Budget Decisions: Police Department

- Three (3) Police **Patrol** Officers are proposed to be funded by Red Light Camera revenue.
-



Budget Decisions: Police & Fire Depts.

- Three (3) Police **Patrol** Officers are proposed to be funded by Red Light Camera revenue.
- **And**, three (3) **Firefighters** are **also** proposed to be funded by Red Light Camera revenue.
- I believe it is appropriate that the quality public safety services which we provide to our citizens and businesses be **improved** by this revenue source.



Thank You, Again

- We remain consistent with the balanced 2007-08 budget and our city financial policies
- We'll stay within known and reasonably estimated revenues
- No reserves were harmed in making of these proposed amendments
- Again, "Thank You" to all those who have helped put these biennial budget amendments together.
- And, **Thank you** for **listening** and **caring**.