



**City of Lake Forest Park
City Council Budget and Finance Committee
April 18, 2019
6:00 p.m.
Lake Forest Park City Hall
Lake Forest Room
17425 Ballinger Way NE
AGENDA**

Committee Members: John Resha (Chair), Tom French, and Catherine Stanford

Parks & Streetscapes Enhancement Work Plan Briefing

Police Department Reserve Officer Follow Up

Public Works Contract Closeout Presentation

2018 Annual Financial Report Draft Presentation

Director's Report

Committee Work Plan Discussion

Public Comment

Adjourn

Committee Discussion Documents and Attachments

1. Parks and Streetscapes Enhancement Work Plan (Pending)
2. Reserve Officer Draft Agenda Cover and Legislation
3. Public Works Contract Closeout Cover and Legislation
4. 2018 Annual Financial Report Draft (Pending)
5. 2019 Finance Department Work Plan
6. 2019 Municipal Services Department Work Plan
7. March 2019 Budget Monitoring Dashboard

Lake Forest Park City Council

Agenda Cover Sheet

Meeting Date 4/16/2019

Title Ordinance XXXX Authorizing the Police Department to Staff Its Reserve Officer Program through the 2019-2020 Biennium

Item Type

- | | |
|---|--|
| <input type="checkbox"/> Work Session | <input checked="" type="checkbox"/> Ordinances & Resolutions |
| <input type="checkbox"/> Proclamation | <input type="checkbox"/> Introduction/Referral |
| <input type="checkbox"/> Special Presentation | <input checked="" type="checkbox"/> Council Discussion |
| <input type="checkbox"/> Public Hearing | <input type="checkbox"/> Action |
| <input type="checkbox"/> Consent Calendar | <input type="checkbox"/> Council Discussion/Action |
| <input type="checkbox"/> Final Confirmation | |

Originating Department Police

Contact Person Chief Steve Sutton

Legislative History

Executive Summary

Due to staffing shortages the Police Department has experienced, the Reserve Officer has been filling shifts to supplement patrol. The Reserve Officer has made a positive impact and this request will enable the department to continue to staff the reserve officer program through the 2019-2020 biennium.

Background

Lake Forest Park Municipal Code 2.16.090 authorizes the department to have a reserve program, and between 2016 and June of 2018 the one Reserve Officer on staff volunteered his time twice a month. Because of staffing shortages and several anticipated vacancies in 2018, the Police Chief authorized compensation for the Reserve Officer and he begun working two days a week adding to the capacity of our patrol staff.

Reserve Officer Jackson Beard has made positive impact on staffing, patrol operations, community outreach, calls for service, critical incidents, criminal arrests, and much more.

Currently, the department is at full staffing for the first time in over two years. There are however three officers on field training at the same time, with the final officer scheduled to be finished in June. During this period, the department will continue to run at minimum staffing levels.

On June 20th, Detective Tony Matthews will be retiring from the department with over 22 years of service for LFP. On July 11th, the Police Chief will also retire, leaving two vacancies. The police department plans to aggressively recruit for those positions in the few months, however there are no guarantees on filling it when needed and it will be 9 months to a year before that new officer is on the road.

Currently, Officer Beard makes \$37.80/hour with no benefits. His wages have been covered by our vacancies, the plan is to continue with this staffing model.

As a reminder, a 2015 police department staff study identified a personnel gap of three officers. The 2019-2020 proposed and approved budget for the police department included one officer, which helps. By approving the additional funds, it is a very economical way to decrease the gap in staffing issues, while at the same time increasing the public safety and security of the City.

Fiscal & Policy Implications

The Department is submitting a request for authorization to staff the reserve officer program; the Department will work to identify savings in its budget to fund the program during the 2019-2020 budget. If adequate savings cannot be identified to continue the program throughout the entire biennium, then the Department will request a budget amendment to fund the program before continued staffing of the program.

ORDINANCE NO. XXXX

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAKE FOREST PARK, WASHINGTON, AMENDING THE 2019-2020 BUDGETED POSITIONS AND SALARY SCHEDULE ADOPTED BY ORDINANCE 1184

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

WHEREAS, a budget for the 2019-2020 biennium has been adopted, the adopted 'budget package' includes an ordinance adopting the budget, plus a user fee schedule and budgeted positions and salary schedule; and

WHEREAS, the City's Financial Policies require that all employment positions, regular, full-time, part-time, limited-term, temporary or otherwise, are included on the adopted budgeted positions and salary schedule; and

WHEREAS, the Police Department is seeking authorization to hire a half-time (0.5 FTE) reserve patrol officer, authorization requires an update to the budgeted positions and salary schedule; and

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

Section 1. RESERVE OFFICER AUTHORIZED. The 2019-2020 Budgeted Positions and Salary Schedule is revised to include a 0.5 FTE reserve officer position and is adopted as attached.

Section 2. CORRECTIONS. The City Clerk is authorized to make necessary corrections to this ordinance including, but not limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

Section 3. Effective Date. This ordinance shall take effect five (5) days after passage and publication.

APPROVED BY A MAJORITY of the Lake Forest Park City Council this XXXX day of XXXX, 2019, and signed into authentication this _____ day of _____, 2019.

APPROVED:

Jeff Johnson
Mayor

ATTEST/AUTHENTICATED:

Evelyn Jahed
City Clerk

APPROVED AS TO FORM:

Kim Adams Pratt
City Attorney

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

2019 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						13,969
Human Resources Manager	1.00	7,097	7,570	8,043	8,516	8,989	9,462
	<u>2.50</u>						
Judicial							
Municipal Court Judge (set by State)	0.60						13,693
Court Administrator	1.00	6,245	6,662	7,078	7,495	7,911	8,328
Court Clerk	2.50	3,929	4,191	4,453	4,715	4,977	5,239
Probation Officer	0.20	5,014	5,348	5,682	6,016	6,351	6,685
Pro-tem Judges		\$55 per hour					
	<u>4.30</u>						
Municipal							
City Clerk	1.00	6,292	6,711	7,131	7,550	7,970	8,389
Deputy City Clerk	1.00	5,101	5,441	5,782	6,122	6,462	6,802
Records Mgmt. & Office Support	1.00	3,826	4,081	4,336	4,591	4,846	5,101
Office Assistant/Reception	1.00	3,708	3,956	4,203	4,450	4,697	4,944
Passport Clerk	0.75	3,319	3,540	3,761	3,984	4,205	4,426
	<u>4.75</u>						
Finance							
Administrative Services Director	1.00	8,513	9,080	9,648	10,215	10,783	11,918
Accounting Supervisor	1.00	5,983	6,382	6,781	7,180	7,579	7,977
Business and Tax Accountant	1.00	4,070	4,341	4,612	4,884	5,155	5,426
Utility and Payroll Analyst	1.00	4,739	5,054	5,370	5,686	6,002	6,318
Info. Tech. Program Manager	1.00	7,322	7,810	8,299	8,787	9,275	9,763
Accounting Clerk	0.38	3,898	4,158	4,418	4,678	4,937	5,197
	<u>5.38</u>						
Planning							
Planning Director	1.00	8,199	8,745	9,292	9,839	10,385	10,932
Senior Planner	1.00	6,004	6,405	6,804	7,205	7,605	8,006
Assistant Planner, Limited Term	1.00	4,547	4,850	5,153	5,456	5,759	6,062
Arborist	0.60						7,004
	<u>3.60</u>						
Building							
Building Official	1.00	6,442	6,871	7,301	7,730	8,160	8,589
Permit Technician	1.00	4,117	4,391	4,665	4,940	5,214	5,488
	<u>2.00</u>						
Community Services							
Community Volunteer Coordinator	0.60	4,184	4,463	4,742	5,021	5,299	5,578
Domestic Violence Advocate	0.35	4,330	4,619	4,907	5,196	5,485	5,774
	<u>0.95</u>						
Engineering							
City Engineer	1.00	7,637	8,147	8,655	9,165	9,674	10,183

2019 Budgeted Positions and Salary Schedule

Amounts on this schedule are monthly

	FTE	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
	1.00						
Police							
Police Chief	1.00						13,473
Police Captain	1.00	7,906	8,433	8,961	9,488	10,015	10,542
Administrative Sergeant	1.00						8,418
Sergeant 2	3.00						8,017
Sergeant 1	1.00						7,618
Police Officer	9.00	5,424	5,853	6,318	6,778		
Detective	2.00	5,966	6,438	6,950	7,456		
Traffic/Motorcycle	1.00	5,695	6,145	6,634	7,116		
K-9	1.00	5,695	6,145	6,634	7,116		
Emergency Manager	1.00	7,045	7,238	7,430	7,622	7,814	8,006
Support Services Officer	1.00	4,396	4,710	5,023	5,345		
Records Specialist	2.00	4,242	4,393	4,544	4,693	4,842	4,993
Reserve Officer	0.50	Market Rate					
	<u>24.50</u>						
Public Works (Streets, Surface Water, Sewer, and Parks Maintenance)							
Deputy City Admin./PW Director	1.00	9,590	9,877	10,495	11,112	11,729	12,347
Public Works Superintendent	1.00	5,455	5,819	6,183	6,546	6,910	7,274
Project Manager	1.00	5,800	6,187	6,573	6,960	7,347	7,734
Surface Water Technician	0.40	4,184	4,463	4,742	5,021	5,299	5,578
PW Admin. Assistant	0.50	4,070	4,341	4,612	4,884	5,155	5,426
Lead Maintenance Worker	2.00	5,216	5,401	5,586	5,769	5,953	6,138
Maintenance Worker	4.00	4,853	5,024	5,195	5,366	5,538	5,709
Seasonal Maintenance Worker	Seasonal up to 0.5 FTE at Market Rate						
	<u>9.90</u>						
Total Positions in Budget	<u>58.88</u>						

2020 Budgeted Positions and Salary Schedule

Revised

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						14,819
Human Resources Manager	1.00	7,310	7,797	8,284	8,771	9,259	9,746
	<u>2.50</u>						
Judicial							
Municipal Court Judge (set by State)	0.60						15,439
Court Administrator	1.00	6,433	6,862	7,291	7,720	8,149	8,578
Court Clerk	2.50	4,047	4,317	4,587	4,857	5,126	5,396
Probation Officer	0.20	5,164	5,508	5,853	6,197	6,541	6,885
Pro-tem Judges		\$55 per hour					
	<u>4.30</u>						
Municipal							
City Clerk	1.00	6,481	6,912	7,344	7,777	8,209	8,640
Deputy City Clerk	1.00	5,254	5,605	5,955	6,305	6,656	7,006
Records Mgmt. & Office Support	1.00	3,941	4,204	4,466	4,729	4,992	5,254
Office Assistant/Reception	1.00	3,819	4,074	4,329	4,583	4,838	5,092
Passport Clerk	0.75	3,419	3,647	3,874	4,103	4,331	4,558
	<u>4.75</u>						
Finance							
Administrative Services Director	1.00	8,768	9,353	9,937	10,522	11,106	12,276
Accounting Supervisor	1.00	6,163	6,573	6,984	7,395	7,806	8,217
Business and Tax Accountant	1.00	4,192	4,471	4,750	5,031	5,310	5,589
Utility and Payroll Analyst	1.00	4,881	5,206	5,531	5,857	6,182	6,507
Info. Tech. Program Manager	1.00	7,542	8,045	8,548	9,050	9,553	10,056
Accounting Clerk	0.38	4,015	4,283	4,550	4,818	5,086	5,353
	<u>5.38</u>						
Planning							
Planning Director	1.00	8,445	9,008	9,570	10,134	10,697	11,260
Senior Planner	1.00	6,184	6,597	7,008	7,422	7,833	8,246
Assistant Planner, Limited Term	1.00	4,683	4,995	5,308	5,620	5,932	6,244
Arborist	0.60						7,214
	<u>3.60</u>						
Building							
Building Official	1.00	6,635	7,077	7,520	7,962	8,404	8,847
Permit Technician	1.00	4,240	4,523	4,805	5,088	5,370	5,653
	<u>2.00</u>						
Community Services							
Community Volunteer Coordinator	0.60	4,310	4,597	4,884	5,171	5,458	5,745
Domestic Violence Advocate	0.35	4,460	4,757	5,055	5,352	5,649	5,947
	<u>0.95</u>						
Engineering							
City Engineer	1.00	7,866	8,391	8,915	9,440	9,964	10,489

2020 Budgeted Positions and Salary Schedule**Revised***Amounts on this schedule are monthly*

	FTE	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
	1.00						
Police							
Police Chief	1.00						14,294
Police Captain	1.00	8,144	8,686	9,229	9,772	10,315	10,858
Administrative Sergeant	1.00						8,671
Sergeant 2	3.00						8,258
Sergeant 1	1.00						7,846
Police Officer	9.00	5,586	6,028	6,507	6,981		
Detective	2.00	6,145	6,631	7,158	7,679		
Traffic/Motorcycle	1.00	5,866	6,329	6,833	7,330		
K-9	1.00	5,866	6,329	6,833	7,330		
Emergency Manager	1.00	7,257	7,455	7,653	7,850	8,048	8,246
Support Services Officer	1.00	4,528	4,852	5,174	5,506		
Records Specialist	2.00	4,369	4,525	4,680	4,833	4,987	5,142
Reserve Officer	0.50	Market Rate					
	<u>24.50</u>						
Public Works (Streets, Surface Water, Sewer, and Parks Maintenance)							
Deputy City Admin./PW Director	1.00	9,878	10,174	10,810	11,446	12,081	12,718
Public Works Superintendent	1.00	5,619	5,994	6,368	6,742	7,118	7,492
Project Manager	1.00	5,974	6,372	6,771	7,169	7,567	7,966
Surface Water Technician	0.40	4,310	4,597	4,884	5,171	5,458	5,745
PW Admin. Assistant	0.50	4,192	4,471	4,750	5,031	5,310	5,589
Lead Maintenance Worker	2.00	5,373	5,563	5,755	5,941	6,132	6,322
Maintenance Worker	4.00	4,999	5,175	5,351	5,527	5,705	5,881
Seasonal Maintenance Worker	Seasonal up to 0.5 FTE at Market Rate						
	<u>9.90</u>						
Total Positions in Budget	<u>58.88</u>						

Lake Forest Park City Council

Agenda Cover Sheet

Meeting Date 4/25/2019

Title **Ordinance XXXX Amending the Public Works Contract Fund 2019-2020 Budget Pursuant to the Financial Closeout of the Kenmore Contract and Closing the Fund**

Item Type

- | | |
|--|--|
| <input type="checkbox"/> Work Session | <input type="checkbox"/> Ordinances & Resolutions |
| <input type="checkbox"/> Proclamation | <input type="checkbox"/> Introduction/Referral |
| <input type="checkbox"/> Special Presentation | <input type="checkbox"/> Council Discussion |
| <input type="checkbox"/> Public Hearing | <input type="checkbox"/> Action |
| <input checked="" type="checkbox"/> Consent Calendar | <input type="checkbox"/> Council Discussion/Action |
| <input type="checkbox"/> Final Confirmation | |

Originating Department Finance

Contact Person Phillip Hill, City Administrator

Legislative History

- Presentation, Budget and Finance Committee April 18, 2019
- Action, April 25, 2019

Attachments:

1. Ordinance XXXX Amending the Public Works Contract Fund 2019-2020 Budget
2. Public Works Contractual Annual Reconciliation and Contract Closeout

Executive Summary

The Public Works Contract with the City of Kenmore expired on December 31, 2018. A financial closeout is required to close the accounting entity used to account for the contract and to return the excess funds collected in 2018 to Kenmore.

Background

The City's Public Works Department has provided public works services to the City of Kenmore for many years. The terms of the agreement are memorialized in a contract (the Contract). The Contract expired on December 31, 2018.

In support of the Contract, an accounting entity, the Public Works Contract Fund (the Fund), was established in Lake Forest Park's accounting system to account for the revenues and costs associated with providing services to Kenmore. Lake Forest Park

must recover the full cost of providing services to Kenmore; accounting for the activity in a separate fund ensures that full cost recovery is achieved.

The Contract calls for an annual reconciliation of the revenues received for services provided and the corresponding costs associated with providing those services in the preceding year. Annual revenues in excess of expenditures are returned to Kenmore; if annual revenues are less than expenditures, then Lake Forest Park is required to bill Kenmore for the balance due.

The purpose of the aforementioned Fund is administrative in nature and any accumulated fund balance in the Fund are unrestricted monies that can be used for any lawful purpose of government. The closing of the accounting entity used to account for the Contract Fund is the last step in the financial closeout and is required when the contract to provide services has ended.

Results of Reconciliation

The expiration of the contract requires that the Fund must be closed and a final reconciliation must be performed. The final reconciliation has been performed and revenues collected from Kenmore exceeded costs; Kenmore is due \$142,292 as a result of the reconciliation. A budget amendment is required to allow the Administration to pay Kenmore the amount due.

Fund Closeout

The Fund must be closed and the remaining fund balance must be moved to the General Fund. The estimated ending fund balance used in the budget was understated by approximately \$2,000, so the budget amendment described in the preceding will be increased by \$2,000 to allow for the transfer of the entire fund balance from the Fund to the City's General Fund. The same ordinance used to amend the Fund budget will also close the Fund.

Fiscal & Policy Implications

Returning the excess funds collected from Kenmore in 2018/2019 is consistent with the contract. Moving the excess fund balance out of the Fund and into the General Fund allows for these funds to support the general government. Closing the fund maintains a tidy general ledger.

Alternatives

<i>Options</i>	<i>Results</i>
<ul style="list-style-type: none">• Do not approve this legislation.	Violate the terms of the Contract.
<ul style="list-style-type: none">•	

Staff Recommendation

Approve the Ordinance.

Legal Review

Type of Document	Title of Document	Date Reviewed by Legal Counsel
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Finance Review

Fiscal & Policy Implications	Date Reviewed by Finance Director
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ORDINANCE NO. XXXX

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAKE FOREST PARK, WASHINGTON, AMENDING THE 2019-2020 PUBLIC WORKS CONTRACT FUND BUDGET ADOPTED BY ORDINANCE 1184 AND CLOSING THE PUBLIC WORKS CONTRACT FUND

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

WHEREAS, a budget for the 2019-2020 biennium has been adopted for all funds of the City including the Public Works Contract Fund; and

WHEREAS, the public works contract expired at the end of the 2017-2018 biennium with the financial closeout of the contract scheduled to occur in early 2019; and

WHEREAS, the financial closeout is complete and a budget amendment is required to fund a return of monies to the City of Kenmore and to close the fund used to account for the financial aspects of the contract (the Public Works Contract Fund); and

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

Section 1. PUBLIC WORKS CONTRACT FUND BUDGET AMENDED. The 2019-2020 budget is amended as follows:

<u>Fund No.</u>	<u>Fund Name</u>	<u>2019-2020</u>			
		<u>Adopted Revenue</u>	<u>Amended Revenue</u>	<u>Adopted Expenditure</u>	<u>Amended Expenditure</u>
450	Public Works Contract Fund	-	147,840	340,000	484,292

Section 2. THE PUBLIC WORKS CONTRACT FUND CLOSED. Following the financial closeout of the financial aspects of the Public Works Contract the Public Works Contract Fund (Fund 450) is closed in the accounting system.

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

numbers and any references thereto.

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

APPROVED BY A MAJORITY of the Lake Forest Park City Council this XXXX day of XXXX, 2019, and signed into authentication this _____ day of _____, 2019.

APPROVED:

Jeff Johnson
Mayor

ATTEST/AUTHENTICATED:

Evelyn Jahed
City Clerk

APPROVED AS TO FORM:

Kim Adams Pratt
City Attorney

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

City of Lake Forest Park
Public Works Contractual Annual Reconciliation and Contract Closeout ¹
March 29, 2019

	<u>2018</u>	<u>Total</u>
Budgeted Annual Value (Amount Remitted, 2018 and 2019)	965,327	965,327
Actual Costs Charged to Contract	823,036	823,036
Difference, Credit / (Owing)	<u>142,292</u>	<u>142,292</u>

¹ "Each March, the City of Lake Forest Park will calculate the actual costs of services provided to the City of Kenmore and reconcile them with the budgeted costs for the previous year. Of the actual costs for the previous year are lower than the budgeted costs, the City of Lake Forest Park will provide a credit to the City of Kenmore...". AG-03-004, Addendum to the Interlocal Agreement Between the City of Kenmore and the City of Lake Forest Park Related to Public Works Services (2003).

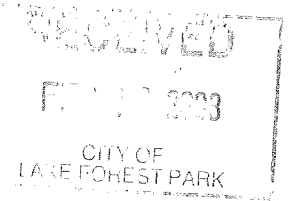
General Ledger

2018 Summary Trial Balance, plus 2019 revenue

Account Number	Description	Ending Balance
Fund 450	Public Works Contract Fund	
REVENUE		
450-000-344-10-00-00	Kenmore Interlocal Agreement (2018)	-817,488.73
450-000-344-10-00-00	Kenmore Interlocal Agreement (2019)	-147,838.61
450-000-369-91-00-01	Miscellaneous Revenue	0.00
	REVENUE Totals:	-965,327.34
EXPENSE		
Dept 790		
450-790-518-62-10-00	Salaries	364,758.10
450-790-518-62-10-01	Salaries - Seasonal	0.00
450-790-518-62-11-00	Overtime	7,169.24
450-790-518-62-11-01	Overtime - Seasonal	0.00
450-790-518-62-12-00	On-Call Services	8,877.60
450-790-518-62-20-00	Employee Benefits	181,363.36
450-790-518-62-20-01	Employee Benefits - Seasonal	0.00
450-790-518-62-20-02	Safety Clothing / Boots	1,144.55
450-790-518-62-31-00	Office Supplies	75.95
450-790-518-62-31-01	Operating Supplies	3,850.06
450-790-518-62-31-02	Small Tools & Equipment	6,981.53
450-790-518-62-40-00	Street Maintenance	6,190.88
450-790-518-62-41-00	Repairs & Maintenance	0.00
450-790-518-62-41-01	Professional Services	1,958.74
450-790-518-62-42-00	Communications	6,277.08
450-790-518-62-43-00	Travel Exp. (lodging, meals)	202.50
450-790-518-62-45-00	Equipment Rental	19.79
450-790-518-62-46-00	Insurance	30,961.80
450-790-518-62-47-00	Utilities	2,951.68
450-790-518-62-48-01	Street Drainage Maintenance	5,979.45
450-790-518-62-49-00	Dues / Subscriptions	0.00
450-790-518-62-49-01	Training	338.04
	450-790 EXPENSE Totals:	629,100.35
Dept 795	Transfers/Interfund Services	
450-795-518-10-40-00	Shared Services To Fund (001)	57,958.00
450-795-518-10-40-01	Interfund Svc. To Fund (501)	106,943.04
450-795-597-00-00-00	PW Facility and Yard	29,034.30
	450-795 EXPENSE Totals:	193,935.34
	EXPENSE Totals:	823,035.69



Addendum to the Interlocal Agreement Between the City of Kenmore and the City of Lake Forest Park Relating to Public Works Services. This addendum provides updated costs for the 2003 Budget Year.



The 2003 public works service costs for the City of Kenmore are outlined in Attachment A for the 2003 budget year. The 2003 service costs reflect a total increase of \$61,123 from the 2002 service costs. For 2003, the monthly base charges will be \$33,104.

The changes in service costs are listed below.

- Personnel cost increases of \$27,169 due to salary and benefit increases for staff and the full-year funding for the two additional positions that were added for the City of Kenmore for 2002. These position were only funded for ten months in 2002.
- There is an increase of \$7,685 due to the hiring of a half-time Administrative Assistant position for the Public Works Department. These funds reflect Kenmore's share of this position based on Kenmore's percent of the Public Works Departments FTEs.
- There is a decrease of \$1,469 in overall non-personnel costs.
- There is a decrease of \$2,929 due to overall lower costs for vehicle and equipment replacements.
- There is an increase of \$30,668 in overall Administrative Support costs due primarily to the opening of the new Public Works Facility.

The 2002 Addendum included the language below on the annual reconciliation adjustment. Since the City of Lake Forest Park has already closed the 2002 Budget year we will perform the reconciliation in January and include a credit with the January 2003 invoice.

For 2002, the actual costs for the City of Kenmore were \$321,483 versus the 2002 Budget of \$336,123. This \$14,640 (4.4%) difference will be shown as a credit on the January 2003 invoice.

2002 Addendum Language: "Each March, the City of Lake Forest Park will calculate the actual costs of services provided to the City of Kenmore and reconcile them with the budgeted costs for the previous year. If the actual costs for the previous year are lower than the budgeted costs, the City of Lake Forest Park will provide a credit to the City of Kenmore in the March invoice for services. If the actual costs for the previous year were higher than budgeted, the City of Lake Forest Park will add the difference to the March invoice. If the adjustment is greater than 5% of the annual contract amount, the payment of the adjustment by either city will be spread over a three month period."

Any notice required by this agreement should be sent to:

City of Lake Forest Park
Attention: Scott Walker
17425 Ballinger Way NE
Lake Forest Park, WA 98155

City of Kenmore
Attention: Ted Carlson
P.O. Box 82607
Kenmore, WA 98028

APPROVED:

David R. Hutchinson, Mayor
City of Lake Forest Park

APPROVED:

Stephen L. Anderson, City Manager
City of Kenmore



City of Lake Forest Park

Cost Allocation Plan for Allocating Shared Service Costs

The City of Lake Forest Park's finance and accounting system contains more than 15 funds; each fund represents a separate accounting entity. The purpose of maintaining multiple accounting entities for the same local government is to segregate monies based on restrictions placed on certain city revenues.

Each of the city's funds require management and administrative services ("shared services") provided by the general government and paid for by the General Fund. The purpose of the cost allocation plan (the "plan") is to fairly and equitably allocate the cost of providing shared services to the funds that benefit from those services.

Shared Services Identified

The first step in developing a cost allocation plan is to identify the shared services. Shared services costs are indirect in nature; direct costs are charged directly to the benefiting fund. The following services are provided by the general government for the benefit of other funds:

- Financial Management and Accounting
- Human Resources
- Information Technology

Shared Services Costs

The costs of providing shared services ("allocable costs") are identified in the general ledger. For the purposes of the plan, allocable costs include salaries, benefits, supplies, training, and miscellaneous charges. All costs required for the provision of service to the benefiting fund should be included in the allocable costs used in the cost allocation calculation.

Professional services can be included in the allocable costs, but whether to include these costs is dependent on the nature of the professional services provided. For the purposes of the plan, only those professional service costs that can be allocated equitably by one of the two methods described in the following have been included in allocable costs.

Allocation Method

The plan recognizes two types of allocable costs: costs allocated by employee count and costs allocated by transaction count. Adding the two allocated cost types by fund results in the cost allocation by fund. It should be noted that allocable costs must be allocated equitably among the benefiting funds; allocation to all benefiting funds ensures that the results are not distorted, but in some cases the benefiting fund may not have a formal obligation to pay for the services it receives. In such cases the cost of providing services is calculated, but the General Fund is not reimbursed for the costs associated with the provision of services.

Costs Allocated by Employee Count

Certain allocable costs are closely associated with the number of employees that a fund employs, thus allocating these costs to the benefiting fund based on employee count is an equitable allocation of costs. The following costs are allocated based on the number of employees employed by a given fund:

- Information Technology Management
- Human Resources
- Payroll
- Facilities Maintenance

The total cost of providing the aforementioned shared services is calculated as follows: *Add the IT Manager salary and benefits; plus HR and Payroll salary and benefits; plus all costs in the facilities maintenance department. Divide the sum by the number of employees whose payroll is charged directly to each fund. No subsequent modifications are required. It should be noted that funds who do not have payroll expense do not share in the costs allocated by employee count.*

Costs Allocated by Transaction Count

Finance Department costs are most equitably charged based on the number of transactions processed in the general ledger with additional consideration given to the required fund specific annual reports that must be filed. The following shared services are performed by the Finance Department for the benefit of all funds.

- Finance and Accounting
- Banking and Treasury
- Budget Administration
- Annual Report(s) Preparation and Audit Representation

The total cost of providing the aforementioned shared services is calculated as follows: *Add the following: Total cost of the Finance and IT Departments (Department 160), less the IT Manager salary and benefits (allocated by employee count), less the Payroll Accountant salary and benefits (allocated by employee count), less the Business Tax and License Accountant for the time spent exclusively in support of the business tax and licensing program (.5FTE), plus annual audit fees.*

Timing of Updates

The cost allocation calculation should be updated during the biennial budget development using the most recent full year financial data. It is recognized that the data used in the adopted budget is the actual cost in preceding year(s); the calculation should be updated and reconciled with the budgeted amounts anytime that a significant change in the cost of providing shared services or a change effecting one of the allocation factors occurs in the current year. The amount charged in a given year should never exceed the actual cost of providing services to the benefitting fund, in some cases a budget amendment may be required.

In January of each year, the Finance Department will reconcile the prior year cost allocations to the actual cost of providing the shared services. If it is found that the allocation has resulted in a fund being charged an amount in excess of the actual cost of providing the services, then an adjustment will be made to the amount charged in the prior year.

Work Plan, Finance and IT Department

2019 - UPDATED NOVEMBER 15, 2018

Mission: The mission of the Finance and 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.

Activities		Status				Responsible Person
		Not Started	In Process	Waiting	Done	
FN19.1	Update Sewer Rate Study					Annette
FN19.2	Draft and Issue Purchasing Policy Guidance					Chris
FN19.3	Department Professional Development, Mindset: The New Psychology of Success					Everyone
FN19.4	Draft a New Annual Report Appendix					Aurora
FN19.5	Submit the 2019-2020 Budget for Distinguished Budget Presentation Award Program					Chris
FN19.6	Update Revenue Capacity Studies					Chris
FN19.7	Identify Opportunities to Improve Financial Transparency					Everyone

Work Plan, Municipal Services and City Clerk

2019, UPDATED NOVEMBER 29, 2018

Mission: The mission of the Municipal Services Department and City Clerk is to provide service and assistance to the public, City Council, and staff in an efficient, courteous and service-oriented manner. The mission is accomplished by providing a welcoming environment to citizens and visitors; by being effective in the legislative process; and by serving as the custodians of city records; and, by ensuring compliance with Open Public Meetings Act and Public Records Act.

Activities		Status				Responsible Person
		Not Started	In Process	Waiting	Done	
MS19.1	Assemble Citywide Policy Manual	X				Jessica
MS19.2	Create Public Records Request Corner in CA Report					Evelyn
MS19.3	Implement Workflow and PRR Agenda Materials			4/1/19		Evelyn/Chris
MS19.4	Redesign Newsletter					JoAnne
MS19.5	Archive/Destroy Review & Disposition/Reorganize Network Files		2018-19			Jennifer
MS19.6	Establish Uniform Network File Structure (Framework/Protocols)					

MS19.7	Draft Business Plan for Passports					Evelyn
MS19.8	Train City Council and Commissions on OPMA/PRA Compliance				3/2019	Evelyn
MS19.9	Photo Archives, Digital (Hard Copy in 2020)			7/1/19		Jennifer
MS19.11	Establish an Intranet in CivicPlus					JoAnne
MS19.12	Develop Branding for City Materials (Consistent Look and Feel)					
MS19.13	Develop Citywide Policies for: Escalation of Customer Facing Functions and Booking Shared Resources	X				Jessica
MS19.14	Develop a Plan to Continue Best in Class Online Reviews for Passport Office					Evelyn
MS19.15	Research Electronic Sign In for Passport Customers				3/2019	Jessica

City of Lake Forest Park

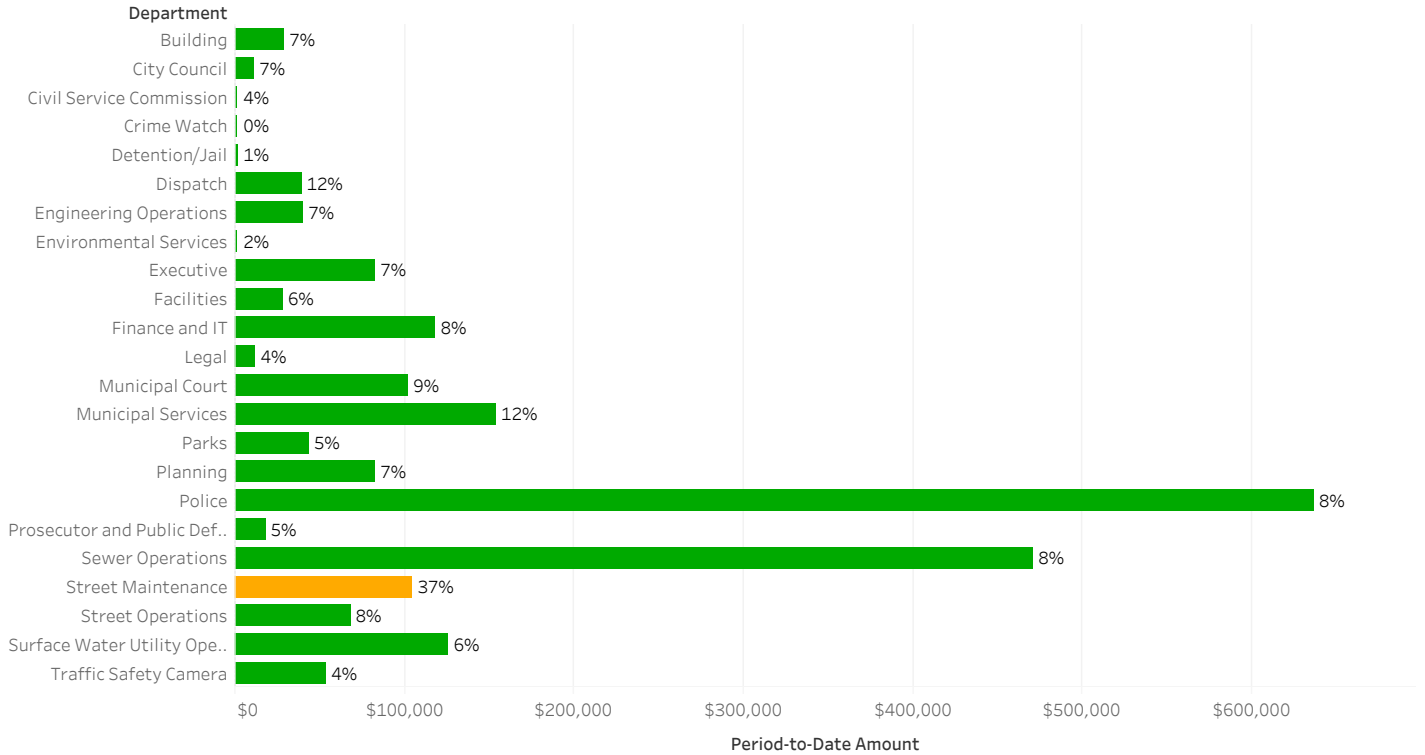
March 31, 2019 Budget Monitoring Dashboard

For the purposes of this reporting the budgetary period is January 1, 2019 to December 31, 2020.

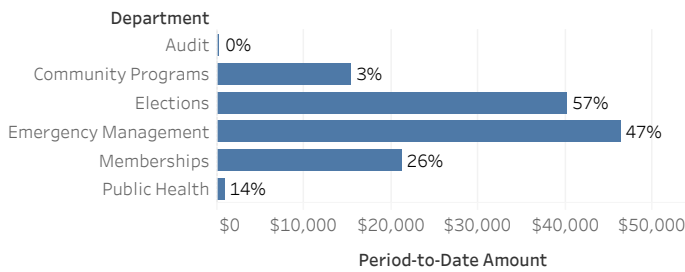
As of the date of this report we are approximately 12.6% through the budgetary period. Green shading indicates meeting or exceeding budgeted performance; yellow indicates not meeting budgeted performance at this time.

Percentages, where shown, are the relative period-to-date (PTD) expenditures compared to the budgeted amounts for the budgetary period.

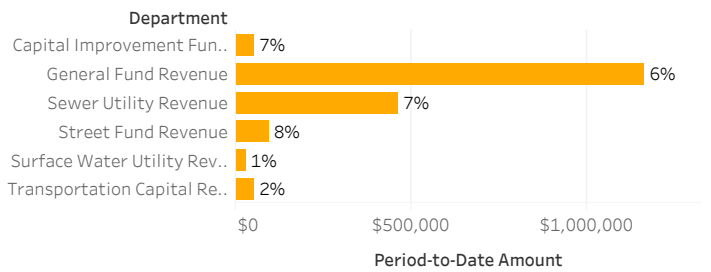
Operating Departments



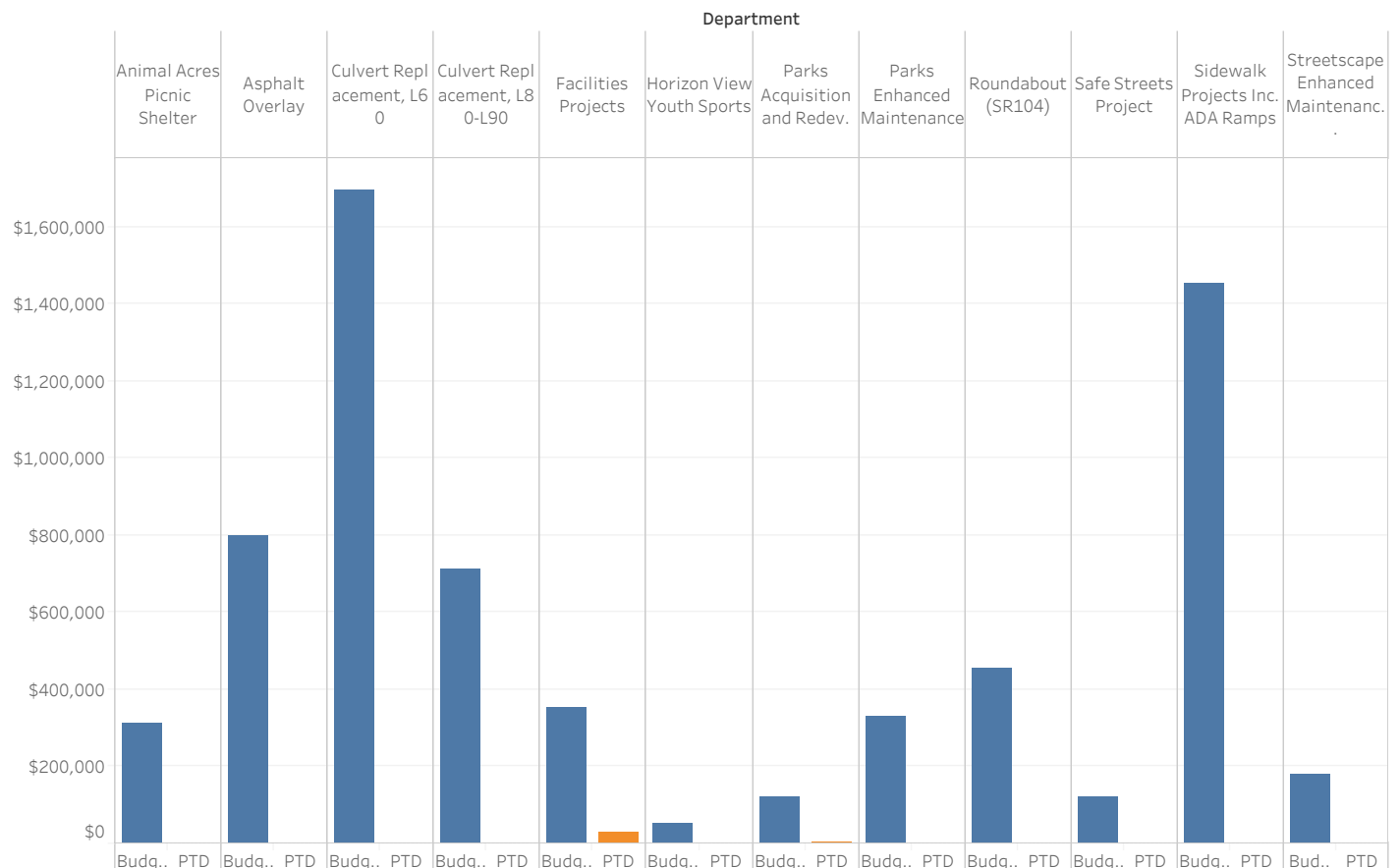
Non-Operating Departments



Revenue by Fund



Capital



City of Lake Forest Park

March 31, 2019 Budget Monitoring

For the purposes of this reporting the budgetary period is January 1, 2019 to December 31, 2020.

As of the date of this report we are approximately 12.6% through the budgetary period.

Percentages shown on this report are the relative period-to-date (PTD) expenditures compared to the budgeted amounts for the budgetary period.

Operating Departments

Department	Budget	PTD	PTD Percent
Building	\$398,733	\$28,944	7%
City Council	\$166,495	\$11,194	7%
Civil Service Commission	\$15,083	\$597	4%
Crime Watch	\$15,000	\$35	0%
Detention/Jail	\$305,000	\$1,885	1%
Dispatch	\$324,350	\$38,950	12%
Engineering Operations	\$533,041	\$39,586	7%
Environmental Services	\$12,000	\$200	2%
Executive	\$1,135,995	\$82,155	7%
Facilities	\$444,443	\$28,046	6%
Finance and IT	\$1,429,690	\$118,031	8%
Legal	\$300,000	\$12,318	4%
Municipal Court	\$1,189,718	\$102,129	9%
Municipal Services	\$1,272,466	\$153,731	12%
Parks	\$844,410	\$43,458	5%
Planning	\$1,255,844	\$82,735	7%
Police	\$7,530,930	\$636,390	8%
Prosecutor and Public Def..	\$383,719	\$17,962	5%
Sewer Operations	\$5,704,472	\$470,653	8%
Street Maintenance	\$279,500	\$104,461	37%
Street Operations	\$873,331	\$68,184	8%
Surface Water Utility Ope..	\$2,032,474	\$126,108	6%
Traffic Safety Camera	\$1,291,620	\$53,390	4%

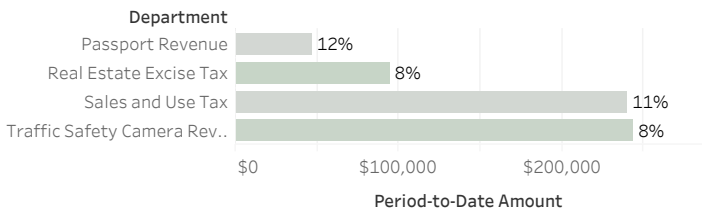
Non-Operating Departments

Department	Budget	PTD	PTD Percent
Audit	\$48,000	\$0	0%
Community Programs	\$503,085	\$15,380	3%
Elections	\$70,000	\$40,184	57%
Emergency Management	\$99,000	\$46,325	47%
Memberships	\$81,782	\$21,162	26%
Public Health	\$6,000	\$862	14%

Revenue by Fund

Department	Budget	PTD	PTD Percent
Capital Improvement Fund Revenue	\$698,117	\$51,397	7%
General Fund Revenue	\$19,695,133	\$1,163,260	6%
Sewer Utility Revenue	\$6,600,403	\$462,479	7%
Street Fund Revenue	\$1,205,605	\$95,346	8%
Surface Water Utility Revenue	\$2,775,160	\$29,409	1%
Transportation Capital Revenue	\$2,982,877	\$51,311	2%

Revenue by Fund



Capital

Department	Budget	PTD
Animal Acres Picnic Shelter	\$310,000	\$134
Asphalt Overlay	\$800,000	\$0
Culvert Replacement, L60	\$1,694,000	\$0
Culvert Replacement, L80-L90	\$713,000	\$0
Facilities Projects	\$353,000	\$30,475
Horizon View Youth Sports	\$50,000	\$0
Parks Acquisition and Redev.	\$120,000	\$2,352
Parks Enhanced Maintenance	\$330,000	\$0
Roundabout (SR104)	\$455,000	\$0
Safe Streets Project	\$120,000	\$0
Sidewalk Projects Inc. ADA Ramps	\$1,454,000	\$0
Streetscape Enhanced Maintenance	\$180,000	\$0