



**City of Lake Forest Park
City Council Budget and Finance Committee
May 17, 2018
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

Current CIP Activity

Director's Report

IT Subscriptions Presentation

Budget Calendar Discussion

Public Comment

Adjourn

Committee Discussion Documents and Attachments

1. April 2018 Budget Status Report and Dashboard
2. April Meeting Notes
3. PD Vehicle Replacement Agenda Materials
4. P-Card Agenda Cover
5. IT Licenses and Subscriptions List
6. Draft Budget Calendar
7. Adopted Schedule for Council Consideration of 2017-2018 Budget

City of Lake Forest Park

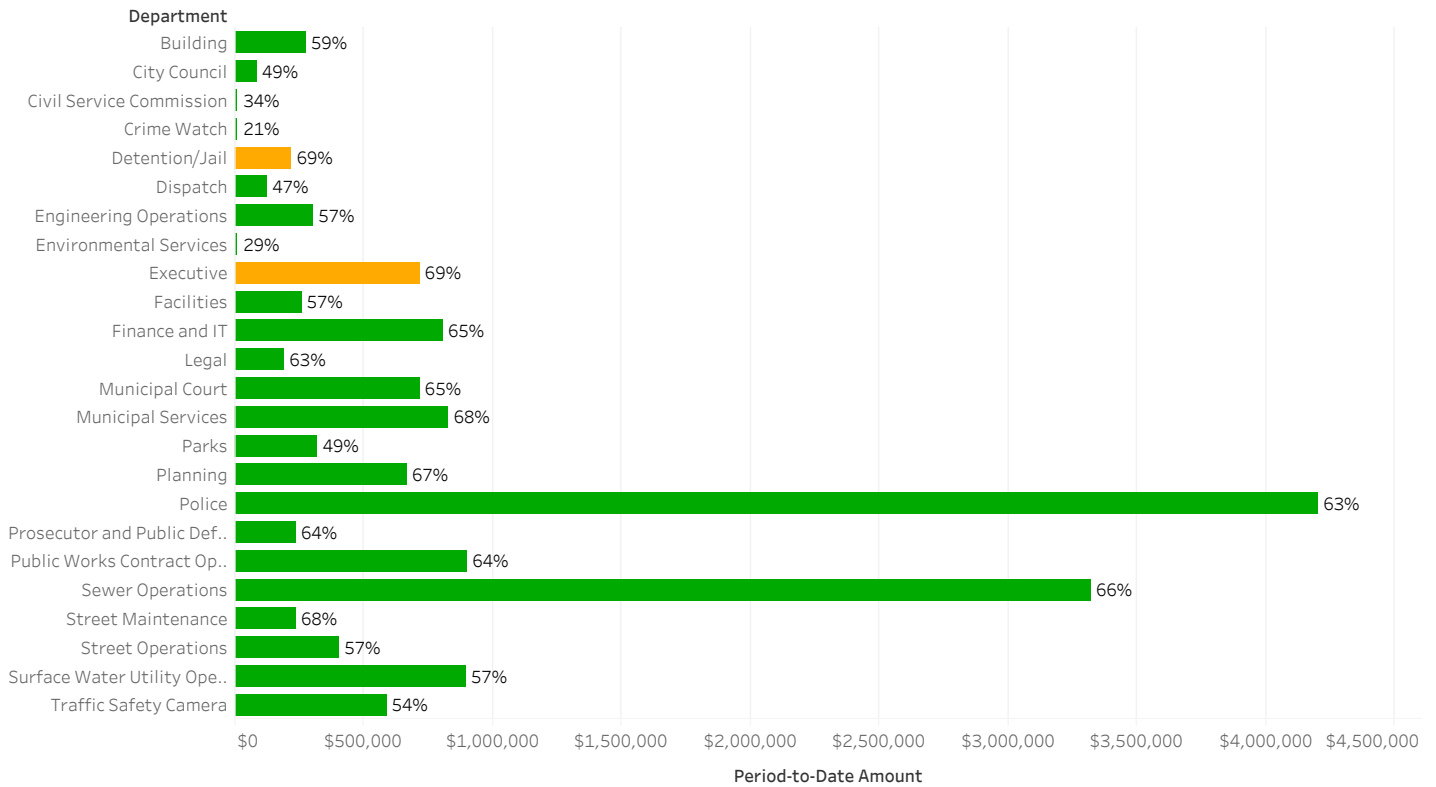
April 30, 2018 Budget Monitoring Dashboard

For the purposes of this reporting the budgetary period is January 1, 2017 to December 31, 2018.

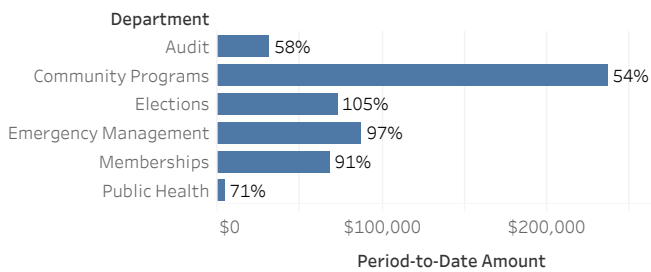
As of the date of this report we are approximately 67% through the budgetary period. Green shading indicates meeting or exceeding budgeted performance; yellow indicates not meeting budgeted performance at this time.

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

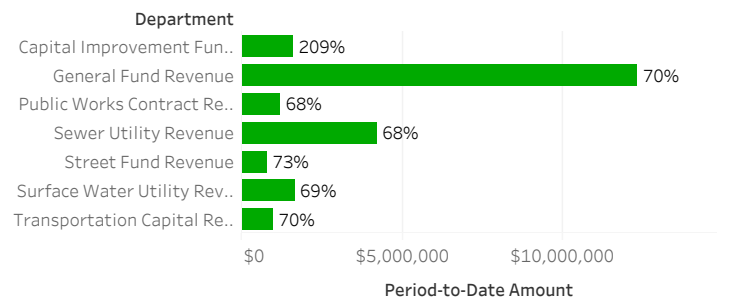
Operating Departments



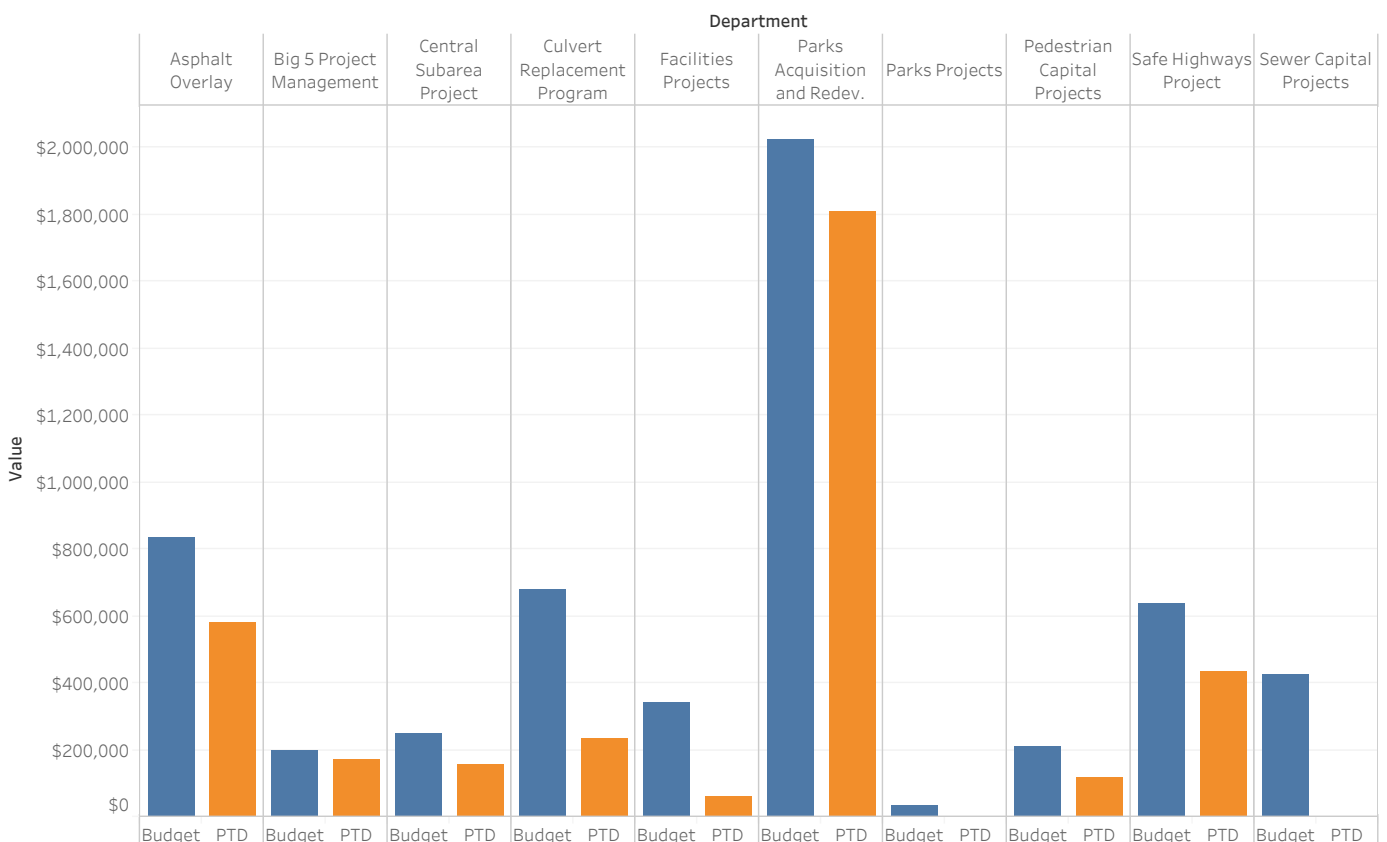
Non-Operating Departments



Revenue by Fund



Capital



City of Lake Forest Park

April 30, 2018 Budget Monitoring

For the purposes of this reporting the budgetary period is January 1, 2017 to December 31, 2018.

As of the date of this report we are approximately 67% 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	\$469,295	\$275,031	59%
City Council	\$166,991	\$81,735	49%
Civil Service Commission	\$17,800	\$6,086	34%
Crime Watch	\$15,000	\$3,218	21%
Detention/Jail	\$315,000	\$217,492	69%
Dispatch	\$266,670	\$124,594	47%
Engineering Operations	\$527,496	\$300,327	57%
Environmental Services	\$22,000	\$6,441	29%
Executive	\$1,041,409	\$714,860	69%
Facilities	\$445,929	\$256,038	57%
Finance and IT	\$1,248,873	\$807,220	65%
Legal	\$300,000	\$190,366	63%
Municipal Court	\$1,105,487	\$716,684	65%
Municipal Services	\$1,228,358	\$829,616	68%
Parks	\$654,145	\$319,973	49%
Planning	\$991,398	\$663,449	67%
Police	\$6,669,193	\$4,203,684	63%
Prosecutor and Public Def..	\$367,195	\$234,552	64%
Public Works Contract Op..	\$1,400,639	\$902,327	64%
Sewer Operations	\$5,051,249	\$3,320,895	66%
Street Maintenance	\$343,500	\$232,177	68%
Street Operations	\$698,970	\$400,955	57%
Surface Water Utility Ope..	\$1,560,217	\$893,646	57%
Traffic Safety Camera	\$1,093,750	\$585,850	54%

Revenue by Fund

Department	Budget	PTD	PTD Percent
Capital Improvement Fun..	\$779,075	\$1,625,100	209%
General Fund Revenue	\$17,698,009	\$12,329,650	70%
Public Works Contract Re..	\$1,765,153	\$1,195,976	68%
Sewer Utility Revenue	\$6,160,143	\$4,207,323	68%
Street Fund Revenue	\$1,095,150	\$800,453	73%
Surface Water Utility Rev..	\$2,404,663	\$1,653,860	69%
Transportation Capital Re..	\$1,433,998	\$1,002,557	70%

Capital

Department	Budget	PTD
Asphalt Overlay	\$834,000	\$581,953
Big 5 Project Management	\$200,000	\$170,701
Central Subarea Project	\$250,000	\$156,281
Culvert Replacement Prog..	\$680,000	\$231,800
Facilities Projects	\$340,567	\$58,837
Parks Acquisition and Red..	\$2,025,150	\$1,808,852
Parks Projects	\$35,000	\$0
Pedestrian Capital Projects	\$210,000	\$115,258
Safe Highways Project	\$635,000	\$435,958
Sewer Capital Projects	\$424,302	\$0

Non-Operating Departments

Department	Budget	PTD	PTD Percent
Audit	\$54,000	\$31,077	58%
Community Programs	\$437,540	\$236,938	54%
Elections	\$70,000	\$73,278	105%
Emergency Management	\$90,000	\$87,129	97%
Memberships	\$75,178	\$68,386	91%
Public Health	\$6,000	\$4,285	71%



**City of Lake Forest Park
City Council Budget and Finance Committee
April 19, 2018
6:00 p.m.
Lake Forest Park City Hall
Lake Forest Room
17425 Ballinger Way NE
Meeting Notes**

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

Staff Members Present: Phillip Hill and Frank Zenk

SPU Property Funding Discussion with Stewardship Foundation

The Stewardship Foundation representatives discussed the status of donations and other matters related to the SPU property acquisition.

Study Updates Turned Project Updates, Reoccurring Agenda Item Discussion

Committee members and staff discussed project reporting.

Capital Improvement Plan (CIP) Update, Preliminary Discussion

Committee members and staff discussed CIP projects and the upcoming CIP update.

Public Comment

Community members present were provided an opportunity to comment.

The meeting adjourned at approximately 7:00 p.m.

Lake Forest Park City Council

Agenda Cover Sheet

Meeting Date 5/24/2018

Title Resolution XXXX/Authorizing the Purchase of a Police Vehicle and Ordinance XXXX Amending the Replacement Fund Budget to Restore Funding for the Purchase

Item Type

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

Originating Department Police

Contact Person Chief Steve Sutton

Legislative History

- Budget and Finance Committee 5/17/2018

Attachments:

- Resolution XXXX
- Ordinance XXXX Amending the Replacement Fund Budget to Restore Funding for Schedule Replacements

Executive Summary

The purpose of this legislation is to authorize the purchase of a new traffic vehicle for the Police Department and to restore budget authority for that purchase.

The adopted 2017-2018 budget included the replacement of the Police Department's traffic car; the purchase is fully funded, but the purchase price is above the contracting limit delegated to the Administration and requires City Council approval.

In 2017 a Police Department vehicle was involved in an accident, the insurance company deemed the vehicle involved a total loss and the City was forced to replace the vehicle ahead of schedule. Existing budget authority was used to fund the replacement; without the attached budget amendment the ahead-of-schedule

replacement will compromise the scheduled replacement that is the subject of this legislation.

Background

This patrol vehicle will replace the old traffic vehicle, which is utilized by the department’s traffic officer to conduct traffic safety patrols in neighborhoods and on our problem roadways. The department anticipates filling the traffic officer position in the summer of 2018 with an existing officer.

The purchase price of the fully equipped vehicle is \$48,000. This vehicle is identified on the replacement schedule and included in the adopted 2017-2018 budget. Staff will utilize contracts with the Washington State Department of Enterprise Services in lieu of issuing a LFP request for proposals for this purchase. This is an acceptable method of contracting for purchases per the purchasing policy (Resolution 617, Section 4. (2001).

Earlier in this biennium the Police Department utilized existing budget authority to fund the early replacement a vehicle that was involved in an accident. The budget authority utilized for that replacement will compromise the Administration’s ability to fund the scheduled replacement, unless the budget authority utilized to fund the early replacement is restored. The cost of the aforementioned replacement vehicle was approximately \$24,000 and the insurance proceeds were approximately \$14,000. The attached budget amendment includes an increase in Replacement Fund revenue of \$14,000 and an increase in expenditures of \$24,000.

Fiscal & Policy Implications

The total cost of the traffic vehicle purchase is \$48,000. The purchase is scheduled and budgeted in the 2017-2018 Replacement Fund budget. There are no long term issues, funding or otherwise, associated with the early replacement of the wrecked vehicle noted above; this element of the request is best described as housekeeping.

Alternatives

<i>Options</i>	<i>Results</i>
<ul style="list-style-type: none"> Approve the purchase 	Process will satisfy the policy.
<ul style="list-style-type: none"> Do not approve the purchase 	Vehicle purchase schedule will be out of balance and the vehicle will not be purchased.

Staff Recommendation

Approve Resolution XXXX/Authorizing Purchase of one Police Vehicle.

Legal Review

Type of Document	Title of Document	Date Reviewed by Legal Counsel
Click here to enter text.	Click here to enter text.	Click here to enter text.

Finance Review

Fiscal & Policy Implications	Date Reviewed by Finance Director

Lake Forest Park City Council

Agenda Cover Sheet

Meeting Date TBD

Title **Budget Amendment to Account for Rebates Revenues and Additional Expenditures for Citywide Professional Development and Teambuilding.**

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 type="checkbox"/> Consent Calendar | <input type="checkbox"/> Council Discussion/Action |
| <input type="checkbox"/> Final Confirmation | |

Originating Department Executive

Contact Person Mayor Johnson

Legislative History

- First Presentation: Budget and Finance Committee, May 17, 2018
- Second Presentation
- Action

Attachments:

1. Ordinance XXXX Amending the 2017-2018 Budget to Account for New Rebate Revenue and Authorizing Additional Expenditures.
-

Executive Summary

The Administration has changed the City's credit card provider to avail the City of a quarterly rebate based on the value of purchases during the preceding quarter; the rebate is similar to personal credit cards that offer cash back. The Administration has expanded its use of credit cards, consistent with policy, to maximize the rebate. The annual value of the rebate is estimated to be \$10,000.

The Administration is proposing to allocate the rebates received for citywide professional development, teambuilding, and employee recognition for City staff. The attached budget amendment recognizes the estimated additional revenue resulting from the rebate and provides budget authority for the aforementioned purposes. This item is considered budget neutral (additional expenditures are offset by additional revenue).

Background

The City has historically used credit cards issues by Bank of America which was the City's primary bank until 2016. No rebate or other benefits were offered by Bank of America for credit card use. Many governments in Washington use a purchase cards in lieu of credit cards because of the benefits offered by the credit card issuer; the primary benefit offered is a quarterly cash rebate. Purchase cards are indistinguishable from credit cards, except for the rebate that they are allowed to offer to public entities. The City investigated the use of purchase cards with its previous bank, Bank of America, but was not able to meet a purchase volume threshold established by Bank of America.

Recently, staff discovered that a new issuer, US Bank, was offering purchase cards to public entities. Staff inquired to US Bank and found that US Bank did not have a purchase volume threshold to utilize purchase cards. Staff pursued the opportunity and worked with US Bank to identify ways to maximize the use of the purchase cards to maximize the rebate paid to the City.

The Administration has fully implemented the purchase card program and received its first rebate. The Administration estimates the annual value of the rebate to be approximately \$10,000. This additional revenue is not included in the adopted budget.

The current budget does not include funding for citywide professional development or teambuilding. The budget does include \$3,000 per year for volunteer and employee recognition. Historically, this amount has been used primarily for volunteer recognition due in part to the relatively low level of funding.

The Administration proposes to use the annual rebate to fund citywide professional development, teambuilding, and employee recognition. The attached budget amendment recognizes the additional \$10,000 of revenue that is likely to result from the rebate and an additional expenditure in the same amount for the uses listed above.

Fiscal & Policy Implications

This budget amendment includes \$10,000 of additional revenue and expenditures of the same amount; as such, this item is considered budget neutral. Consistent with the policy in place for other types of funding, the Administration will curtail expenditures if the rebate revenue does not meet expectations.

Alternatives

<i>Options</i>	<i>Results</i>
<ul style="list-style-type: none">• Do Nothing	The rebates will become unallocated fund balance. Citywide professional development and teambuilding will continue to be unfunded.
<ul style="list-style-type: none">• Consider Alternate Uses for the Rebates	Unknown

Staff Recommendation

Approve the attached budget amendment recognizing new rebate revenue and authorizing additional expenditures for citywide professional development, teambuilding, and employee recognition.

Legal Review

Type of Document	Title of Document	Date Reviewed by Legal Counsel
Click here to enter text.	Click here to enter text.	Click here to enter text.

Finance Review

Fiscal & Policy Implications	Date Reviewed by Finance Director
Click here to enter text.	Click here to enter text.

City of Lake Forest Park
IT Licenses and Subscriptions List
7-May-18

<i>Title/Product</i>	<i>Annual Amount (Most Recent)</i>	<i>Description</i>
<i>EPO/VSE</i>	1,811.04	Virus Scan (updates and maint.)
<i>ForcePoint Firewall</i>	2,552.00	Firewall x2 service and maint.
<i>Aruba Wireless Networks</i>	269.50	Wireless network maint.
<i>Veritas renewal 2018</i>	854.21	Backup Exec.
<i>Quantum</i>	-	Backup. New equipment initial warranty through 2020. \$2,900 annually thereafter.
<i>Smarsh</i>	800.00	Mobile Guard Archiving.
<i>Microsoft</i>	11,410.58	Annual Microsoft SA Renewal (Office licenses, SQL, and Windows Servers, Exchange, Domain Controllers).
<i>Tri-Tec</i>	2,354.00	Phone Warranty/Maint.
<i>BMC-Numara Expires 3/2019</i>	854.67	3 year renewal \$2564.52 (Work Order system - Old inventory system)TrackIt and Workorder System
<i>AlienVault</i>	5,889.89	Network Security. SIEM (Security information and event management).
<i>Springbrook</i>	6,508.00	Accounting, Utility Billing, and More
<i>Accela</i>	12,222.00	Planning and Building (Cloud)
	<u>\$ 45,525.89</u>	

**City of Lake Forest Park
Budget Calendar, 2019-2020 Biennium**

<u>Date</u>	<u>Description</u>	<u>Time</u>	<u>Meeting Type</u>	<u>Members</u>
21-Jun-18	Financial Policies	6:00 PM	Budget and Finance Committee (Regular)	
19-Jul-18	Department Presentations I	6:00 PM	Budget and Finance Committee (Regular)	
9-Aug-18	Community Partner Presentations	6:00 PM	Work Session	
16-Aug-18	Department Presentations II	6:00 PM	Budget and Finance Committee (Regular)	
13-Sep-18	Mayor's Proposed Budget Presented to City Council	7:00 PM	Regular City Council Meeting	
20-Sep-18	Detailed Presentation of Mayor's Proposal including Revenue Projections	6:00 PM	Budget and Finance Committee (Regular)	
October	Budget Open House?		Special	
October	Preliminary Public Hearings	7:00 PM	City Council Meeting (Regular)	
November	Final Public Hearings	7:00 PM	City Council Meeting (Regular)	
15-Nov-18	Adoption of Budget, Property Tax Levy, Rates, and Related	7:00 PM	City Council Meeting (Regular)	

City of Lake Forest Park
Schedule for Council Consideration of 2017-2018 Budget

Sr. Cmbr.
Resha
Adopted
7/14/16

Date	Date	Date	Date	Members
21-Jul	Financial Policies	6:00 PM	Budget & Finance Committee	JR/TF/CS
18-Aug	Department Concepts/Presentations	4:30 PM	Budget & Finance Committee (Special)	All
13-Sep	Pre-Budget Open House	6:00 PM	Special Council Meeting	Council
15-Sep	CIP Concepts	6:00 PM	Budget & Finance Committee	All
22-Sep	Mayor's Proposed Budget	7:00 PM	Regular Council Meeting	Council
29-Sep	Review Proposed Budget	6:00 PM	Budget & Finance Committee (Special)	All
10-Oct	Budget Town Hall	6:00 PM	Budget & Finance Committee (Special)	All
20-Oct	Budget Review	6:00 PM	Budget & Finance Committee	All
3-Nov	Budget recommendations	6:00 PM	Budget & Finance Committee (Special)	All
10-Nov	Budget Hearing	7:00 PM	Regular Council Meeting	Council
17-Nov	Budget Adoption	7:00 PM	Special Council Meeting	Council