

2014 Proposed Budget

October 14, 2013

Presented by

Debbie Tarry, Interim City Manager

Robert Hartwig, Administrative Services Director



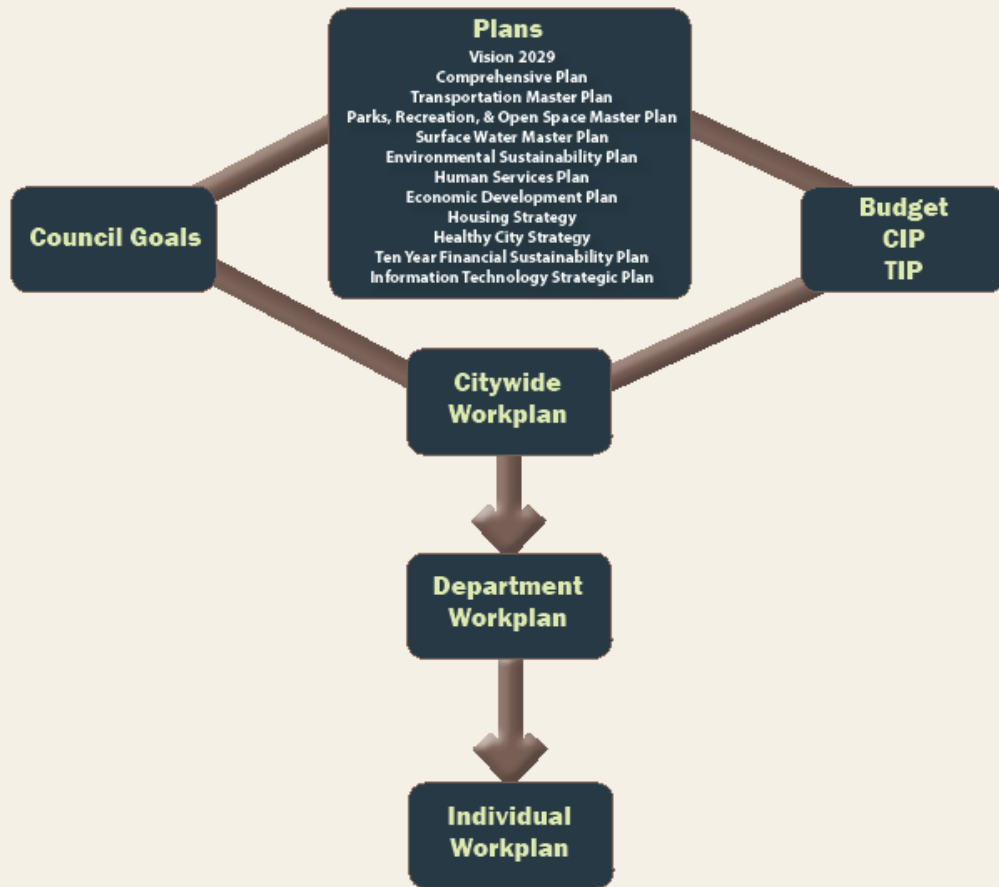


Presentation Agenda

- 2014 Budget presentation
 - Context for the work we do
 - 2014 Budget, Council Goals, City Workplan
 - City Manager Recommendations
- 2014 Budget Highlights
- Surface Water Utility Fund
- Budget Process & Schedule

2014 Budget Presentation







2014 Proposed Budget

- Budget allocates financial and staffing resources
 - Must balance using available resources
- City Workplan is the alignment of the budget with:
 - 24/7 City Services
 - Council Goals
 - Community Priorities
 - Organizational Performance and Capacity Building Projects

2014 Proposed Budget

- \$71.9 M Balanced Budget
 - \$36.9 M Operating Funds
- Revenue Stabilization Fund: \$5.2 M (\$4.2 M Required)
- General Fund Balance: \$8.0 M (\$3.9 M Required)
- Bond Rating AA+ (S&P “Stable”)
- 18 years of Unqualified Audit Opinions
- 14 straight GFOA Budget Awards



Council Goals and 2014 Budget

- **Goal 1: Strengthen Shoreline's economic base**
 - Planned Action for Aurora Square
 - Grant Matching Funding/CRA
- **Goal 2: Improve Shoreline's utility, transportation, and environmental infrastructure**
 - GIS Extra Help & Engineering Technician (Asset Management)
 - Utility-related Activities – Consolidation Study
 - Parks Maintenance Worker
 - Surface Water Engineer
 - Water Comprehensive Plan





Council Goals and 2014 Budget

- **Goal 3: Prepare for two Shoreline light rail stations**
 - 145th Street Station Subarea Plan
- **Goal 4: Enhance openness and opportunities for community engagement**
 - Council Chamber Microphone System
 - Everbridge Mass Notification System
 - SEPA Analysis for Point Wells





Council Goals and 2014 Budget

- **Goal 5: Promote and enhance the City's safe community and neighborhood programs and initiatives**
 - Safe Neighborhood/Safe Community Public Outreach
 - Street Lighting Program

Changes in Staffing 2009-2014

Year	Budgeted FTES	Net Change	Changes
2009	140.98	(0.42)	
2010	137.03	(3.95)	
2011	136.28	(0.75)	
2012	135.38	(0.90)	
2013	132.06	(3.18)	Eliminated positions: • 1.50 Animal Control officer • 0.60 P&CD Associate Planner • 0.50 Capital Project Technician • 1.00 Capital Project Manager II Other: * + 0.25 Communications Assistant * +0.30 Recreation Assistant I * -0.28 Recreation Assistant II * +0.15 P&CD Administrative Assistant III
2014	135.05	3.00	Added positions: • 1.00 Parks Maintenance Worker II • 1.00 Engineering Technician • 1.00 Engineer II: Surface Water
Cumulative Total		(5.93)	4.2% Reduction since end of 2008





Equipment Purchases

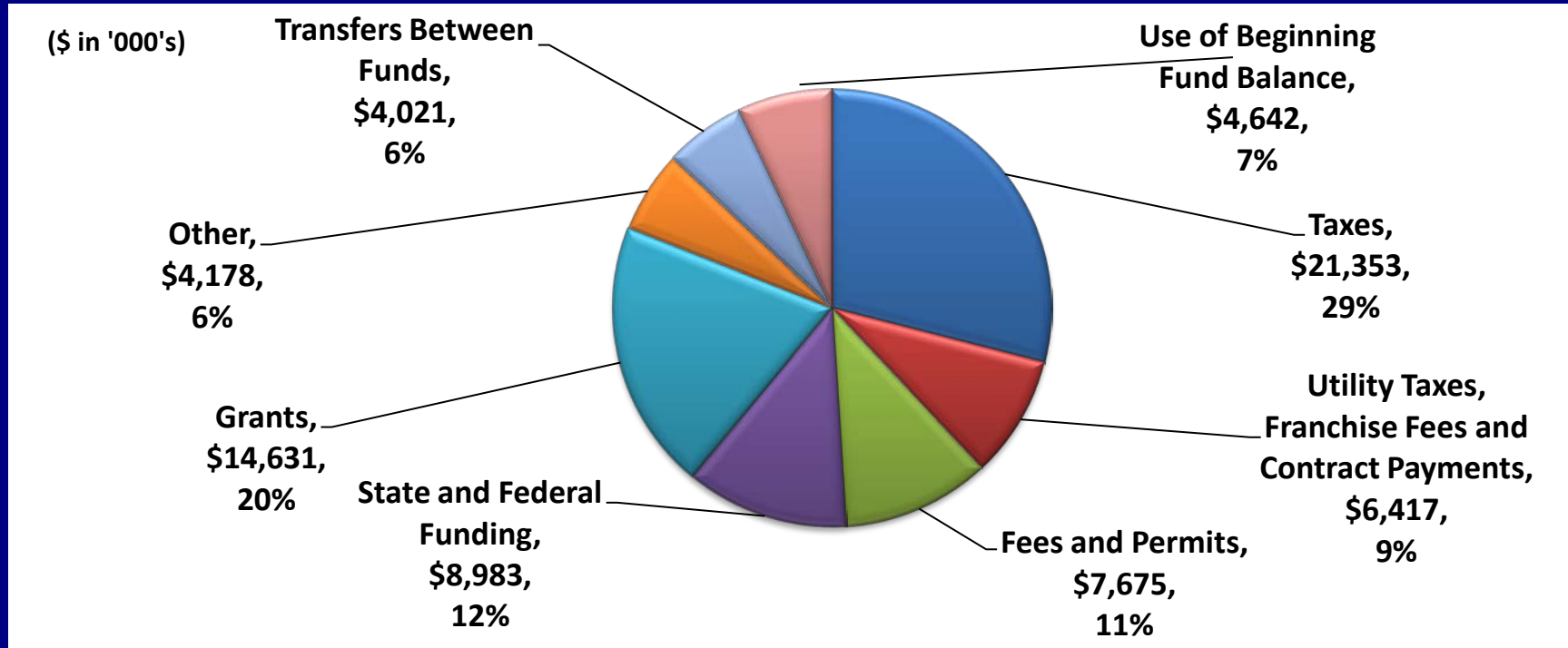
- Replacement and upgrade of City sign truck (\$46,184)
- Asphalt Repair Equipment (\$134,138)
- Sidewalk Maintenance Equipment (\$25,636)

2014 Budget Highlights



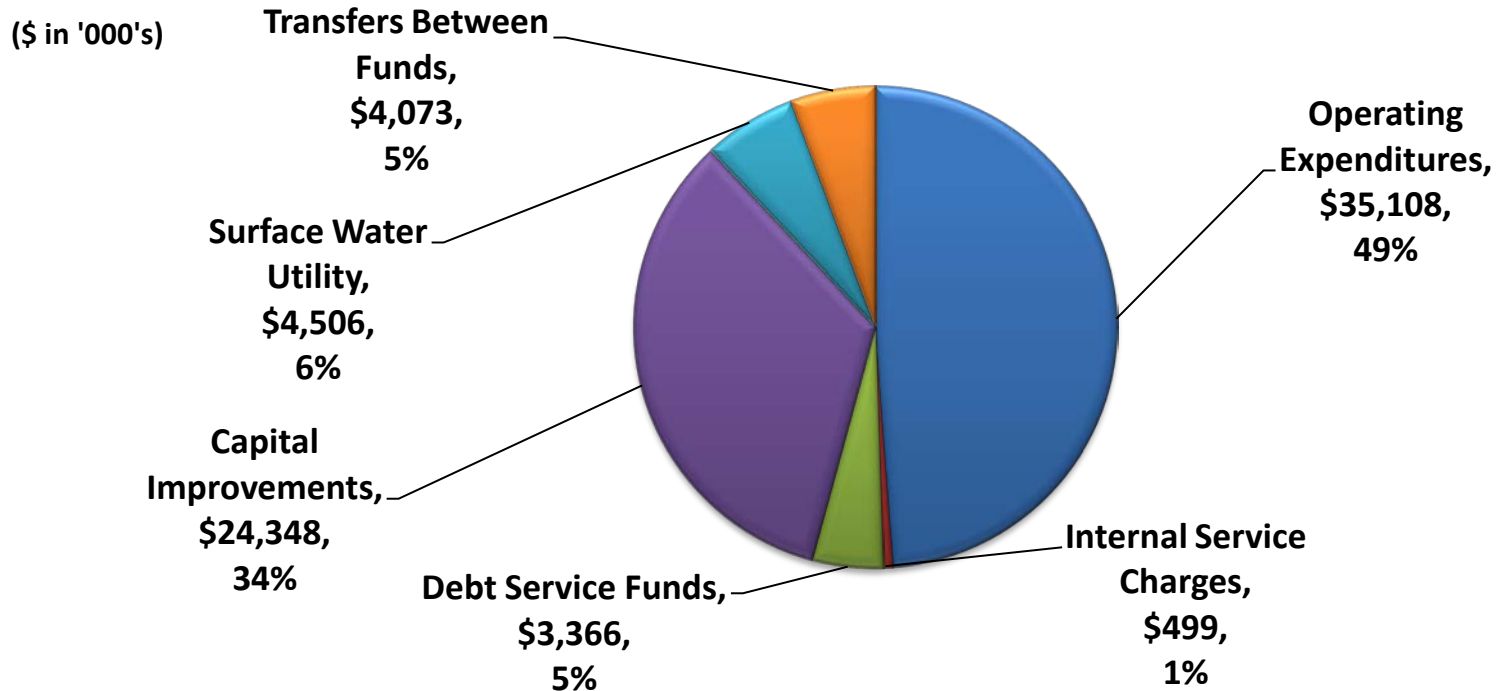
Where Will the Money Come From?

Total Budget: \$71.9 Million



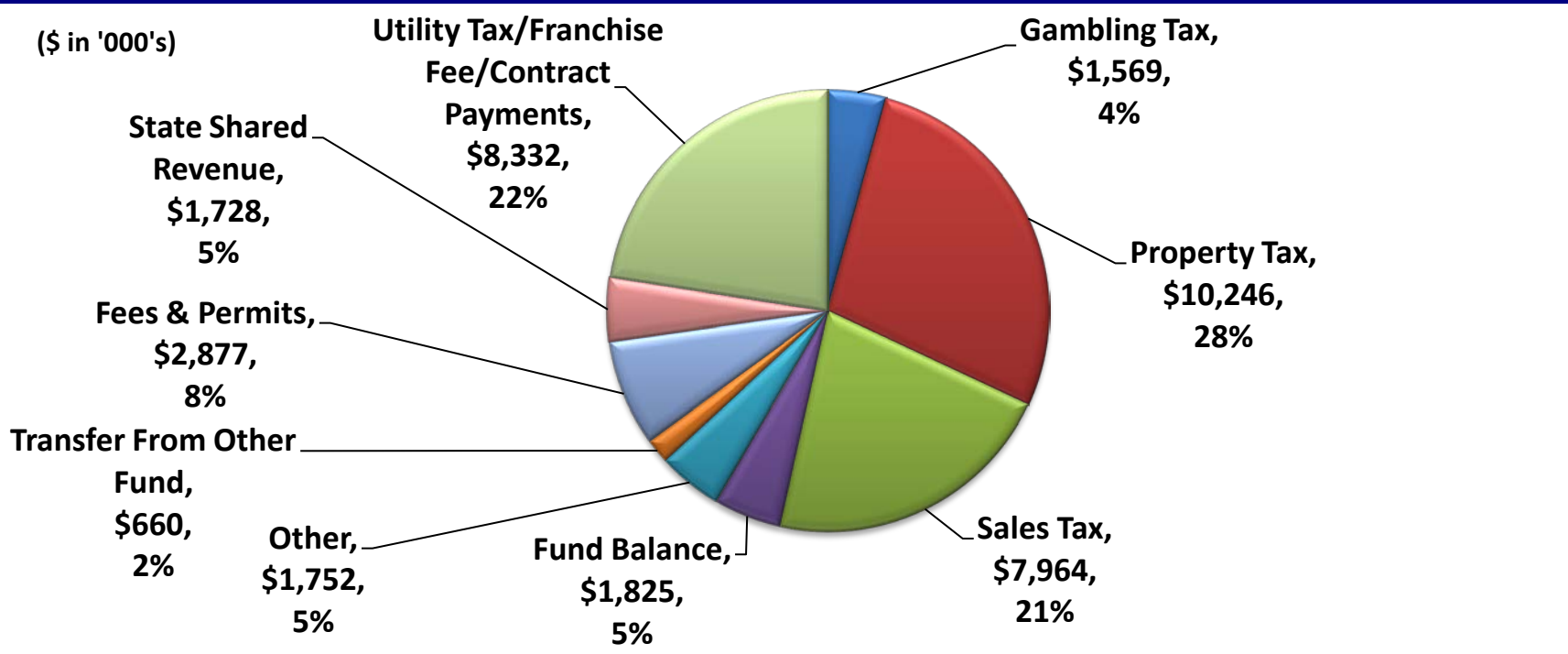
Where Will the Money Go?

Total Budget: \$71.9 Million



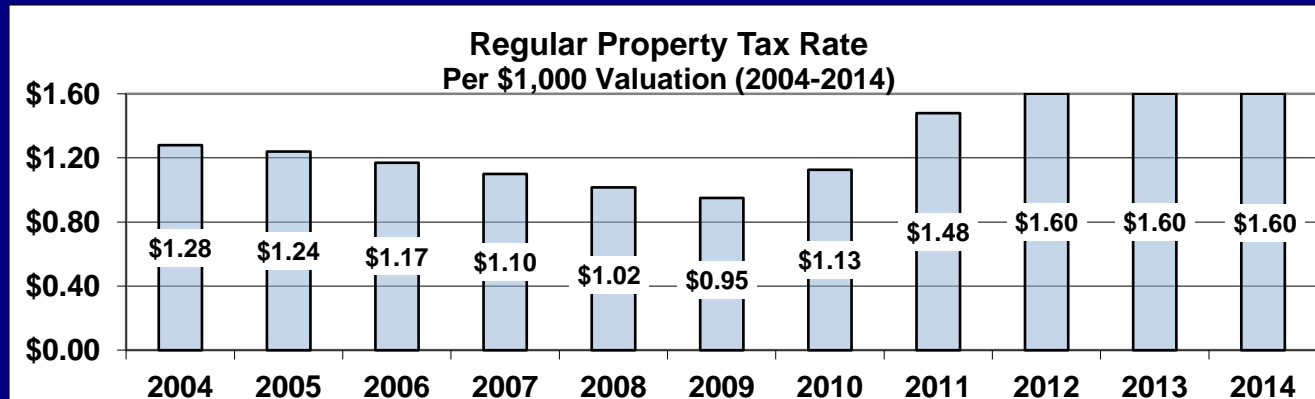
Operating Funds Resources

\$36.9 Million



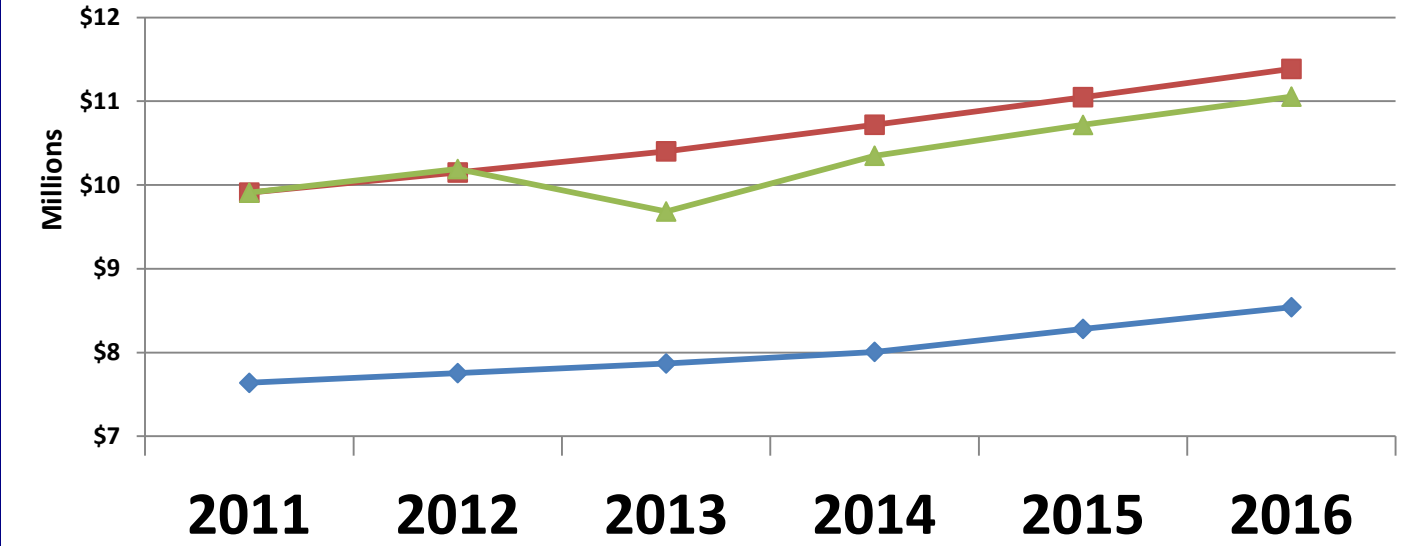
Property Tax – Regular Levy

- 2014 Budget - \$10.3 M
- 27.7% of the Operating Budget Resources
- Proposition 1 allows for inflation through 2016
 - 2014 CPI: 1.4% , AV up 6.9%, Revenue up \$837,000
 - 2014 Property Tax Rate = \$1.60 / \$1,000 AV (Legal Maximum)



Property Tax

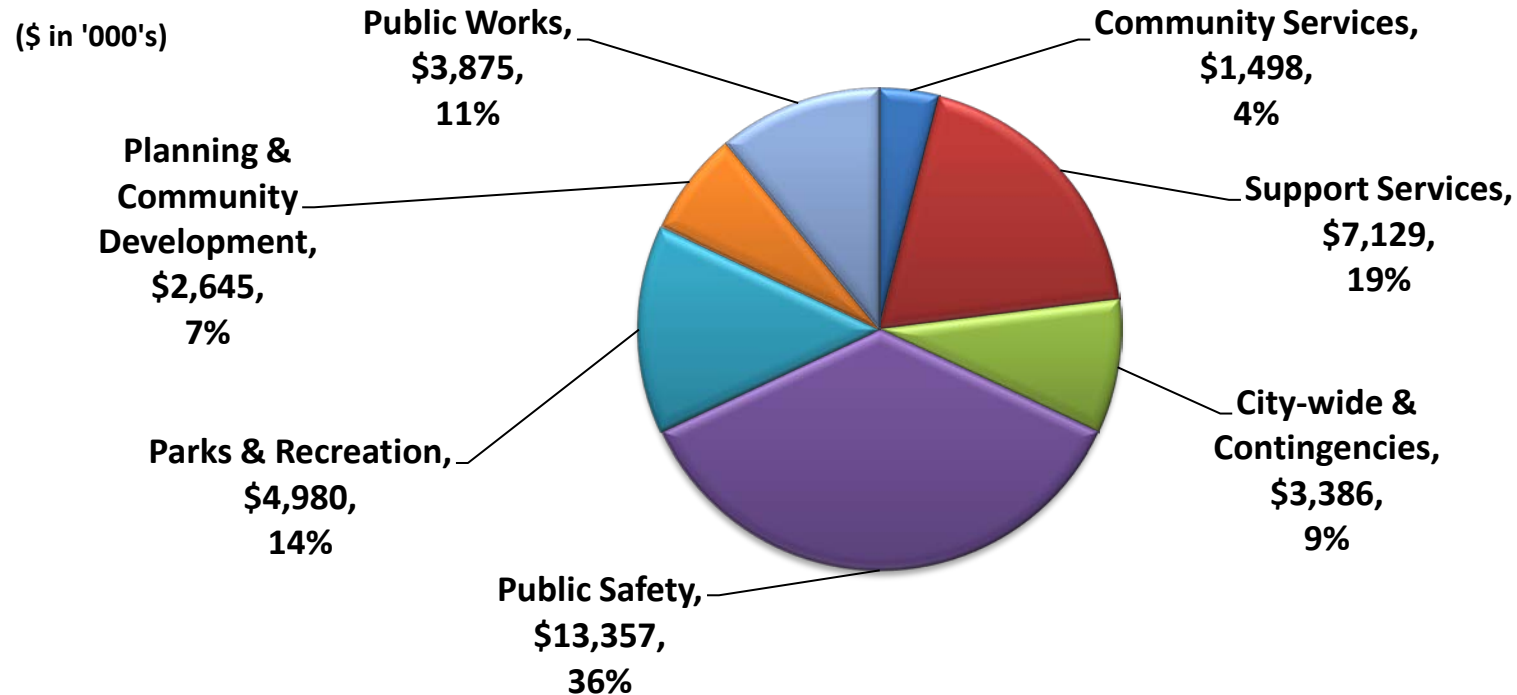
Property Tax Revenue Collections



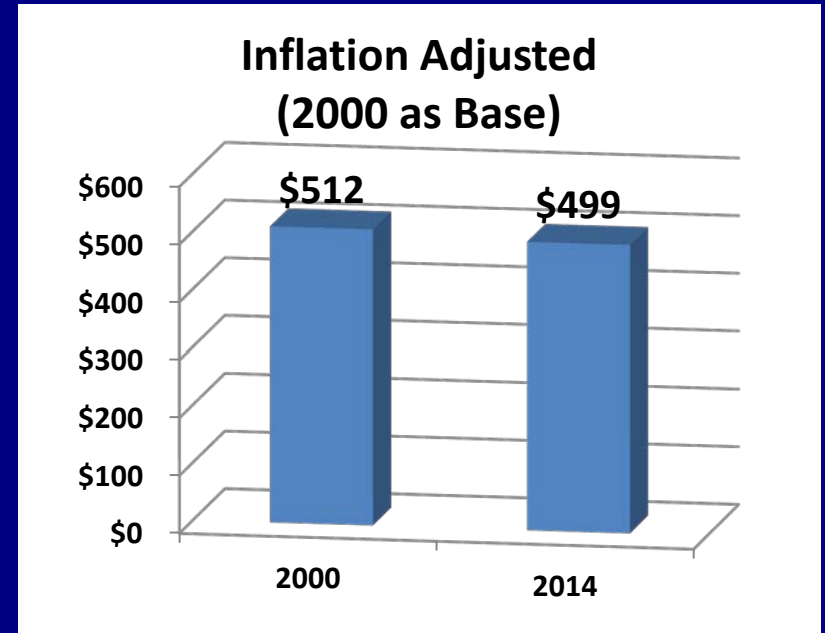
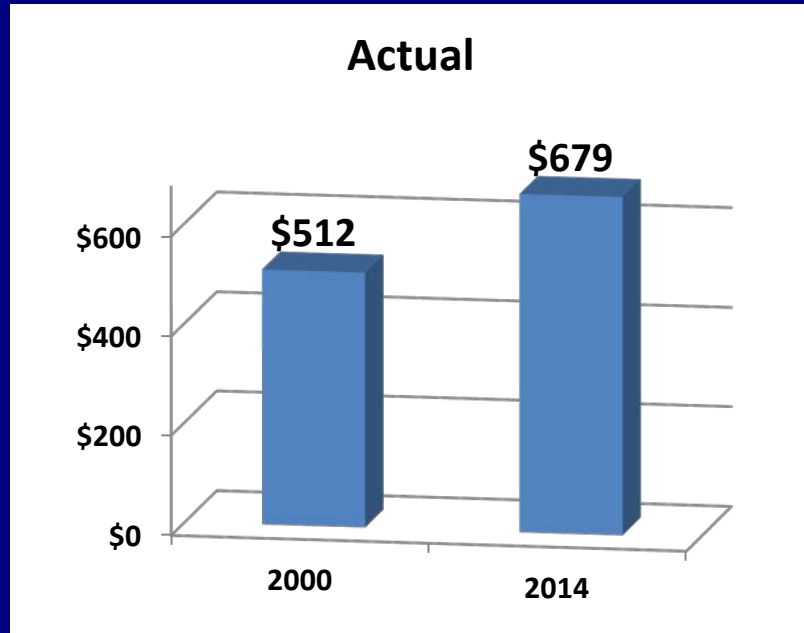
Total Levy Over 6 Years	Collections	Average Rate
Without Levy Lid Lift	\$48,089,491	\$1.20943
Original Levy Lid Lift Projection	\$63,612,476	\$1.35765
Revised Levy Lid Lift Projection	\$61,904,316	\$1.55581

Operating Funds Expenditures by Function

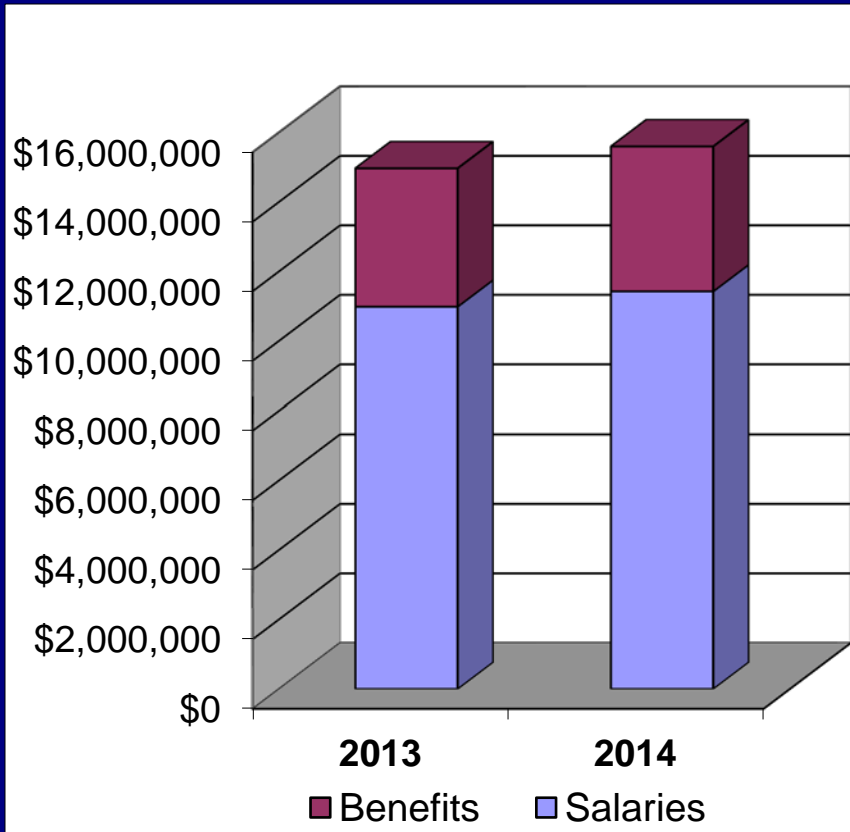
\$36.9 Million



Value for Your City Tax Dollar Cost to Provide Services Per Capita



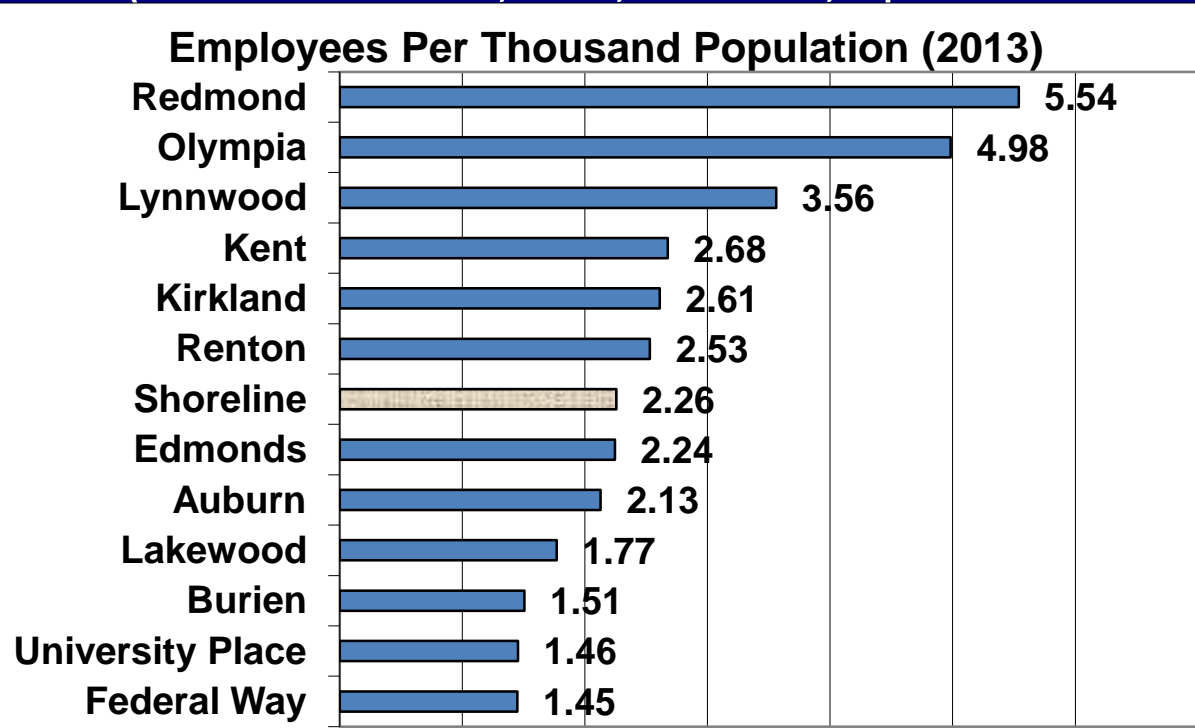
2014 Personnel Cost Changes



- Total Compensation Change
 - 4.2 % Increase from 2013 to 2014
- Salary Changes
 - Without new positions: \$231,510 (2.1%) more
 - With new positions: \$440,222 (4.0%) more
- Benefit Changes
 - Without new positions: \$93,523 (2.3%) more
 - With new positions: \$189,512 (4.8%) more

Comparison of City Staffing Levels

(Excludes Police, Fire, Utilities, Special Business Enterprises)



**In 2014
Shoreline
will have
2.27
Employees
Per 1,000
Residents**



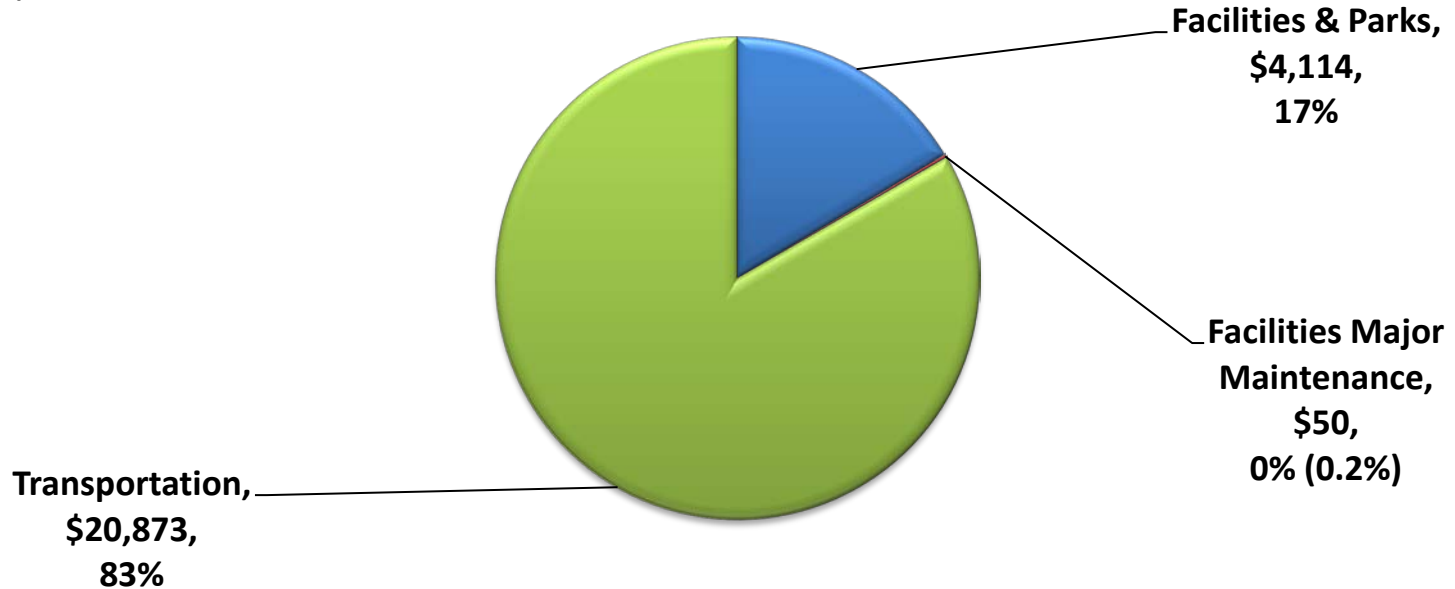
Recommended Fee Changes

- Development Fees
- License and Public Records Fee
- Cleanscapes (Garbage)
- Surface Water Utility – 3.0% Scheduled Increase

2014 Capital Improvement Plan

\$25.0 Million

(\$ in '000's)



2014 Major Capital Projects

- Facilities & Parks Projects
 - Police Station - \$1.9 M
 - Parks Projects - \$1.5 M
 - Trail Corridors
 - Saltwater Park Pedestrian Bridge Repair
 - Echo Lake Park
 - Parks Repair & Replacement
 - Paramount Open Space Acquisition
 - Sunset School Park



2014 Major Capital Projects

- Transportation Projects
 - Aurora Avenue North (192nd – 205th) - \$17.5 M
 - Pedestrian/Non-Motorized Projects - \$1.5 M
 - Annual preservation of roads, bridges & traffic signals - \$1.3 M
 - Safety/Operations Projects - \$0.2 M



Surface Water Utility Fund



Overview

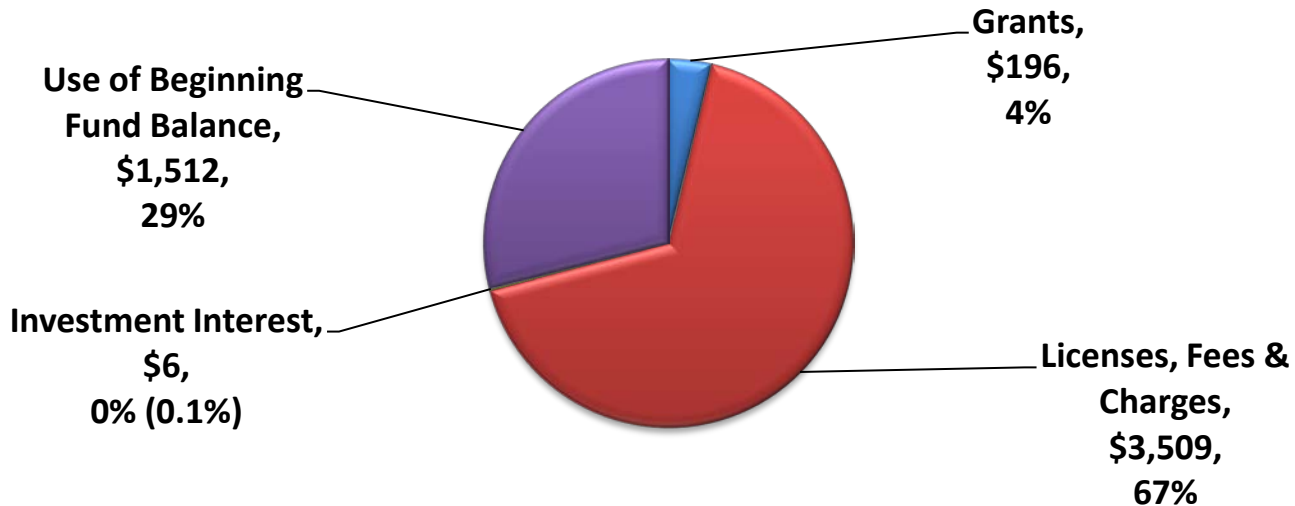
- Different from other funds
 - Operates similar to private business
 - Operating and capital spending in one fund
 - Revenues from user fees instead of taxes
 - Not subsidized by taxes
- Surface Water is a complex business
 - Sewerage type of service
 - Complex infrastructure
 - Objectives
 - Highest possible level of surface water quality
 - Discharge quality water to Puget Sound
 - Able to handle low flow, normal flow, and storm flow events



Surface Water Utility Resources

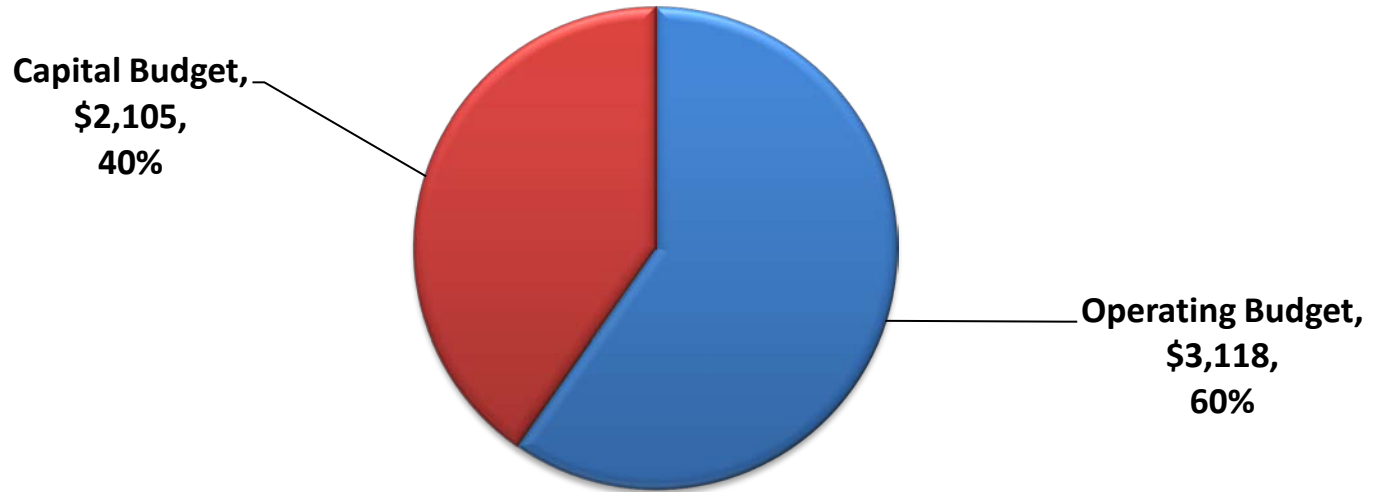
- \$3.7 M – down \$0.4 M
 - \$0.6 M decrease in intergovernmental revenues
 - \$0.2 M scheduled rate increase

(\$ in '000's)



Surface Water Utility Budget \$5.2 Million

(\$ in '000's)



Surface Water Operating Budget

- \$3.1 M – up \$0.4 M
 - \$0.3 M increase in debt service (Brugger's Bog)
 - \$0.1 M increase – New Staff Position
 - Engineer II: Surface Water – Increased level of capital projects
 - Aligns with prior City Council discussions

Surface Water Capital Budget

- Surface Water Projects - \$2.1 M
 - Stormwater Pipe Replacement - \$0.5 M
 - Goheen Revetment Repair - \$0.3 M
 - McAleer Creek Basin Plan - \$0.4 M
 - Small Projects (Under \$0.2 M each) - \$0.9 M



Budget Process & Schedule

2014 Budget Review and Adoption Schedule

October 14

Transmittal of Proposed 2014 Budget

October 21

Department Budget Reviews

October 28

Continued Review of Department Budgets, Surface Water Utility, & 2014 – 2019 CIP

November 4

Public Hearing on 2014 Budget & 2014-2019 CIP

November 18

Public Hearing Revenue Sources & 2014 Property Tax Levy, 2014 Fee Schedule, & Salary Schedules

November 25

Adoption of 2014 Budget, Adoption of 2014 Property Tax Levy, & Adoption of 2014-2019 CIP

Budget Workshop Review Schedule

October 21	October 28	November 4	November 18
City Council	Public Works	Public Hearing	Public Hearing
City Manager	Capital Improvement Plan	2014 Budget	2014 Property Tax Levy
Community Services	Surface Water Utility	2014-2019 CIP	2014 Revenue Sources
Administrative Services & Citywide	Other Funds		2014 Salary Schedule
City Attorney			2014 Fee Schedule
Human Resources			
Police			
Criminal Justice (Jail & Court)			
Parks, Recreation & Cultural Services			
Planning & Community Development			
<i>Budget Document Pages</i>			
<i>101-232</i>	<i>235-250; 275-392 & 393-420</i>	<i>All</i>	<i>61-80 and 433-453</i>

2014 Budget Information

- The 2014 Proposed Budget will be available on-line at the City of Shoreline Website at:

<http://www.shorelinewa.gov>

Click on Budget & CIP Policies under the Government tab

- 2014 Budget Books Available for Review at:
 - Shoreline Library, Richmond Beach Library, and at City Hall
- 2014 Budget Books on CD Available for purchase at City Hall



Conclusion

- 2014 Proposed Budget
 - Supports Council Goals / Community Vision
 - Does not satisfy all community needs
 - Maintains reserves / strong fund balances
 - Maintains / improves parks, roads, drainage systems
 - Provides service levels that continue to benefit the entire Shoreline community

Questions / Comments