

# 2017 Proposed Budget

October 10, 2016

Presented by

Debbie Tarry, City Manager

Sara Lane, Administrative Services Director



# Presentation Agenda

- 2017 Budget presentation
  - Context for the work we do
    - 2017 Budget, Council Goals, City Workplan
  - City Manager Recommendations
- 2017 Budget Highlights
- Budget Process & Schedule

# 2017 Budget Presentation





# 2017 Proposed Budget

- Budget allocates financial and staffing resources
- Delivery of Public Service and Organizational Goals
  - Exceptional Public Service
  - Organizational Strength
  - Fiscal Sustainability
  - Achieve Council Goals

# 2017 Proposed Budget

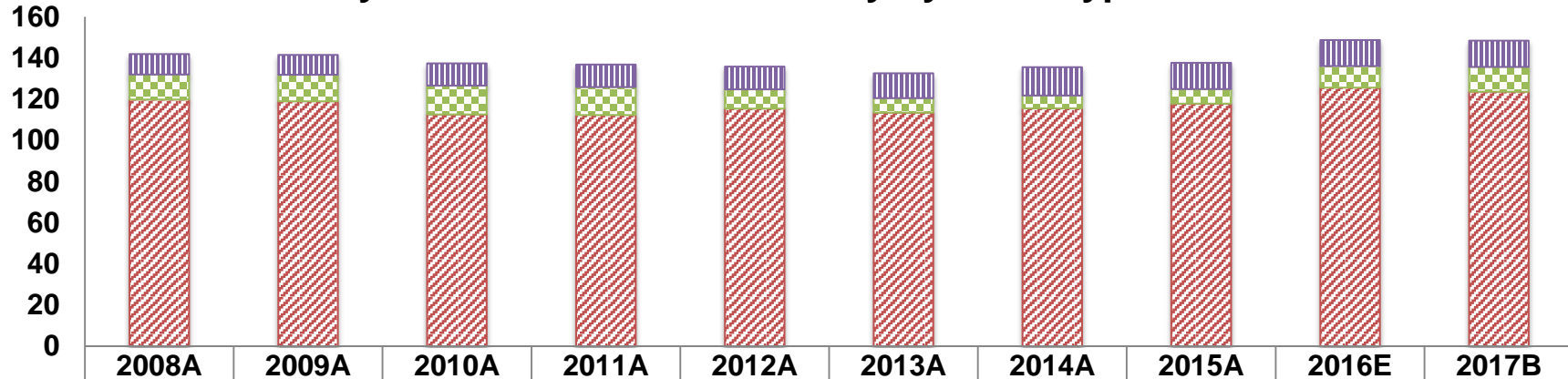
- \$86.352 M Balanced Budget
  - \$47.687 M Operating Budget
- Fund Balance:
  - Revenue Stabilization Fund: \$5.151 M (\$4.6 M Required)
  - General Fund: \$5.125 M (\$4.046 M Required)
- Bond Rating AA+ (S&P “Stable”)
- 21 yrs Unmodified Financial Statement Audit Opinions
- 17 years of GFOA Budget Awards

# One-Time Operating Budget Contributions to Capital Funds

Capital Fund Project Title	General Fund
<b>General Capital Fund</b>	
Police Station at City Hall	\$1,782,796
<b>Roads Capital Fund</b>	
Westminster and 155 <sup>th</sup> Improvements	\$150,000
Trail Along the Rail	\$275,000
147 <sup>th</sup> / 148 <sup>th</sup> Non-Motorized Bridge	\$350,000
160 <sup>th</sup> and Greenwood/Innis Arden	\$125,000
185 <sup>th</sup> Corridor Study	\$500,000
<b>Totals</b>	<b>\$3,182,796</b>

# 2008-2017 Regular FTE Summary

## City of Shoreline FTE Summary by Fund Type



<b>Utilities</b>	10.02	9.57	10.71	10.86	11.12	12.00	13.70	12.67	12.58	12.81
<b>Capital</b>	12.10	12.95	14.00	13.65	9.39	7.11	6.24	7.11	10.50	11.91
<b>Operating</b>	119.86	118.96	112.62	112.27	115.37	113.45	115.62	117.82	125.65	123.71
<b>Total</b>	141.98	141.48	137.33	136.78	135.88	132.56	135.56	137.60	148.73	148.43

<b>Grant Funded Capital Positions</b>									2.00	2.00
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<b>Staffing for Sound Transit Lynnwood Link Extension Project</b>									4.00	3.50
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<b>Net FTE</b>	141.98	141.48	137.33	136.78	135.88	132.56	135.56	137.60	142.73	142.93
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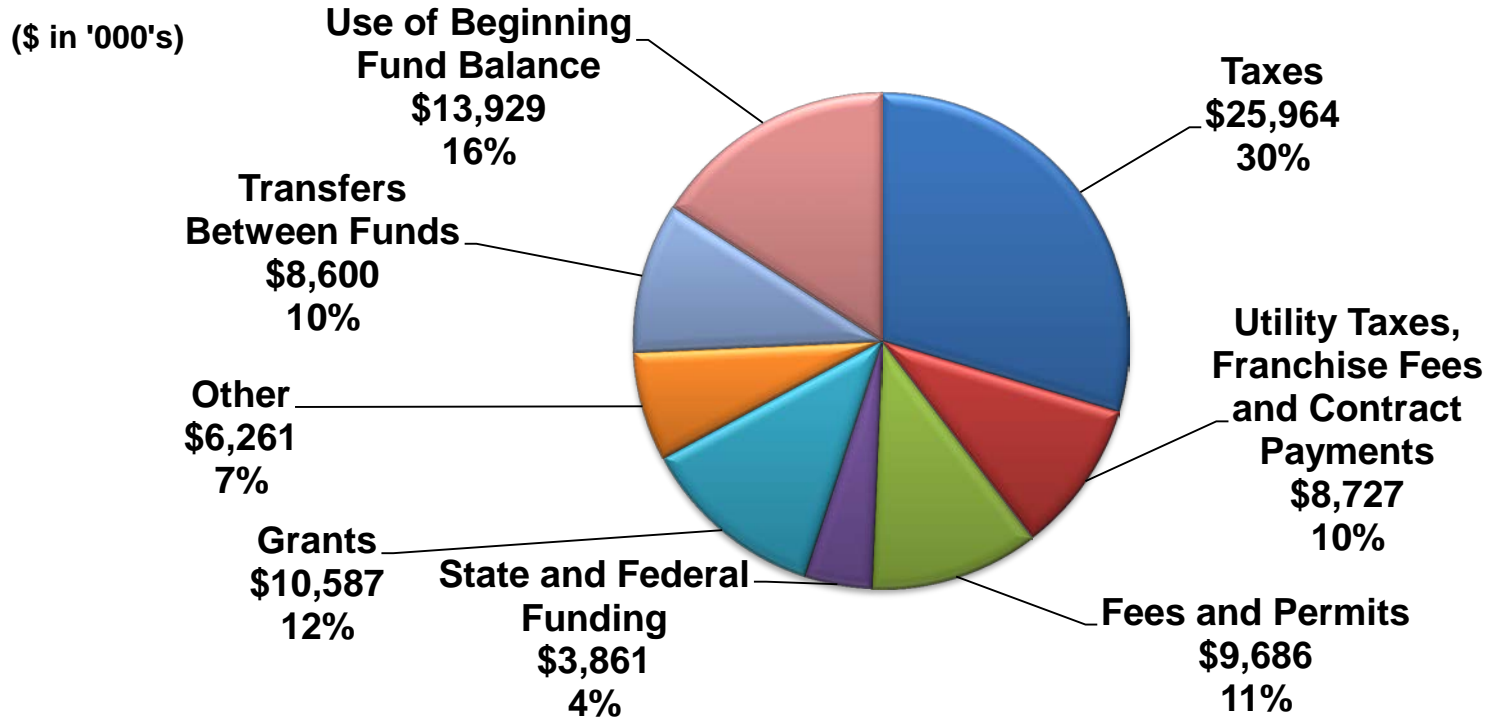
# Operating Budget Supplemental Requests

Category	One-Time	On-Going	Available Revenue/ Expenditure Reductions	Ongoing Net Cost
Implementation of Council Goals	\$60,000	\$59,648	\$0	\$59,648
Maint. of City Assets and Operational Efficiencies	\$423,803	\$20,000	\$0	\$20,000
Technology Investments	\$1,270,030	\$62,000	\$44,050	\$17,950
Budget Neutral	\$192,900	\$9,914	\$11,610	(\$1,696)
Personnel Requests	\$0	(\$23,916)	\$0	(\$23,916)
<b>Totals</b>	<b>\$1,946,733</b>	<b>\$127,646</b>	<b>\$55,660</b>	<b>\$71,713</b>
<b>Use of Fund Balance</b>	<b>\$1,753,833</b>	<b>% of Operating Budget</b>		<b>0.31%</b>

# 2017 Budget Highlights

# Where Will the Money Come From?

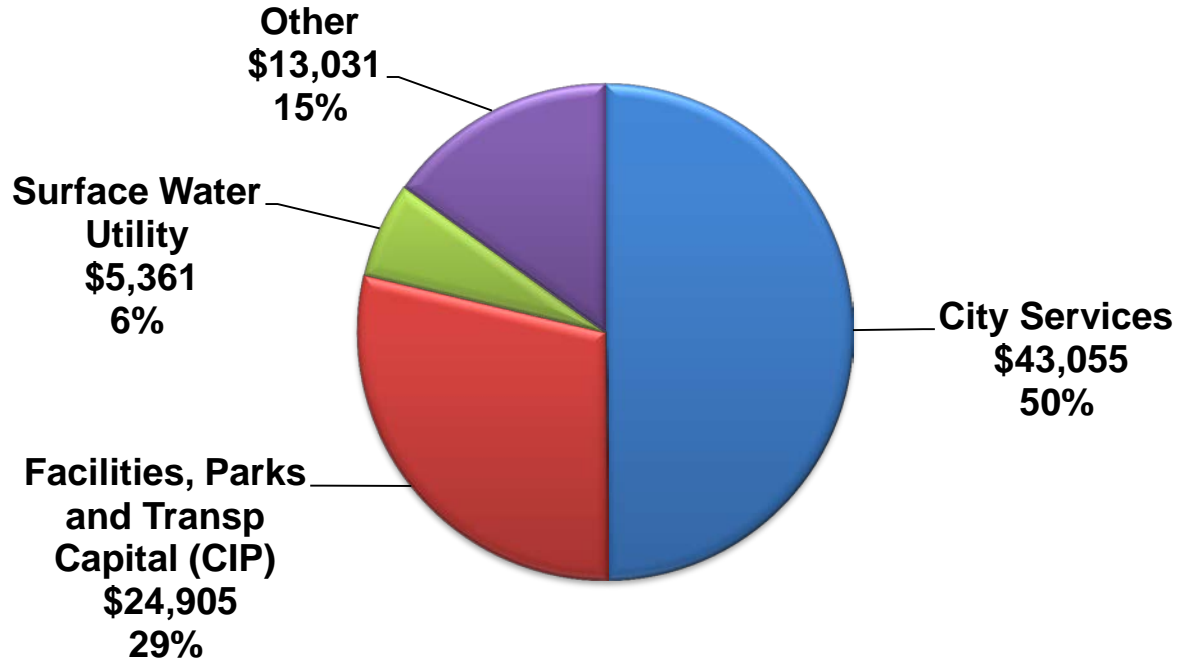
## Total Budget: \$87.615 Million



# Where Will the Money Go?

## Total Budget: \$86.352 Million

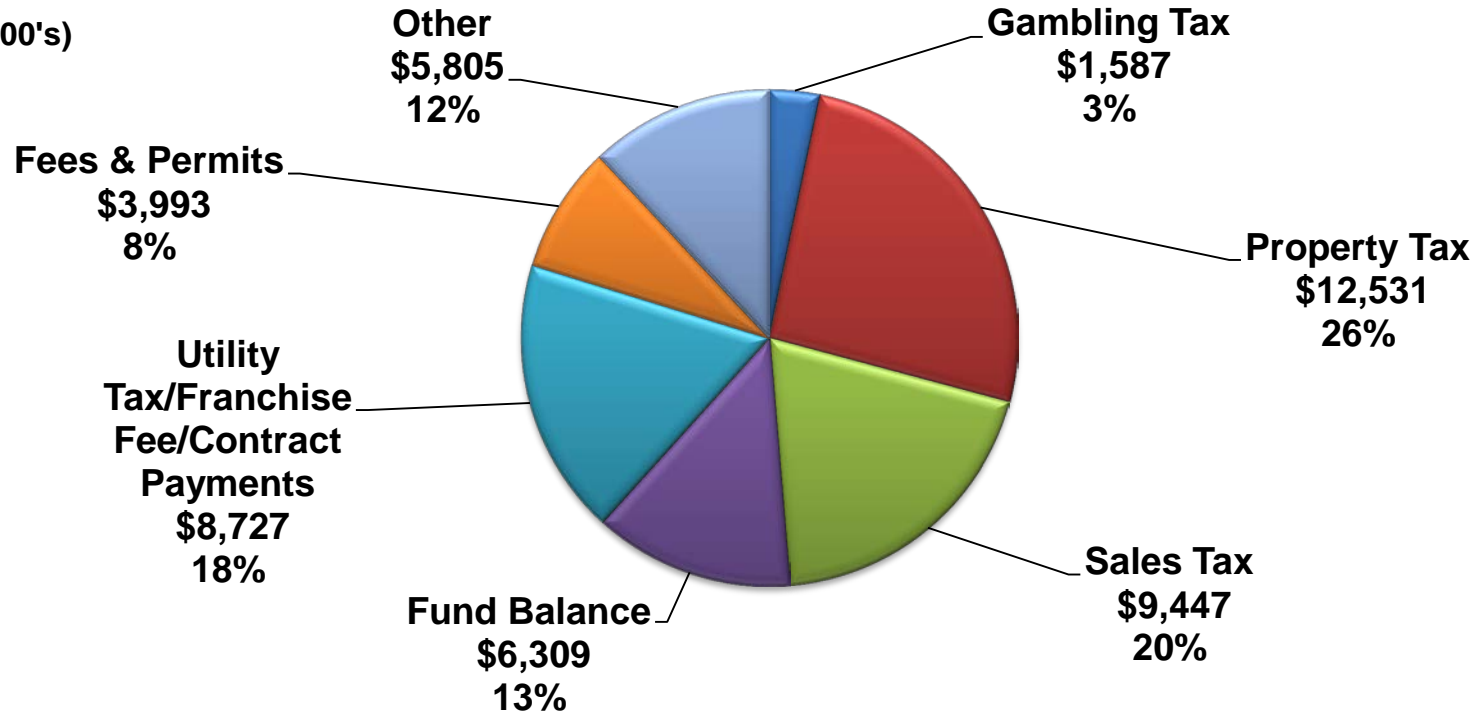
(\$ in '000's)



# Operating Budget Resources

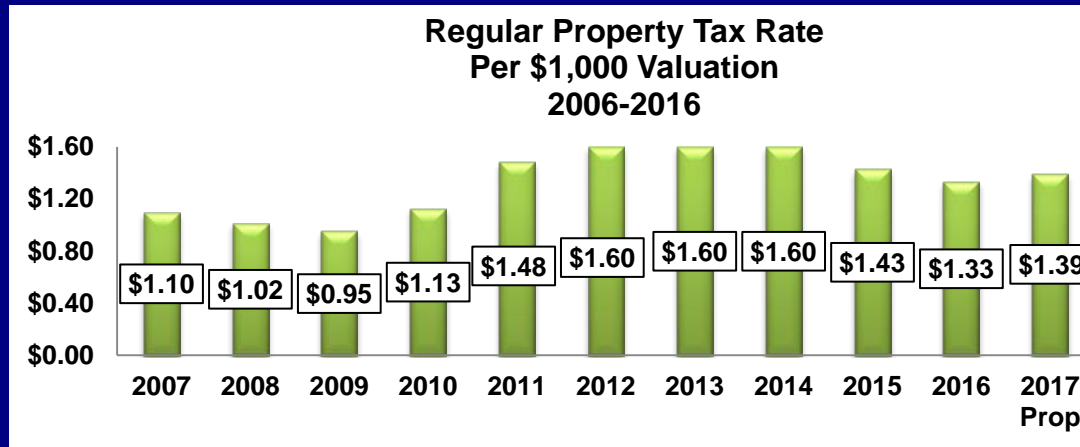
## \$48.400 Million

(\$ in '000's)



# Property Tax – Regular Levy

- 2017 Budget - \$12.531 M
- 31.7% of the Operating Budget Resources
- Assumes Prop 1 will pass in November and the levy rate will be reset @ \$1.39



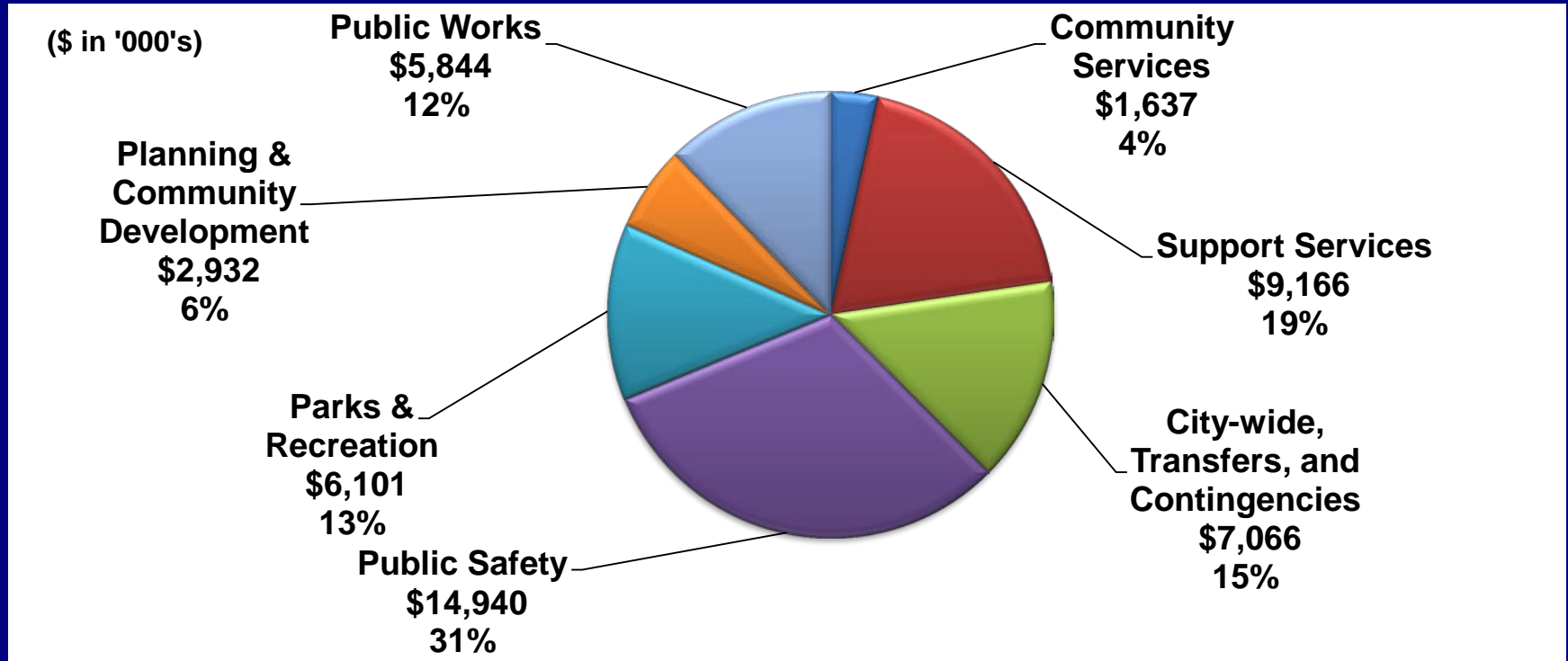
# 2016 Property Tax Levy Allocation

- Who levies taxes for Shoreline property owners
- How is \$1 divided up?



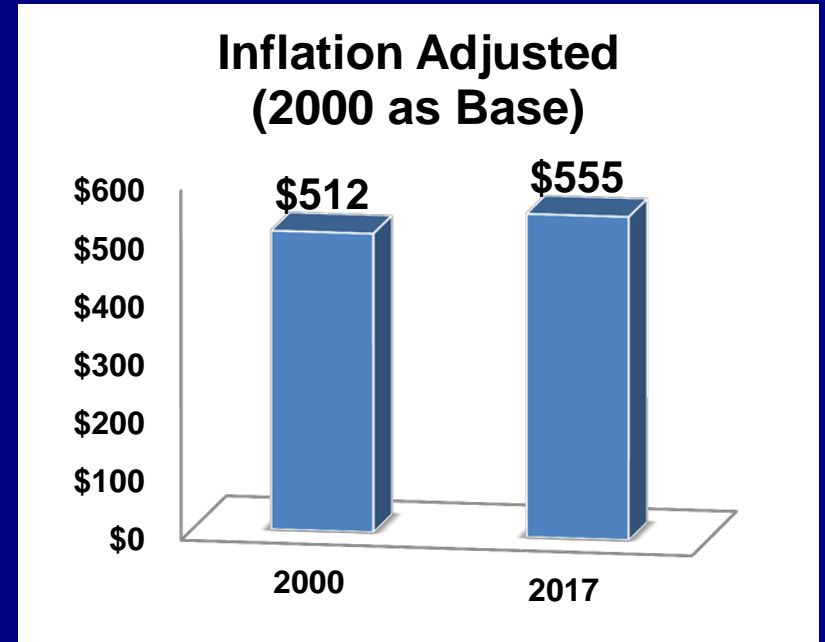
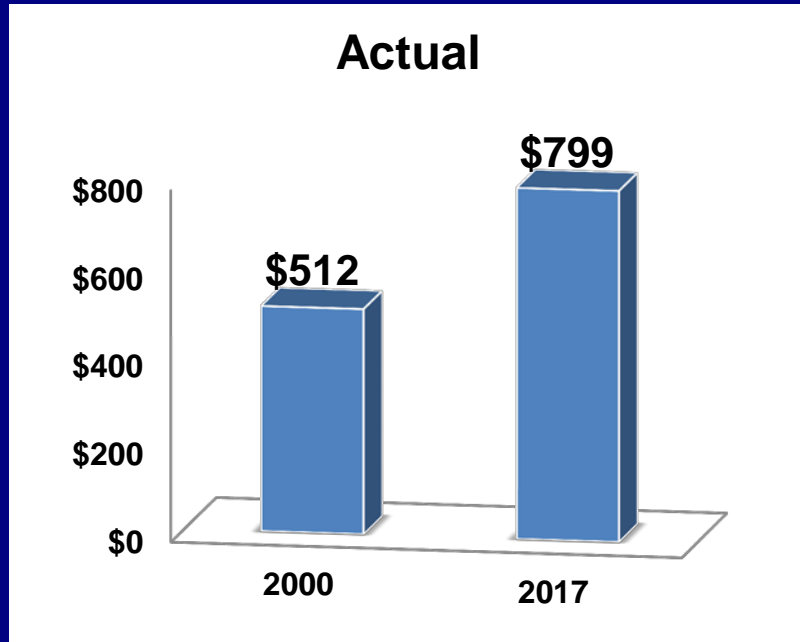
# Operating Budget Expenditures by Function

## \$47.687 Million

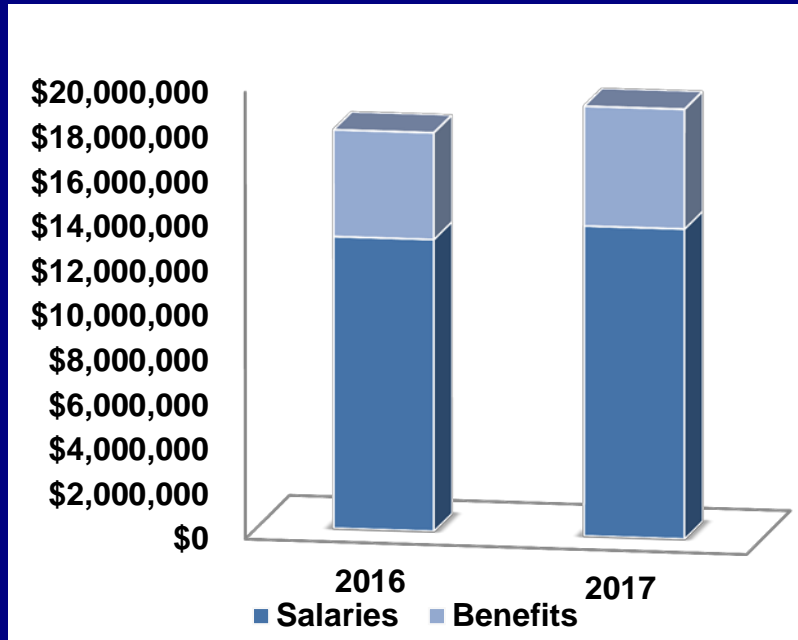




# Operating Budget Cost to Provide Services Per Capita



# 2017 Personnel Cost Changes



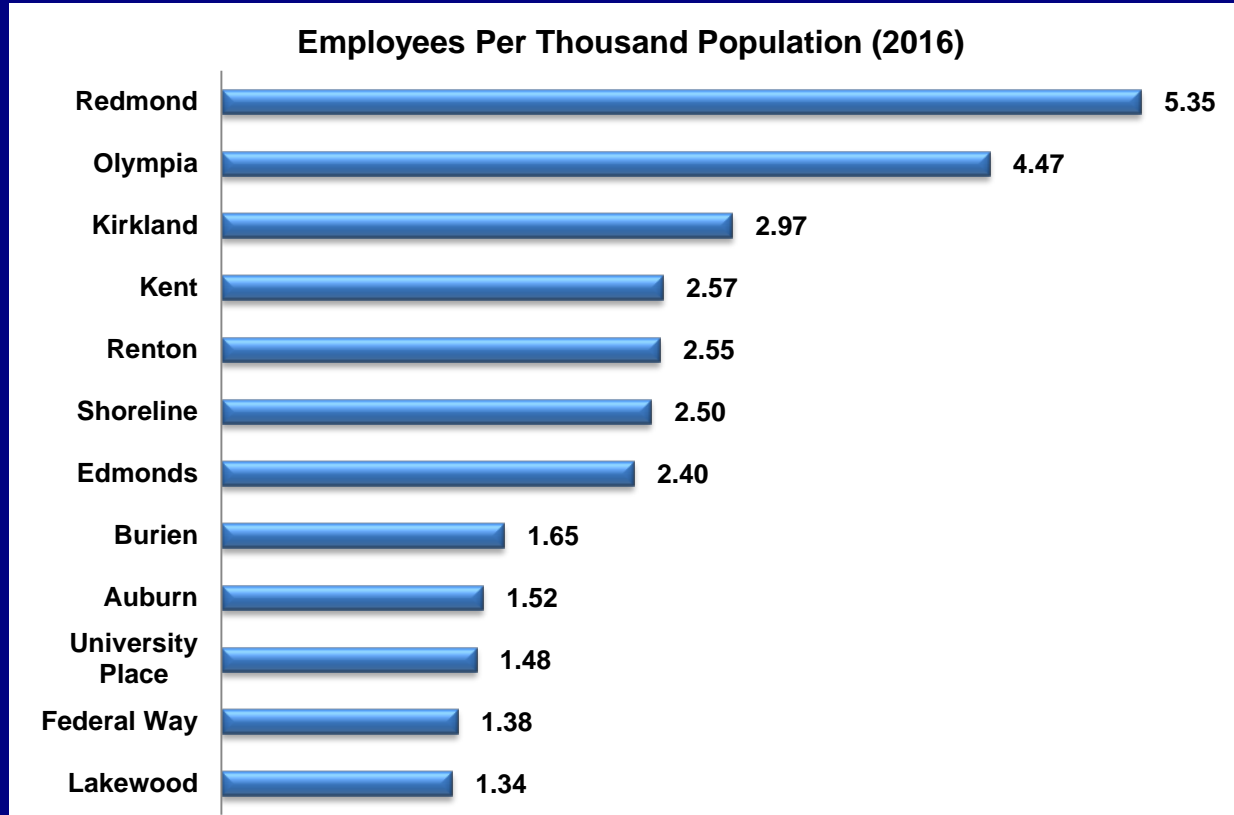
## Includes:

- Sound Transit and Capital Grant funded positions:
  - 5.5 FTEs
  - 3.2% Increase
- Compensation Plan Policies:
  - 4.6% Increase

2017 FTEs per 1,000 Population = 2.60

# Comparison of 2016 City Staffing Levels

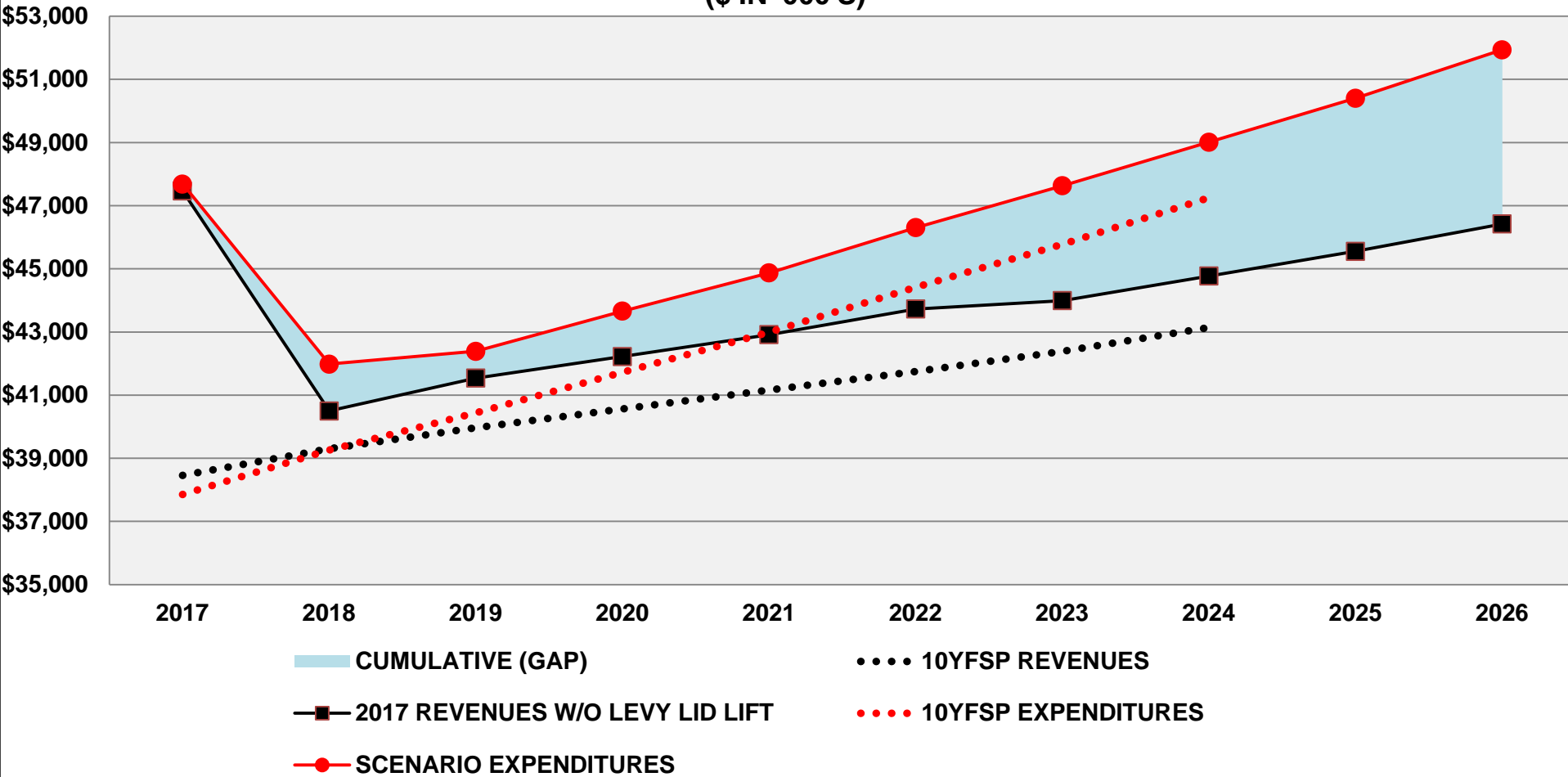
(Excludes Police, Fire, Utilities, Special Business Enterprises)



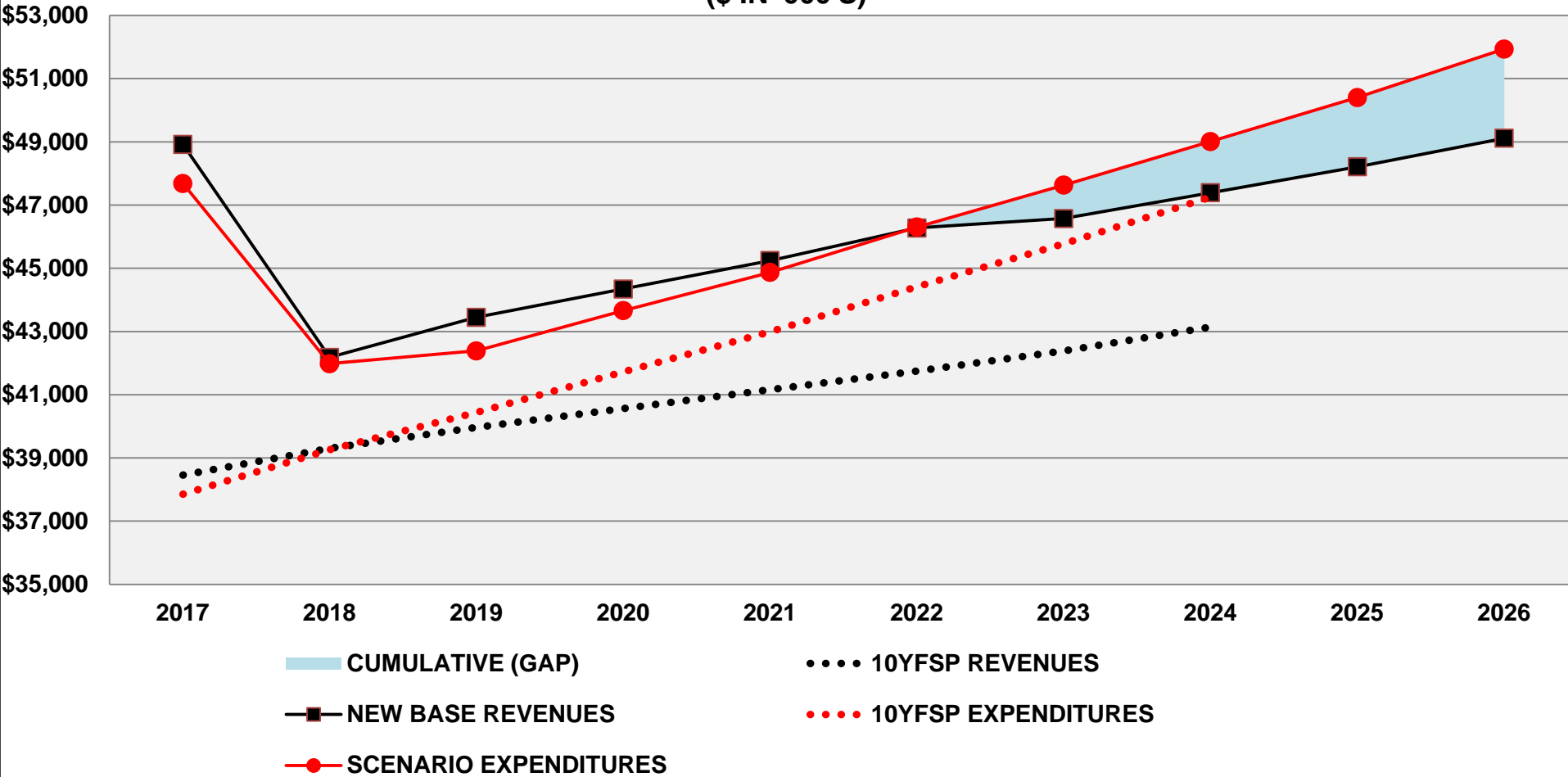
# Recommended Fee Changes

- Development Fees
- Transportation Impact Fees
- License and Public Records Fee
- Parks and Recreation Fees
- Surface Water Utility: 5.0% Scheduled Increase

# 10 YEAR FINANCIAL SUSTAINABILITY MODEL OPERATING BUDGET TEN YEAR FORECAST (\$ IN '000'S)



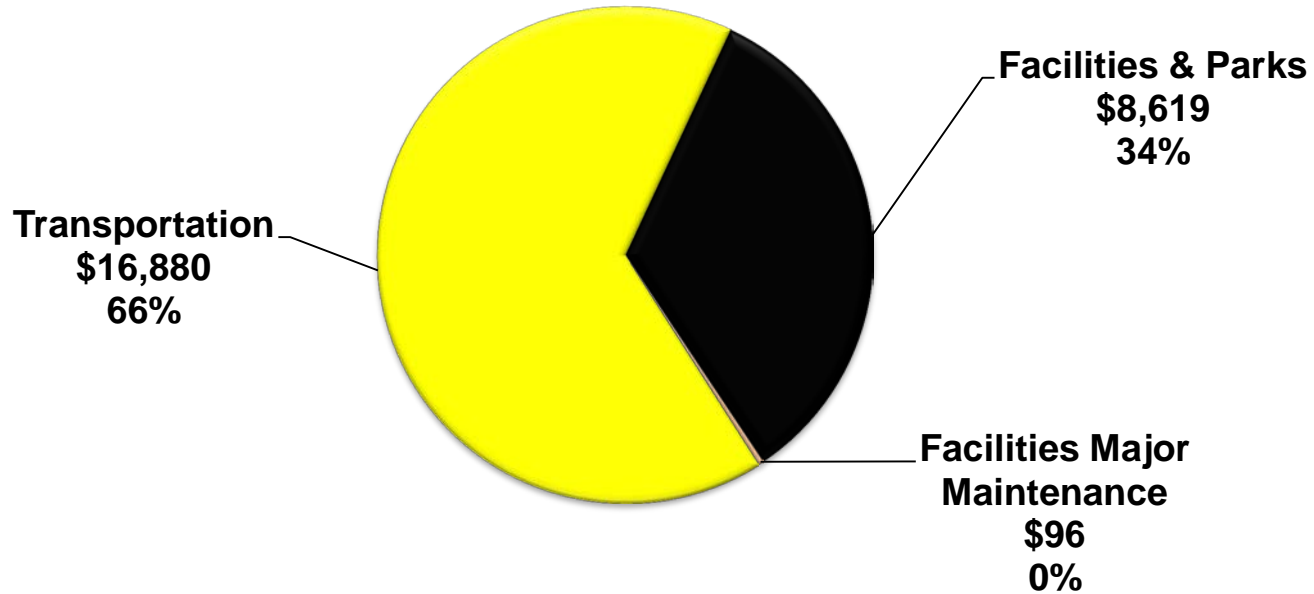
# 10 YEAR FINANCIAL SUSTAINABILITY MODEL OPERATING BUDGET TEN YEAR FORECAST (\$ IN '000'S)



# 2017 Capital Improvement Plan

## \$25.595 Million

(\$ in '000's)



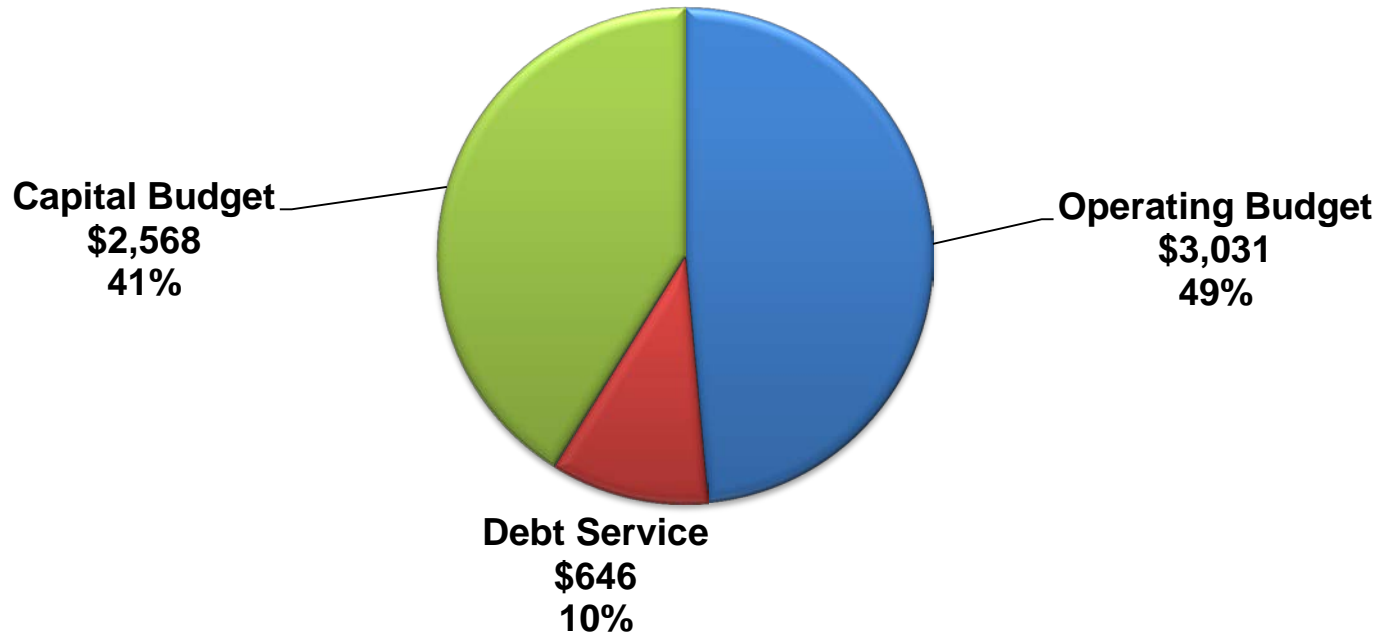
# Surface Water Utility Resources

- Revenues \$4.994 M
  - \$291K decrease in grant funding
  - \$536K increase in Surface Water Revenues due to:
    - 5.0% rate increase
    - Elimination of the Commercial Credit program



# Surface Water Utility Expenses \$6.246 Million

(\$ in '000's)



# Budget Process & Schedule

# 2017 Budget & CIP Review Schedule

- October 10 Transmittal of 2017 Proposed Budget and 2017-2022 CIP
- October 17 Review of Department Budgets
- October 24 Continued Review of Department Budgets and Review of 2017-2022 CIP
- November 7 Public Hearing on 2017 Proposed Budget and 2017-2022 CIP  
Public Hearing on 2017 Property Tax Levy & Revenue Sources
- November 14 Final Discussion of the 2017 Proposed Budget and 2017-2022 CIP
- November 21 Adoption of 2017 Budget, Adoption of 2017 Property Tax Levy, and Adoption of 2017-2022 CIP

# Budget Workshop Review Schedule

<b>October 17</b>	<b>October 24</b>	<b>November 7</b>	<b>November 14</b>
<b>City Council</b>	<b>Public Works</b>	<b>Public Hearing</b>	<b>Public Hearing</b>
<b>City Manager</b>	<b>Capital Improvement Plan</b>	<b>2017 Proposed Budget</b>	<b>2017 Property Tax Levy</b>
<b>Community Services</b>	<b>Surface Water Utility</b>	<b>2017-2022 CIP</b>	<b>2017 Revenue Sources</b>
<b>Administrative Services &amp; Citywide</b>	<b>Other Funds</b>		<b>2017 Salary Schedule</b>
<b>City Attorney</b>			<b>2017 Fee Schedule</b>
<b>Human Resources</b>			
<b>Police</b>			
<b>Criminal Justice (Jail &amp; Court)</b>			
<b>Parks, Recreation &amp; Cultural Services</b>			
<b>Planning &amp; Community Development</b>			

# 2017 Budget Information

- The 2017 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

- 2017 Budget Books Available for Review at:
  - Shoreline Library, Richmond Beach Library, City Hall
- 2017 Budget Books on CD Available for purchase at City Hall

# Conclusion

- 2017 Proposed Budget
  - Supports Council Goals / Community Vision
  - Does not satisfy all community needs / desires
  - Maintains reserves / strong fund balances
  - Maintains / improves parks, roads, drainage systems
  - Provides service levels that continue to benefit the entire Shoreline community

# Questions / Comments