

Des Moines City Council

Retreat – Budget Process

August 8, 2015

9:00 a.m. – 3:00 p.m.

**Des Moines City Hall
City Council Chambers
21630 11th Avenue South
Des Moines, 98198**

-Agenda-

9:00 a.m.	Call to order
9:01 a.m.	Presentation, discussion, and direction regarding 2016-2020 financial condition and potential budget balancing strategies, new/enhanced revenues, and cost cutting measures
10:30 a.m.	Break
10:45 a.m.	Executive Session: Per RCW 42.30.140(4)(a) to discuss labor negotiations
11:00 a.m.	Continued discussion and direction regarding 2016-2020 financial condition and potential budget balancing strategies, new/enhanced revenues, and cost cutting measures
Noon	Lunch
12:30 p.m.	Continued discussion and direction regarding 2016-2020 financial condition and potential budget balancing strategies, new/enhanced revenues, and cost cutting measures
3:00 p.m.	Adjourn

Times noted are estimates and are subject to change depending on the progress made on each item.

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BUDGET RETREAT

AUGUST 8, 2015

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GOALS

- ▶ Understand current budget decisions in context of both the past and the future.
- ▶ Create a long term financial plan to ensure a financially sustainable city.
- ▶ Review service levels, priorities and delivery methods; provide 2016 budget preparation guidance.
- ▶ Provide answers to the Questions summarized at the end of the presentation.

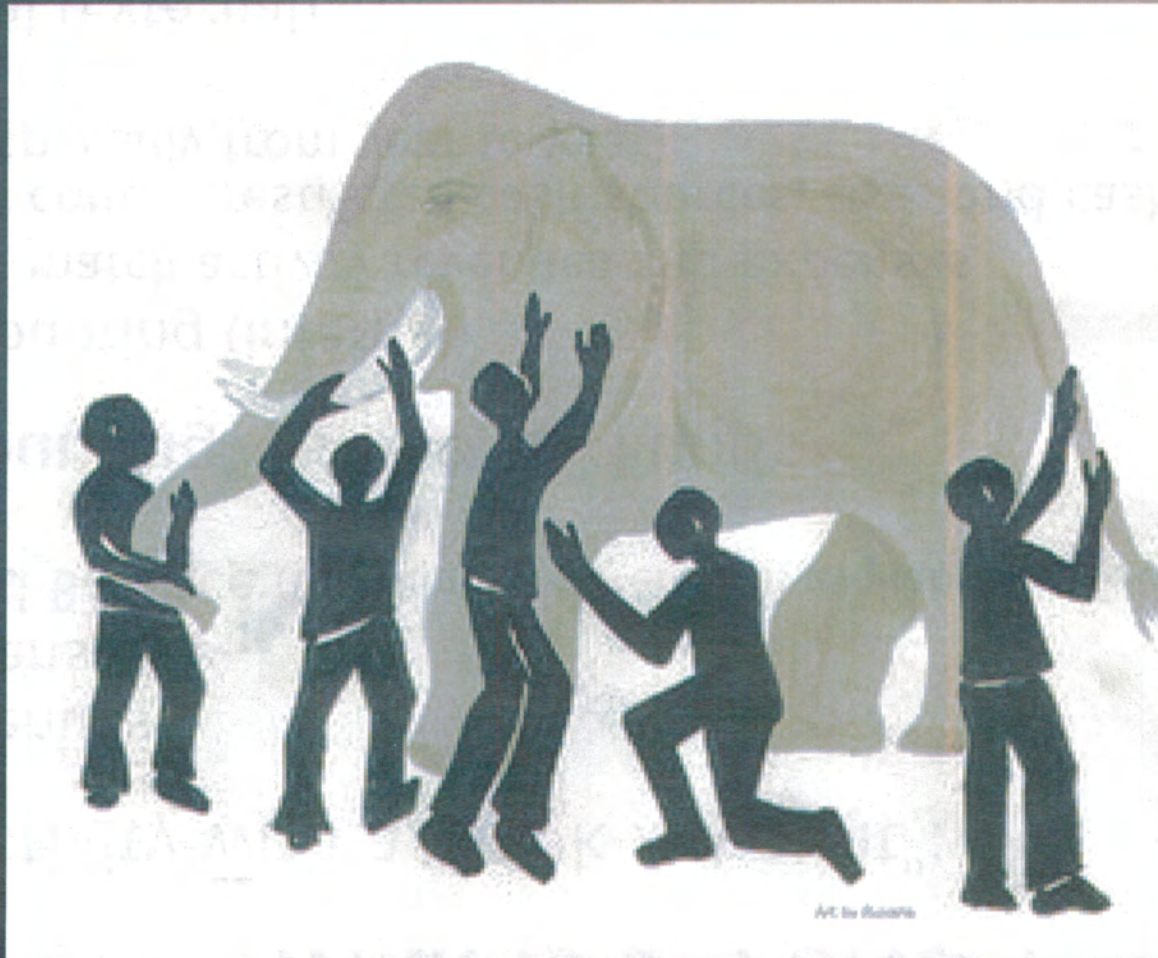
AGENDA

- ▶ Part 1: Budgeting Definitions, Theory & Practice
- ▶ Part 2: Budget vs. Actual (The Past)
- ▶ Part 3: Six Year Financial Plan (The Future)
- ▶ Part 4: Budget vs. Actual (Current)
- ▶ Part 5: Next Steps

Part 1

Budgeting Definitions, Theory & Practice

City of Des Moines– Financial Condition



FUNDS –

What IS a “FUND”?

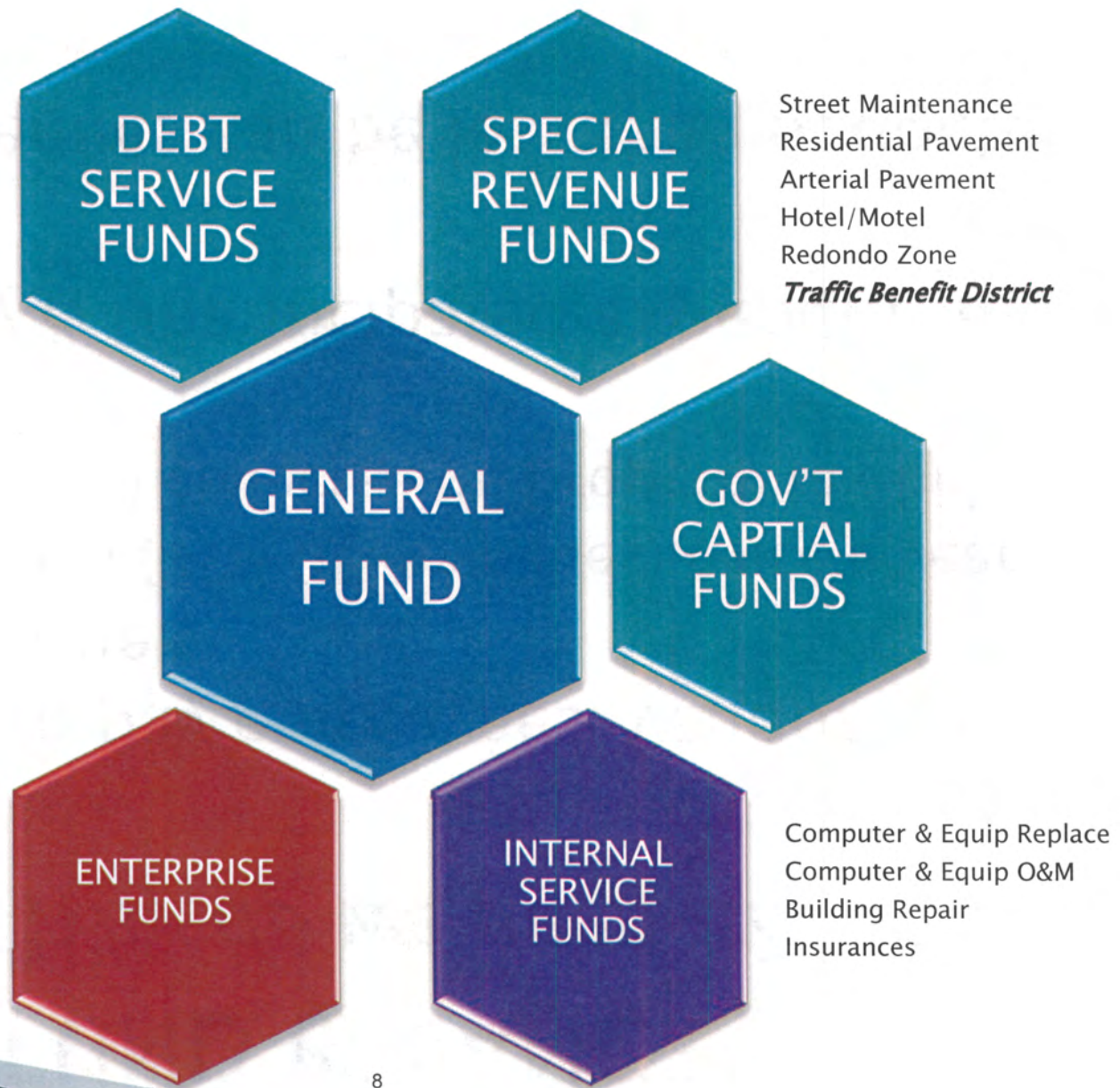
- ▶ An activity with a “Bank Account”:
 - Revenues
 - Expenses
 - **Fund Balance** (Cumulative difference; available for future spending)
- ▶ “Accounting” vs. “Legal” Funds
 - Accounting (Internal)
 - To match activity revenues and expenses
 - To control restricted cash sources, uses and cash balances (especially from year to year).
 - Legal (External)
 - Budgetary authority and financial reporting

FUND BALANCE–

Why do we need it?

- ▶ Cash flow to pay employees, vendors and debt when due.
 - Property taxes (25% GF Revenues) twice a year
 - SWM fees (94%) collected on property tax bill
- ▶ Emergency & Unanticipated expenditures
- ▶ Actual revenues can be less than budgeted

What Funds do we have...?



Operating vs. Capital Budget

- ▶ Operating – authority to spend for one year
- ▶ Capital – authority to spend multiple years
 - *Annual “slice” is also included in Operating Budget*

Budgets / Appropriations

► *Careful –*

- Budgets provide legal authority for spending everything we **THINK** we'll have and get (whether we **ACTUALLY** collect revenues or not).
- Very difficult to cut spending once authorized.
- Takes time to determine whether real issue or can recover.
- Takes time to communicate issue.
- Takes time to determine and implement corrective action.

Budgets & Appropriations – (Continued)

- ▶ Sustainable Budget Philosophy
 - *Under* estimate *revenues*
 - *Over* estimate *expenditures*
- ▶ Leads to:
 - Operating surpluses
 - Stable fund balances
 - Painful choices between operations and adequate/stable fund balances.
- ▶ The Six Year Financial Plan as it is today, still does **NOT** meet this philosophy, but is substantially closer than the past.

Summary

▶ FUNDS

- Are an accounting tool to 1) provide information to manage different activities; and 2) to ensure resources are spent according to legal authorizations and restrictions.

▶ BUDGETS & APPROPRIATIONS

- Used by funds as a method for Council to set controls, set communicate standards and to provide spending limits to operating personnel.

- ▶ **Careful** – Budgets provide legal authority for spending everything we THINK we will have and get (whether we ACTUALLY collect revenues or not).

Part 2

Budget vs. Actual *(The Past)*

FINANCIAL CONDITION

Where we have been...

► General Fund Budget vs. Actual

	2012 <u>Actual</u>	2013 <u>Actual</u>	2014 <u>Actual</u>	2015 <u>BUDGET</u>
Revenues	15,033,440	15,972,422	16,463,543	18,230,444
Expenditures	15,160,901	15,969,367	16,831,791	17,899,538
	<u>(127,461)</u>	<u>3,055</u>	<u>(368,248)</u>	<u>330,906</u>

- *What does this tells us?*
- *What doesn't this tell us?*

FINANCIAL CONDITION

2014 Ending

▶ General Fund's Ending Fund Balance

◦ Required

- 7% Reserve: \$1,200,410
- Stabilization Reserve: \$805,175

◦ Actual

- 7% Reserve: \$0
- Stabilization Reserve: \$677, 557
- Used \$127,618 in January to pay the last of the bills.
- So close; didn't really know until February when the last of the revenues (Jan 31 cash receipts for 2014 earnings) was recorded.

FINANCIAL CONDITION

2015 1st Quarter

- General Fund cash shortages
 - Insufficient GF cash to pay the first 8 payrolls of the year.
 - Used all of the remaining stabilization reserve plus borrowed cash from GF share of the Equip Replacement fund.
 - This has not happened before (in the last ten years).
 - January \$(24,890)
 - February \$(229,322)
 - March \$(444,553)
 - April cash positive at about April 23rd
 - May result in 2015 audit item due to lack of council pre-authorization for 1) use of stabilization reserve and 2) interfund borrowings. We can authorize before year end, but too late to correct for “pre-authorization”.
 - Can create standing Council authorization for Finance Director to initiate interfund loan with requirement to report to council.

FINANCIAL CONDITION

2015 1st Quarter (Continued)

- Internal Service Funds
 - Cash shortages
 - Self Insurance Fund
 - Payroll Clearing Fund
 - Cash depletion
 - Equipment Replacement Fund – General Fund share
 - Computer Replacement Fund – General Fund share

FINANCIAL CONDITION

The Past – Summary

- The City has taken numerous steps to limit costs; including reducing the General & Street funds' work force from 143 FTE (2008) to 112 FTE (2014).
- The City has taken major steps to increase revenues through pro-economic development policies. The City can set the stage but entrepreneurs ultimately decide how much and when to invest. *Forecasting these private decisions is more an art than a science.*
- As difficult as it has been, past choices were not sufficient to provide adequate fund balance at the end of 2014 or adequate operating general fund cash flow through the 1st Quarter 2015.

Part 3

SIX YEAR FINANCIAL PLAN

(The Future)

FINANCIAL CONDITION

From Past to Future

▶ 2013 AUDIT FINDING

- *“The City’s financial condition has continued to decline which puts it at risk for not being able to **meet its financial obligations and maintain current service levels.**”*

▶ 2013 AUDIT RECOMMENDATION

- **Adopt** and follow **a plan** that details financial benchmarks to meet needed funding requirements.
 - **Monitor** and evaluate to ensure plan is followed and results are achieved.
 - **Revise** the plan as needed to timely resolve funding issues.
- ▶ A financial plan provides insights not visible with a one year budget (plan) or by just looking at the past.

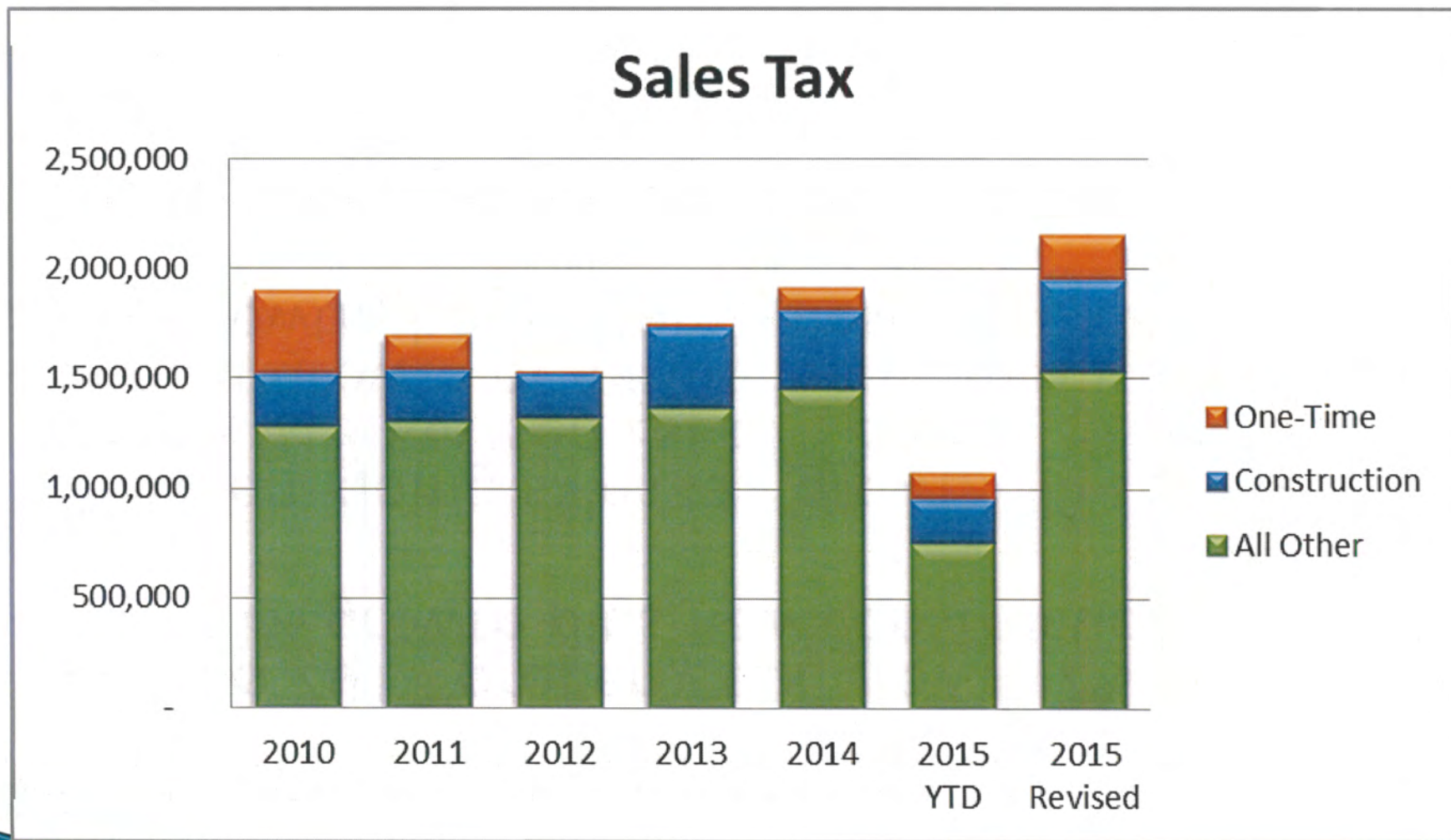
Six Year Financial Plan

REVENUE ASSUMPTIONS

- ▶ 2016 & 2017 property tax growth 2%. 2018–2020 1% growth plus new construction.
- ▶ 2016 on-going sales tax growth 10% (\$198K from 2015 Revised Est of \$2.2M). 2017–2020 annual growth of 4% (includes marijuana sales tax growth, hotel room sales tax, etc.)
 - One-time sales and B&O tax of \$268K in 2016 & 2017 with 25% retained in General Fund in 2017.
 - 2018–2020 All one-time sales tax excluded from General Fund.

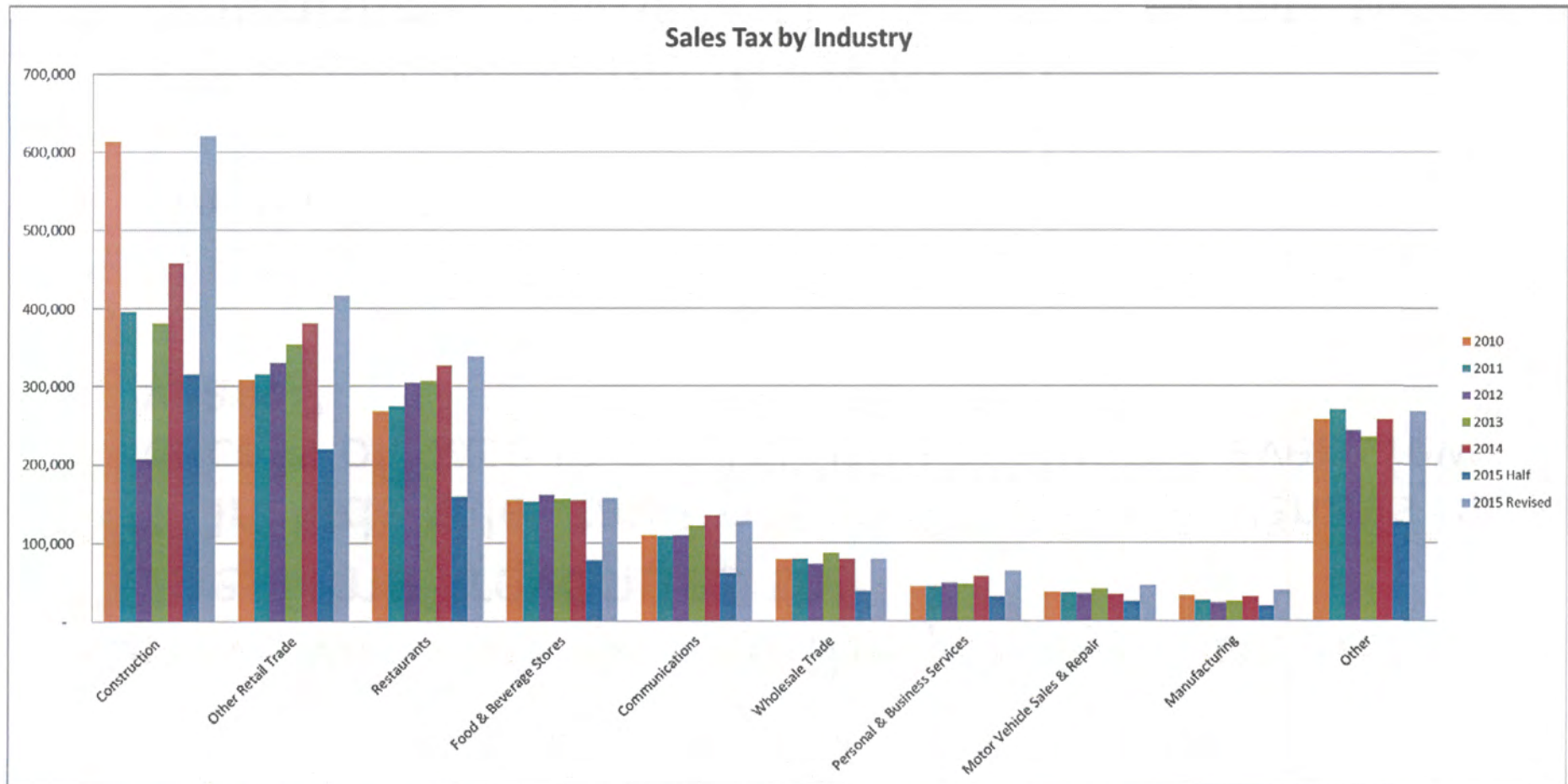
SALES TAX

Construction's Share of Total



SALES TAX (Includes One Time)

Growth and Volatility



“ONE TIME REVENUE” POLICY QUESTIONS

- ▶ Do we want to update the policy to define “One Time” revenues to:
 - 1) Include sales tax from construction revenues in excess of base (e.g. \$380,000 evaluated every few years)?
 - 2) Exclude B&O tax revenues from one time (too small of impact).
 - 3) Expand permitted usage to include replenishment of general fund reserves, one time compensation or transfers out to any other fund?

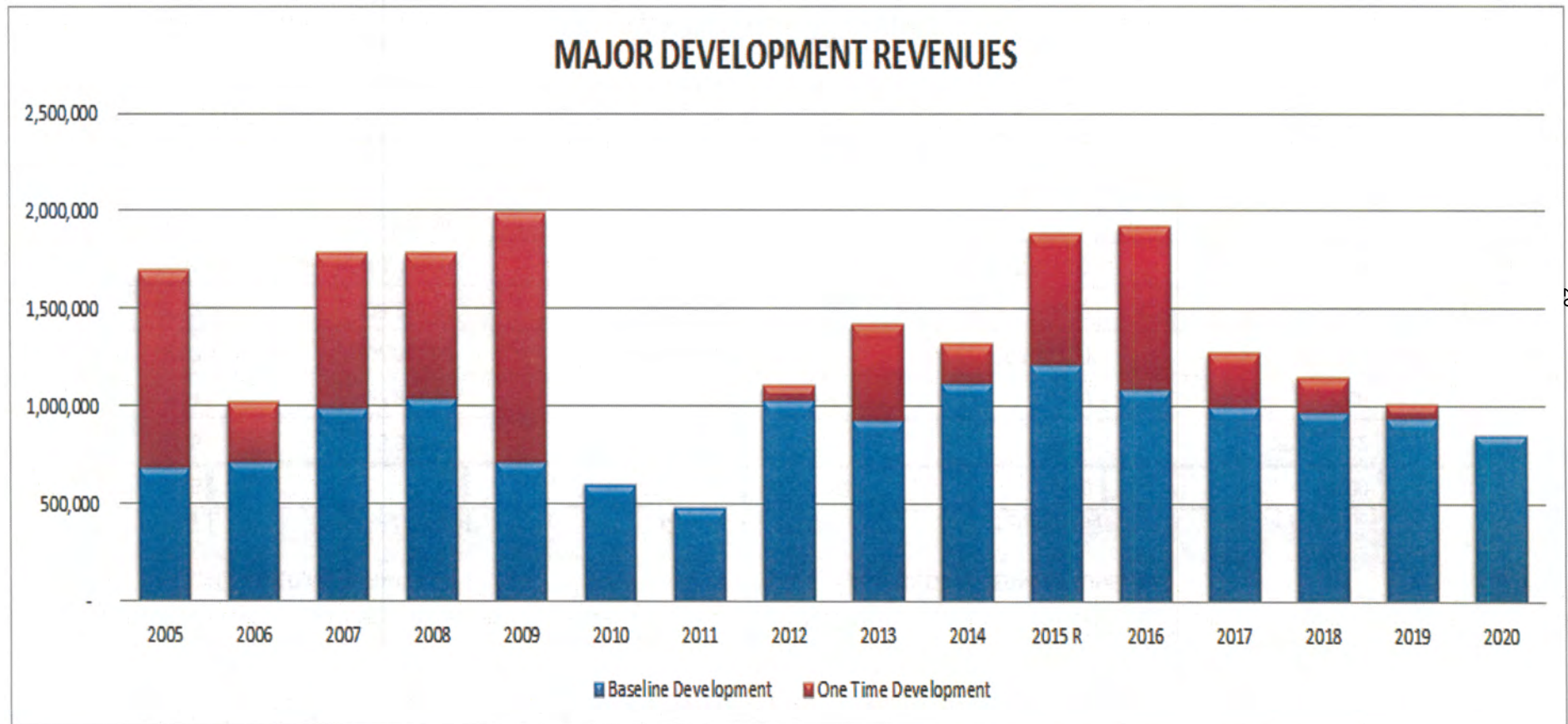
DEVELOPMENT REVENUE HISTORY

- Budget vs. Actual

Account #	R	001.000.000.322.10.00.00
Title	BUILDING PERMITS	
Year	Total Budget	Revenues
2016	0.00	0.00
2015	765,627.00	167,107.70
2014	727,285.00	336,774.29
2013	257,087.00	618,668.63
2012	409,360.00	299,708.30
2011	318,700.00	138,617.15
2010	435,830.00	191,085.29
2009	499,280.00	230,186.80
2008	711,466.00	383,242.77
2007	698,100.00	475,984.24
2006	450,000.00	329,891.44
2005	500,000.00	302,178.56
2004	500,000.00	274,211.81
2003	610,000.00	266,692.29
2002	615,000.00	265,755.93

Account #	R	001.000.000.322.10.10.00
Title	BUILDING PERMITS - ONE-TIME	
Year	Total Budget	Revenues
2016	0.00	0.00
2015	0.00	262,514.12
2014	0.00	0.00
2013	352,386.00	0.00
2012	0.00	0.00
2011	515,190.00	0.00
2010	0.00	0.00
2009	495,323.00	654,602.70
2008	605,645.00	355,504.55
2007	633,300.00	379,843.19
2006	410,000.00	130,174.41
2005	1,355,620.00	466,558.74
2004	1,282,000.00	137,322.32
2003	1,284,445.00	582,905.71
2002	0.00	0.00

MAJOR DEVELOPMENT REVENUES



FUND BALANCE EXAMPLE

FUND BALANCE EXAMPLE - 2014

Council Authorization							
	<i>Per Policy</i>	<i>ORIGINAL</i>		<i>REVISED</i>		Actual vs.	Actual vs.
	<u>BUDGET</u>	<u>BUDGET</u>		<u>BUDGET</u>	<u>ACTUAL</u>	<u>Revised</u>	<u>Original</u>
BEGINNING FUND BALANCE	1,456	1,456		980	980	-	(476)
ONE TIME REVENUES	343	343		300	280	(20)	(63)
ON-GOING REVENUES <i>(incl Develop)</i>	18,200	18,200		17,130	16,570	(560)	(1,630)
TOTAL RESOURCES	<u>19,999</u>	<u>19,999</u>		<u>18,410</u>	<u>17,830</u>	<u>(580)</u>	<u>(2,169)</u>
ONE TIME EXPENDITURES	-	-		-	-	-	-
ON-GOING EXPENDITURES	17,790	18,280	490	18,010	17,150	(860)	(1,130) *
5 % STABILIZATION FUND BALANCE	910	910		400	680	280	(230)
7% UNDESIGNATED FUND BALANCE	<u>1,299</u>	<u>809</u>	<u>(489)</u>	<u>-</u>	<u>-</u>		<u>(809)</u>
Combined Reserves	2,209	1,719		400	680		(1,039) **
TOTAL USES	<u>19,999</u>	<u>19,999</u>		<u>18,410</u>	<u>17,830</u>	<u>(580)</u>	

* Includes non-payment of internal assessments (moves cost to future years)

** Is an indicator of volatility risk. Originally we thought we'd end with \$1,719M. Unexpected need of over \$1M.

FUND BALANCE EXAMPLE

FUND BALANCE 2015 REVISED

	Per Policy	ORIGINAL		REVISED	Revised vs.	Revised vs
				(Removed 4 Patrol + other cuts)		
	BUDGET	BUDGET		BUDGET	Original	Policy
BEGINNING FUND BALANCE	807	807		678	(129)	
ONE TIME REVENUES	381	381		268	(113)	
ON-GOING REVENUES <i>(incl Develop)</i>	18,217	18,217		17,749	(468)	
TOTAL RESOURCES	19,405	19,405		18,695	(710)	
ONE TIME EXPENDITURES	-	-		-		
ON-GOING EXPENDITURES	17,192	18,277	1,085 *	17,462	(815)	915
5 % STABILIZATION FUND BALANCE	911	911		887	(24)	
7% UNDESIGNATED FUND BALANCE	1,302	217	(1,085) **	346	129	(915)
Combined Reserves	2,213	1,128		1,233	105	
TOTAL USES	19,405	19,405		18,695		
NET ANNUAL SOURCES (USES)	1,406	321		555		

** Assessments not funded in current year; costs pushed to the future (except for some police car purchases).

* Assumed \$1M in risk when beginning fund balance was expected to be just \$800K. (Actual beginning was even lower).

“ONE TIME REVENUE” POLICY QUESTIONS

- ▶ Do we want to create a policy for “One Time” Development Fees?
 - Budget to include 100% baseline development fees.
 - Budget to include no more than the additional direct PBPW costs to serve one time development processing.
 - Ok to draw direct PBPW costs for One Time Projects in excess of One Time Development revenues from the Stabilization Reserve.
 - “Excess” One Time Development Fees are treated as “One Time Revenues” or as supplemental additions to the Stabilization Reserve (raises it over its minimum)?

Six Year Financial Plan

REVENUE ASSUMPTIONS (continued)

- ▶ Utility Taxes fluctuate year to year. Estimated at \$32K annual growth. Telephone tax continues to decline to offset other increases.
- ▶ Charges for service and fines/penalties fluctuate year to year assumed same as 2015 Revised for 2016–2020 (some accounts increased with 2% growth).
- ▶ One-time Development Fees

<u>2015 R</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
671,716	834,160	280,000	180,000	70,000	–

Six Year Financial Plan

REVENUE ASSUMPTIONS (continued)

- ▶ NEW/ADDITIONAL REVENUES INCLUDED:
 - Apply General Fund Admin chargeback to all funds. (\$130K)
 - Move PBPW Automation Fee to special revenue fund and raise fee (400%) to cover all computer operating and replacement costs (\$75K).

Six Year Financial Plan

POLICY – EXPENDITURE ASSUMPTIONS

- ▶ Four additional Police Officers are NOT hired in the 2015–2020 time frame.
- ▶ All Non Police COLA's are limited to 0.75% per year. Police COLA 2% to 2018 & 0.75% thereafter. No non-contractual position reclass/upgrades approved.
- ▶ Steps within grade/classification are funded.
- ▶ City will not pay “Cadillac Tax” on health benefits.

Six Year Financial Plan

ECONOMIC – EXPENDITURE ASSUMPTIONS

- ▶ Annual Health Care premium increases of 5 % Vision, 6% Dental and 6%–10% for Medical.
- ▶ Retirement increases from 11.18% to 13.05%
- ▶ Existing contract provisions apply through 2016. Used settled contract increases to apply to contracts not yet settled (Court).
- ▶ Supplies & Services 1.5% and past trend.
- ▶ Interfund assessments based on replacement year plus 3–4 year smoothing to “climb out of the hole” to catch up to “normal” funding level thereafter.

Six Year Financial Plan

ECONOMIC – EXPENDITURE ASSUMPTIONS

- ▶ 2015 Revised “True-Up” process used as base for future years’ forecast.
 - E.g. If budget not used in 4 years then removed.
 - Budget changed to reflect actual past spending. Some accounts increased, some decreased. Net 2015 Revised change in expenditures is about \$471K net decrease.
 - \$376K decrease Police Patrol;
 - Net increase of \$42K in PBPW including new positions.
- ▶ Five year construction bubble (2013–2017); then decline in Development Revenues.

Six Year Financial Plan

REVENUE VS. EXPENDITURES

2015-2020 GENERAL FUND **FINANCIAL FORECAST**

	REVISED	BUDGET	FORECAST			
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Revenues	18,017,000	18,520,000	18,171,000	18,061,000	18,219,000	18,303,000
Expenses	(17,462,000)	(19,053,000)	(19,812,000)	(19,815,000)	(19,867,000)	(20,112,000)
Net "Profit/Loss"	555,000	(533,000)	(1,641,000)	(1,754,000)	(1,648,000)	(1,809,000)

35

<u>2015 R</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
671,716	834,160	280,000	180,000	70,000	-

Six Year Financial Plan – “IF WE DO NOTHING SCENARIO”

2015-2020 GENERAL FUND FINANCIAL FORECAST

	REVISED 2015	BUDGET 2016	FORECAST			
			2017	2018	2019	2020
Revenues	18,017,000	18,520,000	18,171,000	18,061,000	18,219,000	18,303,000
Expenses	(17,462,000)	(19,053,000)	(19,812,000)	(19,815,000)	(19,867,000)	(20,112,000)
Net "Profit/Loss"	555,000	(533,000)	(1,641,000)	(1,754,000)	(1,648,000)	(1,809,000)
Add'l Reserve Reqt		(128,398)	(63,388)	(13,103)	(17,040)	(24,850)
Total Annual Problem	555,000	(661,398)	(1,704,388)	(1,767,103)	(1,665,040)	(1,833,850)
2014 Problem	(1,285,541)	(730,541)	(730,541)	(730,541)	(730,541)	(730,541)
2016 Problem		(661,398)	(661,398)	(661,398)	(661,398)	(661,398)
2017 Problem			(1,704,388)	(1,704,388)	(1,704,388)	(1,704,388)
2018 Problem				(1,767,103)	(1,767,103)	(1,767,103)
2019 Problem					(1,665,040)	(1,665,040)
Cumulative Problem	(730,541)	(1,391,939)	(3,096,327)	(4,863,430)	(6,528,470)	(6,528,470)
Ending Reserve	1,345,670	812,670	(828,330)	(2,582,330)	(4,230,330)	(6,039,330)
<i>(If no action taken)</i>						
<u>Required Reserve Calculation</u>						
5% Stabilization	853,871	870,899	881,157	894,050	907,450	915,150
7% Regular	1,222,340	1,333,710	1,386,840	1,387,050	1,390,690	1,407,840
Combined Required	2,076,211	2,204,609	2,267,997	2,281,100	2,298,140	2,322,990

Six Year Financial Plan – “VARIETY SCENARIO”

2015-2020 GENERAL FUND

	REVISED	BUDGET	FORECAST			
	2015	2016	2017	2018	2019	2020
Revenues	18,017,000	18,520,000	18,880,451	18,958,170	19,261,571	19,387,051
Expenses	(17,462,000)	(19,053,000)	(19,409,401)	(19,122,622)	(19,169,444)	(19,409,226)
Net "Profit/Loss"	555,000	(533,000)	(528,950)	(164,452)	92,127	(22,175)
Add'l Reserve Reqt		(128,400)	(70,679)	(2,205)	(23,947)	(26,559)
Total Annual Problem	555,000	(661,400)	(599,629)	(166,657)	68,180	(48,734)
<u>SOLUTIONS</u>	4 days - 1.5%	8 days - 3%				
One-time Comp*	80,000	160,000				
Police One-time Comp*	40,000	80,000				
One-time Revenues*		201,000	268,000			
New P&R Fees (15%/10%/10%/5%/2%)		166,275	102,571	107,865	61,773	25,724
Business Licenses (25%/20%)		57,670	57,614			
+ SWM utility tax 8% (16%)		206,832				
+ Cable utility tax 2% (10%)		195,885				
Hotel/Motel Festival Reimb		50,000				
Self Insurance fully funded/lower assessment						133,000
Permanent Compensation	56,348	212,100	282,348			278,986
Add 3 Patrol Officers						(383,349)
Total Annual Solution	176,348	1,329,762	710,533	107,865	61,773	54,361
Ending Reserve	1,408,908	2,205,670	2,387,253	2,330,666	2,484,566	2,516,752
<u>Required Reserve Calculation</u>						
5% Stabilization	853,871	870,899	916,630	938,909	959,579	969,353
7% Regular	1,222,340	1,333,710	1,358,658	1,338,584	1,341,861	1,358,646
Combined Required	2,076,211	2,204,609	2,275,288	2,277,493	2,301,440	2,327,999
Reserve Shortfall	(667,303)	1,061	111,965	53,173	183,126	188,753

* One time items. These help ending reserve but don't affect future year revenue or expense numbers...

Six Year Financial Plan – “ONE TIME REVENUE SCENARIO”

2015-2020 GENERAL FUND

	REVISED	BUDGET	FORECAST			
	2015	2016	2017	2018	2019	2020
Revenues	18,017,000	18,520,000	18,880,451	18,958,170	19,261,571	19,387,051
Expenses	(17,462,000)	(19,053,000)	(19,409,401)	(19,122,622)	(19,169,444)	(19,409,226)
Net "Profit/Loss"	555,000	(533,000)	(528,950)	(164,452)	92,127	(22,175)
Add'l Reserve Req't		(128,400)	(70,679)	(2,205)	(23,947)	(26,559)
Total Annual Problem	555,000	(661,400)	(599,629)	(166,657)	68,180	(48,734)
<u>SOLUTIONS</u>		8 days - 3%				
One-time Comp*						
Police One-time Comp*						
One-time Revenues*		201,000	268,000			
New P&R Fees (15%/10%/10%/5%/2%)		166,275	102,571	107,865	61,773	25,724
Business Licenses (25%/20%)		57,670	57,614			
+ SWM utility tax 8% (16%)		206,832				
+ Cable utility tax 2% (10%)		195,885				
Hotel/Motel Festival Reimb		50,000				
Self Insurance fully funded/lower assessment						133,000
Permanent Compensation	56,348	212,100	282,348			278,986
Add 2 Patrol Officers						(255,566)
Total Annual Solution	56,348	1,089,762	710,533	107,865	61,773	182,144
Ending Reserve	1,288,908	1,845,670	2,027,253	1,970,666	2,124,566	2,284,535
<u>Required Reserve Calculation</u>						
5% Stabilization	853,871	870,899	916,630	938,909	959,579	969,353
7% Regular	1,222,340	1,333,710	1,358,658	1,338,584	1,341,861	1,358,646
Combined Required	2,076,211	2,204,609	2,275,288	2,277,493	2,301,440	2,327,999
Reserve Shortfall	(787,303)	(358,939)	(248,035)	(306,827)	(176,874)	(43,464)

* One time items. These help ending reserve but don't affect future year revenue or expense numbers...

Six Year Financial Plan

DIRECTOR IDEAS

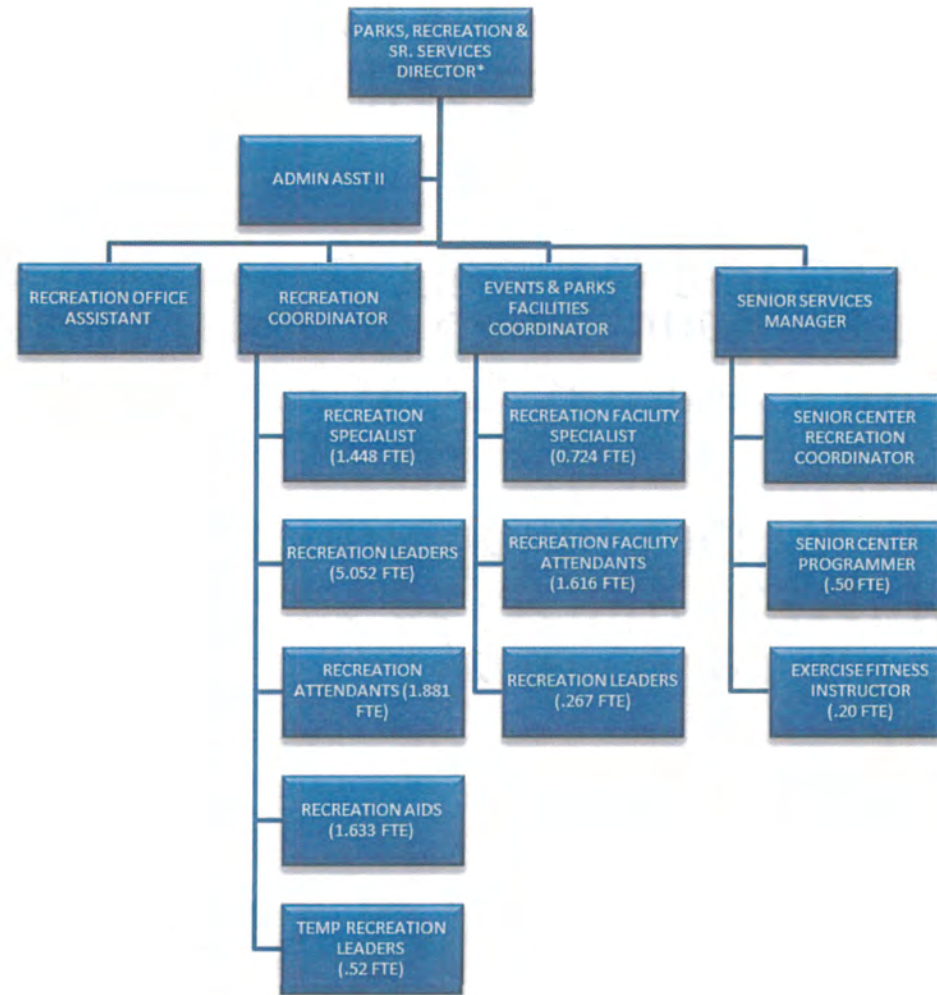
- ▶ Please see Appendix A at the end of this presentation for list of:
 - Revenue enhancements
 - 5% Priority expenditure reductions
 - 10% Priority expenditure reductions
- ▶ Appendix B at the end of this presentation contains the position cuts that match the scenarios.

Six Year Financial Plan

DOING THINGS DIFFERENTLY– P&R

			TAX SUBSIDY
	<u>REVENUE</u>	<u>EXPEND</u>	<u>"NET LOSS"</u>
<i>Arts Commission</i>	15,000	(55,000)	(40,000)
<i>Programs</i>	895,660	(1,435,000)	(539,340)
<i>Facility Rentals</i>	325,000	(405,000)	(80,000)
	<u>1,235,660</u>	<u>(1,895,000)</u>	<u>(659,340)</u>
PARKS MAINTENANCE	-	(660,000)	(660,000)
Combined Parks Ops & Programs	<u>1,235,660</u>	<u>(2,555,000)</u>	<u>(1,319,340)</u>
50 cents per \$1,000 Assessed Value			<u>1,320,958</u>
10 cents per \$1,000 Assessed Value			<u>264,191</u>

Parks, Rec & Sr. Services Org Chart



Six Year Financial Plan

DOING THINGS DIFFERENTLY– P&R

- ▶ INTERNAL OPTION:
- ▶ Raise program fees 15%/yr to cover full cost (no tax subsidy) including 17% of facility costs; Raise rental rates by 3% to cover remaining facility loss.
- ▶ Reorganize Parks, Rec & Sr. Services Only
 - Central Manager report to Gen'l Fund Director (Finance or Economic Development). Eliminate P&R Director position. Saves \$180K.
- ▶ OR: Reorganize Parks, Rec & Sr. Services & Marina
 - Central P&R Manager and Marina Manager report to Combined Director. Eliminate P&R Director position and Marina Harbor Master. Saves Gen'l Fund \$90K.

Parks, Rec & Sr. Services Rates

	PROGRAMS					
		115%	110%	110%	105%	102%
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Revenue	895,660	1,030,009	1,133,010	1,246,311	1,308,627	1,334,800
Expenses*	(1,274,057)	(1,286,798)	(1,299,666)	(1,312,663)	(1,325,790)	(1,339,048)
Net	(376,382)	(254,773)	(164,639)	(64,334)	(15,144)	(2,228)

**Reduced by Admin cuts and increased by facility net loss.*

43

RECREATION & SENIOR PROGRAM FEES						
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Rate Increase		15%	10%	10%	5%	2%
Total Revenue	895,660	1,030,009	1,133,010	1,246,311	1,308,627	1,334,800
In Base Forecast	895,660	863,734	864,164	869,600	870,143	870,592
Additional	-	166,275	268,846	376,711	438,484	464,208

43

Six Year Financial Plan

DOING THINGS DIFFERENTLY– P&R

- ▶ Eliminate City–run programs and save \$619K. This reduces community services. Creates “passive park system” where folks play at parks on their own but no programs.
- ▶ Deliver existing services through a Parks District. This would allow voters to vote for additional property tax support for these programs to maintain or reduce current level of fees/tax subsidy.

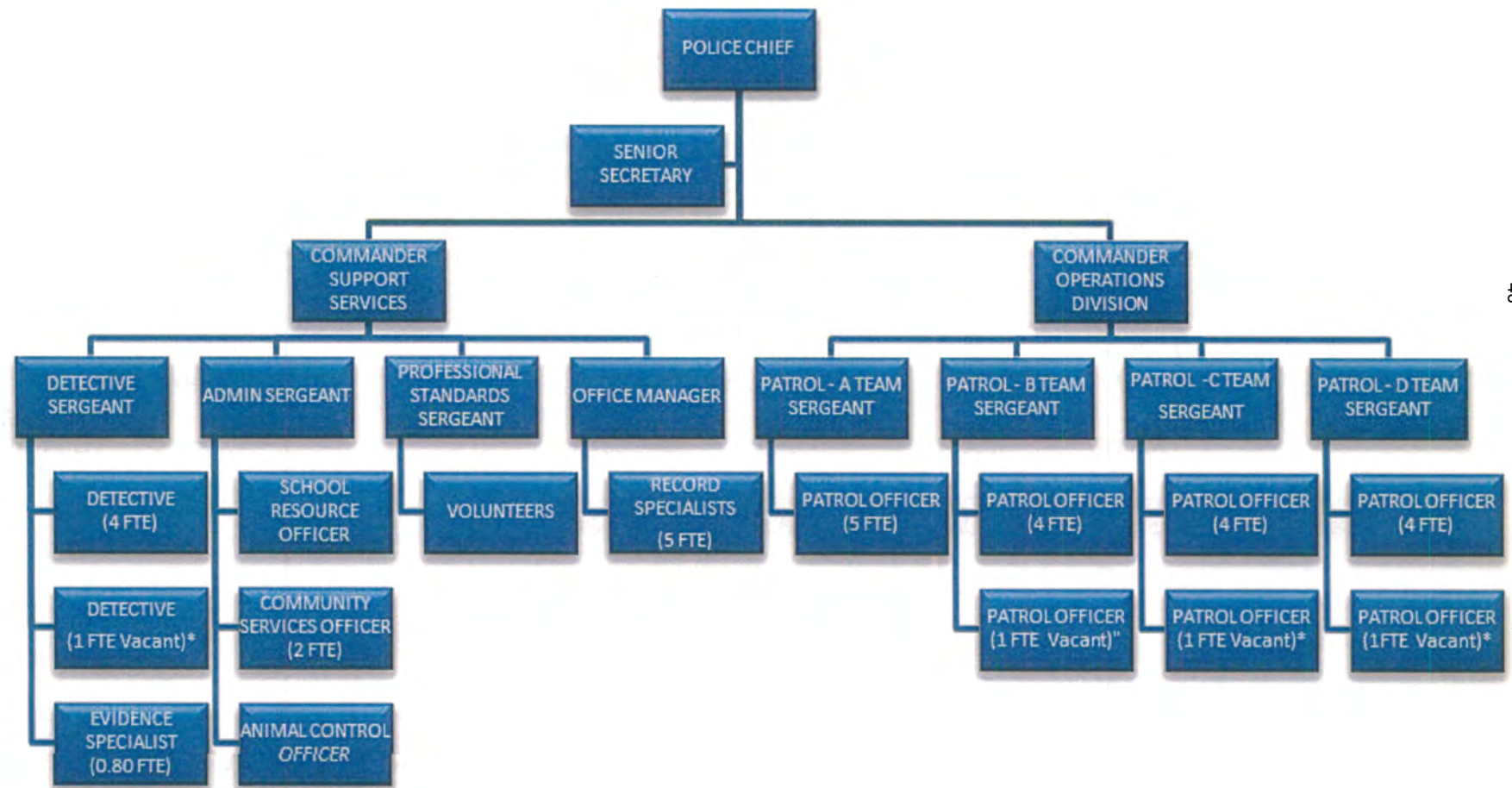
Six Year Financial Plan

DOING THINGS DIFFERENTLY– Police

		2016 ORIGINAL BUDGET			
<u>Fund/Dept</u>		<u>Beginning</u>	<u>Revenues</u>	<u>Expense</u>	<u>Net Activity</u>
GENERAL FUND					
21	City Council			90,561	(90,561) 0%
22	Muni Court		369,700	952,577	(582,877) 39%
23	City Manager		729,957	1,837,812	(1,107,855) 40%
24	Finance		96,000	1,157,602	(1,061,602) 8%
26	Legal		72,794	612,359	(539,565) 12%
30	Police	3%	239,350	8,481,905	(8,242,555) 3%
40	PBPW		2,729,893	3,827,139	(1,097,246) 71%
45	Parks, Rec, Sr Services		1,182,369	1,975,854	(793,485) 60%
50	NonDepartmental		13,102,194	321,090	12,781,104
90	Debt & Transfers				
1	TOTAL GF	1,483,586	18,522,257	19,256,899	(734,642) 748,944

Six Year Financial Plan

DOING THINGS DIFFERENTLY- Police



Six Year Financial Plan

DOING THINGS DIFFERENTLY– Police

- ▶ INTERNAL OPTION:
- ▶ Eliminate Office Manager position (\$97K), and
- ▶ Eliminate one Commander position (\$191K), and
- ▶ Eliminate one CSO position, or combine Code Enforcement duties with other CSO duties and eliminate Code Enforcement position (\$105K).

Six Year Financial Plan

DOING THINGS DIFFERENTLY– Police

- ▶ EXTERNAL OPTION:
- ▶ Council determine total cost of Police Services budget and see what level of service King County can provide for that lower \$ amount; e.g. 1) save \$393K or 2) total budget of \$7M vs \$8M.
- ▶ Will result in lower level of police service.
- ▶ Significant savings in accounts payable, human resources and payroll (the costs of which are not included in police budget).

Six Year Financial Plan

Other Potential Position Eliminations/Reductions
(See Appendix A & B)

- ▶ Legal: Paralegal from .5 to 0 FTE
 - ▶ Finance: Sr. Acct Specialist from .5 to 0 FTE
 - ▶ Court: Court Clerk from 1 to .3 FTE
 - ▶ City Mgr Executive Asst from 1 to 0 FTE
-
- ▶ 2020 Cuts if no/low One Time Development Fees:
 - 1 FTE CD Assistant
 - 1 FTE Inspector
 - .6 FTE Engineer

Six Year Financial Plan

General Fund Tax (Revenue) Increases

► SWM Utility Tax

- From 8% to 16% New revenue of \$210K.
- Tax is included on annual property tax bill.
- Total 2015 bill is \$15.94/month for residential household (\$14.76 + tax \$1.18).

► Cable Utility Tax

- From 8% to 10% New revenue of \$233K.
- Tax is included on monthly bill.
- Approximately \$1 month on \$50 base bill.

Surface Water Rates & Taxes

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Rate	14.76	15.59	16.53	17.52	18.57	19.50
Tax 1st 8%	1.18	1.25	1.32	1.40	1.49	1.56
Tax 2nd 8%		1.25	1.32	1.40	1.49	1.56
Total		18.09	19.17	20.32	21.55	22.62

SWM Utility Tax

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Tax Increase (8% to 16%)		100%				
Rate Increase		5.6%	6%	6%	6%	5%
Total Revenue	201,591	414,471	439,339	465,699	493,641	518,323
In Base Forecast	201,591	207,639	208,677	209,720	210,769	211,823
Additional	-	206,832	230,662	255,979	282,872	306,500

Cable Utility Tax

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Tax Increase (8% to 10%)		25%				
Provider Rate Increase		1%	1%	1%	1%	1%
Total Revenue	711,020	895,885	904,844	913,892	923,031	932,261
In Base Forecast	711,020	700,000	700,000	705,000	705,000	710,000
Additional	-	195,885	204,844	208,892	218,031	222,261

Six Year Financial Plan

General Fund Tax (Revenue) Increases

Business License Revenues

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Rate Increase		25%	20%			
Growth Increase	6%	4%	3%	3%	3%	3%
Total Revenue	234,628	302,670	372,284	383,453	394,957	406,806
In Base Forecast	234,628	245,000	257,000	270,000	280,000	290,000
Additional	-	57,670	115,284	113,453	114,957	116,806
License Fee	30	38	48	48	48	48
License Fee	75	94	118	118	118	118

OTHER NEW FEES/TAX

(*NOT* General Fund BUT...)

- ▶ Transportation Benefit District Car Tab Fees
 - From \$20 to \$40 New revenue of \$440K.
 - Tax is included annually when renewing car tabs.
 - *\$235K Will be needed for Streets O&M (cover equipment consumption, GF Admin fee, usual increases, etc.).*
 - \$205K used for Arterial Pavement Program.
- ▶ Sanitation Utility Tax
 - From 8% to 16% New revenue of \$200K.
 - Tax is included on monthly bill of owner/landlords.
 - \$1.20 on a \$15/month base fee.
 - Restricted for Residential Pavement Program.

Six Year Financial Plan

Utility Tax Rate History

	NO TAXPAYER VOTE REQUIRED			STATE MAX W/O VOTE UTILITIES		
	<u>SWM</u>	<u>Cable</u>	<u>Solid Waste</u>	<u>Electric</u>	<u>Nat'l Gas</u>	<u>Telephone</u>
Effective Date: Jan 1, 2015 Ordinance # 1608-1610	8%	8%	8%			
Effective Date: Jan 1, 2009 Ordinance # 1441	6%					
Effective Date: Jan 1, 2000 Ordinance # 1249		6%	6%	6%	6%	6%
Effective Date: June 1, 1993 Ordinance # 1023		5%	5%	5%	5%	5%
Effective Date: Jan 1, 1993 Ordinance # 1005		6%	6%	6%	6%	6%
Effective Date: Jan 1, 1993 Ordinance # 1004		4%	4%	4%	4%	4%
Effective Date: Jan 1, 1992 Ordinance # 916		2%	2%	2%	2%	2%

SIX YEAR FINANCIAL PLAN SUMMARY

- ▶ Forecasted Total Revenues are not sufficient to cover forecasted Total Expenditures.
- ▶ Structural deficit is not likely to be cured by future revenue growth in the 2015–2020 time frame.
- ▶ Create COUNCIL PRELIMINARY PLAN showing combination of expenditure cuts, revenue increases and mix of one-time vs. on-going changes.

Part 4

2015 Revised &
2016 Budget Preparation

2015 Revised Budget Estimate

FUND BALANCE 2015 REVISED

	Per Policy	ORIGINAL		REVISED	Revised vs.	Revised vs
				(Removed 4 Patrol + other cuts)		
	BUDGET	BUDGET		BUDGET	Original	Policy
BEGINNING FUND BALANCE	807	807		678	(129)	
ONE TIME REVENUES	381	381		268	(113)	
ON-GOING REVENUES <i>(incl Develop)</i>	18,217	18,217		17,749	(468)	
TOTAL RESOURCES	<u>19,405</u>	<u>19,405</u>		<u>18,695</u>	<u>(710)</u>	
ONE TIME EXPENDITURES	-	-		-		
ON-GOING EXPENDITURES	17,192	18,277	1,085 *	17,462	(815)	915
5 % STABILIZATION FUND BALANCE	911	911		887	(24)	
7% UNDESIGNATED FUND BALANCE	1,302	217	(1,085) **	346	129	(915)
Combined Reserves	<u>2,213</u>	<u>1,128</u>		<u>1,233</u>	<u>105</u>	
TOTAL USES	<u>19,405</u>	<u>19,405</u>		<u>18,695</u>		
NET ANNUAL SOURCES (USES)	<u>1,406</u>	<u>321</u>		<u>555</u>		

** Assessments not funded in current year; costs pushed to the future (except for some police car purchases).

* Assumed \$1M in risk when beginning fund balance was expected to be just \$800K. (Actual beginning was even lower).

2015 Revised Budget Estimate – Major Revenue Changes

	2015 REVENUES		
	2015	2015	
	<u>ORIGINAL</u>	<u>REVISED</u>	<u>DIFFERENCE</u>
Sales Tax	2,077,750	2,158,960	81,210
Electric Util Tax	1,110,300	922,600	(187,700)
Nat'l Gas Util Tax	412,200	331,700	(80,500)
Telephone Tax	847,200	687,250	(159,950)
Plan Check Fees	457,155	601,200	144,045
ASE *	368,000	-	(368,000)
Total Gen'l Fund	<u>5,272,605</u>	<u>4,701,710</u>	<u>(570,895)</u>

**ASE moved from General Fund to its own Special Revenue Fund*

2015 Revised Budget Estimate – Expenditure Changes

2015 EXPENDITURES

	2015 <u>ORIGINAL</u>	2015 <u>REVISED</u>	<u>DIFFERENCE</u>	
City Council	77,801	72,716	(5,085)	
Muni Court	925,331	904,517	(20,814)	Judge's position reduced to .8 FTE
City Manager	1,445,328	1,495,204	49,876	\$10K Hearing Examiner; \$36K Comm Newsletter
Finance	982,677	975,256	(7,421)	
Legal	607,147	590,976	(16,171)	\$10K Professional Services; \$ 9K Benefits
Police	8,281,579	7,858,717	(422,862)	\$298K Cancel 4 Vacant Patrol; 1 Vacant retirement 5 mo; Fuel \$30K Retiree Med 23K
PBPW	3,481,270	3,508,898	27,628	
Parks, Rec, Sr	1,983,417	1,902,898	(80,519)	\$30K FT Vacancy Wages; \$30K FT Benefits; \$7K Repairs; \$ 5K Misc; \$5K FT Benefits
NonDept	114,985	119,278	4,293	
ASE		(367,878)	(367,878)	Moved from Gen'l Fund to Special Revenue Fund.
Total Gen'l Fund	<u>17,899,535</u>	<u>17,060,582</u>	<u>(838,953)</u>	

2016 Budget Preparation – Revenue Changes

2016 REVENUES			
	2015	2016	
	<u>REVISED</u>	<u>ORIGINAL</u>	<u>DIFFERENCE</u>
Property Tax	4,435,938	4,524,657	88,719
Sales Tax	2,871,140	3,118,956	247,816
Utility/B&O/etc Tax	3,985,023	4,099,461	114,438
One Time Develop	671,716	834,160	162,444
Misc Net Other	6,053,518	5,942,301	(111,217)
	<u>18,017,335</u>	<u>18,519,535</u>	<u>502,200</u>

2016 Budget Preparation – Expenditure Changes

2016 EXPENDITURES

	2015 <u>REVISED</u>	2016 <u>BUDGET</u>	<u>DIFFERENCE</u>
City Council	72,716	90,561	17,845
Muni Court	904,517	957,386	52,869
City Manager	1,495,204	1,562,512	67,308
Finance	975,256	1,157,602	182,346
Legal	590,976	612,360	21,384
Police	7,858,717	8,557,610	698,893
PBPW	3,508,898	3,827,140	318,243
Parks, Rec, Sr	1,902,898	1,967,354	64,456
NonDept	119,278	321,200	201,922
Total Gen'l Fund	<u>17,428,460</u>	<u>19,053,725</u>	<u>1,625,266</u>

Computer O&M	45,900
Equip O&M	31,275
Computer Replace	153,660
Equip Replace (\$304K "Normal"; Purch is \$419K)	440,540
Insurance (\$165K to ending reserves)	214,250
Wages 1.6% CPI + 1% Mrkt Adj=2.6%	240,200
Benefits 1.6% CPI + 1% Mrkt Adj=2.6%	45,230
New PBPW Positions	246,660
SCORE Debt Service \$275K Future years	-
Net Misc	<u>207,551</u>
Total increase 2016 from 2015 Revised	<u>1,625,266</u>

Pavement Restoration/Preservation Program

- ▶ ARTERIAL STREETS
 - Additional \$20 car tab
- ▶ RESIDENTIAL STREETS
 - Additional 8% garbage utility tax
- ▶ EITHER/BOTH KINDS OF STREETS
 - Reprioritized use of REET
 - Additional SWM Utility Tax
 - One Time Revenue

2016 Budget Preparation – PAVEMENT PROGRAM (continued)

		<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Residential	Combined REET		-	100,000	-	-	150,000	-	150,000
Residential	<i>New</i> Garbage Util Tax 8%	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
	Residential Funding	200,000	200,000	300,000	200,000	200,000	350,000	200,000	350,000
	Residential Spending	(200,000)		(500,000)		(400,000)		(550,000)	
	Ending Balance	-	200,000	-	200,000	-	350,000	-	350,000
	Combined REET				150,000		150,000	-	150,000
Arterial	<i>New</i> Car Tab Fee	225,000	180,000	135,000	155,000	175,000	175,000	175,000	175,000
	Overlay Funding	225,000	180,000	135,000	305,000	175,000	325,000	175,000	325,000
	Arterial Spending	(225,000)			(620,000)		(500,000)		(500,000)
	Ending Balance	-	180,000	315,000	-	175,000	-	175,000	-

Part 5

Next Steps

2016 BUDGET PREPARATION

- ▶ Prioritization List of Revenue Enhancements and Cost Containment to include in the 2016 Budget (September 17 Council Meeting).
- ▶ To follow up for 2017 implementation.
- ▶ For further consideration if financial condition does not occur as forecasted.

Future Revenue Enhancements

- ▶ Continued focus on Economic Development.
- ▶ Continued research into Marina floor opportunities.
- ▶ Continued conversations with Port as an economic development partner with vacant land by the Business Park and possibly at the Marina.

Summary of Questions

1. Shall we simplify fund balance policy?
2. Shall we add One Time Development Fee policy?
3. Shall we broaden uses in the One Time Revenue (Taxes) policy?
4. Which positions shall be included for elimination?
5. Shall one time revenues or one time compensation reductions be included?

Summary of Questions

6. Which taxes shall be included for increases?

- a. SWM Utility Tax 8%?
- b. Cable Utility Tax 2%?
- c. Car Tab Fees increase \$20?
- d. Sanitation Utility Tax 8%?

7. Shall Parks & Recreation fees be set to recover costs (no tax subsidy) over time?

8. Shall Business License fees increase 25%/ 20%?

APPENDIX - A

DIRECTOR REVENUE ENHANCEMENTS AND COST CONTAINMENT IDEAS									
Dept	5%	10%	One Time	On-Going	REVENUE	EXPEND	Description	Impact	
COUNCIL	X		X	x			Reduce number of Council Meetings to 2/mo	Longer meetings; fewer opportunities for discussion of issues.	
	X		X	x			Reduce number of Committee Meetings to 2/mo	Longer meetings; fewer opportunities for discussion of issues.	
CITY MANAGER	X			x	\$ 49,490		1/2 Time Executive Assistant	City Clerk time used; slow down public records requests response.	
		X		x	\$ 98,979		Eliminate Executive Assistant	City Clerk time used; slow down public records requests response.	
LEGAL	X		x		\$ 5,000		Professional Services	Nondiscretionary; based on what is now known.	
	X			x	\$ 192,000		City Attorney (June Retirement)	Consider contract city attorney; keep vacant position open for several months.	
	X			x	\$ 27,640		.5 FTE Paralegal - (June Retirement)	Shift work to remaining 1 FTE paralegal. Case counts down from 1200 to 900.	
	X		x		\$ 3,164		Interfund assessments		
COURT	X			x	\$31,450		Reduce Court Clerk to .7 FTE	Workload to be absorbed by remaining clerks.	
	X			x	\$2,500		Freeze Judge's salary	Higher level work to be absorbed by Clerk Administrator. No reduction in FTE.	
	X			x	\$5,750		Court Administrator change to high deductible plan.		
	X			x	\$5,100		Defendant pays credit card fee directly		
	X			x	\$4,050		Eliminate storage fees; scanning complete 2015		
	X			x	\$59,190		Reduce Court Clerk to .3 FTE		
FINANCE	X			x	\$ 41,415		Sr. Accounting Specialist 1/2 FTE	Major functions will continue uninterrupted. Less project support.	
	X			x	\$ 8,900		Armored Car Services	Dept's deliver daily deposit to bank instead of City Hall may take a little more staff time; possible safety concerns delivery of cash to the bank.	
	X		x		\$ 1,755		Training	Educate new employees in-house rather than by external training. Need long term to keep up with GASB changes and legal compliance.	
		X		x	\$ 52,000		Eden Replacement Contribution	Purchased reduced software functionality	
PLANNING BUILDING & PUBLIC WORKS	X			x	\$ 7,800		Fisher Lease	Limited viable options for others to construct a future municipal lot. Minimal value to the city.	
	X			x	\$ 7,800		Oddfellow's Lodge Rent	Not a city facility. Not sure why we pay rent?	
	X			x	\$ 7,500		City Support for 4th of July Fireworks	Offset by new Hotel/Motel tax revenue.	
	X			x	\$ 7,500		City Support for Waterland	Offset by new Hotel/Motel tax revenue.	
					\$ 0 - 660K		Eliminate, Reduce or Modify Park Operations	Unknown. Any ideas would be long term and not help the 2016 budget but could help future budgets.	
	X			x	\$ 60,000		Irrigation of Park Facilities	Grass would be brown in summer. May impact field rental revenues.	
	X			x	\$ 105,000		Code Enforcement Division to Police (Personnel)	Not all complaints complaints could be responded to. Police Dept to absorb code enforcement activities.	
	X			x	\$ 129,000		Eliminate PBPW Director	Duties to be absorbed by City Manager or Asst City Manager.	
	X			x	\$ 50,000		Grant Fredrick's Consulting Contract	Remove city's staff involvement in Sound Transit process.	
				x			Increase land use & related permit fees 10%-20%. Land Clearing Permit 10% is \$4,200-\$10K	Fees reduced about a year ago too far; not covering staff costs.	
				x	\$ 22,000		Increase business license fees 10%	Unhappy business owners.	
POLICE	X		X		\$ 40,000		Detectives - Equipment replacement deferred	Funds not available to replace equipment	
	X		X		\$ 314,095		Patrol - Equipment replacement deferred	Funds not available to replace equipment	

DIRECTOR REVENUE ENHANCEMENTS AND COST CONTAINMENT IDEAS									
Dept	5%	10%	One Time	On-Going	REVENUE	EXPEND	Description	Impact	
	X		X		\$ 33,295		Crime Prevention - Equipment replace, deferred	Funds not available to replace equipment	
	X		X		\$ 25,255		Animal Control - Equipment replace, deferred	Funds not available to replace equipment	
	X			X	\$ 15,000		Waterland & July 4th Overtime	Offset by new Hotel/Motel tax revenue.	
		X		X	\$ 106,151		CSO (1 of 2)		
		X		X	\$ 98,434		CSO (2 of 2)	Block watch, business watch, trespass, community outreach, investigative support CPTED, traffic & crowd control, crime analysis, graffiti cleanup, mortal ordinance, walk in reports, traffic complaints, neighbor disputes, landlord tenant issues, property crime victim education.	
		X		X	\$ 4,794		CSO - Overtime	Can contract with King County; lower level of service. Loss of current community outreach and community education events.	
	X			X	\$ (30,000)	\$ 102,932	Animal Control	Community complaints; lower voluntary participation.	
	X			X		\$ 839	Animal Control - Overtime	All Patrol shifts will then have 4 assigned Patrol Officers. All teams risk running below minimum due to vacation, sick, training, etc. Requires overtime to cover or officer safety issues if shift left uncovered.	
	X			X	\$ 3,000		Increase Animal License Fees 10%	Senior Secretary duties expanded to include leading Record Specialist group. Evidence Tech and Senior Secretary serve as back up to Record Specialists. Will require one time money for vendor provided group software training.	
	X			X	\$ 117,446		Reduce 5th Officer position on A Shift		
							Eliminate Office Manager and increase Evidence Specialist from .8 FTE to 1 FTE		
							Eliminate one Commander position		
SENIORS, PARKS & REC	X			x	\$ 61,458	\$ (14,264)	Beach Park Facility Rentals	Net \$47,194 profit as compared to 2015 Budget	
	X			x	\$ 76,870	\$ (25,824)	Recreation Increase Programs/Rates	Net \$51,043 profit as compared to 2015 Budget	
	X			x		\$ 2,500	Art Commision Budget 5% Cut		
							Eliminate Spring Rec & Roll Magazine; reduce printing by 2,000 copies and reduce paper quality.		
	X					\$ 10,000	Human Services Budget 5% Cut		
	X			x	\$ 4,335	\$ (30,247)	New request Dining Hall rentals	Net \$6,253 rental profit	
		X		x	\$ 36,500			4 Food trucks; 2 meals daily; 6 days/wk;\$30 meal;30 weeks; 25% occupancy =\$10,800	
		X		x	\$ 10,800	\$ (10,656)	New Food Truck Pod Program	Sr. Coordinator retirement 2015.	
	X			x		\$ 38,837	Reclassify Sr. Coordinator to Sr. Specialist	Manager would report to another General Fund Director	
				x		\$ 178,000	Eliminate Director Position, or	Eliminate Marina Harbor Master position and hire a new Director over Parks,Recreation, Sr Services & Marina. Gen'l Fund pays .5 FTE.	
				x		\$ 89,000	Eliminate .5 FTE Director position	Reallocate 20% of Admin Asst time to support Sr. Programmer and added .74 Recreation Specialist. Reduce operating hours. Currently 9 am to 4 pm.	
		X		x		\$ 100,000	Eliminate Sr. Coordinator 1 FTE	All other Recreation Specialists are .724 FTE. There are no other full time Recreation Specialists.	
				x		\$ (39,400)	Add .724 FTE Recreation Specialist, or		
				x		\$ (63,300)	Add 1 FTE Recreation Specialist	All other Recreation Specialists are .724 FTE. There are no other full time Recreation Specialists.	

APPENDIX B

SCENARIO POSITIONS

				2016 Rates		1.0075	1.0075	1.0075	1.0075	
				Full Year	2015	2016	2017	2018	2019	2020
Executive Asst	City Mgr	99,000	1-Sep	33,000	99,000	99,743	100,491	101,245	102,004	
CD Asst Updgrade	City Mgr	(11,000)		(3,667)	(11,000)	(11,083)	(11,166)	(11,250)	(11,334)	
Sr. Coordinator	P&R	100,000	1-Oct	25,000	100,000	100,750	101,506	102,267	103,034	
.724 Rec Specialist	P&R	(39,400)			(39,400)	(39,696)	(39,994)	(40,294)	(40,596)	
2015		148,600		56,348	150,616	151,731	152,855	153,987	155,128	
.7 FTE Clerk + various	Court	76,600	1-Jan	19,150	76,600	77,175	77,754	78,337	78,925	
.5 FTE Accountant	Finance	42,000	End March 31		32,000	42,315	42,632	42,952	43,274	
.5 FTE Paralegal	Legal	28,000	End June 30		14,000	28,210	28,422	28,635	28,850	
Director	P&R	179,000	End June 30		89,500	180,343	181,696	183,059	184,432	
2016		249,000			212,100	250,868	252,750	254,646	256,556	
						1.02	1.02	1.0075	1.0075	
Office Manager	Police	97,000	1-Jan			97,728	98,461	99,199	99,943	
.2 FTE Evidence	Police	(10,000)				(10,200)	(10,404)	(10,482)	(10,561)	
Commander	Police	191,000	1-Jan			194,820	198,716	200,206	201,708	
2017		278,000				282,348	286,773	288,923	291,090	
Total Cuts		675,600								
<u>Option</u>										
5th Patrol on A shift	Police	118,000				120,360	122,767	123,688	124,616	
Comm Service Officer	Police	105,000				107,100	109,242	110,061	110,886	
Code Enforce or CSO	Police	105,000				105,788	106,581	107,380	108,185	
Add Additional Patrol		115,000	4% Step & 2% COLA		115,000	121,900	129,214	136,967	145,185	
			COLA only		121,000	123,420	125,888	126,832	127,783	
Building Inspector	PBPW	112,000				112,840	113,686	114,539	115,398	
CD Assistant	PBPW	88,000				88,660	89,325	89,995	90,670	
.6 Civil Engineer	PBPW	70,770				71,301	71,836	72,375	72,918	
2020		270,770				272,801	274,847	276,909	278,986	

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