

AGENDA BILL

September 15, 2015

SUBJECT: Budget Workshop – Mid 2015-16 Biennium Review

Discussion

Subir Mukerjee, City Manager **FISCAL IMPACT:**

PRESENTED BY: Dave DeGroot, Finance Director

PROJECT:

APPROVED BY: *City Manager Subir Mukerjee* **REVENUE SOURCE:**

ESTIMATED AMOUNT:

SUMMARY/BACKGROUND:

The 2015-16 Biennial Budget ordinance was passed in November of last year. The city’s biennial budget ordinance calls for a mid-biennial review no sooner than eight months after the start of the first year. The proposed modifications must be sent to the city council and made a public record. A public hearing must be held no later than the second meeting in November, and any proposed modifications must be adopted by ordinance.

The calendar for the mid-biennial budget review is as follows:

July 21 st	Budget Workshop - Capital Facilities Plan
September 15 th	Budget Workshop – Mid Biennium Review
October 13 th	Public Hearing on Revenue Sources Amended 2015-16 & Property Tax Levy 2016
October 27 th	Public Hearing on 2015-16 Mid-Biennium Budget Adjustments Resolution - 2016 Property Tax Levy
November 10 th	Budget Ordinance – First Reading
November 24 th	Budget Ordinance - Passage

The proposed budget modifications are shown in the attachments. Some of factors effecting the budget modifications are:

- a) Sales tax revenues are projected to be \$7.2 million in 2015, an increase of \$1.0 million (16%).
- b) Property tax revenues will be lower than budgeted due to loss of property tax revenues from Tribal Fee lands. The interplay between this reduction in assessed value of \$60.1 million and hitting the \$1.60 per thousand levy rate limit results in a loss of \$54K (2%) for 2015.
- c) Charges for services are reduced \$575K for the transfer of dispatch services to South Sound 911,
- d) Additional Healthcare Premiums in 2016 due to a projected rate increase of 11%
- e) Additional 1% salary adjustments for Police Certification in 2016
- f) South Sound 911 costs are increasing.
- g) The Detention Services Fund net loss is increasing resulting.
- h) Unbudgeted one-time capital costs for 2015

ATTACHMENTS:

1. Proposed Budget Modifications Summary – All Funds
2. Proposed Budget Modifications – General Fund
3. Proposed Budget Modifications – Detention Services Fund

STAFF RECOMMENDATION:

Review proposed budget modifications and provide general directions.

ALTERNATIVES:

N.A.

RECOMMENDED MOTION:

No action required this evening.

City of Fife									
Budgeted And Projected Expenditures By Fund									
For The Years Ending December 31, 2015 and 2016									
	2015	2015	2015	2015	2016	2016	2016	2016	
Fund	Adopted	Projected	Dollar	Percentage	Adopted	Projected	Dollar	Percentage	
	Budget		Incr (Decr)	Incr (Decr)	Budget		Incr (Decr)	Incr (Decr)	
General Fund 001	18,809,450	19,450,664	641,214	3.4%	19,120,834	19,634,878	514,044	2.7%	See Schedule 6
City Street Fund 101	760,127	760,127	-	0.0%	787,919	787,919	-	0.0%	
Public Safety Fund 103	4,228,952	2,492,885	(1,736,067)	-41.1%	1,663,410	2,419,913	756,503	45.5%	New projects and Hwy 99 ped project moved to 2017
School Speed Zone Safety 132	-	128,000	128,000	0.0%	-	253,000	253,000	0.0%	Detail fund to track activity for new safety program
Stadium/Conv Tax Fd 104	2,250,778	2,250,778	-	0.0%	507,836	772,660	264,824	52.1%	LTAC recommendation for 2016 with higher projected tax revenue
Contingency Fund 105	-	-	-	0.0%	-	-	-	0.0%	No expenditure activity
Criminal Justice 107	258,732	264,000	5,268	2.0%	264,588	269,000	4,412	1.7%	Minor expenditure increases
D.A.R.E. 108	400	400	-	0.0%	400	400	-	0.0%	
Impact & Mitigation 109	20,000	65,000	45,000	225.0%	20,000	521,973	501,973	2509.9%	Participation in 66th Ave E LID
Drug Intervention 110	70,277	70,277	-	0.0%	70,477	70,477	-	0.0%	
Park Acq & Dev 111	1,935,724	3,002,391	1,066,667	55.1%	58,633	58,633	-	0.0%	Brookville Gardens Park Grant
Misc Grants Fund 128	200,000	420,000	220,000	110.0%	-	420,000	420,000	0.0%	Auto theft prevention grant renewed
Revenue Stabilization Fd 152	-	-	-	0.0%	-	-	-	0.0%	No expenditure activity
REET 1 161	393,500	426,298	32,798	8.3%	211,200	211,200	-	0.0%	Podium and front counter
REET 2 162	433,333	785,599	352,266	81.3%	228,800	228,800	-	0.0%	
Street Const Bond 207	651,925	531,618	(120,307)	-18.5%	654,105	533,798	(120,307)	-18.4%	GO and refunding sale in December 2014
1997 Bond Fund 213	390,375	390,375	-	0.0%	387,750	387,750	-	0.0%	
2011 Ltd G.O. 215	676,175	676,175	-	0.0%	670,425	670,425	-	0.0%	
CLID #1 2013 216	280,000	280,000	-	0.0%	280,000	280,000	-	0.0%	
2014 Ltd GO Bond 217	35,878	129,713	93,835	261.5%	35,878	128,925	93,047	259.3%	GO and refunding sale in December 2014
Street Construction 301	1,871,860	1,871,860	-	0.0%	26,814,061	4,787,061	(22,027,000)	-82.1%	Parts of POT Road pushed out to 2017-18
Street Const 66th Ave 302	660,000	-	(660,000)	-100.0%	2,300,000	200,000	(2,100,000)	-91.3%	Most of project pushed out to 2017
Misc Capital Projects 305	3,615,644	2,715,644	(900,000)	-24.9%	2,899,844	499,844	(2,400,000)	-82.8%	South campus project pushed out to 2017
									\$500K contribution to POT Rd in St Const Fund
Water Utility 401	3,689,776	3,689,776	-	0.0%	4,024,998	4,024,998	-	0.0%	
Water Cap Maint 432	-	-	-	0.0%	-	-	-	0.0%	
Water Construction 436	1,099,115	1,099,115	-	0.0%	444,409	444,409	-	0.0%	
Total Water Utility	4,788,891	4,788,891	-	0.0%	4,469,407	4,469,407	-	0.0%	
Sewer Utility 402	4,954,410	4,954,410	-	0.0%	5,460,092	5,460,092	-	0.0%	
Parity Bond 405	493,800	583,880	90,080	18.2%	493,800	864,407	370,607	75.1%	Debt service for revenue bonds issued in December 2014
Sewer Cap Maint 422	-	-	-	0.0%	-	-	-	0.0%	
Sewer Construction 426	1,632,854	3,163,097	1,530,243	93.7%	1,414,149	1,414,149	-	0.0%	Reappropriate monies for the sewer pump station rehabs
Total Sewer Utility	7,081,064	8,701,387	1,620,323	22.9%	7,368,041	7,738,648	370,607	5.0%	
Storm Drainage Utility 404	1,942,606	1,942,606	-	0.0%	1,542,432	1,542,432	-	0.0%	
Storm Drainage Cap Main 442	-	800,000	800,000	0.0%	-	-	-	0.0%	Put environmental cleanup project in capital maintenance fund
Storm Construction 446	3,701,449	3,101,449	(600,000)	-16.2%	649,409	649,409	-	0.0%	and increase appropriation by \$200K
Total Storm Drainage Utility	5,644,055	5,844,055	200,000	3.5%	2,191,841	2,191,841	-	0.0%	
									Increase appropriations in 2015 to repay interfund loan from
Detention Services 502	4,787,674	5,249,767	462,093	9.7%	4,720,146	2,172,438	(2,547,708)	-54.0%	Misc Capital Project fund, reduce activity level in 2016.
Fleet 504	684,544	684,544	-	0.0%	460,225	560,225	100,000	21.7%	Increase appropriations in 2016 for police vehicles
Self Ins Medical Claims 513	122,257	147,000	24,743	20.2%	122,257	147,000	24,743	20.2%	Adjust appropriations for claims expenses
Total	60,651,615	62,127,448	1,475,833	2.4%	76,308,077	50,416,215	(25,891,862)	-33.9%	

**City of Fife
General Fund
Revenue By Object and Expenditures By Department
Adopted Budget 2015-16 Biennium-Year One Fin. Plan Ending December 31, 2016**

	Proposed				Proposed			
	Adopted Budget 2015	Amended Budget 2015	2015 Increase \$	2015 Increase %	Adopted Budget 2016	Amended Budget 2016	2016 Increase \$	2016 Increase %
Revenues and Other Sources:								
Revenues:								
Taxes:								
Property Taxes [C]	\$ 3,015,970	2,961,487	\$ (54,483)	-1.8%	\$ 2,950,446	3,005,910	\$ 55,464	1.9%
In-Lieu Property Taxes Fife Utilities	73,100	76,680	\$ 3,580	4.9%	74,600	77,832	\$ 3,232	4.3%
Sales Taxes	6,190,000	7,213,467	\$ 1,023,467	16.5%	6,250,000	7,321,671	\$ 1,071,671	17.1%
Utility Taxes (D)	2,781,009	2,757,039	\$ (23,970)	-0.9%	2,854,319	2,802,341	\$ (51,978)	-1.8%
Other Taxes	44,000	46,669	\$ 2,669	6.1%	44,000	46,901	\$ 2,901	6.6%
Licenses and Permits	533,000	617,483	\$ 84,483	15.9%	533,000	618,608	\$ 85,608	16.1%
Intergovernmental	639,782	654,954	\$ 15,172	2.4%	639,782	659,036	\$ 19,254	3.0%
Charges for Services [A] [E]	3,609,929	3,051,219	\$ (558,710)	-15.5%	3,650,104	3,044,779	\$ (605,325)	-16.6%
Chrgs for Svcs [A] Tribe Interlocal / In Lieu	1,229,800	1,194,076	\$ (35,724)	-2.9%	1,233,600	1,197,958	\$ (35,642)	-2.9%
Fines and Forfeits	494,500	450,808	\$ (43,692)	-8.8%	494,500	450,808	\$ (43,692)	-8.8%
Miscellaneous	356,900	534,264	\$ 177,364	49.7%	356,900	415,507	\$ 58,607	16.4%
Total Revenues	\$ 18,967,990	\$ 19,558,146	\$ 590,156	3.1%	\$ 19,081,251	\$ 19,641,351	\$ 560,100	2.9%
Beginning Fund Balance	3,078,687	3,197,412			3,237,227	3,304,894		
Total Sources	\$ 22,046,677	\$ 22,755,558			\$ 22,318,478	\$ 22,946,245		
Expenditures And Other Uses By Dept.:								
Legislative[H]	297,801	304,933	\$ 7,132	2.4%	297,388	305,128	\$ 7,740	2.6%
Executive [K]	2,623,869	2,954,928	\$ 331,059	12.6%	2,671,641	2,895,673	\$ 224,032	8.4%
Finance	889,550	993,244	\$ 103,694	11.7%	921,022	996,597	\$ 75,575	8.2%
Municipal Court	1,048,686	1,023,867	\$ (24,819)	-2.4%	1,083,573	1,051,427	\$ (32,146)	-3.0%
General Government [F]	715,069	716,089	\$ 1,020	0.1%	757,277	718,076	\$ (39,201)	-5.2%
Police [E] [F]	6,013,681	5,630,294	\$ (383,387)	-6.4%	6,153,929	5,973,089	\$ (180,840)	-2.9%
Engineering	723,529	747,459	\$ 23,930	3.3%	746,003	747,698	\$ 1,695	0.2%
Community Development	861,837	884,383	\$ 22,546	2.6%	875,924	883,200	\$ 7,276	0.8%
Parks, Rec & Community Services	2,074,668	2,352,493	\$ 277,825	13.4%	2,203,162	2,373,652	\$ 170,490	7.7%
Non-Departmental:								
Transfers Out - City Street Fund	400,700	400,697	\$ (3)	0.0%	428,700	410,712	\$ (17,988)	-4.2%
Transfers Out - Rev Stabilization Fund	120,000	120,000	\$ -	0.0%	120,000	120,000	\$ -	0.0%
Transfers Out - Debt Service Funds [I]	1,754,373	1,701,327	\$ (53,046)	-3.0%	1,748,158	1,720,898	\$ (27,260)	-1.6%
Transfers Out - Street Const Fund (Ovrly) [L]	-	400,000	\$ 400,000	-----%	0	0	\$ -	-----%
Transfers Out - Detention Svcs (Subsidy) [G]	564,000	617,639	\$ 53,639	9.5%	412,000	759,119	\$ 347,119	84.3%
Detention Services (Fee For Service) [G]	601,000	452,502	\$ (148,498)	-24.7%	613,000	576,240	\$ (36,760)	-6.0%
Other Expenses	120,687	150,809	\$ 30,122	25.0%	89,058	103,369	\$ 14,311	16.1%
Total Expend. and Other Uses	\$ 18,809,450	\$ 19,450,664	\$ 641,214	3.4%	\$ 19,120,835	\$ 19,634,878	\$ 514,043	2.7%
Ending Fund Balance	3,237,227	3,304,894			3,197,643	3,311,367		
Total Uses	\$ 22,046,677	\$ 22,755,558			22,318,478	22,946,245		

**City of Fife
General Fund
Revenue By Object and Expenditures By Department
Adopted Budget 2015-16 Biennium-Year One Fin. Plan Ending December 31, 2016**

	Proposed				Proposed			
	Adopted Budget 2015	Amended Budget 2015	2015 Increase \$	2015 Increase %	Adopted Budget 2016	Amended Budget 2016	2016 Increase \$	2016 Increase %
Net Income (Loss)								
Total Revenues	18,967,990	19,558,146	\$ 590,156	3.1%	19,081,251	19,641,351	\$ 560,100	2.9%
Total Expend. and Other Uses	18,809,450	19,450,664	\$ 641,214	3.4%	19,120,835	19,634,878	\$ 514,043	2.7%
Net Income (Loss)	158,540	107,482	(51,058)	-32.2%	(39,584)	6,473	46,057	-----%
Begin Total Fund Balance (Deficit)								
Fund Bal Res @17%. [B]	2,899,363	2,949,387	\$ 50,024	1.7%	2,953,355	3,045,377	\$ 92,022	3.1%
Unreserved Fund Balance (Deficit)	179,324	248,025	\$ 68,701	38.3%	283,872	259,517	\$ (24,355)	-8.6%
Begin Total Fund Balance (Deficit)	\$ 3,078,687	\$ 3,197,412	\$ 118,725	3.9%	\$ 3,237,227	\$ 3,304,894	\$ 67,667	2.1%
Ending Total Fund Balance (Deficit)								
Fund Bal Res @17%. [B]	2,899,363	2,949,387	\$ 50,024	1.7%	2,953,355	3,045,377	\$ 92,022	3.1%
Unreserved Fund Balance (Deficit)	337,864	355,507	\$ 17,643	5.2%	244,288	265,990	\$ 21,702	8.9%
Ending Total Fund Balance (Deficit)	\$ 3,237,227	\$ 3,304,894	\$ 67,667	2.1%	\$ 3,197,643	\$ 3,311,367	\$ 113,724	3.6%

- Notes:**
- A. Budget assumes one basic impact payment of \$850K from the Puyallup Tribe. The 2014 payment was received 2015 Q1. This report assumes a 2015 payment in 2015 so these are listed separately above.
 - B. Financial policy is that the General Fund will maintain a reserve of 17% (two months) of annual adopted budgeted expenditures excluding debt service, to be used for cash flow needs and emergencies, measured
 - C. The first major receipt of property taxes is in May, the second one is in November.
 - D. The TPU Franchise Fee for Q2 of \$296,743 was receipted in July, resulting in collection of 39% vs. 50%.
 - E. Dispatch rev is down \$276K with the shift to South Sound 911, with a corresponding reduction in Police Dept. exp.
 - F. Gen Fd portion of WCIA annual insurance is \$257K, paid in January, resulting in costs paid-ahead of \$129K.
 - G. Amounts include estimated costs for June.
 - H. Pre-paid annual advertising of \$32K, and prior year election cost of \$11K were all paid in Q1.
 - I. Most debt service principal repayment is due in the second half of the year.
 - K. Overall Executive expenses are slightly higher than budgeted (54%). This is primarily due to Legal (76% of budget).
 - L. Transfers Out - Street Const Fund (Ovrly) was not in adopted budget

City of Fife
Detention Services Fund 502
Revenue & Expenditures By Division and Object Summary
Adopted Budget 2015-16 Biennium
For the Year Ending December 31, 2015

	Budget			Forecast			Op Budget %
	Jail Services	EHM Services	Total	Jail Services	EHM Services	Total	
Revenues:							42%
Housing (B)	\$ 3,335,083	\$ -	\$ 3,335,083	\$ 3,066,739	\$ -	\$ 3,066,739	92%
Booking	48,457	-	48,457	61,200	-	61,200	126%
SIP and Video Arraignments	167,135	-	167,135	90,794	-	90,794	54%
Transports	122,055	-	122,055	109,310	-	109,310	90%
Concessions / Other	9,300	-	9,300	5,325	-	5,325	57%
Insurance Recovery	-	-	-	-	-	-	0%
Electronic Home Monitoring	-	541,544	541,544	-	488,903	488,903	90%
Total Op Rev-Billed (A)	\$ 3,682,030	\$ 541,544	\$ 4,223,574	\$ 3,333,368	\$ 488,903	\$ 3,822,271	90%
Revenue Adjustments:							
Operating Subsidy			564,000			617,639	
Accounts Receivable (Increase) (B)			-			1,330,139	
Interest Revenue			100			58	
Beginning Fund Balance (C)			147,693			(320,404)	
Total Sources			4,935,367			5,449,704	
Expenditures:							
Personnel:							
Wages	1,344,691	139,628	1,484,319	1,175,795	145,079	1,320,874	89%
Benefits	649,373	32,265	681,638	441,792	47,325	489,117	72%
Subtotal	1,994,064	171,893	2,165,957	1,617,587	192,404	1,809,991	84%
Supplies	79,600	30,500	110,100	54,073	979	55,052	50%
Professional / Contracted Services	158,965	159,588	318,553	235,439	163,088	398,527	125%
IG Services-Contracted Jail Space	1,996,263	-	1,996,263	2,157,072	-	2,157,072	108%
Debt Service Interfund Loan (D)	36,801	-	36,801	19,233	-	19,233	52%
Capital Outlay	160,000	-	160,000	160,000	-	160,000	0%
Total Direct Expenditures (A)	\$ 4,425,693	\$ 361,981	\$ 4,787,674	\$ 4,243,404	\$ 356,471	\$ 4,599,875	96%
Expenditure Adjustment:							
Final Repayment of Interfund Loan						\$ 649,892	
Ending Fund Balance-Cash Basis (C)			147,693			199,936	
Total Uses			4,935,367			5,449,703	
Net Operating Income (Loss) (A)	\$ (743,663)	\$ 179,563	\$ (564,100)	\$ (910,036)	\$ 132,432	\$ (777,604)	

Notes:

- A) Net Operating Income (Loss) = Operating Revenue-Billed Less Direct Expenditures
- B) Jail revenue was budgeted based upon billings. Actuals are reported based upon collections to present fund balance as cash-basis.
- C) Beginning and ending fund balance excludes accounts receivable.
- D) Paid each quarter ending March 31, June 30, September 30, and December 31.

City of Fife
Detention Services Fund 502
Revenue & Expenditures By Division and Object Summary
Budget & Forecast
For the Year Ending December 31, 2016

	Budget			Forecast			Op Budget %
	Jail Services	EHM Services	Total	Jail Services	EHM Services	Total	
Revenues:							42%
Housing (B)	\$ 3,401,971	\$ -	\$ 3,401,971	\$ 903,679	\$ -	\$ 903,679	27%
Booking	49,426	-	49,426	14,832	-	14,832	30%
SIP and Video Arraignments	170,477	-	170,477	-	-	-	0%
Transports	124,496	-	124,496	-	-	-	0%
Concessions / Other	9,300	-	9,300	5,904	-	5,904	63%
Insurance Recovery	-	-	-	-	-	-	0%
Electronic Home Monitoring	-	552,376	552,376	-	488,903	488,903	89%
Total Op Rev-Billed (A)	\$ 3,755,670	\$ 552,376	\$ 4,308,046	\$ 924,415	\$ 488,903	\$ 1,413,318	33%
Revenue Adjustments:							
Operating Subsidy			412,000			759,119	
Accounts Receivable (Increase)			-			-	
Interest Revenue			100				
Beginning Fund Balance (C)			147,693			199,936	
Total Sources			<u>4,867,839</u>			<u>2,372,373</u>	
Expenditures:							
Personnel:							
Wages	1,371,585	142,420	1,514,005	998,288	191,222	1,189,510	79%
Benefits	662,360	32,910	695,270	377,880	57,096	434,976	63%
Subtotal	<u>2,033,945</u>	<u>175,330</u>	<u>2,209,275</u>	<u>1,376,168</u>	<u>248,318</u>	<u>1,624,486</u>	74%
Supplies	81,200	31,100	112,300	54,614	-	54,614	49%
Professional / Contracted Services	162,136	162,790	324,926	202,901	180,277	383,178	118%
IG Services-Contracted Jail Space	2,036,844	-	2,036,844	110,160	-	110,160	5%
Debt Service Interfund Loan (D)	36,801	-	36,801	-	-	-	0%
Total Direct Expenditures (A)	\$ 4,350,926	\$ 369,220	\$ 4,720,146	\$ 1,743,843	\$ 428,595	\$ 2,172,438	46%
Ending Fund Balance-Cash Basis (C)			147,693			199,936	
Total Uses			<u>4,867,839</u>			<u>2,372,374</u>	
Net Operating Income (Loss) (A)	\$ (595,256)	\$ 183,156	\$ (412,100)	\$ (819,428)	\$ 60,308	\$ (759,120)	

Notes:

- A) Net Operating Income (Loss) = Operating Revenue-Billed Less Direct Expenditures
B) Jail revenue was budgeted based upon billings. Actuals are reported based upon collections to present fund balance as cash-basis.
C) Beginning and ending fund balance excludes accounts receivable.
D) Paid each quarter ending March 31, June 30, September 30, and December 31.

City of Fife						
Major Capital Projects Summary						
2015-2021						
General Government - Capital Projects						
Major Capital Projects Description	2015	2016	2017-2021	Total Project Cost		
Streets						
1 Port of Tac. Rd.	\$ 500,000	\$ 3,000,000	\$ 57,300,000	\$ 60,800,000		
2 66th Ave. E (1 of 2)	\$ -	\$ 200,000	\$ 3,250,000	\$ 3,450,000		
3 Street Light Replacement	\$ 256,503	\$ 256,503	\$ -	\$ 513,006		
4 70th Preservation	\$ 1,350,000	\$ -	\$ -	\$ 1,350,000		
5 58th Sidewalk	\$ 260,000	\$ -	\$ -	\$ 260,000		
6 54th Ave E. Interstate Justification Report (IJR)		\$ 300,000	\$ 300,000	\$ 600,000		
7 Pedestrian Overpass From Radiance (Design Only)	\$ -	\$ 300,000	\$ -	\$ 300,000		
8 SR 99 Sidewalk Bike Lane	\$ -	\$ -	\$ 2,752,570	\$ 2,752,570		
9 David Court East-Berry Lane East 26th Street East	\$ -	\$ -	\$ 610,000	\$ 610,000		
10 Pavement- Street 44th St. E/ 15th St. E/ 46th St. E	\$ -	\$ -	\$ 500,000	\$ 500,000		
11 Grade Separation Design (54th Underpass)	\$ 800,000		\$ 23,200,000	\$ 24,000,000		
Parks						
12 Fountain Relocation	\$ 600,000	\$ -	\$ -	\$ 600,000		
13 Brookville Gardens (1 of 3)	\$ 4,700,000	\$ -	\$ -	\$ 4,700,000		
14 Parks Riding Mower	\$ 15,000	\$ -	\$ -	\$ 15,000		
15 Dacca Community Park - Tree Replacement & Upgrades	\$ -	\$ -	\$ 250,000	\$ 250,000		
16 Colburn Park - Playground Addition & Upgrades	\$ -	\$ -	\$ 110,000	\$ 110,000		
17 Dacca Park Play Equipment Upgrade	\$ -	\$ -	\$ 110,000	\$ 110,000		
18 Park Name Sign Replacement	\$ -	\$ -	\$ 75,000	\$ 75,000		
19 Park ADA Improvement's	\$ -	\$ -	\$ 75,000	\$ 75,000		
20 North Levee Road Site - Park Dev.	\$ -	\$ -	\$ 600,000	\$ 600,000		
Facilities						
21 City Center SEPA	\$ 325,000	\$ -	\$ -	\$ 325,000		
22 Council Chamber Podium	\$ 13,000	\$ -	\$ -	\$ 13,000		
23 City Hall Customer Service Area Remodel	\$ 35,000	\$ -	\$ -	\$ 35,000		
24 South Campus	\$ -	\$ -	\$ 900,000	\$ 900,000		
25 Market Pavilion	\$ -	\$ -	\$ 2,400,000	\$ 2,400,000		
Total General Gov't Project Costs	\$ 8,854,503	\$ 4,056,503	\$ 92,432,570	\$ 105,343,576		

City of Fife
Major Capital Projects Summary
2015-2021

Sewer - Capital Projects

Sewer Capital Projects Description	2015	2016	2017-2021	Total Project Cost
1 Annual Programs	\$ 169,728	\$ -	\$ -	\$ 169,728
2 Mixer Systems, PS 1, 5 & 6	\$ 156,000	\$ -	\$ -	\$ 156,000
3 PS-12 Emerg. Power Generator	\$ 156,000	\$ -	\$ -	\$ 156,000
4 Pump Capacity Analysis	\$ 75,000	\$ -	\$ -	\$ 75,000
5 Emergency Generator Upgrades	\$ 30,000	\$ -	\$ -	\$ 30,000
6 Telemetry Upgrade PS 6 & 13	\$ 31,200	\$ -	\$ -	\$ 31,200
7 Brookville Gardens Sewer System (2 of 3)		\$ 104,000	\$ -	\$ 104,000
8 PS-12, Flood Protection		\$ 416,000	\$ -	\$ 416,000
9 I&I Study		\$ 52,000	\$ -	\$ 52,000
10 Telemetry Upgrades		\$ 162,240	\$ -	\$ 162,240
11 PS-2 , 3 & 7 Consolidation		\$ 811,200	\$ -	\$ 811,200
12 Annual Programs		\$ 169,728		\$ 169,728
13 Puyallup Bridge Force Mains		\$ 375,000	\$ 6,083,265	\$ 6,458,265
14 Freeman Rd. Fac.		\$ -	\$ 400,000	\$ 400,000
15 Annual Programs (Each year is \$169,728)		\$ -	\$ 848,640	\$ 848,640
16 PS-4 Relocation		\$ -	\$ 948,989	\$ 948,989
17 PS-8 Upgrades			\$ 948,989	\$ 948,989
18 Sewer GFC Buy-Back		\$ -	\$ 100,000	\$ 100,000
Subtotal Sewer	\$ 617,928	\$ 2,090,168	\$ 9,329,883	\$ 12,037,979

City of Fife
Major Capital Projects Summary
2015-2021

Water - Capital Projects

Water Capital Projects Description	2015	2016	2017-2021	Total Project Cost
1 New Groundwater Supply Phase 1	\$ 250,000	\$ -	\$ -	\$ 250,000
2 Water Comprehensive Plan Update & Studies	\$ 300,000	\$ -	\$ -	\$ 300,000
3 15th St. E Water Extension (54th to 59th Ave)	\$ -	\$ 270,000	\$ -	\$ 270,000
4 26th St. E Water Replacement (Rainier Corp Park to Berry Lane)	\$ -	\$ 72,000	\$ -	\$ 72,000
5 Pacific Hwy Water Improvements (54th to 65th Ave)	\$ -	\$ 200,000	\$ -	\$ 200,000
6 Emergency Intertie w/ Puyallup (48th Ave E & Freeman Road)	\$ -	\$ 1,200,000	\$ -	\$ 1,200,000
7 New Groundwater Supply Phase 2	\$ -	\$ 1,400,000	\$ -	\$ 1,400,000
8 Service Replacements (Lakes Apts & Fife Business Center)	\$ -	\$ 200,000	\$ -	\$ 200,000
9 34th Ave E Water Replacement (Pacific Hwy to 12th St. E)	\$ -	\$ -	\$ 410,000	\$ 410,000
10 20th St. E Water Replacement	\$ -	\$ -	\$ 1,440,000	\$ 1,440,000
11 New Groundwater Supply Phase 3	\$ -	\$ -	\$ 3,400,000	\$ 3,400,000
12 I5 Crossing at 52nd Ave E	\$ -	\$ -	\$ 840,000	\$ 840,000
13 Benthien Loop Water (54th, 55th, & 56th Ave E)	\$ -	\$ -	\$ 1,914,000	\$ 1,914,000
14 Pacific Hwy & 70th Ave E Water Extension	\$ -	\$ -	\$ 882,000	\$ 882,000
15 Water GFC Buy-Back	\$ -	\$ -	\$ 100,000	\$ 100,000
Subtotal Water	\$ 550,000	\$ 3,342,000	\$ 8,986,000	\$ 12,878,000

City of Fife					
Major Capital Projects Summary					
2015-2021					
Storm Drainage - Capital Projects					
Storm Capital Projects Description	2015	2016	2017-2021	Total Project Cost	
1 Oxbow Clean UP	\$ 600,000	\$ -	\$ -	\$ 600,000	
2 Property Acq. (Heath Property)	\$ 400,000	\$ -	\$ -	\$ 400,000	
3 House Removal Wapato Creek	\$ 75,000	\$ 75,000	\$ -	\$ 150,000	
4 Interstate 5 and Erdahl Ditch	\$ -	\$ 1,290,000	\$ -	\$ 1,290,000	
5 Brookville Gardens Storm water Treatment (3 of 3)	\$ -	\$ 1,100,000	\$ -	\$ 1,100,000	
6 North Side Pac Hwy., 54th Avenue	\$ -	\$ 359,000	\$ -	\$ 359,000	
7 Freeman Rd. Fac	\$ -	\$ 133,334	\$ -	\$ 133,334	
8 66th Ave. E (2 of 2)	\$ -	\$ -	\$ 400,000	\$ 400,000	
9 Erdahl Pump Station	\$ -	\$ -	\$ 130,000	\$ 130,000	
10 20th St. E. & 48th Ave. Ct. E. Drainage	\$ -	\$ -	\$ 60,000	\$ 60,000	
11 26th St. E & Berry Ln.	\$ -	\$ -	\$ 170,000	\$ 170,000	
12 Valley Ave. E. and Wilton Ln. E	\$ -	\$ -	\$ 90,000	\$ 90,000	
13 Firwood Condos	\$ -	\$ -	\$ 340,000	\$ 340,000	
14 Freeman Rd. E. Storm Ponds	\$ -	\$ -	\$ 430,000	\$ 430,000	
15 15th St. E. & 58th Ave. E.	\$ -	\$ -	\$ 200,000	\$ 200,000	
16 12th. St. E. & 58th Ave. E.	\$ -	\$ -	\$ 260,000	\$ 260,000	
17 4th St. E. & 56th Ave. E.	\$ -	\$ -	\$ 60,000	\$ 60,000	
18 4th St. E. & 54th Ave. E., Fife Ditch	\$ -	\$ -	\$ 150,000	\$ 150,000	
19 8th St. E. & 54th Ave. E., Fife Ditch	\$ -	\$ -	\$ 770,000	\$ 770,000	
20 27th St. E., west of Port of Tacoma Rd. E.	\$ -	\$ -	\$ 190,000	\$ 190,000	
21 Firwood Ditch Freeman Rd. Pipe Replace	\$ -	\$ -	\$ 90,000	\$ 90,000	
Subtotal Storm Drainage	\$ 1,075,000	\$ 2,957,334	\$ 3,340,000	\$ 7,372,334	
Total Utilities Project Costs	\$ 2,242,928	\$ 8,389,502	\$ 21,655,883	\$ 32,288,313	

City of Fife
Major Capital Projects Summary
2015-2021

Longer Range Projects (Unfunded Projects / Beyond 2021)		Estimated Project Cost	
1	Wapato Creek Trail - Brookville to 5 Acre & Frank Albert Park	\$	1,050,000
2	Dacca Spray Park	\$	800,000
3	Neighborhood Park Property Acquisition (North Fife)	\$	750,000
4	Dacca Park RR & Storage Building	\$	600,000
5	Design North Expansion	\$	200,000
6	Construct North Expansion	\$	600,000
7	Freeman Rd. Fac.	\$	466,666
8	City Hall Construct Interior Remodel	\$	400,000
9	City Hall Design and Bid Remodel	\$	200,000
10	Police Dept./CJC Remodel		?
Total all Long Range Projects		\$	5,066,666



CITY COUNCIL MID-BIENNIAL BUDGET WORKSHOP

September 15, 2015

BIENNIAL REVIEW PROCESS

July 21st	Budget Workshop - Capital Facilities Plan
September 15th	Budget Workshop – Mid Biennium Review
October 13th	Public Hearing on Revenue Sources Amended 2015-16 & Property Tax Levy 2016
October 27th	Public Hearing on 2015-16 Mid-Biennium Budget Adjustments Resolution - 2016 Property Tax Levy
November 10th	Budget Ordinance – First Reading
November 24th	Budget Ordinance - Passage

GENERAL FUND ADJUSTMENTS

	2015	2016
Revenues	3.1%	2.9%
Expenses	3.4%	2.7%



REVENUES

- Sales Tax: \$7m+
- Property Tax: \$3m+
- Utility Tax: \$3m-



EXPENSES

- Healthcare Premiums: 11%



- Police Accreditation: 1 %



- South Sound 911:



EXPENSES

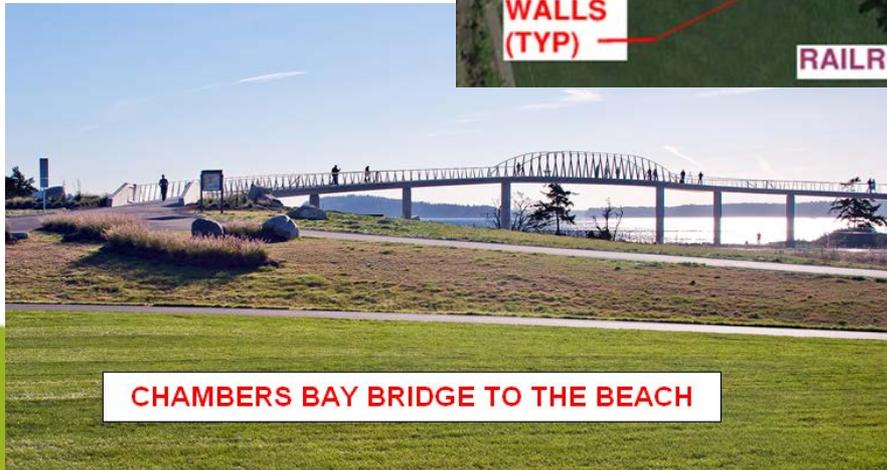
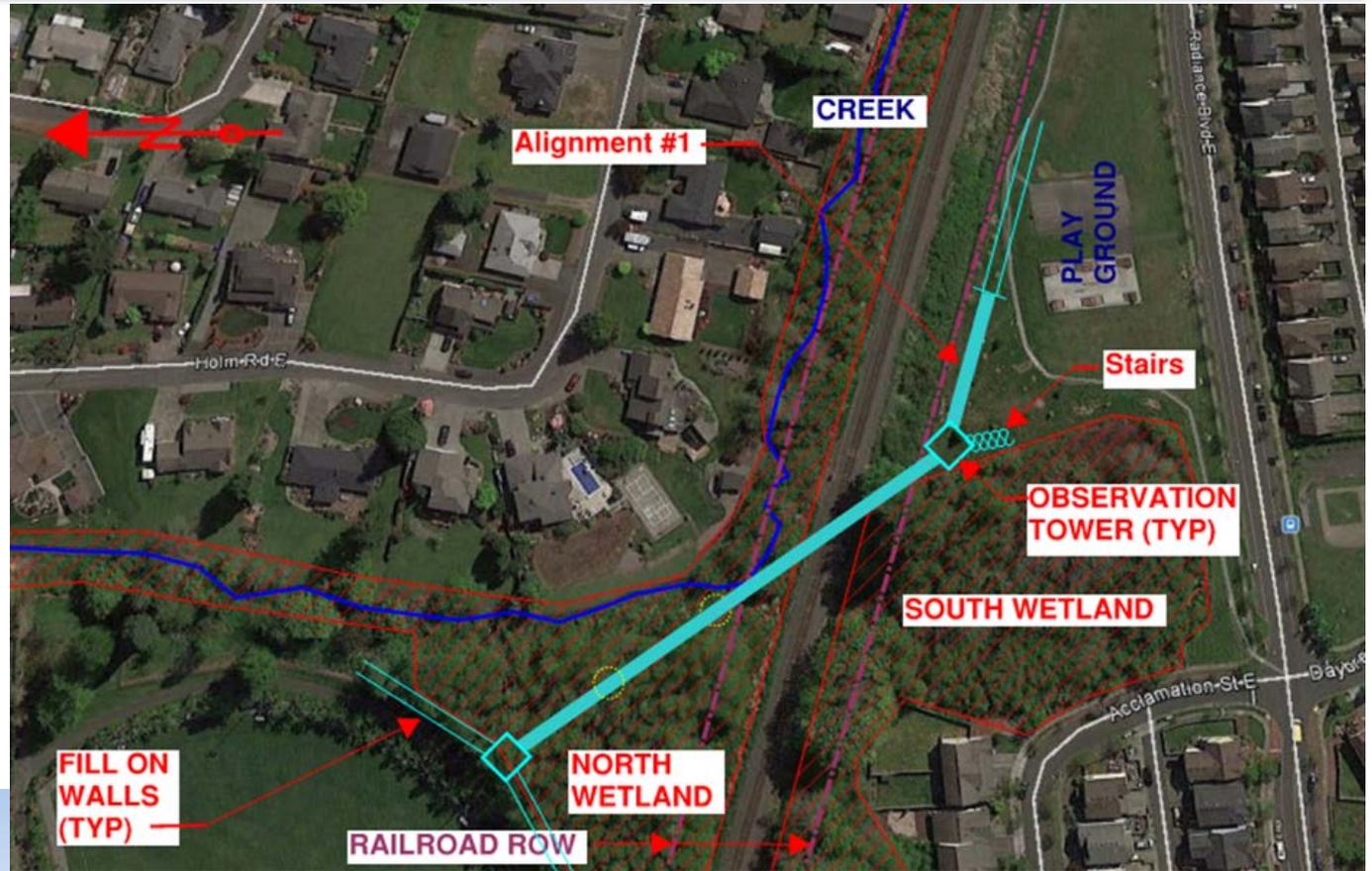
- Detention Subsidy



- Unbudgeted Capital



PEDESTRIAN OVERPASS



CHAMBERS BAY BRIDGE TO THE BEACH

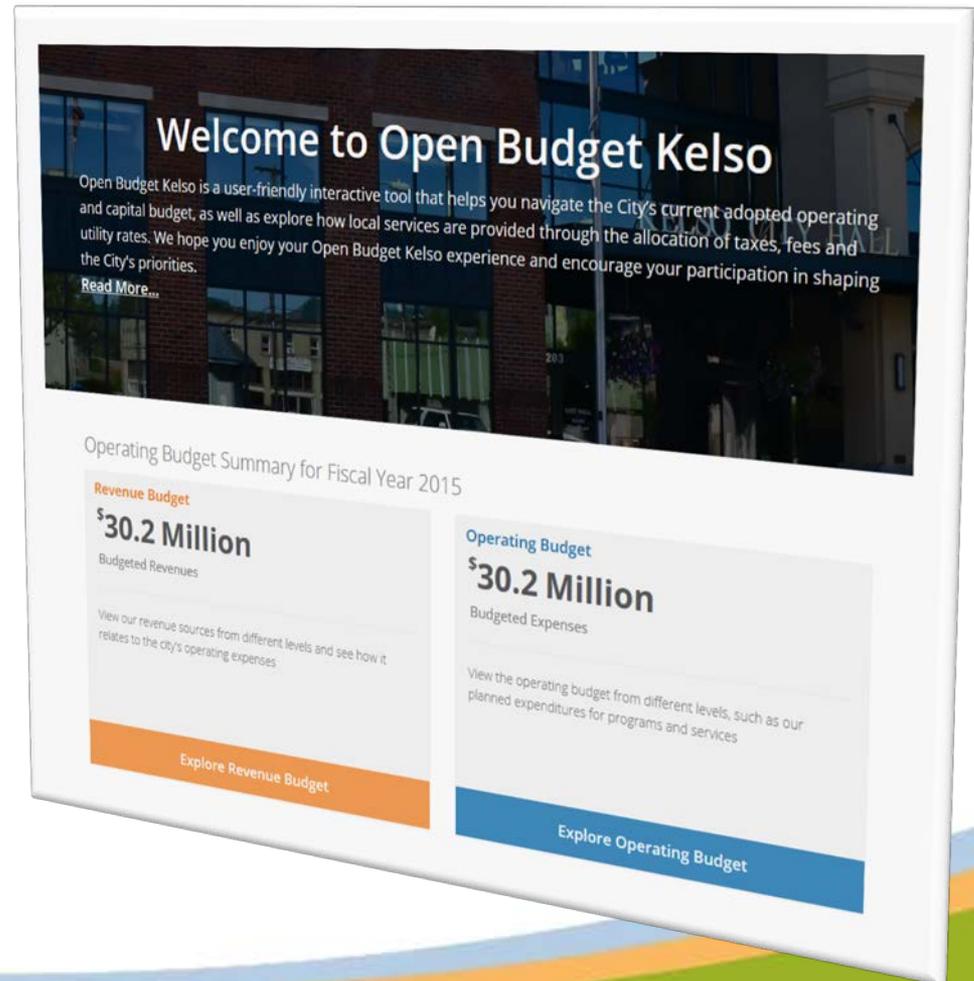
FINANCIAL SOFTWARE

- ADP Payroll
- On-Line Budget Monitoring Software



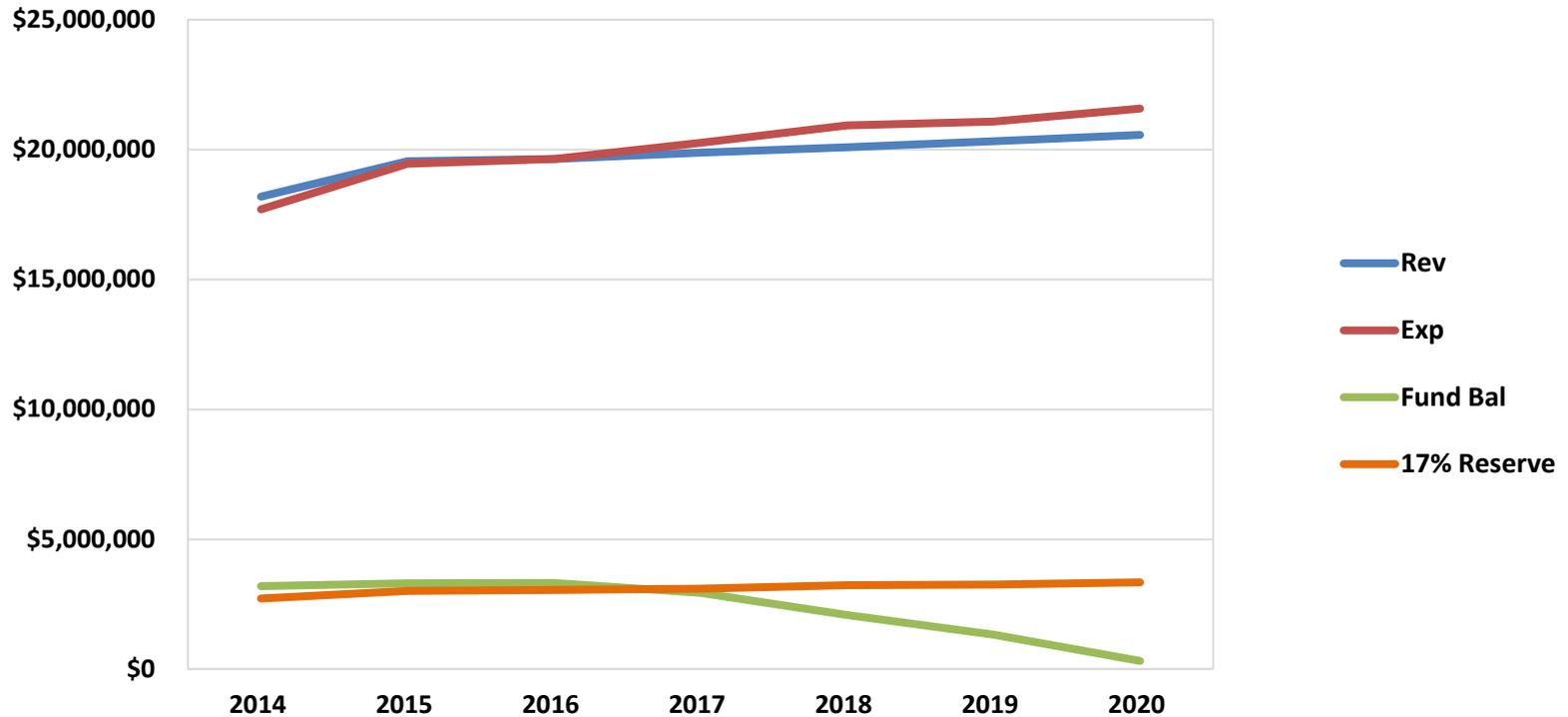
BUDGET SOFTWARE DEMO

- [Open Budget Kelso:](#)
Open Budget Kelso is a user-friendly interactive tool that helps you navigate the current adopted operating and capital budget, as well as explore how local services are provided through the allocation of taxes, fees and utility rates.



GENERAL FUND

Summary Schedule of Revenues, Expenditures and Fund Balance





Mid-Biennial Modification 2015 – 2016 Adjustments

Presented by: David DeGroot, Finance Director

City Council Meeting

September 15, 2015



OVERVIEW OF PRESENTATION

- Purpose
- General Fund Modifications
 - Revenues
 - Expenses
- Detention Services Modifications
 - Revenues
 - Expenses
- Other Funds
 - Expenditures (sched. 16)





PURPOSE OF MODIFICATION

- State Law and the FMC require a mid-biennial budget review and modification before conclusion of first year of the biennium
- Mid-Biennial Modification:
 - Aligns and updates revenue and expenditure budgets with updated financial information and trends.
 - Adjusts for resolutions previously approved by the City Council
 - Provides for budgetary corrections or revisions





GENERAL FUND MODIFICATION SUMMARY

	2015/2016 Adopted Budget	2015 Adjustment	2016 Adjustment	2015/2016 Modified Budget
Revenue				
2015	\$18.9	\$0.7	-	\$19.6
2016	\$19.1	-	\$0.5	\$19.6
Total	\$38.0	\$0.7	\$0.5	\$39.2
Expenditures				
2015	\$18.8	\$0.7	-	\$19.5
2016	\$19.1	-	\$0.5	\$19.6
Total	\$37.9	\$0.7	\$0.5	\$39.1
Net Impact to Fund Balance				
2015	\$0.1	-	-	\$0.1
2016	-	-	-	-
Total	\$0.1	-	-	\$0.1

\$ values in millions



General Fund Revenues





GENERAL FUND REVENUE ADJUSTMENTS

Description	2015/2016 Adopted Budget	2015 Adjustment	2016 Adjustment	2015/2016 Modified Budget
Sales Tax	\$12.5	\$1.0	\$1.0	\$14.5
Business License & Permits	\$1.0	\$0.1	\$0.1	\$1.2
<u>Charges For Services</u>				
Dispatch	\$1.3	(\$0.6)	(\$0.7)	\$0
Swim Center	\$0.8	\$0.1	\$0.1	\$1.0
Interest	\$0.2	\$0.1	-	\$0.3
Total Adjustments		\$0.7	\$0.5	
		2015	2016	
Total Adopted Budget		\$18.9	\$19.1	
Total Modified Budget		\$19.6	\$19.6	

\$ values in millions



General Fund Expenditures





GENERAL FUND EXPENDITURE ADJUSTMENTS BY DEPARTMENT

Department	2015 Adjustment	2016 Adjustment
Legislative	-	-
Executive	\$0.3	\$0.2
Finance	\$0.1	\$0.1
Municipal Court	-	-
PW Fac & Grounds	-	-
Police	(\$0.4)	(\$0.2)
PW Engineering	-	-
Com Dev	-	-
Parks & Rec	\$0.2	\$0.2
Non Dept.	\$0.5	\$0.3
Rounding	-	(\$0.1)
Total Adjustments	\$0.7	\$0.5
	2015	2016
Total Adopted Budget	\$18.8	\$19.1
Total Modified Budget	\$19.5	\$19.6

\$ values in millions



DETENTION SERVICES FUND REVENUE ADJUSTMENTS

Description	2015/2016 Adopted Budget	2015 Adjustment	2016 Adjustment	2015/2016 Modified Budget
Jail Operations Revenue				
2015	\$3.7	(\$0.4)	-	\$3.3
2016	\$3.7	-	(\$2.8)	\$0.9
Total	\$7.4	(\$0.4)	(\$2.8)	\$4.2
EHM Revenue				
2015	\$0.5	-	-	\$0.5
2016	\$0.6	-	(\$0.1)	\$0.5
Total	\$1.1	-	(\$0.1)	\$1.0
Total Revenues				
2015	\$4.2	(\$0.4)	-	\$3.8
2016	\$4.3	-	(\$2.9)	\$1.4
Total	\$8.5	(\$0.4)	(\$2.9)	\$5.2

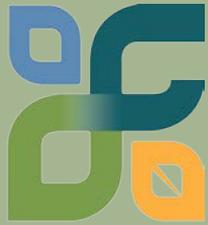
\$ values in millions



DETENTION SERVICES FUND EXPENDITURE ADJUSTMENTS

Description	2015/2016 Adopted Budget	2015 Adjustment	2016 Adjustment	2015/2016 Modified Budget
Jail Operating Expenditures				
2015	\$4.4	(\$0.2)	-	\$4.2
2016	\$4.3	-	(\$2.5)	\$1.8
Total	\$8.7	(\$0.2)	(\$2.5)	\$6.0
EHM Operating Expenditures				
2015	\$0.4	-	-	\$0.4
2016	\$0.4	-	-	\$0.4
Total	\$0.8	-	-	\$0.8
Total Operating Expenditures				
2015	\$4.8	(\$0.2)	-	\$4.6
2016	\$4.7	-	(\$2.5)	\$2.1
Total	\$9.5	(\$0.2)	(\$2.5)	\$6.7

\$ values in millions



DETENTION SERVICES FUND

NET INCOME SUMMARY

	2015/2016 Adopted Budget	2015 Adjustment	2016 Adjustment	2015/2016 Modified Budget
Net Operating Income (Loss)				
2015	(\$0.6)	(\$0.2)	-	(\$0.8)
2016	(\$0.4)	-	(\$0.4)	(\$0.8)
Total	(\$1.0)	(\$0.2)	(\$0.4)	(\$1.6)
General Fund Subsidy				
2015	\$0.6	-	-	\$0.6
2016	\$0.4	-	\$0.4	\$0.8
Total	\$1.0	-	\$0.4	\$1.4
Accounts Receivable Decrease	-	\$1.3	-	\$1.3
Interfund Loan Repayment	-	(\$0.6)	-	(\$0.6)
Net Income (Loss)	-	\$0.5	-	\$0.5



SUMMARY

- General Fund modifications overall are fund balance neutral with increases in revenues offsetting increases in expenditures.
- Detention Services Fund projection is currently based on an average of 22 inmates per day in the Fife jail.
- Other Funds are being monitored as the year progresses.
- Monthly financial monitoring by departments and finance played a key role in development of the modified budget.
- Departments and finance will continue monthly monitoring of revenues and expenditures through 2016.
- Finance has implemented a financial forecasting tool at the fund level for forecasting revenues and expenditures for the General fund and Detention Services fund.



QUESTIONS?



GENERAL FUND EXPENDITURE ADJUSTMENTS

EXECUTIVE DEPARTMENT

Description	2015 Adjustment	2016 Adjustment
City Manager		
Personnel (Asst City Mgr .5 FTE*)	(\$0.1)	(\$0.1)
Legal	\$0.4	\$0.4
City Clerk		
Personnel (Admin Asst 1.0 FTE)	-	(\$0.1)
Rounding	-	\$0.1
Total Adjustments	\$0.3	\$0.3
	2015	2016
Total Adopted Budget	\$2.6	\$2.7
Total Modified Budget	\$2.9	\$2.9

* Other 0.5 FTE is in the Detention Services Fund.



GENERAL FUND EXPENDITURE ADJUSTMENTS

POLICE DEPT.

Department	2015 Adjustment	2016 Adjustment
Communications Division		
Staff (Dispatch functions)	(\$0.8)	(\$0.8)
Operations & Maintenance (SS911 contracts)	\$0.3	\$0.4
Capital Outlay (SS911 transition)	\$0.1	-
Operations Division (Staff Education/Travel, Animal Control, and Capital Outlay)	-	\$0.2
Total Dept. Adjustments	(\$0.4)	(\$0.2)
	2015	2016
Total Adopted Budget	\$6.0	\$6.2
Total Modified Budget	\$5.6	\$6.0

\$ values in millions



GENERAL FUND EXPENDITURE ADJUSTMENTS PARKS RECREATION & COMMUNITY SERVICES

Description	2015 Adjustment	2016 Adjustment
Fife Area Swim Team (FAST)	\$0.1	\$0.1
Other Programs	\$0.1	\$0.1
Total Adjustments	\$0.2	\$0.2
	2015	2016
Total Adopted Budget	\$2.1	\$2.2
Total Modified Budget	\$2.3	\$2.4

\$ values in millions



GENERAL FUND EXPENDITURE ADJUSTMENTS NON-DEPARTMENTAL - OVERVIEW

Department	2015 Adjustment	2016 Adjustment
Detention Services	(\$0.1)	-
Detention Subsidy	-	\$0.3
Street Cont. Fund Transfer (70 th Ave E. Preservation)	\$0.4	-
Total Adjustments	\$0.3	\$0.3
	2015	2016
Total Adopted Budget	\$3.5	\$3.4
Total Modified Budget	\$3.8	\$3.7

\$ values in millions



DETENTION SERVICES

NET IMPACT TO FUND BALANCE

	2015/2016 Adopted Budget	2015 Adjustment	2016 Adjustment	2015/2016 Modified Budget
Net Income (Loss)	-	\$0.5	-	\$0.5
Beginning Fund Balance (Deficit)	(\$0.3)	-	-	(\$0.3)
Ending Fund Balance (Deficit)	(\$0.3)	-	-	\$0.2



GENERAL FUND TOTAL EXPENDITURES BY DEPARTMENT

