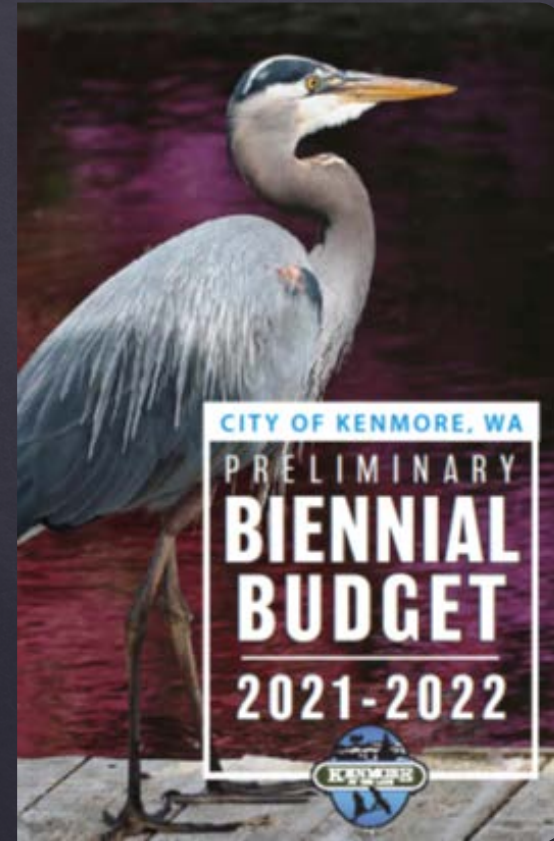


City of Kenmore
Proposed
Preliminary
2021-2022 Biennial
Budget Presentation

Meeting of
October 19, 2020



TOTAL GENERAL FUND REVENUE

2019-2020 Amended Budget

\$26,477,871

- Adopted Budget \$25,927,871
 - Amended Mid biennium by \$550,000 for better than expected retail sales tax revenue.


2019-2020 Projection

\$28,192,509 (Would be \$27,108,509 without CARES CRF Grant)

- Property tax receipts better than originally budgeted +\$133,000
- Sales taxes better than budget by \$569,000 (Internet Sales!)
- CARES CRF Grant = \$1,084,000
- Miscellaneous revenue from Frontier and code enforcement settlements \$150,000

2021-2022 Proposed

\$27,067,770

- Property taxes assume 0.60152% levy increase in 2021, 1% in 2022 plus new construction
- Sales taxes  2.3% from 2019-2020
- New: \$200K from King Co Park Levy for park maintenance
- Everything else pretty flat or declining

GENERAL FUND REVENUE ACCOUNTS

Property Taxes

2021 = \$5,383,410
.60152% increase +
\$45,000 new
construction levy

2022 = \$5,482,244
1% increase +
\$45,000 new
construction levy

Sales Taxes

2021 = \$2,628,000
Based on 2020 trend;
last 12 mo;

2022 = \$2,654,280
1% increase over 2021

Utility Tax

Electric and Gas =
\$1,671,836
3% growth over current
year average,

Telephone and Cell no
change based on current
year average
NEW
6% Cable Utility Tax
6 mo in 2022

GENERAL FUND REVENUE ACCOUNTS

Franchise Fees

Comcast & Zipley
Cable
= \$622,000,
Same as current
year average

Water & Sewer =
\$1,123,969,
1% increase

Development Revenues

Permits \$708,675,
14% decrease

Land Use, Review,
Inspection, Other
\$991,407
15% decrease

Liquor Tax Distributions

Liquor Excise Tax
\$266,784
Little change; using
MRSC per capita
forecast

Liquor Board
Profits \$372,367
No change

GENERAL FUND REVENUE ACCOUNTS

Reimbursements

\$1,942,210

Overhead
Reimbursement
Capital Projects Staff:
Engineering (739K),
2 Parks (\$602K)
SWM (\$600K)

\$75K reimbursement
from Northshore
School District for
Moorlands Maint (no
SRO)

Other Taxes

\$146,800

Pull tabs & Games
No change from
2020 projections

Affordable Housing
Sales Tax
\$22,554/yr

Miscellaneous

New -\$200K
transferred from King
Co Park Levy for Maint

Minor changes in
Criminal Justice
Distributions or other
State Assistance

\$141,000
Kenmore Village lease
revenue (no KBI)

Resource Alignment of Programs in the 2019- 2020 Budget By Quartile



Quartile 1 = Programs Have Essential or Critical Role in Achieving Results

Q 2 = Programs Have Strong influence on Achieving Results

Q 3 = Programs Have Some Degree of Influence on Achieving Results

Q 4 = Programs Have Minimal or No Influence on Achieving Results

(See Results on Page 75 of the Proposed Budget)

Resource Alignment of
Programs in the 2017-
2018 Budget
By Quartile

Q1	2018 - PBB -	6,107,253	
Q2	2018 - PBB -	13,332,305	
Q3	2018 - PBB -	6,603,166	
Q4	2018 - PBB -	2,459,423	

CITY COUNCIL

Department Description

- Policy Making Body; Sets Vision and Priorities for the City
- Adopts Budget and Ordinances, Represents the City on Regional and State and National Organizations

Proposed Budget

-
- | | |
|----------------------------------|-----------|
| • Total 2021-2022 Budget | \$332,711 |
| • Percent of General Fund | 1% |
| • Total 2019-2022 Amended Budget | \$336,207 |
| • Positions | 7 |

CITY COUNCIL

Highlights and changes

- Took clear steps to respond to the Pandemic, including emergency proclamations and funding for business assistance and human services
- Championed Climate Action and Diversity Equity and Inclusion

PBB Programs

-
- Leadership on Sound Transit, other regional organizations
 - Vision 2040 Award for Downtown Redevelopment

CITY CLERK

Department Description

- City Council meeting support: preparing agendas, attending meetings, producing minutes
- Oversees records management, Municipal Code, custodian of official city documents, manages Human Services funding

Proposed Budget

-
- | | |
|----------------------------------|-----------|
| • Total 2021-2022 Budget | \$937,052 |
| • Increase over 2019-2020 Budget | 1.9 % |
| • Percent of General Fund | 3.5 % |
| • FTE's | 1 FTE |

CITY CLERK

Highlights and changes

- Budget Increase due to \$85K for 2 years of lease pmts on the Council Chambers upgrades
- \$6,475 increase in Human Services; 23450 pop X 7.53 per capital (see separate funding memo)
- \$11,000 increase in voter registration, election costs

PBB Programs

- Quartile I:
 - Council Agendas and Minutes (Governance) \$282,771
 - City Council Administrative Support (Governance) \$157,663
- These programs are also the highest cost

CITY MANAGER

Department Description

- City Manager Department provides leadership to the organization and citywide functions including communications, economic development, intergovernmental relations and city events.

Proposed Budget

-
- | | |
|---|-------------|
| • Total 2021-2022 Budget | \$3,121,846 |
| • Percent of General Fund | 11.5% |
| • FTE's | 7.8 |
| • Budget Decrease from 2019-2020 Budget | -1.5% |

CITY MANAGER

Highlights and changes

- Recreation partnerships position retained at .5 FTE
- Kenmore Business Incubator as City program ends
- Leadership on Sound Transit, State Legislation and other intergovernmental issues

PBB Programs

-
- High Scores: Council Support and Organizational Health
 - 400 Public Records Requests per year
 - Awesome new website and ambitious digital communications

FINANCE AND ADMINISTRATION

Department Description

- Finance, Accounting, Budget, Personnel, Risk Management, IT
- Payroll, benefits, accounts payable, billing, office supplies, grant reporting, monthly reporting, audit, HR matters, technology, supervision of City Clerk

Proposed Budget

-
- | | |
|------------------------------------|-------------|
| • Total 2021-2022 Budget | \$2,490,440 |
| • % Increase from 2019-2020 Budget | 29% |
| • Percent of General Fund | 9.2% |
| • FTE's | 3 |

FINANCE AND ADMINISTRATION

Highlights and changes

- New Human Resources Manager added
 - Salary, Benefits, Supplies/Furniture, Training, Technology
- Recruiting software to replace GovJobsToday
- WCIA liability/property premiums

PBB Programs

-
- Quartile 1:
 - Biennial budget preparation/development (Governance) \$122,345
 - Annual Audit (Governance) \$93,129
 - Costliest program: Risk Mgt –driven by premiums \$491,607 (Q2)

LEGAL

Department Description

- City Attorney services to Council and City Administration
 - Legal guidance and support; advice on policy matters, attendance at Council meetings
- Provided by contract with Inslee, Best.

Proposed Budget

- | | |
|-------------------------------------|-----------|
| • Total 2021-2022 Budget | \$565,000 |
| • % Decrease from 2019-2020 Budget | (13.7%) |
| • Percent of General Fund | 2% |
| • FTE's (provided through contract) | 0 |

PBB Programs

- All programs in Governance Quartile 2:
 - Internal Legal Support and Advisement \$163,364
 - Council Meeting Support \$122,527

PUBLIC SAFETY

Department Description

- **Police Services-** Contract with King County
 - 24/7 patrol and support services, and follow-up investigations
- **Jail Services-** Contract with SCORE (South Correctional Entity) and King County
- **Court Services-** Contract with King County District Court (Shoreline)
- **Prosecutor and Public Defense Services-** Contract with the Kenmore Prosecutor's Office and Stewart, MacNichols, Harmell, Inc.

Proposed Budget

-
- | | |
|--|----------------------------|
| • Total 2021-2022 Budget | \$9,152,373 |
| • Percent of General Fund | 33.8% |
| • FTE's (provided through contract) | 14 Dedicated FTEs (Police) |
| • % Increase or Decrease from 2019-2020 Budget | 0.02% |

PUBLIC SAFETY

Highlights and changes

- No changes to FTEs in police contract
- Jails and court costs decreasing due to changes in policing and sentencing policies
- Ended city's contribution to School Resource Officer (SRO) program
- Increased contribution to RADAR Navigator program
- Additional training for officers in areas such as peer intervention, de-escalation, and bias awareness
- Increased community outreach and community oriented policing efforts

PBB Programs

-
- *National Night Out* event
 - *Nurturing Trust* workshops (new)
 - North Sound RADAR
 - School event sponsorships
 - Traffic safety emphasis and Photo Enforcement Program support to engage in Target Zero initiative

DEVELOPMENT SERVICES

Department Description

- The Development Services Department is responsible for oversight of land and building development throughout the City.
- The objective of the process used by Development Services is to continue to provide applicants and their design teams with clear, accurate, and consistent project review and permitting information in a timely and efficient manner

Proposed Budget

-
- | | |
|--|-------------|
| • Total 2021-2022 Budget | \$2,845,427 |
| • Percent of General Fund | 10.5% |
| • FTE's (provided through contract) | 7.5 |
| • % Increase or Decrease from 2019-2020 Budget | 25% |

DEVELOPMENT SERVICES

Permitting Revenues

- Revenues are predicted to slightly decrease in 2021 and 2022
- Permit revenues include land-use, subdivisions, site plan, engineering, grading, building, mechanical and plumbing.

Proposed Budget

-
- Total projected revenues for 2021-2022 is \$1,703,582 vs \$1,895,900 in 2019-2020
 - Revenue projections are determined from what projects are in the pipeline, status of the economy and previous trends.
 - Projects in pipeline for 2021-2022
 - 41-unit, mixed-use building on 73rd; 80-unit townhouse project on 68th; and a multi-family (possibly a 108 unit, mixed-use) project at the old Mia Roma site.

DEVELOPMENT SERVICES

Highlights and changes

- No new positions for 2021-2022 (Development Review Civil Engineer now in this department).
- Integration of permitting and service request software.

PBB Programs

-
- Department programs are generally staying the same. The permitting programs, such as land-use review, and building inspections, remain to have the highest scores