

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE: 1999 First Quarter Financial Report
DEPARTMENT: Finance
PRESENTED BY: Joe Meneghini, Finance Director

EXECUTIVE / COUNCIL SUMMARY

The following finance report provides an overview of the final 1998 expenditure and revenue activity for the 1998 fiscal year and the 1999 First Quarter Financial Report.

The purpose of this report is to provide your Council with an update on the City's financial position since it was last discussed during the 1999 budget process.

The major change from our discussions last fall has been that final 1998 revenues are higher than projected and 1998 program expenditures are slightly lower than anticipated, resulting in a 1998 General Fund ending balance that is \$1,076,815 higher than the 1999 budgeted beginning balance.

On the revenue side, final revenues were \$984,829 (6%) higher than projections. The major increases came from gambling tax revenue (\$609,074 higher) due to the third and fourth quarter expansion in 1998 of mini-casinos in the City. Sales Tax revenue was also \$198,812 (4.9%) higher than projected. The annual sales tax growth was 9.95% higher than 1997. While this is still a large annual increase, the increase is lower than the 15.5% increase experienced between 1997 and 1996. Sales Tax Equalization revenue was \$160,228 higher than expected due to continued growth in the Motor Vehicle Excise Tax (MVET) that funds the statewide equalization pool. There was also higher revenue than expected for Cable Franchise Fees (\$81,370) and State Liquor Profits (\$34,960). These were somewhat offset by lower than expected grant revenues for the Aurora Pre-Design (\$68,222) and State Planning Grants (\$30,866). The reimbursements for these grants should be received in 1999 as these projects progress.

On the expenditure side, final expenditures were \$125,994 (less than 1%) lower than projections. This was primarily due to salary savings from the Administrative Support Team (\$26,875), less than expected expenditures for the Neighborhood Program (\$44,950) due to a delay in some mini-grants, the Aurora Corridor Program (\$35,890), and the delay in the startup of the Economic Development Program (\$41,686). There were also slightly higher than projected expenditures for the City Attorney's Office (\$29,382) due to the need for higher than expected outside legal services on various City issues (i.e., adult entertainment, land use, etc.).

These additional expenditure savings are not expected to result in additional ongoing operational funds since most of them are not likely to be reoccurring savings. Also, given the potential for State legislative change to the gambling industry and the volatility of the gambling market, it is too early to expect that those additional revenues can be considered stable and ongoing. Also, similar to last year, there is another statewide initiative (695) which nearly or completely does away with MVET. If MVET is eliminated by this initiative and not replaced with another funding source, Shoreline would lose \$2.5 million a year or 15.7% of our General Fund operating

revenues. For these reasons, these savings should be viewed as one-time savings that should not be earmarked or relied upon to support new ongoing operations but should be utilized in either the Capital Improvement Program or similar one-time expenses.

At this time we do not recommend earmarking these additional funds.

RECOMMENDATION

No action required. Staff recommends that the City Council review the 1999 First Quarter Financial Report and ask any questions on the information presented.

Approved By: City Manager LB City Attorney N/A

BACKGROUND / ANALYSIS

Prior to presenting the 1999 First Quarter Report, the 1999 General Fund budget needs to be placed in context with 1998 activities. The 1998 figures represent the unaudited end-of-year revenues and expenditures. The figures may be subject to adjustments as required by the final 1998 State audit and financial statements. The State is currently in the process of conducting the annual audit.

1998 FISCAL YEAR

	1998 Budget	1998 Year-End Estimates	1998 Unaudited Actuals	Difference Estimates vs Actuals	Percent
Beginning Balance	\$ 3,211,763	\$ 4,803,017	\$ 4,791,256	\$ (11,761)	(0%)
Revenues	15,054,146	15,381,248	16,366,077	984,829	6%
Transfers-In	1,248,513	1,248,513	1,248,516	3	0%
Resources	\$ 19,514,422	\$ 21,432,778	\$ 22,405,849	\$ 973,071	5%
Expenditures	\$ 15,921,759	\$ 14,525,431	\$ 14,399,437	\$ (125,994)	(1%)
Transfers-Out	3,592,662	3,451,644	3,473,895	22,251	1%
Total Expenditures	\$ 19,514,422	\$ 17,977,075	\$ 17,873,332	\$ (103,743)	(1%)
Ending Fund Balance	\$ 0	\$ 3,455,702	\$ 4,532,517	\$ 1,076,815	31%

The 1998 year-end revenues and expenditures vary from the projections that were presented to your Council as part of the 1999 budget process. At that time, staff projected a 1998 General Fund ending balance of \$3,455,702. The actual ending fund balance was \$4,532,517 or \$1,076,815 higher than anticipated.

The higher ending balance was due to final 1998 resources being higher (by \$973,071) than anticipated and 1998 program expenditures being lower than anticipated (by \$103,743). The major reasons for these differences are briefly explained below.

1998 Revenues

1. Gambling Tax revenue was \$609,074 higher than projected. While we expected a higher level of fourth quarter revenue, we did not anticipate the magnitude of the increase. The growth in the 1998 Gambling Tax revenue was due to the expansion of mini-casinos in the City during the third and fourth quarters of last year.
2. Sales Tax revenue grew at 9.95% for the year. This was \$198,812 (4.9%) higher than projected. While this growth was substantial, it was less than the 15.5% increase that was experienced between 1996 and 1997. It is unlikely that the City will continue to see such large sales tax increase on an ongoing annual basis. For 1999, we budgeted for a 4% increase.
3. Sales Tax Equalization continues to be higher than forecast by the Municipal Research Services Corporation (MRSC), up \$160,228 over projections. This is due to the continued growth in the State economy and the Motor Vehicle Excise Tax which is the source of revenue for the statewide equalization pool. Under less favorable State economic conditions, the equalization revenue could be stagnant or even less than forecast.
4. Cable Franchise fees were \$81,370 higher than projected for two reasons: 1) TCI started offering a new service, digital cable, which has the potential to double subscriber revenue; and 2) a federal court ruling clarified the definition of "revenue" to indicate that collections from subscribers to pay franchise fees are part of "revenue." This "revenue" is the base that we apply the 5% franchise fee to.

5. There were also higher revenues than expected for state liquor profits (\$34,960).
6. These revenue increases were somewhat offset by lower than expected grant revenues for the Aurora Pre-Design (\$68,222) and State Planning Grants (\$30,866). The reimbursements for these grants should be received in 1999 as these projects progress.

1998 Expenditures

Overall, the department expenditures were \$125,994 (less than 1%) lower than projections. In 1997, the department expenditures were 8% lower than projections. As the City matures, department directors are becoming more knowledgeable about service provision and the year-end expenditure projections. These 1998 savings are summarized below.

1. There were salary savings of \$26,875 in the Administrative Support Team operated out of the City Manager's Office. This was due to the Executive Assistant and other Administrative Assistant positions that were vacant for a portion of last year.
2. There were less than expected expenditures for the Neighborhood Program (\$44,950). This was primarily due to Mini-Grants that were not completed by the end of the year.
3. There were also savings in the Aurora Corridor Program (\$35,890), and the Economic Development Program (\$41,686) due to slower than expected program startup.
4. These savings were somewhat offset by higher than projected expenditures for the City Attorney's Office (\$29,382) due to the need for additional outside legal services for a variety of City issues (i.e., adult entertainment, land use, etc.).

1998 Transfers-Out

The 1998 Transfers-Out were lower than budgeted (\$118,767) but slightly higher than projected (\$22,251) due to the final transfer from the General Fund to the Development Services Fund needing to be higher than projected to bring the Development Services Reserve (ending fund balance) to the necessary level to cover future year expenditures for multi-year permit activity.

1999 QUARTERLY REPORT

The First Quarter Report provides a fund level summary of the resources and expenditures for the first three months of 1999 with explanations of the numbers.

1999 GENERAL FUND OVERVIEW (25% of the Year Elapsed)

	1999 Budget	1999 First Quarter	Percent
Beginning Fund Balance	\$ 3,455,703	\$ 4,532,517	131%
Revenues	16,621,045	2,105,118	13%
Transfers-In	2,422,443	637,794	26%
Total Resources	\$ 22,499,191	\$ 7,275,429	32%
Expenditures	\$ 16,874,236	\$ 1,991,101	12%
Transfers-Out	5,559,243	3,895,591	70%
Total Expenditures	\$ 22,433,480	\$ 5,886,692	26%
Ending Fund Balance	<u>\$ 65,711</u>		

Additional Resources \$ 1,076,815

The first quarter of the budget year does not typically tell a great deal about the revenue and expenditure patterns for the entire year. Revenue does not follow a perfect trendline and billings for professional service expenditures are often not received until the second quarter. A more telling trendline will develop with subsequent quarterly reports.

1999 General Fund Overview

Resources: As noted earlier, the City is starting the year with a higher beginning balance than budgeted, a balance of \$4,532,517 rather than \$3,455,703.

Actual 1999 General Fund revenues for the first quarter are lower (13%) than the three month trendline (25%). The remaining quarters of the year should catch us back up to the trendline. This is primarily due to the timing of property tax collections and the inclusion of the first two months of 1999 sales tax into 1998 pursuant to General Accounting Standards Board requirements. The first two months of 1999 sales tax receipts are really for November and December of the previous year. Thus, every year we have to accrue these revenues back to the previous year. The highest property tax revenue collection periods occur in May and November.

There is also no Gambling Tax revenue received for the first quarter until the end of April. The state-shared revenues and parks revenues are in-line with budget projections for the first quarter. Second quarter revenues should more closely mirror the projected trendline.

Based on the 4th quarter of 1998 gambling revenue, the City could potentially receive up to an additional \$800,000 in gambling revenue over what was budgeted for 1999 if the 4th quarter revenue levels are sustained for the whole year. Once we record more revenue history in this area staff will propose what to do with the additional funds.

The General Fund has received 25% of the budgeted annual overhead transfers (reimbursements) from the Development Services, Street, and Surface Water Management Funds and 100% of the Asset Depreciation Fund transfer to the General Fund for that Fund's portion of the Technology Plan expenditures.

Expenditures: General Fund expenditures in the first quarter are lower (12%) than can be expected for the remaining quarters of the year (25% trendline). This is primarily due to not having received many bills for intergovernmental services during the first quarter. It usually takes the County several months to begin billing for police and jail services. There is also salary savings from new and existing positions, and delays in billings for professional services work and City grants to outside agencies that has been budgeted but not billed in the first quarter.

Transfers-Out: The first quarter transfers-out are at 70% of the annual budgeted transfers. These transfers represent the full 1999 transfers to the General Capital (\$3,094,417) and Asset Depreciation Funds (\$300,000) and 25% of the General Fund subsidies to the Development Services and Street Funds that were included in the 1999 budget.

1999 Budget Amendments

During the first quarter of 1999, your Council adopted two budget ordinances amending the original 1999 Adopted Budget. These are briefly summarized below.

1. Ordinance 189, adopted on January 25, added an additional \$12,945 to the Public Works Department from a Hazardous Waste Recycling Grant. This increased the grant revenue and expenditures to \$33,460 for special recycling events and the Business Recycling Program during 1999.

2. Ordinance 191, adopted on February 22, added an additional \$500,000 to the General Fund from revenue transfers to the City from Seattle City Light. This Ordinance transferred \$434,289 of those revenues to the Street Fund for continued development of the Public Works Department based on the three-year phased development plan (\$244,289) and to increase the road overlay effort by \$190,000. The difference (\$65,711) was added to the General Fund (fund balance). Within this appropriation, this ordinance authorized the hiring of five additional employees to be funded from the \$244,289 appropriation and a Capital Project Manager to be funded from the General Capital Fund to coordinate and complete work on the City's Six-Year Capital Improvement Program.

SUMMARY

In summary, the 1998 fiscal year has ended with an additional \$1,076,815 for the General Fund. These funds should be viewed as one-time savings that should not be spent in 1999 until we gather more of the year's expenditure history, receive more information on the progress of Initiative 695, and further discuss more long-term financial issues during the 1999 fiscal year. At this time we do not recommend earmarking these additional funds.

RECOMMENDATION

No action required. Staff recommends that the City Council review the 1999 First Quarter Financial Report and ask any questions on the information presented.

Attachment A: 1999 First Quarter Report



1999 First Quarter Report

*Prepared by the Finance Department
For Fiscal Year January 1, 1999 - December 31, 1999*

City of Shoreline - 1999 First Quarter Report

Table of Contents

	<u>Page</u>
General Fund	1
Development Services Fund	3
Street Fund	4
Arterial Street Fund	5
Surface Water Management Fund	6
General Capital Fund	7
Roads Capital Fund	8
Surface Water Capital Fund	9
Transfer Funds	10

Overview...

The First Quarter Report provides a fund level summary of the resources and expenditures for the first three months of 1999 for the City's primary funds. A primary fund is one that has its own revenue sources. The transfer funds receive all of their resources from transfers from other funds. These transfers are reflected as Transfers-Out from the primary funds.

The individual primary fund summaries include a final review of fiscal year 1998 and provides actual (unaudited) activity as an update from our projections made last fall as part of the 1999 budget process.

The first quarter of the budget year does not typically tell a great deal about the revenue and expenditure patterns for the entire year. Revenue does not follow a perfect trendline and billings for contract expenditures are often not received until the second quarter. A more telling trendline will develop with subsequent quarterly reports.

The 1998 figures represent the unaudited end-of-year revenues and expenditures. The figures may be subject to minor adjustments as required by the final 1998 audit.

Resources: Overall, the first quarter resources are higher than the 25% trendline. This is primarily due to the 1998 ending balances for each fund being included as resources (beginning balance) in the first quarter of 1999. Major monthly revenue sources (sales tax, City Light revenue, gas tax, and real estate excise tax) are currently on track with projections. Major quarterly revenues sources (sales tax equalization, motor vehicle excise tax, and other state shared revenues) are also on track with projections.

Expenditures: Overall, the first quarter expenditures are lower than the 25% trendline. This is primarily due to delays in King County and professional services billings for many of our large contract services (police, jail, roads, surface water, Aurora Corridor Study, etc.). Larger General Fund first quarter expenditures are reflective of the transfers to the Capital Improvement, and Asset Depreciation Funds for the full 1999 budget year. Even with prorating known obligations, expenditures would still trail the trendline.

City of Shoreline - 1999 First Quarter Report
GENERAL FUND

The General Fund is used to pay the expenses and liabilities of the City associated with general service functions that are not budgeted in special revenue funds. The primary sources of revenue are general purpose State-shared revenues and local taxes. Property tax and sales tax combined provide approximately 44% of the General Fund Revenue base.

	1998			Estimates		Percent Difference	1999 Budget	First Quarter		Percent of Budget
	1998 Year-End Estimates	Unaudited Actual	Actual	Estimates	Actuals					
Beginning Fund Balance	\$ 4,803,017	\$ 4,791,256	\$ (11,761)			(0%)	\$ 3,455,703	\$ 4,532,517	(4)	131%
Revenues	15,381,248	16,366,077	984,829 (1)			6%	16,621,045	2,105,118	(6)	13%
Transfers-In	1,248,513	1,248,516	3			0%	2,422,443	637,794	(7)	26%
Total Resources	\$ 21,432,778	\$ 22,405,849	\$ 973,071			5%	\$ 22,499,191	\$ 7,275,429		32%
Expenditures	\$ 14,525,431	\$ 14,399,437	\$ (125,994) (2)			(1%)	\$ 16,674,236	\$ 1,991,101	(8)	12%
Transfers-Out	3,451,644	3,473,895	22,251 (3)			1%	5,559,243	3,895,591	(9)	70%
Total Expenditures	\$ 17,977,075	\$ 17,873,332	\$ (103,743)			(1%)	\$ 22,433,480	\$ 5,886,692		26%
Ending Fund Balance	\$ 3,455,702	\$ 4,532,517	\$ 1,076,815 (4)			31%	\$ 65,711			

Explanation of Notes:

- (1) Overall, 1998 revenues were 6% higher than estimated with total resources up 5% above estimates. This was primarily due to Gambling Tax revenue being \$609,074 higher than estimated based on the third and fourth quarter expansion in 1998 of mini-casinos in the City. Sales Tax revenue was also \$198,812 (4.9%) higher than projected and 9.95% higher than 1997. While this is still a large increase, the increase is lower than the 15.5% increase between 1997 and 1996. Sales Tax Equalization was \$160,228 higher due to continued statewide growth in the State Equalization Pool. There was also higher revenue than expected for Cable Franchise Fees (\$81,370) and State Liquor Profits (\$34,960). These were somewhat offset by lower than expected grant revenues for the Aurora Pre-Design (\$68,222) and State Planning Grants (\$30,866). The reimbursements for these grants should be received in 1999 as these projects progress.
- (2) Overall, 1998 expenditures were 1% less than projected. This was primarily due to salary savings from the Administrative Support Team (\$26,875), less than expected expenditures for the Neighborhood Program (\$44,950), the Aurora Corridor Program (\$35,890), and the Economic Development Program (\$41,686). There were slightly higher than projected expenditures for the City Attorneys Office (\$29,382) due to the need for a higher level of outside legal services than originally expected on various City issues.
- (3) The 1998 Transfers-Out were 1% higher than projected due to the final transfer from the General Fund to the Development Services Fund being higher. This represents the final amount necessary to bring the Development Services Reserve (ending fund balance) to the level necessary to cover future year expenditures for multi-year permit activity.

Explanation of Notes (continued):

- (4) The 1998 Ending Balance and the 1999 Beginning Balance were higher than expected due to the higher 1998 revenues and lower 1998 expenditures as explained in Notes 1 and 2, respectively. This will result in a 1999 General Fund Ending Balance that is higher than originally expected.
- (5) The budgeted expenditures reflect the addition of two ordinances to the original 1999 Adopted Budget (Ordinances 189 and 191). Ordinance 189 added \$12,945 to the Public Works Department from a Hazardous Waste Recycling Grant. Ordinance 191 increased revenues by \$500,000 due to the addition of Seattle City Light revenues and increased the transfers-out by \$434,289 to reflect the additional transfer to the Street Fund for the continued development of the Public Works Department (\$244,289) and to increase the road overlay (\$190,000). These actions left a remaining General Fund fund balance of \$65,711.
- (6) The 1999 revenues are less than 25% due to the timing of property tax collections and the inclusion of the first two months of 1999 sales tax into 1998. March is the first month of the year that sales tax is credited to 1999. There is also no Gambling Tax revenue received for the first quarter until the end of April. State-shared revenues and parks revenues are in-line with budget projections for the first quarter. The percentage received for the first quarter is similar to what we experienced during 1998.
- (7) Transfers-In represent 25% of the overhead allocation from the Development Services, Street, and Surface Water Funds and 100% of the Asset Depreciation Fund transfer to the General Fund for that fund's portion of the Technology Plan expenditures.
- (8) Expenditures are below 25% for the first quarter. This is primarily due to not having received many bills for intergovernmental services during the first quarter. It usually takes the County several months to begin billing for police and jail services. There is also salary savings from new and existing positions, delays in billings for professional services work and City grants to outside agencies (i.e., Arts Council, Senior Center, Center for Human Services, etc.) that has been budgeted but not billed in the first quarter.
- (9) Transfers-Out represent the full 1999 transfers to the General Capital (\$3,094,417) and Asset Depreciation Funds (\$300,000) and 25% of the General Fund subsidies to the Development Services and Street Funds that were included in the 1999 budget.

City of Shoreline - 1999 First Quarter Report **DEVELOPMENT SERVICES FUND**

The purpose of this Fund is to maintain accounts for the Development Services permit fees. The beginning fund balance is comprised of prior-year Development Services fees that are held in reserve for future year services associated with multi-year construction permits. This permit revenue is deferred until the year that services are provided. The General Fund Transfer-In represents the General Fund subsidy for Development Services. The Transfer-Out to the General Fund represents the General Fund overhead that Development Services owes for the support services provided by support departments (i.e., Finance, City Attorney, Human Resources, etc.) in the General Fund.

	1998		Estimates		Percent Difference	1999 Budget	First Quarter	Percent of Budget	
	1998 Year-End Estimates	Unaudited Actual	Actuals	versus Actuals					
Beginning Fund Balance	\$ 573,685	\$ 529,035	\$ (44,650)	(1)	(8%)	\$ 586,321	\$ 580,826	(4)	99%
Revenues	1,096,630	1,129,263	32,633	(2)	3%	1,259,589	216,634	(5)	17%
Transfers-In (General Fund)	614,197	626,880	12,683	(3)	2%	1,000,537	250,134	(6)	25%
Total Resources	\$ 2,284,511	\$ 2,285,178	\$ 667		0%	\$ 2,846,447	\$ 1,047,594		28%
Expenditures	\$ 1,009,843	\$ 1,016,004	\$ 6,161		1%	\$ 1,435,549	\$ 271,477	(7)	19%
Transfers-Out (General Fund)	688,347	688,348	1		0%	891,079	222,770	(8)	25%
Total Expenditures	\$ 1,698,190	\$ 1,704,352	\$ 6,162		0%	\$ 2,326,628	\$ 494,247		21%
Fund Balance	\$ 586,321	\$ 580,826	\$ (5,495)	(4)	(1%)	\$ 519,820			

Explanation of Notes:

- (1) The 1998 beginning fund balance was adjusted down (\$44,650) based on a year-end correction of a posting error that overstated revenue by \$44,650 in the 1997 Annual Statement. This correction does not impact the 1999 operating budget as the ending balance for 1998 is only slightly lower (\$5,495) than the anticipated amount of \$586,321.
- (2) The 1998 revenues were slightly higher than expected.
- (3) The Transfers-In represent the General Fund subsidy to the Development Services Fund. It is slightly higher than expected due to slightly higher than expected revenues and expenditures.
- (4) The 1998 Fund Balance represents the 1998 DSG Reserve amount for multi-year permit activity. The reserve amount is based on the distribution of the 1996 through 1998 revenue into one, two, or three year permit categories based on the particular type of construction project.
- (5) The 1999 revenue is less than 25% for the first quarter. It appears that January and February revenues were less than we had received during the same period last year, primarily in the areas of commercial building permits, and residential land use permits and plan check fees.
- (6) The Transfers-In represents 25% of the 1999 General Fund subsidy transfer to the Development Services Fund.
- (7) The expenditures are slightly less than 25% due to delays in billings for professional services work.
- (8) The Transfers-Out represents 25% of the 1999 Development Services overhead transfer to the General Fund.

City of Shoreline - 1999 First Quarter Report **STREET FUND**

Street Funds are used to support roads and transportation programs. Fuel tax and vehicle license fees are the two sources of ongoing support for these programs. In 1999, the Street Fund will be used to fund the roads portion of the Public Works Department operations, the County roads maintenance contract, road overlays, and the ongoing assessment of the City's road conditions. Funds are transferred in from the General Fund as a subsidy to pay for street operations since the Street Fund does not receive enough revenue to fully pay for street operations and from the Arterial Street Fund to pay for operational expenses related to road overlays and other roads maintenance work. Funds are transferred out to the General Fund to pay for overhead for the support received from the support departments (i.e., Finance, City Attorney, Human Resources, etc.) funded from the General Fund.

	1998 Year-End	1998	Estimates	Percent	1999	First	Percent
	Estimates	Unaudited	versus	Difference	Budget	Quarter	of Budget
		Actual	Actuals				
Beginning Fund Balance	\$ 931,628	\$ 931,628	\$ 0	0%	\$ 946,422	\$ 936,750 (3)	99%
Revenues	1,270,765	1,297,745	26,980 (1)	2%	1,380,036	308,088 (5)	22%
Transfer-In (General Fund)	246,108	246,108	0	0%	1,134,289 (4)	283,572 (6)	25%
Transfer-In (Arterial Street)	513,997	513,997	0	0%	530,374	132,594 (7)	25%
Total Resources	<u>\$ 2,962,498</u>	<u>\$ 2,989,478</u>	<u>\$ 26,980</u>	<u>1%</u>	<u>\$ 3,991,121</u>	<u>\$ 1,661,004</u>	<u>31%</u>
Expenditures	\$ 1,653,192	1,689,844	\$ 36,652 (2)	2%	\$ 2,332,119 (4)	\$ 77,049 (8)	3%
Transfer-Out (General Fund)	362,883	362,884	1	0%	823,460	205,865 (9)	25%
Total Expenditures	<u>\$ 2,016,075</u>	<u>\$ 2,052,728</u>	<u>\$ 36,653</u>	<u>2%</u>	<u>\$ 3,155,579</u>	<u>\$ 282,914</u>	
Fund Balance	<u>\$ 946,422</u>	<u>\$ 936,750</u>	<u>\$ (9,672) (3)</u>	<u>(1%)</u>	<u>\$ 835,542</u>		

Explanation of Notes:

- (1) The 1998 revenues were slightly higher than expected due a late year upturn in Vehicle License Fee revenue.
- (2) The 1998 expenditures were higher than projected due to higher than estimated expenditures for County roads services.
- (3) The 1998 Ending Fund Balance was slightly lower than estimated and the 1999 Beginning Fund Balance was slightly lower than expected due to the higher 1998 expenditures as explained in Note 2.
- (4) The 1999 budget reflects the addition of Ordinance 191 to the 1999 Adopted Budget. This ordinance increased the transfer-in from the General Fund by \$434,289 and the Street Fund expenditures by the same amount for continued development of the Public Works Department, including additional funds for road overlays.
- (5) Both the Fuel Tax and Local Vehicle License Fee revenues are slightly less than 25% for the first quarter. This is similar to the revenue trend experienced last year.
- (6) This Transfer-In represents 25% of the 1999 General Fund subsidy transfer to the Street Fund.
- (7) This Transfer-In represents 25% of the 1999 Arterial Street Fund transfer to the Street Fund for the Arterial Street Fund's portion of roads maintenance services.
- (8) Expenditures are below 25% for the first quarter. This is primarily due to not having received many bills for County roads services during the first quarter and due to delays in billings for professional services work. The budget also includes funds for new staff positions and equipment from the adoption of Ordinance 191 that are not slated to occur until later in the year, therefore those expenditures will not follow a consistent trendline.
- (9) The Transfer-Out represents 25% of the 1999 Street Fund overhead transfer to the General Fund.

City of Shoreline - 1999 First Quarter Report
ARTERIAL STREET FUND

Arterial Street Funds are used to support roads and transportation programs. Fuel tax provides the primary source of support for this Fund. These funds are transferred to the Street Fund to help pay for the roads and transportation programs of the Public Works Department.

	1998 Year-End Estimates	1998		Estimates versus Actuals	Percent Difference	1999 Budget	First Quarter	Percent of Budget
		Unaudited Actual	Actual					
Beginning Fund Balance	\$ 345,787	\$ 345,787	\$ 0	0%	\$ 213,735	\$ 220,486 (3)		103%
Revenues	381,945	388,696	6,751 (1)	2%	381,125	90,459 (4)		24%
Total Resources	\$ 727,732	\$ 734,483	\$ 6,751	1%	\$ 594,860	\$ 310,945		52%
Transfers-Out (Street Fund)	\$ 513,997	\$ 513,997	0 (2)	0%	\$ 530,374	\$ 132,594 (5)		25%
Total Expenditures	\$ 513,997	\$ 513,997	\$ 0	0%	\$ 530,374	\$ 132,594		25%
Fund Balance	<u>\$ 213,735</u>	<u>\$ 220,486</u>	<u>\$ 6,751 (3)</u>	<u>3%</u>	<u>\$ 64,486</u>			

Explanation of Notes:

- (1) The 1998 revenues were higher than the estimates due to slightly higher than expected Fuel Tax revenue.
- (2) The 1998 Transfer-Out represents the Arterial Street Fund portion of street maintenance expenses made from the Street Fund.
- (3) Due to the higher than projected 1998 revenue, the 1998 ending fund balance and the 1999 beginning fund balance are slightly higher than expected.
- (4) The Fuel Tax revenue is slightly less than 25% for the first quarter. This is similar to the revenue trend that was experienced last year.
- (5) The Transfer-Out represents 25% of the Arterial Street Fund portion of street maintenance expenses made from the Street Fund.

City of Shoreline - 1999 First Quarter Report **SURFACE WATER MANAGEMENT FUND**

The Surface Water Management Fund is used to support the City drainage program. In 1998, these funds will be used to support the drainage program, as well as an assessment of the City's drainage needs. The results of this assessment will be used to prioritize operational and capital drainage projects. Funds are transferred out to the General Fund to pay for overhead and to the Capital Improvement Fund to pay for surface water capital projects.

	1998		Estimates versus Actuals		Percent Difference	1999 Budget	First Quarter		Percent of Budget
	1998 Year-End Estimates	Unaudited Actual	Actuals				Budget	Quarter	
Beginning Fund Balance	\$ 2,844,241	\$ 2,844,241	\$ 0	0%	\$ 3,169,734	\$ 3,379,759	(5)	107%	
Revenues	2,008,836	2,111,722	102,886 (1)	5%	2,009,043	105,492	(7)	5%	
Total Resources	\$ 4,853,077	\$ 4,955,963	\$ 102,886	2%	\$ 5,178,777	\$ 3,485,251		67%	
Expenditures	\$ 861,119	\$ 777,911	\$ (83,208) (2)	(10%)	\$ 878,095	(6)	\$ 67,087 (8)	8%	
Transfers-Out (General Fund)	197,283	197,283	0 (3)	0%	664,994		166,249 (9)	25%	
Transfers-Out (Capital)	624,941	601,010	(23,931) (4)	(4%)	941,312		941,312 (10)	100%	
	\$ 1,683,343	\$ 1,576,204	\$ (107,139)	(6%)	\$ 2,484,401	\$ 1,174,648			
Fund Balance	\$ 3,169,734	\$ 3,379,759	\$ 210,025 (5)	7%	\$ 2,694,377				

14 Explanation of Notes:

- (1) The 1998 revenues were higher than projected due both to higher than expected Surface Water revenue and interest income.
- (2) The 1998 expenditures were lower than estimates due to lower than expected expenditures for surface water services from King County.
- (3) The Transfer-Out to the General Fund represents the 1998 surface water overhead allocation.
- (4) The Transfer-Out to the Surface Water Capital Fund represents the transfer for the Small Surface Water Projects Program, for remaining 1997 winter storm repairs, and for Public Works staff time. The transfer was lower than expected due to less funds being needed for finalization of the 1997 winter storm repairs.
- (5) The 1998 ending balance and 1999 beginning fund balance are higher than expected due to the higher revenues and lower expenditures as explained in Notes 1, 2 & 4.
- (6) The budget includes the addition of Ordinance 191 to the 1998 Adopted Budget. This increased the expenditures in the Surface Water Fund by \$68,489 for the Surface Water Fund's portion of the continued Public Works Department development.
- (7) The revenues are less than 25% due to the timing of property tax collections, since Surface Water billings are collected as part of the property tax bill. The highest property tax collection periods occur in May and November. Second quarter revenues should more closely mirror the trendline.
- (8) Expenditures are below 25% for the first quarter. This is primarily due to not having received many bills for County surface water services during the first quarter and due to delays in billings for professional services work. The budget also includes funds for new staff positions and equipment from the adoption of Ordinance 191 that are not slated to occur until later in the year, therefore those expenditures will not follow a consistent trendline.
- (9) The Transfers-Out to the General Fund represents 25% of the 1999 Surface Water Fund overhead transfer to the General Fund.
- (10) The Transfers-Out to the Surface Water Capital Fund Represents 100% of the 1999 transfer for the surface water capital projects that were included in the 1999 Adopted Budget and in the Six-Year Capital Improvement Program.

City of Shoreline - 1999 First Quarter Report
GENERAL CAPITAL FUND

The General Capital Fund receives resources which are designated specifically for capital purposes. The primary source of dedicated revenue is Real Estate Excise Tax (REET). Other revenue sources include: General Fund transfers and other dedicated project grants. The beginning balance is comprised of 1996 - 1998 REET funds, King County transfers for Shoreview Park and Richmond Beach Trail, and the 1998 General Fund capital transfer. In the General Capital Fund, there are project categories for currently funded projects, facilities projects, parks projects, recreation facilities projects, and open space projects.

	1998 Year-End	1998	Estimates	Percent	1999	First	Percent
	Estimates	Unaudited	versus	Difference	Budget	Quarter	of Budget
		Actual	Actuals				
Beginning Fund Balance	\$ 231,900	\$ 231,900	\$ 0	0%	\$ 3,437,015	\$ 3,729,430 (3)	109%
Revenues	1,515,762	1,889,085	373,323 (1)	25%	717,142	120,892 (5)	17%
Transfers-In (General Fund)	2,504,390	2,504,390	0	0%	3,094,417	3,094,417 (6)	100%
Total Resources	\$ 4,252,052	\$ 4,625,375	\$ 373,323	9%	\$ 7,248,574	\$ 6,944,739	96%
Expenditures	\$ 815,037	\$ 895,946	\$ 80,909 (2)	10%	\$ 3,426,684 (4)	\$ 38,373 (7)	1%
Total Expenditures	\$ 815,037	\$ 895,946	\$ 80,909	10%	\$ 3,426,684	\$ 38,373	1%
Fund Balance	\$ 3,437,015	\$ 3,729,430	\$ 292,415 (3)	9%	\$ 3,821,890		

15

- (1) The 1998 revenues were higher than projected due to higher Real Estate Excise Tax (\$141,863) from transfers of property at mid-year that were triple the monthly average. Investment interest was also \$182,479 higher than estimated due to the large fund balance in the General Capital Fund throughout the year.
- (2) The 1998 expenditures were higher than estimated for both Shoreview Park and Parks Maintenance Start-up Expenses. Although these projects were higher than estimated, all 1998 capital projects were under budget.
- (3) Due to the higher revenues explained in Note 1, the 1998 ending balance and 1999 beginning balance are higher than estimated.
- (4) The budget includes the addition of Ordinance 191 to the 1999 Adopted Budget. This increased the expenditure authority by \$78,654 to hire a Capital Projects Manager and for equipment to coordinate and complete work on the City's Six-Year Capital Improvement Program.
- (5) Revenues are less than 25% for the first quarter since the first month of Real Estate Excise Tax (REET) is credited to 1998 because the property sales for which the revenue is received occurred in December. February is the first month of the year that REET is credited to 1999.
- (6) This reflects 100% of the General Fund transfer to the General Capital Fund.
- (7) The expenditures for capital project funds do not typically follow a trendline. More expenditures will occur later in the year as capital projects are constructed.

City of Shoreline - 1999 First Quarter Report **ROADS CAPITAL FUND**

The Roads Capital Account is for capital projects related to roads and sidewalks. The primary source of dedicated revenue is Real Estate Excise Tax (REET). Other revenue sources include: Dedicated Federal Intermodal Surface Transportation Efficiency Act (ISTEA) funding; dedicated State Transportation Improvement Act (TIA) funding; federal funds to reimburse the City for 1997 winter storm damage; and dedicated project grants. The beginning balance is comprised of 1996 - 1998 REET funds and of King County Road Fund transfers associated with the transfer of several capital roads projects.

	1998 Year-End Estimates	1998		Estimates versus Actuals	Percent Difference	1999 Budget	First Quarter	Percent of Budget
		Unaudited Actual	Actual					
Beginning Fund Balance	\$ 5,332,396	\$ 5,332,396	\$ 0	0%	\$ 6,375,935	\$ 6,259,280	(3)	98%
Revenues	1,269,239	1,142,318	(126,921)	(10%)	1,791,526	148,295	(4)	8%
Total Resources	<u>\$ 6,601,635</u>	<u>\$ 6,474,714</u>	<u>\$ (126,921)</u>	<u>(2%)</u>	<u>\$ 8,167,461</u>	<u>\$ 6,407,575</u>		<u>78%</u>
Expenditures	\$ 225,700	\$ 215,434	\$ (10,266)	(5%)	\$ 1,739,860	\$ 99,914	(5)	6%
Total Expenditures	<u>\$ 225,700</u>	<u>\$ 215,434</u>	<u>\$ (10,266)</u>	<u>(5%)</u>	<u>\$ 1,739,860</u>	<u>\$ 99,914</u>		
Fund Balance	<u>\$ 6,375,935</u>	<u>\$ 6,259,280</u>	<u>\$ (116,655)</u>	<u>(3%)</u>	<u>\$ 6,427,601</u>			

Explanation of Notes:

- (1) The 1998 revenues were less than estimated due to the City not receiving as much transportation grant revenue as expected. These expected grant revenues should be received in 1999 and beyond as transportation projects progress and are completed.
- (2) The 1998 expenditures were less than estimated due to the City expending less for the grant funded transportation projects. These projects will continue into 1999.
- (3) The 1998 ending balance and the 1999 beginning balance is lower than estimated due to lower grant revenues as explained in Note 1.
- (4) Revenues are less than 25% for the first quarter since the majority of Roads Capital revenues are from grants that will be received later in the year as capital projects progress. Also, the first month of Real Estate Excise Tax (REET) is credited to 1998 because the property sales for which the revenue is received occurred in December. February is the first month of the year that REET is credited to 1999.
- (5) The expenditures for capital project funds do not typically follow a trendline. More expenditures will occur later in the year as capital projects are constructed. The majority of expenditures for the first quarter are for the City's Curb Ramp Program.

City of Shoreline - 1999 First Quarter Report

SURFACE WATER CAPITAL FUND

The Surface Water Capital Account is for surface water capital projects. The primary source of revenue is Surface Water Management Fund transfers; federal funds to reimburse the City for 1997 winter storm damage; and dedicated project grants.

	1998 Year-End	1998	Estimates	Percent		1999	First	Percent
	Estimates	Unaudited	Actuals	Difference		Budget	Quarter	of Budget
		Actual				\$	\$	
Beginning Fund Balance	\$ 108,688	\$ 108,688	\$ 0	0%		114,343	1,933	(4) 2%
Revenues	407,936	195,403	(212,533)	(1) (52%)		37,195	6,279	(5) 17%
Transfers-In	624,941	601,009	(23,932)	(2) (4%)		941,312	941,312	(6) 100%
Total Resources	\$ 1,141,565	\$ 905,100	\$ (236,465)	(21%)		\$ 1,092,850	\$ 949,524	87%
Expenditures	\$ 1,027,222	\$ 903,167	\$ (124,055)	(3) (12%)		\$ 1,092,850	\$ 4,460	(7) 0%
Total Expenditures	\$ 1,027,222	\$ 903,167	\$ (124,055)	(12%)		\$ 1,092,850	\$ 4,460	
Fund Balance	\$ 114,343	\$ 1,933	\$ (112,410)	(4)		\$ 0		

17 Explanation of Notes:

- (1) The 1998 revenues were less than projected due to a lower receipt of federal and state storm reimbursements since final project expenditures were lower than expected.
- (2) The transfer-in reflects the funds for the small surface water capital projects and the transfer from the Surface Water Fund for the City's portion of storm damage repairs. Less funds were need to be transferred from the Surface Water Fund since final storm damage costs were less than expected.
- (3) Expenditures were less than estimated since the final cost of the 1997 winter storm damage was less than projected.
- (4) The 1998 ending fund balance and 1999 beginning fund balance were lower than estimated due primarily to the lower revenues as explained in Note 1.
- (5) Revenues for the first quarter are less than 25% since the revenue is from grants that will be received later in the year as capital projects progress.
- (6) This reflects 100% of the budgeted transfer from the Surface Water Management Fund for surface water capital projects.
- (7) The expenditures for capital project funds do not typically follow a trendline. More expenditures will occur later in the year as capital projects are constructed.

City of Shoreline - 1999 First Quarter Report
TRANSFER FUNDS

Transfer Funds	1999 Budget	First Quarter Resources	Percent of Budget	First Quarter Expenditures	Percent of Budget
General Reserve Fund	\$ 1,583,084	\$ 1,540,994 (1)	97%	0	0%
Asset Depreciation Fund	721,835	740,702 (2)	103%	42,910	6%
Equipment Rental Fund	147,983	125,387	85%	11,347	8%
Unemployment Fund	44,042	46,480 (2)	106%	734	2%
Advance Travel Fund	5,460	5,000	92%	0	0%

Explanation of Notes:

(1) The 1999 reserve requirement for the General Fund is 10% of the General Fund discretionary revenue or \$1,554,854. These funds are maintained in the General Reserve Fund. The 1999 budget for the General Reserve Fund includes the full 10% reserve requirement plus interest earnings that the Reserve Fund earns during the year. Therefore, by the end of 1999 the Reserve Fund Balance will actually be slightly higher than the 10% requirement.

(2) These two funds are over 100% for the first quarter due to a slightly higher 1999 beginning balance due to higher than projected 1998 resources. Also, 100% of the General Fund transfers to these funds occurred in the first quarter of 1999.

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Council Review of Master Plan Process for Design and Administration of the CIP Neighborhood Park Improvements; the Shoreline Pool, and the Richmond Highlands Community Center Projects
DEPARTMENT:	Public Works
PRESENTED BY:	Michael A. Gillespie, City Engineer <i>LB (for)</i>

EXECUTIVE / COUNCIL SUMMARY

On November 9, 1998, the twenty year Parks Open Space and Recreation Services Program (POSP) was adopted with the Capital Improvement Program (CIP). The top priority projects in the POSP were included in the six year CIP. The purpose of this agenda item is to present to Council staff's proposed 1999 master planning process for three of these projects: the neighborhood park improvements, the Shoreline Pool, and the Richmond Highlands Community Center.

The key difference between these three master planning processes is that with the Shoreline Pool and Richmond Highlands Community Center, we have two facilities that are nearing the end of their reasonable life expectancies. Whenever facilities reach this stage in their lifetime it is necessary to conduct not only a review of possible improvements but to also compare improvement options with costs of replacement for similar facilities based on current standards. Council will review the information collected regarding improvements vs. replacement options prior to staff taking these options out for public comment.

The master plans will include an extensive community involvement process to identify and prioritize needed improvements. This public process will include the Parks Recreation and Cultural Services Advisory Committee. Improvements for parks may include restrooms, irrigation systems, new playground equipment and other amenities. Improvements at the Shoreline Pool and Richmond Highlands Community Center will be considered after assessing the existing conditions of these two facilities. All park and facility improvements will be based on the recommendations of the Park, Open Space and Recreation Services Plan. Funding for these projects is included in the 1999 budget for CIP projects.

CIP Park Improvements and Upgrades Program

The City's parks are in need of basic repairs, and some existing facilities require renovation. This CIP project will upgrade the existing park facilities through a systematic approach that will include involvement from users and citizens of the City. Included in the City's 1999 Budget adopted by your Council on November 23, 1999, is a budget of \$20,000 for pre-design and for preparing a master plan for one of three neighborhood

parks commonly understood as being in the most need of improvements. Paramount School Park is listed as the first priority within the six year period of the CIP. However, any substantive improvements at Paramount would take into account the possibility of placing a school at this park, which is owned by the Shoreline School District.

The following work plan for a master plan to develop this park would include: project start up; an inventory and analysis; programming considerations; present alternative concept plans to City Council; a preliminary master plan; and finalize master plan with Council.

Swimming Pool Improvements

This project will provide a master plan for the development of the Shoreline Pool facility. This master plan will address the future needs for training and classroom space, locker room renovation, mechanical system upgrades and additional parking needs. The 1999 expenditures are based on the anticipated construction of additional parking and will be finalized through the development of the master plan.

The following work plan would be used in the development of a pool master plan: collect and analyze existing information; conduct field investigation and analysis of existing facility and its viability for the future; develop an expansion program; present results of assessment to Council; conduct public meeting; revise conceptual plans; conduct second public meeting; prepare draft master plan; conduct second meeting with Council; and finalize master plan with Council.

Richmond Highlands Community Center

This project will provide for improvements to the Richmond Highlands Community Center. Funds have been included for a master plan in 1999 and for upgrading the restroom to Americans with Disabilities Act (ADA) standards in 2000. However, the key consideration in this master plan will be to assess the cost-effectiveness of renovating this facility vs. the costs of developing a new community center to replace it.

The work plan for this project includes: review of existing information; building condition and evaluation; zoning and code compliance review; development of options; presenting assessment and options to City Council; review with staff and community members; design development and cost estimates; and finalize report.

All three projects will evaluate existing conditions and provide recommendations for improvements as well as expansion or replacement as indicated above. The planning approach provides for input and review by the public, the School District (where appropriate), the Parks Advisory Committee and your Council.

RECOMMENDATION

No Council action is required at this time. Staff is seeking consensus on the recommended public involvement process and master plan for neighborhood parks improvements, the Shoreline Pool improvements and the Richmond Highlands Community Center improvements as presented in this report.

Approved By: City Manager LB City Attorney N/A

BACKGROUND / ANALYSIS

Many of the City's parks and facilities are in need of basic repairs, and some existing facilities require more extensive renovation or possibly even replacement. These projects will upgrade the existing parks and facilities through a systematic approach that will include involvement from the users and citizens of the City. These improvements will be based on the recommendations of the Park, Open Space and Recreation Services Plan as adopted by the City Council along with its Comprehensive Plan on November 23, 1998.

CIP PARK IMPROVEMENTS AND UPGRADES PROGRAM

Paramount School Park is the primary site under consideration this year for a master plan. Negotiations with the Shoreline School District are underway to set forth details for the improvements and long term use of the Park. Any substantive improvements would take into account the possibility of placing a school at one end of the park. If this site is not approved, either the Twin Ponds or Ronald Bog site will be planned. Based on your Council's recommendations, the first park project plan will be used as a model plan for future park improvement projects under this program.

In order to ensure appropriate public involvement, staff will advertise in the *Shoreline Enterprise* and on the City's web site. Direct mailing will be used to notify all residents within a ½-mile radius of the Park which is consistent with the Parks, Open Space and Recreation Services Plan in its definition of a neighborhood park service area. In addition, a copy of all mailings will be provided to the Council, School District and the Parks Advisory Committee. Other means of communicating with the public will be considered, such as *Currents* and neighborhood newsletters.

The planning approach provides for appropriate input and review by the public, the School District (when the park is owned by the District, as is Paramount), the Parks Advisory Committee and City Council. The current agreement with the School District for Paramount School Park requires their approval as well as the City Council's. Staff has taken steps to ensure adequate representation from the School District in all phases of the planning effort.

Neighborhood Parks were identified as follows: a Neighborhood park is a combination playground and park designed primarily for non-organized recreation activities. Neighborhood parks are generally small in size (about 3-7 acres) and serve an area approximately ½-mile in radius. Since these parks are located within walking and bicycling distance of most users, the activities they offer become a daily pastime for the neighborhood children. Typically, facilities found in a neighborhood park include a children's playground, picnic areas, trails, open grass areas for passive use, outdoor basketball courts and multi-use sport fields for soccer, Little League baseball, etc.

Paramount School Park is a neighborhood park with one formal softball field and three small youth baseball/softball fields with temporary backstops which do not meet any recognized dimensions for organized play; a soccer field which overlaps the softball fields; a playground area; pathways; and a parking area which is gravel bordered with logs, all of which are in very poor condition. This park is located in the east central portion of the City in the Ridgecrest Neighborhood at NE 155th Street and 10th Ave NE.

The immediate area surrounding the park is completely developed and consists primarily of single family homes.

In 1997 King County made some improvements to Paramount Park which included a new backstop and playground. Currently there are no restroom facilities for the public to use and very little landscaping. Soil conditions are very poor with no irrigation, making it difficult to establish turf without holes in the surface and knobs of grass which result in a very unsafe playing surface.

Because the City is unable to fund all the projects identified in the Park, Open Space and Recreation Services Plan, action items were prioritized and Paramount School Park was given a high rating based on its current conditions. The Plan calls for conversion of one of the existing overlaid soccer fields to a single-use field at a cost of reducing the number of baseball fields by two.

Goal number 2 in the Shoreline Park, Open Space and Recreation Services Plan calls for the City to "Seek to increase opportunities for Shoreline citizens to enjoy parks, recreation and cultural resources through improving accessibility and usability of existing facilities and pursue opportunities and partnerships for new indoor and outdoor facilities for year-round programming." The goal of this project is to improve an existing facility and provide a safe, attractive and functional facility for public use.

In order to ensure timely action on this program, staff is seeking consensus regarding the project outline for this plan which includes the following:

Project Start Up

In order to assure that staff has a clear understanding of the project and scope of work, we will review the Comprehensive Plan, the Parks Open Space and Recreation Services Plan and any existing site plans including previous King County plans. With this information we will develop a preliminary base map to be used in the planning process, incorporating Council's comments and direction for implementation.

Inventory and Analysis

This phase of the planning process includes a field check and any necessary revisions to the base map for accuracy; an inventory of existing improvements to determine their useful life; analyze vehicle and pedestrian circulation patterns to assess accessibility and usage of the existing facilities, consistent with the Open Space and Recreation Services Plan; identify any sensitive areas; and map soils hydrology and vegetation for planning purposes.

Programming Considerations

Determine whether existing improvements at the site should remain and meet with staff to determine user needs and maintenance concerns. This recommendation will be shared with City staff, the School District, the Parks Advisory Committee and the public. Input will be gathered that will allow the Consultant to finalize and/or alter planned improvements for approval by the school district.

Present Alternative Concept Plans to City Council

In order to encourage input, two conceptual plans will be developed along with cost estimates for development including operations and maintenance costs which will be discussed with staff and the School District prior to presenting to the Parks Advisory Committee and the public. During this stage, criteria for selecting alternatives will be created. Plans and comments will be presented to City Council at a Council Workshop. Information gained from these meetings will be used to finalize the planning for this project.

Preliminary Master Plan

All information gathered at this stage will be used to prepare the Master Plan and cost estimate for development and maintenance which may include a phasing plan if determined to be appropriate for completing planned improvements. The plan will be presented to staff and School District representatives. A workshop will be conducted with the Parks Advisory Committee and community input will be sought.

Finalize Master Plan with Council

Based on staff, public, School District, Parks Advisory Committee and Council comments, a final plan will be completed along with a Master Plan report which will identify improvements and contain illustrations, a design narrative, a cost estimate and a phasing plan if required. This information will be submitted to staff, the Parks Advisory Committee and the School District for comment and revisions prior to final submittal to the City Council and the School District.

The current agreement between the City of Shoreline and the School District for use and improvements requires consent by the School District prior to any capital improvements being made on school property. This is due to the fact that the School District would be required under the existing agreement to pay for any unamortized costs of improvements if it chose to develop this property. In an effort to provide the school district with adequate review and involvement of the planning process, staff has requested a representative from the school district be assigned to work with staff on the development of this master plan. The work program outlined for this project clearly identifies the appropriate School District involvement and final approval in addition to the City Council.

Attachment A, the Paramount School Park Master Plan Schedule, delineates the estimated time frame for completion of the project. Actual dates will be adjusted based on City's authorization to proceed. A vicinity map is also included for your reference as Attachment B.

SWIMMING POOL IMPROVEMENTS

The current pool was opened in 1969. It has been well maintained and equipment has been replaced as needed. During the first year of operation by the City, the number of classes, activities and rentals increased from previous years of operation. However, deficiencies in the size and facilities of the locker rooms have caused staff to review the options for improvements here. As with any other facility, changing one part has a potential domino effect on the rest of the facility. This project will provide for the development of a master plan for the Shoreline Pool facility in 1999. This master plan will address the future needs for training and classroom space, locker room renovation,

heating, electrical and plumbing upgrades and additional parking needs. The addition of parking for this project will be managed by separate contract.

The work plan has been developed for the pool master plan including the following:

Collect and Analyze Existing Information

Collect site maps, clarify land ownership and collect building plans, previous studies and reports, existing operating statements and facility use schedules. This will include taking photos of the existing facility. Coordination with the Consultant designing the parking lot will begin.

Conduct Field Investigation and Analysis of Existing Facility

The purpose of this work task is to determine the existing condition of the facility, estimate the remaining life of the major systems and to recommend repair or replacement required to extend the life of the facility another 25 years vs. replacing the entire facility within a similar footprint. Investigation of systems will include the building structure, the pool circulation system and pool heating system.

Develop Expansion Program

Conceptual plans for several levels of expansion will be prepared. Staff will meet with the School District to determine site constraints and to discuss expansion plans and future programming. A draft expansion program will be prepared. The draft program will provide options that may include: 1) Remodel and enhance the facility within the existing building footprint including upgrades to mechanical systems; 2) Expand beyond the existing footprint to enhance the range of activities that could be offered including recommendations for phasing based on estimated costs and identified needs.

Present Results of Assessment to Council

Present the results of analyses, field investigation and expansion program to Council and seek Council input regarding project approach.

Conduct Public Meeting

Present findings from field investigation and analysis, present conceptual sketches and seek public input.

Revise Conceptual Plans

The conceptual plan will be revised to include the best option(s) based on the input received from the Council and the public and cost estimates will be revised.

Conduct Second Public Meeting

Present the revised conceptual plan with capital cost estimates and obtain public feedback on the revised plan.

Prepare Draft Master Plan

This task will include preparation of the final draft master plan, finalization of the conceptual plan with public input, final capital cost estimates and preparation for a presentation to Council.

Conduct Second Meeting with Council

Present findings on the site investigation report, final draft of the master plan report, final conceptual plan and capital cost estimate. Feedback from Council will be sought before finalizing the master plan.

Finalize Master Plan with Council

This task will finalize the master plan and the capital cost estimates.

Attachment C, the Swimming Pool Facility Master Plan Project Schedule, delineates the estimated time frame for completion of the project. Actual dates will be adjusted based on City's authorization to proceed. A vicinity map is also included for your reference as Attachment D.

RICHMOND HIGHLANDS COMMUNITY CENTER

The facility is currently being used as a teen center and space for special populations, as well as for general recreation classes. Along with being undersized, the current layout limits the ability of staff to program a variety of events and activities which normally would be provided in this type of facility. In addition, substantial improvements to meet ADA requirements will be necessary. The planning process will determine whether this facility will be renovated or a new structure built to replace it.

The work plan for this project includes:

Evaluation of Richmond Highlands Community Center

This task includes a review of existing information, structural walk-through of the building, a condition evaluation, electrical and mechanical evaluation and evaluation of zoning and code compliance. A Council meeting is planned for review of the approach.

Develop Options for Future Use

Three options will be developed (program, building and site plans) which will be reviewed with staff and community members. The Consultant will develop design of the preferred option to conceptual level and create a cost estimate for the preferred option. A review will take place with the Parks Advisory Committee and a public meeting will be held to receive input from the community. A presentation to Council is then planned for review before final report preparation.

Final Report

Create a site plan, floor plans and elevation of the preferred option. The final report will be compiled and printed. The recommended option will be presented to your Council.

Attachment E, the Richmond Highlands Community Center Design Schedule, delineates the estimated time frame for completion of the project. Actual dates will be adjusted based on City's authorization to proceed. A vicinity map is also included for your reference as Attachment F.

In order to ensure appropriate public involvement, staff will advertise meetings in the *Shoreline Enterprise* and on the City's web site. Direct mailing will be used to notify all

residents within a ½-mile radius of the park or facility. In addition, a copy of all mailings will be provided to the Council, School District and the Parks Advisory Committee. Public meetings will include staff and the Parks Advisory Committee. Other means of communicating with the public will be considered, such as *Currents* and Neighborhood newsletters.

Public involvement is a key component of the planning process which begins with the programming task to identify existing improvements that should remain, concerns by the community regarding existing site improvements and changes the public would like to see, followed by public review of conceptual plans and the preliminary master plan prior to finalizing the master plan for presentation to the City and School District for approval. This ensures there will be at least three meetings to gather comments on activities and amenities the public would like to see incorporated into the proposed plans for these parks and facilities.

A number of qualified consulting firms were interviewed for these projects and consultants were selected based on their background and extensive experience with these types of projects. The firm of MacLeod Reckord was selected to prepare the City's neighborhood park master plan for Paramount School Park. The contract cost for this project is \$17,500. The firm of ORB was selected for the swimming pool project. They specialize in these types of projects and have experience with the types of systems in the existing pool. The contract cost for this phase of the swimming pool project is \$24,957. The consultant selected for the Richmond Highlands Community Center was Bassetti Architects. Staff is currently negotiating a cost to complete the proposed work. The contract amount is expected to be in the range of \$20,000 to \$25,000. This will exceed the line item amount for this phase of the project in the 1999 Adopted Budget which is \$15,000. There is sufficient balance in the General Capital Improvement Fund to cover the additional amount.

SUMMARY

All three projects will evaluate existing conditions and provide recommendations for improvements as well as expansion or replacement as indicated above. The planning approach provides for input and review by the public, the School District (where appropriate), the Parks Advisory Committee and your Council.

RECOMMENDATION

No Council action is required at this time. Staff is seeking consensus on the recommended public involvement process and master plan for neighborhood parks improvements, the Shoreline Pool improvements and the Richmond Highlands Community Center improvements as presented in this report.

ATTACHMENTS

Attachment A: Paramount School Park Master Plan Schedule
Attachment B: Vicinity Map: Paramount School Park
Attachment C: Swimming Pool Facility Master Plan Project Schedule
Attachment D: Vicinity Map: Shoreline Park, Swimming Pool Facility
Attachment E: Richmond Highlands Community Center Design Schedule
Attachment F: Vicinity Map: Richmond Highlands Community Center

CITY OF SHORELINE
PARAMOUNT SCHOOL PARK
MASTER PLAN

SCHEDULE

	May 30 - June 5	June 6 - 12	June 13 - 19	June 20 - 26	June 27 - July 3	July 4 - 10	July 11 - 17	July 18 - 24	July 25 - 31	August 1 - 7	August 8 - 14	August 15 - 21	August 22 - 28	August 29 - Sept. 4	Sept. 5 - 11	Sept. 12 - 18	Sept. 19 - 25	Sept. 26 - Oct. 2
TASKS																		
1. Project Start Up Review existing documentation Prepare preliminary base map	● ■	■																
2. Inventory and Analysis Field check base map Inventory existing conditions/uses Identify sensitive areas			■	■														
3. Programming Identify existing program to remain Meet w/Staff to determine needs/concerns Meet w/community and Parks Advisory Committee to gather input Finalize program or alter programs w/Staff					●	●	●											
4. Alternative Concept Plans Develop alternative concept plans Concept level construction cost estimates Present to Staff Present to public and Parks Advisory Committee Present at City Council Workshop						■	■	●	●	●	●							
5. Preliminary Master Plan Develop preliminary master plan based on comments Provide construction cost estimate Develop a phasing plan if necessary Present to Staff Workshop with public and Parks Advisory Committee									■	■	■	●	●					
6. Final Master Plan Draw final plan based on comments Prepare master plan report Staff review and comment Revisions as required Submit final to Staff Present final master plan to City Council													■	■	■	■	●	●

29

CITY OF SHORELINE
SHORELINE POOL MASTER PLAN
PROJECT SCHEDULE

	May 30 - June 5	June 6 - 12	June 13 - 19	June 20 - 26	June 27 - July 3	July 4 - 10	July 11 - 17	July 18 - 24	July 25 - 31	August 1 - 7	August 8 - 14	August 15 - 21	August 22 - 28	August 29 - Sept. 4	Sept. 5 - 11	Sept. 12 - 18	Sept. 19 - 25	Sept. 26 - Oct. 2
TASKS																		
6. Revise Conceptual Plans Revise conceptual plan to best option or options Prepare area of magnitude cost estimates																		
7. Second Public Meeting Present revised conceptual plan Present area of magnitude capital cost estimates Obtain public feedback on plan Meeting to include Park Committee, Special Use Groups																		
8. Prepare Draft Master Plan Prepare final draft master plan Finalize conceptual plan per public input Prepare final capital cost estimates Prepare presentation to Council																		
9. Second Meeting with Council Present findings on site investigation report Present final draft of master plan report Present final conceptual plan Present capital cost estimate Obtain Council feedback before finalizing master plan																		
10. Finalize master plan and transmit to City Finalize master plan report Finalize capital cost estimate																		

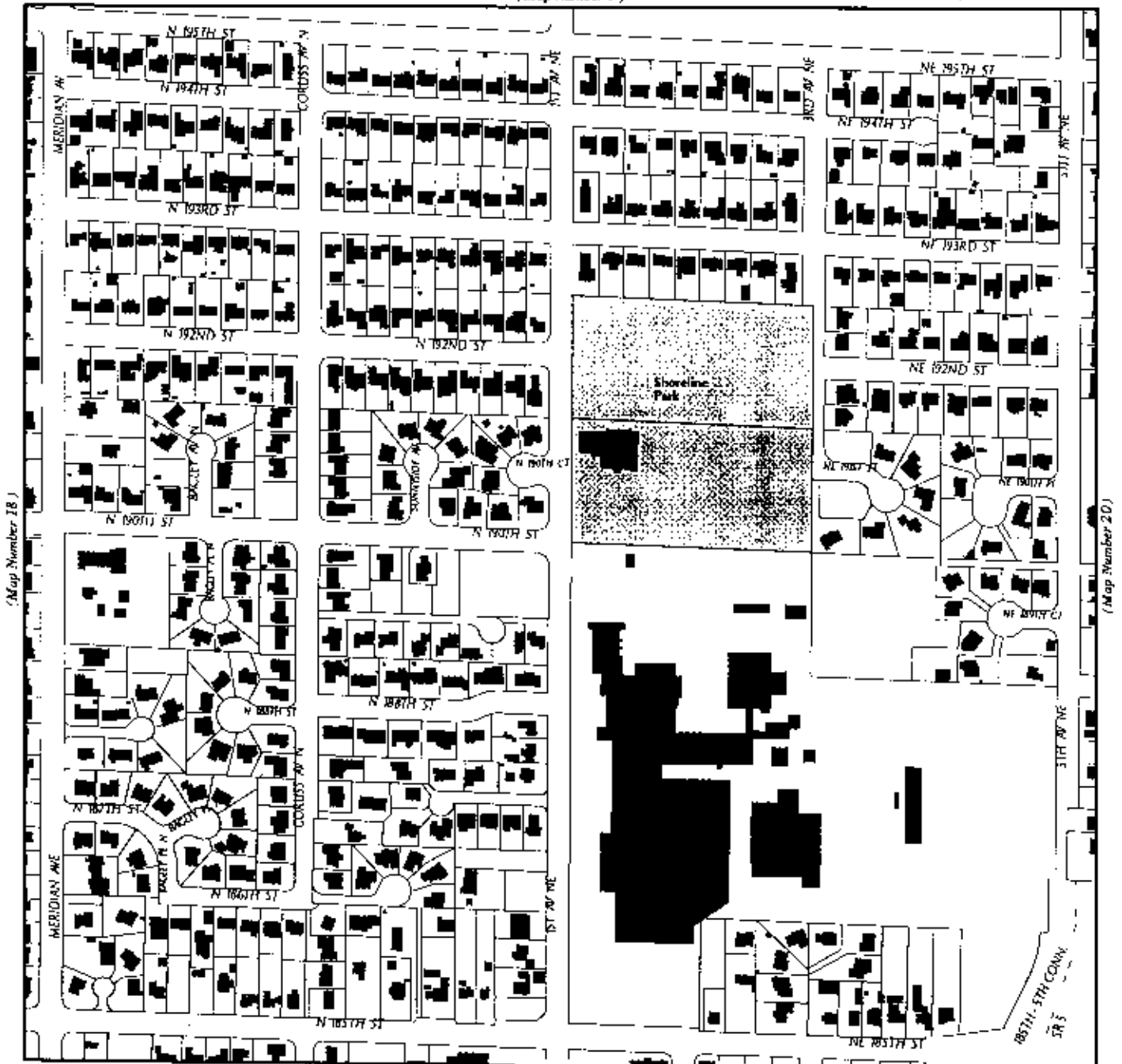
Parcel Base Map

-  Public Park or School
-  Building Footprint
-  Neighborhood Boundary
-  Shoreline City Limits

1 Inch = 400 Feet

Prepared by City of Shoreline GIS.
Data copyrighted by City of Seattle.
1997 All rights reserved.

(Map Number 7)



(Map Number 18)

(Map Number 20)

No warranties of any sort, including accuracy, fitness, or merchantability, accompany this product.

May 25, 1997

CITY OF SHORELINE RICHMOND HIGHLANDS COMMUNITY CENTER IMPROVEMENTS DESIGN SCHEDULE		May 30 - June 5	June 6 - 12	June 13 - 19	June 20 - 26	June 27 - July 3	July 4 - 10	July 11 - 17	July 18 - 24	July 25 - 31	August 1 - 7	August 8 - 14	August 15 - 21	August 22 - 28	August 29 - Sept. 4	Sept. 5 - 11	Sept. 12 - 18	Sept. 19 - 25	Sept. 26 - Oct. 2
TASKS																			
1. Evaluation of Community Center																			
Review existing information																			
Structural walk-through; condition evaluation																			
Building condition evaluation (single walk through)																			
Electrical and mechanical evaluation																			
Zoning & code compliance																			
Review approach with Council																			
2. Develop Options for Future Use																			
Develop 3 options (program, building & site plans)																			
Review with staff and community members																			
Design of preferred option to conceptual level																			
Cost estimate for preferred option																			
Presentation to staff and community																			
3. Final Report																			
Prepare final report																			
Present recommendations to Council																			

