

CITY COUNCIL AGENDA ITEM

CITY OF SHORELINE, WASHINGTON

AGENDA TITLE: Transmittal of 2009 Proposed Budget
DEPARTMENT: City Manager's Office
PRESENTED BY: Robert Olander, City Manager

PROBLEM/ISSUE STATEMENT: The City Manager is required to submit the 2009 proposed budget to the City Council no later than November 3, 2008. The proposed budget is currently under development and will be completed and transmitted to the City Council on October 13. The purpose of this presentation will be to introduce the budget document to the Council, provide the policy background concerning its development, highlight key budget issues and changes from the previous year, propose a budget review process and schedule, and to answer any questions you may have at this time.

FINANCIAL IMPACT: The 2009 Proposed Budget totals \$104,077,571. The following table is a summary of the proposed budget by fund:

Fund	2009 Proposed Budget			2008 Current Budget		08 - '09 % Change
	Beginning Fund Balance	Revenue	Expenditures	Ending Fund Balance	Expenditures	
Operating Funds:						
General Fund	\$ 3,870,371	\$ 31,374,859	\$ 32,328,609	\$ 2,916,621	\$ 32,631,036	-0.9%
Revenue Stabilization Fund	6,125,357	0	0	6,125,357	0	n/a
Streets	763,175	2,692,629	2,692,629	763,175	2,741,170	-1.8%
Code Abatement	147,767	87,500	100,000	135,267	100,000	0.0%
Asset Seizure	25,278	21,500	21,500	25,278	21,500	0.0%
Sub-Total Operating Funds	10,931,948	34,176,488	35,142,738	9,965,698	35,493,706	-1.0%
Internal Service Funds:						
Equipment Replacement	1,783,780	324,016	197,336	1,910,460	241,750	-18.4%
Public Art Fund	112,344	2,500	114,500	344	168,645	-32.1%
Unemployment	67,389	7,500	10,000	64,889	10,000	0.0%
Vehicle Operations & Maintenance	73,414	145,359	142,959	75,814	115,049	24.3%
Sub-Total Internal Service Funds	2,036,927	479,375	464,795	2,051,507	535,444	-13.2%
Debt Service Funds:						
General Obligation Bond	267,027	1,700,000	1,676,850	290,177	1,662,475	0.9%
Sub-Total Debt Service Funds	267,027	1,700,000	1,676,850	290,177	1,662,475	0.9%
Enterprise Funds:						
Surface Water Utility Fund	5,289,682	3,346,829	4,619,790	4,016,721	11,814,854	-60.9%
Sub-Total Enterprise Funds	5,289,682	3,346,829	4,619,790	4,016,721	11,814,854	-60.9%
Capital Funds:						
General Capital	11,646,346	22,877,853	32,641,325	1,882,874	30,438,421	7.2%
City Facility-Major Maintenance Fund	174,068	39,331	40,000	173,399	61,000	-34.4%
Roads Capital	4,312,599	27,453,334	29,492,073	2,273,860	23,012,286	28.2%
Sub-Total Capital Funds	16,133,013	50,370,518	62,173,398	4,330,133	53,511,707	16.2%
Total City Budget	\$ 34,658,597	\$ 90,073,210	\$ 104,077,571	\$ 20,654,236	\$ 103,018,186	1.0%

The City's operating fund expenditures total \$35,142,738 for 2009 and this represents 34% of the total budget. The City's debt service expenditures total \$1,676,850 and represent 2% of the total budget. The City's 2009 capital expenditures total \$62,173,398, which represents 60% of the City's proposed expenditures. The Surface Water Utility Fund makes up the enterprise category and is 4% of the total. This includes all surface water related activities including operations and capital projects. Proposed expenditures for internal services are equal to less than 1% of the City total. Total 2009 projected expenditures represent a 1% increase from those budgeted in 2008. Operating expenditures are projected to decrease by 1% (\$350,000) and capital expenditures are projected to increase by 16% (\$8.7 million). The capital fund expenditures are projected to increase primarily as a result of the completion of the City Hall project. The budget is balanced and includes adequate reserve levels to meet all adopted budget policies.

The proposed schedule for budget review includes:

Transmittal of Proposed 2009 Budget	October 13
Department Budget Review	October 20
Public Hearing on Proposed 2009 Budget & Continued Department Budget Review	October 27
Continued Budget Discussion	November 3
Public Hearing on Revenue Sources & 2008 Property Tax Levy	November 17
Adoption of 2009 Property Tax Levy	November 24
Adoption of 2009 Budget	November 24

RECOMMENDATION

This item is for discussion purposes only. Council discussion regarding the proposed process to review and adopt the 2009 City Budget and any key questions or issues that Council may wish staff to address as part of that process is desired.

Approved By:

City Manager

