

**Mayor's 2013-14
Preliminary Budget Message**

Section Organization

Part I: A Summary of Highlights

Errata, Clarifications & Changes

Part II: A Summary of Highlights

(Proposed Preliminary Budget 9/14/12 Updated)

1 **Mayor's 2013-14**
2 **Preliminary Budget Message**

3 **A Summary of Highlights**

4 **PART I**

5 **For Our Lynnwood Residents, Businesses & Visitors**

6 First, it is important to recognize the talents, dedication, tenacity and good spirits of
7 all of our city staff. They have carried a heavy burden in trying to continue great
8 services to our residents, businesses, and visitors, despite reduced staffing, less
9 resources and not enough time to get it all done. Particular appreciation and
10 acknowledgement must be given to the brave souls that are tasked with budget
11 preparation and the inherently difficult, if not prickly, decisions that seem to be required
12 frequently in carrying out our mission to build and achieve our city's future through
13 *Lynnwood Moving Forward: Our Community Vision* which states:

14 *The City of Lynnwood will be a regional model for a*
15 *sustainable, vibrant community with engaged citizens*
16 *and an accountable government.*

17 | A sincere "**Thank You**" to all of the staff who have stepped up and met this work and
18 budget challenge, and who work diligently to build our city's future.

19 **A Short Perspective & Context for this 2013-14 Biennial Budget**

20 The Great Recession of 2008 has left its indelible mark upon our local, state and
21 national economy – and on our city's budget for quite some time to come. Our city has
22 historically, and still to a substantial extent today, relies upon sales tax as its main
23 revenue source to provide the necessary and desired services of a "balanced city" to
24 our residents, businesses, and visitors to our city. However, the natural volatility of that
25 type of revenue in uncertain economic times makes budgeting a formidable challenge.
26 Although we have substantially "diversified" our revenues since 2007 (translated:

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1 established and/or raised other taxes since 2007) sales tax still comprises the single
2 largest revenue component at over 30% of our city budget.

3 To understand the dynamics of this budget, one must become acquainted with
4 some key types of revenues, or lack thereof, beyond sales taxes and how they are
5 strategically deployed to make this budget possible. Without doing this first, the usual
6 exercise of getting enamored with various department requests and the variety of
7 demands of interest groups both inside and outside of city hall will simply not be
8 particularly worthwhile.

9 The prime element is to understand the magnitude of "revenue loss" impacts on
10 Lynnwood which don't show up in a city budget in the first place.

- 11 • **Sales Tax Revenue Losses.** The benchmark year we use is 2008 which is
12 when the Great Recession actually started. Sales taxes 2008 to 2009
13 dropped over \$2,400,000, or 14.1%. That revenue loss rate was \$4,800,000
14 per biennium. Four years later we still have not recovered to even 2008
15 levels. Since the 2008 to 2009 drastic slide of 14%, we've had quite limited
16 sales tax growth of 3.35% in 2010 over 2009, and up 4.4% in 2011 over 2010.
17 A total of 7.75%, or slightly over half of the loss regained. A month-by-month
18 comparison of sales taxes for each month of 2011 and so far in 2012 show
19 revenues are still below those of four (4) years ago. All of the losses just
20 identified don't even go into a revenue forecast. They are gone and will not
21 be returning for quite some time to come.
- 22 • **Sales Tax Streamlining - Mitigation Payment Losses.** Changes in the
23 state sales tax laws by the legislature called "*sales tax streamlining*" and that
24 now decide which city or jurisdiction gets sales taxes on "deliverable" items
25 began implementation in 2008. The Washington State Department of
26 Revenue estimated, and we used their estimate in our 2009-10 budget, that
27 *lost sales tax mitigation payments* to Lynnwood to offset the effects of *sales*
28 *tax streamlining* would be about \$2 million per year, or \$4 million per
29 biennium. Those mitigation payments from the very first check never came
30 close to expectations.
- 31 • Given that sales tax streamlining started at literally the same time of the Great
32 Recession sorting out exactly what went wrong is highly unlikely. What we do
33 know now is that for 2013-14 total mitigation amounts for the whole biennium
34 will be about \$496,598 – **down 88%** (\$3.5 million) from original state
35 estimates. It's been that way now for two biennium (4 years). Being down by
36 about \$3.5 million in mitigation revenue for each of the last two biennium
37 definitely puts a crimp in our city budget.

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- 1 • These two financial realities which began with a magnitude of about \$8 million
2 (\$4.8 million and \$3.5 million, respectively) are key to understanding their
3 serious effects on our city budget. The establishment in 2010 of some utility
4 taxes, and increasing some others, along with increasing property taxes and
5 business licensing fees, were estimated to collectively bring in only about
6 \$6.3 million during a biennium as opposed to the \$8.3 million magnitude of
7 the challenge. We've only had 18 months with all these types of utility
8 revenues and reliable trends are not yet apparent for all of them.
- 9 • Most all revenues options have been used and maxed at this point.
- 10 • Beginning in January 2011 specific administrative constraints on spending
11 were invoked and have resulted in budget/expenditure savings of upwards to
12 \$9-10 million during this 2011-12 biennium. Those budget savings will be
13 useful in limited uses for necessary "one-time" projects and activities.
14 Continued restraint and control of budget expenditures will be essential as our
15 city progresses forward.

Fundamental & Strategic Budget Decisions.

16
17
18
19 There are a series of critical strategic decisions underlying how this budget is
20 constructed.

- 21 • Dedicating Real Estate Excise Tax revenues (REET 1 & 2) of \$1.1 million for the
22 critical function of street overlays (F#311) means that \$1.1 million in new on-
23 going General Fund revenues, rather than being "pre-allocated" and used for
24 street functions, would be available now dollar-for-dollar to be released for use by
25 city departments. The consequences are no Strategic Investment Plan for small
26 capital projects or major project planning will be funded until REET and/or other
27 revenues improve in the near-term.
- 28 • The extensive budget savings by departments above and beyond the 5.5% cuts
29 (\$5.3 million) means that of their projected \$3.8 million of additional savings, \$2
30 million will need to be used for the transfers into Revenue Stabilization Fund
31 #198. That directly releases dollar-for-dollar new on-going General Fund
32 revenues for use by city departments, that would otherwise be locked into that
33 reserve. A continuing strategy will be to require a department-by-department
34 savings target of 1% per year (2% per biennium) to keep paying the Long-Term
35 Financial Plan transfers out of budget savings and not requiring payments by
36 diverting and using new on-going revenues.
- 37 • The difference between the 94.5% Management Budget Targets for city
38 departments overall and the potential new General Fund revenue forecast for

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1 2013-14 is only \$5.5 million, That assumes we actually get revenue in close to
2 all that's currently and conservatively forecasted in during 2013-14.

- 3 • If the strategic decisions above, and critical actions necessary to implement
4 those decisions occur, our city can move forward. If not, then literally \$3.1 million
5 of \$5.5 million in new on-going General Fund revenues will be have to be
6 diverted away from police, fire, public works and other essential services.
- 7 • Critical actions to implement this budget require: (1) an appropriation to allow
8 payments from the General Fund into Fund #198 in early 2013; (2) an
9 appropriation of all General Fund created by budget savings, *and above those*
10 *required by city financial policies*, into Program Development Fund #199; and (3)
11 continuing direction and support by all quarters of our city for department efforts
12 at innovation, proper program development, successful marketing of our
13 programs and facilities, and direct expenditure controls.
- 14 • The transfer of budget savings to Program Development will ensure their
15 accumulation, proper management and control of expenditures, and proper
16 development of approved programs, activities and levels of service which are
17 needed and desired by our residents, businesses, and visitors. It will also ensure
18 more transparency and accountability consistent with our Long-Term Financial
19 Plan and with city financial policies restricting the allowable uses of such "one-
20 time" revenues.

21 A couple of closing points to ensure clarity in the budget process:

- 22 • The two additional documents (Errata and Part II) in this section/tab are
23 important and exist to add further understanding of this budget, its many
24 dynamics and facets.
- 25 • There are no new taxes, nor any increases in any tax rates, in this Preliminary
26 Budget.
- 27 • Due to the budget cuts of over \$20 million in 2010, and those recent budget
28 reductions whether through the formal 5.5% process or those informally self-
29 executed by departments, the 94.5% Management Target Budget levels are at,
30 or maybe below, what are considered "core levels" of services to our community.
31 Accordingly, each and every budget decision package proposed and those
32 recommended, are each strongly felt priorities in the professional judgment of
33 each department and which are necessary to continue getting our city moving
34 forward in building our city's future.

35 Thank you for time and consideration of this preliminary budget.

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1 **Mayor's 2013-14**

2 **Preliminary Budget Message**

3 **Errata, Clarifications & Changes**

4 **Errata/Corrections:** The purpose of this information is show miscellaneous
5 corrections that we have found through the review, editing, and budget process. These
6 items by definition are minor and do not have any material impact on the budget.

7 **Clarifications:** Clarifications are self-explanatory and primarily result from
8 questions raised or added information that, if there was enough time, we would have
9 included in September.

10 **Changes:** Changes are identified and are intended to indicate decisions that
11 have recently been made, regardless of size, that are noteworthy and/or remarkable.

12 **New:** All departments at the bottom of their summary pages now show a
13 "Summary of Funding Types" and sources of revenues used to fund the department's
14 budget.

15 **New:** All four (4) departments with Non-Departmental portions of their budget
16 now have added below their preliminary budget total a "Non-Departmental Portion of
17 Dept. Budget" section which shows the categories of non-departmental items of the
18 department's total budget.

19 **"Page #"** designations on each department summary sheet under the section
20 "Department Decision Package Notebook" are quick reference page numbers for the
21 detailed dec-pack information in that notebook.

22
23 This document is organized below by first, a couple of short, general revenue
24 and expenditure topics, and then by each department alphabetically.

25
26 **Revenue Forecast - Increase**

- 27 • The total general fund revenue forecast since the July 23, 2012, "rough" estimate
28 has increased from **\$97,272,621** to **\$97,518,744** a difference of **\$246,123**.
29 Please refer to the 2012 Third Quarterly Report made available on Monday,
30 October 29, 2012, and presented on November 5, 2012, which includes
31 information on the "Seventh Quarter" of the 2011-12 biennium.

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1 **Expenditure Estimates – Health Insurance Premiums**

- 2 • Update: Health insurance premium increases vary substantially from department
3 to department depending on what employees have which coverage. All
4 department “*Medical Benefits Increase 2014*” lines refer to the total net medical
5 insurance increases necessary for the 2013-14 biennium and now reflect
6 whatever recent adjustments -- up or down – according to the actual or estimated
7 increased premiums we have for insurance companies during 2013-14.

8 **Administrative Services**

- 9 • Minor changes.
- 10 • Computer replacement (1X) is increased to \$150,000 from \$100,000.
- 11 • The department intends to fill Paul Haugen’s former position by a very needed
12 network engineer to help increase actual work that needs to be done on our city
13 computer associated systems.
- 14 • Non-Departmental: Voter list maintenance is moved to on-going from one-time.

15 **Community Development**

- 16 • No changes.
- 17 • Please note the permit center technician is “jointly” paid from both Community
18 Development and Fire Department.

19 **Economic Development**

- 20 • No changes.
- 21 • Please note that the source of funding for the 1.0 FTE administrative assistant
22 position is divided equally between the General Fund and F#101 Hotel/Motel
23 Taxes. Actual hours worked are also accounted on a 50-50 basis. This position
24 is very important to accomplish the department’s goals.

25 **Executive Department**

- 26 • The .5 FTE executive assistant position is intended to be only a part-time limited
27 term position, and funded with one-time monies so that it does not take away
28 funding from any other necessary city staffing needs.

29 **Fire Department**

- 30 • EMS: Emergency Medical Service voted levy property taxes are received in
31 spring and fall by city Fund #120 specially set up by council to ensure that before
32 those taxes are needed and transferred into the General Fund to pay Fire
33 Department salaries and operational expenses, the tax proceeds can accrue
34 some interest. The interest generated is on-going revenue and restricted in use

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1 just like the property taxes themselves. In this budget \$90,000 of the \$98,000
2 balance of Fund #120 will be used to pay for new medical EKG machines
3 (\$15,000, summary at line 24) and \$75,000 (summary at line 26) will be
4 transferred to the ER&R capital account to help pay for the replacement of the
5 three (3) EMS vehicles (2 aid cars and 1 paramedic unit).

- 6 • ER&R: The department is scheduled to repay the amounts missed in 2011-12
7 over a three biennium period: 2013-14, 2015-16 and 2017-18. Due to the
8 adjustments mentioned here, the decision package (Salary O.T. & ER&R) at line
9 11 has been reduced to \$302,670.
- 10 • Administrative Assistant. We've reviewed updated inter-local agency
11 assessments on Lynnwood membership which have recently arrived. Due to a
12 reduction of SNOCOM and SERS member assessments compared to earlier
13 estimates, enough monies were saved to fund the administrative assistant dec-
14 pack request of the department. See Fire Department Summary sheet at line 28.

Human Resources

- 15 • No changes.
- 16 • Please note a typographical omission. All decision packages are funded with
17 "one-time" monies and the preliminary budget department summary sheets now
18 show that.

Legal Services

- 19 • The beginning point for this budget is the actual amount paid out through August
20 2012, and projected through December 31, 2012, of \$2,050,000. During the prior
21 biennium 2009-10 actual expenditures for all legal services and costs totaled
22 \$2,383,627.
- 23 • The current prosecutor's contract is a *fixed price* contract at \$373,369/yr. with a
24 2013 escalator of 1.5% estimated at about \$6,000/yr. which for 2013-14 is
25 estimated to total about \$760,000.
- 26 • The current new public defender contract is set for \$297,000/yr., or \$594,000 per
27 biennium, before cost increases due to the Supreme Court's recent order
28 regarding caseload standards for public defenders.
- 29 • The city attorney contract is a "rate" contract, and does not limit the volume or
30 types of cases/work/advice by the city attorney law firm. Therefore, the balance
31 of the 2011-12 estimated legal costs of about \$664,000 are attributed to this
32 category. In the prior 2009-10 biennium, the sub-category of city attorney legal
33 services totaled \$939,216.

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- 1 • City management cost controls for legal services were created and instituted
2 beginning with the 2011-12 budget. Those were presented to the council in 2010
3 during the 2011-12 budget process. Those will be provided again for the
4 November 13, 2012, council budget discussion. There will be a separate Major
5 Budget Topic memorandum that has management cost control guidelines
6 attached, and also, identifies/covers the “one-time” nature of a number of legal
7 cases/work which do not repeat from year to year.
- 8 • Changes - Increased Public Defender Costs: Municipal Court Administrator Jill
9 O’Cain has developed a Major Budget Topic memorandum (separate cover)
10 about this matter for council discussion on Tuesday, November 13, 2012. The
11 budget impact is significant and she estimates it will likely cost about \$250,000
12 more for the biennium. Of course, the public defender law firm believes costs will
13 be substantially higher, or should be structured that way.

Legislative – City Council

- 14 • Council's Initial Budget Estimate. Due to the timeframe of council consideration
15 of its budget, a placeholder of 94.5% equaling \$708,142 was created for the
16 Proposed Preliminary Budget distributed on September 14, 2012. The council
17 reviewed, adjusted, and estimated its budget in September to be about
18 \$698,076.
19
- 20 • Medical Insurance Increases. Original estimates of increased medical insurance
21 in 2014 for six (6) councilmembers and council assistant were \$9,252. With
22 notification of a reduced percentage increase from Regence in October, the new
23 estimated medical/health insurance costs for 2013-14 nets out to a \$7,316
24 increase.
- 25 • Council Assistant 1.5% Salary Increase. An increase of 1.5% for the council
26 assistant costs about \$1,248 biennially along with increased mandatory federal
27 and state payroll costs of \$174. Total \$1,422.
- 28 • Revised Council Budget Estimate. The council’s September budget estimate,
29 together with the new “net” reduced medical/health insurance increase, plus
30 increased council assistant’s salary/payroll costs means the total estimated
31 council budget is **\$706,814**, which is so close to the placeholder amount that we
32 recommend keeping the placeholder amount as the council budget.
- 33 • Management Review – Information Services/Technology Options. Several
34 councilmembers indicated an interest in doing a management review of the IS/IT
35 section of the Administrative Services Department, especially in regard to
36 expanding that operation to provide services to other jurisdictions for service
37 fees. Historically, such studies have been in the \$25,000 range but that was

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1 some years ago and the scope of this study might be fairly complex. A "one-
2 time" source of funding for \$30,000 is included in the council budget.

Municipal Court

- 4 • Change – Add .25 FTE more (\$41, 500, summary at line 17) to the .5FTE Legal
5 Spec/Prob. Asst. (summary at line 16).
- 6 • See the Legal Services Department regarding increased public defender costs.

Parks, (Healthy) Recreation & Cultural Arts

- 8 • No Changes.
- 9 • Council Q&A with the department is now scheduled for Monday, November 19,
10 2012. Major Budget Topics are covered in the notebook distributed last week.
- 11 • Please note that the first six items, lines 21-26 on the department summary page,
12 in the category "Revenue Generating Decision Packages," include about
13 \$425,000 in program revenues, grants, an insurance "wellness" premium
14 reduction, etc. which results in a net general fund tax "subsidy" of only \$31,000.

Police Department

- 16 • Change - Restore Two (2) More Police Officers in 2014. We've reviewed
17 updated inter-local agency assessments on Lynnwood membership which have
18 recently arrived. Due to a reduction of SNOCOM and SERS member
19 assessments compared to earlier estimates, enough monies were saved to fund
20 two more police officer positions starting in 2014 which have been added as a
21 dec-pack. See Police Department Summary sheet at line 17.
- 22 • Increased Jail Costs. The type of funding for this dec-pack has changed to on-
23 going, **not** one-time, and also increased to \$280,000. See Police Department
24 Summary sheet at line 19.

Public Works

- 26 • The Capital Facilities Plan (CFP) required by the state Growth Management Act
27 will be completed in early November. It will be available before its required
28 hearing on Monday, November 26, 2012. While all departments may have a few
29 projects in the CFP, by far the heaviest user is Public Works, especially in regard
30 to very large infrastructure projects related to utilities and streets. The CFP has
31 several purposes, but most importantly, in order to even put in a grant application
32 for funding a project, the project must be listed in a formal CFP approved by the
33 City Council. Public Works and the Finance Department are working on the CFP
34 now for council review before and at the November 24, 2012, hearing.

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- 1 • The Strategic Investment Plan (SIP) was created in 2007 and, later during mid-
2 biennial budget amendments that year, appropriations to fund the plan were
3 made by the City Council. The SIP has been the operational sub-component of
4 the CFP because SIP projects had real funding (not wish lists) due to their limited
5 size, active planning, or particular near-term needs. A full report of all SIP
6 projects was distributed in June and again in October before the budget meeting
7 with Public Works.
- 8 • The last appropriations for the SIP were in March 2011 for 2011-12. Now, due to
9 substantially reduced funding sources and the dedicated allocation of Real
10 Estate Excise Taxes (REET) for our street overlay infrastructure repairs, all
11 existing SIP projects are all funded and will be completed, and closed out. Only
12 a long-overdue striping project for up to \$25,000 is new, and it will be covered
13 with existing SIP funding. Including the new Recreation Center building
14 assessment (est. \$25,000) in the 2011-12 assessment project means it will be
15 funded through that existing project. There is limited funding in that project for
16 some prioritized building maintenance and repairs. Once all projects are
17 completed the prior REET funding for the SIP will be reviewed, if any remains.
- 18 • Please note on the department summary at line 15 that we seeking to leverage
19 the expansion of that engineering to full time due to $\frac{3}{4}$ funding by the
20 water/sewer utility and just $\frac{1}{4}$ from one-time monies which can definitely help out
21 general city projects which otherwise could not be done if 100% of the position
22 had to be general fund monies.

23
24 Further questions, clarifications or information, please contact us at your earliest
25 convenience.

1 **Mayor's 2013-14**
2 **Preliminary Budget Message**

3 **A Summary of Highlights**

4 **PART II**

5
6 *Part II was previously the Proposed Preliminary*
7 *Budget Highlights Text as of Sept. 14, 2012 with updates*

8 *This text in Part II has been edited with strikeout-underline*
9 *formatting to show updates of that information without*
10 *requiring the reader to ferret out such changes which would*
11 *otherwise be merged into separate November preliminary*
12 *budget highlights or other information.*

13 *This experimental formatting hopefully will allow for less*
14 *time to find simple updated information in context, quicker*
15 *learning and reference, and more transparency as to how the*
16 *city budget building process proceeds and evolves. Inherent*
17 *in any budget of this magnitude are a vast array of factors*
18 *and considerations, balancing of interests and demands, and*
19 *trade-offs, which are complex enough without making*
20 *information difficult to find.*

21 *With that thought in mind, we've attempted to cross-*
22 *reference items in the November preliminary budget*
23 *information and highlights, to correspond with this text also*
24 *where possible.*

1

2 **Proposed Preliminary Budget 2013-14**

3 **A Summary of Budget Highlights**
4 **(as of September 14th & Updated November 1, 2012)**

5 This summary of highlights is organized as follows:

- 6 • Introduction and Overview
- 7 • Lynnwood Moving Forward: Our Community Vision
- 8 • Budget 2011-12:
 - 9 ○ 5.5% Reductions in 2011
 - 10 ○ Additional Budget Savings Beyond 5.5%
- 11 • 2013-14 Revenues:
 - 12 ○ A "Rough" Initial Forecast for 2013-14
 - 13 ○ Dynamic Factors Which May Affect Revenues
- 14 • Financial Policies & Plan:
 - 15 ○ City-Wide Financial Policies
 - 16 ○ City Long-Term Financial Plan (LTFP)
- 17 • Street Overlays, Maintenance & Operations
- 18 • Priorities:
 - 19 ○ A Balanced Set in Support of Our City's Vision
 - 20 ○ A 1.5% Wage Increase for GSO Employees Without Step
 - 21 Increases
- 22 • An Overall Summary of Budget Revenues

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Introduction & Overview

This is a Proposed Preliminary Budget that we've tried to put into a "balanced" state in regard to the General Fund and associated revenues that come into its general departments and functions. All of the 45+ city funds will be in a final balanced state in the usual timeframe for November.

We know that no summary of highlights is going to answer everyone's questions. We do hope this summary of highlights will, however, get us constructively underway. It does begin addressing some significant allocation changes. We look forward to listening carefully and answering questions, and assisting people in understanding this complex process and budget.

Cutting in half the time frame staff normally have used to develop a "balanced" budget, has not been without some very interesting and unique challenges. For example, third party information like medical/health premiums is still in flux with more certainty likely in October. On October 1, 2012, updated percentage increases which were lower than originally projected were provided. Final property assessed values will not be available for accurate property tax revenue calculations until November. Lynnwood's inter-local agency (ILA) partner organizations completed budget deliberations in October which result in binding ILA budget impacts for Lynnwood. Estimates of revenues forward for 6 months in 2012 and then an additional 24 months is fraught with substantial variance. Our "rough" estimates from this summer will be properly updated with the September quarter information and made publicly available on October 29, 2012. available to everyone in mid-October.

A sincere **"Thank You"** to all of the staff who have stepped up and met this budget challenge. This is good for our city. It will give more opportunity for careful consideration and sharing of thoughts to make this budget better. It will be a great service to all concerned if we can all hear any suggestions, ideas, and improvements that anyone may have for this budget during the meetings with departments, the several public hearings, in council deliberations and by many other means.

The Preliminary Budget will be presented to the City Council on Monday, November 5, 2012. A public hearing on that budget is scheduled for Tuesday, November 13th together with a hearing on revenues to be used in that budget. A final budget hearing is scheduled for Monday, November 26, 2012, together with the Capital Facility Plan (CFP).

Because we have tried to accelerate the balancing of the budget it is anticipated, expected, and it is our intention, that there will be refinements, revisions and updates of this document through various techniques, but not a "new" Preliminary Budget document in November. Therefore, this is a document that can be marked up, referenced, kept and used, for the entire budget process.

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1 Review and study of this document will help get a handle on the presentations
2 that departments made ~~will make~~ on Monday, October 1, 2012.

3 Just a few initial notes.

- 4 • This budget is based upon the existing city system of taxes, fees, charges and
5 other revenues currently available or anticipated to come to our city.
- 6 • In this document we have used rounded numbers to express the various points
7 or concepts to make it easier to navigate and remember.
- 8 • Our country, state, county, and city still face substantial uncertainty about the
9 rate of economic recovery. And, we've briefly addressed two major pending
10 potential threats to any government's budget:

- 11 ○ First, the impending end of 2012 federal financial "cliff" of likely program
12 and service cuts and sequestration, plus federal tax policy debates and
13 conflict may be very problematic, because:

- 14 ▪ During the "debt debate and conflict" a year ago in 2011 families
15 intentionally reduced normal spending; and
- 16 ▪ Similar constraint in normal holiday spending in November-
17 December 2012 could have very serious consequences for any
18 budget; and
- 19 ▪ Failure to work out some compromise solutions could pitch our
20 economy into a real or psychological "second-dip" recession.

- 21 ○ Second, our state government budget will be staring down the barrel of a
22 State Supreme Court ~~the K-12~~ legal decision which will mean billions of
23 dollars by necessity will be allocated to education, putting in significant
24 jeopardy state shared revenues to cities and other local jurisdictions.

25 For further discussion of these dynamic factors please refer to Part II at pages 7-8.

Lynnwood Moving Forward: Our Community Vision

27 *The progress of the world has always begun with dreams.*

28 Lynnwood Moving Forward: Our Community Vision, page 12.

29 *All people and organizations are vision driven but, first,*
30 *they must imagine what the future can be.*

31 Carl Neu

32 *Where there is no vision, the people perish.*

EXECUTIVE

1 A budget process needs to start somewhere. This one begins by considering our
2 city's vision. After about 2 years of effort between 2007 and 2009, through many
3 neighborhood, community and organization meetings, with over 500 citizen
4 participations, all of which generated 4,000+ comments, ideas, suggestions, plus city
5 council review and unanimous action, the following overall vision statement was
6 unanimously adopted for our city¹:

7 *The City of Lynnwood will be a regional model for a*
8 *sustainable, vibrant community with engaged citizens*
9 *and an accountable government.*²

10 This overall vision statement has seven primary parts and many sub-points. Please see
11 Attachment A for a full copy of the Lynnwood Moving Forward: Our Community Vision
12 with its seven parts and sub-points.

13 For definitions of key terms and more information, please use the web link in
14 footnote 2 above. To access documents and reports of the Citizens Visioning Task
15 Force, please use the link in footnote 3 below.³ If you wish to review the 4,000+
16 comments, ideas, suggestions and response from visioning participants, please use the
17 link in footnote 4 below⁴.

18 It is my duty and obligation to put the *Lynnwood Moving Forward: Our*
19 *Community Vision* into decision-making for our city's budget and to continuing the long
20 process of building the future of our city. But, we must remember that building the
21 future and successfully accomplishing our city vision is not a marathon. *It's a relay*
22 *calling upon a succession of elected officials, city councils, many biennial budgets*
23 *and generations of our citizens, to come together and to sustain cooperation over a*
24 *period of time to make the American Dream, our preferred future for Lynnwood,*
25 *come true.*

26 To that end, we have prepared this balanced Proposed Preliminary Budget.

Budget 2011-12: 5.5% Reductions in 2011

28 *Leaders and highly effective governing bodies*

¹ January 26, 2009

² For definitions of key terms and more information go to:
<http://www.ci.lynnwood.wa.us/Content/Community.aspx?id=716>.

³ To access documents and reports: <http://www.ci.lynnwood.wa.us/Content/Community.aspx?id=724>.

⁴ To review the 4000+ coments and ideas: <http://www.ci.lynnwood.wa.us/docs/Visioning-4000%20original%20visioning%20comments%20and%20ideas.pdf>

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1 *think and act strategically.* Carl Neu

2 On July 26, 2011, a strategic framework for 2011-12 budget reductions was put
3 forward. That framework resulted from the following events and actions:

- 4 • May 9, 2011, the City of Lynnwood adopts a Long-Term Financial Plan (LTFP).
- 5 • June 4th the Mayor and department directors met and began development of 6-8-
6 10% level of service reduction plans as specifically called for in the LTFP.
- 7 • July 11th Finance Director Hines projects a \$3,500,000 reduction in city revenue.
- 8 • July 11th the Mayor informs the public and City Council of the revenue reduction.
- 9 • July 26th at the Mid-Year Financial Review a framework for budget reductions is
10 presented for council comment.
- 11 • August 31st formal budget reductions for 2011-12 are directed by the Mayor.

12 A Review of the July-August 2011 Budget Reduction Framework

13 The 5.5% reduction plan was divided into three categories to accomplish these
14 outcomes:

- 15 • 3.5% to Offset Reduced Revenue. The July 11th estimated \$3.5 million in
16 reduced revenues meant cutting expenditures to at least equal revenues. Now, a
17 year later, we know that current actuals and end-of-biennium estimates of
18 reduced revenues and budget re-balancing actions are about \$1,672,744 for
19 2011 and \$1,622,220 for 2012 or about 94%. \$3.0 million or approximately 85%
20 of the projected decrease. We always want to be on the "best side" of that by
21 anticipating a bit more loss of revenues than actually occurred. Exact amounts
22 won't be known until the close of accounting for 2012 which will be in early 2013.
- 23 • 1.0% for Employee Buyouts Upon Leaving the City & a Budget Buffer. First, as
24 with virtually all employment where some accrued leave may be generated, for
25 employees who depart employment (for any reason) the city buys out their
26 accrued leave. The budget needed to be revised to do that for more staff
27 reductions in 2011-12. Second, there was a need to create a buffer against a
28 range of more or possible bad revenue events, short-falls due to a more slowly
29 recovering economy than expected. In the event of a bad revenue event, a
30 "budget buffer" would alleviate the need for more unplanned, immediate and
31 wrenching cuts in staff and/or services. A buffer would give some stability and
32 some breathing room for all concerned. Actual and estimated employee buyout
33 costs projected (thru 12/31/12) include unemployment payments, and adverse
34 legislative cuts in state shared liquor revenue totaling about \$1,070,000. These

EXECUTIVE

1 directed budget reductions, plus the amounts originally budgeted, covered these
2 expenditures with about \$270,000 to spare.

- 3 • 1.0% Long-Term Financial Plan (LTFP) Transfers. This category of budget
4 reductions was done to ensure that needed transfers consistent with the LTFP
5 could be accomplished at the end of this biennium budget. We have
6 accomplished this reduction category. See the 2011-12 General Fund outcomes
7 information on November 5, 2012.

2011-12: Additional Budget Savings Beyond 5.5%

9 During this biennium department directors and employees have had continuing
10 concerns about more cuts due to the very slowly recovering economy and associated
11 drops in, or stagnation of, revenues. However, at this time the economy appears to
12 have stabilized and even improved. For example, we are seeing a continued trend in
13 the return of sales tax revenues, and while not yet equal to 2008, the trend over the last
14 two years is clear. See the sales tax revenue comparison on November 5th of both
15 2011 & 2012 to the year 2008.

16 Department directors have made substantial efforts at budget reductions beyond
17 the necessary 5.5% and it appears that such additional one-time savings by December
18 31, 2012, are now estimated to about \$3.8 million. These one-time monies will be able
19 to fund the transfer to the Revenue Stabilization Fund #198 of \$2 million with the effect
20 of releasing new "on-going" monies for current use by departments.

Specific uses for the additional "one-time" budget savings

21 The estimated additional budget savings city-wide are about \$3.8 million.

a) 80% of Current Budget Savings.

- 24 1. \$2 million can cover our Long-Term Financial Plan transfer to Revenue
25 Stabilization Fund #198, thereby allowing new on-going 2013-14 revenues of
26 \$2 million to begin building back some key city-wide department capabilities.
- 27 2. The balance of "one-time" budget savings of about \$1.8 million can be re-
28 invested for specific "one-time" projects and enhancements to city operations
29 during 2013-14 which are included in decision-package requests.

b) 20% of Each Department's Current Budget Savings.

31 These substantial "one-time" savings have not been possible without the great
32 assistance and help of all employees. Accordingly, departments will be able to
33 use some of the savings on necessary and appropriate expenses they've been
34 holding back on. Departments have been examining how they can invest in
35 helping make their departments more efficient and effective. This allows our city
36 to say, "Thank You" to those have really worked hard and partnered to make our

EXECUTIVE

1 budget work. This incentive re-invests in the people who literally make it all
2 happen for our residents, businesses, and visitors, to our city. Please note that
3 because these savings are "one-time" in nature, our city financial policies are
4 explicit that they are not available for wage increases. "On-going" expenditures
5 like wages and benefits which cause budget "bow waves" must be paid for by
6 "on-going," not "one-time" revenues.

- 7 c) The budget reduction plan had a 1.0% portion of the 5.5% helping ensure Long-
8 Term Financial Plan transfers to reserves. This 1.0% generated about \$915,000
9 in budget savings. The estimated "unused" balance of budget reductions due to
10 lower revenues, and for payments of buyouts, unemployment costs, and
11 establishing a budget buffer is an additional \$665,000. These combine for an
12 estimated \$1,580,000 which will help the General Fund position.

13 Revenues: A "Rough" Initial Forecast for 2013-14

14 Finance Director Hines developed a "rough" estimate of next biennium revenues
15 of \$97,272,621. That General Fund revenue forecast on October 29, 2012, was
16 updated to \$97,518,744. As planned in our fall budget process he will provide an
17 updated revenue forecast in mid-October and upon which the Preliminary Budget will be
18 based. Please see his initial "rough" estimate in Tab #3 in this Proposed Preliminary
19 Budget notebook.

20 Revenues: Dynamic Factors Which May Affect Revenues

21 Federal Government Budget & Debt Limit Turmoil. The Federal government
22 going off the proverbial financial "cliff" at the end of 2012 due to federal budget cuts and
23 sequestration of monies to meet the national deficit reduction targets adopted by
24 congress in 2011, will most likely not be resolved until late December 2012 -- after the
25 city budget is adopted. Please note that the last time a big federal fight ensued about
26 the national debt in July-August 2011, Americans held both their breath and onto their
27 money by reducing spending. Just the threat and associated political fights about how
28 to approach the problem, is likely to cause people to again hold onto their money which
29 would have a negative impact on 2012 holiday spending. Business news media in late
30 October are now reporting that the uncertainty of the "financial cliff" has caused
31 businesses to not hire about 1 million workers. If it occurs, it The mere existence of
32 such substantial uncertainty will likely negatively impact our biggest annual sales tax
33 period (November and December) from which the revenues will arrive in January and
34 February 2013.

35 The last federal debt limit fight was settled in very early August 2011 and was to
36 last 18 months. That means a renewed debt limit fight will ensue in late January, early

EXECUTIVE

1 | February 2013, again providing more uncertainty and potentially hampering if not
2 | suppressing consumer confidence and basic spending patterns.

3 | Depending on the extent of these political intrigues, what level of solutions might
4 | be possible, and what the resulting federal tax and debt limit policy will be, will have a
5 | substantial impact on the general economy causing a slower housing market, which
6 | cuts Real Estate Excise Tax (REET) revenue, sales taxes on home appliances and
7 | furnishings, and sales taxes for materials and supplies used in both commercial and
8 | residential construction and not forgetting, of course, the effect on motor vehicle sales.

9 | State Legislative Budget Cuts. The recent decision by the Washington State
10 | Supremes Court enforcing full funding of K-12 education as required by the
11 | Washington State Constitution, will hit the state budget hard. Generally speaking, the
12 | legislature is anticipating a three biennium sequence of increases for public K-12
13 | education. The first “down payment” will be about \$1.0 Billion for the 2013-14 state
14 | biennium. Then, two more huge “payments” will be mandated for each of the next two
15 | biennium: 2015-16 and 2017-18.

16 | We’ve already seen during the last 2012 regular legislative session that there are
17 | very significant pressures to cut state revenues shared with cities. Without some very
18 | impressive state level tax hikes or a very, very good economic recovery, the result will
19 | be an incredible movement to cut those revenues shared with ~~to~~ cities and to charge the
20 | full cost for such things as police officer training (as originally intended in the first 2012
21 | legislative budgets drafted).

22 | The estimated impact of short and long-term permanent cuts in liquor tax
23 | revenues to cities will pale by comparison. Estimated cuts/impacts on Lynnwood last
24 | spring at the conclusion of the 2012 regular session were about \$750,000. The final cut
25 | in state shared revenue was only about \$100,000 for the six months from July 1st to
26 | December 31, 2012, and confined to reductions in liquor revenues. That will likely not
27 | be the case in the future.

City-Wide Financial Policies

29 | Our city financial policies require that department budgets be in alignment with
30 | department mission and goals. See *Res. 2011-06, Attachment A, page 6, General*
31 | *Budgeting Policies #2.* During the draft budget presentations that departments made,
32 | each clearly indicated that their proposals were developed “based upon the mission,
33 | goals and objectives of the department.” This aggregate Proposed Preliminary Budget
34 | is also consistent with our city financial policies and guided by our city vision.

35 | In 2009 after adoption of “Lynnwood Moving Forward: Our Community Vision,”
36 | each city department updated and changed their department strategic plans with

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1 mission, goals, and business plans, to be in alignment with our city vision. Departments
2 presented revised strategic plans to the city council in October 2009. Revised business
3 plans which addressed the means to accomplish their strategic plans were presented to
4 the city council in February 2010.

5 Obviously, the "Great Recession" has caused a delay in getting farther along with
6 accomplishing our city's vision. In fact the economic setback has set us back and
7 slowed our recent successes and progress in moving towards our city's vision. Now
8 with this 2013-14 budget, we will again be moving towards changes and actions which
9 are in alignment with, and will help us accomplish our city vision.

10 But the demands of the future do not change; nor do the needs of the present.
11 *Our Community Vision* calls for having and continuing to build a "balanced" city. Thus, it
12 necessitates a balanced set of priorities to achieve that vision.

City Long-Term Financial Plan (LTFP)

14 Our city adopted a Long-Term Financial Plan (LTFP) on May 9, 2011. See
15 Resolution 2011-06, Appendix B. This budget is consistent with, and works together
16 with, the LTFP.

Street Overlays, Maintenance & Operations

18 There are three basic parts to our street overlays, maintenance, and operations.
19 Fund #311 is for overlay funding. Fund #111 is the "Street Fund" and deals primarily
20 with streets and intersection signals, maintenance and operation. Third, additional
21 funding comes from a "pre-allocation" of general city revenues which comes "off the top"
22 before funds are available for other city departments.

23 Historically, the state gasoline tax which is shared with cities, generated enough
24 revenue to be the primary support for Funds #311 and #111. A state formula for
25 expenditure of the gas tax used to require, but no longer, that 68% go to the street fund,
26 with 32% to the overlay program. We've kept that division as an optional funding
27 formula. However, that revenue stream has become shallower and shallower and in
28 2006 we made a major infusion (about \$900,000+) from REET funds. Since then many
29 revenue sources come into play to fund these two important city functions.

30 Fund #311 (overlays) is currently at \$2.7 million for 2013-14. To make this fund
31 sustainable all new REET 1 & 2 funds, together estimated at \$1,100,000 for the
32 biennium, will be allocated to this function. A biennial contribution of virtually all
33 Transportation Benefit District funds totaling \$920,000 are also dedicated to this
34 function, as originally intended. A grant for 44th Avenue repaving of \$676,000, together
35 with any other similar grants which may be received during 2013-14 biennium, will be
36 dedicated also. The consequence of allocating all REET funds to this function means
37 the Strategic Investment Plan (SIP), a sub part of our GMA Capital Facilities Plan, will

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1 be completing existing funded projects (building assessment and repairs/maintenance)
2 and then will not pick-up more projects until REET funding increases and/or new "on-
3 going" or "one-time" sources become available.

4 Fund #111 (streets) is currently at \$3.7 million for 2013-14. Funding sources for
5 this function include: 100% of the gas tax revenue of \$1.48 million; utility construction
6 contributions of \$560,000; licenses and permits revenues estimated at \$200,000; some
7 minor TBD revenues of \$80,000, plus a "pre-allocation" of general city revenues of
8 \$1,140,000.

9 Please Note: Dedicating an estimated \$1,100,000 of REET funding to
10 Street functions and thereby reducing the General Fund "pre-
11 allocation" to streets, is the critical means of releasing the same
12 amount of new on-going funding can be released for use by other
13 General Fund city departments, in the General Fund.

Priorities: A Balanced Set in Support of Our City's Vision

14
15 *The ultimate measure of our success as local government officials is*
16 *the degree to which we use our imagination and political skills to*
17 *increase the influence of the future over the present as the basis for*
18 *our actions.* Carl Neu

19 Our city vision clearly calls for building Lynnwood into the future as a city
20 providing a "balanced" set of programs and services. To accomplish that requires a
21 "balanced" set of priorities. Those balanced set of priorities in alignment with our city
22 vision are reflected in the department requests for decision package ("dec-pak") funding
23 above their adjusted 94.5% budget starting point. At the beginning of each
24 department's tab in this notebook is a November 1, 2012, updated listing of each dec-
25 pack recommended for funding.

Priorities: 1.5% Wage Increase for GSO Employees Without Step **Increases**

28 Our city compensation system for employees acknowledges through
29 compensation "steps" that experience in the early years of employment is very
30 important to building a quality workforce. However, those "non-represented" General
31 Salary Ordinance (GSO) employees with 8 years or more years of experience do not
32 receive steps, but do receive some "longevity" pay which does not adjust except over a
33 period of several years, generally.

34 "Represented" employees through their respective collective bargaining
35 agreements (CBA) with their unions are provided a similar system of early

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1 compensation "steps." Again, more experienced employees do not have steps. And
2 again, longevity pay does exist in most circumstances for more experienced employees,
3 but which does not adjust except over a period of several years, generally.

4 "Non-represented" and "represented" employees who do not have "steps" also
5 receive – in normal economic circumstances – compensation adjustments usually
6 through Cost of Living Adjustments (COLAs). COLAs are normally done through
7 changing the GSO schedule, or in the case of represented employees through collective
8 bargaining agreement (CBA) negotiations. The normal measurement for COLAs is the
9 annual June Seattle area Consumer Price Index (CPI), For 2010, 2011, 2012 and
10 2013, that 90% of the CPI measure has been a net cumulative of 4.97%. Due to budget
11 constraints GSO employees have not had any wage adjustments for those three years
12 which requires specific council action to amend the Lynnwood Municipal Code. In my
13 opinion, it is not sustainable to have one particular group of employees upon whom
14 there is a different burden for budget constraints as compared with most other groups.
15 However, if this situation were allowed to continue without any adjustments for the
16 2013-14 biennium, which it would then become a total of five (5) years without any
17 adjustment, that simply is not justifiable in my opinion for our most experienced and
18 senior staff.

19 This proposed preliminary budget contains funding based upon the following
20 limiting criteria to provide similarly situated GSO employees no longer receiving steps
21 (and potentially represented employees in the same situation) a 1.5% wage adjustment
22 effective in 2013 and for which funding exists to pay that same 1.5% also for 2014, and
23 of course, thereafter. To ensure clarity this is one 1.5% increase for 2013 that is paid
24 forward and not a 1.5% increase each year.

25 The criteria for applying this 1.5% increase in 2013 and then paying that same
26 amount for 2014 for GSO employees is:

- 27 1. *An employee whether regular full-time or regular part-time who is*
28 *not eligible for a normal annual step increase and who is at top step*
29 *and has been employed for more than eight years based upon their*
30 *respective hire date; and*
- 31 2. *Who over the last three years (2010-12) has not been eligible for, or*
32 *actually received, any COLA wage adjustments which have exceeded*
33 *90% of the cumulative net Seattle area CPI of 4.97% as calculated*
34 *through June 2012; and*
- 35 3. *Whose rate of pay is not already red-lined.*

36 A GSO wage adjustment is considered to be a legislative budget matter requiring
37 that it be presented and discussed without the benefit of a labor negotiations executive

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1 session. Therefore, addressing a GSO wage adjustment makes it rather obvious and
 2 necessary that other represented employees know that those in the same situation
 3 could, if so chosen by their respective unions, address this matter within the context of
 4 their current annual CBA negotiation process.

5 In summary, it is recommended and this budget provides funding for an
 6 ordinance amendment by the council to the GSO compensation sections of the LMC for
 7 a 1.5% increase for 2013, which is also paid in 2014 and forward, for those employees
 8 which meet the criteria set forth above.

9 Represented Employees. Understanding that the city's entire workforce, both
 10 GSO and represented employees, have been and continue to be, impacted by
 11 economic constraints, the city will bargain in good faith during contract negotiations with
 12 unions interested in this wage adjustment for members who are in the same situation as
 13 GSO employees. To the extent that such interests exist, and a union wishes to
 14 negotiate this matter, this budget does take those potential interests into account.

15 **An Overall Summary of Budget Revenues**

16 Here are the initial rough estimates for 2013-14 of the two basic categories of
 17 revenue: "on-going" and "one-time (1x)" for the General Fund budget. All estimates of
 18 both revenue and end-of-biennium expenditures (and therefore budget savings) will be
 19 updated in October based upon the end of the September Quarter. That information,
 20 together with new and/or revised third party estimates and/or information, will be used to
 21 refine this initial balanced Proposed Preliminary Budget by November.

22 **A. "On-Going" General Fund Revenue Forecast**

23	1. Initial Forecast GF Revenue (before Oct. update)	\$97,272,261
24	2. Estimated New Parks & Recr. Fees for Prog/Svc	\$ 425,022
25	3. Fund #105 Criminal Justice S.Tax: Just.Ctr. project	\$ 200,000
26		Subtotal \$97,897,283

27 **B. Estimated One-Time Budget Savings**

28	1. Est. Left from 5.5% reductions	\$ 1,580,687
29	2. Est. Additional Dept. Budget Savings Beyond 5.5%	
30	a. Est. 80% Reserves Trfr. & Re-invest in 2013-14	\$ 3,806,508
31	b. Est. 20% Dept. Improve Efficiency/Effectiveness	\$ 951,627
32	c. Est. Maximum Margin of Savings	\$ 637,187

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1 “Thank You” for your time and attention to this summary of budget highlights.
2 We have begun the journey and have a ways to go. We’ll be providing more
3 information, especially on major budget topics for which questions or requests for
4 information have already developed during and since the Mid-Year Financial Review
5 held on Monday, July 23, 2012. And, for topics that need to be shared for background
6 and understanding of the city budgeting process and development of our city budget.

7
8 *The governing bodies of all cities and counties are entities*
9 *comprised of diverse individuals who come together to fulfill a*
10 *purpose -- hopefully, constructively.*

11 *All are classic examples of what are defined as teams.* Carl Neu.
12

13 *Accomplishing our American Dream and our vision for our city is*
14 *not a marathon, but rather, a relay of generations of families,*
15 *residents, businesses, and community leaders, who participate,*
16 *cooperate, and make the necessary and tough decisions about*
17 *programs, services and budgets that will actually make it happen.*

18
19 Please share your thoughts and ideas.
20
21
22
23
24
25
26

1 **Attachment A**

2 **Lynnwood Moving Forward: Our Community Vision**

3 *The City of Lynnwood will be a regional model for a*
4 *sustainable, vibrant community with engaged citizens and*
5 *an accountable government.*

6 **Our vision is...**

- 7 • **To be a welcoming city that builds a healthy and sustainable environment.**
- 8 ○ Safe and walk-able interconnecting residential and commercial
- 9 neighborhoods
- 10 ○ Vibrant city center
- 11 ○ Promote Lynnwood as an affordable place to live, work, and play
- 12 ○ Aesthetic neighborhood quality through code enforcement
- 13 ○ Preserve and expand natural spaces, parks, and cultural diversity and
- 14 heritage
- 15 ○ Integrate the built environment to support the natural environment
- 16 ○ Encourage economic development
- 17 • **To encourage a broad business base in sector, size and related**
- 18 **employment, and promote high quality development.**
- 19 ○ Promote high quality, sustainable development and design (LEED)
- 20 ○ Balanced commercial development mindful of traffic management
- 21 ○ Convention center as an engine of economic growth and community events
- 22 ○ Protect residential areas from commercial use
- 23 ○ Communicate with the community on city plans, policies, and events
- 24 • **To invest in preserving and expanding parks, recreation, and community**
- 25 **programs.**
- 26 ○ Develop a network of pedestrian and bike trails for recreation and
- 27 transportation
- 28 ○ Encourage business/organization partnerships & participation to create and
- 29 promote community events

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- 1 ○ Create civic pride through cultural arts, events, parks, and services
- 2 ○ Promote healthy lifestyles
- 3 ○ Provide diverse senior services creating a liveable community
- 4 ○ Establish a new signature event that creates civic pride
- 5 ○ Use parks and cultural arts to attract economic growth
- 6 ● **To be a cohesive community that respects all citizens.**
- 7 ○ A safe, clean, beautiful, small-town atmosphere
- 8 ○ Build and enhance a strong, diverse, integrated community
- 9 ○ Develop and identify physical neighborhoods
- 10 ○ Encourage citizens to be involved in community events
- 11 ○ Engage our diverse population through effective, inclusive communication
- 12 ○ Continue community communications and open process
- 13 ● **To invest in efficient, integrated, local and regional transportation systems.**
- 14 ○ Improve pedestrian and bike flow, safety, and connectivity
- 15 ○ Adaptive, safe, well-maintained, state-of-the-art traffic management
- 16 infrastructure
- 17 ○ Support the needs of commuters and non-commuters
- 18 ○ Reduce traffic congestion
- 19 ● **To ensure a safe environment through rigorous criminal and property law**
- 20 **enforcement.**
- 21 ○ Continue to provide good quality response times for fire, paramedics, and
- 22 police
- 23 ○ Encourage support for police and fire department citizen volunteer programs
- 24 ○ Become a benchmark city through technology and through neighborhood
- 25 involvement
- 26 ○ Increase police presence through more patrol and bike officers
- 27 ○ Increase and support public education on public safety
- 28 ● **To be a city that is responsive to the wants and needs of our citizens.**
- 29 ○ Develop goals and objectives that benefit residents and businesses
- 30 ○ Create/enhance Lynnwood's brand identity

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- 1 ○ Govern and grow in a way to stay true to the city's defined identity
- 2 ○ Develop and execute a measurable strategic plan (budget, timeline); involve
- 3 community
- 4 ○ Fair and diverse revenue base
- 5 ○ Promote Lynnwood's convenient location to maximize opportunities and
- 6 benefits
- 7 ○ Be environmentally friendly – sustainable
- 8 ***Adopted by the Lynnwood City Council on 1/26/2009.***

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Attachment B

Excerpts from Lynnwood Moving Forward: Our Community Vision

Page 12:

The progress of the world has always begun with dreams.

Vision statements offer a common framework for action and focus among decision makers, whether they serve in the public arena, civic clubs, or the business community, as to where an organization is headed over the coming years. How it will get there (its mission). How it will use its limited resources to maximum effect. Once an appropriate and achievable vision is in place, the organization's decision makers can work together toward a set of informative and widely shared goals. The time frame for accomplishing an organizational vision can take many years, but it is essential to review and update the vision as necessary, thus, the term "living document." *However, this does not mean numerous and/or frequent changes will be made to the vision. Consistency is key to getting started on a path of action that is linked to, and in alignment with, the adopted city vision.* When a community's residents and its elected leaders share a common vision, everyone gains confidence in a brighter future. This leads to a spirit of cooperation and efficient use of resources.

Page 14:

What is visioning? It is a fun citizen participation process through which "a community creates a shared vision for its future and then plans to achieve that vision over time." It is important to define what a vision statement is. The definition used to guide our city's visioning process is as follows:

Definition of a Visioning Statement

A 'vision' is a realistic, credible, attractive future for our city. It articulates a destination toward which our city should aim. A future that in important ways is better, more successful, or more desirable, for our city than is the present.

The American Planning Association provides this overall guidance about visioning:

Visioning is simply a process by which a community envisions the future it wants, and plans how to achieve it. It brings people together to develop a shared image of what they want their community to become. Once a community has envisioned where it wants to go, they can begin to consciously work towards that goal.

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- 1 A vision is the overall image of what the community wants to be and how it wants to
- 2 look at some point in the future. A vision statement is a formal expression of that vision.
- 3 It picks in words and images what the community is striving to become. The vision
- 4 statement is the starting point for the creation and implementation of action plans.

	A	B	C	D	E	F	G	H	I	J											
1	City of Lynnwood																				
2	2013-2014 Expenditure Budget from all Funding Sources																				
3																					
4	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;">Department</th> <th style="width: 10%;">Actual as of 12/31/09</th> <th style="width: 10%;">Actual as of 12/31/10</th> <th style="width: 10%;">Actual as of 12/31/11</th> <th style="width: 10%;">Actual as of 12/31/11 (as of 2/22/12)</th> <th style="width: 10%;">2011 Budget</th> <th style="width: 10%;">2012 Budget</th> <th style="width: 10%;">2013 Budget</th> <th style="width: 10%;">2014 Budget</th> <th style="width: 10%;">2014 Budget</th> <th style="width: 10%;">2013-14 Biennium</th> </tr> </thead> </table>										Department	Actual as of 12/31/09	Actual as of 12/31/10	Actual as of 12/31/11	Actual as of 12/31/11 (as of 2/22/12)	2011 Budget	2012 Budget	2013 Budget	2014 Budget	2014 Budget	2013-14 Biennium
Department	Actual as of 12/31/09	Actual as of 12/31/10	Actual as of 12/31/11	Actual as of 12/31/11 (as of 2/22/12)	2011 Budget	2012 Budget	2013 Budget	2014 Budget	2014 Budget	2013-14 Biennium											
5	ADMINISTRATIVE SERVICES	\$ 4,688,293	\$ 4,669,346	\$ 4,496,932	\$ 4,318,825	\$ 4,282,726	\$ 4,144,760	\$ 4,168,518	\$ 4,168,518	\$ 8,313,278											
6	COMMUNITY DEVELOPMENT	2,220,724	2,104,273	2,126,245	2,013,231	1,967,148	1,932,790	1,926,028	1,926,028	3,858,817											
7	ECONOMIC DEVELOPMENT	387,596	345,425	373,427	301,695	366,711	376,533	374,912	374,912	751,446											
8	EXECUTIVE	337,331	458,665	291,185	269,438	267,089	289,332	293,906	293,906	583,238											
9	FIRE	8,833,094	8,503,817	8,882,978	8,480,415	8,886,088	7,581,317	7,581,317	7,581,317	15,162,634											
10	HUMAN RESOURCES	718,148	483,432	564,012	478,656	535,186	525,846	502,897	502,897	1,028,743											
11	LEGAL	1,170,742	1,212,885	910,000	1,090,543	910,000	1,025,000	1,025,000	1,025,000	2,050,000											
12	LEGISLATIVE	418,576	437,111	374,679	323,145	374,678	359,671	348,471	348,471	708,142											
13	MUNICIPAL COURT	1,297,321	1,425,488	1,408,369	1,225,521	1,418,464	1,332,329	1,339,029	1,339,029	2,671,358											
14	NON-DEPARTMENTAL	-	-	-	-	-	4,837,455	4,801,982	4,801,982	9,639,436											
15	PARKS & RECREATION	5,199,412	4,353,382	5,902,229	5,168,652	5,663,189	5,880,409	5,805,365	5,805,365	11,685,774											
16	POLICE	16,326,458	15,642,148	17,269,525	15,079,349	17,326,988	15,053,380	15,050,677	15,050,677	30,104,057											
17	PUBLIC WORKS	2,464,063	2,251,055	3,625,774	3,375,239	3,576,441	2,617,556	2,689,125	2,689,125	5,306,681											
19	Grand Total	\$ 44,061,757	\$ 41,887,027	\$ 46,225,355	\$ 42,124,710	\$ 45,574,708	\$ 45,956,377	\$ 45,907,226	\$ 45,907,226	\$ 91,863,603											
20																					

		A	B	H	I	J	K	L	M	N
		City of Lynnwood								
		2013-2014 Projected Revenues - General Fund								
1	2	3	4	5	6	7	8	9	10	11
Category	Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual 12/31/11 (as of 2-22-12)	2012 Budget	2013 Budget	2014 Budget	2013 Budget	2014 Budget	2014 Budget
30-Fund Balance	-	-	-	-	-	-	-	-	-	-
31-Taxes	\$24,298,894	\$26,654,254	\$29,300,157	\$30,166,263	\$30,287,619	\$31,780,579	\$32,427,100			
32-Licenses and Permits	1,802,636	1,785,785	3,137,517	2,975,263	3,156,961	3,027,506	3,053,008			
33-Intergovernmental Revenue	1,850,490	1,625,085	1,516,986	1,701,674	1,405,007	1,414,082	1,455,126			
34-Charges for Services	3,850,209	3,888,378	4,848,606	4,385,330	5,146,354	5,140,898	5,255,669			
35-Fines and Forfeits	4,733,938	7,219,229	5,475,684	4,054,670	5,380,540	3,830,000	3,830,000			
36-Miscellaneous Revenues	651,308	418,651	716,243	332,027	734,267	313,335	311,835			
38-Non-Revenue	-	-	-	48,735	-	-	-			
39-Other Financing Sources	5,539,685	8,194,583	3,444,218	3,073,471	3,204,561	2,728,276	2,705,207			
11 Grand Total	\$42,727,160	\$49,785,966	\$48,439,411	\$46,737,432	\$49,315,309	\$48,234,676	\$49,037,945			

	A	B	C	D
1	<u>Administrative Services</u>			
2	General Fund & Other Sources			
3	2013-2014 Preliminary Budget Summary			
4				
5				
6	<u>Category</u>		<u>Item Description</u>	<u>Amount</u>
7				
8	Mayor's Preliminary Budget		94.5% Budget 2011-12 Adjusted for 2013-14	\$ 8,313,278
9				
10	M-DecPack: Wage/Med Incr.		Wage Increase: 1.5% (see PPB Highlights @10-11)	56,280
11			Increased Existing Salary & Benefits	170,575
12			Medical Benefits Increase 2014	38,860
13			Subtotal	265,715
14				
15			<u>Pg# - Department Decision Package Notebook</u>	
16	Other DecPack Increases		6 Retain Existing Purchasing Position	189,850
17			5 Financial/Budget Analyst	160,000
18			9 Computer Replacement (1X)	150,000
19			Subtotal	499,850
20				
21	Final Preliminary Budget			\$ 9,078,843
22				
23			<u>Non-Departmental Portion of Dept. Budget</u>	
24			Bond Paymnts & Debt Svc.	4,165,081
25			All-Staff/City-Wide Memberships	113,200
26			Other "Fixed" or "Un-Controllable" Costs	656,000
27			Subtotal	\$4,934,281
28				
29			Total Department Budget	\$14,013,124
30				
31			<u>Summary of Funding Types</u>	
32			On-Going: 94.5% Budget 2011-12 Adj. for 2013-14	8,313,278
33			Net Estimated On-Going New Revenue	615,565
34			Other Fund Sources	-
35			One-Time (1X)	150,000
36			Total	9,078,843
37				
38				
39				

Administrative Services

We strive to work with departments to facilitate outcomes through responsible financial and procurement practices and cost-effective computer applications.

The department provides support services to other city departments and operations as well as some services directly to citizens and other customers. These support services include payroll, accounting, information technology, treasury, purchasing and contracts, risk management, records and many other similar administrative functions. Services provided to outside customers include utility accounting, billing, business licensing, records services, reception and similar services.

The Administrative Services Department supports all city departments in maintaining quality community services within available revenues by efficient management of city resources and assets. This is accomplished through the Department's divisions of Accounting/Auditing Services, Budget, Fiduciary (Treasury) Services, Records Management, Purchasing and Contracts, and Information Services. The Administrative Services Department is responsible for developing and administering the city budget, supporting the mayor and council in financial planning and policy development.

Finance Administration is responsible for oversight of the Administrative Services Department. This includes direct supervision of the managers for Accounting, Treasury, Records, Purchasing and Contracts, and Information Services. Administration is also responsible for all fiscal matters concerning the City and is directly responsible for budget development, enterprise rate analysis and sales tax analysis.

This division also manages the City Clerk functions and is responsible for timely retrieval of appropriate records needed by staff, City Council and the public and monitoring City compliance with state public record laws.

Risk management functions and city-wide insurance and claims processing is also handled by this division.

Accounting / Audit Services is responsible for the financial classification, recording, and reporting of the transactions of the City in accordance with Generally Accepted Accounting Principles and applicable state laws. This

division includes oversight of Payroll, Accounts Payable, Utilities, Grants, Fleet Replacement, and Financial Reporting.

Treasury Services is responsible for the collection, safekeeping and oversight of all amounts owed and collected by the City. These responsibilities include oversight of collections and internal controls for cash at City Hall and other city locations. This division is responsible for all investment of cash activity in accordance with Council policy. It also includes oversight of Cashiers, Account Receivables, Business Licenses, Local Improvement Districts, Debt Service and Tax Administration. The treasury division provides reports on activities related to treasury services and is responsible to monitor city compliance with state laws.

Information Services is responsible for the management of the City's information technology infrastructure and services program. This includes planning, project management, development, maintenance and support of: custom/vendor application systems, network/desktop technology infrastructure, telecommunication systems, and IT plans in support of City goals and objectives.

Central Services is responsible for managing public bidding (including Requests for Proposals and other similar documents), award, purchasing and contracts for all equipment supplies, various services and certain small construction projects and for compliance with contract requirements as set forth in the Lynnwood Municipal Code and Washington State code purchasing statutes.

Additionally, Central Services is responsible for the security and maintenance of all 'official,' active and archived city records. These include contracts and various other documents, and the processing of all incoming and outgoing city mail.

2011 – 2012 Biennium Accomplishments

The following accomplishments are in addition to providing effective support to accomplish numerous customer department initiatives.

- Developed and managed process for the management of the 2011-2012 biennial budget under adverse fiscal conditions
- Assisted the Mayor in the development and passage of the City's Long Term Financial Plan
- Managed process to recover from a severe economic downturn in 2009 by assisting the Mayor in bringing 2011-12 fiscal performance in line with reduced revenues
- Reduced staff to achieve costs savings
- Successfully secured an increase in City's Bond Rating outlook from Standard and Poor's rating agency
- Successfully issued Limited Tax General Obligation totaling \$24,955,000 to support long term financing of the City's recently renovated recreation center
- Developed and utilized a new budget development application for development of the city wide 2013-14 budget
- Implemented payroll changes to city benefit programs
- Sourced and contracted with several city-wide initiatives including: Blackrock franchise agreement; Active Networks, Janitorial Services, Secondary Clarifier Scum Collection Troughs; processed blower, child interview specialist ILA
- Improved upon new GIS infrastructure and data management system
- Made long term forecasting a standard component of the City's periodic financial reporting
- Partnered with the Mayor to develop and implement a 5.5% reduction in expenditures in order address declining revenues
- Conducted public meetings to explain the background and solutions of the City's financial state
- Successfully conveyed information/solutions regarding the City's financial state to City Council in spite of being in a highly politically charged environment
- Leading cross departmental efforts in the following areas:
 - Designing new city website to provide citizen access to various City services on a 24 hour basis and improve the City's image and brand.
 - Revising City's business licensing ordinance to provide an equitable and encouraging environment for the City's business community.

Overarching Goals for 2013-2014 Biennium

Goal #1: Ensure the City's financial stability through informed decision making, aligning with the City priorities.

Goal #2: Continue to bring innovative technology solutions to the City that benefit the citizens in positive and cost effective ways.

Goal #3: Provide meaningful and relevant financial information to City elected officials, employees, managers, supervisors and the general public.

Goal #4: Provide responsive public records and keep confidential information secure.

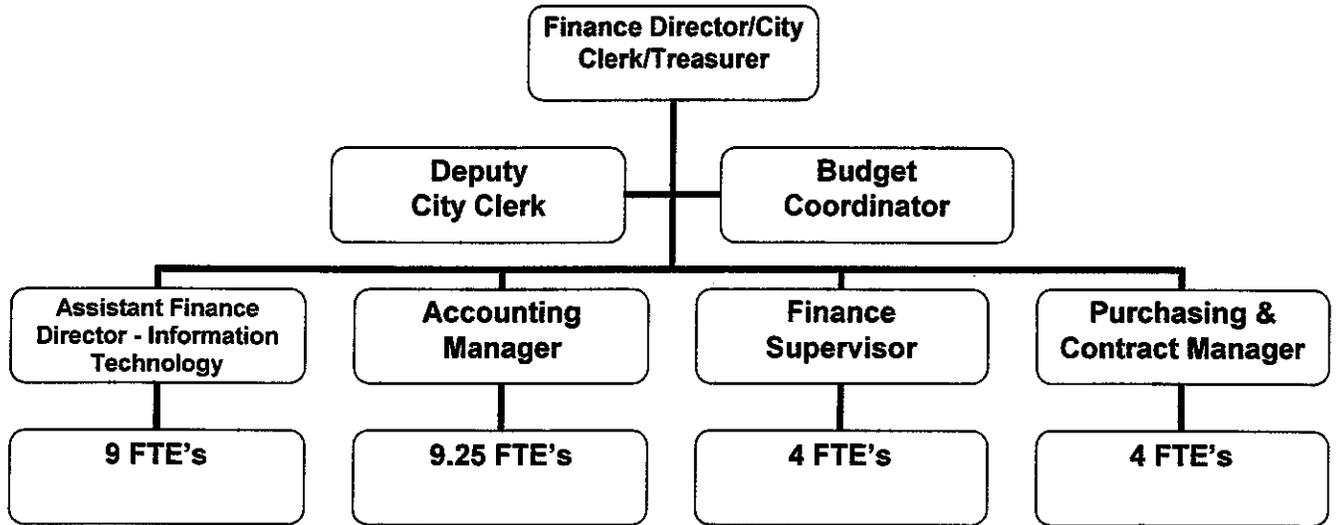
Goal #5: Ensure the City remains legally compliant with all federal and state financial and budget laws and regulations, as well as compliance to LMC.

Specific Goals for the 2013-2014 Biennium

- Further our use of new CAFR software application to expedite report production and state audit.
- Continue to diagnose and rectify or address historical financial issues.
- Stabilize the City's technology infrastructure including network and application portfolio.
- Provide ongoing training and education opportunities for staff
- Revise all purchasing policies to reflect accuracy and timeliness.

Administrative Services

We strive to work with departments to facilitate outcomes through responsible financial and procurement practices and cost-effective computer applications.



A	B	C	D	E	F	G	H	I
1	2	Actual as of 12/31/09	Actual as of 12/31/10	2011 Budget	Actual 12/31/11 (2/22/12)	2012 Budget	2013 Budget	2014 Budget
	ADMINISTRATIVE SERVICES							
3	ADMINISTRATION	\$ 542,565	\$ 540,265	\$ 424,014	\$ 471,172	\$ 364,744	\$ 485,724	\$ 485,856
4	ACCOUNTING/AUDITING SVCS	883,501	902,963	814,422	845,774	825,307	811,871	824,314
5	FIDUCIARY SERVICES	419,060	404,981	327,699	410,333	328,192	509,479	516,008
6	INFORMATION SERVICES	2,113,740	2,048,691	2,160,155	1,943,277	2,077,218	1,883,938	1,883,850
7	PURCHASING SERVICES	360,270	389,198	332,401	323,588	240,784	453,748	458,490
8	RECORDS SERVICES	369,157	383,248	438,241	324,682	446,481	-	-
9	ADMINISTRATIVE SERVICES Total	\$ 4,688,293	\$ 4,669,346	\$ 4,496,932	\$ 4,318,825	\$ 4,282,726	\$ 4,144,760	\$ 4,168,518

	A	B	C	D
1	<u>Non-Departmental</u>			
2	General Fund & Other Sources			
3	2013-2014 Preliminary Budget Summary			
4				
5				
6	<u>Category</u>		<u>Item Description</u>	<u>Amount</u>
7				
8	Mayor's Preliminary Budget			\$ -
9				
10	M-DecPack: Wage/Med Incr.	None		
11				
12			<u>Pg# - Department Decision Package Notebook</u>	
13	Other DecPack Increases		<u>Bond Paymnts & Debt Svc. by Fund/Source</u>	
14			n/a F#202: LT ReFunding (ReFi) Bond	930,000
15			n/a F#215: 800 MHz EQP for SERS sys	282,692
16			n/a F#216: State Local Loan	94,000
17			n/a F#217: Energy Conservation Proj.	125,734
18			n/a Bond Payment from REET 2	22,805
19			n/a 2011 LTGO Bonds - Recr. Center	2,709,850
20			All Debt Svc. - Subtotal	4,165,081
21				
22			<u>Police: Medical & Dispatch</u>	
23			n/a LEOFF Retirement	690,000
24			n/a LEOFF Medical	150,000
25	All ILA dispatch Savings are here.		n/a SnoCom Dispatch Svcs.	1,312,903
26			n/a SERS: Snoh. Cnty Emerg. Radio Sys	161,000
27			Police Dept. Subtotal	2,313,903
28				
29			<u>Fire: Medical & Dispatch</u>	
30			n/a LEOFF Retirement	774,447
31			n/a LEOFF Medical	74,000
32	All ILA dispatch Savings are here.		n/a SnoCom Dispatch Svcs.	656,452
33			n/a SERS: Snoh. Cnty Emerg. Radio Sys	82,000
34			Fire Dept. Subtotal	1,586,899
35			n/a Emergency Svcs. Coord. Agency (ESCA)	221,510
36				
37			<u>Public Works: Buildings & Grounds</u>	
38			n/a Yearly Rent on Pioneer Bldg.	275,752
39			n/a All City Utilities (Except Rec. Ctr.)	693,810
40			PubWks Subtotal	969,562
41				

	A	B	C	D
42			All-Staff/City-Wide Memberships	
43		n/a	Association of Washington Cities	50,000
44		n/a	PSRC: Puget Sound Reg. Council	27,500
45		n/a	Snoh. Cnty. Cities & Towns	300
46		n/a	SCT: Snoh. Cnty. Tomorrow	13,000
47		n/a	Snoh. Cnty. Housing Consortium	1,200
48		n/a	Snoh. Cnty. Econ. Alliance	5,000
49		n/a	ICMA Ctr. for Perf. Mgmt.	11,000
50		n/a	N.W. Incident Mgmt. Team	4,000
51		n/a	ICLEI:	1,200
52			Memberships Subtotal	113,200
53				
54			Other "Fixed" or "Un-Controllable" Costs	
55		n/a	Snoh. Auditor: 2 Elections Cost (1X)	56,000
56		n/a	Snoh. Auditor: Voter List Maint.	80,000
57		n/a	State Auditor: Audit Svcs.	280,000
58		n/a	Puget Sound Clean Air Assessment	40,000
59		n/a	Empl. Buy-Outs & Related Costs (1X)	200,000
60			Other "Fixed" Costs Subtotal	656,000
61				
62	Final Preliminary Budget			\$ 10,026,155
63				
64			Summary of Non-Departmental Budget Categories	
65			Bond Paymnts & Debt Svc.	4,165,081
66			Police: Medical & Dispatch	2,313,903
67			Fire: Medical & Dispatch	1,586,899
68			Fire: ESCA: Emerg. Svc. Coord. Agency	221,510
69			Public Works: Buildings & Grounds	969,562
70			All-Staff/City-Wide Memberships	113,200
71			Other "Fixed" or "Un-Controllable" Costs	656,000
72				
73			Summary Total	\$10,026,155
74				
75			Summary of Funding Types	
76			On-Going: 94.5% Budget 2011-12 Adj. for 2013-14	N/A
77			On-Going: 94.5% Budget SHIFTED to Non-Dept.	9,770,155
78			Net Estimated On-Going New Revenue	-
79			Other Fund Sources	-
80			One-Time (1X)	256,000
81			Total	10,026,155
82				

	A	B	C	D
1	City Council			
2	General Fund & Other Sources			
3	2013-2014 Preliminary Budget Summary			
4				
5				
6	<u>Category</u>		<u>Item Description</u>	<u>Amount</u>
7				
8	Mayor's Preliminary Budget		94.5% Budget 2011-12 - Budget Placeholder Amt.	\$ 708,142
9				
10	M-DecPack: Wage/Med Incr.		Wage Increase: 1.5% (see PPB Highlights @10-11) This 1.5% salary increase totalling about \$1,248 is absorbed within the 94.5% reduced Management Budget Target level resulting from the 5.5% cut. It also includes an additional \$174 for increased mandatory payroll taxes. Thus, the total increase in salary expense is \$1,422, and again it is in the 94.5% MBT.	
11				
12			Medical Benefits Increase 2014 The estimated increase for council medical expenses over the 2013-14 period was expected to be \$9,292. Regence medical's October notice by Regence of a reduced percentage increase to \$7,316, together with the council's choice to reduce their overall budget, means the medical expenses are now absorbed within the 94.5% MBT level.	
13				
14			Subtotal	-
15				
16	Other DecPack Increases		<u>Pg# - Department Decision Package Notebook</u>	
17			n/a CM Budget Sugg. - IT/IS Mgmt Review (1X)	30,000
18				
19			Subtotal	30,000
20				
21	Final Preliminary Budget			\$ 738,142
22				
23			<u>Summary of Funding Types</u>	
24			On-Going: 94.5% Budget 2011-12 Adj. for 2013-14	708,142
25			Net Estimated On-Going New Revenue	-
26			Other Fund Sources	-
27			One-Time (1X)	30,000
28			Total	738,142
29				
30				

Legislative

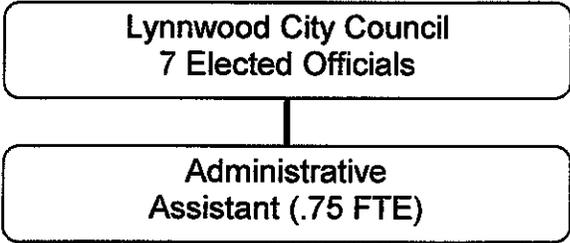
The Lynnwood City Government exists to provide effective elected representation of the citizens of Lynnwood.

The City Council meets regularly to set public policy, consider land use applications and approve expenditures of funds with the primary criteria being the health, safety and general welfare of the community.

The Council is made up of seven members. They are elected at large for staggered four-year terms. Each year, one councilmember is elected to serve as President and one councilmember is elected to serve as Vice President of the Council. In addition to participating in regular council meetings, each councilmember is elected and/or assigned to represent the city on various internal and external boards and commissions.



Loren Simmonds, Kerri Lonergan-Dreke, Mark Smith, Benjamin Goodwin, Sid Roberts, Kimberly Cole, Van AuBuchon,



Goals for 2013 – 2014 Biennium

The council holds an annual retreat early each year. For the 2013-14 biennium, the council continues to pursue the following broad areas of emphasis:

Financial Planning and Oversight

Oversight of that budget and long-term financial planning is the top priority identified by the council during this biennium. To that end, the council approved an overhaul of the city's financial policies during 2011-12. And continues to be active in the implementation of the policy.

Priorities of Government/Budgeting for Outcomes

Closely linked to Financial Planning and Oversight, and looking forward to the 2013-14 biennial budget, the council will be engaging in a process called Priorities of Government. This process asks the essential question of residents, city staff, elected officials, businesses and other stakeholders: "What are the services and levels of those services people want and how much are we as a community willing to pay for those services."

City Center Review and Implementation

Economic development is at the forefront of the councils priorities. Our City Center Sub-area plan envisions a thriving downtown core that includes retail, office space, parks and residential areas in an urban village type setting. With approximately 300 acres targeted for redevelopment over a multi-year time frame, this project will attract family wage jobs to Lynnwood while relieving the pressure on our single-family neighborhoods by accommodating expected population growth in the new multifamily residential areas.

	A	B	C	D	E	F	G	H	I
1			Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual 12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
2			\$ 418,576	\$ 437,111	\$ 374,679	\$ 323,145	\$ 374,678	\$ 359,671	\$ 348,471
3			\$ 418,576	\$ 437,111	\$ 374,679	\$ 323,145	\$ 374,678	\$ 359,671	\$ 348,471
4			Legislative Total						

	A	B	C	D	E	F	G	H	I	J	K
	Actual										
	12/31/11 (as										
	of 2/22/12)										
1	Actual	Actual	2011	Actual	2012	2013	2014	Budget	Budget	Budget	Budget
2	12/31/09	12/31/10	Budget	12/31/11 (as	Budget						
3	Obj Sum # & Name										
3	LEGISLATIVE										
9	\$ 175,375	\$ 184,947	\$ 183,407	\$ 183,191	\$ 183,407	\$ 183,407	\$ 183,407	\$ 183,407	\$ 183,407	\$ 183,407	\$ 183,407
21	105,777	94,725	101,882	104,149	101,882	101,882	101,882	101,882	101,882	107,263	107,263
30	4,088	4,335	3,390	1,374	3,390	3,390	3,390	3,390	3,390	1,395	1,395
46	84,481	104,252	81,992	30,424	81,991	81,991	81,991	81,991	81,991	63,598	52,398
49	-	-	-	-	-	-	-	-	-	-	-
53	48,854	48,852	4,008	4,008	4,008	4,008	4,008	4,008	4,008	4,008	4,008
54	\$ 418,576	\$ 437,111	\$ 374,679	\$ 323,145	\$ 374,678	\$ 374,678	\$ 374,678	\$ 374,678	\$ 359,671	\$ 348,471	\$ 348,471
	LEGISLATIVE Total										
	9-Intergovernmental Svcs Total										
	9-Interfund Payment for Svcs Total										

	A	B	C	D
1	<u>Community Development</u>			
2	General Fund & Other Sources			
3	2013-2014 Preliminary Budget Summary			
4				
5				
6	<u>Category</u>		<u>Item Description</u>	<u>Amount</u>
7				
8	Mayor's Preliminary Budget		94.5% Budget 2011-12 Adjusted for 2013-14	\$ 3,858,816
9				
10	M-DecPack: Wage/Med Incr.		Wage Increase: 1.5% (see PPB Highlights @10-11)	19,215
11			Medical Benefits Increase 2014	12,942
12			Subtotal	32,157
13				
14			<u>Pg# - Department Decision Package Notebook</u>	
15	Other DecPack Increases		16 Permit Center: Shared Tech. w/Fire	80,000
16			19 Neighborhood Re-Vitalization Project (1X)	50,000
17			Subtotal	130,000
18				
19	Final Preliminary Budget			\$ 4,020,973
20				
21			<u>Summary of Funding Types</u>	
22			On-Going: 94.5% Budget 2011-12 Adj. for 2013-14	3,858,816
23			Net Estimated On-Going New Revenue	112,157
24			Other Fund Sources	-
25			One-Time (1X)	50,000
26			Total	4,020,973
27				
28				

Community Development

The Community Development Department is committed to enriching the quality of life in our community. This is accomplished with a focus on Lynnwood's Core Values of Communication, Accessibility, Commitment and Innovation. The Department supports building partnerships within our community and we strive for responsible, responsive, and creative solutions to meet the needs of our customers.

The Department plays a key role in working with the Council and the public and other City Departments in developing and implementing long range plans intended to achieve the City's Vision Statement. Department staff also provides direct support to the City Council, Planning Commission, Hearing Examiner and Historic Commission. Offering high quality customer service, we coordinate and provide much of the staff for the development review program that takes projects from design, through approval and construction. Our inspection and Code Enforcement functions help protect health, safety and welfare and the desirability of Lynnwood as a place to live, invest and do business. Our staff is a major source of information on the City, undertake efforts at public outreach and involvement and serve as the focal point for residents seeking to have their voices heard on development and environmental reviews, long range planning and City regulations. The Department also plays major roles in coordinating annexation efforts and representing Lynnwood's interests with other jurisdictions and government agencies.

AUTHORIZED PERSONNEL	FY 2010	FY 2013
Admin	4	3
Planning	9.6	6.6
Permits & Code & Inspections	7	5
Total	20.6	14.6

The Department is broadly divided into two areas. The first combines long range and current planning functions, the second building inspection and code enforcement. A small administrative group manages the entire operation.

Planning Group

The Planning Group is a result of a

reorganization that was implemented in 2007. Long Range and Current Planning were combined into one entity. The new structure improved staffing flexibility while allowing staff more opportunities for professional growth. Another major result of the reorganization was the creation of a one-stop Permit Center. The Permit Center operation offers greatly improved customer service, improved staff and inter-Departmental coordination and a more efficient and timely approval process. Front counter staff that formerly were from both the Planning and Building groups, were merged to staff the Center. They have been joined by representatives from Public Works, and Finance to provide a single point of contact for all City permitting.

Due to staffing reductions in 2010 and 2011, dedicated long range planning staffing was eliminated. Our Department along with Public Works agreed to eliminate dedicated Geographic Information System staff in favor of a new single GIS position in Information Services.

Building Group

The Building Group consists of inspectors and plan reviewers handling all aspects of building mechanical and electrical permitting. Under the reorganization they were joined by an expanded Code Enforcement function. The group has primary responsibility for insuring public health and safety and elimination of violations of nuisance and zoning codes. These efforts have a major role to play in preserving neighborhood property values and stability. Numerous code and procedural improvements in recent years have enhanced our Code Enforcement function. While these improvements remain we unfortunately had to lay off one of our two officers in 2011.

2011-2012 Biennium Accomplishments

- The Department along with the rest of the City endured a series of budget and staffing cuts. Our task was to manage these as best

we could to maintain basic services, customer service quality and ability to support new development that is key as the City builds its way back to financial stability. We had to eliminate the popular "over the counter permit" program, curtail the Permit Center's hours and reduce our ability to promptly deal with a large volume of code enforcement issues. At the same time we managed to maintain basic services and handled a rapid increase in development activity.

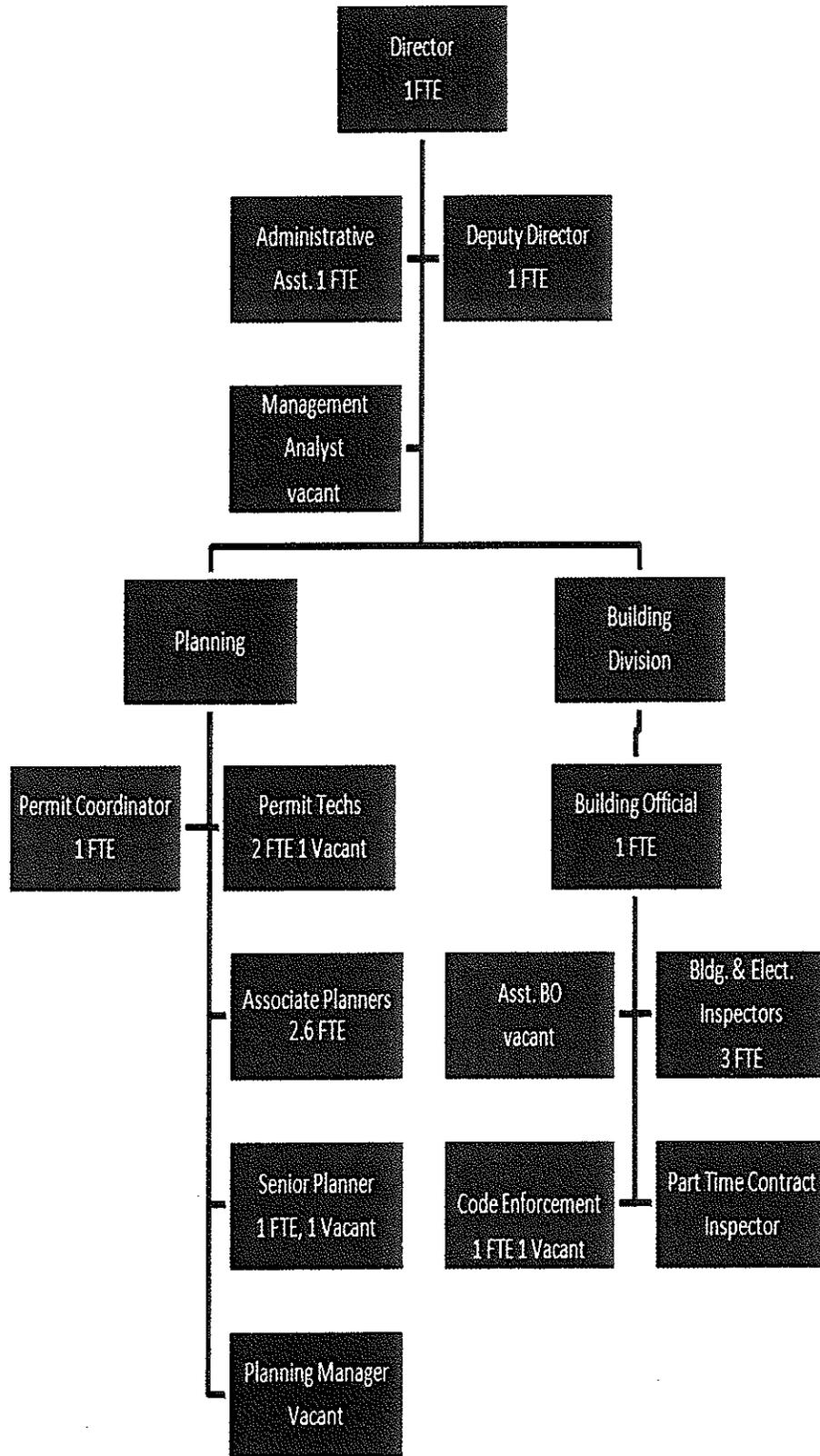
- Completion of the City Center LRT Station Concept Plan. The project advanced our understanding of how to best serve City Center as the line is extended in the future.
- Represent the City in Lynnwood Link LRT planning. Department staff represents the City on several groups working on early action design, review and support for the extension to Lynnwood Station.
- Completed the Hwy 99 Corridor Plan and Ordinance. The plan calls for additional development density, mixed use development and higher quality design and helps to set the stage for the future.
- City Center Plan Updates and Planned Action Ordinance. Working with Economic Development this effort greatly enhances flexibility while reducing cost to develop in City Center.
- Transition Area Plan. Also being completed with Economic Development. Approval is pending at the time of writing.
- NES Annexation. Lynnwood prevailed through a series of appeals culminating with the State Court of Appeals finding in favor of the City November 2011. A decision was made not to proceed with major annexations at this time due to the impact of the great recession. However, the effort set the stage for additional annexation efforts several years from now.

Goals for 2013-2014 Biennium

The department will focus on maintaining

essential services with a goal of restoring functions as funding allows. Restoration of Permit Center hours and Code Enforcement staffing are critical. Given the lack of funding in recent years we do not expect to undertake major long range projects like Hwy 99 Corridor, Transition Area and annexations. We expect to focus most of our efforts on development review and approvals.

- Neighborhood Revitalization strategy. The Council approved moving forward with preparing one neighborhood plan in the past but staff did not proceed due to the economic situation. If the Decision Package is approved by the Council, the project will be a multi-department effort using internal staff. They will work with neighborhood residents to define issues, needs and opportunities and develop both short and long range plans to address them. Funding for a modest number of projects to address identified needs has been provided.
- Lynnwood Link LRT Extension. Project planning will enter a critical phase where environmental review, alignment selection and initial design will occur. It is critical that Lynnwood's interests be represented.
- Continue efforts to update Lynnwood's development Codes and procedures. The current Council has been quite supportive of these efforts.
- Prepare for 2015 major GMA Comp Plan update. A periodic major update is required by State law. Initial work phases will need to be initiated during this biennium.
- Sustainability. Several years ago Lynnwood made good progress on a variety of sustainability efforts but the program was sacrificed due to budget cuts. As staffing and funding allow we would like to resurrect this effort.
- Annexations. Currently on the back burner, staff has committed to look to bring this forward as City finances stabilize and fire service issues are worked through. This situation could exist later in the biennium.



	A	B	C	D	E	F	G	H	I
1			Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual 12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
2									
3			\$ 572,093	\$ 502,065	\$ 533,052	\$ 584,266	\$ 481,371	\$ 543,062	\$ 529,393
4			627,974	719,897	557,503	739,663	559,962	711,236	711,237
5			1,020,656	882,311	1,035,690	689,302	925,815	678,492	685,398
6			\$2,220,724	\$2,104,273	\$2,126,245	\$2,013,231	\$1,967,148	\$1,932,790	\$1,926,028

COMMUNITY DEVELOPMENT

ADMINISTRATION

PLANNING

PERMITS

COMMUNITY DEVELOPMENT Total

	A	B	C	D
1	<u>Economic Development</u>			
2	General Fund & Other Sources			
3	2013-2014 Preliminary Budget Summary			
4				
5				
6	<u>Category</u>		<u>Item Description</u>	<u>Amount</u>
7				
8	Mayor's Preliminary Budget		94.5% Budget 2011-12 Adjusted for 2013-14	\$ 751,446
9				
10	M-DecPack: Wage/Med Incr.		Wage Increase: 1.5% (see PPB Highlights @10-11)	10,570
11			Medical Benefits Increase 2014	6,108
12			Subtotal	16,678
13				
14			<u>Pg# - Department Decision Package Notebook</u>	
15	Other DecPack Increases		22 City Center - Program Manager (1X)	237,356
16			25 City Center - Marketing (1X)	30,000
17			30 Admin Asst. (.5 FTE GF/.5 FTE H/Motel F#101)	171,494
18			37 Econ. Dev. Plan and Profile (5 yrs) (1X)	63,000
19			42 Revitalization Strat. Study (10 yrs) (1X)	75,000
20			47 City Center - Streetscapes (1X)	50,000
21			52 City Ctr: FAR Bonus Analysis (CC item) (1X)	25,000
22				
23			Subtotal	651,850
24				
25	Final Preliminary Budget			\$ 1,419,974
26				
27			<u>Summary of Funding Types</u>	
28			On-Going: 94.5% Budget 2011-12 Adj. for 2013-14	751,446
29			Net Estimated On-Going New Revenue	102,425
30			Other Fund Sources	85,747
31			One-Time (1X)	480,356
32			Total	1,419,974
33				
34				

Economic Development

The Office of Economic Development serves as a catalyst for economic development that provides healthy businesses, quality employment opportunities and sustainable city revenues; and fosters economic vitality through programs and projects necessary to implement economic development policies.

The Office of Economic Development (OED) fulfills the city's commitment to economic development through:

- Successful completion of economic development programs and projects
- Collaborative involvement with the community and stakeholders
- Professional staff representation
- Accountability and measured results
- Quality customer service

Lynnwood has a strong and sustained commitment to economic development for the purpose of providing an improved quality of life through quality jobs, healthy businesses and revenue growth. OED is responsible for economic development planning, implementation, and the management and administration of various programs and projects. The department budget provides staffing and financial resources for programs and projects. Performance is measured through the accomplishment of implementation activities, and by tracking various economic development metrics.

The city's economic development plan seeks to grow the local economy, provide economic opportunity for our residents, and improve the city's quality of life. Employment opportunities, living wage jobs, diverse housing, and sustainable revenues will improve Lynnwood's relative economic position in the region. The budget for the economic development department is directly linked to the programs and projects identified in the plan.

What the Department Does

- Promote Lynnwood as a vibrant center for commerce, employment and tourism
- Undertake and coordinate implementation of the City Center Plan
- Prepare and implement economic development plans, strategies, and programs
- Partner with stakeholders and the community to achieve economic development
- Identify economic growth opportunities and projects compatible with the City Vision

- Facilitate economic development projects to attract and expand business, create quality jobs, increase city revenues, and enhance residential quality of life
- Provide economic development information and assistance to the public, elected officials, stakeholders and other departments

2011 – 2012 Biennium Accomplishments

Four primary goals were established by the Citywide Economic Development Action Plan as adopted by City Council. Each goal involves various action strategies and implementation activities. In 2010, City Council adopted the Community Vision. Economic Development Action Plan goals and strategies align with the Vision. Major accomplishments in FY 2011-2012 to achieve economic development goals, and implement the Citywide Vision are summarized below.

Overarching Goals for Economic Development

Goal #1: *Grow and diversify Lynnwood's economy and employment base through business retention and attraction*

- Facilitated new businesses, expansion and private investment, including
 - Zumiez, corporate headquarters
 - HomeStreet Bank, mortgage loan operations
 - Uni Bank headquarters, new office building
 - NetRiver expansion
 - University of Phoenix
 - Devry University
- Conducted outreach to auto dealerships for attraction and expansion in Lynnwood including
 - Proposed dealership on Highway 99
 - Infinity, reuse
 - Mercedes, grand opening
 - Lexus, expansion
- Facilitated retail development attraction and expansion projects including
 - Alderwood mall
 - American Girl, new
 - Anthony's Seafood Grill, new

- Brighton Collectibles, new
 - H&M, new
 - Pandora, new
 - Forever 21, expansion
 - Ben Bridge Jewelers, remodel
 - Macy's, remodel
- Target, remodel
- Designer Shoe Warehouse, reuse
- Hobby Lobby, reuse
- Whole Foods, reuse
- Walmart, reuse
- Yoon Retail Plaza
- Lynnwood Crossing, new retail project at Highway 99 and 196th St SW
- Identified desirable retail sectors and potential areas for redevelopment
- Monitored activity by sector and geographic area
- Facilitated new hotel development projects within Lynnwood including
 - Hilton Homewood Suites, Lynnwood Legacy LLC
 - Lynnwood Public Facilities District, hotel prospects
- Conducted business outreach and marketing including
 - Quarterly ED Newsletter
 - Worked with prospects to assess project viability and identify available buildings and sites
 - Advertisement design and placements
 - Developed and distributed collateral to key market segments/prospects and follow up with prospects
 - Redesigned and maintained Economic Development web site
- Economic Alliance Snohomish County, city representative
 - Participated in Project Concentrus, organizational options
 - Community & Small Business Development Board
 - Advocacy Board
 - Industry & Resource Development Advisory Board
- Washington Economic Development Association
 - Legislative advocacy for economic development and infrastructure funding
 - Training and best practices for business recruitment and expansion
- Participated on staff committee to streamline city's permit processes
- Developed Economic Development

Infrastructure Policy

- Liaison to private sector regarding economic information and city permitting
- Outreach to businesses in Lynnwood annexation area

Goal #1 Tourism: The following accomplishments pertain to Tourism which is a dedicated fund within the Office of Economic Development.

- Update and optimize Lynnwood tourism web site, ongoing
- Identified key tourism segments
- Monitor tourism performance metrics
- Develop and implement marketing plans for each tourism segment, ongoing
- Design, update and distribute collateral materials, itineraries and newsletters, ongoing
- Participated in Snohomish County sales missions to Vancouver BC
- Supported the Washington Delegation at National Trade Association trade show
- Developed and implemented co-op advertising opportunities with Lynnwood Hotels and Alderwood mall
- Participated in the initiation of a Tourism Promotion Area with the Snohomish County Sports Commission
- Serve on the Washington Tourism Alliance Marketing Committee
- Serve on the Snohomish County Tourism Bureau marketing committee
- Serve on the Snohomish County Tourism Branding task force
- Serve as Treasurer on the Snohomish County Sports Commission Board
- Serve as liaison to the Lynnwood LPFD regarding program and project activities
-

Goal #2: Implement redevelopment activities to enhance the City's economy & sense of place City Center

- Implementation of City Center seed money projects required for new development
- Met with City Center stakeholders and received input on development regulations
- Amended development regulations based on seed money project findings and stakeholder input.
- Facilitate private and public projects
- Implemented Planned Action Ordinance for expedited permit processing
- Worked with property owners and

developers to market and develop key parcels

- Met with prospects regarding City Center sites, buildings and opportunities
- Created conceptual City Center brand and marketing materials
- Staffed and coordinated interdepartmental committees for City Center projects and activities
- Applied for grant funding for infrastructure implementation
- Worked with other agencies, including Community Transit on transit infrastructure and regional policies
- Began City Center Streetscape Plan
- Prepared Extension of City Center Multi-Unit Housing Tax Exemption
- Served on the City Center Space Needs Study project team

Highway 99 Revitalization Strategies

- Development of strategies, sub area plan, design guidelines and zoning to implement the Highway 99 redevelopment plan
- Facilitated various projects for new private investment
- Outreach to auto dealerships
- Facilitated Bus Rapid Transit proposal by Community Transit
- Served as liaison to the Edmonds Community College for the master plan implementation

Alderwood-City Center Transition Area Study

- Worked with consultants and project team to develop draft regulations and implementation measures for the area linking the City Center with Alderwood mall area

Other Activities

- Served as liaison to Edmonds School District regarding reuse of various surplus properties
- Sale of city's joint shop
- Sale of city's warehouse
- Facilitated Edmonds Community College and city master planning
- Facilitated redevelopment of former Lynnwood High School site, Lynnwood Place
- Joint marketing and development planning of Edmonds School District surplus properties

Goal #3: Enhance Lynnwood's Livability and Quality of Life

- Participated on the staff committee for the design and implementation of the 196th Street pedestrian bridge at I-5
- Participated on the staff committee for the design and implementation of the Interurban pedestrian bridge at 44th Ave. W.
- Participated in the planning and implementing of the citywide Street Master Plan
- Developed guidelines for City Center streetscapes

Goal #4: Improve City's image and identity in the region through targeted communication projects and outreach

- Developed and updated a media kit, presentation materials and prospect brochures
- Developed Citywide Branding Report and coordinated City Council adoption
- Initiated Citywide brand implementation
- Enhanced and updated the Economic Development web site
- Updated and optimized the City of Lynnwood Tourism web site
- Updated and implemented the Lynnwood Tourism marketing campaign
- Participated on the staff committee for city wide website upgrade

Economic Development Key Goals for 2013-2014

City Center

- Create City Center Development Handbook
- Create and implement marketing program for City Center
- Outreach to property owners and developers for City Center implementation
- Implement joint marketing strategy for City Center property with Edmonds School District
- Facilitate potential hotel project in conjunction with the Lynnwood PFD
- Facilitate other projects within the City Center
- Prepare and adopt revitalization strategies for City Center
- Identify and pursued infrastructure financing programs for City Center
- Complete preliminary design of 42nd Ave W and 192nd Street
- Complete City Center streetscape plan
- Develop property acquisition strategy and parameters within City Center
- Create list of available properties for potential redevelopment in City Center

- Establish City Center as focused location for governmental activities
- Coordinate with other departments to implement a farmers market in the City Center.
- Develop and fund inducements to encourage development in City Center
- Implement City Center Planned Action Ordinance
- Implement City Center Umbrella Organization
- Update City Center LID
- Update Economic Profile and Economic Development Action Plan
- Monitor economic indicators and metrics
- Pursue grant opportunities for economic development programs and projects

Highway 99

- Develop and fund inducements to encourage development on Highway 99
- Create list of available properties' for potential redevelopment
- Identify large sites and reuse potential on Highway 99
- Facilitate implementation of Lynnwood Crossing
- Facilitation implementation of new auto dealership

College District

- Facilitate Edmonds Community College Projects
- Facilitate implementation of the Edmonds Community College Master Plan
- Pursue opportunities to relocate government uses from College District to City Center
- Identify and implement infrastructure strategies

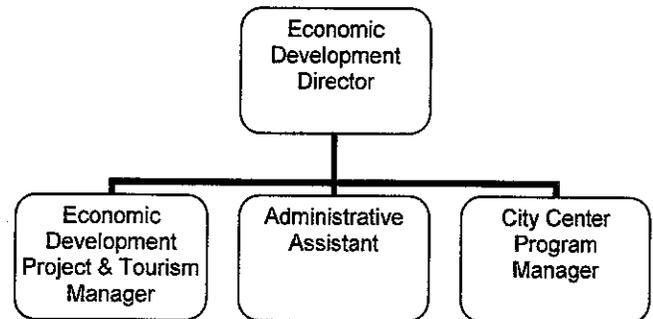
Alderwood City Center Transition Area

- Implement new zoning and development regulations

Other

- Undertake business retention, expansion and attraction activities citywide
- Assess and implement new residential developments, amenities and common space within City Center and Highway 99
- Complete utility consolidation and real estate transaction for the ESD "bus barn" site
- Pursue business development and job growth opportunities within the pending annexation area
- Update media kit, web site and presentation materials
- Develop communication strategies, themes and messages for target business sectors
- Implement the Tourism work program

Office of Economic Development Organizational Chart FY 2013-2014



	A	B	C	D	E	F	G	H	I	
1			Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual 12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget	
2	ECONOMIC DEVELOPMENT									
3			\$ 387,596	\$ 345,425	\$ 373,427	\$ 301,695	\$ 366,711	\$ 376,533	\$ 374,912	
4			\$ 387,596	\$ 345,425	\$ 373,427	\$ 301,695	\$ 366,711	\$ 376,533	\$ 374,912	

	B	C	D	E	F	G	H	I	J	K	L	
	Actual											
1	12/31/09											
2	Actual 12/31/10											
3	Actual 2011											
4	Budget of 2/22/12											
10	Actual 12/31/11 (as of 2/22/12)											
20	Budget											
30	Budget											
46	Budget											
49	Budget											
52	Budget											
53	Budget											
Obj Sum # & Name												
ECONOMIC DEVELOPMENT												
18-ECONOMIC DEVELOPMENT												
1-Salaries & Wages	\$	271,243	\$	243,515	\$	237,783	\$	225,451	\$	235,145	\$	164,615
2-Personnel Benefits		67,534		60,853		78,548		58,562		76,854		123,961
3-Supplies		4,832		1,248		2,575		388		2,605		3,300
4-Services		42,295		38,117		49,950		12,722		47,536		80,086
5-Intergovernmental Svcs		-		-		-		-		-		-
9-Interfund Payment for Svcs		1,691		1,692		4,571		4,571		4,571		4,571
ECONOMIC DEVELOPMENT Total	\$	387,596	\$	345,425	\$	373,427	\$	301,695	\$	366,711	\$	376,533
												\$
												374,912

	A	B	C	D
1	<u>Executive</u>			
2	General Fund & Other Sources			
3	2013-2014 Preliminary Budget Summary			
4				
5				
6	<u>Category</u>		<u>Item Description</u>	<u>Amount</u>
7				
8	Mayor's Preliminary Budget		94.5% Budget 2011-12 Adjusted for 2013-14	\$ 583,238
9				
10	M-DecPack: Wage/Med Incr.		Wage Increase: 1.5% (see PPB Highlights @10-11)	2,200
11			Medical Benefits Increase 2014	4,830
12			Subtotal	7,030
13				
14			<u>Pg# - Department Decision Package Notebook</u>	
15	Other DecPack Increases		58 P-T .5 FTE Exec. Asst.	117,768
16				
17	Final Preliminary Budget			\$ 708,036
18				
19			<u>Summary of Funding Types</u>	
20			On-Going: 94.5% Budget 2011-12 Adj. for 2013-14	583,238
21			Net Estimated On-Going New Revenue	7,030
22			Other Fund Sources	-
23			One-Time (1X)	117,768
24			Total	708,036
25				
26				
27				

A	B	C	D	E	F	G	H	I	J
1	2	Obj Sum # & Name	Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual 12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
3		EXECUTIVE							
12		1-Salaries & Wages	\$ 161,530	\$ 208,202	\$ 188,411	\$ 188,468	\$ 192,089	\$ 198,152	\$ 202,133
26		2-Personnel Benefits	62,568	83,532	56,885	58,716	57,364	62,871	63,464
36		3-Supplies	6,947	9,122	3,118	1,457	5,528	7,500	7,500
53		4-Services	86,213	120,422	39,212	8,512	8,549	17,250	17,250
56		5-Intergovernmental Svcs	10,632	27,944	-	8,727	-	-	-
60		9-Interfund Payment for Svcs	9,441	9,444	3,559	3,559	3,559	3,559	3,559
61		EXECUTIVE Total	\$ 337,331	\$ 458,665	\$ 291,185	\$ 269,438	\$ 267,089	\$ 289,332	\$ 293,906
62									

	A	B	C	D
1	<u>Fire Department</u>			
2	General Fund & Other Sources			
3	2013-2014 Preliminary Budget Summary			
4				
5				
6	<u>Category</u>		<u>Item Description</u>	<u>Amount</u>
7				
8	Mayor's Preliminary Budget		94.5% Budget 2011-12 Adjusted for 2013-14	\$ 15,162,634
9				
10	M-DecPack: Wage/Med Incr.		Wage Increase: 1.5% (see PPB Highlights @10-11)	139,081
11			Increased Existing Salary O.T, ER&R repayment	302,670
12			Medical Benefits Increase 2014	49,537
13			Subtotal	491,288
14				
15			<u>Pg# - Department Decision Package Notebook</u>	
16	Other DecPack Increases		61 Post Safer Grant Funding 4.0 FTE	647,900
17			60 Restore Fire Chief Position - 7/1/13	293,352
18			n/a Recruitment Cost for Chief Position (1X)	25,000
19			60 Restore Fire Marshal Position - 7/1/13	257,424
20			65 Restore 1/2 Permit Ctr Technician	80,000
21			64 Increase Office Asst 16 hrs to 40 hrs	26,000
22			71 Replace Obsolete Radios (1X)	100,000
23			74 Emerg. Op. Ctr. Supplies & Food (1X)	10,000
24			75 EQP: Emerg. Med. Svc (EKG, etc.) F#120	15,000
25			78 Public Fire Educ. Supplies & Materials (1X)	10,000
26			n/a M-F#120 Transfer to ER&R F#510	75,000
27			81 EQP: ER&R Replace S.C.B.A.: <u>Use Finance Optio</u>	-
28			n/a M-1.0 FTE Administrative Asst.	160,000
29			Subtotal	1,699,676
30				
31	Final Preliminary Budget			\$ 17,353,598
32				
33			<u>Non-Departmental Portion of Dept. Budget</u>	
34			Fire: Medical & Dispatch	1,586,899
35			Fire: ESCA: Emerg. Svc. Coord. Agency	221,510
36			Subtotal	1,808,409
37				
38			Total Department Budget	\$19,162,007
39				
40			<u>Summary of Funding Types</u>	
41			On-Going: 94.5% Budget 2011-12 Adj. for 2013-14	15,162,634
42			Net Estimated On-Going New Revenue	1,955,964
43			Other Fund Sources	90,000
44			One-Time (1X)	145,000
45			Total	17,353,598
46				
47				

Fire

The Lynnwood Fire Department is committed to the protection of life, property, and the environment through education, prevention and emergency response to fire, emergency medical, and hazardous conditions.

The services provided by the Fire Department include fire suppression, emergency medical services (EMS), fire prevention and code enforcement, fire and life safety education, hazardous materials response, and technical rescue response. Per capita, the Lynnwood Fire Department continues to be one of the busiest fire departments in Snohomish County, responding to approximately 177 incidents per 1000 population.

Emergency Operations

The Operations Bureau is responsible for providing timely response to all types of emergency incidents, both within the City of Lynnwood and to other jurisdictions via automatic and mutual aid agreements. These functions include Fire Suppression, Technical Rescue and Hazardous Materials responses.

Fire Suppression

Responsibilities of Fire Suppression include extinguishing of fires, conservation of property, removing of trapped persons, and response to all types of natural and human emergencies throughout our community in conjunction with various specialized response teams when necessary.

Hazardous Materials Team

The Hazmat Team is responsible for providing rapid response and mitigation of incidents involving hazardous materials, including nuclear, biological and chemical emergencies in our community and other jurisdictions through regional cooperation. The team is comprised of members of the Lynnwood Fire Department, along with team-members from other Snohomish departments.

Technical Rescue Team

The Rescue Team is responsible for specialized responses including structural collapse, high angle and water rescue in our community and other jurisdictions through regional cooperation. The team is comprised of members of the Lynnwood Fire Department, along with team-members from other Snohomish departments.

Emergency Medical Services (EMS)

The EMS bureau provides emergency medical care to citizens and guests of the City of

Lynnwood. The Lynnwood Fire Department's fire-based EMS service provides both Basic Life Support (BLS) and Advanced Life Support (ALS) medical care. The Department has 12 paramedics and 1 Medical Services Officer.

Fire Prevention

The Fire Prevention Bureau is responsible for the administration and enforcement of the International Fire Code as adopted by City Ordinance. The bureau is also responsible for fire and arson investigation; plan review, inspection of new construction, permit issuance and special event planning.

Fire and Life Safety Education

While the Department is most recognized for responding to emergencies, it also works to reduce the number of community emergencies, on a limited basis, through public safety education. These programs include CPR training, free blood pressure checks, fall prevention, smoke alarm installation, and earthquake preparedness.

2011 – 2012 Biennium Accomplishments

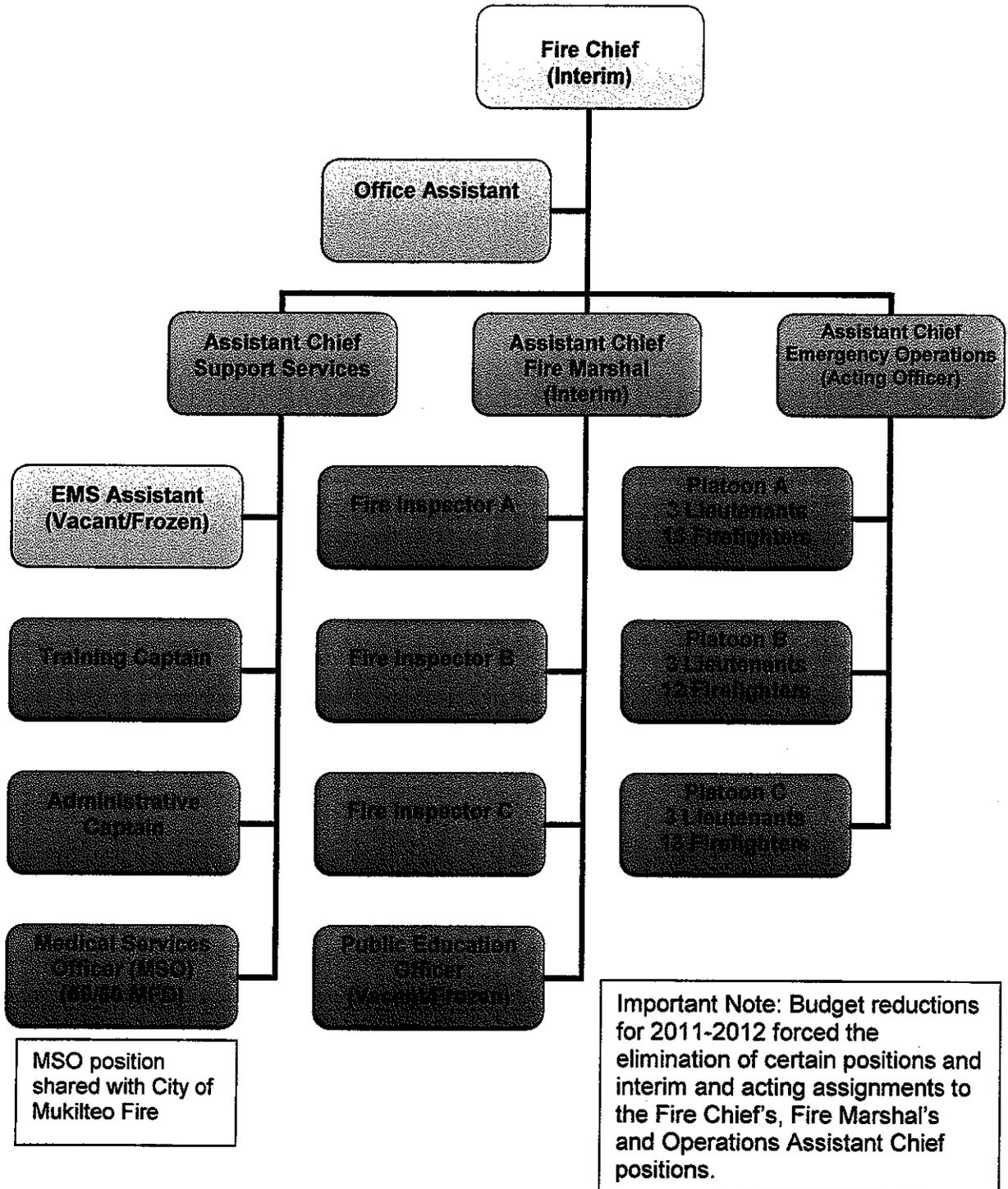
- The Department received a \$634,000 SAFER grant from the Department of Homeland Security to fill four (4) vacant firefighter positions.
- Firefighter Kevin Miller received Paramedic training at the University of Washington / Harborview Paramedic Program during the budget cycle.
- The Medic 15 paramedic vehicle was refurbished with a new Ford chassis.
- The Department historically had its second busiest year, responding to 6487 incidents in 2011.
- The Department continued its successful a partnership with the City of Mukilteo to provide EMS Management services and cost share the Medical Services Officer position.
- The EMS division received a grant for \$82,000 from the Verdant Health Commission for new emergency cardiac technology and heart attack awareness education for the community.
- Fire Prevention Inspectors conducted 3690 technical inspections and assisted in correcting 3335 violations.

- The Department participated in the Regional Fire Authority Planning team, examining the possibility of a regional fire service delivery model.

- Sick leave dropped by 7% in 2011.

2013 – 2014 Biennium Goals

- Meet service demand expectations with minimum daily staffing with 10 firefighters.
- Purchase new Medic Unit vehicle.
- Consolidate training programs with neighboring departments.
- Maintain dependency on automatic aid at 11% or less.



MSO position shared with City of Mukilteo Fire

Important Note: Budget reductions for 2011-2012 forced the elimination of certain positions and interim and acting assignments to the Fire Chief's, Fire Marshal's and Operations Assistant Chief positions.

	A	B	C	D	E	F	G	H	I
			Actual as of 12/31/09	Actual as of 12/31/10	2011 Budget (2/22/12)	Actual 12/31/11	2012 Budget (2/22/12)	2013 Budget	2014 Budget
1		FIRE DEPARTMENT							
2			\$ 906,994	\$ 845,070	\$ 1,295,638	\$ 841,580	\$ 1,319,876	\$ 554,710	\$ 547,385
3		40-FIRE-FIRE - ADMINISTRATION	3,081,175	2,754,909	2,551,529	2,726,672	2,548,199	1,999,739	2,131,026
4		42-FIRE-FIRE - OPERATIONS	622,228	574,604	651,409	660,553	633,836	439,606	432,477
5		43-FIRE-FIRE - PREVENTION	150,588	136,076	247,618	40,365	241,053	238,320	221,736
6		44-FIRE-FIRE - STAFF TRAINING	5,697	94,971	109,624	1,808	113,255	101,820	101,820
7		45-FIRE-DISASTER MANAGEMENT	4,066,412	4,098,188	4,027,160	4,209,437	4,029,869	4,247,122	4,146,873
8		48-FIRE-EMERGENCY MEDICAL SERVICES	\$ 8,833,094	\$ 8,503,817	\$ 8,882,978	\$ 8,480,415	\$ 8,886,088	\$ 7,581,317	\$ 7,581,317
9		FIRE DEPARTMENT Total							
10									

A	B	C	D	E	F	G	H	I	J
Obj Sum # & Name			12/31/09 Actual	12/31/10 Actual	2011 Budget Actual 2/22/12	12/31/11 Actual 2/22/12	2012 Bgt	2013 Budget	2014 Budget
1	2	FIRE							
16		1-Salaries & Wages	\$ 5,342,885	\$ 5,438,459	\$ 5,325,933	\$ 5,352,455	\$ 5,315,902	\$ 4,749,993	\$ 4,618,588
37		2-Personnel Benefits	2,037,054	2,141,649	2,257,320	2,251,239	2,294,908	1,964,665	1,905,462
57		3-Supplies	225,785	107,693	237,231	98,873	195,414	197,974	192,275
79		4-Services	178,509	175,148	278,918	200,478	275,918	268,501	215,782
83		5-Intergovernmental Svcs	425,424	591,826	540,541	334,335	560,911	106,850	106,850
89		6-Capital Outlay	20,819	53,271	-	-	-	-	-
99		9-Interfund Payment for Svcs	602,618	(4,229)	243,035	243,035	243,035	293,334	542,360
100		FIRE Total	\$ 8,833,094	\$ 8,503,817	\$ 8,882,978	\$ 8,480,415	\$ 8,886,088	\$ 7,581,317	\$ 7,581,317

	A	B	C	D
1	Human Resources			
2	General Fund & Other Sources			
3	2013-2014 Preliminary Budget Summary			
4				
5				
6	<u>Category</u>		<u>Item Description</u>	<u>Amount</u>
7				
8	Mayor's Preliminary Budget		94.5% Budget 2011-12 Adjusted for 2013-14	\$ 1,028,742
9				
10	M-DecPack: Wage/Med Incr.		Wage Increase: 1.5% (see PPB Highlights @10-11)	2,521
11			Increased Existing Salary & Benefits	5,561
12			Medical Benefits Increase 2014	3,407
13			Subtotal	11,489
14				
15			<u>Pg# - Department Decision Package Notebook</u>	
16	Other DecPack Increases		85 Mandatory E/ee Trng. (1X)	5,000
17			89 Fitness for Duty Medical Exams (1X)	11,000
18			93 Supervisor City-Wide Trng. (1X)	30,000
19			97 Employee Recog. Program (1X)	17,400
20			n/a Volunteer Recog. Event - Trfr to P&R	-
21			Subtotal	63,400
22				
23	Final Preliminary Budget			\$ 1,103,631
24				
25			<u>Summary of Funding Types</u>	
26			On-Going: 94.5% Budget 2011-12 Adj. for 2013-14	1,028,742
27			Net Estimated On-Going New Revenue	11,489
28			Other Fund Sources	-
29			One-Time (1X)	63,400
30			Total	1,103,631
31				
32				

Human Resources

The Human Resources Department serves as a leader and strategic partner with City Departments in attracting and retaining quality and diverse professional staff as a key to providing effective service to the citizens of the City of Lynnwood.

The Human Resources Department is an internal service department, providing human resource management and administration assistance to City departments, supervisors, and employees. The department is staffed with four full-time employees and is a full-service human resources organization that provides services in all traditional human resource areas, including recruitment, benefits administration, training, employee and labor relations.

Human Resources staff works in a fast paced, high volume environment to support a workforce of over 300 regular and 150 part time or seasonal employees. For example, the department has processed over 3700 applications to date for the 2011-2012 budget period, conducted 46 recruitments, six civil service examinations, and guided one executive search. Department staff also conduct annual benefits open enrollment and support ongoing labor negotiations.

2011 – 2012 Biennium Accomplishments and Challenges

Through the 2011 – 2012 biennium, the City continued to experience the effects of the economic downturn. HR shifted focus to provide assistance with workplace modifications that resulted in layoffs, reorganizations and related logistics of staffing changes. Layoff resource guides were developed and on-site assistance was provided to affected individuals. HR staff held designated office hours to meet with

employees, answering questions and explaining available transition services.

HR staff developed and successfully guided the transition to a less expensive benefit program beginning in 2012; thereby mitigating the projected increases in health care costs.

Approximately half of the City's workforce is represented by one of seven unions and all union contracts were under negotiation. For the first time in years, contracts changed from three to one year terms because of the economic uncertainty in outlying years. Naturally, this meant HR staff and the bargaining teams they support entered into a perpetual cycle of labor negotiations. As of August, 2012, all but one contract has settled, the unsettled contract is scheduled for arbitration in 2013.

2013 – 2014 Department Goals

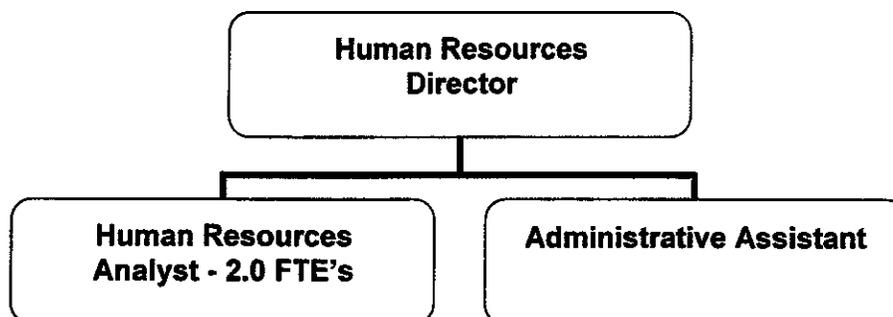
Provide meaningful and relevant training to City employees, managers and supervisors. Pending approval of funding, provide mandatory and supervisory training.

Ensure the City remains legally compliant with all federal and state employment regulations.

Attract and retain a diverse workforce, reflective of the community.

Increase support to labor negotiations.

Make better use of technology.



	A	B	C	D	E	F	G	H	I	J
				Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual 12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
1	Obj Sum # & Name									
2										
3	HUMAN RESOURCES									
10		1-Salaries & Wages Total	\$	450,933	\$ 304,641	\$ 335,924	\$ 309,946	\$ 342,516	\$ 325,121	\$ 332,240
23		2-Personnel Benefits Total		126,873	101,252	107,192	109,956	107,795	118,201	118,985
34		3-Supplies Total		9,992	2,380	10,356	2,107	10,354	8,723	8,422
53		4-Services Total		128,165	72,976	104,618	50,725	68,599	67,879	37,328
56		5-Intergovernmental Svcs Total		-	-	-	-	-	-	-
61		6-Capital Outlay Total		-	-	-	-	-	-	-
64		9-Interfund Payment for Svcs Total		2,185	2,184	5,922	5,922	5,922	5,922	5,922
65		HUMAN RESOURCES TOTAL	\$	718,148	\$ 483,432	\$ 564,012	\$ 478,656	\$ 535,186	\$ 525,846	\$ 502,897
66										

	A	B	C	D
1	<u>Legal Department</u>			
2	General Fund & Other Sources			
3	2013-2014 Preliminary Budget Summary			
4				
5				
6	<u>Category</u>		<u>Item Description</u>	<u>Amount</u>
7				
8	Mayor's Preliminary Budget		Est. Tot. for <u>All 3 Types</u> of 2011-12 Legal Expend.	\$ 2,050,000
9				
10			City Attorney - estimated services for 2012	\$ 664,000
11			City Prosecutor - Current contract	\$760,000
12			Public Defender Contract (Renewed 2012)	\$594,000
13			Miscellaneous non-services legal costs	\$32,000
14			Subtotal	\$2,050,000
15				
16	M-DecPack: Wage/Med Incr.		None	
17				
18				
19	Other DecPack Increases		Incr. Costs: Pub. Defender Supr. Ct. Workload Stds.	300,000
20				
21				
22	Final Preliminary Budget			\$ 2,350,000
23				
24			<u>Summary of Funding Types</u>	
25			On-Going: 94.5% Budget 2011-12 Adj. for 2013-14	2,050,000
26			Net Estimated On-Going New Revenue	300,000
27			Other Fund Sources	-
28			One-Time (1X)	-
29			Total	2,350,000
30				
31				

Legal

The Legal department exists to provide expert, efficient and timely legal counsel and representation to the City's executive and legislative branches, and City boards and commissions, and to provide expert, efficient prosecution services for the City and public defender services for indigent defendants.

General legal services to the City are provided pursuant to contract with the firm of Inslee Best Doezie & Ryder PS. for a designated City Attorney. The City contracts with other firms for municipal prosecution services to handle the criminal prosecution of ordinance violations, and for public defender services. The City also retains special legal counsel on special projects.

Note: The City's legal services are provided through contracts with various legal firms.

	A	B	C	D	E	F	G	H	I
1			Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual 12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
2									
3			\$ 1,170,742	\$ 1,212,885	\$ 910,000	\$ 1,090,543	\$ 910,000	\$ 1,025,000	\$ 1,025,000
4			\$ 1,170,742	\$ 1,212,885	\$ 910,000	\$ 1,090,543	\$ 910,000	\$ 1,025,000	\$ 1,025,000

LEGAL

ADMINISTRATION

LEGAL Total

	A	B	C	D	E	F	G	H	I	J	K	L
	Actual as of											
	Actual as of 12/31/09			Actual as of 12/31/10			Actual 12/31/11			Actual (as of 2/22/12)		
Obj Sum # & Name	AC											
	2011 Budget	2012 Budget	2013 Budget	2014 Budget	2011 Budget	2012 Budget	2013 Budget	2014 Budget	2011 Budget	2012 Budget	2013 Budget	2014 Budget
1 LEGAL												
23 13-LEGAL-ADMINISTRATION												
24 City Attorney Fees	\$ 481,863	\$ 447,353	\$ 206,632	\$ 312,350	\$ 206,632	\$ 311,122	\$ 311,122	\$ 311,122	\$ 312,350	\$ 206,632	\$ 311,122	\$ 311,122
25 Prosecuting Attorney	348,454	373,369	373,368	373,369	373,368	373,368	373,368	373,368	373,369	373,368	341,207	341,207
26 Public Defenders/Court	328,439	374,585	324,000	388,816	324,000	324,000	324,000	324,000	388,816	324,000	356,657	356,657
27 Other Legal	10,584	16,175	6,000	16,008	6,000	6,000	6,000	6,000	16,008	6,000	16,015	16,015
28 4-Services	1,169,340	1,211,481	910,000	1,090,543	910,000	910,000	910,000	910,000	1,090,543	910,000	1,025,000	1,025,000
29 9-Interfund Payment for Svcs	1,402	1,404	-	-	-	-	-	-	-	-	-	-
30 LEGAL Total	\$ 1,170,742	\$ 1,212,885	\$ 910,000	\$ 1,090,543	\$ 910,000	\$ 910,000	\$ 910,000	\$ 910,000	\$ 1,090,543	\$ 910,000	\$ 1,025,000	\$ 1,025,000
31												
32												

	A	B	C	D
1	<u>Municipal Court</u>			
2	General Fund & Other Sources			
3	2013-2014 Preliminary Budget Summary			
4				
5				
6	<u>Category</u>		<u>Item Description</u>	<u>Amount</u>
7				
8	Mayor's Preliminary Budget		94.5% Budget 2011-12 Adjusted for 2013-14	\$ 2,671,358
9				
10	M-DecPack: Wage/Med Incr.		Wage Increase: 1.5% (see PPB Highlights @10-11)	16,689
11			Increased Existing Salary & Benefits	24,673
12			Medical Benefits Increase 2014	10,188
13			Subtotal	51,550
14				
15			<u>Pg# - Department Decision Package Notebook</u>	
16	Other DecPack Increases		- Legal Spec./Prob. Asst. Combo Pos. (.5 FTE)	\$83,000
17			n/a Add: .25 FTE more to Legal Spec. Prob. Asst.	41,500
18			Subtotal	124,500
19				
20	Final Preliminary Budget			\$ 2,847,408
21				
22			<u>Summary of Funding Types</u>	
23			On-Going: 94.5% Budget 2011-12 Adj. for 2013-14	2,671,358
24			Net Estimated On-Going New Revenue	176,050
25			Other Fund Sources	-
26			One-Time (1X)	-
27			Total	2,847,408
28				
29				
30				

Municipal Court

The Mission of the Municipal Court is to contribute to the quality of life in our community by fairly and impartially administering justice in such a manner that it preserves both the dignity and rights of the defendant as well as the citizens of Lynnwood.

The municipal court provides court services to adjudicate civil, criminal and infraction matters arising from violations of city ordinances. The probation program tracks and reports on probationers' status with the court ordered conditions. All court filings/documents and minutes of court hearings are entered into a state database and are public record. Upon filing, cases are tracked until a final disposition is entered. Hearings are recorded digitally. The court's projected 2012 caseload is 10,000 case filings plus 25,000 photo red filings. All filings are down due to changes in the police department's work force and emphasis. Photo enforcement filings have stabilized since the adjustment in 2010.

The court's workload is determined by filings. The police department's continued emphasis on DUI enforcement and Domestic Violence places disproportionately heavy burdens on court staff and probation as these cases require far greater resources for up to 5 years. All other case types are no longer than 2 years.

Our present location is insufficient to hold all of the people requiring access to the court. We are unable to provide jurors a comfortable environment, to allow defendants and witnesses to meet with counsel, and to afford sufficient work space for court staff and for file storage. We are grateful for the use of council chambers for infraction hearings. By using the council chambers we have been able to add criminal calendars and reduce congestion in our courtroom. However this is only a band aid for a long term problem.

The Administrative Office for the Courts measures judicial staffing needs with two primary data components: (1) the observed caseload processes, and (2) the number of judicial officers. The need for judicial officers is expressed in terms of judge and commissioner FTEs. Presently we are funded for 1.3 FTE's and in 2013 1 FTE. The latest AOC measurement is 2.11 FTEs, which does not take into account Photo Enforcement filings and hearings. It is difficult to meet the current demand for judicial services with 1 FTE. This fall the city council plans to consider changing

their ordinance which allows the mayor to appoint the judicial officers upon approval of council to making the judicial position(s) elected.

The court is working closely with the police, jail, prosecutors and public defenders to manage jail costs. Significant changes in sentencing and length of probation periods has reduced the costs of incarceration by 50%. The court has implemented other cost saving programs including video arraignments from Snohomish County Jail, electric filing of citations and a new vehicle related violations (photo enforcement) program. These actions are not only economical but have improved court services.

Court Services Program

Court Services incorporates 4 areas of service, infractions, photo red, criminal and administration.

Infraction Processing: Infractions are citations issued by the Lynnwood Police Department or prosecuting attorney for violations of minor traffic rules such as speeding, running a red light, failing to yield or non-traffic violations such as littering or animal control violations. Infractions are processed according to how the defendant responds. Persons receiving an infraction must respond to the court within 15 days. A person may pay the penalty, request a hearing to mitigate the circumstances surrounding the commission of the infraction, or contest the determination that the infraction was committed. 1.5 legal specialists are dedicated to infraction caseload.

Photo Red Processing: Photo Red cases are treated like parking infractions. The same infraction rules apply but the violation is against the vehicle and not the driver. 1.75 legal specialists are dedicated to photo red caseload.

Criminal Trial Processing: Misdemeanor and gross misdemeanor cases require a mandatory court appearance. The maximum sentence for a misdemeanor is \$1000 fine and 90 days jail, the maximum fine for a gross misdemeanor is \$5000 fine and 364 days jail. Defendants are advised at their first appearance (the arraignment) of the charge(s), their rights and

the maximum and minimum penalties if they are convicted of the offense(s). The defendant's plea (or answer to the charge(s)) determines how the case proceeds. Defendants who plead not guilty have a right to have their case heard before a jury of their peers or they may choose to have a bench trial where the judge determines the finding. Most cases are disposed at pre-trial. The court holds 52 criminal calendars a month. (3.5) Legal Specialists are dedicated to the trial caseload.

Administration: Court Administration handles the non-judicial administrative matters of the court. Our goal is to maximize operational efficiency while minimizing city costs. These functions include but are not limited to training, personnel, accounting, case flow management, jury management, records retention and public awareness. Two people are dedicated to administrative activities. Almost all of these tasks are imposed on the court either by statute or by court rule and are therefore not discretionary.

Probation

The Probation Department assists the court in management of post sentence cases. The department determines the defendant's risk to the community, evaluates appropriate treatment programs, oversees community agencies providing services and reports to the court as directed by the judge or when judicial intervention is warranted. Serious offenses such as DUI and Assault DV are placed on active probation. Failing to comply with the court imposed sentence will result in re-imposition of the suspended sentence. Due to budget restrictions the department was reduced from three to two people. The loss of the probation assistant resulted in a reduction in our level of service. Probationers no longer have immediate phone access to the probation department but must leave voice mails which are returned within 24 hours often times resulting in phone tag. There is no longer the ability for a probationer to drop by and check on the status of their case or get answers to questions or concerns regarding their program. Treatment agencies used to have immediate access to the probation assistant must now leave messages and wait for information.

2011-2012 Accomplishments

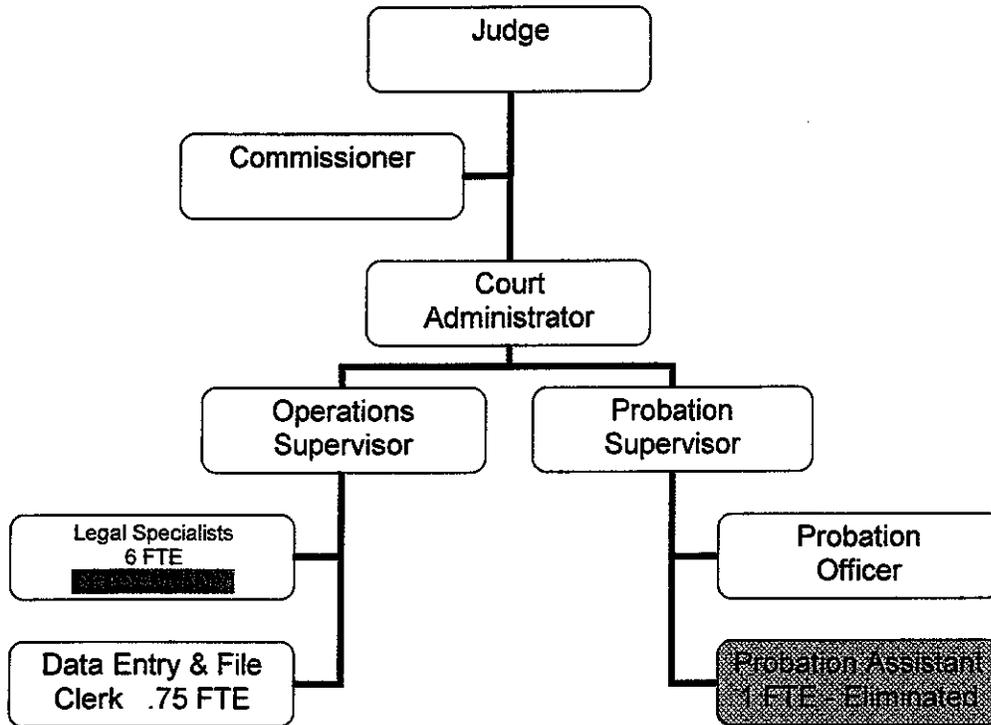
- Vehicle Related Violations (photo enforcement citations) are electronically filed in the Judicial Information System. (State funded, no cost to the City of Lynnwood.)
- New on-line payment program through nCourt improved efficiency.
- Piloting new interpreter scheduling program with 1LInqua.
- Reduced jail costs by 50%
- Implemented a DWLS3 arraignment calendar to expedite non-complicated criminal case processing.

Goals for 2013-2014 Biennium

- Reinstate legal specialist position to improve customer service for probationers and assist photo enforcement case management.
- Enhance web site to allow forms and pleadings to be filed online
- Continue to migrate from paper to electronic criminal files
- Implement public defender caseload standards

Future Trends

Technology is offering new ways of doing business. Payments and hearings on line provide opportunities to conduct court business without physically having to be present. E-filings and scanning court documents reduce our storage needs and the staffing dedicated to filing. E-Citation filings have improved our quality of services and reduced our data entry needs. Web based communication and interaction will improve court services.



	A/B	C	D	E	F	G	H	I	J
			Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual 12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
1		Obj Sum # & Name							
2									
3		MUNICIPAL COURT							
10		1-Salaries & Wages	\$ 725,409	\$ 739,803	\$ 698,875	\$ 688,073	\$ 709,872	\$ 735,551	\$ 740,791
21		2-Personnel Benefits	240,246	276,410	243,628	258,841	245,126	259,278	260,088
33		3-Supplies	16,815	7,229	15,711	8,780	14,510	17,780	17,280
56		4-Services	310,061	397,258	440,335	260,007	439,136	309,900	311,050
59		5-Intergovernmental Svcs	-	-	-	-	-	-	-
65		6-Capital Outlay	-	-	-	-	-	-	-
71		9-Interfund Payment for Svcs	4,790	4,788	9,820	9,820	9,820	9,820	9,820
72		MUNICIPAL COURT Total	\$1,297,321	\$1,425,488	\$1,408,369	\$1,225,521	\$1,418,464	\$1,332,329	\$1,339,029
73									

	A	B	C	D	E	F	G	H	I
1			Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual 12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
2		MUNICIPAL COURT	\$ 1,055,287	\$ 1,165,938	\$ 1,223,550	\$ 1,043,626	\$ 1,230,831	\$ 1,142,083	\$ 1,148,783
3		ADMINISTRATION	242,033	259,550	184,819	181,895	187,633	190,246	190,246
4		PROBATION SERVICES							
5		MUNICIPAL COURT Total	\$ 1,297,321	\$ 1,425,488	\$ 1,408,369	\$ 1,225,521	\$ 1,418,464	\$ 1,332,329	\$ 1,339,029

	A	B	C	D
1	<u>Parks, Recreation and Cultural Arts</u>			
2	General Fund & Other Sources			
3	2013-2014 Preliminary Budget Summary			
4				
5				
6	<u>Category</u>		<u>Item Description</u>	<u>Amount</u>
7				
8	Mayor's Preliminary Budget		94.5% Budget 2011-12 Adjusted for 2013-14	\$11,685,774
9				
10	M-DecPack: Wage/Med Incr.		Wage Increase: 1.5% (see PPB Highlights @10-11)	57,501
11			Medical Benefits Increase 2014	42,281
12			Subtotal	99,782
13				
14				
15	Other DecPack Increases		<u>Pg# - Department Decision Package Notebook</u>	
16			<u>Customer Svc. & Marketing Decision Packages</u>	
17			107 Customer Svc. Staffing - Front Desk	77,114
18			110 Restore Mkt/Events Supv.Hrs	41,944
19			Subtotal	119,058
20				
21			<u>Revenue Generating Decision Packages</u>	
22			114 Reinstate OutDoor Recr. Supv. - Sr. Ctr. (1X)	57,240
23			118 Cedar Valley Gym Programs (1X)	71,200
24			124 Red Cross Safety Ofc .5 FTE (71% Recov.) (1X)	91,000
25			135 Re-Instate RecCtr Holiday Hrs.	90,600
26			137 Healthy Com: Incr. Hrs. AWC Wellness (1X)	111,069
27			141 Healthy Com: Frmr Mkt. Seed Money; Grants	35,000
28			n/a Volun. Recog. Event: HR Trfr to Parks & Rec. Dept.	10,000
29			Subtotal	466,109
30				
31			<u>Non-Revenue Generating Decision Packages</u>	
32			146 Parks: Restore Seasonal Labor	38,000
33			150 Parks: NEW Stadler Ridge Park Ops.	5,725
34			156 Parks: Storm Drain Fee Increase	8,400
35			160 Parks: EQP Replacement Fund/Fnding (1X)	37,000
36			164 Diversity: Multi-Cultural Event (1X)	8,000
37			167 Outreach: Citizen Survey (3yr. 2013) (1X)	27,500
38			171 City-wide Translation Service (1X)	15,000
39			174 Community Outreach program (1X)	16,000
40			Subtotal	155,625
41				
42			<u>Golf Course (to be Paid frm GenFund \$543K)</u>	
43			182 Golf: Hitting Area Construct (1X)	35,000
44			186 Golf: 25% Irrigation sys.upgrade (1X)	28,000
45			190 Golf: Consult. Design Jt. EdCC Pkg. Lot (1X)	50,000
46			194 Golf: Consult. Design Ops Maint. Bldg. (1X)	144,000
47			Subtotal	257,000
48				

	A	B	C	D
49			All DecPacks Subtotal	\$ 1,097,574
50				
51	Final Preliminary Budget			\$12,783,348
52				
53			Summary of Funding Types	
54			On-Going: 94.5% Budget 2011-12 Adj. for 2013-14	11,685,774
55			Net Estimated On-Going New Revenue	406,565
56			Other Fund Sources	-
57			One-Time (1X)	691,009
58			Total	12,783,348
59				
60				
61				

Parks, Recreation & Cultural Arts

Lynnwood Parks, Recreation & Cultural Arts is creating a healthy community through people, parks, programs and partnerships.

We are part of Lynnwood's daily life and we shape the character of the community by providing stewardship of our resources, providing recreation opportunities for all ages, contributing to the City's economic vitality, promoting health and wellness, fostering social connections, embracing innovation, supporting staff professional development and excellence, engaging and responding to the changing needs of our community, creating a connected community, providing premier customer service and leaving a legacy for future generations

The Parks, Recreation & Cultural Arts Department provides a comprehensive system of facilities and programs to meet the parks and recreation needs of the community. The Department acquires plans and develops parks and recreation facilities, operates and maintains parks and facilities, and provides a wide variety of affordable recreation activities and programs for all age groups.

Administration & Park Development is responsible for the leadership, development and operation of a comprehensive Parks, Recreation and Cultural Arts system. This includes administrative functions, strategic planning, marketing, outreach activities, healthy communities initiatives and programs, sponsorship development, long range capital and program planning, development of partnerships with other agencies and non-profits, acquisition and development of properties, capital project planning, grant writing and monitoring for compliance, development of the biennial budget, and establishment of performance measures and goals.

Park Operations administers and is responsible for the effective operations and maintenance of over 316 acres of City parks, athletic fields, park trails and other civic lands and recreational open space. Staff works to preserve, maintain and enhance the community's investment in parks, while providing quality facilities for leisure and athletic experiences.

Recreation provides recreation programs for all ages and manages recreation facilities including the Recreation Center, Senior Center, Cedar Valley Gym and Meadowdale Playfields so that the community can participate in safe, fun, and

quality activities resulting in opportunities for fitness, social interaction, life-long learning, creativity and healthier living.

2011-2012 Biennium Accomplishments

- Opened renovated Recreation Center and Senior Center
- Received LEED Silver Certification for Recreation Center expansion/renovation
- Received grant for exhibit development in Wickers Museum at Heritage Park (\$1,643)
- Received grant and designed Heritage Park Brochure (\$943)
- Received grant, designed and distributed Tour of Historic Sites Brochure (\$1,503)
- Completed Phase I development of the Wickers Museum at Heritage Park
- Continued renovation of trolley interior at Heritage Park
- Continued partnerships with non-profit organizations in the operations of Heritage Park
- Worked with Public Works on design of the Interurban Trail Missing links project
- Prepared City Center Draft Streetscape Plan with Economic Development
- Designed Senior Center Patio Plan
- Assisted development of Ethnobotanical Garden at Gold Park with EdCC LEAF School
- Resurfaced tennis courts at South Lynnwood Park and Pioneer Park
- Completed demolition of structures on future Doc Hageman park site
- Completed development of Stadler Ridge Park
- Continued support for the Parks Equipment Replacement Fund with partial funding and

- equipment purchases in support of maintenance service levels
- Strategically amended maintenance priorities to adjust to the loss of two full time and all seasonal park maintenance positions
 - Continued partnership with Pacific Little League to provide baseball and softball opportunities for youth at Lynndale Park
 - Continued support of the City's community service program, working with the Police Department and Court to put community service workers to work in our parks instead of incarceration at added cost to the City
 - Renovated landscaping at North Administration Building for new accessible building entrances
 - Processed 228 park shelter rentals, 649 room rentals and 709 pool rentals in 2011
 - Receipted \$1,926,957 in 2011 and \$1,877,293 in the first eight months of 2012
 - Increased online registrations from 2% to 12% of total registrations
 - Provided over 12,000 swim lessons in the first year of operation in the renovated facility, an increase of 5,000 from 2009 generated an additional \$250,000 in revenues
 - Revised open swim schedule, increasing availability by 50% and allowing an average of 300 additional swimmers to enjoy the facility each day
 - Received over \$33,000 in grant funding from Verdant Health Commission to start 3rd Grade swim lesson voucher program, serving 489 students during the first eight months of the program
 - Registered 307 adult softball teams for league play at the Meadowdale Playfields, bringing in revenues of \$167,701
 - Opened the remodeled Recreation Center with a new variety of fitness classes, averaging 56 classes per week
 - Generated \$289,676 from fitness classes through September 1, 2012
 - Acquired a grant, funded by Verdant Health Commission, for the amount of \$77,468 per year for 3 years. These monies are funding a new Move 60 Teens afterschool program for local middle school students, focusing on health and fitness.
 - Total participation in our Kamp Kookamunga day camp program went up 41% in 2011/2012 from 2009/2010. This was accomplished by increasing from 9 groups of 9 campers to 10 groups of 10 campers.
- Staffing levels were able to remain the same!
- Kids Klub Preschool maintained a fill rate of 97% for the 2011-2012 school year
 - Preschool Playtime had 1079 participants in the 2011-2012 school year. In January 2012 we moved from having 2 to 4 sessions each week.
 - Staffing Administration hours for Youth/Teen Programs was reduced 71% while programs remained status quo
 - Relocated the Senior Center facility to a shared space 35% (2,200 sq ft) smaller, while retaining 94% of total membership
 - Reduced staffing by 30% (1.25 FTE), while retaining 65% (37.5 hours) of weekly operations and 46% (35 hours) of weekly classes, trips and activities
 - Increased Senior Center volunteer hours over 2009-10 by 28% (3,770 hours/1.8 FTE/in-kind value of \$80,490)
 - Parks & Recreation Foundation's Par 4 Kids Golf Tournament generated \$24,000 for the Recreation Benefit Fund
 - Produced a reformatted and independent recreation guide published quarterly
 - Managed publicity and marketing of the Grand Re-Opening of the Recreation Center
 - Successfully transitioned the Office of Neighborhoods functions to PRCA with the Community Outreach Specialist
 - Edited and published 6 editions of *Inside Lynnwood*
 - Launched *In the Loop*, an internal city newsletter
 - Successfully managed two Martin Luther King Jr. Celebrations
 - Staff liaison to the Cold Weather Shelter
 - Launched *Lynnwood eNews*, an electronic newsletter service
 - Planned and executed two Volunteer Appreciation Events
 - Presented to City Council and received approval to change the ordinance pertaining to Board and Commission residency
 - Launched the Recreation Center Ambassador volunteer program to assist the Customer Service staff during peak hours with volunteers contributing over 1,000 hours in the first year
 - Prepared the *Lynnwood Community Profile*, a demographic profile of the City of Lynnwood
 - Created the Lynnwood University Workbook
 - Updated Fee Policy to include core

- definitions and cost recovery targets
- Collaborated and produced two Snohomish County Get Movin' summer programs with a local kick-off event at Alderwood serving over 5,000 participants
 - Launched first of three-year grant funded (\$52,250/year) Get Movin' Fit program providing youth with enhanced fitness opportunities in the summer
 - Secured \$250,000 Safe Routes to School grant funding for environmental improvements and safety education, a collaborative project with public safety, public works, parks & recreation and the school district
 - Collaborated to host the first annual Walk to School event with Lynnwood Elementary where over 500 students walked or biked to school
 - Partnered with Whole Foods to offer several community and educational events including participation as a movie screening site for the Get Reel series
 - Collaborated with Edmonds Community College to host the first annual Celebration of Food Festival serving over 1,200 participants to learn about local, organically produced foods
 - Continued engagement with community members to seek funding and support for a local, international farmers market
 - Continued involvement in collaborative partnerships focused on community health
 - Partnered with Verdant Health Commission to offer a 6 Weeks to a Healthier You community health program

Goals for the 2013-2014 Biennium

Parks: Provide a comprehensive system of parks, open space and recreation facilities that serves the recreational needs of the community, striving to incorporate green technology and Leadership Energy and Environmental Design (LEED) standards:

Provide new park development to meet the recreational needs of the community:

- Scriber Lake Park – replace overwater boardwalk
- Meadowdale Park – expand parking
- Doc Hageman Park – submit grant application for Phase I funding
- Rowe Park – work with community groups to raise funding for development
- Lynndale Park Amphitheater - complete

- expansion improvements
- Heritage Park – complete Phase II renovation of water tower
- Heritage Park – complete installation of children's play area
- Heritage Park – complete Phase II development of the Wickers Museum
- Heritage Park – complete extension of trolley tracks
- Interurban Trail - complete construction of missing links with Public Works
- South Lund's Gulch Trail – plan trail with RTCA and County
- Off-Leash Dog Park – complete development in Lynndale Park
- Senior Center Patio – complete installation of patio
- Gold Park – continue development of Ethnobotanical Garden with EdCC LEAF School

Develop long-term acquisition strategy to identify priorities for property acquisition to address the recreational needs in the City and the Municipal Urban Growth Area:

- Develop a new Comprehensive Plan that will guide future development including: level of service, facility needs, recreation needs, and community priorities
- Assess park acreage level of service
- Explore new funding opportunities to develop, maintain and operate our system of parks, facilities and programs
- Work with Economic Development on acquisition of park property in the City Center

Facilities: Provide facilities that promote a balance of recreational opportunities, striving to incorporate green technology and LEED standards:

Maintain our existing facilities to meet the recreational needs of the community:

- Seek funding for Lynndale Park Amphitheater expansion
- Work with Edmonds School District and City of Edmonds to improve fields at Meadowdale Athletic Complex
- Park System – work to bring all parks up to ADA standards

Outreach: Assumed the outreach function of the Office of Neighborhoods and Community Affairs to reach out to our diverse community to ensure

services, communications, and programs are demographically and culturally appropriate:

- Work with the South Snohomish County Emergency Shelter Network to determine a long-term/permanent solution for the Cold Weather Shelter
- Work with Boards and Commissions to fill all vacancies with dedicated and appropriate volunteers
- Support the strategic plans and goals of the Neighborhoods and Demographic Diversity Advisory Commission and the Visioning Task Force. Assist the Commission to host educational forums and provide outreach to our diverse communities. Assist the Commission to host a Multi-Cultural Fair in 2014
- Assist the webmaster will implementation and migration to the new City website
- Conduct a city-wide language needs analysis and carry out translation of critical city documents
- Collaborate with city departments and employees to facilitate event and program promotion, increase community participation in public meetings and involve non-profit and faith based organizations in city-wide programs and events

Programs: Provide programming opportunities that are responsive to community needs:

- Implement pre-sales for open swims
- Provide instant approval for on-line accounts
- Offer bi-annual annual pass holder perks
- Launch an adaptive Swim Less program and serve at least 200 challenged/disabled youth in 2013-2014
- Expand Sunday Swim Lesson programming, with a 30% increase in classes and \$5,000 in additional revenues for 2013-2014
- Launch CPR and First Aid training program for citizens and City staff, with a goal to certify 60% of City employees and raise \$20,000 in annual revenues
- Register 350 or more teams for 2013-2014 adult softball league play
- Produce revenues of \$300,000 or more from fitness classes
- Start the process of facility design and acquiring financial resources to remodel the Meadowdale Playfields facility
- Maintain an 80% fill rate for Kamp Kookamunga for 2013-2014 summer seasons
- Continue to grow our programs for middle

school students (Move 60 Teens and Nightwaves), an age group that continues to be an underserved population in our community

- Implement two new family events: "Father/Daughter Dance" and "Spook and Splash Family Halloween Event"
- Produce 3,500 classes, trips, and activity programs for adults 62+
- Partner with the Everett BIKES club to co-lead and provide 50 bike rides for adults 62+
- Secure \$9,600 in local business sponsorship to offset costs for 48 special events and presentations
- Receive Senior Center grants totaling \$22,000

New Programming:

- Develop new programs and activities in coordination with Healthy Communities
- Establish a self-sustaining, international Farmers Market
- Continued Get Movin' program and FIT program improvements.

People - Developing Human Capital:

Increase diversity in program participation by employing a variety of strategies:

- Evaluate the Recreation Benefit Fund policy and allotments
- Partner with the Neighborhoods and Demographic Diversity Advisory Commission to assess the needs of our residents
- Provide translation of key publications and signage

Provide training to ensure that staff has the tools to be innovative, efficient and effective

Enhance volunteer program to offer ongoing and one-time volunteer opportunities throughout the year, to include recruitment, retention and recognition.

Promote physical and mental well-being of PRCA staff, and support programs such as Eat 5 a Day, Active for Life, and Wellness Program

Refine our programming to directly support our department mission

Partnerships: Maintain and develop partnerships to enhance programs, events and facilities:

- Verdant Health Commission: partner to enhance existing and provide new programs with focus on health, community wellness, fitness and nutrition
- Edmonds School District: enhance joint use opportunities at existing facilities and fields and community health programming
- Non-profit organizations: improve services and recreational opportunities (e.g. Boys & Girls Club, Kiwanis Club)
- Private sector: provide services and amenities in parks
- Snohomish County: preserve Lund's Gulch
- Heritage Park Partners Advisory Committee: develop programs, activities and exhibits that interpret Lynnwood's heritage
- Lynnwood Parks & Recreation Foundation: support Lynnwood's parks and recreation projects, programs and the Par 4 Kids annual golf tournament
- Lynnwood Convention Center: partner on community events such as MLK Celebration
- Alderwood Mall: coordinate promotion of community events
- Edmonds Community College: Golf Course, fields and maintenance building

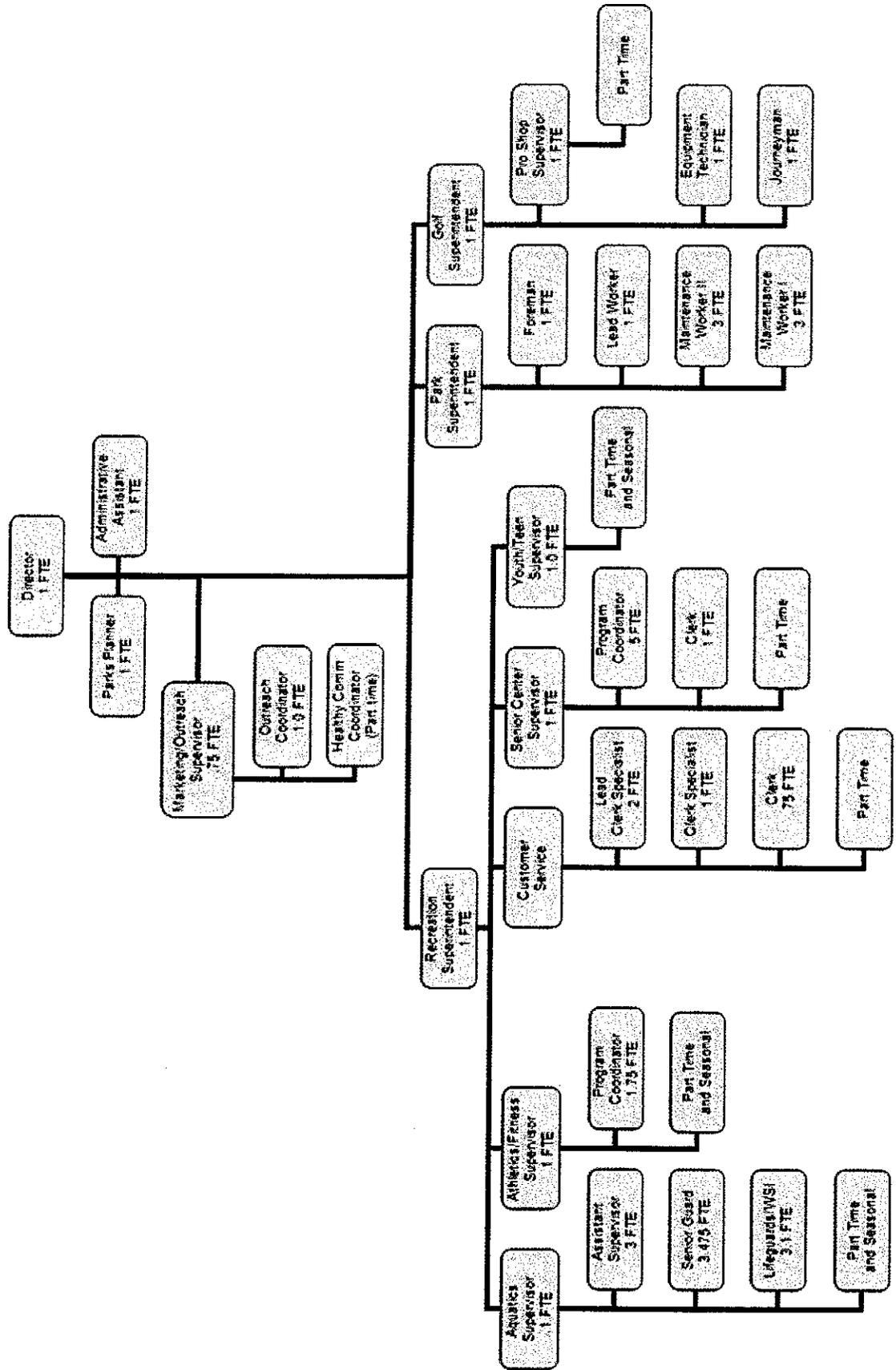
Projects:

Develop and implement the Healthy Communities Initiative.

- Establish Wellness Program with a focus on employee wellness
- Earn a WellCity Award
- Collaborate with Verdant Health Commission on south county Blue Zone initiative
- Expand Safe Routes to School programming and improvements with additional grant funds

Create and develop a comprehensive, integrated marketing plan for the department with a focus on the city as a health community and the essential services of parks and recreation.

- Participate in citywide implementation and migration to new city website
- Update and improve eNews services
- Capture, edit and create video and photo content for website that promotes programs and facility rentals



A	B	C	D	E	F	G	H	I	J	K
			Actual	Actual	2011	12/31/11	2012	2013	2014	
			12/31/09	12/31/10	Budget	Actual (as of	Budget	Budget	Budget	
						2/22/12)				
1	2	3	Obj Sum # & Name							
11			PARKS & RECREATION							
12			1-Salaries & Wages	\$ 3,276,180	\$ 2,809,564	\$ 3,281,504	\$ 3,102,563	\$ 3,322,934	\$ 3,171,764	\$ 3,181,830
27			2-Personnel Benefits	1,007,102	931,777	1,153,652	1,014,187	1,150,472	1,021,829	1,024,432
53			3-Supplies	139,839	71,468	228,678	189,891	220,121	259,518	255,827
84			4-Services	615,155	490,206	987,074	646,044	727,641	1,177,277	1,093,255
89			5-Intergovernmental Svcs	16,690	8,739	25,750	1,391	25,750	25,750	25,750
103			6-Capital Outlay	-	-	9,300	-	-	8,000	8,000
113			9-Interfund Payment for Svcs	144,448	41,628	216,271	214,576	216,271	216,271	216,271
115			PARKS & RECREATION Total	\$ 5,199,412	\$ 4,353,382	\$ 5,902,229	\$ 5,168,652	\$ 5,663,189	\$ 5,880,409	\$ 5,805,365
116										

	A	B	C	D
1	Police Department			
2	General Fund & Other Sources			
3	2013-2014 Preliminary Budget Summary			
4				
5				
6	<u>Category</u>		<u>Item Description</u>	<u>Amount</u>
7				
8	Mayor's Preliminary Budget		94.5% Budget 2011-12 Adjusted for 2013-14	\$ 30,104,057
9				
10	M-DecPack: Wage/Med Incr.		Wage Increase: 1.5% (see PPB Highlights @10-11)	12,553
11			Medical Benefits Increase 2014	65,386
12			Subtotal	77,939
13				
14			<u>Pg# - Department Decision Package Notebook</u>	
15	Other DecPack Increases		199 Restore 2 Officer Positions 2013	571,518
16			199 Restore 2 Officer Positions 2014	289,982
17			n/a M-Restore 2 More Officer Positions 2014	289,982
18			199 Restore 1 Custody Officer 2013	230,151
19			199 Increased Jail Costs	280,000
20			n/a Justice Center Phase II Proj. Planning - F#105	200,000
21			Subtotal	1,861,633
22				
23	Final Preliminary Budget			\$ 32,043,629
24				
25			<u>Non-Departmental Portion of Dept. Budget</u>	
26			Police: Medical & Dispatch	2,313,903
27				
28			Total Department Budget	\$34,357,532
29				
30				
31			<u>Summary of Funding Types</u>	
32			On-Going: 94.5% Budget 2011-12 Adj. for 2013-14	30,104,057
33			Net Estimated On-Going New Revenue	1,739,572
34			Other Fund Sources	200,000
35			One-Time (1X)	-
36			Total	32,043,629
37				
38				
39				

Police

The mission of the Lynnwood Police Department is to provide competent, effective public safety services to all persons, with the highest regard for human dignity through efficient and professional law enforcement and crime prevention practices.

The Lynnwood Police Department is a full service law enforcement agency serving the citizens of Lynnwood and the City's business population. Core services include reactive and proactive patrol, special operations, traffic enforcement, animal control, special weapons and tactics (SWAT) team, records, detention, evidence, community services, narcotics and criminal investigations. The Department is committed to active involvement and participation with the community resulting in a partnership that directly and significantly impacts the quality of life in our city.

Administration

The Administrative Unit provides administrative support to the command staff. Specific responsibilities include the management of the hiring and applicant screening process, polygraph, grant administration, conducting and supervising background and internal investigations and initiating and writing policy revisions.

Community Services

This program improves the department's ability to manage, evaluate and deliver community-oriented policing services through an interactive police/community partnership. Community safety issues are identified and addressed through innovative problem-solving strategies. Providing information and education to businesses, neighborhoods and schools are a primary focus. Personnel involved include crime prevention staff, officers, volunteers and explorers.

Criminal Investigations

The Criminal Investigations Division conducts follow-up investigations and aggressively pursues violators for prosecution and property recovery. This program is implemented through the specialized skills of the investigators assigned to person's crimes, property crimes, fraud, organized crime, computer forensics and cyber crime.

Narcotics

The South Snohomish County Narcotics Task Force is comprised of members from the Lynnwood, Edmonds and Mountlake Terrace

Police Departments. It is commanded by the Lynnwood Police Department. The task force attempts to reduce drug availability in our communities by investigation, apprehension and conviction of drug traffickers in order to improve the quality of life in South Snohomish County.

Support Services

The Support Services Division is responsible for the maintenance and dissemination of accurate, detailed and timely police department records. The clerical staff works around the clock to deliver public service to those that come to, or call the Police Department. Cadets assist the clerical staff, other members of the Department and city staff as requested.

Detention & Corrections

The Detention Division delivers safe and secure temporary housing of inmates, providing humane incarceration of those arrested, charged and/or convicted. The Detention Division also manages a community service program, an alternative to the incarceration program, which enhances public works and park services.

Planning, Training & Accreditation

The Planning, Training, and Accreditation Section provides quality training on all aspects of police work, maintains accurate computerized training records consistent with accreditation standards, and tracks the expenditures of training funds utilized by each departmental division.

Property/Evidence

The Property/Evidence Section processes all evidence and property in order to preserve the integrity of the evidence for the officers and the court. They serve the citizens by returning property or evidence upon case disposition. The officers not only maintain property and evidence, but they provide storage and processing of other city records and surplus property.

Patrol

The Patrol Division is responsible for protecting life and property, preventing crime, apprehending criminals, conducting preliminary investigations, traffic enforcement and responding to 911 calls for service. In

partnership with the community, the division enhances the quality of life in the City of Lynnwood by enforcement of Federal law, Washington State law and municipal ordinances.

Special Operations

The Special Operations Section is charged with street level emphasis enforcement in response to high incidence criminal activity, or criminal activity not easily targeted by other units. The Special Operation Sections also develops and implements response strategies to reduce crime, as determined by crime analysis, public input, police referral or other means.

Traffic

The Traffic Section is responsible for the promotion and provision of a safe transportation environment for motorists, pedal cyclists and pedestrians through education, engineering and enforcement.

Special Weapons and Tactics Team (SWAT)

The SWAT team responds to high-risk incidents that require specialized training and equipment to resolve potentially dangerous situations without injury or loss of life to officers, suspects or innocent citizens.

Animal Control

The Animal Control unit is responsible for the control and welfare of all animals in the City. This includes the collection, detention, and disposition of animals at large, unclaimed animals and the collection and disposition of deceased animals. This unit assists the public with animal related problem. Additional functions include investigation of abandoned vehicles, parking enforcement, assisting with vehicle lockouts and taking lost/found property reports.

2011 Activity

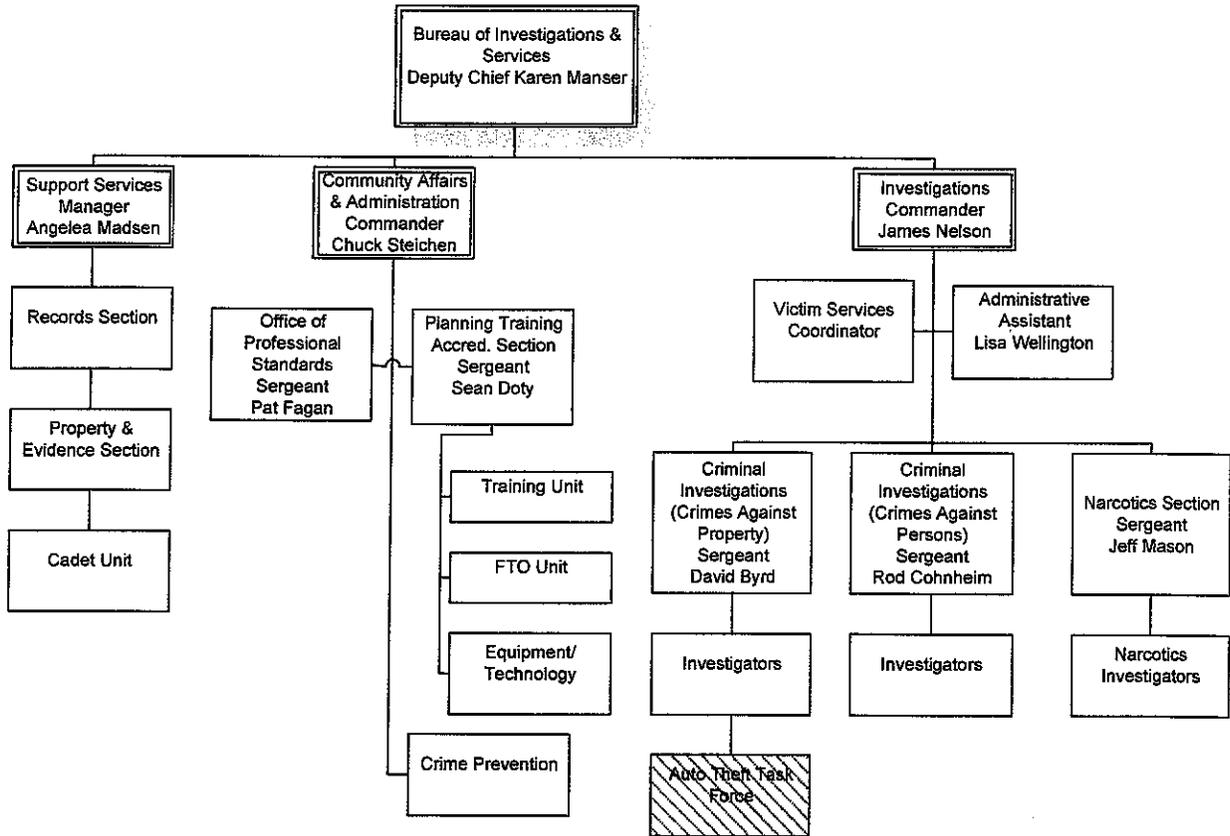
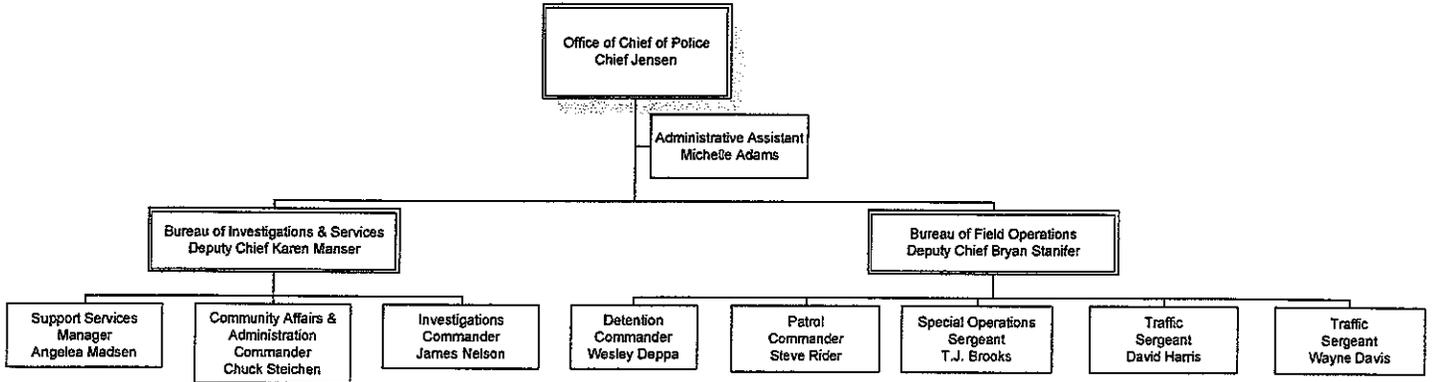
- Uniformed Crime Report (UCR) Crimes remained unchanged over the 2010 reporting cycle.
- The Patrol Division handled 32,270 calls for service in 2011.
- The Special Operations Section shifted their focus to larger scale operations which lead to an increase in the service of search warrants and the recovery of firearms.
- The Traffic Unit participated in a special grant program called "Safe Routes to

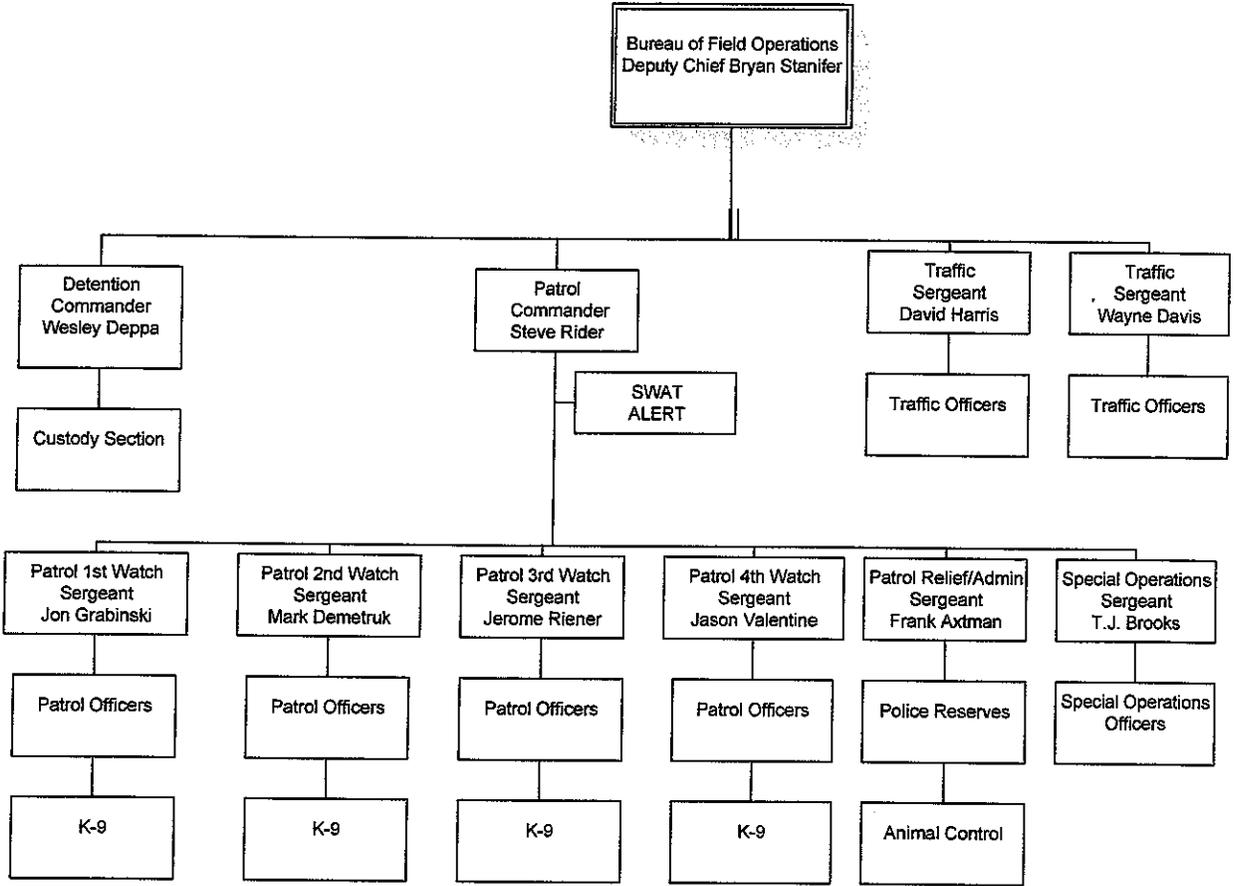
School" that provided technical assistance and resources to agencies for improvements that get more children walking and bicycling to school safely, reduces congestion around schools and improves air quality.

- The Criminal Investigations Division was able to take criminal action on 65% of all potentially solvable cases in 2011.
- Lynnwood jail bookings were 4,129 in 2011. We reduced the number of prisoner housing days at our contract jails (Snohomish County, Chelan, Okanogan, and Sunnyside) by 20% resulting in cost savings for the City.
- Participation through alternatives to incarceration (Electronic Home Monitoring and Community Service programs) saved the City approximately \$467,000.
- The Police Department continued to promote the use of Cop Logic, a citizen based reporting system that allows reports to be conveniently filed via the internet for some lower level crimes.
- Traffic grant funding for 2011 totaled approximately \$56,000.
- The South Snohomish County Narcotics Task Force initiated a long term investigation into a major national drug trafficking organization in 2010 that was completed in June of 2011. The case resulted in 18 federal indictments.
- Regional leader for DUI Enforcement with 388 impaired drivers arrested during 2011.
- The Department continued to run what is generally considered to be one of the best citizen volunteer programs in the state; utilizing over 70 volunteers in a variety of crime prevention and community service roles. The group worked approximately 13,562 hours in 2011 or the equivalent of 6.5 full-time positions.
- The Police Department's crime victim coordinator continued to provide services to victims of domestic violence and other violent crimes, handling 433 criminal cases and 264 verbal domestic cases.

Goals for 2013-2014 Biennium

- Provide quality police services to our community.
- Begin rebuilding the Department to 2010 staffing levels.
- Attempt to retain current experienced employees.
- Rebuild the commissioned staff to reduce the increase in police response times to Priority I calls that have occurred with the reduction in patrol staffing.
- Rebuild investigative staffing in order to provide for aggressive investigation of felony and misdemeanor crimes which have been discontinued due to short staffing.
- Rebuild special operations staffing in order to maintain and enhance safety by responding proactively to all community concerns such as criminal problems in parks, prostitution, gang-related crime, burglary and serious felonies.
- Rebuild the narcotics unit in order to fully address community drug issues.
- Continue to recruit and fully utilize volunteer programs to enhance safety, support police operations and provide outreach and education to the citizens of Lynnwood.
- With Council's approval, pursue a new criminal justice center in order to provide adequate working and community outreach space.
- In conjunction with Information Services, stabilize existing technology resources and continue to research and implement new programs and technology for improved service delivery.
- Continue to improve the safety of our streets and efficient movement of vehicles.
- Actively involve residents and the business community in crime prevention and promoting community safety awareness.
- Complete Implementation of new Records Management System (RMS) / Computer Aided Dispatch (CAD) / Automated Field Reporting (AFR) / Jail Management System (JMS) systems to increase effectiveness and efficiency.





A	B	C	D	E	F	G	H	I	J
Obj Sum # & Name			Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual 12/31/11 (2/22/12)	2012 Budget	2013 Budget	2014 Budget
3		POLICE							
19		1-Salaries & Wages Total	\$ 8,995,196	\$ 9,222,350	\$ 9,225,149	\$ 8,569,735	\$ 9,245,894	\$ 8,945,706	\$ 8,963,021
37		2-Personnel Benefits Total	3,122,341	3,253,668	3,411,585	3,137,384	3,448,598	2,953,488	2,955,240
58		3-Supplies Total	324,088	456,573	400,600	267,769	400,601	382,721	372,951
83		4-Services Total	898,684	1,028,001	1,165,970	989,335	1,165,973	1,119,355	1,107,355
88		5-Intergovernmental Svcs Total	2,007,463	1,497,848	2,106,404	1,186,915	2,106,405	723,900	723,900
98		6-Capital Outlay Total	-	7,500	-	-	-	-	-
109		9-Interfund Payment for Svcs Total	978,685	176,207	959,817	928,211	959,517	928,211	928,211
111		POLICE Total	\$ 16,326,458	\$ 15,642,148	\$ 17,269,525	\$ 15,079,349	\$ 17,326,988	\$ 15,053,380	\$ 15,050,677

A	B	C	D	E	F	G	H	I
		Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual 12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
1	POLICE							
2								
3	POLICE ADMINISTRATION	\$ 1,449,095	\$ 1,393,412	\$ 881,691	\$ 1,583,211	\$ 881,691	\$ 1,093,719	\$ 1,092,219
4	ANIMAL CONTROL	227,998	153,389	84,525	48,125	84,525	144,375	144,375
5	JAIL ADMINISTRATION	2,990,193	2,519,348	2,968,045	2,300,071	2,976,750	2,583,170	2,582,997
6	LAW ENFORCEMENT	11,255,522	11,169,311	12,900,394	10,651,436	12,949,152	10,799,245	10,798,215
7	NARCOTICS	403,650	406,689	434,870	496,505	434,870	432,870	432,870
8	POLICE Total	\$ 16,326,458	\$ 15,642,148	\$ 17,269,525	\$ 15,079,349	\$ 17,326,988	\$ 15,053,380	\$ 15,050,677
9								

	A	B	C	D
1	Public Works			
2	General Fund & Other Sources			
3	2013-2014 Preliminary Budget Summary			
4				
5				
6	<u>Category</u>		<u>Item Description</u>	<u>Amount</u>
7				
8	Mayor's Preliminary Budget		94.5% Budget 2011-12 Adjusted for 2013-14	\$ 5,306,681
9				
10	M-DecPack: Wage/Med Incr.		Wage Increase: 1.5% (see PPB Highlights @10-11)	41,014
11			Medical Benefits Increase 2014	15,656
12			Subtotal	56,670
13				
14			<u>Pg# - Department Decision Package Notebook</u>	
15	Other DecPack Increases		215 Enginr: Restore Proj. Mgr. W/S .75 ; GF .25 (1X)	246,336
16			216 Bldgs & Prop: Rec.Ctr. Cond. Assess.(SIP) (1X)	25,000
17			n/a Bldgs & Prop: Asphalt Seal/Restrip. (SIP-REET 1)	25,000
18			219 F#511: Fleet Maint.: Hvy EQP Mech. (Not GF)	195,225
19			221 Engineering: ReAlloc. Proj. Mgmt. Supv.	38,567
20			227 5 Yr. Update Traff.Bus. Plan/Model (1X)	50,000
21			230 Neighborhood Traffic Calming (1X)	50,000
22			Subtotal	630,128
23				
24	Final Preliminary Budget			\$ 5,993,479
25				
26			<u>Non-Departmental Portion of Dept. Budget</u>	
27			Public Works: Buildings & Grounds	969,562
28				
29			Total Department Budget	6,963,041
30				
31			<u>Summary of Funding Types</u>	
32			On-Going: 94.5% Budget 2011-12 Adj. for 2013-14	5,306,681
33			Net Estimated On-Going New Revenue	95,237
34			Other Fund Sources	429,977
35			One-Time (1X)	161,584
36			Total	5,993,479
37				
38				
39				

Public Works

The Public Works Department will efficiently develop, manage and operate the physical infrastructure that is the foundation of the City's health, safety, and welfare while enhancing the quality of life in our community.

The Engineering Division provides for the overarching management of the Public Works Department under the leadership of the Director of Public Works and the Deputy Director/City Engineer.

The Public Works Department has embraced a philosophy of responsible long-term stewardship of our infrastructure through objective evaluation and analysis of programs using pertinent data collection and management. Key areas of focus include:

- Cooperation and communication with stakeholders
- Effectiveness and efficiency
- Forward thinking
- Innovation
- Accountability

AUTHORIZED PERSONNEL	FY 09/10	FY 11/12	FY 13/14
Administration	5	4	4
Development Services	5	2	3
Project Engineering	7	4	4
Construction Administration	2.5	2.5	2.5
Total	19.5	12.5	13.5

Major initiatives underway and/or reflected in this biennial budget request, as supported in the Department's Strategic Plan and consistent with the City's adopted vision and Council priorities include:

Building the databases and systems to effectively manage the short-term and long-term needs of our infrastructure

Key studies completed or underway related to infrastructure included utility rate studies, pavement management system update, traffic signal rebuild program validation, Traffic Impact Fee analysis, Multi-choice Transportation Systems studies, Transportation Benefit District analysis, and the Public Buildings Condition Database. We are continuing to build the

foundation of a data-driven system to assess ongoing maintenance, operation and funding needs of our sizable public infrastructure investment. In 2013 an update to the Utility Rate Study analysis will be performed. In addition, the new Recreation Center will be added into the Buildings Assessment which was completed in the last biennium for most of our municipal buildings.

Consultant support is needed to continue the work efforts related to implementing tasks identified in the transportation comprehensive plan, implementation of the traffic impact mitigation fee program, as well as capital projects, for example. The engineering division is not staffed to do all study and design work for our projects and programs, but instead does a blend of such work along with project management of consultants who complete tasks beyond our staff's capabilities and specialties. In 2013 an update to the City's Transportation Model will be done.

Continuing the funding model of Public Works' construction group

The current construction work group has 2.5 FTE's. During the construction season, this group is expanded as needed, using both consultants and temporary staff to meet the demands of the workload.

The real benefit of this model is the ability to keep a core unit of expertise related to construction inspection. This type of expertise is expensive to obtain via consultants, so this model actually results in cost savings to the City. The group performs all duties for small projects and relies on consultant help for larger projects. It is a critical City function to maintain the consistency and history of a stable core of long-term employees. This model will also allow cross-training and personnel sharing to occur with other divisions of Public Works during slow times as well as peak times.



What the Department Does

The Public Works Department is divided into two major divisions: 1) Engineering Services; 2) Operations and Maintenance.

Engineering Services is responsible for nine major programs:

General Fund

- Departmental administration
- Permit development review and inspection
- Project management for capital projects
- Construction management
- Buildings & Property Services (see separate narrative section)

Fund 411

- Environmental Engineering
- Sewer/Water Capital Projects
- Storm Utility Capital Projects

Fund 121

- Tree Fund

Operation and Maintenance is responsible for eight major programs:

- Fund 112 - Arterial Streets
- Fund 411 - Water Utility
- Fund 411 - Sewer Utility including WWTP
- Fund 411 - Storm Utility
- Fund 111 - Streets
- Fund 144 - Solid Waste
- Fund 511 - Maintenance of Equipment Rental
- Fund 513 - Joint Shop Operations

Only the General Fund Programs are highlighted in this section. All other funds are described in other sections of the budget.

What The Fund Does

The fund is subdivided into four major programs:

- Administration - Manage Public Works department, including Funds 011-6, 111, 112, 121, 144, 411, 511, and 513

- Permits and Support Services – review and inspection of private development projects
- Project Engineering – development and implementation of capital projects and programs, grant management, Transportation Improvement Plan (TIP) and Capital Facilities Plan (CFP), project/program management, and environmental engineering
- Construction Management – review and inspection of the capital projects

Project Management and Construction Administration staff manages publicly financed projects. Their responsibilities include management of consultant contracts, limited in-house design services, construction management and inspection, review and development of engineering standards, coordination with other agencies, and grant administration. As project management staff was lost in the recent rounds of staff reductions, in 2013 additional staff support will be added either by a FTE or limited term position and will be funded by the Water/Sewer/Storm Utility. Project projections for the next biennium include many utility projects which justifies this additional resource. Also in 2013 one of our Engineering Tech Aides will be promoted to Engineering Tech 1 (by competitive process) in order to more accurately reflect the level of work now required in our smaller group. The Department has also submitted a DEC PAK to internally promote one Project Manager to a Supervisor level position (also by competitive process) necessary to manage that group and mitigate the large number of direct reports to the Deputy Director/City Engineer.

Environmental Engineering and Development Services staff implement city codes for private development projects by reviewing plans for compliance with city codes and engineering standards. Staff routinely meets with developers on plat applications, environmental checklists, pre-development reviews, engineering design, and pre-construction conferences. The inspectors conduct spot inspections of the work being done. Staff also issues and manages 26 different permits including; clearing and grading, utility work, tree removal, work within sensitive areas, and other general engineering work. In addition, the staff issues right-of-way permits for work that extends beyond private property and into the public right-of-way. In the 2011-12 budget the 1

FTE Support Services (GIS mapping) position was moved to the Finance Department, Informational Services group. As a part of necessary budget reductions over the 2011-12 biennium several positions were lost in the Development Services group. As the economy and also development faltered, this reduction in staff was manageable. However, as the economy recovers it is necessary to add back an FTE in this group. The 2013-14 budget includes this new position which is to be paid 25% by the General Fund and 75% by the Water/Sewer/Storm Utility, reflecting the mix of development review the position will perform.

Engineering staff are also involved with development of the city budget; grant writing, and the long range planning of capital projects. Planning efforts cover Comprehensive Plans for Storm Water, Sewer, Water; and Transportation; the City Comprehensive Plan; City Center project, the 6-Year TIP; and the CFP.

**2011 – 2012 Biennial Accomplishments:
Public Works Administration**

- Performed 29% of performance evaluations by due date, 60% of performance evaluations within 2 months of due date and 83% completed within 6 months of due date for a with Public Works Staff of 70.
- Director Franz continued in his role as chair of the Northwest Incident Management Team (NWIMT) Board of Directors.
- Director Franz continued as Co-Chair of Snohomish County Infrastructure Coordination Committee (ICC).
- Implemented a new program and completed XX Director Reviews of Public Works business lines to identify progress, challenges, and upcoming needs.
- Continued negotiating with the Teamsters Union to settle their expired contract. Reached impasse and scheduled mediation to begin in early 2012.
- Implemented tough budget control measures resulting in additional cost savings and 3 additional layoffs.
- Senior Center new location Ribbon Cutting.

**2011 – 2012 Biennial Accomplishments:
Planning and Development**

- Broke ground for Legacy Hotel on Alderwood Mall Parkway at 182nd St

- Redevelopment started for Whole Foods at former Circuit City site Alderwood Mall Parkway and 196th
- Broke ground for Buffalo Wild Wings on 33rd Avenue and 185th
- Substantially completed Little Short Plat 172nd Street and 44th Avenue
- Completed Acura Vehicle Storage Lot 68th Ave and 212th St
- Completed American Girl store at Alderwood Mall
- Completed Meadowdale Middle School reconstruction
- Broke ground for 196th St frontage improvements east of Highway 99 at Lynnwood Shopping Center

Project Management

Completed or In Process through 2011

- 60th Avenue W to Hwy99 Stormwater Improvements – Project completed
- 40th Avenue W Sidewalks – Project substantially completed
- I-5 Braided Ramps – Project substantially completed
- 35th/36th Avenue W Improvement Project (Maple Road to Hwy99) – Project continued
- 196th Street SW (Hwy99 to Scriber Lake Road) – Project continued
- 196th Street SW (48th Ave W to 36th Ave W) – Project continued
- Hwy99 Safety Improvements – Project continued
- 48th Avenue W Sidewalks – Project continued
- Evidence Facility Vehicle Processing Bay – Project started
- 6-Year Transportation Improvement Plan – Adopted
- Transportation Benefit District – Successful first year of operation (Collected approximately \$210,000 in 2011)
- Transportation Impact Fees - Successful first year of operation (Collected approximately \$80,000 in 2011)
- Grant Requests – Submitted five different applications for a total grant request of \$3,866,585 and a total award of \$465,585 (\$3,201,000 is still outstanding).
- 2010 Fiber Optic Cable (Sch. A) SCADA (Supervisory Control and Data Acquisition) system - Completed full progression of project from RFP (Request for

Proposals)/plan & spec review /ordinance and financial plan/bid and the construction underway.

- SCADA Utility System Equipment Upgrade (Sch. B) Completed design/specs/ordinance/financial plan/bid/and construction underway. This project was merged with the Fiber Optic Cable (Sch. A) to be bid together. Ongoing coordination during construction for end-user interface programming.
- I-5/196th St SW Interchange Pedestrian Improvements provide continued support during construction for design revision and grant fund tracking including ARRA (American Recovery & Reinvestment Act) funds and ordinance and financial plan updates. Construction complete.
- Audit Project: I5/196th St SW Interchange Improvements, National, Federal and State (2011)
- State Audit Project: 35/36th Ave W Improvements
- State Audit: 44th Ave W Pedestrian Bridge Started
 - Poplar Way Overcrossing – PH.1 Design
 - WWTP Heat Exchanger Replacement
- Continued
 - 76th Ave W Sewer and Water Improvements
 - WWTP Plant Drain VFD's
 - WWTP Flow Meter Replacements
- Completed
 - I & I Study
 - WWTP Energy Conservation Project
 - LS #14 Geotechnical Assessment
- Other
 - LS Wet Well Coating & Prelim. Engineering
 - LS Modifications Projects



2013 – 2014 Biennial Goals

- Continue to work with the newly formed Transportation Benefit District (TBD) Board to develop funding programs that address needed infrastructure maintenance needs of all transportation programs.
- Research and develop new funding sources for Public Works programs.
- Deliver Public Works projects on time and within the limitation of any grant conditions, by utilizing successful design and construction processes.
- Develop Public Works projects with current design methods and latest technical standards to provide safe, least lifetime cost, and efficient infrastructure for use by city departments and our customers while promoting employee productivity and service delivery.
- Maintain historical information on Public Works infrastructure through our Cartegraph GIS program to provide timely and quality Public Works information to the public.

	Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual 12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
ACGTNO							
PUBLIC WORKS							
1-Salaries & Wages	\$ 1,760,153	\$ 1,624,833	\$ 1,701,151	\$ 1,590,176	\$ 1,715,419	\$ 1,447,082	\$ 1,447,082
2-Personnel Benefits	542,099	507,756.87	553,161	552,455.68	555,095	554,048	554,048
3-Supplies	19,341.45	7,475.92	180,409	150,538.94	174,376	152,713	161,124
4-Services	97,436.71	96,804.01	1,084,292	980,784.22	1,032,140	304,513	367,571
5-Intergovernmental Svcs	-	-	20,000	19,721.00	20,000	-	-
6-Capital Outlay	-	-	7,350	-	-	50,000	48,000
9-Interfund Payment for Svcs	45,033.39	14,184.69	79,411	81,563.16	79,411	109,200	111,300
PUBLIC WORKS Total	\$ 2,464,063	\$ 2,251,055	\$ 3,625,774	\$ 3,375,239	\$ 3,576,441	\$ 2,617,556	\$ 2,689,125

Hotel & Tourism Fund 101

The Hotel and Tourism Fund was created to provide for the collection and disbursement of the hotel/motel tax collected by the City, and to provide an accounting of these funds to ensure their use in compliance with state law and City policy. The Use of the hotel/motel fund is defined by state law. These purposes are to:

- Attracting visitors
- Tourism promotion
- Tourism facilities

The City uses the hotel/motel fund for:

- Tourism marketing
- Snohomish County Tourism Bureau visitor information center
- Tourism advertising
- Tourism brochures and visitor guides

The purpose of the Tourism program is to create economic activity and generate municipal revenues from visitor spending within Lynnwood.

Source of Funds

The hotel/motel fund is derived from a special 2% excise tax on lodging (Ordinance 972, LMC 3.10.010).

Current Financial Condition

The fund is estimated to receive \$2,562,621 in revenue for the 2013 – 2014 biennium. This amount can vary based upon local economic conditions. The expenditures in the budget reflect the recommendations from the Lodging Tax Advisory Committee. These funds include funding for marketing materials, advertising, and the Snohomish County Tourism Bureau Visitor Center. Approximately \$2,124,483 is budgeted to be provided to the South Snohomish County Public Facility District for 2013– 2014 biennium. Additionally, \$199,426 for the biennium will be transferred to the general fund for personnel to support the Tourism function.

Tourism activities are detailed in the Economic Development Section of this document.

Sources:

Category	Actual	Actual	2011	Actual	2012	2013	2014
	12/31/09	12/31/10	Budget	12/31/11 as of 2/22/12	Budget	Budget	Budget
101-STADIUM/CONVENTION CENTER							
30-Fund Balance	-	-	131,303	-	128,881	154,281	191,744
31-Taxes	454,124.70	471,804.02	441,468	509,743.57	456,719	577,298	577,298
33-Intergovernmental Revenue	481,996.25	777,022.50	569,325	534,566.00	592,098	530,000	530,000
34-Charges for Services	9.50	237.85	-	52.85	-	-	-
36-Miscellaneous Revenues	13,451.06	5,077.36	-	1,254.39	-	1,000	1,000
39-Other Financing Sources	22.60	-	-	-	-	-	-
Grand Total	949,604.11	1,254,141.73	1,142,096	1,045,616.81	1,177,698	1,262,579	1,300,042

Uses:

	Actual	Actual	2011	Actual	2012	2013	2014
	12/31/09	12/31/10	Budget	12/31/11 (as of 2/22/12)	Budget	Budget	Budget
101 HOTEL / MOTEL							
TOURISM							
0-Reclassification	\$ 115,680	\$ 104,807	\$ 82,233	\$ 55,983	\$ 82,967	\$ 99,731	\$ 99,731
3-Supplies	5	271	150	206	150	200	200
4-Services	1,008,820	1,256,393	1,059,713	1,009,305	1,094,581	1,162,648	1,200,111
TOURISM TOTALS	\$ 1,124,505	\$ 1,361,470	\$ 1,142,096	\$ 1,065,494	\$ 1,177,698	\$ 1,262,579	\$ 1,300,042

Drug Enforcement Fund 104

Created in 1989 (Ord. 1674, LMC 3.95.010), as a special revenue fund into which all monies and proceeds from the sale of property seized during drug investigations and forfeited pursuant to RCW 69.50.505, are deposited. The amount deposited will be net the amount deducted in accordance with state and federal laws.

Description of Services

This fund has been established for the purpose of accumulating funds for drug enforcement needs, drug awareness educational purposes and the purchase, lease and maintenance of equipment and other items necessary for drug enforcement by the Lynnwood Police Department. The monies deposited in the Drug Enforcement fund shall be expended only for such purposes and for no other purpose than appropriated by the City Council. (Ord. 1674)

Source of Funds

Money, as well as, cash proceeds from the sale of property seized during drug investigations. There are three sources of these funds, Lynnwood patrol seizures, funds from working cases with the Federal Drug Enforcement Agency (Equitable Share) and funds from Narcotics Task Force seizures (Lynnwood's portion is 50%).

Current Financial Condition

For 2011 revenue totals were:

Lynnwood Patrol	\$15,185
Equitable Share	\$57,423
Task Force	\$28,711

Sources:

Category	Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual			
				12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
104-DRUG ENFORCEMENT							
30-Fund Balance	-	-	357,009	-	-	-	-
33-Intergovernmental Revenue	12,581.00	-	-	15,348.96	-	-	-
35-Fines and Forfeits	68,864.77	208,469.59	95,000	114,521.29	95,000	70,000	70,000
36-Miscellaneous Revenues	7,545.24	3,864.93	-	735.57	-	-	-
104-DRUG ENFORCEMENT TOTAL	88,991.01	212,334.52	452,009	130,605.82	95,000	70,000	70,000

Uses:

Obj Sum # & Name	Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual			
				12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
104-DRUG ENFORCEMENT							
0-Reclassification	-	-	262,992	55,632.92	189,992	60,000	60,000
1-Salaries & Wages	84,943.41	83,968.02	-	21,671.27	-	-	-
2-Personnel Benefits	19,187.52	20,394.61	-	4,774.88	-	-	-
3-Supplies	29,231.27	25,282.55	18,500	5,616.99	18,500	14,000	14,000
4-Services	18,143.14	6,214.82	23,512	11,996.35	23,513	21,400	21,400
5-Intergovernmental Svcs							
6-Capital Outlay	-	35,021.41	5,000	56,769.70	5,000	115,000	115,000
9-Interfund Payment for Svcs							
104-DRUG ENFORCEMENT TOTAL	151,505.34	170,881.41	310,004	156,462.11	237,005	210,400	210,400

Criminal Justice Reserve Fund 105

State funding of the criminal justice system of cities and counties was addressed by the Washington State Legislature in 1990, 2nd extraordinary session with the passage of Chapter 1, Laws of 1990, 2nd Extraordinary Session. This legislation allows for assistance for cities and counties in funding their criminal justice systems within certain parameters. The monies made available to local governments through this legislation are limited to funding of criminal justice purposes. Criminal justice purposes indicate a broad definition which would encompass all costs incurred in connection with the administration and enforcement of criminal laws, including those systems for dealing with persons suspected of, accused of, charged with, or convicted of crimes.

Description of Services

The City uses these funds for approved equipment, capital projects and for payment of the debt service. Also, small grant expenditures and costs for hosting training classes.

Source of Funds

Revenues deposited into this account include criminal justice tax money, state shared (former CETD funds), criminal justice population revenue, revenue from the sale of seized property from non-drug felony cases and small grant monies.

Current Financial Condition

The fund received just over \$650,000 in 2011.

Sources:

Category	Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual			
				12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
105-CRIMINAL JUSTICE RESERVE							
30-Fund Balance	-	-	673,434	-	-	-	-
31-Taxes	461,661.41	465,956.89	454,076	461,591.71	454,076	450,000	450,000
33-Intergovernmental Revenue	151,052.36	126,792.81	137,000	145,877.54	137,000	75,800	75,800
34-Charges for Services	26,355.11	30,308.05	-	27,939.56	-	-	-
35-Fines and Forfeits	-	-	6,700	-	6,700	6,700	6,700
36-Miscellaneous Revenues	20,835.79	30,162.31	20,836	14,757.62	20,836	10,000	10,000
39-Other Financing Sources	-	4,440.00	-	-	-	-	-
105-CRIMINAL JUSTICE RESERVE TOTAL	659,904.67	657,660.06	1,292,046	650,166.43	618,612	542,500	542,500

Uses:

Obj Sum # & Name	Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual			
				12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
105-CRIMINAL JUSTICE RESERVE							
0-Reclassification	421,429.22	570,626.48	683,484	683,483.97	672,719	153,084	153,084
1-Salaries & Wages	148,897.32	153,145.94	-	30,706.51	-	-	-
2-Personnel Benefits	55,411.44	57,136.72	-	11,387.00	-	-	-
3-Supplies	66,044.57	54,085.44	87,637	19,413.48	87,638	55,850	55,850
4-Services	12,375.10	93,468.38	269,208	6,767.50	14,208	159,450	159,450
6-Capital Outlay	40,597.70	19,030.77	42,500	8,145.00	-	55,000	55,000
9-Interfund Payment for Svcs	-	378.00	-	-	-	-	-
105-CRIMINAL JUSTICE RESERVE TOTAL	744,755.35	947,871.73	1,082,829	759,903.46	774,565	423,384	423,384

Transportation Impact Fee Fund 110

The Public Works Department will efficiently develop, manage and operate the physical infrastructure that is the foundation of the City's health, safety, and welfare while enhancing the quality of life in our community.

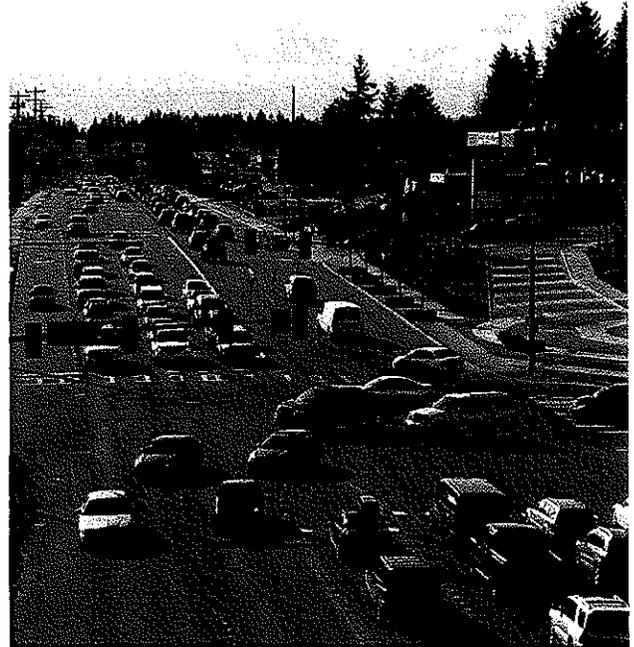
The Transportation Impact Fee Fund mission is to provide a partial funding source for growth-related transportation funding projects, collecting fees from development projects that impact the city's transportation system.

No positions are funded from this Fund.

Monies from the Transportation Impact Fee Fund may be used only for 19 projects that have been identified in the July 2010 Transportation Impact Fee Rate Study.

2013-2014 Biennial Goals

- To collect Transportation Impact Fees and apply them to appropriate project(s).



2011-2012 Biennial Accomplishments

- 2011 was the first year of operation of the Fund with approximately \$80,000 collected.

Sources:

Category	Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual	2012 Budget	2013 Budget	2014 Budget
				12/31/11 (as of 2/22/12)			
110-TRANSPORTATION IMPACT FEE							
30-Fund Balance	-	-	-	-	-	-	-
34-Charges for Services	-	-	-	78,970.65	-	79,000	79,000
36-Miscellaneous Revenues	-	-	-	2,493.30	-	2,500	2,500
110-TRANSPORTATION IMPACT FEE Total	-	-	-	81,463.95	-	81,500	81,500

Uses:

Obj. Sum # & Name	Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual	2012 Budget	2013 Budget	2014 Budget
				12/31/11 (as of 2/22/12)			
110-TRANSPORTATION IMPACT FEE							
0-Reclassification	-	-	-	-	-	-	-
9-Interfund Payment for Svcs	-	-	-	-	-	-	-
110-TRANSPORTATION IMPACT FEE Total	-	-	-	-	-	-	-

Transportation Fund 111

The Public Works Department will efficiently develop, manage and operate the physical infrastructure that is the foundation of the City's health, safety, and welfare while enhancing the quality of life in our community. To maintain city roadways and pedestrian travel infrastructure in a safe condition for the traveling public by the most efficient and economical means possible.

Fund 111, Streets, provides funds to maintain a large inventory of roadway, sidewalk, roadside, traffic signal, and signal communication assets. Many activities require primarily labor and equipment, such as street sweeping, roadside mowing, snow and ice control, and signal preventative maintenance. Other activities require the addition of a considerable amount of new materials, such as roadway patching, paint line and button replacement, sign replacement, and signal component replacement.

Revenues for transportation funding have not kept pace over the past two decades with inflation. The amount of gas tax received by the city has not increased in over 20 years and now only funds approximately 30% of the Street Fund. The rest must come from General Funds or from new funding such as a Transportation Benefit District (TBD). There are no longer adequate revenues to keep up with the deterioration of the City's roadways and traffic signals. If infrastructure is allowed to deteriorate past a certain point, the cost to restore it goes up exponentially. This is what we face and Public Works is doing its best to slow this deterioration and find new funding sources.

Added to that workload, a new federal requirement has been adopted that requires cities to test nighttime reflectivity of traffic signs and initiate a program to replace those below standard. Similar standards changes related to street luminaires will increase workload. This new work will be absorbed as much as possible within the existing budget.

As traffic and transportation rate very high on our citizen's priorities as reflected in surveys and the City's vision, Public Works has tried to minimize cuts in this fund and take a larger portion of cuts in other areas, however, we are

still a couple of critical positions light in the fund. In fact our staffing levels now match levels from the 1980's. Depending on funding available from the General Fund, the restoration of one Maintenance Worker lost to layoff in 2011 will be sought by DEC PAK. In addition, the critical position of Assistant Traffic Engineer (Project Manager) has remained open and will be so until additional funding is procured. This puts the Intelligent Transportation System at risk should we lose our Traffic Engineer for any reason. A DEC PAK for this position has also been submitted.

What The Fund Does

Fund 111 supports the Streets and Traffic programs. Streets is responsible for providing the services necessary to maintain safe vehicle and pedestrian use of the city's right-of-ways and easements. Specific activities include sweeping and cleaning; repair of streets and sidewalks; maintenance of all informational signs, traffic control devices and pavement markings; roadside shoulder and vegetation management; snow and ice control; and support efforts for special events and construction projects. These functions are a basic component of public safety and it is critical that minimal levels of service be maintained. With current staffing, it is not possible to maintain these minimal levels. That is why we have submitted DEC PAKS for two key positions.

Traffic operates and maintains the city Intelligent Transportation System (ITS) including traffic signals, fiber optic communication, Ethernet communication network, and the central signal control computer system. This state-of-the-art system allows for central and instant management of our 57 traffic signals. Other activities include:

- Works with the Public Utility District (PUD) to install and maintain streetlights (luminaries). In 2012 the responsibility for this was shifted by the PUD to the City. We are still working out the specifics of this and analyzing impacts to our workload.
- Reviews the need for and design of pedestrian crosswalks and bicycle lanes and coordinates with the local school district on school crossings and school walk routes.

- Works with engineering staff to review development proposals and determine traffic mitigation, apply for transportation grants, and work on the update to the transportation element of the City Comprehensive Plan.
- Works with Construction Administration staff to review and approve construction project traffic control plans.
- Works with the Police Department to analyze traffic accidents and hazards in order to determine improvements needed to the overall transportation system.
- Works with the Police Department on photo enforcement of red lights and school zones.

AUTHORIZED PERSONNEL	FY 09/10	FY 11/12	FY 13/14
Road Maintenance	4	3	3
Pedestrian Maintenance	3	3	3
Traffic & Signal Lights	5	4	4
Total	12	10	10

2011-2012 Biennium Accomplishments

Streets

- Moved to LOMC in April
- Reconstructed back parking lot at LOMC for more parking
- Built 5 new storage bins for bulk materials
- Set up containers and parking sheds to contain supplies
- Dealt with snowfall in January
- Several "Happy Customer" letters received
- Assisted contractor with rock wall rebuild on 200th St SW
- Remarkd 90 crosswalks
- Replaced 33 lane miles of raised pavement markers
- Placed 278 tons of hot mix asphalt in 102 pavement repairs
- Swept 4,958 lane miles of streets
- Rechannelized 76th Ave W at 196th St SW
- Sprayed 2500 gallons of deicer in December

Traffic

- Fiber optic cable to Utility Maintenance Center
- Fiber optic cable to Parks Building
- Fiber optic cable to new Senior Center
- Fiber optic cable to new Recreation Center
- SCADA conduit and fiber preparation work at wastewater treatment plant
- Connected SCADA to wastewater treatment plant on existing leased fiber using wave division multiplexing

- Trained two new fiber technicians to support SCADA system
- Recovered from Data Center disaster in July (ongoing massive effort)
- Installed new emergency vehicle pre-emption phase selectors at every signalized intersection
- Commissioned new central system for phase selector management
- Changed 196th at 76th signal from split to full 8-phase operation
- Grounded all signal boxes in field including junction boxes and cabinets
- Stray voltage testing on all street lights
- Installed new grounding panels in data center
- Worked with consultant to complete wireless Ethernet at Alderwood Mall area for Lynnwood Police Department
- Corrected signal coordination errors for all timing plans
- Designed "Cross at Signal" sign and railing at Recreation Center
- Moved out of Joint Shop; moved into "tin can" at UMC
- Established sign retroreflectivity program
- Redesigned Lynnwood street sign standards based on newly adopted MUTCD
- Used traffic video evidence in two separate criminal investigations to elicit confession of crimes by suspects

2013-2014 Biennial Goals

- Maintain vehicle traveled way surfaces in a clean and passable condition at all times; keeping them free from dirt and debris and maintaining adequate driving conditions for inclement weather for the traveling public and for safety response personnel.
- Maintain traveled way markings and signs at frequencies that promote safe travel for motorists and pedestrians alike, to enhance motorist safety and to maximize safe pedestrian and bicycle travel.
- Assist in maintaining the City's transportation planning model and simulation model to minimize congestion within the city while allowing for a reasonable amount of development.
- Provide adequate street lighting for both arterial and residential streets for the safety of the pedestrian, bicyclist, and other users.
- Maintain sidewalk trip hazards to facilitate safe pedestrian public travel, to enhance

pedestrian safety and reduce City risk for liability.

- Maintain the Traffic Management Center (TMC), communication hardware, and traffic

signal components to provide reliable and predictable traffic signal operation, promoting safety and ease of travel.

Sources:

Category	Actual	Actual	2011	Actual	2012	2013	2014
	12/31/09	12/31/10	Budget	12/31/11 as of 2/22/12	Budget	Budget	Budget
111							
30-Fund Balance	-	-	969,443	-	-	99,818	-
31-Taxes	922,161.01	948,567.00	964,368	952,058.14	986,072	570,000	570,000
32-Licenses and Permits	149,030.00	127,424.00	139,024	94,410.00	139,024	100,000	100,000
33-Intergovernmental Revenue	597,086.09	561,853.26	575,270	517,768.22	775,270	741,938	741,938
34-Charges for Services	-	881.94	-	-	-	-	-
36-Miscellaneous Revenues	9,111.52	5,173.22	5,176	1,400.80	5,176	-	-
38-Non-Revenue	-	-	-	-	-	-	-
39-Other Financing Sources	286,000.00	286,000.00	-	-	-	320,000	320,000
111 Total	1,963,388.62	1,929,899.42	2,653,281	1,565,637.16	1,905,542	1,831,756	1,731,938

Uses:

FUND Category	Actual	Actual	2011	Actual	2012	2013	2014
	12/31/09	12/31/10	Budget	12/31/11 (as	Budget	Budget	Budget
111							
0-Reclassification	-	24,372.00	60,000	15,000.00	60,000	40,000	40,000
1-Salaries & Wages	796,026.33	763,247.31	887,101	811,936.33	899,777	753,146	759,503
2-Personnel Benefits	295,898.12	294,329.54	304,419	336,806.23	305,963	301,893	302,710
3-Supplies	96,983.39	109,855.47	165,544	168,722.96	165,543	283,550	283,550
4-Services	305,815.35	306,256.86	393,430	338,199.71	393,430	435,910	435,910
5-Intergovernmental Svcs	891.60	-	-	-	-	-	-
6-Capital Outlay	6,895.58	11,545.74	-	24,107.39	-	-	-
9-Interfund Payment for Svcs	221,557.21	363,347.86	344,992	225,339.68	344,992	-	-
111 Total	1,724,067.58	1,872,954.78	2,155,486	1,920,112.30	2,169,705	1,814,499	1,821,673

Arterial Street Fund 112

The Public Works Department will efficiently develop, manage and operate the physical infrastructure that is the foundation of the City's health, safety and welfare while enhancing the quality of life in our community.



The money in this fund is accumulated and can be transferred to the Street Fund, Capital Projects funds and/or other funds for approved arterial street improvements. Historically the money has been used to fund overlays, street rebuilding, street signals, sidewalks and pedestrian improvements. Prior to 2011, the funds were split with 32% of gas tax revenues going to capital projects and 68% to the Street Fund 111. In 2013-14, all new gas tax revenues will go the Street Fund 111. Therefore, the only dollars budgeted in this fund in 2013-14 will be for carry-over projects that were started in prior years and still have expenditures remaining.

Source of Funds

This fund in the past provided for the receipt of a portion of Lynnwood's state distributed ½ cent gas tax funds that were then applied towards capital projects and programs. Beginning with the 2013-14 budget there will be no new gas tax revenues going into Fund 112.

No positions are funded from the Arterial Street Fund.

Current Financial Condition

The fund will budget \$44,086 in revenues received prior to 2013 for expenditures related to capital projects and programs that were started in prior years and allocated Fund 112 dollars.

Sources:

Category	Actual	Actual	2011	Actual	2012	2013	2014
	12/31/09	12/31/10	Budget	12/31/11 (as of 2/22/12)	Budget	Budget	Budget
112-ARTERIAL STREET							
30-Fund Balance	-	-	730,729	-	-	44,086	-
33-Intergovernmental Revenue	248,385.17	249,257.08	200,000	240,912.15	-	-	-
36-Miscellaneous Revenues	7,578.53	4,859.26	3,795	1,883.43	3,795	-	-
39-Other Financing Sources	-	-	-	-	-	-	-
112-ARTERIAL STREET Total	255,963.70	254,116.34	934,524	242,795.58	3,795	44,086	-

Uses:

Obj, Sum # & Name	Actual	Actual	2011	Actual	2012	2013	2014
	12/31/09	12/31/10	Budget	12/31/11 (as of 2/22/12)	Budget	Budget	Budget
112-ARTERIAL STREET							
0-Reclassification	-	75,000.00	367,000	775,000.00	367,000	44,086	-
9-Interfund Payment for Svcs	-	-	-	-	-	-	-
112-ARTERIAL STREET Total	-	75,000.00	367,000	775,000.00	367,000	44,086	-

Cumulative Park Reserve & Development Fund 114

Created in 1986 (Ordinance 1554, LMC 3.12.010), this fund's full name is "Park Properties/Facilities and Recreation Services Reserve Fund." Its purpose is to provide the opportunity for persons or organizations wishing to participate by donating funds for the acquisition and development of park and recreational facilities and recreation programs.

This fund was established for the purpose of accumulating funds for Recreation Benefit Fund, which provides for payment of recreation class registration fees for children from low income families and those who are permanently disabled, and for Senior Benefit Fund, for payment of class registration fees for senior adults on fixed incomes, so that they can participate in activities to improve their health

and fitness, have social connections and learn new things. In addition, contributions to the Randy Terlicker Memorial Aquatics and Life Safety Scholarship are received, and scholarships are awarded annually, if applicable, to selected individual recipients from this reserve fund. The source of monies is from private donations, interest payments on the reserve, in addition to those sums appropriated and transferred from other City funds.

The fund is budgeted to receive \$20,000 per year in donations, gifts and sponsorships, although this amount can vary widely from year to year.

Sources:

Fund Category	Actual	Actual	2011 Budget	Actual	2012 Budget	2013 Budget	2014 Budget
	12/31/09	12/31/10		12/31/11 (as of 2/22/12)			
114-CUMULATIVE PK RES & DEV							
30-Fund Balance	-	-	15,355	-	15,355	-	-
36-Miscellaneous Revenues	4,144.94	19,155.48	4,145	18,393.99	4,145	-	-
39-Other Financing Sources	-	-	-	-	-	-	-
114-CUMULATIVE PK RES & DEV	4,144.94	19,155.48	19,500	18,393.99	19,500	-	-

Uses:

Obj Sum # & Name	Actual	Actual	2011 Budget	Actual	2012 Budget	2013 Budget	2014 Budget
	12/31/09	12/31/10		12/31/11 (as of 2/22/12)			
114-CUMULATIVE PK RES & DEV							
0-Reclassification	-	-	-	-	-	-	-
4-Services	-	238.07	-	22.62	-	-	-
9-Interfund Payment for Svcs	19,296.34	5,932.56	19,500	36.08	19,500	21,500	21,500
114 Total	19,296.34	6,170.63	19,500	58.70	19,500	21,500	21,500

Cumulative Art Reserve Fund 116

Created in 1990 (Ordinance 2759, LMC 3.14), this fund's full name is "Cumulative Reserve Art Fund." Its purpose is to provide for the acquisition and maintenance of the city's public art collection. Over 20 site-specific, outdoor art projects on the city campus, and in various parks, and over 100 portable art pieces are in the City's collection. In addition, the fund is used to maintain the art collection. One percent of the budget of municipal construction projects contributes to this fund. Public art creates a welcoming and beautiful environment for our citizens and visitors. Art has a proven positive effect on economic development. The fund also provides for the important functions of maintaining these valuable public assets in good shape.

contract award. To maintain a minimum annual contribution of \$15,000 to the Art Fund, the City Administration and the City Council may budget revenue, up to \$15,000 annually, to make up the difference of revenue received from appropriations for municipal construction projects, provided, that revenue is available for that purpose. Revenue for this fund may also come from any gift or contribution from persons or organizations wishing to further the acquisitions of objects of art.

Authorization and/or appropriations for municipal construction projects shall include an amount equal to one percent (1%) of the total project cost, which exclude revenue bonds and grants, shall be deposited in the Art Fund at the time of

Sources:

Fund/Category	Actual	Actual	2011 Budget	Actual	2012 Budget	2013 Budget	2014 Budget
	12/31/09	12/31/10		12/31/11 (as of 2/22/12)			
116-CUMULATIVE ART RESERVE							
30-Fund Balance	-	-	115,500	-	13,000	-	-
36-Miscellaneous Revenues	33,519.29	1,352.50	-	118.71	-	-	-
38-Non-Revenue	-	-	-	-	-	-	-
39-Other Financing Sources	11,790.00	160,000.00	-	-	-	4,000	4,000
116-CUMULATIVE ART RESERVE	45,309.29	161,352.50	115,500	118.71	13,000	4,000	4,000

Uses:

Obj/Sum # & Name	Actual	Actual	2011 Budget	Actual	2012 Budget	2013 Budget	2014 Budget
	12/31/09	12/31/10		12/31/11 (as of 2/22/12)			
116-CUMULATIVE ART RESERVE							
3-Supplies	-	-	-	-	-	-	-
4-Services	62,571.33	(16,731.58)	4,000	-	4,000	4,000	4,000
6-Capital Outlay	-	83,347.50	111,500	97,431.34	9,000	-	-
9-Interfund Payment for Svcs	-	-	-	-	-	-	-
116 Total	62,571.33	66,615.92	115,500	97,431.34	13,000	4,000	4,000

Emergency Medical Services Property Tax Reserve Fund 120

Created in 1997 (Ord. 2150, LMC 3.85), as a special revenue fund for the receipt of funds from the Emergency Medical Service Property Tax Levy and providing for accumulation and use of the funds.

Description of Services

The money in said fund may be allowed to accumulate from year to year until the City Council determines to expend the money in said fund and then only for those uses provided by RCW 84.52.069, as amended, namely, only for the provision of emergency medical care or emergency medical services, including related personnel costs, training for such personnel, and related equipment, supplies, vehicles and structures needed for the provision of emergency medical care or emergency medical services.

Source of Funds

Money received from the levy of the Emergency Medical Services Property Tax, and any recovery of medical expenses pursuant to RCW 38.52.430, as amended for example, medical expenses of a response to an incident involving a person found guilty of vehicular homicide.

Current Financial Condition

The purpose of the fund is to receipt the money from the Emergency Medical Service Levy and transfer to the operating budget for Emergency Medical Services. The estimated amount of Emergency Medical Services Property Tax is \$4,048,598 for the 2013-2014 biennium.

Sources:

Fund Category	Actual		2011 Budget	Actual			
	12/31/09	12/31/10		12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
120-EMS PROPERTY TAX RESERVE							
30-Fund Balance	-	-	-	-	-	-	-
31-Taxes	2,371,286.84	2,588,439.97	2,379,408	2,346,352.71	2,411,967	2,039,596	2,009,002
36-Miscellaneous Revenues	4,114.34	1,780.67	-	468.65	-	-	-
120-EMS PROPERTY TAX RESERVE	2,375,401.18	2,590,220.64	2,379,408	2,346,821.36	2,411,967	2,039,596	2,009,002

Uses:

Obj Sum # & Name	Actual		2011 Budget	Actual			
	12/31/09	12/31/10		12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
120-EMS PROPERTY TAX RESERVE							
0-Reclassification							
0001-Transfer to General Fund	2,371,286.84	2,680,626.25	2,379,408	2,346,352.71	2,411,967	2,039,596	2,009,002
0-Reclassification Total	2,371,286.84	2,680,626.25	2,379,408	2,346,352.71	2,411,967	2,039,596	2,009,002
9-Interfund Payment for Svcs							
9999-Ending Fund Balance	-	-	-	-	-	-	-
9-Interfund Payment for Svcs Total	-	-	-	-	-	-	-
120 Total	2,371,286.84	2,680,626.25	2,379,408	2,346,352.71	2,411,967	2,039,596	2,009,002

Tree Fund 121

The Public Works Department will efficiently develop, manage and operate the physical infrastructure that is the foundation of the City's health, safety, and welfare while enhancing the quality of life in our community.

issuance of \$10,245.80 worth of vouchers - Completed 2011

2013-2014 Biennial Goals

To encourage citizen involvement in creating and supporting a sustainable urban forest.

The Tree Fund mission is to provide adequate funding of the community forestry program, including projects that promote tree preservation and protection, planting, care and maintenance of existing trees, and education on urban tree issues.

No positions are funded from the Tree Fund.

Monies from the Tree Fund may be used for all services necessary to designate a Heritage Tree; to fund the Tree Voucher Program; to pay for arborist services; to acquire wooded areas within the City; and to purchase materials for the City's observance of Arbor Day.

The City has partnered with the Washington State Nursery and Landscape Association (WSNLA) for the Tree Voucher Program. The Tree Vouchers are valid at all WSNLA nurseries.



2011-2012 Biennial Accomplishments

- Distributed tree vouchers to 25 residences, and 5 schools, resulting in the

Sources:

Category	Actual	Actual	2011 Budget	Actual	2012 Budget	2013 Budget	2014 Budget
	12/31/09	12/31/10		12/31/11 (as of 2/22/12)			
121-TREE FUND RESERVE							
30-Fund Balance	-	-	-	-	-	18,300	18,300
32-Licenses and Permits	20,253.75	5,392.00	22,000	3,754.75	22,000	3,700	3,700
35-Fines and Forfeits	-	-	-	-	-	-	-
36-Miscellaneous Revenues	-	-	-	-	-	-	-
121-TREE FUND RESERVE Total	20,253.75	5,392.00	22,000	3,754.75	22,000	22,000	22,000

Uses:

Obj, Sum # & Name	Actual	Actual	2011 Budget	Actual	2012 Budget	2013 Budget	2014 Budget
	12/31/09	12/31/10		12/31/11 (as of 2/22/12)			
121-TREE FUND RESERVE							
3-Supplies	-	31,611.00	22,000	9,069.89	22,000	22,000	22,000
4-Services	-	-	-	-	-	-	-
7-Debt Service-Principal	-	-	-	-	-	-	-
8-Debt Service-Interest	-	-	-	-	-	-	-
121-TREE FUND RESERVE Total	-	31,611.00	22,000	9,069.89	22,000	22,000	22,000

Paths/Trails Reserve Fund 128

Under Chapter 47.30 RCW, cities whose annual income from motor vehicle fuel tax exceeds \$100,000 must establish and maintain paths and trails for pedestrians, equestrians or bicyclists as a part of streets, roads and highways. The Paths and Trails Reserve Fund helps to serve this purpose.

All expenditures for paths and trails shall be made from the City Street Fund under BARS account 595.62 for construction, and 542.62 for maintenance.

Source of Funds

The amount the City expends annually must be at least one-half percent (1/2%) of the total

amount of funds received from the motor vehicle fund according to the provisions of RCW 45.68.100. In lieu of expending the funds each year; however, a city or county may set aside such funds into a financial reserve account or a special reserve fund to be held for this specific purpose provided it is expended within ten years.

Current Financial Condition

This fund was eliminated in 2001 but to better track the reserve in accordance with RCW 45.68.100 this fund has been reinstated.

Expenditures

There are no expenditures budgeted for the 2011-2012 biennium.

Sources:

Category	Actual						
	Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual 12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
128-PATHS AND TRAILS							
30-Fund Balance	-	-	-	-	-	-	-
39-Other Financing Sources	-	-	-	-	-	-	-
128-PATHS AND TRAILS Total	-	-	-	-	-	-	-

Uses:

Obj Sum # & Name	Actual						
	Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual 12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
128-PATHS AND TRAILS							
0-Reclassification	-	48,000.00	-	-	-	-	-
9-Interfund Payment for Svcs	-	-	-	-	-	-	-
128-PATHS AND TRAILS Total	-	48,000.00	-	-	-	-	-

Solid Waste Management Fund 144

The Public Works Department will efficiently develop, manage and operate the physical infrastructure that is the foundation of the City's health, safety, and welfare while enhancing the quality of life in our community.

The Solid Waste Management Mission is to provide public education and awareness on waste reduction, recycling, composting, household hazardous waste and related issues, through outreach to schools, businesses and households.

Solid Waste Management Fund 144

The Solid Waste Division provides coordination between citizens and businesses and the solid waste providers in the area. The City of Lynnwood participates in the interlocal agreement with the City of Edmonds to fund a shared staff person who works with and provides educational opportunities to citizens in all areas of proper solid waste disposal, including recycling, hazardous waste disposal, composting and waste prevention.

Recycling is an on-going task with efforts currently being made with multi-family properties and commercial businesses to encourage the use of recycle services as an integral part of their solid waste management. Work also includes a program with the area restaurants and other food service establishments on commercial organics collection for their food wastes.

The solid waste coordinator is responsible for the yearly city wide cleanup event (if funded) involving both curbside removal as well as a day-long drop-off event for various wastes including garbage, yard waste, scrap metal, and major appliances. This event was discontinued due to budget cuts.

For 2013-14 there are no significant increases proposed for the budget. A State of Washington grant covers a large portion of the interlocal agreement dollars.

What The Fund Does

Administers public education programs and events and is the liaison to the city's waste collectors and county solid waste staff. For

example, during the 2012 haulers strike, this position gave daily updates to the department and city about status of the strike. This information proved to be very valuable in responding to citizens and media.

Staff advises community development about proper placement of waste container storage on developing properties, which is detailed in a policy handout of Public Works minimum standard requirements, entitled "Garbage & Recycle Collection Enclosure & Access Policy"

2011 – 2012 Biennial Accomplishments

- Ongoing outreach to commercial businesses, teaming with Cedar Grove Organics – 15 businesses visited resulting in 6 new accounts starting commercial compost collection, including Fred Meyer, Panera Bread, and Black Angus. The total tonnage diverted from landfill disposal by the new accounts and existing ones has not been calculated as yet.
- Start-up during the last quarter, of a targeted outreach to multi-family properties in the city that do not currently offer recycling to their residents, teaming up with Waste Management. So far this has resulted in 3 properties starting regular recycle collection, making this convenient service available to 275 units. Too early for diversion data, program continues in 2012.
- Spring Clean-up 2011 – for the first time in 20 years – no Clean-up event!

2013 – 2014 Biennial Goals

- To provide public education and awareness on waste reduction, recycling, composting, household hazardous waste and related issues, through outreach to schools, businesses, and households.

Solid Waste Management Fund 144

Sources:

Category	Actual		2011 Budget	Actual		2012 Budget	2013 Budget	2014 Budget
	12/31/09	12/31/10		12/31/11 (as of 2/22/12)	12/31/11 (as of 2/22/12)			
144-SOLID WASTE MANAGEMENT								
30-Fund Balance	-	-	-	-	-	-	25,900	25,900
31-Taxes	41,673.98	49,448.00	45,561	45,561.00	45,561	-	-	-
33-Intergovernmental Revenue	16,799.79	19,363.94	16,250	9,242.37	16,250	19,600	19,600	19,600
34-Charges for Services	2,710.00	1,375.00	-	-	-	-	-	-
36-Miscellaneous Revenues	898.15	-	-	-	-	-	-	-
39-Other Financing Sources	-	24,372.00	-	-	-	-	-	-
144-SOLID WASTE MANAGEMENT Total	62,081.92	94,558.94	61,811	54,803.37	61,811	45,500	45,500	45,500

Uses:

Obj Sum # & Name	Actual		2011 Budget	Actual		2012 Budget	2013 Budget	2014 Budget
	12/31/09	12/31/10		12/31/11 (as of 2/22/12)	12/31/11 (as of 2/22/12)			
144-SOLID WASTE MANAGEMENT								
1-Salaries & Wages	2,884.99	-	-	-	-	-	-	-
2-Personnel Benefits	964.56	-	-	-	-	-	-	-
3-Supplies	300.65	127.22	290	-	290	290	290	290
4-Services	60,992.02	20,535.89	15,966	593.05	15,966	16,200	16,200	16,200
5-Intergovernmental Svcs	27,417.33	33,061.26	29,000	17,995.50	29,000	29,000	29,000	29,000
8-Debt Service-Interest	-	7.87	-	-	-	-	-	-
9-Interfund Payment for Svcs	-	-	-	-	-	-	-	-
144-SOLID WASTE MANAGEMENT Total	92,559.55	53,732.24	45,256	18,588.55	45,256	45,490	45,490	45,490

Program Development Fund 199

This fund was created by Ord. 2093 in 1996 to accumulate reserve funds until the City Council authorizes the use to initiate new City programs, or stabilize general fund revenue.

financial policies provide for a method of transferring year-end surpluses from the General Fund to the Program Development Fund as approved by the City Council.

Description of Services

Funds may be used for buying any specified supplies, material or equipment, personnel compensation and benefits in all forms, the purchase of personal and professional services, and revenue stabilization for future operations including, but not limited to, program development, enhancement and expansion. This fund also provides a source for matching funds for federal and state grants and interlocal agreements, and for inter-fund loans.

Current Financial Condition

This fund has been used for many one-time items in the past including the salary and benefits of a City Center Program Manager during the 2011-12 biennium. The fund also includes funding for economic development related plans and projects. While no monies are budgeted to be transferred in during the 2013-2014 biennium, the city council is considering developing a plan that will manage city financial resources beyond this biennium in a manner that will restore reserves in this fund in order to support program development projects in the future.

Source of Funds

This fund receives monies appropriated or budgeted from the General Fund. The City's

Sources:

Fund Category	Actual		Actual				
	12/31/09	12/31/10	2011 Budget	12/31/11 (as of 1-22-12)	2012 Budget	2013 Budget	2014 Budget
199-PROGRAM DEVELOPMENT							
30-Fund Balance	-	-	172,543	-	98,000	68,399	68,399
36-Miscellaneous Revenues	25,813.71	5,686.11	-	792.97	-	-	-
39-Other Financing Sources	-	-	-	-	-	978,857	-
Grand Total	25,813.71	5,686.11	172,543	792.97	98,000	1,047,256	68,399

Uses:

FUND Dept Obj Sum # & Name	Actual as of		Actual					
	12/31/09	12/31/10	2011 Budget	12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget	
199 - Program Development								
0-Reclassification Total	26,445.51	600,000.00	-	-	-	-	-	
1-Salaries & Wages Total	43,388.89	91,633.39	81,828	85,238.40	-	-	-	
2-Personnel Benefits Total	10,177.31	29,282.88	25,715	27,655.03	-	-	-	
3-Supplies Total	34,689.90	5,443.41	-	-	-	-	-	
4-Services Total	306,291.33	104,480.74	65,000	5,874.00	98,000	-	-	
6-Capital Outlay Total	11,997.19	29,769.53	-	20,729.16	-	-	-	
9-Interfund Payment for Svcs Total	961.00	-	-	-	-	-	-	
199 Total	433,951.13	860,609.95	172,543	139,496.59	98,000	-	-	

2009 Limited Tax GO Refunding Bond Fund 202

The Limited Tax General Obligation Bonds, Series 2009A \$660,000, and Refunding Bonds, Series 2009B \$3,980,000, were issued in April 2009. 2009A was issued for the purchase of software, equipment for police vehicles, and golf course equipment. 2009B was issued to refund the City's outstanding Limited Tax General Obligation Refunding Bonds, 1996, Limited Tax General Obligation Bonds, 1998, and costs of issuance of the bonds. Annual principal payments range from \$290,000 to \$995,000 with interest varying from 3% to 4% payable semi-annually.

The Bonds were issued pursuant to Ordinance 2780. The final maturity date is December 2013 for 2009A and December 2017 for 2009B.

Description of Services:

This fund pays principal and interest on the City's long-term general obligation debt.

Source of Funds:

The 2009 LTGO Refunding Bond fund receives revenue from the General, REET 1, and Golf Course funds.

Current Financial Condition:

The fund is budgeted to receive \$811,050 in the 2013-2014 biennium and has expenditures budgeted for \$794,820 in the biennium to cover annual debt service.

Revenue by Class:

Category	Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual 12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
202-2009 LIMITED TAX G O REF BDS							
30-Fund Balance	-	-	35,512	-	-	-	-
36-Miscellaneous Revenues	3,138.63	-	-	-	-	-	-
39-Other Financing Sources	6,288,622.29	898,800.00	864,638	864,637.69	471,500	474,250	336,800
202-2009 LIMITED TAX G O REF BDS Total	6,291,760.92	898,800.00	900,150	864,637.69	471,500	474,250	336,800

Expenditures by Class:

Obj Sum # & Name	Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual 12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
202-2009 LIMITED TAX G O REF BDS							
0-Reclassification Total	4,696,007.97	-	-	-	-	-	-
7-Debt Service-Principal Total	995,000.00	780,000.00	805,000	805,000.00	400,000	399,243	290,000
8-Debt Service-Interest Total	146,140.17	118,800.00	95,400	95,400.00	71,250	58,777	46,800
9-Interfund Payment for Svcs Total	-	-	-	-	-	-	-
202-2009 LIMITED TAX G O REF BDS Total	5,837,148.14	898,800.00	900,400	900,400.00	471,250	458,020	336,800

800 MHz Debt Service Fund 215

This fund was established to pay the principal and interest due on the long-term debt for the City's portion of the Snohomish County Emergency Radio System Interlocal Agreement.

Description of Services:

The Emergency Radio System will provide effective and coordinated public safety communications on a day-to-day basis and provide an increased level of interoperability and coordination among the four dispatch centers in Snohomish County.

Source of Funds:

Monies shall be transferred from the General Fund to pay for the annual principal and interest payments due on the Interlocal Agreement with the County.

Current Financial Condition:

The fund currently is budgeted to receive \$282,867 in the 2013-2014 biennium. Expenditures are budgeted for \$282,846 in the 2013-2014 biennium to cover annual debt service.

Revenue by Class:

Category	Actual						
	Actual 12/31/09	Actual 12/31/10	2011 Budget	12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
215-800 MZH Debt Service							
30-Fund Balance	-	-	57	-	-	-	-
39-Other Financing Sources	147,169.42	141,593.52	141,887	141,886.65	141,346	141,253	141,614
215-800 MZH Debt Service Total	147,169.42	141,593.52	141,944	141,886.65	141,346	141,253	141,614

Expenditures by Class:

Obj Sum # & Name	Actual						
	Actual 12/31/09	Actual 12/31/10	2011 Budget	12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
215-800 MZH Debt Service							
7-Debt Service-Principal Total	90,165.19	88,799.05	93,581	93,580.54	97,679	102,460	107,925
8-Debt Service-Interest Total	57,511.05	52,794.46	48,355	48,354.50	43,675	38,792	33,669
215-800 MZH Debt Service Total	147,676.24	141,593.51	141,936	141,935.04	141,354	141,252	141,594

Energy Loan Fund 217

This fund is set up to accumulate money to make energy related debt services.

Source of Funds:

General Fund through reduced property taxes to the Street Fund. Savings realized from energy savings to offset the debt costs.

Current Financial Condition:

The fund is budgeted to receive \$98,052 in the 2013-2014 biennium and has expenditures budgeted for \$98,049 in the biennium to cover annual debt service.

Revenue by Class:

Category	Actual						
	Actual 12/31/09	Actual 12/31/10	2011 Budget	12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
217-ENERGY CONSERVATION							
30-Fund Balance	-	-	3,002	-	-	-	-
39-Other Financing Sources	65,366.64	65,366.64	64,867	64,866.64	62,867	65,368	32,684
217-ENERGY CONSERVATION total	65,366.64	65,366.64	67,869	64,866.64	62,867	65,368	32,684

Expenditures by Class:

Obj Sum # & Name	Actual						
	Actual 12/31/09	Actual 12/31/10	2011 Budget	12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
217-ENERGY CONSERVATION							
7-Debt Service-Principal Total	52,997.42	55,158.38	57,408	57,407.44	59,749	62,184	32,036
8-Debt Service-Interest Total	12,369.18	10,208.23	7,960	7,959.16	5,619	3,182	647
217-ENERGY CONSERVATION Total	65,366.60	65,366.61	65,368	65,366.60	65,368	65,366	32,683

Rec Center 2012 LTGO Bonds Fund 223

The \$24,955,000 2012 LTGO Bond Fund was authorized by Ordinance 2934 to redeem the 2008 Long-term General Obligation Bond Anticipation Note (Ordinance 2745) that provided funds for the renovation, improvement, and expansion of the City of Lynnwood Recreation Center.

Description of Services:

This fund pays the principal and interest on the Recreation Center's long-term General Obligation Debt which matures in December 2037.

Source of Funds:

Revenue comes from the City of Lynnwood's General Fund.

Current Financial Condition:

The fund is budgeted to receive \$2,502,926 in the 2013-2014 biennium and has expenditures budgeted for \$2,502,926 in the biennium to cover annual debt service.

Revenue by Class:

Category	Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual		2013 Budget	2014 Budget
				12/31/11 (as of 2/22/12)	2012 Budget		
223-REC CTR 2012 LTGO BONDS							
30-Fund Balance	-	-	-	-	-	-	-
39-Other Financing Sources	-	-	-	-	-	1,184,313	1,318,613
223-REC CTR 2012 LTGO BONDS Total	-	-	-	-	-	1,184,313	1,318,613

Expenditures by Class:

Obj, Sum # & Name	Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual		2013 Budget	2014 Budget
				12/31/11 (as of 2/22/12)	2012 Budget		
223-REC CTR 2012 LTGO BONDS							
7-Debt Service-Principal							
7101-General L/T Debt Principal	-	-	-	-	-	285,000	425,000
7-Debt Service-Principal Total	-	-	-	-	-	285,000	425,000
8-Debt Service-Interest							
8101-Short-Term Interest	-	-	-	-	-	-	-
8302-L/T External Debt Interest	-	-	-	-	-	899,313	893,613
8-Debt Service-Interest Total	-	-	-	-	-	899,313	893,613
223-REC CTR 2012 LTGO BONDS Total	-	-	-	-	-	1,184,313	1,318,613

Real Estate Excise Tax Fund (2nd 1/4%) 330

This fund was established in 2006 by Ordinance 2612 to levy the additional one-quarter of one percent excise tax on the sale of real property within the City of Lynnwood.

investment interest earned on the accumulated balance.

Description of Services:

Money may be accumulated to cover capital improvements including those listed in RCW 82.46 at the discretion of the City Council.

Current Financial Condition:

The fund currently is budgeted to receive \$550,000 in the 2013-2014 biennium for the second 1/4 of 1% of real estate excise taxes. All expenditures from this fund are defined on the Strategic Investment Plan. A financial plan will be brought to the City Council to appropriate funds for specific projects.

Source of Funds:

The amount of the second 1/4 of 1% of the selling price of the real property within the City, and

Revenue by Class:

Category	Actual						
	Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual 12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
330-REAL ESTATE EXCISE TAX 2							
30-Fund Balance	-	-	-	-	-	-	-
31-Taxes	294,497.48	311,383.75	185,443	255,331.36	185,443	275,000	275,000
36-Miscellaneous Revenues	16,740.07	4,594.93	4,755	1,837.63	4,755	-	-
39-Other Financing Sources	-	-	-	-	-	-	-
330-REAL ESTATE EXCISE TAX 2 Total	311,237.55	315,978.68	190,198	257,168.99	190,198	275,000	275,000

Expenditures by Class:

Obj Sum # & Name	Actual						
	Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual 12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
330-REAL ESTATE EXCISE TAX 2							
0-Reclassification	490,000.00	390,310.00	-	527,000.00	-	5,603	5,603
9-Interfund Payment for Svcs	-	-	-	-	-	-	-
330-REAL ESTATE EXCISE TAX 2 Total	490,000.00	390,310.00	-	527,000.00	-	5,603	5,603

Real Estate Excise Tax Fund 331

This fund was established in 1982 by Ordinance 1271 to accumulate an excise tax on the sale of real property within the City of Lynnwood.

Description of Services:

Money may be accumulated to cover capital improvements including those listed in RCW 35.43.040 at the discretion of the City Council. Currently the fund helps pay debt service on two General Obligation bonds for Parks and Recreation facilities (Fund 211).

Source of Funds:

The amount of ¼ of 1% of the selling price of the real property within the City, and investment interest earned on the accumulated balance.

Current Financial Condition:

The fund currently is budgeted to receive \$550,000 in the 2013-2014 biennium for the first ¼ of 1% of real estate excise taxes and in investment earnings.

Department Revenue:

Category	Actual						
	Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual 12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
331-REAL ESTATE EXCISE TAX							
30-Fund Balance	-	-	-	-	-	-	-
31-Taxes	294,497.50	311,383.74	185,443	255,331.37	185,443	275,000	275,000
36-Miscellaneous Revenues	13,926.38	1,215.27	462	947.38	924	-	-
331-REAL ESTATE EXCISE TAX Total	308,423.88	312,599.01	185,905	256,278.75	186,367	275,000	275,000

Department Costs:

Obj Sum # & Name	Actual						
	Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual 12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
331-REAL ESTATE EXCISE TAX							
0-Reclassification	1,626,493.51	26,499.96	222,750	22,804.54	-	-	-
9-Interfund Payment for Svcs	-	-	-	-	-	-	-
331-REAL ESTATE EXCISE TAX Total	1,626,493.51	26,499.96	222,750	22,804.54	-	-	-

Capital Development Fund 333

This fund was established in 1996 by Ord. 2093 to receive monies appropriated or budgeted from time to time, and monies from the General Fund not required for current year operation, to create a reserve fund for capital improvements.

Description of Services:

Money may be accumulated to cover items such as construction, alteration, or repair of any public building, or the making of any public improvement, including acquisition of real property services, construction costs, as well as providing a source for matching funds for federal and state grants and interlocal agreements. Such expenditures are

appropriated in the City's Strategic Investment Plan.

Source of Funds:

General Fund monies are transferred to the Capital Development Fund in accordance with the city's financial policies.

Current Financial Condition:

All expenditures from this fund are defined on the Strategic Investment Plan. A financial plan will be brought to the City Council to appropriate funds for specific projects.

Department Revenue:

Category	Actual	Actual	2011	Actual			
	12/31/09	12/31/10		12/31/11 (as of 2/22/12)	2012	2013	2014
			Budget	Budget	Budget	Budget	Budget
333-CAPITAL DEVELOPMENT PLAN							
30-Fund Balance	-	-	-	-	-	-	-
36-Miscellaneous Revenues	52,157.14	11,560.04	-	1,880.36	-	-	-
38-Non-Revenue	-	-	-	-	-	-	-
39-Other Financing Sources	-	-	-	-	-	-	-
333-CAPITAL DEVELOPMENT PLAN Total	52,157.14	11,560.04	-	1,880.36	-	-	-

Department Costs:

Obj Sum # & Name	Actual	Actual	2011	Actual			
	12/31/09	12/31/10		12/31/11 (as of 2/22/12)	2012	2013	2014
			Budget	Budget	Budget	Budget	Budget
333-CAPITAL DEVELOPMENT PLAN							
0-Reclassification	636,143.38	1,759,312.00	-	-	-	-	-
9-Interfund Payment for Svcs	-	-	-	-	-	-	-
333-CAPITAL DEVELOPMENT PLAN Total	636,143.38	1,759,312.00	-	-	-	-	-

Sewer/Water/Surface Water Utility Fund 411

The Public Works Department will efficiently develop, manage and operate the physical infrastructure that is the foundation of the City's health, safety, and welfare while enhancing the quality of life in our community.

Sewer/Water/Surface Water Utility Mission

The Water/Sewer Utility mission is to provide, operate and maintain quality water supply, sewer, and wastewater treatment systems effectively and economically within the Council's rate structure.

Surface Water Utility mission is to provide the efficient operation and management of the city's surface water system to decrease flooding, decrease damage to property and to increase water quality for the benefit of the community and the natural environment.

AUTHORIZED PERSONNEL	FY 09/10	FY 11/12	FY 13/14
Wastewater Collection & Conveyance	7	7	7
Water	10	9	9
Wastewater Treatment	12	12	12
Maintenance/Operations Storm Drain System	6	10	10
Total	35	38	38

Utility Fund 411

The Utility Division provides daily maintenance, repair and replacement for the existing infrastructure that makes up the existing surface water, drinking water, and sewer systems including operation of the city Wastewater Treatment Plant.

The drinking water system is comprised of a master meter, which monitors the supply from Alderwood Water and Sewer District, two 3-million gallon storage reservoirs and one pressure booster station. Other components are the pipes, air vacuum valves, gate valves and fire hydrants.

The sewer system is a collection of pipes, manholes, clean outs and air vacuum valves transmitting the flows to the six sewage lift stations and ultimately the wastewater treatment plant.

The surface water unit includes a large inventory of catch basins, manholes, ditches, pipes, and ponds.

For 2009-10 a major emphasis was made to replace a significant number of mechanical apparatus that date back to the 1990 upgrades to the lift stations and the wastewater treatment plant. This work continues.

The critical change in surface water management is the adoption by the State Department of Ecology of the National Pollutant Discharge Elimination System Phase 2 permit (NPDES). The NPDES is a federally mandated program that requires local agencies to begin to monitor and improve the quality of the surface water that is discharged to the natural system of streams and lakes. Staffing of this group was increased in 2011-12 by 4 FTEs in the surface water section.

What The Fund Does

The Utilities fund supports the Utilities division in providing drinking water to its customers through a conveyer of large mains and service piping. Utilities collect and convey wastewater, through an infrastructure of pipes, to a number of pumping facilities and then to our state regulated wastewater treatment plant (WWTP) for processing and discharge into Puget Sound. New regulations are constantly appearing requiring the treatment plant to assess and sometimes make process changes. The looming air quality requirements (primarily mercury emission standards from the incinerator) are of major concern and staff is looking at possible ways to meet the standard. Worst case is process changes in the form of capital improvements that could be well over \$1,000,000.

The Utilities fund also supports capital

improvements to the water and sewer systems and facilities.

The Surface Water Utility fund supports the services necessary to maintain the city-owned portions of the surface water system. Activities include the cleaning of pipes, catch basins, manholes, ditches and ponds. The Surface Water Utility fund supports the planning, design and construction of repairs and improvements to the system and conducting public education programs. The recently adopted National Pollutant Discharge Elimination System (NPDES) Phase 2 Permit requires the City to increase surface water testing and to begin programs to reduce contamination.

Department Financing

All of the Utilities are considered one legal entity. This includes operations and capital expenditures for Water, Sewer, and Storm Drainage. A new schedule of rates for 2011-16 was adopted by the Council in August 2010 and will fully fund all related programs and projects for that time period. A new rate analysis study will be performed in 2013 and will go into effect in 2014, as planned.



2011 – 2012 Biennial Accomplishments

Sewer / Water Utility

- Hired three new MW1s
- Worked with Traffic to install fiber conduit to LOMC
- Conducted chlorine testing of water in tanks
- Installed water main on 182nd PI SW
- Installed soft starter on Pump #1 at Sta. 10
- Activated new software for video inspections of sewer mains
- Replaced 6 hydrants

- Took and passed 533 water quality samples
- Repaired 55 water service leaks and 18 main leaks
- Upgraded 15 water services
- Replaced 24 water meters
- Dealt with three large sewer plugs

Treatment Plant

- Ryan, Meghan, and Patty passed Incinerator Operator exam
- Ryan passed Operator I exam
- Meghan passed Operator II exam
- New VFDs for main plant pump station
- Hired consultant to assist with small projects
- Processed an average of 4.12 million gallons of sanitary sewage per day removing an average 93.2% of the solids. (Note, our permit requires that we remove 85% of the solids.)
- Incinerated 1,286 tons of sludge.
- Operated with only two reportable permit violations.
- Operated with less than five complaints of odor or noise from the surrounding neighborhood.
- All staff renewed their Incinerator and Wastewater Operator Certifications.
- The Lab obtained certification for and started doing fecal coliform testing for Lynnwood's stormwater utility.
- Performed weekend and holiday testing of the water system for the Water Utility.
- Completed annual shutdown and maintenance of the incinerator on time and under budget.
- Completed installation of a second emergency generator as required by our NPDES Permit.
- Replaced the outfall diffuser as required by our NPDES Permit.
- Repaired and lined the inside of the plant drain station wetwell.
- Staff replaced sludge piping between Schwing pumps and incinerator.
- Staff replaced bisulfite building.
- Staff loaded equipment and maintenance records into Cartegraph maintenance program.
- Staff established electronic equipment and parts inventory list.
- Coordinated and managed 66 Community Service Workers who performed 240 days of service on the WWTP grounds.

Surface Water Utility

- Placed pipe in ditch south of new Rec Center overflow parking lot
- Lowered 2 manholes on 44th Ave W south of Embassy Suites
- Cleaned 1386 catch basins
- Replace 7 catch basin lids and raised 3 others
- Division added 2 permanent positions (Supervisor and Tech Aide positions) - Completed in January 2011
- Public outreach and education - Ongoing program
- Update Surface Water infrastructure in GIS - Ongoing program
- 2011 Catch Basin Repair and Replacement - Bids rejected in April due to excessive costs, will rebid in Spring 2012
- Flood Study: Backflow Preventer Along Scriber Creek (200th St SW and 50th Ave W) - Started 2011, currently underway
- Flood Study: Maple Road and Ash Way - Started 2011, currently underway
- Reviewed 7 Critical Areas Permits - Completed in 2011
- 18 Predevelopment applications reviewed for CA - Completed in 2011
- Scriber Lake Study - Started 2011, currently underway
- Bi-weekly sampling and monitoring of Scriber Lake - Started 2011, currently underway
- 5-year maintenance HPA received for Scriber Creek at 200th and 50th - Received in 2011, good through 2017
- Purchased new mower for storm crews - Completed in 2011
- Creating long-term M&O plan for City's wetlands - Started 2011, currently underway
- Perrinville groundwater level monitoring - Ongoing program
- Monthly fecal coliform samples for Swamp Creek TMDL - Ongoing program
- Created new Stormwater Pollution Prevention Plans (SWPPP) and Spill Prevention and Control and Containment (SPCC) templates to assist Developers in our permitting process - Completed 2011
- Reviewed 15 TESC plans, 12 SPCC's, 10 SWPPPs - Completed 2011
- Over 50 erosion and sedimentation control inspections - Completed 2011
- Attended 13 preconstruction meetings - Completed 2011
- Issued 11 Notice of Violations - Completed 2011
- Completed 6 private facility inspections for required maintenance - Completed 2011
- Created Education and Outreach brochures - 196 for restaurants, 125 for automotive, 14,785 residential - Completed 2011
- Responded to 10 private drainage complaints - Completed 2011
- Responded to 14 potential illegal discharges - Completed 2011
- Developed Illicit Discharge Program Manual - Completed 2011
- City Center Infiltration Study Started 2011, currently underway
- City Center Alternative Stormwater Basin Plan - Started 2011, currently underway
- Obtained \$50k grant from WDOE - Obtained 2011, for 2012 - 2013 fiscal year
- Chair Snohomish Marine Resources Committee - Started in 2011, will continue through 2012

2013 – 2014 Biennial Goals

- Successfully operate the Water and Sewer Utilities as planned in the newly adopted 2012 Water and Sewer Comprehensive Plans. Perform an updated rate analysis to ensure long-term adequacy of funding for all operational, maintenance, and capital needs.
- Provide an adequate supply of safe drinking water to Lynnwood customers in an efficient manner with minimal pipeline failures while meeting regulatory standards
- Maintain wastewater collection and conveyance systems to standards required by regulatory agencies, so that customers can rely on safe dependable service with no environmental health hazards
- Provide wastewater and air quality treatment at the WWTP that meet standards set by Public Works and the State of Washington to achieve compliance with regulatory agencies in both air and water quality, Continue to explore new air quality standards and make appropriate plans to meet them.
- Successfully operate and maintain the facility and maintain neighborhood confidence with respect to odor control
- To conduct education programs and incorporate current science in surface water standards, that promote water quality in the City's surface water system. This will also

promote an increase of public awareness of good surface water management practices, encourage development and redevelopment that constructs water quality and quantity facilities incorporating the best available science, to protect the environment, so that the existing habitat is enhanced as a result of cleaner water and less erosive storm flows.

- Maintain the city's storm drainage system using the 2009 Comprehensive Flood and Drainage Management Plan as guidance for recommended frequencies and priorities to aid in reducing incidents of flooding, damage to property and closure of streets, and to optimize storm water infrastructure life resulting in lowest overall cost to City, and for the removal of silt and debris from system resulting in improved surface water quality.

	Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual 12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
SOURCES:							
411 - Utility Fund							
30-Fund Balance	-	-	12,170,282	-	-	33,000	34,000
31-Taxes	-	-	-	-	-	33,000	34,000
33-Intergovernmental Revenue	344,964.39	473,241.60	333,344	592,639.98	333,344	-	-
34-Charges for Services	11,360,573.66	11,977,122.83	13,447,560	13,013,898.18	14,507,884	-	-
36-Miscellaneous Revenues	178,840.72	54,801.50	178,841	61,040.39	178,841	15,440,000	16,250,000
37-Other Income	136,329.56	247,504.39	136,330	113,177.53	136,330	-	-
38-Non-Revenue	-	-	-	-	-	-	-
39-Other Financing Sources	-	(4,875.70)	-	-	-	-	-
411 Total	12,020,708.33	12,747,794.62	26,266,357	13,780,756.08	15,156,399	15,506,000	16,318,000

	Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual 12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
USES:							
411-UTILITIES							
NON_DEPARTMENTAL	(943,045.21)	(1,136,176.12)	-	(613,501.88)	-	-	-
PUBLIC WORKS	14,255,579.39	14,510,743.34	19,742,947	14,283,974.72	14,928,216	17,906,665	14,654,000
411-UTILITIES Total	14,255,579.39	14,510,743.34	19,742,947	14,283,974.72	14,928,216	17,906,665	14,654,000
411-UTILITIES							
0-Transfers-Reclassification	2,787,527.90	2,954,294.00	1,920,617	3,295,207.56	145,000	488,500	488,500
1-Salaries & Wages	2,311,360.19	2,546,401.29	2,756,514	2,566,728.76	2,793,130	2,866,131	2,873,331
2-Personnel Benefits	758,107.86	854,583.49	872,006	954,418.32	876,733	1,066,492	1,067,606
3-Supplies	2,362,511.27	2,137,813.27	3,191,101	2,342,381.95	3,233,361	3,217,150	3,213,150
4-Services	2,345,002.34	2,117,740.08	1,654,085	1,484,476.93	1,964,085	1,987,450	1,787,450
5-Intergovernmental Svcs	295,140.44	305,453.54	409,000	380,405.42	467,000	152,000	152,000
6-Capital Outlay	209,075.69	594,933.32	6,811,333	626,028.62	3,320,616	4,453,251	1,392,272
7-Debt Service-Principal	84,210.53	-	-	-	-	1,498,000	1,498,000
8-Debt Service-Interest	928.34	-	-	-	-	-	-
9-Interfund Payment for Svcs.	2,158,669.62	1,863,348.23	2,128,291	2,020,823.28	2,128,291	2,177,409	2,177,691
411-UTILITIES Total	13,312,534.18	13,374,567.22	19,742,947	13,670,472.84	14,928,216	17,906,383	14,650,000

2008 Utility Revenue Bond Fund 417

This fund is designated to expend the funds on Utility Capital Projects. These projects are identified via Capital Project Ordinances and Financial Plans. The 2013 – 2014 Revenue and

Expenditure amounts will be identified with the financial plans.

This fund pays principal and interest on the City's long-term general obligation debt.

Revenue by Class:

	Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual 12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
417-2008 Utility Revenue Bonds							
30-Fund Balance	-	-	1,650	-	-		
36-Miscellaneous Revenues	-	-	-	-	-		
38-Non-Revenue	1,256,816.63	1,432,249.97	1,430,133	1,191,708.40	1,429,317		
39-Other Financing Sources	-	-	-	-	-		
417 Total	1,256,816.63	1,432,249.97	1,431,783	1,191,708.40	1,429,317		

Expenditures by Class:

	Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual 12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
417-2008 Utility Revenue Bonds							
0-Reclassification	2,489,743.28	862,963.31	-	494,610.38	-		
7-Debt Service-Principal	-	-	1,100,000	-	1,145,000		
8-Debt Service-Interest	397,828.06	363,678.10	330,050	270,676.20	286,050		
417 Total	2,887,571.34	1,226,641.41	1,430,050	765,286.58	1,431,050		

2010 Utility Revenue Bond Fund 419

This fund is designated to expend the funds on Utility Capital Projects. These projects are identified via Capital Project Ordinances and Financial Plans. The 2013 – 2014 Revenue and

Expenditure amounts will be identified with the financial plans.

This fund pays principal and interest on the City's long-term general obligation debt.

Revenue by Class:

	Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual 12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
419-2010 Utility Revenue Bonds							
30-Fund Balance	-	-	-	-	-	-	-
36-Miscellaneous Revenues	-	-	-	-	-	-	-
38-Non-Revenue	-	-	323,434	317,154.00	282,612	-	-
39-Other Financing Sources	-	-	-	-	-	-	-
419 Total	-	-	323,434	317,154.00	282,612		

Expenditures by Class:

	Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual 12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
419-2010 Utility Revenue Bonds							
0-Reclassification	-	-	-	757,905.64	-	-	-
7-Debt Service-Principal	-	-	-	-	-	-	-
8-Debt Service-Interest	-	-	299,883	318,301.31	282,613	-	-
419 Total	-	-	299,883	1,076,206.95	282,613		

2008 Utility Revenue Bond Fund 440

This fund is designated to expend the funds on Utility Capital Projects. These projects are identified via Capital Project Ordinances and Financial Plans. The 2013 – 2014 Revenue and

Expenditure amounts will be identified with the financial plans.

Revenue by Class:

	Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual 12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
440-2008 Utility Bond Construction							
30-Fund Balance	-	-	-	-	-	-	-
36-Miscellaneous Revenues	28,549.12	4,747.12	-	2,015.32	-	-	-
38-Non-Revenue	2,489,743.28	862,963.31	-	494,610.38	-	-	-
440 Total	2,518,292.40	867,710.43	-	496,625.70	-	-	-

Expenditures by Class:

	Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual 12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
440-2008 Utility Bond Construction							
0-Reclassification	1,770,637.30	(893,832.40)	-	(119,510.97)	-	-	-
3-Supplies	-	-	-	-	-	-	-
4-Services	524,502.97	360,499.85	-	147,426.96	-	-	-
6-Capital Outlay	2,559.63	503,458.51	-	199,814.30	-	-	-
9-Interfund Payment for Svcs	2,527.00	54,397.23	-	(5,753.13)	-	-	-
440 Total	2,300,226.90	24,523.19	-	221,977.16	-	-	-

2010 Utility Revenue Bond Fund 441

This fund is designated to expend the funds on Utility Capital Projects. These projects are identified via Capital Project Ordinances and Financial Plans. The 2013 – 2014 Revenue and

Expenditure amounts will be identified with the financial plans.

Revenue by Class:

	Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual 12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
441-2010 Utility Bond Construction							
30-Fund Balance	-	-	-	-	-	-	-
36-Miscellaneous Revenues	-	2,483.70	-	14,174.53	-	-	-
38-Non-Revenue	-	-	-	757,905.64	-	-	-
441 Total	-	2,483.70	-	772,080.17	-	-	-

Expenditures by Class:

	Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual 12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
441-2010 Utility Bond Construction							
0-Reclassification	-	-	-	(550,902.21)	-	-	-
3-Supplies	-	-	-	873.60	-	-	-
4-Services	-	-	-	487,487.12	-	-	-
6-Capital Outlay	-	-	-	493,305.52	-	-	-
9-Interfund Payment for Svcs	-	-	-	12,347.40	-	-	-
441 Total	-	-	-	443,111.43	-	-	-

Golf Course Fund 460

The Lynnwood Municipal Golf Course is a 75-acre, 18-hole course which is operated for year-round play. The course is maintained at a high level to ensure safe playing conditions at all times and encourage a high volume of users. The Pro Shop provides clothing and equipment sales, lessons and clinics, and tournament play.

The Lynnwood Municipal Golf Course is an Enterprise Fund within the Parks, Recreation and Cultural Arts Department. The Golf Course budget includes the operation and maintenance of the Golf Course and the Pro Shop.

Fiscal Condition

Lynnwood Golf Course was constructed starting in 1989, using construction bonds of \$5.2 million. The Golf Course retired the 20-year bonds in December 2011, with a payback of \$9 million including interest. The Golf Course will now operate with a net profit each year that will pay down \$1.1 million in accumulated debt, and build a cash reserve for the future.

Projected Revenues and Rounds of Play Trends

Biennium-end revenues from all operations are estimated at \$2,481,448. This is based on an estimated 40,925 rounds of play in both 2013 and 2014. Regionally and nationally, there has been an increase in the number of golf courses that has not been matched with a growth in the number of golfers or rounds played. Historically, "accessibility" and "affordability" were barriers to playing golf. Recent surveys indicate that "time constraints" are increasingly more important.

The estimated profits are \$96,581 in 2013 and \$89,022 in 2014.

The Golf Course will work with the Finance Director to develop a debt reduction strategy, while creating a reserve for the Golf Course.

Expenses

The Golf Course submits expenses of \$1,144,143 for 2013 and \$1,151,702 for 2014. These expenses reflect a restructuring of the Organizational Chart with the retirement of the Golf Course Supervisor, and the addition of a Maintenance Worker I and Pro Shop Assistant for an estimated savings of \$29,679 plus benefits each year. Expenses are also reduced by renting instead of buying new maintenance equipment for a savings of \$30,000 each year.

Surveys at the LMGC indicate a high level of player/customer satisfaction with quality of the course, the staff, and the reasonable fees. There is still dissatisfaction with the lack of food and beverage service, challenges with parking associated with the college, and short supply of golf carts. The proposed preliminary budget addresses some of these challenges.

We will continue to work with the department's marketing team to enhance and coordinate marketing and promotions efforts and continue to improve the website. We will continue to build the customer base through new programming opportunities with our user groups, who continue to be strong supporters, and The First Tee (youth and parents). The First Tee program at Lynnwood Golf Course is the largest in Snohomish County.

Proposed Reorganization

The Golf Course will see a change in the Organizational Chart that will restructure the operation and save money. The Golf Course Superintendent will retire December 31, 2012. Effective January 2013, the Pro Shop Supervisor will assume full management responsibilities of the overall Golf Course (Pro Shop and Maintenance), and will elevate one of the experienced professional staff to a supervisory position in the Pro Shop. The outside maintenance will be overseen by the Pro Shop Supervisor, with the Mechanic taking care of equipment maintenance, maintenance supplies and invoices. The Journeyman will be elevated to a Foreman to oversee course maintenance and its staffing. A Maintenance Worker I will be hired to replace the Journeyman.

Fees

The Golf Course proposes fee increases in 2013-2014. Fees have not been increased since April 2011. The green fee increases will bring in an additional \$40,000 annually.

Business Plan Implementation

The Golf Course retired its 20-year construction bonds in December 2011 (\$9 million including interest). Without the \$400,000+ annual expense, the Golf Course plans to move forward with the next phase of improvements in accordance with the 2012-16 Business Plan. The implementation of the 2012-2016 Business Plan begins in 2013 with the design and construction of a 6-8 station Golf Hitting Net for

warm-up and instruction, expansion of the golf parking, and engineering and design of a new Maintenance Shop and Power Cart Barn for the Golf Course. Each of these are to be funded with the Warehouse Sale line of credit. The payback for the Hitting Net will come from a First Tee donation, user fees and instruction; payback for the Parking Expansion will come from increased rounds and amenity services; payback for the Maintenance Shop and Power Cart Barn will come from the sale of construction bonds.

Golf Course Activities

Grounds maintains 75 acres of grass and trees, preparing finely manicured trees, fairways, greens and bunkers to ensure customer satisfaction.

The Pro Shop provides excellent customer service seven days per week through course reservations, receipting green fees and merchandise sales, monitoring play, organizing operations and maintaining records.

2011-2012 Biennium Accomplishments

The following are in addition to providing excellent service every day to our golfing community:

- Paid off 20-year Construction Bonds in December 2011
- Completed a new 5-Year Business Plan for 2012-2016
- Expanded food and beverage concessionaire service on the 10th Tee
- Rejuvenated 25 bunkers on the Golf

The Golf Course has evaluated operations and staffing in accordance with the Business Plan, and to provide maximum revenues and minimize expenditures. Position vacancies will be filled according to seasonal business requirements. Approximately 25% of the Golf Course salary budget is part-time staffing expense (excluding benefits).

Administration oversees the complete Golf Course operation and its activities, reviews reports and surveys, and forecasts and develops new programs.

Course with new sand

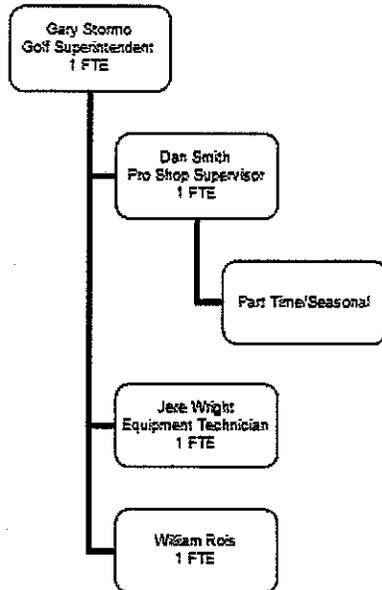
- Reconfigured the tee and fairway entry on Hole #14
- Traded in 18 Yamaha golf carts (5 year old lease) for new lease of 20 Yamaha carts plus two utility carts

Goals for 2013-2014 Biennium

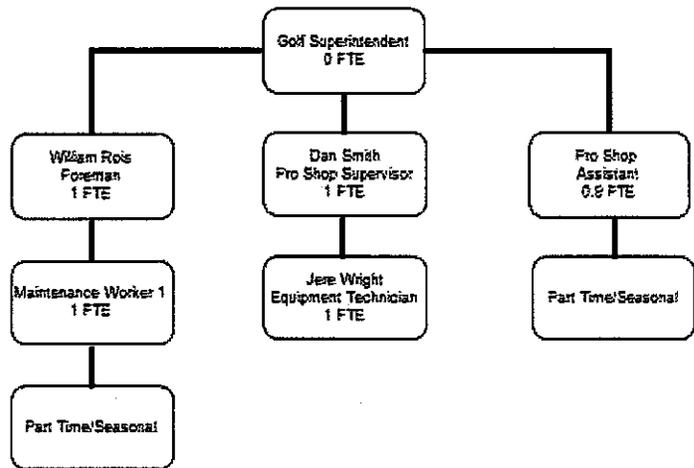
- Construct new Hitting Area for golfer warm-up and instruction
- Expand and improve parking for the Golf Course
- Begin Engineering and Design of a new Maintenance Shop and Power Cart Barn for the Golf Course
- Upgrade and replace aged Golf maintenance equipment with leased equipment
- Restructure the Golf Course Organizational Chart

Golf Course Fund 460

Current - 2012



Proposed - 2013



SOURCES:

	Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual 12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
460-GOLF COURSE							
30-Fund Balance	-	-	-	-	-	-	-
34-Charges for Services	971,575.49	984,578.69	1,156,198	936,099.42	1,161,198	1,029,219	1,029,219
36-Miscellaneous Revenues	96,002.09	95,472.91	100,839	98,413.38	102,849	104,424	104,424
38-Non-Revenue	(362.00)	(0.00)	118,708	528.22	119,374	107,081	107,081
39-Other Financing Sources	80,000.00	(724.66)	-	-	-	-	-
460 - GOLF COURSE Total	1,147,215.58	1,079,326.94	1,375,745	1,035,041.02	1,383,421	1,240,724	1,240,724

USES:

	Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual 12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
460-GOLF COURSE							
	(196,041.04)	(102,275.41)	-	(84,380.41)	-	-	-
ADMINISTRATION	884,892.42	920,374.72	871,646	827,928.25	477,922	323,706	323,706
GROUNDS	379,309.77	336,444.11	330,374	367,041.95	417,165	508,929	514,958
PRO SHOP	422,003.57	277,690.26	254,286	265,093.27	311,062	331,665	333,195
DRIVING RANGE	871.30	(1,307.65)	-	-	-	-	-
GOLF COURSE Total	1,491,036.02	1,430,926.03	1,456,306	1,375,683.06	1,206,149	1,164,300	1,171,859
460-GOLF COURSE							
0-Transfers-Reclassification	233,340.95	347,189.13	414,600	339,885.49	16,705	-	-
1-Salaries & Wages	510,905.38	438,977.19	396,328	443,850.68	482,040	412,175	418,724
2-Personnel Benefits	158,349.70	140,490.28	134,610	143,274.31	181,302	182,696	183,708
3-Supplies	80,596.84	99,186.74	117,435	107,434.52	119,065	122,004	122,004
4-Services	145,719.90	140,823.05	124,308	100,476.63	138,012	196,252	196,252
5-Intergovernmental Svcs	103,367.82	107,394.41	128,000	102,123.89	128,000	111,081	111,081
6-Capital Outlay	101,685.65	-	-	-	-	-	-
8-Debt Service-Interest	2,372.50	149.18	-	2,016.46	-	2,000	2,000
9-Interfund Payment for Svcs.	154,697.28	156,716.05	141,025	136,621.08	141,025	138,090	138,090
460-GOLF COURSE Total	1,491,036.02	1,430,926.03	1,456,306	1,375,683.06	1,206,149	1,164,300	1,171,859

Vehicle Services, Fund 510

To manage equipment replacement reserves to supply and maintain safe reliable equipment and vehicles.

maintain equipment inventory and establish vehicle life. Functions also include making recommendations for equipment purchases and the management of reserves.

Description of Services:

This fund has been established for the purpose of accumulating funds for equipment replacement reserve personnel specify and purchase equipment and vehicles for all City departments. Personnel set rental rates,

Source of Funds:

The source of revenue for this fund is the replacement portion of the equipment rental rates.

Department Revenue:

Category	Actual						
	Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual 12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
510-EQUIP RENTAL RESERVE							
30-Fund Balance	-	-	-	-	-	61,930	80,480
33-Intergovernmental Revenue	-	-	-	-	-	-	-
36-Miscellaneous Revenues	1,134,677.62	234,959.24	945,896	692,388.66	945,896	689,000	689,000
37-Other Income	-	7,073.48	-	-	-	-	-
38-Non-Revenue	-	-	-	-	-	-	-
39-Other Financing Sources	231,215.57	34,263.27	-	82,423.08	-	-	-
510-EQUIP RENTAL RESERVE Total	1,365,893.19	276,295.99	945,896	774,811.74	945,896	750,930	769,480

Department Cost:

Obj Sum # & Name	Actual						
	Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual 12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
510-EQUIP RENTAL RESERVE							
0-Reclassification	(1,197,072.61)	171,445.90	-	267,022.16	-	-	-
3-Supplies	33,134.26	383.25	49,393	10,769.06	66,081	53,650	35,370
4-Services	108,366.36	27,090.61	86,700	28,168.34	129,400	17,280	18,360
6-Capital Outlay	1,829,796.24	612,632.62	615,000	395,161.64	341,000	680,000	715,750
9-Interfund Payment for Svcs	-	-	-	-	-	-	-
510-EQUIP RENTAL RESERVE Total	774,224.25	811,552.38	751,093	701,121.20	536,481	750,930	769,480

Vehicle Services Fund 511

Vehicle Services Mission

To keep all City vehicles and equipment in a safe and reliable condition to provide transportation to City employees necessary for the work they perform.

AUTHORIZED PERSONNEL	FY 09/10	FY 11/12	FY 13/14
Equipment Rental	4	3	4
Total	4	3	4

Vehicle Services Fund 511

Fleet Maintenance provides the maintenance and repair for the City of Lynnwood's fleet and equipment. The fleet includes Public Works and Parks maintenance trucks, Police vehicles, Fire vehicles, Recreation department's buses, vans, cars and trucks and citywide pool cars. Small items of power equipment are also maintained as needed. The three mechanics and one change-out technician currently are responsible for over 200 pieces of equipment.



The budget for 2013-14 is essentially the same as 2011-12. The number of mechanics (which includes the Change Out Technician) was reduced from 3 to 2 as a part of the past biennial budget reductions, even though the fleet has grown by approximately 40 vehicles and/or pieces of equipment since 2003. What we found, however, was that it was necessary to send out more equipment for have-to repairs and the amount saved on staff reductions was eaten up by private contractor costs. Therefore, the budget includes the addition of the lost mechanic by DEC PAK.

What The Fund Does

Functions include making recommendations for equipment purchases, providing proactive maintenance that includes planned, scheduled and preventative work, as well as, reactive maintenance and emergency repairs.

2011 – 2012 Accomplishments

- Organized the shop to made room for the Streets/Storm dept. move in.
- Changed parts suppliers saving \$\$
- Converted the two latest patrol cars into canine units.
- Put in-service a new Fire engine pumper.
- Coordinated the disposal of our oldest Fire pumper to Grant County for use as a brush truck.
- Coordinated the re-mount of our Medic unit resulting in overhauling the body and mounting it on a new chassis.
- For the first time; we outfitted 4 new Police motorcycles.
- Outfitted one new patrol car.
- Disposed of a poorly built sweeper.
- Procured a new sweeper.
- Turned an old Aid Car into a new Crime Scene Unit.
- Streamlined the process for collision repairs.
- Removed and installed new camera systems in 27 Police vehicles.
- Reduced the fleet by 1 mechanic and three vehicles (ouch).

2013 – 2014 Biennial Goals

- Assist managing fleet equipment by user department need, equipment age, frequency of use, economic analysis and rate setting, and other operational parameters, so that user departments receive the equipment they need to conduct city business.
- Maintain city vehicles cost effectively, to provide safe, operable vehicles to satisfy internal customers with reliable transportation, so that City users can concentrate on the work they perform.

Vehicle Services Fund 511

Sources:

FL Category	Actual		2011 Budget	Actual		2012 Budget	2013 Budget	2014 Budget
	12/31/09	12/31/10		12/31/11 as of 2/22/12	2012 Budget			
511 - ER&R Maintenance Fund								
30-Fund Balance	-	-	-	-	-	-	-	-
33-Intergovernmental Revenue	-	1,632.15	-	-	-	-	-	-
36-Miscellaneous Revenues	996,180.07	213,247.02	1,154,945	1,107,332.88	1,154,945	1,100,000	1,100,000	
38-Non-Revenue	-	-	-	-	-	-	-	-
39-Other Financing Sources	805.50	44,127.20	-	2,672.26	-	-	-	-
511 Total	996,985.57	259,006.37	1,154,945	1,110,005.14	1,154,945	1,100,000	1,100,000	

Uses:

FL Category	Actual		2011 Budget	Actual		2012 Budget	2013 Budget	2014 Budget
	12/31/09	12/31/10		12/31/11 as of 2/22/12	2012 Budget			
511 - ER&R Maintenance Fund								
30-Fund Balance	-	-	-	-	-	-	-	-
33-Intergovernmental Revenue	-	1,632.15	-	-	-	-	-	-
36-Miscellaneous Revenues	996,180.07	213,247.02	1,154,945	1,107,332.88	1,154,945	1,100,000	1,100,000	
38-Non-Revenue	-	-	-	-	-	-	-	-
39-Other Financing Sources	805.50	44,127.20	-	2,672.26	-	-	-	-
511 Total	996,985.57	259,006.37	1,154,945	1,110,005.14	1,154,945	1,100,000	1,100,000	

Maintenance Shop Fund 513

Public Works Maintenance Shops Mission

To provide adequate maintenance facilities for the efficient operation of the Transportation, Storm Water Utility, Water and Sewer Utilities and Vehicle & Equipment Services crews.

What the Fund Does

The Public Works Maintenance fund supports the operation and maintenance of Lynnwood's Utility Maintenance Center (UMC) now called the Lynnwood Operations Maintenance Center (LOMC). The fund used to also fund the operation of the Joint Shop with the City of Mountlake Terrace. Lynnwood's interest in the joint facility, which houses the Transportation crews and the Storm Water Utility maintenance employees was sold to Mountlake Terrace in 2010. The LOMC, underwent minor modifications and now houses all Public Works crews. The LOMC now lacks sufficient dry storage areas for vehicles and equipment and in the future budget requests will be made to rectify

this. We are making due now and using this site and others that we have control of to the best of our ability.

The Fund oversees the basic building functions such as heat, water, utilities, building maintenance and capital improvements to the site.

The LOMC building is relatively new and therefore only requires basic maintenance activities. The budget anticipates only minor repairs, replacement or new equipment.

Personnel in this budget are for the fleet specialist position within the Finance department.

Sources:

Fun Category	Actual	Actual	2011	Actual	2012	2013	2014
	12/31/09	12/31/10	Budget	12/31/11 (as of 2/22/12)	Budget	Budget	Budget
513-JOINT SHOP OPERATIONS							
30-Fund Balance	-	-	-	-	-	-	-
36-Miscellaneous Revenues	-	-	-	-	-	-	-
39-Other Financing Sources	172,849.00	203,213.87	230,500	57,625.00	230,500	205,840	205,840
Grand Total	172,849.00	203,213.87	230,500	57,625.00	230,500	205,840	205,840

Uses:

Obj Sum # & Name	Actual	Actual	2011	Actual	2012	2013	2014
	12/31/09	12/31/10	Budget	12/31/11 (as of 2/22/12)	Budget	Budget	Budget
513							
0-Reclassification	-	-	-	(19,212.80)	-	-	-
1-Salaries & Wages	83,239.97	61,216.43	63,166	28,669.66	63,166	69,173	71,888
2-Personnel Benefits	30,835.76	25,861.54	30,735	10,730.75	30,735	28,146	28,564
3-Supplies	14,588.04	17,062.86	10,000	63,949.69	10,000	15,500	15,500
4-Services	85,640.45	63,499.65	63,572	82,303.30	63,572	88,400	88,400
5-Intergovernmental Svcs	41,069.35	41,286.48	50,000	18,376.85	50,000	-	-
6-Capital Outlay	2,638.95	-	10,000	26,397.02	10,000	3,781	648
9-Interfund Payment for Svcs	311.27	-	2,780	11,271.24	2,780	-	-
513 Total	258,323.79	208,926.96	230,253	222,485.71	230,253	205,000	205,000

Self-Insurance Fund 515

The Cumulative Reserve Fund for Self-Insurance was created in 1981 (Ord. 1177, LMC 3.80.010) in accordance with RCW 35.21.070. This fund will accumulate and maintains money sufficient to pay expenses and estimated losses related to claims against the City.

The primary sources of revenue for the 2013/2014 budget are from internal services charges, investment income, and other sources such as insurance subrogation recovery.

Description of Services:

Beginning in FY2001, this fund has accounted for collecting all insurance costs from within city department's budgets, paying for: professional services, insurance premiums, claims, defense costs, investigation costs and judgments. The fund is not assessed any overhead and pays no administrative type expenses.

The program includes insurance for claims and judgments (including costs) above the \$25,000 deductible. A third party claims administrator assisted by staff reports investigates all claims. The claims adjuster recommends a disposition on the claim. This program is managed by the Finance Director, who is the City's Risk Manager. Program and claim activity is reviewed approximately quarterly. This review includes department personnel, the Mayor's office and City Council members.

Current Financial Condition:

The risk of loss to the city was reduced from a "self-insured retention" of \$250,000 per occurrence to a "deductible" of \$75,000 per occurrence. Limits were increased; more thorough coverage was obtained while reducing insurance costs.

The fund balance has declined over the past several years due to an outdated cost allocation methodology. The department is developing a new cost allocation method which fully allocates all costs of the fund.

Major Issues:

Costs of the city's risk management program have stabilized over the past few years. We expect future costs to also be stable. Insurance rates have increased over the prior biennium by approximately \$204,000 per year.

Source of Funds:

Revenue by Class:

Category	Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual 12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
515-SELF-INSURANCE							
30-Fund Balance	-	-	147	-	147	-	-
34-Charges for Services	-	-	-	-	-	-	-
36-Miscellaneous Revenues	792,158.28	647,429.90	662,978	449,114.86	662,978	765,000	765,000
38-Non-Revenue	-	-	-	-	-	-	-
39-Other Financing Sources	49,215.04	68,280.19	-	251,084.05	-	-	-
515-SELF-INSURANCE Total	841,373.32	715,710.09	663,125	700,198.91	663,125	765,000	765,000

**City of Lynnwood
Self-Insurance Fund 515
2013 / 2014 Budget**

Uses:

Category	Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual 12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
515-SELF-INSURANCE							
0-Reclassification	-	-	-	-	-	-	-
2-Personnel Benefits	215.00	150.00	125	150.00	125	-	-
3-Supplies	-	-	-	573,444.54	-	-	-
4-Services	992,828.32	902,584.53	663,000	1,016,089.15	663,000	765,000	765,000
6-Capital Outlay	-	-	-	136,950.72	-	-	-
9-Interfund Payment for Svcs	-	-	-	-	-	-	-
515-SELF-INSURANCE Total	993,043.32	902,734.53	663,125	1,726,634.41	663,125	765,000	765,000

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Reserve Retirement Contribution Fund 519

This fund was established to pay the portion of a PERS 1 employee's retirement benefit which results from "excess compensation" or lump sum payouts of unused leave.

The primary source of revenue is from sales and use taxes.

Description of Services:

Money may be accumulated to cover the vacation and sick leave of PERS 1 employees.

Current Financial Condition:

The fund currently is not budgeted to receive any funds from the General Fund in the 2009-2010 biennium.

Source of Funds:

Revenue by Class:

Category	Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual 12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
519-RESERVE RETIREMENT CNTRB							
30-Fund Balance	-	-	60,000	-	70,000	-	-
36-Miscellaneous Revenues	3,675.22	1,695.08	-	364.00	-	-	-
39-Other Financing Sources	-	-	-	-	-	-	-
519-RESERVE RETIREMENT CNTRB Total	3,675.22	1,695.08	60,000	364.00	70,000	-	-

Expenditures by Class:

Obj Sum # & Name	Actual 12/31/09	Actual 12/31/10	2011 Budget	Actual 12/31/11 (as of 2/22/12)	2012 Budget	2013 Budget	2014 Budget
519-RESERVE RETIREMENT CNTRB							
4-Services	-	-	60,000	103,594.16	70,000	-	-
9-Interfund Payment for Svcs	-	-	-	-	-	-	-
519-RESERVE RETIREMENT CNTRB Total	-	-	60,000	103,594.16	70,000	-	-