

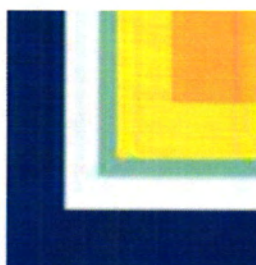
Biennial Budget 2019-2020

■ *Building Lynnwood's Future* ■



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CITY OF LYNNWOOD WASHINGTON

2019-2020 Biennial Budget

Adopted November 26, 2018

City Council

Benjamin Goodwin	President, Position 5
Christine Frizzell	Vice President, Position 1
Ian Cotton	Position 2
George Hurst	Position 6
Ruth Ross	Position 3
Shannon Sessions	Position 7
Shirley Sutton	Position 4

Administration Leadership

Nicola Smith	Mayor
Art Ceniza	Executive
Sonja Springer	Administrative Services
Rosemary Larson	City Attorney
Paul Krauss	Community Development
David Kleitsch	Economic Development
Lori Charles (Interim)	Human Resources
Drew Burnett	Information Technology
Paulette Revoir	Municipal Court
Lynn Sordel	Parks, Recreation & Cultural Arts
Tom Davis	Police
William Franz	Public Works

Budget Workgroup

Sonja Springer	Administrative Services
Corbitt Loch	Administrative Services
Janella Lewis	Administrative Services

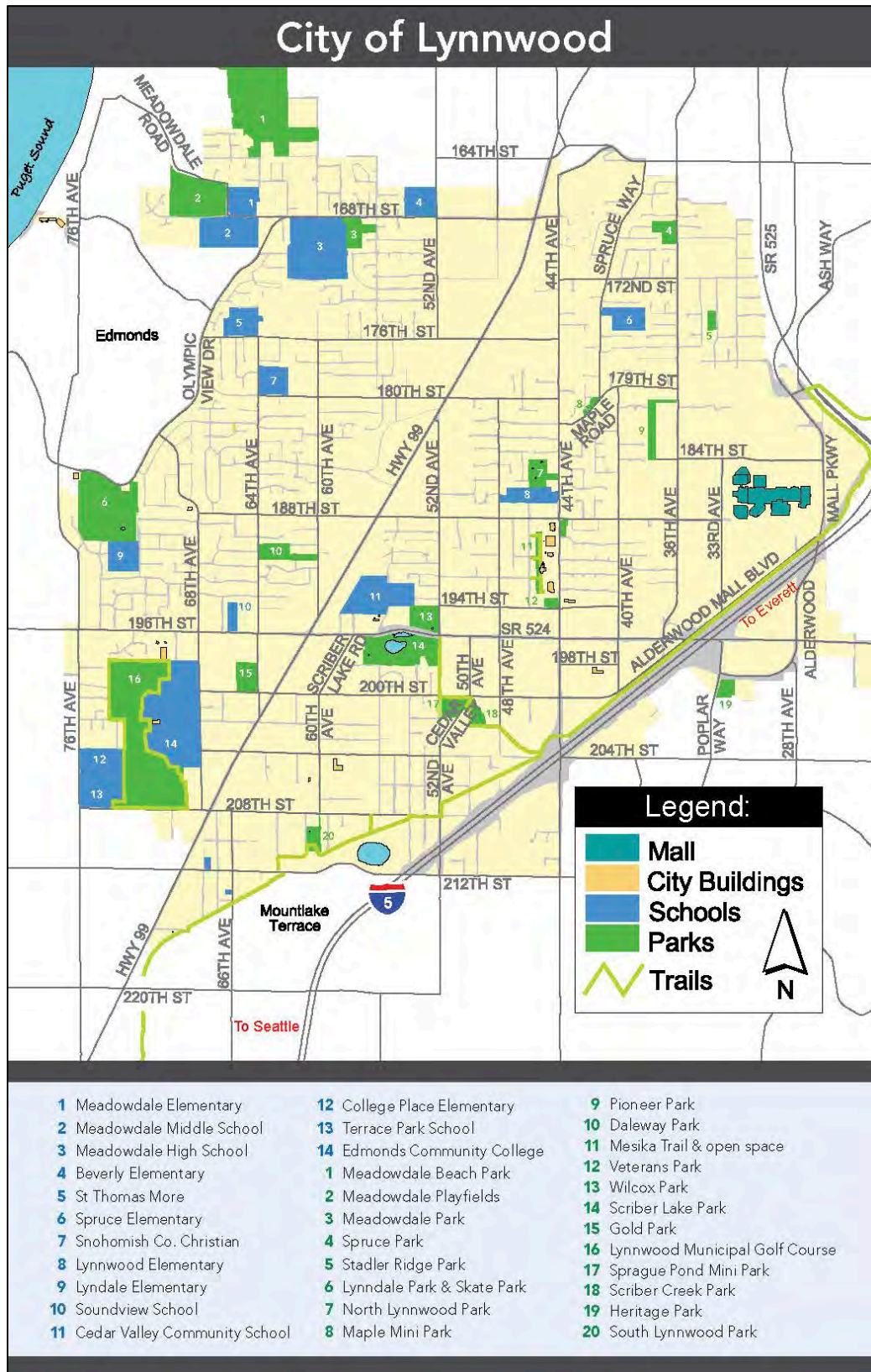


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DATE: January 1, 2019

TO: City Council, City Employees, & Interested
Community Members

FROM: Mayor Nicola Smith

RE: Adopted Biennial Budget for 2019-2020



Building Lynnwood's Future

1 I am pleased and proud to deliver this adopted Biennial Budget for 2019-2020. On November
2 26, 2019, the Lynnwood City Council adopted this thoughtful document with approval of
3 Ordinance 3315. This budget continues our steadfast commitment to fiscal sustainability,
4 supports our inspired plans for a positive future, and reflects our commitment toward all things
5 that make Lynnwood a great city and a civic leader in Snohomish County.

6 The Biennial Budget was developed over many, many hours of focused effort to analyze,
7 prioritize, and synthesize funding choices for our municipal services, programs, and projects.
8 This budget is my third as your Mayor, and it builds upon the successes we have made together
9 during the previous two bienniums. The previous budget themes were, "Fix it, Refresh it, Grow
10 it" and "Convene, Converse & Collaborate". Now, with this new budget, "Building Lynnwood's
11 Future" we will continue moving forward while keeping a laser focus on the most-important
12 work needed now. The Biennial Budget for 2019 and 2020 will keep us on course toward the
13 bright future prescribed by our Community Vision, Strategic Plan, and other adopted plans.

14 This Budget authorizes \$113,879,450 in General Fund expenditures, which is a reduction of
15 \$5,623,927 (or 4.7%) from General Fund expenditures for 2017-2018. Moreover, the Proposed
16 Biennial Budget is balanced, with General Fund operating revenues (excluding transfers and
17 one-time revenue) exceeding operating expenses by \$1,150,085 for the biennium.

18 On October 8, 2018, I proposed this budget with the resolve to build the future that Lynnwood
19 residents seek—by realizing new efficiencies and forging partnerships, and without dramatic tax
20 hikes. Through strategic decision-making and mindful determination, we will enhance
21 Lynnwood's livability while being mindful of maintaining Lynnwood's affordability. We will bring
22 positive change to the vicinity of the City Center, Alderwood Mall, and along Highway 99. The
23 total assessed value (AV) of all property in Lynnwood continues to grow, due largely to: a)
24 increased value due to new construction; and b) the general livability and desirability of our
25 community. While the City's population has increased by 1,670 since our previous budget was
26 adopted, this Budget maintains the level of service for the City's services and programs that our
27 community desires.

Lynnwood's Approach to Budgeting

Our City budgets span two-year periods, with preparation and adoption of each new budget occurring during even-numbered years. Creating a budget is a labor-intensive endeavor, and our two-year cycle provides time during odd-numbered years to focus on achieving the outcomes we have agreed upon.

Like our 2017-2018 Biennial Budget, the enclosed Proposed Biennial Budget was developed using Budgeting for Outcomes (BFO) principles. This approach, also known as, Priority-Based Budgeting, shifts the focus of budgets from line-item expenditures to the outcomes desired by the community. BFO is a much more difficult process than traditional budgeting and it requires a "customer-first" approach to decision-making. BFO budgets are more intuitive because the City's resources are allocated to outcomes, instead of inputs.



Figure 1: Budget decisions are made according to these criteria.

More importantly, our budget work is transparent and inclusive. Community engagement has been and will continue to be an important component of Lynnwood's budget development. Our department directors reached a new level of collaboration as they prioritized current and potential outcomes to find the best options for sharing our limited resources. I am fortunate to have such talented and collaborative staff!



Department Directors Confirming Budget Priorities

48 **Budget Process**

49 During October and November 2018, there were multiple opportunities for community
50 members to participate as the City Council discussed and deliberated on the draft budget
51 document. Council's review of the proposed budget occurred during open public meetings,
52 including two public hearings. Written comments were accepted throughout the City Council's
53 review process. Events and meetings are summarized below:

TABLE 1 UPCOMING BUDGET PROCESS	
Date, time	Event
Oct. 8, 7:00 pm	Mayor Smith presented the Proposed Budget, 2019-2020 to the City Council and the community.
Oct. 11 & 18	Notice of two public hearings was published in the <i>Daily Herald</i> . The notice was published for two consecutive weeks: announcing public hearings for the budget and the property tax levy for 2019.
Oct. 15, 7:00 pm	Presentation of departments' budgets to the City Council and community. Executive, Administrative Services, Legal & Legislative.
Oct. 22, 7:00 pm	Presentation of departments' budgets to the City Council and community. Economic Development, Human Resources, Information Technology & Public Works
Oct. 29, 7:00 pm	Presentation of departments' budgets to the City Council and community. Parks, Recreation and Cultural Arts, Police, Municipal Court & Public Works (capital budgets).
Nov. 5, 7:00 pm	Presentation of departments' budgets to the City Council and community. Community Development & Fire.
Nov. 13, 7:00 pm	First public hearing on Proposed Budget -2019-2020. Public hearing on 2019 property tax levy. City Council review of Proposed Budget.
Nov. 19, 7:00 pm	City Council review of Proposed Budget.
Nov. 26, 7:00 pm	Second public hearing on Proposed Budget - 2019-2020.

	Adoption of Budget - 2019-2020 and 2019 property tax levy ordinance.
Feb-Mar. 2019	Publish adopted budget book. Adopted budget will be transmitted to the state auditor and AWC.

54 **Budget Process Leading Up to October 8 (issuance of Mayor's Proposed Budget)**

55 Creation of an excellent budget requires detailed financial forecasts, analysis of market and
 56 labor trends, use of financial policies, strategic planning, guidance from City Council, community
 57 leaders, citizens and advisory boards, and general fiscal prudence. City staff have worked
 58 diligently to deliver an accurate budget focused upon specific goals and priorities. Lynnwood's
 59 budget process ensures community members' views will be heard. Public input occurs over
 60 time, not just during budget season. Our citizen advisory boards provide valued guidance year-
 61 round. Some of the highlights of our budget process to this point include:

TABLE 2	EARLY BUDGET PROCESS
Date	Event
Jan. 22	City Council adoption of the budget planning calendar for 2018.
Feb. 10	During City Council's Summit, department directors presented five strategic priorities, along with implementation objectives and strategies.
Mar. 21	City Council discussion of five strategic priorities presented during City Council Summit.
Apr. 16	City Council discussion of Council's draft priorities (Councilmember Cotton).
May 7	City Council discussion of Council's draft priorities
May 16	City Council discussion of Council's draft priorities
Spring	<i>Inside Lynnwood:</i> Announcement of budget process and five strategic priorities.
May 21	Conversations with Council Community Outreach, Community Life Center.
Summer	<i>Inside Lynnwood:</i> Announcement of Community Budget Workshop and budget process and five strategic priorities.
June 4	Community Budget Workshop at Lynnwood Convention Center.
June 20	City Council discussion of: a) June 4 Community Budget Workshop; and b) Conversations with Council meetings.
July 16	City Council discussion of Council's draft priorities. It was determined that no further action was needed because their interests were adequately represented by the Strategic Plan's five priorities.
August	Executive Leadership Team prioritizes existing programs, optional programs, and requests for additional funding.
Sept. 10	Presentation of the Proposed Preliminary Budget to City Council, including assumptions for property tax levies for 2019 and 2020.
Fall	<i>Inside Lynnwood:</i> Announcement of budget process and five strategic priorities.

62 **Achievements during the 2017-2018 Biennium**

63 2017 and 2018 have been banner years for the City of Lynnwood! Some of our achievements
64 during 2017 and 2018 were years in the making. As Mayor, I am proud of our accomplishments
65 because they collectively speak to the dedication, drive, talent, and service orientation of our
66 City Council, staff, and our citizen advisory boards. An exhaustive list of our achievements
67 during the 2017-2018 biennium would be about 15 pages long, so for brevity I offer to you the
68 abbreviated list below. Additional information will be provided during departments' budget
69 presentations and is available online.

TABLE 3 ACHIEVEMENTS DURING 2017-2018 (abbreviated, random order)	
Name	Relevance
Voter approval of Regional Fire Authority	All Lynnwood Fire Department operations and assets transferred to South Snohomish County Fire & Rescue as of October 1, 2017. Elected officials and staff worked months to develop and negotiate the terms of consolidation. Measure passed by 54.4%. The City began contracting with South County Fire for Fire Marshal services. Property tax levy for 2018 was reduced by net savings.
911	Advocated for the merger of the County's two 911 call and dispatch centers, thereby improving emergency response at lower cost.
Recognition for accounting excellence	Lynnwood received the Excellence in Financial Reporting Award for the Comprehensive Annual Financial Report for 2016.
Midrise building construction in City Center	Completion and occupancy of SHAG Senior Apartments and City Center Apartments. These are wood-frame construction over concrete parking structures, constituting the beginning of mid-rise development in City Center.
Road improvements	Launched major reconstruction projects for 36 th Ave W and SW 196 th St, and chip sealing at selected locations citywide.
Citizen engagement	Ongoing opportunities for positive interaction with citizens include: Police Citizens Academy, Lynnwood University, Police Camp, Fire Camp, National Night Out, Conversations with Council, Cops and Clergy, and weekly citizen engagement with the Mayor.
Clean audits	The Office of the State Auditor issued clean audits for Lynnwood's financial records for 2016 and 2017.
Off-leash dog park	Dog owners can bring their pets to Lynndale Park, where a special area is set-aside for off-leash dog play.
Recognition for budgeting excellence	For the 2017-2018 Budget, Lynnwood was awarded the Distinguished Budget Presentation Award by the Government Financial Officers Association (GFOA).
Diversity, Equity & Inclusion Commission	A new citizen advisory board was established to provide guidance on social equity issues.

TABLE 3		ACHIEVEMENTS DURING 2017-2018 (abbreviated, random order)
Name		Relevance
Design & initial construction of Sound Transit's Lynnwood Link begins		Facilitating the construction and operation of Lynnwood Link light rail has required extensive staff time. Retrofitting our community with a massive transit station requires dedicated time for project design negotiations, engineering work, permit review, and interlocal agreements. Early construction began in 2018 with demolition of existing buildings such as Black Angus restaurant and McDonalds Furniture.
Sister City		A Lynnwood delegation visited Damyang, South Korea to exchange civic, educational, and business information.
Voter approval of 0.1% sales tax for roads (TBD)		Lynnwood residents approved a ballot measure to increase local sales tax by 0.1% for road improvements and maintenance.
Budget transparency online		City implemented an "open checkbook" online tool that allows viewers to see and track all transactions (updated weekly).
Strategic Plan, 2018-2022		New strategic plan prioritizes City initiatives over five-year period to advance budgeting and workflow coordination.
Overdoses averted		During 2017-2018, Lynnwood's police officers trained and outfitted with Naloxone (Narcan) have prevented 15 opioid overdoses.
Utility system improvements		Launched significant upgrades to protect and expand City-owned utilities (wastewater, domestic water and surface water). Used the City's excellent credit rating to favorably issue \$21.9 million in utility revenue bonds to fund future system improvements.
Streamlined regulations		Ongoing streamlining and simplification of regulations for businesses, commercial properties, etc.
Low income utility rebates		Provides financial assistance to low-income households towards the cost of City utilities.
Federal lobbyist		Retained Summit Strategies to advance Federal funding for critical projects for Lynnwood: Sound Transit's Lynnwood Link light rail and Poplar Way Bridge over I-5.
Level-of-service studies		Careful examination of services such as police patrol, jail, municipal court, legal services to confirm the use of industry best practices, assessment of staffing levels, and to maximize return on investment.
Voter approval of South County Fire EMS levy and repeal of Lynnwood EMS levy		Allows EMS levy proceeds to be remitted directly to South County Fire, and EMS revenues and expenditures to be removed from the City's budget. Measure passed by 61.5%.
Meadowdale Playfields		Complete renovation of five sports fields with funding from Lynnwood, Edmonds, Edmonds School District, Snohomish County, WA Recreation & Conservation Office.

TABLE 3 ACHIEVEMENTS DURING 2017-2018 (abbreviated, random order)	
Name	Relevance
Police Chief's Advisory Board	Citizens of diverse ethnicities and backgrounds meet regularly to advise the Police Chief on matters relating to officer engagement with citizens—particularly those of color.
\$19.2 million in grant funds	Our staff are particularly adept at preparing award-winning grant applications, and our strong relationships with other elected officials and agencies has proven highly beneficial to Lynnwood.
Social worker and school resource officer	By partnering with the City of Edmonds and the Edmonds School District, the City was able to hire a social worker to combat the causes of homelessness, and a school resource officer to help keep our kids safe. We also assigned two of our police officers to the Department's Community Health and Safety program to support this team's mission.

70 These achievements are building Lynnwood's future, and the pace of change will accelerate in
71 the upcoming years as Lynnwood Link moves closer to completion. Together, we will achieve
72 even more in the years ahead.

73 Financial Outlook

74 Lynnwood uses robust forecasting tools to estimate revenues and expenditures six years into
75 the future. Our forecasting evaluates each major type of revenue and expense, and City staff
76 use "conservative-leaning" assumptions as they build projections from historical trends. Of
77 course, no one can predict the future with certainty. Lynnwood maintains financial reserves in
78 excess of industry best practices, which could be used to mitigate an unexpected revenue
79 downturn.

80 Currently, U.S. and Washington State economies are performing well, as evidenced by rates of
81 inflation, interest, and unemployment all below 5%. Lynnwood's revenues earned from sales
82 tax, permits, and most other sources have shown year-over-year increases. General Fund debt
83 is relatively low, and noteworthy gains have been generated by the City's investment portfolio.
84 With voter approval of the Regional Fire Authority in 2017, the City no longer bears the burden
85 of significant fire service cost increases expected to occur with greater development density,
86 taller buildings, and an aging population.

87 In recent years, Lynnwood has been particularly successful at winning sizable State and Federal
88 grants for critical infrastructure improvements. Applying for grants requires considerable staff
89 time, and we are fortunate to have several talented writers on staff! Public Works staff have
90 been working closely with federal granting agencies to secure funding for our critical
91 transportation projects. Lynnwood's strident budgeting and accounting practices give granting
92 agencies confidence that grant funds will be tracked closely. The City's admirable bond rating of
93 "AA" is evidence that Standard & Poor's knows our financial strength is excellent.

94 Meanwhile, economists remind us that America's current stock market growth has now
95 outlasted any other in the past 40 years, and that an economic adjustment in the near term
96 should not be a surprise. Of the many economic indicators tracked by the Washington State
97 Economic and Revenue Forecast Council (for U.S. and State economies), nearly all offer cause
98 for optimism through 2023.¹ Exceptions to the rosy forecasts include declines in housing
99 permits, slowed construction employment, and increasing oil prices.

100 In addition, with the 2018 U.S. Supreme Court's recent decision that allows, sales tax on out-of-
101 state sellers², it is unclear how much sales tax revenue Lynnwood will receive. Therefore, City
102 staff have utilized sales tax revenue projections below those provided by the State Department
103 of Revenue. Also, by eliminating the sales tax advantage enjoyed by internet and catalog sellers
104 until now, it is unknown if some portion of retail sales will be recaptured by Lynnwood's brick-
105 and-mortar retailers.

106 Sales tax is the largest source of Lynnwood's General Fund revenue and constitutes over 67% of
107 all budgeted tax revenue. Sales tax revenue has continued to grow during recent years, with
108 notable gains from both motor vehicle and parts sales--and from manufacturing and wholesale
109 trade. Lynnwood's regional dominance in retail sales is the envy of many communities, and
110 sales tax revenue funds many critical City services. However, compared to property tax, sales
111 tax revenue has greater potential for variability due to changing economic cycles and conditions.
112 Lynnwood closely monitors incoming revenue from all sources, and the City's Financial Policies
113 provide important safeguards, such as reserve requirements, and reporting schedules, that will
114 allow the City to adjust to fluctuations in revenue.

¹ <https://erfc.wa.gov/sites/default/files/public/documents/forecasts/p0918.pdf>

²South Dakota v. Wayfair, Inc., No. 17-494, June 21, 2018.

Approach to Budgeting for 2019-2020

In 2015, the City Council reviewed and re-confirmed the Community Vision developed by a special citizen advisory group several years prior. The Vision contains an over-arching message, which is:

Lynnwood will be a regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

The full text of the Community Vision is included in the Introduction section of this Budget as it is foundational to all that we do.

As mentioned above, this is Lynnwood's second, biennial budget developed using BFO principles. Our work meets and exceeds Council's instructions regarding BFO, which are articulated in Resolution 2015-05:

1. The Administration and Departments shall begin the process of developing the tools, the training, strategies and teams for the implementation of a 'Budgeting for Outcomes' Citywide budget.

During December 2017 and January 2018, the executive leadership team developed a concise list of the highest priorities facing Lynnwood now. The five priorities were identified, and the team then developed implementing objectives and strategies for each of the five priorities. This work became Lynnwood's first City-wide strategic plan for a five-year period. This Biennial Budget has been developed to support the first years of the Strategic Plan's timeframe and allows funding choices made here to occur with the 2021-2022 biennium in mind. The Strategic Plan provides important policy guidance toward implementation of the Community Vision and the many plans developed by departments.

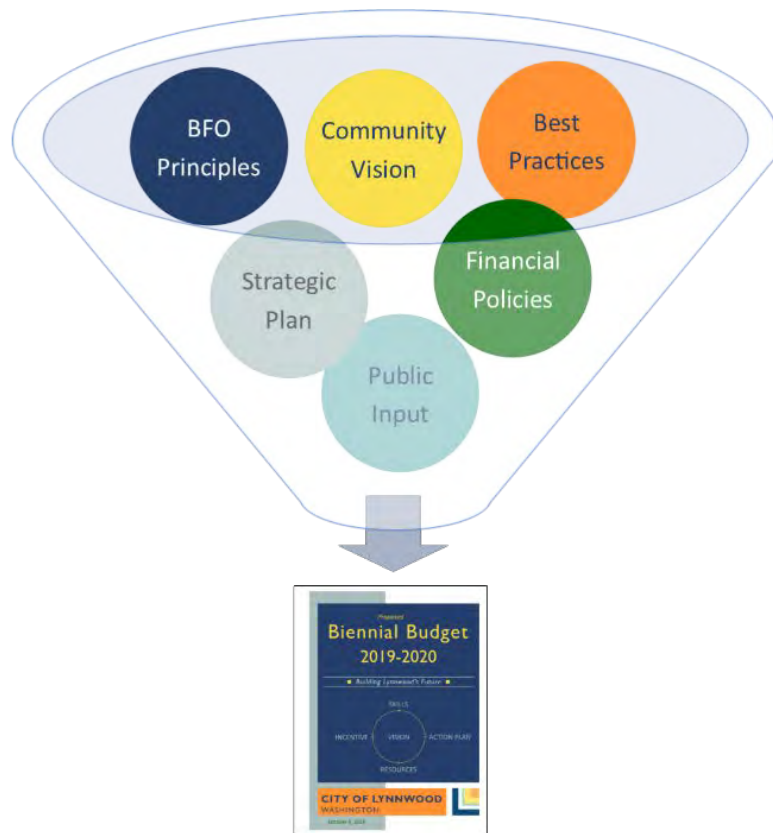


Figure 2. Lynnwood's Budget is made from only the finest ingredients.

152 The Plan's five priorities are:

153 **Strategic Plan, 2018-2022**

- 1 Fulfill the community vision for the City Center and Lynnwood Link light rail.
- 2 Ensure financial stability and economic success.
- 3 Nurture operational and organizational excellence.
- 4 Be a safe, welcoming, and livable city.
- 5 Pursue and maintain collaborative relationships and partnerships.



Figure 3. In 2024, Sound Transit light rail service will connect Lynnwood, Seattle, Bellevue, and Sea-Tac International Airport.

The Strategic Plan is provided in the Introduction section along with the Community Vision, and this Proposed Biennial Budget is highly aligned with the Strategic Plan and Community Vision.

The "Budget Process To-Date" section on page 3 references the Community Budget Workshop held on June 4, 2018 at the Lynnwood Convention Center. Community members were invited to provide input on the Strategic Plan's priorities and how best to bring them to fruition. Councilmembers attended and participated in the Workshop, and subsequently

reviewed the Strategic Plan and the input gleaned from that outreach event.

154 My leadership team, made up of department directors and other key employees, worked
155 together to prioritize the various outcomes that the department's programs produce. Using a
156 "One Lynnwood" mindset, team members put the needs of the City as a whole ahead of the
157 needs of individual departments. Working together, we identified and ranked the key issues
158 and opportunities that this biennial budget must address. The basis for this Budget includes the
159 following:

- 160 1. Fulfills the City's "pledge" to transfer \$1.1 million per year of General Fund monies to
161 the Capital Fund, which was the amount saved when voters approved annexation of
162 Lynnwood into Sno-Isle Library District in 2006.
- 163 2. Continues the practice of transferring \$1 million per year (adjusted 3% per year) of
164 General Fund monies to the Street Fund. These funds are critical to maintaining basic
165 levels of street repair.

3. Continues the City's stated intent to adopt property tax levies that reflect the savings resulting from the creation of a Regional Fire Authority³.
4. Maintains the 2018 property tax levy rate of \$0.57 per \$1,000 of assessed value (AV) for 2019. This levy rate will generate \$4 million in general property tax revenue during 2019. Compared to 2018, the average home owner will pay an estimated additional \$17.41 in City general operating property tax.
- The cap of 1% increase in the general property tax levy is no longer applicable to Lynnwood because that cap applies to Lynnwood's highest property tax levy, which occurred in 2017. Now that the Lynnwood Fire Department has been transferred to the Regional Fire Authority, Lynnwood's 2019 property tax levy can be 59% less than the amount levied in 2017. With levying a \$4 million property tax levy in 2019, the City's banked capacity for future years will be almost \$6,000,000.
5. Reserve account balances for the General Fund and Utility Fund meet or exceed the goals specified by our adopted Financial Policies. General Fund reserves will be approximately \$11 million, which includes \$6 million in the Revenue Stabilization Fund.
6. Building and maintaining infrastructure such as roads, parks, and utilities is a fundamental role of local government. This biennial budget includes \$83 million for capital improvements—mostly funded by grants, taxes, and fees reserved for these purposes.
7. Transfers \$750,000 in residual funds from a closed Local Improvement District (LID) account to the Economic Development Infrastructure Fund (EDIF) for future use, such as purchasing land for our first City Center park — helping us achieve Priorities 1 and 4 of the Strategic Plan.

Financial Policies

Lynnwood is fortunate to have Financial Policies that help ensure the budget process and decisions are consistent with best practices and protect public resources. The adopted Financial Policies, along with confirmation that this Budget fully complies with the adopted Policies, are provided as Appendices. In particular, Section 3 of the Financial Policies provides guidelines for preparation of the budget, each of which are satisfied by this balanced, Proposed Biennial Budget. No changes to the Financial Policies are needed or proposed.

³ Resolution 2017-10

197 **Changes from the 2017-2018 Budget**

198 Most of the numeric changes from 2017-2018 Budget (as amended) are due to inflationary
 199 adjustments to both revenues and expenditures. Lynnwood's Fire Department now exists in
 200 name only, for the purpose of allocating funds for fire marshal services provided by South
 201 County Regional Fire and Rescue.

202 This Budget does include a small number of new expenses that can be accommodated while still
 203 maintaining a balanced budget. The budget narratives and the upcoming department
 204 presentations will provide additional information about these adjustments.

TABLE 4 SUMMARY OF CHANGES FROM 2017-2018 BUDGET

Change	Description	Gen. Fund Net Change for Biennium
Procurement Technician – Adm. Services Dept.	Add 1.0 FTE ⁴ procurement technician to ensure purchases adhere to City policies and to expand use of procurement cards (PCard). Ongoing expense. Cost offset by reduced temporary services expenses and increased PCard rebate fees. Supported by Strategic Plan Priority 3 (Nurture operational and organizational excellence).	\$0
Records Technician – Adm. Services Dept.	Add 1.0 FTE records technician to fulfill records management (archiving) and to respond to requests for public records. Ongoing expense. Cost offset by reduced temporary services expenses. Supported by Strategic Plan Priority 3 (Nurture operational and organizational excellence).	\$62,600
Level-of-Service Study of Human Resources Dept. – Adm. Services Dept.	Professional services for third-party assessment of Human Services Dept. One-time expense. Supported by Strategic Plan Priority 3 (Nurture operational and organizational excellence).	\$30,000
Efficiency Improvements for DBS – Comm. Dev. Dept.	Additional resources to address unprecedented permit and construction activity. Use of funds reserved until completion of DBS efficiency and customer service studies. Supported by Strategic Plan Priority 3 (Nurture operational and organizational excellence).	\$500,000

⁴ Full-time Equivalent (2,080 hours/year)

TABLE 4 SUMMARY OF CHANGES FROM 2017-2018 BUDGET

Change	Description	Gen. Fund Net Change for Biennium
Safety Officer – Human Resources Dept.	Add 1.0 FTE safety officer to ensure worksite compliance with requirements of Labor & Industries, ADA, etc. Ongoing expense. Cost shared by Utility Fund (60%), TBD (20%), and General Fund (20%). Supported by Strategic Plan Priority 3 (Nurture operational and organizational excellence) and Priority 4 (Be a safe, welcoming, and livable city).	\$37,000
Public Safety Testing - Human Resources Dept.	Professional services for civil service promotional assessments. One-time expense. Supported by Strategic Plan Priority 3 (Nurture operational and organizational excellence).	\$30,000
Citywide professional development training – Human Resources Dept.	Professional services for Citywide training of employees. One-time expense. Supported by Strategic Plan Priority 3 (Nurture operational and organizational excellence).	\$30,000
Application Support Specialist – Info. Tech. Dept.	Add 1.0 FTE application support specialist to maintain critical technology functions. Ongoing expense. Cost partially offset by elimination of vacant application support manager position and reduced professional services expenses.	\$200,000
New website – Info. Tech. Dept.	Professional services to create updated City website. Supported by Strategic Plan Priority 3 (Nurture operational and organizational excellence) and Priority 4 (Be a safe, welcoming, and livable city).	\$70,000
City Attorney – Legal Dept.	Add 1.0 FTE city attorney while retaining Inslee-Best for on-call legal services. Administrative support to be provided by existing staff. Ongoing expense. Cost partially offset by reduced professional services expenses. Supported by Strategic Plan Priority 3 (Nurture operational and organizational excellence).	\$0
Youth-Teen Program Staffing – PRCA Dept.	Increase part-time staff hours to expand programs for youth. Ongoing expense. Cost offset by increased registration fees. Supported by Strategic Plan Priority 4 (Be a safe, welcoming, and livable city).	\$0
Cadet – Police Dept.	Add 0.5 FTE police cadet to support patrol of City parks. Ongoing expense. Supported by Strategic Plan Priority 4 (Be a safe, welcoming, and livable city).	\$40,840

TABLE 4 SUMMARY OF CHANGES FROM 2017-2018 BUDGET

Change	Description	Gen. Fund Net Change for Biennium
City buildings maintenance & repair – Public Works Dept.	Add funding for replacement of building systems, such as HVAC, at end of useful life. One-time expense(?). Supported by Strategic Plan Priority 2 (Ensure financial stability and economic success) and Priority 4 (Be a safe, welcoming, and livable city).	\$70,000
Solid Waste and Recycling Services – Public Works Dept.	Add funding previously provided by Dept. of Ecology grant for professional services related to solid waste and waste reduction. Ongoing expense. Supported by Strategic Plan Priority 2 (Ensure financial stability and economic success) and Priority 4 (Be a safe, welcoming, and livable city).	\$53,000
Ground Emergency Medical Transport (GEMT) – Gen. Fund	Add revenue from the GEMT program to offset the cost of emergency medical transports provided by the Lynnwood Fire Department. One-time revenue. Supported by Strategic Plan Priority 2 (Ensure financial stability and economic success).	\$300,000 REVENUE
Special EMS property tax	In August 2018, voters approved a \$0.50/\$1,000 AV property tax EMS levy for South Snohomish Fire and Rescue, and the repeal of Lynnwood's EMS levy. Therefore, there is no longer a need for the Biennial Budget to provide for EMS property tax levy revenue, and transfer of those funds to South County Fire and Rescue.	\$0

205 Conclusion

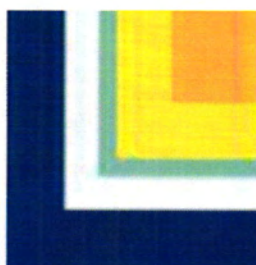
206 I am grateful for the work of the City Council, the Finance Committee, department directors, and
 207 our budget team as we built this budget upon the goals and outcomes that we hold in common.
 208 History has shown that some communities are controlled by change, while elsewhere the
 209 fortitude of the community controls change. Lynnwood is working fervently to be a step ahead
 210 and to steer changing conditions to our benefit. We are at this time poised to realize
 211 Lynnwood's aspiration to be a regional model for a sustainable, vibrant community with
 212 engaged citizens and an accountable government. This 2019-2020 Biennial Budget is not only
 213 structurally sound but is also important to our success for these reasons:

- 214 1. Keeping our promise to minimize taxes.
- 215 2. Keeping our promise to allocate funds to maintaining our streets and parks.
- 216 3. Establishing a keen focus on implementing our five-year Strategic Plan, including
- 217 accomplishing the things that the City Council and community members desire.

- 218 4. Advancing the City's expertise with Budgeting for Outcomes, including more
219 opportunities for input.
- 220 5. Achieving sustainable financing using conservative revenue projections.
- 221 6. Utilizing tremendous talent of City Council, staff, and advisory boards, who all care
222 deeply about Lynnwood's future.
- 223 I thank all of you who contributed to this insightful document! Together, we are Building
224 Lynnwood's Future!



Your Mayor and City Council



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Reader's Guide:

Understanding a governmental, biennial budget can be challenging. Municipal budgets must conform to numerous standards and guidelines, and have specialized terminology and structure. These rules are intended to help ensure that public monies are expended and accounted for as intended by the public, who has granted government agencies the authority to assess taxes and provide public services, programs, and facilities. This Reader's Guide is provided to help interested citizens navigate the detailed and complex information contained in the subsequent pages.

For the General Fund portion of the 2019-2020 Budget, Lynnwood has used Budgeting for Outcomes (BFO) principles to make budgeting decisions and their outcomes more intuitive. Within the General Fund, each Department's programs are described with words as well as numbers. While one result of using BFO is that the number of pages has expanded considerably, it is our intent to better communicate what public services will occur with each allocation.

Municipal budgets are complex, in part because Lynnwood's financial management must conform to each of the following standards/requirements:

- Chapter 35A.34 Revised Code of Washington (RCW), Biennial Budgets (for Optional Municipal Code Cities)
- Chapter 2.72 Lynnwood Municipal Code (LMC), Budget Process
- Title 3 LMC, Finance
- Governmental Accounting and Standard Board (GASB) requirements
- Washington State Auditor's Office (SAO) requirements
- Government Finance Officers Association (GFOA) guidelines

Budget Document Organization:

This document contains legally-required budget information, descriptive background information and numerous figures, graphs and tables. It is divided into six major sections: Introduction, Budget Overview, General Government Fund Departments and Programs, Utility Funds, Capital Funds and Appendix.

Introduction:

- | | |
|----------------------------|-------------------------------------|
| • Mayor's Budget Message | • City Organizational Chart |
| • Reader's Guide | • Budgeting for Outcomes Resolution |
| • Strategic Plan 2018-2022 | • Boards and Commissions |
| • Community Vision | • Basis of Accounting and Budgeting |
| • Community Profile | • Budget Process |

Budget Overview:

This section presents a broad summary of the revenues and expenditures for all of the City's funds. This information is displayed in a variety of tables and graphs in order to aid the reader in further understanding of the budget as a whole. This section includes:

- 2019-2020 Budget Summary by Fund
- General Fund Expenditures by Budgeting for Outcomes Program
- 2019-2020 Sources by Fund & Category
- Expenditures by Object Category
- Six-Year General Fund Financial Forecast
- Revenue Assumptions
- Ending Fund Balance
- Summary of Budgeted Full-Time Equivalent (FTE) Positions

General Fund Departments and Programs:

The budgets of General Fund departments focus on accountability and responsibility assigned to each program. This section is organized by program or division within each department with the following information:

- Mission and Responsibilities
- Goals and Objectives
- Performance Measures
- Highlights and Changes
- Multi-Year Financial Summary
- Personnel Summary

Other Governmental Funds:

- Economic Development Fund
- Revenue Stabilization Fund
- Program Development Fund
- Lodging Tax Fund
- Drug Enforcement Fund
- Criminal Justice Fund
- Transportation Impact Fee Fund
- Street Operating Fund
- Cumulative Park Reserve & Dev Fund
- Cumulative Reserve Art Fund
- Tree Fund
- Paths & Trails Improvements Fund
- Solid Waste Management Fund
- Park Impact Fee Fund

Debt Service Funds:

- General Government Debt Service Fund
- 800 MHZ Debt Service Fund
- Recreation Center 2012 LTGO Bonds Fund
- LID 93-1 I-5 196th Project Fund

Capital Funds:

Capital Funds pay for major improvements and construction. Revenues for capital funds are derived from contributions from operating funds, bond proceeds and funds required by State law to be spent solely on capital items. This is organized as follows:

- Real Estate Excise Tax (REET) Funds (1 & 2)
- Capital Development Fund
- Other Government Capital Project Fund
- Transportation Capital Fund
- Facilities Capital Infrastructure Fund
- Parks & Recreation Capital Infrastructure Fund
- Public Safety Capital Infrastructure Fund

Enterprise Funds:

These Funds are used to account for programs that are operated in a manner similar to business enterprises. They are established as fully self-supporting operations with revenues provided principally from fees, charges, or contracts for services. This section is organized as follows:

- Utility Operations Fund
- Water/Sewer/Storm Capital Infrastructure Fund
- Utility Debt Funds
- Golf Course Fund

Internal Service Funds:

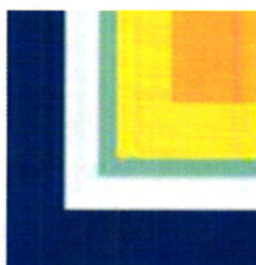
These funds are used to account for goods and services provided to other funds, departments or governments on a cost-reimbursement basis. The City maintains funds in this category for equipment rental and self-insurance.

- Equipment Rental Reserve Fund
- Equipment Rental Operations Fund
- Lynnwood Shop Operations Fund
- Self-Insurance Fund
- Technology Reserve Fund

Appendix:

- Financial Policies
- Glossary of Budget Terms





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Strategic Plan, 2018-2022

Nicola Smith, Mayor

City Council:

Benjamin Goodwin, President

Shannon Sessions, Vice President

Ian Cotton

Christine Frizzell

George Hurst

Ruth Ross

Shirley Sutton



April 2, 2018

Introduction and Purpose

The City of Lynnwood has an adopted vision statement, “Our Community Vision”, and numerous adopted plans that together articulate how Lynnwood will evolve in the years ahead. Those documents identify goals determined by the community to be important to Lynnwood’s future, but typically do not specify timeframes or relative priority.

This Strategic Plan is a compilation of priorities, objectives, and strategies determined by City leadership to be of the highest importance *for the years 2018-2022*. The Strategic Plan is highly correlated to Our Community Vision (see next page). In many instances, there are inter-relationships among the objectives and strategies, and many of the provisions relate to more than one priority.

Top Priorities for 2018-2022

1. **Fulfill the community vision for the City Center and Lynnwood Link light rail.**
2. **Ensure financial stability and economic success.**
3. **Nurture Operational and Organizational Excellence.**
4. **Be a safe, welcoming, and livable city.**
5. **Pursue and maintain collaborative relationships and partnerships.**

This Strategic Plan will prompt further discussion of outcomes, metrics, resources, and workplans needed to bring these aspirations to fruition. The goals outlined here will be important considerations as the biennial budgets for 2019-2020 and 2021-2022 are prepared. Our Community Vision, this Strategic Plan, and ongoing community input will support, inform, and guide Lynnwood’s Budgeting for Outcomes (BFO) process.

Correlation Between Our Community Vision and Strategic Plan, 2018-2022

Our Community Vision

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

Our vision is to be a welcoming city that builds a healthy and sustainable environment.

Our vision is to encourage a broad business base in sector, size and related employment, and promote high quality development.

Our vision is to invest in preserving and expanding parks, recreation, and community programs.

Our vision is to be a cohesive community that respects all citizens.

Our vision is to invest in efficient, integrated, local and regional transportation systems.

To ensure a safe environment through rigorous criminal and property law enforcement.

To be a city that is responsive to the wants and needs of our citizens.

Strategic Plan, 2018-2022

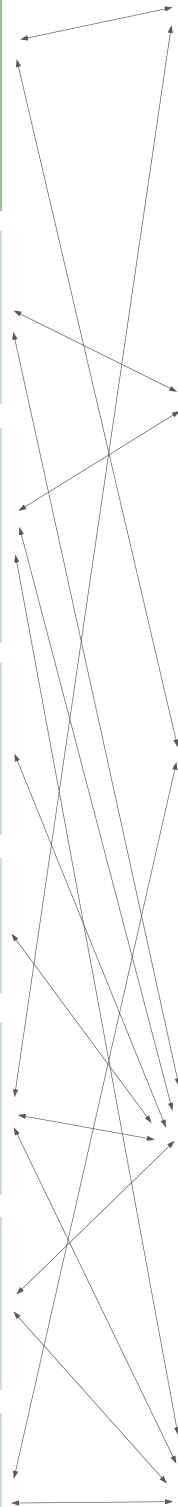
1. Fulfill the community vision for the City Center and Lynnwood Link light rail.

2. Ensure financial stability and economic success.

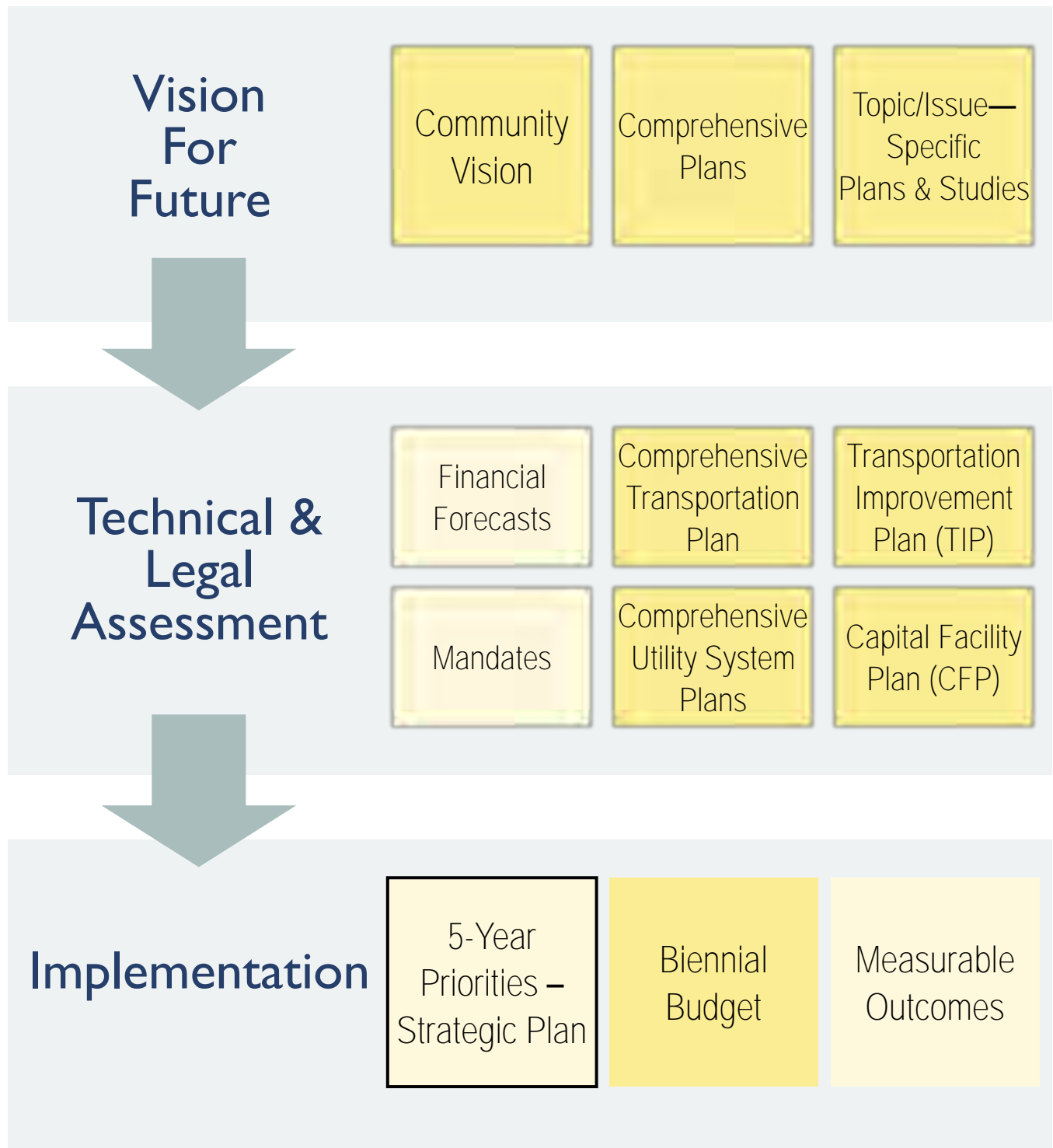
3. Nurture Operational and Organizational Excellence.

4. Be a safe, welcoming, and livable city.

5. Pursue and maintain collaborative relationships and partnerships.



Strategic Planning - From Vision to Outcomes



Includes Public Input



Administrative Output



Priority 1. Fulfill the community vision for the City Center and Lynnwood Link light rail.

Priority 1: Fulfill the community vision for the City Center and Lynnwood Link light rail.

The City Center will be a mixed-use area that accommodates future population growth and economic vitality. Included within the Lynnwood Community Vision, the City Center Plan has been adopted by City Council; and incorporated into the Lynnwood Comprehensive Plan. Lynnwood Link light rail is a major catalyst for the City Center, and will support development in the Regional Growth Center as light rail is extended to the north.

Objectives – City Center:

1. Update the City Center Plan and supporting documents as required.
2. Implement City Center Project Priorities, Resolution No. 2014-15.
3. Engage private and public partnerships to implement the City Center Plan.

Strategies – City Center:

- A. Review and update City Center Environmental Impact Statement SEPA and Planned Action Ordinance based upon current and projected conditions; extend the study area of the environmental review and planned action ordinance to incorporate the entire regional growth center as recommended by Puget Sound Regional Council (PSRC) policies.
- B. Present to City Council for action the recommendations identified in the following source documents: City Center Implementation Strategies; Federal Transportation Administration (FTA) Urban Land Institute Technical Assistance Panel; and the Lynnwood Multimodal Accessibility Plan.
- C. Street Transportation Prioritization Projects: Complete 196th St. SW Improvement project (2018 – 2020); complete design of 42nd Ave. W. (2019-2020)
- D. Pedestrian Prioritization Projects: Complete City Center Park Master Plan update to finalize location and design of two parks within the City Center (Town Square Park and Village Green Park); and promenade street improvements (2018).
- E. Partnership Prioritization: Prepare space planning and conceptual design for public facilities within the City Center; implement Transit Oriented Development with the Lynnwood Link Extension (LLE).

-continued-



Priority 1. Fulfill the community vision for the City Center and Lynnwood Link light rail.

Objectives – Sound Transit (ST):

4. Complete Lynnwood Link light rail to the City Center Station.
5. Plan for the extension of Sound Transit's light rail system northward to Alderwood Mall vicinity and beyond to the north boundary of Lynnwood's Municipal Urban Growth Area (MUGA). This segment is funded by the voter-approved measure known as ST3.

Strategies – Sound Transit:

- A. Prepare and present for Council consideration the development agreement for LLE between Sound Transit and the City. (2018)
- B. Complete LLE project review and approvals. (2018 – 2024)
- C. Complete review and approvals for LLE project mitigations. (2018 – 2024)
- D. Prepare design and complete construction of LLE enhancements in partnership with Sound Transit (ST) funding. (44th underpass / 48th Street / Scriber Creek Trail); work with Community Transit to plan and implement the Bus Rapid Transit Orange Line (196th St. SW) in advance of LLE.
- E. Plan for the extension of ST3 light rail north within the PSRC Regional Growth Center; Lynnwood City Center to Alderwood West and Ash Way.

Co-Champions: Paul Krauss, David Kleitsch • Participants: Bill Franz, Lynn Sordel, Corbitt Loch





Priority 2. Ensure financial stability and economic success.

Priority 2: Ensure financial stability and economic success.

Good fiscal management is a critical component of a well-run organization and ability to meet goals on an ongoing, sustainable basis. The City's vision includes the statement that the City should "be responsive to the wants and needs of our citizens." A significant portion of the City's revenues stem from retail sales tax, so the fiscal viability and the continuity of City services are reliant upon economic success throughout the community.

Objective – Financial Sustainability:

1. Develop a 2019-2020 Biennial Budget and Five Year Financial Forecast that maintain strong financial reserves through the next five years, and meet the reserve requirements called for by the City's Financial Policies.

Strategies – Financial Sustainability:

- A. Continue to incorporate strategic planning and outcome-oriented budgeting to ensure the City's expenditures and investments are fully aligned with the Community Vision and this Strategic Plan.
- B. Avoid increasing ongoing expenditures that are not financially sustainable and/or do not offer equivalent revenue generation or cost savings.
- C. Support the evolution of Alderwood Mall so it remains vibrant and successful as internet-based retail continues to flourish.
- D. Actively forecast and monitor sales tax revenue generated by local businesses, point of delivery transactions and Washington's Marketplace Fairness Act.
- E. Assist and support the Police Department and Municipal Court to implement measures that minimize recidivism and jail costs.
- F. Pursue partnerships that offer cost efficiencies and service improvements.

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Priority 2. Ensure financial stability and economic success.

Objective – Economic Success:

2. Pursue activities identified in the Economic Development Plan to achieve economic success.

Strategies – Economic Success:

- A. Support and grow new and existing businesses using initiatives such as: a) identifying target sectors in high-growth business sectors; b) developing a business attraction and recruitment plan; c) creating a business outreach program to support local businesses and entrepreneurship; and d) identifying workforce needs, employment opportunities, and training gaps.
- B. Strengthen and communicate Lynnwood's positive business climate through initiatives such as: a) continually improving transparency, efficiency and consistency in permitting and code compliance; b) reviewing internal processes and informational materials; and c) reinforcing customer service as a strategic objective and routinely monitor customer satisfaction.
- C. Prioritize high-quality development and infrastructure projects.
- D. Maximize development potential in the City Center, Regional Growth Center, Highway 99, South Lynnwood, and the College District.
- E. Measure outcomes related to new businesses created, city revenues generated, and jobs created/supported.
- F. Strengthen Lynnwood's image and identity in the region through initiatives such as: a) continually promoting Lynnwood's brand identity; b) promoting tourism, visitor spending, and hotel stays; and c) using public information and outreach to highlight positive change and emerging opportunities.

-continued-



Priority 2. Ensure financial stability and economic success.

Objective - Infrastructure:

3. Build and maintain infrastructure needed to support planned growth and quality of life.

Strategies - Infrastructure:

- A. Identify, create, and protect dedicated funding streams for infrastructure creation and maintenance/operations. Structure rates, fees, and regulations to have impactful growth contribute towards accommodation of growth. Aggressively pursue partnerships and grants to leverage City funds (see Priority 5).
- B. Regularly undertake comprehensive planning and analysis for each category of infrastructure (pavement, sidewalks, traffic signals, water, sewer, stormwater, buildings, parks, information services, and fleet). Utilize management systems that support sustainability, scheduled replacement of components, and that recognize the true cost of deferred maintenance. Emphasize planning and funding for infrastructure critical to achieving our Our Community Vision and adopted plans.
- C. Establish and maintain a multi-departmental oversight group. Maintain a rolling, six-year capital investment plan which coincides with biennial budgeting.
- D. Develop and utilize standards, policies, and procedures for infrastructure owned by other entities that is located within the City's right-of-way or upon City property. Develop comprehensive franchise policies and procedures. Review and update codes and plan review and inspection policies/procedures related to private utilities.

Co-Champions: Bill Franz, Sonja Springer • Participants: David Kleitsch, Paul Krauss, Drew Burnett, Corbitt Loch, Bill Franz, Lynn Sordel



3

Priority 3. Nurture Operational and Organizational Excellence.

Priority 3: Nurture Operational and Organizational Excellence.

Operational and organizational excellence are core, strategic foundations for Lynnwood. Encompassing all employees, executive leadership and City Council, operational and organizational excellence focus on Lynnwood's workplace culture and operational quality, and directly link to Our Community Vision. Empowering an equitable and diverse workforce to utilize efficiencies and techniques will allow Lynnwood to lead the way as a regional model.

Objective:

1. Create, develop, and foster a culture of continuous process improvement.

Strategies:

- A. Using examples of recent efforts in Development & Business Services (DBS) and Public Works, identify existing processes and determine opportunities for improvement. Train and cross-train employees on interdepartmental processes, and monitor progress to measure success.
- B. Implement and improve online systems to enhance customer services. Identify and improve processes, then implement technologies to enhance and elevate customer experience. Key examples would be implementing online project planning, inspection and permitting applications.
- C. Provide timely and accessible training to all employees, with a focus on improved customer interaction and process efficiencies.
- D. Focus on eliminating waste from process and become a paperless City with a centralized record management system, and enabling easily accessible reports for data-driven decision making.

Objective:

2. Create, develop, and foster a customer service-centric, inclusive, and community-driven culture.

Strategies:

- A. Foster and grow our culture of having a lens towards equity and inclusion and embedding social justice into everything we do, from recruiting workforce talent, to selecting contractors and rewarding contracts, as well as public outreach.
- B. Improve the City's web presence, utilizing a central, organized platform, focusing on two-way communication and easily searchable and accessible information for staff and citizens.

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3

Priority 3. Nurture Operational and Organizational Excellence.

Objective:

3. Create a high-level building/facility strategy that addresses needs for Criminal Justice, Development and Business Services (DBS) and City Hall operations.

Strategies:

- A. Identify current and future needs of all departments and develop an outline of the perfect scenario for the City to best serve our citizens.
- B. Work toward a unified vision of the future.

Objective:

4. Nurture and invest in a diverse workforce, focusing on attracting and retaining talented individuals, and proactively planning for employee succession.

Strategies:

- A. Identify and revise policies and practices that create unforeseen or unintentional barriers to recruiting and retaining an equitable and diverse workforce, and be the employer of choice to a new generation of workforce talent. Create opportunities for flexible work options and office environments that attract and retain top-tier talent, especially Generations X, Y and Z.
- B. Create competitive and leadership-supported processes for identifying potential leaders and executive management candidates, and implement mentoring and coaching programs that pair future leaders with current leaders from the community.
- C. Work closely with internal office construction and design teams to create office spaces and physical work environments that create more team-focused and inclusive work spaces, with a focus on office designs that attract workforce talent who desire open spaces that promote collaboration.
- D. Ensure that employees eligible for retirement within five years understand the significant and cherished value they bring to Lynnwood, as well as the importance of partnering closely with new employees to ensure valuable knowledge is shared and retained.

Co-Champions: Drew Burnett, Christine Scarlett • Participants: Sonja Springer, Corbitt Loch





Priority 4. Be a safe, welcoming, and livable city.

Priority 4. Be a safe, welcoming, and livable city.

This goal identifies and advocates for critical objectives and strategies to ensure a safe, livable and welcoming city. We take great pride in being safe and welcoming to citizens of all walks of life, a place where individuals, families and businesses have opportunities to prosper and contribute to a vibrant and distinctive community.

Objectives – Safe:

1. Create a community environment that has a real and perceived sense of safety and security.
2. Deliver high-quality public safety and other City services to ensure that our community is a desirable place to live, work, and play.
3. Develop traffic safety goals and objectives utilizing multi-disciplinary approaches to enforcement, education, and engineering.

Strategies – Safe:

- A. Maintain safe, accessible and attractive parks and public spaces that promote and incorporate public safety and security design elements. [Parks, Arts, Recreation & Conservation Plan (PARC Plan) Action 2.3.1]
- B. Actively manage the City's park and recreation assets through a regular schedule of maintenance and capital renewal (PARC Plan Policy 7.1)
- C. Enhance programming and resource linkage for inmates of the Lynnwood Jail, specifically for those inmates with mental health, substance abuse and/or unstable living situations to address underlying problems that lead to criminal behavior. [Americans with Disabilities Act (ADA), Lynnwood Police Dept. and Detention Study, and Washington Association of Sheriffs and Police Chiefs (WASPC) Accreditation Standards]
- D. Enhance our Police Assisted Addiction and Recovery Initiative (PAARI) efforts by leveraging Cops and Clergy resources to assist in transitioning those in need of services to available programs or service providers.
- E. Maintain a high level of public safety services that provide satisfactory response times and other key performance measures. [Lynnwood Police Dept. and Detention Study, Lynnwood Police Department (LPD) Annual report]
- F. Maintain and evaluate WASPC Accreditation Standard compliance. (WASPC Accreditation Standards)
- G. Stay abreast of current standards and best practices, and incorporate public safety measures when designing new and improved infrastructure projects.

-continued-



Priority 4. Be a safe, welcoming, and livable city.

- H. Coordinate City-wide on ADA requirements and incorporate standards when designing new and improved building/facility projects.
- I. Utilize a full range of public outreach methods to get input on projects and issues, and to provide education for enhanced public use of facilities.
- J. Maintain the City's Traffic Safety Committee comprised of representatives from multiple departments. Identify traffic safety concerns, explore multi-disciplinary approaches, and collaborate on implementation of solutions.

Objectives – Welcoming:

- 1. Encourage and support active and ongoing participation by diverse community members in planning and decision-making. (PARC Plan Policy 13.1)
- 2. Enhance community relationships and engagement through continued development and improvement of information exchange mechanisms as well as opportunities for direct interaction with our diverse community.

Strategies – Welcoming:

- A. Make identifying and improving neighborhoods a priority. [Economic Development (ED) Action Plan Goal 5.4]
- B. Support the formation of neighborhood advisory groups to create localized identity, improve communications with the City, and support efforts for residents and staff to collaboratively address neighborhood issues. [Healthy Communities (HC) Action Plan Goal 3 Action 1b]
- C. Acquire and initiate the master planning/development of Town Square Park in City Center. (PARC Plan Action 2.3.7)
- D. Create and support strong, vibrant, social networks that promote social interaction and community cohesiveness. (HC Action Plan Goal #3)
- E. Continue development, analysis, and improvement of existing public engagement opportunities such as National Night Out, Kids Police Camp, and Cops and Clergy. (LPD Annual Report, 2016, Matrix Police Dept. and Services Study, Resolution 2017-03, LPD Welcoming City and resource document)
- F. Through responsiveness, equality and transparency, enhance the public's understanding, trust, and confidence in Municipal Court processes and operations.

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Priority 4. Be a safe, welcoming, and livable city.

Objectives - Livable:

1. Make Lynnwood a safe, attractive, and accessible place to live, work, learn, and play.
2. Ensure program and service delivery is equitable, inclusive, and accepting of all our community members.
3. Continue supporting the City's efforts to meet the needs of those dealing with homelessness, addiction, mental illness, abuse, aging, poverty, and veteran issues.

Strategies - Livable:

- A. Improve Lynnwood's built environment to support and promote walking, biking, and other physical activity. (HC Action Plan Goal 1 Obj. 1)
- B. Develop a network of shared-use pedestrian and bicycle trails to enable connections within and between parks, neighborhoods, transit, public facilities/services, and regional trails. (PARC Plan Policy 12.1)
- C. Provide a variety of recreation services and programs that promote the health and well-being of residents of all ages and abilities. (PARC Plan Policy 1.1)
- D. Maintain and enhance Lynnwood's recreation and senior centers to provide opportunities for residents to connect, learn, and play. (PARC Plan Policy 1.3)
- E. Utilize creative placemaking and community engagement strategies for the redevelopment of parks, streets, plazas, and other community spaces.
- F. Improve communication and transparency by providing information in non-technical, modern formats. (LPD Annual Report 2016, Lynnwood Police Dept. and Detention Study, WASPC Accreditation Standards, Washington State Law)
- G. Enhance Lynnwood's multi-disciplinary, problem-based approach to complex community health and safety issues. The Police Department's Community Health and Safety Section will utilize current data and performance measures to best assist our community members. (LPD Annual Report 2016, Lynnwood Police Dept. and Detention Study, Resolution 2017-03)
- H. Apply problem-oriented policing strategies to new or evolving public safety issues that affect the community's quality of life. (Lynnwood Police Dept. and Detention Study)
- I. Utilize information from the Human Services Commission while creating strategies to foster partnerships, programs, and investments.

Co-Champions: Lynn Sordel, Tom Davis • Participants: Paulette Revoir, Art Ceniza, Kevin Zweber, Corbitt Loch





Priority 5. Pursue and maintain collaborative relationships and partnerships.

Priority 5. Pursue and maintain collaborative relationships and partnerships.

Collaboration and partnerships leverage the City's resources to achieve the greatest outcome possible, making new talent, expertise, and resources available to the City in a cost-effective way. The challenges facing Lynnwood are similar to challenges faced by neighboring communities, since many issues are social problems and initiatives that transcend municipal boundaries, and therefore are best addressed through collaboration. Partnerships keep Lynnwood in the forefront of the region and foster excellence through shared experience and expanded capability.

Objective:

1. Continue to strengthen the relationship and partnership between the City Council, Mayor, and Department Directors.

Strategy:

- A. Nurture a spirit of open dialogue and shared goal setting.

Objective:

2. Partner with other organizations to address problems that are beyond City resources to solve, such as chronic human service, public safety, and health issues.

Strategies:

- A. Utilize and contribute to public education and community outreach/engagement initiatives of partner entities, including South County Fire, Snohomish Health District, Verdant, Edmonds School District, etc.
- B. Coordinate with others to ensure rapid and effective response to emergencies and disasters. Achieve new economies of scale and enhanced public safety, advocate consolidation of the new Snohomish County Emergency 911 agency, and Snohomish Emergency Radio System Board. Participate in establishing service areas or districts for coordinated emergency management.
- C. Advocate equitable, County-sourced funding for the Snohomish Health District and for replacement of the countywide emergency radio system.

-continued-



Priority 5. Pursue and maintain collaborative relationships and partnerships.

Objective:

3. Collaborate with organizations that enhance the City's long-term financial sustainability and economic success. (see Priority 2)

Strategies:

- A. Engage existing and prospective partners where there is opportunity for advancement of the City's interests. Foster relationships at federal, state, regional, and local levels—and with public agencies, non-profit organizations, faith-based groups, for-profit corporations, and individuals.
- B. Utilize and contribute to advocacy efforts of partner entities, including Association of Washington Cities, Economic Alliance Snohomish County (EASC), Snohomish County Cities, Partner Lynnwood, etc.
- C. Seek and consider innovative partnerships that can provide new economies of scale, cost avoidance, and operational efficiencies. Before initiating new services or undertaking large capital improvement projects, explore opportunities for collaboration.

Objective:

4. Provide the public with timely and accurate information on City news, services, initiatives and projects, so that they can be engaged and informed.

Strategy:

- A. Use a variety of communication channels to message information so the right information is getting to the right people, so they can make informed decisions.

Objective:

5. Strengthen relationships and partnerships with our diverse community by seeking to fully embrace and understand their wants and needs, i.e. greater equity opportunity across all segments of the population (big and small business, socio-economic, age, immigrants and communities of color, veterans, LGBTQ, etc.).

Strategy:

- A. Establish a network of trusted messengers to facilitate communications and trust building between the City and our ethnic, faith, and other segmented communities.

-continued-



Priority 5. Pursue and maintain collaborative relationships and partnerships.

Objective:

6. Continue to collaborate and partner with other government officials and agencies on issues of mutual interest, including the Lynnwood's legislative priorities and opportunities for funding or cost-sharing, i.e. capital, transportation and infrastructure projects.

Strategy:

- A. Pursue state and federal funding for infrastructure needed to serve the population and employment growth planned for the Lynnwood Regional Growth Center.

Co-Champions: Art Ceniza, Julie Moore • Participants: Gina Israel, Kevin Zweber, Corbitt Loch



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

Our vision is...

1. To be a welcoming city that builds a healthy and sustainable environment.

- 1.1. Safe and walk-able interconnecting residential and commercial neighborhoods
- 1.2. Vibrant City Center
- 1.3. Promote Lynnwood as an affordable place to live, work, and play
- 1.4. Aesthetic neighborhood quality through code enforcement
- 1.5. Preserve and expand natural spaces, parks and cultural diversity and heritage
- 1.6. Integrate the built environment to support the natural environment
- 1.7. Encourage economic development

2. To encourage a broad business base in sector, size and related employment, and promote high quality development.

- 2.1. Promote high quality, sustainable development and design (LEED)
- 2.2. Balanced commercial development
- 2.3. Convention center as an engine of economic growth and community events
- 2.4. Protect residential areas from commercial use
- 2.5. Communicate with the community on city plans, policies and events

3. To invest in preserving and expanding parks, recreation, and community programs.

- 3.1. Develop a network of pedestrian and bike trails for recreation and transportation
- 3.2. Encourage business/organization partnerships & participation to create and promote community events
- 3.3. Create civic pride through cultural arts, events, parks and services
- 3.4. Promote healthy lifestyles
- 3.5. Provide diverse senior services creating a livable community
- 3.6. Establish a new signature event that creates civic pride
- 3.7. Use parks and cultural arts to attract economic growth

4. To be a cohesive community that respects all citizens.

- 4.1. A safe, clean, beautiful, small-town atmosphere
- 4.2. Build and enhance a strong, diverse, integrated community
- 4.3. Develop and identify physical neighborhoods
- 4.4. Encourage citizens to be involved in community events
- 4.5. Engage our diverse population through effective, inclusive communication
- 4.6. Continue community communications and open process

-continued-

5. To invest in efficient, integrated, local and regional transportation systems.

- 5.1. Improve pedestrian and bike flow, safety, and connectivity
- 5.2. Adaptive, safe, well-maintained, state-of-the-art traffic management infrastructure
- 5.3. Support the needs of commuters and non-commuters
- 5.4. Reduce traffic congestion

6. To ensure a safe environment through rigorous criminal and property law enforcement.

- 6.1. Continue to provide good quality response times for fire, paramedics, and police
- 6.2. Encourage support for police and fire department citizen volunteer programs
- 6.3. Become a benchmark city through technology and through neighborhood involvement
- 6.4. Increase police presence through more patrol and bike officers
- 6.5. Increase and support public education on public safety

7. To be a city that is responsive to the wants and needs of our citizens.

- 7.1. Develop goals and objectives that benefit residents and businesses
- 7.2. Create/enhance Lynnwood's brand identity
- 7.3. Govern and grow in a way to stay true to the city's defined identity
- 7.4. Develop and execute a measurable strategic plan (budget, timeline); involve community
- 7.5. Fair and diverse revenue base
- 7.6. Promote Lynnwood's convenient location to maximize opportunities and benefits
- 7.7. Be environmentally friendly – sustainable



Lynnwood, Washington

First Glance:

Lynnwood is a welcoming and active community that values: positive change; social diversity, equity and inclusion; active lifestyles; entrepreneurial spirit; continuous learning; environmental stewardship; responsive government; and nurturing homes. Our geographic setting, a few miles north of Seattle, affords incredible views of the Cascade Mountains to the east, Mount Rainier to the south, Puget Sound and the Olympic Mountains to the west, and Mount Baker to the north.

Transportation access to Lynnwood is excellent, as evidenced by the presence of a regional shopping mall (Alderwood Mall), and the upcoming construction of Sound Transit's Lynnwood Link light rail corridor and station. Lynnwood is located at the confluence of I-5, I-405 and SR 525, and is minutes from local ferries to the Kitsap and Olympic Peninsulas, and to Whidbey Island.

The City's population of 38,260 is ethnically and racially diverse, and our restaurants and food stores offer variety not found elsewhere.

Food-wise, we also enjoy the recognized franchises that round-out our dining options.



Lynnwood City Hall, 2016

Economy and Employment:

Within Lynnwood, Alderwood Mall is a regional shopping center with more than 1.3 million square feet of retail space, and onsite parking for 6,300 vehicles. The Mall offers indoor shopping, an exterior lifestyle center, extensive dining choices, and a 16-screen movie theater. Other significant shopping destinations are clustered near the Mall, including Target, Kohl's, Costco, Marshall's, Nordstrom Rack, Best Buy, Staples, Lowe's, Regal

Cinema, and Total Wine. In terms of public finance, this retail core gives Lynnwood a sizable economic advantage over most of Washington's cities. Lynnwood's biennial budget for 2019-2020 anticipates \$47.5 million in sales tax revenue during that timeframe. Thriving business sectors also bring jobs to the community. Lynnwood's largest employers are as shown below:



Modern movie theaters

Table 1. Larger Employers within Lynnwood, 2019

	Employer	Product/Service	No. of Employees (FTE)
1	Edmonds School District ¹	Public Education K-12	3,616
2	Edmonds Community College	Higher Education	760
3	Costco Wholesale	Retail	540
4	Nordstrom Inc.	Retail	519
5	City of Lynnwood	Municipal Government	482
6	Macy's	Retail	322
7	Fred Meyers	Retail	307
8	Zumiez Inc	Retail/Corporate Office	197
9	Target	Retail	182
10	Cheesecake Factory	Restaurant	175
11	JC Penney	Retail	153
12	Quality Food Centers Inc	Grocery	147
13	Kohls	Retail	112
14	Sprouts	Grocery	100

Note: ¹ Many ESD worksites are not within the City of Lynnwood.

Source: CoL Business License Data, CoL Human Resources, ESD, EdCC.

Other major employers nearby include Boeing, University of Washington, WSDOT and Community Transit.



Lynnwood's Public Safety Fair, 2016

The Future is Now:

A low-scale, suburban community at the time of its incorporation, Lynnwood is currently transforming into a Regional Growth Center, as called for by the Puget Sound Regional Council's Vision 2040 plan. Regional Growth Centers have high-density residential and employment served by regionally-significant infrastructure—such as the Lynnwood Link segment of Sound Transit's extensive light rail system (service to Lynnwood commencing 2024).



Lynnwood Convention Center

Lynnwood's plans call for protection of our cherished single-family neighborhoods, and for new investment in properties assigned to multifamily and commercial land uses. Our long-term plans will create a vibrant mix of detached homes, low-rise multifamily, and taller mixed-use buildings with retail space at sidewalk levels. As land values continue to increase, structured parking and steel-frame construction has

become feasible, and will allow for increased population and employment density in new buildings ten or more stories in height.

Source: Lynnwood Comprehensive Plan.

Table 2. Measures and Indicators:

Indicator	Value	Indicator	Value
Resident population (2018)	38,260	General Fund Budget, 2019-2020	\$131,117,878
Land area, sq. miles (2016)	7.86	Total capital funds, 2019-2020	\$97,261,397
2026 population target	43,800	Race - White	82.1%
2035 population target	54,000	Race – Black or African American	2.7%
2035 population target w/ MUGA	85,000	Race – American Indian/Alaskan	1.4%
Households	14,300	Race - Asian	9.3%
Average owner household size	2.6	Race – Native Hawaiian/Pac. Is.	0.5%
Average renter household size	2.3	Race - Other	4.0%
Median household income	\$49,839	Population in labor force	66.9%
Median age	37.3	Labor force unemployed	7.3%
Median home value (2012)	\$300,800	Lynnwood Link to begin service	2024
Ave. home assessed value (2014)	\$219,300	Households w/ non-English spoken.	33.9%
Persons 25 w/o college degree	62.2%	10 yr. ave. population to jobs ratio	1.46
Persons 25 w/ 2 yr.+ degree	37.8%	Jobs to housing ratio	1.7

Source: Lynnwood Comprehensive Plan, American Community Survey, 2008-2012, 2019-2020 Budget

Education:

K-12 public education is provided by the Edmonds School District (ESD), which also serves several nearby communities. The ESD's administrative offices and fleet facility are located within Lynnwood. The District is undertaking major construction and reconstruction of local schools, based upon two voter-approved levies for that purpose. As a result, Lynnwood's school-age children are learning in state-of-the-art classrooms. Also, a number of renowned, private schools exist in and near this community.

Within Lynnwood, Edmonds Community College (EdCC) serves 11,000 students (per quarter) from 62 countries. Students can choose from 61 associate degrees and 63 professional certificates. Approximately 42% of students at EdCC are preparing to continue their education at a university. Four-year degrees are offered on campus through the Central Washington University (CWU). Construction of EdCC's new STEM (Science, Technology, Engineering and Mathematics) learning center is currently underway.



Mukilteo Hall, Edmonds Community College

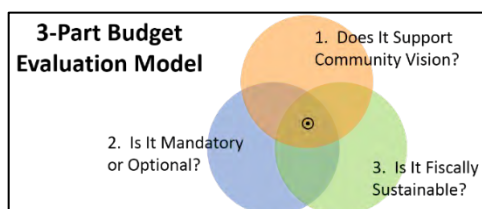
Source: Edmonds Community College website.

Governance:

Lynnwood incorporated in 1959 as a non-charter, optional-code city with a Mayor-Council form of government. The Mayor and City Council are elected at-large for staggered four-year terms. The City Council is responsible for establishing the general direction and policies for the City and for the allocation of resources via an adopted budget. As the chief executive officer, the Mayor is responsible for carrying out the policies and direction set by the City Council. This includes the administration of laws and ordinances, the execution of contracts and agreements, and the delivery of municipal services. The City provides a full



Lynnwood City Council, 2016



Funding Criteria, 2019-2020 Budget

range of local government services including public safety; criminal justice, planning and zoning; parks and recreation; economic development; streets and traffic management; and water, wastewater and stormwater utilities.

The City's values and norms are articulated in the Lynnwood Community Vision (available at www.lynnwoodwa.gov).

Descriptors within the Community Vision include:

sustainable, vibrant, accountable, safe, high-quality, diverse, and clean.

Lynnwood has adopted financial management policies to guide budgeting and accounting practices. During even-numbered years, the City Council adopts a biennial budget for the subsequent two years. The budget process includes a detailed, six-year forecast of revenues and expenditures, which serves as the foundation for the City of Lynnwood's financial planning. The 2019-2020 Budget was developed using Budgeting for Outcomes principals (also known as Priority-Based Budgeting) to better align budget decisions with community services. Source: City of Lynnwood.

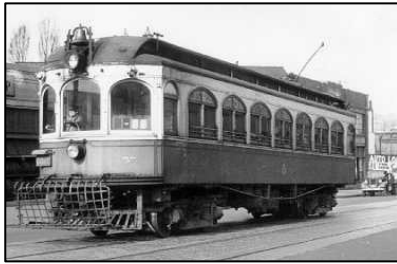
History:

Prior to arrival of settlers of European decent, the Lynnwood vicinity was heavily forested. Members of the Snohomish Tribe traversed this area, especially during summer months when the Tribe moved inland from Puget Sound. In 1854, the Treaty of Point Elliot ceded this area to the United States. Lynnwood's first homestead was established in 1889, along what is now 36th Avenue West.



Early logging in the Lynnwood area

At the beginning of the twentieth century, this area was part of the Puget Mill's expansive forestland holdings. By 1916, most of the big timber had been cut and Puget Mill made plans to sell its vast acres of stump land. At that time, Lynnwood property had a value of \$171.00 per acre. Traveling to Seattle involved an uneven trail down to the Edmonds waterfront, then Mosquito steamer south to Elliot Bay.



Interurban Trolley, circa 1925

In 1910, an interurban rail line was constructed between Seattle and Everett, with a stop at Alderwood (later known as Alderwood Manor). Land value increased along the rail line because daily commuting between Lynnwood and Seattle was now practical. In 1917, Admiralty Logging Company created a demonstration farm at Alderwood Manor to show potential “gentleman farmers” how to make a stump-covered, five-acre tract produce rewarding income—mainly through egg production. This enterprise capitalized upon the

1920’s “back to the land” movement. Eager real estate salesmen inspired city workers to commute between Alderwood and Seattle for agrarian and perhaps utopian ideals. The Puget Mill Company continued to profit as company stores sold groceries and supplies to Alderwood’s residents. Unfortunately, economics were not conducive to Alderwood’s small farms. Worse yet, egg prices plummeted during the Great Depression. By the early 1930’s, Alderwood’s chicken farmers understood their enterprises were not sustainable, and many residents sold out and moved on.

The 1927 opening of Highway 99 (SR-99), part of the Pacific Highway, brought major changes to South Snohomish County as travel by automobile became both expedient and fashionable. Ridership on the Interurban Railway plummeted, leading to termination of service in 1939. Automobile-oriented businesses sprouted along the new, north-south highway. Alderwood Manor emerged as an assertive business community that catered to the motoring public. The central business district moved west from the Alderwood Manor stop of the Interurban to the crossroads of Highway 99 and 196th Street (originally Filbert Road or informally, The Alderwood Road). Residential subdivisions sprouted along Highway 99. “Lynnwood” was coined by a subdivision developer, in tribute to his wife, Lynn.



Auto-oriented landscape, Highway 99 and 196th St.

By the mid-1950’s, growth dictated the need for municipal services such as fire prevention, sewers, policing and land use controls. Also, plans for construction of Interstate 5 (I-5) through Alderwood posed issues for the community, which lead to the City’s incorporation in 1959. At that time, Lynnwood had a population of 6,000 and billed itself as the “Hub City,” as in the center of a wheel.

Plans for Alderwood Mall were announced in 1966, one year before I-5 opened to travelers. Lynnwood was clearly poised to become the “Hub City” and Lynnwood’s business center moved again--back to the west to take advantage of Lynnwood’s two I-5 interchanges. The nomadic nature of the area’s business center resulted in Lynnwood’s maturation without a traditional “Main Street-type” downtown. The Interstate brought economic opportunity, but also divided the community on a north-south axis. The popular Alderwood Mall opened in 1976, and the Lynnwood Convention Center opened in 2005. Also in 2005, plans were conceived for an urban-scale, town center--to be located south of Alderwood Mall.

In 2008, the region’s voters approved Sound Transit 2, which funded extension of light rail service from Seattle’s Northgate neighborhood to the Lynnwood Transit Center at 44th and I-5. Sound Transit 2’s Lynnwood Link will bring a new transportation system, this time directly into Lynnwood’s City Center. With light rail service commencing in 2024, Lynnwood’s next incarnation as the “Hub City” will begin.

Source: HistoryLink.org, Sound Transit.



Light rail transit service to Lynnwood begins in 2023



Lynnwood Golf Course



Recreation Center

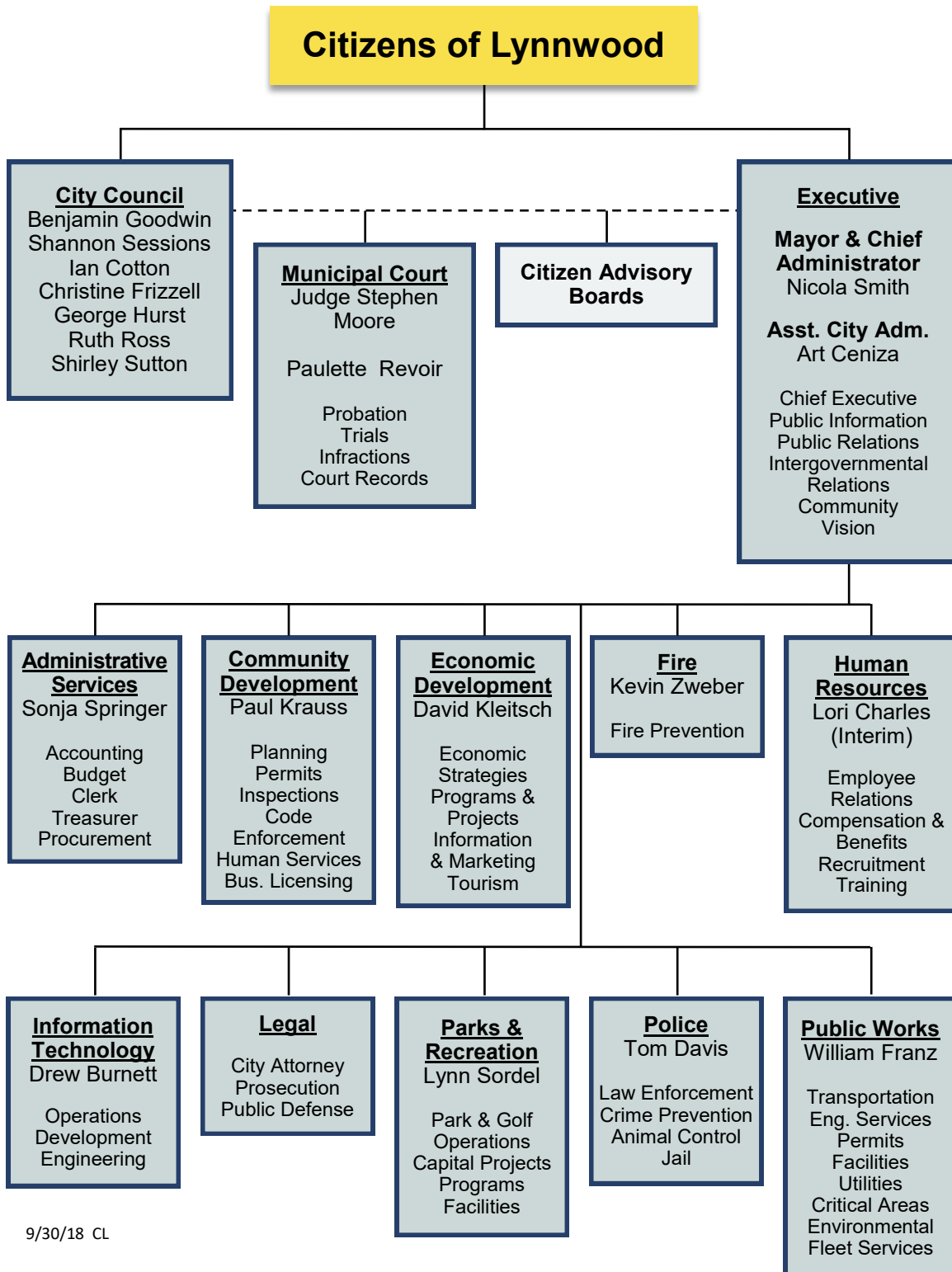


Skilled workforce and family-wage jobs

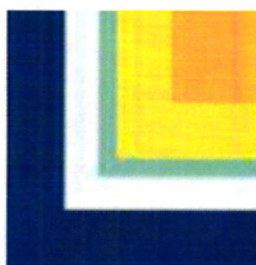


New housing oriented to active lifestyles

2018 Organization Chart



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RESOLUTION NO. 2015-05

**A RESOLUTION OF THE CITY COUNCIL OF LYNNWOOD WASHINGTON,
REGARDING THE DEFINITION OF "BUDGETING FOR OUTCOMES"
METHOD OF BUDGETING AND THE WILL OF THE CITY COUNCIL FOR IT
TO BE A GUIDING POLICY IN THE CITY'S DEVELOPMENT, PRESENTATION,
AND IMPLEMENTATION OF THE BIENNIAL CITY BUDGET.**

WHEREAS, the Lynnwood City Council, as a body of elected officials, is charged with establishing city policy, including policy that helps govern the budgeting process; and

WHEREAS, The City Council recognizes the value of Citizen and Stakeholder involvement and input in determining the Services The City provides, the Levels of Service provided, and the levels of Taxation levied to support those Services in the form of the guiding 'Lynnwood Vision'; and

WHEREAS, Extensive citizen input and survey data is routinely collected through various methods, such as the National Citizen Survey, and that data should, where possible, be incorporated into the budget process; and

WHEREAS, The City Council recognizes that the method of "Budgeting for Outcomes" is a method by which budgetary dollars are allocated to specific needs of the City based on a results driven model where the budget is built from collaboration between the Administration, Departments and Council, and is informed by Citizen and Stakeholder input; and

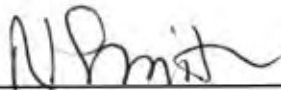
WHEREAS, The City Council acknowledges that "Budgeting for Outcomes" is the desired method by which budgets be developed;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LYNNWOOD DOES HEREBY RESOLVE AS FOLLOWS:

1. The Administration and Departments shall begin the process of developing the tools, the training, strategies and teams for the implementation of a 'Budgeting for Outcomes' Citywide budget.

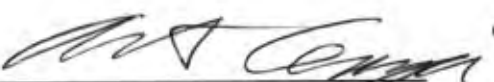
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LYNNWOOD, WASHINGTON, this
23rd day of March, 2015.

APPROVED:




Nicola Smith, Mayor

ATTEST/AUTHENTICATED:



Art Ceniza, Interim Finance Director
and City Clerk

APPROVED AS TO FORM:



Rosemary Larson, City Attorney

Passed by Council: March 23, 2015
Resolution Number: 2015-05

Boards and Commissions:

The City of Lynnwood has several citizen Boards and Commissions. Our Boards and Commissions are established by City Ordinance and serve as advisory bodies to the City Council, the Mayor, and City Departments. Most of these groups do not have decision-making authority, but do provide valuable input, insight, and guidance regarding City priorities, services, programs, and projects. As vacancies arise, new applicants are sought to in these various roles. Typically, residency within the Lynnwood City limits or within Lynnwood's Municipal Urban Growth Area is required to serve on any of these advisory bodies.

Most advisory boards/commissions meet one evening per month. Occasionally, a special meeting is needed to work through time-sensitive matters. As the need arises, the City may establish limited-term, ad hoc committees to address a unique issue or topic. Citizens are encouraged, invited, and asked to contribute to our community through service on an advisory board. Lynnwood's citizen boards, commissions and committees are summarized below:

Arts Commission:

The Lynnwood Arts Commission supports universal access to diverse arts to enrich our community's quality of life and economic vitality by: 1) Advocating for lifelong learning in creativity and the arts; 2) Promoting artists and arts opportunities; 3) Encouraging openness and inclusion; and 4) Building community and a sense of place. See Chapter 2.26 LMC.

Civil Service Commission:

The Civil Service Commission adopts rules for personnel administration within the uniformed services (Police and Fire). The Commission oversees recruitment and competitive testing, promotions, and other personnel actions for Lynnwood's civil service employees. The Civil Service Commission has the authority to conduct hearings. See Chapter 2.56 LMC.

Diversity, Equity, and Inclusion Commission:

The Diversity, Equity, and Inclusion Commission promotes the values embodied in the Commission's name by: 1) advancing Lynnwood as a welcoming and cohesive community; 2) Recommending strategies for public engagement, removing barriers, and increasing access to city services; 3) Recommending approaches to address root causes of inequities; and 4) Advancing relationships and partnerships with underserved and underrepresented communities. See Chapter 2.60 LMC.

History and Heritage Board:

The History and Heritage Board provides guidance regarding recognition, preservation, and celebration of the community's historic, cultural, and heritage resources. See Chapter 2.30 LMC.

Human Services Commission:

The Human Services Commission provides recommendations toward meeting the basic needs of Lynnwood's disadvantaged and underserved populations, including: lower-income residents, homeless persons and families, seniors, veterans, victims of abuse, and youth. See Chapter 2.47 LMC.

Parks and Recreation Board:

The Parks and Recreation Board provides advice and recommendations regarding parks, open space, and recreation services and programs. See Chapter 2.28 LMC.

Planning Commission:

The Planning Commission evaluates and provides recommendations regarding the current and future use of land, including the provisions of the Washington State Growth Management Act. See Chapter 2.29 LMC. The Planning Commission has the authority to conduct hearings. See Chapter 2.29 LMC.

Tourism Advisory Committee:

The Tourism Advisory Committee performs as Lynnwood's lodging tax advisory committee, and provides recommendations regarding tourism matters, including the preparation and implementation of Lynnwood's strategic tourism plan. See Chapter 2.27 LMC.



BASIS OF ACCOUNTING AND BUDGETING

Accounting:

Accounting records for the City are maintained in accordance with methods prescribed by the State Auditor under the authority of Washington State law, Chapter 43.09 R.C.W., and in compliance with generally accepted accounting principles as set forth by the Governmental Accounting Standards Board.

Basis of Presentation:

The accounts of the City are organized on the basis of “funds” and “accounts”. Each fund is a separate accounting entity with a self-balancing set of accounts. The City’s resources are allocated to and accounted for in individual funds according to the purpose for which they are spent and how they are controlled. There are three categories of funds: 1) governmental, 2) proprietary and 3) fiduciary. A purpose and description of each fund is provided on the fund pages in the Budget by Fund section of this budget document. A description of the three fund categories is provided below.

1) Governmental Funds

Governmental funds are used to account for activities typically associated with local government operations. All governmental fund types are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e. revenues and other financing sources) and uses (i.e. expenditures and other financial uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliation with brief explanations to better identify the relationship between the government-wide statements and statements for governmental funds. The four generic fund types in this category are described in the following paragraphs.

The **General Fund** is the general operating fund of the City and accounts for all activities not required to be accounted for in some other fund. The General Fund includes the following managerial funds:

The Revenue Stabilization Fund was established to accumulate resources to cover periods of revenue shortages in the General Fund, and for expenditures deemed necessary by the City Council.

The Program Development Fund was established to accumulate special appropriations and money from the General Fund that may be used for program development, enhancement or expansion projects, and for matching funds for grants and interlocal agreements.

The Economic Development Infrastructure Fund is used to support and promote the Economic Development Policy outlined in Resolution 2012-06. Resources are used to fund the City’s participation in public infrastructure and public facilities.

Special Revenue Funds account are used to account for the proceeds of specific revenue sources - other than expendable trusts or revenues designated for major capital projects - that are legally restricted to expenditures for specific purposes.

Debt Service Funds are used to account for the accumulation of resources for and the payment of general long-term debt, principal, interest, and related costs.

Capital Projects Funds account for the acquisition or construction of major capital facilities except those financed by proprietary funds and trust funds.

2) Proprietary Funds

Propriety Funds are used to account for activities similar to those found in the private sector where the intent of the governing body is to finance the full cost of providing services, including depreciation, primarily through user charges. All proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities. As described below, there are two generic fund types in this category.

Enterprise Funds account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the City is to finance or recover, primarily through user charges, the costs of providing goods or services to the general public on a continuing basis.

Internal Services Funds are used to account for business-like activities where related goods or services are primarily provided to other departments or funds of the City on a cost-reimbursed basis. The City maintains funds in this category for equipment rental, self-insurance, a shop operations fund and a new technology reserve fund.

The City has three fiduciary funds that are included in its Comprehensive Annual Financial Report (CAFR) but there is no requirement to adopt a budget for these funds so they are not presented in the City's Adopted Budget book.

Basis of Accounting:

Basis of accounting refers to the recognition of revenues and expenditures or expenses in the accounts and reporting them in the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows and outflows, and in the presentation of expenses versus expenditures.

The **accrual basis** of accounting recognizes revenues when they are earned and *expenses* are recorded when incurred. All assets and liabilities are recorded in the fund.

The **modified accrual** basis of accounting recognizes revenues and other financial resources when they become susceptible to accrual, i.e. when the related funds become both measurable and available to finance expenditures of the current period. “Measurable” means the amount of the transaction can be determined. To be considered “available”, revenue typically must be collected within sixty days after year-end. *Expenditures* are recorded when the fund liability is incurred, except for principal and interest on general long-term debt, and vacation and sick pay which are recorded when paid. Inventory items are reported as expenditures when consumed.

Budgets and Budgetary Accounting:

Scope of Budget – Biennial appropriated budgets are adopted for the general, some special revenue, debt service, and proprietary funds on the modified accrual basis of accounting. The modified accrual basis of accounting includes depreciation for the Enterprise and Internal Service funds; budgetary accounting does not include depreciation. Budgetary accounting includes encumbrances (outstanding commitments); the modified accrual basis of accounting does not include encumbrances.

Legal budgetary control (the level at which expenditures may not legally exceed appropriations) is established at the fund level. Any change in total to a fund requires approval of the City Council. Any unexpended appropriation balances for biennially budgeted funds lapse at the end of the second year of the biennial budget. The individual funds within each fund type, which are included in the City’s biennial operating budget, are listed below:

Funds Budgeted on a Biennial Basis

General Fund is used to account for all financial resources except those required to be accounted for in another fund. For CAFR reporting, the General Fund also includes the Revenue Stabilization Fund, the Program Development Fund and the Economic Development Infrastructure Fund. These funds include separate budgets.

Special Revenue Funds are established to account for proceed of specific revenue sources that are legally restricted to expenditures for specified purpose.

Special Revenue Funds:

- | | | |
|----------------------------------|--------------------------------------|--|
| • Lodging Tax Fund | • Drug Enforcement Fund | • Criminal Justice Fund |
| • Transportation Impact Fee Fund | • Street Operating Fund | • Cumulative Reserve Park & Development Fund |
| • Cumulative Reserve Art Fund | • Tree Reserve Fund | • Paths & Trails Improvement Fund |
| • Solid Waste Management Fund | • Park Impact Fee Fund (new in 2019) | |

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. There are three debt service funds including the new General Government Debt Service Fund, the 800 Mzh Debt Service Fund and the Recreation Center 2012 LTGO Bonds Fund.

Enterprise Funds are used to account for operations that are normally financed and operated in a manner similar to a private business enterprise where the intent of the governing body is that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges. The City has two Enterprise Funds; water, sewer and storm water utilities are reported in its Utility Operations Fund and its Golf Course is reported in its Golf Course Fund. Also included in this section are two utility debt service fund, one for its 2008 Utility System Bonds and the other one for its 2010 Utility Systems Bonds

Internal Service Funds are established to account for the financing of goods and services provided by one department of the governmental unit on a cost reimbursement basis. The City of Lynnwood has three Internal Service Funds:

- Equipment Rental Reserve
- Lynnwood Shop Operations
- Technology Reserve (new in 2019)
- Equipment Rental Operations
- Self-Insurance Fund

Capital Project Funds account for financial resources to be used for the acquisition or construction of major capital facilities. The City's 2017-2018 Adopted Budget includes two years' budget for capital funds. The City of Lynnwood has the following Capital Project Funds:

General Government Capital Funds:

- Real Estate Excise Tax (REET) Fund 1
- Capital Development Fund
- Real Estate Excise Tax (REET) Fund 2
- Other Government Capital Improvement Fund
- Transportation Capital Infrastructure Fund
- Facilities Capital Infrastructure Fund
- Parks & Recreation Capital Fund
- Public Safety Capital Fund

Budget Process:

Lynnwood's budget process is consistent with State and local requirements (Chapter 35A.34 RCW and Chapter 2.72 LMC), respectively. Public outreach efforts conducted during the preparation of the Budget exceeded typical requirements. On January 22, 2018, the City Council adopted the process/calendar for the 2019-2020 Budget (Resolution 2018-02). The budget calendar is paraphrased below:

Process and Calendar for Preparation/Adoption of the 2019-2020 Budget

Date	Budget Process/Step	Lead
Jan. 22, 2018	Council adopts budget and planning calendar per LMC 2.72.020.	Adm. Svcs., City Council
Feb. 10, 2018	Council Summit: discussion of 5-year strategic priorities and public outreach objectives.	Adm. Svc., City Council
Mar. – May 2018	Council discussion of strategic priorities during third Wednesday Work Sessions.	City Council
Apr. – May 2018	Outreach begins to the public, boards, and commissions regarding budget priorities, with possible citizens' summit.	All
June 4, 2018	City Council holds Community Budget Forum regarding budget priorities. Boards and Commissions invited.	Adm. Svc., City Council
May – July	All departments prepare their 2019-2020 Proposed Budgets.	Depts., Adm. Svcs.
Aug., 2018	All departments present their 2019-2020 Proposed Budgets to the Mayor.	Depts., Adm. Svc.
July – Sept. 2018	Update financial forecast with proposed budget submittals. Confirm consistency with Financial Policies.	Adm. Svcs.
Sept. 10, 2018 Business Mtg.	Proposed budget delivered to City Council per LMC 2.72.060 and RCW 35A.34.080. Overview of Funds' Revenues and Expenditures.	Exec, Adm. Svcs.
Oct. 8, 2018 Business Mtg.	Preliminary budget and Mayor's budget message presented to City Council per LMC 2.72.040. Council receives Proposed 2019-2020 Budget Books. Council schedules public hearing(s) per RCW 35A.34.090.	Exec, Adm. Svcs., City Council
Oct. 11 & 18, 2018	Publish notice of availability of proposed budget and notice of public hearings on proposed budget, property tax levy, and public hearing on final budget. Notice published for two consecutive weeks per RCW 35A.34.100.	Adm. Svcs.
Oct. 15, 2018	Budget presentations: City Council, Executive, Administrative Services, Legal	Depts, Adm. Svcs.
Oct. 22, 2018	Budget presentations: Public Works, Capital Funds, Community Development, Economic Development, Information Services, Human Resources	Depts, Adm. Svcs.
Oct. 29, 2018	Budget presentations: Parks, Recreation and Cultural Arts, Police, Municipal Court	Depts, Adm. Svcs.
Nov. 13, 2018 Business Mtg.	Public hearing on 2019 property tax ordinance. Public hearing on proposed 2019-2020 biennial budget. Review of proposed biennial budget.	City Council
Nov. 19, 2018 Work Session	Review of proposed biennial budget.	City Council

Date	Budget Process/Step	Lead
Nov. 26, 2018 Business Mtg.	Second Public hearing on final 2019-2020 biennial budget. Adoption of 2019-2020 Biennial Budget. Adoption of 2019 Property Tax Levy Ordinance.	City Council
Dec. 2018 – Mar 2019	Complete Required Documentation and Submit Adopted Budget Book to GFOA for Consideration of Distinguished Budget Award.	Adm. Svcs.

Biennial Budget Development Process:

The Biennial budget serves five essential purposes:

- 1) Legal document – sets forth expenditure limits by fund;
- 2) Financial Plan – projecting revenues and expenditures for the ensuing two years;
- 3) Policy Document – reflecting the City policies concerning the budget;
- 4) Management Tool – documenting service level commitments made by City departments; and
- 5) Public Information Document – describes the City’s financial condition, its service level objectives for the two budget years, and the funding sources available to meet the objectives.

To assure that the budget satisfies each essential purpose, the City follows an established process. The process involves the City Council, the public, the Mayor and City Departments in deliberation periods and decision points. The public participates through direct contact and in public hearings with the City Council. The high points of the budget preparation, adoption and execution are as follows:

Budget Preparation:

May to September – Based on the Council’s Goals for the community, departments develop and submit baseline budgets and personnel information to the Administrative Services Department. The Administrative Services Department compiles the department requests for the Mayor’s review. The Mayor holds meetings with individual departments to review the budgets and budget issues. Following the meetings, the Mayor meets with the City Council to review budget issues and obtain Council input. The Mayor makes budget revisions and the Administrative Services Department prepares the budget document and supporting information for presentation to the City Council and to the public. The Mayor’s proposed budget is presented to the Council by the at a Council Meeting in October.

Budget Adoption:

October-December - City Council holds public budget work sessions with the Mayor and Department Directors. Preliminary recommendations are developed and a formal public hearing is held to allow the public to comment on the annual budget. A public hearing is also held during the first meeting in November regarding City operating revenues and the levy of property taxes before and after these hearings, the City Council may make changes before adopting the budget.

The Administrative Services Department then makes the final budget adjustments and provides each department with a "working" copy of the adopted budget along with the Budget Ordinance. The formal adopted budget is printed, bound and distributed to the public, City Council, departments and the Mayor. Copies are also made available to the public through the local library.

Budget Execution/Amendments:

The adopted budget is recorded in the City's accounting system in detailed expenditure and revenue accounts. Throughout the year, the City monitors the expenditures and revenues. Quarterly reports of the City's financial status are made to the City Council.

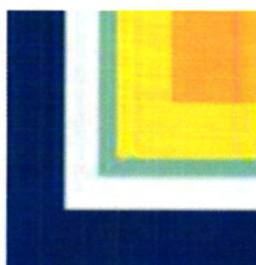
The Mayor is authorized to transfer budgeted amounts within any fund; however, any revisions that alter the total expenditures of any fund, must be approved by the City Council by budget amendment.

On January 28, 2019, the City Council adopted the process/calendar for mid-biennial modification of the 2019-2020 Budget (Resolution 2019-02). This process is paraphrased below:

Process and Calendar for Preparation/Adoption of Mid-Biennium Modifications to the 2019-2020 Budget

Date	Process, Mid-Biennial Review and Modification	Citation
Jan. – April, 2019	Review of Financial Policies by Finance Committee/City Council	Financial Policies
June 2019	Departments identify necessary amendments	NA
July 2019	Review of financial forecasts by Finance Committee	NA
October 24, 2019	Review of budget modifications by Finance Committee	NA
November 4, 2019	Review budget modifications by City Council (Work Session)	NA
November 14, 2019	Publish notice of public hearing	RCW 35A.34.100
November 25, 2019	Public hearing (Business Meeting)	LMC 2.72.070
December 2, 2019	Review by City Council (Work Session) if needed	NA
December 9, 2019	Adoption by City Council (Business Meeting)	LMC 2.72.070



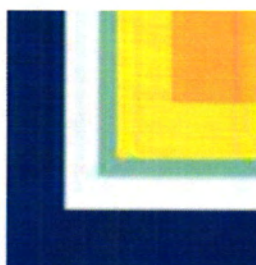


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2019-2020 ADOPTED BUDGET SUMMARY BY FUND

FUND	BEGINNING FUND BALANCE	REVENUES & OTHER SOURCES	TOTAL BEGINNING FUND BALANCE & REVENUES & OTHER SOURCES	EXPENDITURES & OTHER USES	ENDING FUND BALANCE	TOTAL EXPENDITURES & ENDING FUND BALANCE
GENERAL GOVERNMENT						
011 General Fund	\$ 7,106,249	\$ 111,755,736	\$ 118,861,985	\$ 113,879,450	\$ 4,982,535	\$ 118,861,985
020 Econ Dev Infrastructure	8,103,577	3,735,721	11,839,298	7,000,000	4,839,298	11,839,298
098 Revenue Stabilization	6,000,000	-	6,000,000	-	6,000,000	6,000,000
099 Program Development	627	-	627	-	627	627
101 Lodging Tax	1,173,439	3,312,808	4,486,247	3,264,539	1,221,708	4,486,247
104 Drug Enforcement	144,144	272,000	416,144	260,000	156,144	416,144
105 Criminal Justice Fund	3,431,421	1,691,000	5,122,421	2,414,000	2,708,421	5,122,421
110 Transportation Impact Fee	895,617	1,043,500	1,939,117	1,926,454	12,663	1,939,117
111 Street Operating	371,560	4,765,750	5,137,310	4,798,496	338,814	5,137,310
114 Cumulative Pk Res & Dev	63,166	27,000	90,166	26,000	64,166	90,166
116 Cumulative Art Reserve	48,254	51,000	99,254	50,000	49,254	99,254
121 Tree Reserve	289,225	30,000	319,225	55,000	264,225	319,225
128 Paths & Trails Improv	8,852	229,708	238,560	229,708	8,852	238,560
144 Solid Waste Management	50,251	88,250	138,501	108,147	30,354	138,501
180 Park Impact Fee Fund	-	2,003,000	2,003,000	2,000,000	3,000	2,003,000
203 General Govt Debt Service	-	1,000,000	1,000,000	1,000,000	-	1,000,000
215 800 Mzh Debt Service	11,776	138,200	149,976	149,976	-	149,976
223 Rec Center 2012 LTGO	110,701	3,313,276	3,423,977	3,313,276	110,701	3,423,977
263 LID 93-1 I-5 196TH	409,650	406,960	816,610	751,000	65,610	816,610
510 Equipment Rental Reserve	4,389,909	3,414,416	7,804,325	3,238,100	4,566,225	7,804,325
511 Equipment Rental Oper	8,238	3,373,700	3,381,938	3,375,573	6,365	3,381,938
513 Lynnwood Shop Operations	116,933	235,000	351,933	235,000	116,933	351,933
515 Self Insurance Fund	166,270	1,758,000	1,924,270	1,856,000	68,270	1,924,270
520 Technology Reserve Fund	-	241,750	241,750	80,000	161,750	241,750
Total General Govt. Funds	\$ 32,899,859	\$ 142,886,775	\$ 175,786,634	\$ 150,010,719	\$ 25,775,915	\$ 175,786,634
ENTERPRISE FUNDS						
411 Utility Operations	16,625,673	56,851,525	73,477,198	52,195,043	21,282,155	73,477,198
412 Sewer/Water/Storm Capital	19,640,999	15,079,453	34,720,452	34,720,452	-	34,720,452
419 2010 Utility System Bonds	885,337	1,140,350	2,025,687	1,140,350	885,337	2,025,687
460 Golf Course	250,298	3,035,090	3,285,388	2,934,371	351,017	3,285,388
Total Enterprise Funds	\$ 37,402,307	\$ 76,106,418	\$ 113,508,725	\$ 90,990,216	\$ 22,518,509	\$ 113,508,725
CAPITAL FUNDS						
330 REET 2	2,155,166	2,240,000	4,395,166	4,318,000	77,166	4,395,166
331 REET 1	1,162,176	2,240,000	3,402,176	3,149,153	253,023	3,402,176
333 Capital Development	961,372	2,200,000	3,161,372	3,139,000	22,372	3,161,372
357 Other Gov Capital Improv	100,000	11,100,000	11,200,000	11,200,000	-	11,200,000
360 Transportation Capital Infr.	6,844,075	53,134,830	59,978,905	56,764,830	3,214,075	59,978,905
370 Facilities Capital Infr.	150,847	3,624,153	3,775,000	3,775,000	-	3,775,000
380 Parks & Recreation Capital	21,878	10,026,900	10,048,778	10,026,900	21,878	10,048,778
390 Public Safety Capital	-	1,300,000	1,300,000	1,300,000	-	1,300,000
Total Capital Funds	11,395,514	85,865,883	97,261,397	93,672,883	3,588,514	97,261,397
TOTAL 2019-2020 ADOPTED BUDGET	\$ 81,697,680	\$ 304,859,076	\$ 386,556,756	\$ 334,673,818	\$ 51,882,938	\$ 386,556,756



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General Fund Expenditures by Budgeting for Outcomes (BFO) Program

	A	B	C
1	Program Title	Responsible Department	2019-2020 Adopted Budget Amount
2	Accounting & Auditing	Administrative Services	\$ 2,815,813
3	Budget & Strategic Planning	Administrative Services	852,478
4	Elections	Administrative Services	112,000
5	Procurement	Administrative Services	1,116,599
6	Records	Administrative Services	837,738
7	Treasury Services	Administrative Services	917,915
8	Utility Billing	Administrative Services	1,002,209
9		Total - Admin Services	\$ 7,654,752
10	Administration	Community Development	\$ 2,237,508
11	Planning, Training & Accreditation	Community Development	1,266,370
12	Permits & Inspections	Community Development	3,441,304
13		Total - Comm Development	\$ 6,945,182
14	Economic Development	Economic Development	1,227,718
15		Sound Transit - Light Rail	2,508,781
16		Total Economic Development	\$ 3,736,499
17	Community Engagement	Executive	537,324
18	Executive Administration	Executive	1,077,519
19	Intergovernmental Relations	Executive	268,685
20		Total Executive	\$ 1,883,528
21	Fire Prevention	Fire	1,936,442
22		Total Fire	\$ 1,936,442
23	HR Operations	Human Resources	1,501,487
24	Employee Services	Human Resources	293,900
25	Labor Relations	Human Resources	123,000
26		Total Human Resources	\$ 1,918,387
27	IT Administration	Information Technology	797,987
28	Applications Management	Information Technology	2,067,340
29	Cyber Security	Information Technology	179,675
30	End User Support	Information Technology	639,330
31	Network & Systems Administration	Information Technology	1,297,963
32		Total Information Technology	\$ 4,982,295
33	City Attorney	Legal	667,654
34	Prosecuting Attorney	Legal	1,116,000
35	Public Defense	Legal	1,565,000
36		Total Legal	\$ 3,348,654
37	City Council	Legislative	\$ 875,395
38		Total Legislative	\$ 875,395
39	Court Administration	Municipal Court	1,388,792
40	Criminal Case Processing	Municipal Court	455,532
41	Infraction Case Processing	Municipal Court	181,096
42	Photo Enforcement Case Processing	Municipal Court	262,515
43	Probation Services	Municipal Court	587,041
44		Total Municipal Court	\$ 2,874,976



General Fund Expenditures by Budgeting for Outcomes (BFO) Program

	A	B	C
1	Program Title	Responsible Department	2019-2020 Adopted Budget Amount
45	Non-Departmental (Includes Transfers)	Transfers	7,942,376
46		Total Non-Department	\$ 7,942,376
47	Administration	Parks, Recreation & Cultural Arts	1,282,947
48	Park Operations	Parks, Recreation & Cultural Arts	2,877,202
49	Customer Service	Parks, Recreation & Cultural Arts	1,847,732
50	Recreation Programs	Parks, Recreation & Cultural Arts	2,442,301
51	Recreation Administration	Parks, Recreation & Cultural Arts	2,785,599
52	Healthy Communities	Parks, Recreation & Cultural Arts	873,759
53	Aquatics	Parks, Recreation & Cultural Arts	3,919,793
54	62+ Programs	Parks, Recreation & Cultural Arts	1,179,517
55		Total Parks, Rec & Cultural Arts	\$ 17,208,850
56	Police Administration	Police	7,153,930
57	Community Health & Safety & Animal Cntrl	Police	2,376,515
58	Emergency Operations	Police	144,874
59	Criminal Investigations	Police	4,849,869
60	Police Patrol	Police	12,545,532
61	Property/Evidence	Police	795,600
62	Records/Support Service	Police	1,706,437
63	Special Operations	Police	1,398,212
64	SWAT (Special Weapons & Tactics)	Police	295,939
65	Traffic	Police	2,257,436
66	Planning, Training & Accreditation	Police	1,490,021
67	Detention & Correction	Police	8,854,409
68		Total Police	\$ 43,868,774
69	Public Works Administration	Public Works	1,290,089
70	Project Engineering	Public Works	1,566,359
71	Permits & Support Services	Public Works	1,011,702
72	Construction Management	Public Works	1,232,584
73	Buiding & Property Services	Public Works	3,602,606
74		Total Public Works	\$ 8,703,340
75	TOTAL GENERAL FUND EXPENDITURES:		\$ 113,879,450



2019-2020 SOURCES BY FUND AND CATEGORY

GENERAL GOVERNMENT FUNDS	Taxes	Licenses & Permits	Intergovt Revenue	Charges for Services	Fines & Forfeitures	Other Revenue	TOTAL OPERATING REVENUES
General Fund	\$ 70,498,437	\$ 9,618,798	\$ 5,252,905	\$ 13,518,552	\$ 9,141,660	\$ 2,053,774	\$ 110,084,126
Econ Dev Infrastructure	1,475,721	1,410,000	-	-	-	100,000	2,985,721
Revenue Stabilization	-	-	-	-	-	-	-
Program Development	-	-	-	-	-	-	-
Lodging Tax	1,713,322	-	1,589,486	-	-	10,000	3,312,808
Drug Enforcement	-	-	200,000	-	70,000	2,000	272,000
Criminal Justice	1,431,000	-	150,000	30,000	-	80,000	1,691,000
Transp Impact Fee	-	-	-	1,034,500	-	9,000	1,043,500
Street Operating	-	256,250	1,792,600	25,000	-	1,000	2,074,850
Cumulative Pk Reserve	-	-	-	-	-	27,000	27,000
Cumulative Art Reserve	-	-	-	-	-	1,000	1,000
Tree Fund Reserve	-	30,000	-	-	-	-	30,000
Paths & Trails Improv	-	-	229,708	-	-	-	229,708
Solid Waste Management	-	-	35,250	-	-	-	35,250
Park Impact Fee	-	-	-	2,000,000	-	3,000	2,003,000
General Govt Debt Service	-	-	-	-	-	-	-
800 Mzh Debt Service	-	-	-	-	-	-	-
Rec Center 2012 LTGO	-	-	-	-	-	-	-
LID 93-1 I-5 & 196TH Proj	-	-	-	-	-	406,960	406,960
Equipment Rental Reserve	-	-	-	3,195,998	-	50,000	3,245,998
Equipment Rental Oper	-	-	-	2,473,700	-	-	2,473,700
Lynnwood Shop Operations	-	-	-	235,000	-	-	235,000
Self Insurance Fund	-	-	-	1,746,000	-	12,000	1,758,000
Technology Reserve Fund	-	-	-	237,750	-	4,000	241,750
TOTALS - GENERAL GOVERNMENT FUNDS	\$ 75,118,480	\$ 11,315,048	\$ 9,249,949	\$ 24,496,500	\$ 9,211,660	\$ 2,759,734	\$ 132,151,371
ENTERPRISE FUNDS	Taxes	Licenses & Permits	Intergovt Revenue	Charges for Services	Fines & Forfeitures	Other Revenue	TOTAL OPERATING REVENUES
Utility Operations	-	-	-	56,550,404	-	301,121	56,851,525
Sewer/Water/Storm Cap	-	-	-	-	-	17,000	17,000
2010 Utility Bonds	-	-	-	-	-	-	-
Golf Course	-	-	-	2,690,361	-	344,729	3,035,090
TOTALS - ENTERPRISE FUNDS	\$ -	\$ -	\$ -	\$ 59,240,765	\$ -	\$ 662,850	\$ 59,903,615
CAPITAL FUNDS	Taxes	Licenses & Permits	Intergovt Revenue	Charges for Services	Fines & Forfeitures	Other Revenue	TOTAL OPERATING REVENUES
REET 2	2,200,000	-	-	-	-	40,000	2,240,000
REET 1	2,200,000	-	-	-	-	40,000	2,240,000
Capital Development	-	-	-	-	-	-	-
Other Government Capital	-	-	-	-	-	-	-
Transportation Capital	-	-	38,028,341	-	-	-	38,028,341
Facilities Capital	-	-	-	-	-	-	-
Parks & Recreation Capital	-	-	5,908,900	-	-	-	5,908,900
Public Safety Capital	-	-	-	-	-	-	-
TOTALS - CAPITAL FUNDS	\$ 4,400,000	\$ -	\$ 43,937,241	\$ -	\$ -	\$ 80,000	\$ 48,417,241
TOTAL	\$ 79,518,480	\$ 11,315,048	\$ 53,187,190	\$ 83,737,265	\$ 9,211,660	\$ 3,502,584	\$ 240,472,227



2019-2020 SOURCES BY FUND AND CATEGORY

Interfund Reimb	Other Financing Sources	Interfund Transfers	Beginning Fund Balance	TOTAL SOURCES	GENERAL GOVERNMENT FUNDS					
\$	-	\$	-	\$	1,671,610	\$	7,106,249	\$	118,861,985	General Fund
-	-	-	750,000	8,103,577	11,839,298	Econ Dev Infrastructure				
-	-	-	-	6,000,000	6,000,000	Revenue Stabilization				
-	-	-	-	627	627	Program Development				
-	-	-	-	1,173,439	4,486,247	Lodging Tax				
-	-	-	-	144,144	416,144	Drug Enforcement				
-	-	-	-	3,431,421	5,122,421	Criminal Justice				
-	-	-	-	895,617	1,939,117	Transp Impact Fee				
-	-	2,690,900	371,560	5,137,310	Street Operating					
-	-	-	63,166	90,166	Cumulative Pk Reserve					
-	-	50,000	48,254	99,254	Cumulative Art Reserve					
-	-	-	289,225	319,225	Tree Fund Reserve					
-	-	-	8,852	238,560	Paths & Trails Improv					
-	-	53,000	50,251	138,501	Solid Waste Management					
-	-	-	-	2,003,000	Park Impact Fee					
-	-	1,000,000	-	1,000,000	2009 Ltd Tax GO Ref Bonds					
-	-	138,200	11,776	149,976	800 Mzh Debt Service					
-	-	3,313,276	110,701	3,423,977	Rec Center 2012 LTGO					
-	-	-	409,650	816,610	LID 93-1 I-5 & 196TH Proj					
-	-	168,418	4,389,909	7,804,325	Equipment Rental Reserve					
-	-	900,000	8,238	3,381,938	Equipment Rental Oper					
-	-	-	116,933	351,933	Lynnwood Shop Operations					
-	-	-	166,270	1,924,270	Self Insurance Fund					
-	-	-	-	241,750	Technology Reserve Fund					
TOTALS - GENERAL GOVERNMENT FUNDS										
\$	-	\$	-	\$	10,735,404	\$	32,899,859	\$	175,786,634	
Interfund Reimb	Other Financing Sources	Interfund Transfers	Beginning Fund Balance	TOTAL SOURCES	UTILITY FUNDS					
-	-	-	16,625,673	73,477,198	Utility Operations					
-	-	15,062,453	19,640,999	34,720,452	Sewer/Water/Storm Cap					
-	-	1,140,350	885,337	2,025,687	2010 Utility Bonds					
-	-	-	250,298	3,285,388	Golf Course					
TOTALS - ENTERPRISE FUNDS										
\$	-	\$	-	\$	16,202,803	\$	37,402,307	\$	113,508,725	
Interfund Reimb	Other Financing Sources	Interfund Transfers	Beginning Fund Balance	TOTAL SOURCES	CAPITAL FUNDS					
-	-	-	2,155,166	4,395,166	REET 2					
-	-	-	1,162,176	3,402,176	REET 1					
-	-	2,200,000	961,372	3,161,372	Capital Development					
-	-	11,100,000	100,000	11,200,000	Other Government Capital					
-	-	15,106,489	6,844,075	59,978,905	Transportation Capital					
-	-	3,624,153	150,847	3,775,000	Facilities Capital					
-	-	4,118,000	21,878	10,048,778	Parks & Recreation Capital					
-	-	1,300,000	-	1,300,000	Public Safety Capital					
TOTALS - CAPITAL FUNDS										
\$	-	\$	-	\$	37,448,642	\$	11,395,514	\$	97,261,397	TOTAL
\$	-	\$	-	\$	64,386,849	\$	81,697,680	\$	386,556,756	



2019-2020 BUDGET BY OBJECT CATEGORY

EXPENDITURES BY OBJECT CATEGORY - GENERAL FUND

	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
EXPENDITURES BY OBJECT CATEGORY -				
Salaries & Wages	\$ 28,444,507	\$ 27,695,583	\$ 51,523,865	\$ 51,247,751
Benefits	10,685,389	10,679,510	20,750,669	19,837,389
LEOFF Medical Benefits	687,906	542,067	1,174,100	810,000
Supplies	1,314,618	1,637,772	3,781,860	3,068,182
Services & Charges	7,599,900	7,863,782	16,324,309	21,186,789
Intergovernmental	2,446,828	5,610,469	11,822,929	6,548,659
Equipment Rental Charges	2,041,647	2,035,062	4,656,139	2,113,923
Subtotal Operating Expenditures	53,220,795	56,064,245	110,033,871	104,812,693
Other Financing Uses:				
Capital Expenditures	155,530	243,214	180,836	17,750
Debt Service	1,910,757	1,786,218	4,006,195	3,452,476
Transfers to Street Funds	-	1,000,000	2,000,000	2,090,900
Transfer to Solid Waste Management Fund	-	10,000	71,000	53,000
Transfers to Revenue Stabilization Funds	185,136	-	-	-
Transfers to Self Insurance Funds	651,600	566,199	1,011,475	1,252,631
Transfers to Hardware/Software Upgrade Fund	98,754	-	-	-
Transfers to Capital Development Funds	162,500	1,100,000	2,200,000	2,200,000
Subtotal Other Financing Uses	3,164,277	4,705,631	9,469,506	9,066,757
TOTAL EXPENDITURES & USES	56,385,072	60,769,876	119,503,377	113,879,450
Ending Fund Balances	10,134,924	8,190,691	6,283,653	4,982,535
TOTAL EXPENDITURES, USES & FUND BALANCES	\$ 66,519,996	\$ 68,960,567	\$ 125,787,030	\$ 118,861,985

EXPENDITURES BY OBJECT CATEGORY - OTHER GENERAL GOVT FUNDS (020 - 180)

	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
EXPENDITURES BY OBJECT CATEGORY -				
Salaries & Wages	\$ 899,064	\$ 882,770	\$ 2,248,146	\$ 1,872,983
Benefits	355,276	374,690	897,075	758,505
Supplies	616,384	489,381	1,043,824	1,328,550
Services & Charges	1,884,726	1,936,494	4,166,719	4,295,239
Intergovernmental	19,862	23,272	136,138	90,000
Equipment Rental Charges	241,613	319,935	499,509	485,905
Subtotal Operating Expenditures	4,016,925	4,026,542	8,991,411	8,831,182
Other Financing Uses:				
Capital Expenditures	708,939	116,437	1,886,231	1,074,708
Debt Service	-	-	-	-
Transfers to General Fund	93,000	-	-	-
Transfers to Street Fund	-	-	-	-
Transfers to Capital Funds	602,077	1,224,257	2,658,514	12,226,454
Transfers to Fleet Funds	25,010	-	37,400	-
Subtotal Other Financing Uses	1,429,026	1,340,694	4,582,145	13,301,162
TOTAL EXPENDITURES & USES	5,445,951	5,367,236	13,573,556	22,132,344
Ending Fund Balances	15,286,516	17,240,477	17,332,206	15,697,526
TOTAL EXPENDITURES, USES & FUND BALANCES	\$ 20,732,467	\$ 22,607,713	\$ 30,905,762	\$ 37,829,870



2019-2020 BUDGET BY OBJECT CATEGORY

EXPENDITURES BY OBJECT CATEGORY - DEBT SERVICE FUNDS

	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
Other Financing Uses:				
Debt Service	\$ 2,005,861	\$ 1,999,174	\$ 3,238,824	\$ 4,464,252
Transfers to General Funds	-	-	-	-
Transfer to EDIF Fund 020	-	-	-	750,000
Total Other Financing Uses	2,005,861	1,999,174	3,238,824	5,214,252
TOTAL EXPENDITURES & USES	2,005,861	1,999,174	3,238,824	5,214,252
Ending Fund Balances	174,030	169,330	122,475	176,311
TOTAL EXPENDITURES, USES & FUND BALANCES	\$ 2,179,891	\$ 2,168,504	\$ 3,361,299	\$ 5,390,563

EXPENDITURES BY OBJECT CATEGORY - CAPITAL FUNDS

	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
EXPENDITURES BY OBJECT CATEGORY -				
Other Financing Uses:				
Capital Expenditures	\$ -	\$ 5,505,730	\$ 54,004,145	\$ 83,066,730
Transfers to Other Funds	1,956,733	6,173,515	10,384,371	10,606,153
Subtotal Other Financing Uses	1,956,733	11,679,245	64,388,516	93,672,883
TOTAL EXPENDITURES & USES	1,956,733	11,679,245	64,388,516	93,672,883
Ending Fund Balances	\$ 4,714,562	\$ 10,755,197	\$ 1,837,787	\$ 3,588,514
TOTAL EXPENDITURES, USES & FUND BALANCES	\$ 6,671,295	\$ 22,434,442	\$ 66,226,303	\$ 97,261,397

EXPENDITURES BY OBJECT CATEGORY - ENTERPRISE FUNDS

	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
EXPENDITURES BY OBJECT CATEGORY -				
Salaries & Wages	\$ 3,355,960	\$ 3,504,064	\$ 6,717,289	\$ 7,726,347
Benefits	1,261,224	1,510,071	3,049,224	3,239,089
Supplies	2,909,236	2,918,206	6,641,633	6,501,200
Services & Charges	9,453,050	8,660,203	12,183,375	19,947,397
Intergovernmental	508,787	567,848	1,163,750	49,750
Equipment Rental Charges	484,913	574,384	859,827	1,673,831
Subtotal Operating Expenditures	17,973,170	17,734,776	30,615,098	39,137,614
Other Financing Uses:				
Capital Expenditures	9,241,864	9,089,464	43,801,170	23,784,492
Debt Service	1,591,715	1,387,226	6,879,665	9,369,757
Transfers to Capital & Other Funds	2,983,688	12,795,119	46,168,090	18,698,353
Subtotal Other Financing Uses	13,817,267	23,271,809	96,848,925	51,852,602
TOTAL EXPENDITURES & USES	31,790,437	41,006,585	127,464,023	90,990,216
Ending Fund Balances	28,119,123	20,520,552	8,401,035	22,518,509
TOTAL EXPENDITURES, USES & FUND BALANCES	\$ 59,909,560	\$ 61,527,137	\$ 135,865,058	\$ 113,508,725



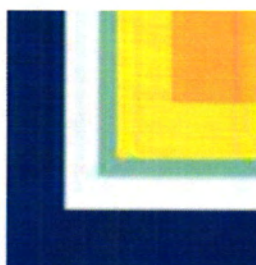
2019-2020 BUDGET BY OBJECT CATEGORY

EXPENDITURES BY OBJECT CATEGORY - INTERNAL SERVICE FUNDS

	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
EXPENDITURES BY OBJECT CATEGORY -				
Salaries & Wages	\$ 539,658	532,605	\$ 1,064,796	\$ 1,145,225
Benefits	239,137	247,822	490,180	545,406
Supplies	697,901	433,359	848,770	809,800
Services & Charges	1,217,117	577,044	2,398,434	2,839,242
Intergovernmental	-	2,333,478	2,500,000	-
Equipment Rental Charges	-	-	-	-
Subtotal Operating Expenditures	2,693,813	4,124,308	7,302,180	5,339,673
Other Financing Uses:				
Capital Expenditures	1,000,910	624,071	2,544,959	1,925,000
Debt Service	8	-	-	-
Transfers to Other Funds	188,433	70,000	44,800	1,520,000
Subtotal Other Financing Uses	1,189,351	694,071	2,589,759	3,445,000
TOTAL EXPENDITURES & USES	3,883,164	4,818,379	9,891,939	8,784,673
Ending Fund Balances	4,950,309	3,664,050	3,411,126	4,919,543
TOTAL EXPENDITURES, USES & FUND BALANCES	\$ 8,833,473	\$ 8,482,429	\$ 13,303,065	\$ 13,704,216

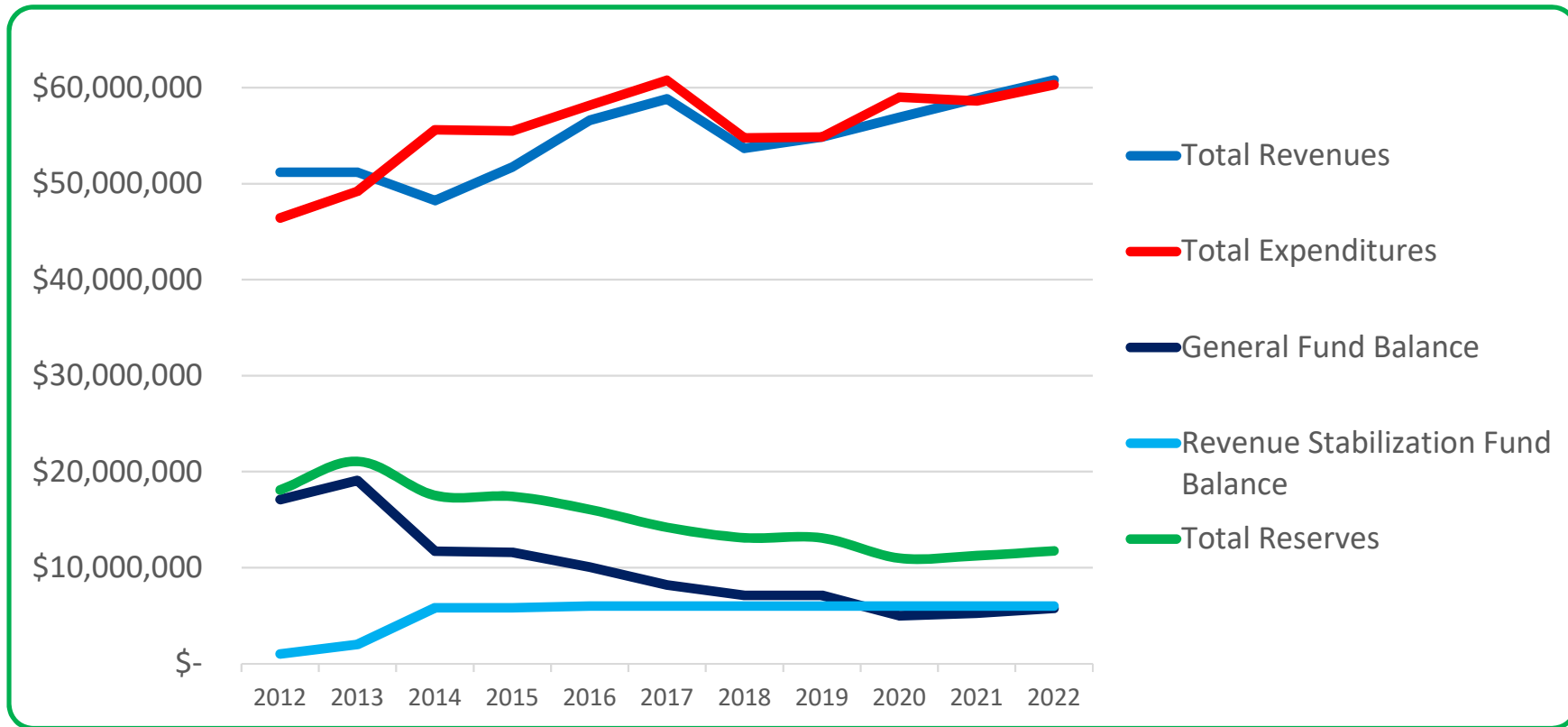
EXPENDITURES BY OBJECT CATEGORY - ALL FUNDS

	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
EXPENDITURES BY OBJECT CATEGORY -				
Salaries & Wages	\$ 33,239,189	\$ 32,615,022	\$ 61,554,096	\$ 61,992,306
Benefits	12,541,026	12,812,093	25,187,148	24,380,389
LEOFF Medical Benefits	687,906	542,067	1,174,100	810,000
Supplies	5,538,139	5,478,718	12,316,087	11,707,732
Services & Charges	20,154,793	19,037,523	35,072,837	48,268,667
Intergovernmental	2,975,477	8,535,067	15,622,817	6,688,409
Equipment Rental Charges	2,768,173	2,929,381	6,015,475	4,273,659
Subtotal Operating Expenditures	77,904,703	81,949,871	156,942,560	158,121,162
Other Financing Uses:				
Capital Expenditures	11,107,243	15,578,916	102,417,341	109,868,680
Debt Service	5,508,341	5,172,618	14,124,684	17,286,485
Transfers to Other Funds	6,946,931	22,939,090	64,575,650	49,397,491
Subtotal Other Financing Uses	23,562,515	43,690,624	181,117,675	176,552,656
TOTAL EXPENDITURES & USES	101,467,218	125,640,495	338,060,235	334,673,818
Ending Fund Balances	63,379,464	60,540,297	37,388,282	51,882,938
TOTAL EXPENDITURES, USES & FUND BALANCES	\$ 164,846,682	\$ 186,180,792	\$ 375,448,517	\$ 386,556,756



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General Fund Financial Forecast For the Years 2018-2022



Assumptions:

Sales tax is forecasted to increase by 4.5% per year after 2017 and is adjusted for increased sales tax from internet sales.

Property taxes are forecasted using estimated new construction impacts and levied to meet financial and reserve requirements.

All other revenues are forecasted using historical and expected future trends'

Expenditures reported for 2012-2017 are actuals, expenditures are forecasted to increase by 2%-3% Per Year After 2017

City of Lynnwood General Fund Financial Forecast - Adopted 2019-2020 Budget

	A	D	F	K	M	N	O	P	Q	R	S
1		2014	2015	2016	2017	2018	2018	2019	2020	2021	2022
2	DESCRIPTION	Actual	Actual	Actual	Actual	Revised	Projected	Adopted	Adopted	Projected	Projected
3	BEGINNING FUND BALANCE	\$ 19,069,974	\$ 11,698,248	\$ 11,596,467	\$ 10,134,924	\$ 7,870,012	\$ 8,190,691	\$ 7,106,249	\$ 7,090,853	\$ 4,982,535	\$ 5,237,355
4											
5	Total Operating Revenues	47,993,745	53,226,570	54,487,731	58,382,301	54,124,706	53,216,920	53,654,296	55,723,763	57,682,606	59,574,331
6											
7	Total Transfers In	127,810	88,395	188,900	192,000	139,500	-	796,800	874,810	889,096	915,769
8	Other Non Operating Revenues	115,754	284,489	121,897	251,342	264,425	483,823	408,167	297,901	311,395	313,330
9	Total Revenues	48,237,310	53,599,454	54,798,528	58,825,643	54,528,631	53,700,743	54,859,263	56,896,474	58,883,097	60,803,430
10											
11	TOTAL REV & OTHER SOURCES	\$ 67,307,284	\$ 65,297,702	\$ 66,394,995	\$ 68,960,567	\$ 62,398,644	\$ 61,891,434	\$ 61,965,512	\$ 63,987,327	\$ 63,865,632	\$ 66,040,785
12											
13	Total Operating Expenditures	48,267,517	49,836,459	52,347,821	57,884,085	53,922,058	51,890,261	51,979,796	56,248,178	55,871,064	57,544,196
14											
15	Operating Revenues over (under)	\$ (273,772)	\$ 3,390,111	\$ 2,139,910	\$ 498,216	\$ 202,648	\$ 1,326,659	\$ 1,674,500	\$ (524,415)	\$ 1,811,542	\$ 2,030,136
16	Operating Expenditures										
17											
18	One-Time Expenditures	-	402,463	1,680,704	-	-	-	-	-	-	-
19	Transfer to Capital	-	-	-	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
20	Transfer to Rev. Stabilization Fund	3,814,864		185,136	-	-	-	-	-	-	-
21	Transfers to Other Funds (Debt, Etc)	3,526,654	3,462,313	2,046,411	1,785,791	1,794,924	1,794,924	1,794,863	1,656,613	1,657,213	1,656,413
22											
23	TOTAL EXPEND & OTHER USES	\$ 55,609,036	\$ 53,701,235	\$ 56,260,072	\$ 60,769,876	\$ 56,816,982	\$ 54,785,185	\$ 54,874,659	\$ 59,004,791	\$ 58,628,277	\$ 60,300,609
24											
25	ENDING FUND BALANCES										
26	Reserved For:										
27	Reserves Per Financial Policy*	\$ 8,201,793	\$ 8,044,586	\$ 4,382,596	\$ 4,857,895	\$ 5,411,164	\$ 5,411,164	\$ 4,602,138	\$ 4,363,663	\$ 5,225,565	\$ 5,412,153
28	Unreserved	3,496,455	3,551,881	5,752,328	3,332,796	170,498	1,695,085	2,488,715	618,872	11,790	328,023
29	ENDING FUND BALANCES	\$ 11,698,248	\$ 11,596,467	\$ 10,134,923	\$ 8,190,691	\$ 5,581,662	\$ 7,106,249	\$ 7,090,853	\$ 4,982,535	\$ 5,237,355	\$ 5,740,177
30	TOTAL EXPENDITURES, OTHER	\$ 67,307,284	\$ 65,297,702	\$ 66,394,995	\$ 68,960,567	\$ 62,398,644	\$ 61,891,434	\$ 61,965,512	\$ 63,987,327	\$ 63,865,632	\$ 66,040,785
31	USES & FUND BALANCES										
32											
33	*Reserves per Adopted Financial Policy is 2 1/2 Months of the Previous Year's Operating Expenditures (less the Transfer to the Street Operating Fund) beginning in 2016.										
34	The General Fund Reserves also include \$6 million that is in the Revenue Stabilization Fund Balance.										

City of Lynnwood General Fund Financial Forecast 2017-2022 - Adopted 2019-2020 Budget

	A	D	G	L	N	O	P	Q	R	S	T
1	GENERAL FUND REVENUES	2014	2015	2016	2017	2018	2018	2019	2020	2021	2022
2		Actual	Actual	Actual	Actual	Revised	Projected	Adopted	Adopted	Projected	Projected
3	BEGINNING FUND BALANCE	\$ 19,069,974	\$ 11,698,248	\$ 11,596,467	\$ 10,134,924	\$ 7,870,012	\$ 8,190,691	\$ 7,106,249	\$ 7,090,853	\$ 4,982,535	\$ 5,237,355
4	OPERATING REVENUES										
5	General Property Tax	8,895,775	8,756,224	9,215,008	9,644,579	3,600,000	3,600,000	4,000,000	4,400,000	5,200,000	5,200,000
6	EMS Property Tax	2,182,993	2,270,584	2,173,989	2,272,228	2,350,634	2,350,634	-	-	-	-
7	Total Retail Sales Tax	18,263,866	18,570,363	19,433,080	20,749,419	22,392,505	21,683,143	23,058,884	24,453,852	25,954,275	27,122,218
8	Total Utilities Taxes	5,591,752	6,188,714	5,928,269	6,184,216	6,535,631	6,292,462	6,348,085	6,440,352	6,590,755	6,745,429
9	Total Gambling Tax	115,781	129,612	138,413	135,152	130,258	135,152	136,507	137,189	137,875	138,565
10	Admissions Tax	608,398	608,185	665,365	682,148	686,884	686,884	723,475	745,093	767,359	790,292
11	Total Business & Other Licenses	2,081,771	2,604,814	2,449,610	3,066,097	2,715,908	3,090,473	3,120,658	3,148,337	3,297,702	3,454,406
12	Total Development Services	1,463,767	1,232,438	1,365,453	2,321,845	2,131,896	2,569,568	2,464,568	2,538,505	2,764,661	2,847,600
13	Total Recreation	2,663,160	2,731,533	2,761,590	2,932,131	2,964,609	3,079,609	3,251,400	3,370,378	3,471,398	3,575,448
14	Total Fines and Forfeitures	1,629,165	4,848,497	4,688,769	4,556,126	5,095,806	4,556,126	4,556,126	4,556,126	4,656,126	4,756,126
15	Total Franchise Fees	498,249	512,228	517,937	484,979	532,922	499,528	494,679	504,572	514,664	524,957
16	Total State Shared & Intergov	3,261,295	3,733,145	3,921,554	4,439,376	4,886,366	4,504,855	5,347,473	5,274,935	4,171,360	4,260,825
17	Total Transport Fees	722,418	1,041,493	1,008,029	769,891	-	18,000	-	-	-	-
18	Total Investment Interest	15,356	(1,260)	220,665	144,114	101,288	150,485	152,441	154,423	156,431	158,464
19	Total Operating Revenue	47,993,745	53,226,570	54,487,731	58,382,301	54,124,706	53,216,920	53,654,296	55,723,763	57,682,606	59,574,331
20	Total Transfers	127,810	88,395	188,900	192,000	139,500	-	796,800	874,810	889,096	915,769
21	Other Non Operating Revenues	115,754	284,489	121,897	251,342	264,425	483,823	408,167	297,901	311,395	313,330
22	Total Revenues	48,237,310	53,599,454	54,798,528	58,825,643	54,528,631	53,700,743	54,859,263	56,896,474	58,883,097	60,803,430
23	TOTAL REV & OTHER SOURCES	\$ 67,307,284	\$ 65,297,702	\$ 66,394,995	\$ 68,960,567	\$ 62,398,644	\$ 61,891,434	\$ 61,965,512	\$ 63,987,327	\$ 63,865,632	\$ 66,040,785
24											
25	GENERAL FUND EXPENDITURES	2014	2015	2016	2017	2018	2018	2019	2020	2021	2022
26		Actual	Actual	Actual	Actual	Revised	Projected	Adopted	Adopted	Projected	Projected
27	OPERATING EXPENDITURES										
28	Legislative	\$ 363,351	\$ 376,867	\$ 426,854	\$ 437,221	\$ 451,544	\$ 450,338	\$ 420,190	\$ 455,205	\$ 464,310	\$ 478,239
29	Executive	356,112	456,861	649,660	762,109	867,704	867,704	904,093	979,435	999,023	1,028,994
30	Municipal Court	1,187,015	1,220,415	1,266,674	1,304,682	1,504,665	1,369,916	1,379,988	1,494,988	1,524,887	1,570,634
31	Legal	1,336,789	1,561,085	1,467,098	1,559,286	1,777,834	1,637,250	1,607,354	1,741,300	1,776,126	1,829,410
32	Human Resources	540,582	532,108	575,525	816,615	887,385	887,385	920,826	997,561	986,912	1,016,520
33	Administrative Services	4,910,423	2,676,207	2,867,409	3,540,188	3,788,803	3,752,197	3,674,281	3,980,471	4,044,780	4,166,124
34	Information Services	-	2,801,230	1,698,094	2,428,431	2,550,224	2,478,413	2,391,502	2,590,793	2,606,909	2,685,117
35	Non-Departmental	3,007,061	3,093,551	3,186,680	212,386	104,000	54,703	100,000	100,000	100,000	100,000
36	Police	15,545,908	16,251,324	17,068,638	19,350,714	20,714,631	20,714,631	21,057,012	22,811,762	23,267,998	23,966,038
37	Fire	9,444,288	9,534,710	10,688,966	12,483,771	3,709,729	3,549,595	929,492	1,006,950	1,027,089	1,057,902
38	Parks & Recreation	6,430,814	6,478,537	6,807,959	7,195,305	8,395,384	7,555,070	8,260,248	8,948,602	9,127,574	9,401,401
39	Public Works	2,754,734	2,559,338	2,872,409	3,346,781	3,748,198	3,681,459	4,177,603	4,525,737	4,553,522	4,690,127
40	Street Oper Fund (Transfer Out)	-	-	-	1,000,000	1,000,000	1,000,000	1,030,000	1,060,900	1,092,727	1,125,509
41	Community Development	1,741,363	1,794,663	2,355,374	2,733,126	3,376,506	3,106,782	3,333,687	3,611,495	3,648,025	3,757,465
42	Economic Development	649,079	499,563	416,481	713,470	1,045,451	784,817	1,793,520	1,942,979	651,182	670,717
43	Total Operating Expenditures	48,267,517	49,836,459	52,347,821	57,884,085	53,922,058	51,890,261	51,979,796	56,248,178	55,871,064	57,544,196
44	Oper Rev over (under) Oper Expend	\$ (273,772)	\$ 3,390,111	\$ 2,139,910	\$ 498,216	\$ 202,648	\$ 1,326,659	\$ 1,674,500	\$ (524,415)	\$ 1,811,542	\$ 2,030,136

City of Lynnwood General Fund Financial Forecast 2017-2022 - Adopted 2019-2020 Budget

	A	D	G	L	N	O	P	Q	R	S	T	
25	GENERAL FUND EXPENDITURES	2014	2015	2016	2017	2018	2018	2019	2020	2021	2022	
26		Actual	Actual	Actual	Actual	Revised	Projected	Adopted	Adopted	Projected	Projected	
45												
46	EXPENDITURES, continued											
47	One Time Expenditures	\$ -	\$ 402,463	\$ 1,680,704	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
48	Transfer to Capital Funds				\$ 1,100,000	\$ 1,100,000	\$ 1,100,000	\$ 1,100,000	\$ 1,100,000	\$ 1,100,000	\$ 1,100,000	
49	Transfer to Rev. Stabilization Fund	3,814,864		185,136	-	-	-	-	-	-	-	
50	Trfs to Other Funds (Debt, Etc.)	3,526,654	3,462,313	2,046,411	1,785,791	1,794,924	1,794,924	1,794,863	1,656,613	1,657,213	1,656,413	
51	TOTAL EXPEND & OTHER USES	55,609,036	53,701,235	56,260,072	60,769,876	56,816,982	54,785,185	54,874,659	59,004,791	58,628,277	60,300,609	
52	ENDING FUND BALANCES											
53	Reserved For:											
54	Reserves per Financial Policy*	\$ 8,201,793	\$ 8,044,586	\$ 4,382,596	\$ 4,857,895	\$ 5,411,164	\$ 5,411,164	\$ 4,602,138	\$ 4,363,663	\$ 5,225,565	\$ 5,412,153	
55	Unassigned	3,496,455	3,551,881	5,752,328	3,332,796	170,498	1,695,085	2,488,715	618,872	11,790	328,023	
56	ENDING FUND BALANCES	\$ 11,698,248	\$ 11,596,467	\$ 10,134,924	\$ 8,190,691	\$ 5,581,662	\$ 7,106,249	\$ 7,090,853	\$ 4,982,535	\$ 5,237,355	\$ 5,740,177	
57	TOTAL EXPENDITURES, OTHER	\$ 67,307,284	\$ 65,297,702	\$ 66,394,996	\$ 68,960,567	\$ 62,398,644	\$ 61,891,434	\$ 61,965,512	\$ 63,987,327	\$ 63,865,632	\$ 66,040,785	
58	USES & FUND BALANCES											
59												
60	General Fund Ending Fund Balance	\$ 11,698,248	\$ 11,596,467	\$ 10,134,924	\$ 8,190,691	\$ 5,581,662	\$ 7,106,249	\$ 7,090,853	\$ 4,982,535	\$ 5,237,355	\$ 5,740,177	
61	Revenue Stabilization Fund Balance	5,814,864	5,814,864	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	
62	Total Ending Fund Balances	\$ 17,513,112	\$ 17,411,331	\$ 16,134,924	\$ 14,190,691	\$ 11,581,662	\$ 13,106,249	\$ 13,090,853	\$ 10,982,535	\$ 11,237,355	\$ 11,740,177	
63												
64	*Reserves policy: 2 1/2 Months of the Previous Year's Operating Expenditures (less the Street Operating Fund Transfer) beginning in 2016; \$6 Million is also Reserved in the Revenue											
65	Stabilization Fund.											

REVENUE ASSUMPTIONS

General Government Funds' Revenues

This section explains and illustrates the estimates for revenue sources included in the General Government funds of the 2019/2020 Adopted Biennial Budget. Key funding sources are described below by category. General Government Funds include the General Fund, Economic Development Infrastructure, Revenue Stabilization, Program Development, Lodging Tax, Drug Enforcement, Criminal Justice, Transportation Impact Fee, Street Operating, Cumulative Park Reserve, Cumulative Art Reserve, Tree Reserve, Paths & Trails Improvements, Solid Waste Management, Park Impact Fee, General Govt Debt Service, 800 MHZ Debt Service, Rec Center 2012 LTGO, Equipment Rental Reserve, Equipment Rental Operating, Lynnwood Shop Operations Self Insurance and the Technology Reserve Funds.

GENERAL GOVERNMENT FUNDS			2017-2018		2019-2020
	2016 Actual	2017 Actual	Adopted	Revised	Adopted
TOTAL SOURCES					
BEGINNING FUND BALANCE	\$ 27,435,524	\$ 30,545,780	\$ 29,007,577	\$ 30,716,563	\$ 32,899,859
Property Tax	11,861,021	11,916,807	25,002,560	18,010,553	8,400,000
Sales Tax	22,212,845	22,594,140	47,398,499	47,398,499	50,419,457
Utility Taxes	5,928,269	6,184,216	12,966,444	12,966,444	12,788,437
Gambling Tax	138,413	135,152	259,868	259,868	273,696
Admissions Tax	662,112	677,888	1,253,553	1,303,553	1,459,918
Other Taxes	1,618,222	1,650,622	3,305,285	3,302,902	3,514,572
Business & Animal Licenses	2,449,610	3,066,097	5,416,675	5,416,675	6,268,995
Development Services	2,669,121	3,543,982	5,929,390	6,380,568	9,736,323
Recreation	2,762,077	2,950,029	5,955,206	5,955,206	6,647,778
Fines & Forfeitures	4,705,850	4,577,827	10,166,901	10,166,901	9,182,252
Franchise Fees	517,937	484,979	1,055,395	1,055,395	999,251
Interfund Services	4,545,973	4,593,835	10,719,334	10,319,334	8,965,758
Other Charges for Service	-	-	901,137	901,137	601,140
State Shared & Intergovernmental	3,326,867	3,084,050	5,057,851	7,578,423	7,395,166
Transport Fees	1,008,029	769,891	2,374,536	780,000	-
Investment Interest	277,673	220,950	22,931	202,931	567,364
TOTAL OPERATING REVENUES	64,684,019	66,450,465	137,785,565	131,998,389	127,220,107
Non Operating Revenues	1,481,009	1,853,359	1,900,848	2,066,391	3,612,514
Sale of Capital Asset	139,676	92,404	85,000	85,000	168,418
Interfund Reimbursement	1,015,908	115,750	1,912,749	1,912,749	2,218,750
Interfund Transfers	2,026,838	3,152,442	6,128,143	6,574,264	9,666,986
TOTAL SOURCES OF REVENUE	\$ 96,782,974	\$ 102,210,200	\$ 176,819,882	\$ 173,353,356	\$ 175,786,634

Property Tax

Property tax revenue for 2019/2020 is \$4,000,000 and \$4,400,000 respectively, or a total of \$8,400,000 for both years. This represents 6.6% of all Government Funds' operating revenues, or 7.7% of the General Fund operating revenue. Property tax revenue has dropped significantly since 2017 due to the formation of the Regional Fire Authority (RFA). Beginning in 2019, the newly formed RFA is levying and collecting the Emergency Medical Services (EMS) property tax levy, which was \$2.3 million in 2018. In addition, the general property tax levy decreased from \$9.8 million in 2017 to \$3.6 million in 2018 to reflect over \$6 million in savings from the transfer of the Fire Department to the newly formed RFA in October 2017.

The total estimated taxable assessed value for the city of Lynnwood in 2018 for the 2019 property tax levy totals \$7,024,441,902. The assessed value increased \$752,360,590 from 2018 to 2019 and is attributed to an increase of \$49,009,400 in new development, and there was also an increase in the residents' property values. A General Operating levy increase of \$400,000 for the 2019 property tax levy was adopted in November 2018. The levy increase resulted in \$400,000 additional revenue for the city in 2019, which is included in the adopted budget. With the increase an owner of an average \$374,220 home will see a small annual increase of approximately \$17 for the year on their property taxes paid to the City in general operating property tax in 2019 over the amount paid in 2018.

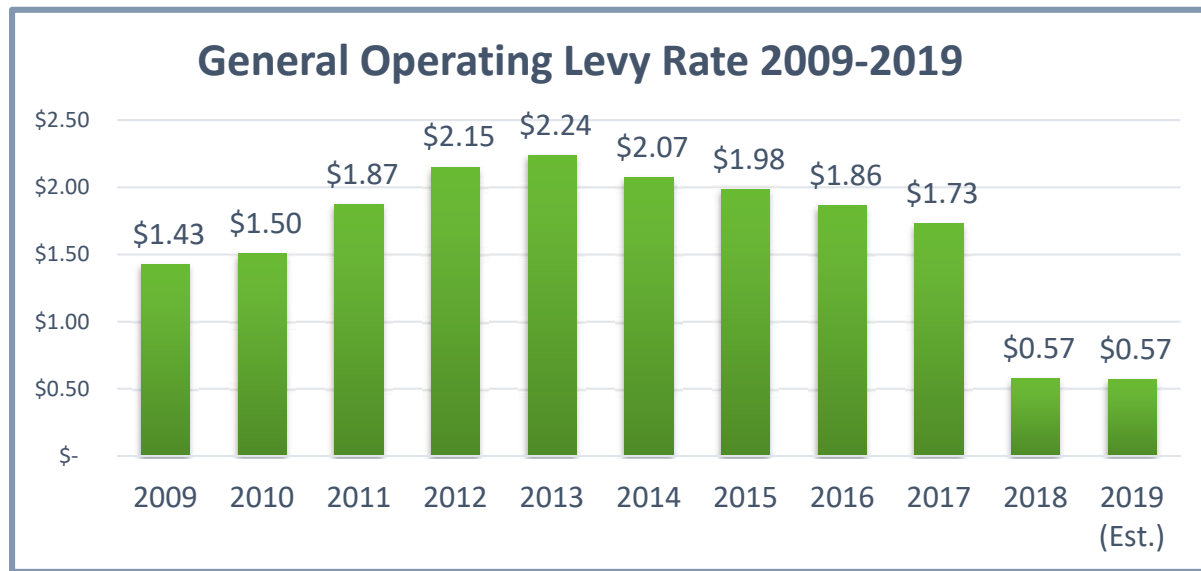
The 2019 City of Lynnwood total general operating property tax levy rate is estimated to be \$0.57 per \$1,000 of assessed property value. This is the same levy rate that the City of Lynnwood collected in general property taxes in 2018.

The total overall 2018 property tax levy rate was \$11.53 per \$1,000 of assessed property value. This rate includes levies for the Edmonds school district, Sno-Isle library district, Snohomish County, Hospital District, the Regional Transit Authority, the Regional Fire Authority and the state.

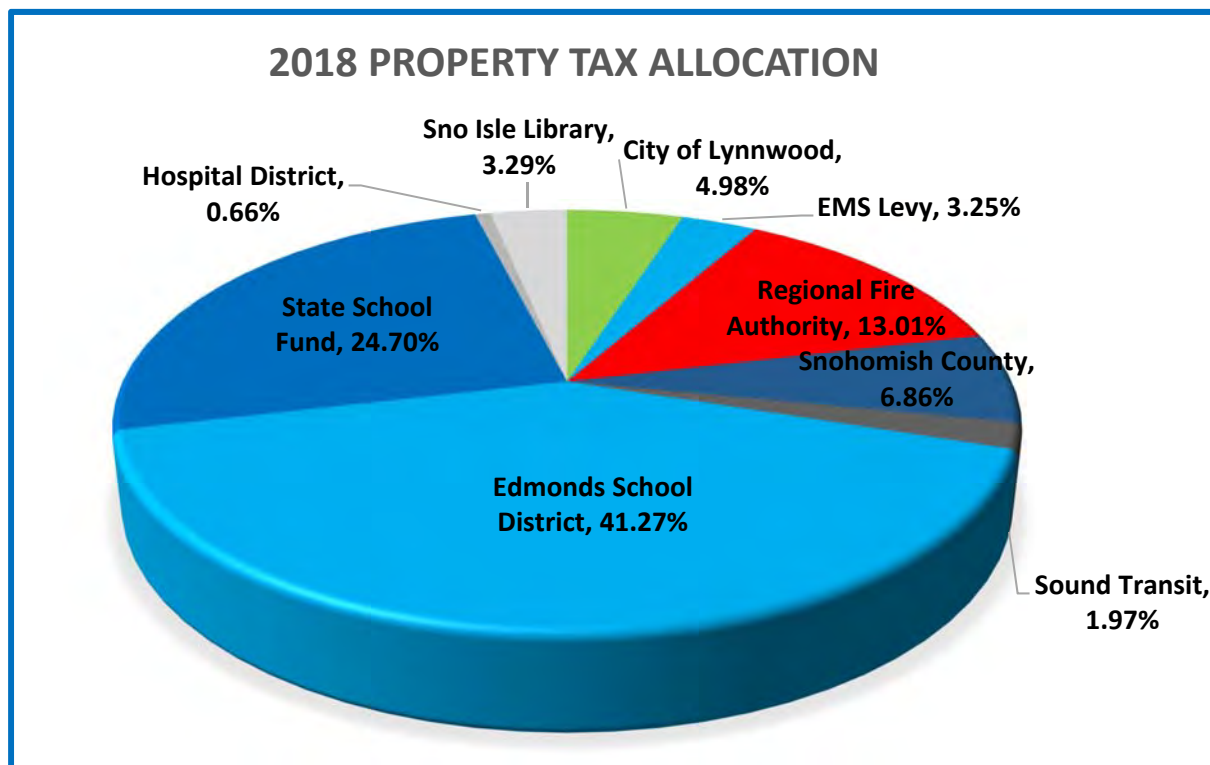
Per \$1,000 Assessed Value – Total 2018 Property Tax Levy Rate

Edmonds School District	\$4.76
State Schools	2.85
Regional Fire Authority (RFA)	1.50
Snohomish County	.79
City of Lynnwood General Levy	.57
City of Lynnwood EMS Levy	.37
Sno-Isle Library District	.38
Regional Transit Authority	.23
Hospital District	.08
Total:	<u>\$11.53</u>

The City levies a property tax amount, not a property tax rate. As assessed values increase, the tax rate decreases and as assessed values decrease, the tax rate increases. The chart below shows the City's General Property Tax Levy rate history over the past 10 years.



In August 2017 Snohomish County voters approved the formation of a regional fire authority with a levy rate of \$1.50 per \$1,000 of assessed value, effective October 1, 2017. As a result, the City decreased its general operating levy rate significantly in 2018 and 2019 to reflect the cost savings from the transfer of the Fire Department in the City's General Fund to the new South Snohomish County Regional Fire Authority. In addition, the City no longer collects an EMS Levy as this levy has been authorized by the voters to be collected by the Regional Fire Authority beginning in 2019. The following chart displays the allocation of the total levy rate in 2018 for all taxing districts within the city of Lynnwood.



Sales Tax

Sales tax has been budgeted at \$50,419,457 for 2019/2020, which represents 39.6% of the General Government operating revenues. Of this amount, \$47,512,736 is budgeted in the General Fund, representing 43.4% of the General Fund's operating revenues. Sales tax totaling \$1,475,721 is budgeted in the Economic Development Infrastructure Fund (EDIF), and the remaining \$1,431,000 is budgeted in the Criminal Justice Fund. The 2019-2020 budget assumes a 4.5% increase per year in sales tax revenues from the actual 2017 sales tax revenues, as sales tax revenues have increased during the improving economy, and construction activity from new development as well as taxable internet sales are expected to generate increased sales tax revenues in 2019 and 2020.

In 2018 the City received approximately 41.3% of its sales tax from retail sales, 21.6% from motor vehicle and parts sales, 9.9% from construction, 9.6% from accommodation and food services, 5% from manufacturing and wholesale sales, 3.1% from information services, and the remaining 9.5% from real estate, rentals, leasing, professional and technical services, finance and insurance, arts and entertainment, agriculture and other activities.

Utility Taxes

The City's utility taxes account for \$12,788,437 or 10% of the total General Government Funds 2019/2020 budgeted operating revenues and 11.7% of the General Fund budgeted operating revenues. These revenues are projected based upon actual 2017 revenues received and forecasted city utility revenues (water, sewer and storm). Telephone utility taxes have been declining over recent years due to the cancellation of land phone lines. The following table shows the history and type of utility taxes that the city receives. The utility tax rate is 6% of gross revenues.

Utility Tax	2016 Actual	2017 Actual	2018 Projected	2017-2018 Revised	2019-2020 Adopted
Electric	\$ 2,046,900	\$ 2,135,610	\$ 2,199,678	\$ 4,533,267	\$ 4,599,307
Gas	505,190	573,945	585,424	1,151,045	1,206,207
Solid Waste	549,027	560,257	571,462	1,079,104	1,177,441
Cable	512,554	509,935	525,233	1,091,460	1,098,210
Telephone	1,270,307	1,196,332	1,136,515	2,599,614	2,105,395
Water	330,198	391,739	417,202	803,023	843,660
Sewer	523,358	590,863	614,498	1,256,328	1,272,499
Storm	190,735	225,535	242,450	452,603	485,718
Total	\$ 5,928,269	\$ 6,184,216	\$ 6,292,462	\$ 12,966,444	\$ 12,788,437

Business and Animal License Fees

Revenues from business licenses and animal license fees have been projected based upon actual 2017 revenues received, with business licenses increasing 1% per year due to the economic growth in the City.

Business License Fees	2016 Actual	2017 Actual	2018 Projected	2017-2018 Revised	2019-2020 Adopted
Business License	\$ 662,789	\$ 790,925	\$ 795,166	\$ 3,401,153	\$ 1,602,526
Employee Bus License Fees	1,542,617	2,151,552	2,172,009	1,544,200	4,411,394
Health Bus License	19,982	37,738	37,737	109,471	77,376
Specialty Bus Licenses	57,700	8,165	7,842	105,111	16,079
Animal Licenses	2,580	2,170	2,170	8,460	4,340
Bus License Penalties	17,026	14,704	14,704	53,738	29,408
Hazardous Permits	146,916	60,845	60,845	194,542	127,872
Total	\$ 2,449,610	\$ 3,066,099	\$ 3,090,473	\$ 5,416,675	\$ 6,268,995

Development Services

Development services revenues were budgeted based upon projected new development in 2019 and 2020 and include estimated new Park Impact fees that were approved by the Council in 2018.

Development Fees	2016 Actual	2017 Actual	2018 Projected	2017-2018 Revised	2019-2020 Adopted
Building Permits	\$ 746,008	\$ 1,097,764	\$ 1,345,487	\$ 2,196,019	\$ 2,366,859
Building Permits - EDIF Fund	805,417	559,982	850,000	1,410,000	1,410,000
Street/Curb/Tree Permits	255,289	198,842	1,032,911	280,000	286,250
Inspection Fees	91,703	113,595	113,595	230,627	244,641
Zoning/Subdivision Services		303,143	303,143		652,857
Plan Checking Services	474,909	665,609	665,609	1,297,264	1,433,474
Other Planning/Development Fees	52,833	141,734	141,734	115,480	305,242
Transportation Impact Fees	242,962	463,313	1,418,974	851,178	1,034,500
Park Impact Fees	-	-	-	-	2,002,500
Total	\$ 2,669,121	\$ 3,543,982	\$ 5,871,453	\$ 6,380,568	\$ 9,736,323

Recreation Fees

Recreation fees were budgeted based upon actual revenues received in 2018 and projections for 2019. With the new Meadowdale Playfields turf field completed in 2018, facility rental revenues significantly increased in 2018 and will increase again in 2019 and 2020 from previous years. In 2019 there will be an increase to the Youth and Teen programs offered, which explains the increase to recreation program fees.

Recreation Fees	2016 Actual	2017 Actual	2018 Projected	2017-2018 Revised	2019-2020 Adopted
Recreation Center Admissions	\$ 1,133,056	\$ 1,192,450	\$ 1,196,400	\$ 2,392,800	\$ 2,355,000
Open Swim Admissions	34,562	49,867	28,000	56,000	99,300
Recreation Program fees	1,254,237	1,334,500	1,357,350	2,714,700	2,985,028
Facility Rentals	288,789	284,509	418,409	609,306	1,045,250
Concessions	11,007	9,004	11,000	22,000	27,100
Cumulative Park Res Sponsorship	487	17,898	9,000	26,000	26,000
Contributions/Donations	36,438	45,038	53,100	106,200	80,000
Other Recreation Revenues	3,501	16,763	15,350	28,200	30,100
Total	\$ 2,762,077	\$ 2,950,029	\$ 3,088,609	\$ 5,955,206	\$ 6,647,778

Fines and Forfeitures

Fines and forfeitures revenues were budgeted based upon actual 2017 revenues. They are projected to remain flat in 2019 and 2020 due to changes made in Washington state on cities ability to collect from delinquent accounts and indigent defendants.

Fines and Forfeitures	2016 Actual	2017 Actual	2018 Projected	2017-2018 Revised	2019-2020 Adopted
Photo Enforcement Fines	\$ 2,912,124	\$ 3,303,095	\$ 3,303,095	\$ 6,950,708	\$ 6,606,190
Municipal Court Fines	1,748,095	1,218,906	1,218,906	3,036,495	2,437,812
Animal Control	-	-	-	62,218	-
Misc. & Drug Seizures	45,631	55,826	51,374	117,480	138,250
Total	\$ 4,705,850	\$ 4,577,827	\$ 4,573,375	\$ 10,166,901	\$ 9,182,252

Interfund Services

Interfund services revenues include charges allocated to the Utility, Golf and Fleet funds for services provided by General Fund departments. Interfund services revenues also include the charges allocated to all of the General Fund departments and other funds for fleet maintenance and replacement services. Also included in this category are Fleet Replacement costs. The chart below includes the detail of interfund service revenues.

Interfund Service	2016 Actual	2017 Actual	2018 Projected	2017-2018 Revised	2019-2020 Adopted
General Fund Departments Services to Utilities	\$ 1,868,199	\$ 1,988,383	\$ 2,048,034	\$ 4,670,000	\$ 4,563,530
General Fund Departments Services to Golf Fund	42,432	50,809	52,333	57,575	106,236
General Fund Department Services to Fleet Fund	-	61,308	63,147	122,616	126,294
Fleet Repairs, Gas, Insurance	1,275,232	770,295	1,050,000	2,152,292	973,700
Fleet Replacement Costs	1,360,110	1,723,040	1,600,000	3,316,851	3,195,998
Total	\$ 4,545,973	\$ 4,593,835	\$ 4,813,514	\$ 10,319,334	\$ 8,965,758

State Shared and Intergovernmental Revenues

The adopted budget for Intergovernmental and State Shared revenues is \$7,395,166 in 2019-2020. Intergovernmental revenues include state and federal grants, criminal justice program revenues, streamlined sales tax, state Liquor Board profits, liquor excise tax, and PUD Privilege taxes. Included in Intergovernmental revenues for 2019/2020 is \$2,508,181 for the estimated revenues to be received from Sound Transit for permit and review services on the Light Rail project. Intergovernmental revenues totaling \$1,500,000 are included in the Equipment Rental Operations Internal Service Fund for fleet repair and maintenance services to be provided to the Regional Fire Authority, included in the category, "interlocal agreements".

State Shared and Intergovernmental Revenues	2016 Actual	2017 Actual	2018 Projected	2017-2018 Revised	2019-2020 Adopted
Liquor Excise Tax	\$ 172,409	\$ 178,282	\$ 202,052	\$ 343,459	\$ 395,279
Liquor Board Profits	313,732	308,925	306,204	621,464	627,526
Streamlined Sales Tax	258,026	257,318	261,509	523,018	257,318
PUD Privilege Tax	264,197	257,107	278,460	548,809	537,585
Law Enforcement Services	321,798	258,935	265,612	266,321	225,206
Federal Direct Grants	52,322	2,134	-	-	-
Federal Indirect Grants	33,718	32,732	-	-	-
Sound Transit ILA - Light Rail	37,252	288,258	438,375	876,750	2,508,781
Fire Fighters Grant - Wildfires	34,000	226,158	-	226,000	-
State Grants	23,478	39,816	80,155	137,055	125,691
Senior Center Grant	23,000	23,000	23,000	-	50,000
Bikelink Verdant Grant	693,610	48,228	-	1,006,837	229,708
Other Verdant Grants	244,925	230,104	107,725	216,450	272,600
Interlocal Agreements	663,655	780,039	766,273	2,182,495	1,785,472
Wellness Grant	500	-	42,150	59,300	-
Drug Enforcement Grants	88,486	18,853	-	400,000	200,000
Criminal Justice Grants	101,759	134,161	127,000	170,465	180,000
Total	\$ 3,326,867	\$ 3,084,050	\$ 2,898,515	\$ 7,578,423	\$ 7,395,166

Enterprise Funds' Revenues

This section explains and illustrates the estimates for revenue sources included in the City's Enterprise funds of the 2019/2020 Adopted Biennial Budget. Key funding sources are described below by category. Enterprise Funds include the Utility Operations, Sewer/Water/Storm Capital, 2010 Utility System Bonds and the Golf Course funds.

Utility Operations Revenues	2016 Actual	2017 Actual	2018 Projected	2017-2018 Revised	2019-2020 Adopted
Water Service	\$ 6,111,380	\$ 6,670,868	\$ 7,104,474	\$ 12,908,305	\$ 15,217,784
Sewer Service	10,221,789	10,350,067	10,764,070	18,758,218	30,657,775
Sewer Connection Fees	-	-	-	-	2,242,651
Storm Service	3,444,819	3,751,447	4,032,806	6,745,096	8,432,194
Capital Contributions	127,786	77,268	75,000	-	-
Grant and Other Revenue:	92,429	22,829	164,201	202,418	1,121
Investment Interest	152,059	217,996	163,825	60,062	317,000
Total	20,150,262	21,090,475	22,304,376	38,674,099	56,868,525

Utility Operations Fund Revenues

These revenues include charges for water, sewer and storm water services. The City's aging water and sewer mains are in need of replacement, and property storm water management requires expanding the

system and improving programs to improve surface water quality. These projects will be paid for through a combination of rate adjustments and revenue bonds.

In 2016 a comprehensive water, sewer and storm utilities rate study was completed that set water, sewer and storm water rates for the years 2017 through 2022. The rates include a cost of service phase-in for all classes of customers, to be completed by the end of the 6-year cycle. The rates include a modest increase and include funding for the expansion of the low income customer programs including a new program for low income seniors and a plan for families with children in free or reduced lunch programs. The rates will cover the new debt service payments to fund anticipated capital obligations as well as maintaining debt service coverage and reserve requirements. According to the City's financial policy, the rates will be reviewed every three years.

The rate adjustments result in an increase to the average residential customer and are displayed in the table below. This table details the rate adjustments for each of the utilities that are necessary to replace the City's aging water, sewer mains and to make storm water improvements. The utility rate study included a comparison of the bi-monthly rate to regional utilities' rates and in all cases, the City's rates were in the lower third of the comparison group.

**Average Bi-Monthly Bill Assuming Average Water Consumption for a Residential Customer
 Amounts Include Base Rate and Average Consumption**

Utility Bi-Monthly Rates	2016	2017	2018	2019	2020	2021	2022
Water	\$ 65.56	\$ 70.71	\$ 75.23	\$ 79.02	\$ 82.23	\$ 85.52	\$ 88.89
Sewer	87.16	91.28	93.25	96.10	98.84	102.64	106.59
Storm Water	21.82	23.70	25.47	26.24	27.03	27.84	28.67
Total	\$174.54	\$185.69	\$193.95	\$201.36	\$208.10	\$216.00	\$224.15
Net Bi-Monthly Increase	N/A	\$ 11.15	\$ 8.26	\$ 7.41	\$ 6.74	\$ 7.90	\$ 8.15
Percentage Increase	N/A	6.4%	4.4%	3.8%	3.3%	3.8%	3.8%

In 2018 the City passed Ordinance 3286 for a one-time Sewer Connection Charge for new development and redevelopment of existing developed properties. The charge is \$2,480 for each Equivalent Residential Unit (ERU). The revenue generated will fund capital projects of the sewer system and will fund new projects to accommodate the expected growth of the City. Sewer connection fees are budgeted in 2019-2020 to be \$2,242,651.

Revenue Bond Proceeds

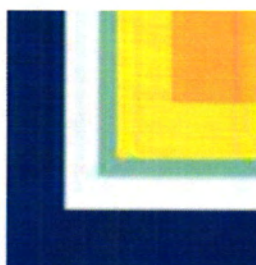
In addition to the rate adjustments above, the City issued revenue bonds to finance the replacement of its utilities infrastructure over the next six years. The City issued \$20.48 million of revenue bonds in October 2018 to finance utility capital improvements and to refund the 2008 bonds.

Utility Other Financing Sources	2016 Actual	2017 Actual	2018 Projected	2017-2018 Revised	2019-2020 Adopted
Transfer from Other Fund: \$	53,665	\$ 563,005	\$ 442,100	\$ 1,248,675	\$ -
Sale of Surplus Assets	1,250	350	1,848	1,000	-
Note Anticipation Proceeds		-	-	-	-
Revenue Bond Proceeds	-	-	23,012,959	17,700,000	-
Total	\$ 54,915	\$ 563,355	\$ 23,456,907	\$ 18,949,675	\$ -

Golf Course Fund Revenues

The Golf Course is an Enterprise Fund and includes the operation and maintenance of the City's Golf Course and the Pro Shop by a third party operator. In 2018 revenues from the Golf Course increased with the addition of 55 parking spaces in 2017. The course saw many golfers who had not played at the golf course since the 1990's or 2000's due to a lack of parking spaces.

Golf Course Revenues	2016 Actual	2017 Actual	2018 Projected	2017-2018 Revised	2019-2020 Adopted
Sales of Merchandise	\$ 53,658	\$ 54,658	\$ 80,000	\$ 139,049	\$ 156,400
Food and Beverage Sales	94,408	96,323	120,000	241,774	237,192
Green Fees	870,696	841,171	1,000,000	2,215,000	2,296,769
Equipment Rentals	15,741	14,090	25,000	-	-
Golf Cart Rentals	112,790	116,215	125,000	323,501	338,729
Other Miscellaneous Revenues	455	1,096	1,300	-	1,000
Investment Interest	2,392	3,183	2,600	-	5,000
Sub-Total	\$ 1,150,140	\$ 1,126,736	\$ 1,353,900	\$ 2,919,324	\$ 3,035,090
Transfers/Loan from General Fur	125,000	-	-	425,000	-
Total Revenues	\$ 1,275,140	\$ 1,126,736	\$ 1,353,900	\$ 3,344,324	\$ 3,035,090



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ENDING FUND BALANCES

Table 1 and Graph 1 illustrate the City's ending fund balances between 2016 and 2019. The fund balances are segregated into two major components; 1) reserved/designated fund balances such as for reserve requirements and other designated or restricted uses and 2) unassigned fund balances.

Table 1

ENDING FUND BALANCES - GENERAL GOVERNMENT FUNDS:

	2016 Actual	2017 Actual	2018 Projected	2019-2020 Proposed
Reserved/Designated				
011 General Fund	\$ 4,382,597	\$ 4,857,895	\$ 5,411,164	\$ 4,363,663
020 Econ Dev Infrastructure	4,485,397	5,628,577	8,103,577	4,839,298
098 Revenue Stabilization	6,000,000	6,000,000	6,000,000	6,000,000
099 Program Development	65,627	33,127	627	627
101 Lodging Tax	1,023,826	1,124,101	1,173,439	1,221,708
104 Drug Enforcement	467,420	476,035	144,144	156,144
105 Criminal Justice Fund	2,596,437	3,227,034	3,431,421	2,708,421
110 Transportation Impact Fee	61,251	183,340	895,617	12,663
111 Street Operating	281,109	202,943	371,560	338,814
114 Cumulative Pk Res & Dev	78,184	70,666	63,166	64,166
116 Cumulative Art Reserve	18,680	47,454	48,254	49,254
121 Tree Reserve	162,603	211,797	289,225	264,225
128 Paths & Trails Improv	8,852	8,852	8,852	8,852
144 Solid Waste Management	37,130	26,551	50,251	30,354
180 Park Impact Fee	-	-	-	3,000
203 General Government Debt Service	-	-	-	-
215 800 Mzh Debt Service	10,605	11,533	11,776	-
223 Rec Center 2012 LTGO	109,501	137,947	110,701	110,701
263 Local Improvement District (LID) SW 196th	53,924	19,850	409,650	65,610
510 Equipment Rental Reserve	4,353,599	3,265,709	4,389,909	4,566,225
511 Equipment Rental Oper	105,019	72,888	8,238	6,365
513 Lynnwood Shop Operations	325,796	161,183	116,933	116,933
515 Self Insurance Fund	165,895	164,270	166,270	68,270
520 Technology Reserve	-	-	-	161,750
Subtotal Reserved/Designated	24,793,451	25,931,751	31,204,773	25,157,043
Unassigned				
011 General Fund	5,752,328	3,332,796	1,695,085	618,872
Subtotal Unassigned	5,752,328	3,332,796	1,695,085	618,872
Total Ending Fund Balances	\$ 30,545,779	\$ 29,264,548	\$ 32,899,859	\$ 25,775,915

Table 1 (Cont.)
ENDING FUND BALANCES - UTILITY FUNDS:

	2016 Actual	2017 Actual	2018 Projected	2019-2020 Adopted
Reserved (Operating Res. & Debt Service)				
411 Utility Operations	\$ 2,088,414	\$ 2,304,627	\$ 2,390,945	\$ 5,317,068
411 Debt Service	1,013,913	1,014,400	3,970,422	3,982,538
419 2010 Utility System Bonds	885,337	885,337	885,337	885,337
Subtotal Reserved/Designated	3,987,664	4,204,364	7,246,704	10,184,943
Designated/Reserved - Construction				
411 Sewer/Water/Storm Operation	10,394,265	2,058,037	1,927,383	1,927,383
412 Sewer/Water/Storm Capital	-	1,085,114	19,640,999	-
Subtotal Designated/Reserved Construction	10,394,265	3,143,151	21,568,382	1,927,383
Total Ending Fund Balances	\$ 14,381,929	\$ 7,347,515	\$ 28,815,086	\$ 12,112,326
Unassigned				
411 Utility Operation	13,481,535	13,019,776	8,336,923	10,055,166
460 Golf Course	255,659	153,261	250,298	351,017
Subtotal Unassigned	13,737,194	13,173,037	8,587,221	10,406,183
Total Ending Fund Balances	\$ 28,119,123	\$ 20,520,552	\$ 37,402,307	\$ 22,518,509

ENDING FUND BALANCES - CAPITAL FUNDS:

	2016 Actual	2017 Actual	2018 Projected	2019-2020 Adopted
Designated/Reserved - Construction				
330 REET 2	\$ 1,392,118	\$ 1,396,660	\$ 2,155,166	\$ 77,166
331 REET 1	1,230,396	1,033,331	1,162,176	253,023
333 Capital Development	2,092,048	412,420	961,372	22,372
357 Other Gov Capital Improv	-	437,315	100,000	-
360 Transportation Capital Infr.	-	6,414,239	6,844,075	3,214,075
370 Facilities Capital Infr.	-	591,747	150,847	-
380 Parks & Recreation Capital	-	469,485	21,878	21,878
390 Public Safety Capital	-	-	-	-
Total Designated/Reserved (Construction)	\$ 4,714,562	\$ 10,755,197	\$ 11,395,514	\$ 3,588,514

ENDING FUND BALANCES - ALL FUNDS

Total Reserved/Designated	\$ 43,889,942	\$ 44,034,463	\$ 71,415,373	\$ 40,857,883
Total Unassigned	19,489,522	16,505,833	10,282,306	11,025,055
ENDING FUND BALANCE TOTALS	\$ 63,379,464	\$ 60,540,297	\$ 81,697,680	\$ 51,882,938

Reserved/Designated Ending Fund Balances:

The first component of ending fund balances, totaling \$43,131,688 in 2016 and \$37,226,362 in 2019-2020, include funds which have been reserved per the City's financial policies or are otherwise restricted and/or designated within the funds. The General Fund reserves include \$4,363,663 in the General Fund and \$6,000,000 in the Revenue Stabilization Fund. The total of these reserves is equal to 2½ months of the previous year's operating expenditures. The purpose of the Revenue Stabilization Fund reserves is to provide some fiscal means for the City to respond to potential adversities such as public emergencies, natural disasters, or similar major, unanticipated events. In addition to the General Fund and Revenue Stabilization Fund reserves, there is \$4,839,298 included in the Economic Development Infrastructure Fund that is designated to fund public infrastructure and public facilities associated with economic development.

Equipment replacement reserves of \$4,566,225 are included in the Equipment Rental Reserve fund. These funds are collected through charges to the City's General Fund and Utility Funds which allow the cash accumulation for future replacement of the City's equipment and vehicles to smooth out further budgetary impacts.

The reserved/designated ending fund balance includes operating reserves for the Utility Operating for the City's utilities (water/sewer/ and storm water). The utility reserves also include the reserves for debt service as required by the City's bond covenants. In compliance with the City's Adopted Financial Policies, the Utility operating reserves are accounted, as follows:

- Water Utility reserves equivalent to 90 days of operating expenses;
- Sewer Utility reserves equivalent to 45 days of operating expenses, and
- Storm Water reserves equivalent to 30 days of operating expenses.

The utility operating reserves total \$5,317,068 at the end of 2020 and reserves for utility debt service total \$4,867,875 at the end of 2020.

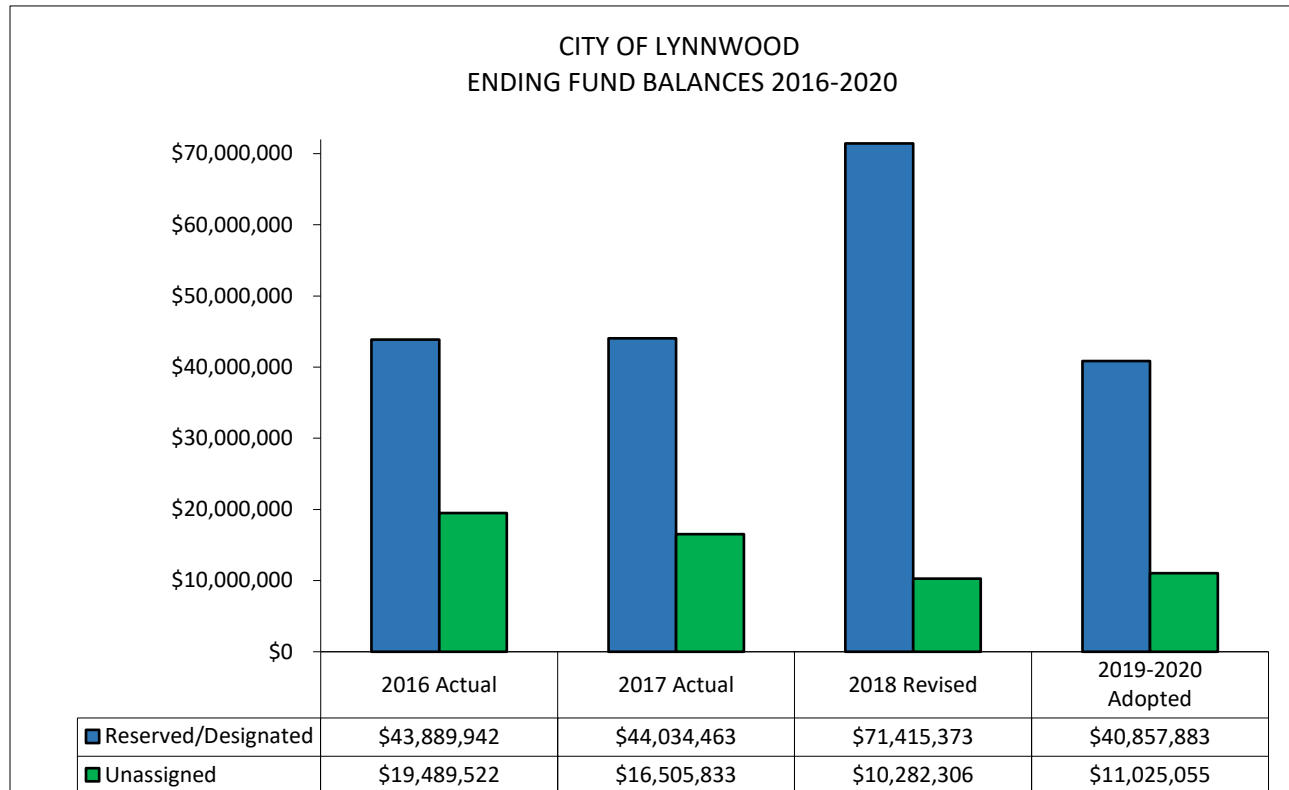
In addition, all remaining balances of the utility funds after accounting for the operating and bond reserves are designated/reserved for utility construction projects. In compliance to the Adopted Financial Policies, Utilities operating reserves are accounted, as follows:

- A reserve balance target for Water Utility Capital equivalent to 1% of original Water Asset Values,
- A reserve balance target for Sewer Utility Capital equivalent to 2% of original Sewer Asset Values, and
- A reserve balance for Storm Water Utility Capital equivalent to 1% of original Storm Water Asset Value

All Capital Fund balances are reserved/designated for future capital construction projects.

Unassigned Fund Balances:

The unassigned fund balance portion of the ending fund balance represents the fund balance that is not reserved nor designated or restricted in its use.


Changes in Fund Balances:

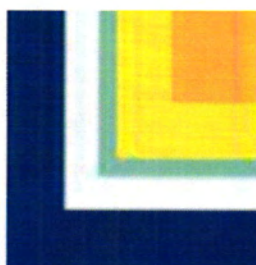
The graph above shows the changes in the City's fund balances. Changes in fund balances from 2018 to 2020 are due primarily to the following:

While there is a \$2.1 million decrease in the General Fund ending fund balance, there is also a \$3.3 million decrease of the ending fund balance of the Economic Development Fund. The General Fund will transfer \$2.2 million to the Capital Development Fund in 2019-2020 to fund General Governmental Capital Projects. The City accumulates "one time" revenues generated from large construction projects in the Economic Development Fund. These one-time revenues include revenues from sales tax and building permits and \$7 million will be used in 2019-2020 to fund future infrastructure and public facilities in support of the City's economic development.

Included in the 2019-2020 budget is a \$1 million transfer from the REET I and II Funds to the Debt Service Fund which was not budgeted in previous years.

The Criminal Justice Fund is also transferring \$1.3 million to the Public Safety Capital Fund for construction or purchase of a new jail. These expenditures are expected to be incurred in 2019-2020.

At the end of 2018 the ending fund balance of the Utility Funds include \$20.9 million of unspent bond proceeds from the 2018 utility revenue bond issue that was designated for capital construction in the ending fund balance. In 2019-2020, the budget anticipates that the bond proceeds will be spent on construction projects in the same budget years. Effective January 1, 2017, the Utilities Fund 411 was segregated into two funds: Utilities Operation Fund No. 411 and Utilities Capital Fund No. 412. This allows the separation of the normal operating funds portion from the capital funding portion. It is anticipated that the Utilities Capital Fund No. 412 will use the allocated balances for construction for the next two years.



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SUMMARY OF BUDGETED FULL-TIME EQUIVALENT (FTE) POSITIONS

2015 – 2020

The following table illustrates the number of regular full-time equivalents (FTEs) that were employed by the City between 2015 and 2018 and the number of FTE's by department and Fund that are included in the Adopted 2019-2020 Budget. The number of FTE's included in the Adopted 2009-2010 Budget is included as a reference to show the impact of the recession after 2009 when there were employee layoffs and other reductions in 2010 and 2011. The number of FTE's peaked in 2009. The City is currently experiencing economic growth, and while the demand for services have increased, the level of staffing is not to the level as it was before the economic recession.

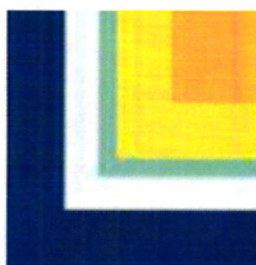
Throughout the year, the City will employ approximately 150 FTE part time employees in positions ranging from part-time camp counselors during summer months to interns and volunteers to full-time police officers and maintenance workers. The table below does not include these part time positions.

Department	2009	2015	2016	2017	2018	2019	2020	Change 2015 to 2020
ADMINISTRATIVE SERVICES	25.50	25.25	25.75	25.75	24.75	26.25	26.25	1.00
COMMUNITY DEVELOPMENT	21.60	15.00	17.00	17.00	17.00	19.00	19.00	4.00
ECONOMIC DEVELOPMENT	4.00	3.00	3.00	3.00	3.00	3.00	3.00	-
EXECUTIVE	3.00	4.00	4.50	4.50	4.50	4.75	4.75	0.75
FIRE	63.40	58.00	58.00	58.00	58.00	-	-	(58.00)
HUMAN RESOURCES	5.00	4.00	5.00	5.00	5.00	6.00	6.00	2.00
INFORMATION TECHNOLOGY	13.00	12.00	12.00	12.00	12.00	13.00	13.00	1.00
LEGISLATIVE *	8.00	8.00	8.00	8.00	8.00	8.00	8.00	-
MUNICIPAL COURT*	12.50	12.40	12.40	12.15	12.15	12.00	12.00	(0.40)
PARKS & RECREATION	46.73	37.00	39.75	40.75	40.75	40.75	40.75	3.75
POLICE	117.00	101.00	101.00	103.00	107.00	107.00	107.00	6.00
PUBLIC WORKS	19.63	21.00	21.00	20.75	23.75	23.65	23.65	2.65
SUBTOTAL GENERAL FUND	339.36	300.65	307.40	309.90	315.90	263.40	263.40	(37.25)
LODGING TAX FUND 101	-	1.00	1.00	1.00	1.00	1.00	1.00	-
DRUG ENFORCEMENT FUND 104	-	1.00	1.00	1.00	1.00	-	-	(1.00)
CRIMINAL JUSTICE FUND 105	-	-	1.00	2.00	2.00	-	-	-
STREET FUND 111	12.00	11.00	11.00	8.80	8.90	8.90	8.90	(2.10)
SOLID WASTE MGNT FUND 144	0.50	-	-	-	-	-	-	-
PARKS & REC TRANSPORTATION CAPITAL	-	-	-	-	-	1.00	1.00	1.00
UTILITIES FUND 411	34.00	38.00	38.00	42.45	42.45	44.45	44.45	6.45
GOLF FUND 460	7.00	-	-	-	-	-	-	-
CENTRAL STORES FUND 512	1.00	-	-	-	-	-	-	-
EQUIPMENT RENTAL OPERATION FUND 5	4.00	4.00	5.00	7.00	7.00	7.00	7.00	3.00
SUBTOTAL OTHER FUNDS	58.50	55.00	57.00	62.25	62.35	62.35	62.35	7.35
GRAND TOTAL	397.86	355.65	364.40	372.15	378.25	325.75	325.75	(29.90)

*Legislative represents number of positions, not FTE count.

*Municipal Court includes the Judge who is not a city employee

Note: Temporary and seasonal employees are not included.



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Department Mission and Responsibilities:

The Administrative Services Department is responsible for accounting, the annual audit, the budget, strategic planning, purchasing, accounts payable, payroll, billing for all services including utilities, debt management, capital asset tracking, public records, and investment of public funds. This involves coordinating the development of the City's biennial budget and the preparation of the City's annual financial report and audit. Administrative Services provides the City with timely, accurate and effective financial services so that managers and directors can more effectively and efficiently manage their resources.

The Administrative Services Department provides reception services at City Hall, and is a primary point of contact for our citizens. Also, considerable interface with the general public occurs as Administrative Services provides account management and billing on behalf of City utilities, and requests for public records.

Highlights and Accomplishments During 2017-2018:

- Department staff were instrumental in developing the Strategic Plan, 2018-2022, which is foundational to each departments' workplans and to this budget.
- The City received clean audits for 2016 and 2017 from the State Auditor's Office.
- Adopted a Direct Deposit policy for payroll and employee expense, streamlined the form
- Reduced paper paychecks by 99%
- Government Finance Officers Association (GFOA) Recognized Lynnwood's 2017-2018 Adopted Biennial Budget with the Distinguished Budget Presentation Award.
- Lynnwood was awarded the Certificate of Achievement for Excellence in Financial Reporting from the GFOA for its 2016 Comprehensive Annual Financial Report (CAFR).

- 24 • Expanded City-wide use of Procurement Credit Card, offering greater efficiency and cash
25 rebates generating additional revenues.
- 26 • Facilitated Council adoption of new financial policies.
- 27 • Provided considerable support to the RFA Planning Committee and South County Fire &
28 Rescue.
- 29 • Implemented Munis' Position Control module that allowed salary and benefit projections
30 to work for preparing the budget.
- 31 • Implemented new paperless Personnel Action Notice (PAN) with Human Resources
- 32 • Business License processing was transferred from the Administrative Services Department
33 to the Community Development. This included transfer of a finance specialist position to
34 Community Development.
- 35 • Facilitated evaluation of the State's Business License System.
- 36 • Department staff served as project lead for efficiency studies regarding police, jail,
37 municipal court, prosecution, indigent defense, city attorney, and city clerk and records
38 functions.
- 39 • Implemented electronic payment functions for utilities.
- 40 • Processing retired LEOFF 1 employees' medical reimbursements was transferred from
41 Administrative Services to Human Resources.
- 42 • Collaborated with IT and HR to implement sick leave requirements of Initiative 1433.
- 43 • Served on Edmonds Community College's President Search Committee.
- 44 • Implemented new low-income utility programs, including the hire of a 0.5 FTE
- 45 • Provided staff support to the Finance Committee, Strategic Planning Steering Committee,
46 City Council, etc.
- 47 • Instituted numerous improvements to "Fix It" SharePoint site. Prepared analytics of
48 improvements implemented.
- 49 • Updated regulations and fees relating to requests for public records
- 50 • Adopted a new Public Records Request policy
- 51 • Filed the City's first Joint Legislative Audit and Review Committee report on public records
52 requests
- 53 • Updated LMC 2.92 – Procurement, significantly streamlining and standardizing the rules
54 for contracting and purchasing.
- 55 • Provided technical expertise to the Lynnwood Public Facility District and Lynnwood
56 Convention Center.
- 57 • Implemented GovQA software to automate and provide transparency for requests for
58 public records.
- 59 • Community Budget Transparency module was launched.

60 Highlights and Changes for 2019-2020:

- 61 • Public Records Technician position, filled by a term limited position for 2017-2018, will be
62 added to the Records Section for processing public records requests.
- 63 • Finance Technician position, filled during 2018 by temporary staffing, will be added to the
64 Procurement Section to support P card transaction processing. This position is supported
65 with newly generated revenue from the P card Program.
- 66 • Implement Munis Employee Travel and Expense module.
- 67 • Continuous Munis business process improvements, including P card statement
68 notifications, TCM client manager for online records, online utility billing system
69 improvements, improve Accounts Payable and Procurement functions, auto pay for utility
70 bills, etc.
- 71 • Update/rewrite multiple chapters of the Municipal Code, develop/update City policies and
72 procedures to advance continuous improvement.
- 73 • Guidance to departments to extend the value and use of performance measures to
74 support strategic decision making.
- 75 • Expand the responsibilities of the Strategic Planning Steering Committee, a staff
76 committee charged with goal setting and implementation.
- 77 • Oversee establishment of in-house city attorney services.
- 78 • Enhance services for Electronic Records Management system (AX) for improved archiving
- 79 • Development of Records and IT governance program to improve records and data
80 management
- 81 • Implement a regional e-bidding portal with other local municipalities
- 82 • Support and enhance the North Puget Sound Small Business Summit in conjunction with
83 the Economic Alliance Snohomish County and the Washington State Procurement
84 Technical Assistance Center
- 85 • Adopt new email records policy, enhance email retention system
- 86 • Increase vendors paid electronically and receiving remittance electronically.

87 Department Budget History by Program:

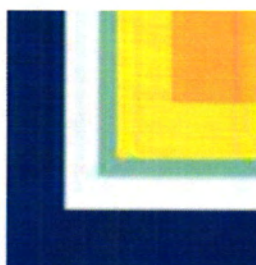
Program	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
Budget & Strategic Planning	\$ -	\$ 406,173	\$ 820,502	\$ 852,478
Accounting and Auditing	1,454,171	1,314,016	2,666,720	2,815,813
Utility Billing	298,161	530,301	1,056,945	1,002,209
Procurement	646,385	410,451	907,144	1,116,599
Records	68,718	363,688	841,701	837,738
Treasury Services	520,580	460,116	952,034	917,915
Election Costs	-	55,444	210,000	112,000
Total	\$ 2,988,015	\$ 3,540,189	\$ 7,455,046	\$ 7,654,752

88

89 Department Personnel [Full-Time Equivalent (FTE)]:

Position	Number of Full-Time Equivalent (FTE)					
	2015 Actual	2016 Actual	2017 Actual	2018 Revised	2019 Adopted	2020 Adopted
Finance Director	1.00	1.00	1.00	1.00	1.00	1.00
Manager-Accounting	1.00	1.00	1.00	1.00	1.00	1.00
Supervisor-Finance-Payroll	1.00	1.00	1.00	1.00	1.00	1.00
Sr. Finance Technician-Payroll	0.00	0.00	0.00	0.00	1.00	1.00
Sr. Finance Specialist-Payroll	1.00	1.00	1.00	1.00	1.00	1.00
Accounting Technician-Payroll	1.50	1.50	1.50	1.00	0.00	0.00
Finance Specialist-AP	1.00	1.00	1.00	1.00	1.00	1.00
Accounting Technician-AP	1.00	0.50	0.50	0.00	0.00	0.00
Accountant-Capital Assets/Grants	0.00	1.00	1.00	1.00	1.00	1.00
Administrative Assistant-Dep. City Clerk	1.00	1.00	1.00	1.00	1.00	1.00
Strategic Planner	1.00	1.00	1.00	1.00	1.00	1.00
Finance Supervisor-Budget	1.00	1.00	0.00	0.00	0.00	0.00
Budget Coordinator	1.00	1.00	1.00	1.00	1.00	1.00
Supervisor-Finance-Treasury	1.00	1.00	1.00	1.00	1.00	1.00
Sr. Finance Technician-Treasury	2.00	2.00	2.00	2.00	2.00	2.00
Finance Technician-Treasury	0.50	0.50	0.50	0.50	0.50	0.50
Finance Specialist-Treasury	1.00	1.00	0.33	0.00	0.00	0.00
Accountant-Enterprise	1.00	1.00	1.00	1.00	1.00	1.00
Accountant-Accounts Receivable	1.00	1.00	1.00	1.00	1.00	1.00
Sr. Finance Technician Utility Billing	2.00	2.00	2.50	2.50	2.50	2.50
Manager-Purchasing & Contracts	1.00	1.00	1.00	1.00	1.00	1.00
Supervisor-Finance-Procurement	0.00	1.00	1.00	1.00	1.00	1.00
Buyer	2.00	1.00	2.00	2.00	2.00	2.00
Finance Technician-Procurement	0.00	0.00	0.00	0.00	1.00	1.00
Sr. Finance Specialist-Records	1.00	1.00	1.00	1.00	1.00	1.00
Support Services Technician-Records	1.00	1.00	1.00	1.00	1.00	1.00
Finance Technician-Records	0.00	0.00	0.00	0.00	1.00	1.00
Office Assistant	0.25	0.25	0.25	0.25	0.25	0.25
Total	25.25	25.75	25.58	24.25	26.25	26.25

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1. Title: Accounting and Auditing**Program No.: 01121000****2. Responsible Department(s): Administrative Services****3. Brief Description:**

Program is responsible for providing accounting and auditing services to the City and for establishing and monitoring City policies and procedures to ensure accountability of public resources, effective and efficient operations, compliance with laws and regulations, risk management programs, and reliable financial reporting.

4. Program Outcomes:

1. Accurate and timely vendor payments, paychecks to employees, and financial reports. **2.** Responsible risk management practices. **3.** Coordinate annual audits conducted by Office of the State Auditor over financial statements, federal awards, and operational accountability. **4.** Ability to demonstrate to Lynnwood citizens and businesses: City accountability, sound business practices, and effective and proper stewardship of public funds. **5.** Compliance with financial related mandates including, but not limited to, tax payments and reporting, state audit reporting requirements, and grant monitoring and tracking for grant for compliance with laws and grant terms and conditions governing awards. **6.** Analysis, development and maximization of City Revenues and Financial Resources.

5. Program Outcomes and the Strategic Plan, 2018-2022.

This program provides careful stewardship of Lynnwood's financial resources, which is essential to financial sustainability and economic success. Without prudent management of funds and payments, it would be difficult for the City to achieve any major outcomes.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

The primary function of this Program is to provide the accounting services essential to accountable government. Fiscal sustainability is dependent upon prudent and accurate financial accounting and management. The Accounting and Auditing Program supports all City Departments and their programs. Without proper fiduciary oversight and controls, Lynnwood will be incapable of achieving the Community Vision.

The adopted program is aligned with the following Community Vision goals:

This program supports all City Community Vision goals.

7. Mandatory v. Optional:

The City is required to maintain proper accounting records, adhere to established accounting standards, and undergo annual audits.

An optional program is the participation in the Certificate of Achievement of Excellence in Financial Reporting, an international award program administered by the Government Finance

Officers' Association (GFOA). GFOA awards are the gold standard of governmental financial recognition. Continued participation in the program aligns with two of the Strategic Plan initiatives of ensuring financial stability and economic success and nurturing operational and organizational excellence.

Alternative Service Delivery Options: Accounting and Auditing Program services could be provided by contract with a private consulting firm or through agreement with another government agency. A drawback of reliance on outside organizations, is that, judgment and accountability for policy implementation and management cannot be delegated.

8. Program Staffing

Accounting & Auditing	Dept.	FTE	Note
Dedicated Personnel			
Director Finance	Adm. Svcs.	0.75	Shared w Budget & Strat. Plng.
Accounting Manager	Adm. Svcs.	0.50	Shared w Utility Billing
Finance Specialist	Adm. Svcs.	1.00	Accounts Payable
Accountant	Adm. Svcs.	1.00	Capital Asset/Grant Accountant
Accountant	Adm. Svcs.	1.00	Accounts Receivable Accountant
Finance Supervisor	Adm. Svcs.	1.00	Payroll
Senior Finance Specialist	Adm. Svcs.	1.00	Payroll
Senior Finance Technician	Adm. Svcs.	1.00	Payroll
Administrative Assistant	Adm. Svcs.	1.00	Deputy City Clerk
Office Assistant	Adm. Svcs.	0.25	
Total Dedicated Personnel		8.50	
Support Personnel			
Total Support Personnel		0.00	
Total Program Personnel		8.50	

9. Program Cost (summary):

Accounting & Auditing	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ 995,203	\$ 724,850	\$ 1,435,924	\$ 1,523,715
2-Personnel Benefits	357,526	297,143	605,029	601,241
3-Supplies	13,641	5,612	15,800	18,300
4-Services	87,801	286,411	609,967	672,557
Total	\$ 1,454,171	\$ 1,314,016	\$ 2,666,720	\$ 2,815,813

10. Offsetting Revenues: (if any)

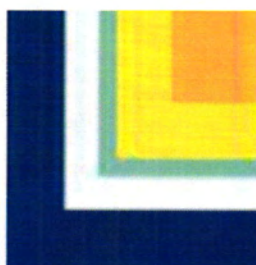
Accounting & Auditing	
Transfers from the Utility Fund (Fund 411) and the Golf Fund (Fund 460) offset the cost of accounting and auditing services for those enterprise funds.	625,873
Total Revenues	\$ 625,873

11. Fiscal Sustainability - Net General Fund Cost of Program:

	\$2,189,940
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12. Performance Measures:

Accounting & Auditing	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
GFOA Award for Excellence in Financial Reporting (per year).	1	0	0	1	Results Pending
Significant or material financial statement errors, or compliance and accountability audit issues identified during audit.	0	1	0	0	To be determined after year-end
Significant or material errors in capital assets reports identified during audit.	0	1	0	0	To be determined after year-end
Significant or material grant compliance issues identified during audit.	0	0	0	0	To be determined after year-end
Positive ratings as identified by customer opinion survey (%).	80+	Not Trkd	Not Trkd	Not Trkd	Not Trkd
Correction of payroll paycheck due to City employee error.	15	10	0	0	0
Average time to process Accounts Payable Invoice (minutes).	3	5	10	12	11



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1. Title: Utility Billing**Program No.: 01121200****2. Responsible Department(s): Administrative Services****3. Brief Description:**

This program provides customer account and utility billing and customer services to residents and businesses of the City. This program is 100% funded via transfer from the Utility Fund to the General Fund.

4. Program Outcomes:

Residents and businesses of the City receive timely and accurate bills for utility services provided by the City by friendly customer service staff. Through the administration of five different utility rebate and discount programs, the City helps to ensure affordable access to essential services.

5. Program Outcomes and the Strategic Plan, 2018-2022.

Reliable utility service is a critical component of a safe and livable city. A solid billing division helps to ensure a sustainable foundation for the maintenance and reinvestment in the comprehensive and capital-intensive utility infrastructure system.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

Efficient utility services help promote Lynnwood as an affordable place to live, work, and play.

The program is aligned with the following Community Vision goals:

- ***To be a welcoming city that builds a healthy and sustainable environment.***

This program provides the support necessary for the City to offer citizens both present and future an affordable place to live, work, and play.

- ***To be a cohesive community that respects all citizens.***

The Utility Billing program routinely interfaces with the community at large which often results in educating members of the community about the City and the programs it offers which often helps citizens feel respected and engaged in their community.

- ***To be a city that is responsive to the wants and needs of our citizens.***

The Utility Billing program strives to provide services and assistance that matters most to residents and businesses.

7. Mandatory v. Optional:

Billing of utility customers is a fundamental component of utility operations. Utility rates and fund indebtedness is supported by the equitable billing and payment for utility services. The City seeks to go above and beyond by administering discount and rebate programs to assist the most vulnerable citizens

Alternative Service Delivery Options:

Billing and Customer Services can be outsourced or shared with other agencies.

8. Program Staffing

Utility Billing	Dept.	FTE	Note
Dedicated Personnel			
Accounting Manager	Adm. Svcs.	0.50	Shared with Accounting and Auditing
Accountant	Adm. Svcs.	1.00	Enterprise Accountant
Senior Finance Technician	Adm. Svcs.	2.50	Includes a half-time coordination for discount and rebate programs
Total Dedicated Personnel		4.00	
Support Personnel			

9. Program Cost (summary):

Utility Billing	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ 203,389	\$ 343,906	\$ 678,835	\$ 604,469
2-Personnel Benefits	92,246	155,156	316,072	308,728
3-Supplies	706	4,716	6,000	9,250
4-Services	1,820	26,523	56,038	79,762
Total	\$ 298,161	\$ 530,301	\$ 1,056,945	\$ 1,002,209

10. Offsetting Revenues: (if any)

Utility Fund transfer to General Fund	\$1,002,209
Total offsetting revenues	\$1,002,209

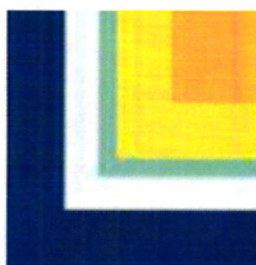
11. Fiscal Sustainability - Net General Fund Cost of Program:

	\$0
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43 **12. Performance Measures:**

Utility Billing	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Percent of utility bills processed with no errors.	100	95	99.99	99.92	To be determined
Number of utility customers enrolled in online Customer Self Service (CSS).	5,000	N/A	N/A	3,300	To be determined
Number of utility payments made online via CSS (annually).	8,000	N/A	N/A	6,340	To be determined
Number of utility customers enrolled in senior, low income discount and rebate programs	700	582	109	197	820

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1. Title: Budget and Strategic Planning**Program No.:** 01120100**2. Responsible Department(s):** Administrative Services**3. Brief Description:**

Budget: This program develops the City's biennial budget and monitors revenues and expenditures throughout the biennium. Budgets are prepared using Budgeting for Outcomes (BFO) principles. Detailed financial forecasts guide decision-making and goal setting by the City Council and each department. Budget staff calculate property tax levies for the forthcoming year, and prepare monthly, quarterly and annual financial reports on the City's financial performance.

Strategic Planning: This program applies strategic planning principles to advance the goals of the Community Vision and fiscal sustainability. Strategic planning reinforces the alignment between our resources and long-term community objectives. Strategic planning includes performance management and measurement, support of workplace innovation and continuous improvement, and assessment of emerging issues in municipal services.

4. Program Outcomes:

1. Preparation of, and amendment of, balanced budgets for each of the City's Funds.
2. Development of policy and/or legislation as needed to implement community priorities.
3. Long-range financial forecasts and regular reports regarding financial performance of the City.
4. New programs or initiatives to improve efficiency, effectiveness, and sustainability of City services.

5. Program Outcomes and the Strategic Plan, 2018-2022.

This BFO program produces outcomes critical to achievement of the Strategic Plan. Accurate budgeting is critical to all City operations, and to fiscal sustainability. Accounting and budgeting practices throughout the City follow the Financial Policies developed by this workgroup. Budget and Strategic Planning collects and reports each department's accomplishments and performance metrics. This workgroup manages the meetings and projects of the interdepartmental Strategic Planning Steering Committee.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be a regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

This program's work focuses on achieving fiscal sustainability through intelligent budgeting, continual analysis of financial performance, and objective assessment of City services. Collectively, this work is intended to ensure that Lynnwood remains highly accessible, responsive and accountable.

34 The program is aligned with the following Community Vision goals:

- 35 • ***To be a welcoming city that builds a healthy and sustainable environment.***

36 Budget and Strategic Planning is an internal service program which supports City Departments'
37 initiatives toward community betterment. The program supports fiscal health and
38 organizational advancement. A community without a solid financial footing can be neither
39 healthy nor sustainable.

- 40 • ***To be a cohesive community that respects all citizens.***

41 Budget and strategic planning organize and align community resources to realize Lynnwood's
42 short and long-range plans and goals. Community outreach and engagement support citizen
43 input and participation, including the various and diverse roles of Lynnwood's citizen advisory
44 boards. Proposed legislation/policy support community goals adopted with citizen involvement.
45 The City's biennial budget creates a cohesive response to the interests, concerns and aspirations
46 of the community as a whole. Budget and Strategic Planning's financial reports are published so
47 that interested citizens can remain aware of, help guide, and be involved in City services.

- 48 • ***To be a city that is responsive to the wants and needs of our citizens.***

49 This Program aligns budget and resource decisions with Lynnwood's Community Vision and
50 other adopted plans. An important evaluation criteria used in the budget process is relevance
51 to the Community Vision, which was prepared with extensive community outreach. The Budget
52 and Strategic Planning Program oversees level-of-service studies and efficiency studies to
53 confirm that resources are focused on established community goals.

54 **7. Mandatory v. Optional:**

55 Budget: Budget-related services provided by this Program are mandatory. Chapter 35A.34 RCW
56 requires that Lynnwood prepare and adopt its budget. Financial reports such as the
57 Comprehensive Annual Financial Report (CAFR), and the City's budgets must adhere to industry
58 best practices, State law, Generally Accepted Accounting Principles (GAAP), and the
59 requirements set forth by the Washington State Auditor's Office (SAO). In the absence of
60 proper budgeting and financial management, annual audits could include Management Findings,
61 which would diminish the City's bond rating, which in turn could affect the City's ability to
62 finance essential capital improvement projects, or necessitate higher interest rates and
63 increased debt service requirements.

64 Accurate and standardized budgeting helps to protect the City's assets from misappropriation
65 and loss. Accordingly, this Program allows the City to provide accountability, a key element of
66 stewardship of public trust.

67 Strategic Planning: Although not required by law, Lynnwood's strategic planning program is key
68 to achieving Lynnwood's Community Vision. Prior to establishment of the strategic planning
69 program, budgeting emphasis was largely generalized and limited to immediate operating
70 needs, rather than upon community goals and fiscal sustainability. Resolution 2015-5 calls for
71 the implementation of Budgeting for Outcomes (BFO). Strategic planning services have been
72 critical to achieving the Council directives specified by Resolution 2015-5.

Alternative Service Delivery Options:

Budget and/or strategic planning services could be provided by contract with a private consulting firm or through agreement with another government agency.

8. Program Staffing:

Budget & Strategic Planning	Dept.	FTE	Note
Dedicated Personnel			
Director Finance	Adm. Svcs.	0.25	Shared w Accounting & Auditing
Strategic Planner	Adm. Svcs.	1.00	
Budget Coordinator	Adm. Svcs.	1.00	
Total Dedicated Personnel		2.25	
Support Personnel			
Total Support Personnel		0.00	
Total Program Personnel		2.25	

9. Program Cost (summary):

Budget & Strategic Planning	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ -	\$ 290,544	\$ 573,064	\$ 564,863
2-Personnel Benefits	Included in	97,634	194,628	227,852
3-Supplies	Accounting &	400	5,350	2,250
4-Services	Auditing	17,595	47,460	57,513
Total	\$ -	\$ 406,173	\$ 820,502	\$ 852,478

10. Offsetting Revenues: (if any)

Budget & Strategic Planning	
Transfers from the Utility Fund (Fund 411) and the Golf Fund (Fund 460) offset the cost of budgeting and strategic planning services for those enterprise funds.	\$ 574,860
Total Revenues	\$ 574,860

11. Fiscal Sustainability - Net General Fund Cost of Program:

	\$277,618
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84 **12. Performance Measures:**

Budget & Strategic Planning	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
GFOA Distinguished Budget Award per biennial budget.	1	0		1	
Six-year financial forecasts for the General Fund issued per biennium.	2	2	1	2	
Monthly financial reports issued per year.	10	10	7	6	
Quarterly financial reports issued per year.	4	4	4	4	
No. times budget is amended/year	2	6	1	2	
No. amendments to budget/year.	2	6	49	58	
Innovation measures proposed per year.	4	5	10	14	

85

1. Title: Procurement and Contract Services **Program No.:** 01122100

2. Responsible Department(s): Administrative Services

3. Brief Description:

Procurement and contract services ensures that all contract awards follow state and LMC guidelines, ensures fair and transparent access to contracts for all businesses, provides tools for ordering and paying for goods, services, construction, professional and personal services, and provides contract administration for all departments and offices. The division promotes the participation of small, diverse, local, and regional businesses in City contract awards, promotes the purchase of environmentally sustainable products, and works collaboratively with other regional governments. A Finance Technician position will be added to this program to support P card transaction processing, financially supported through additional revenue generated by the P card Program.

4. Program Outcomes:

The Community benefits from this program through reduced costs for City expenditures, participation on contract competition, and confidence in the accountability of the City government. The division produces contracts, purchase orders, and interlocal agreements through partnership with internal and external customers. This program also fully supports compliance with laws, ordinances and code as well as ongoing improvements to contracts, payment streamlining, new revenue generation and internal and external customer service.

5. Program Outcomes and the Strategic Plan, 2018-2022.

This program is aligned with the Strategic plan:

Priority 2. Ensures financial stability and economic success - avoiding increasing costs through active contract management. The PCard program achieves this vision as a self-sustaining, efficient business method.

Priority 3. Nurture operational and Organizational Excellence - embracing continuous process improvement to achieve a completely paperless business processes; supporting community health and safety through promoting environmentally sustainable purchases and participation in the EOC disaster preparedness.

Priority 5. Pursue and maintain collaborative relationships and partnerships - pursuing partnerships that offer cost efficiencies through cooperative purchasing, service improvements and economies of scale; outreach to local and regional businesses; with a regional e-bidding portal; developing small, diverse and disadvantaged business programming.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

Procurement provides regional leadership and collaboration with the North Puget Sound Small Business Summit, development of regional e-bidding and small business programming, and provides accurate budget estimates, contracting and spend analysis to achieve government

accountability, inclusion and transparency. Our paperless business processes promote cost effectiveness and environmental sustainable practices.

The program is aligned with the following Community Vision goals:

- ***To be a city that is responsive to the wants and needs of our citizens.***
- ***Be environmentally friendly - sustainable***

Procurement promotes fair and equal access to government contracts, encourages transparency in the award of contracts, and participation by all businesses, while developing regional partnerships. We provide environmentally friendly and economically sustainable business practices and purchases to support City operations.

7. Mandatory v. Optional:

Procurement and Contract requirements are mandatory at the all levels of government, and incorporate best practice into our process to provide maximum value.

Alternative Service Delivery Options:

The current program maximizes the use of cooperative purchasing programs, while maintaining competitive contract awards where it is most effective. Outsourcing has occurred with some entities, though has only been sustained as a practice when public procurement was outsourced to another government entity.

8. Program Staffing

Procurement	Dept.	FTE	Note
Dedicated Personnel			
Manager-Purchasing & Contracts	Adm. Svcs.	0.50	Shared with Records
Supervisor-Finance	Adm. Svcs.	1.00	
Buyer	Adm. Svcs.	1.00	
Buyer	Adm. Svcs.	1.00	Funded by Utilities
Finance Technician	Adm. Svcs.	1.00	Procurement Technician
Total Dedicated Personnel		4.50	
Support Personnel			
Total Support Personnel		0.00	
Total Program Personnel		4.50	

9. Program Cost (summary):

Procurement	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ 426,231	\$ 276,122	\$ 590,703	\$ 720,184
2-Personnel Benefits	173,298	119,497	264,876	311,289
3-Supplies	4,611	-	18,650	5,700
4-Services	42,245	14,832	32,915	79,426
Total	\$ 646,385	\$ 410,451	\$ 907,144	\$ 1,116,599

59 **10. Offsetting Revenues: (if any)**

Procurement	
Transfers from the Utility Fund (Fund 411) and the Golf Fund (Fund 460) offset the cost of budgeting and strategic planning services for those enterprise funds.	\$ 550,072
Purchasing card rebate	252,000
Total Revenues	\$ 802,072

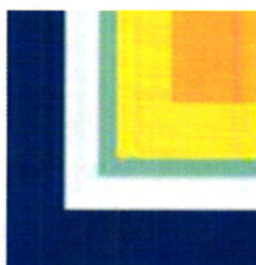
61 **11. Fiscal Sustainability - Net General Fund Cost of Program:**

	\$314,527
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63 **12. Performance Indicators:**

Procurement	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Spend Under Contract – Percentage of contracted expenditures under authorized amount.	95			96	
Percentage of procurement card (P card) transactions reconciled on time.	100			87	
Percentage of purchase orders (PO) issued within two calendar days of requisition.	95			76	

64 Notes: **1.** Percent spend under contract reflects the City's management of payments through managed
 65 agreement, ensuring best price and terms, and is an indicator of planned and strategic expenditures. **2.**
 66 P Card reconciliation demonstrates the accurate and timely management of transactions, ensuring a
 67 minimum risk of misuse and audit findings. **3.** Requisition to PO Cycle time demonstrates the reliability
 68 of staff to assist customers with purchases and payments and the spend under management, ensures
 69 timely payment to vendors, and allows for requisitions to be rejected when non-compliant.
 70



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1. Title: Records and Archiving**Program No.: 01122200****2. Responsible Department(s): Administrative Services****3. Brief Description:**

Records and Archiving is charged with managing City records, including the responsibility for responding to requests for public records. Additionally, the Records and Archiving team is responsible for the US mail and packages sent to and by City staff. This budget adds a Public Records Technician to manage public records requests for the City, work performed by a term-limited position approved by the Council in May 2017.

4. Program Outcomes:

Records and Archiving provides secure and accurate storage and timely disposition of records and disclosure of records in accordance with State law, City code, and best practices. This program manages the Gov QA system providing transparency and ease of access for records disclosure; the Application Extender electronic records management system providing archival and organizational tools for City records; and the Joint Legislative Audit and Review Committee (JLARC) reporting adopted by the legislature in 2017 (now an annual requirement). The outcome of this program is satisfied customers for records requests, organized and managed city record inventories, annual JLARC report, and the reliable receipt, distribution and sending of mail and packages. These services are critical to the successful operation of all City departments and offices,

5. Program Outcomes and the Strategic Plan, 2018-2022.

The Records and Archiving program is aligned with these top priorities:

2. Ensure the financial stability and economic success
3. Ensure operational and organizational excellence

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

Note: This program supports the vision to have sustainable and accountable management of city records.

The program is aligned with the following Community Vision goals:

- ***To be a city that is responsive to the wants and needs of our citizens.***

Our management of city records supports the wants and needs of the citizens to have reliable the prompt response to their requests for records. Our reliable handling of US mail and packages supports communication to and from the citizens, businesses and suppliers.

7. Mandatory v. Optional:

City record keeping and disclosure of records is mandated in State and Federal law, as well as City Code. It is a mandatory component of our grant compliance. US Mail handling is required by Federal law.

Alternative Service Delivery Options:

This program's services could be provided by a private vendor or through agreement with another agency. However, this program does require a significant amount of time and work done on-premises, and may not be cost effective.

8. Program Staffing

Records	Dept.	FTE	Note
Dedicated Personnel			
Manager-Purchasing & Contracts	Adm. Svcs.	0.50	Shared with Procurement
Senior Finance Specialist	Adm. Svcs.	1.00	
Support Services Tech	Adm. Svcs.	1.00	
Finance Technician	Adm. Svcs.	1.00	Records Technician
Total Dedicated Personnel		3.50	
Support Personnel			
Total Support Personnel		0.00	
Total Program Personnel		3.50	

9. Program Cost (summary):

Records	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ -	\$ 208,173	\$ 458,509	\$ 493,935
2-Personnel Benefits	-	77,957	172,817	188,858
3-Supplies	909	19,832	72,200	7,300
4-Services	67,809	57,726	138,175	147,645
Total	\$ 68,718	\$ 363,688	\$ 841,701	\$ 837,738

10. Offsetting Revenues: (if any)

Records	
Transfers from the Utility Fund (Fund 411) and the Golf Fund (Fund 460) offset the cost of budgeting and strategic planning services for those enterprise funds.	\$ 56,741
Fees for records	400
Total Revenues	\$ 57,141

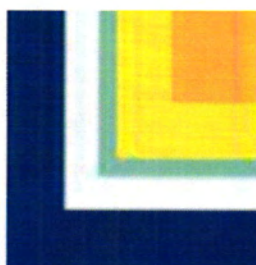
11. Fiscal Sustainability - Net General Fund Cost of Program:

	\$780,597
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49 **12. Performance Indicators:**

Records	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Total of public records fines (\$/year).	unk	unk	\$180,000	0	
Accurate Mail delivery (%).	100	90	99	99	
Accurate Inventory of records center documents (%).	100	85	96	100	

50
 51 **Note:** Fines and penalties indicate a failure to locate and/or disclose a record as required. Undelivered
 52 mail has a negative impact on the operation of a department, and delays communications, negatively
 53 impacting citizens and staff.



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1. Title: Treasury Services**Program No.: 01122510****2. Responsible Department(s): Administrative Services****3. Brief Description:**

This program of the Administrative Service's Department is to ensure the proper receipting and handling of the City's most-liquid asset, cash, checks, and investments; ensure the city is receiving the revenues it should be through the various revenue streams, and provide the upmost, best customer service internally as well as externally.

4. Program Outcomes:

Through responsible, conscientious & trustworthy staff, we maintain proper cash handling with accurate and accountable records and statements according to GAAP (Generally Accepted Accounting Principles) and BARS (Budgeting, Accounting and Reporting System). We keep a warm and friendly attitude when assisting customers, and folks know that City of Lynnwood is here to assist them. Examples of some outcomes:

- Treasury handled over 18, 500 transactions of receipting payments in 2017 through Tyler Cashiering.
- Another 31,100 payments come through the bank lockbox, e-lockbox, and the LSS online payment portal.
- Daily record keeping, monitoring, and analysis of inflows and outflows of cash to ensure the city is receiving all the funds we expect.

5. Program Outcomes and the Strategic Plan, 2018-2022.

This BFO program provides careful stewardship of Lynnwood's financial resources, which is essential to financial sustainability and economic success. Our management of receipts and daily deposits is essential to proper reconciliation of City Funds. This assists in ensuring financial stability. The employees of this BFO program also demonstrate to Lynnwood's citizens they are welcomed and appreciated when people enter City Hall or call in.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

Folks need to feel comfortable the city staff is doing the best it can, in our program, and, in fact, all facets of government. We must demonstrate responsibility and be trustworthy to do the best we can in our roles as custodians of the citizen's money and receivables. It is also our responsibility to provide accurate accounting and reporting to the City Council and the citizens of Lynnwood.

The program is aligned with the following Community Vision goals:

- ***To be a city that is responsive to the wants and needs of our citizens.***

Our program is here to assist with being an accountable government. We must continually demonstrate the ability to properly handle and manage the city's cash and investment accounts.

Citizens expect accuracy and assurance the city's funds are properly monitored, protected and reported.

7. Mandatory v. Optional:

Treasury duties are required to be performed in LMC 2.12.040.

Alternative Service Delivery Options:

This area of expertise typically is not outsourced.

8. Program Staffing

Treasury	Dept.	FTE	Note
Dedicated Personnel			
Supervisor-Finance	Adm. Svcs.	1.00	
Sr Finance Technician	Adm. Svcs.	2.00	
Finance Technician	Adm. Svcs.	0.50	
Total Dedicated Personnel		3.50	
Support Personnel			
Total Support Personnel		0.00	
Total Program Personnel		3.50	

9. Program Cost (summary):

Treasury	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ 312,336	\$ 269,362	\$ 566,906	\$ 546,557
2-Personnel Benefits	130,499	121,677	248,513	220,192
3-Supplies	4,911	6,027	11,975	18,400
4-Services	72,834	63,050	124,640	132,766
Total	\$ 520,580	\$ 460,116	\$ 952,034	\$ 917,915

10. Offsetting Revenues: (if any)

Transfers from the Utilities and Golf funds to offset cost of Treasury Services	429,851
	NA

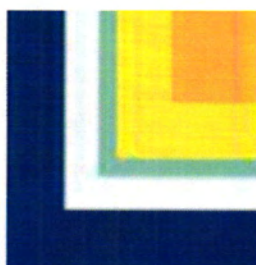
11. Fiscal Sustainability - Net General Fund Cost of Program:

	\$488,064
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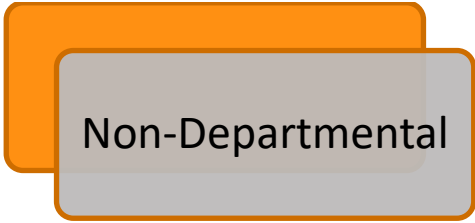
50 13. Performance Measures:

Treasury	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Number of checks held more than 24 hours.	0	100	500	49	
Number of instances when more than 24 hours needed to update cash records in Munis.	0	100	23	14	
Number of point of sale (POS) worksites receiving annual surprise audit.	7	3	5	3	
Number of overtime hours required to complete essential duties (hrs. per month).	<5	20	129	26	

51



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Non-Departmental

Mission and Responsibilities:

The Non-Department account within the General Fund is used as a source of funds for a limited number of expenses unrelated to any department or program. Beginning with the 2017-2018 Biennial Budget, use of this fund has been minimized to purposes such as sizable payouts to separating, long-term employees as well as transfers to other funds. Prior to 2017-2018, this fund was used for matters such as Sno-Com 911 assessments, rent, lease and utility expenses, auditing services and LEOFF retirement benefits.

Highlights and Changes Ahead For 2019-2020:

- None.

Highlights and Accomplishments During 2017-2018:

- None.

14 Non-Departmental Budget History:

Description	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
Interlocal Agreements (SNOCOM, SERS, etc.)	\$ 1,320,981	\$ -	\$ -	\$ -
LEOFF Retirement Benefits	665,078	-	-	-
Sick Leave/Vacation Payouts	372,363	117,978	200,000	200,000
Utilities	275,377	-	-	-
Auditing Services	197,900	-	-	-
Rentals and Leases	180,692	-	-	-
Efficiency Studies	109,083	94,408	96,753	-
Unemployment Claims	77,644	-	-	-
Association Dues & Memberships	56,826	-	-	-
Election Costs	39,820	-	-	-
Total Operating Expenditures	3,295,764	212,386	296,753	200,000
Transfer to Debt Service Funds	1,785,156	1,785,791	3,581,193	3,451,476
Transfer to Street Operating Fund	-	1,000,000	2,000,000	2,090,900
Transfer to Capital Funds	261,254	1,100,000	2,200,000	2,200,000
Transfer to Revenue Stabilization Fund	185,136	-	-	-
Transfer to Golf Fund (Interfund Loan)	125,000	-	425,000	-
Total Transfers	2,356,546	3,885,791	8,206,193	7,742,376
Total	\$ 5,652,310	\$ 4,098,177	\$ 8,502,946	\$ 7,942,376

15

16 Department Personnel [Full-Time Equivalent (FTE)]:

17 None.



DBS Mission

We strive to ensure our City is the safest, most livable and sustainable community in the region.

Department Mission and Responsibilities:

The Community Development (CD) Department plays a key role working with the Council, the public and other City Departments in developing and implementing long range plans intended to achieve the City's Vision. CD Department staff provide direct support to the City Council, Planning Commission, Hearing Examiner and Human Services Commission. Working with the Council and Commissions, our staff develop and update Lynnwood codes establishing standards for development, building and dealing with code enforcement issues. The Director is the City's designated SEPA Official with oversight of our environmental review and mitigation efforts. With a goal of offering high quality customer service, we coordinate and provide much of the staffing for the development review program that takes projects from design, through approval and construction.

Our Building 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. The Permit Counter staff are the front-end of the entire Development and Business Services (DBS) operation.

Our staff is a major source of information on the City for our residents, businesses and potential developers. We undertake continuous efforts at public outreach. We serve as the focal point for residents seeking their voices to be heard on development and environmental reviews, long-range planning, and City regulations.

The CD Department has primary responsibility for supporting the City's involvement in meeting the human and social service needs of our residents. We support the Human Services Commission, undertake research on needs and potential programs and agencies meeting these needs.

The CD Department plays major roles in coordinating annexation efforts and representing Lynnwood's interests with other jurisdictions and government agencies. We have been integral to the City's efforts working with Sound Transit (ST) and our community to implement the optimal light rail route and station design for Lynnwood Link service and similar efforts for ST3.

30 Highlights and Accomplishments during 2017-2018

- 31 • The CD Department, along with others in the DBS operation, embarked on a major effort
32 to improve customer service, adopt technological improvements for efficiency and enable
33 customers to make on-line applications, develop and adopt enhanced procedures and
34 processes and improve training. A standing team was created to work on these complex
35 issues including DBS, IT and HR staff. To date, there have been many improvements put
36 into place with several major efforts that will be going on for the balance of the year and
37 into 2019. Accomplishments to date include:
 - 38 ○ Transition to Bluebeam software to facilitate electronic plan submittal and review.
 - 39 ○ Transition of Business Licensing to EnerGov platform replacing obsolete software,
40 making staff more efficient and ultimately allowing on-line licensing and renewals.
 - 41 ○ EnerGov upgrades to enable on-line inspection requests and emailing of inspection
42 results to contractors and owners.
 - 43 ○ Transition to IG Inspect to enable digital inspection reporting using tablets and
44 equipping all Building, Fire, Public Works and Code Enforcement staff with the
45 technology.
- 46 • The Human Services Commission studied many critical issues to meet the needs of
47 Lynnwood residents. They worked on issues of homelessness, drug and alcohol abuse,
48 food security and encouraging service providers to locate in South Snohomish County
49 where needs are great. They made recommendations to the Council on proposed
50 ordinances and investments intended to help meet these needs. Finally, the Commission
51 oversaw the City's first Human Services Grants initiative. From a budget allocation of
52 \$75,000, Council approved six grants based upon Commission recommendations. The
53 grants provided nearly 31,000 meals to homeless, low income and senior residents.
54 Nearly 2,000 Lynnwood residents received services ranging from addressing
55 homelessness, gaining employment skills, dealing with substance abuse and accessing
56 financial aid and other services.
- 57 • Under the leadership of Mayor Smith, a group of organizations has developed a proposal
58 to acquire the Rodeo Inn motel. The goal is to yield a project designed to help meet the
59 needs of homeless families with children enrolled in Edmonds School District schools. At
60 the time of writing, a consortium of advocacy groups has been assembled, initial grant
61 funding is being sought and the City has commissioned a property appraisal.
- 62 • The Council funded a comprehensive analysis of fees charged by DBS operations with the
63 goal of ensuring that new development pays its own way. The analysis concluded that fee
64 recovery rates varied within the Center. A complete revision to the fee structure was
65 adopted by the Council July 2018. Cost recovery will be improved, but of equal
66 importance is that the new fee structure is much simpler to understand and apply. It will
67 also facilitate the transition to on-line permitting later.
- 68 • The City's Business License regulations were completely redrafted. The original was
69 extremely lengthy, contained confusing and redundant language and regulated many uses
70 that either no longer exist or which have been dramatically changed by technology and
71 different social norms. The revised ordinance will greatly improve the ability of businesses

and the public to understand it while also greatly aiding efficiency in application and enforcement. Cities are required under State law to convert to using the State's Business Licensing (BLS) system by 2026. City staff found the potential of converting to the State system to be beneficial to our customers and to improving efficiencies and petitioned to convert to the BLS system by 2020. The new business license ordinance has been designed to facilitate this transition.

- Sound Transit's Lynnwood Link project is moving from design to the start of construction in 2018 with opening scheduled for July 2024. This undertaking represents major commitments of staff time from all DBS Departments and Community Development has played a pivotal role.
- The City worked with Sound Transit and others to define routing and station location for ST3 which was approved by voters in November 2016. ST3 will extend light rail transit service from the Lynnwood Transit Center to Everett with a station located at the west entrance to Alderwood Mall.
- In 2015, Lynnwood's development rate quadrupled from \$50 million/year to \$200 million. This has become the "new normal" and at the time of writing it appears possible that 2018 will see the record broken. Yet CD staffing remains below pre-recession levels. This was only possible by internal reorganization, efficiency improvements and contracting for assistance from outside firms. However, customer service has suffered during this period and staff is breaking down from extended periods of stress.
- Using funding authorized by the Mayor and Council, the CD Department brought in staff from outside consulting firms to assist in dealing with a massive increase in development activity. The staffing has been effective in reducing the backlog of plans awaiting review and decreased review times from 8-12 weeks to a more reasonable 6-8 weeks.
- The CD Department worked with Economic Development, the Fire Marshal and Public Works to undertake a comprehensive customer service survey of DBS customers. The survey yielded generally good scores, but also pointed out areas where services could be improved.

Highlights and Changes for 2019-2020:

There are many critical issues that will be the focus of our efforts:

- In 2017-2018, the CD Department, along with other staff at the DBS Center, has made major progress in undertaking a reappraisal and progressive improvement of our procedures, policies, training and ordinances. The goal is to implement efficiencies in process and procedures, reorganize and train staffing as needed, while also improving our use of technology to yield major strides in customer service. In 2018, the DBS Center adopted a Vision/ Mission Statement that builds upon the one adopted by the Council for the City. Proposals are being advanced that will put the DBS Center on a "continuous improvement" footing. This effort will continue into 2019 as the last of the technology upgrades are completed, on-going training is implemented, and staff positions are added and/or shifted to better meet the City's long-term needs.
- Lynnwood Link Light Rail moved from design into the start of construction in 2018. The period from 2019 through 2024 requires a major commitment from Community

114 Development's Building Division, the Fire Marshal and from Public Works. This
115 collaboration between departments ensures construction conforms to required codes and
116 that construction is conducted safely while minimizing impacts on City residents and
117 businesses.

118 • Managing the high growth rate, the City began experiencing since 2015 will continue to be
119 a major focus. The growth rate has continued through 2018 and staff believes it has
120 become the "new normal" due to development in City Center, the balance of the Regional
121 Growth Center, along Highway 99 and infill single-family housing. The construction of
122 Lynnwood Link will only accelerate this activity, and in fact this is already being
123 experienced. The addition of passenger service at Paine Field should also contribute.
124 Staffing levels in Community Development have not kept pace with growth and the City
125 relies heavily on contracting for outside plan reviews and contract staffing to address at
126 least some of the demand.

127 • ST3 was approved by the voters in 2016. ST staff is scheduled to start working with
128 communities along the route in 2019. However, Lynnwood, Everett and Snohomish
129 County are already meeting with ST as a group assembled under the Economic Alliance of
130 Snohomish County. The group has a goal of advancing coordination, route selection and
131 station location to encourage ST to deliver the project a few years earlier than planned.
132 Lynnwood will also need to undertake station area planning around the proposed West
133 Alderwood Station with a projected start date of 2021. ST has already initiated work on
134 the Bus Rapid Transit Corridor planned to run from Lynnwood along I-405 through
135 Bellevue to Burien. This is an early start project that will open by 2024. Community
136 Development is serving as the liaison for this planning effort.

137 • The Human Services Commission has had success in helping to address the needs of the
138 City's homeless and low-income population. It has undertaken valuable work in coping
139 with drug dependency, mental health concerns and those dealing with abuse. These
140 efforts will continue during the 2019-2020 time period. The Rodeo Inn project will move
141 into implementation phases. At the time of writing, Mayor Smith has indicated a desire to
142 see the Commission coordinate its efforts with the new Diversity, Equity and Inclusion
143 Commission.

144 • In the previous budget, Council agreed to undertake a multi-departmental planning effort
145 for the South Lynnwood Neighborhood. The area has one of the City's largest
146 concentrations of low-income residents. There is also a somewhat chaotic mix of single-
147 family neighborhoods, commercial and industrial uses along with multi-family housing
148 that varies in quality. The effort began in earnest in 2017 and will conclude by 2019. The
149 community has been engaged and there have been several successful community-based
150 events.

151 • The City Center Sub-Area, located in the City's designated Regional Growth Center, has
152 experienced most of the City's growth in the last several years. With the anticipation of
153 the Lynnwood Link Light Rail, there is a heightened interest in redevelopment that will
154 bring new residential, commercial and office spaces. Along with its neighboring zones
155 (Alderwood-City Center Transition Area and Alderwood Mall area zones), City Center has
156 seen development quicker than originally anticipated since the adoption of the City Center
157 Sub-Area Plan in 2005 and the City Center Regulations and Planned Action EIS adoption in

2012. CD and Economic Development Departments will coordinate on updating plans, regulations and the environmental impact statement (EIS) to anticipate the expected growth in the coming years.

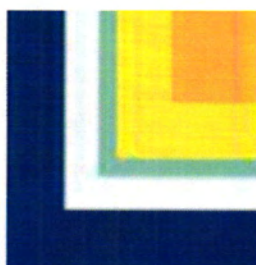
Department Budget History by Program:

Program	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
Administration	\$ 95,584	\$ 741,126	\$ 2,114,517	\$ 2,237,508
Planning	1,095,237	654,458	1,334,572	1,266,370
Permits & Inspections	861,764	1,200,319	2,971,359	3,441,304
Special Projects	270,139	-	-	-
Total Department Expenditure	\$ 2,322,724	\$ 2,595,903	\$ 6,420,448	\$ 6,945,182

Note: In instances where programs are not identified in past budgets, only the Department's total budget allocation is provided.

Department Personnel [Full-Time Equivalent (FTE)]:

Position	Number of Full-Time Equivalent (FTE)					
	2015 Actual	2016 Actual	2017 Actual	2018 Revised	2019 Adopted	2020 Adopted
Director Community Development		1.0	1.0	1.0	1.0	1.0
Permit Center Supv.		1.0	1.0	1.0	1.0	1.0
Senior Permit Technician		0.0	1.0	1.0	2.0	2.0
Permit Technician		3.0	2.0	2.0	2.0	2.0
Admin Asst./Permit Tech		1.0	1.0	1.0	0.0	0.0
Planning Manager		1.0	1.0	1.0	1.0	1.0
Senior Planner		2.0	2.0	2.0	2.0	2.0
Planner		1.0	1.0	1.0	1.0	1.0
Building Official		1.0	1.0	1.0	1.0	1.0
Asst. Building Official		1.0	1.0	1.0	1.0	1.0
Building Inspector		1.0	1.0	1.0	1.0	1.0
Electrical Inspector		1.0	1.0	1.0	1.0	1.0
Combo Electrical Inspector		0.0	0.0	0.0	1.0	1.0
Combination Inspector		1.0	3.0	3.0	2.0	2.0
Code Enforcement Officer		2.0	2.0	2.0	2.0	2.0
Total	15.0	17.0	19.0	19.0	19.0	19.0



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1. Title: Administration**Program No.: 01180000****2. Responsible Department(s): Community Development****3. Brief Description:**

The Administration Division has several distinct functions that include the Community Development Director. Duties include management of all department programs and staff, liaison to the City Council, Planning and Human Services Commission and to a variety of county and regional agencies. The Director is the City's designated SEPA Official, provides management oversight to the City's Development and Business Services Center and has been a primary point of contact with Sound Transit for ST2 and ST3 projects. The Director is coordinating customer service, and improvements to processes, procedures and technology across all Departments in the DBS Center.

The second function is the Permit Center staff under the Permit Center Supervisor. They handle intake, coordinate review and issue all construction permits while also serving as front of house for Public Works and Fire Marshal. They are key to operating and the permitting software, handling payments and have a primary role in responding to Public Information requests routed via the Records Department. Business Licensing was relocated from Finance to the Permit Center in 2017 to improve customer service and efficiency and enforcement. Staff is making a major commitment to working with IT and others in the DBS center to incorporate improved procedures, processes and software. Work is ongoing to update the LMC for ease of use by customers and staff and prepare for required integration into the State Business Licensing System scheduled for 2020. The Director and key staff throughout the Development and Business Center (including Economic Development, Public Works and Fire Marshal staff), are engaged in a major, multi-year effort to improve customer service, digitize operations and move to on-line permitting. In the first quarter of 2018, the City's on-line portal for Inspection Requests went live.

Community Development is funded by the City General Fund. However, the operation generates fees that are equivalent to the cost of providing the service. By State law these fees should be used to cover costs and not create a "profit center" for the City. However, the work of the operation results in new development which creates revenues for the City in the form of construction sales tax, REET tax, retail sales tax, property tax and utility tax.

4. Program Outcomes:

The Director's role includes representing the City in variety of forums, he or she needs to represent and advocate for the best interests of the community and our policy makers. These roles require leadership, vision, sensitivity and a quest for continuous improvement. The Director is also responsible for working with the public, electeds, staff, Developers and region to achieve the City's Vision for the future. Our Permit Center staff are often the primary point of contact with contractors, developers, homeowners and the public. Quality customer service is their essential product.

5. Program Outcomes and the Strategic Plan, 2018-2022.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

The Permit Center was originally established to improve customer service while resulting in better internal coordination between City Departments and staff efficiency. Since inception, the Center operation has adopted numerous improvements. Efficiencies resulted from reorganizations, shifting positions between divisions, adoption of amended codes and processes and use of technology. Today, the Center offers a single point of contact for all development/construction approvals, business licensing and for the public who wishes to be informed and engaged. At the time of writing, our staff is engaged in a major reassessment of our processes, procedures, technology and approach to customer service. We have been experiencing growth rates that are unprecedented for Lynnwood since 2015 which increases the challenge of making improvements but also increases the number of those who will benefit from them.

The program is aligned with the following Community Vision goals:

- ***To be a welcoming city that builds a healthy and sustainable environment.***

The Administrative Program includes Permit Center staff and the Community Development Director. The Permit Center is critical in working with the public, developers and contractors on all construction projects. The Permit Center also houses the City's Business License operation. The Director is responsible for representing the City to the public and in regional forums.

- ***To encourage a broad business base in sector, size, and related employment, and promote high-quality development.***

Our staff works with businesses seeking to locate or expand in the City. Our development approval process is a key implementation tool for assuring high quality development. These efforts were improved by co-locating Business Licensing in 2017.

- ***To be a cohesive community that respects all citizens.***

Our staff is one of the major points of interface between the community and the City.

- ***To invest in efficient, integrated, local and regional transportation systems.***

The Community Development Director has played a key role in the design and permitting for Lynnwood Link and ST 3.

- ***To be a city that is responsive to the wants and needs of our citizens.***

Customer service and providing information in a prompt, courteous and professional manner.

7. Mandatory v. Optional:

The City's development approval process is mandated under State law and by City code.

Alternative Service Delivery Options:

The Department has continuously found ways to improve customer service and has reorganized to meet work demands more efficiently. In recent years, the City has found

ways to outsource many of our Building Plan reviews and some of our inspections. However, as the Permit Counter is the “front end” of the DBS operation it is not feasible to outsource this function.

8. Program Staffing:

Administration	Dept.	FTE	Note
Dedicated Personnel			
Director Community Development	Comm. Dev.	1.0	
Permit Center Supervisor	Comm. Dev.	1.0	
Sr. Permit Technician	Comm. Dev.	2.0	
Permit Technicians	Comm. Dev.	2.0	
Total Dedicated Personnel		6.0	
Support Personnel			
Total Support Personnel		0.0	
Total Program Personnel		6.0	

9. Program Cost (summary):

Administration	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ -	\$ 406,507	\$ 1,000,222	\$ 1,087,693
2-Personnel Benefits	-	164,302	505,647	464,750
3-Supplies	12,833	948	115,169	77,000
4-Services	82,751	169,369	493,479	608,065
Total	\$ 95,584	\$ 741,126	\$ 2,114,517	\$ 2,237,508

10. Offsetting Revenues: (if any)

Administration	
Total Revenues	\$ -

11. Fiscal Sustainability - Net General Fund Cost of Program:

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88 12. Performance Measures:

Administration	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
DBS Survey Permit Exp. (% Satisfaction)	85	77			
Permit Routing. (days)	1	2	2	5	
Correction Letters. (days)	1	2			
Prep. For Permit Issuance. (days)	1	1			
Respond to calls/email. (days)	1	1			

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Program No.: 01181000

3. Brief Description:

The Program is partially offset by Permit revenues. Increased Planning Fees adopted with current budget. Fees changed from deposit basis to single payment. Entire fee structure was examined from full cost recovery basis with study commissioned December 2016 and completed in 2017.

The City Vision Statement is, to a significant extent, effectuated by the Plans and Codes developed and implemented by the Planning Division. The Plans and Development codes also meet the mandates set by the WA Growth Management Act. Planners serve as a primary source of information for the public, property owners and developers. Staff is also responsible for supporting the Planning Commission as well as the Human Services program that is intended to improve services available to our residents in need.

The Planning Division plays a critical role in the development of City Center, Lynnwood Link light rail transit (LRT) and Sound Transit 3 (ST3)'s planned extension to Everett. The massive increase in development activity that is contributing to the City's economic success and which also funds the Economic Development Investment Fund (EDIF) would not be possible without this group's efforts. The staff works collaboratively with virtually all other City Departments to meet these goals. Finally, our staff is engaged in multiple efforts to reach out and work with our community.

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

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The program is aligned with the following Community Vision goals:

- ***To be a welcoming city that builds a healthy and sustainable environment.***

Planning staff are one of the key points to interface between residents and the City. We work hard to offer the community the ability to comment on and interface with the City on new development and long range planning efforts.

- ***To encourage a broad business base in sector, size, and related employment, and promote high-quality development.***

Our staff is key to the initial approval process that all new and expanded businesses in Lynnwood must go through.

- ***To be a cohesive community that respects all citizens.***

Our staff is constantly working with the community providing information and seeking their advice and input.

- ***To invest in efficient, integrated, local and regional transportation systems.***

We are a key point of contact with Sound Transit and Community Transit. We also work continuously with Public Works and Parks on projects to plan for and build out streets and trails.

- ***To be a city that is responsive to the wants and needs of our citizens.***

As noted above, we are one of the primary sources of information and interaction with our citizens.

7. Mandatory v. Optional:

The Program is mandated by the State Growth Management Act. We are also a key link in the ability of the City Council to develop, approve and implement plans and codes. We occasionally outsource large projects to consultants as funding permits.

Alternative Service Delivery Options:

Effectively none. Some outsourcing is possible for special projects but day to day operations require in-house staffing.

8. Program Staffing:

Planning	Dept.	FTE	Note
Dedicated Personnel			
Planning Manager	Comm. Dev.	1.0	
Senior Planner	Comm. Dev.	2.0	
Planner	Comm. Dev.	1.0	
Total Dedicated Personnel		4.0	
Support Personnel			
Total Support Personnel		0.0	
Total Program Personnel		4.0	

9. Program Cost (summary):

Planning	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ 719,573	\$ 382,838	\$ 735,314	\$ 720,208
2-Personnel Benefits	305,070	156,394	297,472	302,162
3-Supplies	1,156	130	4,000	4,000
4-Services	69,438	115,096	297,786	240,000
Total	\$ 1,095,237	\$ 654,458	\$ 1,334,572	\$ 1,266,370

10. Offsetting Revenues: (if any)

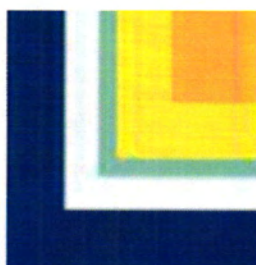
Planning	
Total Revenues	\$ -

11. Fiscal Sustainability - Net General Fund Cost of Program:

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12. Performance Measures:

Planning	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
DBS Survey Design Review Services. (rating)	6	5.27	5.07	5.22	
PDR, CUP, etc. reviews. (days)	90	90	90	90	
BLA's, Short Plats. (days)	60	90	30	30	
SEPA Determinations. (weeks)	3	6	6	6	
Phone and Email Response. (hours)	8	24	24	24	



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1. Title: Permits, Inspections and Code Enforcement Services**Program No.: 01182000****2. Responsible Department(s): Community Development****3. Brief Description:**

This division has a dual focus. Led by the City Building Official, the building and electrical inspectors and plan reviewers have the lead role in issuance of all construction permitting in the City. Plan reviews and inspections ensure that construction is safe, built according to plans and consistent with adopted State and local codes. They also regularly address issues with existing buildings that result in threats to public safety and property values. Enforcement of these codes is mandated under State law. The second function is Code Enforcement. Our Code Enforcement staff addresses a large variety of nuisances and code violations that pose a threat to public safety, health and neighborhood stability. While this function is not mandated under State law, an effective response to addressing these issues is critical to ensuring that Lynnwood continues to be a good place to live and invest in.

Permit fees more than cover the entire cost of operating this program. However, there are staff from other Community Development programs and from other Departments in the DBS operation who play key roles on the team required to review and approve projects. The City Council funded a comprehensive fee analysis in 2017. The results indicated that the fee recovery rate on Fire permits was low, Planning fees were below full recovery but acceptable due to fee increases and simplification adopted in 2016, Public Works was at parity and Building recovered all costs. At the time of writing, staff is bringing forward a comprehensive overhaul of all DBS fees that will increase revenues to match costs and greatly simplify the fee structure to make it easier to understand, apply and adapt to support on-line permitting.

4. Program Outcomes:

Support for development of Lynnwood in a manner consistent with adopted City Plans. Enforcement of State-mandated construction and life safety building codes. Timely and customer-focused permit reviews and construction inspections. Safe, healthy and attractive neighborhoods and properties free of impactful public nuisances.

5. Program Outcomes and the Strategic Plan, 2018-2022.**6. Relation to Community Vision:**

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

Our staff constantly interact with the public, businesses and builders to ensure that the built environment is safe, meets standards and is consistent with the City's long-term vision. Our Code Enforcement staff work to ensure safe and high quality neighborhoods.

The program is aligned with the following Community Vision goals:

- ***To be a welcoming city that builds a healthy and sustainable environment.***

Ensuring a high standard of development, addressing deficient buildings and properties, dealing with nuisance issues and threats to public safety are critical to building a healthy and sustainable environment.

- ***To encourage a broad business base in sector, size, and related employment, and promote high-quality development.***

The Building Division plays a critical role in ensuring that high quality development is consistent with City Plans, Codes and mandated State Building Codes. They also ensure construction is properly built and maintained.

- ***To be a cohesive community that respects all citizens.***

In our City, poorly maintained structures and conditions that create nuisances, typically impact not only the property in question but the surrounding neighborhood as well. Failure to address these issues effectively results in the diminishment of the area, impacts to the quality of life, decreased property values and an unwillingness to reinvest. Our staff effectively addresses all these issues.

- ***To ensure a safe environment through rigorous criminal and property law enforcement.***

Our Code Enforcement staff are granted limited commissions by the Police Department. With this commission they are empowered to issue citations in the small percentage of cases where voluntary compliance cannot be achieved.

7. Mandatory v. Optional:

Under State law, the City is required to enforce adopted building, electrical and life safety codes. Code Enforcement is not a state-mandated program; however, it is essential to maintaining community health and safety, property values and our neighborhoods.

Alternative Service Delivery Options:

The City is required to offer building permitting and inspection services, but could outsource many tasks using services from consultants or other agencies. Unlimited outsourcing is more expensive and less responsive than using in-house personnel and during the current construction boom it is unlikely to be feasible. The City has elected to also provide in-house electrical permitting and inspections to ensure our ability to better coordinate and offer a higher level of service for our customers. The alternative is to rely on State L&I staffing which often causes delays for contractors and can result in poor coordination with City inspections. Due to the required limited commissioning from LPD and coordination with the City Attorney and Prosecutor, contracting out Code Enforcement is not viable. The City does actively use outside providers to conduct plan reviews and is also contracting for some inspection services to fill staff shortfalls. The use of outside firms to conduct plan reviews was greatly increased in the fall of 2017 and will remain the case into the foreseeable future. Around 90% of our plan reviews are shipped out to reduce the amount of time needed for the work and to free up City staff to handle coordination and site inspections.

77 8. Program Staffing:

Permits & Inspections	Dept.	FTE	Note
Dedicated Personnel			
Building Official	Comm. Dev.	1.0	
Asst. Building Official	Comm. Dev.	1.0	
Como Electrical Inspector	Comm. Dev.	1.0	
Electrical Inspector	Comm. Dev.	1.0	
Combination Inspector	Comm. Dev.	2.0	
Building Inspector	Comm. Dev.	1.0	
Code Enforcement Officer	Comm. Dev.	2.0	
Total Dedicated Personnel		9.0	
Support Personnel			
Total Support Personnel		0.0	
Total Program Personnel		9.0	

79 9. Program Cost (summary):

Permits & Inspections	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ 550,721	\$ 660,022	\$ 1,587,422	\$ 1,569,636
2-Personnel Benefits	255,354	315,112	565,974	726,121
3-Supplies	19,482	12,733	42,018	48,000
4-Services	36,207	150,282	654,609	1,097,547
6-Capital	-	62,170	121,336	-
Total	\$ 861,764	\$ 1,200,319	\$ 2,971,359	\$ 3,441,304

81 10. Offsetting Revenues: (if any)

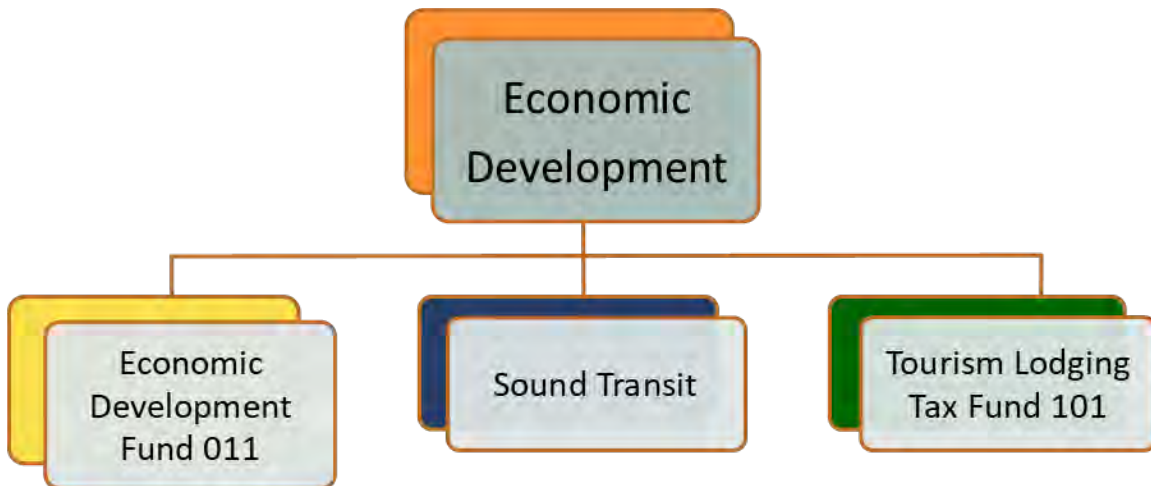
Permits & Inspections	
Permit Fees/ year	\$ 2.0 Million
Construction Sales Tax/ year	\$ 1.5 Million
Value of additions to property and sales taxes from new construction/year	\$180-200 Million
Total Revenues	

83 11. Fiscal Sustainability - Net General Fund Cost of Program:

85 12. Performance Measures:

Permits & Inspections	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
DBS Survey Inspection Services Overall Rating.	6	5.41	5.37	5.58	
DBS Survey Time for Inspections. (rating)	6	5.8	no data	no data	
Average Plan Review Time. (weeks)	4	8	12	6	
Average Time Plan Revisions Review. (weeks)	2	6	6	3	
Time to Schedule Inspections. (days)	1	2	2	2	
Code Enforcement Initial Response. (days)	1	2	2	2	
Respond to Calls and Email. (days)	1	2	2	2	

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Department Mission and Responsibilities:

To serve as a catalyst for economic development that provides healthy businesses, quality employment opportunities and sustainable city revenues and to foster economic vitality through programs and projects necessary to implement economic development policies.

Economic Development Planning and Strategies: To monitor and evaluate the City's current economic base and projected trends, identify economic growth opportunities, and identify actions compatible with citywide goals, action plan, and the department's mission statement.

Public Relations and Marketing: To encourage investment in the City by promoting Lynnwood for business development and tourism and to provide information to the public regarding the City's economic, demographics, businesses and employment.

Project and Program Management: To facilitate economic development projects and programs in the City of Lynnwood.

Tourism Management: To undertake programs and projects that help generate hotel/motel lodging tax revenues, economic activity and revenue from visitor spending; and the disbursement and monitoring of hotel/motel revenues in accordance with the Tourism Work Program in compliance with state law and City policy.

Highlights and Accomplishments 2017-2018:

Facilitated new businesses, expansion and investment

- CarMax – Auto dealership on Highway 99.
- Beech Road / Alderwood Mixed Use Project: Prepared development agreement for the realignment of Beech Road and construction of a mixed-use project development on Alderwood Mall Parkway.
- Submitted a site in City Center as part of the Economic Alliance Snohomish County's Amazon HQ2 proposal.
- Collaborated with the Economic Alliance Snohomish County to receive the "Opportunity Zone" tax incentive designation for City Center / South Lynnwood.

28 City Center

- 29 • Completed the City Center Implementation Strategies report with Jones Lang LaSalle to
30 identify strategies to implement the City Center Vision.

31 Sound Transit Lynnwood Link Light Rail Extension

- 32 • Collaborated with Sound Transit and various city departments regarding light rail routing,
33 transit center and station design, infrastructure requirements, and project agreements.
- 34 • Organized and participated in the design charrettes for the Lynnwood Link Extension.
- 35 • Collaborated with Sound Transit on project cost reductions for the Lynnwood Link
36 Extension and final design.
- 37 • Collaborated with Sound Transit on Transitway Agreement for the Lynnwood Link
38 Extension.

39 Development and Business Services

- 40 • Partnered with Department of Commerce to develop a Manufacturing Regulatory
41 Roadmap to assist manufacturing businesses interested in locating in Lynnwood.
- 42 • Collaborated with Public Works on relocation of the DBS offices, including space selection,
43 lease negotiations and space planning.
- 44 • Initiated DBS process improvements including a kick-off meeting, initial process review,
45 and implementation of the online inspection requests.

46 Infrastructure Project Collaboration and Facilitation

- 47 • Participated in the successful resolution of the Merlone Geier SEPA appeal of the 196th ST
48 SW improvement project.
- 49 • Partnered with WSDOT to submit a grant application to the FHWA for \$1 million for the
50 44th Ave W / I-5 underpass improvements to support the design and construction of
51 improvements.
- 52 • Assisted Public Works in finalizing the Pre-Design Report for the 42nd Ave W future grid
53 street in City Center.

54 Outreach & Marketing

- 55 • Completed a Marketing and Business Recruitment Plan with Marketing Solutions, Inc. to
56 guide our marketing and outreach efforts.
- 57 • Presented on current and future projects in Lynnwood to community partners and
58 business organizations.

59 Tourism Promotion

- 60 • Completed an Economic Impact Report to track visitor spending on lodging, good and
61 services in Lynnwood.
- 62 • Participated in sales missions and trade shows to promote Lynnwood to group tour
63 operators, including the Snohomish County Tourism Bureau's Vancouver BC sales mission,
64 National Tour Association Travel Exchange, and Go West Summit.

- Initiated a TripAdvisor Premium Destination Partnership to promote Lynnwood as a destination and manage related content.

Highlights and Changes for 2019-2020:

- City Center and Regional Growth Center projects
- Lynnwood Link Light Rail
- Business recruitment and expansion
- Development & Business Services process Improvements
- Lynnwood tourism promotion

Department Budget History by Program:

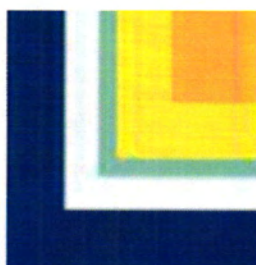
Program	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
Economic Development	\$ 416,482	\$ 506,863	\$ 1,193,384	\$ 1,227,718
Sound Transit - Light Rail	-	206,607	876,750	2,508,781
Total	\$ 416,482	\$ 713,470	\$ 2,070,134	\$ 3,736,499

Department Personnel [Full-Time Equivalent (FTE)]:

Position	Number of Full-Time Equivalent (FTE)					
	2015 Actual	2016 Actual	2017 Actual	2018 Revised	2019 Adopted	2020 Adopted
Director	1.0	1.0	1.0	1.0	1.0	1.0
City Center Program Manager	1.0	1.0	1.0	1.0	1.0	1.0
Project and Tourism Manager*	0.5	0.5	0.5	0.5	0.5	0.5
Administrative Assistant*	0.5	0.5	0.5	0.5	0.5	0.5
Total	3.0	3.0	3.0	3.0	3.0	3.0

*0.5 FTE of this position is in the Lodging Tax Fund (Fund 101)

Note: Economic Development is funded 100% from the General Fund, 011. The Tourism program is funded 100% from the Lodging Tax Fund 101.



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Program No.: 01185000

3. Brief Description:

The 2015-2020 Economic Development Action Plan, adopted by City Council in 2015, identifies five primary economic development goals. Each interdepartmental goal involves action strategies and implementation activities. The five goals are:

- #### 4. Program Outcomes:

- ## 5. Program Outcomes and the Strategic Plan, 2018-2022.

The Economic Development program works to ensure financial stability and economic success through business outreach, marketing and retention efforts by promoting Lynnwood's Regional Growth Center and City Center for new businesses and development; facilitating private development; and collaborating with other City departments on infrastructure improvements. These functions directly relate to Priority 2 of the Strategic Plan.

Economic Development supports various public infrastructure projects and private investments that improve the quality of life for Lynnwood citizens, businesses and visitors. The success of these efforts is messaged through branding and marketing functions. These functions directly relate to Priority 4 of the Strategic Plan.

The Economic Development program works to build collaborative partnerships with City departments and other organizations to achieve our goals for City Center, light rail, and business and employment growth. These functions directly relate to Priority 5 of the Strategic Plan.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be a regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

Successful economic development results in a vibrant, diversified and sustainable economy. These characteristics are a cornerstone of a vibrant and sustainable community.

The program is aligned with the following Community Vision goals:

- ***To be a welcoming city that builds a healthy and sustainable environment.***

This program promotes Lynnwood to potential residents, businesses, developers and visitors through a variety of outreach, marketing and project facilitation activities. A significant portion of this program is the implementation of the City Center Plan which encourages high-quality development to create a vibrant City Center.

- ***To encourage a broad business base in sector, size, and related employment, and promote high-quality development.***

Through outreach, marketing and project facilitation, this program supports new and existing businesses to diversify Lynnwood's economy, create new employment opportunities, and facilitate high-quality development and infrastructure improvements.

- ***To invest in preserving and expanding parks, recreation, and community programs.***

This program implements the City Center Plan which calls for new park development within City Center to create community gathering places and serve as a catalyst for new development.

- ***To be a cohesive community that respects all citizens.***

This program prioritizes high-quality development and infrastructure projects and supports Lynnwood's diverse business community to encourage a strong, diverse and integrated community.

- ***To invest in efficient, integrated, local and regional transportation systems.***

Through implementation of the City Center Plan, light rail project coordination, and collaboration with other City departments on various infrastructure projects, this program works to fulfill the vision to reduce traffic congestion and serve the needs of commuters and non-commuters.

- ***To be a city that is responsive to the wants and needs of our citizens.***

Marketing and outreach efforts of this program enhance our brand and identity in the region while promoting Lynnwood as a great place for businesses and new development.

7. Mandatory v. Optional:

Economic Development is an optional function for local government in Washington State. The City of Lynnwood has pursued this function, and has established the Office of Economic Development and economic development policies by ordinance and resolution.

Ordinance 2320 established the Office of Economic Development. Under authority of Ordinance No. 2320, the Office of Economic Development is responsible for planning, programs and projects necessary to implement economic development policies. LMC Chapter 2.45.010 states the City of Lynnwood shall develop a long-range economic plan with attention given to fostering public/private partnerships.

Ordinance 3143 incorporates the goals and strategies of the 2015-2020 Economic Development Action Plan as the Economic Development Element of the City of Lynnwood Comprehensive Plan 2035. Resolution 2014-14 adopts the 2015-2020 Economic Development Action Plan and Implementation Matrix.

The Office of Economic Development fulfills these ordinance and policy goals and objectives.

Alternative Service Delivery Options:

The functions of the OED are outlined in Ordinance 2320; primarily to implement economic development policies. The 2015-2020 Citywide Economic Development Plan, which itemizes those policies, has been adopted by Ordinance 3143 as the Economic Development component of the Comprehensive Plan and by Resolution 2014-14.

Ordinance 2320 could be repealed and existing OED functions eliminated or realigned and distributed to other departments eliminating staffing for OED. This would add additional work load and possible additional staffing needs to other departments.

The OED function could be contracted out to an outside vendor or overarching agency such as the Economic Alliance of Snohomish County. While business recruitment marketing might be successfully managed in this way, city-specific policy identification and implementation, project oversight, project facilitation, and continuous process improvements are best addressed internally through interdepartmental coordination and collaboration.

8. Program Staffing:

The OED function has 3 FTEs as listed below. (In addition to the 3 FTEs below, there is 1 FTE dedicated to supporting the Tourism function which is funded by the Lodging Tax Fund 101 and is a specific program within the Office of Economic Development.)

Position	Dept.	FTE	Note
Dedicated Personnel			
Director	Econ. Dev	1.0	
City Center Program Manager	Econ. Dev	1.0	
Project and Tourism Manager	Econ. Dev	0.5	0.5 FTE in Lodging Tax Fund
Total Dedicated Personnel		2.5	
Support Personnel			
Administrative Assistant	Econ. Dev	0.5	0.5 FTE in Lodging Tax Fund
Total Support Personnel		0.5	
Total Program Personnel		3.0	

9. Program Cost (summary):

Economic Development	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ 272,327	\$ 323,231	\$ 671,389	\$ 695,792
2-Personnel Benefits	112,237	115,734	248,139	260,037
3-Supplies	2,024	2,019	10,300	9,350
4-Services	29,894	65,879	263,556	262,539
Total	\$ 416,482	\$ 506,863	\$ 1,193,384	\$ 1,227,718

10. Offsetting Revenues:

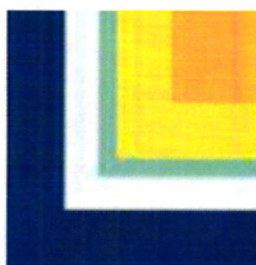
Economic Development	
Indirect. This program promotes business enterprise, retails sales, job creation, new construction, and tourism for the purpose of revenue generation.	
Total Revenues	\$ -
Total Program Cost (previous table)	\$ 1,227,718
Net General Fund Cost of Program (direct)	\$ 1,227,718

11. Fiscal Sustainability - Net General Fund Cost of Program:

OED indirectly generates revenues through business attraction and retention activities.

12. Performance Measures:

Economic Development	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Number of outreach engagements; and presentations to businesses and organizations.	16	14	16	21	18
Number of times Lynnwood Development & Business Services Customer Survey results and compiled and reported to Council.	1	0	1	0	1
Completion of the development agreement with Sound Transit for the Lynnwood Link light rail.*	1	0	0	0	0
Number of sales missions attended to promote Lynnwood to group tour operators and travel professionals.	2	3	2	2	3
Number of times Lynnwood lodging metrics are reviewed and reported to the Lynnwood Tourism Committee.	4	2	2	4	4
*A Transitway Agreement with Sound Transit was completed and approved by Council in December 2017 as required to obtain federal funding. The development agreement will be required for city project approval, which is anticipated in 2019.					



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1. Title: Sound Transit – Light Rail

Program No.: 01185010

2. Responsible Department(s): Office of Economic Development

3. Brief Description:

The Office of Economic Development (OED) works to facilitate the design and construction of the Sound Transit Lynnwood Link Light Rail Extension to serve as a catalyst for City Center development and improve multi-modal transportation. OED has negotiated an Interlocal Agreement with Sound Transit with the goal of providing expedited plan review. The agreement will provide reimbursement for City costs associated with these efforts, including staff time, consultant services, and permit fees. This program establishes a separate budget for tracking Lynnwood Link related consultant expenses and reimbursements from Sound Transit.

4. Program Outcomes:

Completion of the Lynnwood Link Light Rail Extension and City Center Station.

5. Program Outcomes and the Strategic Plan, 2018-2022.

A significant function of the Office of Economic Development is project coordination for the Lynnwood Link light rail extension and Lynnwood City Center station. This function is directly related to Priority 1 of the Strategic Plan.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be a regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

The program is aligned with the following Community Vision goals:

- *To be a welcoming city that builds a healthy and sustainable environment.*

The Lynnwood Link will encourage economic development, serve as a catalyst for development in City Center, and improve multi-modal transportation.

- *To encourage a broad business base in sector, size, and related employment, and promote high-quality development.*

The Lynnwood Link will serve as a catalyst for high-quality development, and attract new business and employment opportunities.

- *To invest in efficient, integrated, local and regional transportation systems.*

Completion of the Lynnwood Link light rail will fulfill the vision to reduce traffic congestion and serve the needs to commuters and non-commuters in Lynnwood and the region.

- *To be a city that is responsive to the wants and needs of our citizens.*

Completion of the Lynnwood Link light rail will fulfill the vision to be a sustainable city and provides a convenient mode of transportation maximizing the opportunity and benefit of Lynnwood's location and proximity to Seattle.

7. Mandatory v. Optional:

Mandatory based on voter approval of the Lynnwood Link Light Rail Extension, and the project's classification as an essential public facility.

Alternative Service Delivery Options:

This program is required to achieve Priority 1 of the Strategic Plan. The program could be reassigned to another department.

8. Program Staffing:

Position	Dept.	FTE	Note
Dedicated Personnel			
None.			
Total Dedicated Personnel		0.0	
Support Personnel			
Total Support Personnel		0.0	
Total Program Personnel		0.0	

9. Program Cost (summary):

Sound Transit - Light Rail	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ -	\$ -	\$ -	\$ -
2-Personnel Benefits	-	-	-	-
3-Supplies	-	-	-	-
4-Services	-	206,607	876,750	2,508,781
Total	\$ -	\$ 206,607	\$ 876,750	\$ 2,508,781

10. Offsetting Revenues:

Sound Transit - Light Rail	
Reimbursement agreement funding	\$ 2,508,781
Total Revenues	\$ 2,508,781
Net General Fund Cost of Program	

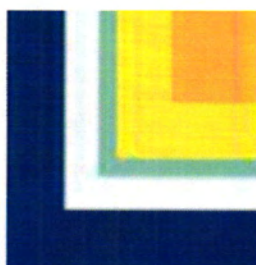
****Note:** This program serves to reimburse the City for costs related to the review of the Sound Transit Lynnwood Link project. An amendment to the staffing agreement authorized by Ordinance 3241 on December 15, 2016 is currently being negotiated.

Fiscal Sustainability - Net General Fund Cost of Program:

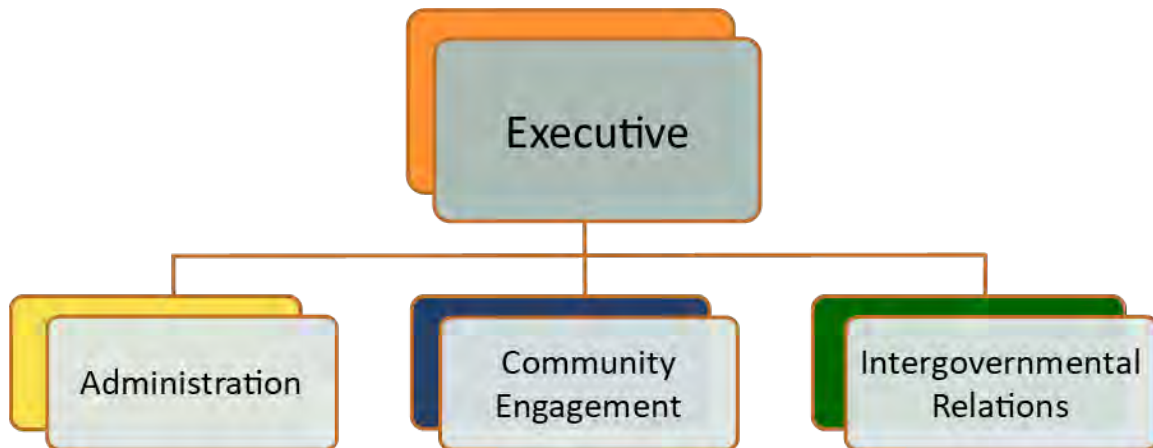
	None
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52 **11. Performance Measures:**

53 None



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Department Mission and Responsibilities:

The Executive Office provides leadership for the City and administrative direction for the functions of city government in support of the Community Vision, the Strategic Plan Priorities, and other various goals and initiatives. The Executive Office oversees administrative operations that support and implement the policy direction of the City Council. This work includes dissemination of information to and from the general public, coordination with officials, agencies, and bodies representing other government agencies, and general support of Lynnwood's citizen advisory boards and commissions.

Highlights and Accomplishments 2017-2018:

Executive Administration:

- Co-signed a Safe, Welcoming, and Equitable City Resolution along with City Council and Police Chief.
- Continued to cultivate and strengthened the City's intergovernmental relations with local, County, State and Federal officials.
- Hosted two successful State of the City Addresses.
- Mayor served on the Regional Fire Authority Planning Committee and the Public Affairs Officer served on the Staff Work Group. The team worked collaboratively with members from Fire District 1 to propose an RFA Plan for the August 2017 election with the successful passage and creation of the South Snohomish County Regional Fire Authority.
- Created the Diversity, Equity & Inclusion Commission.
- Continued to meet with citizens during the Mayor's Citizen Engagement meetings, met on a quarterly basis with members of the Senior Center, and with city employees during "Coffee with the Mayor."
- Established a new employee diversity group called "Lynnwood Employees Embracing Diversity – LEED."
- Continued partnerships and collaborations with regional partners such as: Economic Alliance, South County Leadership CEO Round Table, Snohomish Cities and County Leadership, Edmonds Community College and Edmonds School District, Puget Sound

Regional Council, Snohomish County City Managers and Administrators, Association of Washington Cities.

- Traveled to Washington, DC to meet with Congressional Representatives and other officials to advocate for Lynnwood's Light Rail project.
- Established "Partner Lynnwood" – a collaborative effort with Edmonds Community College, Edmonds School District, WorkSource, WorkForce, Economic Alliance, Sno-Isle, the Lynnwood Chamber and many more to serve as a catalyst to inspire collaboration in business, learning, and living.
- Mayor served as Chair of Snohomish County Cities.
- Initiated Global Communities Initiative with Edmonds School District and Edmonds Community College in an effort to better serve our immigrant and refugee community members.

Sister City Program:

- Completed a first City of Lynnwood delegation visit to Damyang, South Korea.
- Held a first City of Lynnwood and Edmonds School District international student exchange program between Lynnwood High School and Damyang High School.
- Participated in the Kakehashi Student Exchange Project with the Edmonds School District under the Japanese Consulate Office and Japan International Cooperation Center.
- Provided bamboo plants at City Hall to symbolize the Lynnwood-Damyang Sister City relationship, and held a Northwest Korean Culinary Association function for Lynnwood employees, in partnership the Lynnwood Sister Cities Association.

Veterans Program:

- Created a South Snohomish County Veterans Resource Task Force.
- Established the Hero's Café, a monthly meeting for Veterans to come together for support and comradeship, in partnership with Verdant Health and local Veteran volunteers.
- Joined Economic Alliance of Snohomish County's Military Affairs Committee.

Community Engagement:

- Conducted several targeted outreach campaigns to educate and inform our local community on major projects and initiatives.
- Conducted targeted media outreach and engagement to land positive news stories about Lynnwood.
- Sponsored and participated in "Step Up: Understanding and Implementing Racial Equity" Conference at the Lynnwood Convention Center.
- Continued disaster preparedness and safety efforts for the community and staff:
 - Directed the restructuring of Lynnwood's Emergency Operations Center and updating of Emergency Operations Protocols.

- 69 ▪ Improved coordination and collaboration with Department of Emergency
70 Management, collaborated with Edmonds Community College and Edmonds
71 School District on disaster preparedness.
- 72 ▪ Participated in the Regional Snohomish County Public Information Officers
73 quarterly meetings.
- 74 ○ Participated in a focused community-engagement and relationship building effort in
75 the South Lynnwood Neighborhood.
- 76 ○ Launched a new neighborhood ambassador program called “Lynnwood Cares” to
77 encourage community leaders to co-host events and activities with city staff.
- 78 ○ Recognized numerous community groups, organizations and community leaders
79 with proclamations during City Council Business Meetings.
- 80 ○ Public Affairs Officer appointed to the Snohomish Multiple Agency Response Team
81 (SMART) as a Public Information Officer.

82 Intergovernmental Relations:

- 83 ○ Continued intergovernmental outreach to federal, state and county legislators – and
84 strengthened relationships with state representatives from the 21st and 32nd districts.
- 85 ○ Developed Lynnwood’s legislative priorities and held legislative engagements in Council
86 Chambers to discuss those priorities, funding opportunities and Lynnwood’s major
87 projects.
- 88 ○ Attended Olympia’s legislative sessions in 2017 and 2018 to advocate Lynnwood’s
89 legislative priorities with a City delegation that included the Mayor, Councilmembers,
90 and Executive staff.
- 91 ○ Hired Summit Strategies as Lynnwood’s first federal lobbyist to advocate legislative
92 policies and major priorities and introduced to the Leadership Team and City Council.
- 93 ○ Collaborated with Economic Alliance Snohomish County (EASC) and Snohomish County
94 Cities (SCC) in developing legislative priorities for Lynnwood and region
- 95 ○ Sent letters of support for legislative initiatives that align with Lynnwood’s legislative
96 priorities.

97 **Highlights and Changes for 2019-2020:**

- 98 • Continue efforts to implement Lynnwood’s Community Vision.
- 99 • Support efforts to implement Lynnwood’s Strategic Plan 2018-2022.
- 100 • Implement strategic measures to achieve long-term fiscal sustainability.
- 101 • Continue disaster and emergency preparedness awareness and training efforts.
- 102 • Continue advocacy of the highest priorities of the City Council and the community.
- 103 • Continue preparation for the arrival of light rail transit service (Sound Transit’s Lynnwood
104 Link) in 2023.

- 105 • Continue working with the Council and community on improving relations between the
- 106 police and communities of color.
- 107 • Build on community engagement through inclusive outreach strategies.
- 108 • Improve the City's web presence with the redevelopment of www.LynnwoodWA.gov and
- 109 other city related websites.
- 110 • Advocate Lynnwood's interests at the County, State and Federal levels.
- 111 • Implement continuous improvement in all administrative operations.
- 112 • Continue working with the South Snohomish Veterans Task Force to work towards
- 113 securing a regional veterans center.
- 114 • Partner with other agencies and groups to address human service issues of regional
- 115 concern such as homelessness, affordable housing, and the opioid epidemic.

116 Department Budget History by Program:

Program	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
Administration	\$ 587,609	\$ 639,253	\$ 1,076,990	\$ 1,077,519
Community Engagement	44,276	48,790	428,870	537,324
Intergovernmental Relations	-	64,740	135,109	268,685
Community Vision Initiative	154,396	9,326	19,949	-
117 Total	\$ 786,281	\$ 762,109	\$ 1,660,918	\$ 1,883,528

118 Department Personnel [Full-Time Equivalent (FTE)]:

	Number of Full-Time Equivalent (FTE)					
Position	2015 Actual	2016 Actual	2017 Actual	2018 Revised	2019 Adopted	2020 Adopted
Mayor	1.00	1.00	1.00	1.00	1.00	1.00
City Administrator	1.00	1.00	1.00	1.00	1.00	1.00
Intergovernmental Relations Liaison	0.50	0.50	0.50	0.50	0.75	0.75
Public Affairs Officer	1.00	1.00	1.00	1.00	1.00	1.00
Executive Assistant	0.50	1.00	1.00	1.00	1.00	1.00
119 Total	4.00	4.50	4.50	4.50	4.75	4.75

1. Title: Administration**Program No.: 01112000****2. Responsible Department(s): Executive****3. Brief Description:**

This program oversees all Departmental operations, manages day-to-day operations, and works collaboratively with the City Council, other agencies, non-profit groups, and the general public.

4. Program Outcomes:

The Executive Administration, led by the Mayor, is responsible for the following major outcomes:

- Provide Executive Leadership to city departments to ensure the accomplishment of city priorities
- Be accountable to the community and city council to ensure the wants and needs are addressed
- Provide clear and concise communications to strengthen relationships internally and externally
- Represent the City of Lynnwood in the region and nation on matters of importance to the City of Lynnwood

5. Program Outcomes and the Strategic Plan, 2018-2022.

Administration's primary purpose is ensuring that all departments and programs function to the highest degree possible. Administration, in collaboration with Budget & Strategic Planning, facilitated the development of the Strategic Plan, and supports all initiatives to implement all of the Priorities of the Strategic Plan 2018-2022.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be a regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

This program provides direction and guidance for each department to create and maintain operations worthy of recognition as regional models. The program is responsible for forging and disseminating the Community Vision, including each of the seven Goals of the Community Vision.

7. Mandatory v. Optional:

This program supports the duties of the mayor, who serves as the City's Chief Executive Officer. Duties of the mayor are specified by Chapter 35A.12 RCW and Chapter 2.10 LMC.

Alternative Service Delivery Options:

None.

8. Program Staffing:

Administration	Dept.	FTE	Note
Dedicated Personnel			
Mayor	Exec.	1.0	
City Administrator	Exec.	1.0	
Executive Assistant	Exec.	1.0	
Total Dedicated Personnel		3.0	
Support Personnel			
Total Support Personnel		0.0	
Total Program Personnel		3.0	

9. Program Cost (summary):

Administration	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ 401,670	\$ 389,927	\$ 631,490	\$ 652,428
2-Personnel Benefits	142,509	141,583	232,150	241,640
3-Supplies	4,987	4,870	12,500	6,600
4-Services	28,759	102,873	200,850	176,851
5-Intergovernmental	9,684	-	-	-
Total	\$ 587,609	\$ 639,253	\$ 1,076,990	\$ 1,077,519

10. Offsetting Revenues:

Administration	
Total Revenues	\$ -

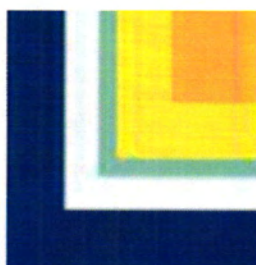
11. Fiscal Sustainability - Net General Fund Cost of Program:

	\$1,111,364
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41 **12. Performance Measures:**

Administration	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Number of engagements with each director per year, for reporting, mentoring, collaboration, etc.	18		20+	156	
Number of engagements per year with City Council Leadership for coordination and collaboration.	40		47	46	
Number of citizen engagements per year to convene, converse and collaborate.	50		63	136	
Number of engagements per year with representatives of other agencies for the purpose of collaboration and advancement of Lynnwood's interests.	36		52	79	

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1. Title: Community Engagement**Program No.: 01112010****2. Responsible Department(s): Executive****3. Brief Description:**

The Community Engagement program budget is responsible for the oversight and execution of Citywide communications, notifications, marketing, emergency communications, media relations, and internal employee communications. This program budget also encompasses Public Affairs and efforts to pursue and maintain collaborative relationships and partnerships.

4. Program Outcomes:

It is the goal of the City of Lynnwood to provide meaningful and timely information to our residents, business owners, employees, and community members to keep them up to date and informed of critical city issues, projects and initiatives, and community events. City staff aims to communicate with a coordinated and multi-faceted approach. The ultimate goal is to provide the right information, to the right people, at the right time, so they can make informed decisions. Through public affairs, collaboration and partnerships will help leverage our city's resources to achieve the greatest possible outcome.

5. Program Outcomes and the Strategic Plan, 2018-2022.

Communications and engagement tactics should be interwoven into all strategies aimed at accomplishing the five priority areas of the Strategic Plan 2018-2020. Communications and engagement is an integral part of accomplishing our goals and achieving our vision. Priority 5 – Pursue and maintain collaborative relationships and partnerships is directly connected to the goals and purpose of the community engagement program budget.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

Community engagement is a critical piece of having engaged citizens and being a transparent and accountable government.

The program is aligned with the following Community Vision goals:

- ***To be a welcoming city that builds a healthy and sustainable environment.***

Communications, marketing and branding materials are a key factor in making our city welcoming and inviting to all.

- ***To be a cohesive community that respects all citizens.***

Through effective, inclusive communications we are able to reach our diverse community in a variety of different ways ensuring that all people of Lynnwood are informed.

- ***To be a city that is responsive to the wants and needs of our citizens.***

It is imperative that the City provide our residents, businesses, employees, and stakeholders with important information that the city deems appropriate, and delivering information that is requested and/or desired by the public.

7. Mandatory v. Optional:

There are some aspects of Community Engagement that are required by law such as public notice of certain meetings and hearings, and providing translation/interpretation services upon reasonable request. Other aspects are not required by law, but are highly needed in order to achieve many, if not all aspects of the Community Vision.

Alternative Service Delivery Options:

Some aspects of communications could be done by a contracted vendor; however, engagement is dependent on a staff commitment to reach out in various ways to solicit feedback and participation. For Community Engagement to truly be successful it must be ingrained in the city's philosophy of how we do business.

8. Program Staffing:

Community Engagement	Dept.	FTE	Note
Dedicated Personnel			
Public Affairs Officer	Exec.	1.00	
Total Dedicated Personnel		1.00	
Support Personnel			
Total Support Personnel		0.00	
Total Program Personnel		1.00	

9. Program Cost (summary):

Community Engagement	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ -	\$ -	\$ 179,184	\$ 213,075
2-Personnel Benefits	-	-	77,136	98,324
3-Supplies	2,061	374	8,000	10,850
4-Services	42,215	48,416	164,550	215,075
Total	\$ 44,276	\$ 48,790	\$ 428,870	\$ 537,324

10. Offsetting Revenues:

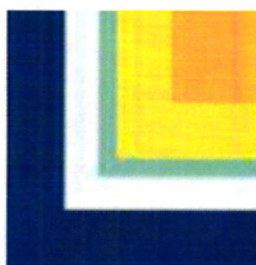
Community Engagement	
Total Revenues	\$ -

11. Fiscal Sustainability - Net General Fund Cost of Program:

	\$537,324
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12. Performance Measures:

Community Engagement	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Survey respondents indicating satisfaction with City communications (%)	90		Not tracked	Not tracked	
Number of eNews subscribers (% increase)	15		17,500	17,457	
Number of Facebook followers (% increase)	15		2,512	4,869	
Number of Twitter followers (% increase)	15		6,946	9,685	
Number of Instagram followers (% increase)	15		115	346	
Note: Total subscriptions as of 12/31/17 43,573. Change in total subscriptions +5,231, change in subscribers -220. No longer tracking LynnwoodFire Twitter account with 3,731 followers.					
Number of eNews messages	200		268	233	
eNews engagement rate (%)			44	37	
Number of social media messages	350				
Average number of social media messages per week				10	
Number of press/media coverage events	24			68	
Number of visits to City website	1,500,000			283,766	
Number of users visiting City website				192,269	
Number of website pages visited				877,368	



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1. Title: Inter-governmental Relations**Program No.: 01112020****2. Responsible Department(s): Executive****3. Brief Description:****Legislative Program:**

This program coordinates and convenes the exchange of ideas and information between the City Lynnwood and other public and non-profit agencies. While communicating with representatives of government agencies of all levels and types, program members advocate for the Lynnwood community.

Sister City Program:

This program builds the people-to-people relationship between two cities in two international countries initiated by leaders and members of the community to learn and understand practices in government, education, trade and tourism, humanitarian, and cultural exchanges and projects.

Veterans Program:

This program serves and assists veterans with human fundamental needs in medical, employment, housing, education, career transition, and outreach; and collaborates with veteran service providers to improve service efficiency and minimize duplicative efforts.

4. Program Outcomes:

All programs' outcomes include: a) advancement of positions and actions favorable to Lynnwood; b) development of new and lasting community partnerships; c) innovative programs and meaningful services forged from collaboration and diplomacy.

5. Program Outcomes and the Strategic Plan, 2018-2022.

All of the programs' relationships, communications and deliverables should be interwoven into all strategies aimed at accomplishing those areas of the Strategic Plan 2018-2020; and speaks to Priority 4 in becoming a safe, welcoming and livable City, and Priority 5 in pursuing and maintaining collaborative relationships and partnerships.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be a regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

This program leverages relations with other agencies and entities to advance all aspects and goals of the Community Vision. The Intergovernmental Relations team utilizes external relationships in order to create services and outcomes of the highest caliber.

7. Mandatory v. Optional:

While not required by law for all three programs, it is in the City's interest to foster and maintain positive relations with other agencies, entities and members of the community.

Alternative Service Delivery Options:

These programs' outcomes could be achieved through professional services agreement.

8. Program Staffing:

Inter-governmental Relations	Dept.	FTE	Note
Dedicated Personnel			
Intergovernmental Relations Liaison	Exec.	0.75	
Total Dedicated Personnel		0.75	
Support Personnel			
Total Support Personnel		0.00	
Total Program Personnel		0.75	

9. Program Cost (summary):

Inter-governmental Relations	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ -	\$ 48,149	\$ 87,480	\$ 129,219
2-Personnel Benefits	-	12,203	14,871	30,301
3-Supplies	-	-	7,500	5,000
4-Services	-	4,388	25,258	104,165
Total	\$ -	\$ 64,740	\$ 135,109	\$ 268,685

10. Offsetting Revenues:

Inter-governmental Relations	
Total Revenues	\$ -

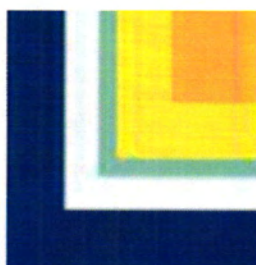
11. Fiscal Sustainability - Net General Fund Cost of Program:

	\$241,185
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45 **12. Performance Measures:**

Inter-governmental Relations	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Number of Legislative Program engagements facilitated per year with local, regional, and federal agencies and entities.	6			16	
Number of Sister City Program engagements with community representatives facilitated per year.	6			24	
Number of Veterans Program engagements with community representatives facilitated per year.	6			24	

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Department Mission and Responsibilities:

The Human Resources Department strives to partner with other departments to attract, sustain and inspire a thriving City workforce.

The Human Resources (HR) Department is an internal, full-service Human Resources Department, providing human resource management and administration assistance to City departments, supervisors, and employees. Our programs are designed to attract and retain a diverse, highly qualified and engaged City staff. HR Department's responsibilities include the following:

- Employee and labor relations
- Recruitment, selection and onboarding
- Classification and compensation
- Employee benefits administration
- Employee professional development
- Employment policy administration and legal compliance
- Civil Service administration
- Safety Committee/workplace safety
- Diversity, Equity and Inclusion Committee support
- Strategic planning

Highlights and Accomplishments During 2017-2018:

- Administered 109 recruitment processes and hired 243 full and part time employees
- Participated in the transfer of the City of Lynnwood Fire Department to the South Snohomish County Fire and Rescue.
- Successfully changed healthcare benefit providers for AFSCME, Teamster and Non-Represented employees from AWC to Alliant.
- Successfully negotiated 5 union contracts including Police Officers and Detectives, Police Management, Police Sergeants, Police Support and AFSCME.
- Implemented AFSCME compensation realignment for all AFSCME represented employees.
- Facilitated Supervisor Skills training with ongoing Supervisor meetings.

- 30 • Updated Civil Service rules and processes to better address marketplace challenges.
- 31 • Implemented a paperless Personnel Action Notice process in Munis and further enhanced
- 32 the HR Module of Munis including additional Employee Self Service portal services.
- 33 • Replaced 80% of the staff in the Human Resources Department including hiring a Human
- 34 Resources Director, Human Resources Administrative Assistant and two Human Resources
- 35 Analysts.
- 36 • Expanded the HR Department recruitment outreach by participating in various job fairs
- 37 and being present at testing sites.

38 **Highlights and Changes for 2019-2020:**

39 This is a very exciting time for the Human Resources Department as we continue to broaden our
40 scope of service and partnerships with City departments and the City staff we serve. The HR
41 Department looks forward to providing outstanding core Human Resources services as well as to
42 develop and implement citywide staff learning and development opportunities, cultural
43 diversity initiatives and programs, even stronger recruitment and marketing capabilities, and an
44 enhanced and engaging onboarding experience for new hires.

45 **Recruitment and Selection:**

- 46 • The Human Resources Department has the goal that the City of Lynnwood be viewed as a
- 47 premier employer in Snohomish County. To do this, the department must continue to
- 48 increase the communication and connection with our community. The proposed budget
- 49 includes funding for the tools to implement additional outreach efforts.
- 50 • Research shows that a quality onboarding experience can improve employee retention by
- 51 25%. The Human Resources Department intends to update and modernize our new
- 52 employee onboarding experience which will enhance how we welcome new employees to
- 53 the City of Lynnwood and improve employee retention.

54 **Cultural Diversity, Equity and Inclusion:**

- 55 • The Human Resources Department intends to further grow and develop our cultural
- 56 diversity and inclusion programs. These programs are key to the City of Lynnwood being a
- 57 welcoming City reflective of the community we serve and are a key component of the
- 58 strategic priorities of the City.

59 **Professional Development:**

- 60 • It cannot be stressed enough how important employee professional development is to
- 61 employees, individual departments and the City as a whole. The City's investment in our
- 62 staff through professional development programs increases job knowledge, improves
- 63 customer service delivery, shows employees they are valued and supported, and
- 64 challenges staff to continue to reach for their full potential which supports the City's goal
- 65 of being a regional model for service delivery.

66 **Labor Relations:**

- 67 • In 2017-2018, we contracted with Summit Law Group to lead our union contract
- 68 negotiations. In the 2017-2018 budget, the costs of labor negotiation support from
- 69 Summit Law is included.

Workplace Safety:

- In collaboration with the Public Works Department, we are adding the position of Human Resources Safety Officer. This position will improve and enhance our citywide safety program and risk management efforts by providing consistent safety compliance, paying particular attention to the Wastewater Treatment Plant. Additionally, this position will be responsible for monitoring and maintaining required safety practices to insure a safe and healthy workplace for our City staff and our community. Also, this position will be responsible for ADA compliance. As noted below, this position will be paid for by three different funds, two of which are in the Public Works Department and the third in Human Resources.

Department Budget History by Program:

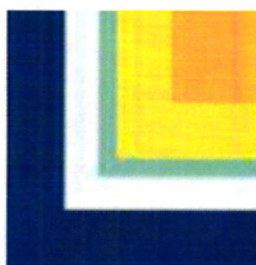
Note: In instances where programs are not identified in past budgets, only the Department's total budget allocation is provided.

Program	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
Operations	\$ 669,591	\$ 763,526	\$ 1,388,621	\$ 1,501,487
Employee Services	5,934	26,204	142,900	293,900
Labor Relations	-	17,923	125,500	123,000
Employment Admin.	-	8,961	55,400	-
Total	\$ 675,525	\$ 816,614	\$ 1,712,421	\$ 1,918,387

Department Personnel [Full-Time Equivalent (FTE)]:

Position	Number of Full-Time Equivalent (FTE)					
	2015 Actual	2016 Actual	2017 Actual	2018 Revised	2019 Adopted	2020 Adopted
Human Resources Director	1.0	1.0	1.0	1.0	1.0	1.0
Human Resources Manager	0.0	1.0	1.0	1.0	1.0	1.0
Administrative Assistant	1.0	1.0	1.0	1.0	1.0	1.0
Human Resource Analyst Senior	0.0	0.0	0.0	1.0	1.0	1.0
Human Resource Analyst	2.0	2.0	2.0	1.0	1.0	1.0
Human Resource Safety Officer*	0.0	0.0	0.0	0.0	1.0	1.0
Total	4.0	5.0	5.0	5.0	6.0	6.0

* This position is shared 60% with the Utility Fund and 20% with the Transportation Benefit District (TBD) Fund. The TBD fund is a standalone budget outside of the City of Lynnwood Biennial Budget.



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- Recruiting and onboarding practices that are responsive, welcoming, equitable and consistent to ensure that the City hires and retains a qualified and diverse workforce.
- Employee training and professional development programs that are relevant and educational to encourage employee professional development and engagement which will increase productivity and enhance City service delivery.
- Employee benefit administration for eligible City staff consisting of comprehensive yet cost effective benefit packages that will attract, nurture and retain employees.
- Employee recognition programs that honor City staff for their years of service as well as recognizing outstanding work product for both individuals and teams.
- Civil Service administration for our Police Department ensuring compliance with state and local law.
- Classification and compensation administration which allows the City to remain competitive in our marketplace with our recruitment and employee retention efforts as well as ensuring that our job specifications accurately reflect the necessary qualifications for successful job performance.
- Departmental succession plans that identify high potentials and support individual learning and development to become future leaders and minimize the effect of the departure of an aging workforce.
- Safety programs that actively assess, address and manage workplace safety issues so that we provide our employees a safe and healthy working environment.
- Employee performance management practices that are proactive, supportive, consistent, and policy/contract compliant to ensure that all City employees are treated fairly and equitably and that they understand the performance levels necessary not only to be successful in their current positions but what they can do to be prepared for promotional opportunities.
- Collaborate and negotiate with employee unions and administer applicable terms of collective bargaining agreements.

These HR services allow the Human Resources Department and the City of Lynnwood to develop partnerships and work collaboratively with City employees and City Departments resulting in the City's ability to attract and retain an engaged, well trained, diverse and high performing workforce who, in turn, will provide outstanding service to our citizens and the public.

5. Program Outcomes and the Strategic Plan, 2018-2022.

Nurture operations and organizational excellence is Priority 3 in the Strategic Plan and is the priority for the Human Resources Department as well. Each program outcome listed above is intended to achieve this Priority. Additionally, this program also addresses the Priority 3 statement regarding training, cross-training, and monitoring progress to measure success.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

The City of Lynnwood having a diverse, fairly-compensated, well-trained and engaged workforce providing outstanding services to our citizens and our community speaks to accountable government.

The program is aligned with the following Community Vision goals:

- **To be a welcoming city that builds a healthy and sustainable environment.**

Human Resources is the first contact that prospective employees have with the City. It is important that the HR Department be reflective of the City vision by providing a welcoming, inclusive, supportive environment to those interested in working at the City and to maintain that same work environment throughout a staff member's employment with the City.

- **To be a cohesive community that respects all citizens.**

City staff who are united in their ability to provide superior service, have the opportunity to learn and grow professionally, are fairly compensated and are recognized for their contributions to the City results in a cohesive 'City of Lynnwood' culture that is respectful of each other and of the community they serve.

- **To be a city that is responsive to the wants and needs of our citizens.**

The Human Resources Department, through its responsiveness and service delivery to Lynnwood employees, creates a positive employee culture that ensures that all staff are supported, valued, treated fairly and that their needs and wants are addressed. In turn, this culture supports staff to be responsive to the needs and wants of our citizens.

7. Mandatory v. Optional:

Mandatory in that much of what the Human Resources Department does is in response to legal and contractual requirements. For example, the Human Resources Department monitors and ensures compliance with many State and Federal Laws such as the following: Family Medical Leave Act (FMLA), Washington State Family Care Act, Washington State Domestic Violence Leave, Affordable Care Act (ACA) American with Disabilities Act (ADA), Age Discrimination in Employment Act (ADEA), Federal Occupational Safety and Health Act (OSHA), Washington

Industrial Safety and Health Act (WISHA) Older Workers Benefit Protection Act (OWBPA), Military Family Leave Act, Title VII, Fair Labor Standards Act (FLSA) and COBRA among others. In addition, the HR Department monitors and ensures compliance with the Lynnwood Municipal Code as it relates to employment as well as the City Personnel Policies and Procedures.

Alternative Service Delivery Options:

The services of the Human Resources Department could be provided by various third-party entities.

8. Program Staffing:

Employee Services	Dept.	FTE	Note
Dedicated Personnel			
Total Dedicated Personnel		0.0	
Support Personnel			
Total Support Personnel		0.0	
Total Program Personnel		0.0	

9. Program Cost (summary):

Employee Services	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ -	\$ -	\$ -	\$ -
2-Personnel Benefits	-	-	-	-
3-Supplies	2,607	2,019	12,200	34,600
4-Services	3,327	24,185	130,700	259,300
Total	\$ 5,934	\$ 26,204	\$ 142,900	\$ 293,900

10. Offsetting Revenues: (if any)

	0

11. Fiscal Sustainability - Net General Fund Cost of Program:

	\$293,900
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91 **12. Performance Measures:**

Employee Services	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Time from requisition approval to job posting (business days)	5				
Percent of regular, full-time employees voluntarily separating during first year of employment. (≤)	2				
Percent of new hires who self-identify as having one or more diversity traits.	50				
Percent of new hires with Veteran status.	30				
Percent of regular, full-time employees voluntarily ending employment who self-identify as having one or more diversity traits. (≤)	10				
Percent of positions filled by internal promotion.	20				
Percent of regular, full-time employees participating in exit interviews at separation.	100				

92

1 **1. Title:** HR Operations **Program No.:** 01118000

2 **2. Responsible Department(s):** Human Resources

3 **3. Brief Description:**

4 The HR Operations program includes the functions and resources required to not only manage
 5 the day to day activities within the Human Resources Department, but to continually cultivate a
 6 culture of learning and development, professionalism, collaboration, efficiency, creativity and
 7 inclusion in the Human Resources Department.

8 **4. Program Outcomes:**

9 HR Operations outcomes include a Human Resources Department staffed by talented,
 10 committed, service-driven professionals who are dedicated to supporting and advancing the City
 11 Vision and the priorities of the Strategic Plan.

12 **5. Program Outcomes and the Strategic Plan, 2018-2022.**

13 One Objective of Priority 3 is to create, develop and foster a culture of continuous process
 14 improvement including identifying processes and opportunities for innovation. This program
 15 addresses that Objective. This program also addresses the Priority 3 statement regarding
 16 training, cross-training, and monitoring progress to measure success.

17 **6. Relation to Community Vision:**

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

18
 19 The program is aligned with the following Community Vision goals:

- **To be a cohesive community that respects all citizens.**

21 The Human Resources Department highly values and is committed to always being respectful
 22 and supportive of our fellow HR staff members. As HR staff interact with City employees and
 23 the public, HR staff will exhibit these qualities and these values will be passed forward, positively
 24 impacting interactions and service delivery both to our internal customers and with the public
 25 we service.

26 **7. Mandatory v. Optional:**

27 Because the City is an employer, it is essential that the City utilize human resources
 28 professionals and processes to administer, oversee and support positive and legally compliant
 29 workplace conditions.

30 **Alternative Service Delivery Options:**

31 The services of the Human Resources Department could be provided by outside entities
 32 through professional services agreements or interlocal agreements.

8. Program Staffing:

Operations	Dept.	FTE	Note
Dedicated Personnel			
Director Human Resources	Hum. Res.	1	
Human Resources Manager	Hum. Res.	1	
Human Resource Analyst Senior	Hum. Res.	1	
Human Resource Safety Officer	Hum. Res.	1	60% shared with Utility Fund and 20% shared with TBD Fund
Human Resource Analyst	Hum. Res.	1	
Total Dedicated Personnel		5.0	
Support Personnel			
Administrative Assistant	Hum. Res.	1	
Total Support Personnel		1.0	
Total Program Personnel		6.0	

9. Program Cost (summary):

Operations	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ 383,713	\$ 460,810	\$ 909,668	\$ 973,523
2-Personnel Benefits	146,324	168,315	360,033	421,834
3-Supplies	26,482	7,932	18,800	12,500
4-Services	113,072	126,469	100,120	93,630
Total	\$ 669,591	\$ 763,526	\$ 1,388,621	\$ 1,501,487

10. Offsetting Revenues: (if any)

	0

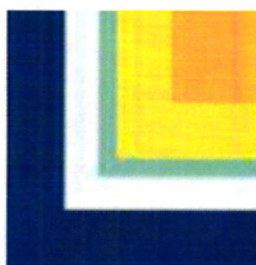
11. Fiscal Sustainability - Net General Fund Cost of Program:

	\$1,501,487
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40 **12. Performance Measures:**

Operations & Strategy	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Percent of HR employees completing professional development training in their primary assignment area(s).	100				
Percent of HR employees cross-trained and capable of completing another HR employees' duties. (annually)	100				

41



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1. Title: Labor Relations**Program No.: 01118400****2. Responsible Department(s): Human Resources****3. Brief Description:**

This program addresses labor relations expenses associated with negotiating and administering the collective bargaining agreements (CBA). The City works with four labor groups including:

AFSCME which has 77 members.

Teamsters which has 43 members.

Lynnwood Police Guild which has 93 members and three labor contracts.

Police Management with 4 members.

During 2017 - 2018, the City contracted with Summit Law for their labor relations expertise in negotiating the Teamsters and Police Guild labor agreements. We anticipate using the services of Summit Law during AFSCME contract negotiations as that contract expires in 2019, as well as consulting with Summit Law when complex union contract issues arise.

4. Program Outcomes:

The outcomes include equitably negotiated union contracts, ratified in a timely fashion. Additionally, it allows the City to receive specialized legal counsel when navigating complex issues associated with CBAs. In turn, it is expected that the likelihood of grievances and unfavorable rulings will be minimized.

5. Program Outcomes and the Strategic Plan, 2018-2022.

Priority 2 states that the City will ensure financial stability and economic success. Priority 2 goes on to say that good fiscal management is a critical component of a well-run organization, that for financial stability, we need to continue to incorporate strategic planning and outcome orientated budgeting to ensure the City's expenditures are fully aligned with the Community Vision and the Strategic Plan. Negotiated union contracts that are based on a sound financial foundation provide the City with established present and future expenditures to help ensure financial stability.

Also in the Strategic Plan, Priority 3 states that we are to nurture operational and organizational excellence focusing on Lynnwood's workplace culture and operational quality. The union negotiation process and resulting labor contracts as well as our ongoing labor management relationships reflect our workplace culture and values, and are key in supporting and promoting operational excellence.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

Fairly negotiated labor agreements and their proper administration speak to accountable government.

The program is aligned with the following Community Vision goals:

- ***To be a welcoming city that builds a healthy and sustainable environment.***

Labor agreements that are negotiated in a timely and amicable manner strengthens the collaborative partnership between labor and management resulting in a positive, cooperative workplace environment which will be positively reflected in the interactions with our citizens and the public.

- ***To be a city that is responsive to the wants and needs of our citizens.***

Labor agreements that are fair and that address the needs of represented employees builds a positive and respectful partnership between the City and staff. In turn, the workforce can focus upon delivering superior service to the community.

7. Mandatory v. Optional:

The City is obligated to negotiate in good faith with labor unions.

Alternative Service Delivery Options:

The City could forego consultant services and negotiate all labor agreements with in-house staff. However, this arrangement would cause considerable workload challenges for this relatively-small department.

8. Program Staffing:

Labor Relations	Dept.	FTE	Note
Dedicated Personnel			
Total Dedicated Personnel		0.0	
Support Personnel			
Total Support Personnel		0.0	
Total Program Personnel		0.0	

9. Program Cost (summary):

Labor Relations	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ -	\$ -	\$ -	\$ -
2-Personnel Benefits	-	-	-	-
3-Supplies	-	-	-	-
4-Services	-	17,923	125,500	123,000
Total	\$ -	\$ 17,923	\$ 125,500	\$ 123,000

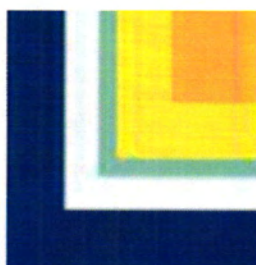
10. Offsetting Revenues: (if any)

57 **11. Fiscal Sustainability - Net General Fund Cost of Program:**58

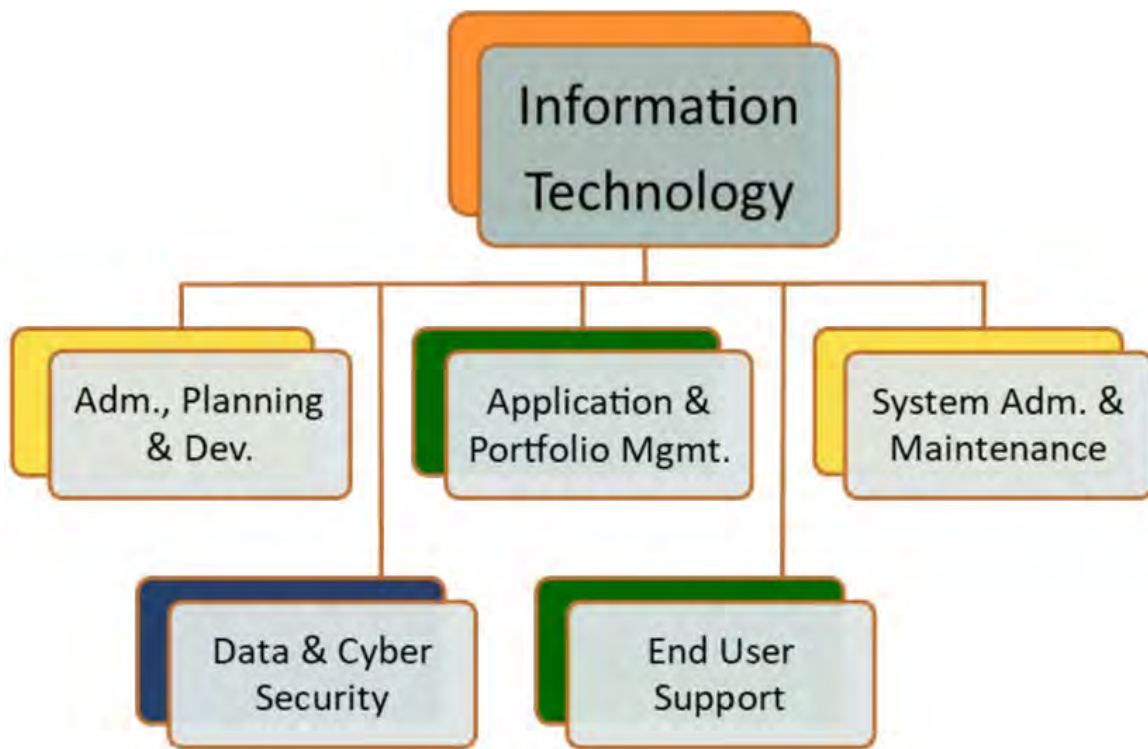
	\$123,000
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59 **12. Performance Measures:**

60 None.



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Department Mission and Responsibilities:

The Information Technology Department's mission is to provide innovative technology, in collaboration with its customers, to effectively and efficiently fulfill their current and future business needs. To fulfill this mission, the Department is responsible for all aspects of managing and supporting the City's network and telecommunications infrastructure. The scope of these responsibilities encompasses: enterprise applications such as Munis and EnerGov; computer hardware including servers, switches, storage arrays, workstations, and printers; network security including application and network credentials, remote system access, firewalls, intrusion detection, and antivirus and malware protection. The Department also provides technical assistance and training to City employees on the proper and effective use of the City's IT systems.

Highlights and Accomplishments During 2017-2018:

- Aging, end-of-life equipment was refreshed, including the City's Server infrastructure, Storage Area Network infrastructure, Network and Wireless infrastructure, and Firewall System.
- City Telephony system was refreshed, eliminating communication system failures, and enhancing communication services and capabilities for City.
- City user drives were migrated and now stored and managed within cloud services, providing more resilient service and less burden on internal systems.
- City Disaster Recovery was improved by implementing new backup systems that utilize local and cloud resources.

- Cybersecurity education and phishing tests performed, resulting in substantially increased awareness for employees and better response to external Cybersecurity threats.
- Upgrade of Munis ERP platform and standardization of technology updates to include a cycle of upgrades every two years, during off-budget year of biennium. Upgrades of other key application systems, including Cartegraph, Microsoft SQL, and ArcGIS.
- Enhancements and additional tools for mobile employees, including implementation of iPad/iPhone technologies to remote workers, allowing for work to be completed off-site in a more paperless fashion.
- Introduction of Drone technologies, to be used in conjunction with GIS technology and inspections.
- Implementation and go-live of Citizen Self Service Portal for online inspections, permits, and payments.

Highlights and Changes for 2019-2020:

The 2017–2018 biennium brought significant and exciting changes to Information Technology Department. Highlights for Systems Support Department include a full server, storage, telephony, firewall, and network infrastructure replacement and a significant overhaul of the City’s disaster recovery capability. The 2019-2020 biennium will focus on Nurturing Operational and Organizational Excellence by focusing on continuous improvement of current systems and technology. The most significant projects in the Information Technology Systems Department will be completion of planned hardware refreshes, expanding the current cloud computing platform for Disaster Recovery resilience, developing comprehensive test Disaster Recovery scenarios, improving business continuity, developing strategies and roadmaps to support the City’s current and future IT infrastructure demands, and building a robust Cybersecurity program. Additionally, End User Support process will be improved, greatly enhancing Information Technology’s ability to efficiently address issues and prioritize tasks and projects. With the continual improvements and enhancements, City IT systems will be resilient to local and regional disasters and more readily accessible in the event of a natural or Cybersecurity event.

Highlights of the Application Support Department include continued Implementation of functionality (additional modules) of the City’s ERP system (accounting, HR, payroll, etc.). New modules include the Munis Citizen Transparency module which gives Citizens and interested parties a complete, up-to-date, navigable view of City finances. Additionally, many functionalities were added in the City’s Permitting and Licensing Application, EnerGov. These functionalities included a complete refresh of the Business Licensing process and adding online capabilities such as permitting, inspections, and online payment via a single, easy-to-use portal. Data management and the ability to organize and find data was a growing concern and an open position was re-classified to a Database Administrator role. A plan to standardize and manage our databases was developed to increase resilience of critical City data. Bringing GIS systems up-to-date were a focus in the 2017-2018 biennium and the system was upgraded and integrated with the Public Works asset database. The 2019-2020 biennium will focus on continuously improving current applications and technology. Significant projects include enhancing and implementing new modules within the Munis platform, enhancing and unifying Citizen online access for the City’s Development and Business Services, consolidation and archival of legacy data and

retention plans, moving to modern, unified data platforms and a content management system, and enhancing the GIS system to include live, online capacities, enabling Citizens to self-serve map requests.

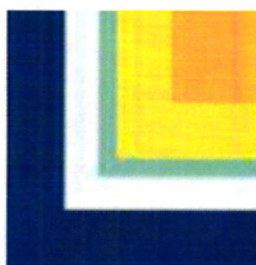
Department Budget History by Program:

Program	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
Admin, Planning & Dev.	\$ 2,437,488	\$ 284,288	\$ 1,110,757	\$ 797,987
Application & Port. Mngmt	-	651,404	1,430,654	2,067,340
e-Govt Applications	-	32,700	100,500	-
Systems Admin & Maint	-	793,785	1,607,430	1,297,963
Client Technology Services	-	429,084	600,303	639,330
Data & Cyber Security	-	237,170	57,500	179,675
Total	\$ 2,437,488	\$ 2,428,431	\$ 4,907,144	\$ 4,982,295

Department Personnel [Full-Time Equivalent (FTE)]:

Position	Number of Full-Time Equivalent (FTE)					
	2015 Actual	2016 Actual	2017 Actual	2018 Revised	2019 Adopted	2020 Adopted
Dir-Information Technology	1.0	1.0	1.0	1.0	1.0	1.0
Project Manager	1.0	1.0	1.0	1.0	0.0	0.0
Administrative Assistant	1.0	1.0	1.0	1.0	1.0	1.0
Application Support Manager	1.0	1.0	1.0	1.0	1.0	1.0
Application Support Analyst	2.0	2.0	2.0	2.0	3.0	3.0
GIS Administrator	1.0	1.0	1.0	1.0	1.0	1.0
Database Administrator	0.0	0.0	0.0	0.0	1.0	1.0
IT Systems Manager	1.0	1.0	1.0	1.0	1.0	1.0
Network Engineer	1.0	1.0	1.0	1.0	1.0	1.0
Systems Engineer	1.0	1.0	1.0	1.0	1.0	1.0
Network/Computer Technician	2.0	2.0	2.0	2.0	0.0	0.0
Computer Support Specialist	0.0	0.0	0.0	0.0	1.0	1.0
Sr. Computer Support Specialist	0.0	0.0	0.0	0.0	1.0	1.0
Total	12.0	12.0	12.0	12.0	13.0	13.0

Note: Information Technology Department was established in 2015.



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1. Title: Administration, Planning & Development**Program No.: 01123010****2. Responsible Department(s): Information Technology****3. Brief Description:**

Manage the portfolio of Information Technology Department (IT) programs and services within resource and funding constraints, while ensuring the portfolio meets the City's priorities. Monitor the performance of the overall portfolio of services and programs to ensure IT investments meet the City's expectations. Ensure that adequate and sufficient IT-related capabilities such as people, processes and technology are available to support business objectives effectively at optimal cost. Stay up to date with IT trends, identify innovation opportunities, and plan how to use technology to enable business innovation, achieve improved operational effectiveness and efficiency, or increase government transparency and public access to information.

4. Program Outcomes:

Effective management of IT programs and services ensures technological investment improves the effectiveness and efficiency of City business functions. It also entails a recognition that technological investment need not only be made for improved business processes. Strategic investments in technology can also be beneficial to the public by making City resources more available and accessible, by providing increasing levels of access to public data and information, and by leveraging today's social media methods to improve citizen engagement.

5. Program Outcomes and the Strategic Plan, 2018-2022.

The Administration, Planning & Development department creates policies that initiate IT role and responsibility for support. Additionally, the department governs technology and works to mitigate IT risk. With these goals, and in conjunction with all other City departments, this department supports Priority 1-5 in the 2018-2022 Strategic plan. More specifically, the department Ensures financial stability and economic success with ensuring all technology assets are reasonably working towards City vision and achieving the goals within the Strategic Plan. Additionally, the department is a steward for Nurturing Operational and Organizational Excellence, promoting Information Technology as a service-based organization, that needs to be a role-model for process improvement and innovation.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

Many businesses invest in technology to improve their operations, and local government should not be any different. Instead, strategic investments in information and communications technology can differentiate Lynnwood from neighboring municipalities by providing greater government transparency (accountability) and engagement opportunities.

The program is aligned with the following Community Vision goals:

- *To be a city that is responsive to the wants and needs of our citizens.*

Citizens are increasingly interested in getting information about City operations. Choosing the right technology investments is key in addressing this demand.

7. Mandatory v. Optional:

As a result of a Departmental efficiency study conducted by a consulting firm in late 2014, the City Council agreed to establish Information Technology as a separate Department. Reasons for this included inadequate oversight of the City's IT programs, systems, staff, and investments. Since then there has been a greater recognition of and focus towards strategic IT investments to improve business capabilities and capacity, as well as to offer new or improved services to the public.

Alternative Service Delivery Options:

Certain aspects of the overall IT function can be provided by third party vendors, or by utilizing consultants to help choose and implement new technologies. Choosing hosted (cloud) services including Software as a Service changes the way in which IT systems are used, but an underlying need remains to understand the City's business requirements well enough to make appropriate technology choices and to establish and enforce computing and security standards necessary for system interoperability and protection.

8. Program Staffing:

Administration, Planning & Development	Dept.	FTE	Note
Dedicated Personnel			
Dir-Information Technology	Info. Tech.	1.0	
Administrative Assistant	Info. Tech.	1.0	
Total Dedicated Personnel		2.0	
Support Personnel			
Total Support Personnel		0.0	
Total Program Personnel		2.0	

9. Program Cost (summary):

Administration, Planning & Development	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ 1,071,605	\$ 161,512	\$ 726,010	\$ 434,666
2-Personnel Benefits	385,778	70,175	294,147	181,030
3-Supplies	121,958	8,474	15,050	12,250
4-Services	858,147	44,127	75,550	170,041
Total	\$ 2,437,488	\$ 284,288	\$ 1,110,757	\$ 797,987

59 **10. Offsetting Revenues: (if any)**

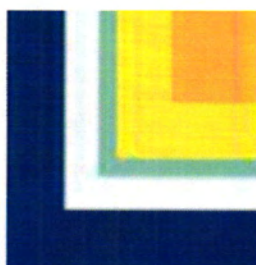
Administration, Planning & Development	
Total Revenues	\$ -

61 **11. Fiscal Sustainability - Net General Fund Cost of Program:**

	\$797,987
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63 **12. Performance Indicators: (2-6, as applicable)**

Administration, Planning & Development	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Overall Satisfaction with Department (%).	80			81	
Department Value Score (%).	80			83	
IT Policies Updated/Refreshed	6				
Satisfaction with IT innovation leadership (%).	50			74	



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Program No.: 01123080

The City has a legal and practical obligation to protect its systems from unauthorized access as well as protecting its information assets. On an annual basis the State Auditor's Office includes an assessment of IT security as part of the auditing process.

Alternative Service Delivery Options:

These services could be obtained through contracts or interlocal agreements.

8. Program Staffing:

Data & Cyber Security	Dept.	FTE	Note
Dedicated Personnel			
None			
Total Dedicated Personnel		0.0	
Support Personnel			
Total Support Personnel		0.0	
Total Program Personnel		0.0	

9. Program Cost (summary):

Data & Cyber Security	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages		\$ -	\$ -	\$ -
2-Personnel Benefits		-	-	-
3-Supplies		272	2,250	10,000
4-Services		236,898	55,250	169,675
Total	\$ -	\$ 237,170	\$ 57,500	\$ 179,675

10. Offsetting Revenues: (if any)

	NA

11. Fiscal Sustainability - Net General Fund Cost of Program:

\$179,675

12. Performance Measures:

Data & Cyber Security	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Frequency of IT security audits (months).	6				
Numbers of hours spent in IT security training.	80				
Percent of systems with the latest antivirus signatures.	85				

Program No.: 01123020

3. Brief Description:

Manage the City's suite of applications by determining each application's ability to provide value to the City relative to its cost. Manage the selection and implementation of enterprise applications, off-the-shelf software and Software as a Service, to ensure that the Information Technology Department (IT) provides the City with the most appropriate applications at an acceptable cost. Manage the constant improvement and changes to the City's applications after they have been delivered and implemented.

Every business unit within the City depends on computer systems for their daily operations. Choosing the right applications and ensuring they operate efficiently and accurately are vital to sustaining day-to-day business activities.

The Application & Portfolio Management Department is a core function of the Information Technology Department. With this, the department encompasses and supports all priorities within the 2018-2022 Strategic Plan by enabling departments through application and data resources. The department works close with all city departments to analyze current and future needs, and provides innovative solutions to those needs, including enhancements to current applications.

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

The program is aligned with the following Community Vision goals:

- Citizens are increasingly interested in getting information about City operations. Whether the interest is in City finances, policies, or projects well-chosen and maintained computer systems enable the City to provide and/or grant access to the information that is wanted.

The City does not have a legal obligation to maintain and/or upgrade its enterprise applications. However, if regulatory requirements for other Departments change (i.e. new financial reporting requirements) it's imperative the City have the capacity to update or modify its computer software to meet those needs.

Alternative Service Delivery Options:

Technical support is available from whom the City licenses its enterprise applications. However, these applications are designed to work in many different configurations and are setup uniquely where they are implemented. The City of Lynnwood is no exception. Unique business rules, reporting requirements, labor agreements, custom reporting, time sensitivity and other aspects of the City's business are not readily supported by the software manufacturers.

8. Program Staffing:

Application & Portfolio Management	Dept.	FTE	Note
Dedicated Personnel			
Application Support Manager	Info. Tech.	1.0	
Application Support Analyst	Info. Tech.	3.0	
GIS Administrator	Info. Tech.	1.0	
Database Administrator	Info. Tech.	1.0	
Total Dedicated Personnel		6.0	
Support Personnel			
Total Support Personnel		0.0	
Total Program Personnel		6.0	

9. Program Cost (summary):

Application & Portfolio Management	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages		\$ 361,083	\$ 650,182	\$ 1,109,003
2-Personnel Benefits		183,945	340,072	481,237
3-Supplies		35,318	43,750	15,750
4-Services		71,058	388,400	461,350
6-Capital Outlays		-	8,250	-
Total	\$ -	\$ 651,404	\$ 1,430,654	\$ 2,067,340

10. Offsetting Revenues: (if any)

	NA

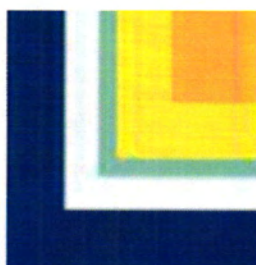
11. Fiscal Sustainability - Net General Fund Cost of Program:

\$2,067,340

49 **12. Performance Measures:**

Application & Portfolio Management	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Overall Customer Service Satisfaction (%).	80			81	
Application Support Value Delivery (%).	80			83	
Application Uptime (%).	96			89	

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from established IT standards that are necessary for system interoperability and security. Furthermore, a decentralized approach would lack economies of scale due to duplication of technology support services. Also, the City could obtain technical support from a 3rd party via contract. There are businesses and agencies that can provide desktop equipment and assist with repairs and replacement when needed. However, this model tends to focus primarily on the hardware and not on the applications employees use.

8. Program Staffing:

End User Support	Dept.	FTE	Note
Dedicated Personnel			
Computer Support Specialist	Info. Tech.	1.0	
Sr. Computer Support Specialist	Info. Tech.	1.0	
Total Dedicated Personnel		2.0	
Support Personnel			
Total Support Personnel		0.0	
Total Program Personnel		2.0	

9. Program Cost (summary):

End User Support	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages		\$ 185,779	\$ 276,901	\$ 288,907
2-Personnel Benefits		92,095	148,577	117,211
3-Supplies		35,378	37,475	76,400
4-Services		17,585	94,350	149,062
6-Capital Outlay		98,247	43,000	7,750
Total	\$ -	\$ 429,084	\$ 600,303	\$ 639,330

10. Offsetting Revenues: (if any)

	NA

11. Fiscal Sustainability - Net General Fund Cost of Program:

\$639,330

12. Performance Measures:

End User Support	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Service level agreement (SLA) commitments fulfilled (%).	85			70	
Average Age of Incidents (days).	3			7	
Users indicating they are satisfied with service (%).	85			89	

1. Title: Systems Adm. & Maintenance

Program No.: 01123050

2. Responsible Department(s): Information Technology

3. Brief Description:

Manage the activities and operational procedures required to deliver IT services, including standard operating procedures and monitoring activities for the City's server, network, and telephony systems. Balance current and future needs for availability, performance and capacity of IT systems and infrastructure through the forecast of future performance and capacity requirements. Manage City network assets through their life cycle to make sure they deliver value at optimal cost.

4. Program Outcomes:

Every business unit within the City depends on computer systems for their daily operations. Managing the back-end server, network, and telephony infrastructure the City's enterprise and desktop systems run on is vital to sustaining day-to-day business activities.

5. Program Outcomes and the Strategic Plan, 2018-2022.

Systems Administration and Maintenance is a core service and function of the Information Technology Department. With this, the Program supports all departments' work toward 2018-2022 Strategic Plan priorities.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

Maintaining the City's Information Technology architecture to provide uninterrupted access to key business applications at competitive costs is a good example of government accountability.

The program is aligned with the following Community Vision goals:

- ***To be a city that is responsive to the wants and needs of our citizens.***

Citizens are interested in getting information about City services and activities. Well-chosen and maintained computer systems enable the City to provide information and services desired by the community.

7. Mandatory v. Optional:

Managing the City's server, network, and telephony infrastructure is not necessarily a legal requirement, but is not optional. Departments depend on applications and technologies that must run effectively to fulfill their responsibilities—some of which are legal mandates. For example, the City's financial records must be maintained and available according to standards set by the State Auditors Office.

Alternative Service Delivery Options:

The outcomes provided by this Program could be obtained from a corporation or agency via contract.

36 8. Program Staffing:

Systems Administration & Maintenance	Dept.	FTE	Note
Dedicated Personnel			
IT Systems Manager	Info. Tech.	1.0	
Network Engineer	Info. Tech.	1.0	
Systems Engineer	Info. Tech.	1.0	
Total Dedicated Personnel		3.0	
Support Personnel			
Total Support Personnel		0.0	
Total Program Personnel		3.0	

37 38 9. Program Cost (summary):

Systems Administration & Maintenance	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages		\$ 212,223	\$ 475,765	\$ 569,312
2-Personnel Benefits		90,636	217,540	227,626
3-Supplies		33,182	176,475	65,250
4-Services		457,744	729,400	435,775
6-Capital Outlays		-	8,250	-
Total	\$ -	\$ 793,785	\$ 1,607,430	\$ 1,297,963

39 40 10. Offsetting Revenues: (if any)

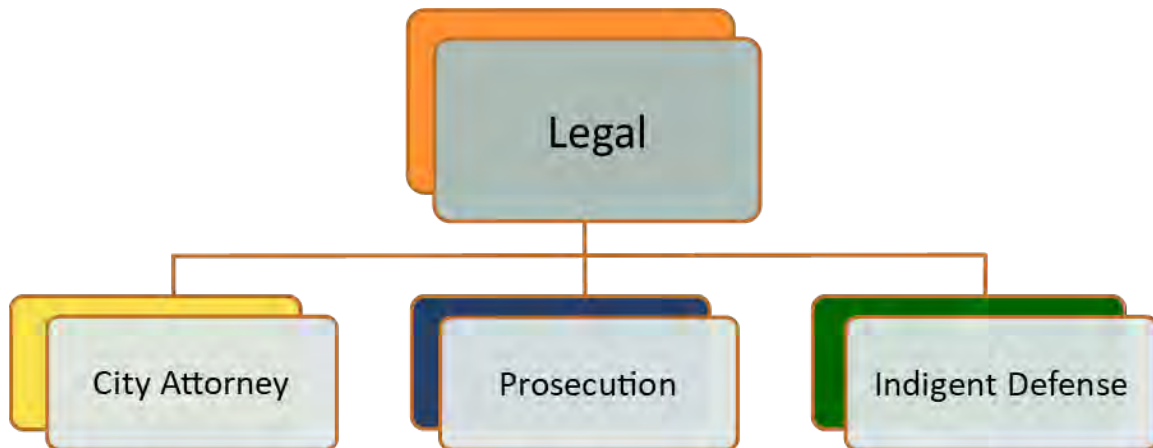
Systems Administration & Maintenance	
Total Revenues	\$ -

41 42 11. Fiscal Sustainability - Net General Fund Cost of Program:

	\$1,297,963
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43 44 12. Performance Measures:

Systems Administration & Maintenance	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Local network, storage, server, and telephony resource uptime (%).	96			90	
IT Infrastructure on supported platforms (%).	90			80	
Disaster Recovery Plan verified (times per year)	6			4	



Department Mission and Responsibilities:

The mission of the Legal Department is three-fold: a) to advance and protect the City's interests within the parameters prescribed by law; b) to vigorously, justly, and efficiently prosecute those who commit crimes in Lynnwood; and c) to provide adept legal representation to Lynnwood's indigent defendants.

Highlights and Accomplishments During 2017-2018:

- The Criminal Justice and Legal Study (CJL Study) was completed during the 2017-2018 Biennium. Matrix Consulting Group evaluated Police and Jail services, and the National Center for State Courts (NCSC) assessed Municipal Court, City Prosecutor, and Public Defender services.
- Following the CJL Study, City staff evaluated alternatives for City Attorney services. That analysis, guided by the City's Strategic Planning Steering Committee, concluded that: a) city attorney expenses will increase as the City pursues more-robust levels of service than is provided by the existing PSA with Inslee-Best; and b) developing in-house city attorney services is prudent to achieve new efficiencies, normalize costs, and to strengthen advocacy for the City's strategic priorities.
- Inslee Best represented the City during formation of the Regional Fire Authority (RFA), South Snohomish County Fire & Rescue, and the resulting transfer of the Lynnwood Fire Department to the RFA.
- Inslee Best represented the City during merger of the two emergency call centers serving Snohomish County (SNO-COM and SNO-PAC) into SNO-911.
- Inslee Best represented the City as discussions occurred to merge SNO-911.
- Assisted with negotiating purchase of various real properties and easements, including commercial properties along 196th Street SW.
- Drafted or reviewed and revised numerous interlocal agreements for City departments.
- Drafted or reviewed and revised numerous ordinances adopting or amending the City's regulations.

- 29 • Provided legal counsel at approximately 60 City Council and Transportation Benefit District
 30 (TBD) meetings.
- 31 • Routinely advised all City departments, the executive office, City Council, and TBD on
 32 topics including but not limited to open public meetings requirements, public records
 33 disclosure, elections, public works contracting, purchasing, utilities and franchises, land
 34 use, code enforcement, business licensing, and personnel.

35 **Highlights and Changes Ahead For 2019-2020:**

- 36 • Legal representation will be needed as work continues to merge of SERS (Snohomish
 37 Emergency Radio System) and SNO-911.
- 38 • The term of the existing PSA with Inslee Best Doezie & Ryder (Inslee Best) for city attorney
 39 services expires March 31, 2020. Continuation of a similar agreement is likely.
- 40 • During this biennium, it is expected that the City will hire a city attorney as a City
 41 employee. The intent is to retain Inslee Best for legal support to the office of the city
 42 attorney, and to utilize existing staff for administrative support. It is expected that the
 43 proposed budget for the Legal Department will be adequate to implement these changes.
- 44 • The term of the existing PSA with Zachor & Thomas Inc., P.S. for prosecution services was
 45 expires December 31, 2018. Continuation of this agreement is likely.
- 46 • The term of the existing PSA with Feldman & Lee, P.S. for indigent defense services expires
 47 July 1, 2019. Continuation of this agreement is likely.

48 **Department Budget History by Program:**

49 Note: In instances where programs are not identified in past budgets, only the Department's
 50 total budget allocation is provided. During 2017-2018, one Program Narrative was used to
 51 describe all three legal services (city attorney, prosecutor, and indigent defense). This budget
 52 utilizes one Program Narrative for city attorney and one Program Narrative to outline
 53 prosecution and indigent defense.

Program	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
City Attorney	\$ 351,180	\$ 445,369	\$ 771,074	\$ 667,654
Prosecution	365,094	348,353	1,072,000	1,116,000
Indigent Defense	750,825	765,564	1,573,000	1,565,000
54 Total	\$ 1,467,099	\$ 1,559,286	\$ 3,416,074	\$ 3,348,654

55 **Department Personnel [Full-Time Equivalent (FTE)]:**

56 None.

1. Title: Legal Services, City Attorney

Program No.: 01116000

2. Responsible Department(s): Legal

3. Brief Description:

The city attorney provides legal counsel on a wide range of matters to the City Council, Transportation Benefit District, Mayor, and all departments. The city attorney attends meetings of the City Council and Transportation Benefit District and supports Administration in the development and implementation of procedures and regulations.

During this biennium, it is expected that a city attorney will be hired as a new employment position. This will entail adjustment of the salary ordinance. This budget accommodates this change, while continuing to contract with Inslee Best and other law firms for additional legal services.

4. Program Outcomes:

This program supports sound decision-making, advancement of strategic priorities, compliance with applicable regulations, and risk avoidance.

5. Program Outcomes and the Strategic Plan, 2018-2022.

The city attorney advances operational and organizational excellence, which in turn supports each of the other Strategic Plan priorities.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

Note: By minimizing risk and jeopardy, this program supports the City vision of being a sustainable community with an accountable government.

The program is aligned with the following Community Vision goals:

- ***To be a city that is responsive to the wants and needs of our citizens.***

Note: The city attorney will provide guidance regarding new programs and services, and responding to citizens' requests for records or other information.

- ***To ensure a safe environment through rigorous criminal and property law enforcement.***

Note: The city attorney may assist in guiding the contracts and services of the prosecuting attorney and public defender.

- ***To be a city that is responsive to the wants and needs of our citizens.***

Note: This program offers legal analysis of citizen requests for legislative and policy changes, as well as guidance regarding citizens' requests for public records.

7. Mandatory v. Optional:

Legal guidance and representation is not optional. City operations must adhere to legal standards, and day-to-day counsel is needed to minimize jeopardy. Without professional legal support, the potential for adverse claims, damages, penalties, and judgements would be great.

Alternative Service Delivery Options:

The City currently obtains all legal services from private firms via professional service contracts and could instead establish an in-house legal department. Potentially, legal services could be obtained from another public agency through interlocal agreement.

8. Program Staffing:

None.

9. Program Cost (summary):

City Attorney	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ -	\$ -	\$ -	\$ -
2-Personnel Benefits	-	-	-	-
3-Supplies	-	-	-	8,900
4-Services	351,180	445,369	771,074	658,754
Total	\$ 351,180	\$ 445,369	\$ 771,074	\$ 667,654

10. Offsetting Revenues: (if any)

11. Fiscal Sustainability - Net General Fund Cost of Program:

\$667,654

12. Performance Measures:

Performance measures are specified by professional services agreement.

1. Title: Prosecution & Indigent Defense
Program No.: 01116100 (Prosecuting Attorney)

01116200 (Indigent Defense Attorney)

2. Responsible Department(s): Legal, Police, Municipal Court, Executive

3. Brief Description:

This program includes: 1) Prosecuting Attorney, which provides criminal charges and prosecutorial services for certain types of crimes; and 2) Indigent Defense, which provides legal counsel to defendants eligible for assistance. In Lynnwood, these services are provided by private law firms via professional service agreements.

4. Program Outcomes:

This program supports Lynnwood's criminal justice functions by delivering prosecutorial and indigent defense services to persons charged with misdemeanor and gross-misdemeanor crimes. Outcomes include advancement of fair and ethical justice, balanced risk management, crime deterrence, and compliance with local, State and Federal requirements.

5. Program Outcomes and the Strategic Plan, 2018-2022.

This program supports and implements Priority 4: Be a safe, welcoming, and livable city. Practical and ethical prosecution of crimes helps to deter criminal activity through balanced pursuit of conviction and punishment. Indigent defense ensures that defendants receive adept representation without regard to their economic status.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

Note: This program supports the City vision of ensuring rigorous law enforcement and provides for the needs and wants of our citizens.

The program is aligned with the following Community Vision goals:

- ***To be a city that is responsive to the wants and needs of our citizens.***

Note: These services are delivered in a legal setting where strict requirements and procedures exist to protect the rights of all parties.

- ***To ensure a safe environment through rigorous criminal and property law enforcement.***

Note: Provides for the charging and prosecution of crimes against persons and property.

- ***To be a city that is responsive to the wants and needs of our citizens.***

Note: This program offers prosecutorial and indigent defense services when persons are charged with a crime. These services balance the needs and rights of the community as a whole, along with those of individuals.

7. Mandatory v. Optional:

The services delivered by this program are mandatory. The City is required to provide for the prosecution and adjudication of misdemeanor and gross misdemeanor crimes within Lynnwood. The City must also make legal defense available to persons charged with a crime but unable to afford legal representation.

Alternative Service Delivery Options:

The City currently obtains these critical legal services from private firms via professional service agreements. As an alternative, the City could hire staff to provide prosecutorial and indigent defense services, or potentially obtain these services from another public agency through interlocal agreement.

8. Program Staffing: None
9. Program Cost (summary):

Prosecution & Indigent Defense	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
4-Services (Prosecution)	365,094	348,353	1,072,000	1,116,000
4-Services (Indigent Defense)	750,825	765,564	1,573,000	1,565,000
Total	\$ 1,115,919	\$ 1,113,917	\$ 2,645,000	\$ 2,681,000

10. Offsetting Revenues: (if any)

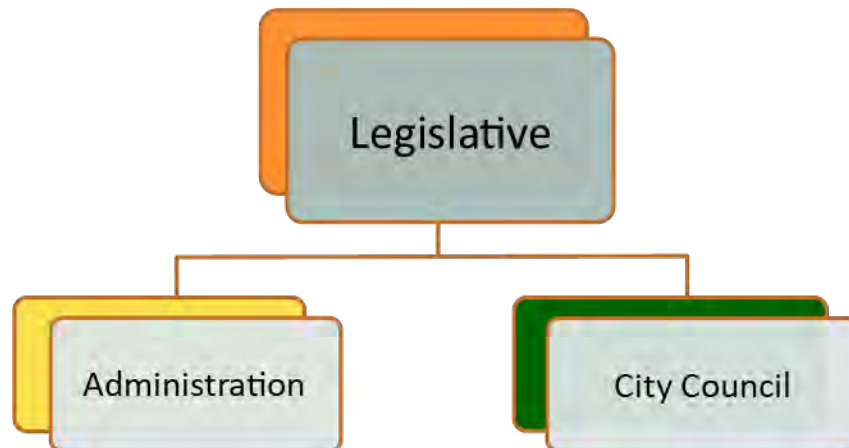
Prosecution & Indigent Defense	
Revenue is generated by fines, penalties, forfeiture, etc., but not appropriate for consideration here.	0
Total Revenues	\$ -

11. Fiscal Sustainability - Net General Fund Cost of Program:

	\$2,681,000
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12. Performance Measures:

Performance measures are specified by professional services agreements.



Department Mission and Responsibilities:

The Legislative Department constitutes Lynnwood’s legislative branch of government and performs all duties and responsibilities afforded by State law and the Municipal Code. This Department works in concert with the executive and judicial branches to advance Lynnwood’s near-term and long-term interests. The seven-member City Council is responsible for enacting policies and legislation, establishing citizen advisory boards, approving budgets and authorizing expenditures, authorizing contracts and agreements, and general representation of the City before other agencies, entities, and the general public.

Highlights and Accomplishments 2017-2018:

- Facilitated and supported RFA Planning Committee and transitional South County Fire and Rescue Board of Commissioners.
- Supported and approved the consolidation of SnoCom and SnoPac 911 call centers.
- Conducted Conversations with Council outreach meetings.
- Established new Diversity, Equity, and Inclusion Commission.
- Passed numerous resolutions and proclamations in support of important community causes.
- Approved interlocal agreements with Sound Transit for Lynnwood Link.
- Approved several amendments to the Lynnwood Municipal Code to improve effectiveness and efficiency.
- Collaborated with Snohomish County Cities, Association of Washington Cities, etc. to advance legislative measures important to Lynnwood.
- Reviewed quarterly financial reports prepared by Administrative Services (Finance Committee reviewed monthly and quarterly reports).
- Supported each of Lynnwood’s citizen advisory boards/commissions.
- Retained a federal lobbyist to advance Lynnwood’s interests.

Highlights and Changes for 2019-2020:

During 2019-2020, the Legislative Department will consider and act upon numerous issues that will be critical to Lynnwood's future and realize continuous improvement. Examples include:

- Consideration of strategies which stem from the various efficiency studies (i.e., Criminal Justice and Legal Study, City Clerk-Records Study, etc.).
- Continued collaboration with Sound Transit to establish light rail commuter service.
- Consideration of strategic investment to advance the Lynnwood City Center.
- Consideration and collaboration with regional partners to address affordable housing concerns.
- Continue efforts to engage Lynnwood residents by Councilmembers more intentionally via Community Events.

Department Budget History by Program:

City Council	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
City Council	\$ 426,854	\$ 437,221	\$ 902,262	\$ 875,395
Total	\$ 426,854	\$ 437,221	\$ 902,262	\$ 875,395

Department Personnel [Full-Time Equivalent (FTE)]:

Position	Number of Full-Time Equivalent (FTE)					
	2015 Actual	2016 Actual	2017 Actual	2018 Revised	2019 Adopted	2020 Adopted
Council Position 1	0.0	0.0	0.0	0.0	0.0	0.0
Council Position 2	0.0	0.0	0.0	0.0	0.0	0.0
Council Position 3	0.0	0.0	0.0	0.0	0.0	0.0
Council Position 4	0.0	0.0	0.0	0.0	0.0	0.0
Council Position 5	0.0	0.0	0.0	0.0	0.0	0.0
Council Position 6	0.0	0.0	0.0	0.0	0.0	0.0
Council Position 7	0.0	0.0	0.0	0.0	0.0	0.0
Executive Assistant	0.75	0.75	0.75	0.75	0.75	0.75
Total	0.75	0.75	0.75	0.75	0.75	0.75

Note: Members of the City Council are elected officials, not City Employees.

Compensation and health insurance benefits are prescribed by LMC 2.48.192-193.

1. Title: City Council and City Council Administration**Program No.: 01110000-01110800****2. Responsible Department(s): Legislative****3. Brief Description:**

These two programs address all functions of the Legislative Department, which constitutes the Legislative Branch of the Lynnwood municipal government. The Department's budget is structured to account for: a) individual positions of the City Council (7); and b) City Council Administration. For simplicity, both programs are described here.

The City Council performs all legislative duties on behalf of the citizens of Lynnwood. Councilmembers are elected at-large, to four-year, staggered terms. Every two years, the City Council elects two of its members to serve as president and vice president.

The Administration division of the Legislative Department provides support services to the Council (scheduling, travel, meeting agendas, packets, etc.). Administrative staff are managed by the City Council, and receive support services from the executive branch (human resources, finance, information technology, etc.).

4. Program Outcomes:

Adoption of policy and legislation; approval of budgets and the authorization of revenues and expenditures; approval of contracts and agreements; acquire and dispose of property; provide for advisory bodies; and representation of the City before other agencies, entities, and the public.

5. Program Outcomes and the Strategic Plan, 2018-2022.

The City Council plays essential roles in all five priorities of the Strategic Plan. For example, the Council: 1) approves contracts and development agreements needed for construction of light rail; 2) has responsibility for City revenue and expenditure levels; 3) promotes operational excellence within the executive branch; 4) ensures community safety consistent with citizen's values; and 5) authorizes agreements with other agencies.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

The role of the City Council is to represent, and act on behalf of citizens of this community. The City Council establishes policies, regulations, and budget authority as needed to advance near-term and long-term measures representing all aspects of Lynnwood's Community Vision. The City Council has the sole authority to adopt the Community Vision.

7. Mandatory v. Optional:

Lynnwood is a non-charter, Optional Municipal Code City governed by Title 35A RCW. State law requires that such bodies be governed by a body of elected officials.

Alternative Service Delivery Options:

In 1959, Lynnwood residents elected to incorporate as a municipal government, and to be governed by a non-partisan body consisting of seven persons elected from the community at large. The Lynnwood electorate could alter the terms and make-up of the City Council, but would not be able to delegate Council responsibilities to another entity.

Administrative, support functions could be provided by another public agency, a professional service firm, or the Executive Branch.

8. Program Staffing:

City Council	Dept.	FTE	Note
Dedicated Personnel			
Council Positions 1-7 *	Legis.	0.0	
Total Dedicated Personnel		0.0	
Support Personnel			
Executive Assistant	Legis.	0.75	
Total Support Personnel		0.75	
Total Program Personnel		0.75	

Note: * Members of the City Council are elected officials, not City employees.

Compensation and health insurance benefits are prescribed by LMC 2.48.192-193.

9. Program Cost (summary):

City Council	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ 199,853	\$ 202,617	\$ 418,226	\$ 406,385
2-Personnel Benefits	148,215	167,655	327,092	332,402
3-Supplies	1,802	1,100	7,250	5,200
4-Services	76,984	65,849	149,694	131,408
Total	\$ 426,854	\$ 437,221	\$ 902,262	\$ 875,395

10. Offsetting Revenues: (if any)

City Council	
Total Revenues	\$ -

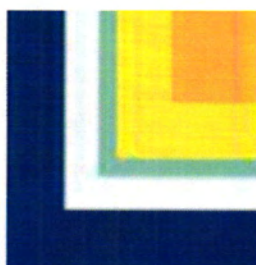
11. Fiscal Sustainability - Net General Fund Cost of Program:

	\$875,395
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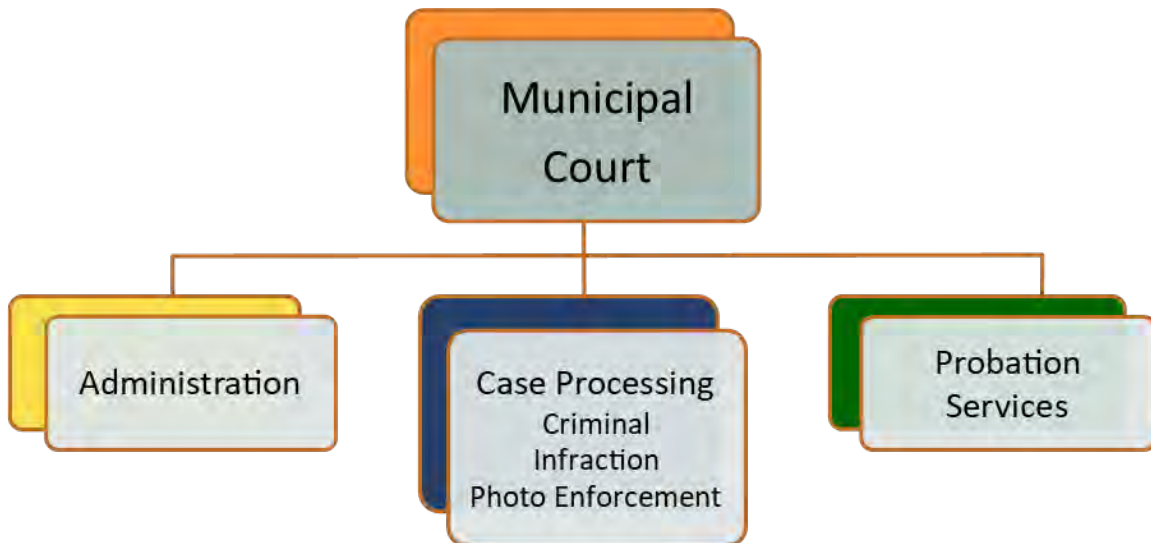
51 **12. Performance Measures:**

City Council	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Annual number of Council engagements in the community	2				
Annual Council connection with Sister City	1				
Annual review of work plans of boards and commissions for relevance to the Community Vision.	1				

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Department Mission and Responsibilities:

The Municipal Court is the judicial branch of the City of Lynnwood. Courts exist to provide an impartial forum for the resolution of disputes. This ensures the rule of law, the protection of individual rights and helps to create community safety. Lynnwood Municipal Court's mission is to contribute to the quality of life in our community by fairly and impartially administering justice in such a manner that preserves both the dignity and rights of the defendants as well as the citizens of Lynnwood.

Highlights and Accomplishments During 2017-2018:

- Implementation of oCourt electronic document and hearing scheduling software.
- Conversion of all paper criminal case files to electronic case files.
- Creation of a Court Security Plan in accordance with GR 36.
- Implementation of a warrant notification procedure.
- Implementation of court hearing reminders via text.
- Warrant Amnesty Program offered in December 2017.
- Assisted the National Center for State Courts (NCSC) during the assessment of court services.
- Continued participation in Snohomish County Municipal Court Warrant Recall Program.
- Continued participation in Judicial On-Call Snohomish County Search Warrant Program.
- Continue used of LEAN concepts to revise policy and procedure for gained efficiency.
- Continued staff training, cross-training and development.
- Overall 106% Clearance Rate.
- 95% reliability and integrity of court records.

- Continued enhancement of the court's website to meet customer's needs and enhance access to justice.

Highlights and Changes for 2019-2020:

Under the direction of Presiding Judge Stephen E. Moore, Lynnwood Municipal Court is utilizing available technology to manage our caseload and build the court's future. In 2017, the court moved to a paper light environment converting all files from paper to an electronic format. The implementation of oCourt software provided e-Forms, document and hearing synchronization and scheduling capabilities. This increased the court's overall efficiency and significantly reduced printing costs. As the court moves forward into the 2019-2020 biennium we will continue to look for innovative ways to utilize available technology to enhance access to justice and better serve our customers.

Lynnwood Municipal Court's Judicial Needs Estimate, as published by the Washington State Administrative Office of the Courts (AOC), is 1.93 judicial officers (judge). The court's judicial need is significantly higher than the actual .8 FTE judicial officer position. As the City of Lynnwood continues to grow and build its future the court's caseload will increase. The city is facing a surge in population growth over the next several years. This growth will result in increased police activity and ultimately additional court case filings.

The current courthouse facility does not provide adequate space for additional judicial officers or court staff. In addition, it does not meet the Board of Judicial Administration Courthouse Public Safety Standards or provide adequate congregation space for jurors nor meeting space for attorney/client meetings. An efficiency study of the court completed by the National Center for State Courts in September of 2017 stated *"Significant building modifications would be necessary to meet modern courthouse design and safety standards with the existing volume of visitors. If the caseload increases in the future due to potential annexations expanding the municipal boundaries, these shortcomings would become even more severe."* The court's top priority for the next 1-5 years is to work with the executive and legislative branches of the city to address the impacts of population growth on court operations and facility concerns.

In conclusion, "Lynnwood Municipal Court exists to serve the community of Lynnwood. State law does not require that cities have their own courts; they are free to use state and county courts instead. Lynnwood chooses to have its own municipal court. Lynnwood has its own court because it is more convenient to the citizens in this community and because the council and mayor believe that justice is better served by a court in and for the city." *Judge Stephen E. Moore*

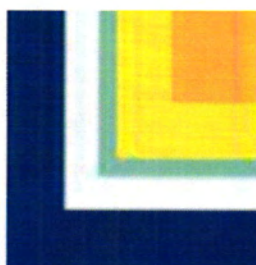
Department Budget History by Program:

Program	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
Administration	\$ 878,515	\$ 933,995	\$ 1,202,822	\$ 1,388,792
Probation Services	207,071	199,800	625,217	587,041
Criminal Cases	141	87,741	542,407	455,532
Infraction Cases	183	35,327	190,815	181,096
Photo Enforcement	215	47,819	333,834	262,515
Total	\$ 1,086,125	\$ 1,304,682	\$ 2,895,095	\$ 2,874,976

59 Department Personnel [Full-Time Equivalent (FTE)]:

	Number of Full-Time Equivalent (FTE)					
Position	2015 Actual	2016 Actual	2017 Actual	2018 Revised	2019 Adopted	2020 Adopted
Presiding Judge*	1.0	1.0	1.0	1.0	1.0	1.0
Court Administrator	1.0	1.0	1.0	1.0	1.0	1.0
Court Operations Supervisor	1.0	1.0	1.0	1.0	1.0	1.0
Probation Supervisor	1.0	1.0	1.0	1.0	1.0	1.0
Probation Officer	1.0	1.0	1.0	1.0	1.0	1.0
Legal Specialist	6.8	6.8	7.0	7.0	7.0	7.0
Data Entry Clerk	0.5	0.5	0.0	0.0	0.0	0.0
Clerk I	0.2	0.2	0.2	0.2	0.0	0.0
Total	12.4	12.4	12.2	12.2	12.0	12.0

60 **The presiding judge and judge pro tems are retained by contract and are not employees.*



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1 **1. Title:** Court Administration **Program No.:** 01114000

2 **2. Responsible Department(s):** Municipal Court

3 **3. Brief Description:**

4 Under the direction of Presiding Judge Stephen E. Moore, Court Administration is responsible
 5 for all non-judicial functions of the court. These include: development and coordination of
 6 programs and budget, strategic direction, development and implementation of policy and
 7 procedures, accounting management, case flow and jury management, project oversight,
 8 contracts, liaison with city departments, state and county agencies, human resources
 9 management, records management, and other responsibilities as required.

10 **4. Program Outcomes:**

11 See program description above.

12 **5. Program Outcomes and the Strategic Plan, 2018-2022.**

13 Courts exist to provide an impartial forum for the resolution of disputes. This ensures the rule
 14 of law, the protection of individual rights and helps to create community safety and security.
 15 The court strives for organizational excellence each day by providing excellent customer service
 16 and creating a high-performance work culture with employees who are knowledgeable, engaged
 17 and motivated.

18 **6. Relation to Community Vision:**

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

19
 20 The program is aligned with the following Community Vision goals:

- 21 • ***To ensure a safe environment through rigorous criminal and property law***
 22 ***enforcement.***

23 Lynnwood Municipal Court contributes to the city's safe environment by fairly and impartially
 24 administering justice.

- 25 • ***To be a cohesive community that respects all citizens.***

26 Lynnwood Municipal Court administers justice in a manner that preserves both the dignity and
 27 rights of the defendant as well as the citizens of Lynnwood. The overriding value that drives the
 28 Lynnwood Municipal Court is customer service.

- 29 • ***To be a city that is responsive to the wants and needs of our citizens.***

30 The Lynnwood Municipal Court is responsive to the needs of the citizens by offering many online
 31 services and providing exceptional customer service whether it be in person, on the telephone,
 32 or by e-mail communication.

7. Mandatory v. Optional:

Mandatory by Court Rule, GR 29 (f). If the city provides court services to adjudicate misdemeanor citations issued by City officers of the law, administrative functions of the court cannot be delegated to either the executive or legislative branches of government.

Alternative Service Delivery Options:

State law does not require cities or town to have their own courts; they are free to contract with Snohomish County or another jurisdiction.

8. Program Staffing:

Administration	Dept.	FTE	Note
Dedicated Personnel			
Judge *	Court		
Court Administrator	Court	1.0	
Court Operations Supervisor	Court	1.0	
Total Dedicated Personnel		2.0	
Support Personnel			
Total Support Personnel		0.0	
Total Program Personnel		2.0	
*The presiding judge and judge pro tems are retained by contract and are not employees.			

9. Program Cost (summary):

Administration	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ 515,383	\$ 459,649	\$ 457,253	\$ 579,197
2-Personnel Benefits	205,861	182,697	123,581	223,349
3-Supplies	38,388	13,954	29,641	8,700
4-Services	118,883	277,695	592,347	577,546
Total	\$ 878,515	\$ 933,995	\$ 1,202,822	\$ 1,388,792

10. Offsetting Revenues: (if any)

Administration	
NA	
Total Revenues	\$ -

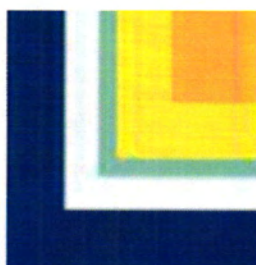
11. Fiscal Sustainability - Net General Fund Cost of Program:

	\$1,388,792
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48 **12. Performance Measures:**

Administration	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Monthly remittance of fines, fees, and costs to the City Treasurer.	12	12	12	12	
Monthly audit of accounting functions.	12	12	12	12	
Bi-Monthly accounts payable review for refund of bail, overpayments and restitution payments.	24	24	26	25	
Reliability and integrity of court files. Percentage of files that meet established standards for completeness and accuracy of content.	100	NA	91	95	

49



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1. Title: Criminal Case Processing

Program No.: 01114030

2. Responsible Department(s): Municipal Court

3. Brief Description:

The Lynnwood Municipal Court has exclusive, original criminal jurisdiction over misdemeanor and gross misdemeanor violations of City Ordinances. Criminal violations are filed into the court by the Lynnwood Police Department or the city's contracted prosecuting attorney. The court is mandated by law to process criminal cases in accordance with applicable State Statutes and Court Rules. Caseload Reports published by the Administrative Office of the Courts indicate 2,624 criminal cases were filed by the city in 2017; 245 of which were charges of DUI or Physical Control. Presiding Judge Stephen E. Moore presided over 750 criminal calendars in 2017.

4. Program Outcomes:

Process all criminal matters filed with the Lynnwood Municipal Court in accordance with the United States and Washington State Constitutions, State Statutes, and Court Rules.

5. Program Outcomes and the Strategic Plan, 2018-2022.

Courts exist to provide an impartial forum for the resolution of disputes. This ensures the rule of law, the protection of individual rights and helps to create community safety and security. The court strives for organizational excellence each day by providing excellent customer service and creating a high-performance work culture with employees who are knowledgeable, engaged and motivated.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

The program is aligned with the following Community Vision goals:

- ***To ensure a safe environment through rigorous criminal and property law enforcement.***

Become a benchmark court through technology. Lynnwood Municipal Court is utilizing current technology to automate various clerical tasks. This has enabled the court to process its caseload efficiently and with existing resources.

- ***To be a cohesive community that respects all citizens.***

Lynnwood Municipal Court administers justice in a matter that preserves both the dignity and rights of the defendant as well as the citizens of Lynnwood. The overriding value that drives the Lynnwood Municipal Court is customer service.

- ***To be a city that is responsive to the wants and needs of our citizens.***

The Lynnwood Municipal Court is responsive to the needs of the citizens by offering many online services and providing exceptional customer service whether it be in person, on the telephone, or by e-mail communication.

7. Mandatory v. Optional:

The City is obligated to provide for the adjudication of misdemeanor and misdemeanor charges filed within the City of Lynnwood. Applicable laws and rules are summarized below.

Alternative Service Delivery Options:

State law does not require cities to have their own courts. Cities may contract with Snohomish County or another jurisdiction for these services.

8. Program Staffing:

Criminal Case Processing	Dept.	FTE	Note
Dedicated Personnel			
Legal Specialist		3.5	
Total Dedicated Personnel		3.5	
Support Personnel			
Total Support Personnel		0.0	
Total Program Personnel		3.5	

9. Program Cost (summary):

Criminal Case Processing	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ -	\$ 55,592	\$ 356,842	\$ 298,577
2-Personnel Benefits	-	22,642	160,725	126,798
3-Supplies	112	1,347	13,140	3,300
4-Services	29	8,160	11,700	26,857
Total	\$ 141	\$ 87,741	\$ 542,407	\$ 455,532

10. Offsetting Revenues: (if any)

Criminal Case Processing	
In some instances, case resolution results in the payment of fines, penalties, or charges. Those remittances can offset or partially offset the cost of court services.	
Total Revenues	\$ -
Total Program Cost (previous table)	
Net General Fund Cost of Program	\$ 455,532

48 **11. Performance Measures:**

Criminal Case Processing	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Clearance Rate: Number of cases disposed of in comparison to the number of cases filed (%).	100	136	102	99.6	
Timely reporting of conviction data to DOL; 3-5 days.	100	NA	NA	NA	
Monthly Collection Processing.	12	12	10	12	

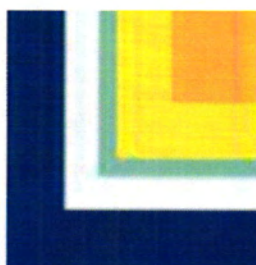
49
50 **12. Implications of Funding Changes:**

51 **• Other Comments:**

52 A reduction in funding to court services may result in prioritization of caseload processing.
53 Due to statutory requirements and public safety concerns criminal case processing is the
54 court's first priority followed by infractions and then photo enforcement case processing.

55 **• Laws and Rules governing court:**

- 56 • United States Constitution – Article III Washington State Constitution - Article IV
- 57 • RCW 3.5 LMC 2.19
- 58 • GR – Rules of General Application
- 59 • CrRLJ – Criminal Rules for Courts of Limited Jurisdiction
- 60 • RALJ – Rules for Appeal of Decisions of Court of Limited Jurisdiction
- 61 • ARLJ – Administrative Rules for Courts of Limited Jurisdiction



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1. Title: Infraction Case Processing **Program No.:** 01114040

2. Responsible Department(s): Municipal Court

3. Brief Description:

Infractions are minor traffic and non-traffic violations. Infractions are treated as civil cases for enforcement and adjudication. A Notice of Infraction may be issued by the Lynnwood Police Department or the city's contracted prosecuting attorney. Court Rule IRLJ 2.2(d) requires infractions be filed with the court. Infractions are issued for violations of City Ordinances and State Statutes. Caseload Reports published by the Administrative Office of the Courts indicate 5,560 infractions and 64 parking citations were filed with Lynnwood Municipal Court in 2017. Over 3,600 infraction hearings were held.

4. Program Outcomes:

Process all infractions filed with Lynnwood Municipal Court in accordance with the United States and Washington State Constitutions, State Statutes, and Infraction Rules for Courts of Limited Jurisdiction.

5. Program Outcomes and the Strategic Plan, 2018-2022.

Courts exist to provide an impartial forum for the resolution of disputes. This ensures the rule of law, the protection of individual rights and helps to create community safety and security. The court strives for organizational excellence each day by providing excellent customer service and creating a high-performance work culture with employees who are knowledgeable, engaged and motivated.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

Note:

The program is aligned with the following Community Vision goals:

- To ensure a safe environment through rigorous criminal and property law enforcement.***

Become a benchmark court through technology. Lynnwood Municipal Court is utilizing current technology to automate various clerical tasks. This has enabled the court to process its infraction caseload efficiently and with existing resources.

- To be a cohesive community that respects all citizens.***

Lynnwood Municipal Court administers justice in a manner that preserves both the dignity and rights of the defendant as well as the citizens of Lynnwood. The overriding value that drives the Lynnwood Municipal Court is customer service.

- *To be a city that is responsive to the wants and needs of our citizens.*

The Lynnwood Municipal Court is responsive to the needs of the citizens by offering many online services and providing exceptional customer service whether it be in person, on the telephone, or by e-mail communication.

7. Mandatory v. Optional:

The City is obligated to provide for the adjudication of misdemeanor and misdemeanor charges filed within the City of Lynnwood. Applicable laws and rules are summarized below.

Alternative Service Delivery Options:

State law does not require cities to have their own courts. Cities may contract with Snohomish County or another jurisdiction for these services.

8. Program Staffing:

Infraction Case Processing	Dept.	FTE	Note
Dedicated Personnel			
Legal Specialist	Court	1.0	
Total Dedicated Personnel		1.0	
Support Personnel			
Total Support Personnel		0.0	
Total Program Personnel		1.0	

9. Program Cost (summary):

Infraction Case Processing	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages		\$ 20,886	\$ 119,017	\$ 109,813
2-Personnel Benefits		11,485	62,049	62,693
3-Supplies	124	132	3,397	960
4-Services	59	2,824	6,352	7,630
Total	\$ 183	\$ 35,327	\$ 190,815	\$ 181,096

10. Offsetting Revenues: (if any)

Infraction Case Processing	
In some instances, case resolution results in the payment of fines, penalties, or charges. Those remittances can offset or partially offset the cost of court services.	
Total Revenues	\$ -

11. Performance Measures:

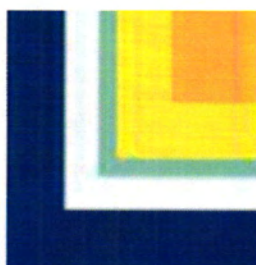
Infraction Case Processing	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Clearance Rate: Number of cases disposed of in comparison to the number of cases filed (%).	100	105	111	116	
Report conviction data to DOL within 3-5 days (%).	100	NA	NA	NA	
Monthly Collection Processing.	12	12	10	12	

12. Implications of Funding Changes:
• Other Comments:

A reduction in funding to court services may result in prioritization of caseload processing. Due to statutory requirements and public safety concerns criminal case processing is the court's priority followed by infractions and then photo enforcement case processing.

• Laws and Rules governing court:

- United States Constitution – Article III Washington State Constitution - Article IV
- LMC 2.19 RCW 3.5
- GR – Rules of General Application
- IRLJ - Infraction Rules for Courts of Limited Jurisdiction
- RALJ – Rules for Appeal of Decisions of Court of Limited Jurisdiction
- ARLJ – Administrative Rules for Courts of Limited Jurisdiction



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1. Title: Photo Enforcement Case Processing **Program No.:** 01114050

2. Responsible Department(s): Municipal Court

3. Brief Description:

The use of automated safety cameras for issuance of Notice of Infractions is authorized by State Statute. Notice of Infractions issued by the Lynnwood Police Department are downloaded by ATS (Lynnwood's photo enforcement vendor) into the State Judicial Information System (JIS). Court Rule IRLJ 2.2(d) requires Notice of Infractions be filed with the court. Photo Enforcement infractions are processed as parking citations and are the responsibility of the registered owner of the vehicle. The Infraction Rules for Courts of Limited Jurisdiction apply to photo enforcement infractions in the same manner as they do to traffic and non-traffic infractions. Caseload Reports published by the Administrative Office of the Courts indicate 34,856 photo enforcement infractions were filed into the Lynnwood Municipal Court in 2017 and 5,454 photo enforcement hearings were held.

4. Program Outcomes:

Process all photo enforcement infractions in accordance with the United States and Washington State Constitutions, State Statutes, and the Infraction Rules for Courts of Limited Jurisdiction.

5. Program Outcomes and the Strategic Plan, 2018-2022.

Courts exist to provide an impartial forum for the resolution of disputes. This ensures the rule of law, the protection of individual rights and helps to create community safety and security. The court strives for organizational excellence each day by providing excellent customer service and creating a high-performance work culture with employees who are knowledgeable, engaged and motivated.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

Note:

The program is aligned with the following Community Vision goals:

- ***To ensure a safe environment through rigorous criminal and property law enforcement.***

Become a benchmark court through technology. Lynnwood Municipal Court is utilizing current technology to automate various clerical tasks. This has enabled the court to process its photo enforcement caseload efficiently and with existing resources.

- ***To be a cohesive community that respects all citizens.***

Lynnwood Municipal Court administers justice in a manner that preserves both the dignity and rights of the defendant as well as the citizens of Lynnwood. The overriding value that drives the Lynnwood Municipal Court is customer service.

- *To be a city that is responsive to the wants and needs of our citizens.*

The Lynnwood Municipal Court is responsive to the needs of the citizens by offering many online services and providing exceptional customer service whether it be in person, on the telephone, or by e-mail communication.

7. Mandatory v. Optional:

The City is obligated to provide for the adjudication of misdemeanor and misdemeanor charges filed within the City of Lynnwood. Applicable laws and rules are summarized below.

Alternative Service Delivery Options:

State law does not require cities to have their own courts. Cities may contract with Snohomish County or another jurisdiction for these services.

8. Program Staffing:

Photo Enforcement Case Processing	Dept.	FTE	Note
Dedicated Personnel			
Legal Specialist	Court	1.0	
Legal Specialist	Court	0.5	
Total Dedicated Personnel		1.5	
Support Personnel			
Total Support Personnel		0.0	
Total Program Personnel		1.5	

9. Program Cost (summary):

Photo Enforcement Case Processing	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ -	\$ 29,932	\$ 213,846	\$ 167,022
2-Personnel Benefits	-	13,777	94,268	77,232
3-Supplies	142	132	5,092	2,040
4-Services	73	3,978	20,628	16,221
Total	\$ 215	\$ 47,819	\$ 333,834	\$ 262,515

10. Offsetting Revenues: (if any)

Photo Enforcement Case Processing	
In some instances, case resolution results in the payment of fines, penalties, or charges. Those remittances can offset or partially offset the cost of court services.	
Total Revenues	\$ -

11. Performance Measures:

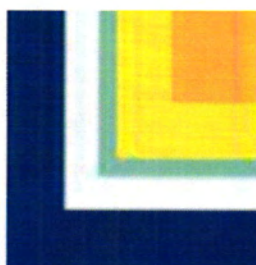
Photo Enforcement Case Processing	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Clearance Rate: Number of cases disposed of in comparison to the number of	100	100	101.5	105	
Bi-Monthly Collection Processing.	24	24	18	23	

12. Implications of Funding Changes:
• Other Comments:

A reduction in funding to court services may result in prioritization of caseload processing. Due to statutory requirements and public safety concerns criminal case processing is the court's priority followed by infractions and then photo enforcement case processing.

• Laws and Rules governing court:

- United States Constitution – Article III Washington State Constitution - Article IV
- RCW 3.5 RCW 46.63.170 RCW 46.63.075(2) LMC 2.19
- RALJ – Rules for Appeal of Decisions of Courts of Limited Jurisdiction
- GR – Rules of General Application
- IRLJ - Infraction Rules for Courts of Limited Jurisdiction
- ARLJ – Administrative Rules for Courts of Limited Jurisdiction



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1. Title: Probation Services**Program No.: 01114100****2. Responsible Department(s): Municipal Court****3. Brief Description:**

The Probation Services Program assists the court in the management of cases, pre and post sentence. The Probation Department of the court 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 presiding judge, or when judicial intervention is warranted. Serious offenses such as Driving Under the Influence (DUI) and Assault Domestic Violence are placed on active probation. Failure to comply with the court-imposed sentence may result in re-imposition of a suspended or deferred sentence.

Program Outcomes:

Enhance community safety and provide offenders with an experience that will lessen the likelihood of law violations in the future.

Refer offenders to appropriate treatment resources.

Assess each probationer and provide supervision at the designated classification level by assessing risk to the community.

Hold offenders accountable for their behavior.

Provide the court with thorough, accurate, and timely reports.

4. Program Outcomes and the Strategic Plan, 2018-2022.

To accurately assess offender risk in a timely manner to assure public safety. To provide Lynnwood Municipal Court with thorough, accurate, and timely reports regarding non-compliance of court ordered conditions.

5. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

The program is aligned with the following Community Vision goals:

- To ensure a safe environment through rigorous criminal and property law enforcement.***

Probation Services works collaboratively with law enforcement, victims' services coordinator, social workers, and treatment providers to minimize the likelihood of re-offending.

- To be a city that is responsive to the wants and needs of our citizens.***

Probation Services promotes community safety by conducting records checks on probationers and reporting offender non-compliance to the court.

- ***To be a cohesive community that respects all citizens.***

Probation services works to protect the rights of all citizens by monitoring the behavior of probationers, promoting lawful behaviors, and forwarding evidence of non-compliance to the court.

6. Mandatory v. Optional:

Probation is a fundamental tool of courts of law, and court-ordered probation requires administrative support to confirm the terms of probation. Applicable laws and rules are summarized below.

Alternative Service Delivery Options:

A city or town may choose to contract with the district court or another city for court services; probation services would be provided by that court. Court Rule provides that the method of providing probation services shall be established by the presiding judge.

7. Program Staffing:

Probation Services	Dept.	FTE	Note
Dedicated Personnel			
Probation Supervisor	Court	1.0	
Probation Officer	Court	1.0	
Legal Specialist	Court	1.0	
Total Dedicated Personnel		3.0	
Support Personnel			
Total Support Personnel		0.0	
Total Program Personnel		3.0	

8. Program Cost (summary):

Probation Services	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ 146,535	\$ 131,444	\$ 413,775	\$ 395,610
2-Personnel Benefits	58,893	53,410	194,399	160,814
3-Supplies	97	4,701	7,931	2,500
4-Services	1,546	10,245	9,112	28,117
Total	\$ 207,071	\$ 199,800	\$ 625,217	\$ 587,041

49 **9. Offsetting Revenues: (if any)**

Probation Services	
In some instances, case resolution results in the payment of fines, penalties, or charges. Those remittances can offset or partially offset the cost of court services. Probation programs can reduce the nights an offender spends in jail, which in turn can result in cost avoidance.	
Total Revenues	\$ -
Total Program Cost (previous table)	
Net General Fund Cost of Program	

51 **10. Fiscal Sustainability - Net General Fund Cost of Program:**

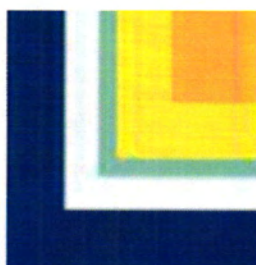
	\$587,041
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53 **11. Performance Measures:**

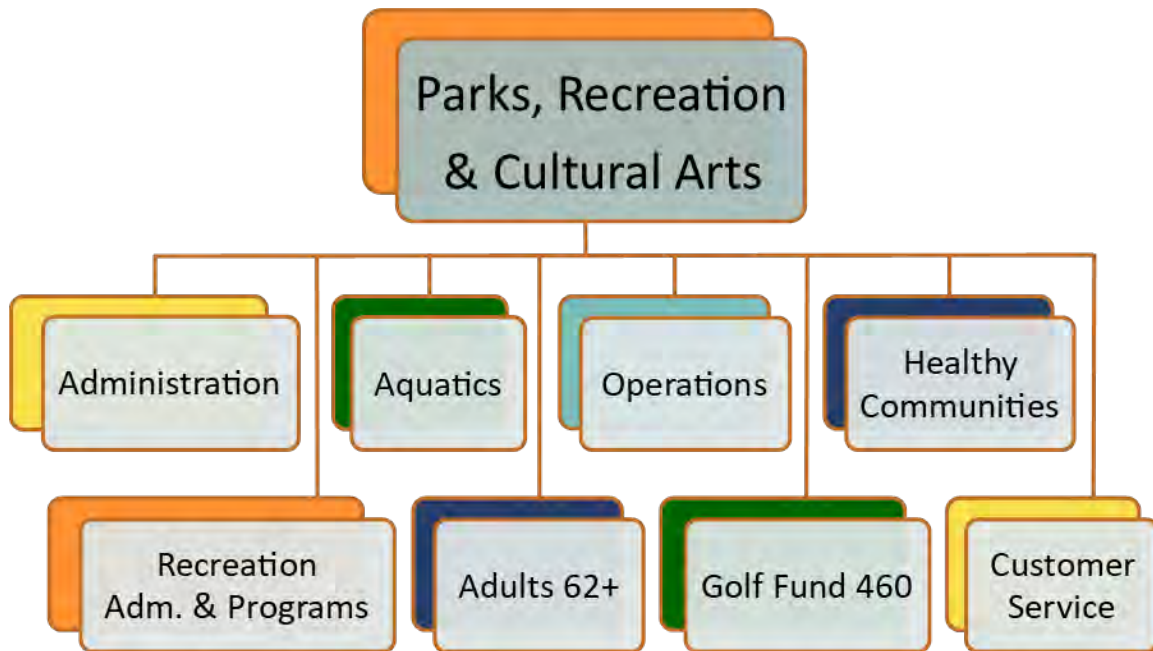
Probation Services	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Assess Risk for each offender placed on Active Probation (%).	100	100	100	100	
Conduct Probation Orientation with offender within 2-3 weeks of sentencing/disposition date (%).	100	NA	100	100	

55 **12. Laws and Rules governing court:**

- 56 • RCW 3.66.067 RCW 3.50.320 RCW 3.66.068 RCW 3.50.330 RCW 9.94A.535
- 57 • ARLJ 11 - Misdemeanant Probation Departments
- 58 • ARLJ 11.3 - "All positions, which are funded by statutory probation service fees, shall be
- 59 limited to working with individuals or cases who are on probation. Any additional funds
- 60 raised from statutory probation services fees beyond what is necessary to fund the
- 61 positions in the probation department shall be used to provide additional levels of
- 62 probation services."



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Department Mission and Responsibilities:

Department mission: Lynnwood Parks, Recreation & Cultural Arts- creating a healthy community through people, parks, programs and partnerships.

Department vision: Parks, Recreation & Cultural Arts is 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.
- Leaving a legacy for future generations.

The Parks, Recreation & Cultural Arts (PRCA) 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.

The Department is comprised of four General Fund divisions and one Enterprise division:

- Administrative
- Operations
- Recreation

- 27 • Healthy Communities
- 28 • Golf (Enterprise)

29 **Highlights and Accomplishments During 2017-2018:**

- 30 • Adopted and implemented a comprehensive Park Impact Fee program.
- 31 • Completed the renovation of the Meadowdale Playfields.
- 32 • Completed the construction of the golf course parking lot and the execution of a new 25-
- 33 year land lease with Edmonds Community College (EdCC).
- 34 • Continued the implementation of cost recovery strategies and the identification of new
- 35 revenue sources for the Recreation Division.
- 36 • Initiated an open gym program for high school students at Cedar Valley Community
- 37 School.
- 38 • Initiated park deferred maintenance improvements identified in the 2016-2025 PARC Plan.
- 39 • Completed a 25-year extension of the Interurban Recreational Trail Easement with
- 40 Snohomish PUD.
- 41 • Revised and received Council approval to Chapter 10 LMC, Park Rules.
- 42 • Completed an update to the City Center Parks Master Plan.
- 43 • Renewed grants with Verdant Health Commission which continued the Move 60! Teens
- 44 and 3rd grade swim voucher activities.
- 45 • Completed six signal wrap projects throughout the City.
- 46 • Secured WSDOT Scriber Creek Trail grant.
- 47 • Completed park improvements to Meadowdale Neighborhood Park.

48 **Highlights and Changes for 2019-2020:**

49 PRCA has worked closely with our boards and commissions and the community to create four
50 comprehensive/strategic plans that have been approved by Resolution by City Council. It is our
51 intention to use these documents to advance our FY 19/20 priorities and services to the
52 community. The Council approved plans are as follows:

- 53 1. 2016-2025 Parks, Arts, Recreation and Conservation Plan- Council approved on February
- 54 22, 2016 (Resolution 2016-04).
- 55 2. Healthy Communities Action Plan- Council Approved on May 9, 2016 (Resolution 2016-
- 56 07).
- 57 3. Cultural Arts Plan- Approved by Council on June 27, 2016 (Resolution 2016-11).
- 58 4. Heritage and History Plan- Approved by Council on July 25, 2016 (Resolution 2016-13).

59 Highlights and changes for the department divisions are included below.

60 **Administration**

61 Policy issues:

- 62 • Addressing social equity issues in all areas.

- 63 • Continuation of policy development and desired outcomes with Police Department to
64 combat homelessness and opioid use.
- 65 • Development of a new Meadowdale Playfields ILA with Edmonds School District and City
66 of Edmonds.
- 67 Other important items:
- 68 • Initiate a Comprehensive Economic Impact Study related to the Recreation Center,
69 Meadowdale Playfields, and parks.
- 70 • Implement Park Impact Fee collection and create a Capital Facilities strategy to fund major
71 park improvements and acquisition (with City Center park issues being the highest
72 priority).
- 73 • Continue dialogue with Snohomish County Parks and Recreation concerning park
74 development in the unincorporated MUGA area.
- 75 • Continue dialogue with Sound Transit to create multi-modal strategies and connectivity
76 linked to the new Transit Center including improvements to the Scriber Creek Trail.
- 77 • Continue ongoing efforts to improve South Lynnwood Neighborhood Park and Heritage
78 Park.
- 79 • Update the 2004 Rowe Park conceptual plan and initiate community outreach.
- 80 • Refresh the Recreation Center and address space capacity issues at the Senior Center.
- 81 **Healthy Communities**
- 82 Program and operational changes:
- 83 • The team added an Events & Outreach Coordinator in 2018. This coordinator is working to
84 improve internal processes and strengthen the City's facilitation of community events
85 with outside partners. This position will also continue to coordinate the City's hosted
86 events including Volunteer Recognition Dinner, Fair on 44th, and Shakespeare in the Park.
- 87 • Continued emphasis on park activation programs – particularly in South Lynnwood – to
88 address social equity issues, increase access to physical opportunities, and strengthen
89 community social connectedness.
- 90 • Continued enhancement of outreach and engagement techniques - including pop-up
91 engagements; partnership with non-profits and cultural anthropologists; offering
92 translation, interpretation, and closed captioning – with a focus on underserved
93 communities such as South Lynnwood Park and creative placemaking projects.
- 94 • Continued effort to connect with creatives in our community through various art projects
95 (e.g. signal box wraps, Love Lynnwood projects, and Eggs-plore).
- 96 Policy issues:
- 97 • Healthy Communities Action Plan – policy initiatives.
- 98 • Social Determinates of Health data mapping and project identification/prioritization for
99 underserved neighborhoods.
- 100 • Continued support of the South Lynnwood Neighborhood Improvement Project.

101 Operations

- 102 • Address deferred maintenance improvements as identified in the 2016-2025 PARC Plan.
- 103 • Craft a playground asset replacement plan and initiate replacements.
- 104 • Create a transition strategy to systematically address items identified in the parks portion
- 105 of the ADA Transition Plan (many these updates can be done in-house by park
- 106 maintenance staff).
- 107 • Management of volunteer service program and increasing park volunteer projects.
- 108 • Add to the economic development of the community with comprehensive management of
- 109 Meadowdale Playfields operations and staffing; this year we have seen over a 339%
- 110 increase in revenue.
- 111 • Build partnerships to support facility operations at Heritage Park, Lynndale Park,
- 112 Interurban Trail 40th Ave Trailhead, Gold Park, and Meadowdale Neighborhood Park.
- 113 • Support the development and maintenance of streetscapes and street trees.

114 Recreation Division

- 115 • Expand facility space dedicated for 62+ programs; use and demand for 62+ exercise is
- 116 anticipated to increase over the next biennium due to changes in aging demographics and
- 117 a growing population in Lynnwood.
- 118 • Adequately fund CPR and First Aid training for City staff.
- 119 • Focus on Leadership development for administrative staff.
- 120 • Implement, with a smooth transition, new registration software system, PerfectMind.
- 121 • Focus on tapping into “mobile” registration that customers now expect and demand.
- 122 • Expansion of teen programming participation.
- 123 • Initiative 1433, approved by Washington voters in 2016, requires a statewide minimum
- 124 wage of \$12.00 in 2019, and \$13.50 in 2020. We rely heavily on our part-time non-
- 125 benefited staff to maintain our programming levels. The state mandated minimum wage
- 126 is the primary driver of budget increases.

127 PRCA Priorities

- 128 • Restore Park Maintenance and Operations staffing back to pre-recession levels.
- 129 • Acquire land in the City Center to develop Town Square Park.
- 130 • Assess senior (62+) demographics, programmatic shifts and space needs.
- 131 • Collaborate with IT to create a mobile friendly website.
- 132 • Implement Recreation Center maintenance programs and interior improvements.
- 133 • Continue the implementation of park deferred maintenance projects.
- 134 • Create a “Friends of Scriber Lake Park” initiative with the new Scriber Reserve Senior
- 135 housing project.
- 136 • Collaborate with Public Works on project design and management.

137 Department Budget History by Program:

Program	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
Administration	\$ 329,000	\$ 535,540	\$ 1,183,876	\$ 1,282,947
Park Operations	1,134,147	1,110,555	2,646,731	2,877,202
Customer Service	759,648	784,110	1,628,568	1,847,732
Recreation Programs	909,680	911,540	2,011,003	2,442,301
Recreation Administration	1,011,116	1,174,367	2,663,480	2,785,599
Human Services	-	50,875	75,000	-
Healthy Communities	379,720	258,950	764,089	873,759
Aquatics	1,820,282	1,849,253	3,862,545	3,919,793
62+ Programs	499,366	520,115	1,148,688	1,179,517
Total	\$ 6,842,959	\$ 7,195,305	\$15,983,980	\$17,208,850

138

139 **Department Personnel [Full-Time Equivalent (FTE)]:**

	Number of Full-Time Equivalent (FTE)					
Position	2015 Actual	2016 Actual	2017 Actual	2018 Revised	2019 Adopted	2020 Adopted
Dir-Park Recreation Culr Arts	1.00	1.00	1.00	1.00	1.00	1.00
Deputy Director	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00	1.00
Healthy Communities Coordinator	1.00	1.75	1.75	1.75	1.75	1.75
Park Superintendent	1.00	1.00	1.00	1.00	1.00	1.00
Foreman	1.00	1.00	1.00	1.00	1.00	1.00
Lead Worker	1.00	1.00	1.00	1.00	1.00	1.00
Maintenance Worker II	3.00	3.00	3.00	3.00	3.00	3.00
Maintenance Worker I	3.00	3.00	3.00	3.00	3.00	3.00
Superintendent	1.00	1.00	1.00	1.00	1.00	1.00
Recreation Manager	1.00	1.00	1.00	1.00	1.00	1.00
Aquatics Assistant Supervisor	3.50	3.50	3.50	3.50	3.50	3.50
Aquatics Senior Guard	4.00	4.00	4.00	4.00	4.00	4.00
Aquatics Lifeguard/WSI	4.00	4.00	4.00	4.00	4.00	4.00
Rec Programs Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Athletics Coordinator	1.00	1.00	1.00	1.00	1.00	1.00
Fitness Coordinator	1.00	1.00	1.00	1.00	1.00	1.00
Youth/Teen Coordinator	-	-	1.00	1.00	1.00	1.00
Recreation Specialist - PreSchool	-	1.00	1.00	1.00	1.00	1.00
Senior Center Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Senior Center Coordinator	1.50	1.50	1.50	1.50	1.50	1.50
Senior Center Clerk	1.00	1.00	1.00	1.00	1.00	1.00
Customer Service Supervisor	-	-	1.00	1.00	1.00	1.00
Customer Service Assistant Supervisor	-	1.00	-	-	-	-
Customer Service Lead Clerk Specialist	2.00	2.00	2.00	2.00	2.00	2.00
Customer Service Clerk Specialist	2.00	2.00	2.00	2.00	2.00	2.00
Total	37.00	39.75	40.75	40.75	40.75	40.75
ESTIMATED Part Time FTE	38.00	39.75	39.75	39.75	49.66	49.66

140

1. Title: Parks & Rec Administration

Program No.: 01150010

2. Responsible Department(s): Parks, Recreation & Cultural Art

3. Brief Description:

This program (division) is responsible for the leadership, development, and operation of a comprehensive Parks, Recreation and Cultural Arts system.

4. Program Outcomes:

This includes administrative functions, strategic planning, outreach, long-range capital and program planning, development of partnerships with other agencies and non-profits, acquisition and development of properties, grant writing and monitoring for compliance, development of the biennial budget, develop policies, and establishment of performance measures and goals.

5. Program Outcomes and the Strategic Plan, 2018-2022.

Priority 1 - Fulfilling the community vision for the City Center and Lynnwood Link Light Rail

Strategy- City Center # 4- Item D- Pedestrian Prioritization Projects

PRCA has identified critical pedestrian prioritization projects that are essential to achieve the desired outcomes to shift future commuter habits from their dependence on automobiles to other alternatives. We have been collaborating with other City departments and Sound Transit to achieve this goal. The Scriber Creek Trail project will serve as a critical link to the new transit center. In addition, we are completing the City Center Parks Master Plan in 2018 which will update the 2007 plan and provide additional emphasis on the potential connectivity to the Town Square and Village Green parks. With the expected population increases in the City Center, we will continue to explore methods to connect these new parks to the new Transit Center and other surrounding amenities through proposed promenade street improvements and other alternatives. The overall goal is to provide safe, secure and accessible alternatives through better planning and design. This will ensure walkability and other methods of accessing these improvements throughout the new City Center.

Priority 2- Ensure financial stability and economic success

Strategy-Economic Success, Item F-Strengthen Lynnwood's image and identity in the region-promote tourism, visitor spending and hotel stays.

The redevelopment of the Recreation Center in 2009-10 and the recent renovation of the Meadowdale Playfields have proven to be economic catalysts for the City. Both projects are destinations that are stimulating our local economy through their menu of services. The Playfields have quickly generated overnight stays through tournaments that have been scheduled. The Recreation Center attracts thousands of visitors annually through the recreational swim sessions and thousands of birthday parties that are scheduled year-round. Both of these investments have strengthened Lynnwood's image and commerce activities.

Priority 3- Nurture Operational and Organizational Excellence

Strategy-Nurture and invest in a diverse workforce, focusing on attracting and retaining talented individuals and proactively planning for employee succession

PRCA employs the largest part-time workforce in the entire city. At any given time, there are between 150-230 part-time workers performing important functions for the Department

(aquatic staff, camp counselors, etc.). The recruitment and retention of this large team of workers is always challenging and requires some creativity and critical thinking. Working with our Human Resources team, we have been able to improve our hiring approaches/methods to ensure we are meeting our service levels. This important function requires constant attention and direction. We have been fortunate to attract some highly competent young adults to our team, and we will continue to evaluate and explore alternatives with the guidance of Human Resources to keep our operations running smoothly and efficiently.

Priority 4- Be a Safe, welcoming, and livable city

Strategy-All of the strategies created in this section directly apply to PRCA.

This priority is directly linked to the Department's mission and purpose. Many of strategies found within this priority had their genesis from plans that were vetted through advisory boards, commissions and the public in general. We are committed to providing safe, secure and accessible parks, welcoming facilities and programs and to work with our partners to improve Lynnwood's built environment to support walking, biking and other physical activity. The various plans that we have had adopted since 2016 have become our guiding force to ensure we accomplish these goals.

Priority 5- Pursue and maintain collaborative relationships and partnerships

Strategy-3 Collaborate with organizations that enhance the City's long-term financial sustainability and economic success; Seek and consider innovative partnerships that can provide new economies of scale, cost avoidance and operational efficiencies.

PRCA has historically been very successful in leveraging its resources through grants and other partnerships. We have a strong track record of achievement that has been strengthened by building strong relationships with partner agencies, at both the local and state levels. Our non-profit Parks and Recreation Foundation has raised nearly \$ 100,000 for the Recreation Benefit Fund (RBF) that provides scholarships for a wide variety of department programs and services. We continue to seek alternative funding sources and to build new relationships that are in alignment with our needs and goals. We have also led the way with innovative cost recovery strategies that ultimately reduce our need for City funds. The Recreation Division has adopted numerous cost saving strategies that have proven effective in the delivery of our services. This Division has also worked extremely hard to analyze different revenue streams that have been created to offset the increased costs of labor and other cost drivers.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

Parks and Recreation services and programs are an essential element to creating a vibrant and sustainable community. The Administrative Division is responsible for long-range capital and strategic planning to ensure levels of service development is conducted with citizen input.

The program is aligned with the following Community Vision goals:

- ***To be a welcoming city that builds a healthy and sustainable environment.***

Our parks and our recreation programs welcome participation by all; our park maintenance and conservation efforts ensure high quality natural and recreation areas and preservation of natural areas.

- ***To invest in preserving and expanding parks, recreation, and community programs.***

The department is responsible for the leadership, development and operation of a comprehensive park, recreation and cultural arts system.

- ***To be a city that is responsive to the wants and needs of our citizens.***

The results of a statistically-valid citizen survey conducted in 2015 were used to form the policies, goals, and strategies adopted in the 2016-2025 PARC Plan which guides all PRCA Department Programs.

- ***To invest in efficient, integrated, local and regional transportation systems.***

Parks and Recreation Administration is directly involved with the securing and management of the Bike2Health project to connect more than 11 miles of regional bicycle facilities, redevelopment of the Scriber Creek Trail, and grant development for important multimodal accessibility projects.

7. Mandatory v. Optional:

The PRCA Administrative Division is responsible for compliance with all local, state and federal rules and regulations including compliance with the Growth Management Act, Recreation Conservation Office, and other interlocal agreements.

Chapters 36.70A-C RCW – Growth Management Act requires comprehensive plans and development regulations of counties and cities include an “Open Space and Recreation” element to “retain open space, enhance recreational opportunities, conserve fish and wildlife habitat, increase access to natural resource lands and water, and develop parks and recreation facilities.

Chapter 2.32 LMC For the purpose of providing for the proper maintenance and operation of public parks, playgrounds, and other recreational facilities belonging to the city of Lynnwood, and to provide for the acquisition of land, structures, and other facilities for the park and recreational program of the city, there is hereby created and established a department of said city to be known as the municipal park and recreation department, hereinafter called “the department.” This chapter is enacted to vest the administration of the park and recreation program in a municipal department.

Chapter 2.28 LMC provides the Division the responsibility to administer the Parks and Recreation Board: There is hereby established a parks and recreation board of the city of Lynnwood composed of seven members as hereinafter provided. The parks and recreation board is an advisory board of the city of Lynnwood, whose duties shall be to provide advice and recommendations to the mayor, city council, staff and other boards and commissions in the city of Lynnwood with regard to parks, open space and recreation services and programs for the city of Lynnwood and the city’s urban growth.

Alternative Service Delivery Options:

Conceivably, this program's services could be provided through alternative service delivery options such as a professional services consultant contract, agreement(s) with other agencies or private providers or by voter approval of a metropolitan park district (MPD). Any consideration of these alternative service delivery options would require detailed analysis of near-term and long-term impacts. Included in the 2016 PARC Plan is a detailed analysis of the use of an MPD and available taxing limits which indicated that an MPD would be limited to generate (at the maximum rate) only \$3.5 million to support operations which is not sufficient to support current levels of service.

8. Program Staffing:

PRCA Administration	Dept.	FTE	Note
Dedicated Personnel			
Director	Parks	1.00	
Deputy Director	Parks	1.00	
Total Dedicated Personnel		2.00	
Support Personnel			
Senior Administrative Assistant	Parks	1.00	
Total Support Personnel		1.00	
Total Program Personnel		3.00	

9. Program Cost (summary):

Administration	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ 234,446	\$ 368,179	\$ 735,006	\$ 785,104
2-Personnel Benefits	68,428	122,386	247,861	276,511
3-Supplies	1,208	1,078	98,000	8,650
4-Services	24,918	43,897	103,009	212,682
Total	\$ 329,000	\$ 535,540	\$ 1,183,876	\$ 1,282,947

10. Offsetting Revenues: (if any)

PRCA Administration	
Total Revenues	\$ -

11. Fiscal Sustainability - Net General Fund Cost of Program:

	\$1,282,947
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134 **12. Performance Measures:**

PRCA Administration	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Monthly Budget Monitoring.	12	12	12	12	
Board/Commission Annual Reports.	3	2	3	3	
Grants per year: securing, monitoring, reporting.	2	1	17	12	
Interlocal and other Agreements per year.	2	4	8	16	
Capital Projects per year - design, outreach, funding, construction management.	1		4	17	

136 **13. Implications of Funding Changes:**

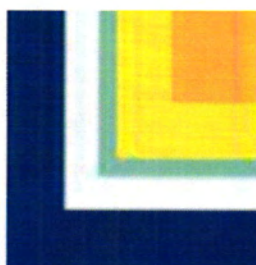
137 • **Other Comments:**

138 In 2016, the City Council approved, by resolution, the 10-year Parks, Arts, Recreation and
 139 Conservation Plan (PARC). The plan contains detailed analysis on the City's park and facility
 140 valuation, current condition and current value. The total value of the City's parks and
 141 facilities is over \$24 million. The plan also pointed out the fact with age and depreciation
 142 our parks and facilities have deferred maintenance needs that are over \$3 million. The plan
 143 also contained a 10-year capital facility plan for park and trail acquisition along with
 144 development that totaled over \$30 million.

145 In FY 17/18, a 6-year capital spending plan was adopted and included \$200,000 per year for
 146 deferred maintenance in our parks. The capital budget also included other significant
 147 projects such as the investment of land in our City Center for a new park. For FY 19/20,
 148 PRCA has identified other significant park improvement and development projects that, if
 149 approved, will likely require the assistance of a landscape architect. This important area of
 150 expertise is not available within the department. In 2014, the department's planner retired,
 151 and the position was not filled due to budget restrictions and other restructuring.

152 Since the projects listed in the current CFP contain a great deal of pre-design work, monies
 153 for professional landscape architecture work will be needed. This alternative is the most
 154 cost effective approach as opposed to the hiring of a staff member to fulfill these
 155 responsibilities.

156 Monies were added in fringe benefits (\$6,016) to cover the cost of the biannual wellness
 157 incentive payouts. With the increased threshold of 26 hours per 6-month period, this is a
 158 previously unfunded liability that needs to be budgeted for. The data for the period 1/1/18
 159 through 6/29/18 was used to estimate eligibility for the biennium.



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Program No.: 01154010

3. Brief Description:

4. Program Outcomes:

5. Program Outcomes and the Strategic Plan, 2018-2022.

Objective 4 – Nurture and invest in a diverse workforce, focusing on attracting and retaining talented individuals, and proactively planning for employee succession.

Priority #4 – Be a safe, welcoming and livable city.

Objective – Safe 3A – Maintain safe, accessible and attractive parks and public spaces that promote and incorporate public safety and security design elements. [Parks, Arts, Recreation & Conservation Plan (PARC Plan) Action 2.3.1].

Objective – Welcoming

1. Encourage and support active and ongoing participation by diverse community members in planning and decision making. (PARC Plan policy 13.1)

2. Enhance community relationship and engagement through continued development and improvement of information exchange mechanism as well as opportunities for direct interaction with our diverse community.

Strategy D – Create and support strong, vibrant, social networks that promote social interaction and community cohesiveness. (HC Action Plan Goal #3).

Objective – Livable

1. Make Lynnwood a safe, attractive and accessible place to live, work, learn, and play.

2. Ensure program and service delivery is equitable, inclusive, and accepting of all our community members.

Strategy - Livable

C – Provide a variety of recreation services and programs that promote the health and well-being of residents of all ages and abilities. (PARC Plan Policy 1.1). D – Maintain and enhance Lynnwood’s recreation and senior center to provide opportunities for residents to connect, learn, and play. (PARC Plan Policy 1.3).

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

Parks and Recreation services and programs are an essential element to creating a vibrant and sustainable community.

The program is aligned with the following Community Vision goals:

- ***To invest in preserving and expanding parks, recreation, and community programs.***

The recreation administration section ensures that the budget allocated to our programs is used appropriately. This ensures that the residents of Lynnwood receive a good value for their investment in our programs.

- ***To be a city that is responsive to the wants and needs of our citizens.***

The recreation administration section consistently monitors customer feedback in the following ways, suggestion box, customer service email, and through social media sites. Evaluation of program offerings are consistently being evaluated and adjusted based on patron input and demand.

- ***To be a welcoming city that builds a healthy and sustainable environment.***

We provide programming for all ages, interests, and ability levels. We are a friendly place where everyone feels welcome.

7. Mandatory v. Optional:

Chapters 36.70A-C RCW– Growth Management Act requires comprehensive plans and development regulations of counties and cities include an “Open Space and Recreation” element to “retain open space, enhance recreational opportunities, conserve fish and wildlife habitat, increase access to natural resource lands and water, and develop parks and recreation facilities.

Chapter 2.32 LMC For the purpose of providing for the proper maintenance and operation of public parks, playgrounds, and other recreational facilities belonging to the city of Lynnwood, and to provide for the acquisition of land, structures, and other facilities for the park and recreational program of the city, there is hereby created and established a department of said city to be known as the municipal park and recreation department, hereinafter called “the department.” This chapter is enacted to vest the administration of the park and recreation program in a municipal department.

Alternative Service Delivery Options:

Conceivably, this program’s services could be provided through alternative service delivery options such as a professional services consultant contract, agreement(s) with other agencies or private providers or by voter approval of a metropolitan park district. Any consideration of these alternative service delivery options would require detailed analysis of near-term and long-term impacts. No such analysis has been conducted or is planned at this time.

8. Program Staffing:

Recreation Administration	Dept.	FTE	Note
Dedicated Personnel			
Recreation Superintendent	Parks	1.00	
Total Dedicated Personnel		1.00	
Support Personnel			
Total Support Personnel		-	
Total Program Personnel		1.00	

9. Program Cost (summary):

Recreation Administration	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ 106,659	\$ 109,021	\$ 215,929	\$ 227,616
2-Personnel Benefits	42,670	44,885	92,280	113,983
3-Supplies	82,562	152,020	220,970	348,160
4-Services	708,607	789,878	1,971,101	1,930,840
5-Intergovernmental	70,618	78,563	163,200	165,000
Total	\$ 1,011,116	\$ 1,174,367	\$ 2,663,480	\$ 2,785,599

10. Offsetting Revenues:

Recreation Administration	
Total Revenues	\$ -

11. Fiscal Sustainability - Net General Fund Cost of Program:

	\$2,785,599
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12. Performance Measures:

Recreation Administration	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Monthly Budget Monitoring.	12	12	12	12	
Monthly Department performance numbers recording.	12	12	12	12	
Perform quarterly safety drills for the recreation department.	4	3	5	4	

13. Implications of Funding Changes:
• Other Comments:

To create a more accurate BFO document, some additional costs were allocated from other departments. These include judgements and damages and software licenses. All other line items increases are a result of inflation and anticipated utility increases.

Monies were added in fringe benefits (\$11,950.40) to cover the cost of the biannual wellness incentive payouts for all Recreation programs. With the increased threshold of 26 hours per 6-month period, this is a previously unfunded liability that needs to be budgeted for. The data for the period 1/1/18 through 6/29/18 was used to estimate eligibility for the biennium.

1. Title: Recreation Programs (formerly Youth Programs and Athletics/Fitness)

Program No.: 01154500

2. Responsible Department(s): Parks, Recreation & Cultural Arts

3. Brief Description:

Recreation Programs is responsible for the programming of activities and classes for all ages, including fitness, athletics, day camps, arts and enrichment.

4. Program Outcomes:

Recreation Program offers a robust menu of recreation classes, activities and family events for all ages at the Recreation Center, parks, Cedar Valley Community School, Meadowdale Middle School and Meadowdale athletic complex. We are responsible for programming in the weight room, fitness studio, classrooms, two indoor gymnasiums and an outdoor athletic complex that consists of three softball fields and two multi-purpose soccer fields and Lynndale Park. Implemented with a spirit of "Teamwork, Safety and Fun" we strive to add to the quality of life of our patrons and Lynnwood citizens.

For a total of 5,467 yearly programming hours, we provide an array of offerings such as: Kids Klub preschool (613 hours of classroom instruction for 3-5 year olds), youth day camps (1,600+ campers a year), after school programming (220 students a year), family events (three events per year reaching 700+ individuals), Teen leadership training (300 hours each summer), Teen Open Gym (144 hours a year), dance instruction (six different styles of dance each week), art classes (painting, drawing, pastels, etc), guitar lessons (190+ classes a year), foreign languages (190+ adult classes a year and four weeks of summer instruction for youth), large group fitness (32 classes a week), small group fitness (four per week) and personal training (as requested), sports leagues (90 softball teams), facility rentals (888 hrs before the MAC renovation), tournaments (50+ per year) and much more. These programs are led by a combination of staff and contract instructors and focus on meeting the diverse needs/wants of our community.

5. Program Outcomes and the Strategic Plan, 2018-2022.

Priority 4: Livable

Objective 1: Make Lynnwood a safe, attractive, and accessible place to live, work, learn, and play.

We provide opportunities for people of all ages and abilities to recreate, be fit, and create social connections within their community.

Priority 4: Livable

Objective 2: Ensure program and service delivery is equitable, inclusive, and accepting of all our community members.

Strategy C Provide a variety of recreation services and programs that promote the health and well-being of residents of all ages and abilities. (PARC Plan Policy 1.1)

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

Parks and Recreation services and programs are an essential element to creating a vibrant and sustainable community.

The program is aligned with the following Community Vision goals:

- ***To invest in preserving and expanding parks, recreation, and community programs.***
- ***To be a city that is responsive to the wants and needs of our citizens.***

The results of a statistically-valid citizen survey conducted in 2015 were used to form the policies, goals, and strategies adopted in the 2016-2025 PARC Plan which guides all PRCA Department Programs.

- ***To be a welcoming city that builds a healthy and sustainable environment.***

We provide programming for all ages, interests, and ability levels. We are a friendly place where everyone feels welcome.

7. Mandatory v. Optional:

The Recreation Program's work plan (activities and services) for 2019-2020 is guided by the following legislative actions:

Resolution 2016-04, approving the 10-year Parks, Arts, Recreation & Conservation Plan contains goals, policies, and tasks to provide facilities and programs that promote a balance of recreational opportunities for all age groups.

Chapters 36.70A-C RCW, the Growth Management Act requires comprehensive plans and development regulations of counties and cities include an "Open Space and Recreation" element to "enhance recreational opportunities, and develop parks and recreation facilities."

Chapters 36.70A-C RCW, the Growth Management Act requires comprehensive plans and development regulations of counties and cities include an "Open Space and Recreation" element to "retain open space, enhance recreational opportunities, conserve fish and wildlife habitat, increase access to natural resource lands and water, and develop parks and recreation facilities."

Alternative Service Delivery Options:

Conceivably, this program's services could be provided through alternative service delivery options such as a professional services consultant contract, agreement(s) with other agencies or private providers or by voter approval of a metropolitan park district. Any consideration of these alternative service delivery options would require detailed analysis of near-term and long-term impacts. No such analysis has been conducted or is planned at this time.

8. Program Staffing:

Recreation Programs	Dept.	FTE	Note
Dedicated Personnel			
Recreation Supervisor	Parks	1.00	
Recreation Coordinator	Parks	3.00	Addition of Youth/Teen Coord.
Recreation Specialist 4	Parks	1.00	
Part Time Rec Leaders, Rec Specialist 1, 2, 3 and 4	Parks	8.30	17,230 part time hours per year
Grant Funded (Move 60 Teens)	Parks	1.86	3,865 part time hours per year
Total Dedicated Personnel		15.16	
Support Personnel			
Total Support Personnel		-	
Total Program Personnel		15.16	

9. Program Cost (summary): Athletics and Youth/Teens:

Recreation Programs	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ 533,791	\$ 565,566	\$ 1,118,047	\$ 1,466,754
2-Personnel Benefits	151,487	165,072	315,718	413,181
3-Supplies	41,352	39,511	100,129	106,578
4-Services	183,050	141,391	477,109	455,788
Total	\$ 909,680	\$ 911,540	\$ 2,011,003	\$ 2,442,301

10. Offsetting Revenues: (if any)

Recreation Programs	
	\$ 2,749,860
Total Revenues	\$ 2,749,860

11. Fiscal Sustainability - Net General Fund Cost of Program:

	(\$307,559) net generated.)
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12. Performance Measures:

Rereation Programs	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Program hours per year for classes, services, trips, events, activities.	6,000	5,099	5,323	5,467	
Registrations per year.	7,500	7,985	7,647	7,789	
Hours of Athletic Rentals	2,500	1,477	1,334	888	

82 **13. Implications of Funding Changes:**83 • **Other Comments:**

84 Initiative 1433, approved by Washington voters in 2016, requires a statewide minimum
85 wage of \$12.00 in 2019, and \$13.50 in 2020. We rely heavily on our part-time non-
86 benefited staff to maintain our programming levels. The state mandated minimum wage is
87 the primary driver of budget increases. Also included is a continued shift from contract
88 instructors to part time staff.

1. Title: Aquatics**Program No.: 01154100****2. Responsible Department(s): Parks, Recreation & Cultural Arts****3. Brief Description:**

This program is responsible for aquatic and safety training at the Lynnwood Recreation Center. This program is also charged with the responsibility of Maintenance, Operations, and Custodial of the Natatorium.

4. Program Outcomes:

The Aquatics Program can be defined with three words: "Safety, Fun, and Learning." Offering over 500 hours per week of programming and 103 hours of facility use weekly, this program area sees the heaviest demand in the Recreation Center. Each week we serve over 1,500 swimmers in our open swims, 1000 plus in our Learn to Swim Program, 350 Water Fitness participants, and some 30 birthday/party rentals severing some 300 children and their parents of the over 250,000 annually that use the Aquatic Center. Comprised of over 20,000 square feet of leisure space, the Recreation Center features a 25-yard, 6-lane lap pool with diving board, a warm-water wellness pool with ramp, four play pools including a beach, river, lake and whirlpool, two waterslides, two hot tubs and a sauna. With a focus on safety first, Aquatics puts its highest priority on swim lessons and participates in offering free swim lessons to all beginning level K-12 students in the Edmonds School District, as well as offers a robust health and safety program of emergency preparedness, CPR, lifeguarding and water safety classes. Aquatics staff maintain a number of the sanitation systems for our pools, and these responsibilities include daily chemicals checks, maintaining the gas chlorine system, pool filter maintenance, daily chemical adds and general natatorium custodial.

5. Program Outcomes and the Strategic Plan, 2018-2022.

Priority 4: Safety; Objectives 1 - Create a community environment that has a real and perceived sense of safety and security and 2 - Deliver high-quality public safety and other City services to ensure that our community is a desirable place to live, work, and play.

From the training and expectations of our lifeguards and swim instructors to our emphasis on water safety and first aid CPR for the public and our staff. Our community can see every day the city's commitment to our quality of programming and the safe environment we provide.

Priority 4: Safety; Objectives 2 - Enhance community relationships and engagement through continued development and improvement of information exchange mechanisms as well as opportunities for direct interaction with our diverse community.

One of the values we live and work by is foster social connections through daily engagement with our customers. A smile and greeting to swimming advice and a friendly answer to questions about the different programs we offer.

Priority 4: Livable; Objective 2- Ensure program and service delivery is equitable, inclusive, and accepting of all our community members.

By offering ability levels from beginning to advanced, and programs for play and learning everyone who comes through our doors will find the place they feel accepted and welcome.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

Note: Parks and Recreation services and programs are an essential element to creating a vibrant and sustainable community.

The program is aligned with the following Community Vision goals:

- ***To be a welcoming city that builds a healthy and sustainable environment.***

The welcoming attitude of all the aquatic staff.

- ***To invest in preserving and expanding parks, recreation, and community programs.***

The operational maintenance and custodial work done by the aquatic staff.

- ***To be a cohesive community that respects all citizens.***

Social interactions and connections made every day on the pool deck.

- ***To be a city that is responsive to the wants and needs of our citizens.***

The variety of health and fitness classes offered in aquatics.

7. Mandatory v. Optional:

The Aquatic Program's work plan (activities and services) for 2017/2018 is guided by the following legislative actions:

- Lynnwood Resolution 2016-04, approving the 10-year Parks, Arts, Recreation & Conservation Plan contains goals, policies, and tasks to (1.1.1) Enhance the diversity of programs offered, focusing on programs that are in high demand or serve a range of users.
- Chapters 36.70A-C RCW, the Growth Management Act, requires comprehensive plans and development regulations of counties and cities include an "Open Space and Recreation" element to "enhance recreational opportunities, and develop parks and recreation facilities."
- WA RCW 36.70, the Growth Management Act requires comprehensive plans and development regulations of counties and cities include an "Open Space and Recreation" element to "retain open space, enhance recreational opportunities, conserve fish and wildlife habitat, increase access to natural resource lands and water, and develop parks and recreation facilities."

Chapter 2.32 LMC. For the purpose of providing for the proper maintenance and operation of public parks, playgrounds, and other recreational facilities belonging to the city of Lynnwood, and to provide for the acquisition of land, structures, and other facilities for the park and recreational program of the city, there is hereby created and established a department of said city to be known as the municipal park and recreation department, hereinafter called "the department." This chapter is enacted to vest the administration of the park and recreation program in a municipal department.

Chapter 246-260 WAC- Water recreation facilities. For the purpose of protecting the health, safety, and welfare of users of water recreational facilities. (WRF)

Alternative Service Delivery Options:

Conceivably, this program's services could be provided through alternative service delivery options such as a professional services consultant contract, agreement(s) with other agencies or private providers or by voter approval of a metropolitan park district. Any consideration of these alternative service delivery options would require detailed analysis of near-term and long-term impacts. No such analysis has been conducted or is planned at this time.

8. Program Staffing:

Aquatics	Dept.	FTE	Note
Dedicated Personnel			
Recreation Manager	Parks	1.00	
Assist Supervisor	Parks	3.50	
Senior Guard	Parks	4.00	
Full time Lifeguard	Parks	3.00	
P/T Lifeguard/Swim Instructors	Parks	26.00	49,770 part time hours per year +additional hours for mandated sick leave
Total Dedicated Personnel		37.50	
Support Personnel			
Total Support Personnel		-	
Total Program Personnel		37.50	

9. Program Cost (summary):

Aquatics	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ 1,237,389	\$ 1,301,402	\$ 2,736,664	\$ 2,806,803
2-Personnel Benefits	478,814	494,603	1,022,112	1,005,221
3-Supplies	54,129	20,894	53,000	53,000
4-Services	49,950	32,354	50,769	54,769
Total	\$ 1,820,282	\$ 1,849,253	\$ 3,862,545	\$ 3,919,793

10. Offsetting Revenues: (if any)

Aquatics	
	\$ 3,248,265
Total Revenues	\$ 3,248,265

11. Fiscal Sustainability - Net General Fund Cost of Program:

	\$671,528
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Note: Aquatics operates 77.5% cost recovery. This includes all custodial and facility operational cost for the Natatorium.

12. Performance Measures:

Aquatics	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Annual Swim Lessons.	9,000	8,799	8,720	9,546	
Total # of Safety Class Certifications.	575	485	1,122	992	
Maintain Filter/Sanitation Operations for % Scheduled Pool Hours.	99	96	97	98	
Annual Part-Time Staffing Hours to Meet all Health Code & Financial Savings to the City.	1,000	800	898	986	
Hours of Mandatory Training to Meet all Health Codes to Operate a Safe Aquatics Program.	3,000	2,400	2,684	3,125	

Note: The focus in Aquatics for the next Biennium will be on maintaining current levels of service while continuing to focus on availabilities to the underserved and the ESL through Verdant and current staff.

13. Implications of Funding Changes:

- **Other Comments:**

The request for increased budget line item for Part-Time wages: We rely heavily on our part-time non-benefited staff to maintain our programming levels. Initiative 1433, approved by Washington voters in 2016, requires a statewide minimum wage increase and the mandate of paid sick leave for all part-time staff. The state mandated minimum wage is the primary driver of budget increases.

1. Title: Recreation – Adults 62+

Program No.: 01154400

2. Responsible Department(s): Parks, Recreation & Cultural Arts

3. Brief Description:

This recreation division provides programming for people 62+ through the Lynnwood Senior Center (LSC).

4. Program Outcomes:

LSC is a community center engaging older adults in health, wellness, social and recreational opportunities. Programs are developed for people 62+, with those 61 and younger welcome to participate. Non-members are also welcome and served. Utilizing the 4,200 square foot LSC facility with 37.5 hours of weekly operation and three 15 passenger buses, 50 - 55 classes, trips, services, and activities are offered each week. LSC provides the framework and support for over 100 volunteers to engage with, and contribute to the community. LSC membership is more than 1,200 annually.

5. Program Outcomes and the Strategic Plan, 2018-2022.

The Recreation division is represented in many different areas of the strategic plan.

Priority #2 – Ensure financial stability and economic success. The City’s vision includes the statement that the City should “be responsive to the wants and needs of our citizens.”

Objective B – Avoid increasing ongoing expenditures that are not financially sustainable and/or do not offer equivalent revenue generation or cost savings.

Priority #3 – Nurture Operational and Organizational Excellence.

Objective 1 – Create, develop, and foster a culture of continuous process of improvement.

Strategy B – Implement and improve online system to enhance customer services. Identify and improve processes, then implement technologies to enhance and elevate customer experience.

Strategy C – Provide timely and accessible training to all employees, with a focus on improved customer interaction and process efficiencies.

Objective 4 – Nurture and invest in a diverse workforce, focusing on attracting and retaining talented individuals, and proactively planning for employee succession.

Priority #4 – Be a safe, welcoming and livable city.

Objective – Safe 3A – Maintain safe, accessible and attractive parks and public spaces that promote and incorporate public safety and security design elements. [Parks, Arts, Recreation & Conservation Plan (PARC Plan) Action 2.3.1].

Objective – Welcoming

1. Encourage and support active and ongoing participation by diverse community members in planning and decision making. (PARC Plan policy 13.1)

2. Enhance community relationship and engagement through continued development and improvement of information exchange mechanism as well as opportunities for direct interaction with our diverse community.

Strategy D – Create and support strong, vibrant, social networks that promote social interaction and community cohesiveness. (HC Action Plan Goal #3).

Objective – Livable

1. Make Lynnwood a safe, attractive and accessible place to live, work, learn, and play.

2. Ensure program and service delivery is equitable, inclusive, and accepting of all our community members.

Strategy - Livable

C – Provide a variety of recreation services and programs that promote the health and well-being of residents of all ages and abilities. (PARC Plan Policy 1.1). D – Maintain and enhance Lynnwood’s recreation and senior center to provide opportunities for residents to connect, learn, and play. (PARC Plan Policy 1.3).

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

Parks and Recreation services and programs are an essential element to creating a vibrant and sustainable community.

The program is aligned with the following Community Vision goals:

- ***To invest in preserving and expanding parks, recreation, and community programs.***

LSC will maintain and retain current level of programming.

- ***To be a city that is responsive to the wants and needs of our citizens.***

LSC will continue to develop programs in response to participant input and feedback.

- ***To be a cohesive community that respects all citizens.***

LSC staff will continue to welcome people of all ages and cultures, and actively engage them in Center programs and social groups. LSC will continue to support volunteers who are learning English, and to partner with disability service provider agencies to create volunteer work opportunities for their clients.

7. Mandatory v. Optional:

The Lynnwood Senior Center's work plan (activities and services) for 2017/2018 is guided by the following legislative actions:

Resolution 2016-04, approving the 10-year Parks, Arts, Recreation & Conservation Plan contains goals, policies, and tasks to Policy 1.3--Maintain and enhance Lynnwood’s recreation and senior centers to provide recreational opportunities, community services and opportunities for residents to connect, learn and play.

Washington RCW 36.70 – Growth Management Act requires comprehensive plans and development regulations of counties and cities include an “Open Space and Recreation” element to “retain open space, enhance recreational opportunities, conserve fish and wildlife

habitat, increase access to natural resource lands and water, and develop parks and recreation facilities.

Chapter 2.32 LMC for the purpose of providing for the proper maintenance and operation of public parks, playgrounds, and other recreational facilities belonging to the city of Lynnwood, and to provide for the acquisition of land, structures, and other facilities for the park and recreational program of the city, there is hereby created and established a department of said city to be known as the municipal park and recreation department, hereinafter called "the department." This chapter is enacted to vest the administration of the park and recreation program in a municipal department.

Alternative Service Delivery Options:

Conceivably, this program's services could be provided through alternative service delivery options such as a professional services consultant contract, agreement(s) with other agencies or private providers or by voter approval of a metropolitan park district. Any consideration of these alternative service delivery options would require detailed analysis of near-term and long-term impacts. No such analysis has been conducted or is planned at this time.

8. Program Staffing:

62+ Programs	Dept.	FTE	Note
Dedicated Personnel			
Coordinator	Parks	0.75	Classes & Trips
Coordinator	Parks	0.75	Events & Outdoor Rec
Recreation Clerk Specialist	Parks	1.00	Front Desk
Recreation Supervisor	Parks	1.00	62+ Division Admin
Total Dedicated Personnel		3.50	
Support Personnel			
Total Support Personnel		-	
Total Program Personnel		3.50	

9. Program Cost (summary):

62+ Programs	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ 247,797	\$ 279,502	\$ 636,764	\$ 618,714
2-Personnel Benefits	104,949	125,185	268,682	284,109
3-Supplies	5,556	8,118	21,463	27,879
4-Services	141,064	107,310	221,779	248,815
Total	\$ 499,366	\$ 520,115	\$ 1,148,688	\$ 1,179,517

93 **10. Offsetting Revenues: (if any)**

62+ Programs	
Registered Program and shared Revenue	\$ 743,176
Total Revenues	\$ 743,176

95 **11. Fiscal Sustainability - Net General Fund Cost of Program:**

	\$436,341
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97 **12. Performance Measures:**

62+ Programs	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Volunteer Hours per year.	7,800	7,799	7,424	8,107	
Outdoor Recreation participant miles per year: Hiking, biking, fishing, golfing, kayaking, river rafting, horseback riding, paddle boarding, snowsports & outdoor adventures (ziplining, etc).	4,300	4,327	4,919	5,460	
Program hours per year for classes, services, trips, events, activities (per 1,800 hours of operation).	4,500	4,545	4,698	4,471	
Registrations per year.	11,000	10,808	12,253	11,657	

Program No.: 01151100

3. Brief Description:

4. Program Outcomes:

New Construction - Address major renovations or renewal projects within City facilities, including replacement or additions of amenities, such as picnic tables, benches and park signs. With an aging park system, it is necessary to have resources available to renew and refresh facilities within City parks. Many of Lynnwood's parks were constructed in the 1970s and are in need of updating to comply with current ADA standards. In this biennium funding has allowed us to start the process of addressing ADA compliance issues through facility renovation projects and dedicated deferred maintenance funding for small capital improvements.

Vandalism - Repair and replacement of any asset mischievously damaged or defaced within the park system. In the current biennium we have seen the continued increase in overnight camping, dumping and vandalism to the park facilities. Issues around the homeless continue to have significant impacts on operations such as, the need for more frequent patrols of open space and heavily wooded park areas and damages to facilities from overnight camping, drug use and theft.

Other Maintenance Responsibilities - Examples of other responsibilities include several special events, and coordination of volunteer projects. Park volunteer opportunities have expanded over the last biennium and now include several large events as well as many small clean up events. We also support many Boy and Girl Scout service projects as well as an Adopt a trail and Garden program. Other services include ongoing equipment maintenance, seasonal lighting, storm or disaster clean-up, biannual floral plantings and the continued maintenance and management needs of the City's parks open space areas.

5. Program Outcomes and the Strategic Plan, 2018-2022.

Summarize how the outcomes identified above help implement the Strategic Plan.

Priority 4. Be a safe, welcoming, and livable city.

Park Operations outcomes support the values identified in the 2018-2020 strategic plan by illustrating our approach to maintain safe, accessible and attractive parks and public spaces that promote and incorporate public safety and security. Park outcomes clearly outline the department's commitment to actively manage our park and recreation assets through a regular schedule of maintenance and capital renewal. Program strategies detail our commitment to plan for and finance the backlog of deferred maintenance projects and upgrades for ADA compliance throughout parks and open space. Well-kept parks provide a safe and welcoming place for community members to build social networks that promote social interaction and community cohesiveness. Parks are the meeting place for the community; we see this through annual increases in park reservations. Just this year the parks will provide space for weddings, birthday parties, family reunions, graduation parties and educational trainings. Many City engagement events are scheduled in the parks such as Sand Lot Cinemas, Kamp Kookamunga, Shakespeare in the Park and History and Heritage Days. These are just a few examples of how parks indirectly support the economic vitality of the City.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

Parks and Recreation services and programs are an essential element to creating a vibrant and sustainable community.

The program is aligned with the following Community Vision goals:

- ***To be a welcoming city that builds a healthy and sustainable environment.***
- ***To invest in preserving and expanding parks, recreation, and community programs.***
- ***To be a city that is responsive to the wants and needs of our citizens.***

Parks are the foundation for our community; they provide a public place to enjoy the natural elements in an urban setting in addition to Public gathering places and numerous other active recreational activities. Lynnwood Parks have become a regional provider for active recreational use, many features draw participants from surrounding communities including the Spray parks, Interurban Trail, Lynndale Playfields, Amphitheater and the recently remodeled Meadowdale Playfields. Parks help to build a healthy community while providing a sustainable environment for future generations. With the renovation of Meadowdale Playfields we have seen a significant increase in participation and attendance to the facility. Revenues for Meadowdale Playfields are up 339% from the 2016, the last full year of athletics prior to construction in 2017.

7. Mandatory v. Optional:

The Park Operations Program's work plan (activities and services) for 2019-2020 is guided by the following legislative actions:

Resolution 2016-04, approving the 10-year Parks, Arts, Recreation & Conservation Plan contains goals, policies, and tasks to provide leadership and staff resources to maintain the overall parks and recreation to the City's requirements.

Chapters 36.70A-70C RCW – Growth Management Act requires comprehensive plans and development regulations of counties and cities include an "Open Space and Recreation" element to "retain open space, enhance recreational opportunities, conserve fish and wildlife habitat, increase access to natural resource lands and water, and develop parks and recreation facilities.

Chapter 2.32 LMC For the purpose of providing for the proper maintenance and operation of public parks, playgrounds, and other recreational facilities belonging to the city of Lynnwood, and to provide for the acquisition of land, structures, and other facilities for the park and recreational program of the city, there is hereby created and established a department of said city to be known as the municipal park and recreation department, hereinafter called "the department." This chapter is enacted to vest the administration of the park and recreation program in a municipal department.

Alternative Service Delivery Options:

Conceivably, this program's services could be provided through alternative service delivery options such as a professional services consultant contract, agreement(s) with other agencies or private providers or by voter approval of a metropolitan park district. Any consideration of these alternative service delivery options would require detailed analysis of near-term and long-term impacts. No such analysis has been conducted or is planned at this time

8. Program Staffing:

Park Operations	Dept.	FTE	Note
Dedicated Personnel			
Superintendent	Parks	1.00	
Foreman	Parks	1.00	
Leadworker	Parks	1.00	
Maintenance Worker II	Parks	2.00	Maintenance Worker I promotional opportunity
Maintenance worker I	Parks	4.00	
Seasonal Laborer	Parks	2.00	4,160 part time hours per year
Field attendant	Parks	2.50	5,200 part time hours per year
Total Dedicated Personnel		13.50	
Support Personnel			
Total Support Personnel		-	
Total Program Personnel		13.50	

9. Program Cost (summary):

Park Operations	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ 571,072	\$ 554,615	\$ 1,360,500	\$ 1,467,966
2-Personnel Benefits	247,505	259,506	628,297	661,949
3-Supplies	75,816	69,765	156,694	166,320
4-Services	239,754	226,669	501,240	580,967
Total	\$ 1,134,147	\$ 1,110,555	\$ 2,646,731	\$ 2,877,202

10. Offsetting Revenues: (if any)

Park Operations	
City of Edmonds reimbursement for 1/2 operating costs at Meadowdale Playfields	\$ 240,000
City of Edmonds funding for the operation of Lynndale Skate Park	\$ 20,000
Heritage Park Partners reimbursement for 1/2 utility costs at their occupied facility.	\$ 9,000
Facility rental fees- Park rental shelters / Athletic field rentals	Reflected in Recreation budget
Total Revenues	\$ 269,000

11. Fiscal Sustainability - Net General Fund Cost of Program:

	\$2,608,202
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121 12. Executive's Assessment:

BFO Program Criteria	High	Medium	Low
Degree of Relevance to Community Vision	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Degree of Relevance to Strategic Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Degree Mandatory	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Degree Fiscally Sustainable	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

122 13. Performance Measures:

Park Operations	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Number of visits to each park per year for mowing (60+ acres total).	25	20	25	25	
Capital renewal/ Deferred Maintenance projects completed per year.	4	-	4	5	
Number of irrigation systems maintained, including weekly inspection.	30	30	30	30	
Upkeep of 11 park grounds and restrooms, Number of service visits per year.	365	365	365	365	
Upkeep of 15 miles of park & corridor trails. Number of service visits per year.	12	12	15	15	
Service and upkeep of 9 park shelters available for rental. Number of rentals per year.	1,000	324	1,072	1,223	
Number of hazard trees removed per year.		22	18	52	
Number of trees pruned per year.		325	350	350	
Number of trees planted per year.		56	20	96	
Number of volunteer park improvement events per year.	10	12	9	13	

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14. Implications of Funding Changes:

- **Other Comments:**

Park Operations funding changes reflect a small increase to utility costs and a 3% increase for inflation on goods and services. A significant impact to the department budget is the vehicle replacement costs, the increase is 39% for the next biennium. These numbers are for the current fleet of vehicles with no additions. Park maintenance staffing levels are a major concern for the coming biennium as the operations division has never recovered from the 2 FTE staff reduction in 2011. In the following years the department has taken on additional responsibility that includes city right of way maintenance. The recently-renovated Meadowdale Playfields, Meadowdale Park improvements, Lynndale Amphitheater improvements and the addition of the Lynndale off-Leash dog area.

In 2019-2020, we have been tasked with the added maintenance of additional park development and Public Works projects including the future development of the Interurban Trail's 40th Street Entrance, 36th Avenue roundabout and streetscape, and the Interurban Trail "missing link". In the last 5 years, we have seen an unprecedented increase in homeless activity throughout our parks and open space, this activity has consumed a significant amount of resources to control the negative impacts. Some of the homeless impacts we are addressing are illicit drug use, vandalism, camping/ encampments and theft.

For these reasons, the Park Operations budget includes a staffing increase of 1.0 FTE maintenance worker. This position will be funded through the Capital Fund's deferred park maintenance program and result in a commensurate decrease in expenditure of materials (gravel, sod, concrete, signs, etc).

Monies were added in fringe benefits (\$8,112) to cover the cost of the biannual wellness incentive payouts. With the increased threshold of 26 hours per 6-month period, this is a previously unfunded liability that needs to be budgeted for. The data for the period 1/1/18 through 6/29/18 was used to estimate eligibility for the biennium.

1. Title: Healthy Communities

Program No.: 01152010 (Healthy Communities), 01152101 (Events & Arts), 01152301 (HC Education/Outreach), 01152303 (Wellness)

2. Responsible Department(s): Parks, Recreation & Cultural Arts**3. Brief Description:**

The Healthy Communities Division is responsible for education, programming and events that relate to community and employee health and wellness. Programs include community arts, culture, heritage, events and activities such as park activations, mini grants, signal box wraps, and Fair on 44th. This work is accomplished in collaboration with other City Departments, community members, and partners to create a healthy, connected community in which to live, learn, work and play.

4. Program Outcomes:

In 2016, City Council adopted by resolution the Healthy Communities Action Plan, the Cultural Arts Plan, and the Heritage Strategic Plan.

The primary outcomes of these plans are to:

1 – Establish policy, program and environmental changes that promote health, wellness, and supportive social networks.

2 – Support Universal access to diverse arts and community events that enrich Lynnwood's quality of life and economic vitality.

3 – Preserve and interpret the City's history, heritage and culture.

The diverse collection of services and programs provided by the HC Division include:

- Healthy Communities Action Plan – this work plan includes work with an interdisciplinary team and community stakeholders to improve the built environment in a way that improves safety and encourages walking, biking, and social gatherings; improve access to healthy foods; and improves social connectivity. Programs include park activation programs (e.g. Summer Meals and Meet Me in the Park), community outreach, adopt programs, You're Your Block mini grants, volunteer service projects, community garden management, walking programs, and education programs (e.g. Bike2Health).
- Arts Commission & Art Programming – the PRCA Department is required by LMC to maintain this advisory body which includes properly managing agendas, minutes and public notices for meetings, and managing programs including: Shakespeare in the Park (sponsorship funded), Gallery Exhibits, Signal Wraps, Eggs-plore, grant-funded programs and partnering on art projects with other agencies such as Sound Transit.
- Public Art – The City is required by ordinance to maintain and Art Fund for acquisition and maintenance of City's Public Art Collection which contains more than 145 individual portable and permanent pieces with a fair market value of more than \$1.1 million.

- Heritage Programming – staff are responsible for managing tenant leases and partnerships at Heritage Park, offering open houses, designing historic exhibits, and managing a volunteer docent program for the trolley.
 - History & Heritage Board – an interdisciplinary team under PRCA leadership work with this LMC authorized advisory board to promote cultural and historical events and attractions within Lynnwood, interpret and recognize significant historical sites, and serve as a local historical resource.
 - Community Events & Outreach – In 2018, this team added a full-time Events and Outreach Coordinator for the purposes of maintaining the City’s existing hosted events (e.g. Fair on 44th and Volunteer Recognition Dinner) and partner/sponsored events (e.g. Afro-Latino Festival, Ubuntu, VFW events, etc.) as well as, enhancing community outreach through Lynnwood Cares, Clean & Green, and neighborhood outreach events.
 - City Employee Wellness Program – This program has been administered by the Healthy Communities Coordinator for the past six years successfully earning an annual WellCity Award and premium discount of 2%. In 2018, most of the City’s employees changed medical plans through our broker, Alliant, who provides a \$25,000 annual rebate to the City to provide employee wellness services.
- This budget includes \$50,000 of funding for the purpose of implementing the Healthy Communities Action Plan, Cultural Arts Plan, Heritage Plan, and Community Events recommended by the City’s boards and commissions. This budget also includes \$30,000 of arts and heritage related grant-funded programs.

5. Program Outcomes and the Strategic Plan, 2018-2022.

The Healthy Communities collection of programs aid the implementation of the City’s Strategic Plan in the following ways:

- **Priority 1: City Center & Lynnwood Link**
 A major component of the Healthy Communities Action Plan Goal 1 seeks to improve the built environment for better multimodal connectivity. Staff are champions of and are assisting with the planning and development of enhanced pedestrian and bicycle facilities including implementation of the Multimodal Accessibility Plan and Bike2Health as well as planning and development of City Center Parks, Promenade, Scriber Creek Trail and other project design and grant development.
- **Priority 2: Financial Stability**
 Strategy 1A seeks to fully align City investment with the Community Vision. A significant portion of the Healthy Communities’ budget and work plan is specifically aligned to the community vision with oversight and recommendation of the City’s boards and commissions which are also in alignment with their adopted strategic plans. In many cases, this work is grant-funded or coordinated with community partners for overall cost efficiencies (Strategy 1F).
- **Priority 3: Operational & Organizational Excellence**
 The Healthy Communities team is devoted to enhancing the City’s brand and community awareness through enhanced outreach strategies (i.e. Lynnwood Cares and neighborhood focused events) and enhanced promotions using a variety of

communication channels (i.e. City website, HealthyLynnwood.com, DiscoverLynnwood.com) and use of cultural ambassadors and interpreters at events and neighborhood outreach promotions (Strategy 2B).

- Through our coordination of the Employee Wellness Program, we remain committed to supporting the City's effort to nurture and invest in a diverse workforce (Objective 4) by providing and promoting health and wellness services, offering health screenings and incentive programs, providing healthy snacks, offering networking and social connection opportunities, and facilitating and supporting culture change through Conversation Cafés and employee group specific function to improve team dynamics.

- **Priority 4: Safe, Welcoming, and Livable City**
 The Welcoming Objective contains several strategies directly from the Healthy Communities Action Plan including work that supports neighborhood vitality and connectivity (both physical and social) such as the South Lynnwood Neighborhood Improvement Project / Park Revival, and STEP Up event.

- The Livability Objective contains several Healthy Communities Action Plan strategies including addressing the built environment to support better multimodal connectivity and utilizing creative placemaking and community engagement strategies that our team is actively pursuing in South Lynnwood and with the signal box wrap projects.

- **Priority 5: Collaborations and Partnerships**
 Partnerships are a key strategy to the successful implementation of the Healthy Communities program work and includes specifically partnering with regional agencies such as the RFA, School District, Sound Transit and Verdant Health Commission as well as local groups (i.e. TPL, LETI, Oye Media, NAACP, and Leadership Snohomish County). The number of collaborations and partnership we continue to nurture with these organizations are numerous and include Meet me in the Park, South County Walks, Community Collaborations, Fair on 44th, and Summer Meals – to name a few.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

The Healthy Communities Division manages a wide array of programs and project directly aimed at improving the City through infrastructure improvements, enhance civic health and social connectivity, and to be actively engaged with community members to enhance neighborhoods and community connectivity.

The program is aligned with the following Community Vision goals:

- ***To be a welcoming city that builds a healthy and sustainable environment. 3. To invest in preserving and expanding parks, recreation, and community programs.***

Healthy Communities supports a suite of initiatives and programs working to establish policy, program and environmental change to create a healthier community to live, work and play. It is focused on improving access to physical activity and healthy foods as well as creating and supporting strong social networks.

- ***To be a cohesive community that respects all citizens.***

This division includes healthy communities initiatives and programs, arts programming, heritage programming community events, and development of partnerships with other agencies. All planning efforts have included input from citizens and stakeholders.

- ***To invest in efficient, integrated, local and regional transportation systems.***

Healthy Communities is involved in several transportation-related projects including Bike2Health, Interurban Trail Improvement Projects, Safe Routes to School projects, and citywide safety planning.

- ***To be a city that is responsive to the wants and needs of our citizens.***

The results of a statistically-valid citizen survey conducted in 2015 were used to form the policies, goals, and strategies adopted in the 2016-2025 PARC Plan which guides all PRCA Department Programs.

7. Mandatory v. Optional:

The Healthy Communities Program's work plan (activities and services) for 2019-2020 is guided by the following legislative actions:

Chapters 36.70A-C RCW, the Growth Management Act requires comprehensive plans and development regulations of counties and cities include an "Open Space and Recreation" element to "retain open space, enhance recreational opportunities, conserve fish and wildlife habitat, increase access to natural resource lands and water, and develop parks and recreation facilities."

Resolution 2016-04, approving the 10-year Parks, Arts, Recreation & Conservation Plan contains goals, policies, and actions to bring residents together, encourage and amplify healthy lifestyles, and foster community pride, identity and livability.

Resolution 2016-07, approving the City of Lynnwood 10-year Healthy Communities Action Plan to establish policy, program and environmental changes that promote health and wellness.

Resolution 2016-11, approving the City of Lynnwood Cultural Arts Plan to support universal access to diverse arts and community events that enrich Lynnwood's quality of life and economic vitality.

Chapter 2.26 LMC provides the Division the responsibility to administer the Arts Commission: There is hereby established an arts commission of the city of Lynnwood composed of seven members as hereinafter provided. The arts commission is an advisory commission of the city of Lynnwood whose duties shall be to provide advice and recommendations to the mayor and city council in regards to the display of art in public places within the city of Lynnwood, means of furthering appreciation of art within the city, and to perform such other duties as the mayor may direct.

Resolution 2016-13, approving the City of Lynnwood Heritage Strategic Plan to preserve and interpret the City's history, heritage and culture.

Chapter 2.30 LMC provides the Division the responsibility to administer the History & Heritage Board: There is hereby established a history and heritage board of the city of Lynnwood composed of seven members as hereinafter provided. The history and heritage board is hereby

declared to be an advisory board of the city of Lynnwood whose duties shall be to provide advice and recommendations to the mayor and city council in regard to historical, cultural, and heritage recognition, promotion and preservation activities of historic sites, buildings, artifacts, and parks; partner on exhibits, events and operations of Heritage Park and the Interurban Trail; and to perform such other duties as the mayor or council may direct. The history and heritage board shall have the authority and perform all necessary duties in regard to designating properties to the city of Lynnwood historic landmark register.

Alternative Service Delivery Options:

Conceivably, this program's services could be provided through alternative service delivery options such as a professional services consultant contract, agreement(s) with other agencies or private providers or by voter approval of a metropolitan park district. Any consideration of these alternative service delivery options would require detailed analysis of near-term and long-term impacts. No such analysis has been conducted nor is planned at this time.

8. Program Staffing:

Healthy Communities	Dept.	FTE	Note
Dedicated Personnel			
Healthy Communities Coordinator	Parks	1.00	
Community Programs Coordinator	Parks	0.75	
Events & Outreach Coordinator	Parks	1.00	
Total Dedicated Personnel		2.75	
Support Personnel			
Deputy Parks Director	Parks	-	Leadership & Management of HC Division Team
Total Support Personnel		-	
Total Program Personnel		2.75	

9. Program Cost (summary):

Healthy Communities	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ 230,794	\$ 129,844	\$ 341,783	\$ 429,605
2-Personnel Benefits	112,744	74,695	194,812	241,155
3-Supplies	14,179	12,951	75,527	37,950
4-Services	22,003	41,460	151,967	165,049
Total	\$ 379,720	\$ 258,950	\$ 764,089	\$ 873,759

10. Offsetting Revenues: (if any)

Healthy Communities	
Alliant Wellness Benefit	\$ 50,000
Community Event Sponsorship	\$ 30,000
Arts & Heritage Grants	\$ 30,000
Total Revenues	\$ 110,000

11. Fiscal Sustainability - Net General Fund Cost of Program:

	\$763,759
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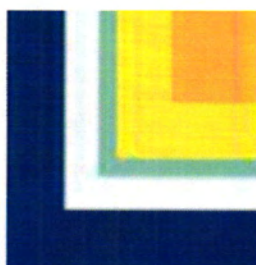
12. Performance Measures:

Healthy Communities	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Wellness Program Participation (% of benefited employees)	30	-	-	-	
Park Activation Metrics					
Total Number of hosted events	30	-	-	31	
Total Number of partner events	15	-	-	12	
Total Event Hours	250	-	-	128	
Estimated Attendance / Participation	8,000	-	-	-	
Number of 1:1 Engagements	500	-	-	-	
Number of Walk Participants	200	-	-	196	
Number of Free Meals Served	540	-	-	-	
Total Volunteer Hours Served	450	-	-	-	
Annual cash sponsorships to support events (\$)	15,000	1,500	6,500	6,500	
Annual grant funding secured to support programs (\$)	15,000	-	-	12,000	
Annual visual art exhibits curated at City Hall and Rec Center	6	6	9	8	
Annual visual art exhibits curated at City Hall and Rec Center - Youth	10	-	11	10	

13. Implications of Funding Changes:

Note: Request for Healthy Communities – action plan implementation, arts, culture, heritage and community event programming.

- 185 • **Other Comments:**
- 186 Expenses include \$50,000 of funding dedicated to implementation of strategic plans of the
- 187 Parks & Recreation Board, Arts Commission, History & Heritage Board, and Diversity,
- 188 Equity and Inclusion Commission.
- 189 \$30,000 of projected expenses are anticipated provided arts or heritage grants are
- 190 secured for projects.
- 191 Monies were added in fringe benefits (\$2,400 to 01152101 and \$1,184 to 01152301) to
- 192 cover the cost of the biannual wellness incentive payouts. With the increased threshold of
- 193 26 hours per 6-month period, this is a previously unfunded liability that needs to be
- 194 budgeted for. The data for the period 1/1/18 through 6/29/18 was used to estimate
- 195 eligibility for the biennium.



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1 **1. Title:** Customer Service **Program No.:** 01154300

2 **2. Responsible Department(s):** Parks, Recreation & Cultural Arts

3 **3. Brief Description:**

4 The Customer Service division provides the public access to our department's diverse
5 recreational offerings through program registrations, park and facility rentals, and counter
6 service for drop-in activities and informational requests. This division is also charged with
7 supporting our internal customers by managing all financial operations, managing our recreation
8 software program, administering scholarships, and staffing four off-site facilities nights and
9 weekends.

10 **4. Program Outcomes:**

11 The customer service program exists to aid the public in their recreational pursuits as outlined in
12 Resolution 2016 – 04 PARC Plan, policy 1.3 states, "Maintain and enhance Lynnwood's
13 recreation and senior centers to provide recreational opportunities for residents to connect,
14 learn, and play." In 2017, the Recreation center had over 500,000 visitors come through the
15 front doors, all of which were greeted by the Customer Service staff. Our staff booked and
16 hosted over 1,100 parties in 2017, processed over 34,000 program registrations, sold over 7,000
17 passes and tendered 103,000 Point of Sale transactions. The Customer Service program also
18 staffs the Recreation Center's weight room. Evening hours and on weekends, Customer Service
19 staffs the Senior Center, Cedar Valley Gym, and the Meadowdale Middle Gym for City of
20 Lynnwood programs, and provides staffing for our community partner, Verdant's Wellness
21 Center.

22 **5. Program Outcomes and the Strategic Plan, 2018-2022.**

23 Priority 3 - Nurture Operational and Organizational Excellence, is a touchstone.

24 Objective 1. States; Create, develop, and foster a culture of continuous process improvement.
25 We realized that a change in philosophy of staff training would be key in this era of information
26 overload. We have moved from a time when one person could know, and repeat, anything a
27 customer might ask about our programs, to a point now where it is more critical to know where
28 that information is stored and how to access that information.

29 Another key in the future has been outlined in Strategy B, of Objective 1, Implement and
30 improve online systems to enhance customer services.

31 In 2017 a full 20% of our registration transactions occurred online. With an upcoming, much
32 needed registration software replacement, we will be positioning ourselves to tap into "mobile"
33 registration that customers now expect and demand.

34 Strategy D, of Objective 1, speaks to becoming a paperless city with a centralized record
35 management system. Our new registration system will do exactly that.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

Parks and Recreation services and programs are an essential element to creating a vibrant and sustainable community.

The program is aligned with the following Community Vision goals:

- ***To invest in preserving and expanding parks, recreation, and community programs.***

Customer Service's role is to provide customers a convenient, easy, and accurate way to participate in recreation programs.

- ***To be a city that is responsive to the wants and needs of our citizens.***

Customer Service staff are the eyes and ears of our department. They play an important role in providing programmers direct feedback from our customers on the services they would like to receive.

- ***To be a welcoming city that builds a healthy and sustainable environment.***

The Customer Service desk is the "reception desk" for all items recreation. We provide information for residents to enjoy the many parks in our community.

7. Mandatory v. Optional:

Chapter 36.70A-C RCW – Growth Management Act requires comprehensive plans and development regulations of counties and cities include an "Open Space and Recreation" element to "retain open space, enhance recreational opportunities, conserve fish and wildlife habitat, increase access to natural resource lands and water, and develop parks and recreation facilities.

Chapter 2.32 LMC. For the purpose of providing for the proper maintenance and operation of public parks, playgrounds, and other recreational facilities belonging to the city of Lynnwood, and to provide for the acquisition of land, structures, and other facilities for the park and recreational program of the city, there is hereby created and established a department of said city to be known as the municipal park and recreation department, hereinafter called "the department." This chapter is enacted to vest the administration of the park and recreation program in a municipal department.

Alternative Service Delivery Options:

Conceivably, this program's services could be provided through alternative service delivery options such as a professional services consultant contract, agreement(s) with other agencies or private providers or by voter approval of a metropolitan park district. Any consideration of these alternative service delivery options would require detailed analysis of near-term and long-term impacts. No such analysis has been conducted or is planned at this time.

8. Program Staffing:

Customer Service	Dept.	FTE	Note
Dedicated Personnel			
Supervisor	Parks	1.00	
Customer Service Specialist (Lead)	Parks	2.00	
Customer Service Specialist	Parks	2.00	
Recreation Clerk/Recreation Attendants (weight room, customer service desk, off-site facilities supervision)	Parks	9.00	18,720 part time hours per year +additional hours for mandated sick leave
Total Dedicated Personnel		14.00	
Support Personnel			
Total Support Personnel		-	
Total Program Personnel		14.00	

9. Program Cost (summary):

Customer Service	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ 470,851	\$ 497,789	\$ 1,053,345	\$ 1,185,205
2-Personnel Benefits	165,356	193,363	343,310	418,747
3-Supplies	24,655	24,929	49,200	58,140
4-Services	98,786	68,029	182,713	185,640
Total	\$ 759,648	\$ 784,110	\$ 1,628,568	\$ 1,847,732

10. Offsetting Revenues: (if any)

Customer Service	
Total Revenues	\$ -

Note: The Customer Service section handles all of the revenue collection for the department, however they are not directly responsible for any revenue creation. They play a supporting role for the department. The recreation department will generate approximately \$3.3 million annually in gross revenue.

11. Fiscal Sustainability - Net General Fund Cost of Program:

	\$1,847,732
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83 **12. Performance Measures:**

Customer Service	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Annual Point of Sale Transactions.	108,000	105,195	106,413	102,800	
Annual Program Registrations.	30,000	32,814	33,424	34,848	
Annual Facility Rentals.	2,400	2,470	2,435	2,337	
Annual Recreation Passes Sold.	7,000	7,088	7,464	7,160	
Annual Customer Visits.	265,000	263,998	271,019	268,479	

84
 85 **13. Implications of Funding Changes:**

86 • **Other Comments:**

87 Part-Time staffing increases reflect wage increases approved by Washington voters
 88 (Initiative 1433). We rely heavily on part-time staff to maintain our level of programming.
 89 The increase in overtime/call back stems from the need to have a full-time staff member at
 90 Customer Service when our building remains open to the public on City holidays.

1



2 **Department Mission and Responsibilities:**

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

6 **Highlights and Accomplishments During 2017-2018:**

7 Highlights thus far in the 2017-18 biennium include:

- 8 • Community engagement outreach enhancement:
 - 9 ○ Enhanced efforts of the Cops and Clergy program including large group meetings to
 - 10 approximately 55 communities of faith on topics such as:
 - 11 ▪ Illegal drug recognition and effects
 - 12 ▪ Active shooter threats and response for the workplace
 - 13 ▪ Domestic Violence
 - 14 ▪ Community Health and Safety Outreach efforts
 - 15 • Including future partnerships (Angel program)
 - 16 ▪ Community Emergency Preparedness
 - 17 ▪ Cybercrime response
 - 18 ○ Police Kids Camp with 35 participants in 2017 and 40 participants in 2018
 - 19 ○ Implementation of Police Chiefs Community Advisory Committee

- Enhancements to the provision of professional law enforcement services such as:
 - The Lynnwood Police Department was re-accredited in 2017 (100% compliance with 132 standards)
 - Crime Scene Technician Improvement – Identification rate for crime scene fingerprints improved 42%
 - Traffic Section Distracted Driving emphasis – 200 distracted driving stops in December 2017 as part of campaign to address our leading cause of collisions
 - Criminal Investigations Division increased cases closed by arrest by 78% in 2017
 - Special Operations Section officers were able to investigate and capture a violent felon who was leading a burglary and theft ring in our City
 - Property and Evidence disposed of 11,033 items which is more than double the prior year total. Each item must be researched prior to disposal
- Development and Enhancement of Community Health and Safety outreach efforts:
 - Re-aligned existing staff to increase FTE's committed to this effort
 - Implemented a partnership with Edmonds School District to establish an SRO position
 - Hired an embedded social worker in partnership with the Edmonds Police Department.
- Development of enhanced de-escalation and persons in crisis response and planning.
 - Nearly all staff have been through 40-hour Crisis Intervention Training (CIT). State requirement is 8 hours
 - Developed a scenario-based de-escalation, critical crisis incident training and had all field personnel attend
 - Researched and equipped every patrol vehicle with less lethal options and shields
- Review, implement and analyze Matrix Report Recommendations
 - Re-aligned staff from Traffic Program and Narcotics to increase FTE's dedicated to Community Health and Safety Program.
 - Disbanded South Snohomish Narcotics Task Force and regionalized effort by joining the Snohomish Regional Drug and Gang Task Force, while reducing Lynnwood FTE commitment to that effort
 - Proposed and implemented additional jail staff to enhance operations, supervision and management of the jail
 - Re-aligned patrol schedule to improve committed time ratio

Highlights and Changes for 2019-2020:

In the next biennium the Lynnwood Police Department will endeavor to accomplish:

- Enhanced community/business outreach efforts
- Development and analysis of Community Health and Safety efforts
- Development of a new strategic plan
- Detention program/prisoner program enhancements
- Continued inter-departmental and regional collaboration
- Development of crisis response improvement and strategies

Changes

- The 2019-2020 proposed budget includes funding for a fourth cadet position (\$20,720 for 2019 and \$20,120 for 2020). This position is to continue the collaborative effort between the Police Department and Parks Department for the provision of Park Patrol services.
 - This program benefits both departments and the City for the monitoring and protection of our City parks.

Department Budget History by Program:

Program	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
Administration	\$ 1,391,223	\$ 3,457,473	\$ 7,435,216	\$ 7,153,930
CHSS & Animal Control	500,514	654,020	1,119,853	2,376,515
Emergency Oper Mngmt	-	-	-	144,874
Criminal Investigations	1,517,923	1,725,126	3,668,779	4,849,869
Patrol	5,719,378	5,967,613	11,730,580	12,545,532
Property & Evidence	285,291	366,900	731,622	795,600
Records & Support Svc	666,293	792,487	1,656,521	1,706,437
Special Operations	599,688	496,255	1,285,727	1,398,212
Narcotics Task Force	472,738	478,015	1,087,338	-
SWAT	143,390	99,062	170,703	295,939
Traffic	1,848,966	1,102,471	2,619,268	2,257,436
Planning, Training & Accreditation	550,976	563,416	1,332,693	1,490,021
Detention & Corrections	3,372,258	3,647,875	6,842,452	8,854,409
Total	\$ 17,068,638	\$ 19,350,713	\$ 39,680,752	\$ 43,868,774

Note: The 2017-2018 Budgeting for Outcomes process resulted in 6.4 million dollars of expenses being re-allocated from other parts of the City budget to the Police Department. This caused a significant inflation to the Police Department budget without adding any budgetary dollars or operational function to the department operation. In 2017-2018 discretionary spending items such as minor equipment, training, etc. the Police Department requested was a 0.13% decrease from the prior budget.

In the 2019 and 2020 budget there are two main drivers of the budgetary increase. Those are wages and benefits and contract jail housing increases. The contract jail housing increase is a combination of underfunding from the previous budgetary period and increased rates from the agencies we contract with for housing. As you are aware, much of 2017-2018 detention efforts have been focused on cost mitigation strategies for contract jail housing costs. Those efforts will continue for 2019-2020.

For the 2019-2020 budget the full requested increase in discretionary budget is less than 1%.

80 Department Personnel [Full-Time Equivalent (FTE)]:

	Number of Full-Time Equivalent (FTE)					
Position	2015 Actual	2016 Actual	2017 Actual	2018 Revised	2019 Adopted	2020 Adopted
Police Officer	49.0	49.0	50.0	49.0	49.0	49.0
Sergeant of Police	13.0	13.0	13.0	14.0	15.0	15.0
Commander of Police	4.0	4.0	4.0	4.0	4.0	4.0
Deputy Chief of Police	2.0	2.0	2.0	2.0	2.0	2.0
Chief of Police	1.0	1.0	1.0	1.0	1.0	1.0
Custody Officer	14.0	14.0	14.0	16.0	16.0	16.0
Custody Sergeant	2.0	2.0	2.0	4.0	4.0	4.0
Police Clerk	7.0	7.0	7.0	7.0	7.0	7.0
Records Manager	1.0	1.0	1.0	1.0	0.0	0.0
Evidence Technician	2.0	2.0	2.0	2.0	2.0	2.0
Animal Control Officer	1.0	1.0	1.0	1.0	1.0	1.0
Crime Prevention Specialist	2.0	2.0	2.0	2.0	2.0	2.0
Police Mgmt Analyst - Senior	0.0	0.0	0.0	0.0	1.0	1.0
Admin Assistant	2.0	2.0	2.0	2.0	1.0	1.0
Crime Victim Coordinator	1.0	1.0	1.0	1.0	1.0	1.0
Embedded Social Worker	0.0	0.0	1.0	1.0	1.0	1.0
Total	101.0	101.0	103.0	107.0	107.0	107.0

81

82 Note: The change from 2016 to 2017 is a school resource officer and a social worker. The change from
 83 2017 to 2018 is two custody officers and two custody sergeants.

1. Title: Traffic**Program No.: 01131000****2. Responsible Department(s): Police****3. Brief Description:**

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

4. Program Outcomes:

This Program is responsible for traffic enforcement, collision prevention and investigation, impaired driver enforcement, traffic control at civic functions, parades and processions, responding to high priority calls for service in support of the Patrol Division, responding to community traffic complaints, red light infraction review and traffic related training.

In 2017, the Traffic Section investigated 1,529 traffic collisions (average 4.1 per day), including two fatal traffic collisions and 68 pedestrian/cyclist involved traffic collisions. Traffic collision investigation involves specific tools, skills and training in order to be conducted effectively. These skills are applicable to determining cause in minor collisions as well as in preparing in-depth examinations of significant injury or fatal collisions.

Traffic officers are responsible for reviewing each red light and school zone enforcement camera violation to determine if an infraction should be issued. In 2017, traffic officers conducted over 44,000 photo enforcement reviews (average 121 per day). The time spent on these reviews equate to approximately .75 of an FTE annually.

In 2017 the Traffic section was reduced by one FTE. That FTE position was transferred to the Community Health and Safety section. This means that the collisions, red-light reviews, community complaints, driver education, emphasis and enforcement efforts were spread amongst a reduced number of motor officers. While collisions have increased, the number of infractions (enforcement) fell by almost 30% largely due to decreased staffing.

5. Program Outcomes and the Strategic Plan, 2018-2022.

The safety of our motoring public is key to the priority of being a safe, welcoming, and livable city. The traffic section is the main effort of law enforcement to address public safety issues in our community.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

The City of Lynnwood is a regional hub with significant traffic flow. The work of the Traffic Section strives to keep our vibrant community safe as they move within and through the City through effective education and enforcement of traffic laws.

The program is aligned with the following Community Vision goals:

- ***To be a welcoming city that builds a healthy and sustainable environment.***

Our City relies upon effective ingress and egress for its residents, business members and visitors. The work of the Traffic Section is part the overall City strategy for efficient and sustainable traffic flow.

- ***To be a city that is responsive to the wants and needs of our citizens.***

The Traffic section responds rapidly and efficiently to traffic collision and traffic hazards to address citizen need and to limit the disruption to their movement through the City.

7. Mandatory v. Optional:

There are not specific mandates to have a traffic section, but their specialized work is vital to an effective law enforcement effort. The traffic section is the Department's primary enforcement effort for Title 46 RCW.

Alternative Service Delivery Options:

The City of Lynnwood would have to contract out major collision investigations with another law enforcement agency. Commissioned personnel would have to be dedicated to red light review and there would be a lack of enforcement for traffic violations.

8. Program Staffing

Traffic	Dept.	FTE	Note
Dedicated Personnel			
Police Officer - Traffic	Police	5.0	
Police Sergeant - Traffic	Police	1.0	
Total Dedicated Personnel		6.0	
Support Personnel			
Total Support Personnel		0.0	
Total Program Personnel		6.0	

9. Program Cost (summary):

Traffic	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ 693,053	\$ 630,757	\$ 1,474,506	\$ 1,380,017
2-Personnel Benefits	276,596	248,125	628,017	525,590
3-Supplies	17,395	13,098	62,484	46,400
4-Services	861,922	210,491	454,261	305,429
Total	\$ 1,848,966	\$ 1,102,471	\$ 2,619,268	\$ 2,257,436

10. Offsetting Revenues: (if any)

Traffic	
Total Revenues	\$ -

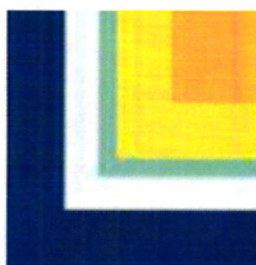
Grant funded overtime - expense comes out of Police Budget, reimbursement goes into 105. (Just for consideration - no net general fund effect to this program)	Not Applicable to General Fund
Red light review is conducted by Traffic - Fines go to General Fund.– (Just for consideration – no net general fund effect to this program)	Not Applicable to Police Department as revenue goes directly to General Fund though the work load resides with PD.

11. Fiscal Sustainability - Net General Fund Cost of Program:

	\$2,257,436
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12. Performance Measures:

Traffic	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Total Roadway Collisions Annually.	1,300	1,354	1,589	1,529	
Injury Collisions Annually.	200	251	272	328	
Fatality Collisions Annually.	0	3	2	2	
Photo Red Reviews Annually.	45,000	44,041	44,456	45,379	
Infractions Issued Annually.	6,000	5,587	5,788	3,457	
Conduct Six Grant Funded Traffic Emphases.	6	6	7	7	



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1. Title: Patrol**Program No.: 01130400****2. Responsible Department(s): Police****3. Brief Description:**

Patrol constitutes the largest Police Department program and serves as the face of the Department. Patrol is responsible for: response to emergency public safety incidents, response to community based calls for service, crime prevention efforts, traffic enforcement and informal community outreach through individual contacts and public presence (community policing).

4. Program Outcomes:

The Patrol Program handled 42,185 incidents in 2017. Calls for service vary widely and the demand for service varies widely as well. A call for a simple theft report typically only necessitates a single officer, whereas an in-progress violent crime may demand not only all available patrol resources but the resources of other police programs, other City Departments as well as mutual aid from other local law enforcement agencies.

One key indicator of effective staffing that we examine is the response times for priority (emergency) calls for service and routine calls for service. Effective staffing allows the Patrol Program to provide timely, direct customer service to the residents, business members and visitors to our community, who are in need of police services.

Another key metric is the amount of time officers are committed to responding to calls for service, balanced against the time officers are uncommitted and able to conduct community policing efforts such as, interacting with citizens, conducting high visibility patrols to deter crime and for proactive time to address community problems. The uncommitted time factor is a key component of effective community policing efforts. Funding the Patrol Program directly correlates to these efforts with the most significant portion of the Program's budget allocated to personnel.

5. Program Outcomes and the Strategic Plan, 2018-2022.

The Patrol Program directly links to the strategic plan priority of making Lynnwood, "be a safe, welcoming, and livable city". Patrol officers are the most recognizable members of the police department and serve as the visual crime deterrent and have the most frequent contact with members of the public. The Department's core values and policies that guide the work of Patrol officers align directly with this Strategic Plan priority.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

The Patrol program plays a vital role in the Community Vision by providing a safe and secure environment for the community. This Program provides direct supervision of staff and command leadership to ensure adherence to Department standards as well as State and Federal law in order to ensure accountability.

The program is aligned with the following Community Vision goals:

- ***To ensure a safe environment through rigorous criminal and property law enforcement.***

This Program is responsible for the initial response to crime in our community. This response includes initial investigation and enforcement. In addition, this Program conducts proactive patrol operations to deter criminal activity and to ensure community safety.

- ***To be a city that is responsive to the wants and needs of our citizens.***

This Program provides 24-hour, direct service to the citizens by responding to calls for police services and working to ensure a safe environment. In addition, this Program is a key component of effective community policing strategies.

- ***To be a welcoming city that builds a healthy and sustainable environment.***

In order for our City to be “healthy and sustainable”, residents, visitors and the business community must have a sense of safety. Patrol is responsible for immediate response to community safety incidents and proactive patrolling efforts conducted in a professional manner. We strive to provide excellent customer service in these areas in order to provide a safe and welcoming environment.

7. Mandatory v. Optional:

The following Federal Laws/Regulations, State Laws, Municipal Codes, or Washington Association of Sheriffs and Police Chief's (WASPC) Accreditation Standards mandate actions by staff within this unit. They are as follows:

RCW 35A.21.030 - Mandatory Duties of Officers

LMC 2.36.020 Enforcement duties. It shall be the duty of the police department to enforce all ordinances duly enacted and passed by the city council, and to do all things necessary for the prosecution of offenders of the ordinances in a court of competent jurisdiction.

LMC 10.02.101 - Statutory provision adopted by reference.

RCW 10.31.100 - Arrest without a warrant - specific mandates related to domestic violence enforcement.

RCW 10.99.030 - This mandates enforcement and reporting of domestic violence crimes as well as providing victim assistance.

RCW 13.32A.086 - Mandatory juvenile runaway reporting.

RCW 26.44.030 - Mandatory reporting by police of suspected child abuse or neglect.

RCW 46.52.030 - Mandatory collision reporting.

RCW 10.14.100 - Mandatory service of court orders.

Washington Association of Sheriffs and Police Chiefs (WASPC) Accreditation Standards - Numerous standards directly attributable to Patrol Program.

Alternative Service Delivery Options:

Only Law Enforcement Officers commissioned by the State of Washington can fulfill the duties of the Patrol Program. The only alternative would be to contract out these services

with another law enforcement agency. There are no agencies with sufficient resources that would be able to take on the call for service load of the City of Lynnwood.

8. Program Staffing:

Patrol	Dept.	FTE	Note
Dedicated Personnel			
Police Commander	Police	1.0	
Police Sergeant	Police	6.0	
Police Officer	Police	27.0	
Reserve Police Officer	Police	1.5	3 part-time reserve officers
Police Chaplain	Police	0.5	
Total Dedicated Personnel		36.0	
Support Personnel			
Total Support Personnel		0.0	
Total Program Personnel		36.0	

9. Program Cost (summary):

Patrol	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ 3,745,296	\$ 3,869,996	\$ 7,189,483	\$ 8,251,376
2-Personnel Benefits	1,231,052	1,276,113	2,759,748	2,582,422
3-Supplies	100,356	147,108	573,359	496,300
4-Services	641,474	646,112	1,205,490	1,212,851
5-Intergovernmental	1,200	1,200	2,500	2,583
6-Capital	-	27,084	-	-
Total	\$ 5,719,378	\$ 5,967,613	\$ 11,730,580	\$ 12,545,532

10. Offsetting Revenues: (if any)

Patrol	
Total Revenues	\$ -

11. Fiscal Sustainability - Net General Fund Cost of Program:

	\$12,545,532
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12. Performance Measures:

Patrol	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Calls for Service (CFS) Annually*.	35,000	38,540	38,985	42,185	
Patrol Drug Offenses Annually.	700	693	657	551	
Arrests/Charges Annually.	3,000	2,765	4,029	3,803	
DUI Arrests Annually.	250	217	296	255	
Latent Cases Submitted Annually.	100	76	135	93	

Note: *Due to a change to CAD/RMS (NWS) in 2015 calls for service are calculated differently.

1. Title: Special Operations**Program No.: 01130800****2. Responsible Department(s): Police****3. Brief Description:**

The Special Operations program provides street-level-emphasis enforcement in response to high incidence of criminal activity, or criminal activity not easily addressed by other units. Special Operations also develops and implements response strategies to reduce crime as determined by crime analysis, public input, police referral or other means.

4. Program Outcomes:

This program, known as the Special Operations Section (SOS), is the Department's primary response to criminal activity such as: gang activity, human trafficking and prostitution, violent and/or prolific offenders, problem neighborhood residences and spikes in crimes related to specific areas or other trends.

SOS is also responsible for address verification of Level 1 and Level 2 registered sex offenders living within the City of Lynnwood. Our City averages approximately 50 of these offenders. These offenders are typically checked semi-annually or at least annually to ensure that they are residing at the residence they are registered. This effort is collaborative with the Snohomish County Sheriff's Office, who are in charge of sex offender registration.

SOS works in collaboration with the Community Health and Safety section (program) to address the criminal element in neighborhood specific efforts. SOS also works collaboratively with other local, State and Federal agencies.

5. Program Outcomes and the Strategic Plan, 2018-2022.

The Special Operations Section is a key component to the Department's overall effort to make Lynnwood a "safe, welcoming and livable city." The work of this program is a quick response to emerging crime trends or specific threats to the safety of our community.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

SOS serves as a primary response to quality of life criminal activity that directly impacts our citizens. These activities include: gang activity and associated graffiti, prostitution – especially illegal massage parlor operations, and problem residences negatively impacting a neighborhood. These enforcement efforts improve the community in order for it to remain vibrant and engaged.

The program is aligned with the following Community Vision goals:

- ***To ensure a safe environment through rigorous criminal and property law enforcement.***

SOS focuses on crime trends, especially spikes in criminal activity and quality of life criminal activity. These issues are often not amenable to investigation by officers dedicated to other

functions. SOS is often charged with apprehending the most prolific and dangerous criminals affecting our City.

- ***To be a city that is responsive to the wants and needs of our citizens.***

Issues such as: problem residences in neighborhoods, illegal massage parlor activity (prostitution) and LMC violations involved in bikini baristas generate significant citizen complaints, but are not amenable to one time or rapid response. These investigations take specialized skills and time to investigate. SOS is able to develop these cases in order meet the wants and needs of the citizens who are dealing with the issues they present.

7. Mandatory v. Optional:

RCW 9A.44.130 - Registered sex offenders.

LMC 2.36.030 Enforcement duties - SOS fills the gap of the standard law enforcement response to meet the “do all things necessary for the prosecution of offenders of the ordinances” portion of this Ordinance.

Alternative Service Delivery Options:

There are no other units with the staffing to fulfill these duties within the Lynnwood Police Department. SOS is very limited in staffing, but they have a great impact on the overall law enforcement effort. Collaborative efforts have been discussed with similar teams at other agencies, but each unit focuses on activities in their jurisdiction and each has to prioritize that effort. These units already work collaboratively on a case-by-case basis if the suspects being investigated affect both jurisdictions. They also share information related to crime trends and suspects.

8. Program Staffing:

Special Operations	Dept.	FTE	Note
Dedicated Personnel			
Police Officer - SOS	Police	3.0	
Police Sergeant - SOS	Police	1.0	
Total Dedicated Personnel		4.0	
Support Personnel			
Total Support Personnel		0.0	
Total Program Personnel		4.0	

9. Program Cost (summary):

Special Operations	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ 404,888	\$ 327,446	\$ 853,937	\$ 908,982
2-Personnel Benefits	119,774	101,134	292,748	300,850
3-Supplies	740	6,339	19,684	23,700
4-Services	74,286	61,336	119,358	164,680
Total	\$ 599,688	\$ 496,255	\$ 1,285,727	\$ 1,398,212

Note: There was a significant increase in services primarily related to vehicle replacement and service increases.

10. Offsetting Revenues: (if any)

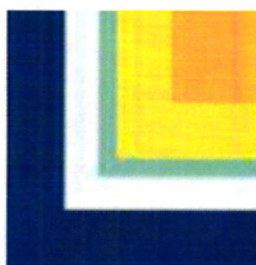
Special Operations	
Total Revenues	\$ -

11. Fiscal Sustainability - Net General Fund Cost of Program:

	\$1,398,212
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12. Performance Measures:

Special Operations	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Arrests Annually.	600	589	405	356	
Registered Sex Offender Checks Annually.	100	104	60	75	
Felony Narcotics Arrests Annually.	100	70	39	22	
Firearm Seizures Annually.	10	10	19	7	



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1. Title: Detention and Corrections**Program No.: 01135100****2. Responsible Department(s): Police****3. Brief Description:**

The Detention Program is responsible for the safe, effective and efficient operation of the Lynnwood City Jail. The jail houses pre-trial and incarcerated inmates for the Lynnwood Municipal Court and to a lesser extent, contract inmates from other cities. The jail also houses new arrestees for the Lynnwood Police Department and agencies that contract with the jail for that purpose.

4. Program Outcomes:

The Lynnwood Jail typically operates at near maximum designed capacity (46 beds). In 2017 custody officers booked 3,080 inmates. While the jail operates at near capacity, it provides a safe and secure location for housing of inmates. This is the direct result of the dedicated work of the staff assigned to the jail as well as operational and command supervision.

The detention program also provides direct and professional service to the Lynnwood Police Department. Officers who arrest a subject are able to remain within the City while they book their prisoner rather than traveling to Everett or Des Moines, which are the closest locations that accept City of Lynnwood misdemeanor inmates. This saves on staff time during transport and gets the officers back out into the City to respond to calls for service and conduct community policing efforts in a timelier manner.

The detention division program also runs alternatives to incarceration. An inmate who is sentenced and is approved to serve their sentence outside of jail can utilize electronic home detention (EHD) services at a cost to them or can perform community service. Due to significant staffing issues the EHD program was reduced to referrals to outside vendors.

A new addition to services in the jail was the implementation of the Jail Medical services in 2015. This service greatly enhances the ability to effectively care for the inmates and significantly reduces the liability to the City. This service was important to implement in order to bring jail operations in compliance with State Law as well as to meet best practices.

The jail is currently working to enhance the access to services by inmates in collaboration with the Community Health and Safety Section in an attempt to get inmates with mental health issues, substance abuse issues and those who are homeless linked up with services upon their release.

Members of the detention division are active in community outreach projects as well, to include Citizens Academy, Shop with a Cop, Cops and Kids, Police Camp and various other community outreach efforts.

5. Program Outcomes and the Strategic Plan, 2018-2022.

This Program is aligned with the Strategic Plan priorities of, "Nurture Operational and Organizational Excellence as well as being a Safe, welcoming and livable city". The operation of a detention facility takes close supervision and management. Today, public expectation and organizational best practices are rapidly affecting change in the corrections environment. This

Program is charged with the humane, compassionate delivery of care for inmates arrested and those sentenced to jail by the Lynnwood Municipal Court.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

A part of the criminal justice system is the housing of people sentenced to crimes committed in the City of Lynnwood. The citizens and business communities who make up this vibrant City have the expectation of going about their daily lives free of criminal activity and expect action taken when they are victimized. The detention division serves as a key part of that action.

The program is aligned with the following Community Vision goals:

- ***To ensure a safe environment through rigorous criminal and property law enforcement.***

Note: The Detention Program is a support mechanism for the efforts of the Police Department and the Court. The jail is a key component to allow the courts to hold people responsible for violations of criminal laws.

- ***To be a cohesive community that respects all citizens.***

Note: The dedicated professionalism of the officers in the Program under the supervision of the sergeants and commander provide an environment that is respectful, safe and responsive to the needs of the citizens who are housed there. Those housed in the facility are citizens, who will in a short time be back in the community.

- ***To be a city that is responsive to the wants and needs of our citizens.***

Note: Citizens and businesses expect those who victimize them to be held accountable. This program is the primary means to accomplish that and it provides this service in a professional and compassionate manner.

7. Mandatory v. Optional:

RCW 39.34.180 - Legal requirement for the City to have incarceration options for misdemeanor offenders in their jurisdiction. This statute does not mandate that the City have a jail, but that is one option to meet this statute. Other options under this statute include contracting out that service.

If the City chooses to have a jail there are numerous laws and regulations that govern its operation.

RCW 9.94.680 - Alternatives to total confinement. This program is not required, but there are basic statutory regulations that guide the conversion of jail time to alternatives.

RCW 70.48.490 - Requires monitoring of inmate prescriptions by health care professional - Jail Medical program.

LMC 2.36.110 - Operation of Jail. The chief of police shall have charge and supervision of the Lynnwood municipal jail. The chief of police is authorized and directed to promulgate policies and standards not inconsistent with the laws of the United States, the state of Washington, and

the ordinances of the city, as deemed necessary or expedient for the operation of the jail, the protection of the inmates and staff, and to provide for the public health, safety, and welfare.

Alternative Service Delivery Options:

The closest alternative to the Lynnwood Jail for housing prisoners is the Snohomish County Jail. Jail fees there are high and oftentimes they will not accept inmates for housing due to high population or an individual determination for the inmate. The next closest alternative is the SCORE jail which is approximately an hour drive one way.

Alternatively, a regional misdemeanor jail could be investigated; this would be a long-term solution which would still require service provision in the short term. There have been efforts in the past to examine this issue in partnership with other cities, but those efforts stalled.

8. Program Staffing:

Detention & Corrections	Dept.	FTE	Note
Dedicated Personnel			
Custody Officer	Police	16	
Custody Sergeant	Police	4	
Commander	Police	1	
Total Dedicated Personnel		21.0	
Support Personnel			
Total Support Personnel		0.0	
Total Program Personnel		21.0	

9. Program Cost (summary):

Detention & Corrections	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ 1,305,585	\$ 1,300,835	\$ 2,714,031	\$ 3,379,457
2-Personnel Benefits	624,014	599,026	1,273,749	1,526,010
3-Supplies	118,496	155,279	281,345	376,000
4-Services	295,227	317,408	593,327	672,942
5- Intergovernmental Services	1,014,373	1,275,327	1,980,000	2,900,000
6-Capital	14,563			
Total	\$ 3,372,258	\$ 3,647,875	\$ 6,842,452	\$ 8,854,409

Note: 5. Includes contract housing fees for other facilities and contract Jail Medical fees.

92 **10. Offsetting Revenues: (if any)**

Detention & Corrections	
Electronic Home Detention	75,000
Community Service	15,000
Contract Housing	210,000
Inmate Phone System	20,000
Total Revenues	\$ 320,000

93

94 **11. Fiscal Sustainability - Net General Fund Cost of Program:**

	\$8,534,409
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96 **12. Performance Measures**

Detention & Corrections	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Inmates Booked.	3,000	3,001	3,704	3,093	
Electronic Home Detention (EHD) Participants.	100	84	81	0	
EHD - Days Served.	2,200	2,067	2,085	0	
Community Service (CS) Participants.	125	111	108	126	
CS - Days Served.	500	439	471	483	

97

1. Title: Police Administration**Program No.: 01130000****2. Responsible Department(s): Police****3. Brief Description:**

The Police Administration Program includes Police Department management, command and administrative support. Specific responsibilities include: development and implementation of the mission and vision of the department, analyzing the law enforcement effort to gauge progress towards fulfilling the mission, developing and implementing policy, and overall management of the resource allocation of the department. Administrative support includes management of: hiring, backgrounds and internal investigations.

4. Program Outcomes:

The Police Administration develops and monitors the department's mission and vision in order to meet City Mission and Vision directives in conjunction with the mandates and best practices of the law enforcement function.

This Program monitors compliance with policy and conducts administrative investigations that are generated both internally and externally. Additional monitoring is conducted through the comprehensive management review process of all programs, which has been on-going for several years. The goal of these reviews is to examine mission and vision drift, policy compliance, new efficiencies and best practices including examinations of how other entities perform similar functions. This Program is also responsible for the internal audits of law enforcement funds and evidence audits.

This Program is responsible for management of the hiring and background process for employees and contractors. This service is provided to other City departments including LMC mandated employee backgrounds and contract employee criminal history checks.

5. Program Outcomes and the Strategic Plan, 2018-2022.

This program directly relates to all the top priorities in the 2018-2022 Strategic Plan. The Police Administration program is responsible for setting policy that is consistent with best practices and reflective of the direction of the Mayor, Council and City leadership. The oversight of the department and vision for where the department is going is done in concert with the priorities of City leadership.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

This Program takes the City and Community Vision and relates them to the Mission, Vision and Values of the department. This includes regular examination of the achievement of objectives in furtherance of this mission and vision and adjustment as necessary.

The program is aligned with the following Community Vision goals:

- ***To be a cohesive community that respects all citizens.***

The Police Administration manages the department's overall effort for community outreach. The Police Administration investigates citizen complaints and initiates its own review process on incidents (pursuits, collisions, use of force) to ensure accountability in order achieve the best result for our community.

- ***To ensure a safe environment through rigorous criminal and property law enforcement.***

The Police Administration continually examines the overall law enforcement effort to seek efficiency improvements in the law enforcement response to criminal activity and then implement change to improve that effort.

- ***To be a welcoming city that builds a healthy and sustainable environment.***

This Program seeks to improve the relationship between the citizens and public to be a welcoming department. This program manages the Community Health and Safety Section and ultimately the volunteer effort where we connect citizen volunteers with the department.

- ***To be a city that is responsive to the wants and needs of our citizens.***

The management of the police department seeks to have the law enforcement effort operate in a manner that is responsive to the needs of our citizens. A sense of safety in our community is fundamental to the overall Community Vision.

7. Mandatory v. Optional:

LMC 2.36.020 - It shall be the duty of the police department to enforce all ordinances duly enacted and passed by the City Council, and to do all things necessary for the prosecution of offenders of the ordinances in a court of competent jurisdiction. (Ord. 38 § 2, 1959)

LMC 2.36.030 - The police department shall have a Police Chief, who shall be in general charge of the police department. The Police Chief shall be appointed by the Mayor, subject to a City Council confirmation process as defined in Chapter 2.06 LMC.

B. The Chief of Police shall, subject to the approval of the Mayor, promulgate such rules and regulations pertaining to the administration of the police department as he/she may deem necessary and proper. The Police Chief shall employ, subject to the approval of the Mayor, such additional personnel, including auxiliary police officers, as shall be necessary to perform the duties referred to in LMC 2.36.020.

Washington State Constitution - Article XI - General Police Power of Cities

RCW 35A.12.020 - Duty to Appointment Chief Law Enforcement Officer

RCW 41.12.050 - Civil Service Commission

RCW 43.101.200 - Peace Officer Certification – Requirements for background investigation and polygraph

RCW 35A.21.030 - Mandatory duties of code city officers

Federal Law and Regulations:

Title VII - Federal law that prohibits employers from discriminating against employees on the basis of sex, race, color, national origin and religion.

Brady v. Maryland -

Duty to Disclose: The landmark decision of Brady v Maryland (1963) places an affirmative constitutional duty on a prosecutor to disclose exculpatory evidence to a defendant. This duty has been extended to police agencies through case law, requiring law enforcement agencies to notify the prosecutor of any potential exculpatory information.

Alternative Service Delivery Options:

The duties of this Program are integral to the overall Lynnwood Police Department. If the Lynnwood Police Department is to exist there needs to be commissioned management of that effort.

8. Program Staffing:

Administration	Dept.	FTE	Note
Dedicated Personnel			
Police Chief	Police	1.0	
Deputy Chief	Police	2.0	
Police Commander	Police	1.0	Other duties - Training, Planning and Accreditation.
Police Sergeant – Office of Professional Standards	Police	1.0	
Total Dedicated Personnel		5.0	
Support Personnel			
Police Mgmt Analyst - Senior	Police	1.0	
Administrative Assistant	Police	1.0	
Total Support Personnel		2.0	
Total Program Personnel		7.0	

9. Program Cost (summary):

Administration	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ 865,542	\$ 913,782	\$ 1,841,015	\$ 2,006,615
2-Personnel Benefits	257,244	625,695	1,490,648	1,419,875
3-Supplies	10,254	31,318	113,239	43,450
4-Services	258,183	942,078	1,929,009	2,232,713
5-Intergovernmental Services	-	944,600	2,061,305	1,451,277
Total	\$ 1,391,223	\$ 3,457,473	\$ 7,435,216	\$ 7,153,930

Note: Increases in services, charges, interfund /intergovernmental are related to significant increases in Snohomish County 911 assessments to the Police Department, due to loss of the Fire Department, new addition of liquor tax, new assessment for fleet vehicle property insurance and increase in shop rate charges for fleet.

93 **10. Offsetting Revenues: (if any)**

	NA

94 **11. Fiscal Sustainability - Net General Fund Cost of Program:**

95

\$7,153,930

96 **12. Performance Measures:**

Administration	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Crime Rate Incidents Annually. *	3,000	2,392	5719	5165	
Annual Person Crimes Clearance Ratio (%).	40	60	72	70	
Annual Property Crimes Clearance Ratio (%).	35	37	39	41	
Annual Calls for Service (CFS).	35,000	38,540	45,531	42,185	
Conduct Bi-Annual Evidence and Cash Fund Audits.	2	2	2	3	

97
 98 53,171Note: * 2015 was under the Uniform Crime Reporting (UCR) rules. 2016 to present is National
 99 Incident-Based Reporting System (NIBRS) rules.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

This Program's specific objectives are directly related to developing a vibrant community and enhancing citizen engagement to determine neighborhood needs for services as well as providing effective, compassionate services to a people in crisis.

The program is aligned with the following Community Vision goals:

- ***To be a welcoming city that builds a healthy and sustainable environment.***

By utilizing an inter-department approach the City will be more effective at building a healthy environment for our citizens. Improving the deployment of limited resources will allow the City to accomplish these goals in a strategic and sustainable manner.

- ***To be a city that is responsive to the wants and needs of our citizens.***

This holistic approach provides a much more effective mechanism for responding to the needs of our citizens across government rather than addressing individual problems without attempting to rectify underlying causes.

- ***To invest in preserving and expanding parks, recreation, and community programs.***

This Program seeks to strategically analyze citizen need particularly in the area of access to services and recreation and to implement effective solutions to underserved populations.

- ***To ensure a safe environment through rigorous criminal and property law enforcement.***

This program includes enhanced public safety efforts through collaborative fire, police and code enforcement coordination to address civil and criminal law violations that impact or are the result of community health issues.

7. Mandatory v. Optional:

This Program utilizes non-traditional law enforcement functions and leverages other departments and community efforts towards a common goal. This Program's efforts, methodologies and sustainability are linked to support from the community and elected officials. This is not a mandatory service, but it is a vital one in today's environment.

Alternative Service Delivery Options:

-

64 **8. Program Staffing**

CHSS & Animal Control	Dept.	FTE	Note
Dedicated Personnel			
Police Sergeant	Police	1.0	
Police Officer	Police	2.0	
Police Officer	Police	1.0	School Resource Officer – Edmonds School District reimburses 50% of 10 months of salary and benefits and \$2,000 annually for vehicle.
Crime Prevention Specialist	Police	2.0	
Animal Control Officer	Police	1.0	
Police Social Worker	Police	1.0	\$50,000 of salary and benefits reimbursed by Edmonds PD for shared work.
Total Dedicated Personnel		8.0	
Support Personnel			
Total Support Personnel		0.0	
Total Program Personnel		8.0	

65
66 **9. Program Cost (summary):**

CHSS & Animal Control	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ 330,080	\$ 414,242	\$ 685,173	\$ 1,531,982
2-Personnel Benefits	109,703	157,393	259,047	584,069
3-Supplies	9,333	22,196	40,821	49,100
4-Services	36,903	49,274	107,906	186,364
5- Intergovernmental Services	14,495	10,915	26,906	25,000
Total	\$ 500,514	\$ 654,020	\$ 1,119,853	\$ 2,376,515

67
68 **10. Offsetting Revenues: (if any)**

CHSS & Animal Control	
Fines/Forfeitures/False Alarm Response	30,000
Edmonds PD Reimbursement for Social Worker (1/3)	50,000
Edmonds School District Reimbursement for School Resource Officer	126,061
Total Revenues	\$ 206,061

69
70 **11. Fiscal Sustainability - Net General Fund Cost of Program:**

71 \$2,170,454

72 **12. Performance Measures:**

CHSS & Animal Control	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
# of Volunteers (CP/VIPS/Explorers).	85	85	85	88	
Annual Volunteer Hours Logged.	13,000	12,697	12,388	11,267	
Child Car Seat Installations Annually.	250	236	195	184	
Annual Citizen Academy Presentation.	1	1	1	1	

73

1 **1. Title:** Planning, Training and Accreditation **Program No.:** 01131100

2 **2. Responsible Department(s):** Police

3 **3. Brief Description:**

4 The Planning, Training and Accreditation Program provides quality training on all aspects of
5 police work, maintains accurate training records consistent with accreditation standards, and
6 tracks all expenditures of training funds utilized by departmental staff. This Program manages
7 the police cadets and handles scheduling of all boards of review.

8 **4. Program Outcomes:**

9 This Program processes all training requests for the department. Additionally, they plan and
10 monitor the training of new staff and manage career-level certification programs for existing
11 staff. In 2017, they managed 11,983 hours of training for the department.

12 This program oversees the Washington Association of Police Chiefs and Sheriffs (WASPC)
13 accreditation process, which occurs every four years. The process involves an examination of
14 policies, procedures and requires proof of compliance with those policies and procedures.
15 WASPC has an accreditation committee that continually examines evolving standards of
16 practices and regulation both within the state and nationally. They also develop new or revised
17 accreditation standards in order to provide guidance to agencies. Due to the stringent nature of
18 accreditation our agency has continually modified policies and practices and must continually
19 exam our practices to ensure that we are complying with those policies and can document that
20 compliance. This outside look assists the Department in meeting the vision statement of being
21 an “accountable government” that is able to demonstrate their adherence to the ever-evolving
22 statutory requirements and best practices. The department was successfully reaccredited in
23 2017.

24 The training officers also schedule and oversee all boards of review at the direction of the Chief
25 of Police.

26 One officer serves as the department’s equipment and technology officer. This officer
27 coordinates the purchase and replacement of equipment and serves as a clearinghouse for
28 services throughout the department in order to keep officers equipped properly.

29 The Cadet function serves in a support role for the entire department including conducting
30 fingerprinting for the public and also the park patrol program if staffing is available.

31 **5. Program Outcomes and the Strategic Plan, 2018-2022.**

32 This Program is a key component to effective management of the police department and
33 therefore relates most directly to the strategic priority to “be a safe, welcoming and livable
34 city”. The training section continues to focus on not only required training for a variety of
35 certifications, but also in facilitating and tracking our crisis response and de-escalation training
36 efforts as well as researching, proposing and purchasing less lethal options for the department.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

This Program plays a vital role to providing transparent record keeping and in the boards of review process to ensure effective internal review of incidents to hold the department accountable to the public.

The program is aligned with the following Community Vision goals:

- To ensure a safe environment through rigorous criminal and property law enforcement.***

This Program serves in a support role for the entire law enforcement effort by managing the training function to ensure that officers have the training to more effectively address crime in our City.

7. Mandatory v. Optional:

WAC 139-05-300 - Basic training requirements for commissioned police officers and reserves.

Chapter 43.101 RCW (several sections) - Training Requirements.

This program is a key component to numerous accreditation standards.

Alternative Service Delivery Options:

The training of commissioned officers is mandated by RCW. This program manages the entire effort for the police department. There is no other group currently formed at another agency that could perform the work for the police department.

8. Program Staffing

Planning, Training & Accreditation	Dept.	FTE	Note
Dedicated Personnel			
Police Officer - Training	Police	1.0	
Police Officer - Training/Technology	Police	1.0	
Police Sergeant - Training	Police	1.0	
Police Commander	Police	0.0	The Admin Commander also manages this Program.
Total Dedicated Personnel		3.0	
Support Personnel			
Cadets	Police	2.0	4 Part-Time Cadets
Total Support Personnel		2.0	
Total Program Personnel		5.0	

58 **9. Program Cost (summary):**

Planning, Training & Accreditation	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ 344,898	\$ 358,464	\$ 721,969	\$ 827,566
2-Personnel Benefits	113,203	110,785	255,462	252,296
3-Supplies	13,186	14,642	95,431	144,200
4-Services	79,689	79,525	259,831	265,959
Total	\$ 550,976	\$ 563,416	\$ 1,332,693	\$ 1,490,021

60 **10. Offsetting Revenues: (if any)**

Planning, Training & Accreditation	
Total Revenues	\$ -

62 **11. Fiscal Sustainability - Net General Fund Cost of Program:**

	\$1,490,021
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64 **12. Performance Measures:**

Planning, Training & Accreditation	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Total Training Hours Logged Annually.	18,000	17,056	12,851	14,920	
Compliance with State mandated Annual 24-hour in-service Training Requirement.	100%	100%	100%	100%	
Submission of Capital Assets and Small and Attractive Items Inventory Annually.	1	1	1	1	
Conduct Six Firearms Qualification Courses Annually.	6	6	6	6	
Complete Annual Use of Force/Pursuit Analysis Report.	1	1	1	1	

Program No.: 01130200

3. Brief Description:

This Program also manages narcotics investigations as the South Snohomish County Narcotics Task Force was disbanded in 2018, which resulted in that program being removed from the police department budgeting process. The investigative effort and supervision of narcotics detectives were transferred to the Criminal Investigations Division.

Every case report taken by Patrol officers, other than traffic collisions, is reviewed by one of two detective sergeants. This case review includes examining each case to determine if follow up is needed, identify the priority of that follow-up, provide input on evidence retention as well as quality control review of the initial case report. The sergeants review all cases completed by the detectives in the same manner.

Staffing reductions caused a service reduction which started in 2011. The majority of misdemeanor property crimes cases are no longer assigned for follow-up even when there are solvability factors present in the case that would have, in the past, resulted in assignment to a detective and subsequent follow up investigation. For example, if someone breaks into a citizen's vehicle and steals items that are under the felony threshold and there is information in the patrol investigation that identifies a potential suspect or lead to that suspect, but the patrol officer at the time of the incident is not able to follow that lead, the case is reviewed by a detective sergeant and not assigned.

During that transition, one narcotics detective position was removed and assigned to the Community Health and Safety Section. This move was consistent with Matrix recommendations and did not increase the FTE count for the Police Department.

The remaining investigators continue to work on the major drug trafficking organizations, who continue to plague our community with illegal drugs including opioids. This effort is part of a multi-pronged approach to the illegal drug problem, and specifically the opioid epidemic.

5. Program Outcomes and the Strategic Plan, 2018-2022.

This Program is directly related to the 2018 – 2022 Strategic Plan priority of being a safe, welcoming and livable city. These investigations are key to holding those accountable who would make our community less safe and livable.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be a regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

The Criminal Investigations Program serves as an important piece of the overall public safety effort. This effort strives to increase the community's sense of safety and security which are foundational to a vibrant community.

The program is aligned with the following Community Vision goals:

- ***To ensure a safe environment through rigorous criminal and property law enforcement.***

While the initial response to crime is vital, thorough investigation and documentation is the key to developing a case that is enforceable. The primary program responsible for the quality control of this effort is the Criminal Investigations Program. Detectives are responsible for following through on investigations to develop suspects and preparing cases in order for enforcement to take place.

- ***To be a city that is responsive to the wants and needs of our citizens.***

This Program strives to diligently investigate criminal acts that have victimized our citizens. This effort includes recovering items that have been stolen from them, holding suspects accountable who have victimized them and through this enforcement removing the criminal element from the community to prevent new crimes against our citizens.

7. Mandatory v. Optional:

LMC 2.36.020 Enforcement duties - It shall be the duty of the police department to enforce all ordinances duly enacted and passed by the City Council, and to do all things necessary for the prosecution of offenders of the ordinances in a court of competent jurisdiction. (Ord. 38 § 2, 1959).

RCW 26.44.030 - Duty to investigate child abuse, neglect.

RCW 10.31.100 Arrest without Warrant – Specific mandates in regards to crimes of domestic violence. Other law enforcement arrest powers.

There are numerous Washington Association of Sheriffs and Police Chiefs (WASPC) accreditation standards that apply to investigations.

Alternative Service Delivery Options:

These duties can only be performed by commissioned law enforcement personnel. The Lynnwood Police Department already participates in partnerships as part of its investigative effort. These partnerships occur as needed and are collateral assignments. Examples include: SMART team (Countywide team of detectives who primarily investigate officer involved shootings), Secret Service Electronic Crimes Task Force, Joint Terrorism Task Force, FBI Safe Streets Task Force.

There is no another law enforcement entity that has the resources to pursue the day to day investigations for the City of Lynnwood. Each municipal and county investigative unit has a significant workload for the citizens they serve.

8. Program Staffing:

Criminal Investigations	Dept.	FTE	Note
Dedicated Personnel			
Property Crimes Detective	Police	4.0	
Property Crimes Detective Sergeant	Police	1.0	
Persons Crimes Detective	Police	3.0	Currently one funded vacancy
Persons Crime Detective Sergeant	Police	1.0	
Investigations Commander	Police	1.0	
Narcotics Sergeant	Police	1.0	50% of Salary reimbursed by the Edmonds Police Department - Assigned to the Snohomish Regional Drug and Gang Task Force
Narcotics Detective	Police	2.0	Assigned to the Snohomish Regional Drug and Gang Task Force
Total Dedicated Personnel		13.0	
Support Personnel			
Crime Victim Coordinator	Police	1.0	
Total Support Personnel		1.0	
Total Program Personnel		14.0	

89 **9. Program Cost (summary):**

Criminal Investigations	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ 1,065,695	\$ 1,188,571	\$ 2,480,767	\$ 3,237,149
2-Personnel Benefits	363,866	407,953	865,888	1,116,778
3-Supplies	5,247	17,951	54,679	90,300
4-Services	83,115	110,651	267,445	395,642
6-Capital	-	-	-	10,000
Total	\$ 1,517,923	\$ 1,725,126	\$ 3,668,779	\$ 4,849,869
SSCNTF Program (2017-2018) - Total	472,738	478,015	1,087,338	0

90 *Note: The above table now reflects narcotics personnel and associated expenses, which significantly
 91 increases the personnel costs for the Investigations program, but is overall a cost savings as two programs
 92 become one as discussed below.
 93

94 The South Snohomish County Narcotics Task Force (SSCNTF) was officially disbanded in early 2018. In
 95 2018, Lynnwood officially joined the SRDGTF as did Edmonds and Mountlake Terrace as individual
 96 entities. The Edmonds Police Department still pays 50% of the sergeant position salary.

97 The South Snohomish County Narcotics Task Force previously existed as a program within the Police
 98 Department Budget. The 2017-18 program's total cost was \$1,087,337.44. The City had been the
 99 administrative agency for the SSCNTF. By joining the SRDGTF the Lynnwood Police Department was able
 100 to remove a program and reduce associated administrative costs. Additionally, we chose to reduce a
 101 narcotics FTE position in order to assign that FTE to the Community Health and Safety Section (CHSS).

102 **10. Offsetting Revenues: (if any)**

Criminal Investigations	
Total Revenues	\$ -

Edmonds Police Department Reimbursement Estimate– 50% Narcotics Sergeant	\$171,176
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104 **11. Fiscal Sustainability - Net General Fund Cost of Program:**

Total	\$4,678,693
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12. Performance Measures

Criminal Investigations	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Assigned Cases Annually	1,150	1,147	970	1,078	
Cleared Cases Annually	1,100	1,060	817	1,198	
Physical Arrests Annually	175	150	264	355	
Victim Services Coordinator Criminal Cases	400	436	439	460	
SRDGTF Cases Annually	300		319	653	
Grams of drugs seized (heroin, opioids, meth, cocaine)	25,000		36,624	38,319	

1. Title: Records and Support Services
Program No.: 01130700
2. Responsible Department(s): Police
3. Brief Description:

The Records program is responsible for the management, maintenance and dissemination of accurate, detailed, and timely department records. Police clerks work around the clock to support the police department and to respond to citizen inquiries, including requests for public records.

4. Program Outcomes:

This Program manages police department records, which is essential to effective and transparent law enforcement. This includes: screening data for accuracy, merging records to develop complete case reports, and reporting data to State and Federal agencies.

A key function of this Program is to provide public access to records and to fulfill public records requests. Police records are sought for prosecution, defense, insurance claims, other agencies, civil complaints, etc. Other services include pet licensing, public fingerprinting, concealed weapon permits, and responding to questions from the public.

The police clerks also assist the detention division by conducting prisoner searches on female inmates when there is no female custody officer available. Additionally, staff provide services related to inmate bail.

5. Program Outcomes and the Strategic Plan, 2018-2022.

Effective law enforcement directly relates to Strategic Plan priority 3: "Nurture Operational and Organizational Excellence", and 4: "Be a safe, welcoming and livable city". Managing records, including public disclosure is support role for entire department and serves to maintain a transparent and accountable government. There are specific procedures and strict rules for processing law enforcement data, which is the responsibility of this program.

This Program also serves as the face of the Department to our community members who come to the front desk to seek assistance or to request services.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

The police clerks operate the Police Department's "front desk", and therefore play an essential role in citizen engagement. Staff also provide public access to Department records, which advances government accountability.

The program is aligned with the following Community Vision goals:

- ***To be a city that is responsive to the wants and needs of our citizens.***

Citizens seeking assistance in person or over the phone depend on the police clerks to be responsive to those requests.

- *To ensure a safe environment through rigorous criminal and property law enforcement.*

This Program serves a vital support role to law enforcement by managing police reports and case records to ensure availability for prosecution and accurate data for analysis.

7. Mandatory v. Optional:

Washington cities are required to have a chief of police, and records management is essential element of law enforcement and adjudication. Specific statutes are provided below.

Alternative Service Delivery Options:

This is a vital function for the police department. Certain functions are amenable to collaborative efforts such as Public Records Disclosure, records processing and records retention. Discussions have been underway mainly in the area of public records functions to develop potential interagency solutions.

The direct service aspect to the public and jail requires personnel assigned to that function or a significant change in service level.

8. Program Staffing:

Records & Support Services	Dept.	FTE	Note
Dedicated Personnel			
Police Clerk	Police	7.0	
Support Services Manager *	Police	1.0	
Total Dedicated Personnel		8.0	
Support Personnel			
Total Support Personnel		0.0	
Total Program Personnel		8.0	

Note: * This manager also manages the Evidence Section. This position is currently filled by a Police Sergeant, consistent with the Matrix recommendation.

9. Program Cost (summary):

Records & Support Services	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ 457,724	\$ 550,176	\$ 1,098,326	\$ 1,163,231
2-Personnel Benefits	192,346	226,385	462,381	485,340
3-Supplies	2,799	811	29,915	12,960
4-Services	13,424	15,115	65,899	44,906
Total	\$ 666,293	\$ 792,487	\$ 1,656,521	\$ 1,706,437

10. Offsetting Revenues: (if any)

	NA
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11. Fiscal Sustainability - Net General Fund Cost of Program:

	\$1,706,437
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12. Performance Measures:

Records & Support Services	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Reports Disseminated Annually.	1,600	1,806	2,500	2,697	
Individuals Fingerprinted Annually.	1,200	1,168	1,303	1,299	
Concealed Pistol Licenses Issued Annually.	300	288	406	404	
Public Records Request Response Violations Annually.	0	2	2	0	

13. Implications of Funding Changes:
A. Other Comments:

The following Federal Laws/Regulations, State Laws, Municipal Codes, or Washington Association of Sheriffs and Police Chief's (WASPC) Accreditation Standards mandate actions by staff within this unit:

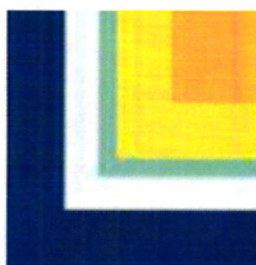
Chapter 42.56 RCW - Public Records Act

National Incident Based Reporting - Washington State agencies report crime statistics for national crime trending and response - formerly known as UCR (Uniform Crime Reporting) data.

Federal Prison Rape Elimination Act (PREA) - Prohibits cross gender searches in jails.

Chapter 40.14 RCW - Preservation and Destruction of Official Records.

Chapter 44.14 WAC - Records Retention.



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1. Title: Property/Evidence**Program No.: 01130600****2. Responsible Department(s): Police****3. Brief Description:**

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

4. Program Outcomes:

The Property and Evidence Section is responsible for the proper tracking and storage of all evidence entered by police officers. They also track disposal dates, disposal process and the recording of disposal. This section is charged with operating a secure facility that effectively stores evidence for use in court proceedings, including complete tracking of the chain of custody of each piece of evidence. The chain of custody process is vital to successful prosecution, our mechanisms provide excellent reporting on the chain of custody and therefore it is rare that there is a challenge to the process during a trial.

Property and Evidence officers are charged with the disposition of seized items and assets as directed by the Investigations Commander. In 2017 evidence officers processed 7,095 pieces of new evidence, including 98 firearms, and disposed of 11,033 items of evidence that were no longer needed. In comparison, evidence officers disposed of 4,969 items in 2016. The major change in this process was the utilization of a part-time position for evidence research.

This Program serves a vital role in support of the City's overall law enforcement effort.

5. Program Outcomes and the Strategic Plan, 2018-2022.

Effective law enforcement services directly relate to the strategic priority number 4: "Be a safe, welcoming and livable city". Property and evidence is a support role for the entire department and serves to maintain a transparent and accountable government as they process evidence involved in criminal actions or items that are otherwise taken into police custody in a community caretaking function.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

This Program is designed to be transparent to the public and other entities. Personnel carefully track and document every piece of evidence from entry to disposal and record the detailed history of each item to be provided as needed.

The program is aligned with the following Community Vision goals:

- *To ensure a safe environment through rigorous criminal and property law enforcement.*

This Program serves in a support role of the overall law enforcement effort, but is vital to a successful enforcement effort.

7. Mandatory v. Optional:

Chapter 9.41 RCW- Firearms and Dangerous Weapons - special regulations for release and forfeiture of firearms.

Chapter 63.21 RCW - Lost and Found Property - Requires process for handling claims and disposal of property that has been lost and recovered.

Chapter 63.35 RCW - Regulates unclaimed property status.

Chapter 69.50 RCW - Uniform Controlled Substances Act - overall chapter on illegal drugs including regulations for handling and penalties for misuse.

Chapter 70.77 RCW – Fireworks laws – defines fireworks seizure and forfeiture.

Numerous WASPC Accreditation Standards apply to Property and Evidence function.

Alternative Service Delivery Options:

There are limited alternatives to this program. Property officers are employees of the City and are thoroughly backgrounded and screened to determine suitability for the position.

There have been discussions in the past about regionalizing this effort; however, each entity has a property room that allows for efficient operation by their staff.

8. Program Staffing:

Property & Evidence	Dept.	FTE	Note
Dedicated Personnel			
Property and Evidence Technician	Police	2.0	
Total Dedicated Personnel		2.0	
Support Personnel			
Total Support Personnel		0.0	
Total Program Personnel		2.0	

9. Program Cost (summary):

Property & Evidence	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ 115,884	\$ 130,508	\$ 259,899	\$ 282,552
2-Personnel Benefits	37,667	52,817	98,506	114,584
3-Supplies	3,719	4,001	9,970	12,865
4-Services	128,021	179,574	363,247	385,599
Total	\$ 285,291	\$ 366,900	\$ 731,622	\$ 795,600

58 **10. Offsetting Revenues: (if any)**

Property & Evidence	
Total Revenues	\$ -

59

Auctioned Items – Non-vehicle	\$10,000

60 **11. Fiscal Sustainability - Net General Fund Cost of Program:**

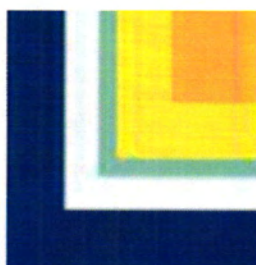
	\$785,600
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61

62 **12. Performance Measures:**

Property & Evidence	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
New Cases Processed Annually.	4,000	4,098	3,019	2,671	
Total Pieces of Evidence Annually.	7,100	7,203	8,403	7,109	

63



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1. Title: Emergency Operations**Program No.: 01130110****2. Responsible Department(s): Police****3. Brief Description:**

Funding for the City's Emergency Operations Center (EOC) program was previously within the Lynnwood Fire Department's budget. The Lynnwood Fire Department has merged into the Regional Fire Authority, but the need for an Emergency Operations Center program for the City still exists.

This is a City-wide Program that provides training for EOC staff and equipment for emergency management operations. The purpose of the EOC is to organize the response to and manage local emergencies, and to coordinate with local, county, state and federal partners. These incidents can range from short-term situations such as a significant weather event, to long-term management of major natural disasters such as an earthquake.

4. Program Outcomes:

This Program is designed to continually train, update and manage changing personnel and resources as called for by the City's emergency management plan. EOC personnel assess risks, mitigate vulnerabilities, inventory damage, coordinate the emergency services of all departments, and plan for prompt recovery.

5. Program Outcomes and the Strategic Plan, 2018-2022.

This Program directly relates to the priority of making our City "be a safe, welcoming and livable city". Our region is likely experience a significant seismic event in the future. Additionally, due to the density of our population there will be significant events that take a specialized interdisciplinary response in order to protect our infrastructure, community members and visitors.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

The impacts of emergencies/disasters can be lasting and severe. Emergency operations are designed to minimize harm to persons and property, coordinate emergency response, and speed recovery. Minimizing the impacts of emergencies/disasters is essential to sustainability and vibrancy.

The program is aligned with the following Community Vision goals:

- ***To be a welcoming city that builds a healthy and sustainable environment.***

This program seeks to prepare our governmental response to natural disasters or other significant events that impact our community and our environment.

- ***To be a city that is responsive to the wants and needs of our citizens.***

Effective emergency management in an urban setting is important to effectively respond to the needs of our community.

7. Mandatory v. Optional:

Emergency operations is a core function of government. It is incumbent upon our City to prepare for these events.

Alternative Service Delivery Options:

None.

8. Program Staffing:

Emergency Operations	Dept.	FTE	Note
Dedicated Personnel			
None			
Total Dedicated Personnel		0.0	
Support Personnel			
Total Support Personnel		0.0	
Total Program Personnel		0.0	

9. Program Cost (summary):

Emergency Operations	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ -	\$ -	\$ -	\$ -
2-Personnel Benefits	-	-	-	-
3-Supplies	-	-	-	40,000
4-Services	-	-	-	8,000
5-Intergovernmental Services	-	-	-	96,874
Total	\$ -	\$ -	\$ -	\$ 144,874

Note: The above includes the interlocal agreement funding with the Department of Emergency Management (DEM).

10. Offsetting Revenues: (if any)

	-

11. Fiscal Sustainability - Net General Fund Cost of Program:

	\$144,874
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12. Performance Measures:

Emergency Operations	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Multi-disciplinary training per year.	1				

Note: This is a new program for 2018

1 **1. Title: SWAT (Special Weapons and Tactics) Program No.: 01130900**

2 **2. Responsible Department(s): Police**

3 **3. Brief Description:**

4 The Lynnwood Police Department participates in a ten-agency collaborative effort known as
5 North Sound Metro SWAT. This team responds to high-risk incidents that require specialized
6 training and equipment to attempt to resolve potentially dangerous situations without loss of
7 life or injury to officers, suspects or innocent citizens.

8 **4. Program Outcomes:**

9 North Sound Metro SWAT was formed by the merger of the South Snohomish County SWAT
10 with several other teams that existed in neighboring jurisdictions. SWAT operations are low-
11 frequency events that require significant training and manpower to conduct successfully. This
12 team now has over 30 total SWAT operators, which provides appropriate staffing for effective
13 response to rapidly unfolding, high-risk incidents.

14 The Lynnwood commitment to this team is six operators (collateral assignment) and one
15 sergeant, which is less than what it was when the team existed as the smaller South Snohomish
16 County SWAT team. Though the personnel commitment is lower than in the past, the team is
17 significantly larger and serves as a resource to address incidents that occur in our city. SWAT is a
18 collateral function of various officers selected through a structured process. Agencies such as
19 Redmond, Kirkland and Bothell contribute similar numbers of staff to the operation. Assistant
20 Team command currently resides in Edmonds and Bothell. The SWAT team commander is a
21 Kirkland captain, who took over for a Lynnwood commander in 2017.

22 Lynnwood SWAT officers are also able to utilize their specialized training in their day-to-day
23 roles and can be deployed for events that require tactical assistance but do not rise to the level
24 of a full SWAT activation. These deployments provide a better tactical solution to these events
25 with better results for both the officers and the suspects.

26 A component of SWAT is the crisis negotiation team. These members receive specialized
27 training in hostage negotiations included practical exercises. Those skills are often called upon
28 to assist with day-to-day incidents in Lynnwood, including working to effectively resolve
29 encounters with mentally ill/suicidal subjects or others in crisis.

30 **5. Program Outcomes and the Strategic Plan, 2018-2022.**

31 This Program directly relates to the strategic plan priority of, "be a safe, welcoming and livable
32 city". SWAT faces low frequency, high risk situations, which requires a very well trained and
33 organized approach to reduce liability and increase effectiveness. Keeping our community
34 members and visitors safe requires a wide variety of law enforcement functions, including units
35 like SWAT.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

SWAT provides critical response to low frequency but highly dangerous public safety emergency incidents. Their training and response is aimed at resolving the incident peacefully. Public safety is a primary function for government to provide a foundation for a vibrant community.

The program is aligned with the following Community Vision goals:

- To ensure a safe environment through rigorous criminal and property law enforcement.***

SWAT is utilized in situations that require specialized tools, skills and training to maximize the potential for a safe outcome in an otherwise highly dangerous and volatile public safety incident.

7. Mandatory v. Optional:

The tools, skills, and tactics employed by SWAT are reviewed under a national best practices standard. It is important to the overall public safety mission to have a formalized team with administrative oversight to respond to these high liability incidents. Additionally, having SWAT members as part of the Lynnwood Police Department allows us to utilize their skills for more successful and effective operations in support of the daily law enforcement effort.

Alternative Service Delivery Options:

The only option would be to contract with another regional team. For the reasons listed above this would reduce the overall capability of the Lynnwood Police Department.

8. Program Staffing:

SWAT	Dept.	FTE	Note
Dedicated Personnel			
Police Officer - SWAT	Police	0.0	Collateral Assignment for 6 Officers
Police Sergeant - SWAT	Police	0.0	Collateral Assignment
Total Dedicated Personnel		0.0	
Support Personnel			
Total Support Personnel		0.0	
Total Program Personnel		0.0	

58 **9. Program Cost (summary):**

SWAT	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ 75,155	\$ 66,202	\$ 97,097	\$ 152,927
2-Personnel Benefits	25,019	21,834	16,506	26,762
3-Supplies	29,754	1,717	14,000	71,100
4-Services	10,341	5,252	23,100	30,150
5-Intergovernmental	3,121	4,057	20,000	15,000
Total	\$ 143,390	\$ 99,062	\$ 170,703	\$ 295,939

59
60 Note: The 2019-20 budget adjustment in salary and benefits (overtime) is based upon actuals trending.
61 Increase in supplies is based upon a need to purchase ammunition as a large purchase made several years
62 ago is now depleted.

63 **10. Offsetting Revenues: (if any)**

SWAT	
Total Revenues	\$ -

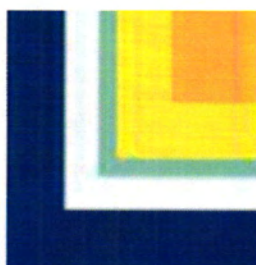
65 **11. Fiscal Sustainability - Net General Fund Cost of Program:**

	\$295,939
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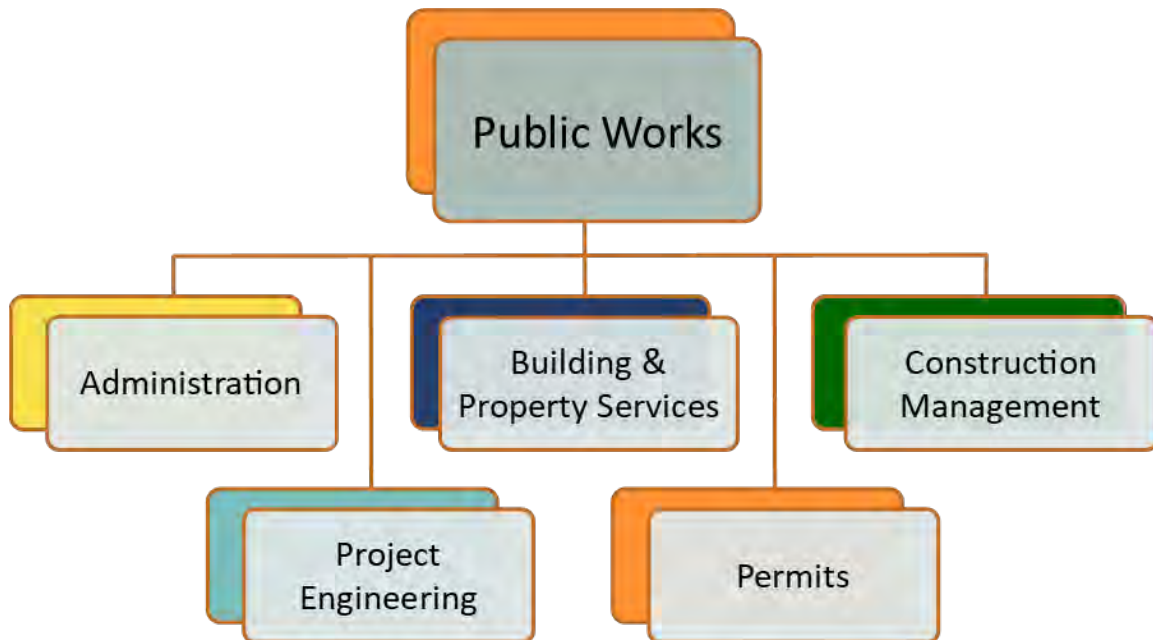
67 **12. Performance Measures:**

SWAT	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Annual Practical/Firearms Training Hours.	1,500	1,456	1,538	1,606	
Hostage Negotiation Team Practical Scenario Sessions.	4	4	4	4	

68



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Department Mission and Responsibilities:

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

Engineering Services is responsible for the following major programs within the General Fund:

- Departmental administration
- Permit development review and inspection
- Project management for capital projects/programs
- Construction management
- Buildings & Property Services

Operation and Maintenance is responsible for the following major programs:

- Fund 411 - Water Utility
- Fund 411 - Sewer Utility including WWTP
- Fund 411 - Storm Utility
- Fund 111 – Streets (partially funded by General Fund)
- Fund 144 - Solid Waste (partially funded by General Fund)
- Fund 511 - Maintenance of Equipment Rental
- Fund 513 - Joint Shop Operations

Public Works' main emphasis is on planning for, designing, operating, and maintaining the City's physical infrastructure. This is done across many budgets, as listed above. The main challenge facing the Department is to have enough funds to adequately maintain our infrastructure. The Department has embraced high tech solutions to managing our systems (e.g. SCADA and our

26 Traffic Management Center, and our use of Cartegraph and social media communication tools)
27 and other efficiencies to stretch our dollars as far as possible.

28 **Major Accomplishments for 2017-18:**

- 29 • Completed phases of several major transportation projects: 36th Avenue West, awarded
30 construction bid and began construction; 196th Street SW, finished design and right-of-
31 way acquisition.
- 32 • Received over \$5 million in state and federal transportation grants.
- 33 • Made several critical utility infrastructure upgrades at the Wastewater Treatment Plant,
34 water and sewer supply and collection systems, and at the City's water tanks.
- 35 • Enacted an Interlocal Agreement with the new Regional Fire Authority for the City to
36 supply mechanics services to their fleet.
- 37 • Enhanced public outreach efforts through project e-mail blasts, web page project sites,
38 and a new Public Works Twitter account reaching over 400 followers on Twitter alone.
- 39 • Assumed management of the Fleet Fund 510.
- 40 • Completed a departmental improvement process with input from staff that culminated in
41 a reorganization of the management structure of the department.
- 42 • Completed Golf Course Parking Lot Project.
- 43 • Created and filled positions in new Construction Management team that will save project
44 funds compared to private consultant services.
- 45 • Demolished dwelling and created a salmon hatchery on the Hall Lake property purchased
46 by the Surface Water Utility during the 2015-16 biennium.
- 47 • Started first yearly pavement program with Transportation Benefit District funds.

48 **Highlights and Changes for 2019-2020:**

49 The Department's General Fund budget programs are largely status-quo budgets with only
50 changes due to inflation and re-distribution of items from the Non-Departmental budget (i.e.
51 building utility charges and technology charges). There are several requests for increased
52 funding in non-General Fund budgets as outlined below:

53 General Fund: There is one request for increased funding in the Building and Property Services
54 program for a list of building improvement projects. The request was for \$200,000 for the
55 biennium and the Mayor's proposed budget includes \$70,000 for the biennium. A request for a
56 safety officer position to be housed in the Human Resources Department was submitted in
57 cooperation with the Human Resources and Parks, Recreation and Cultural Arts Departments.
58 This request was also proposed for funding in the Mayor's proposed budget.

59 Fund 144, Solid Waste and Recycling: There is one request for additional funding to make up for
60 state funding reductions from budget cuts. The request was for \$53,000. The Mayor's proposed
61 budget included this full amount.

62 Fund 411, Utilities: There is one request that includes two new positions, several vehicles, and
63 other one-time requests. This request has been approved by the Mayor.

64 **Department Budget History by Program:**

Program	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
Administration	\$ 663,285	\$ 624,729	\$ 1,322,019	\$ 1,290,089
Project Engineering	467,522	674,727	1,337,359	1,566,359
Permits & Support Services	531,711	481,576	1,005,833	1,011,702
Construction Management	179,891	114,299	571,621	1,232,584
Building & Property Services	1,014,037	1,450,567	2,975,958	3,602,606
Total Department Expenditure	\$ 2,856,446	\$ 3,345,898	\$ 7,212,790	\$ 8,703,340

65

66 **Department Personnel [Full-Time Equivalent (FTE)]:**

	Number of Full-Time Equivalent (FTE)					
Position	2015 Actual	2016 Actual	2017 Actual	2018 Revised	2019 Adopted	2020 Adopted
Director	1.00	1.00	1.00	1.00	0.70	0.70
Deputy Dir, City Engr	1.00	1.00	1.00	0.00	0.00	0.00
Deputy Dir, Ops & Maint	1.00	1.00	0.25	0.25	0.25	0.25
PW Mgr, City Engr	0.00	0.00	0.00	1.00	1.00	1.00
Admin. Supervisor	1.00	1.00	0.50	0.50	0.70	0.70
Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Lead Maint. Worker	2.00	2.00	2.00	2.00	2.00	2.00
Maint. Worker	3.00	3.00	3.00	3.00	3.00	3.00
Resident Cap. Proj. Mgr.	0.00	0.00	1.00	1.00	1.00	1.00
Project Manager	3.00	3.00	2.00	1.00	1.00	1.00
Engr. Tech. II /Civ. Engr. I	1.00	1.00	1.00	2.00	2.00	2.00
Office Aide	1.00	1.00	1.00	1.00	1.00	1.00
Resident Engineer	1.00	1.00	1.00	2.00	2.00	2.00
Engr. Tech II, Coord.	1.00	1.00	1.00	2.00	2.00	2.00
Eng. Tech II, Inspector	0.00	0.00	0.00	1.00	1.00	1.00
Engr. Tech I, Inspector	1.00	1.00	1.00	1.00	1.00	1.00
Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Civil Engineer I	1.00	1.00	1.00	1.00	1.00	1.00
Engr. Tech II	0.00	0.00	1.00	1.00	1.00	1.00
Engr. Tech I	1.00	1.00	1.00	1.00	1.00	1.00
Total	21.00	21.00	20.75	23.75	23.65	23.65

67

1 **1. Title:** Administration **Program No.:** 01161000

2 **2. Responsible Department(s):** Public Works

3 **3. Brief Description:**

4 The purpose of this program of the Public Works Engineering Division Administration is to
5 provide overall management and administration of all aspects of the Public Works Department.
6 Although contained in the Public Works portion of the budget, the staff included in this program
7 are paid for partly by the General Fund and Utility Fund. Wages by the Utility are either directly
8 charged or paid indirectly by overhead allocation.

9 In 2017-2018, a reorganization of the Department occurred that made some changes to
10 positions in this Program. The Deputy Director/City Engineer position was eliminated and
11 replaced by two Engineering Manager positions.

12 **4. Program Outcomes:**

13 Progressive management of the Public Works Department involves balancing effective work
14 product output with transparency, while utilizing state-of-the-art tools and procedures to
15 maximize efficiencies in resources. The ultimate goal of the department is to manage the
16 infrastructure of the City to the benefit of the community while mitigating future costs related
17 to this billion dollar investment.

18 **5. Program Outcomes and the Strategic Plan, 2018-2022.**

19 The Strategic Plan states that we will “Ensure financial stability and economic success.” This
20 priority includes a section on infrastructure, stating that the upkeep of the city’s investments is
21 critical to the long-term financial and economic success of the City. Public Works Administration
22 oversees all work in the department, thereby ensuring the City’s infrastructure is effectively and
23 efficiently developed, managed and operated to provide the foundation of the City’s health,
24 safety and welfare while enhancing the quality of life in our community. Such management of
25 our infrastructure protects this investment and minimizes future costs of upkeep and
26 replacement, thus protecting the City’s financial stability and economic success.

27 The Strategic Plan also states that we will “fulfill the community vision for the City Center and
28 Lynnwood Link light rail.” Public Works staff are key players in the planning, design, and
29 coordination of work that is occurring to support these important developments. Maintaining
30 capacity on our streets, coordinating with multi-modal transportation systems, and ensuring
31 utility systems can support growth is critical work that must be done now and throughout our
32 future as the City develops to its vision.

33 The Strategic Plan also states that we will “be a safe, welcoming, and livable city.” Without a
34 successfully functioning infrastructure, this goal cannot be reached or maintained. Finally, the
35 strategic plan states that we must “pursue and maintain collaborative relationships and
36 partnerships.” Success in managing the City’s infrastructure cannot be done without a high level
37 of coordination, connection, and data sharing with our neighboring jurisdictions, transit
38 agencies, the Washington State Department of Transportation, and our federal funding
39 partners. The City also benefits greatly from grants and other fund sharing.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

Note:

The program is aligned with the following Community Vision goals:

- ***To be a welcoming city that builds a healthy and sustainable environment.***

Public Works provides programs and projects that improve the City's infrastructure, and therefore our quality of life. Improvements to transportation, parks, and our utilities keep our citizens and customers' quality of life at a high level.

- ***To invest in efficient, integrated, local and regional transportation systems.***

One major aspect of Public Works is that we provide for the overall management of transportation projects from planning through construction and operations and maintenance.

- ***To be a city that is responsive to the wants and needs of our citizens.***

The mission statement of the Department of Public Works reads: The Public Works Department will effectively and 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 Administrative program is responsible for overseeing all aspects of the Public Works Department.

7. Mandatory v. Optional:

Mandatory: Washington State law requires cities to have a City Engineer. In addition, the Federal Highway Administration (FHWA), requires WSDOT to determine whether cities have properly skilled staff, including Licensed Professional Engineering in the state of Washington, to manage projects that have federal funds. WSDOT has designated the City of Lynnwood as a "Certified Agency (CA)". Without CA status, the City would pay other CA agencies to manage our projects, at an extra cost in most cases.

Mandatory: Upkeep of the City's infrastructure is required either directly (i.e. Clean Water Act, MUTCD, federal, state and local laws, etc.) and also indirectly (i.e. maintaining and preserving the mega-investment the City has made into our publicly-owned systems).

Alternative Service Delivery Options:

The Public Works Department has the minimum number of administrative staff to carry out the Mission and Vision of the City.

8. Program Staffing:

Administration	Dept.	FTE	Note
Dedicated Personnel			
Dir-Public Works	Pub. Wks.	0.70	Position Shared with Utilities Fund
Deputy Dir/City Engineer	Pub. Wks.	0.25	Position Shared with Utilities Fund
Public Works Manager, City Engr	Pub. Wks.	1.00	
Administrative Supervisor	Pub. Wks.	0.70	Position Shared with Utilities Fund
Total Dedicated Personnel		2.65	
Support Personnel			
Total Support Personnel		0.00	
Total Program Personnel		2.65	

9. Program Cost (summary):

Administration	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ 369,202	\$ 378,569	\$ 802,746	\$ 728,423
2-Personnel Benefits	155,871	121,685	276,686	263,584
3-Supplies	4,400	8,275	16,210	16,150
4-Services	133,812	100,047	155,377	228,932
6-Capital	-	6,153	-	-
0-Transfers	-	10,000	71,000	53,000
Total	\$ 663,285	\$ 624,729	\$ 1,322,019	\$ 1,290,089

10. Offsetting Revenues: (if any)

Administration	
	-
Total Revenues	\$ -

11. Fiscal Sustainability - Net General Fund Cost of Program:

	\$1,290,089
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78 **12. Performance Measures:**

Administration	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
% of employee performance evaluations completed within 90 days of due.	100	84	84	83	83
Number of Tweets per day. (average)	1	NA	2	2	3
Project/Construction ENews Updates sent.	75	103	99	50	105

79

1. Title: Project Engineering: (Capital Project and Program Management)

Program No.: 01161100

2. Responsible Department(s): Public Works

3. Brief Description:

The purpose of this program of the Public Works Engineering Division is to provide management of the City's capital projects and programs, including projects funded by the City's General Fund, grants, and the City's Utility Fund. Project Managers also serve as liaisons to private consultants who perform most of the engineering design work for projects.

4. Program Outcomes:

Lynnwood's team of Project Managers currently are managing a list of 30 to 40 projects and 10 to 15 programs, whose entire project budgets amount to approximately \$150,000,000.

Examples of projects underway:

- 196th Street SW Improvements (City Center)
- Poplar Overpass
- Beech Road Improvements
- 188th Street SW Flood Wall
- Sewer Lift Stations #4 and #8
- City Hall Complex Parking Lot Improvements

Examples of programs administered by Project Managers:

- Yearly 6 Year Transportation Improvement Program
- Yearly Capital Facilities Plan update
- Paving Program
- Americans with Disabilities Act (ADA) Program

This staff also drafts and administers grant applications.

Infrastructure planning. The Project Managers also manage efforts such as updates to Capital Facilities Plans, Comprehensive Plans, Rate Studies, and other Studies and Analyses.

Offsetting Revenues. Project Managers track their time on each project. Time and therefore costs towards a City utility project (water, sewer, stormwater) is reimbursed to the General Fund. For 2019-2020, this amount is estimated at \$150,000 for the biennium.

Our Project Management team is also responsible for writing grant proposals. Most grant proceeds go towards the capital costs of a project, which therefore do not offset General Fund operating costs. For the period of 2017-2018, the City received approximately \$5 million in grants. City funds are typically heavily leveraged with grant dollars. On average, for every \$1 of city funds there are \$5 to \$10 of matching grant funds.

Transportation Benefit District (TBD). The TBD pays staff time used for TBD purposes. Historically, this has amounted to approximately \$25,000/year. A similar amount can be assumed over the 2019-2020 biennium.

5. Program Outcomes and the Strategic Plan, 2018-2022.

The Strategic Plan states that we will “Ensure financial stability and economic success.” This priority includes a section on infrastructure, stating that the upkeep of the city’s investments is critical to the long-term financial and economic success of the City. Project and Program Management oversees infrastructure work related to our transportation, utilities, parks, and municipal buildings systems thereby ensuring that this part of the City’s infrastructure is effectively and efficiently developed, managed and operated to provide the foundation of the City’s health, safety and welfare while enhancing the quality of life in our community. Such management of our infrastructure protects these investments and minimizes future costs of upkeep and replacement, thus protecting the City’s financial stability and economic success.

The Strategic Plan also states that we will “fulfill the community vision for the City Center and Lynnwood Link light rail.” Staff in this group are key players in the planning, design, and coordination of work that is occurring to support these key developments. Maintaining capacity on our streets, coordinating with multi-modal transportation systems, and ensuring utility systems can support growth is critical work that must be done now and throughout our future as the City develops to its vision.

The Strategic Plan also states that we will “be a safe, welcoming, and livable city.” Without a successfully functioning infrastructure, this goal cannot be reached or maintained. Finally, the strategic plan states that we must “pursue and maintain collaborative relationships and partnerships.” Success in managing the city’s infrastructure cannot be done without a high level of coordination, connection, and data sharing with our neighboring jurisdictions, transit agencies, the Washington State Department of Transportation, and our federal funding partners. The City also benefits greatly from grants and other fund sharing with these agencies.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

Note:

The program is aligned with the following Community Vision goals:

- ***To be a welcoming city that builds a healthy and sustainable environment.***

Project Management works with capital projects that improve the City's infrastructure, and therefore our quality of life. Improvements to transportation, parks, and our utilities keep our citizens' and customers' quality of life at a high level. These projects not only maintain the City's huge investments in infrastructure, but also provide the foundation for growth towards the City's vision.

- ***To invest in efficient, integrated, local and regional transportation systems.***

This program provides the management of transportation projects during the planning and design phases.

- ***To be a city that is responsive to the wants and needs of our citizens.***

In order to provide for our citizens’ basic existing AND future needs (water, sewer, transportation, municipal buildings, etc.) we must plan for, maintain, and build new

77 infrastructure. The Project Management program manages the very programs and projects that
78 do this.

79 **7. Mandatory v. Optional:**

80 Mandatory: 6-Year Transportation Improvement Plan (TIP). State Law requires cities to
81 prepare, approve and submit a yearly TIP. Project Management staff prepares the document
82 and manages the process.

83 Mandatory: Capital Facilities Plan (CFP): State law requires cities to prepare, approve and
84 submit a yearly CFP. Project Management staff prepares the document and manages the
85 process.

86 Mandatory: Americans with Disabilities Act (ADA) Transition Plan: The Federal Government
87 requires that all public ADA facilities be updated to current standards over a reasonable period
88 of time (20 to 40 years).

89 Optional, but critical: Many jurisdictions do neglect the upkeep of their infrastructure. This can
90 lead to costly and deadly failures such as bridge collapses, or damaging events such as water
91 main breaks. The cost to maintain infrastructure when done proactively is much less expensive
92 than fixing a failed system (i.e. an ounce of prevention is worth a pound of cure....). The staff in
93 this group's main task are projects that plan for, provide, and maintain these critical
94 investments.

95 **Alternative Service Delivery Options:**

96 The project managers provide oversight, coordination, facilitation, and project tracking.
97 The Program uses consultants to do the subject matter expert analysis and design work.
98 Depending on the complexity of the project, the consultants will have teams of 5 to 25
99 different people working on the project. Thus, the current city business model to have
100 project managers manage consultant teams is the most cost-effective model at this time.

8. Program Staffing:

Project Engineering	Dept.	FTE	Note
Dedicated Personnel			
Public Works Manager	Pub. Wks.	1.00	
Project Manager	Pub. Wks.	2.00	
Civil Engineer	Pub. Wks.	1.00	
Sr Support Serv. Tech.	Pub. Wks.	1.00	
Total Dedicated Personnel		5.00	
Support Personnel			
Total Support Personnel		0.00	
Total Program Personnel		5.00	

9. Program Cost (summary):

Project Engineering	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ 198,358	\$ 434,436	\$ 888,461	\$ 1,010,471
2-Personnel Benefits	238,023	176,041	359,029	456,599
3-Supplies	8,490	3,712	24,390	12,300
4-Services	22,651	60,538	65,479	86,989
Total	\$ 467,522	\$ 674,727	\$ 1,337,359	\$ 1,566,359

10. Offsetting Revenues: (if any)

Project Engineering	
Transfer from Capital Projects for Project Management time	\$100,000
Transfer from Utilities for Project Management time	\$600,000
Transfer from Transportation Benefit District	\$50,000
Total Revenues	\$ 750,000
Total Program Cost (previous table)	
Net General Fund Cost of Program	\$ 1

11. Fiscal Sustainability - Net General Fund Cost of Program:

\$816,359

12. Performance Measures:

Project Engineering	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Number of Projects/year.	7	15	13	14	14
Grants funds received/year. (\$)	4,000,000	20,000,000	9,750,000	260,000	6,680,000

1. Title: Building and Property Services**Program No.: 01163000****2. Responsible Department(s): Public Works****3. Brief Description:**

The purpose of this program of the Public Works Engineering Division is to operate and maintain the City's 10 municipal buildings (see the list of buildings below).

4. Program Outcomes:

Following is the list of City municipal buildings operated and maintained by Building and Property Services:

- City Hall
- Building and Property Services Shop
- Rec Center/ Pools
- Justice Center/Court /Jail/Police Dept
- North Administrative Building/ Senior Center
- Library
- Permit Center
- Lynnwood Maintenance Operation Center
- Off Site Evidence Building
- WWTP

The group also performs small to medium remodeling projects to City buildings. Examples are as follow:

- Installed cameras, surveillance systems, and LED lighting at various buildings
- Made ADA upgrades in city buildings
- Rebuilt the Recreation Center locker room shower walls
- Completed demolition work at vacant Permit Center
- Updated water systems and pool playground equipment
- Installed wall at Lynnwood Operations and Maintenance Center Garage
- Office remodels at Civic Justice Center
- Rebuilding 2 of the 9 plex HVAC systems at Civic Justice Center and City Hall
- Completed installation and wiring of new kiosks in Justice Center
- Completed 16 office remodels

5. Program Outcomes and the Strategic Plan, 2018-2022.

The Strategic Plan states that we will "Ensure financial stability and economic success." This priority includes a section on infrastructure, stating that the upkeep of the city's investments is critical to the long-term financial and economic success of the City. Building and Property services maintenance of the City's facilities infrastructure ensures the long-term sustainability of those investments and does so in a manner that efficiently and economically balances expenditures and resources while making the necessary investments to avoid future increased costs due degradation of our buildings. The aggressive cost control and best practices by Program staff addresses the Strategic Plan's priority of "nurturing operational and organizational

excellence,” while their attention to operations creates a “safe, welcoming and livable City” for those that visit and work at our municipal buildings.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

Note: See responses below.

The program is aligned with the following Community Vision goals:

- ***To be a city that is responsive to the wants and needs of our citizens.***

Note: This program provides the spaces that house the staff and programs for all of our city services. It also provides the spaces that are directly used by citizens and customers for public meetings, counter services, and a wide range of recreational services.

- ***To encourage a broad business base in sector, size, and related employment, and promote high-quality development.***

Note: In being a regional model, our buildings need to portray a high level of professionalism and environmental efficiency, but also be operated in a cost-effective manner.

7. Mandatory v. Optional:

Mandatory: It is not possible to offer City services without buildings. Certain components of this program are governed by federal and state law. For example, the Americans with Disabilities Act (ADA) requires buildings to be accessible. Building and fire codes set standards for buildings. Building and facility services are essential to City operations.

Alternative Service Delivery Options:

Consultant Services: The model Building and Property Services used more in the past was to hire private consultant/contractors for the larger and more complicated maintenance issues, such as work on HVAC units. Since that time, the group has been trained to do more of this work in-house and a large cost savings has been realized. It is necessary still to use contractor services for certain items, but a good balance has been reached.

The custodial services function was provided by a group of 6 FTEs prior to the 2008-2009 biennium. These services were outsourced to a private contractor resulting in a savings of \$500,000 per biennium. The remaining work of the staff group is not as easy to replicate by private contractor, in fact we have found that we can provide these services at a much reduced cost than private contractor. At this time, we are not considering further shifts of full time staff to contracted services.

8. Program Staffing:

Building & Property Services	Dept.	FTE	Note
Dedicated Personnel			
Supv-Building Ops/Maintenance	Pub. Wks.	1.00	
Lead Maintenance Worker	Pub. Wks.	2.00	
Maintenance Worker	Pub. Wks.	3.00	
Total Dedicated Personnel		6.00	
Support Personnel			
Total Support Personnel		0.00	
Total Program Personnel		6.00	

9. Program Cost (summary):

Building & Property Services	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ 422,803	\$ 420,774	\$ 917,457	\$ 914,564
2-Personnel Benefits	211,908	215,877	479,795	512,916
3-Supplies	121,835	110,396	153,410	318,630
4-Services	254,903	703,520	1,425,296	1,856,496
6-Capital	2,588	-	-	-
Total	\$ 1,014,037	\$ 1,450,567	\$ 2,975,958	\$ 3,602,606

10. Offsetting Revenues: (if any)

Building & Property Services	
Total Revenues	\$ -

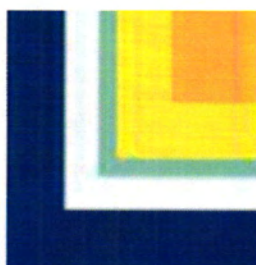
11. Fiscal Sustainability - Net General Fund Cost of Program:

	\$3,602,606
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12. Performance Measures:

Building & Property Services	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Of approx. 90 Service Requests per month, Percent completed within 1 working day.	85	75	70	80	85

Note: Munis Work Order System has increased our efficiency in tracking and providing performance indicators. This has decreased our duplication and increased our accuracy and accountability.



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6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

Permit and plan review is the opportunity for staff to ensure that private development projects are consistent with all codes and aligned with the City's vision.

The program is aligned with the following Community Vision goals:

- ***To encourage a broad business base in sector, size, and related employment, and promote high-quality development.***

Developments are reviewed and inspected to meet minimum federal, state and local standards to ensure that development is high-quality.

- ***To be a city that is responsive to the wants and needs of our citizens.***

The primary function of this program is to ensure that development is planned, designed and built to meet the City's adopted minimum standards. Interactions with developers should be positive and supportive to foster good relationships and a good reputation in the region.

7. Mandatory v. Optional:

Mandatory: Lynnwood cannot allow development that does not meet laws, codes and other requirements. Private development construction requires that the City review proposed plans to ensure that the development meet requirements and standards specified by local, state, and federal building and development standards.

Alternative Service Delivery Options:

Consultant Services: The various departments in the Development and Business Services Center (DBS) use consultant services currently to assist staff with spikes in workload. There is a level of such service that is cost-effective. Consultants have a high mark-up on labor (usually about three times their hourly salary) and so using consultants exclusively for these services would be very expensive. Using consultants for overflow is more economical than hiring staff for spikes in demand. Using consultants when agreed to be paid by developers for quicker turnaround is cost neutral. It is possible that Permit services could be provided by another local government through interlocal agreement.

66 **8. Program Staffing:**

Permits & Support Services	Dept.	FTE	Note
Dedicated Personnel			
Supv-Development Services	Pub. Wks.	1.00	
Civil Engineer	Pub. Wks.	1.00	
Sr. Engineering Technician	Pub. Wks.	1.00	
Engineering Technician	Pub. Wks.	1.00	
Total Dedicated Personnel		4.00	
Support Personnel			
Total Support Personnel		0.00	
Total Program Personnel		4.00	

67
68 **9. Program Cost (summary):**

PW Permits	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ 414,995	\$ 316,624	\$ 638,797	\$ 650,407
2-Personnel Benefits	110,304	144,549	300,209	300,331
3-Supplies	3,316	2,955	33,665	11,000
4-Services	3,096	17,448	33,162	49,964
Total	\$ 531,711	\$ 481,576	\$ 1,005,833	\$ 1,011,702

69
70 **10. Offsetting Revenues: (if any)**

Permits & Support Services	
Permit fees	1,100,000
Transfer from Utilities Fund	61,000
Total Revenues	\$ 1,161,000

71
72 **11. Fiscal Sustainability - Net General Fund Cost of Program:**

	\$149,298
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74 **12. Performance Measures:**

PW Permits	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Number of Permits Per Year.	500	444	383	449	
Turnaround Time for 1st Submittal. (weeks)	5	5	5	5	
Number of Projects Reviewed Per Year.	300	528	499	463	
Value of Infrastructure Added. (\$)	200,000	177,645	721,270	490,091	

75

1. Title: Construction Management (Capital Project Const. Mgmt.)**Program No.: 01161300****2. Responsible Department(s): Public Works****3. Brief Description:**

The purpose of this program of the Public Works Engineering Division is to provide construction management (CM) of City capital projects, including projects funded by the City's General Fund, grants, and the City's Utility Fund. This program DOES NOT include inspection of private development, which is instead handled by the Public Works' Permits program. Duties include inspection of projects under construction and the processing the extensive paperwork necessitated by construction contracts and grant agreements. Personnel also serve as liaisons to consultants hired to provide construction management services during high-volume periods.

During the mid-biennial budget modification in 2017, a reorganization of the Construction Group occurred. Management analyzed the workload of upcoming construction seasons and came to the conclusion that an internal CM team could provide Construction Management Services for capital projects, currently performed by consultants, at a lesser cost. A resident engineer, two inspectors, and an office support position were added to the group. In the past, Public Works had its own CM internal group, but had to lay off much of the staff in the economic downturn. We now have a robust capital project program for the foreseeable future, including ongoing programs such as street overlays and water/sewer/storm system upgrades. These upcoming projects are fully funded including CM costs from utility rates and the Transportation Benefit District. City can provide CM services for these smaller and recurring projects with an internal group at a lesser cost resulting in yearly savings to the capital program. This modification shifts expenditures from consultant services to personnel budget, which then will be reimbursed by capital project funds. Public Works will still use consultant CM services for large projects like 36th Avenue West Improvements and the Poplar Bridge.

4. Program Outcomes:

Active construction projects in 2017-18 include:

- 36th Avenue West Improvements
- Piping Improvements related to Sewer Lift Stations No. 4 and 8
- Interurban Trail South Segment and Utility Rehabilitation Project
- Ash Way Flood Improvements
- 2018 Chip Seal Pavement Program
- Watertank Modifications and Repairs Project
- Aeration Improvements and Clarifier Covers at Wastewater Treatment Plant (completed)
- Golf Course Parking Lot Expansion (completed)
- 2017 Waterline Repair Project (completed)
- Meadow Playfield Turf Replacement Project (completed)
- Bike2Health Striping and Signage Project (completed)

In 2019/20 the following list of Capital Projects are anticipated to be in construction:

- 196th Street SW Improvements
- Lift Station 4 - Facility Reconstruction

- 42 • Lift Station 8 - Facility Reconstruction
- 43 • Sewer Force Main #8
- 44 • 2019 Annual Overlay Program
- 45 • 2020 Annual Overlay Program
- 46 • ADA Transition Plan Implementation - Wheelchair Ramps
- 47 • ADA Transition Plan Implementation - City Hall Men's Bathroom Remodel
- 48 • Wastewater Treatment Plant Building Roof Rehabilitation
- 49 • Scriber Creek Corridor Flood Reduction Projects
- 50 • Lift Station 10 Facility Flood Proofing
- 51 • City Municipal Complex Parking Improvements
- 52 • 188th Floodwall Project
- 53 • Traffic Signal Rebuild, 196th Street SW and 68th Avenue West

54 Outcomes include:

- 55 • Close oversight of construction projects.
- 56 • Adherence to critical grant requirements and contract specifications.
- 57 • Minimize or avoid risk and loss.
- 58 • Ensure accountability of designer/estimator.
- 59 • Projects completed on schedule.
- 60 • Projects completed within budget.
- 61 • Protect City's interests during contract negotiation and dispute resolution.
- 62 • Extend City's purchasing power through careful project management.

63 The Construction Management team tracks their time on each project. Costs towards a city
 64 utility project (water, sewer, Stormwater) are reimbursed to the General Fund paying for a large
 65 portion of salaries. This amount is estimated to be about \$1.2 million for the biennium.

66 **5. Program Outcomes and the Strategic Plan, 2018-2022.**

67 The Strategic Plan states that we will "Ensure financial stability and economic success." This
 68 priority includes a section on infrastructure, stating that the upkeep of the city's investments is
 69 critical to the long-term financial and economic success of the City. The CM group ensures that
 70 construction of City capital facilities meet all applicable standards. They also ensure that the
 71 facilities are built to minimize the amount of effort and ongoing expense for future maintenance
 72 and operation. The attention that the Construction Group pays to well-built facilities, many of
 73 which will be directly used by the public, creates a "safe, welcoming and livable City."

74 **6. Relation to Community Vision:**

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

75
 76 Note:

77 The program is aligned with the following Community Vision goals:

- 78 • ***To be a welcoming city that builds a healthy and sustainable environment.***

79 Construction Management works with capital projects that improve the City's infrastructure,
 80 and therefore our quality of life. Improvements to transportation, parks, and our utilities keep

our citizens' and customers' quality of life at a high level. These projects not only maintain the City's huge investments in infrastructure, but also provide the foundation for growth towards the City's vision.

- ***To invest in efficient, integrated, local and regional transportation systems.***

This program provides the management of transportation projects during the construction phase.

- ***To be a city that is responsive to the wants and needs of our citizens.***

In order to provide for our citizen's basic existing AND future needs (water, sewer, transportation, municipal buildings, etc.) we must plan for, maintain, and build new infrastructure. The Construction Management program oversees the construction of the very projects that do this.

7. Mandatory v. Optional:

Mandatory: 6-Year Transportation Improvement Plan (TIP). State Law requires cities to prepare, approve and submit a yearly TIP. Construction Management staff manages the construction of these projects.

Mandatory: Capital Facilities Plan (CFP): State law requires cities to prepare, approve and submit a yearly CFP. Construction Management staff manages the construction of these projects.

ADA Transition Plan: The Federal Government requires that all public ADA facilities be updated to current standards over a reasonable period of time (20 to 40 years).

Construction management is an essential component of capital infrastructure improvement. The service is mandatory.

Alternative Service Delivery Options:

Consultant Services: Public Works currently uses a blend of city staff and consultants to provide these services, based on the workload. Staff also act as liaisons between the City and consultants. City Staff also track the consultant's progress and costs and prepare items for Council approvals and other internal tracking. There is little more that could be turned over to a consultant in this process than already has been, and in fact the reorganization of the group in 2017 adding internal staff demonstrates that city personnel can provide these services at a lesser cost than consultants. Large projects needing a larger workforce or specialty inspections still need consultant services.

Other Public Jurisdictions: There really is no model that we are aware of where a city of our size uses an adjacent city or county to do their construction management work. Very small cities that only have one or two projects at a time may have this as an option. Otherwise, the other jurisdiction would have to staff up accordingly and take on the risk of how to staff through changes in workload, etc. The result would be costly and probably save little, even if a "donor" jurisdiction could be identified.

Shift Cost of Construction Management to the Capital Budget: Most of the cost of construction management is included as project costs in capital budgets and not the General Fund. However, there are overhead costs and some personnel costs that cannot

be directly charged to projects. It is probably not realistic to fully recover all staff time and overhead from capital project budgets.

8. Program Staffing

Construction Management	Dept.	FTE	Note
Dedicated Personnel			
Sr. Engineering Technician	Pub. Wks.	3.00	
Engineer	Pub. Wks.	1.00	
Engineering Technician	Pub. Wks.	1.00	
Total Dedicated Personnel		5.00	
Support Personnel			
Total Support Personnel		0.00	
Total Program Personnel		5.00	

9. Program Cost (summary):

Construction Management	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ 97,204	\$ 50,976	\$ 382,570	\$ 780,476
2-Personnel Benefits	72,592	40,836	145,806	370,806
3-Supplies	5,475	3,617	23,385	12,200
4-Services	4,620	18,870	19,860	69,102
Total	\$ 179,891	\$ 114,299	\$ 571,621	\$ 1,232,584

10. Offsetting Revenues: (if any)

Construction Management	
Transfer from Utilities Fund	550,000
Transfer from Capital Fund	550,000
Total Revenues	\$ 1,100,000
Total Program Cost (previous table)	
Net General Fund Cost of Program	\$ 1

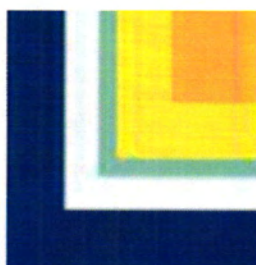
11. Fiscal Sustainability - Net General Fund Cost of Program:

	\$132,584
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12. Performance Measures:

Construction Management	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Number of Capital Constr. Projects/year.	5	6	10	7	7
Actual project cost not to exceed bid amount. (% over)	10	8	8	9	8

Note: The number of capital construction projects varies each year. This is dependent upon project funding from various sources to include the general fund, restricted funding such as REET 1 and REET 2, City Utility funds, and various grants. Historically projects are delivered, on average, at 8% over the bid award amount.



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Department Mission and Responsibilities:

After the consolidation of the Lynnwood Fire Department and Fire District 1 on October 1, 2017, the Department exists now for budgetary purposes only. By law, the City retains authority/responsibility for the City's Fire Marshal and obtains those services through interlocal agreement with South Snohomish County Fire and Rescue (South County Fire).

The Fire Marshal Office (FMO) oversees fire prevention, which includes administration of the City's Fire Code. This work includes building permit review, building inspections—including fire alarm and fire suppression systems. South County Fire employees provide fire prevention services to the City of Lynnwood based upon industry best practices and professional acumen.

Highlights and Accomplishments During 2017-2018:

- On August 1, 2017, voters approved the formation of a regional fire authority.
- On October 1, 2017, South Snohomish County Fire and Rescue (South County Fire) was formed as authorized by voters in Lynnwood and the service area of Fire District 1.
- Lynnwood Fire Department staff and resources were merged with those of Fire District 1. Officially, the Lynnwood Fire Department no longer exists; the term "Department" used here is for budgeting purposes only.
- Fire prevention services (fire marshal), are now provided within the City of Lynnwood by written agreement with South County Fire. All other fire and EMS services are provided directly by South County Fire.
- The City Council adopted numerous amendments to Lynnwood's Fire Code (Title 9 LMC) to establish greater uniformity with regulations used elsewhere.

Highlights and Changes for 2019-2020:

- The 2019-2020 budget cycle represents a critical period for the Lynnwood Fire Marshal's Office. We find it imperative to strive for efficiencies and with the other departments within DBS work towards improvement of processes and procedures. With the progress made in 2018; Title 9 Amendments, fee schedule modification, and changes to reduce

plan review times, the FMO will realize efficiencies and provide a greater level of customer service.

- Light Rail planning has been ongoing, demolition and early work has started. New development is expanding rapidly, buildings are rising at a stunning rate. All of this impacts the FMO with a greater work load.
- The Fire Marshal's Office is making strides in accomplishing the high volume of workload including the vertical growth within the City and is developing strategies to maintain service level with minimal budget impacts.
- With the formation of the RFA, the structure of the FMO had minor changes. This included having one Fire Marshal for the RFA and an Assistant Fire Marshal overseeing the FMO within Lynnwood.

Department Budget History by Program:

Program	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
Fire - Other	\$ 10,100,469	\$ 8,954,010	\$ 8,627,154	\$ -
Fire - Marshal	1,022,414	842,601	1,916,418	1,936,442
Fire - RFA	6,081	2,687,159	5,437,794	-
Total	\$ 11,128,964	\$ 12,483,770	\$ 15,981,366	\$ 1,936,442

Department Personnel [Full-Time Equivalent (FTE)]: With the formation of South County Fire, Lynnwood Fire Department staff transitioned from employment with the City to South County Fire. The Fire Marshal contract with South County Fire currently funds 1-Assistant Fire Marshal, 3-Deputy Fire Marshals, and 1-Administrative Assistant.

1 **1. Title:** Fire Prevention **Program No.:** 01142000

2 **2. Responsible Department(s):** Fire

3 **3. Brief Description:**

4 The Fire Prevention Division of the Fire Department provides Fire Marshal services, including:
 5 Fire code development and enforcement, fire plan review, construction and annual inspections,
 6 fire investigation services, public education and planning. As a key member of the
 7 Development and Business Services group, the Fire Prevention Division works closely with
 8 Public Works Development Services, Economic Development, Community Development
 9 (including Planning and Building) to deliver key services to the development community.

10 **4. Program Outcomes:**

11 Key deliverables include the services mentioned above. The Fire Department includes
 12 emergency management, fire/EMS and other specialized emergency response, public education
 13 and fire prevention. Public safety is a cornerstone of any vibrant community and the fire
 14 prevention division ensures that buildings are safe for occupants, fire codes provide reasonable
 15 prevention of fires resulting in loss of life and economic vitality in the community. Through
 16 partnerships with other City departments, strategic planning of the City Center, Light Rail and
 17 other key initiatives ensure that Lynnwood is a safe place to live, work and play as well as a
 18 regional model.

19 **5. Program Outcomes and the Strategic Plan, 2018-2022.**

20 Fire Prevention's outcomes are highly aligned with the Priorities of the Strategic Plan.
 21 Compliance with Fire Code requirements, prompt permit review, and responsive inspection
 22 services are all essential to Priority 1, "Fulfill the community vision for the City Center and
 23 Lynnwood Link light rail. Ensuring that buildings, structures, and spaces are built and operated
 24 according to Fire Code requirements helps to make Lynnwood a safe, welcoming, and livable
 25 city (Priority 4).

26 **6. Relation to Community Vision:**

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

27
 28 The Fire Marshal's Office (FMO) plays a key role in ensuring the Community Vision is not only
 29 realized, but maintained.

30 The program is aligned with the following Community Vision goals:

- 31 • ***To be a welcoming city that builds a healthy and sustainable environment.***

32 The FMO inspects buildings to ensure that they conform to applicable standards. This includes
 33 ensuring that built-in fire protection features such as fire alarm systems, automatic fire sprinkler
 34 systems, and hood suppression systems that extinguish, or keep in check, fires that might occur
 35 to minimize life and economic loss. Additionally, by partnering with businesses, fire-safe
 36 practices such as managing storage, merchandise and furnishings to keep exit pathways clear

and unsafe items out of buildings, the health and safety of occupants is enhanced and the potential for fires that may harm the economic vitality of the community is reduced.

- ***To encourage a broad business base in sector, size, and related employment, and promote high-quality development.***

As a key member of the Development and Business Services(DBS) team, the FMO works collaboratively to ensure codes, zoning, licensing and other factors are appropriate to attract, construct and preserve broad, as well as high-quality development.

- ***To be a cohesive community that respects all citizens.***

The FMO regularly participates in joint initiatives to communicate with the community. We are building a communications structure that allows the business community to regularly get important information. Fire code enforcement and investigations provide opportunities to interact with the community and to forge new relationships.

- ***To ensure a safe environment through rigorous criminal and property law enforcement.***

Some of the above goals overlap in this area. Property law enforcement, code enforcement, fire code enforcement come together through the joint Community Health and Safety Program. The FMO provides support toward reducing blight, crime, nuisances, etc.

7. Mandatory v. Optional:

The services provided by the FMO are mandatory. The fire chief/fire marshal is charged by RCW 43.44.050 1(a) with the responsibility to investigate fires to determine the cause and origin. The Lynnwood Municipal Code identifies the fire marshal as the fire code official. Through interlocal agreement, the City has contracted with South County Fire for fire marshal services such as administration and enforcement of the Fire Code (permit review, inspections, etc.), fire investigation, fire prevention, etc.

Alternative Service Delivery Options:

In lieu to contracting with South County Fire for fire marshal services, the City could maintain an in-house fire prevention division. Similarly, the City could contract with another agency FMO for these services. Pursuing either of these alternatives will involve planning, budgeting, and termination of the existing interlocal agreement with South County Fire.

8. Program Staffing

None. All members of the FMO are employees of South County Fire.

9. Program Cost (summary):

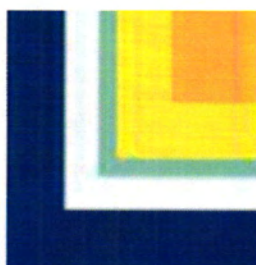
Fire - Marshal	2016 Actual	2017 Actual	2017-2018 Revised	2019-2020 Adopted
1-Salaries & Wages	\$ 715,395	\$ 434,528	\$ 529,287	\$ -
2-Personnel Benefits	231,127	151,140	284,060	-
3-Supplies	15,666	9,490	16,955	4,500
4-Services	60,226	8,909	28,913	40,817
5-Intergovernmental Svcs	-	238,534	1,057,203	1,891,125
Total	\$ 1,022,414	\$ 842,601	\$ 1,916,418	\$ 1,936,442

10. Offsetting Revenues: (if any)
11. Fiscal Sustainability - Net General Fund Cost of Program:

--

12. Performance Measures:

Levels of service are specified by interlocal agreement with South County Fire. Performance measures forthcoming.



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- 1 **1. Title:** 020 Economic Development Infrastructure Fund
- 2 **2. Responsible Department(s):** Economic Development



3

4 **3. Brief Description and Purpose:**

5 On February 23, 2015, the Lynnwood City Council adopted Ordinance No. 3110 creating the
 6 Economic Development Infrastructure Fund (EDIF). The EDIF provides funding to address the
 7 purposes of the Economic Development Infrastructure Policy (EDIP), created pursuant to
 8 Resolution No. 2012-06 adopted by City Council on July 16, 2012. EDIP provides a framework
 9 and guidelines for Lynnwood to participate in the funding of public infrastructure and public
 10 facilities in support of the City's economic development. Pursuant to the EDIP, the City may use
 11 a variety of funding sources to finance public infrastructure and public facilities associated with
 12 economic development.

13 **4. Highlights and Changes for 2019-2020:**

14 City Council adopted an Economic Development Action Plan in October 12, 2015, and the City is
 15 preparing a Strategic Capital Plan for future infrastructure improvements. These documents
 16 serve to identify potential funding in 2019-2020 and beyond for analysis, design, and
 17 implementation of projects associated with the City Center, Sound Transit Light Rail, and
 18 strategic opportunities. Actual expenditures and transfers from the EDIF fund will be identified
 19 and approved through Capital Budgets and project Financial Plans.

20 **5. Highlights and Accomplishments during 2017-2018:**

- 21 • Monitored revenues allocated to the EDIF.
- 22 • Identified potential projects that align with the Economic Development Infrastructure Policy,
 23 and support the goals and priorities of the Community Vision, Strategic Plan and other
 24 economic development source documents.

25 **6. Fund Cost (summary):**

SOURCES & USES OF FUNDS	2016	2017	2018	2017-2018	2019-2020
	Actual	Actual	Projected	Revised	Adopted
REVENUES AND OTHER SOURCES:					
BEGINNING FUND BALANCES	\$ 1,953,698	\$ 4,485,397	\$ 5,628,577	\$ 4,485,397	\$ 8,103,577
OPERATING REVENUES					
Sales Tax	1,705,201	1,201,882	1,000,000	2,275,721	1,475,721
Building permits	805,417	559,982	850,000	1,410,000	1,410,000
Sale of Capital Asset	4,360	-	-	-	-
Investment Interest	16,721	26,316	60,000	500	100,000
Total Revenues	2,531,699	1,788,180	1,910,000	3,686,221	2,985,721
OTHER FINANCING SOURCES					
Transfer from LID 93 Fund	\$ -	\$ -	\$ -	\$ -	\$ 750,000
Transfer from Gen Govt Capital Fun	-	-	290,000	-	-
Transfer from Transportation Cap Fi	-	-	275,000	-	-
TOTAL OTHER FINANCING SOURCES	\$ -	\$ -	\$ 565,000	\$ -	\$ 750,000
TOTAL REVS & OTHER SCRS	\$ 4,485,397	\$ 6,273,577	\$ 8,103,577	\$ 8,171,618	\$ 11,839,298
EXPENDITURES & OTHER USES					
OPERATING EXPENDITURES					
Economic Development Program	-	-	-	80,000	-
Total Operating Expenditures	\$ -	\$ -	\$ -	\$ 80,000	\$ -
Operating Revenues over (under)					
Operating Expenditures	\$ 2,531,699	\$ 1,788,180	\$ 1,910,000	\$ 3,606,221	\$ 2,985,721
OTHER FINANCING USES					
Transfer to Gen Govt Capital Fund	\$ -	\$ 290,000	\$ -	\$ 290,000	\$ 6,700,000
Transfer to Transportation Cap Fund	-	355,000	-	710,000	300,000
Total Other Financing Uses	-	645,000	-	1,000,000	7,000,000
TOTAL EXPEND & OTHER USES	\$ -	\$ 645,000	\$ -	\$ 1,080,000	\$ 7,000,000
ENDING FUND BALANCES					
Reserved For:					
Economic Development Infrast.	4,485,397	5,628,577	8,103,577	7,091,618	4,839,298
ENDING FUND BALANCES	\$ 4,485,397	\$ 5,628,577	\$ 8,103,577	\$ 7,091,618	\$ 4,839,298
TOTAL EXPENDITURES, OTHER					
USES & FUND BALANCES	\$ 4,485,397	\$ 6,273,577	\$ 8,103,577	\$ 8,171,618	\$ 11,839,298

26

27 NOTE: In 2017-2018, \$645,000 of EDIF funds were transferred to General Capital Fund 357 and
28 Transportation Capital Fund 360. \$565,000 of these funds were not expended in the 2017-18 biennium
29 and were transferred back to the EDIF fund for future strategic opportunities.

- 1 **1. Title:** 098 Revenue Stabilization Fund
- 2 **2. Responsible Department(s):** Administrative Services

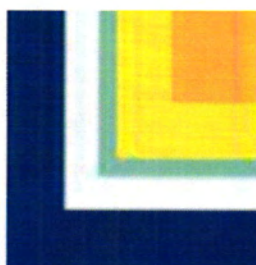


- 3
- 4 **3. Brief Description and Purpose:**

Revenue stabilization is used to account for: 1. Payment of approved expenditures in instances of cash flow shortage in the General Fund; 2. reserves for times when there is an unexpected shortage in tax revenue; 3. reserves for unique expenditures deemed necessary by the City Council; and 4. short-term, interfund loans. Lynnwood's adopted Financial Policies provide guidance regarding fund balance and use of this Fund.

- 10 **4. Fund History:**

SOURCES & USES OF FUNDS	2016 Actual	2017 Actual	2018 Projected	2017-2018 Revised	2019-2020 Adopted
REVENUES AND OTHER SOURCES:					
BEGINNING FUND BALANCES	\$ 5,814,864	\$ 6,000,000	\$ 6,000,000	\$ 6,000,000	\$ 6,000,000
OPERATING REVENUES					
Transfer From the General Fund	185,136	-	-	-	-
Total Revenues	185,136	-	-	-	-
TOTAL REVS & OTHER SCRS	\$ 6,000,000	\$ 6,000,000	\$ 6,000,000	\$ 6,000,000	\$ 6,000,000
EXPENDITURES & OTHER USES					
OTHER FINANCING USES					
Total Other Financing Uses	-	-	-	-	-
TOTAL EXPEND & OTHER USES	\$ -	\$ -	\$ -	\$ -	\$ -
ENDING FUND BALANCES					
Reserved For:					
General Fund Reserves	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
ENDING FUND BALANCES	\$ 6,000,000	\$ 6,000,000	\$ 6,000,000	\$ 6,000,000	\$ 6,000,000
TOTAL EXPENDITURES, OTHER					
USES & FUND BALANCES	\$ 6,000,000	\$ 6,000,000	\$ 6,000,000	\$ 6,000,000	\$ 6,000,000



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- 1 **1. Title:** 099 Program Development Fund
- 2 **2. Responsible Department(s):** Administrative Services



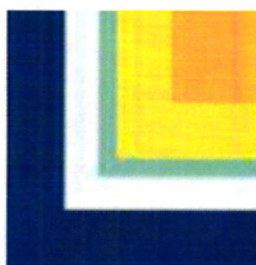
- 3
- 4 **3. Brief Description and Purpose:**

5 This fund was created in 1996 by Ordinance 2093 to accumulate reserve funds until the City
 6 Council authorizes the use to initiate new City programs or stabilize General Fund revenue.

- 7 **4. Fund History:**
- 8

SOURCES & USES OF FUNDS	2016 Actual	2017 Actual	2018 Projected	2017-2018 Revised	2019-2020 Adopted
REVENUES AND OTHER SOURCES:					
BEGINNING FUND BALANCES	\$ 65,627	\$ 65,627	\$ 33,127	\$ 65,627	\$ 627
OPERATING REVENUES					
Investment Interest	-	-	-	-	-
Total Revenues	-	-	-	-	-
TOTAL REVS & OTHER SCRS	\$ 65,627	\$ 65,627	\$ 33,127	\$ 65,627	\$ 627
EXPENDITURES & OTHER USES					
OPERATING EXPENDITURES					
Economic Development Program	-	-	-	-	-
Total Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Revenues over (under)					
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -
OTHER FINANCING USES					
Transfer to Parks & Rec Capital Fund	-	32,500	32,500	65,000	-
Total Other Financing Uses	-	32,500	32,500	65,000	-
TOTAL EXPEND & OTHER USES	\$ -	\$ 32,500	\$ 32,500	\$ 65,000	\$ -
ENDING FUND BALANCES					
Reserved For:					
Capital Project Funds	65,627	33,127	627	627	627
ENDING FUND BALANCES	\$ 65,627	\$ 33,127	\$ 627	\$ 627	\$ 627
TOTAL EXPENDITURES, OTHER USES & FUND BALANCES	\$ 65,627	\$ 65,627	\$ 33,127	\$ 65,627	\$ 627

9



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1. Title: 101 Lodging Tax Fund

Responsible Department(s): Office of Economic Development



2. Brief Description and Purpose:

Per RCW 67.28.181, revenue from lodging taxes must be credited to a special fund in the treasury of the municipality (Fund 101). These funds must be used for paying all or any part of the cost of tourism promotion, acquisition of tourism-related facilities, or operation of tourism-related facilities.

3. Highlights and Changes for 2019-2020:

The Lynnwood Tourism Advisory Committee / Lodging Tax Advisory Committee has the responsibility pursuant to Chapter 2.27 LMC to advise and provide recommendations to the City Council regarding the tourism strategic plan and lodging tax fund expenditures. On June 14, 2018, the TAC / LTAC recommended approval of the tourism strategic plan, budget, and lodging tax fund expenditures for FY2019-2020. The tourism strategic plan and lodging tax fund expenditures in the budget reflect the TAC / LTAC recommendations for FY2019-2020.

4. Fund History:

Fund History	2016 Actual	2017 Actual	2017-2018 Budget	2019-2020 Proposed
1-Salaries & Wages	\$ 92,063	\$ 69,822	\$ 149,008	\$ 155,273
2-Personnel Benefits	19,274	33,211	81,567	76,176
3-Supplies	55	97	1,039	1,150
4-Services	122,544	207,682	342,660	405,672
PFD Contractual Service	467,390	404,177	977,266	1,036,782
Pass Through Sno. County	692,671	720,376	1,523,160	1,589,486
Total	\$ 1,393,997	\$ 1,435,365	\$ 3,074,700	\$ 3,264,539

18 **5. Fund Cost (summary):**

SOURCES & USES OF FUNDS	2016 Actual	2017 Actual	2018 Projected	2017-2018 Revised	2019-2020 Proposed
REVENUES AND OTHER SOURCES:					
BEGINNING FUND BALANCES	\$ 922,645	\$ 1,023,826	\$ 1,124,101	\$ 1,023,826	\$ 1,174,350
OPERATING REVENUES					
Hotel/Motel Sales Tax	797,396	810,068	881,700	1,691,767	1,713,322
Pass Through - Snohomish County	692,671	720,376	749,192	1,523,160	1,589,486
Other Miscellaneous Revenues	-	-	-	2,383	-
Investment Interest	5,111	5,196	5,100	-	10,000
Total Revenues	<u>1,495,178</u>	<u>1,535,640</u>	<u>1,635,992</u>	<u>3,217,310</u>	<u>3,312,808</u>
TOTAL REVS & OTHER SCRS	\$2,417,823	\$2,559,466	\$2,760,093	\$4,241,136	\$4,487,158
EXPENDITURES & OTHER USES					
OPERATING EXPENDITURES					
Economic Development Program	701,326	714,989	836,551	1,551,540	1,675,053
Total Operating Expenditures	<u>\$ 701,326</u>	<u>\$ 714,989</u>	<u>\$ 836,551</u>	<u>\$1,551,540</u>	<u>\$1,675,053</u>
Operating Revenues over (under)					
Operating Expenditures	\$ 793,852	\$ 820,651	\$ 799,441	\$1,665,770	\$1,637,755
OTHER FINANCING USES					
Pass Through - Snohomish County	692,671	720,376	749,192	1,523,160	1,589,486
Transfer to General Fund	-	-	-	-	-
Total Other Financing Uses	<u>692,671</u>	<u>720,376</u>	<u>749,192</u>	<u>1,523,160</u>	<u>1,589,486</u>
TOTAL EXPEND & OTHER USES	\$1,393,997	\$1,435,365	\$1,585,743	\$3,074,700	\$3,264,539
ENDING FUND BALANCES					
Reserved For:					
Economic Development Infrast.	<u>1,023,826</u>	<u>1,124,101</u>	<u>1,174,350</u>	<u>1,166,436</u>	<u>1,222,619</u>
ENDING FUND BALANCES	\$1,023,826	\$1,124,101	\$1,174,350	\$1,166,436	\$1,222,619
TOTAL EXPENDITURES, OTHER					
USES & FUND BALANCES	\$2,417,823	\$2,559,466	\$2,760,093	\$4,241,136	\$4,487,158

19
20 **6. Offsetting Revenues: (if any)**

Estimated Lodging Tax Distributions 2019-2020	\$1,713,322
	\$1,713,322

21 **7. Fund Personnel [Full-Time Equivalent (FTE)]:**

Position	Number of Full-Time Equivalent (FTE)					
	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Proposed	2020 Proposed
Tourism Manager*	0.5	0.5	0.5	0.5	0.5	0.5
Administrative Assistant*	0.5	0.5	0.5	0.5	0.5	0.5
Total	1.0	1.0	1.0	1.0	1.0	1.0

* 0.5 FTE of this position in the General Fund (Fund 011).

Note: Economic Development is funded 100% from the General Fund, 011. The Tourism program is funded 100% from the Lodging Tax Fund 101.

22

- 1 **1. Title:** 104 Drug Enforcement Fund
- 2 **2. Responsible Department(s):** Police Department



- 3
- 4 **3. Brief Description and Purpose:**

5 This fund tracks two sources of revenue related to drug enforcement seizures. The first portion
6 is federal equitable sharing. The source of these funds are seizures from federal illegal drug
7 investigations that members of our agency partnered in the investigation. When the asset has
8 been judicially forfeited, Lynnwood receives a portion of the proceeds based upon our
9 participation level in the case.

10 The second source of funds are seizures conducted under the Washington State seizure laws for
11 illegal drugs. These cases originate at all levels of the department (Patrol, Investigations and
12 Special Operations). These used to include task force related seizures, but due to the dissolution
13 of the South Snohomish County Narcotics Task Force, those seizures will not process to our 104
14 Fund.

15 There are restrictions to expenditures on this fund that depend upon the revenue source. State
16 seizure money can only be spent on drug-related law enforcement expenses. Federal seizure
17 money can be spent on law enforcement purposes only. There is no supplanting and numerous
18 detailed restrictions apply to each category.

19 **4. Highlights and Changes for 2019-2020:**

20 Reduced revenue estimates based upon dissolution of the task force. Numerous pending
21 federal asset sharing cases that are still working through the federal court system.

22 **5. Fund History:**

SOURCES & USES OF FUNDS	2016 Actual	2017 Actual	2018 Projected	2017-2018 Revised	2019-2020 Adopted
REVENUES AND OTHER SOURCES:					
BEGINNING FUND BALANCES	\$ 532,278	\$ 467,420	\$ 476,035	\$ 467,420	\$ 144,144
OPERATING REVENUES					
Intergovernmental Revenues	73,996	7,804	-	400,000	200,000
HIDTA Task Force	14,490	11,049	-	-	-
DEA/OT Service Agreement	-	-	-	-	-
Drug Seizures	17,081	21,701	17,249	75,000	70,000
Interest	2,241	3,216	6,000	-	2,000
Total Revenues	107,808	43,770	23,249	475,000	272,000
OTHER FINANCING SOURCES					
Sale of Capital Assets	-	58,629	-	-	-
Other Financing Sources	-	58,629	-	-	-
TOTAL REVS & OTHER SCRS	\$ 640,086	\$ 569,819	\$ 499,284	\$ 942,420	\$ 416,144
EXPENDITURES & OTHER USES					
OPERATING EXPENDITURES					
Law Enforcement Task Force					
Salaries & Wages	\$ 94,451	\$ 33,966	\$ -	\$ 167,975	\$ -
Personnel Benefits	28,684	8,315	-	51,656	-
Supplies	18,703	10,074	96,531	68,000	56,000
Services	30,828	26,566	1,000	68,600	44,000
Total Operating Expenditures	172,666	78,921	97,531	356,231	100,000
Operating Revenues over (under)					
Operating Expenditures	\$ (64,858)	\$ (35,151)	\$ (74,282)	\$ 118,769	\$ 172,000
OTHER FINANCING USES					
Capital Expenditures	-	14,863	205,770	306,000	160,000
Transfer to Fund 105	-	-	51,839	-	-
Total Other Financing Uses	-	14,863	257,609	306,000	160,000
TOTAL EXPEND & OTHER USES	\$ 172,666	\$ 93,784	\$ 355,140	\$ 662,231	\$ 260,000
ENDING FUND BALANCES					
Reserved For:					
Drug Enforcement	467,420	476,035	144,144	280,189	156,144
ENDING FUND BALANCES	\$ 467,420	\$ 476,035	\$ 144,144	\$ 280,189	\$ 156,144
TOTAL EXPENDITURES, OTHER					
USES & FUND BALANCES	\$ 640,086	\$ 569,819	\$ 499,284	\$ 942,420	\$ 416,144

23

Program	2016 Actual	2017 Actual	2017-2018 Budget	2019-2020 Adopted
Narcotics Task Force	\$ 172,666	\$ 78,921	\$ 356,231	\$ 100,000
Capital Outlay	-	14,863	306,000	160,000
Transfers out	-	-	-	-
Total	\$ 172,666	\$ 93,784	\$ 662,231	\$ 260,000

24

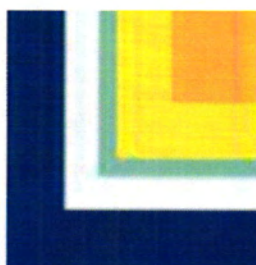
25 **6. Program Staffing**

Position	Dept.	FTE	Note
Dedicated Staff			
Total Dedicated & Support Staff		1.0	

26 **7. Offsetting Revenues: (if any)**

Intergovernmental Revenues	
Drug Seizures	

27



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- 1 **1. Title:** 105 Criminal Justice Fund
- 2 **2. Responsible Department(s):** Police Department



- 3
- 4 **3. Brief Description and Purpose:**

5 The 105 Fund revenue comes from criminal justice sales tax, federal and state criminal justice
6 grants, and revenue from non-drug seizures. The fund is used to link grant revenue with grant
7 purchases, purchase specific grant funded equipment (bulletproof vests, traffic enforcement
8 equipment) and can be used for capital projects.

- 9 **Highlights and Changes for 2019-2020:**

10 The adopted 2017-18 budget included \$500,000 for a jail programming addition. That project
11 was revisited and new estimates by City engineers raised the anticipated costs to approximately
12 \$750,000. That project was not initiated as other examinations of capital building
13 improvements are being examined. As we enter the 2019-20 budget we are in the process of
14 further a capital building process which may or may not make this project feasible. The project
15 is directly linked to bringing the jail up to standards needed to pursue accreditation and to fulfill
16 our obligation of ensuring appropriate facilities for inmates housed at our facility. This budget
17 includes the prior project as well as funding for design on a new criminal justice facility including
18 an expanded jail.

19 **4. Fund History:**

SOURCES & USES OF FUNDS	2016	2017	2018	2017-2018	2019-2020
	Actual	Actual	Projection	Revised	Adopted
REVENUES AND OTHER SOURCES:					
BEGINNING FUND BALANCES	\$ 2,277,556	\$ 2,596,437	\$ 3,227,034	\$ 2,596,437	\$ 3,431,421
OPERATING REVENUES					
Criminal Justice Sales Tax	614,564	642,839	670,000	1,194,800	1,431,000
DOJ Bulletproof Vest Program	11,493	8,679	9,000	9,000	30,000
Intergovernmental Revenues	6,490	32,676	28,000	-	-
Criminal Justice Grants	52,572	53,777	54,000	85,000	150,000
Edmonds School District (SRO)	-	-	-	76,465	-
City of Edmonds - Social Worker	-	-	51,000	-	-
US Secret Service TEOAF	-	-	-	-	-
Disaster Preparation Service	30,918	34,120	35,000	-	-
Sales of Merchandise	-	409	1,000	-	-
Forfeited Property	286	4,500	-	-	-
Investment Interest	14,370	17,635	40,000	-	80,000
Total Revenues	730,693	794,635	888,000	1,365,265	1,691,000
OTHER FINANCING SOURCES					
Sale of Capital Assets	6,501	1	-	-	-
Transfer from Fund 104	-	-	51,839	-	-
Other Financing Sources	6,501	1	51,839	-	-
TOTAL REVS & OTHER SCRS	\$ 3,014,750	\$ 3,391,073	\$ 4,166,873	\$ 3,961,702	\$ 5,122,421
EXPENDITURES & OTHER USES					
OPERATING EXPENDITURES					
Salaries & Wages	59,926	8,391	168,340	305,042	-
Personnel Benefits	34,095	2,954	64,008	156,335	-
Supplies	117,131	90,947	90,002	236,300	318,000
Services	98,832	59,870	22,590	145,376	171,000
Total Operating Expenditures	309,984	162,162	344,940	843,053	489,000
Operating Revenues over (under)					
Operating Expenditures	\$ 420,709	\$ 632,473	\$ 543,060	\$ 522,212	\$ 1,202,000
OTHER FINANCING USES					
Capital Expenditures	15,329	1,877	338,673	340,550	625,000
Transfer to General Fund 011	93,000	-	-	-	-
Transfer to Public Safety Capital Fund	-	-	-	500,000	1,300,000
Total Other Financing Uses	108,329	1,877	338,673	840,550	1,925,000
TOTAL EXPEND & OTHER USES	\$ 418,313	\$ 164,039	\$ 683,613	\$ 1,683,603	\$ 2,414,000
ENDING FUND BALANCES					
Reserved For:					
Criminal Justice	2,596,437	3,227,034	3,431,421	2,278,099	2,708,421
ENDING FUND BALANCES	\$ 2,596,437	\$ 3,227,034	\$ 3,431,421	\$ 2,278,099	\$ 2,708,421
TOTAL EXPENDITURES, OTHER					
USES & FUND BALANCES	\$ 3,014,750	\$ 3,391,073	\$ 4,115,034	\$ 3,961,702	\$ 5,122,421

20

1 **1. Title:** 110 Transportation Impact Fee Fund

2 **2. Responsible Department(s):** Public Works Department



3 **3. Brief Description and Purpose**

4 The Transportation Impact Fee Fund mission is to provide a partial funding source for growth-
 5 related transportation funding projects, collecting fees from development projects that impact
 6 the City's transportation system. No employee positions are funded from this Fund. Monies
 7 from the Transportation Impact Fee Fund may be used only for capacity-related projects
 8 identified in the July 2010 Transportation Impact Fee Rate Study.

9 **Highlights and Changes for 2019-2020:**

10 None. Transportation Impact Fee funds will continue to be used toward growth-related
 11 transportation projects.

12 **4. Highlights and Accomplishments during 2017-2018:**

13 Funds in 2017-18 were used towards the following projects:

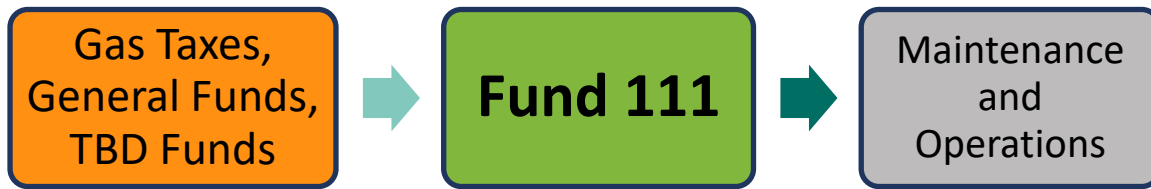
- 14 a. 36th Avenue West Improvements Project, Design, Right of Way, and
- 15 Construction
- 16 b. Beech Road Design

17 *-continued next page-*

5. Fund Cost (summary):

SOURCES & USES OF FUNDS	2016 Actual	2017 Actual	2018 Projected	2017-2018 Revised	2019-2020 Adopted
REVENUES AND OTHER SOURCES:					
BEGINNING FUND BALANCES	\$ 420,059	\$ 61,251	\$ 183,340	\$ 61,251	\$ 895,617
OPERATING REVENUES					
Transportation Impact Fees Revenues	236,863	449,165	998,546	798,879	1,000,000
TrIF Admin Fees	-	14,148	18,974	34,000	34,500
Transfer From 308 Street Project	-	52,502	-	52,502	-
Transfer From 310 194th Ext. Project	-	63,981	-	63,981	-
Transfer From 318 204th SR99 Project	-	54,090	-	54,090	-
Transfer From 355 33rd Ave Ext. Project	-	32,548	-	32,548	-
Transfer From the General Fund	-	-	-	-	-
Interest Income	6,406	2,412	8,000	-	9,000
Total Revenues	<u>243,269</u>	<u>668,846</u>	<u>1,025,520</u>	<u>1,036,000</u>	<u>1,043,500</u>
TOTAL REVS & OTHER SCRS	<u>\$ 663,328</u>	<u>\$ 730,097</u>	<u>\$ 1,208,860</u>	<u>\$ 1,097,251</u>	<u>\$ 1,939,117</u>
EXPENDITURES & OTHER USES					
OPERATING EXPENDITURES					
Transfer to 317 36th 35th Street Capital	342,486	-	-	-	-
Transfer to 324 Poplar Way Ext. Capital	259,591	-	-	-	-
Transfer to 360 Transportation Capital	-	546,757	313,243	1,093,514	1,926,454
Transfers to Other Capital Projects	-	-	-	-	-
Total Operating Expenditures	<u>\$ 602,077</u>	<u>\$ 546,757</u>	<u>\$ 313,243</u>	<u>\$ 1,093,514</u>	<u>\$ 1,926,454</u>
Operating Revenues over (under)					
Operating Expenditures	<u>\$ (358,808)</u>	<u>\$ 122,089</u>	<u>\$ 712,277</u>	<u>\$ (57,514)</u>	<u>\$ (882,954)</u>
TOTAL EXPEND & OTHER USES	<u>\$ 602,077</u>	<u>\$ 546,757</u>	<u>\$ 313,243</u>	<u>\$ 1,093,514</u>	<u>\$ 1,926,454</u>
ENDING FUND BALANCES					
Reserved For: Transportation					
ENDING FUND BALANCES	<u>\$ 61,251</u>	<u>\$ 183,340</u>	<u>\$ 895,617</u>	<u>\$ 3,737</u>	<u>\$ 12,663</u>
TOTAL EXPENDITURES, OTHER					
USES & FUND BALANCES	<u>\$ 663,328</u>	<u>\$ 730,097</u>	<u>\$ 1,208,860</u>	<u>\$ 1,097,251</u>	<u>\$ 1,939,117</u>

- 1 **1. Title:** 111 Street Operating Fund
- 2 **2. Responsible Department(s):** Public Works



3. Fund Mission and Responsibilities:

The Street Fund operates and maintains the City-owned portions of the transportation system which includes all components of our 300 lane miles of roads and associated sidewalks, signs, and our 63 traffic signals (Lynnwood owns 57 signals and operates another 6 for WSDOT).

4. Highlights and Accomplishments during 2017-2018:

- Changed out 32 luminaire heads with LED heads for energy savings, earning nearly \$10,000 in rebates.
- Converted 13 traffic signals to countdown pedestrian heads.
- Provided Emergency service to City of Edmonds Traffic.
- Added new garage building at LOMC.
- Set up a professional grade sign shop.
- Performed over 100 pavement repairs.
- Crack-sealed roadways for 3-week period using 8 pallets of sealer.
- Installed 15,000 traffic buttons.

5. Highlights and Changes for 2019-2020:

The Street Fund is divided into two major divisions: 1) Traffic Management and Signal Operations; 2) Street Maintenance and Operations.

Traffic Engineering and Signal Operations are responsible for the following major programs:

- Monitors city's traffic signal system; adjusts timing to optimize traffic flow.
- Operates Traffic Network consisting of 63 traffic signals, fiber connections, cameras, and Traffic Center.
- Reviews capital development and private development projects and issues permits
- Maintains infrastructure of traffic system

Street Maintenance and Operations is responsible for the following major programs:

- Maintain roadway and signs for safety of users and aesthetics.
- Respond to citizen complaints and concerns.

- 30 • Ensure compliance with state and federal regulations pertaining to transportation.
- 31 The Streets Division's main emphasis is on planning for, designing, operating, and maintaining
- 32 the City's physical transportation infrastructure. The main challenge facing the Department is to
- 33 have enough funds to adequately maintain our infrastructure. The Division has embraced high-
- 34 tech solutions to managing our systems (e.g. SCADA and our Traffic Management Center, and
- 35 our use of Cartograph and social media communication tools), and other efficiencies to stretch
- 36 our dollars as far as possible.
- 37 One change relates to the requirements of the Americans with Disabilities Act (ADA). Public
- 38 Works has been coordinating the City's plan for compliance with these requirements that apply
- 39 not only to streets, but to parks and facilities as well. Transportation Benefit District (TBD) funds
- 40 of \$100,000 for the biennium are being transferred to the Street Fund so that ADA upgrades can
- 41 be made.

42 **6. Fund Budget History by Program:**

SOURCES & USES OF FUNDS	2016 Actual	2017 Actual	2018 Projection	2017-2018 Revised	2019-2020 Adopted
REVENUES AND OTHER SOURCES:					
BEGINNING FUND BALANCES	\$ 252,417	\$ 281,109	\$ 202,943	\$ 281,109	\$ 371,560
OPERATING REVENUES					
Property Tax	472,025	-	-	-	-
Sales Tax	460,000	-	-	-	-
Motor Vehicle Fuel Tax	817,572	836,295	767,075	1,603,370	1,792,600
Right of Way Use Permits	135,705	134,868	115,132	250,000	256,250
Intergovernmental Revenues	48,112	30,019	5,368	44,800	25,000
Miscellaneous Revenues	-	-	-	-	-
Interest	418	370	857	-	1,000
Total Revenues	1,933,832	1,001,552	888,432	1,898,170	2,074,850
OTHER FINANCING SOURCES					
Sale of Capital Assets	\$ -	\$ 617	\$ 1,595	\$ -	\$ -
Transfer from General Fund	-	1,000,000	1,000,000	2,000,000	2,090,900
Transfer from Utility Constr Fund	-	-	-	-	-
Transfer from TBD Fund	181,740	250,000	250,000	500,000	600,000
Transfer from REET 2	12,500	-	-	-	-
Transfer from REET 1	12,500	-	-	-	-
Other Financing Sources	206,740	1,250,617	1,251,595	2,500,000	2,690,900
TOTAL REVS & OTHER SCRS	\$ 2,392,989	\$ 2,533,278	\$ 2,342,970	\$ 4,679,279	\$ 5,137,310
EXPENDITURES & OTHER USES					
OPERATING EXPENDITURES					
Transportation Administration	80,054	136,058	163,938	317,330	514,654
Transportation Services	112,353	44,420	53,717	188,808	172,849
Road Maintenance	733,730	786,487	656,150	1,043,655	1,268,211
Snow and Ice Control	1,033	2,285	10,182	40,700	39,000
Street Cleaning	31,364	29,613	21,281	-	-
Roadside Maintenance	29,160	30,453	18,453	38,400	46,000
Traffic Control	4,582	107,200	53,628	344,143	149,000
Traffic/Street Lights	506,181	579,587	459,945	1,405,988	874,967
Traffic Calming	-	-	-	50,000	50,000
Pedestrian Maintenance	775	120	585	9,600	6,000
Sidewalk Maintenance	(53,856)	-	-	21,000	16,000
ADA - Sidewalks	-	-	-	-	100,000
Pedestrian Maint/Traffic Control	641,494	614,112	496,133	959,665	1,561,815
Total Operating Expenditures	2,086,870	2,330,335	1,934,010	4,419,289	4,798,496
Operating Revenues over (under)					
Operating Expenditures	\$ (153,038)	\$ (1,328,783)	\$ (1,045,578)	\$ (2,521,119)	\$ (2,723,646)
OTHER FINANCING USES					
Transfer to 513 Operations Fund	25,010	-	37,400	37,400	-
TOTAL EXPEND & OTHER USE	\$ 2,111,880	\$ 2,330,335	\$ 1,971,410	\$ 4,456,689	\$ 4,798,496
ENDING FUND BALANCES					
Reserved For:					
Street Maintenance	281,109	202,943	371,560	222,590	338,814
ENDING FUND BALANCES	\$ 281,109	\$ 202,943	\$ 371,560	\$ 222,590	\$ 338,814
TOTAL EXPENDITURES, OTHER					
USES & FUND BALANCES	\$ 2,392,989	\$ 2,533,278	\$ 2,342,970	\$ 4,679,279	\$ 5,137,310

43

7. Offsetting Revenues: (if any)

Street Maintenance and Operations	
Washington State gas tax proceeds pay for a portion of this program	\$1,792,600
The transportation Benefit District in 2015-16 paid towards this program, although staff would recommend that ideally these funds only be used for the capital paving program. (amount in 2017-18 was \$500,000)	\$600,000
Permit fees, etc.	\$256,250
Total Revenues	\$ 2,648,850
Total Program Cost (previous table)	
Net General Fund Cost of Program	\$ 1

Fund Personnel [Full-Time Equivalent (FTE)]:

Job Title	Number of FTE					
	2015 Actual	2016 Actual	2017 Actual	2018 Revised	2019 Adopted	2020 Adopted
Operations:						
Supervisor	1.00	1.00	0.40	0.40	0.40	0.40
Foreman	1.00	1.00	0.40	0.40	0.40	0.40
PW Mgr, O&M	-	-	-	0.10	0.10	0.10
Lead Worker	1.00	1.00	1.00	1.00	1.00	1.00
Maintenance Worker I	1.00	1.00	1.00	1.00	1.00	1.00
Maintenance Worker II	2.00	2.00	2.00	2.00	2.00	2.00
Total St. Operations	6.00	6.00	4.80	4.90	4.90	4.90
Traffic:						
Traffic Engineer	1.00	1.00	1.00	1.00	1.00	1.00
Project Manager	1.00	1.00	1.00	1.00	1.00	1.00
Lead Traffic Signal Tech	1.00	1.00	1.00	1.00	1.00	1.00
Traffic Signal Tech	2.00	2.00	1.00	1.00	1.00	1.00
Total Traffic	5.00	5.00	4.00	4.00	4.00	4.00
TOTAL ST. FUND 111	11.00	11.00	8.80	8.90	8.90	8.90

Program No: _____

Finally, the Strategic Plan states that we must “Pursue and maintain collaborative relationships and partnerships.” Success in managing the City’s transportation system cannot be done without a high level of coordination, connection, and data sharing with our neighboring jurisdictions, transit agencies and the Washington State Department of Transportation. The City also benefits from grants and other fund sharing with these agencies.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

Our transportation systems are a vital component of our citizen's daily lives and play a critical role in their safety. We are at most risk each day while on the street. Keeping our system in good working order is therefore critical to safety and to allowing our public safety vehicles quick and safe access to destinations. Citizen surveys always rank traffic and transportation as the highest concern. Moving people and goods safely and efficiently through Lynnwood is critical to the vision and to the overall satisfaction of our citizens, businesses, and visitors.

- ***To invest in efficient, integrated, local and regional transportation systems.***

Street Operations assures that our roads are signed safely, and that pavement is patched and delineated. A successful road system is in good repair and allows for many modes of transportation through the City, while coordinating Lynnwood's services with our neighbors and our transit providers.

- ***To be a city that is responsive to the wants and needs of our citizens.***

Poor roads and confusing signing and striping are sources for citizen complaints and can also be dangerous. Efficient Street Operations reduces those frustrations.

- ***To be a welcoming city that builds a healthy and sustainable environment.***

Crumbling streets are not sustainable. When streets and other infrastructure are neglected, the cost of repairs increase greatly.

- ***To encourage a broad business base in sector, size, and related employment, and promote high-quality development.***

Business relies on an efficient and reliable transportation system.

7. Mandatory v. Optional:

- **Mandatory:** The Manual on Uniform Traffic Control Devices (MUTCD) provides the overall design requirements for how the City's transportation systems must be configured, maintained, and operated.
- **LMC 11.02.005** adopts Washington state statutes of WAC 308-330 concerning traffic regulations.

Alternative Service Delivery Options:

Contract Services: The work done for this program is completed by a group of workers represented by the Teamsters. Any change in working conditions would require bargaining. That being said, work done by contractors generally costs comparable to city crew work as such work requires payment at prevailing wages.

Other Public Jurisdictions: The use of a model where a city of our size uses an adjacent city or county to do their street maintenance work is possible but would be a major undertaking to create based on union issues and other contractual issues. In addition, no

major reductions in cost from such a model could be expected as other jurisdictions pay similar wages to employees and overhead charges would also be added.

8. Program Staffing

Street Operations	Dept.	FTE	Note
Dedicated Personnel			
Supervisor	Streets	0.40	
Foreman	Streets	0.40	
PW Mgr, O&M	Streets	0.10	
Lead Worker	Streets	1.00	
Maintenance Worker I	Streets	1.00	
Maintenance Worker II	Streets	2.00	
Total Dedicated Personnel		4.9	
Support Personnel			
Total Support Personnel		0.0	
Total Program Personnel		4.9	

9. Performance Measures:

Street Operations	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Number of potholes permanently filled per year.	25			28	
Number of gallons of lane striping applied per year.	900			900	
Number of miles swept per year.	5,000			5,000	

10. Implications of Funding Changes:

A. Requests for additional funding:

After adjusting for inflationary change, is this request an increase over the 2017-2018 allocation? For example, is this a new program or is an increase in staffing?

☐ Yes ☒ No

Note: No new staff are requested. Only increases in program are due to cost of living and other related programmatic increases.

The degradation of transportation infrastructure is of great concern due to safety issues and the cost of deferred maintenance.

91 **B. Other Comments:**

92 Lynnwood has grown substantially since the 1980s, adding approximately 20% more lane-
93 miles. Wear and tear on the pavement increases with ever-increasing traffic. The amount
94 of street re-paving has decreased. And, the size of the Street Operations crew has actually
95 shrunk since the 1980s, making it more and more difficult to keep up with deteriorating
96 pavement conditions.

1 **1. Title:** Traffic Management and Signal Operations **Program No:** ____

2 **2. Responsible Department(s):** Public Works

3 **3. Brief Description:**

4 This program of the Public Works Department's Maintenance and Operations Division is to
 5 provide maintenance and operations of the City's traffic systems, including 63 traffic signals,
 6 traffic cameras, fiber connections, and Traffic Management Center. Traffic engineering is also
 7 provided in this program. Note: Though not directly in the General Fund, the Street Fund does
 8 get general funds for a portion of its revenue. The other main contributor are State gas tax funds
 9 and the Transportation Benefit District.

10 **4. Program Outcomes:**

11 Traffic Engineering:

- 12 • Monitors city's traffic signal system. Adjusts timing to optimize traffic flow.
- 13 • Reviews capital development and private development projects and issues permits (60 in
 14 2017)
- 15 • Signal Technicians
- 16 • Maintains infrastructure of traffic system:
 - 17 ○ 63 traffic signals
 - 18 ○ 9,000 miles of fiber optic strands
 - 19 ○ 500+ detection and surveillance cameras
 - 20 ○ 600 hosted devices on Traffic and SCADA networks
 - 21 ○ Traffic Management Center
 - 22 ○ Manage city's traffic signals to optimize efficiency and minimize congestion

23 **5. Program Outcomes and the Strategic Plan, 2018-2022.**

24 The Strategic Plan states that we will "Ensure financial stability and economic success." This
 25 priority includes a section on infrastructure, stating that the upkeep of the city's investments is
 26 critical to the long-term financial and economic success of the City. Traffic Management and
 27 Operations oversees all work related to our traffic systems thereby ensuring that this part of the
 28 City's infrastructure is effectively and efficiently developed, managed and operated to provide
 29 the foundation of the City's health, safety and welfare while enhancing the quality of life in our
 30 community. Such management of our infrastructure protects this investment and minimizes
 31 future costs of upkeep and replacement, thus protecting the City's financial stability and
 32 economic success.

33 The Strategic Plan also states that we will "Fulfill the community vision for the City Center and
 34 Lynnwood Link light rail." Integral to the success of the City Center and the light rail system is
 35 the functioning and connections to Lynnwood's traffic system. Maintaining capacity on our
 36 streets, coordinating traffic patterns with buses and light rail, and connections to and with

multi-modal transportation systems is critical work that must be done now and throughout our future as the City develops to its vision.

The Strategic Plan also states that we will “Be a safe, welcoming, and livable city.” Without a successfully-functioning transportation system, this goal cannot be reached or maintained. Traffic congestion and an unsafe system need to be avoided.

Finally, the Strategic Plan states that we must “Pursue and maintain collaborative relationships and partnerships.” Success in managing the city’s traffic system cannot be done without a high level of coordination, connection, and data sharing with our neighboring jurisdictions, transit agencies and the Washington State Department of Transportation. The City also benefits from grants and other fund sharing with these agencies.

6. Relation to Community Vision:

Our Community Vision: The City of Lynnwood will be regional model for a sustainable, vibrant community with engaged citizens and an accountable government.

Citizen surveys always rank traffic and transportation as the highest concern of our citizens. Moving people safely and efficiently through Lynnwood is critical to the vision and to the overall satisfaction of our citizens, businesses, and visitors.

The program is aligned with the following Community Vision goals:

- ***To be a welcoming city that builds a healthy and sustainable environment.***

Minimizing traffic delay reduces carbon emissions and reduces personal time wasted.

- ***To invest in efficient, integrated, local and regional transportation systems.***

This group maintains and operates the traffic signal system in Lynnwood, minimizing the delay caused by the flow of vehicles in town. This work is based in the Traffic Management Center and conducted by the Traffic Engineer and Assistant Traffic Engineer/Project Manager. Significant effort is made in sharing data and coordinating traffic signal operations with adjacent jurisdictions and the WSDOT and Community Transit.

- ***To be a city that is responsive to the wants and needs of our citizens.***

People are very frustrated by traffic congestion. Minimizing it with efficient signals is important. So is answering the phone when a resident has concerns or questions.

7. Mandatory v. Optional:

- **Mandatory:** The Manual on Uniform Traffic Control Devices (MUTCD) provides the overall design requirements for how the City’s traffic systems must be configured, maintained, and operated.
- LMC 11.02.005 adopts Washington state statutes of WAC 308-330 concerning traffic regulations.

A general observation about Traffic Management is that the primary concern is safety above else for the travelling public. In no other aspect of our daily lives is our safety as much at risk as when we are on our streets. Ensuring adequate funding to maintain the safety of our traffic system is imperative.

Alternative Service Delivery Options:

Other Public Jurisdictions: No other jurisdiction has the experience/expertise to operate or maintain Lynnwood's system.

Consultants: Much of the workload of our traffic engineering staff is daily interactions with citizens. The importance of dedicated staff professionals with a long-term commitment and stability to Lynnwood contributes greatly to great customer service. It is unlikely that the amount of effort required to do this entire function by consultants would result in any cost savings. The high hourly cost and overhead for professionals well versed in traffic engineering as well as computer network development and maintenance [Lynnwood's Intelligent Traffic System (ITS) is a cutting-edge computer network of all of the City's traffic systems and the Traffic Management Center] would be prohibitively expensive compared to our staffing model.

8. Program Staffing

Traffic	Dept.	FTE	Note
Dedicated Personnel			
Traffic Engineer	Hum. Res.	1.00	
Project Manager	Hum. Res.	1.00	
Lead Traffic Signal Tech	Hum. Res.	1.00	
Traffic Signal Tech	Hum. Res.	1.00	
Total Dedicated Personnel		4.0	
Support Personnel			
Total Support Personnel		0.0	
Total Program Personnel		4.0	

9. Performance Measures:

Traffic Mgmt. & Signal Operations	Target	Actual 2015	Actual 2016	Actual 2017	Actual 2018
Number of preventive services per year.	61	45			
Number of critical component failures per year.	-	0			

10. Implications of Funding Changes:
A. Other Comments:

Every traffic signal and detector is connected by fiber optic cable to the City Hall Traffic Management Center. In addition, every intelligent endpoint of the Water-Sewer Utility uses fiber strands in the same cable to communicate with City Hall, the Lynnwood Operations and Maintenance Center (LOMC), and the Wastewater Treatment Plant (WWTP). A tremendous amount of technology, spread all over town, directly affecting quality of life and viability of businesses, can be monitored and controlled from three physical control stations,

98 and increasingly from smartphones. Lynnwood's Traffic Network, and those employees who
99 operate it and maintain it, multiply themselves several fold through the efficiencies of this
100 system.

- 1 **1. Title:** 114 Park Properties/Facilities and Recreational Services Reserve
- 2 Fund (Park & Recreation Reserve Fund)
- 3 **2. Responsible Department(s):** Parks, Recreation & Cultural Arts



- 4
- 5 **3. Brief Description and Purpose:**

6 Created in 1986 by Ordinance 1554, this fund's purpose is to account for donations, gifts, or
7 contributions from persons or corporations and interfund transfers, for park/recreation
8 purposes. This fund is used for accumulating funds for: 1. the Recreation Benefit Fund, which
9 covers registration fees for recreation classes for children from low income households and for
10 disabled individuals; 2. the Senior Benefit Fund, which covers registration fees for recreation
11 classes for seniors from low-income households. This Fund allows these disadvantaged persons
12 to participate in activities to improve their health and fitness, have social connections, and learn
13 new things.

- 14 **4. Program Staffing**

15 There is no program staffing.

5. Fund Summary:

SOURCES & USES OF FUNDS	2016 Actual	2017 Actual	2018 Projected	2017-2018 Revised	2019-2020 Adopted
REVENUES AND OTHER SOURCES :					
BEGINNING FUND BALANCES	\$ 88,806	\$ 78,184	\$ 70,666	\$ 78,184	\$ 63,166
OPERATING REVENUES					
Rec Benefit Funds	\$ 365	\$ 17,544	\$ 3,000	\$ 26,000	\$ 26,000
Sponsorship	122	354	5,000	-	-
Interest Income	500	507	1,000	-	1,000
Total Revenues	<u>\$ 987</u>	<u>\$ 18,405</u>	<u>\$ 9,000</u>	<u>\$ 26,000</u>	<u>\$ 27,000</u>
TOTAL REVS & OTHER SCRS	<u>\$ 89,793</u>	<u>\$ 96,589</u>	<u>\$ 79,666</u>	<u>\$ 104,184</u>	<u>\$ 90,166</u>
EXPENDITURES & OTHER USES					
OPERATING EXPENDITURES					
Recreation Benefit Program	\$ 11,609	\$ 25,923	\$ 16,500	\$ 26,000	\$ 26,000
Total Operating Expenditures	<u>\$ 11,609</u>	<u>\$ 25,923</u>	<u>\$ 16,500</u>	<u>\$ 26,000</u>	<u>\$ 26,000</u>
Operating Revenues over (under)					
Operating Expenditures	\$ (10,622)	\$ (7,518)	\$ (7,500)	\$ -	\$ 1,000
TOTAL EXPEND & OTHER USES	<u>\$ 11,609</u>	<u>\$ 25,923</u>	<u>\$ 16,500</u>	<u>\$ 26,000</u>	<u>\$ 26,000</u>
ENDING FUND BALANCES					
Reserved For:					
ENDING FUND BALANCES	<u>\$ 78,184</u>	<u>\$ 70,666</u>	<u>\$ 63,166</u>	<u>\$ 78,184</u>	<u>\$ 64,166</u>
TOTAL EXPENDITURES, OTHER USES & FUND BALANCES	<u>\$ 89,793</u>	<u>\$ 96,589</u>	<u>\$ 79,666</u>	<u>\$ 104,184</u>	<u>\$ 90,166</u>

17

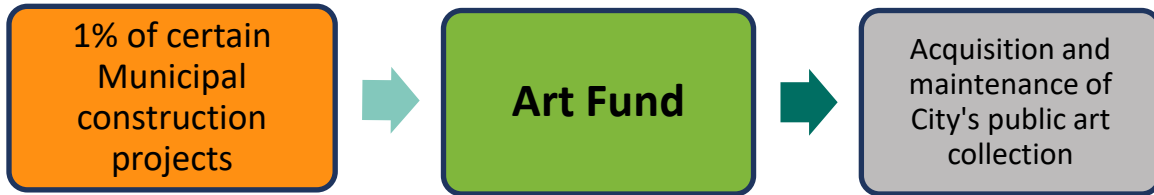
6. Offsetting Revenues: (if any)

Anticipated Donations	26,000
	\$26,000

19

1 **1. Title:** 116 – Cumulative Reserve Art Fund (Art Fund)

2 **2. Responsible Department(s):** Parks, Recreation & Cultural Arts



3

4 **3. Brief Description and Purpose:**

5 Created in 1990 by Ordinance 2759, this fund's purpose is for acquisition and maintenance of
6 the City's art collection. There are over 20 site-specific, outdoor art projects on the civic
7 campus, and in various parks, and over 100 portable art pieces in the City's collection with a
8 total value of more than \$1.1 million (appraised in 2015).

9 Revenue sources for the Cumulative Reserve Art Fund include:

- 10 • One percent (1%) of the budget of certain municipal construction projects contributes to
11 this fund.
- 12 • Gifts to the City.
- 13 • When municipal projects do not contribute a minimum of \$15,000 per year, and when
14 funds are available, LMC 3.14.040A calls for a contribution of City funds to achieve the
15 \$15,000 threshold.

16 Public art creates a welcoming and beautiful environment for our citizens and visitors. Art has a
17 proven positive effect on economic development. The fund also provides for the important
18 functions of maintaining these valuable public assets in good shape.

19 The last significant revenues posted to the fund was 1% of the construction of the Recreation
20 Center Modernization and Expansion Project. Those funds were used for two public art
21 commissions: 3 Drops, and the reflexology path. Since that time, two municipal construction
22 projects have generated a contribution to the Art Fund totaling \$26,680 (Meadowdale Playfields
23 renovation and the Golf Course parking lot expansion). Annual maintenance of the collection
24 was suspended for a number of years. Two pieces in the collection were repaired in 2014. The
25 first round of cleaning and regular maintenance of the collection was completed in 2016. Spot
26 maintenance continues as staff work to implement routine cleaning and maintenance on the
27 collection.

28 This Fund is administered by the Healthy Communities Division of the Department.

29 **4. Highlights and Changes for 2019-2020:**

30 None.

31 **5. Fund Summary:**

SOURCES & USES OF FUNDS	2016 Actual	2017 Actual	2018 Projected	2017-2018 Revised	2019-2020 Adopted
REVENUES AND OTHER SOURCES:					
BEGINNING FUND BALANCES	\$ 20,416	\$ 18,680	\$ 47,454	\$ 18,680	\$ 48,254
OPERATING REVENUES					
Transfers from Capital Projects			\$ -	\$ 91,750	\$ 50,000
Transfer from Interurban Trail Fund	1,356	-	-	-	-
Transfer from Parks Capital Fund	-	23,648	-	-	-
Transfer from Golf Fund	-	3,032	-	-	-
Donations	-	2,000	-	-	-
Interest Income	122	94	800	-	1,000
Total Revenues	1,478	28,774	800	91,750	51,000
TOTAL REVS & OTHER SCRS	\$ 21,894	\$ 47,454	\$ 48,254	\$ 110,430	\$ 99,254
EXPENDITURES & OTHER USES					
OPERATING EXPENDITURES					
Art Projects	\$ -	\$ -	\$ -	\$ 30,000	\$ 30,000
Services	3,214	-	-	20,000	20,000
Total Operating Expenditures	\$ 3,214	\$ -	\$ -	\$ 50,000	\$ 50,000
Operating Revenues over (under)					
Operating Expenditures	\$ (1,736)	\$ 28,774	\$ 800	\$ 41,750	\$ 1,000
TOTAL EXPEND & OTHER USES	\$ 3,214	\$ -	\$ -	\$ 50,000	\$ 50,000
ENDING FUND BALANCES					
Reserved For:					
ENDING FUND BALANCES	\$ 18,680	\$ 47,454	\$ 48,254	\$ 60,430	\$ 49,254
TOTAL EXPENDITURES, OTHER					
USES & FUND BALANCES	\$ 21,894	\$ 47,454	\$ 48,254	\$ 110,430	\$ 99,254

32 **6. Program Staffing**

Position	Dept.	FTE	Note
Dedicated Staff			
<i>Program Coordinator</i>	<i>Parks</i>	<i>0.0</i>	<i>A portion of the .75 FTE Community Programs Coordinator position is responsible for maintenance of this program.</i>
Total Dedicated Staff		0.0	
Support Staff			
<i>Deputy PRCA Director</i>	<i>Parks</i>		<i>Administer Fund</i>
Total Support Staff		0.0	
Total Dedicated & Support Staff		0.0	

34 **7. Offsetting Revenues: (if any)**

1% contributions from eligible projects	TBD
Annual Revenue Contribution of \$15,000 set by ordinance	\$30,000
Revenue Contribution for maintenance	\$20,000
	\$50,000

35 **8. Fund Personnel [Full-Time Equivalent (FTE)]:**

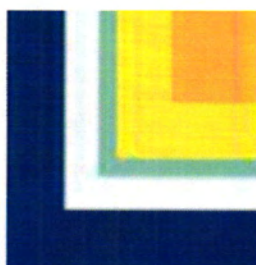
Job Title	Number of FTE					
	2013 Actual	2014 Actual	2015 Actual	2016 Revised	2017 Adopted	2018 Adopted
Program Coordinator	0	0	0	0	0	0
				0	0	0

36 Note: Responsibilities for administering the Fund are managed by the Deputy Director. Maintenance of
 37 the collection including repairs, rotations, and cleanings are done as urgently needed by the Community
 38 Programs Coordinator. Commissions and other acquisition projects are also managed by the Coordinator
 39 periodically.

40 **9. Implications of Funding Changes:**

41 **A. Other Comments:**

42 Annual revenue contributions had not been made between 2010 - 2016 and regular
 43 maintenance of the public art collection was suspended due to the recession. Staff ensure
 44 that the collection is properly tended to for audit purposes and conduct spot repairs and
 45 urgent maintenance needs. Regular maintenance is challenged by staffing levels.



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1 **1. Title:** 121 Tree Fund

2 **2. Responsible Department(s):** Public Works Department



3
4 **3. Brief Description and Purpose:**

5 Revenue in the tree fund comes from permit and tree removal fees. There is no general fund
6 revenue in this fund. When a developer removes a tree, they are required to replant. The
7 number of replacement trees depends on the size and quantity of trees removed. After
8 development, if the site cannot sustain the number of required replacement trees, a fee is paid
9 for each tree that is not replaced. That fee goes into the Tree Fund, which is used to purchase
10 trees at various locations around the City. Private homeowners can apply for a tree voucher,
11 and purchase trees with money from this fund.

12 **4. Highlights and Accomplishments during 2017-2018:**

- 13 • Purchased and planted approximately 388 trees during 2017.

14 **5. Highlights and Changes for 2019-2020:**

15 None.

16 **6. Fund Budget History:**

SOURCES & USES OF FUNDS	2016	2017	2018	2017-2018	2019-2020
	Actual	Actual	Projected	Revised	Adopted
REVENUES AND OTHER SOURCES:					
BEGINNING FUND BALANCES	\$ 56,940	\$ 162,603	\$ 211,797	\$ 162,603	\$ 289,225
OPERATING REVENUES					
Tree & Clearing Permits	119,584	63,974	91,779	30,000	30,000
Contribution from the General Fund	-	-	-	-	-
Total Revenues	119,584	63,974	91,779	30,000	30,000
TOTAL REVS & OTHER SCRS	\$ 176,524	\$ 226,577	\$ 303,576	\$ 192,603	\$ 319,225
EXPENDITURES & OTHER USES					
Transfer to Park Acq Capital Fund	-	-	-	-	-
Trees	13,921	14,780	14,351	60,000	55,000
Total Operating Expenditures	\$ 13,921	\$ 14,780	\$ 14,351	\$ 60,000	\$ 55,000
Operating Revenues over (under)					
Operating Expenditures	\$ 105,663	\$ 49,194	\$ 77,428	\$ (30,000)	\$ (25,000)
TOTAL EXPEND & OTHER USES	\$ 13,921	\$ 14,780	\$ 14,351	\$ 60,000	\$ 55,000
ENDING FUND BALANCES					
Reserved For:					
Replacement Trees	162,603	211,797	289,225	132,603	264,225
ENDING FUND BALANCES	\$ 162,603	\$ 211,797	\$ 289,225	\$ 132,603	\$ 264,225
TOTAL EXPENDITURES, OTHER					
USES & FUND BALANCES	\$ 176,524	\$ 226,577	\$ 303,576	\$ 192,603	\$ 319,225

17

18 **7. Fund Personnel [Full-Time Equivalent (FTE)]:**

19 None.

- 1 **1. Title:** 128 Paths & Trails Improvement Fund
- 2 **2. Responsible Department(s):** Public Works Department



3. Brief Description and Purpose:

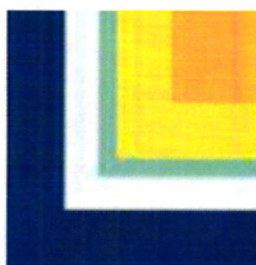
Under Chapter 47.30 RCW, cities whose annual income from motor vehicle fuel tax exceeds \$100,000 must establish and maintain paths and trails for pedestrians, equestrians or bicyclists as a part of streets, roads and highways. The Paths and Trails Reserve Fund helps to serve this purpose.

According to the provisions of RCW 45.68.100, 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 fuel tax. In lieu of expending the funds each year; however, a city or county may set aside such funds in a financial reserve account or a special reserve fund to be held for this specific purpose. Such proceeds must be expended within ten years.

4. Highlights and Changes for 2019-2020:

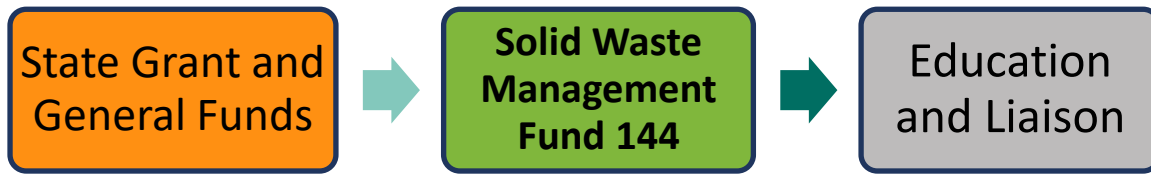
5. Fund Financial Summary:

SOURCES & USES OF FUNDS	2016 Actual	2017 Actual	2018 Total Projected	2017-2018 Revised	2019-2020 Adopted
REVENUES AND OTHER SOURCES:					
BEGINNING FUND BALANCES	\$ 8,852	\$ 8,852	\$ 8,852	\$ 159,696	\$ 8,852
OPERATING REVENUES					
Grant - Bikeline Project	693,610	48,228	10,000	1,006,837	229,708
Total Revenues	693,610	48,228	10,000	1,006,837	229,708
Other Financing Sources	-	-	-	-	-
TOTAL REVS & OTHER SCRS	\$ 702,462	\$ 57,080	\$ 18,852	\$ 1,166,533	\$ 238,560
EXPENDITURES & OTHER USES					
Paths & Trails	693,610	48,228	10,000	1,157,681	229,708
Other Miscellaneous Expenses	-	-	-	-	-
TOTAL OPERATING EXPENDITURES	\$ 693,610	\$ 48,228	\$ 10,000	\$ 1,157,681	\$ 229,708
Operating Revenues over (under)					
Operating Expenditures	\$ -	\$ -	\$ -	\$ (150,844)	\$ -
TOTAL EXPEND & OTHER USES	\$ 693,610	\$ 48,228	\$ 10,000	\$ 1,157,681	\$ 229,708
ENDING FUND BALANCES					
Reserved For:					
Outstanding Encumbrances	\$ -	\$ -	\$ -	\$ -	\$ -
ENDING FUND BALANCES	\$ 8,852	\$ 8,852	\$ 8,852	\$ 8,852	\$ 8,852
TOTAL EXPENDITURES, OTHER					
USES & FUND BALANCES	\$ 702,462	\$ 57,080	\$ 18,852	\$ 1,166,533	\$ 238,560



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- 1 **1. Title:** 144 Solid Waste Management Fund
- 2 **2. Responsible Department(s):** Public Works Department



3

4 **3. Brief Description and Purpose:**

5 The mission of the Solid Waste Division is to provide public education and awareness on waste
6 reduction, recycling, composting, household hazardous waste and related issues, through
7 outreach to schools, businesses, and households.

8 The Solid Waste Division also provides coordination between citizens and businesses and the
9 solid waste providers in the area. The City of Lynnwood has an interlocal agreement with the
10 City of Edmonds to jointly fund a shared staff person. A state grant also pays a portion of the
11 staff person's salary. This grant has been reduced by the state and in order to maintain the
12 current level of service a request for additional funding of \$53,000 for the biennium was
13 submitted. This request was included in the Mayor's proposed preliminary budget.

14 Waste reduction (recycling, composting, etc.) is an on-going task with efforts currently being
15 made with multi-family properties and commercial businesses to encourage the use of waste
16 reduction strategies as an integral part of their solid waste management. This work includes a
17 program with the area restaurants and other food service establishments for collection of
18 organic food waste.

19 **4. Highlights and Accomplishments during 2017-2018:**

20 In 2017, the voucher style Spring Cleanup was offered as an online ticket. 208 vouchers for \$20
21 were given out for a single trip to the refuse transfer station. 94 recipients (45%) redeemed the
22 vouchers at a total cost of \$1,864. This program allows the City to help residents keep their
23 properties (as well as the City in general) clean with a program that controls costs. In 2018, a
24 public drop-off event at Edmonds Community College collected almost 9,000 tons of e-waste,
25 consisting of TV's, computers, laptops, and other miscellaneous electronics. Over 300 pounds of
26 Styrofoam and over 3 tons of paper were collected and shredded. The Styrofoam and paper
27 events cost the program \$985.

28 **5. Highlights and Changes for 2019-2020:**

- 29 • The amount of state grant decreased in this biennium and additional funding to maintain
30 the program will be needed. A separate funding request has been submitted.
- 31 • Staff will continue to provide public education and awareness on waste reduction,
32 recycling, composting, household hazardous waste and related issues, through outreach
33 to schools, businesses, and households.

6. Program Outcomes and the Strategic Plan, 2018-2022.

The Strategic Plan states that we will “Be a safe, welcoming, and livable city.” Attention to waste services, including recycling and ensuring that our City’s wastes are properly handled and disposed, is an important function for our community. Although the City does not directly provide waste collection, the work that the Recycling Coordinator does with the haulers ensures that our citizens continue to receive good service. The Strategic Plan also states that we must “Pursue and maintain collaborative relationships and partnerships.” This program relies heavily on our agreements with the City of Edmonds and Washington State, and with our private waste haulers. We leverage their contributions of money and staff time to be able to provide these important services.

7. Relation to Community Vision:

- To be a welcoming city that builds a healthy and sustainable environment.*

The City provides programs and projects that improve the City's landscape and infrastructure, and therefore our quality of life. Ensuring that the waste generated in the city is properly handled and disposed of is critical to a healthy and sustainable environment.

8. Fund Budget History:

SOURCES & USES OF FUNDS	2016 Actual	2017 Actual	2018 Projected	2017-2018 Revised	2019-2020 Adopted
REVENUES AND OTHER SOURCES:					
BEGINNING FUND BALANCES	\$ 43,245	\$ 37,130	\$ 26,551	\$ 37,130	\$ 50,251
OPERATING REVENUES					
Intergovernmental Grant	18,551	9,946	-	46,550	35,250
Contribution from the General Fund	-	10,000	61,000	71,000	53,000
Total Revenues	<u>18,551</u>	<u>19,946</u>	<u>61,000</u>	<u>117,550</u>	<u>88,250</u>
TOTAL REVS & OTHER SCRS	<u>\$ 61,796</u>	<u>\$ 57,076</u>	<u>\$ 87,551</u>	<u>\$ 154,680</u>	<u>\$ 138,501</u>
EXPENDITURES & OTHER USES					
Operating Expenditures	24,666	30,525	37,300	164,138	108,147
Total Operating Expenditures	<u>\$ 24,666</u>	<u>\$ 30,525</u>	<u>\$ 37,300</u>	<u>\$ 164,138</u>	<u>\$ 108,147</u>
Operating Revenues over (under)					
Operating Expenditures	\$ (6,115)	\$ (10,579)	\$ 23,700	\$ (46,588)	\$ (19,897)
TOTAL EXPEND & OTHER USES	<u>\$ 24,666</u>	<u>\$ 30,525</u>	<u>\$ 37,300</u>	<u>\$ 164,138</u>	<u>\$ 108,147</u>
ENDING FUND BALANCES					
Reserved For:					
ENDING FUND BALANCES	<u>\$ 37,130</u>	<u>\$ 26,551</u>	<u>\$ 50,251</u>	<u>\$ (9,458)</u>	<u>\$ 30,354</u>
TOTAL EXPENDITURES, OTHER					
USES & FUND BALANCES	<u>\$ 61,796</u>	<u>\$ 57,076</u>	<u>\$ 87,551</u>	<u>\$ 154,680</u>	<u>\$ 138,501</u>

1 **1. Title:** 180 Park Impact Fee Fund

2 **2. Responsible Department(s):** Parks, Recreation & Cultural Arts
 3 Department



4 **3. Brief Description and Purpose**

5 The Park Impact Fee Fund mission is to provide a partial funding source for growth-related park
 6 acquisition and development projects, collecting fees from development projects that impact
 7 the city's public parks and recreation facilities. No positions are funded from this Fund. Monies
 8 from the Park Impact Fee Fund may be used only for projects that have been identified in the
 9 March 2018 Park Impact Fee Rate Study.

10 **Highlights and Changes for 2019-2020:**

11 None.

12 **4. Highlights and Accomplishments during 2017-2018:**

13 Park Impact Fees were established on March 12, 2018 by Ordinance 3288. These fees took
 14 effect on June 1, 2018. No fees have been collected as of July 1, 2018; however, once fees begin
 15 to be collected, revenues are anticipated to average \$2.5 million/year. Actual collections will
 16 vary depending on development activity.

17 Fund Financial Summary:

SOURCES & USES OF FUNDS	2016 Actual	2017 Actual	2018 Projected	2017-2018 Revised	2019-2020 Adopted
REVENUES AND OTHER SOURCES:					
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -
OPERATING REVENUES					
Park Impact Fees Revenues	-	-	-	-	2,000,000
Park Impact Administrative Fees	-	-	-	-	2,500
Interest Income	-	-	-	-	500
Total Revenues	-	-	-	-	2,003,000
TOTAL REVS & OTHER SCRS	\$ -	\$ -	\$ -	\$ -	\$ 2,003,000
EXPENDITURES & OTHER USES					
OPERATING EXPENDITURES					
Transfer to Parks Capital Fund	-	-	-	-	2,000,000
Total Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000
Operating Revenues over (under)					
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ 3,000
TOTAL EXPEND & OTHER USES	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000
ENDING FUND BALANCES					
Reserved For: Parks					
ENDING FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ 3,000
TOTAL EXPENDITURES, OTHER					
USES & FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ 2,003,000

18

- 1 **1. Title:** 203 General Government Debt Service Fund
- 2 **2. Responsible Department(s):** Administrative Services



3. Brief Description and Purpose:

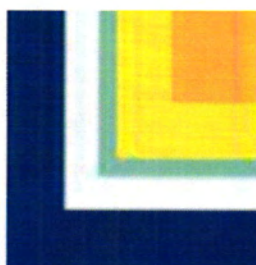
The General Government Debt Service Fund will be created with the adoption of the 2019-2020 Biennial Budget. This Fund will be used to make loan and/or debt service payments for purchases made for General Government purposes.

4. Highlights and Changes for 2019-2020:

A bank loan may be secured for a purchase to be made during the biennium.

5. Fund Financial Summary:

SOURCES & USES OF FUNDS	2016 Actual	2017 Actual	2018 Projected	2017-2018 Revised	2019-2020 Adopted
REVENUES AND OTHER SOURCES:					
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -	-	\$ -
REVENUES					
Transfer from REET 1 Fund 331	-	-	-	-	500,000
Transfer from REET 2 Fund 330					500,000
Investment Interest	-	-	-	-	-
Total Revenues	-	-	-	-	1,000,000
TOTAL REVS & OTHER SCRS	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000
EXPENDITURES & OTHER USES					
OPERATING EXPENDITURES					
Total Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Revenues over (under)					
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000
OTHER FINANCING USES					
GO Bond Interest	-	-	-	-	306,700
GO LT Debt Principal	-	-	-	-	679,700
Debt Service Fees					13,600
Total Other Financing Uses	-	-	-	-	1,000,000
TOTAL EXPEND & OTHER USES	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000
ENDING FUND BALANCES					
Reserved For:					
Debt Service	-	-	-	-	-
ENDING FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENDITURES, OTHER					
USES & FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000



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1. Title: 215 800 MHZ Debt Service Fund
2. Responsible Department(s): Administrative Services
3. Brief Description and Purpose:

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 (SERS) Interlocal Agreement.

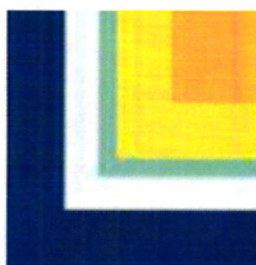
Snohomish County issued limited tax general obligations bonds in 1999 for SERS and refunded them in 2005 and again in 2015. At the beginning of 2019 Lynnwood's share of the remaining principal amount due on the bonds is \$131,587 with the final principal payment of \$131,587 due in December 2019. The remaining balance of the fund, estimated at \$11,810 will be transferred to the General Fund at the end of 2019.

4. Highlights and Changes for 2019-2020:

The final payment due and maturity date for the SERS bonds is December 2019.

5. Fund Financial Summary:

SOURCES & USES OF FUNDS	2016 Actual	2017 Actual	2018 Projected	2017-2018 Revised	2019-2020 Adopted
REVENUES AND OTHER SOURCES:					
BEGINNING FUND BALANCES	\$ 10,638	\$ 10,605	\$ 11,533	\$ 10,605	\$ 11,776
REVENUES					
Transfer from General Fund	127,624	128,183	138,635	266,818	138,200
Investment Interest	-	-	-	-	-
Total Revenues	<u>127,624</u>	<u>128,183</u>	<u>138,635</u>	<u>266,818</u>	<u>138,200</u>
TOTAL REVS & OTHER SCRS	<u>\$ 138,262</u>	<u>\$ 138,788</u>	<u>\$ 150,168</u>	<u>\$ 277,423</u>	<u>\$ 149,976</u>
EXPENDITURES & OTHER USES					
OPERATING EXPENDITURES					
Total Operating Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Operating Revenues over (under)					
Operating Expenditures	<u>\$ 127,624</u>	<u>\$ 128,183</u>	<u>\$ 138,635</u>	<u>\$ 266,818</u>	<u>\$ 138,200</u>
OTHER FINANCING USES					
GO Bond Interest	23,511	18,304	12,856	31,160	6,579
GO LT Debt Principal	104,146	108,951	125,536	234,488	131,587
Transfer to General Fund	-	-	-	-	11,810
Total Other Financing Uses	<u>127,657</u>	<u>127,255</u>	<u>138,392</u>	<u>265,648</u>	<u>149,976</u>
TOTAL EXPEND & OTHER USES	<u>\$ 127,657</u>	<u>\$ 127,255</u>	<u>\$ 138,392</u>	<u>\$ 265,648</u>	<u>\$ 149,976</u>
ENDING FUND BALANCES					
Reserved For:					
Debt Service	10,605	11,533	11,776	11,775	-
ENDING FUND BALANCES	<u>\$ 10,605</u>	<u>\$ 11,533</u>	<u>\$ 11,776</u>	<u>\$ 11,775</u>	<u>\$ -</u>
TOTAL EXPENDITURES, OTHER USES & FUND BALANCES	<u>\$ 138,262</u>	<u>\$ 138,788</u>	<u>\$ 150,168</u>	<u>\$ 277,423</u>	<u>\$ 149,976</u>



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1. Title: 223 Recreation Center 2012 LTGO Bonds Fund
2. Responsible Department(s): Administrative Services
3. Brief Description and Purpose:

The 2012 LTGO Bonds Fund 223 was authorized by Ordinance 2934 to redeem the 2008 Long-term General Obligation Bonds Anticipation Note (Ordinance 2745) that provided funds for the renovation, improvement and expansion of the City of Lynnwood Recreation Center. The 2012 General Obligation debt bond issue totaled \$24,955,000 and matures in December 2037.

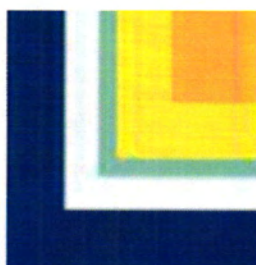
Annual principal payments range from \$285,000 to \$1,595,000 with interest rates varying from 2% to 4%, paid semi-annually.

4. Highlights and Changes for 2019-2020:

The final payment due and maturity date for the 2012 LTGO bonds is December 2037.

5. Fund Financial Summary:

SOURCES & USES OF FUNDS	2016 Actual	2017 Actual	2018 Projected	2017-2018 Revised	2019-2020 Adopted
REVENUES AND OTHER SOURCES:					
BEGINNING FUND BALANCES	\$ 109,780	\$ 109,501	\$ 137,947	\$ 109,501	\$ 110,701
REVENUES					
Transfer from General Fund	1,317,083	1,342,458	1,628,117	2,970,575	3,313,276
Total Revenues	<u>1,317,083</u>	<u>1,342,458</u>	<u>1,628,117</u>	<u>2,970,575</u>	<u>3,313,276</u>
TOTAL REVS & OTHER SCRS	<u>\$ 1,426,863</u>	<u>\$ 1,451,959</u>	<u>\$ 1,766,064</u>	<u>\$ 3,080,076</u>	<u>\$ 3,423,977</u>
EXPENDITURES & OTHER USES					
OPERATING EXPENDITURES					
Total Operating Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Operating Revenues over (under)					
Operating Expenditures	<u>\$ 1,317,083</u>	<u>\$ 1,342,458</u>	<u>\$ 1,628,117</u>	<u>\$ 2,970,575</u>	<u>\$ 3,313,276</u>
OTHER FINANCING USES					
GO Bond Interest	872,362	859,012	845,363	1,704,376	1,617,076
GO LT Debt Principal	445,000	455,000	810,000	1,265,000	1,695,000
Bond Fees	-	-	-	-	1,200
Total Other Financing Uses	<u>1,317,362</u>	<u>1,314,012</u>	<u>1,655,363</u>	<u>2,969,376</u>	<u>3,313,276</u>
TOTAL EXPEND & OTHER USES	<u>\$ 1,317,362</u>	<u>\$ 1,314,012</u>	<u>\$ 1,655,363</u>	<u>\$ 2,969,376</u>	<u>\$ 3,313,276</u>
ENDING FUND BALANCES					
Reserved For:					
Debt Service	<u>109,501</u>	<u>137,947</u>	<u>110,701</u>	<u>110,700</u>	<u>110,701</u>
ENDING FUND BALANCES	<u>\$ 109,501</u>	<u>\$ 137,947</u>	<u>\$ 110,701</u>	<u>\$ 110,700</u>	<u>\$ 110,701</u>
TOTAL EXPENDITURES, OTHER USES & FUND BALANCES	<u>\$ 1,426,863</u>	<u>\$ 1,451,959</u>	<u>\$ 1,766,064</u>	<u>\$ 3,080,076</u>	<u>\$ 3,423,977</u>



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1. Title: 263 Local Improvement District (LID) SW 196th St.

2. Responsible Department(s): Administrative Services

3. Brief Description and Purpose:

This fund was established in 1993 by Ordinances 1977 & 1978 to account for local improvement district (LID) 93-LID-0001. This LID led to improvements to SW 196th St near I-5. The property liens associated with this LID will be retired and the debt repaid in full in 2019. Liens are paid off and extinguished when an LID property is sold. Property sales transactions within the LID have allowed the retirement of earlier than expected, prior to the repayment schedule. As a result, interest expense savings have occurred, and these funds can now be used for other purposes.

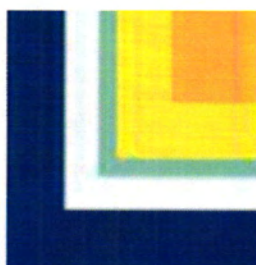
The City is now entitled to close this fund and transfer the remaining, one-time monies for use elsewhere. The Mayor proposes to move the funds into EDIF, so that it can be applied toward strategic infrastructure investments at a later time.

4. Highlights and Changes for 2019-2020:

This fund will be closed and the ending fund balance will be transferred to EDIP.

5. Fund Financial Summary:

SOURCES & USES OF FUNDS	2016 Actual	2017 Actual	2018 Projected	2017-2018 Revised	2019-2020 Adopted
REVENUES AND OTHER SOURCES:					
BEGINNING FUND BALANCES	\$ 70,899	\$ 53,924	\$ 19,850	\$ -	\$ 409,650
REVENUES					
LID Assessments Received	543,867	523,833	500,000	-	406,960
Total Revenues	<u>543,867</u>	<u>523,833</u>	<u>500,000</u>	<u>-</u>	<u>406,960</u>
TOTAL REVS & OTHER SCRS	\$ 614,766	\$ 577,757	\$ 519,850	\$ -	\$ 816,610
OTHER FINANCING USES					
Assessments Debt Principal	490,000	515,000	100,000		-
Assessment Debt Interest	70,672	39,360	6,400		-
Bond Fees and other Services	170	3,547	3,800		1,000
Transfer to EDIF Fund 020	-	-	-	-	750,000
Total Other Financing Uses	<u>560,842</u>	<u>557,907</u>	<u>110,200</u>	<u>-</u>	<u>751,000</u>
TOTAL EXPEND & OTHER USES	\$ 560,842	\$ 557,907	\$ 110,200	\$ -	\$ 751,000
ENDING FUND BALANCES					
Reserved For:					
Debt Service	53,924	19,850	409,650	-	65,610
ENDING FUND BALANCES	\$ 53,924	\$ 19,850	\$ 409,650	\$ -	\$ 65,610
TOTAL EXPENDITURES, OTHER USES & FUND BALANCES	\$ 614,766	\$ 577,757	\$ 519,850	\$ -	\$ 816,610



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1. Title: 330 Real Estate Excise Tax (2nd ¼%)
2. Responsible Department(s): Administrative Services
3. Brief Description and Purpose:

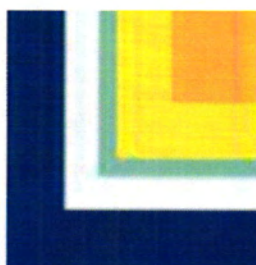
This fund was established in 2006 by Ordinance 2612 to levy the additional one-quarter of one percent excise tax on the sale of real property within the City of Lynnwood. The revenues are used to fund capital projects. All real estate excise tax revenues from the 2nd ¼% are deposited into this fund. Funds are then transferred to the Capital Development, Transportation Capital, Facilities Capital, Parks and Recreation Capital and the Other Governmental Capital Project Funds to fund capital improvement projects and to fund interest and principal payments on outstanding capital debt.

4. Highlights and Changes for 2019-2020:

A detailed list of the funded capital improvement projects is included in the various Capital Funds' Fund Overviews.

5. Fund Financial Summary:

SOURCES & USES OF FUNDS	2016	2017	2018	2017-2018	2019-2020
	Actual	Actual	Projected	Revised	Adopted
REVENUES AND OTHER SOURCES:					
BEGINNING FUND BALANCES	\$ 1,200,246	\$ 1,392,118	\$ 1,396,660	\$ 1,392,118	\$ 2,155,166
REVENUES					
REET 2nd 1/4% Tax	1,086,114	1,122,756	1,200,000	1,900,000	2,200,000
Investment Interest	8,295	14,215	20,000	-	40,000
Total Revenues	<u>1,094,409</u>	<u>1,136,971</u>	<u>1,220,000</u>	<u>1,900,000</u>	<u>2,240,000</u>
OTHER FINANCING SOURCES					
Transfer from Roadway Surfacing Fund	\$ -	\$ 296,875	\$ -	\$ 296,874	\$ -
Transfer from 204th/SR 99 Fund	-	65,477	-	65,476	-
TOTAL OTHER FINANCING SOURCES	<u>\$ -</u>	<u>\$ 362,352</u>	<u>\$ -</u>	<u>\$ 362,350</u>	<u>\$ -</u>
TOTAL REVS & OTHER SCRS	<u>\$ 2,294,655</u>	<u>\$ 2,891,441</u>	<u>\$ 2,616,660</u>	<u>\$ 3,654,468</u>	<u>\$ 4,395,166</u>
OTHER FINANCING USES					
Transfer to Street Fund 111	\$ 12,500	\$ -	\$ -	\$ -	\$ -
Transfer to Debt Service	-	-	-	-	500,000
Transfer to Transportation Cap Fund	-	979,781	96,594	1,959,561	3,225,000
Transfer to Facilities Capital Fund	-	440,000	-	880,000	300,000
Transfer to Parks & Rec Capital Fund	-	75,000	64,900	150,000	293,000
Transfer to Utility Capital Fund	-	-	300,000	300,000	-
Transfer to Park Acq & Dev Fund	409,419	-	-	-	-
Transfer to Roadway Surfacing Fund	480,618	-	-	-	-
Total Other Financing Uses	<u>902,537</u>	<u>1,494,781</u>	<u>461,494</u>	<u>3,289,561</u>	<u>4,318,000</u>
TOTAL EXPEND & OTHER USES	<u>\$ 902,537</u>	<u>\$ 1,494,781</u>	<u>\$ 461,494</u>	<u>\$ 3,289,561</u>	<u>\$ 4,318,000</u>
ENDING FUND BALANCES					
Reserved For:					
Capital Projects	1,392,118	1,396,660	2,155,166	364,907	77,166
ENDING FUND BALANCES	<u>\$ 1,392,118</u>	<u>\$ 1,396,660</u>	<u>\$ 2,155,166</u>	<u>\$ 364,907</u>	<u>\$ 77,166</u>
TOTAL EXPENDITURES, OTHER USES & FUND BALANCES	<u>\$ 2,294,655</u>	<u>\$ 2,891,441</u>	<u>\$ 2,616,660</u>	<u>\$ 3,654,468</u>	<u>\$ 4,395,166</u>



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1 **1. Title:** 331 Real Estate Excise Tax (1st ¼%) Fund

2 **2. Responsible Department(s):** Administrative Services

3 **3. Brief Description and Purpose:**

4 This fund was established in 1982 by Ordinance 1271 to levy one-quarter of one percent excise
5 tax on the sale of real property within the City of Lynnwood. The revenues are used to fund
6 capital projects. All real estate excise tax revenues from the 1st ¼% are deposited into this fund.
7 Funds are then transferred to the Capital Development, Transportation Capital, Facilities Capital,
8 Parks and Recreation Capital and the Other Governmental Capital Project Funds to fund capital
9 improvement projects and to fund interest and principal payments on outstanding capital debt.

10 **4. Highlights and Changes for 2019-2020:**

11 A detailed list of the funded capital improvement projects is included in the various Capital
12 Funds' Fund Overviews.

13 5. Fund Financial Summary:

SOURCES & USES OF FUNDS	2016	2017	2018 Total	2017-2018	2019-2020
	Actual	Actual	Projected	Revised	Adopted
REVENUES AND OTHER SOURCES:					
BEGINNING FUND BALANCES	\$ 1,035,790	\$ 1,230,396	\$ 1,033,331	\$ 1,230,396	\$ 1,162,176
REVENUES					
REET 1st 1/4% Tax	1,086,879	1,122,756	1,200,000	1,900,000	2,200,000
Investment Interest	6,187	13,895	20,000	-	40,000
Total Revenues	1,093,066	1,136,651	1,220,000	1,900,000	2,240,000
OTHER FINANCING SOURCES					
Transfer from Traffic Signals Fund	-	81,854	-	81,855	-
Transfer from Roadway Surfacing Fund	-	89,063	-	89,063	-
Transfer from Justice Center Imp Fund	-	20,522	-	20,522	-
TOTAL OTHER FINANCING SOURCES	-	191,439	-	191,440	-
TOTAL REVS & OTHER SOURCES	\$ 2,128,856	\$ 2,558,486	\$ 2,253,331	\$ 3,321,836	\$ 3,402,176
OTHER FINANCING USES					
Transfer to Street Operations Fund	\$ 12,500	\$ -	\$ -	\$ -	\$ -
Transfer to Transportation Cap Fund	-	870,155	1,091,155	1,740,310	-
Transfer to Parks & Rec Capital Fund	-	655,000	-	1,310,000	700,000
Transfer to Facilities Capital Infrastructure	-	-	-	-	1,949,153
Transfer to Debt Service	-	-	-	-	500,000
Transfer to Citywide Safety Proj Fund	334,010	-	-	-	-
Transfer to Park Acq & Dev Fund	50,000	-	-	-	-
Transfer to 196th Improvements Fund	188,000	-	-	-	-
Transfer to Roadway Surfacing Fund	140,000	-	-	-	-
Transfer to Interurban Trail Fund	126,300	-	-	-	-
Transfer to Justice Center Imp Fund	47,650	-	-	-	-
Total Other Financing Uses	898,460	1,525,155	1,091,155	3,050,310	3,149,153
TOTAL EXPEND & OTHER USES	\$ 898,460	\$ 1,525,155	\$ 1,091,155	\$ 3,050,310	\$ 3,149,153
ENDING FUND BALANCES					
Reserved For:					
Capital Projects	1,230,396	1,033,331	1,162,176	271,526	253,023
ENDING FUND BALANCES	\$ 1,230,396	\$ 1,033,331	\$ 1,162,176	\$ 271,526	\$ 253,023
TOTAL EXPENDITURES, OTHER					
USES & FUND BALANCES	\$ 2,128,856	\$ 2,558,486	\$ 2,253,331	\$ 3,321,836	\$ 3,402,176

14

- 1 **1. Title:** 333 Capital Development Fund
- 2 **2. Responsible Department(s):** Public Works



- 3
- 4 **3. Brief Description and Purpose:**

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

8 Funds may be accumulated to cover items such as construction, alteration, or repair of any
 9 public building, or the making of any public improvement, including acquisition of real property
 10 services, construction costs, as well as providing a source for matching funds for federal and
 11 state grants and interlocal agreements. Such expenditures are appropriated in the City's Capital
 12 Budget.

4. Fund Financial Summary:

SOURCES & USES OF FUNDS	2016 Actual	2017 Actual	2018 Total Projected	2017-2018 Revised	2019-2020 Adopted
REVENUES AND OTHER SOURCES:					
BEGINNING FUND BALANCES	\$ 641,584	\$2,092,048	\$ 412,420	\$ 2,092,048	\$ 961,372
OPERATING REVENUES					
Investment Interest	3,700	-	-	-	-
Settlement	1,440,000	-	-	-	-
Total Operating Revenues	<u>1,443,700</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES					
Transfer From the General Fund	162,500	1,100,000	1,100,000	2,200,000	2,200,000
Transfer From Old Fund 309	-	13,325	-	13,325	-
Transfer From Old Fund 355	-	187,149	-	187,149	-
Transfer From Facilities Capital Infrastr	-	173,477	-	-	-
Other Financing Sources	<u>162,500</u>	<u>1,473,951</u>	<u>1,100,000</u>	<u>2,400,474</u>	<u>2,200,000</u>
TOTAL REVS & OTHER SCRS	<u>\$2,247,784</u>	<u>\$3,565,999</u>	<u>\$1,512,420</u>	<u>\$ 4,492,522</u>	<u>\$ 3,161,372</u>
OTHER FINANCING USES					
Transfer to Park Acquisition & Dev	80,736	-	-	-	-
Transfer to General & Capital Fund	75,000	-	-	-	-
Transfer to Other Govt Cap Proj Fund	-	150,000	-	150,000	400,000
Transfer to Transportation Capital Fund	-	339,079	-	339,079	39,000
Transfer to Facilities Capital Infrastructu	-	410,000	151,048	300,000	1,575,000
Transfer to Parks & Rec Capital Fund	-	2,254,500	400,000	3,155,421	1,125,000
Total Other Financing Uses	<u>155,736</u>	<u>3,153,579</u>	<u>551,048</u>	<u>3,944,500</u>	<u>3,139,000</u>
TOTAL EXPEND & OTHER USES	<u>\$ 155,736</u>	<u>\$3,153,579</u>	<u>\$ 551,048</u>	<u>\$ 3,944,500</u>	<u>\$ 3,139,000</u>
ENDING FUND BALANCES	<u>\$2,092,048</u>	<u>\$ 412,420</u>	<u>\$ 961,372</u>	<u>\$ 548,022</u>	<u>\$ 22,372</u>
TOTAL EXPENDITURES, OTHER USES & FUND BALANCES	<u>\$2,247,784</u>	<u>\$3,565,999</u>	<u>\$1,512,420</u>	<u>\$ 4,492,522</u>	<u>\$ 3,161,372</u>

1. Title: 357 Other General Government Capital Improvement Fund

2. Responsible Department(s): Public Works, Economic Development, and other departments



3. Brief Description and Purpose:

The purpose of this Capital Fund is for other general government infrastructure projects such as neighborhood improvements, strategic investments, economic development, computer systems upgrades, computer technology upgrades and related, software and/or hardware projects such as document management systems.

4. Highlights and Changes for 2019-2020:

The City has efforts underway (i.e. Economic Development Infrastructure Policy, City Center Plan, Federal Transit Administration Transit Oriented Development (TOD) Program, and SHARP 2) that will inform strategic investments in the 2019-20 biennium and beyond. Funding has been allocated to identify capital requirements associated with these efforts. The City is pursuing several opportunities related to capital projects and developments for which funds have been budgeted. For example, the City is exploring purchasing the Rodeo Inn property on SR 99 for programs related to the Community Health and Safety programs. Funds of \$4 million have been budgeted for that purpose. Funds from the Economic Development Infrastructure Program have also been budgeted to take advantage of opportunities in property acquisition or development in the City Center or if a large City grant match is needed for the Poplar Bridge BUILD grant application. Amounts of \$1.7 million and \$5 million, respectively, are included for these purposes.

23 **5. Fund Financial Summary:**

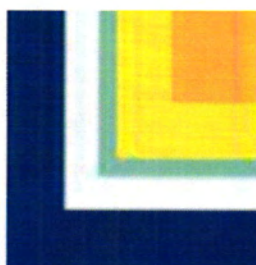
SOURCES & USES OF FUNDS	2016 Actual	2017 Actual	2018 Projection	2017-2018 Revised	2019-2020 Adopted
REVENUES AND OTHER SOURCES:					
BEGINNING FUND BALANCES	\$ -	\$ -	\$ 437,315	\$ -	\$ 100,000
CAPITAL REVENUES					
Loan Proceeds	-	-	-	-	4,000,000
Interest	-	-	-	-	-
Total Revenues	-	-	-	-	4,000,000
OTHER FINANCING SOURCES					
Transfer from Capital Development Fi	-	150,000	-	150,000	400,000
Transfer from Economic Development	-	290,000	-	290,000	6,700,000
Transfer from TBD Fund	-	-	-	-	-
Transfer from REET 2	-	-	-	-	-
Transfer from REET 1	-	-	-	-	-
Other Financing Sources	-	440,000	-	440,000	7,100,000
TOTAL REVS & OTHER SCRS	\$ -	\$ 440,000	\$ 437,315	\$ 440,000	\$ 11,200,000
EXPENDITURES & OTHER USES					
CAPITAL EXPENDITURES					
EDIF: Strategic Opportunities	-	-	-	290,000	5,000,000
EDIF: Eligible Strategic Land Acquisiti	-	-	-	-	1,700,000
So. Lynnwood Improvement Project	-	2,685	47,315	150,000	350,000
Gateway Sign Program	-	-	-	-	150,000
Rodeo Inn Purchase	-	-	-	-	4,000,000
Total Capital Expenditures	-	2,685	47,315	440,000	11,200,000
Capital Revenues over (under)					
Capital Expenditures	\$ -	\$ (2,685)	\$ (47,315)	\$ (440,000)	\$ (7,200,000)
OTHER FINANCING USES					
Transfer To 128 Paths & Trails	-	-	-	-	-
Transfer to Economic Development In	-	-	290,000	-	-
Total Other Financing Uses	-	-	290,000	-	-
TOTAL EXPEND & OTHER USES	\$ -	\$ 2,685	\$ 337,315	\$ 440,000	\$ 11,200,000
ENDING FUND BALANCES					
Reserved For:					
Other Govtl Capital Improvemen	-	437,315	100,000	-	-
ENDING FUND BALANCES	\$ -	\$ 437,315	\$ 100,000	\$ -	\$ -
TOTAL EXPENDITURES, OTHER					
USES & FUND BALANCES	\$ -	\$ 440,000	\$ 437,315	\$ 440,000	\$ 11,200,000

24

25 NOTE: On July 16, 2012, City Council adopted Resolution No. 2012-06 creating the Economic Development
 26 Investment Policy (EDIP), including provisions to establish an EDIP Fund for public infrastructure and
 27 public facilities associated with economic development. On February 23, 2015, City Council adopted
 28 Ordinance No. 3110 creating an Economic Development Infrastructure Fund (EDIF) as authorized by
 29 Resolution No. 2012.06, Chapter 3.106 LMC. In 2017-2018, \$290,000 of EDIF funds were transferred to
 30 Capital Budget Fund 357 for analysis, design, and implementation of projects associated with the City
 31 Center, Sound Transit Light Rail, and strategic opportunities. These funds were not expended in the 2017-
 32 18 biennium and were transferred back to the EDIF fund for future strategic opportunities.

33 **6. Estimated Impact on Future Operating Budgets:**

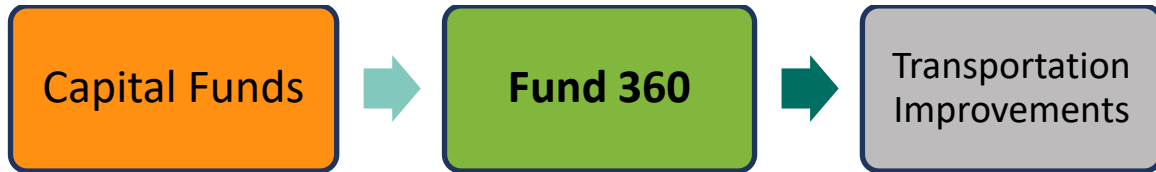
- 34 These projects include study components that have not as yet identified capital improvements.
35 For this reason, the impacts on future operating budgets are unknown at this time.



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1 **1. Title:** 360 Transportation Capital Fund

2 **2. Responsible Department(s):** Public Works Department



3
4 **3. Fund Mission and Responsibilities:**

5 This capital fund is focused on building streets, bridges, sidewalks, bike lanes, non-motorized
6 transportation facilities, transit, and related improvements.

7 **4. Highlights and Accomplishments during 2017-2018:**

8 **5. Highlights and Changes for 2019-2020:**

9 Projects are identified in the annual updates to the 6-year Transportation Improvement Plan
10 (TIP). Several major road projects will continue. This includes the 36th Avenue W Street
11 Reconstruction project, the 196th Street SW widening project, the Poplar Overpass project,
12 Beech Road Extension, and the City Center 42nd Avenue West Grid Street project. One main
13 emphasis in this capital transportation budget are projects that set the stage for continued
14 development of the City Center as well as the arrival of Sound Transit light rail in 2024. This
15 budget also includes projects that repair and replace the City's infrastructure (pavement,
16 sidewalks and traffic signals), address the Americans with Disabilities Act (ADA) requirements,
17 and enhance the safety and usability our roadways for all modes of the traveling public.

6. Fund Financial Summary:

SOURCES & USES OF FUNDS	2016 Actual	2017 Actual	2018 Projection	2017-2018 Revised	2019-2020 Adopted
REVENUES AND OTHER SOURCES:					
BEGINNING FUND BALANCES	\$ -	\$ -	\$ 6,414,239	\$ -	\$ 6,844,075
CAPITAL REVENUES					
Grant Revenue	-	354,354	6,823,089	30,035,427	38,028,341
Interest	-	-	-	-	-
Total Revenues	-	354,354	6,823,089	30,035,427	38,028,341
OTHER FINANCING SOURCES					
Transfer from Capital Development Fund	-	339,079	-	339,079	39,000
Transfer from EDIF	-	355,000	-	710,000	300,000
Transfer from Park Impact Fees Fund	-	-	-	-	-
Transfer from REET 1	-	870,155	1,091,155	1,740,310	-
Transfer from REET 2	-	979,781	96,594	1,959,561	3,225,000
Transfer from Transportation Impact Fees	-	546,757	313,243	1,093,514	1,926,454
Transfer from TBD Fund	-	750,000	3,090,000	4,868,000	8,205,000
Transfer from Utilities	-	656,244	-	656,244	1,411,035
Transfer from Old Fund 196th Project	-	284,831	-	284,831	-
Transfer from Old Fund 36th Project	-	967,242	-	967,242	-
Transfer from Old Fund Poplar Project	-	459,599	-	459,599	-
Transfer from Old Fund Interurban T	-	708,609	-	710,000	-
Transfer from Old Fund Citywide Sa	-	18,600	-	18,600	-
Other Financing Sources	-	6,935,897	4,590,992	13,806,980	15,106,489
TOTAL REVS & OTHER SCRS	\$ -	\$ 7,290,251	\$ 17,828,320	\$ 43,842,407	\$ 59,978,905

SOURCES & USES OF FUNDS	2016 Actual	2017 Actual	2018 Projection	2017-2018 Revised	2019-2020 Adopted
CAPITAL EXPENDITURES					
196th St SW Improvements	-	305,111	4,448,965	20,449,308	17,985,086
36th Ave W Improvements	-	264,117	1,248,007	11,188,000	11,952,572
42nd Ave. W. Grid Street Improveme	-	-	-	1,502,500	1,547,500
44th Ave. W. Underpass Improveme	-	-	-	415,000	555,672
48th Ave W Bike and Ped Improvem	-	-	-	-	200,000
ADA Evaluation & Transition Plan	-	101,069	30,443	200,000	39,000
Adaptive Signals	-	-	-	57,600	-
Beech Road Improvements	-	54,828	400,000	516,000	2,500,000
City Ctr. Priorities/FTA-Sharps Grar	-	-	-	250,000	-
Citywide Multimodal Transportation	-	24,778	38,784	18,600	-
Citywide Sidewalk and Walkway Pro	-	-	-	-	100,000
Citywide-ADA Ramps	-	-	-	-	600,000
Gateway Monument Markers at City	-	9,518	20,000	160,000	-
Interurban Trail South Segment	-	47,185	1,554,944	2,531,800	-
Multi-Choice Corridors Update	-	-	-	150,000	260,000
Pavement Preservation & Rehab	-	49,138	2,700,000	3,643,000	6,200,000
Poplar Way Extension Bridge	-	20,268	225,000	1,684,599	11,100,000
Safe Routes to Schools project: 168th	-	-	-	-	425,000
School Safety Study	-	-	-	-	100,000
SR99/SR524 Adaptive Signals Project	-	-	-	51,000	-
ST2 Project Analysis & Partnership	-	-	-	750,000	2,500,000
Traffic Modeling On-Call	-	-	43,102	-	-
Traffic Signal Rebuild Program	-	-	-	-	600,000
Transportation Comp Plan Update	-	-	-	75,000	-
Wayfinding Plan-City Arterials	-	-	-	100,000	100,000
Total Capital Expenditures	-	876,012	10,709,245	43,742,407	56,764,830
Capital Revenues over (under)					
Capital Expenditures	\$ -	\$ (521,658)	\$ (3,886,156)	\$ (13,706,980)	\$ (18,736,489)
OTHER FINANCING USES					
Transfer to Fund 412-Utilities Capital	-	-	-	100,000	-
Transfer to EDIF	-	-	275,000	-	-
Total Other Financing Uses	-	-	275,000	100,000	-
TOTAL EXPEND & OTHER USES	\$ -	\$ 876,012	\$ 10,984,245	\$ 43,842,407	\$ 56,764,830
ENDING FUND BALANCES					
Reserved For:					
Outstanding Encumbrances	-	-	-	-	-
Transportation Capital Infrastru	-	6,414,239	6,844,075	-	3,214,075
ENDING FUND BALANCES	\$ -	\$ 6,414,239	\$ 6,844,075	\$ -	\$ 3,214,075
TOTAL EXPENDITURES, OTHER					
USES & FUND BALANCES	\$ -	\$ 7,290,251	\$ 17,828,320	\$ 43,842,407	\$ 59,978,905

7. Fund Personnel [Full-Time Equivalent (FTE):

None. Budgeted in Public Works Operating Fund.

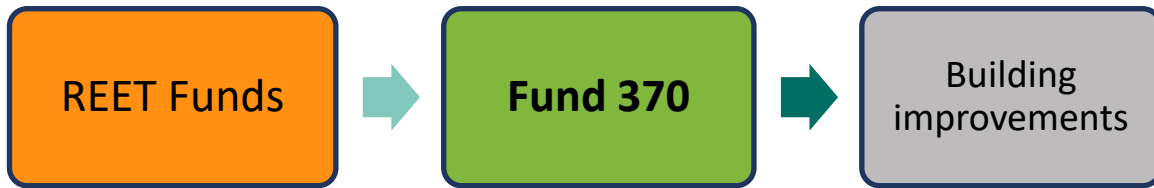
8. Estimated Impact on Future Operating Budgets:

Several of the projects will result in improvements made to existing transportation facilities. The level of resources to maintain them is assumed to be the same or less as the existing facilities, considering that a new street requires less surface maintenance (i.e. potholing) than an aged street. The "Pavement Overlay Program" project provides funds for upgrades and repairs of infrastructure. This should decrease the amount of effort required by operations

- 29 crews who currently have to maintain the aging/failing infrastructure. The new street projects
30 will upon construction add an incremental amount of operations effort to clean and maintain
31 them by the Streets crew.

1 **1. Title:** 370 – Facilities Capital Infrastructure Fund

2 **2. Responsible Department(s):** Public Works Department



3
4 **3. Brief Description and Purpose:**

5 Our buildings and facilities are directly used by our citizens or support the staff and functions
6 that provide all of the City's services. It is important that they not only serve our citizens by
7 providing safe, comfortable spaces but that they also be maintained in order to extend their
8 useful life and protect our public investment. The purpose of this capital fund is for city building
9 and/or remodel projects and for ongoing capital maintenance necessary to keep up the
10 buildings into the future.

11 **4. Highlights and Changes for 2019-2020:**

12 Projects include City Council Chambers safety upgrades, study dollars to analyze municipal
13 building space needs as existing leases at the Permit Center and Police Evidence facilities must
14 be either renewed or ended, and funds for capital replacements of our 11 municipal buildings.

15 **5. Fund Cost (summary):**

SOURCES & USES OF FUNDS	2016 Actual	2017 Actual	2018 Projection	2017-2018 Revised	2019-2020 Adopted
REVENUES AND OTHER SOURCES:					
BEGINNING FUND BALANCES	\$ -	\$ -	\$ 591,747	\$ -	\$ 150,847
CAPITAL REVENUES					
Grant Revenue	-	-	-	-	-
Interest	-	-	-	-	-
Total Revenues	-	-	-	-	-
OTHER FINANCING SOURCES					
Transfer from Capital Development Fu	-	410,000	-	300,000	1,375,000
Transfer from Economic Development	-	-	-	-	-
Transfer from REET 1	-	-	-	-	1,949,153
Transfer from REET 2	-	440,000	-	880,000	300,000
Transfer from Transportation Impact I	-	-	-	-	-
Transfer from TBD Fund	-	-	-	-	-
Transfer from Utilities	-	-	-	-	-
Other Financing Sources	-	850,000	-	1,180,000	3,624,153
TOTAL REVS & OTHER SCRS	\$ -	\$ 850,000	\$ 591,747	\$ 1,180,000	\$ 3,775,000
EXPENDITURES & OTHER USES					
CAPITAL EXPENDITURES					
City Buldings Space Needs Analysis	-	-	-	-	200,000
City Hall Renovations, (Safety)	-	-	-	150,000	-
City Municipal Complex Parking and	-	-	-	-	1,650,000
Municipal Buildings: ADA Upgrades	-	-	-	-	75,000
Municipal Buildings Capital Maintena	-	-	-	465,000	950,000
General Repair and Capital Maintenan	-	-	-	-	900,000
Programmed Architectural Services	-	84,776	440,900	500,000	-
Purchase of Generator for Justice Cent	-	-	-	65,000	-
Total Capital Expenditures	-	84,776	440,900	1,180,000	3,775,000
Capital Revenues over (under)					
Capital Expenditures	\$ -	\$ (84,776)	\$ (440,900)	\$ (1,180,000)	\$ (3,775,000)
OTHER FINANCING USES					
Transfer to Capital Development Func	-	173,477	-	-	-
Total Other Financing Uses	-	-	-	-	-
TOTAL EXPEND & OTHER USES	\$ -	\$ 258,253	\$ 440,900	\$ 1,180,000	\$ 3,775,000
ENDING FUND BALANCES					
Reserved For:					
Facilities Capital Infrastructure	-	591,747	150,847	-	-
ENDING FUND BALANCES	\$ -	\$ 591,747	\$ 150,847	\$ -	\$ -
TOTAL EXPENDITURES, OTHER					
USES & FUND BALANCES	\$ -	\$ 850,000	\$ 591,747	\$ 1,180,000	\$ 3,775,000

16

17 **6. Estimated Impact on Future Operating Budgets:**

18 Several of the projects will result in improvements made to existing municipal buildings. The
 19 level of resources to maintain them is assumed to be the same as the existing buildings. The
 20 "Municipal Buildings Capital Maintenance Program" project provides funds for upgrades and
 21 repairs of infrastructure. This should decrease the amount of effort required by operations
 22 crews who currently have to maintain the aging/failing infrastructure.

- 1 **1. Title:** 380 Parks & Recreation Capital Infrastructure Fund
- 2 **2. Responsible Department(s):** Parks & Recreation Department



- 3
- 4 **3. Brief Description and Purpose:**

5 The purpose of this Capital Fund is for the construction, improvement, or capital maintenance of
 6 City parks, trails, open space and related facilities.

- 7 **4. Highlights and Changes for 2019-2020:**

8 The Parks Department have done detailed analysis and public outreach through their PARC plan
 9 and have coordinated efforts with other departments to meet the city-wide vision. Project
 10 prioritization and vetting by public processes have led to the following list of projects. A major
 11 component of the PARC plan is maintenance of existing facilities. In 2019-20 capital dollars will
 12 be utilized to hire a limited term Maintenance Worker to complete portions of this important
 13 work.

14

15 Fund Cost (summary):

SOURCES & USES OF FUNDS	2016 Actual	2017 Actual	2018 Projection	2017-2018 Revised	2019-2020 Adopted
REVENUES AND OTHER SOURCES:					
BEGINNING FUND BALANCES	\$ -	\$ -	\$ 469,485	\$ -	\$ 21,878
REVENUES					
Grant Revenue	-	2,007,143	-	3,225,000	5,908,900
Interest	-	-	-	-	-
Total Revenues	-	2,007,143	-	3,225,000	5,908,900
OTHER FINANCING SOURCES					
Transfer from Capital Development Fu	-	2,254,500	400,000	3,155,421	1,125,000
Transfer from Economic Development	-	-	-	-	-
Transfer from Park Impact Fees	-	-	-	-	2,000,000
Transfer from Program Development F	-	32,500	17,500	65,000	-
Transfer from REET 1	-	655,000	-	1,310,000	700,000
Transfer from REET 2	-	75,000	64,900	150,000	293,000
Transfer from Hardware/Software Upg	-	11,247	-	18,479	-
Transfer from TBD Fund	-	-	-	-	-
Transfer from Utilities	-	-	-	-	-
Other Financing Sources	-	3,028,247	482,400	4,698,900	4,118,000
TOTAL REVS & OTHER SCRS	\$ -	\$ 5,035,390	\$ 951,885	\$ 7,923,900	\$ 10,048,778
EXPENDITURES & OTHER USES					
CAPITAL EXPENDITURES					
City Center Parks Master Plan Update	-	16,720	27,301	50,000	-
Deferred Park Maintenance and Capital	-	38,995	32,799	400,000	400,000
Heritage Park Phs. 3 Water Tower	-	-	-	-	363,700
Interurban Trail Improvements	-	-	-	150,000	-
Meadowdale Playfields	-	4,484,292	790,033	5,314,400	-
Parks ADA Upgrade	-	-	-	-	100,000
Park Impact Fee Project	-	2,250	2,250	4,500	-
Rec Center Parking Lot	-	-	-	1,085,000	-
Rec Center Refresh: Capital Upgrades	-	-	-	-	250,000
Rowe Park Development	-	-	-	20,000	50,000
Scriber Creek Trail Improvement PH1	-	-	73,286	900,000	843,000
Scriber Lake Park Renovation	-	-	-	-	25,000
Seabrook Heights Demolition	-	-	-	-	100,000
Senior Center/Teen Center Expansion	-	-	-	-	150,000
South Lynnwood Park Renovation	-	-	4,338	-	3,295,200
Town Square Park Acquisition and Dev	-	-	-	-	4,450,000
Total Capital Expenditures	-	4,542,257	930,007	7,923,900	10,026,900
Revenues over (under)					
Capital Expenditures	\$ -	\$ (2,535,114)	\$ (930,007)	\$ (4,698,900)	\$ (4,118,000)
OTHER FINANCING USES					
Transfer to Art Fund	-	23,648	-	-	-
Total Other Financing Uses	-	-	-	-	-
TOTAL EXPEND & OTHER USES	\$ -	\$ 4,565,905	\$ 930,007	\$ 7,923,900	\$ 10,026,900
ENDING FUND BALANCES					
Reserved For:					
Parks & Recreation Capital	-	469,485	21,878	-	21,878
ENDING FUND BALANCES	\$ -	\$ 469,485	\$ 21,878	\$ -	\$ 21,878
TOTAL EXPENDITURES, OTHER USES & FUND BALANCES	\$ -	\$ 5,035,390	\$ 951,885	\$ 7,923,900	\$ 10,048,778

16

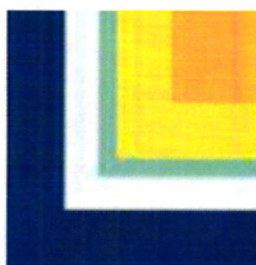
17 **5. Fund Personnel [Full-Time Equivalent (FTE)]:**

Job Title	Number of FTE					
	2015 Actual	2016 Actual	2017 Actual	2018 Revised	2019 Adopted	2020 Adopted
P&R Maintenance	-	-	-	-	1.00	1.00
Total P&R Capital Infrastructure	-	-	-	-	1.00	1.00

18
19 **6. Estimated Impact on Future Operating Budgets:**

20 Several of the projects will result in improvements made to existing park facilities which will
 21 increase park resource needs. New parks will add overall to the system and also require
 22 additional park operation resources. Detailed analysis on the increased costs needed for each
 23 project are available.

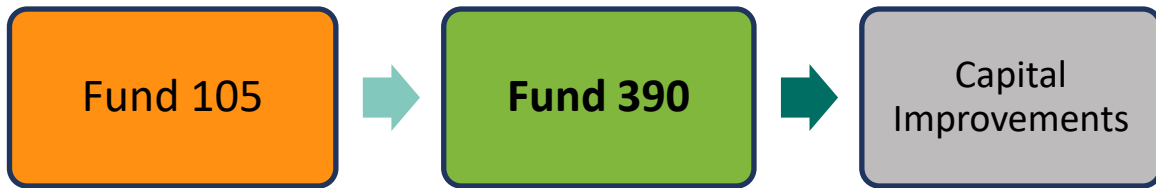
24 The "Deferred Park Maintenance and Capital Renewal" project provides funds for upgrades and
 25 repairs of infrastructure.



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1 **1. Title:** 390 Public Safety Capital Infrastructure Fund

2 **2. Responsible Department(s):** Police with support from Public Works.



3

4 **3. Brief Description and Purpose:**

5 The purpose of this capital fund is for Construction, improvements or capital maintenance of
6 Public Safety buildings.

7 **4. Highlights and Changes for 2019-2020:**

8 The existing Justice Facility is aged and undersized and doesn't meet the current needs of Police
9 and Courts. In 2019-20 funds are budgeted to start design documents for expansion or rebuild of
10 the facility. Feasibility of new construction on the vacant property adjacent to the Criminal
11 Justice Center will be determined.

12

13 **5. Fund Cost (summary):**

SOURCES & USES OF FUNDS	2016 Actual	2017 Actual	2018 Projection	2017-2018 Revised	2019-2020 Adopted
REVENUES AND OTHER SOURCES:					
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUES					
Grant Revenue	-	-	-	-	-
Interest	-	-	-	-	-
Total Revenues	-	-	-	-	-
OTHER FINANCING SOURCES					
Transfer from Police Fund 105	-	-	-	500,000	1,300,000
Other Financing Sources	-	-	-	500,000	1,300,000
TOTAL REVS & OTHER SCRS	\$ -	\$ -	\$ -	\$ 500,000	\$ 1,300,000
EXPENDITURES & OTHER USES					
CAPITAL EXPENDITURES					
New Justice Facility	-	-	-	500,000	1,300,000
Total Capital Expenditures	-	-	-	500,000	1,300,000
Operating Revenues over (under)					
Operating Expenditures	\$ -	\$ -	\$ -	\$ (500,000)	\$ (1,300,000)
OTHER FINANCING USES					
Transfer to Art Fund	-	-	-	-	-
Total Other Financing Uses	-	-	-	-	-
TOTAL EXPEND & OTHER USES	\$ -	\$ -	\$ -	\$ 500,000	\$ 1,300,000
ENDING FUND BALANCES					
Reserved For:					
Public Safety Capital Infrastructure	-	-	-	-	-
ENDING FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENDITURES, OTHER					
USES & FUND BALANCES	\$ -	\$ -	\$ -	\$ 500,000	\$ 1,300,000

14
15 **6. Estimated Impact on Future Operating Budgets:**

16 This project creates enhanced space in the jail. A negligible increase in janitorial and building
 17 maintenance efforts are expected.

- 1 **1. Title:** Fund 411 Utility Operations
- 2 **2. Responsible Department(s):** Public Works



3

4 **3. Brief Description and Purpose:**

5 This enterprise fund pays for the operations and maintenance activities for Lynnwood's
 6 combined utility fund, including: Stormwater Operations, Water & Sewer Operations, including
 7 the Wastewater Treatment Plant (WWTP), and Stormwater Engineering. No General Fund
 8 monies support this fund as all revenues come from ratepayer fees. Separate program funds
 9 also follow for the 3 programs in the Utility: Water, Sewer, and Stormwater.

10 **4. Highlights and Changes for 2019-2020:**

11 See the separate forms for the three programs in the Utility Fund. Beginning in 2017, utility
 12 capital funds were budgeted and accounted for in the new Utility Capital Fund 412. Prior to
 13 2017, the operating and capital funds were combined and accounted for in Utilities Fund 411.
 14 Utilities operation and maintenance costs are accounted in Fund 411. In 2017, the remaining
 15 unspent bond funds from the 2015 Utility Revenue Bond issue were transferred to the Utilities
 16 Capital Project Fund 412 as well as the revenue bond proceeds from the 2017 Utility Revenue
 17 bond issue.

18 **Budget Requests for 2019-2020:**

19 There are two requests for additional personnel being made in the 2019-2020 biennial budget.
 20 In addition, there are several one-time requests. See the additional form outlining these
 21 requests. The requests include 2 new FTE's, 3 vehicles, and several one-time items totaling
 22 \$867,500 for the biennium. The Mayor has included the request in her proposed preliminary
 23 budget, however, these additional expenses will not be fully implemented until the utility rate
 24 analysis is underway in 2019 and can verify that the impacts on rates is minimal.

25 Within the last three years, the Wastewater Treatment Plant (WWTP) has received two citations
 26 from Labor and Industries related to operation of chlorine disinfection at the Plant. The level of
 27 effort required to meet these expanding requirements as well as similar requirements City-wide
 28 justifies the need for a city safety officer. The utility will pay a portion of this salary, shared by
 29 other departments that have a similar need. This request is in the General Fund, Human
 30 Resources budget.

31 5. Fund Financial Summary:

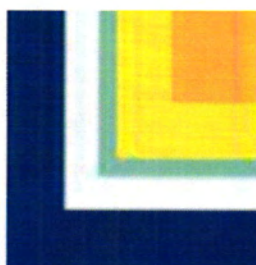
SOURCES & USES OF FUNDS	2016 Actual	2017 Actual	2018 Projection	2017-2018 Revised	2019-2020 Adopted
REVENUES AND OTHER SOURCES:					
Total Beginning Fund Balance	36,809,457	26,978,097	18,396,840	29,470,136	16,625,673
OPERATING REVENUES					
Water Service	6,111,380	6,670,868	7,104,474	12,908,305	15,217,784
Sewer Service	10,221,789	10,350,067	10,764,070	18,758,218	30,658,896
Sewer Connection Fees	-	-	-	-	2,242,651
Storm Service	3,444,819	3,751,447	4,032,806	6,745,096	8,432,194
Investment Interest	152,059	205,599	151,428	60,062	300,000
Capital Contributions	127,786	77,268	75,000	-	-
Grant and Other Revenues	92,429	22,829	164,201	202,418	-
Total Operating Revenue	20,150,262	21,078,078	22,291,979	38,674,099	56,851,525
OPERATING EXPENDITURES					
Debt Service on Revenue Bonds	921,055	808,194	848,138	5,465,913	6,810,609
Purchased Water	1,964,644	2,124,857	2,230,777	4,356,303	4,300,000
Water	2,294,993	2,873,969	2,785,300	6,217,709	6,975,908
Sewer	5,630,416	4,460,094	3,142,226	6,086,018	5,418,853
WWTP	52,804	3,495,668	3,500,000	6,991,630	7,272,870
Storm	1,500,258	2,599,119	2,567,147	5,008,610	5,114,000
R&M - All Utilities	1,049,625	5,685	388	-	-
Total Operating Expenditures	13,413,795	16,367,586	15,073,976	34,126,183	35,892,240
Operating Revenues over (under)					
Operating Expenditures	\$ 6,736,467	\$ 4,710,492	\$ 7,218,003	\$ 4,547,916	\$ 20,959,285
OTHER FINANCING SOURCES					
Transfer from other funds	53,665	-	26,833	53,665	-
Gain (Loss) on Surplus Assets	(126,027)	(1,072,120)	-	-	-
Miscellaneous Revenue	3,187	1,276	3,070	-	-
Revenue Bond Proceeds	-	-	-	17,700,000	-
Other Financing Sources	(69,175)	(1,070,844)	29,903	17,753,665	-
TOTAL REVENUES & OTHER SOURCES	56,890,544	46,985,331	40,718,721	85,897,900	73,477,198
CONSTRUCTION PROJECTS:					
TOTAL CONSTRUCTION PROJECTS	13,514,934	82,030	67,456	-	100,000
OTHER FINANCING USES					
Transfers to Util's Debt Service Fu	1,013,775	1,013,953	1,016,210	2,030,163	1,140,350
Transfer to Other Capital Projects	1,881,750	-	-	560,000	-
Transfers to Fund 513	88,193	-	-	149,800	-
Transfer to Capital Fund 412	-	11,124,922	7,935,406	42,771,883	15,062,453
TOTAL OTHER FINANCING USES	2,983,718	12,138,875	8,951,616	45,511,846	16,202,803
TOTAL EXPENDITURES & OTHER USES	\$ 29,912,447	\$ 28,588,491	\$ 24,093,048	\$ 79,638,029	\$ 52,195,043
ENDING FUND BALANCES	\$ 26,978,097	\$ 18,396,840	\$ 16,625,673	\$ 6,259,871	\$ 21,282,155
TOTAL EXPENDITURES, OTHER USES & FUND BALANCES	56,890,544	46,985,331	40,718,721	85,897,900	73,477,198

32

Note: Prior to 2017, the debt service was consolidated to 'Debt Service on revenue bonds' for presentation purposes only. Debt Service totaled to \$7.5 million for 2017-2018 including the newly estimated 2017 revenue bond principal & interest. 2008 & 2010 revenue bond principal & interest are being transferred to the debt service bond funds 417 & 419 amounting to \$2.1 million in 2017-2018.

6. Fund Personnel [Full-Time Equivalent (FTE)]:

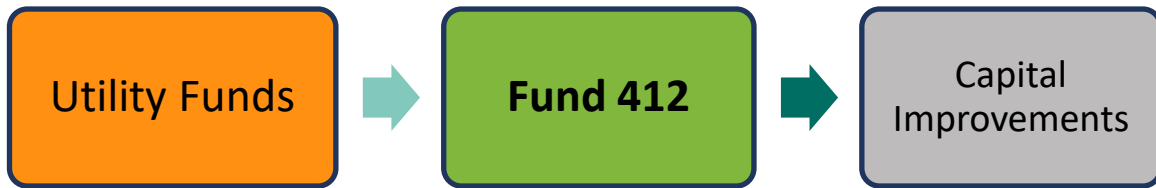
Job Title	Number of FTE					
	2015 Actual	2016 Actual	2017 Actual	2018 Revised	2019 Adopted	2020 Adopted
Director	-	-	-	-	0.30	0.30
Deputy Director, O&M	-	-	0.75	0.75	0.75	0.75
PW Mgr, O&M	-	-	-	0.90	0.90	0.90
Admin Supv	-	-	0.50	0.50	0.30	0.30
Project Manager	1.00	1.00	1.00	1.00	-	-
Foreman	1.00	1.00	1.60	1.60	1.60	1.60
Water Quality Lead	1.00	1.00	1.00	1.00	1.00	1.00
Lead Worker	6.00	6.00	5.00	5.00	5.00	5.00
Supervisor	3.00	3.00	3.60	3.60	3.60	3.60
Maintenance Worker I	5.00	5.00	5.00	5.00	5.00	5.00
Maintenance Worker II	5.00	5.00	5.00	5.00	5.00	5.00
Engineer	-	-	-	-	1.00	1.00
Sr. Engineering Technician	-	-	-	-	2.00	2.00
Senior Support Services Tech	-	-	-	-	1.00	1.00
Engr. Tech 1/Pretreat	1.00	1.00	1.00	1.00	-	-
Engr. Tech 1	1.00	1.00	2.00	2.00	2.00	2.00
Engr. Tech Aide	2.00	2.00	1.00	1.00	-	-
Meter Reader	1.00	1.00	1.00	1.00	1.00	1.00
SCADA Tech	-	-	1.00	1.00	1.00	1.00
WWTP Asst. Supv.	1.00	1.00	1.00	1.00	1.00	1.00
Lead WWTP Operator	-	-	2.00	2.00	2.00	2.00
WWTP Operator	8.00	8.00	7.00	6.00	6.00	6.00
WWTP Operator in Training	-	-	-	-	1.00	1.00
WWTP Lab Tech	2.00	2.00	2.00	2.00	2.00	2.00
WWTP Electrician	-	-	1.00	1.00	1.00	1.00
TOTAL UTILITY 411	38.00	38.00	42.45	42.35	44.45	44.45



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1 **1. Title:** 412 Sewer/Water/Storm Capital Infrastructure Fund

2 **2. Responsible Department(s):** Public Works Department



3
4 **3. Brief Description and Purpose:**

5 This capital fund is for the construction of Sewer/Water/Storm projects.

6 Prior to 2017, both the operating and capital funds were budgeted and accounted for in Utilities
7 Fund 411. In the 2017-2018 Budget, capital funds related to Utilities were budgeted and
8 accounted for in this Fund 412.

9 **4. Highlights and Changes for 2019-2020:**

10 The Utility continues the process of catching up with infrastructure capital maintenance after
11 years of deferred maintenance in the 1990's to mid- 2000's. The big projects for 2019-2020
12 include the reconstruction of Lift Station #4 and Lift Station #8 and associated piping. This work
13 started in 2018. Two buildings at the Treatment Plant will have roofs replaced. Specific water
14 lines in the city will be replaced. Meters will begin to be replaced city-wide with automatic read
15 technology. Flood improvements will be pursued in the Scriber Creek basin.

16 5. Fund Financial Summary:

SOURCES & USES OF FUNDS	2016 Actual	2017 Actual	2018 Projected	2017-2018 Revised	2019-2020 Adopted
REVENUES AND OTHER SOURCES:					
BEGINNING FUND BALANCES	\$ -	\$ -	\$ 1,085,114	\$ -	\$ 19,640,999
OTHER FINANCING SOURCES					
Transfer from P&R Capital	\$ -	\$ -	\$ -	\$ 100,000	\$ -
Transfer from Transportation Capital	-	-	-	100,000	-
Transfer from REET (330 & 331)	-	-	-	300,000	-
Transfer from TBD (150)	-	-	77,000	132,000	-
Transfer from Closed CIPs	-	563,006	-	563,010	-
Transfers In from Utility Fund	-	2,656,244	7,353,075	16,603,205	15,062,453
Investment Interest	-	19,325	12,397	-	17,000
2015 Bond Proceeds	-	8,468,678	-	8,468,678	-
2018 Bond Proceeds	-	-	21,270,000	17,700,000	-
Total Other Financing Sources	-	11,707,253	28,712,472	43,966,893	15,079,453
TOTAL REVS & OTHER SOURCES	\$ -	\$ 11,707,253	\$ 29,797,586	\$ 43,966,893	\$ 34,720,452
CONSTRUCTION PROJECTS:					
Water Tank Modification/Repair-Des	-	1,219,499	681,000	1,800,000	530,450
Automatic Meter Reading Program	-	-	-	1,290,000	3,554,530
Rebuild PRV #2	-	-	-	-	318,270
Waterline Replacement Program	-	2,693,361	149,110	3,034,525	1,060,900
Energy Utility Conservation Projects	-	3,999,445	227,006	3,081,272	-
Phase 2 Scriber Creek Flood Reduction Study	-	12,052	-	3,454,681	-
Water Comp Plan	-	98,554	47,324	146,000	-
LS #10 Wet Well Modifications	-	617,370	1,242	500,000	-
LS #10 Flood Protection - Construction	-	48,543	4,379	507,933	566,500
LS #10 Trash Pump	-	-	-	-	1,339,000
212th Emergency Waterline Repair	-	216	-	-	-
WWTP Hillside Slope Assessment	-	-	15,000	100,000	126,170
Water & Wastewater Modeling On-Call	-	30,012	65,000	40,000	-
Lift Stations 4 & 8, Proj 2 - Piping Construction	-	141,471	5,180,000	16,433,328	300,000
Lift Stations 4 & 8, Proj 3 - Piping Construction	-	162,274	210,000	275,000	3,585,300
Lift Stations 4 & 8, Proj 4 - Facility Construction	-	210,843	350,000	512,450	6,880,400
60th Ave W Utility & Roadway Repair	-	2,052	-	-	-
53rd Ave W Stormwater & Roadway Mod	-	265	-	-	-
Biosolids Incinerator Controls	-	462,172	1,527	470,000	-
Sewer Line Replacement Program	-	-	-	-	2,090,900

17

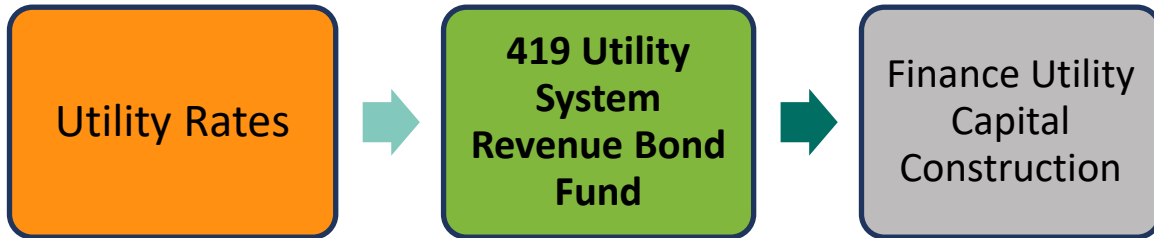
CONSTRUCTION PROJECTS (CONTINUED)

SOURCES & USES OF FUNDS	2016	2017	2018	2017-2018	2019-2020
	Actual	Actual	Projected	Revised	Adopted
Utility Rate Study 2016	-	6,570	13,405	-	-
Beech Road Cosmos Upsizing	-	-	-	-	406,000
Sewer Storage Building (LS #16 site) - Design	-	-	-	-	103,000
Sewer Comp Plan	-	-	-	-	304,500
WWTP Building Repairs	-	103,283	11,594	2,843,611	3,575,000
WWTP Conveyor	-	-	-	-	666,500
WWTP Property Acquisition	-	-	-	50,000	-
Various Repair/Replacement Projects - Sewer	-	-	-	-	1,015,000
Ash Way & Maple Road - Construction	-	157,913	3,200,000	4,782,613	1,081,500
188th St SW Flood Wall Design	-	-	-	-	60,000
188th St SW Flood Wall Construction	-	-	-	-	329,600
Raise Old 196th St SW Design	-	-	-	-	82,400
Raise Old 196th St SW Construction	-	-	-	-	392,533
Remove Structures at Scriber Lake Inlet Desigr	-	-	-	-	77,250
Remove Structures at Scriber Lake Inlet Constr	-	-	-	-	259,920
Culvert Replacements (3 Locations) Design	-	-	-	-	305,539
Scriber Lake WQ Management Plan	-	-	-	-	51,500
Stormwater Comp Plan Update	-	-	-	267,000	58,710
Storm Rehab and Replacement Program	-	-	-	-	209,090
Strategic Opportunities	-	-	-	-	209,090
New Pipe Project	-	-	-	100,000	1,545,000
Construction Inspection (Chip Seal and Rec Ce	-	-	-	200,000	-
Personnel Costs	-	-	-	641,000	-
Capital Project Emergencies	-	-	-	2,218,226	-
TOTAL CONSTR PROJECTS	\$ -	\$ 9,965,895	\$ 10,156,587	\$ 42,747,639	\$ 31,084,552
OTHER FINANCING USES					
Transfer to Interurban Trail-F360	\$ -	\$ 33,000	\$ -	\$ 33,000	\$ -
Transfer to 36th Ave Improvements	-	623,244	-	623,244	-
Transfer to 196th Ave Improvements	-	-	-	-	2,605,900
Transfer to Poplar Way/33rd Extension Phase	-	-	-	-	1,030,000
Total Other Financing Uses	-	656,244	-	656,244	3,635,900
TOTAL EXPEND & OTHER USES	\$ -	\$ 10,622,139	\$ 10,156,587	\$ 43,403,883	\$ 34,720,452
ENDING FUND BALANCES					
Reserved For:					
Designated/Reserved - Construction	-	1,085,114	19,640,999	563,010	-
ENDING FUND BALANCES	-	1,085,114	19,640,999	563,010	-
TOTAL EXPENDITURES, OTHER					
USES & FUND BALANCES	\$ -	\$ 11,707,253	\$ 29,797,586	\$ 43,966,893	\$ 34,720,452

19 **7. Estimated Impact on Future Operating Budgets:**

20 This long list of projects will result in improvements made to existing and worn infrastructure.
21 No additional infrastructure is to be added. The level of resources necessary to maintain these
22 systems is assumed to decrease as crews currently must spend much time and effort
23 maintaining the aging/failing infrastructure that these projects will replace. For example,
24 projects that reduce flooding will result in less crew time dealing with floods and their
25 aftermath. Automatic meter reading technology will greatly reduce meter reading hours.

- 1 **1. Title:** 419 2010 Utility System Revenue Bond Fund
- 2 **2. Responsible Department(s):** Administrative Services

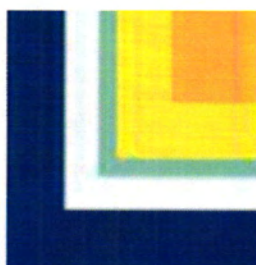


3. Brief Description and Purpose:

The 2008 Utility System Improvement and Refunding Bonds were issued and authorized by Ordinance 2718. The proceeds were used to advance refund the City's outstanding 2008 – Water and Sewer Revenue and Refunding Bonds, part of the cost of carrying out a portion of the plan for utility additions, as well as, to pay for administrative and issuance costs. This fund pays principal and interest on the City's long-term debt.

4. Fund Financial Summary:

SOURCES & USES OF FUNDS	2016 Actual	2017 Actual	2018 Projected	2017-2018 Revised	2019-2020 Adopted
REVENUES AND OTHER SOURCES:					
BEGINNING FUND BALANCES	\$ 884,181	\$ 885,337	\$ 885,337	\$ 885,337	\$ 885,337
REVENUES					
Transfer from Utility Fund 411	566,208	567,241	567,000	1,134,263	1,140,350
Total Revenues	566,208	567,241	567,000	1,134,263	1,140,350
TOTAL REVS & OTHER SCRS	\$ 1,450,389	\$ 1,452,578	\$ 1,452,337	\$ 2,019,600	\$ 2,025,687
EXPENDITURES & OTHER USES					
OTHER FINANCING USES					
Revenue Bond Interest	270,052	262,241	252,000	514,263	475,350
Revenue Bond Principal	295,000	305,000	315,000	620,000	665,000
Total Other Financing Uses	565,052	567,241	567,000	1,134,263	1,140,350
TOTAL EXPEND & OTHER USES	\$ 565,052	\$ 567,241	\$ 567,000	\$ 1,134,263	\$ 1,140,350
ENDING FUND BALANCES					
Reserved For:					
Debt Service - Bond Covenants	885,337	885,337	885,337	885,337	885,337
ENDING FUND BALANCES	\$ 885,337	\$ 885,337	\$ 885,337	\$ 885,337	\$ 885,337
TOTAL EXPENDITURES, OTHER USES & FUND BALANCES	\$ 1,450,389	\$ 1,452,578	\$ 1,452,337	\$ 2,019,600	\$ 2,025,687



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1 **1. Title:** 460 Golf Course Fund

2 **2. Responsible Department(s):** Parks, Recreation & Cultural Arts (PRCA)



3

4 **3. Brief Description and Purpose:**

5 Lynnwood's 76-acre, 18-hole golf course is operated for year-round play and is maintained at a
 6 high level to ensure great playing conditions and to encourage a high volume of users. The Pro
 7 Shop provides clothing and equipment sales, lessons and clinics, and tournament play. The City
 8 has a lease agreement with Edmonds Community College (EdCC) to use the acres housing the
 9 back nine holes. This lease was set to expire in 2021 but was renegotiated by PRCA and EdCC.
 10 Under the new terms, the course now makes a flat rent payment of \$48,000 annually.

11 The Golf Course operates as an enterprise fund overseen by the PRCA Department, and includes
 12 the operation and maintenance of the Golf Course and the Pro Shop by a third-party operator.
 13 In 2014, the City turned over the day-to-day management of the course operations
 14 (maintenance and pro shop responsibilities) to Premier Golf Centers, LLC of Seattle.

15 Premier and the City have a management agreement in place which runs through the end of
 16 2018.

17 Primary Service Lines

- 18 • Green Fee Revenue
- 19 • Food & Beverage
- 20 • Golf Cart Rentals
- 21 • Tournaments & Special Events
- 22 • Club and Pull Cart Rentals

23 **4. Highlights and Changes for 2019-2020:**

24 The past two years have presented the Golf Course with some very challenging circumstances.
 25 Mother Nature offered some of the wettest months in recent history, and two, very-substantial
 26 construction projects impacted accessibility and parking. In 2016, the new roundabout on 68th
 27 Avenue (Golf Course's only entrance point) was constructed right in the middle of the golf
 28 season. The disruption of the traffic flow likely impacted the Golf Course's revenues to a tune of
 29 nearly \$100,000. Next came the construction of the Golf Course parking lot, the most critical
 30 project undertaken at the course since its opening in 1992. This necessary work got a late start
 31 and reduced parking availability during the 2017 season. Despite these disruptions, the course
 32 continued to operate and move forward.

During 2019-2020, the business can get back to a more normal operational atmosphere. The new parking lot has been open for a year and is already showing its importance. Revenues for the months in which the Golf Course directly competed with EdCC's operations for parking (April-June and September-October) are up nearly \$100,000. The additional spaces are directly outside the entrance to the Pro Shop and staff no longer spend time dealing with students who park in the assigned golf spaces. Premier has been aggressively marketing the new parking capacities, and we expect to continue strong performances in the next two years.

Premier is also excited about the new Dynamic Pricing program that is coming in 2019. Premier Golf is using technology from a company called PriSwing to enable dynamic pricing within the current tee time reservation system. PriSwing has created pricing software that will allow us to move the rates up or down based on demand. Dynamic Pricing sets prices in the same manner as airlines and hotels. Course rates are set based on forecasted occupancy and demand: book early, pay less, book late pay more. PriSwing looks back at historical data, weather forecasts, and other variables and calculates occupancy forecasts. These forecasts then set rates based on these calculations and adjust rates up or down. Premier Golf has been live at three courses for the last two months and is in the early testing phase of a software upgrade that will allow for implementation system wide. Dynamic Pricing will increase rounds and revenues by moving golfers who are cost conscious to the times with lower occupancy, opening tee times in the higher occupancy times that will bring a much higher rate. The net effect of this is more revenue and profit at the end of the day while helping both the cost-conscious golfer and the time-conscious golfer get the tee times they want and increasing occupancy.

With the parking lot and golf shop renovations now done, Premier will continue to promote the Golf Course aggressively as we move into 2019. The City and Premier Golf will also embark on some needed deferred maintenance projects to help protect the future of the course. The repair or replacement of the primary well pump will ensure the irrigation water costs for the Golf Course can be kept affordable. This will ensure we minimize the use of potable City water which would increase maintenance costs significantly. The installation of a wash pad near the main putting green will improve efficiencies in daily activities, improve aesthetics, and save labor and fuel. The installation of new irrigation system controllers, which will improve turf quality through better water application, will get started in late 2019 to be finished in time for the 2020 season. In 2020, we will also start the renovation of the office space to the north of the current golf shop to improve the service to golfers and college students. Improvements will include a snack bar with the necessary equipment to provide freshly prepared meals including typical golf course fare, renovation of the cart paths to reduce wear and tear on the golf car fleet and improve customer experience, and installation of a warm up area near the current chipping area.

69 Fund Financial Summary:

SOURCES & USES OF FUNDS	2016 Actual	2017 Actual	2018 Projected	2017-2018 Revised	2019-2020 Adopted
REVENUES AND OTHER SOURCES:					
BEGINNING FUND BALANCES	\$ 289,487	\$ 255,659	\$ 153,261	\$ 626,219	\$ 250,298
OPERATING REVENUES					
Charges for Services	1,018,762	992,180	1,200,000	2,595,823	2,690,361
Equipment Rentals	128,531	130,304	150,000	323,501	338,729
Other Revenues	455	649	1,300	-	1,000
Investment Interest	2,392	3,183	2,600	-	5,000
Total Revenues	1,150,140	1,126,316	1,353,900	2,919,324	3,035,090
OTHER FINANCING SOURCES					
Transfers/Loan from General Fund 011	125,000	-	-	425,000	-
Sale of Capital Assets	4,000	-	-	-	-
Other Financing Sources	129,000	-	-	425,000	-
TOTAL REVS & OTHER SCRS	\$ 1,568,627	\$ 1,381,975	\$ 1,507,161	\$ 3,970,543	\$ 3,285,388
EXPENDITURES & OTHER USES					
OPERATING EXPENDITURES					
Services	1,169,802	1,123,525	1,200,000	2,463,509	2,540,173
Intergovernmental	5,404	5,288	5,500	9,750	9,750
Total Operating Expenditures	1,175,206	1,128,813	1,205,500	2,473,259	2,549,923
Operating Revenues over (under)					
Operating Expenditures	\$ (25,066)	\$ (2,497)	\$ 148,400	\$ 446,065	\$ 485,167
OTHER FINANCING USES					
Capital Expenditures	-	57,091	-	100,000	-
Depreciation	32,154	31,019	35,000	-	106,000
Debt Service	105,608	11,791	16,363	279,489	278,448
Transfer To Capital Project Fund 3	-	-	-	425,000	-
Total Other Financing Uses	137,762	99,901	51,363	804,489	384,448
TOTAL EXPEND & OTHER USES	\$ 1,312,968	\$ 1,228,714	\$ 1,256,863	\$ 3,277,748	\$ 2,934,371
ENDING FUND BALANCES	\$ 255,659	\$ 153,261	\$ 250,298	\$ 692,795	\$ 351,017
TOTAL EXPENDITURES, OTHER					
USES & FUND BALANCES	\$ 1,568,627	\$ 1,381,975	\$ 1,507,161	\$ 3,970,543	\$ 3,285,388

70

71 5. Offsetting Revenues: (if any)

Green Fees	\$2,296,769
Sale of Merchandise	\$156,400
Food & Beverage Sales	\$237,192
Cart Rental	\$338,729
	\$3,029,090

72 **6. Fund Personnel [Full-Time Equivalent (FTE)]:**

Job Title	Number of FTE					
	2013 Actual	2014 Actual	2015 Actual	2016 Revised	2017 Adopted	2018 Adopted
Pro Shop Supervisor	1.00	0.00	0.00	0.00	0.00	0.00
Pro Shop Assistant	0.90	0.00	0.00	0.00	0.00	0.00
Equipment Technician	1.00	1.00	0.00	0.00	0.00	0.00
Foreman	1.00	0.00	0.00	0.00	0.00	0.00
Maintenance Worker II	1.00	1.00	0.00	0.00	0.00	0.00
	4.9	2.0	0	0	0	0

73 Note: Premier Golf Centers, Inc. took over management of course maintenance mid-year 2014.

1 **1. Title:** 510 Equipment Rental Reserve Fund

2 **2. Responsible Department:** Public Works & Administrative Services



3
4 **3. Brief Description and Purpose:**

5 The Equipment Rental Reserve is an internal service fund used to provide for the accumulation
6 of revenues (reserves) which allows for the maintenance and replacement of the City's vehicles
7 and equipment. The Public Works Department took over management of the Fund in 2018
8 while Administrative Services provides the fiduciary accounting of the Fund. The Public Works
9 Department's Fleet Program provides maintenance and replacement services.

10 **4. Highlights and Accomplishments during 2017-2018:**

11 In 2017-2018, the Equipment Rental Reserve Fund replaced several vehicles along with lighting,
12 communications, and other equipment:

- 13 • 15 Police Department vehicles, including two traffic motorcycles, one reader board trailer,
14 five patrol vehicles, three special operations vehicles, two criminal investigation vehicles,
15 and two community health and safety vehicles.
- 16 • 4 Community and Development Ford Escapes.
- 17 • 7 Public Works vehicles and equipment, including four trucks, striping equipment, a
18 sewage pump, and an engineering vehicle.
- 19 • 3 Parks, Recreation and Cultural Arts vehicles and equipment, including one van, one bus,
20 and one truck.

21 **5. Fund Financial Summary:**

SOURCES & USES OF FUNDS	2016 Actual	2017 Actual	2018 Total Projected	2017-2018 Revised	2019-2020 Adopted
REVENUES AND OTHER SOURCES:					
BEGINNING FUND BALANCES	\$ 3,916,235	\$ 4,353,599	\$ 3,265,709	\$ 4,362,612	\$ 4,389,909
OPERATING REVENUES					
Charges For Services	1,360,110	1,723,040	1,600,000	3,316,851	3,195,998
Interest Income	16,636	21,090	25,000		50,000
Other Miscellaneous Revenue	8,943	-	200	-	-
Total Operating Revenues	<u>1,385,689</u>	<u>1,744,130</u>	<u>1,625,200</u>	<u>3,316,851</u>	<u>3,245,998</u>
Sales of Capital Assets	\$ 126,572	\$ 33,157	100,000	\$ 85,000	\$ 168,418
TOTAL REVS & OTHER SCRS	\$ 5,428,496	\$ 6,130,886	\$ 4,990,909	\$ 7,764,463	\$ 7,804,325
EXPENDITURES & OTHER USES					
OPERATING EXPENDITURES					
Operating Expenditures	151,657	44,339	163,000	351,900	438,100
Total Operating Expenditures	<u>\$ 151,657</u>	<u>\$ 44,339</u>	<u>\$ 163,000</u>	<u>\$ 351,900</u>	<u>\$ 438,100</u>
Operating Revenues over (under)					
Operating Expenditures	\$ 1,234,032	\$ 1,699,791	\$ 1,462,200	\$ 2,964,951	\$ 2,807,898
OTHER FINANCING USES					
Capital Expenditures	923,240	2,820,838	438,000	4,983,822	1,900,000
Interfund Loan to Fund 511	-	-	-	-	900,000
Total Other Financing Uses	<u>923,240</u>	<u>2,820,838</u>	<u>438,000</u>	<u>4,983,822</u>	<u>2,800,000</u>
TOTAL EXPEND & OTHER USES	\$ 1,074,897	\$ 2,865,177	\$ 601,000	\$ 5,335,722	\$ 3,238,100
ENDING FUND BALANCES	<u>\$ 4,353,599</u>	<u>\$ 3,265,709</u>	<u>\$ 4,389,909</u>	<u>\$ 2,428,741</u>	<u>\$ 4,566,225</u>
TOTAL EXPENDITURES, OTHER USES & FUND BALANCES	\$ 5,428,496	\$ 6,130,886	\$ 4,990,909	\$ 7,764,463	\$ 7,804,325

22

23

24 **6. Offsetting Revenues: (if any)**

Assessment upon Departments with vehicles (per vehicle & equipment basis)	\$3,195,998
	\$3,195,998

25 **7. Other Comments:**

26 The vehicle/equipment replacement funding is ongoing and expenditure levels will change
 27 from year to year depending on replacement schedules. Below is a schedule of vehicle
 28 replacement by year of purchase:

2019	List of Vehicles to be Purchased					
Dept	Division	Code	Year	Make	Model	EST Capital Cost
705/700/680	Treatment	NEW	2019	FORD	Escape	14,475
705	Treatment	NEW	2019	FORD	Explorer	22,121
510	Park Maint	220	2009	FORD	STAKESIDE	31,954
720	Storm Eng	231	2008	DODGE	CARAVAN	97,281
680	Water	T59	1990	FORD	F350	88,002
680	Water	T89	1999	FREIGHTLINER	MT55	56,087
680	Water	M03	1989	WELD	TRAILER	58,647
660	Streets	105	2005	CHEVY	4500	32,794
660	Streets	M11	1999	THERMO	PLAST	30,281
660	Streets	M52	1998	STRIPING	MACHINE	70,502
700	SEWER	130	2006	CHEVY	3500	67,737
302	CID	-	2015	Panasonic	Toughbooks	13,451
301	Comm Health	258	2012	CHEVROLET	CAPRICE	47,000
301	Comm Health	-	2015	Panasonic	Toughbook	13,451
301	Comm Health	-	2015	Panasonic	FZ-G1	13,311
306	Evidence	135	2006	CHEVY	EXP	30,000
304	Patrol	-	2015	Panasonic	Toughbooks	139,573
308	SOS	224	2009	DODGE	CHARGER	46,000
308	SOS	-	2015	Panasonic	Toughbooks	26,903
310	Traffic	270	2013	H-D	FLHPI	23,000
310	Traffic	272	2013	H-D	FLHPI	23,000
310	Traffic	317	2015	H-D	ELECTRA	23,000
310	Traffic	318	2015	H-D	ELECTRA	23,000
310	Traffic	319	2015	H-D	ELECTRA	23,000
310	Traffic	320	2015	H-D	ELECTRA	23,000
310	Traffic	-	2015	Panasonic	Toughbooks	13,451
310	Traffic	-	2015	Panasonic	FZ-G1	56,619
						1,107,639

29

2020	List of Vehicles to be Purchased					
Dept	Division	Code	Year	Make	Model	EST Capital Cost
630	Bldg & Properties	T11	2002	DODGE	RAM	30,372
630	Bldg & Properties	140	2006	CHEVY	1500	26,858
680	Water	182	2008	FORD	F250	42,695
680	Water	189	2008	CHEVY	1500	32,782
700	Water	187	2008	FORD	F450	45,343
540	Recreation	303	2005	FORD	E450	57,149
820	Permits & Inspectns	172	2008	FORD	ESCAPE	27,476
660	Streets	180	2008	FORD	F250	35,566
725	STORM	181	2008	FORD	SC	48,164
725	STORM	223	2008	KUT	KWICK	77,860
302	CID	257	2013	FORD	TAURUS	33,000
304	Patrol	327	2016	FORD	INTERCEPTOR	47,000
304	Patrol	328	2016	FORD	INTERCEPTOR	47,000
304	Patrol	329	2016	FORD	INTERCEPTOR	47,000
304	Patrol	338	2016	FORD	INTERCEPTOR	47,000
304	Patrol	339	2016	FORD	INTERCEPTOR	47,000
304	Patrol	341	2016	Ford	INTERCEPTOR	47,000
304	Patrol	351	2017	CHEVY	TAHOE	46,000
						785,266

30

- 1 **1. Title:** 511 Equipment Rental Operations Fund - Fleet
- 2 **2. Responsible Department(s):** Public Works



- 3
- 4 **3. Brief Description and Purpose:**

5 Fund 511 pays for the Fleet mechanics who service Lynnwood's vehicles and equipment. This
 6 fund also pays for motor fuel costs. All revenue comes from direct charges to the departments
 7 for maintenance, repairs, and fuel, and South County Fire (SCF). No direct allocation of General
 8 Funds occur for this Fund.

- 9 **4. Highlights and Accomplishments for 2017-2018:**

10 The 2017-2018 biennium was the first budget period where Fleet Operations operated as a cost
 11 recovery unit. 100% of the Fleet mechanic's work is billed out to Lynnwood and SCF customers.
 12 To cover the mechanic's overhead, which includes all utilities at the Shop but no rental costs for
 13 space, the hourly Shop Rate was increased to \$117/hr. For 2019-2020, the only expected
 14 increase in overhead is labor inflation with the Shop Rate increasing to \$120/hr.

15 *-continued next page-*

5. Fund Financial Summary:

SOURCES & USES OF FUNDS	2016 Actual	2017 Actual	2018 Total Projected	2017-2018 Revised	2019-2020 Adopted
REVENUES AND OTHER SOURCES:					
BEGINNING FUND BALANCES	\$ 229,250	\$ 105,019	\$ 72,888	\$ 236,989	\$ 8,238
OPERATING REVENUES					
Charges For Services - City	1,275,232	770,295	425,194	2,152,292	973,700
Charges For Services - RFA	356,425	488,533	624,806	800,000	1,500,000
Other Miscellaneous Revenue	56	15,433	350	-	-
Total Operating Revenues	1,631,713	1,274,261	1,050,350	2,952,292	2,473,700
Interfund Loan from Fund 510	70,000	355,000	620,000	-	900,000
TOTAL REVS & OTHER SCRS	\$ 1,930,963	\$ 1,734,280	\$ 1,743,238	\$ 3,189,281	\$ 3,381,938
EXPENDITURES & OTHER USES					
OPERATING EXPENDITURES					
Operating Transfer to Fund 513	18,428	-	-	44,800	-
Operating Expenditures	1,637,511	1,583,515	1,380,000	2,652,350	2,755,573
Total Operating Expenditures	\$ 1,655,939	\$ 1,583,515	\$ 1,380,000	\$ 2,697,150	\$ 2,755,573
Operating Revenues over (under)					
Operating Expenditures	\$ (24,226)	\$ (309,254)	\$ (329,650)	\$ 255,142	\$ (281,873)
OTHER FINANCING USES					
Payback Interfund Loan from Fund 011	170,005	-	-	-	-
Payback Interfund Loan from Fund 510		70,000	355,000	-	620,000
Capital Expenditures	-	7,877	-	-	-
Total Other Financing Uses	170,005	77,877	355,000	-	620,000
TOTAL EXPEND & OTHER USES	\$ 1,825,944	\$ 1,661,392	\$ 1,735,000	\$ 2,697,150	\$ 3,375,573
ENDING FUND BALANCES	\$ 105,019	\$ 72,888	\$ 8,238	\$ 492,131	\$ 6,365
TOTAL EXPENDITURES, OTHER USES & FUND BALANCES	\$ 1,930,963	\$ 1,734,280	\$ 1,743,238	\$ 3,189,281	\$ 3,381,938

6. Offsetting Revenues: (if any)

Fire District No. 1 Interlocal Agreement, estimated	\$1,500,000
	\$1,500,000

7. Fund Personnel [Full-Time Equivalent (FTE)]:

Job Title	Number of FTE					
	2015 Actual	2016 Actual	2017 Actual	2018 Revised	2019 Projected	2020 Projected
Supervisor	1	1	1	1	1	1
Heavy Equip. Mech	2	3	4	4	4	4
Change Out Tech	1	1	1	1	1	1
Fleet Admin	0	0	1	1	1	1
Total Fleet F511	4	5	7	7	7	7

1 **1. Title:** 513 Lynnwood Shop Operations Fund

2 **2. Responsible Department(s):** Public Works

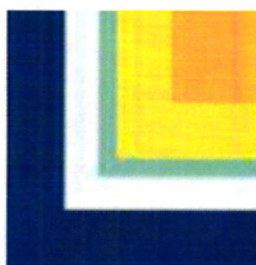


3
4 **3. Brief Description and Purpose:**

5 This fund pays the utility bills at the Lynnwood Maintenance and Operations Center (LOMC), and
6 funds repair and minor upgrades for the facility. The revenue for this fund is transferred from
7 the Public Works divisions housed at the LOMC: Streets Operations; Stormwater Operations;
8 Water & Sewer Operations; and Fleet Operations. No direct allocation of General Funds occur
9 to this fund.

10 **4. Fund Financial Summary:**

SOURCES & USES OF FUNDS	2016 Actual	2017 Actual	2018 Total Projected	2017-2018 Revised	2019-2020 Adopted
REVENUES AND OTHER SOURCES:					
BEGINNING FUND BALANCES	\$ 202,158	\$ 325,796	\$ 161,183	\$ 258,677	\$ 116,933
OPERATING REVENUES					
Charges For Services - Interfund	188,840	115,750	115,750	-	235,000
Other Miscellaneous Revenue	-	-	-	-	-
Total Operating Revenues	188,840	115,750	115,750	-	235,000
OTHER FINANCING SOURCES					
Transfer From Fund 111	25,010	-	-	37,400	-
Transfer From Fund 411	88,193	-	-	149,800	-
Transfer From Fund 511	18,428	-	-	44,800	-
TOTAL TRANSFERS	131,631	-	-	232,000	-
TOTAL REVS & OTHER SCRS	522,629	441,546	276,933	490,677	351,933
EXPENDITURES & OTHER USES					
OPERATING EXPENDITURES					
Operating Expenditures	119,163	160,542	150,000	214,930	210,000
Total Operating Expenditures	119,163	160,542	150,000	214,930	210,000
Operating Revenues over (under)					
Operating Expenditures	\$ 69,677	\$ (44,792)	\$ (34,250)	\$ (214,930)	\$ 25,000
OTHER FINANCING USES					
Capital Expenditures	77,670	119,821	10,000	61,137	25,000
Total Other Financing Uses	\$ 77,670	\$ 119,821	\$ 10,000	61,137	\$ 25,000
TOTAL EXPEND & OTHER USES	\$ 196,833	\$ 280,363	\$ 160,000	276,067	\$ 235,000
ENDING FUND BALANCES	\$ 325,796	\$ 161,183	\$ 116,933	\$ 214,610	\$ 116,933
TOTAL EXPENDITURES, OTHER USES & FUND BALANCES	\$ 522,629	\$ 441,546	\$ 276,933	\$ 490,677	\$ 351,933



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- 1 **1. Title:** 515 Self-Insurance Fund
- 2 **2. Responsible Department(s):** Administrative Services



3. Brief Description and Purpose:

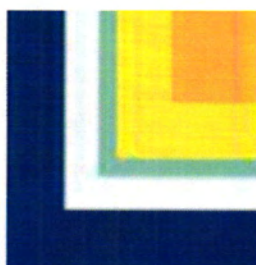
This fund accounts for collecting insurance assessments from all departments--and in turn paying for: professional services; insurance premiums; claims; defense costs; investigation costs; and judgments. The fund does not assess charges for overhead or administration.

The program includes insurance for claims and judgments (including costs) above specified deductible(s). A third-party, claims administrator (assisted by staff) investigates all claims. The claims adjuster recommends a disposition for each claim. A quarterly review includes relevant department personnel, representatives of the Executive Department and Administrative Services, and the City Council Finance Committee.

The primary sources of revenue for this biennial budget are from internal services charges, investment income, and other sources such as insurance subrogation recovery.

4. Fund Financial Summary:

SOURCES & USES OF FUNDS	2016 Actual	2017 Actual	2018 Projected	2017-2018 Revised	2019-2020 Adopted
REVENUES AND OTHER SOURCES:					
BEGINNING FUND BALANCES	\$ 68,918	\$ 165,895	\$ 164,270	\$ 165,895	\$ 166,270
OPERATING REVENUES					
Charges For Services	827,068	-	-	1,680,749	1,746,000
Insurance Recoveries	54,820	808	-	12,000	10,000
Investment Interest	580	-	2,000	-	2,000
Total Operating Revenues	882,468	808	2,000	1,692,749	1,758,000
Transfer From the General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL REVS & OTHER SCRS	\$ 951,386	\$ 166,703	\$ 166,270	\$ 1,858,644	\$ 1,924,270
EXPENDITURES & OTHER USES					
OPERATING EXPENDITURES					
Insurance	675,245	(57)	-	1,473,000	1,746,000
Attorney's Fees	-	-	-	10,000	10,000
Judgments and Claims	110,238	2,335	-	100,000	100,000
Interfund interest	8	155	-	-	-
Total Operating Expenditures	\$ 785,491	\$ 2,433	\$ -	\$ 1,583,000	\$ 1,856,000
Operating Revenues over (under)					
Operating Expenditures	\$ 96,977	\$ (1,625)	\$ 2,000	\$ 109,749	\$ (98,000)
TOTAL EXPEND & OTHER USES	\$ 785,491	\$ 2,433	\$ -	\$ 1,583,000	\$ 1,856,000
ENDING FUND BALANCES	\$ 165,895	\$ 164,270	\$ 166,270	\$ 275,644	\$ 68,270
TOTAL EXPENDITURES, OTHER					
USES & FUND BALANCES	\$ 951,386	\$ 166,703	\$ 166,270	\$ 1,858,644	\$ 1,924,270



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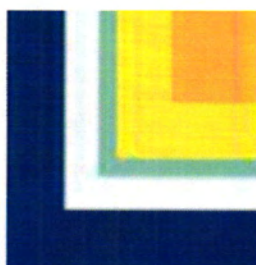
1. Title: 520 Technology Reserve Fund
2. Responsible Department(s): Information Technology & Administrative Services

3. Brief Description and Purpose:

This fund, which is new for this biennium, accounts for assessments upon all departments--and in turn pays for: scheduled replacement of desktop computers, laptops, and similar devices. Such replacements will occur approximately every four years. This approach supports employee productivity (minimal equipment down-time and the ability to apply new innovation), and can allow the Information Technology Department (IT) to achieve other priorities (employee hardware will require less maintenance). The fund does not assess charges for overhead or administration. Furthermore, this new program will allow departments to avoid expenditure "spikes" and instead contribute one-quarter of the cost of equipment replacement each year. Devices such as cellular telephones and tablets are not included in this replacement program.

4. Fund Financial Summary:

SOURCES & USES OF FUNDS	2016 Actual	2017 Actual	2018 Projected	2017-2018 Revised	2019-2020 Adopted
REVENUES AND OTHER SOURCES:					
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -
OPERATING REVENUES					
Charges For Services - Other Depts:					
IT Equipment Reserves	-	-	-	-	237,750
Investment Interest	-	-	-	-	4,000
Total Operating Revenues	-	-	-	-	241,750
Transfer From the General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL REVS & OTHER SCRS	\$ -	\$ -	\$ -	\$ -	\$ 241,750
EXPENDITURES & OTHER USES					
OPERATING EXPENDITURES					
Computer Equipment Replacement	-	-	-	-	80,000
Total Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ 80,000
Operating Revenues over (under)					
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ 161,750
TOTAL EXPEND & OTHER USES	\$ -	\$ -	\$ -	\$ -	\$ 80,000
ENDING FUND BALANCES					
Reserved For:					
Future IT Equipment Purchases	-	-	-	-	161,750
ENDING FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ 161,750
TOTAL EXPENDITURES, OTHER					
USES & FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ 241,750



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Budget Compliance with Adopted Financial Policies

Section	Policy (summarized)	Compliance with Financial Policies?	Note
2.A	Maintain fiscal integrity of operating, debt service, and capital improvement budgets while providing level of public goods and services within the city's fiscal capacity.	Yes	All operating, debt service, and capital budgets fully balanced. Budgeting for Outcomes (BFO) process aligns services with resources.
3.A	Financial Policies used to guide major policy initiatives and incorporated in Budget.	Yes	Priority 2 of Strategic Plan calls for fiscal sustainability. Financial Policies referenced and incorporated into Mayor's Budget Message and adopted Budget, 2019-2020 (appendix).
3.B	Biennial budget to be consistent with State law (RCW) and Lynnwood Municipal Code (LMC).	Yes	None.
3.C	Clarification of nomenclature for "proposed preliminary budget" and "preliminary budget".	Yes	None.
3.D	Specifies public hearing requirements.	Yes	See budget calendar.
3.E	Preliminary Budget to reference consistency with Financial Policies.	Yes	The Mayor's Budget Message and this table.
3.F	Budget to be consistent with: i) Community Vision; ii) performance measures; and iii) BFO.	Yes	Per Resolution 2015-05, BFO methodology focused upon General Fund. Operating and capital expenditures referenced to Community Vision and/or other adopted plan.
3.G	General Fund budget requests to include written assessment of consistency with: i) Community Vision; ii) mandatory v. optional; and iii) fiscal sustainability.	Yes	All General Fund BFO Program narratives contain this information.
3.H	Budget should provide for maintenance of capital assets.	Yes	Budget includes \$2.2 million transfer from General Fund to Capital, and \$2+ million transfer from General Fund to the Street Fund. Capital improvement plan implements adopted project and utility plans. Maintenance of the Capital Assets is included in the Streets, Enterprise, and Other Operating budgets.

Budget Compliance with Adopted Financial Policies

Section	Policy (summarized)	Compliance with Financial Policies?	Note
3.I	Budget consistent with financial forecasting and reporting.	Yes	Six-year financial forecast developed at the initiation of the budget process. Financial reports issued not less than quarterly to inform ongoing operations.
3.J	Budgets shall be structurally balanced.	Yes	Ongoing revenue equal or greater than ongoing expenses. One-time revenues not applied to ongoing expenses. Budget provides for unassigned reserves specified by Financial Policies.
3.K	Mayor to submit balanced Preliminary Budget.	Yes	See Preliminary Budget dated October 8, 2018, including transmittal memo.
3.L	Reserves to be clearly illustrated, including beginning and end fund balances.	Yes	See Budget's Financial Forecast 2018-2022.
3.M	Budget process to be consistent with State law and with early public involvement.	Yes	See Mayor's transmittal memo. Community workshop held June 4, 2018 and numerous public meetings held.
3.N	Budget to be integrated with capital facilities planning.	Yes	Adopted Budget, 2019-2020 includes capital and enterprise funds.
3.O	Budget to provide for substantive end-of-employment payouts.	Yes	Non-Departmental Fund allocates \$200,000 for this purpose.
4.A	Six-year financial forecasts required.	Yes	Financial forecast provided in Budget Overview section. Forecasting methodology considers "conservative", "moderate", and "optimistic" scenarios for revenues and expenditures. Published forecast based upon best information available.
4.B	Financial forecasts to include: i) reserves; ii) revenue to support capital projects; and iii) serve as a basis for decision-making.	Yes	Financial forecast, provided in Budget Overview section, achieves these provisions.

Budget Compliance with Adopted Financial Policies

Section	Policy (summarized)	Compliance with Financial Policies?	Note
4.C	Financial decisions to be consistent with adopted financial forecasts and long-range plans. Staff shall provide financial analysis and "fiscal note" for all action items on Council agendas.	Yes	Budget decisions are based upon financial forecast and adopted plans. For City Council agendas, staff provides financial information for project-specific action items, but inconsistently for planning and policy action items.
4.D	Assumptions used in Capital Facilities Plan (CFP) and Strategic Financial Plan (SFP) to be clarified.	Yes	CFP and SFP are based upon assumptions regarding revenue, project costs, and schedules. Notes clarify major assumptions.
4.E	Long-range planning for capital improvements shall be outcome-oriented.	Yes	Proposed CFP and SFPs address future needs, and determined by Public Works Department, internal Capital Facilities Committee, internal Strategic Planning Steering Committee, Council Finance Committee, and the City Council.
4.F	Forecasts to be used in updating the Long-Term Financial Plan.	Yes	The Long-Term Financial Plan has not been updated. This plan was developed specifically to address conditions created by the Great Depression, and have low relevance to current conditions.
5.A	General Fund to provide reserve balances not less than 2.5 months of operating revenue of the prior fiscal year.	Yes	Financial forecasting and adopted Budget, 2019-2020 account for General Fund reserves (Revenue Stabilization and unassigned fund balance) are approximately \$11 million. See Budget Introduction and Budget Overview sections.
5.B.iii	Utility Operating Fund to provide reserve equaling 90, 45, and 30 days of operating expenses for Water, Sewer, and Storm, respectively.	Yes	Adopted Budget, 2019-2020 provides reserves called by for this policy.
5.B.iv	Utility Capital Fund to provide reserves equaling 1%, 2%, and 1% of all Original Asset Values for Water, Sewer, Storm, respectively.	Yes	Adopted Budget, 2019-2020 provides reserves called by for this policy.
5.B.v	The Golf Fund to provide reserves equaling 30 days of operating expenses.	Yes	Adopted Budget, 2019-2020 provides reserves called by for this policy.
6.A	Regular financial reports shall show and monitor actual performance relative to the adopted budget.	Yes	The Administrative Services Department issues detailed, quarterly progress reports. Such reports are prepared for most months. All reports are reviewed by the City Council Finance Committee.

Budget Compliance with Adopted Financial Policies

Section	Policy (summarized)	Compliance with Financial Policies?	Note
7.A	To the extent possible, stable sources of revenue shall fund municipal services. Financial reports shall include revenue performance.	Yes	Sales tax constitutes the majority (67%) of Lynnwood's General Fund revenue [especially following voter approval of the Regional Fire Authority (RFA)]. Sales tax revenue is monitored monthly to allow the City to adjust to changing conditions.
7.B	Potential grants shall be evaluated for financial sustainability.	Yes	City Council authorization is required for new grants.
8.A	The City shall maintain a comprehensive fee schedule, including development-related, regulatory, recreation, general, and enterprise-related fees.	Yes	Lynnwood's fee schedules, codified within Title 3 LMC, are reviewed and updated frequently.
9	Utility rates shall be evaluated at three-year intervals, and conform to industry standards.	Yes	Utility Fund budgets are based largely upon utility rate studies prepared at three-year intervals for six-year horizons. Utility rates are set to provide adequate revenues through incremental adjustment. The last rate study was completed in 2016 and another study will be completed in 2019.
10.A	Ongoing, operating expenditures shall be funded by ongoing, operating revenue. Capital expenditures may be funded by one-time revenue, with operational and maintenance expenses accounted.	Yes	Street and Utility Funds clearly differentiate between capital and operating expenses and revenue. New capital investments include analysis of ongoing operational expenses.
10.B	Department directors are responsible for managing budgets within the department appropriation.	Yes	None.
10.C	The City shall account for expenditures according to State Auditor standards.	Yes	None.
10.D	The City shall assess funds for services provided internally by other funds.	Yes	The Budget provides for inter-fund transfers for many services provided internally. Examples include: Utility Fund transfers to the General Fund for general administrative services; Information Technology Reserve Fund (520); Equipment Rental (510 & 511); placement Fund; and Construction Management services.
10.E	Increasing the City's workforce shall be considered only after assessment of other means to improve productivity or other measures.	Yes	The number of full-time equivalent (FTE) employees is documented in the Budget Overview section. Non-budgeted staffing changes require City Council authorization.

Budget Compliance with Adopted Financial Policies

Section	Policy (summarized)	Compliance with Financial Policies?	Note
10.F	Planning for employee compensation shall focus on the total cost of compensation.	Yes	The Budget, and the Financial Forecast upon which it is largely based, considers changes in salary and employer-provided benefits.
10.G	Enterprise Funds shall be self-sustaining, and provide for transfers to the General Fund for appropriate administrative services.	Yes	Each Enterprise Fund is prepared separate from other Funds, and includes appropriate transfers to the General Fund.
11.A	Short-term (one year) reductions in revenue to be addressed within the scope of the adopted biennial budget, as determined by the Mayor and City Council.	Yes	Regular reporting of financial performance allows for mid-budget adjustments as warranted.
11.B	Long-term revenue downturns shall be addressed through financial forecasting, reducing expenditures, and/or identification of new secured revenue. Deficit financing (borrowing) shall be avoided.	Yes	Regular reporting of financial performance allows for mid-budget adjustments as warranted.
11.C	In the event actual revenues are less than budgeted revenues for two consecutive quarters, the Mayor shall propose budget adjustments to address the deficits.	Yes	None.
12	Not applicable to budgeting. Section 12 prescribes policies that guide the City's investment in interest-earning securities.	Yes	None.
13	Not applicable to budgeting. Section 13 prescribes policies that guide the City's assumption of debt.	Yes	None.
14.A	A Capital Development Fund shall be used to provide monies for the six-year CFP. A minimum of \$1.1 million per year shall be allocated to the Capital Development Fund.	Yes	See Fund 333. The two-year Budget includes General Fund transfers of \$2.2 million to Fund 333.
14.B	Contributions to development funds shall be made from funds as identified in the budgeting process.	Yes	Budget includes \$2.2 million transfer from General Fund to Capital, and \$2+ million transfer from General Fund to the Street Fund.

Budget Compliance with Adopted Financial Policies

Section	Policy (summarized)	Compliance with Financial Policies?	Note
15.A-E	Requires preparation and adoption of a six-year CFP which is consistent and integrated with the Comprehensive Plan, SFP, and the adopted budget.	Yes	Budget includes funding for capital improvements consistent with the CFP and SFP. For the 2019-2020 Budget, integrated and incorporated capital funds as part of the regular budget process.
16.A	The adopted budget shall include a Program Development Fund as defined by the LMC.	Yes	See Fund 099.
16.B	The adopted budget shall include Fireman's Pension Fund as prescribed by RCW.	Yes	Fireman's Pension Fund is a "fiduciary" fund (Fund #611) that is included in our CAFR, but not required to be in Lynnwood's budget.

Financial Policies

Rewrite April 10, 2017, Resolution 2017-07
 Revised November 28, 2016, Resolution 2016-19
 Reformatted 11/20/2015
 Revised November 10, 2014, Resolution 2014-20
 Revised May 9, 2011, Resolution 2011-06
 Revised April 11, 2005, Resolution 2005-04
 Revised April 15, 2003, Resolution 2003-06
 Adopted August 14, 2000, Resolution 2000-12

Lynnwood's Community Vision articulates core values and norms that include fiscal sustainability, accountability, economic vibrancy, and transparency. The safekeeping, proper use and management of the City resources are essential to responsible and responsive public service and governance. Standards and best practices for the management of City resources are set forth by entities which include the Internal Revenue Service, State Legislature, State Auditor's Office (SAO), Department of Revenue, Government Financial Officers' Association (GFOA), Government Accounting Standards Board (GASB), and the Lynnwood Municipal Code (LMC). Lynnwood's Financial Policies (Policies) support and augment those provisions, so that all fiscal decisions and actions adhere to and implement each of these objectives.

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1. Application and Administration

- A. It is the intent of the City Council to utilize and reference these policies in decisions and other actions with financial ramifications for the City. Also, these policies shall be put into effect by adherence to the Long Term Financial Plan. And, it is anticipated that good financial management should include regular review, amendment, and adjustment of the Long Term Financial Plan. This section outlines examples of when and how these policies should be utilized.
- B. The use of “shall” indicates the City’s intent to closely adhere to the stated policy. The use of “should” or “may” indicates a preferred approach. These policies serve to guide the City Council while enabling flexibility for the Council to respond to specific circumstances.
- C. Review of Financial Policies:
- i. The Financial Policies should be reviewed with the review of the Second-Quarter Financial Report. This review may include recommended changes to the Policies.
 - ii. This section should not preclude the review and amendment of the Financial Policies at other times, as deemed necessary by the City Council.

2. General Policies

- A. The City shall maintain the fiscal integrity of its operating, debt service, and capital improvement budgets. It is the City's intent to maintain fiscal integrity while providing a level of public goods and services that is within the city's fiscal capacity.

3. Budgeting: General

- A. These Financial Policies shall be used to guide major policy initiatives and shall be incorporated or summarized in the adopted biennial budget document.
- B. The City of Lynnwood shall prepare and adopt a biennial budget in accordance with Chapter 35A.34 RCW, Chapter 2.72 LMC, and these Policies. Fiscal years shall begin on January 1st and conclude on December 31st.
- C. For clarity, the budget document required by RCW 35A.34.070 and LMC 2.72.030 shall be referred to as the “proposed preliminary budget”, and the budget document required by RCW 35A.34.080-100 and LMC 2.72.040 shall be referred to the “Preliminary Budget”.
- D. Pursuant to the opinion of the Municipal Research and Services Center (MRSC) published on October 30, 2015, the City shall conduct a minimum of two public hearings on the Preliminary Budget, and a minimum of one public hearing fixing the final budget. One of the two public hearings required for the Preliminary Budget may be the public hearing required for the property tax levy.

- 1 E. The Preliminary Budget shall include reference to these Financial Policies,
2 including:
- 3 i. An assessment of its conformance to the Financial Policies and an
4 explanation if there are areas of non-conformance.
- 5 ii. References as to how the Financial Policies were used to develop
6 recommendations for balancing the budget.
- 7 F. The proposed preliminary budget, Preliminary Budget, adopted budget, and the
8 mid-biennial modification of the adopted budget shall be based upon, and
9 consistent, with:
- 10 i. The Community Vision.
- 11 ii. Performance management/measurement techniques and principals set
12 forth by the Mayor.
- 13 iii. The method of Budgeting for Outcomes (BFO), also known as Priority-
14 Based Budgeting, as indicated in Resolution 2015-05.
- 15 G. General Fund budget requests in the Preliminary Budget and the mid-biennial
16 modification shall include a written assessment of:
- 17 i. How the proposal is consistent with and furthers the Community Vision.
- 18 ii. Whether the service or program is mandatory (required by law) or
19 discretionary (optional), and whether the service or program can be achieved
20 through other means.
- 21 iii. The degree to which the service or program is fiscally sustainable.
- 22 H. The budget should provide for adequate maintenance of capital assets.
- 23 I. The budget process shall be consistent with and integrated with long-term
24 forecasting and ongoing financial reporting.
- 25 J. It is the policy of the City of Lynnwood to adopt structurally-balanced budgets.
- 26 i. A structurally-balanced budget shall mean:
- 27 a. Ongoing expenditures shall be provided for by anticipated ongoing
28 revenue.
- 29 b. Ongoing expenditures do not include:
- 30 (1) "One-time" items such as capital outlay, projects or studies.
- 31 (2) Allocations to other funds dependent on general revenues sufficient to
32 balance dependent budgets (i.e.: Street Fund, Solid Waste Fund).
- 33 ii. Anticipated ongoing revenues may include:

- 1 a. Reoccurring revenue such as taxes, fees, etc.
- 2 b. A reasonable amount of resources remaining unspent from the previous
- 3 year's budget based on historical experience and an assessment of the
- 4 current budget.
- 5 c. A portion of the unencumbered fund balance above the minimum levels
- 6 established by this policy.
- 7 d. Reoccurring transfers from other funds.
- 8 **K. The Mayor shall submit a balanced Preliminary Budget.**
- 9 a. The Mayor's budget proposal shall balance all city funds.
- 10 b. The transfers between funds shall be clearly illustrated.
- 11 c. The use any proposed new revenues from proposed new fees or taxes
- 12 should be clearly illustrated.
- 13 **L. The anticipated amounts of reserves should be clearly illustrated.**
- 14 a. The reserve estimates shall be provided for the beginning and the end of
- 15 the Preliminary Budget period (beginning and ending fund balances).
- 16 **M. The budget shall be developed consistent with State law and in a manner which**
- 17 **encourages early involvement with the public and City Council as provided for by**
- 18 **Chapter 2.72 LMC.**
- 19 **N. The budget shall integrate into Capital Facilities Plan (CFP) and Strategic**
- 20 **Financial Plan (SFP). The budget shall be consistent with the current year of the**
- 21 **CFP and SFP. Budget planning activities shall be based on the next year of the**
- 22 **SFP.**
- 23 **O. The budget shall provide an account for one-time expenditures associated with**
- 24 **an employee's end of employment. The Finance Director may establish**
- 25 **administrative procedures specifying the conditions under which such funds may**
- 26 **be expended.**

4. Financial Forecasts

- 28 **A. As a part of each biennial budget process, the City shall prepare six-year**
- 29 **expenditure and revenue forecasts for the City's principal operating and capital**
- 30 **funds.**
- 31 i. Revenue forecasts for major revenues (those which represent at least 10% of
- 32 the General Fund) should include "conservative", "moderate", "optimistic"
- 33 forecasts and the assumptions used for each. The forecasts shall be based
- 34 on the best information available and should reference assumptions and data
- 35 sources.

- ii. Revenue forecasts should include all sources of revenue.
- iii. Forecasts shall include alternative expenditure scenarios, based on different policy and economic assumptions.

B. Financial Forecasts shall:

- i. Incorporate plans for reserves and specific fund balances.
- ii. Include revenue streams as may be appropriate to support capital projects in accordance with the city's Capital Facilities Plan and Strategic Investment Plan Component.
- iii. Serve as a basis for decision making that may affect long-term trends and financial needs.

C. All financial decisions shall be within the context of the long-range planning forecast and other related long-range plans (Capital Facilities Plan / Strategic Financial Plan). Staff shall provide a review of the implications of budgetary and other fiscal proposals on these long-range forecasts and plans. Staff shall include a "fiscal note", in a format to be provided by the Finance Director and approved by the Council, with each action item on the council agenda. If no note is deemed necessary, the agenda cover sheet shall so state.

D. Assumptions used in the CFP and SFP shall be noted and defined.

E. Basis of long-range planning shall be outcome oriented. In accordance with Chapters 2.70 and 2.72 LMC, and Resolution 2000-03, the City shall strive to illustrate the output from CFP and SFP expenditures.

F. The forecasts developed under these policies shall be incorporated into the adopted Long-Term Financial Plan which shall be periodically updated and reviewed consistent with the updating of the financial forecasts as set forth by these policies.

5. Reserves

A. Reserves, General Fund

- i. Adequate reserve levels are a necessary component of the City's overall financial management strategy and key factor in external agencies' measurement of the City's financial strength. Collectively, the adopted budget should include General Fund reserve balances equaling not less than 2.5 months of the operating expenditures of the prior fiscal year. The reserves specified by this policy consist of the aggregate total of the General Fund Unassigned Fund Balance and the Revenue Stabilization Fund balance.
- ii. The purpose of the General Fund Unassigned Fund Balance is to provide for adequate operating cash and to cover receivables until they are collected.

Achieving and maintaining this unassigned fund balance is the highest priority over developing and maintaining other general fund reserves.

iii. The purpose of the reserves of the Revenue Stabilization Fund is to help protect the city from major economic downturns and other unanticipated, adverse financial conditions.

iv. City Council authorization shall be required for expenditure of Unassigned Fund Balance or Revenue Stabilization Fund Balance.

B. Reserves, Enterprise Funds

i. Adequate reserve levels are a necessary component of the overall financial management strategy for enterprise funds such as utilities, and a key factor in external agencies' measurement of the City's financial strength.

ii. City Council authorization shall be required for expenditure of Enterprise Fund Reserves.

iii. Utility Operating Fund.

a. The purpose of Utility Operating Fund reserves is to provide for adequate operating cash and to cover receivables until they are collected.

b. The reserve balance target for the Water Utility is the amount equivalent to 90 days of operating expenses.

c. The reserve balance target for the Sewer Utility (wastewater) is the amount equivalent to 45 days of operating expenses.

d. The reserve balance target for the Storm Utility (stormwater) is the amount equivalent to 30 days of operating expenses.

iv. Utility Capital Fund.

a. The purpose of Utility Capital Fund reserves is to provide funding for emergency repairs, unanticipated capital expenses, and project cost overruns.

b. The reserve balance target for the Water Utility is the amount equivalent to 1% of all Original Asset Values.

c. The reserve balance target for the Sewer Utility (wastewater) is the amount equivalent to 2% of all Original Asset Values.

d. The reserve balance target for the Storm Utility (stormwater) is the amount equivalent to 1% of all Original Asset Values.

v. Golf Fund.

- a. The reserve balance target for the Golf Fund is the amount equivalent to 30 days of operating expenses.

6. Reporting: General

- A. The Administrative Services Department shall prepare financial reports that show and monitor actual performance in various expenditures and revenues with the adopted budget and planning forecasts.

- i. The reporting system shall include a financial analysis of the overall financial status of the City and of its key funds, including, but not limited to, an analysis of all available financial resources.

- ii. This analysis should discuss the current financial status, and the immediate and longer-term future financial status.

- iii. A complete analysis shall be prepared quarterly with monthly updates.

- iv. Quarterly financial reports shall include a summary of Departments' progress regarding the performance measures set forth in the adopted budget.

7. Revenues: General

- A. To the extent possible, diversified and stable sources of revenue shall be maintained to shelter public services from downward fluctuations in any one revenue source. Periodic financial reports shall include trend analysis of the City's primary sources of revenue.

- B. All potential grants shall be carefully examined for matching requirements. Some grants may not be accepted if the local matching funds cannot be justified. Grants may also be rejected if programs must be continued with local resources after grant funds are exhausted.

8. Revenues: Fees and Charges

- A. The City shall develop and maintain a comprehensive schedule of fees and charges.

- i. The fees and charges should be reviewed in connection with each biennial budget.

- ii. Fees shall be reviewed by general type as described below:

- a. Development-related fees (land use, building and property, fire marshal's office and engineering fees) shall be established by ordinance; adjusted for inflation and periodically subjected to a comprehensive rate analysis. Development-related fees should be based on recovering costs of permitting and inspection services.

- b. Regulatory Fees (such as those related to Title 5 LMC) shall be established by ordinance. As may be permitted by law, these fees may be used for generating city revenues in addition to recovering costs of the regulatory services.
- c. Recreation and parks use fees shall be set by the Director of Parks, Recreation and Cultural Arts within ranges established by ordinance.
- d. General fees (such as rental rates, copy charges, and other miscellaneous fees) shall be established by ordinance. These services should charge fees to assist in making these services self-supporting.
- e. Enterprise Funds (Utilities and Golf Course) fees shall be set by ordinance, and set at a level necessary to support the costs of services in the fund and to maintain long-term financial stability. To insure that the enterprise funds remain self-supporting, fee and rate structures shall fully fund the direct and indirect costs of operations, capital plant maintenance, debt service, depreciation, and reasonable system extensions. See “Revenues: Utility Rates” below for additional provisions.

9. Revenues: Utility Rates

- A. Every three years, the City shall conduct a comprehensive, third-party, expert analysis of utility rates.
- B. Revenues generated by utilities should provide adequate resources to provide for proper operation of the related programs, servicing of related debt at prescribed levels, maintenance of the capital plant, and adequate reserves.
- C. Utility rates shall be set utilizing the following guidelines:
 - i. The rate structure should encourage consumers to conserve natural resources while providing a stable and predictable revenue base for the proper management of the utility.
 - ii. The rates shall strive to be equitable among the classes (general types) of ratepayers.
 - iii. The revenue target of the utility rates should maintain a minimum debt service coverage ratio (DSCR) of 1.5. DSCR is a financial formula that equals net operating income divided by annual debt service.
 - iv. Rates should be set using an assumption of 95% of the average water consumption for the five previous years.
 - v. A complete rate analysis, when finished, shall be included with the proposed preliminary budget, if not already adopted by separate ordinance.

10. Expenditures: General

- A. The City shall authorize only those ongoing, operating expenditures that may be supported by ongoing operating revenues. Before the City undertakes any agreements that would create fixed, ongoing expenses, the cost implications of such agreements shall be fully determined for current and future years with the aid of strategic financial planning models as described in Financial Management/Strategic Forecasting Policies. Capital expenditures may be funded from one-time revenues, but the operating budget expenditure impacts of capital expenditures shall be reviewed for compliance with this policy provision.
- i. Operating revenues are those revenues that recur regularly on an annual basis, excluding revenues that may be available only on a one time basis such as revenues derived from land sales, bond proceeds, etc.
- B. Department heads are responsible for managing their budgets within the total appropriation for their department.
- C. The City shall maintain expenditure categories according to state statute and administrative regulation as described in the State Auditor's Budgetary, Accounting, and Reporting System (BARS).
- D. The City shall assess funds for services provided internally by other funds. The estimated direct and indirect costs of service shall be budgeted as an expense to the fund receiving or benefiting from the service, and the cost of the service shall be recognized as revenue to the providing fund. A review of the method for determining the amount of the interfund assessment shall be reviewed periodically.
- E. Emphasis shall be placed on improving productivity, workplace innovation, program evaluation, and alternative means of service delivery rather than adding to the work force. The City shall invest in technology and other efficiency tools to ensure high productivity. The City may hire additional staff only after the need of such positions has been demonstrated and documented, including assessment of alternative measures, such as contracting for professional services and partnering with other agencies/organizations.
- F. All compensation planning and collective bargaining shall focus on the total cost of compensation which includes direct salary, health care benefits, pension contributions, training allowance, and other benefits of a non-salary nature which are a cost to the City.
- G. Enterprise Funds expenditures shall be fully supported by their own rates, fees, and charges, and not subsidized by the General Fund. The Enterprise Funds shall pay their share of overhead costs and services provided by the General Fund.

11. Contingency Planning and Responding to Revenue Downturns

- A. Short-term (anticipated less than one year) economic downturns and temporary gaps in cash flow: Expenditure reductions or restrictions may be imposed. Expenditures from the General Fund Unassigned Fund Balance, the Revenue Stabilization Fund, or interfund loans may be used with City Council approval to address short-term downturns in City revenues. The City Council may authorize interfund loans to cover short-term gaps in cash flow.
- B. Long-term (greater than one year) revenue downturns: Revenue forecasts shall be revised. When long-term revenue downturns are likely, deficit financing (borrowing) is not an appropriate fiscal response. One-time and/or ongoing expenses shall be reduced, new revenues shall be secured, or a combination thereof—as necessary to achieve a balanced budget.
- C. Periodic financial reports prepared by the Administrative Services Department shall be utilized to monitor forecasted, budgeted, and actual revenues and expenditures. In instances when combined, actual revenues are less than the combined, budgeted revenues for a period of two consecutive quarters, the Mayor shall put forth to the Finance Committee a proposed budget amendment that responds to the under-performance of revenues. The Mayor's proposed budget amendment shall include an updated financial forecast and a written description of the anticipated changes to performance measures, program outcomes, and levels of service. This policy shall not preclude the Mayor from initiating corrective action pursuant to his/her administrative authorities prior to action by the City Council. The recommendation(s) of the Finance Committee shall be forwarded to the City Council.

12. Investments

- A. The City of Lynnwood shall invest its funds in a manner that:
- i. Provide the highest investment return consistent with a high degree of security.
 - ii. Meet the daily cash flow demands of the City.
 - iii. Conform to all state statutes and local ordinances governing the investment of public funds.
- B. At the discretion of the Finance Director, cash may be invested separately by fund or be commingled into a common investment portfolio and earnings from such portfolio distributed monthly.
- C. These policies supersede Resolution 2009-11 and apply to all financial assets of the City, except: assets held in escrow in order to defease refunded debt; and retirement funds managed by others such as the State or ICMA.
- D. Investments shall be made with judgment and care, considering the probable safety of the capital as well as the probable income to be derived.

- 1 E. The primary objectives, in priority order, of the City's investment activities shall be
2 as follows:
- 3 i. Legality: The City's investments shall be in compliance with all statutes
4 governing the investment of public funds and the provisions of all applicable
5 bond ordinances.
- 6 ii. Safety: Investments of the City shall be undertaken in a manner that
7 seeks to ensure the preservation of capital in the overall portfolio. To
8 attain this objective, diversification is required in order that potential
9 losses on individual securities do not exceed the income generated from
10 the remainder of the portfolio.
- 11 iii. Liquidity: The City's investment portfolio shall remain sufficiently liquid to
12 enable the City to meet all operating requirements, which might be
13 reasonably anticipated. The City shall maintain adequate liquidity by
14 maintaining a minimum balance in the Local Government Investment Pool
15 (LGIP). Any short-term borrowings require Council approval regarding
16 securities lending and reverse transactions.
- 17 iv. Return on Investment: The City's investment portfolio shall be designed
18 with the objective of attaining a market rate of return throughout
19 budgetary and economic cycles, taking into account the City's investment
20 risk constraints and the cash flow characteristics of the portfolio.
- 21 v. Local Institutions: Local institutions shall be given preference when they
22 are, in the judgment of the Finance Director, competitive with other
23 institutions.
- 24 F. The Finance Director is authorized to undertake transactions regarding the
25 investment of City funds. By written memorandum, the Finance Director may
26 delegate authority to a single City employee.
- 27 G. The Finance Director shall establish and maintain procedures/internal controls to
28 implement this investment policy. Procedures shall cover topics such as:
29 safekeeping, Public Securities Association (PSA) repurchase agreements, wire
30 transfer agreements, collateral/depository agreements, conflict of interest, and
31 banking service contracts.
- 32 H. The Finance Director shall maintain a list of financial institutions authorized to
33 provide investment services to the City of Lynnwood. In addition, a list shall also
34 be maintained of approved security broker/dealers selected by credit worthiness,
35 who maintain an office in the State of Washington. These may include "primary"
36 dealers or regional dealers that qualify under US Securities and Exchange
37 Commission Rule 15c3-1 (uniform net capital rule). No public deposit shall be
38 made except in a qualified public depository as established by State law.
- 39 I. The City may invest in any of the securities identified as eligible investments
40 as defined by RCW 35A.40.050. In general, these consist of:

- 1 i. Investment deposits (certificates of deposits) with qualified public
2 depositories as defined in Chapter 39.58 RCW.
- 3 ii. Certificates, notes or bonds of the United States, or other obligations of the
4 United States or its agencies, or of any corporation wholly owned by the
5 government of the United States whose securities carry full faith and credit
6 guarantees.
- 7 iii. Obligations of government-sponsored corporations which are eligible as
8 collateral for advances to member banks as determined by the Board of
9 Governors of the Federal Reserve System. (These include but are not limited to,
10 Federal Home Loan Bank notes and bonds, Federal Farm Credit Bank
11 consolidated notes and bonds, and Federal National Mortgage Association
12 notes.)
- 13 iv. Prime bankers' acceptances purchased on the secondary market.
- 14 v. Repurchase agreements for securities above, provided that the transaction
15 is structured so that the City obtains ownership and control over the
16 underlying securities. A master repurchase agreement between the City
17 and the bank or dealer must be on file prior to any repurchase agreement
18 transaction.
- 19 vi. The Washington Local Government Investment Pool.
- 20 J. Collateralization shall be on repurchase agreements to anticipate market
21 changes and provide a level of security for all funds; the collateralization
22 level shall be 102% of market value of principal and accrued interest.
- 23 i. The City shall limit collateral to the obligations of the United States
24 Government and its agencies.
- 25 ii. Collateral shall be held by an independent third party with whom the entity
26 has a current custodial agreement (except certificates of deposits). A clearly
27 marked evidence of ownership (safekeeping receipt) must be supplied to the
28 entity and retained.
- 29 iii. Certificates of deposit shall be delivered to and held by the Finance Director.
- 30 K. All securities transactions, including collateral for repurchase agreements,
31 entered into by the City shall be conducted on a delivery-versus-payment
32 (DVP) basis. Securities shall be held by a third-party custodian designated
33 by the City Investment Committee and evidenced by safekeeping receipts
34 listing the specific instrument, rate, maturity and other pertinent information.
- 35 L. The City shall diversify its investments by security type and institution in
36 manner that manages overall portfolio risk, attains market-average rates of
37 return, and precludes current cash flow issues. To achieve these purposes,
38 investment of City funds should not exceed the percentages specified below:

Investment Security Type	Max. Percent of City Portfolio
US Federal Agency Securities	50
Certificates of Deposits (within PDPC)	50
General Obligation Bonds of State and Local Government	20
Repurchase Agreements	10
Banker's Acceptance	10
US Treasury Securities	100
Washington State Local Government Investment Pool	100

- M. The City shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City shall not directly invest in securities maturing more than five (5) years from the date of purchase.
- N. The City's reserve funds may be invested in securities not to exceed ten (10) years if the maturity of such investments is made to coincide as nearly as possible with the expected use of funds.
- O. The City's investment portfolio shall be designed to obtain a market-average rate of return, taking into account the City's investment risk constraints and cash flow needs.
- P. The City's investment strategy is dynamic. Securities shall be purchased and sold as appropriate to best meet the needs of the City. The Finance Director may trade securities before maturity if it is in the best interest of the City to do so.
- Q. The basis used by the City to determine whether market yields are being achieved shall be the Average US Treasury Note Rate that corresponds to the average life of the investments.
- R. The Finance Director shall report on investment activity and returns in quarterly financial reports and the CAFR. Monthly financial reports should denote changes in market value and investment income.

13. Debt and Debt Management

- A. The City may issue interfund loans consistent with Chapter 3.90 LMC.
- B. All professional service providers (underwriters, financial advisors, bond insurers, etc.) selected in connection with the City's debt issues shall be selected in accordance with the City's procurement policies.
- C. The term of long-term debt issued shall not exceed the life of the projects financed. Ongoing operational expenses shall not be financed with long-term debt.

- 1 D. The City shall maintain an open line of communication with the rating agencies
2 (Moody's and Standard and Poors), informing them of major financial events in
3 the City as they occur. The Comprehensive Annual Report (CAFR) shall be
4 distributed to the rating agencies and The National Recognized Municipal
5 Information Repository Securities (NRMIRS) within 30 days of State Auditor's
6 Office (SAO) approval of the CAFR. The CAFR shall include all secondary
7 market disclosure required by the SEC.
- 8 i. The City shall strive to maintain or exceed favorable credit ratings as follows:
- 9 a. General Obligation: A1 with Moodys Investor's Service and A+ with
10 Standard and Poors.
- 11 b. Revenue Bonds: A with Moodys Investor's Service and AA with Standard
12 and Poors.
- 13 E. As part of the debt policy, the City shall use debt ratios based on debt per
14 assessed value, debt per capita, and debt per capita as a percentage of per
15 capita income as guides. These ratios may assist in guiding amounts that the
16 City may authorize in debt issuance.
- 17 F. Assessment bonds shall be issued in place of general obligation bonds, where
18 possible, to assure the greatest degree of public equity and flexibility for City
19 finances.
- 20 G. The City of Lynnwood debt shall not exceed an aggregated total of 7.5% of the
21 assessed valuation of the taxable property within the City. Compliance with state
22 law and this policy shall be documented each year in the city's Comprehensive
23 Annual Financial Report (CAFR).
- 24 H. The following individual percentages (as defined in state law) shall not be
25 exceeded in any specific debt category:
- 26 i. General Debt: 2.5% of assessed valuation
- 27 ii. Utility Debt: 2.5% of assessed valuation
- 28 iii. Open Space and Park facilities: 2.5% of assessed valuation
- 29 I. No debt shall be issued for which the City is not confident that a sufficient,
30 specifically identified revenue source is available for repayment. The Finance
31 Director shall prepare an analytical review for this purpose prior to the issuance
32 of any debt.
- 33 J. Credit enhancements shall be considered with a cost/benefit analysis for each
34 long-term bond issue.
- 35 K. Reserve accounts shall be maintained as required by bond ordinances and
36 where deemed advisable by the City Council. Debt service reserves shall
37 conform to IRS arbitrage regulations.

14. Capital Funds: General

- A. The City shall maintain a Capital Development Fund #333 to provide funding for the six-year Capital Facilities Plan, less proprietary fund projects as defined by Chapter 3.50 LMC. The use of any funds within the Capital Development Fund shall be as defined by the Lynnwood Municipal Code. Once the policy target for General Fund reserves is achieved [see Reserves above] the City shall set aside at least \$1.1 million per year for capital development (an amount equivalent to the savings to the City generated by the public vote annexing city into the Sno-Isle Library District).
- B. Contributions to development funds shall be made from available funds as identified during the biennial budget process or the mid-biennial budget modification. The Finance Director shall make a recommendation to the Council with regard to transfers to reserve funds as a part of that report. The Council, by motion (and amending the budget by ordinance as necessary) shall authorize the transfers as the Council shall determine to be appropriate at that time.

15. Capital Planning and Asset Management

- A. The City shall annually develop a Capital Facilities Plan (CFP) as defined and required by RCW 36.70A.070 which is consistent with the Capital Facilities Element of the City Comprehensive Plan.
- B. Such plan shall include all projects to maintain public capital facilities required to maintain service levels at standards established by the City Council. The plan shall include a complete inventory and analysis of building conditions including the extent and estimated costs regarding maintenance, remodel and replacement of buildings. This plan shall be reviewed in the mid-year financial review.
- C. The proposed CFP may include for consideration such other projects as requested by the City Council or Mayor.
- D. Funding for capital projects shall be classified as to source (general government, enterprise or other) within the plan.
- i. The extent to which funds exist for each project shall be described in the plan.
- ii. The plan shall integrate with the Proposed Preliminary Budget (LMC 2.72.110) in that funds required for the projects recommended for the ensuing budget period shall be identified in the Preliminary Budget.
- iii. The CFP shall include a recommended level of funding from general revenues in order to provide for "ongoing" projects (as defined in the CFP).
- A. The plan shall be for a period of six years as required by state law (GMA).
- B. With the exception of "ongoing projects", each project shall be described such that development phases are delineated as separate stages of the project.

1 Examples include land acquisition, design and construction. "Ongoing projects"
2 represent annual capital programs such as street overlay, sidewalk expansion or
3 traffic signal rebuild.

4 C. An estimate for the operating budget impact of each proposed project shall be
5 identified and incorporated into the City Strategic Financial Plan.

6 D. The CFP shall be approved by ordinance annually. The approving ordinance
7 shall constitute a plan of action wherein no final approval to proceed with specific
8 projects is made, but requires specific authorization and appropriation (by
9 ordinance in the form of a budget amendment or financial plan for each project)
10 by the Council in a manner as the Council shall determine.

11 E. The adopted CFP shall constitute the City's long-range financial plan for capital
12 expenditures and shall be consistent with the City Strategic Financial Plan.

13 **16. Other Funds**

14 A. The City shall maintain a Program Development Fund as defined in Chapter 3.51
15 LMC. The use of any funds within the Program Development Fund shall be as
16 defined by the Lynnwood Municipal Code.

17 B. In accordance with RCW 41.16.050, the City shall maintain a Firemen's Pension
18 Fund to record all monies received from taxes on fire insurance premiums
19 received from the state, contributions made by firefighters (before the inception of
20 LEOFF I) and interest earned on the investment of these funds. These funds are
21 used to cover benefits payable to members (or to their survivors) who retired
22 prior to March 1, 1970 or who were active on that date.

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GLOSSARY OF BUDGET TERMS

The following are definitions for common terms found in budget summary statements, as well as an explanation of financial terms found in this budget document.

ACCOUNT. A chronological record of public funds showing receipts, disbursements, and the balance.

ACCRUAL BASIS of accounting is used in proprietary (enterprise and internal service) funds. Under it, transactions are recognized when they occur. Revenues are recognized when earned and expenses are recognized when incurred. “When” cash is received or distributed is not a determining factor.

AD VALOREM. A tax imposed on the value of property.

ADOPTED BUDGET. The financial plan adopted by the City Council which forms the basis for appropriations.

ANNEXATION. The incorporation of land into an existing city with a resulting change in the boundaries of that city.

APPROPRIATION. An authorization made by the City Council that permits officials to incur obligations against and to make expenditures of governmental resources.

ARBITRAGE. The investment of bond proceeds at a higher yield than the coupon rate being paid on the bonds.

ASSESS. To establish an official property value for taxation purposes.

ASSESSED VALUATION. The estimated value placed upon real and personal property by the County Assessor as the basis for levying property taxes.

B.A.R.S. The State of Washington prescribed Budgeting, Accounting, and Reporting System manual for which compliance is required for all governmental entities in the State of Washington.

BASIS OF ACCOUNTING. A term used to refer to when revenues, expenditures, expenses, and transfers – and the related assets and liabilities – are recognized in the accounts and reported on the

financial statements. It relates to the timing of the measurements made, regardless of the nature of the measurement, on either the cash or accrual method.

BASIS OF BUDGETING. The City’s governmental functions and accounting systems are organized and controlled on a fund basis. The accounts within the funds are maintained on a modified accrual basis for governmental, expendable trust, and agency funds. Revenues are recognized when measurable and available as current assets. Expenditures are generally recognized when the related services or goods are received and the liability is incurred. Proprietary funds are accounted for on the full accrual basis of accounting.

BASIS POINTS. A basis point refers to the measure of the yield to maturity of an investment calculated to four decimal places. A basis point is 1/100th of 1 percent (.01 percent).

BENCHMARK. A quantifiable performance level used to assess the extent to which program objectives are being obtained.

BENEFITS. Employer contributions paid by the City as part of the conditions of employment. Examples include health/dental insurance, state public employee’s retirement system, city retirement system, and employment security.

BOND (Debt Instrument). A written promise to pay (debt) a specified sum of money (called principal or face value) at a specified future date (called the maturity date) along with periodic interest paid at a specified percentage of the principal (interest rate). Bonds are typically used for long-term debt to pay for specific capital expenditures.

BUDGET. A plan of financial operation embodying an estimate of expenditures for a given period and the proposed means of financing them (revenue estimates). The term is also sometimes used to denote the officially approved expenditure ceilings under which the City and its departments operate.

BUDGET AMENDMENT. A change to a budget adopted in accordance with State law. A budget may be amended to increase expenditures/expenses at the fund level by ordinance without public notice or public hearing requirements, when unanticipated revenues occur or emergencies exist (RCW 35A.33.080 and 35A.33.120). The Mayor is authorized to make budget amendments between organizations of the same fund, as long as there is no change in the total budget for that fund.

BUDGET CALENDAR. The schedule of key dates or milestones which the City follows in the preparation and adoption of the budget.

BUDGET GUIDELINES. The City's guidelines with respect to revenue, debt, budget, and organization management as these relate to the City's ongoing ability to provide services, programs, and capital investment.

BUDGET MESSAGE. A message prepared by the Mayor explaining the annual proposed budget, articulating the strategies and budget packages to achieve the City's goals, and identifying budget impacts and changes.

BUDGET PROCESS. The process of translating planning and programming decisions into specific financial plans.

BUDGETING FOR OUTCOMES (BFO). Process for preparing an organization's budget. BFO is nearly synonymous with "Priority-Based Budgeting", "Outcome-Oriented Budgeting", and "Priorities of Government". This approach focuses upon outputs and results, and allocates funding to achieve those outputs and results deemed to be the highest priority. Contrary to traditional, line-item budgeting, a BFO budget is not developed from the allocations of the previous budget, but instead upon the total amount of revenue available for expenditure, and the outputs and results that should be achieved during the budget period.

C.D.B.G. Community Development Block Grant.

CAPITAL BUDGET. A plan of proposed capital expenditures and the means of financing them. The capital budget is enacted as part of the Adopted

Budget, which includes both operating and capital outlays.

CAPITAL EXPENDITURES. Expenditures made to acquire, reconstruct, or construct major fixed or capital assets. A capital asset must exceed \$5,000 in cost and have an expected useful life expectancy of at least 3 years. A fixed asset is a tangible object of long-term character which will continue to be held or used, such as land, buildings, machinery, furniture, and other equipment. For purposes of this definition, a "fixed asset" includes a group of items purchased together that will be used "for a single purpose" and could not be used effectively by themselves.

CAPITAL FACILITIES PLAN. A capital facilities plan includes an inventory of existing facilities, a forecast of future needs, proposed locations, capacities for new or expanded facilities, and a financing plan. The financing plan outlines the costs, revenues, and time schedules for each capital improvement project. In compliance with the Growth Management Act legislation within the State of Washington, the City is preparing such a plan.

CAPITAL IMPROVEMENT PROGRAM. A plan for capital expenditures to be incurred each year over a period of five or more future years setting forth each capital project, identifying the expected beginning and ending date for each project, the amount to be expended in each year, and the method of financing those expenditures.

CAPITAL OUTLAY. A budget category for items having a value of \$1,000 or more and having a useful economic lifetime of more than one year.

CARRYOVERS. Carryovers result from timing of project completion. The final expenditures need to be re-budgeted to provide an appropriation from one fiscal year to the next in order to accomplish the purpose for which the funds were originally budgeted. Carryovers generally involve projects rather than line item expenditures.

CASH BASIS OF ACCOUNTING. The method of accounting that records revenues only when they are actually received and expenditures only when cash is paid.

CASH MANAGEMENT. The process of managing monies for the City to ensure operating cash availability and safe investment of idle cash.

CERTIFICATES OF PARTICIPATION. A certificate of participation represents a divided share of a lease that is assigned or marketed to investors. These debt instruments typically represent general obligation debt but can also be issued by enterprises.

CITY DEPARTMENT. A major administrative and financial division of resources and responsibilities within the City organization. Departments include: 1) City Council, 2) Mayor, 3) City Attorney, 4) Community Services, 5) Planning and Community and Economic Development, and 6) Public Works.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR). The official annual financial report of the City prepared in conformity with GAAP. The annual report is audited by The State Auditor's Office.

CONSUMER PRICE INDEX (CPI). A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living, i.e., economic inflation.

CONTINGENCY. A budgetary reserve set aside for emergencies or unforeseen expenditures for which no other budget exists.

COUNCIL GOALS. Statements of direction, purpose, or intent based on the needs of the community, generally to be completed within a specified time period.

COUNCILMANIC BONDS. Councilmanic bonds refer to bonds issued with the approval of the Council, as opposed to voted bonds, which must be approved by vote of the public. Councilmanic bonds must not exceed 1.5% of the assessed valuation.

CUSTOMER. The recipient of a product or service provided by the City. Internal customers are usually City departments, employees, or officials who receive products or services provided by another City Department. External customers are usually citizens, neighborhoods, community organizations, businesses, or other public entities who receive products or services provided by a City Department.

DEBT SERVICE. Payment of interest and repayment of principal to holders of the City's debt instruments.

DEBT SERVICE FUND. A fund to account for payment of principal and interest on general obligation and other City-issued debt.

DEPARTMENT MISSION. Objectives that address each of the department's major activities, but are not broader than the department's scope of work. These objectives relate back to Council goals or its vision and strategies.

DEPRECIATION. (1) Expiration in the service of life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy, or obsolescence. (2) That portion of the cost of a capital asset, which is charged as an expense during a particular period.

DIVISION MISSION. Objectives that address each of the division's major activities, but that are not broader than the division's scope of work. These objectives relate back to either the Department Mission, to Council goals, or Council's vision and strategies.

ENCUMBRANCES. Obligations in the form of purchase orders or contracts that are chargeable to an appropriation and for which a part of the appropriation is reserved. Obligations cease to be encumbrances when paid or when the appropriation expires at the end of the fiscal year.

ENTERPRISE FUND. A fund type used to account for operations that are financed or operated in a manner similar to private business enterprise where the intent of the governing body is that costs of providing goods and services be recovered primarily through user charges.

EXPENDITURES/EXPENSES. Where accounts are kept on the modified accrual basis (expenditures) or accrual basis (expenses) of accounting, the cost of goods received or services rendered whether cash payments have been made or not. Where accounts are kept on a cash basis, expenditures are recognized only when the cash payments for the above purposes are made.

FIDUCIARY FUNDS. The City uses fiduciary funds to assist in accounting for assets held under trust or

agency agreements. These funds include 1) agency funds that account for resources where the City acts solely as an agent in collecting and dispensing monies, and 2) expendable trust funds that account for resources where the City acts as a formal or informal trustee for restricted fund users. For agency funds, no fund balance is maintained and no appropriations are necessary. These funds are accounted for on a modified accrual basis. The City's Deferred Compensation Fund is an agency fund that accounts for monies withheld from employees under deferred compensation plans and the fund's earnings and investments.

Trust funds may be expendable and use modified accrual accounting for a specific project or service, or they may be non-expendable and use an accrued basis of accounting to focus on the ongoing retention of earnings. The City's trust fund is expendable and accounts primarily for the City of University Place Retirement Plan and donations for a specific purpose.

FISCAL YEAR. A 12-month period to which the annual operating budget applies. At the end of the period, the City determines its financial position and the results of its operations. The Fiscal Year is January 1 through December 31 for local governments in Washington.

FULL FAITH AND CREDIT. A pledge of the general taxing power for the repayment of the debt obligation (typically used in reference to bonds).

FUND. An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves, and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives. See the Budget by Fund section for specific fund category purposes and descriptions.

FUND BALANCE. The excess of an entity's assets over its liabilities. A negative fund balance is sometimes called a deficit. An undesignated fund balance reflects historical receipts less historical expenditures in non-proprietary funds. Since all designated and reserved resources have been removed or deducted in arriving at the year-end undesignated fund balance, this value is available for budgetary appropriation.

FTE, Full-Time Equivalent. The ratio of a position in comparison to the amount of time a regular, full-time employee normally works in a year. A full-time employee (1.00 FTE) is paid for 2,080 hours a year. Positions budgeted to work less than full-time are expressed as a percent of full-time. For example, a .5 FTE budgeted position will work 1,040 hours.

GAAP, Generally Accepted Accounting Principles. Uniform minimum standards and guidelines for financial accounting and reporting. They govern the form and content of the financial statements of the City.

GASB, Governmental Accounting Standards Board. The authoritative accounting and financial standard setting body for governmental entities.

GENERAL FUND. This fund accounts for the financial operations of the City, which are not accounted for in any other fund. Principal sources of revenue are property taxes, franchise fees, state shared revenues, licenses, permits, and charges for services. Primary expenditures in the General Fund are made for police and fire protection, building development and planning, parks, and City Council.

GENERAL OBLIGATION. Bonds for which the full faith and credit of the insuring government are pledged for bonds payment.

GIS, Geographical Information System. A mapping application currently being accessed through Pierce County, this application can be used for site plan review, counter support, citizen education and notification, environmental analysis, land use inventories, to produce presentation maps and maps for public distribution and as a tool to aid in decision making regarding CIP projects, creating a street maintenance program, and to inventory and maintain storm drainage systems and other public improvements.

GOAL. A long-range statement of broad direction, purpose, or intent, based on the needs of the community.

GRANT. A cash award given for a specified purpose. The two major forms of Federal and State grants are block, and discretionary or categorical. Block grants are awarded primarily to general purpose governments, are distributed to them according to

formulas established in the law, and can be used for any locally determined activities that fall within the functional purpose of the grant as stated in the law. Discretionary or categorical grants can be used only for a specific purpose and usually are limited to narrowly defined projects or activities.

GROWTH MANAGEMENT. Legislation enacted in 1990 by the State Legislature requiring that all jurisdictions in the larger counties adopt new comprehensive plans by the end of 1993. This legislation was enacted due to enormous growth experienced in the State and a lack of uniform guidance for related development. This Act further specified that all plans conform to a broad set of guidelines of both the parent county and neighboring jurisdictions. Eight specific elements, including concurrency, are required to be included in every comprehensive plan. Concurrency requires that infrastructure be available at the same time as new development.

IMPACT FEES. Fees charged to developers to cover, in whole or in part, the anticipated cost of improvements borne by the City that will be necessary as a result of the development.

INPUT. A resource, monetary or non-monetary, that is used in delivering a program or service, such as hours of labor and numbers of bricks.

INTERFUND SERVICES. Payments for services rendered made by one City department or fund to another. Internal Service Fund billings are included in this category. However, these billings also include equity transfers to internal service funds in support of "first time" asset acquisitions. See Internal Service Charge.

INTERFUND TRANSFERS. Contributions from one City fund to another in support of activities of the receiving fund. Loans are not included.

INTERGOVERNMENT. Services purchased from other government agencies, normally including types of services that only government agencies provide.

INTERNAL SERVICE CHARGE. A charge from an Internal Service Fund to an operating fund to recover the cost of service or overhead.

INTERNAL SERVICE FUNDS. These funds are used to account for services provided by City Departments to other City Departments for which they pay an internal service charge.

LABOR. Internal and contracted personnel.

LEVEL OF SERVICE. Used generally to define the existing services, programs, and facilities provided by the government for its citizens. Level of service in any given activity may be increased, decreased, or remain the same, depending on the needs, alternatives, and available resources.

LEVY. The total amount of taxes or special assessments imposed by the City.

LID, Local Improvement District. A local improvement district is composed of properties benefiting from a specific capital improvement project, such as a sewer line extension.

LINE ITEM. An expenditure description at the most detailed level. Objects of expenditure are broken down into specific items, such as printing.

MAINTENANCE. The act of keeping capital assets in a state of good repair. It includes preventative maintenance, normal periodic repairs, replacement of parts or structural components, and other activities needed to maintain the asset so that it continues to provide normal services and achieves its optimum life.

MISSION. A short description of the scope and purpose of a City Department. It specifies what the Department's business is.

MODIFIED ACCRUAL BASIS of accounting is used in governmental fund types (general, special revenue, debt service, and capital project funds). Under it, revenues and other financial resource increments are recognized when they become both measurable and available to finance expenditures of the current period. Expenditures are generally recognized when they are incurred (bring forth a liability).

NET INTEREST COST. This is the traditional method of calculating bids for new issues of municipal (NIC) securities. It is computed as either: (a) Dollar Cost: total scheduled coupon payments + bid discount (- bid premium), or (b) Interest Rate: total scheduled coupon payments + bid discount (- bid premium) divided by bond year dollars. Bond year dollars is the

sum of the number of years each bond in an issue is scheduled to be outstanding multiplied by its par value.

OBJECT OF EXPENDITURE. See “Object.”

OBJECT. As used in expenditure classification, this term applies to the type of item purchased or the service obtained (as distinguished from the results obtained from expenditures). Examples are personnel services, supplies, and services and charges.

OPERATING REVENUES. Those revenues received within the present fiscal year.

ORDINANCE. The method by which the appropriation of the budget is enacted into law by the Council per authority of the State statutes.

OUTPUT. A quantifiable product made or activity undertaken to achieve a desired result, such as miles of roads swept.

PERS. the Public Employees Retirement System. A State of Washington-defined benefit pension plan to which both employee and employer contribute.

PERFORMANCE INDICATOR. A quantifiable performance level used to assess the extent to which program objectives are being obtained.

PLAN. A list of actions that management expects to take. A plan is a basis for allocating the organization’s resources to deal with opportunities and problems present in the environment.

PROGRAM. A group of related activities to accomplish a major service or core business function for which the City is responsible. A program is typically part of a division within a department.

PROGRAM ACTIVITY. A broad function or a group of similar or related services/activities, having a common purpose.

PROJECTIONS. Estimates of outlay, receipts, or other amounts that extend several years into the future. Projections generally are intended to indicate the budgetary implications of continuing or proposing programs and policy for an indefinite period of time.

PROPOSED BUDGET. The budget proposed by the Mayor to the City Council for review and approval.

PROPRIETARY FUNDS. Recipients of goods or services pay directly to these funds. Revenues are recorded at the time services are provided, and all expenses incurred in earning the revenues are recorded in the same period. As a result, there is a direct cause and effect relationship between revenue and expenses in these funds.

RATINGS. In the context of bonds, normally an evaluation of credit-worthiness performed by an independent rating service.

REFUNDING. The redemption of an obligation on or before its maturity in order to reduce the fixed interest charge or to reduce the amount of fixed payment.

RESERVE. An account used to indicate that a portion of fund equity is legally restricted for a specific purpose.

RESIDUAL EQUITY TRANSFER. Nonrecurring or nonroutine transfers of equity between funds.

RESOURCES. Total dollars available for appropriations including estimated revenues, fund transfers, and beginning fund balances.

RETAINED EARNINGS. An equity account reflecting the accumulated earnings of a proprietary (internal service or enterprise) fund. In this budget document, the balance derived excludes asset depreciation expenditures. When depreciation is charged to user organizations, as in internal service funds, the cash balance remaining (ending retained earnings) therefore represents the asset replacement reserve being accumulated.

REVENUE. Income received by the City in support of a program or services to the community. It includes such items as property taxes, fees, user charges, grants, fines and forfeits, interest income, and miscellaneous revenue. See Operating Revenue.

REVENUE ESTIMATE. A formal estimate of how much revenue will be earned from a specific revenue source for some future period - typically a future fiscal year.

SALARIES AND WAGES. Amounts paid for personnel services rendered by employees in accordance with rates, hours, terms, and conditions authorized by law or stated in employment contracts. This category also includes overtime, temporary help, and car allowances.

SELF-INSURED. The retention of a risk of loss arising out of the ownership of property or some other cause, instead of transferring that risk to an independent third party through the purchase of an insurance policy. It is accompanied by the setting aside of assets to fund any related losses. The City currently is not self-insured.

SERVICES AND CHARGES. Services acquired from and fees/payments made to vendors. These include printing, professional services, travel and training, communications, public utility services, repair/maintenance, and insurance premiums.

SPECIAL REVENUE FUNDS. These funds account for revenue derived from specific tax or other earmarked revenue sources which are legally restricted to finance particular functions or activities.

STATE SHARED REVENUE. Revenues received from the State of Washington from sources like the liquor tax, and MVET

STRATEGY. An approach to using resources within the constraints of the environment in order to achieve a set of goals. An organization formulates a strategy based on the environment, and states the goals, objectives, and how it is going to meet the objectives through tactics to guide its core business functions.

SUPPLIES. Items used to deliver services, such as office supplies, short-lived minor equipment with no material value, periodicals, and books and generic computer software.

TAX. Compulsory charge levied by a government to finance services performed for the common benefit.

TAX LEVY. Total amount of ad valorem tax certified by the City.

TAX RATE. The amount of tax stated in terms of units per \$1,000 of assessed value of taxable property. The

tax rate is the result of dividing the tax levied by the assessed value of the taxing districts.

TIC: True Interest Cost. The rate necessary to discount the amounts payable on the respective principal and interest maturity dates to the purchase price received for bonds. TIC computations consider the time value of money.

UNAPPROPRIATED ENDING FUND BALANCE. An amount set aside in the budget to be used as a cash carryover to the next year's budget to provide needed cash flow until other money is received. No expenditures can be made from the Unappropriated Ending Fund Balance during the fiscal year in which it is budgeted.

UNDERWRITER. An individual or organization that assumes a risk for a fee (premium or commission).

USER FEES. The payment of a fee for direct receipt of a public service by the person benefiting from the service.

VISION. An objective that lies outside the range of planning. It describes an organization's most desirable future state.

WORKLOAD MEASURE. A tracking indicator that shows the amount of work performed by the division