



# **CITY OF LAKE FOREST PARK SPECIAL CITY COUNCIL BUDGET AND FINANCE COMMITTEE MEETING**

**Thursday, September 28, 2023 at 6:00 PM**

**Meeting Location: In Person and Virtual / Zoom  
17425 Ballinger Way NE Lake Forest Park, WA 98155**

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## **INSTRUCTIONS FOR PARTICIPATING IN THIS MEETING VIRTUALLY:**

**Join Zoom Webinar: <https://us06web.zoom.us/j/81818729914>  
Call into Webinar: 253-215-8782 | Webinar ID: 818 1872 9914**

**Please note: This link works for the Special Budget and Finance Committee Meeting at 6:00 p.m.  
and the City Council Regular Meeting at 7:00 p.m.**

The City Council Budget and Finance Committee is providing opportunities for public comment by joining the meeting webinar (via computer or phone) or in person to provide oral public comment.

### **HOW TO PARTICIPATE WITH ORAL COMMENTS:**

If you are attending the meeting in person, there is a sign-in sheet located near the entrance to the room. Fill out the form and the presiding officer will call your name at the appropriate time. Oral comments are limited to 3:00 minutes per speaker.

If you are attending the meeting via Zoom, in order to address the Committee during the Public Comment section of the agenda, please use the “raise hand” feature at the bottom of the screen. Oral comments are limited to 3:00 minutes per speaker. Individuals wishing meeting host will call your name and allow you to speak. Please state your name and whether you are a resident of Lake Forest Park. The meeting is being recorded.

For up-to-date information on agendas, please visit the City’s website at [www.cityofflp.gov](http://www.cityofflp.gov)

## **AGENDA**

- 1. CALL TO ORDER: 6:00 P.M.**
- 2. ADOPTION OF AGENDA**
- 3. NEW BUSINESS**

**A. Mayor’s Proposed Mid-Biennial Budget Adjustment**

- 4. CITIZEN COMMENTS**

*This portion of the agenda is set aside for the public to address the Committee on agenda items. **Comments are limited to a three (3) minute time limit.***

## **5. ADJOURN**

*Any person requiring a disability accommodation should contact city hall at 206-368-5440 by 4:00 p.m. on the day of the meeting for more information.*

# CITY OF LAKE FOREST PARK

## MAYOR'S PROPOSED 2023-2024 MID-BIENNIAL BUDGET ADJUSTMENT

- SEPTEMBER 28, 2023 -





Mayor  
Jeff R. Johnson

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Section 3, Item A.

Lorri Bodi  
Tom French  
Tracy Furutani  
Larry Goldman  
Phillippa M. Kassover  
Jon Lebo  
Semra Riddle

**TO:** Lake Forest Park City Council

**FROM:** Mayor Jeff Johnson

**RE:** MAYOR'S MID-BIENNIAL BUDGET MESSAGE – 2023-2024

I am pleased to present the 2023-2024 Mayor's Proposed Mid-Biennial Budget Adjustment to the City Council for consideration. The Proposed Adjustment is generally a true up of actual results to the budget and normally would not include new expenditures. However, as we know all too well, since the adoption of the budget we have had several unanticipated costs realized.

### Police Department

With unprecedented inflation, and a tight labor market, the city has been challenged with hiring and retaining high performing employees. To maintain a competitive advantage in filling positions within the police department, council authorized salaries to be increased 5% beyond the negotiated 2023 increase, and to hire up to three additional limited term officers to transition through upcoming retirements. While the three additional officers are a one-time cost, this could result in roughly \$540,000 for each year the department carries all three.

For over 20 years the city of Bothell has provided police dispatch services for Lake Forest Park. This summer we received notice that Bothell would be terminating those services in favor of joining another agency. As the administration has explored dispatch options, the only feasible and least expensive would be to join NORCOM at an increase of 158%. This large increase in cost effectively offsets the new general fund revenue the council approved in the 2023/2024 adopted budget.

### Insurance

The Washington Cities Insurance Authority (WCIA) has provided initial rate increases for 2024. Liability insurance will increase ~8%, property and auto expected to increase ~25%, and crime/fidelity rates are expected to increase ~5-10%. The actual rate increases will be provided to the city sometime later this fall. Such large increases were not anticipated in the adopted budget, as these proposed increases are well outside the historic trend.

### Unrepresented Salaries

Several of the unrepresented position salaries are out of market, with a couple by as much as 23%. To ensure that the city retains these high performing employees and continues to be competitive in this market, this mid-biennial budget recommends increasing the salary range of any position that is out of market. The adjustment of these ranges results in salary increases for several positions as identified in the schedule of adjustments.

## Financials

The proposed budget update is a balanced budget proposal. The six-year financial forecast updated during the 2023/2024 budget process shows that the City continues to be fiscally responsible and successfully maintaining a general fund balance well above target. Council's recently approved financial investment strategy will smooth interest income volatility long-term, but in the near-term, bank rates are at or above that of municipal bonds.

As we look ahead to 2024, we will need to be diligent, with the Administration and City Council working together to identify areas of opportunity and creative solutions to continue providing the great level of service that Lake Forest Park is known for. In an environment with ever increasing costs and regressive funding options for small bedroom communities, we will need to look to outside funding opportunities and regional solutions to address the many challenges before us.

Through the first nine months of this biennium, great work has been completed on several projects funded in this cycle. Streets have been milled and overlaid, traffic calming measures installed, parks and streetscapes maintained, and design work on culvert L90 and the 40th Place Roundabout continues. The planning and public outreach processes for the lakefront park and the comprehensive plan have begun and will be in full swing through the end of 2024 and beyond.

In conclusion, I am pleased to present the Mayor's Proposed Mid-Biennial Budget Adjustment to you and look forward to conversations about this proposal and the financial future of the City.

Sincerely,



Mayor Jeff Johnson

Remember, "Once you start doing only what you've already proven you can do, you're on the road to death."  
- Jerry Seinfeld

### **Executive Summary**

The City of Lake Forest Park follows a biennial budget process, mandating a thorough mid-cycle review to ensure alignment between budgeted amounts and actual financial performance. The City's Administration has performed the required mid-biennial budget review and is proposing a mid-biennial budget adjustment.

Numerous alterations have arisen throughout 2023 necessitating amendments to the currently adopted budget. Including continually rising insurance costs, union agreement ratifications, unanticipated police dispatch transition, increasing jail service expenses, non-represented salary adjustments, a surface water capital project, and a newly approved investment interest to name a few. A detailed explanation is provided in the narrative of adjustments.

### **Background**

The City adopts a biennial budget spanning two years. Local governments choosing to adopt biennial budgets are required by state statute to perform an in-depth review mid-way through the budget cycle to pinpoint any substantial discrepancies between the projected amounts and the actual financial results. If significant differences are identified, then a mid-biennial budget adjustment should be considered. Mid-biennial budget adjustments are a time to 'true-up' the adopted budget to reflect actual performance. Budgets are living documents and created with the best knowledge at the time of adoption. Budget adjustments, or amendments, are considered a normal course of action in local government.

The City is approaching the mid-point of the 2023-2024 budget and has completed the required mid-biennial budget review (the review). The review revealed that while most line items of revenue and expenditure are performing as expected (consistent with budget) a few items each of revenue and expenditure differ from budgeted amounts resulting in consideration of a budget adjustment.

The Mayor is proposing a 2023-2024 mid-biennial budget adjustment (hereinafter referred to as the Mayor's Proposed Adjustment). The details of the Mayor's Proposed Adjustment are in the attached schedules. It should be noted that only those budgets and schedules that are adjusted in the Mayor's Proposed Adjustment are included in this document. The entire 2023-2024 adopted budget can be found on the City's website at [cityofflp.gov](http://cityofflp.gov).

The following documents are included in the Mayor's Proposed Adjustment packet; a brief description of each document is provided to orient readers to the contents of each document.

1. Narrative of Adjustments

The Narrative of Adjustments contains:

- Description of the mid-biennial budget adjustment process
- Description of each adjustment
- The value of each adjustment in the current biennium
- The justification for each adjustment.

2. Schedule of Adjustments

The Schedule of Adjustments is a table of the updates and changes included in the Mayor's Proposed Adjustment for both revenues and expenditures to clearly outline adjustments by fund.

3. Ordinances and Resolutions

The following Ordinances and Resolutions will be presented throughout the Mid-Biennial Budget Adjustment Process but are not included in this Mayor's Proposed Adjustment package:

1. Ordinance Establishing the 2024 Surface Water Rate
2. Ordinance Establishing the 2024 Property Tax Levy
3. Resolution Adopting the 2024 User Fee Schedule Rates
4. Ordinance Amending the 2023-2024 Adopted Budget

The following describes the adjustments included in the Mayor's Proposed Adjustment. The adjustment explanations are outlined by topic.

### **Employee Market and Cost of Living Adjustments**

#### Market Adjustments for the Management Professional Employees

During the preparation of the currently adopted budget, only anticipated cost of living adjustments for all Management Professional Employees (MPE's) were included. During the Police Guild and Teamsters Union negotiations, compression with supervising non-represented employees was identified and addressed to eliminate wage compression issues for supervising MPE staff. The full evaluation of all MPE's, also known and referred to as non-represented employees, is usually completed every couple of years to make sure staff is appropriately compensated and market adjustments are completed when appropriate. An evaluation of all MPE's was due to align compensations appropriately within the labor market to retain valued city employees. The total value for all MPE's market adjustments is \$170,000, including salaries, benefits, and related payroll taxes. The funds that include employee salary and benefit increases are the following: General Fund, Street Fund, Transportation Capital Fund, Sewer Utility Fund, and Surface Water Utility Fund.

#### Teamsters Market Adjustments and Retro Pay

Cost of living adjustments for the Teamsters Union were included in the originally adopted budget. However, the additional market adjustments and retro pay for 2022 were not included and need to be amended in the current budget. The retro pay for Teamsters in 2022 was a total of \$15,000. The value of the market adjustment was \$33,000 for 2023 and \$21,000 for 2024. The contract was voted and approved by Teamsters mid-2023 and was followed by City Council approval to ratify the Teamsters Union contract from 2022-2024. The total cost of the retro pay and market adjustments for 2022, 2023, 2024 is \$69,000. The funds that include employee salary and benefit increases are the following: General Fund, Street Fund, Sewer Utility Fund, and Surface Water Utility Fund.

#### Police Staff Adjustments - Limited Term Employees (General Fund)

The city devised a strategic plan to counter the potential loss and retirement of current police staff within the next two years. This involved introducing a category termed "Limited Term Employees," allowing for the addition of three extra police officers. The primary goal is to provide flexibility in training new staff – a process requiring approximately 1-2 years to attain proficiency. Currently, the police department has successfully hired two laterals and one entry-level officer to fill the approved Full-Time Equivalent (FTE) positions. To address staffing needs and uncertainties, the department is in the process of evaluating several promising candidates for hiring into these Limited Term Employee (LTE) positions. The anticipated annual cost of the three additional LTE's is estimated at \$540,000 for salary, benefits, specialty pay, uniforms, and equipment. The city recognizes that costs may fluctuate based on factors such as staff retirements, officers departing for other agencies, or new officers not meeting department expectations and/or successfully completing training requirements.

In conjunction with this initiative, diligent monitoring of the Uniform, Equipment, and Civil Service budgets is imperative to ensure adequate provisions for hiring new officers while maintaining

overall fiscal prudence. This holistic approach aims to strengthen the police force, enhance retention, and prepare for future police staffing challenges effectively.

During the spring of 2023 the city elected, in partnership with the Police Guild, to reopen the agreement to evaluate increasing current wages to all represented guild employees and the Lieutenants to address salary compression concerns. The decision to reopen the Guild union agreement was made to remain competitive in the labor market and address retention concerns among police staff. A 5% increase in their salaries was implemented, effective from June 1st, 2023. Increasing the wages proved instrumental in incentivizing police staff members contemplating a move to other police departments to stay within our organization. The value of increasing the police department wages 5% is roughly \$100,000. Due to the addition of the 3 recently approved Limited Term Police Officers being included in the proposed mid-biennial budget adjustment at \$540,000 the additional market adjustment increase was thoughtfully not included. However, the police budget salaries and benefits will be closely monitored and may need to be expanded at a future budget amendment in the second or third quarter of 2024. With the inclusion of the \$540,000 for the 3 Limited Term Police Officer in the proposed mid-biennial budget adjustment, cost savings realized to date through vacancies and the likelihood that the 3 LTE positions will not be filled concurrently, the 5% market adjustment is not recognized in this adjustment. The police budget salaries and benefits will be closely monitored and will be expanded at a future budget amendment in the second or third quarter of 2024, if necessary.

### General Fund

#### Health and Wellness Grant

In 2022/23, the police department received a \$15,000 grant for Health and Wellness from WASPC. For 2023, the remaining amount was used to purchase fitness equipment for \$8,851. The city received the reimbursement and this wellness grant is presented as a pass-through cost in the General Fund.

#### Blake Reimbursement

The Administrative Office of the Court (AOC) provided municipal courts with a grant to reimburse all courts affected by the *State vs. Blake* decision. On February 25, 2021, the Washington State Supreme Court in *State vs. Blake* declared Washington's strict liability drug possessions statute unconstitutional. Consequently, persons convicted in Washington State under RCW 69.50.4013(1) for possession of controlled substances may be eligible to have their drug conviction vacated and any fines, assessments, and fees paid refunded. AOC set aside state funds to reimburse municipal courts for the refunds issued.

The Blake reimbursement was a total of \$42,716. The expenditures were \$34,197 which included the reimbursement to all qualifying defendants and additional work by the prosecuting attorney. The difference was internal court and finance staff time.

#### Police Overtime Services: Reimbursement by Outside Entities

During the preparation of the original budget the Police Department included overtime costs on the expenditure side to include the cost for outside police coverage. The revenue side was not arcuately accounted for, which assists in offsetting the larger police overtime expenditure budget allocation. A couple of the outside agencies that use the City of Lake Forest Park's

Police services are the University of Washington for events and Town Center for additional security.

### Washington State Settlement Opioid Litigation

The City is currently receiving opioid settlement funds due to multiple states, counties, and cities uniting against various entities within the pharmaceutical supply chain who manufacture, distribute, and dispense prescription opioids. The funds received from the opioid epidemic must be spent to combat the opioid epidemic. At the time the multiple agreements were approved by City Council, the actual settlement revenue the City would receive, and when, was unknown. To date, the City has received \$12,732 and anticipates another \$4,000 in the near future.

### Police Patrol Equipment: Rifles

House Bill 1240 prohibits the manufacture, importation, distribution, and sale of assault-style weapons in Washington, with an exception for sales made to armed forces and law enforcement. Officers using personal equipment for duty is no longer allowed. Patrol rifles that were personally owned were pulled from operations. The approved cost to provide equipment for 21 commissioned officers was \$94,605, but the actual cost turned out to be closer to \$70,500.

### Dispatch Services (Bothell to NORCOM)

Following the dissolution of Bothell's dispatch services, the city sought an Interlocal Agreement (ILA) with NORCOM dispatch. The prior cost for dispatch, equipment, and maintenance through Bothell was \$180,000 annually. For the 4th quarter of 2023, the budget allocated to Bothell Dispatch is \$44,840, prorated at \$14,947 for October. The remaining budget of \$29,893 is designated for NORCOM services for November and December. A payment of \$71,665 will be made to NORCOM for dispatch services for this period. This leaves an additional \$41,772 needed, requiring a budget adjustment to conclude 2023 appropriately. Looking ahead to 2024, the current Dispatch Budget remains at \$180,000. However, estimated NORCOM costs for the year total \$463,560, resulting in an additional \$283,560 necessitating a budget adjustment. It's important to note that there could be supplementary costs for historical data conversion, license fees for accessing the old system, and other unforeseen services during this transition. Planning and adapting the budget for these contingencies will be vital for a smooth transition and efficient dispatch services in the coming year.

### Jail Services: Municipal Court and Police Department

Jail costs saw a significant rise in the past year due to Yakima canceling its jail housing contract. The alternatives were Snohomish County Jail and King County Jail. Lynnwood Jail is closed for remodeling and the building of a new facility. The anticipated opening is in 2024. This, combined with higher bookings, a new judge holding defendants accountable, and inflation led to substantial cost increases. The approval of the Sunnyside Jail Interlocal Agreement (ILA) is expected to reduce future jail costs for defendants with long-term stays. The jail costs are currently at 92%, which is double the anticipated budget for 2023/24. The Administration is hopeful with the new Sunnyside ILA that the future cost will be more in line with historical jail costs and will be continually monitored. The budget is being expanded cautiously, including an additional \$150,000.

### Operational Items – Multiple Funds

#### Investment Interest: New Strategy Approved Spring 2023

The Budget & Finance Committee recently approved a new investment strategy for a longer-term investment of the City's money through governmental agency bonds. The strategy allows the City to more effectively estimate future investment interest revenues. The governmental agency bonds yield (interest rate) ranges from 3.4-4.92% while the shorter-term interest rates are currently ranging between 4.3-5.3%. The City's longer term governmental bonds provide a fiscally predictable interest rate for the duration of each governmental agency bond with ladder maturity dates ranging from March 2024 to May 2028. The shorter-term interest rates are more unpredictable while the government agency bonds provide financial stability for a substantial portion of the City's money. Both short and long-term financial investments are necessary for the City.

The conservatively estimated investment interest has a value of over a million dollars to adjust for 2023's actual revenue and 2024's estimated governmental agency bond and short-term investment interest. Investment interest was estimated extremely low in the original budget due to the pandemic and uncertain economy. The new investment strategy that was recently approved is the only revenue change that benefits all City funds as the distribution allocation is based on cash balances for each fund.

#### Sewer Utility and Surface Water Utility Funds

Multiple invoices in the sewer utility and the surface water funds that were fiscal year 2022's expenses did not make the open period cut off to be paid in the appropriate fiscal year that the expenses occurred. Therefore, both funds are amending increases to carry the previously appropriated budget forward to the current budget. The City strives to pay for all expenses within the appropriate fiscal year, unfortunately this does occasionally occur.

### Sewer and Surface Water Utility Tax

#### Sewer and Surface Water Utility Taxes

The Administration cautiously entered only one year of the new revenue for the sewer and surface water utility taxes in the general, sewer utility, and surface water funds. As a result, the revenue needs to be increased in all three funds along with the expenditure in the sewer utility and surface water utility funds. The utility tax is paid for by the rate payers of the sewer utility and the surface water funds. All three transactions for both the sewer utility, the surface water utility, and the general funds are presented on the schedule of adjustments.

### Surface Water Capital Project

#### 35th Avenue Capital Project

The project includes the installation of a storm water facility to convey storm water from the public right-of-way through a city acquired easement on private property. This work improves a long-standing condition by directing the storm water to a more advantageous location and avoids the two more costly options, north and south, within the city's street right-of-way.

# Schedule of Adjustments: 2023-2024 Mid-Biennial Budget Adjustment

Section 3, ItemA.

| GENERAL FUND                                                                |                       |                                   |               |                      |
|-----------------------------------------------------------------------------|-----------------------|-----------------------------------|---------------|----------------------|
| Title                                                                       | Revenue(R)/Expend.(E) | 2023-2024<br>Adjustment<br>Amount | Total Revenue | Total<br>Expenditure |
| WASPC Behavioral Health Grant                                               | R                     | \$ 8,851                          | \$ 8,851      |                      |
| WA ST AOC Blake Reimbursement                                               | R                     | \$ 42,716                         | \$ 42,716     |                      |
| Sewer Utility Tax                                                           | R                     | \$ 154,000                        | \$ 154,000    |                      |
| Surface Water Utility Tax                                                   | R                     | \$ 63,000                         | \$ 63,000     |                      |
| Police OT Services (Reimbursed by outside entities for additional coverage) | R                     | \$ 80,000                         | \$ 80,000     |                      |
| Investment Interest                                                         | R                     | \$ 433,500                        | \$ 433,500    |                      |
| State Opioid Settlement                                                     | R                     | \$ 16,732                         | \$ 16,732     |                      |
| General Fund Revenue Adjustment Total                                       |                       | \$ 798,798                        | \$ 798,798    |                      |
| Management Professional Employees (MPE) Salaries                            | E                     | \$ 97,000                         |               | \$ 97,000            |
| Management Professional Employees (MPE) Benefits                            | E                     | \$ 39,000                         |               | \$ 39,000            |
| Washington Cities Insurance Authorities                                     | E                     | \$ 39,282                         |               | \$ 39,282            |
| Judgements/Settlements Blake & Professional Services                        | E                     | \$ 34,197                         |               | \$ 34,197            |
| Police Department Salaries - Limited Term Positions                         | E                     | \$ 300,000                        |               | \$ 300,000           |
| Police Department Benefit - Limited Term Positions                          | E                     | \$ 220,000                        |               | \$ 220,000           |
| Police Uniform Expenses                                                     | E                     | \$ 15,000                         |               | \$ 15,000            |
| Police Department - WASPC Behavioral Health Grant (Pass Through)            | E                     | \$ 8,851                          |               | \$ 8,851             |
| Police Equipment: Rifles                                                    | E                     | \$ 70,500                         |               | \$ 70,500            |
| Civil Service Commission - Professional Services for Police Hires           | E                     | \$ 5,000                          |               | \$ 5,000             |
| Dispatch Services                                                           | E                     | \$ 310,385                        |               | \$ 310,385           |
| Jail Expenses                                                               | E                     | \$ 150,000                        |               | \$ 150,000           |
| Teamsters Salaries & Benefits                                               | E                     | \$ 13,800                         |               | \$ 13,800            |
| General Fund Expenditure Adjustment Total                                   |                       | \$ 1,303,015                      |               | \$ 1,303,015         |
| Total Net Change to the General Fund                                        |                       | \$ (504,216)                      |               |                      |
| STREET FUND                                                                 |                       |                                   |               |                      |
| Title                                                                       |                       | 2023-2024<br>Budget Amount        | Total Revenue | Total<br>Expenditure |
| Interest Investment                                                         | R                     | \$ 39,500                         | \$ 39,500     |                      |
| Street Fund Revenue Adjustment Total                                        |                       | \$ 39,500                         | \$ 39,500     |                      |
| Management Professional Employee Management (MPE) Salaries                  | E                     | \$ 2,500                          |               | \$ 2,500             |
| Management Professional Employee Management (MPE) Benefits                  | E                     | \$ 1,000                          |               | \$ 1,000             |
| Teamsters Salaries & Benefits                                               | E                     | \$ 17,250                         |               | \$ 17,250            |
| Washington Cities Insurance Authorities                                     | E                     | \$ 2,885                          |               | \$ 2,885             |
| Street Fund Expenditure Adjustment Total                                    |                       | \$ 23,635                         |               | \$ 23,635            |
| Total Net Change to the Street Fund                                         |                       | \$ 15,865                         |               |                      |

# Schedule of Adjustments: 2023-2024 Mid-Biennial Budget Adjustment

Section 3, ItemA.

| TRANSPORTATION BENEFIT DISTRICT FUND                           |   |                                          |                      |                                    |
|----------------------------------------------------------------|---|------------------------------------------|----------------------|------------------------------------|
| <u>Title</u>                                                   |   | <u>2023-2024</u><br><u>Budget Amount</u> | <u>Total Revenue</u> | <u>Total</u><br><u>Expenditure</u> |
| Investment Interest                                            | R | \$ 34,500                                | \$ 34,500            |                                    |
| TBD Fund Revenue Adjustment Total                              |   | \$ 34,500                                | \$ 34,500            |                                    |
|                                                                | E | \$ -                                     |                      | \$ -                               |
| Transportation Benefit District Expenditure Total              |   | \$ -                                     |                      | \$ -                               |
| Total Net Change to the Transportation Benefit District Fund   |   | \$ 34,500                                |                      |                                    |
| STRATEGIC OPPORTUNITY FUND                                     |   |                                          |                      |                                    |
| <u>Title</u>                                                   |   | <u>2023-2024</u><br><u>Budget Amount</u> | <u>Total Revenue</u> | <u>Total</u><br><u>Expenditure</u> |
| Investment Interest                                            | R | \$ 103,000                               | \$ 103,000           |                                    |
| Strategic Opportunity Fund Revenue Adjustment Total            |   | \$ 103,000                               | \$ 103,000           |                                    |
|                                                                | E |                                          |                      | \$ -                               |
| Strategic Opportunity Fund Expenditure Total                   |   | \$ -                                     |                      | \$ -                               |
| Total Net Change to the Strategic Opportunity Fund             |   | \$ 103,000                               |                      |                                    |
| CAPITAL IMPROVEMENT FUND                                       |   |                                          |                      |                                    |
| <u>Title</u>                                                   |   | <u>2023-2024</u><br><u>Budget Amount</u> | <u>Total Revenue</u> | <u>Total</u><br><u>Expenditure</u> |
| Investment Interest                                            | R | \$ 107,500                               |                      |                                    |
| Capital Improvement Fund Revenue Adjustment Total              |   | \$ 107,500                               | \$ 107,500           | \$ -                               |
|                                                                | E |                                          |                      | \$ -                               |
| Capital Improvement Fund Expenditure Adjustment Total          |   |                                          |                      | \$ -                               |
| Total Net Change to the Capital Improvement Fund               |   | \$ 107,500                               |                      |                                    |
| CAPITAL FACILITY MAINTENANCE FUND                              |   |                                          |                      |                                    |
| <u>Title</u>                                                   |   | <u>2023-2024</u><br><u>Budget Amount</u> | <u>Total Revenue</u> | <u>Total</u><br><u>Expenditure</u> |
| Investment Interest                                            | R | \$ 48,500                                |                      |                                    |
| Capital Facility Maintenance Fund Revenue Adjustment Total     |   | \$ 48,500                                | \$ 48,500            | \$ -                               |
|                                                                | E |                                          |                      | \$ -                               |
| Capital Facility Maintenance Fund Expenditure Adjustment Total |   |                                          |                      | \$ -                               |
| Total Net Change to the Capital Facility Maintenance Fund      |   | \$ 48,500                                |                      |                                    |

# Schedule of Adjustments: 2023-2024 Mid-Biennial Budget Adjustment

Section 3, ItemA.

| TRANSPORTATION CAPITAL FUND                                    |   |                                          |                      |                                    |
|----------------------------------------------------------------|---|------------------------------------------|----------------------|------------------------------------|
| <u>Title</u>                                                   |   | <u>2023-2024</u><br><u>Budget Amount</u> | <u>Total Revenue</u> | <u>Total</u><br><u>Expenditure</u> |
| Investment Interest                                            | R | \$ 107,520                               | \$ 107,520           |                                    |
| Transportation Capital Fund Adjustment Total                   |   | \$ 107,520                               | \$ 107,520           |                                    |
| Engineering Salaries                                           | E | \$ 6,500                                 |                      | \$ 6,500                           |
| Engineering Benefits                                           | E | \$ 2,500                                 |                      | \$ 2,500                           |
| Washington Cities Insurance Authorities                        | E | \$ 807                                   |                      | \$ 807                             |
| Transportation Capital Fund Revenue Adjustment Total           |   | \$ 9,807                                 |                      | \$ 9,807                           |
| Total Net Change to the Transportation Capital Fund            |   | \$ 97,713                                |                      |                                    |
| CAPITAL FACILITIES MAINTENANCE FUND                            |   |                                          |                      |                                    |
| <u>Title</u>                                                   |   | <u>2023-2024</u><br><u>Budget Amount</u> | <u>Total Revenue</u> | <u>Total</u><br><u>Expenditure</u> |
| Investment Interest                                            | R | \$ 48,500                                |                      |                                    |
| Capital Facility Maintenance Fund Revenue Adjustment Total     |   | \$ 48,500                                | \$ 48,500            | \$ -                               |
|                                                                |   |                                          |                      |                                    |
|                                                                | E |                                          |                      | \$ -                               |
| Capital Facility Maintenance Fund Expenditure Adjustment Total |   |                                          |                      | \$ -                               |
| Total Net Change to the Capital Facility Maintenance Fund      |   | \$ 48,500                                |                      |                                    |
| SEWER UTILITY FUND                                             |   |                                          |                      |                                    |
| <u>Title</u>                                                   |   | <u>2023-2024</u><br><u>Budget Amount</u> | <u>Total Revenue</u> | <u>Total</u><br><u>Expenditure</u> |
| Investment Interest                                            | R | \$ 49,000                                | \$ 49,000            |                                    |
| Sewer Utility Tax                                              | R | \$ 154,000                               | \$ 154,000           |                                    |
| Sewer Utility Fund Revenue Adjustment Total                    |   | \$ 203,000                               | \$ 203,000           |                                    |
| Management Professional Employee Management (MPE) Salaries     | E | \$ 5,000                                 |                      | \$ 5,000                           |
| Management Professional Employee Management (MPE) Benefits     | E | \$ 2,000                                 |                      | \$ 2,000                           |
| Teamsters Salaries & Benefits                                  | E | \$ 17,250                                |                      | \$ 17,250                          |
| Professional Services - Invoices from 2022 paid in 2023        | E | \$ 15,000                                |                      | \$ 15,000                          |
| Repairs & Maintenance - from 2022 paid in 2023                 | E | \$ 15,000                                |                      | \$ 15,000                          |
| Washington Cities Insurance Authorities                        | E | \$ 3,070                                 |                      | \$ 3,070                           |
| Sewer Utility Tax                                              | E | \$ 154,000                               |                      | \$ 154,000                         |
| Sewer Utility Fund Expenditure Adjustment Total                |   | \$ 204,320                               |                      | \$ 211,320                         |
| Total Net Change to the Sewer Utility Fund                     |   | \$ (8,320)                               |                      |                                    |
| SEWER CAPITAL FUND                                             |   |                                          |                      |                                    |
| <u>Title</u>                                                   |   | <u>2023-2024</u><br><u>Budget Amount</u> | <u>Total Revenue</u> | <u>Total</u><br><u>Expenditure</u> |
| Investment Interest                                            | R | \$ 134,000                               | \$ 134,000           |                                    |
| Sewer Capital Revenue Adjustment Total                         |   | \$ 134,000                               | \$ 134,000           |                                    |
|                                                                |   |                                          |                      |                                    |
|                                                                | E |                                          |                      | \$ -                               |
| Sewer Capital Fund Expenditure Adjustment Total                |   | \$ -                                     |                      | \$ -                               |
| Total Net Change to the Sewer Capital Fund                     |   | \$ 134,000                               |                      |                                    |

# Schedule of Adjustments: 2023-2024 Mid-Biennial Budget Adjustment

Section 3, ItemA.

| SURFACE WATER UTILITY FUND                                      |   |                                          |                      |                                    |
|-----------------------------------------------------------------|---|------------------------------------------|----------------------|------------------------------------|
| Title                                                           |   | <u>2023-2024</u><br><u>Budget Amount</u> | <u>Total Revenue</u> | <u>Total</u><br><u>Expenditure</u> |
| Investment Interest                                             | R | \$ 52,000                                | \$ 52,000            |                                    |
| Surface Water Utility Tax                                       | R | \$ 63,000                                | \$ 63,000            |                                    |
| Surface Water Utility Fund Revenue Adjustment Total             |   | \$ 115,000                               | \$ 115,000           |                                    |
| Management Professional Employee Management (MPE) Salaries      | E | \$ 11,000                                |                      | \$ 11,000                          |
| Management Professional Employee Management (MPE) Benefits      | E | \$ 4,500                                 |                      | \$ 4,500                           |
| Teamsters Salaries & Benefits                                   | E | \$ 20,700                                |                      | \$ 20,700                          |
| Professional Services - Invoices from 2022 paid in 2023         | E | \$ 130,000                               |                      | \$ 130,000                         |
| Washington Cities Insurance Authorities                         | E | \$ 4,144                                 |                      | \$ 4,144                           |
| Surface Water Utility Tax                                       | E | \$ 63,000                                |                      | \$ 63,000                          |
| Surface Water Utility Fund Revenue Adjustment Total             |   | \$ 233,344                               |                      | \$ 233,344                         |
| Total Net Change to the Surface Water Utility Fund              |   | (118,344)                                |                      |                                    |
| SURFACE WATER CAPITAL FUND                                      |   |                                          |                      |                                    |
| Title                                                           |   | <u>2023-2024</u><br><u>Budget Amount</u> | <u>Total Revenue</u> | <u>Total</u><br><u>Expenditure</u> |
| Investment Interest                                             | R | \$ 70,000                                | \$ 70,000            |                                    |
| Surface Water Capital Revenue Adjustment Total                  |   | \$ 70,000                                | \$ 70,000            |                                    |
| 35th Ave Project - Design, ROW, Construction, Const. Management | E | \$ 560,000                               |                      | \$ 560,000                         |
| Surface Water Capital Fund Expenditure Adjustment Total         |   | \$ 560,000                               |                      | \$ 560,000                         |
| Total Net Change to the Surface Water Capital Fund              |   | (490,000)                                |                      |                                    |
| VEHICLE & EQUIPMENT REPLACEMENT FUND                            |   |                                          |                      |                                    |
| Title                                                           |   | <u>2023-2024</u><br><u>Budget Amount</u> | <u>Total Revenue</u> | <u>Total</u><br><u>Expenditure</u> |
| Investment Interest                                             | R | \$ 40,500                                | \$ 40,500            |                                    |
| Vehicle and Equipment Revenue Adjustment Total                  |   | \$ 40,500                                | \$ 40,500            |                                    |
|                                                                 | E |                                          |                      | \$ -                               |
| Vehicle and Equipment Expenditure Adjustment Total              |   | \$ -                                     |                      | \$ -                               |
| Total Net Change to the Vehicle & Equipment Fund                |   | \$ 40,500                                |                      |                                    |