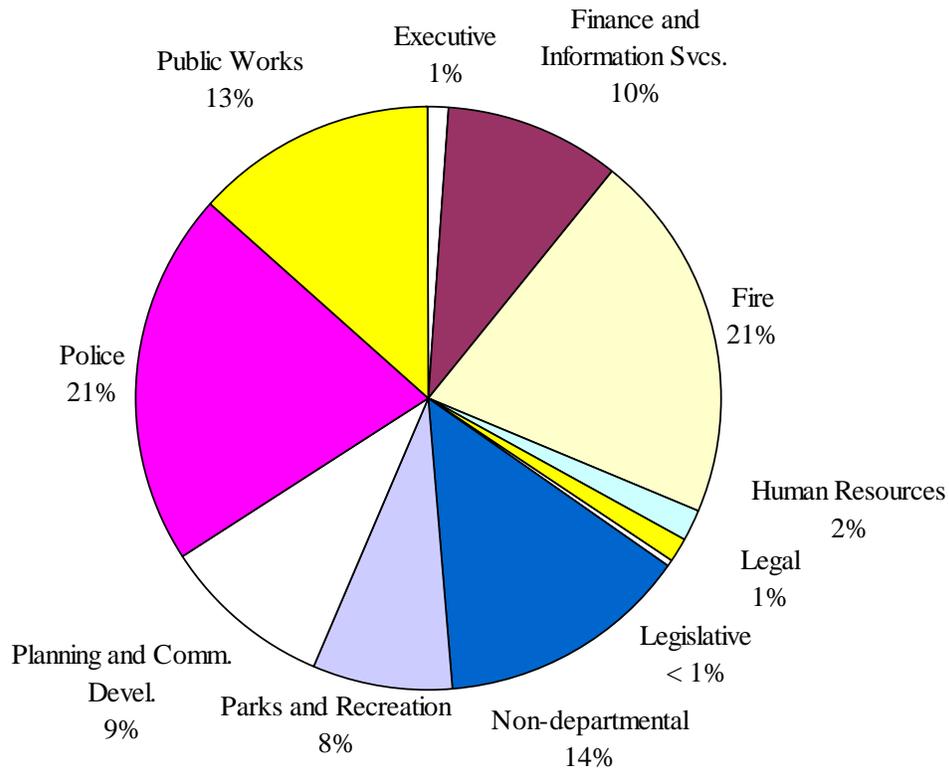


**SUMMARY OF GENERAL FUND EXPENDITURES**  
**2005-2006 Budget**

	2001-2002 Actual	2003-2004 Budget	2003-2004 Estimate	2005-2006 Budget
Total Expenditures	\$105,095,677	\$106,671,576	\$102,072,480	\$110,378,381
FTEs	429.99	419.74	419.74	413.06

**Summary of budget changes by Department**

Department	2003-2004 Budget	2005-2006 Budget	Difference	Percent Change
Executive	\$1,001,954	\$1,071,697	\$69,743	7.0%
Finance and Information Svcs.	10,163,274	10,942,191	778,917	7.7%
Fire	23,129,266	22,571,039	(558,227)	(2.4%)
Human Resources	1,740,336	1,803,925	63,589	3.7%
Legal	1,365,084	1,378,875	13,791	1.0%
Legislative	314,856	324,632	9,776	3.1%
Non-departmental	12,221,375	15,774,211	3,552,836	29.1%
Parks and Recreation	9,092,185	8,466,499	(625,686)	(6.9%)
Planning and Comm. Devel.	10,905,727	10,440,698	(465,029)	(4.3%)
Police	20,595,988	22,778,522	2,182,534	10.6%
Public Works	16,141,531	14,826,092	(1,315,439)	(8.1%)
<b>Total</b>	<b>\$106,671,576</b>	<b>\$110,378,381</b>	<b>\$3,706,805</b>	<b>3.5%</b>



**EXPLANATION OF PROGRAM INCREASES AND DECREASES  
INCLUDED IN THE 2005-2006 BIENNIAL BUDGET:**

	<u>Amount</u>	<u>FTEs</u>
<b>2003-04 Operating Budget</b>	<b>\$106,671,576</b>	<b>419.74</b>
<u>Changes included in the base budget</u>		
Elimination of one-time costs	(\$1,796,124)	
Salary and Benefit Adjustments	2,728,928	
PERS/LEOFF rate increase contingency	1,031,329	
Information Technology transfer adjustment	875,145	
Increased utility costs	233,270	
Radio and communication increases	214,232	
3% Technology Surcharge carryover	210,541	
2005-06 3% technology surcharge projects	101,984	
Jail contract increases	111,409	
Legal cost increases for labor negotiations	132,000	
Community Events	215,000	
Fire Department dispatch cost increases	80,000	
Financial operations contract cost increases	68,238	
Special Elections	55,000	
Vacation/Severance Contingency	55,000	
Unemployment Insurance	50,000	
Focus on Redmond	42,000	
Citywide learning program	25,000	
Fleet/Other Adjustments	110,784	
Increase Arts Activity transfer per capita from \$1.25 to \$1.50	23,500	
Increase Affordable Housing transfer to CIP	100,000	
Total - Adjustments included in base budget	<u>\$4,667,236</u>	
<u>Departmental Program reductions</u>		
Executive	(\$5,040)	
Finance	(302,346)	0.20
Legal	(34,000)	
Parks	(110,002)	(0.30)
Planning	(375,478)	(2.00)
Public Works	(983,565)	(4.58)
Total - Departmental program reductions	<u>(\$1,810,431)</u>	<u>(6.68)</u>

	<u>Amount</u>	<u>FTEs</u>
<u>New Programs</u>		
Citywide Records Management System	\$500,000	
New City Hall Lease Payment	350,000	
Total - Departmental program increases	<u>\$850,000</u>	
Total Departmental Program Reductions and Increases	(\$960,431)	(6.68)
<b>2005-06 Operating Budget</b>	<b><u>\$110,378,381</u></b>	<b><u>413.06</u></b>

**CHANGES TO THE 2005-2006 BASE OPERATING BUDGET**

**Departmental Program Reductions: -\$1,810,431**

Executive Department: -\$5,040

Non-salary and benefits line items are reduced by 6% or \$5,040. This reduction will decrease the Mayor's budget for daily operating expenditures, such as office supplies, small tools, legal, postage, and other miscellaneous expenses. See General Fund, Executive Department for further detail on these reductions.

Finance and Information Services Department: -\$302,346

This item reflects operational cost reductions within the Finance and Information Services Department. See General Fund, Finance and Information Services Department and Information Technology Fund for more information. Please note that the increase in the FTEs within the department is not a new FTE but is the result of shifting hours between Risk Management and Fixed Assets to better address the priorities and workload of the department.

Legal Department: -\$34,000

Funding for civil legal costs is reduced to reflect actual costs. See General Fund, Legal Department for further details.

Parks: -\$110,002

This item reflects operational cost reductions in the Parks Department. See General Fund, Parks Department for more information.

Planning Department: -\$375,478; -2.0FTEs

The Planning Department reductions reflect the elimination of two positions in the Building Division, both of which are currently vacant, and a reduction to the Department's administrative operating costs such as legal, phones, postage. See General Fund, Planning Department for further details of these reductions.

Public Works Department: -\$983,565; -4.58FTEs

Reductions within the Public Works Department budget were achieved primarily by re-distributing costs from the General Fund to the Utilities to better reflect how time and resources are being used, eliminating one Construction Inspector due to lowered development activity in the City; and reducing administrative support as a result of the Department's co-location into the new City Hall. See General Fund, Public Works Department for more detailed information regarding these reductions.

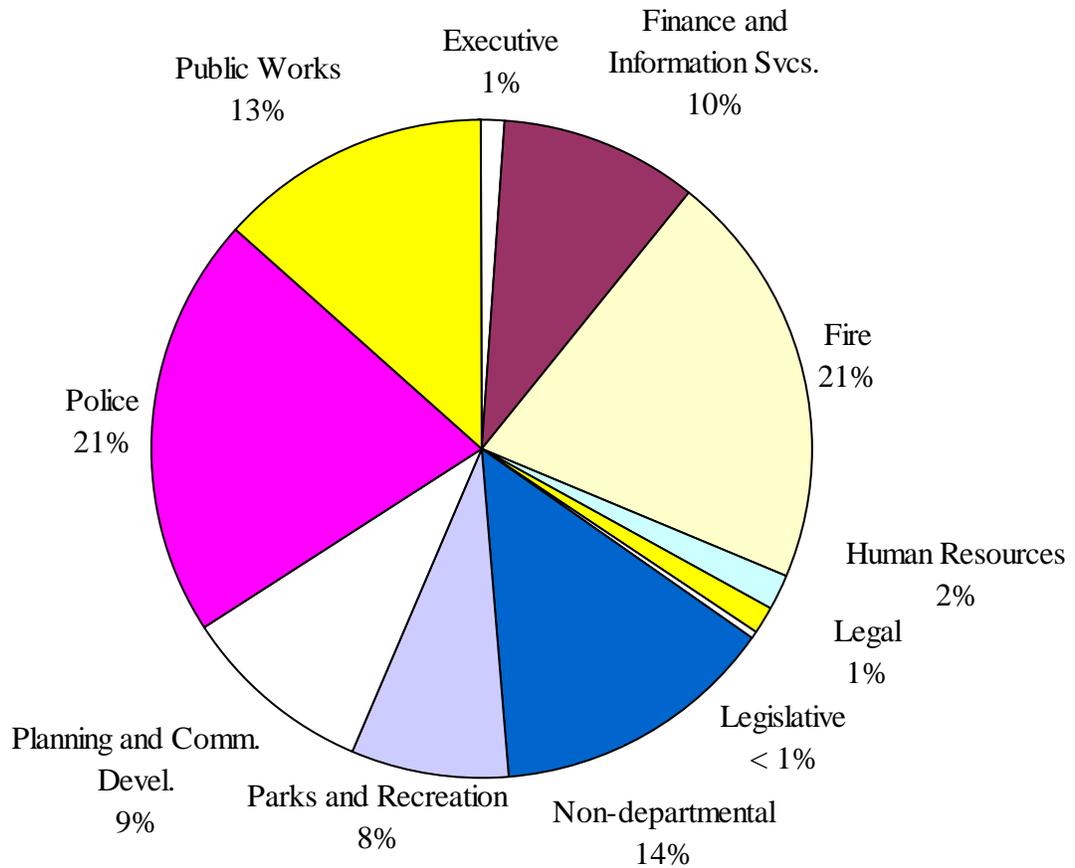
**New Programs: \$850,000**Citywide Records Management System: \$500,000

A key difference between the current City Hall and the new City Hall is the reduction in the amount of storage space that will be available to staff both in their individual offices and in common storage areas. As a result, the City must establish a centralized methodology for electronically storing and managing its written documents. This proposal addresses this need by funding a citywide records management system. The total project cost is approximately \$1.3 million and is shared as follows: General Fund (\$500,000), General Government CIP (\$589,831), Water/Wastewater Utility (\$133,754), Stormwater Management Utility (\$98,986), and Solid Waste/Recycling (\$5,743).

Additional funding for New City Hall: \$350,000

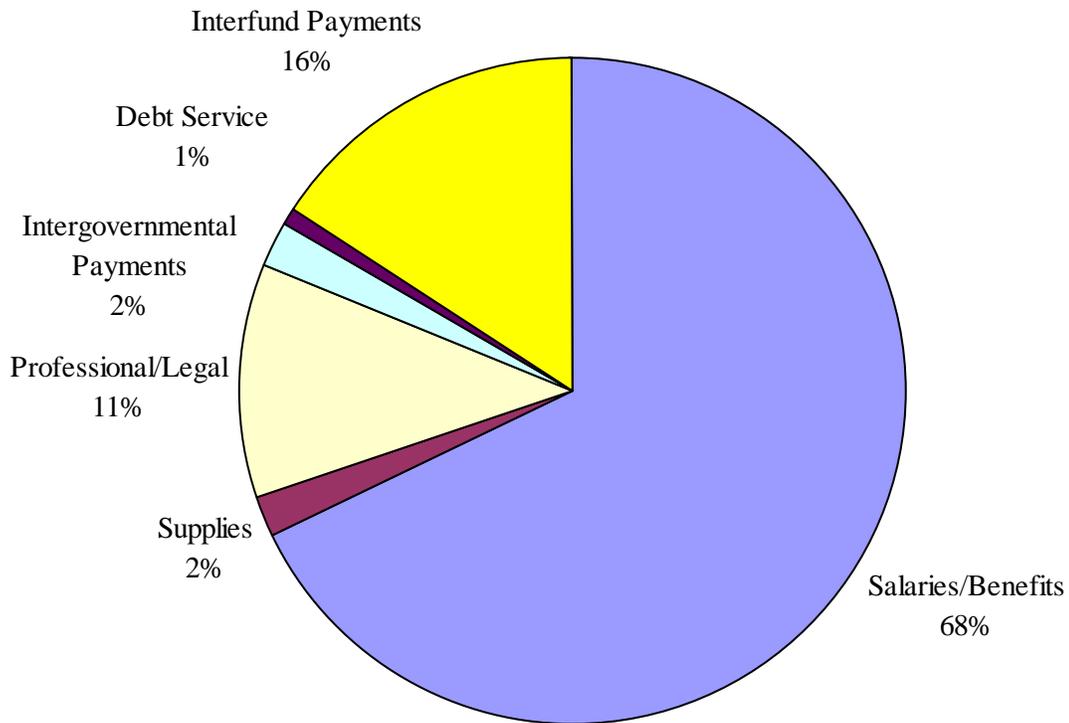
Reflects the General Fund's share of the additional funding required for the new City Hall per the conceptual funding plan. This is over and above the amount of \$622,930 already included in the budget for current leases and maintenance of existing buildings. The first payment for City Hall will begin in 2006 and is estimated at \$3.2 million including debt service, maintenance and operations costs, and management fees. Funding for the new City Hall will be provided by the following sources: General Fund, \$972,930; Council CIP Contingency, \$350,000; existing cash, \$1.4 million; Water/Wastewater, \$207,650; UPD Fund, \$21,630; Stormwater, \$186,920; and Solid Waste/Recycling, \$30,097.

**2005-2006 GENERAL FUND EXPENDITURES BY DEPARTMENT**



Department	2001-2002 Actual	2003-2004 Budget	2003-2004 Estimate	2005-2006 Budget
Executive	\$917,875	\$1,001,954	\$1,001,954	\$1,071,697
Finance and Information Svcs.	9,376,691	10,163,274	9,579,885	10,942,191
Fire	21,719,513	23,129,266	23,511,211	22,571,039
Human Resources	1,516,158	1,740,336	1,615,106	1,803,925
Legal	1,112,827	1,365,084	1,379,476	1,378,875
Legislative	268,068	314,856	314,856	324,632
Non-departmental	18,722,008	12,221,375	11,324,975	15,774,211
Parks and Recreation	7,755,699	9,092,185	8,306,036	8,466,499
Planning and Comm. Devel.	9,464,269	10,905,727	9,666,633	10,440,698
Police	19,035,066	20,595,988	20,096,724	22,778,522
Public Works	15,207,503	16,141,531	15,275,624	14,826,092
<b>Total</b>	<b>\$105,095,677</b>	<b>\$106,671,576</b>	<b>\$102,072,480</b>	<b>\$110,378,381</b>

**2005-2006 GENERAL FUND EXPENDITURES BY CATEGORY**



Category	2001-2002 Actual	2003-2004 Budget	2003-2004 Estimate	2005-2006 Budget
Salaries/Benefits <sup>1</sup>	\$63,190,329	\$72,701,760	\$69,316,893	\$74,683,875
Supplies	2,090,122	2,213,473	1,915,083	2,398,521
Professional/Legal	11,553,851	12,162,159	11,235,853	12,414,224
Intergovernmental Payments	2,407,410	2,279,296	2,300,839	2,528,101
Capital Outlay	659,010	109,039	133,038	0
Debt Service <sup>2</sup>	0	0	0	972,930
Interfund Payments <sup>3</sup>	25,194,955	17,205,849	17,170,774	17,380,730
<b>Total</b>	<b>\$105,095,677</b>	<b>\$106,671,576</b>	<b>\$102,072,480</b>	<b>\$110,378,381</b>

1. Includes salary and benefit contingency, interfund payment to the Medical Self-Insurance Fund and the Workers' Compensation Fund, overtime and supplemental help.

2. Lease/debt service represents lease and maintenance/operations expenses for the new City Hall.

3. Includes transfers to the Fleet Maintenance, Insurance, Information Technology and Capital Investment Funds.

**2005-2006 GENERAL FUND EXPENDITURES BY OBJECT**

DESCRIPTION	2001-2002 Actual	2003-2004 Budget	2003-2004 Estimate	2005-2006 Budget
Salaries/Wages	\$47,673,299	\$55,979,902	\$52,739,038	\$53,392,750
Salary and Benefits Contingency	0	1,206,845	174,177	2,494,253
Overtime	2,605,430	1,787,447	2,359,213	1,490,986
Supplemental Employees	1,147,042	1,035,851	1,027,883	1,013,927
Other Compensation	232,566	268,282	277,773	284,673
<b>Total Salaries/Wages</b>	<b>\$51,658,337</b>	<b>\$60,278,327</b>	<b>\$56,578,084</b>	<b>\$58,676,589</b>
Interfund Medical Insurance	\$5,905,883	\$6,435,381	\$6,848,613	\$8,935,842
Medical Reimbursement	(627,399)	(660,559)	(679,328)	(746,931)
MEBT Retirement	3,973,345	4,475,492	4,338,936	4,249,930
State Retirement - PERS	672,812	449,701	420,718	445,912
State Retirement - LEOFF	700,020	679,861	712,037	808,451
PERS/LOEFF Contingency	0	0	0	1,031,329
Workers Comp	303,601	365,546	451,964	611,292
Other Benefits	603,730	678,011	645,869	671,461
<b>Total Benefits</b>	<b>\$11,531,992</b>	<b>\$12,423,433</b>	<b>\$12,738,809</b>	<b>\$16,007,286</b>
Office/Operating Supplies	\$357,357	\$400,611	\$336,550	\$447,291
Small Tools/Equipment/ Software/Hardware	492,275	405,054	364,610	485,173
Operating Supplies	895,319	1,116,878	904,550	1,180,727
Repair/Maintenance Supplies	345,171	290,930	309,373	285,330
<b>Total Operating Supplies</b>	<b>\$2,090,122</b>	<b>\$2,213,473</b>	<b>\$1,915,083</b>	<b>\$2,398,521</b>
Professional Services	\$3,012,685	\$2,545,766	\$2,309,704	\$2,722,088
Legal Services	543,371	454,043	304,340	386,812
Communications	180,476	208,793	201,921	223,623
Telephones	316,179	534,044	493,337	581,646
Travel	217,787	207,737	214,831	220,883
Operating Rentals/Leases	713,369	809,424	670,516	401,127
Utilities	3,384,965	3,540,328	3,611,442	3,960,969
Repairs - Outside	1,447,751	1,795,604	1,388,730	1,693,353
Other Expenses	766,765	1,500,996	1,089,101	1,188,891
Miscellaneous Tuition	278,950	382,197	273,252	373,184
Other Services & Charges	691,553	183,227	678,679	661,648
<b>Total Other Services/Charges</b>	<b>\$11,553,851</b>	<b>\$12,162,159</b>	<b>\$11,235,853</b>	<b>\$12,414,224</b>

**General Fund Overview – General Fund Expenditures by Object**

**2005-2006**

DESCRIPTION	2001-2002 Actual	2003-2004 Budget	2003-2004 Estimate	2005-2006 Budget
Intergovernmental Services	\$2,407,410	\$2,279,296	\$2,300,839	\$2,528,101
Total Intergovernmental	<u>\$2,407,410</u>	<u>\$2,279,296</u>	<u>\$2,300,839</u>	<u>\$2,528,101</u>
Capital Outlay	\$659,010	\$109,039	\$133,038	\$0
Total Capital Outlay	<u>\$659,010</u>	<u>\$109,039</u>	<u>\$133,038</u>	<u>\$0</u>
Capital Lease	\$0	\$0	\$0	\$972,930
Total Lease Debt Service	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$972,930</u>
Information Technology	\$3,564,824	\$3,298,635	\$3,092,151	\$3,938,228
Interfund Insurance	940,626	1,379,132	1,379,132	1,322,122
Fleet Maintenance	2,580,509	2,601,448	2,601,998	2,248,482
Fleet Maintenance Insurance	160,245	207,041	206,600	282,050
CIP	12,182,983	5,784,089	5,784,089	5,571,516
Operating Reserves	873,770	0	0	0
Capital Equipment Reserve	2,300,000	2,000,000	2,000,000	2,000,000
Other Interfund Transfers	2,591,998	1,935,504	2,106,804	2,018,332
Total Interfund Payments	<u>\$25,194,955</u>	<u>\$17,205,849</u>	<u>\$17,170,774</u>	<u>\$17,380,730</u>
<b>TOTAL EXPENDITURES</b>	<u><u>\$105,095,677</u></u>	<u><u>\$106,671,576</u></u>	<u><u>\$102,072,480</u></u>	<u><u>\$110,378,381</u></u>