

ORDINANCE NO 2428

AN ORDINANCE OF THE CITY OF REDMOND,
WASHINGTON, ADOPTING THE FINAL 2009-2010
BUDGET OF THE CITY COMMENCING
JANUARY 1, 2009

WHEREAS, on or before the first business day in the third month prior to the beginning of the fiscal year of 2009, the estimate of revenues and expenditures was submitted to the Mayor for the next fiscal year as required by law, and

WHEREAS, the Mayor reviewed the estimates and made such revisions and/or additions as deemed advisable prior to sixty days before January 1, 2009, filed the said revised preliminary budget with the City Clerk together with his budget message, as his recommendation for the final budget, and

WHEREAS, the City Clerk provided sufficient copies of such preliminary budget and budget message to meet the reasonable demands of taxpayers and published notice of filing and the availability of said preliminary budget together with the dates of the public hearings for the purpose of fixing a final budget, all as required by law, and

WHEREAS, the City Council scheduled hearings on the preliminary budget for the purpose of providing information regarding estimates and programs, and

WHEREAS, the City Council held public hearings on June 3, October 21, and November 18, 2008, for the purpose of fixing a final budget at which all taxpayers were heard who appeared for or against any part of said budget, and

WHEREAS, following the conclusion of said hearings the City Council made such revisions and changes as it deemed necessary and proper, now, therefore,

THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON,
DO ORDAIN AS FOLLOWS

Section 1 The final 2009-2010 budget, three copies of which have been and now are on file with the office of the City Clerk, by this reference is hereby incorporated herein as if set forth in full and said final budget shall be and the same is hereby adopted in full

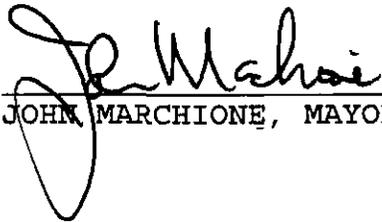
Section 2 Attached hereto and identified as Exhibit A-1, is an explanation of the technical corrections and Council changes between the 2009-10 Preliminary and Final Budgets and the total of estimated revenues/appropriations for each fund and the aggregate totals for all such funds combined and Exhibit A-2 which includes the City Council policy direction on the 2009-2010 Final Biennial Budget

Section 3 A complete copy of the final 2009-2010 budget, as adopted, together with a certified copy of this adopting ordinance shall be transmitted by the City Clerk to the Division of Municipal Corporations of the office of the State Auditor and to the Association of Washington Cities

Section 4 This ordinance shall take effect January 1, 2009

ADOPTED by the Redmond City Council this 2nd day of
December, 2008

CITY OF REDMOND



JOHN MARCHIONE, MAYOR

ATTEST/AUTHENTICATED



MICHELLE M MCGEHEE, CMC, CITY CLERK

(SEAL)

APPROVED AS TO FORM
OFFICE OF THE CITY ATTORNEY

By 

FILED WITH THE CITY CLERK	November 24, 2008
PASSED BY THE CITY COUNCIL	December 2, 2008
SIGNED BY THE MAYOR	December 2, 2008
PUBLISHED	December 8, 2008
EFFECTIVE DATE	January 1, 2009
ORDINANCE NO <u>2428</u>	

2009 2010 Final Budget

EXHIBIT A 1
Summary of Changes

Fund : Fund Title	Mayor's			2009 2010
	Preliminary Budget	Ongoing	One-Time	FINAL
001 GENERAL FUND	156 878 710	142 130 231	14 748 479	156 878 710
Revenue				
Property Tax Additional New Construction		921 727		921 727 Additional new construction
Sales Tax Decrease Postpone Store Opening		(400 000)		(400 000) Postponed new store opening
Electric Utility Tax Decrease PSL Rate		(773 984)		(773 984) Decrease in PSE rates
Total General Fund Revenues		141 877 974	14 748 479	156 626 453
Expense				
Benefit Adjustment		(390 279)		(390 279) Medical rate adjustment
Electricity Expense		(66 751)		(66 751) Decrease in PSE rates
One time Expenditure			(1 600 000)	(1 600 000) One time expenditure correction
Economic Contingency		4 773	1 600 000	1 604 773 Addition to Economic Contingency
Economic Development Strategy		200 000	100 000	300 000 Added Economic Development Strategy
Downtown/Overlake Visualization			(100 000)	(100 000) Decrease to offer
State Lobbyist			(50 000)	(50 000) Decrease Lobbyist offer to \$70 000
Arts Facility			50 000	50 000 Add Arts Facility funding to Council Contingency
Total General Fund Expense		141 877 974		156 626 453
Subtotal General Fund Changes	156 878 710	(252 257)		156 626 453
SPECIAL REVENUE FUNDS				
110 Recreation Activity	4 512 968			4 512 968
111 Arts Activity	617 427			617 427
112 Park Maintenance and Operations	2 543 709			2 543 709
113 Community Events Fund	872 671			872 671
115 Microsoft Development Review	3 998,296			3 998,296
117 Cable Access Fund	1 626 886			1 626 886
118 Operating Grants	4 370 408			4 370 408
119 Human Services	1 331,581			1 331 581
120 Fire Equipment Reserve	3 472 006			3 472 006
121 Operating Reserves	7 549 857			7 549 857
122 Advanced Life Support System	11 530 325			11 530 325
124 Aid Car Donation	145 482			145 482
125 Real Estate Excise Tax	18 277 479			18 277 479
126 Drug Enforcement	155 753			155 753
127 Capital Equipment Reserve	5 012 160			5 012 160

2009 2010 Final Budget

EXHIBIT A 1
Summary of Changes

Fund	Fund Title	Mayor's			2009 2010	
		Preliminary Budget	Ongoing	One-Time	FINAL	
130	Business Tax	13 843 675			13 843 675	
131	Hotel/Motel	884 184			884 184	
135	Fire Levy	5 962 110			5 962 110	
136	Police Levy	5 779 260			5 779 260	
137	Parks Levy	648 102			648 102	
140	Solid Waste/Recycling	1,411,041			1,411,041	
	Subtotal Special Revenue Funds	94 545 380			94 545 380	
DEBT SERVICE FUNDS						
230	Debt Service Excess Levy	1 528 607			1 528 607	
233	Bear Creek Parkway	5,300,025			5 300 025	
	Subtotal Debt Service Funds	6 828 632			6 828 632	
CAPITAL PROJECT FUNDS						
314	Council Capital Projects Contingency	5 796 309		1 100 000	6 896 309	Transfer Police generator to Council CIP contingency
315	Parks Capital Projects	38 034 334			38 034 334	
316	Transportation Capital Projects	75 498 233			75 498 233	
317	Fire Capital Projects	14 532 815			14 532 815	
318	Police Capital Projects	3 601 270			3 601 270	
319	General Government Capital Projects	14 873 782			14 873,782	
	Subtotal Capital Project Funds	152 336 743		1 100 000	153 436 743	
ENTERPRISE FUNDS						
401	Water/Wastewater Operations and Maintena	64 722 510			64 722 510	
402	UPD Operations and Maintenance	15 426 973			15 426 973	
403	Water General Construction	14 469 174		(2 243 451)	12,225 723	Seperation of wastewater from water CIP
404	Wastewater General Construction			3 840 384	3 840 384	Seperation of wastewater from water CIP
405	Stormwater Management	63 901 580			63 901 580	
406	Stormwater Construction	52 382 183			52 382 183	Elimnate Bear Creek Acquisition/Buffer Restoration and place money in fund balance
407	Novelty Hill Water Construction	9 409 989		(5 806 718)	3 603 271	Seperation of Novelty Hill wastewater from water CIP
408	Novelty Hill Wastewater Construction			3 997 023	3 997,023	Seperation of Novelty Hill wastewater from water CIP
	Subtotal Enterprise Funds	220 312 409		(212 762)	220 099 647	
INTERNAL SERVICE FUNDS						
501	Fleet Maintenance	10 526 331			10 526 331	
510	Insurance Claims and Reserve	3 119 874			3 119 874	
511	Medical Self Insurance	22 214 083			22,214 083	
512	Workers Compensation Insurance	1 723 798			1 723 798	
520	Information Technology	10,622,991			10 622,991	
	Subtotal Internal Service Funds	48 207 077			48 207 077	
FINAL 2009 10 BUDGET ALL FUNDS		679 108,951	(252 257)	887 238	679,743 932	

**Exhibit A-2
Council Issues Matrix
2009-2010 Biennial Budget**

OVERALL BUDGET ISSUES		
Issue	Discussion	Status
<p>1 Six-year Forecast Discuss current forecast in light of the economy Compare 2007-2012 forecast with current forecast to determine potential changes, if any</p>	<p><u>Staff Response</u> Staff will present a comparison to Council on 11/24/08</p>	(Closed)
<p>2 Performance Measures Before budget adoption, provide latest draft of revised Police performance measures</p>	<p><u>Staff Response</u> Revised Police performance measures will be distributed on 11/20/08 Staff will discuss and present a comprehensive performance measure framework to Council in early 2009</p>	(Closed)
BUSINESS COMMUNITY		
<p>3 Usable Zoning Code (p 38) Are the stated performance measures the right measures? Perhaps include a measure regarding community participation</p>	<p><u>Staff Response</u> Staff will discuss and present a comprehensive performance measure framework to Council in early 2009</p>	(Closed)

BUSINESS COMMUNITY		
Issue	Discussion	Status
<p>4 Economic Development Contingency</p> <p>Do we need to re-establish the economic development contingency budgeted in the 2007-2008 biennium?</p>	<p><u>Staff Response</u></p> <p>Option A Use existing resources to further economic development initiatives in the City</p> <p>Option B Use \$70,000 from the scaled back Downtown visualization to develop an economic development strategy including a cultural resources study</p> <p><u>Council Discussion</u> Use \$100,000 of Downtown/Overlake Visualization funds to develop an Economic Development Strategy as presented by the Planning Director on 11/24/08 Fund \$200,000 of Economic Development consulting services to be used to implement the strategy</p>	(Closed)
<p>5 Visualization of Downtown (p 41)</p> <p>Discuss scaling back \$100,000 to support Downtown program</p>	<p><u>Staff Response</u> The offer could be scaled back to either \$50,000 for the downtown only, or \$30,000 for downtown only but would require using additional existing staff resources to accomplish the initiative</p> <p><u>City Council Discussion</u> Reduce \$100,000 for the visualization program and dedicate it to the Economic Development Strategy described in Issue #4</p>	(Closed)
<p>6 Art Facility</p> <p>Revisit Art Facility offer Explore using visualization money to fund a portion of the program Discuss the use of private money/creating a foundation</p>	<p><u>Staff Response</u> Results Team and Administration do not recommend funding this program at this time Staff will work with the Arts Commission to better define the Art Facility concept and identify the next steps in the process</p> <p><u>City Council Discussion</u> Reduce Lobbyist offer by \$50,000 and place the money into Council Contingency to explore the possibility of an Arts Facility in Redmond</p>	(Closed)

SAFETY		
Issue	Discussion	Status
<p>7 Overtime Comparison</p> <p>Discuss right-sizing the overtime budgets for Police and Fire Provide an estimated actual to budget comparison for the current biennium vs the next biennium</p>	<p><u>Staff Response</u> Provided table of overtime actual, estimated actual and budgeted expenditures for the 2005-2006 biennium through 2009-2010 budget Discussed decrease in overtime compared to historical costs, drivers of overtime expenses and right-sizing of public safety overtime budgets The Administration will continue to work to contain overtime costs</p> <p><u>City Council Discussion</u> Staff will update Council periodically on overtime cost containment measures</p>	<p>Discussed 10/30/08</p> <p>Email 11/4/08 with hours related to overtime</p> <p>(Closed)</p>
<p>8 Inspection Performance Measures (p 203)</p> <p>Discuss performance measures in inspection, adding an process improvement measure</p>	<p><u>Staff Response</u> Staff will discuss and present a comprehensive performance measure framework to Council in early 2009</p>	<p>(Closed)</p>

RESPONSIBLE GOVERNMENT

Issue	Discussion	Status
<p>9 Lobbyist (p 167) Discuss hiring a contract lobbyist for the biennium</p>	<p><u>Staff Response</u> This request (an additional \$120,000 of one-time funding to hire a lobbyist on a contract basis for the biennium) is to more effectively advance the City's agenda at both the state and national level. Most cities of Redmond's size have taken this strategic approach to their significant advantage (the notable exceptions being Redmond and Yakima), to secure additional funding, promote issues important to them and prevent actions adverse to their interests. At a time when the state budget is facing considerable economic challenges and the federal budget is advancing unprecedented local support for infrastructure, this request represents a prudent investment to ensure Redmond's interests are well represented in Olympia and Washington, DC</p> <p><u>Council Discussion</u> Reduce the Lobbyist offer by \$50,000 and place the \$50,000 in the Council Contingency to explore the potential for an Arts Facility in Redmond</p>	<p>(Closed)</p>
<p>10 Efficiency Challenge (p 181) Revisit the discussion of the \$1.6 million efficiency challenge</p>	<p><u>Staff Response</u> This is not an expenditure request, but is an effort to continue the work of Budgeting by Priorities through seeking innovations and efficiencies in a "hard dollar" amount of at least \$1.6 million. This initiative will identify and track the savings and efficiencies, including efficiencies that result in improved service elsewhere (soft dollar savings) and reduced overall cost (hard dollar savings). Staff will report to council at least twice yearly on the progress made. This initiative is intended to help assure that future city budgets are able to remain consistent with the "price of government" range of between .05 and .06 percent of total household income</p> <p><u>Council Discussion</u> Look at lowering the City's electric and gas consumption as well as reducing the carbon footprint through lower emission vehicles</p>	<p>(Closed)</p>

CLEAN & GREEN		
Issue	Discussion	Status
<p>11 Converting Septic to Sewer (p 53 unfunded)</p> <p>Discuss the possibility of funding this program</p>	<p><u>Staff Response</u> This program was not recommended by the Results Team or Administration due to the significant cost and policy issues surrounding the program Staff recommends evaluating funding alternatives for a future discussion with Council</p> <p><u>Council Discussion</u> Continue to look at this problem and report back to Council with scope of project, project priority areas, a potential timeframe and estimated project costs</p>	(Closed)
<p>12 Solid Waste/Recycling</p> <p>Discuss increase in yard waste pick-up to weekly during winter months</p>	<p><u>Staff Response</u> Results Team recommended for funding and Administration put forward for Council consideration A survey of yard waste pick-up in February 2008 determined less than 34% of the City's customers would benefit from the additional service at a cost of 39 cents per month for all City customers</p> <p><u>Council Discussion</u> Explore the possibility of Waste Management conducting a customer survey to assess how many residents would use the additional service Council agreed this was not a budget item and would continue to discuss the topic in the next biennium as more information became available</p>	(Closed)
ADDITIONAL ISSUES		
<p>13 1% Property Tax Increase</p> <p>Discuss the 1% property tax increase revenue estimate</p>	<p><u>Staff Response</u> Consistent with the Financial Strategy adopted by Council, a 1% increase in property taxes has been included in the proposed budget</p> <p><u>Council Discussion</u> Consistent with the Council's adopted Financial strategy, continue to levy the 1% property tax increase to sustain the City's stable revenue sources</p>	(Closed)

ADDITIONAL ISSUES		
Issue	Discussion	Status
<p>14 Downtown Park (p, 235) Sources of revenue for the Downtown Park project</p>	<p><u>Staff Response</u> Currently, the Downtown Park funding includes \$9 million of land already acquired by the City, \$11 million of estimated private and public funding and \$1 million of Real Estate Excise Tax (REET) for temporary cash flow purposes. It is the Parks Department intention to raise \$12 million in public and private funding and pay back the REET funds dedicated to the project.</p>	(Closed)
<p>15 Bear Creek Acquisition and Buffer Restoration (p 309) Continue discussion of this Stormwater project</p>	<p><u>Staff Response</u> Property acquisition was discussed at Executive Session on 10/21/08</p> <p><u>Council Discussion</u> This project will be eliminated from the Stormwater CIP and the money will revert to fund balance.</p>	(Closed)
<p>16 Preserving Traffic Pavement Markings (p 99 unfunded) Discuss the pavement marking program</p>	<p><u>Staff Response</u> This program was not recommended by the Results Team or the Administration due to higher priority projects that needing funding within the biennium.</p> <p><u>Council Discussion</u> The Pavement Markings offer will not be funded this biennium.</p>	(Closed)