



City of Tukwila
Finance Committee

- ◆ De'Sean Quinn, Chair
- ◆ Dennis Robertson
- ◆ Kate Kruller

Distribution:	
D. Quinn	Mayor Ekberg
D. Robertson	D. Cline
K. Kruller	C. O'Flaherty
V. Seal	L. Humphrey

AGENDA

WEDNESDAY, JANUARY 17, 2018 – 5:30 PM

HAZELNUT CONFERENCE ROOM

(At east entrance of City Hall)

Item	Recommended Action	Page
1. PRESENTATION(S)		
2. BUSINESS AGENDA November 2017 General Fund update. <i>Vicky Carlsen, Deputy Finance Director</i>	Information only.	Pg.1
3. ANNOUNCEMENTS		
4. MISCELLANEOUS		

Next Scheduled Meeting: *Tuesday, February 6, 2018*



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INFORMATIONAL MEMORANDUM

TO: Councilmembers
CC: Mayor Ekberg
FROM: Peggy McCarthy, Finance Director
BY: Vicky Carlsen, Deputy Finance Director
DATE: January 10, 2018
SUBJECT: 2017 November General Fund Update

Summary

The purpose of the 2017 Financial report is to summarize for the City Council the general state of Departmental expenditures and to highlight significant items or trends. The following provides a high-level summary of the Departmental financial performance. The 2017 November YTD report is based on financial data available as of January 4th, 2018, for the reporting period ending November 30th, 2017. Additional details can be found within the attached financial report.

Allocated budgets through the reporting period are calculated by analyzing spend patterns in the previous year and allocating the current year budget using the same spend pattern. If a line item had no expenditures in the prior year but a budget in the current year, the allocated budget for the current year would be zero.

It should be noted that budget amendments, as approved by Council on November 20, 2017, have been included in this report.

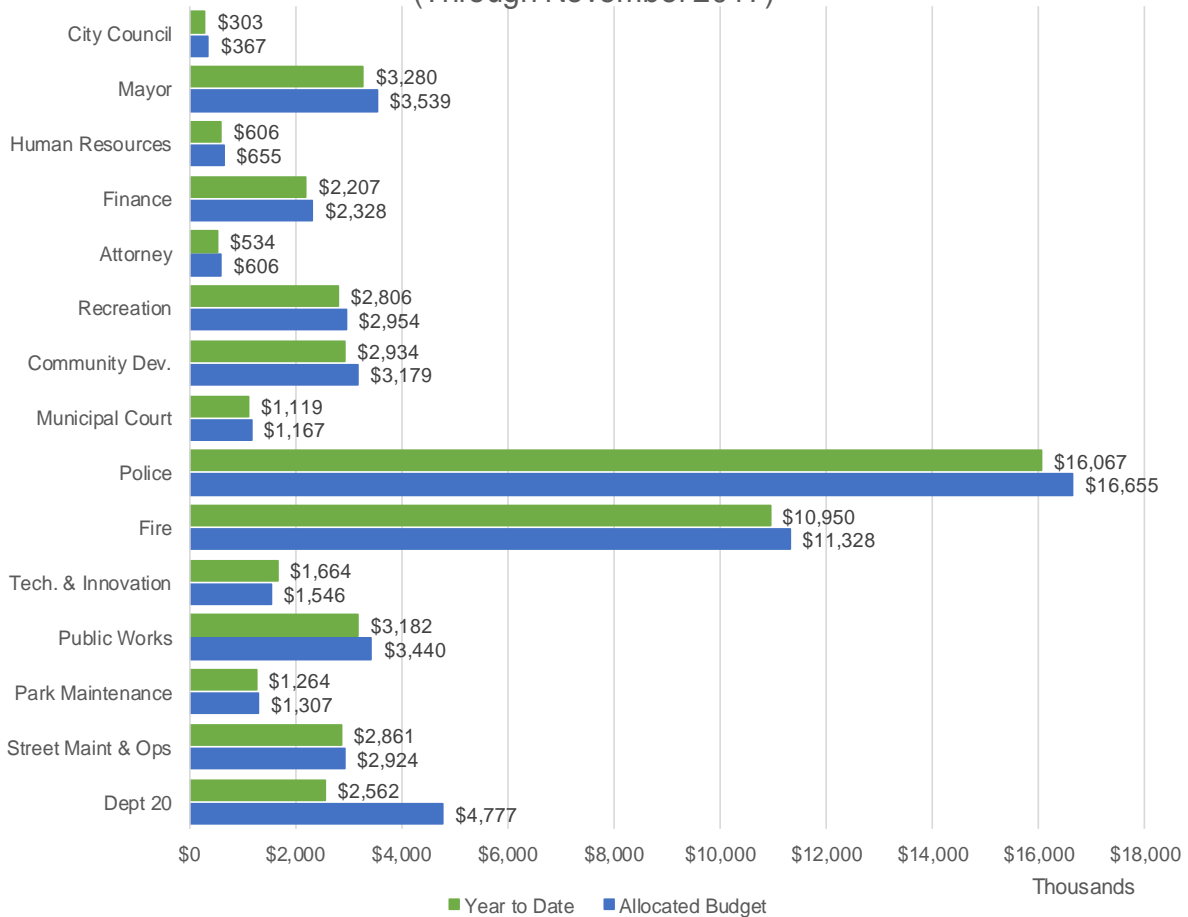
Departmental Expenditures

General fund expenditures totaled \$52.3 million as compared to the allocated budget of \$56.8 million, which is \$4.4 million below budget. Notable variances are as follows:

- While the fire department is below the allocated budget by \$378 thousand, salaries are over budget by \$21 thousand and the firefighters bargaining unit is still in negotiations. If the contract is settled prior to closing out 2017, retro pay could be paid in 2018 but transferred back to 2017. It should be noted that a budget amendment of \$400 thousand is included in the budget figures.
- TIS department has exceeded budget by \$118 thousand. The primary reason is a timing difference in the way the allocated budget is calculated for Professional Services. Year to date spend is 82% compared to 91.67% of the year expired. It is anticipated that by the end of the year, the TIS budget will be within budget.
- Transfers from the general fund into capital projects funds through November have not been recorded. Rather than transferring funds automatically, we will be transferring funds into the capital projects funds as needed. It is anticipated that a transfer of \$1.8 million to the arterial street fund will be necessary due to the additional expenditures related to the Interurban Avenue South project.
- Salaries and benefits are \$1.6 million lower than budget through November due to ongoing negotiations with the bargaining units. It should be noted that the budget reflects 2% COLA as a place-holder when the budget was drafted.

- Rents and leases are below budget by \$99 thousand. The primary reason is a timing difference in the way the allocated budget is calculated. A credit was applied in December of 2016 to true-up O&M as well as capital costs at the end of the year. It is anticipated that by the end of the year, rents and leases will be very close to budget rather than under budget.
- Miscellaneous category is below budget by \$423 thousand. Claims and judgements, in the Finance department accounts for \$157 thousand, DCD is below budget by \$101 thousand (permits and code enforcement divisions), and TIS is below budget by \$82 thousand due to timing difference in spending patterns.

Year to Date Department Expenditures Compared to Allocated Budget
(Through November 2017)



GENERAL FUND

YTD AS OF NOVEMBER 30, 2017

CITY OF TUKWILA

1/5/2018 14:26

GENERAL FUND EXPENDITURES

SUMMARY OF EXPENDITURES BY DEPARTMENT	BUDGET		ACTUAL			COMPARISON OF RESULTS			
	2017 ANNUAL	2017	2015	2016	2017	ACTUAL	% CHANGE		
		ALLOCATED				OVER/(UNDER)	ALLOCATED	BDGT	% SPENT
01 City Council	396,016	367,442	288,679	300,236	303,321	(64,120)	77%	4%	1%
03 Mayor	4,096,082	3,539,354	3,167,399	3,370,832	3,280,400	(258,954)	80%	6%	(3)%
04 Human Resources	706,208	654,943	556,482	599,974	606,121	(48,822)	86%	8%	1%
05 Finance	2,518,813	2,327,624	2,078,257	1,996,461	2,206,802	(120,822)	88%	(4)%	11%
06 Attorney	716,955	605,870	501,599	448,916	533,536	(72,333)	74%	(11)%	19%
07 Recreation	3,402,859	2,954,062	2,598,868	2,706,186	2,805,570	(148,492)	82%	4%	4%
08 Community Development	3,573,338	3,179,146	2,760,595	2,873,377	2,934,384	(244,763)	82%	4%	2%
09 Municipal Court	1,307,808	1,167,351	1,092,769	1,051,435	1,119,396	(47,954)	86%	(4)%	6%
10 Police	18,288,092	16,655,345	15,555,756	16,218,758	16,067,384	(587,961)	88%	4%	(1)%
11 Fire	12,262,568	11,328,216	10,846,876	10,680,882	10,949,719	(378,497)	89%	(2)%	3%
12 Technology & Innovation Svcs	2,026,820	1,546,247	1,029,765	1,156,552	1,663,956	117,709	82%	12%	44%
13 Public Works	3,802,639	3,440,142	3,061,786	3,295,901	3,181,653	(258,489)	84%	8%	(3)%
15 Park Maintenance	1,418,760	1,306,639	1,254,844	1,303,977	1,264,005	(42,634)	89%	4%	(3)%
16 Street Maintenance & Operations	3,109,592	2,923,878	2,552,402	2,849,917	2,860,714	(63,164)	92%	12%	0%
20 Dept 20	5,586,206	4,776,760	4,318,885	4,069,855	2,561,693	(2,215,067)	46%	(6)%	(37)%
Total Expenditures	63,212,756	56,773,018	51,664,963	52,923,259	52,338,654	(4,434,364)	83%	2%	(1)%

Percent of year completed 91.67%

GENERAL FUND

YTD AS OF NOVEMBER 30, 2017

CITY OF TUKWILA

1/5/2018 14:26

GENERAL FUND EXPENDITURES

SUMMARY OF SALARIES AND BENEFITS	BUDGET		ACTUAL			COMPARISON OF RESULTS			
	2017 ANNUAL	2017	2015	2016	2017	ACTUAL	% CHANGE		
		ALLOCATED				OVER/(UNDER)	ALLOCATED	% SPENT	2015/2016
						BDGT			
11 Salaries	27,803,991	25,577,814	23,456,772	24,121,186	24,729,977	(847,837)	89%	3%	3%
12 Extra Labor	779,436	633,749	586,505	591,664	619,902	(13,847)	80%	1%	5%
13 Overtime	1,632,035	1,520,673	1,611,046	1,387,993	1,419,938	(100,735)	87%	(14)%	2%
15 Holiday Pay	525,583	414,758	213,405	322,425	320,885	(93,873)	61%	51%	(0)%
21 FICA	1,808,483	1,658,396	1,511,766	1,553,909	1,605,967	(52,429)	89%	3%	3%
22 Pension-LEOFF 2	866,548	777,854	751,937	743,369	771,675	(6,178)	89%	(1)%	4%
23 Pension-PERS/PSERS	1,571,586	1,440,102	1,115,366	1,268,569	1,383,274	(56,828)	88%	14%	9%
24 Industrial Insurance	864,194	736,672	522,282	587,671	561,338	(175,334)	65%	13%	(4)%
25 Medical & Dental	5,933,094	5,434,402	4,809,512	5,121,449	5,134,273	(300,129)	87%	6%	0%
26 Unemployment	13,000	-	6,672	40,380	13,639	13,639	105%	505%	(66)%
28 Uniform/Clothing	10,460	5,672	4,325	3,011	2,401	(3,271)	23%	(30)%	(20)%
Total Salaries and Benefits	41,808,410	38,200,090	34,589,587	35,741,627	36,563,269	(1,636,821)	87%	3%	2%

Percent of year completed 91.67%

SUMMARY OF SUPPLIES, SERVICES, AND CAPITAL	BUDGET		ACTUAL			COMPARISON OF RESULTS			
	2017 ANNUAL	2017	2015	2016	2017	ACTUAL	% CHANGE		
		ALLOCATED				OVER/(UNDER)	ALLOCATED	% SPENT	2015/2016
						BDGT			
Transfers	5,586,206	4,776,760	4,318,885	4,069,855	2,561,693	(2,215,067)	46%	(6)%	(37)%
31 Supplies	1,176,241	1,070,470	987,688	1,120,277	1,001,610	(68,860)	85%	13%	(11)%
34 Items Purchased for resale	22,000	20,450	27,591	20,849	20,215	(235)	92%	(24)%	(3)%
35 Small Tools	99,818	57,940	346,574	84,695	84,146	26,207	84%	(76)%	(1)%
41 Professional Services	3,313,211	2,531,029	2,392,284	2,175,874	2,525,998	(5,031)	76%	(9)%	16%
42 Communication	449,970	380,690	299,686	351,662	360,277	(20,413)	80%	17%	2%
43 Travel	197,380	189,270	130,734	140,143	159,322	(29,948)	81%	7%	14%
44 Advertising	51,500	39,536	28,267	22,589	20,148	(19,388)	39%	(20)%	(11)%
45 Rentals and Leases	2,314,372	2,202,678	2,468,141	2,397,745	2,104,166	(98,511)	91%	(3)%	(12)%
46 Insurance	886,895	886,895	704,347	810,799	887,617	722	100%	15%	9%
47 Public Utilities	1,893,570	1,813,034	1,549,843	1,742,261	1,794,024	(19,010)	95%	12%	3%
48 Repairs and Maintenance	732,613	554,956	540,327	575,515	487,981	(66,975)	67%	7%	(15)%
49 Miscellaneous	1,442,773	1,318,860	940,900	948,010	895,695	(423,166)	62%	1%	(6)%
51 Inter-Governmental	3,003,792	2,550,589	2,238,087	2,280,123	2,721,887	171,297	91%	2%	19%
53 Ext Taxes, Oper. Assess	5	-	48	12	918	918	18363%	(75)%	7383%
64 Machinery & Equipment	234,000	179,771	101,973	441,223	149,688	(30,083)	64%	333%	(66)%
Total Supplies, Services, and Capital	21,404,346	18,572,927	17,075,376	17,181,632	15,775,385	(2,797,543)	74%	1%	(8)%

Percent of year completed 91.67%