



City of Tukwila  
**Finance Committee**

- ◆ Verna Seal, Chair
- ◆ Kathy Hougardy
- ◆ Zak Idan

<u>Distribution:</u>	
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T. McLeod	L. Humphrey
C. Delostrinos Johnson	

# AGENDA

**MONDAY, JULY 27, 2020 – 5:30 PM**

~~HAZELNUT CONFERENCE ROOM~~  
 (At east entrance of City Hall)

**THIS MEETING WILL NOT BE CONDUCTED AT CITY FACILITIES  
 BASED ON THE GOVERNOR'S PROCLAMATION 20-28.**

**THE PHONE NUMBER FOR THE PUBLIC TO LISTEN TO THIS  
 MEETING IS: 1-253-292-9750, Access Code 846048628#**

Item	Recommended Action	Page
<b>1. BUSINESS AGENDA</b>		
a. Update on Financial Policies. <i>Vicky Carlsen, Finance Director, and Laurel Humphrey, Legislative Analyst</i>	a. Discussion only.	<b>Pg.1</b>
b. Fire Department 6 month financial report. <i>Jay Wittwer, Fire Chief</i>	b. Discussion only.	<b>Pg.7</b>
c. Budget process and calendar. <i>Vicky Carlsen, Finance Director</i>	c. Discussion only.	<b>Pg.41</b>
<b>2. MISCELLANEOUS</b>		

**Next Scheduled Meeting:** *Monday, August 10, 2020*



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## INFORMATIONAL MEMORANDUM

TO: **Finance Committee**  
FROM: **Laurel Humphrey, Council Analyst**  
DATE: **July 20, 2020**  
SUBJECT: **Financial Policies Update Project**

### **ISSUE**

The financial policies of a city represent values and expectations for financial planning, budgeting, accounting, reporting and other management practices. Currently, financial policies for the City of Tukwila exist in a variety of places: across multiple resolutions, the Municipal Code, and the Budget document to name a few. Staff is working on a comprehensive update which will address some organization and consistency challenges.

### **BACKGROUND**

#### Project Goals

- To revamp, consolidate, clarify, cross-reference, eliminate redundancies and conflicts, and capture the City Council's intent and approval

#### Mechanisms

- Resolution to repeal 1950 and adopt new reformatted policy document
- Resolution to update purchasing policy, which is currently an Administrative Policy
- Ordinance to remove 3.32.030 and 3.32.040 (and possibly other redundancies) from the TMC

#### Tentative Schedule

- July 27 Finance Committee
  - Discuss goals and mechanisms as described above
- August 10 Finance Committee
  - draft resolution(s)
  - draft code clean-up ordinance
- August 24 COW
  - Draft resolution(s), ordinance
- September 21 Regular Meeting
  - Possible adoption

### **RECOMMENDATION**

This item is presented for discussion and staff is seeking Committee feedback on the information provided and next steps.

### **ATTACHMENTS**

Exhibit A to Resolution 1950  
TMC page 3-11



City of Tukwila

**Financial Planning Model Policies**

The six-year “Financial Planning Model and Capital Improvement Program” is the primary financial policy document. It represents the culmination of all financial policies.

**Revenues**

Policy FP-1: Revenues will be estimated on a conservative basis. Increases greater than inflation in the schedule known as the 6-Year Financial Plan – General Fund Revenues and Expenditures will require additional documentation.

Policy FP-2: Major revenue sources will require explanation in the document known as Notes to 6-Year Financial Plan - Revenues, Expenditures and Fund Balance.

**Operating Expenditures**

Policy FP-3: Expenditures for the General Fund operations (schedule known as General Fund Maintenance and Operations Detail will only include basic inflationary increases at the beginning of the budget preparation process. Proposed increases in programs or personnel will require an issues and options paper and Council approval before being added to the operating expenditures estimate.

**Capital Expenditures**

Policy FP-4: Project capital grants with local matching requirements can only be applied for with approval by the appropriate City Council Committee. Grant applications should generally be made only for projects listed in the six-year Capital Improvement Program, although exceptions can be made with approval by the appropriate City Council Committee.

Policy FP-5: If the proposed grants or mitigation are either not funded or are reduced, the respective project will be reevaluated on the basis of its value and priority level placement in the Capital Improvement Program.

Policy FP-6: The financing of limited benefit capital improvements (i.e. private development) should be borne by the primary beneficiaries of the improvement. The principle underlying limited benefit is that the property is peculiarly benefited and therefore the owners do not in fact pay anything in excess of what they receive by reason of such improvement.

Policy FP-7: For the purpose of compliance with Tukwila Municipal Code Section 3.32.040, “Unbudgeted Equipment or Fixed Assets,” “unbudgeted” shall mean when a department’s capital asset line item has insufficient budget for the desired purchase. Capital equipment or fixed asset purchases between \$5,000 - \$39,999 are not subject to TMC 3.32.040 and do not require Council Committee approval if there is sufficient budget, unless there is a policy implication.

### **Enterprise Funds**

Policy FP-8: Each Enterprise Fund shall be reviewed annually and it must have a rate structure adequate to meet its operations and maintenance and long-term capital requirements.

Policy FP-9: Enterprise Fund rate increases shall be small, applied frequently, and staggered to avoid an overly burdensome increase and undue impact in any given year.

Policy FP-10: Enterprise Fund rate increases of external agencies (i.e. King County secondary wastewater treatment fees) will be passed through to the users of the utility.

### **Other General Financial Policies**

Policy GF-1: The City’s various user charges and fees shall be reviewed at least every three years for proposed adjustments based on services provided and comparisons with other jurisdictions.

Policy GF-2: The Finance Director shall provide a financial status update at least quarterly.

Policy GF-3: Budget amendments during the year may be approved by budget motion until the end of the budget year, at which time a formal comprehensive budget amendment is submitted.

Policy GF-4: The City shall, whenever practical and advantageous, take advantage of grants, loans, or other external financial sources. With the exception of capital improvement program grants requiring a local match, staff shall report to and seek the approval of the appropriate Council Committee before finalizing the grant.

Policy GF-5: Funds exceeding the Mayor’s allocated signature authority shall not be moved between City departments without prior approval of the City Council.

Policy GF-6: The City Council shall receive an updated list of all contracts every quarter, including the amount, responsible department, scope of work, and expiration date.

**CHAPTER 3.30  
BUDGET PROCESS**

**Sections:**

- 3.30.010 Establishment of a Two-Year Fiscal Biennium Budget
- 3.30.020 Mid-Biennial Review

**3.30.010 Establishment of a Two-Year Fiscal Biennium Budget**

The City Council approved the establishment of a two-year biennium budget for the City of Tukwila, beginning January 1, 2009. The 2009-2010 Biennial Budget and all subsequent budgets are adopted under the provisions of RCW Chapter 35A.34.

*(Ord. 2205 §1, 2009)*

**3.30.020 Mid-Biennial review**

Pursuant to RCW Chapter 35A.34, the City Council shall provide for a mid-biennial review, and modification shall occur no sooner than eight months after the start, nor later than the conclusion of the first year of the biennium. The Mayor shall prepare a proposed budget modification and shall provide for publication of notice of hearings consistent with publication of notices for adoption of other City ordinances. Such proposal shall be submitted to the City Council and shall be a public record and be available to the public. A public hearing shall be advertised at least once and shall be held at a City Council meeting no later than the first Monday in December and may be considered from time to time. At such a hearing or thereafter, the Council may consider a proposed ordinance to carry out such modifications, which such ordinance shall be subject to other provisions of RCW Chapter 35A.34.

*(Ord. 2205 §2, 2009)*

**CHAPTER 3.32  
BUDGET PROVISIONS**

**Sections:**

- 3.32.010 Transfers
- 3.32.020 Salary Increase
- 3.32.030 Bids
- 3.32.040 Unbudgeted Equipment or Fixed Asset Items
- 3.32.050 Emergency Procurement

**3.32.010 Transfers**

Pursuant to RCW 35A.33.120, transfers within a department or division of the separate funds of the annual budget shall be by formal motion of the City Council.

*(Ord. 2245 §1, 2009; Ord. 1817 §1, 1997)*

**3.32.020 Salary Increase**

No salary shall be increased above the amount provided therefor in the annual budget and specified in the adopted salary plan of the City. Salaries may be increased subsequent to salary plan changes formally approved by the City Council.

*(Ord. 2245 §1, 2009; Ord. 1817 §1, 1997)*

**3.32.030 Bids**

When provided for in the annual budget, the Mayor is authorized to call for bids on public works projects or procure goods or professional services when the project or procurement, including change orders or amendments, does not exceed \$40,000.

*(Ord. 2245 §1, 2009; Ord. 1817 §1, 1997)*

**3.32.040 Unbudgeted Equipment or Fixed Asset Items**

Any unbudgeted capital equipment or fixed asset item, including components or services of items, shall be approved by the Mayor and three affirmative votes of the respective Council committee assigned to the requesting department. "Fixed asset" items are defined as costing at least \$5,000 and having a useful life of at least two years.

*(Ord. 2245 §1, 2009; Ord. 2010 §1, 2002; Ord. 1817 §1, 1997)*

**3.32.050 Emergency Procurement**

The Mayor or City Administrator is hereby authorized to waive competitive bidding requirements in the event of an emergency, as defined by RCW 39.04.280(3). Such an emergency will be declared in writing by the Mayor or City Administrator. The City Council will meet within two weeks following the award of the contract to consider adoption of a resolution certifying that the emergency situation existed and for approval of the procurement.

*(Ord. 2245 §1, 2009)*







## INFORMATIONAL MEMORANDUM

**TO:** Tukwila City Council  
**FROM:** Allan Ekberg, Mayor, David Cline, City Administrator  
Jay C. Wittwer, Fire Chief  
**BY:** Jay C. Wittwer, Fire Chief  
**CC:** Laurel Humphrey, Council Analyst  
**DATE:** 07/20/2020  
**SUBJECT:** Fire Department 6 Month Budget Report

### CURRENT STATUS

The Fire Department has met budget projections for the first 6 months of the year regarding expenditures for the 2020 budget year. The Fire Department has met the total adopted budget for Jan 1 to June 30, reflected at 50%. Overtime use is tracking (\$77,802) under projected budget as of June 30, 2020. The Fire Department is projected to be at or below budget when the final 2020 budget report is provided by the Finance Department.

### BACKGROUND

The attached 1st Quarter report provides the background regarding this 6 month Fire Department report.

### DISCUSSION

#### 2nd Quarter Financial Update through June 2020

As the attached report shows, the Fire Department is projected to be within the Adopted 2020 Budget if current expenditure patterns continue. From January to June 2020, the Fire Department had spent approximately 33% of its allocated budget. This has been accomplished through a collaborative process of the full Fire Department Administrative Team as described in the 1<sup>st</sup> Quarter report and efforts outlined below.

#### Overtime Usage

A key change in the Fire Department was the reduction in overtime usage from January to June 2020 as compared to 2019. As the charts show below, the Fire Department had already instituted changes to its overtime usage in 2020, which caused significant savings.

Due to the impacts of COVID-19 and the “Stay Home, Stay Healthy” order, there was an expectation of reduced revenues as well as reduced calls for service. The first phase of citywide operational reductions included a directive of no overtime without prior authorization of the Mayor. For the Fire Department, this meant not using overtime when there is an unscheduled leave and to staff an aid car at Fire Station 52 rather than an engine. This change has resulted in additional savings. It should be noted that if staffing falls below 12, then overtime is incurred to maintain minimum staffing of 12.

- Throughout 2019, the average overtime usage per month was \$59,629. On average, of this \$59,629 monthly overtime cost, \$36,342 was for minimum staffing.
- In 2020, the average monthly overtime usage in the 1<sup>st</sup> quarter (Jan-Mar) had decreased to \$35,478, and by the 2<sup>nd</sup> quarter (Apr-June) this had decreased to \$10,048 per month. For the year (Jan-June) the average monthly overtime usage has averaged \$22,764.

- If this trend continues the Fire Department will be within the Council's Adopted Budget for overtime.

The Fire Department has worked diligently in 2020 to stay within the Council's adopted budget. After 6 months in 2020, the Fire Department has only used 25.5% of its allocated budget for overtime. If this rate is sustained, overtime usage for 2020 will be on or below budget. The month of July has sustained an increase in minimum staffing overtime, so that daily staffing levels remain at 12 per shift. This is due to an increase in sick leave usage causing unscheduled overtime. The Fire Department Management Team is committed to monitoring the occurrences of overtime.

### **FINANCIAL IMPACT**

With these changes to the Fire Department budget tracking and adjustment efforts, the overall goal is to better track costs and to bring the ending fund balance for the Fire Department 2020 budget within the adopted budget as approved by the City Council. These tracking efforts will bring clarity to the City Council concerning the status of service levels and the Fire Department Budget.

### **RECOMMENDATION**

This is for discussion only, forward to the COW and submitted in response to the 2019 Budget Proviso.

### **ATTACHMENTS**

- FD 6 Month Budget and Forecast Report Power Point
- FD 1<sup>st</sup> Quarter Informational Memo (includes overtime reports for December 2019 and April 2020 and May 6, 2020 Proviso response)



**Tukwila Fire Department**  
**6 Month Budget and Forecast Report**  
**2020**

# Contents



- 2020 Overtime Report Dollars and Hours
- 2020 Revenues
- Goals for the year

# Fire 2020 1st & 2nd Qrt Overtime / Dollars



FD 2020 Overtime (\$)										
Overtime Project Name	January	February	March	April	May	June	YTD Total	% Total	\$/hr	
ACADEMY			\$ 2,537			\$ 478	\$ 3,015	2%	\$ 86.76	
AID RUN		\$ 272	\$ 215				\$ 487	0%	\$ 62.90	
AIRPAK MAINTENANCE/SCBA	\$ 408	\$ 833				\$ 680	\$ 1,922	1%	\$ 68.04	
CALL BACK					\$ 436	\$ 277	\$ 713	1%	\$ 79.23	
CITY MEETING	\$ 945	\$ 79					\$ 1,024	1%	\$ 74.47	
CONTRACTOR BILLABLE OT	\$ 2,024	\$ 1,557	\$ 3,063		\$ 688	\$ 1,162	\$ 8,495	6%	\$ 78.66	
DEPARTMENT MEETING	\$ 3,853	\$ 178		\$ 396	\$ 436	\$ 238	\$ 5,101	4%	\$ 77.00	
EXPLORERS	\$ 248						\$ 248	0%	\$ 70.82	
FIRE INVESTIGATION	\$ 352	\$ 1,629	\$ 1,123	\$ 857	\$ 1,031	\$ 988	\$ 5,980	4%	\$ 102.65	
FIRE PREVENTION OT	\$ 3,608	\$ 2,744					\$ 6,352	5%	\$ 92.74	
INSTRUCTOR	\$ 527	\$ 1,066				\$ 136	\$ 1,729	1%	\$ 72.79	
INSTRUCTOR - CBT	\$ 1,380						\$ 1,380	1%	\$ 58.72	
INSTRUCTOR - JATC	\$ 226					\$ 1,467	\$ 1,694	1%	\$ 61.59	
INSTRUCTOR - RESCUE		\$ 1,048					\$ 1,048	1%	\$ 89.16	
INSTRUCTOR - TRUCKACADEMY	\$ 527					\$ 2,856	\$ 3,383	2%	\$ 65.06	
JATC	\$ 230				\$ 879		\$ 1,108	1%	\$ 48.18	
MINIMUM STAFFING - 'A' SHIFT	\$ 9,849	\$ 11,909	\$ 11,326			\$ 2,825	\$ 35,909	26%	\$ 64.91	
MINIMUM STAFFING - 'B' SHIFT	\$ 2,903	\$ 6,323	\$ 4,431		\$ 900	\$ 1,467	\$ 16,025	12%	\$ 65.14	
MINIMUM STAFFING - 'C' SHIFT	\$ 5,368	\$ 182	\$ 1,654	\$ 84	\$ 102		\$ 7,389	5%	\$ 76.77	
Overtime			\$ 8,015				\$ 8,015	6%	\$ 75.80	
PHONE CALL OT				\$ 32	\$ 100	\$ 44	\$ 176	0%	\$ 78.16	
PROGRAM/EQUIPMENT SUPPORT						\$ 34	\$ 34	0%	\$ 68.04	
PUBLIC SAFETY BOND	\$ 399	\$ 2,162	\$ 889	\$ 34	\$ 1,115	\$ 602	\$ 5,201	4%	\$ 70.76	
PUBLIC SAFETY COMMITTEE MEETING		\$ 293					\$ 293	0%	\$ 58.56	
SHIFT EXTENSION (CALL)	\$ 361	\$ 295	\$ 139	\$ 333	\$ 270	\$ 207	\$ 1,606	1%	\$ 63.60	
SHIFT EXTENSION (REPORT)		\$ 165	\$ 129	\$ 167	\$ 29		\$ 490	0%	\$ 65.35	
SPECIAL ASSIGNMENT					\$ 86	\$ 842	\$ 929	1%	\$ 64.04	
SPECIAL COMMITTEE MEETING	\$ 277		\$ 158	\$ 172			\$ 607	0%	\$ 65.67	
STARFIRE EVENTS/STANDBY	\$ 1,377		\$ 670				\$ 2,047	1%	\$ 85.30	
TRAINING	\$ 2,122	\$ 261			\$ 1,645	\$ 2,894	\$ 6,922	5%	\$ 59.67	
<b>Total w/PA Codes</b>	\$ 36,984	\$ 30,997	\$ 34,349	\$ 2,076	\$ 7,718	\$ 17,198	\$ 129,322	95%		
<b>No PA Code</b>	\$ 646	\$ 1,791	\$ 1,668	\$ 2,055	\$ 287	\$ 813	\$ 7,259	5%		
<b>Total Overtime</b>	\$ 37,630	\$ 32,787	\$ 36,018	\$ 4,130	\$ 8,005	\$ 18,011	\$ 136,582	100%		

## Highlights from chart

Minimum Staffing 59,323

Fire Prevention 6,352

Fire Investigations 5,980

Pub Safe Bond 5,201

Training 6,922

Chart Grand Total \$136,582

Report by Jake Berry

# Fire 2020 1st & 2nd Qrt Overtime / Hours

FD 2020 Overtime (Hours)											
Overtime Project Name	January	February	March	April	May	June	YTD Total				
ACADEMY			28			7	35				
AID RUN		4	4				8				
AIRPAK MAINTENANCE/SCBA	6	12				10	28				
CALL BACK					6	4	9				
CITY MEETING	13	1					14				
CONTRACTOR BILLABLE OT	28	20	36		8	16	108				
DEPARTMENT MEETING	51	2		5	6	3	66				
EXPLORERS	4					4	4				
FIRE INVESTIGATION	4	16	11	9	10	9	58				
FIRE PREVENTION OT	39	30					69				
INSTRUCTOR	9	13				2	24				
INSTRUCTOR - CBT	24						24				
INSTRUCTOR - JATC	4					24	28				
INSTRUCTOR - RESCUE		12					12				
INSTRUCTOR - TRUCK ACADEMY	9					43	52				
JATC	5				18		23				
MINIMUM STAFFING - 'A' SHIFT	150	188	168			48	553				
MINIMUM STAFFING - 'B' SHIFT	43	96	72		12	24	246				
MINIMUM STAFFING - 'C' SHIFT	67	3	24	1	2		96				
Overtime			106				106				
PHONE CALL OT				1	1	1	2				
PROGRAM/EQUIPMENT SUPPORT						1	1				
PUBLIC SAFETY BOND	6	31	13	1	16	9	74				
PUBLIC SAFETY COMMITTEE MEETING		5					5				
SHIFT EXTENSION (CALL)	6	5	2	5	5	4	25				
SHIFT EXTENSION (REPORT)		3	2	3	1		8				
SPECIAL ASSIGNMENT					2	13	15				
SPECIAL COMMITTEE MEETING	4		3	3			9				
STARFIRE EVENTS/STANDBY	16		8				24				
TRAINING	35	4			30	48	116				
<b>Total Overtime (w/PA)</b>	<b>518</b>	<b>442</b>	<b>476</b>	<b>26</b>	<b>114</b>	<b>264</b>	<b>1,839</b>				

## Highlights from chart

Minimum Staffing 895 hrs

Fire Prevention 69 hrs

Fire Investigations 58 hrs

Pub Safe Bond 74 hrs

Training 116 hrs

Chart Grand Total 1,839 hrs

Report by Jake Berry





## Fire 2020 1st & 2nd Quarter Revenues

ACCT TITLE	Total 6 Months
FIRE INSPECTIONS - FMO	\$ 44,213
FIRE PROTECT/EMERG COST RECOVERY	\$ 13,295
FIRE PROTECTION SERVICES	\$ 3,165
FIRE REINSPECTION FEE	\$ 300
KING COUNTY FIRE TRAINING	\$ 405
OTHER NON-BUS LIC/PERMITS-TECH FEE FIRE	\$ 3,864
FALSE ALARMS- FMO	\$ 1,150
	\$ 66,392

Report by Jake Berry

## Goals For The Year (provisos)

1. 2019 Annual report - RCW 35A.92.030 - **Completed**
2. Quarterly reports – **1<sup>st</sup> and 2<sup>nd</sup> completed**
3. Mid-year report – **This report completes this line**
4. Third-party consultant budget and management practices - **RFP in process**
5. Additional revenues – **False Alarm Billing, Ambulance Contract, Fire Marshall Office updated fees**
6. To remain within the 2020 adopted budget- **On target**







## INFORMATIONAL MEMORANDUM

**TO:** Tukwila City Council  
**FROM:** Allan Ekberg, Mayor, David Cline, City Administrator and Jay C. Wittwer, Fire Chief  
**BY:** Jay C. Wittwer, Fire Chief  
**CC:** Laurel Humphries, Council Analyst  
**DATE:** 05/20/2020  
**SUBJECT:** Fire Department 1<sup>st</sup> Quarter Budget Report

### **CURRENT STATUS**

The Fire Department has made changes to expenditures for the 2020 budget year. The Fire Department has met the total adopted budget for Jan 1 to March 31, reflected at 25% and now through April 2020, it is on target at 33% of budget. Overtime use is tracking (\$77,802) under projected budget as of April 30, 2020. The Fire Department is projected to be at or below budget when the final April 2020 budget report is provided by the Finance Department.

### **BACKGROUND**

The Fire Department Administrative Team has committed to remain within the adopted budget for 2020. In the past ten years the Fire Department has required a budget amendment that increases that adopted budget each year. There have been reasons for these increases, however most years have been centered on Salaries/Benefits and Overtime.

### **DISCUSSION**

#### 1<sup>st</sup> Quarter Financial Update through April 2020

As the attached report shows, the Fire Department is projected to be within the Adopted 2020 Budget if current expenditure patterns continue. From January to April 2020, the Fire Department had spent approximately 33% of its allocated budget. This has been accomplished through a collaborative process of the full Fire Department Administrative Team as described below and in coordination with support from other departments, specifically the Finance Department and our shared Public Safety Analyst.

#### Overtime Usage

A key change in the Fire Department was the reduction in overtime usage from January to March 2020 as compared to 2019. As the charts show below, the Fire Department had already instituted changes to its overtime usage in 2020, which caused significant savings.

Due to the impacts of COVID-19 and the "Stay Home, Stay Healthy" order, there was an expectation of reduced revenues as well as reduced calls for service. The first phase of citywide operational reductions included a directive of no overtime without prior authorization of the Mayor. For the Fire Department, this meant not using overtime when there is an unscheduled leave and to staff an aid car at Fire Station 52 rather than an engine. This change has resulted in additional savings. It should be noted that if staffing falls below 12, then overtime is incurred to maintain minimum staffing of 12.

- Throughout 2019, the average overtime usage per month was \$59,629. On average, of this \$59,629 monthly overtime cost, \$36,342 was for minimum staffing.
- In 2020, the average monthly overtime usage in Jan-March had decreased to \$32,053, of which \$16,636 was for minimum staffing.
- In April 2020, the actual overtime usage declined to \$4,098, with minimum staffing making up only \$417 of the total month's overtime costs.

**Fire Department Overtime (Salaries Only)**

YTD as of December 31, 2019

**Details**

Division #	Division	January	February	March	April	May	June	July	August	September	October	November	December	YTD TOTAL
200	Suppression	36,377	55,006	47,764	66,909	40,308	52,923	51,977	31,774	39,200	43,423	16,943	17,503	500,107
300	Prevention & Investigation	13,506	11,180	16,937	11,648	12,202	12,329	10,882	17,668	15,729	14,155	8,265	9,475	153,973
410	Training	3,764	2,624	3,846	2,895	1,902	2,624	3,581	3,957	323	4,569	-	1,122	31,206
600	Emergency Management	2,118	6,913	1,190	-	-	7,737	2,751	-	-	4,965	-	4,592	30,266
	<b>Total</b>	<b>55,764</b>	<b>75,724</b>	<b>69,737</b>	<b>81,452</b>	<b>54,411</b>	<b>75,612</b>	<b>69,191</b>	<b>53,399</b>	<b>55,251</b>	<b>67,112</b>	<b>25,207</b>	<b>32,692</b>	<b>715,552</b>

The Fire Department has worked diligently in 2020 to stay within the Council's adopted budget. After 4 months in 2020, the Fire Department has only used 19% of its allocated budget for overtime. If this rate is sustained, overtime usage for 2020 will be on budget.

**Fire Department Overtime**

Year-to-Date as of April 30, 2020

Division #	Division	January	February	March	April	YTD TOTAL	Annual Budget	% Spent	Remaining Budget	Allocated Budget	Variance
200	Suppression	26,531	20,565	23,779	1,187	72,062	440,822	16.3%	368,760	146,941	(74,879)
300	Prevention & Investigation	5,985	5,931	4,626	857	17,399	65,143	26.7%	47,744	21,714	(4,315)
410	Training	1,607	890	2,537	2,055	7,089	18,813	37.7%	11,724	6,271	818
600	Emergency Management	303	-	3,407	-	3,710	9,406	39.4%	5,696	3,135	574
	<b>Division Total</b>	<b>34,426</b>	<b>27,386</b>	<b>34,349</b>	<b>4,098</b>	<b>100,260</b>	<b>534,184</b>	<b>18.8%</b>	<b>433,925</b>	<b>178,061</b>	<b>(77,802)</b>

The Fire Department has adopted the following additional administrative and training changes to better manage within the 2020 Council Adopted Budget:

Educating the Command Staff and all Officers: The Fire Department Administrative Staff has traditionally managed the budget for the Fire Department. Efforts have been made to include the Command Staff every month to discuss, educate and empower the Battalion Chiefs to manage budgets.

Shift Budgets: in December of 2019 schedules were developed and shared with each of the shift Battalion Chiefs. Each shift is expected to remain within the budget set for 2020. The Battalion Chiefs are to review budgets with the captains and all crews. On January 10, 2020 an all officers meeting was held to educate the officers on the budget and to provide clear expectations concerning accountability of the budget. The Mayor and City Administrator attended this meeting. A video was recorded and shared with all Fire Department personnel shortly after the meeting.

Fire Prevention: is expected to remain within the budget set for 2020. Efforts have been made in the past year to bring efficiencies within that office and to address services that have not met the needs of the community.

Vacant positions: Two support staff positions have not been filled, one in each of the following divisions: Emergency Management and Fire Prevention. These two positions became vacant during

2019. The savings from these un-filled positions are cost saving measures, however service levels have been affected within the Emergency Management Division and Fire Prevention Division.

Consulting Services: Habile Consulting and Prothman Company are two consulting services brought into this process. Habile Consulting was the vendor selected to meet one of the provisos of the City Council. Prothman provided a fire service professional (former Fire Chief Marcus Kragness) to review and advise the Fire Chief regarding best practices within the fire service.

Former Fire Chief Marcus Kragness did review and provide advice to the Fire Department Management Team. He spent twelve weeks with the department that included attending Command Staff meetings, an all Officers meeting, met face to face with most of the response crews, the Fire Marshal's office and reviewed department documents. Mr Kragness also provided a detailed assessment of Fire Station 52 response area including all other fire response units that responded into that area. He also made recommendations that will be incorporated into the Department's Strategic Plan.

Habile Consulting has withdrawn from the process and will not provide a report as is mentioned in the attached Fire Department Proviso Response memo.

### **Training expenditures:**

Boat Program Training: For the past ten years the Fire Department has provided training to a select group of boat operators within the department. Most of this training was done on duty with no overtime costs incurred however, there has been a small amount of overtime from time to time during the past ten years. For the budget year 2020 no boat training will be conducted, and no associated overtime costs will be incurred. As committed to earlier, the overall Boat Program funding policies will be brought to a future Council Committee later this year for review.

Rescue Team Training: All rescue type overtime incurred training has been suspended. There is rescue training that is provided through the training consortium. This training is conducted to on duty personnel only and no overtime is incurred. In the past up to \$50,000.00 has been spent on rescue team training, and most of this was off duty overtime expenditures. The goal is to have zero dollars spent on rescue training during 2020.

The Zone 3 Operations Committee has developed a plan to have all Truck/Ladder Companies respond to assist with Rescue type calls when additional assistance is required. L354 has started to prepare to fill this role in the future. This effort will ensure that our rescue capabilities will meet the demand within our community and for the region.

Mandatory Training: All mandatory training is being identified and cataloged. This includes the following: WAC 296-305, JATC, Blue-card, Peer Support, vehicle operators and health/safety. These types of training are required either by National, State or Local Standards. Much of this training is conducted on duty, however there are cases where overtime costs are needed to provide this training. All other training has been suspended as noted above.

Staffing Software tracking: The Fire Department has placed a new staffing management software program into service during 2019. Starting January 1, 2020 all regular and overtime entries are coded in a manner that provides the ability to track all staffing costs in detail.

### **FINANCIAL IMPACT**

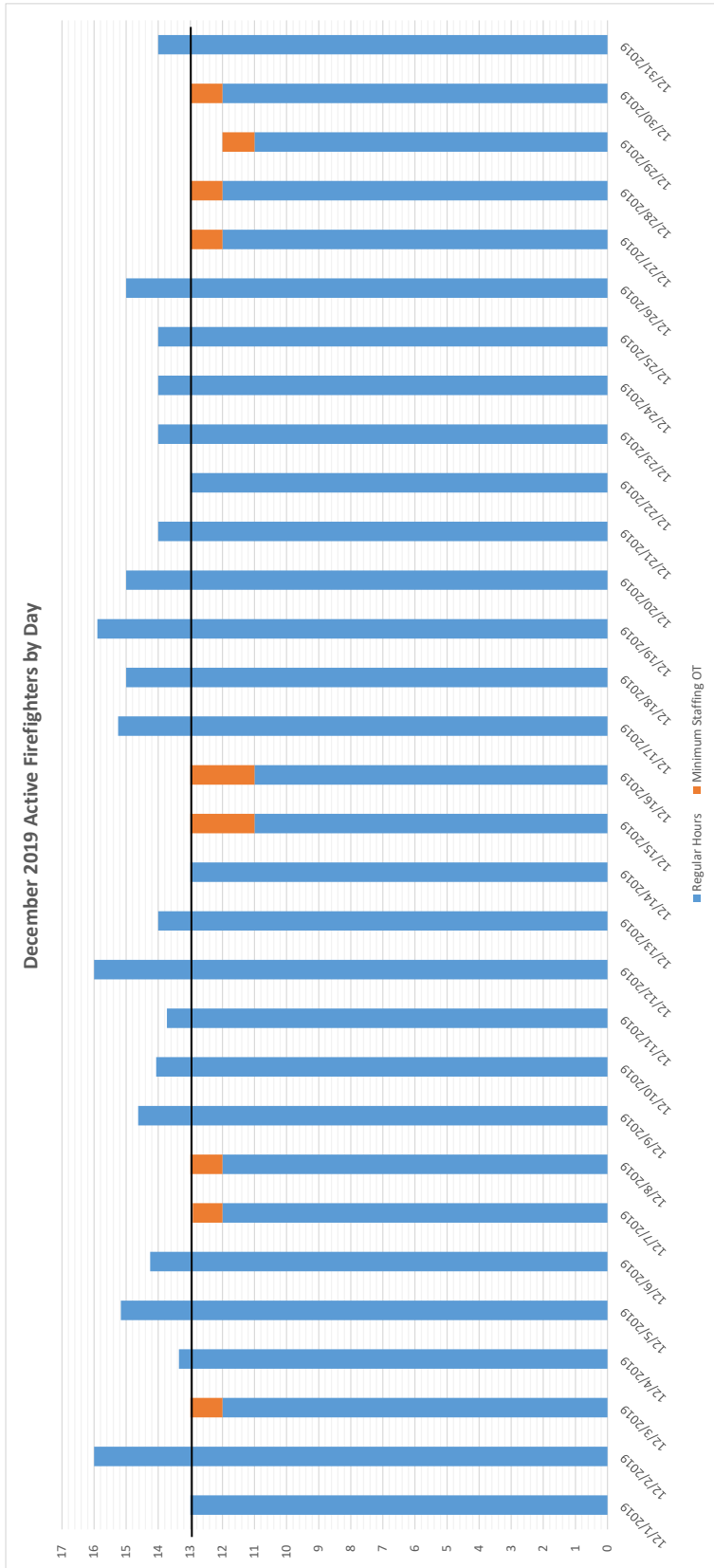
With these changes to the Fire Department budget tracking and adjustment efforts, the overall goal is to better track costs and to bring the ending fund balance for the Fire Department 2020 budget within the adopted budget as approved by the City Council. If a budget amendment is requested before the end of this year, these tracking efforts will bring clarity to the City Council concerning the status of service levels and the Fire Department Budget.

**RECOMMENDATION**

This is for discussion only and submitted in response to the 2019 Budget Proviso.

**ATTACHMENTS**

- December 2019 Overtime report
- April 2020 Overtime report
- May 6, 2020 Memo on Proviso Response presented to Community Services & Safety Committee





**Fire Department Overtime (Salaries Only)**  
As of December 31, 2019

	January	February	March	April	May	June	July	August	September	October	November	December	YTD TOTAL	% of Total Overtime	Annual Budget	% Spent
<b>1-Min Staffing</b>	37,055	22,229	44,298	53,206	31,457	45,713	56,785	34,606	37,511	45,136	10,993	17,124	436,114	60.9%		
<b>2-Training</b>	5,115	4,074	6,505	10,854	13,413	9,289	1,170	3,360	4,296	9,275	2,091	789	70,232	9.8%		
<b>3.0-Other</b>	1,235	33,984	4,931	6,374	847	11,251	3,042	953	337	812	176	2,995	66,938	9.4%		
<b>3.2-Equip Test/Maint</b>	1,418	1,021	2,058	1,569	490	1,787	-	1,838	730	2,051	126	482	13,570	1.9%		
<b>3.3-Meetings</b>	1,701	3,820	246	990	634	425	317	563	-	422	1,051	1,327	11,497	1.6%		
<b>4-Prevention</b>	4,117	4,984	2,913	3,924	3,379	2,312	6,004	4,088	6,489	5,469	5,059	5,930	54,668	7.6%		
<b>5-Emergency Response</b>	249	-	-	405	1,397	716	-	62	1,191	187	2,504	167	6,879	1.0%		
<b>6-Billable</b>	4,873	5,612	8,786	4,130	2,794	4,118	1,874	7,928	4,698	3,759	3,206	3,877	55,655	7.8%		
<b>Total</b>	<b>55,764</b>	<b>75,724</b>	<b>69,737</b>	<b>81,452</b>	<b>54,411</b>	<b>75,612</b>	<b>69,191</b>	<b>53,399</b>	<b>55,251</b>	<b>67,112</b>	<b>25,207</b>	<b>32,692</b>	<b>715,552</b>	<b>100.0%</b>	<b>789,838</b>	<b>90.6%</b>

**Details**

Division #	Division	January	February	March	April	May	June	July	August	September	October	November	December	YTD TOTAL	Annual Budget	% Spent
<b>200</b>	<b>Suppression</b>	<b>36,377</b>	<b>55,006</b>	<b>47,764</b>	<b>66,909</b>	<b>40,308</b>	<b>52,923</b>	<b>51,977</b>	<b>31,774</b>	<b>39,200</b>	<b>43,423</b>	<b>16,943</b>	<b>17,503</b>	<b>500,107</b>	<b>600,646</b>	<b>83.3%</b>
	1-Min Staffing	27,653	22,229	39,061	50,946	25,034	33,218	48,930	26,451	33,615	36,324	10,993	12,533	366,985		
	2-Training	4,426	3,127	2,230	8,284	11,785	9,203	1,170	1,907	3,327	3,626	2,091	-	51,176		
	3.0-Other	670	25,111	1,502	4,445	561	6,635	1,560	953	337	812	176	2,995	45,759		
	3.2-Equip Test/Maint	1,418	1,021	2,058	1,569	490	1,787	-	1,838	730	2,051	126	482	13,570		
	3.3-Meetings	1,110	2,637	246	646	634	425	317	563	-	422	1,051	1,327	9,379		
	4-Prevention	-	-	34	282	212	-	-	-	-	-	-	-	527		
	5-Emergency Response	249	-	-	405	1,397	716	-	62	1,191	187	2,504	167	6,879		
	6-Billable	851	881	2,633	332	195	939	-	-	-	-	-	-	5,832		
<b>300</b>	<b>Prevention &amp; Investigation</b>	<b>13,506</b>	<b>11,180</b>	<b>16,937</b>	<b>11,648</b>	<b>12,202</b>	<b>12,329</b>	<b>10,882</b>	<b>17,668</b>	<b>15,729</b>	<b>14,155</b>	<b>8,265</b>	<b>9,475</b>	<b>153,973</b>	<b>145,504</b>	<b>105.8%</b>
	1-Min Staffing	5,798	-	3,326	2,261	6,423	6,346	3,737	6,218	3,896	4,347	-	-	42,352		
	2-Training	-	-	2,738	589	723	-	-	-	646	579	-	-	5,276		
	3.0-Other	565	1,960	1,923	1,762	286	1,364	910	-	-	-	-	-	8,771		
	3.3-Meetings	-	170	-	344	-	-	-	-	-	-	-	-	514		
	4-Prevention	4,117	4,984	2,796	3,559	2,835	1,771	5,339	3,523	6,489	5,469	5,059	5,930	51,872		
	6-Billable	3,026	4,066	6,153	3,133	1,934	2,847	895	7,928	4,698	3,759	3,206	3,544	45,188		
<b>410</b>	<b>Training</b>	<b>3,764</b>	<b>2,624</b>	<b>3,846</b>	<b>2,895</b>	<b>1,902</b>	<b>2,624</b>	<b>3,581</b>	<b>3,957</b>	<b>323</b>	<b>4,569</b>	<b>-</b>	<b>1,122</b>	<b>31,206</b>	<b>30,545</b>	<b>102.2%</b>
	1-Min Staffing	2,078	-	1,911	-	-	1,579	1,938	1,938	-	-	-	-	9,444		
	2-Training	689	947	775	1,981	904	86	-	1,454	323	4,569	-	789	12,518		
	3.0-Other	-	-	1,077	166	-	86	-	-	-	-	-	-	1,329		
	3.3-Meetings	-	1,012	-	-	-	-	-	-	-	-	-	-	1,012		
	4-Prevention	-	-	83	83	332	540	665	565	-	-	-	-	2,269		
	6-Billable	997	665	-	665	665	332	978	-	-	-	-	332	4,635		
<b>600</b>	<b>Emergency Management</b>	<b>2,118</b>	<b>6,913</b>	<b>1,190</b>	<b>-</b>	<b>-</b>	<b>7,737</b>	<b>2,751</b>	<b>-</b>	<b>-</b>	<b>4,965</b>	<b>-</b>	<b>4,592</b>	<b>30,266</b>	<b>13,143</b>	<b>230.3%</b>
	1-Min Staffing	1,526	-	-	-	-	4,571	2,180	-	-	4,465	-	4,592	17,334		
	2-Training	-	-	762	-	-	-	-	-	-	500	-	-	1,262		
	3.0-Other	-	6,913	428	-	-	3,166	571	-	-	-	-	-	11,079		
	3.3-Meetings	592	-	-	-	-	-	-	-	-	-	-	-	592		
<b>Total</b>	<b>55,764</b>	<b>75,724</b>	<b>69,737</b>	<b>81,452</b>	<b>54,411</b>	<b>75,612</b>	<b>69,191</b>	<b>53,399</b>	<b>55,251</b>	<b>67,112</b>	<b>25,207</b>	<b>32,692</b>	<b>715,552</b>	<b>789,838</b>	<b>90.6%</b>	

Fire Department Overtime Detail by Division

200 Suppression

As of December 31, 2019

Overtime Type	OLD Project #	NEW #	Project	January	February	March	April	May	June	July	August	September	October	November	December	YTD TOTAL
1-Min Staffing	110015	417	Fire Prevention Suppression OT	-	-	-	-	187	-	-	-	-	-	-	-	187
1-Min Staffing	110041	429	Shift Extension (Call)	132	108	1,944	108	127	31	-	132	49	132	129	138	3,030
1-Min Staffing	110044	435	Staffing - Minimum	27,521	22,120	37,117	50,837	24,720	33,187	48,930	26,319	33,566	36,192	10,864	12,395	363,768
			<b>Subtotal</b>	<b>27,653</b>	<b>22,229</b>	<b>39,061</b>	<b>50,946</b>	<b>25,034</b>	<b>33,218</b>	<b>48,930</b>	<b>26,451</b>	<b>33,615</b>	<b>36,324</b>	<b>10,993</b>	<b>12,533</b>	<b>366,985</b>
2-Training	110011	436	Training	-	2,129	334	7,755	9,374	3,316	195	498	2,797	3,626	1,594	-	31,619
2-Training	110019	421	Instructor	4,426	-	1,896	-	2,271	5,389	975	1,408	529	-	497	-	17,392
2-Training	110049	437	Training Suppression OT	-	997	-	529	140	498	-	-	-	-	-	-	2,165
			<b>Subtotal</b>	<b>4,426</b>	<b>3,127</b>	<b>2,230</b>	<b>8,284</b>	<b>11,785</b>	<b>9,203</b>	<b>1,170</b>	<b>1,907</b>	<b>3,327</b>	<b>3,626</b>	<b>2,091</b>	-	<b>51,176</b>
3.0-Other	110001	400	Aid Run	-	217	257	218	280	-	173	-	-	-	-	-	1,146
3.0-Other	110006	402	Call Back	475	-	-	-	-	-	-	-	-	-	-	-	475
3.0-Other	051		Home Budget In-House Labor	-	23,400	-	-	-	1,661	358	-	-	812	-	2,972	29,203
3.0-Other	110042	430	Shift Extension (Report)	195	-	107	263	187	200	420	43	190	-	68	23	1,696
3.0-Other	110054	427	Public Safety Bond	-	1,495	1,138	3,965	93	4,774	609	910	54	-	108	-	13,146
			<b>Subtotal</b>	<b>670</b>	<b>25,111</b>	<b>1,502</b>	<b>4,445</b>	<b>561</b>	<b>6,635</b>	<b>1,560</b>	<b>953</b>	<b>337</b>	<b>812</b>	<b>176</b>	<b>2,995</b>	<b>45,759</b>
3.2-Equip Test/Maint	110021	425	Program/Equipment Support	54	569	1,062	54	-	-	-	87	-	-	126	433	2,385
3.2-Equip Test/Maint	110030	401	Airpak Maintenance/SCBA	1,364	452	996	1,515	490	1,787	-	1,838	643	2,051	-	48	11,185
			<b>Subtotal</b>	<b>1,418</b>	<b>1,021</b>	<b>2,058</b>	<b>1,569</b>	<b>490</b>	<b>1,787</b>	-	<b>1,838</b>	<b>730</b>	<b>2,051</b>	<b>126</b>	<b>482</b>	<b>13,570</b>
3.3-Meetings	110007	410	Department Meeting	1,110	1,337	246	646	634	425	317	563	-	422	1,051	1,327	8,079
3.3-Meetings	110008		DMO-Officer Meeting	-	1,300	-	-	-	-	-	-	-	-	-	-	1,300
			<b>Subtotal</b>	<b>1,110</b>	<b>2,637</b>	<b>246</b>	<b>646</b>	<b>634</b>	<b>425</b>	<b>317</b>	<b>563</b>	-	<b>422</b>	<b>1,051</b>	<b>1,327</b>	<b>9,379</b>
4-Prevention	110053	416	Fire Prevention OT	-	-	34	282	212	-	-	-	-	-	-	-	527
			<b>Subtotal</b>	-	-	<b>34</b>	<b>282</b>	<b>212</b>	-	-	-	-	-	-	-	<b>527</b>
5-Emergency Response	110024	412	Explorers	156	-	-	125	405	716	-	-	-	187	-	167	1,755
5-Emergency Response	110043	428	Rescue Team Meeting/Drill	93	-	-	280	993	-	-	62	1,191	-	2,504	-	5,124
			<b>Subtotal</b>	<b>249</b>	-	-	<b>405</b>	<b>1,397</b>	<b>716</b>	-	<b>62</b>	<b>1,191</b>	<b>187</b>	<b>2,504</b>	<b>167</b>	<b>6,879</b>
6-Billable	110039	434	Starfire Events/Standby	851	881	2,633	332	195	939	-	-	-	-	-	-	5,832
			<b>Subtotal</b>	<b>851</b>	<b>881</b>	<b>2,633</b>	<b>332</b>	<b>195</b>	<b>939</b>	-	-	-	-	-	-	<b>5,832</b>
			<b>Total</b>	<b>36,377</b>	<b>55,006</b>	<b>47,764</b>	<b>66,909</b>	<b>40,308</b>	<b>52,923</b>	<b>51,977</b>	<b>31,774</b>	<b>39,200</b>	<b>43,423</b>	<b>16,943</b>	<b>17,503</b>	<b>500,107</b>



**300 Prevention & Investigation**  
As of December 31, 2019

Project #	Project	January	February	March	April	May	June	July	August	September	October	November	December	YTD TOTAL
110015	1-Min Staffing	4,303	-	1,065	2,261	6,423	2,261	1,660	2,180	-	2,180	-	-	22,333
110041	1-Min Staffing	-	-	-	-	-	-	-	162	-	-	-	-	162
110044	1-Min Staffing	1,495	-	2,261	-	-	4,085	2,078	3,876	3,896	2,167	-	-	19,857
	<b>Subtotal</b>	<b>5,798</b>	<b>-</b>	<b>3,326</b>	<b>2,261</b>	<b>6,423</b>	<b>6,346</b>	<b>3,737</b>	<b>6,218</b>	<b>3,896</b>	<b>4,347</b>	<b>-</b>	<b>-</b>	<b>42,352</b>
110011	2-Training	-	-	1,702	589	723	-	-	-	646	579	-	-	4,240
110019	2-Training	-	-	1,036	-	-	-	-	-	-	-	-	-	1,036
	<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>2,738</b>	<b>589</b>	<b>723</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>646</b>	<b>579</b>	<b>-</b>	<b>-</b>	<b>5,276</b>
051	3.0-Other	-	-	1,923	1,668	286	1,364	910	-	-	-	-	-	6,152
110020	3.0-Other	-	801	-	-	-	-	-	-	-	-	-	-	801
110054	3.0-Other	565	1,159	-	94	-	-	-	-	-	-	-	-	1,818
	<b>Subtotal</b>	<b>565</b>	<b>1,960</b>	<b>1,923</b>	<b>1,762</b>	<b>286</b>	<b>1,364</b>	<b>910</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,771</b>
110007	3.3-Meetings	-	170	-	344	-	-	-	-	-	-	-	-	514
110013	4-Prevention	1,021	754	596	-	170	-	792	162	485	1,191	574	436	6,180
110053	4-Prevention	3,095	4,231	2,201	3,559	2,835	1,601	4,547	3,361	6,004	4,278	4,485	5,495	45,692
	<b>Subtotal</b>	<b>4,117</b>	<b>4,984</b>	<b>2,796</b>	<b>3,559</b>	<b>2,835</b>	<b>1,771</b>	<b>5,339</b>	<b>3,523</b>	<b>6,489</b>	<b>5,469</b>	<b>5,059</b>	<b>5,930</b>	<b>51,872</b>
110014	6-Billable	3,026	3,215	5,472	3,133	1,934	2,847	895	7,928	4,698	3,759	3,206	3,544	43,656
110039	6-Billable	-	851	681	-	-	-	-	-	-	-	-	-	1,532
	<b>Subtotal</b>	<b>3,026</b>	<b>4,066</b>	<b>6,153</b>	<b>3,133</b>	<b>1,934</b>	<b>2,847</b>	<b>895</b>	<b>7,928</b>	<b>4,698</b>	<b>3,759</b>	<b>3,206</b>	<b>3,544</b>	<b>45,188</b>
	<b>Total</b>	<b>13,506</b>	<b>11,180</b>	<b>16,937</b>	<b>11,648</b>	<b>12,202</b>	<b>12,329</b>	<b>10,882</b>	<b>17,668</b>	<b>15,729</b>	<b>14,155</b>	<b>8,265</b>	<b>9,475</b>	<b>153,973</b>

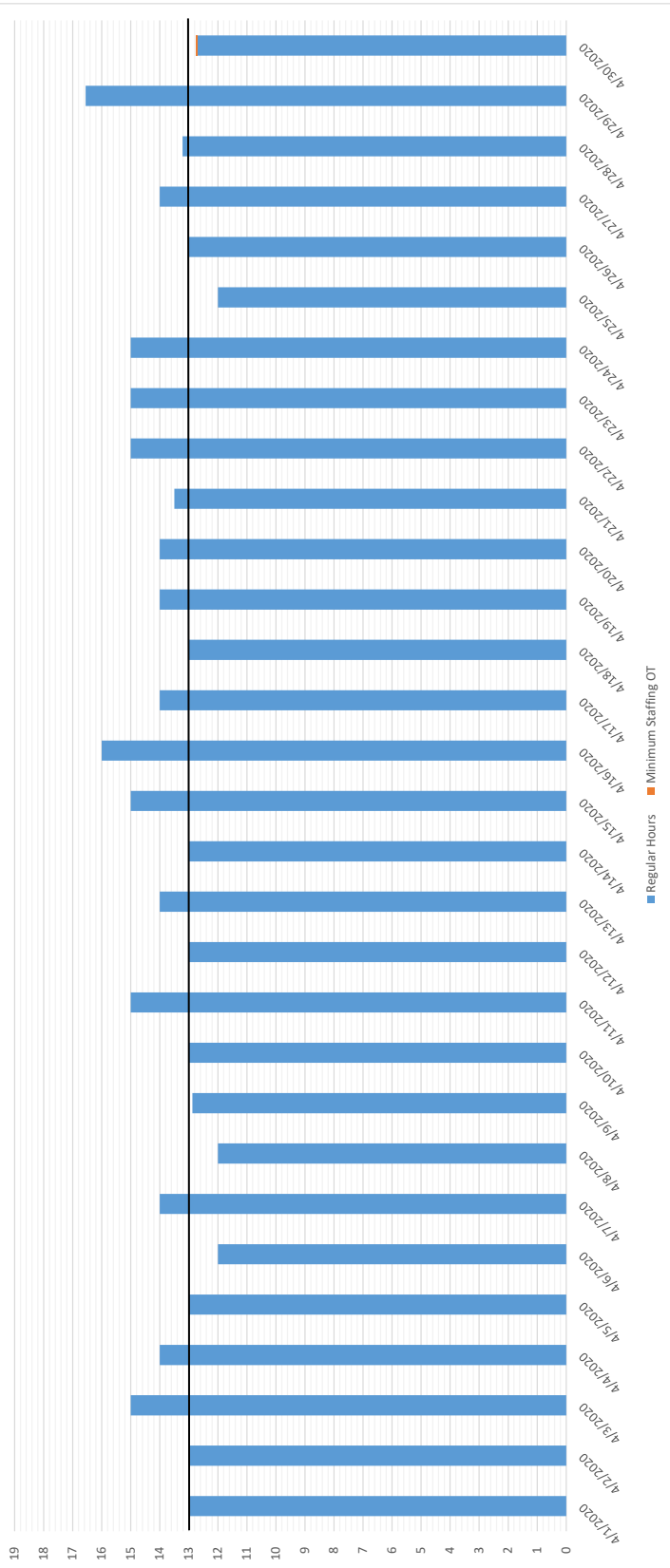
**410 Training**  
As of December 31, 2019

Project #	Project	January	February	March	April	May	June	July	August	September	October	November	December	YTD TOTAL
110015	1-Min Staffing	2,078	-	-	-	-	-	-	-	-	-	-	-	2,078
110044	1-Min Staffing	-	-	1,911	-	-	1,579	1,938	1,938	-	-	-	-	7,366
	<b>Subtotal</b>	<b>2,078</b>	<b>-</b>	<b>1,911</b>	<b>-</b>	<b>-</b>	<b>1,579</b>	<b>1,938</b>	<b>1,938</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,444</b>
110011	2-Training	689	947	775	1,981	904	86	-	1,454	323	4,569	-	789	11,829
110049	2-Training	-	-	-	-	-	-	-	-	-	-	-	-	689
	<b>Subtotal</b>	<b>689</b>	<b>947</b>	<b>775</b>	<b>1,981</b>	<b>904</b>	<b>86</b>	<b>-</b>	<b>1,454</b>	<b>323</b>	<b>4,569</b>	<b>-</b>	<b>789</b>	<b>12,518</b>
051	3.0-Other	-	-	-	-	-	86	-	-	-	-	-	-	1,329
110054	3.0-Other	-	-	1,077	166	-	86	-	-	-	-	-	-	1,329
	<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>1,077</b>	<b>166</b>	<b>-</b>	<b>86</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,329</b>
110007	3.3-Meetings	-	1,012	-	-	-	-	-	-	-	-	-	-	1,012
	<b>Subtotal</b>	<b>-</b>	<b>1,012</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,012</b>
110013	4-Prevention	-	-	-	-	166	42	623	-	-	-	-	-	831
110053	4-Prevention	-	-	83	83	166	499	42	565	-	-	-	-	1,438
	<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>83</b>	<b>83</b>	<b>332</b>	<b>540</b>	<b>665</b>	<b>565</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,269</b>
110014	6-Billable	997	665	-	665	665	332	978	-	-	-	-	332	4,635
	<b>Subtotal</b>	<b>997</b>	<b>665</b>	<b>-</b>	<b>665</b>	<b>665</b>	<b>332</b>	<b>978</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>332</b>	<b>4,635</b>
	<b>Total</b>	<b>3,764</b>	<b>2,624</b>	<b>3,846</b>	<b>2,895</b>	<b>1,902</b>	<b>2,624</b>	<b>3,581</b>	<b>3,957</b>	<b>323</b>	<b>4,569</b>	<b>-</b>	<b>1,122</b>	<b>31,206</b>

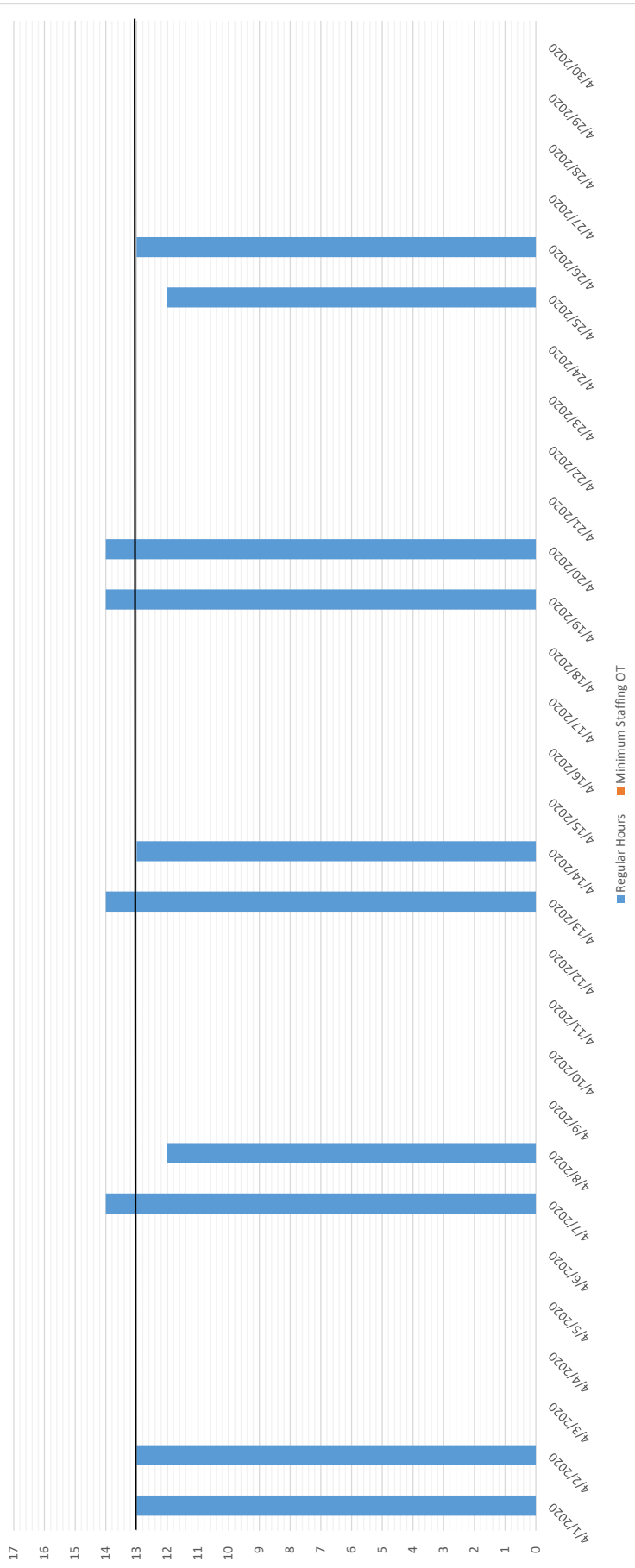
600 Emergency Management  
As of December 31, 2019

Project #	Project	January	February	March	April	May	June	July	August	September	October	November	December	YTD TOTAL
110044	435 Staffing - Minimum	1,526	-	-	-	-	4,571	2,180	-	-	4,465	-	4,592	17,334
	<b>Subtotal</b>	<b>1,526</b>	-	-	-	-	<b>4,571</b>	<b>2,180</b>	-	-	<b>4,465</b>	-	<b>4,592</b>	<b>17,334</b>
110011	436 Training	-	-	762	-	-	-	-	-	-	500	-	-	1,262
	<b>Subtotal</b>	-	-	<b>762</b>	-	-	-	-	-	-	<b>500</b>	-	-	<b>1,262</b>
110054	051 Home Budget In-House Labor	-	6,913	-	-	-	3,166	571	-	-	-	-	-	10,651
	427 Public Safety Bond	-	-	428	-	-	-	-	-	-	-	-	-	428
	<b>Subtotal</b>	-	<b>6,913</b>	<b>428</b>	-	-	<b>3,166</b>	<b>571</b>	-	-	-	-	-	<b>11,079</b>
110007	410 Department Meeting	592	-	-	-	-	-	-	-	-	-	-	-	592
	<b>Subtotal</b>	<b>592</b>	-	-	-	-	-	-	-	-	-	-	-	<b>592</b>
	<b>Total</b>	<b>2,118</b>	<b>6,913</b>	<b>1,190</b>	-	-	<b>7,737</b>	<b>2,751</b>	-	-	<b>4,965</b>	-	<b>4,592</b>	<b>30,266</b>

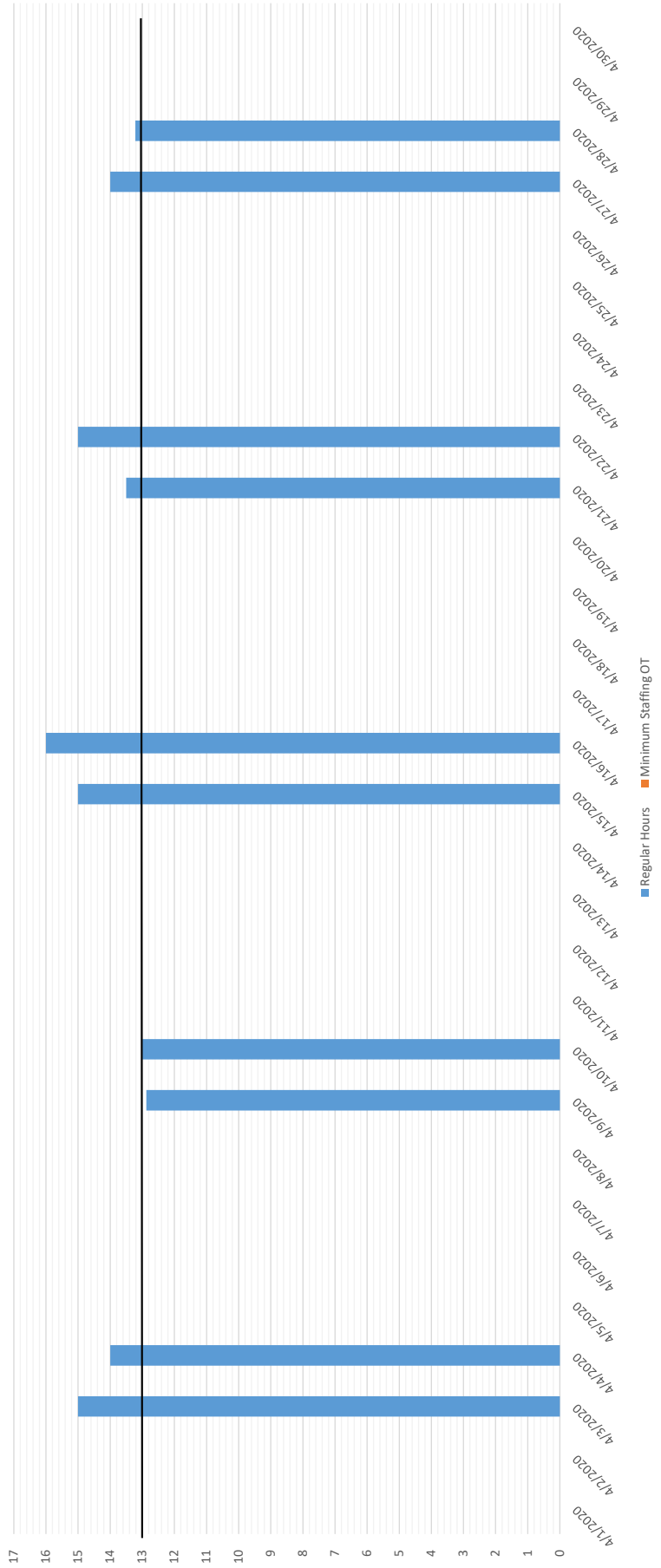
April 2020 Active Firefighters by Day



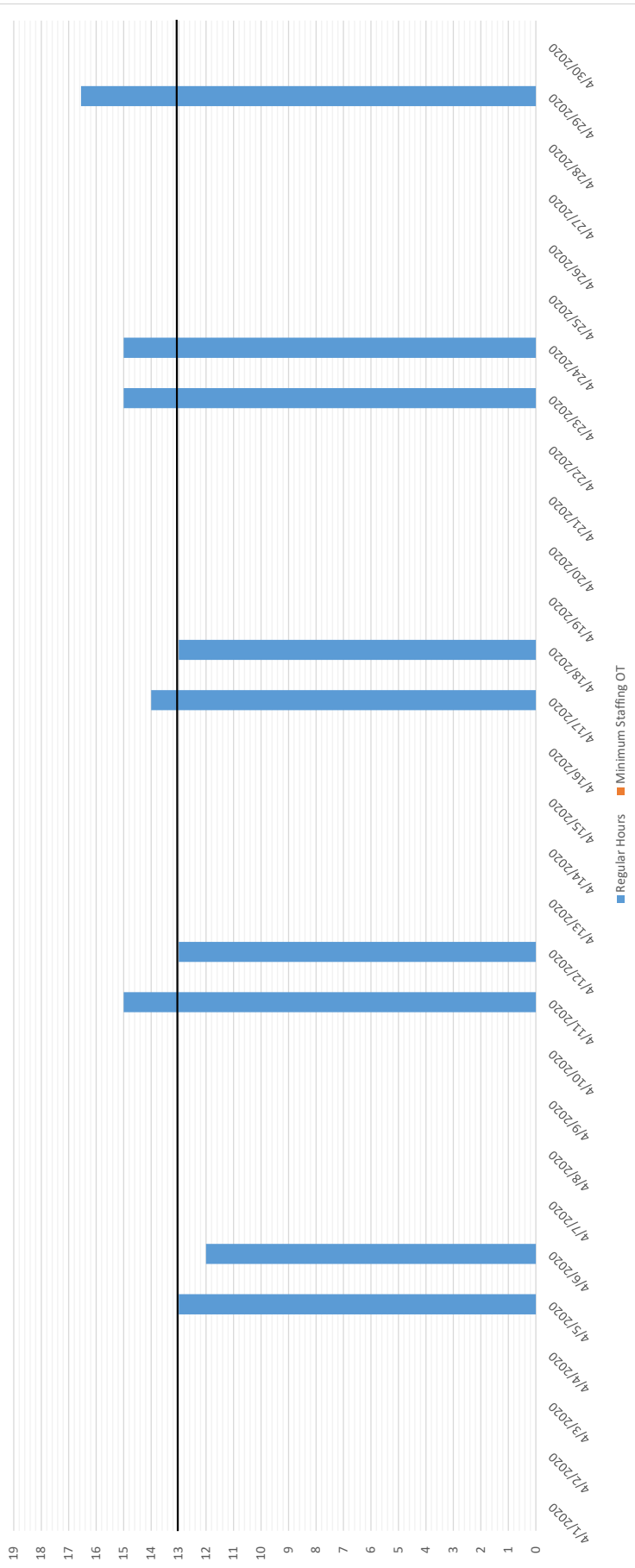
April 2020 Active Firefighters by Day  
Shift A



### April 2020 Active Firefighters by Day Shift B



April 2020 Active Firefighters by Day  
Shift C



Fire Department Overtime (Salaries Only)

	January	February	March	April	YTD TOTAL	% of Total Overtime	% of Annual Budget Spent	Annual Budget
<b>1-Min Staffing</b>								
Suppression - Shift A	9,953	3,053	3,411	-	16,417	16.4%		
Suppression - Shift B	2,245	5,821	6,256	276	14,598	14.6%		
Suppression - Shift C	3,722	7,565	7,884	141	19,313	19.3%		
<b>Total</b>	15,921	16,439	17,550	417	50,327	50.2%		
<b>2- Training</b>								
Suppression - Shift A	885	261	-	-	1,146	1.1%		
Suppression - Shift B	1,773	-	-	-	1,773	1.8%		
Suppression - Shift C	2,353	176	-	-	2,529	2.5%		
Training	-	890	2,537	2,055	5,482	5.5%		
<b>Total</b>	5,012	1,326	2,537	2,055	10,930	10.9%		
<b>3.0- Other</b>								
Suppression - Shift A	-	389	3,141	27	3,557	3.5%		
Suppression - Shift B	399	1,588	889	114	2,990	3.0%		
Suppression - Shift C	-	622	1,812	61	2,495	2.5%		
Emergency Management	-	-	3,407	-	3,407	3.4%		
<b>Total</b>	399	2,599	9,249	201	12,448	8.9%		
<b>3.2-Equip Test/Maint</b>								
Suppression - Shift A	408	833	-	-	1,242	1.2%		
<b>Total</b>	408	833	-	-	1,242	1.2%		
<b>3.3-Meetings</b>								
Suppression - Shift A	1,261	-	158	172	1,591	1.6%		
Suppression - Shift B	647	178	-	396	1,221	1.2%		
Suppression - Shift C	2,336	79	-	-	2,416	2.4%		
Training	528	-	-	-	528	0.5%		
Emergency Management	303	-	-	-	303	0.3%		
<b>Total</b>	5,075	258	158	568	6,059	6.0%		
<b>4-Prevention</b>								
Prevention and Investigation	3,960	4,373	1,123	857	10,313	10.3%		
<b>Total</b>	3,960	4,373	1,123	857	10,313	10.3%		
<b>5-Emergency Response</b>								
Suppression - Shift C	248	-	-	-	248	0.2%		
<b>Total</b>	248	-	-	-	248	0.2%		
<b>6-Billable</b>								
Suppression - Shift B	299	-	230	-	528	0.5%		
Prevention and Investigation	2,024	1,557	3,504	-	7,085	7.1%		
Training	1,078	-	-	-	1,078	1.1%		
<b>Total</b>	3,401	1,557	3,734	-	8,692	8.7%		
<b>Grand Total</b>	<b>34,426</b>	<b>27,386</b>	<b>34,349</b>	<b>4,098</b>	<b>100,259</b>	<b>100%</b>	<b>18.8%</b>	<b>534,184</b>

**Fire Department Overtime**  
Year-to-Date as of April 30, 2020

Division #	Division	January	February	March	April	YTD TOTAL	Annual Budget	% Spent	Remaining Budget	Allocated Budget	Variance
200	Suppression	26,531	20,565	23,779	1,187	72,062	440,822	16.3%	368,760	146,941	(74,879)
300	Prevention & Investigation	5,985	5,931	4,626	857	17,399	65,143	26.7%	47,744	21,714	(4,315)
410	Training	1,607	890	2,537	2,055	7,089	18,813	37.7%	11,724	6,271	818
600	Emergency Management	303	-	3,407	-	3,710	9,406	39.4%	5,696	3,135	574
	<b>Division Total</b>	<b>34,426</b>	<b>27,386</b>	<b>34,349</b>	<b>4,098</b>	<b>100,260</b>	<b>534,184</b>	<b>18.8%</b>	<b>433,925</b>	<b>178,061</b>	<b>(77,802)</b>

**Fire Department Overtime Detail by Division**

**200 - Suppression**

Year-to-Date as of April 30, 2020

Overtime Type	Project #	Project	January	February	March	April	YTD TOTAL
1-Min Staffing	429	Shift Extension (Call)	361	295	139	333	1,128
1-Min Staffing	297	Staffing - Minimum	15,560	16,144	17,411	84	49,199
		<b>Subtotal</b>	<b>15,921</b>	<b>16,439</b>	<b>17,550</b>	<b>417</b>	<b>50,327</b>
2-Training	[268.271,421,449]	Instructor	2,660	176	-	-	2,836
2-Training	422	JATC	230	-	-	-	230
		<b>Subtotal</b>	<b>5,012</b>	<b>436</b>	<b>-</b>	<b>-</b>	<b>5,448</b>
3.0-Other	430	Shift Extension (Report)	-	165	129	167	461
3.0-Other	427	Public Safety Bond	399	2,162	889	34	3,484
3.0-Other	530	COVID-19	-	-	4,609	-	4,609
		<b>Subtotal</b>	<b>399</b>	<b>2,599</b>	<b>5,842</b>	<b>201</b>	<b>9,041</b>
3.2-Equip Test/Maint	401	Airpak Maintenance/SCBA	408	833	-	-	1,242
		<b>Subtotal</b>	<b>408</b>	<b>833</b>	<b>-</b>	<b>-</b>	<b>1,242</b>
3.3-Meetings	405	City Meeting	945	79	-	-	3,596
3.3-Meetings	410	Department Meeting	3,022	178	-	396	607
3.3-Meetings	441	Special Committee Meeting	277	-	158	172	5,228
		<b>Subtotal</b>	<b>4,244</b>	<b>258</b>	<b>158</b>	<b>568</b>	<b>248</b>
5-Emergency Response	412	Explorers	248	-	-	-	248
		<b>Subtotal</b>	<b>248</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>248</b>
6-Billable	434	Starfire Events/Standby	299	-	230	-	528
		<b>Subtotal</b>	<b>299</b>	<b>-</b>	<b>230</b>	<b>-</b>	<b>528</b>
		<b>Total</b>	<b>26,531</b>	<b>20,565</b>	<b>23,779</b>	<b>1,187</b>	<b>72,062</b>



**200 - Suppression - SHIFT A**

Year-to-Date as of April 30, 2020

Overtime Type	Project #	Project	January	February	March	April	YTD TOTAL
1-Min Staffing	429	Shift Extension (Call)	105	-	-	-	105
1-Min Staffing	297	Staffing - Minimum	9,849	3,053	3,411	-	16,312
		<b>Subtotal</b>	<b>9,953</b>	<b>3,053</b>	<b>3,411</b>	-	<b>16,417</b>
2-Training	436	Training	433	261	-	-	694
2-Training	[268.271,421,449]	Instructor	452	-	-	-	452
		<b>Subtotal</b>	<b>885</b>	<b>261</b>	-	-	<b>1,146</b>
3.0-Other	400	Aid Run	-	272	-	-	272
3.0-Other	430	Shift Extension (Report)	-	117	-	27	143
3.0-Other	530	COVID-19	-	-	3,141	-	3,141
		<b>Subtotal</b>	-	<b>389</b>	<b>3,141</b>	<b>27</b>	<b>3,557</b>
3.2-Equip Test/Maint	401	Airpak Maintenance/SCBA	408	833	-	-	1,242
		<b>Subtotal</b>	<b>408</b>	<b>833</b>	-	-	<b>1,242</b>
3.3-Meetings	410	Department Meeting	1,261	-	-	-	1,261
3.3-Meetings	441	Special Committee Meeting	-	-	158	172	330
		<b>Subtotal</b>	<b>1,261</b>	-	<b>158</b>	<b>172</b>	<b>1,591</b>
		<b>Total</b>	<b>12,508</b>	<b>4,536</b>	<b>6,710</b>	<b>199</b>	<b>23,952</b>

**200 - Suppression - SHIFT B**

Year-to-Date as of April 30, 2020

Overtime Type	Project #	Project	January	February	March	April	YTD TOTAL
1-Min Staffing	429	Shift Extension (Call)	-	254	-	276	530
1-Min Staffing	298	Staffing - Minimum	2,245	5,567	6,256	-	14,068
		<b>Subtotal</b>	<b>2,245</b>	<b>5,821</b>	<b>6,256</b>	<b>276</b>	<b>14,598</b>
2-Training	436	Training	396	-	-	-	396
2-Training	[268.271,421,448,449]	Instructor	1,147	-	-	-	1,147
2-Training	422	JATC	230	-	-	-	230
		<b>Subtotal</b>	<b>1,773</b>	-	-	-	<b>1,773</b>
3.0-Other	430	Shift Extension (Report)	-	36	-	79	116
3.0-Other	427	Public Safety Bond	399	1,552	889	34	2,874
		<b>Subtotal</b>	<b>399</b>	<b>1,588</b>	<b>889</b>	<b>114</b>	<b>2,990</b>
3.3-Meetings	405	City Meeting	429	-	-	-	429
3.3-Meetings	410	Department Meeting	217	178	-	396	792
		<b>Subtotal</b>	<b>647</b>	<b>178</b>	-	<b>396</b>	<b>1,221</b>
6-Billable	434	Starfire Events/Standby	299	-	230	-	528
		<b>Subtotal</b>	<b>299</b>	-	<b>230</b>	-	<b>528</b>
		<b>Total</b>	<b>5,363</b>	<b>7,588</b>	<b>7,374</b>	<b>786</b>	<b>21,110</b>

**200 - Suppression - SHIFT C**  
 Year-to-Date as of April 30, 2020

Overtime Type	Project #	Project	January	February	March	April	YTD TOTAL
1-Min Staffing	429	Shift Extension (Call)	256	41	139	57	494
1-Min Staffing	299	Staffing - Minimum	3,466	7,524	7,744	84	18,819
		<b>Subtotal</b>	<b>3,722</b>	<b>7,565</b>	<b>7,884</b>	<b>141</b>	<b>19,313</b>
2-Training	436	Training	1,293	-	-	-	1,293
2-Training	[268,271,421,449]	Instructor	1,061	176	-	-	1,236
		<b>Subtotal</b>	<b>2,353</b>	<b>176</b>	<b>-</b>	<b>-</b>	<b>2,529</b>
3.0-Other	400	Aid Run	-	-	215	-	215
3.0-Other	430	Shift Extension (Report)	-	12	129	61	203
3.0-Other	427	Public Safety Bond	-	610	-	-	610
3.0-Other	530	COVID-19	-	-	1,467	-	1,467
		<b>Subtotal</b>	<b>-</b>	<b>622</b>	<b>1,812</b>	<b>61</b>	<b>2,495</b>
3.3-Meetings	405	City Meeting	515	79	-	-	595
3.3-Meetings	441	Special Committee Meeting	277	-	-	-	277
3.3-Meetings	410	Department Meeting	1,544	-	-	-	1,544
		<b>Subtotal</b>	<b>2,336</b>	<b>79</b>	<b>-</b>	<b>-</b>	<b>2,416</b>
5-Emergency Response	412	Explorers	248	-	-	-	248
		<b>Subtotal</b>	<b>248</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>248</b>
		<b>Total</b>	<b>8,660</b>	<b>8,442</b>	<b>9,696</b>	<b>203</b>	<b>27,000</b>

## Fire Department Overtime Detail by Division

### 300 -Prevention & Investigation

Year-to-Date as of April 30, 2020

Project	January	February	March	April	YTD TOTAL
414 Fire Investigation	352	1,629	1,123	857	3,960
416 Fire Prevention OT	3,608	2,744	-	-	6,352
<b>Subtotal</b>	<b>3,960</b>	<b>4,373</b>	<b>1,123</b>	<b>857</b>	<b>10,313</b>
415 Contractor Billable OT	2,024	1,557	3,063	-	6,645
434 Starfire Events/Standby	-	-	440	-	440
<b>Subtotal</b>	<b>2,024</b>	<b>1,557</b>	<b>3,504</b>	<b>-</b>	<b>7,085</b>
<b>Total</b>	<b>5,984</b>	<b>5,931</b>	<b>4,626</b>	<b>857</b>	<b>17,398</b>

### 410 -Training

Year-to-Date as of April 30, 2020

Project	January	February	March	April	YTD TOTAL
266 Training	-	-	2,537	2,055	4,592
421 Instructor	-	890	-	-	890
<b>Subtotal</b>	<b>-</b>	<b>890</b>	<b>2,537</b>	<b>2,055</b>	<b>5,482</b>
410 Department Meeting	528	-	-	-	528
<b>Subtotal</b>	<b>528</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>528</b>
434 Starfire Events/Standby	1,078	-	-	-	1,078
<b>Subtotal</b>	<b>1,078</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,078</b>
<b>Total</b>	<b>1,607</b>	<b>890</b>	<b>2,537</b>	<b>2,055</b>	<b>7,089</b>

**600- Emergency Management  
Year-to-Date as of April 30, 2020**

Project	January	February	March	April	YTD TOTAL
530 COVID-19	-	-	3,407	-	3,407
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>3,407</b>	<b>-</b>	<b>3,407</b>
410 Department Meeting	303	-	-	-	303
<b>Subtotal</b>	<b>303</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>303</b>
<b>Total</b>	<b>303</b>	<b>-</b>	<b>3,407</b>	<b>-</b>	<b>3,710</b>



## **INFORMATIONAL MEMORANDUM**

**TO: Community Services and Safety Committee**

**FROM: Vicky Carlsen, Finance Director  
Jay Wittwer, Fire Chief  
David Cline, City Administrator**

**CC: Mayor Ekberg**

**DATE: May 6, 2020**

**SUBJECT: Update on 2020 Fire Department Budget Proviso**

### **ISSUE**

Update City Council on status of the 2020 Budget Proviso for the Fire Department that was included in the 2019-2020 mid-biennium budget amendment as well as an update on the Habile Consulting contract, the company that was hired in response to Budget Proviso 1d of the Tukwila City Council regarding the general fund appropriation to the Fire Department

### **DISCUSSION**

In 2019, the Finance Committee, as well as the full Council, spent several months reviewing a number of operational aspects of the Fire Department. The review was conducted because the fire department has exceeded their authorized budget every year for the last several years. One of the outcomes of the review was to authorize a budget amendment for 2019 to true up overtime costs, fund recruits in the academy, and provide resources for leave balance payouts incurred when firefighters retired.

The City Council approved the budget amendment but included a Budget Proviso which listed conditions to be met in 2020. The Proviso is attached to this memo.

#### **Status Update on Proviso Conditions**

Condition 1a requires the "Fire Chief to deliver a 2019 annual report to the City Council by the end of the first quarter." While delayed due to the city's COVID-19 response, the report was transmitted to the City Council on April 27, 2020 and will be presented to the Community Services & Safety Committee on May 11, 2020.

The second condition (1b) requires the "Fire Chief to deliver quarterly reports to the City Council discussing new revenue implementation and budget status updates." Through the end of March, the Fire Department is meeting budget, with 25% of budget spend. A summary report is attached to this memo and a full 1<sup>st</sup> quarter report will be presented to the Finance Committee in May.

The third condition (1c) requires “the Mayor and/or City Administrator to deliver a mid-year report to the City Council regarding budget status to date and projection for year end.” This report is planned to be delivered in July or August after the 2<sup>nd</sup> Quarter closes.

The fourth condition (1d) states, “The City will hire a third-party consultant to review the Fire Department budgetary and management practices.”

In response to Item 1d, the City contracted with Habile Consulting to perform the review. The contract was signed on December 23, 2019. Habile Consulting began work by interviewing Councilmembers and various City staff. Interviews were completed in mid-January. A meeting was scheduled for March 11, 2020, when the City expected to receive an update on the progress of the review. However, the meeting was canceled by the contractor and the City was notified that, due to a serious medical issue with a family member, the meeting would need to be rescheduled. Since that date, the City has had no response from the consultant even though multiple attempts to contact the consultant have been made. Attempts included emails as well as phone calls. At this time, the City has not paid Habile Consulting.

Options moving forward include the following:

1. Hire another consultant to perform the independent study as required by the Budget Proviso.
2. Defer this item until the next biennium.
3. Other options Council may wish to consider.

The fifth condition (1e) requires the Fire Department to “implement revenue sources and operational efficiencies while considering cost savings wherever appropriate.”

The following chart shows revenue collected through the end of the March for Fire related activities. Of note, is that False Alarm charges are being charged, the monthly Ambulance Service fees are being received, and the department has collected funds from Haz Mat Response Recovery (accidents).

GENERAL	JAN	FEB	MAR	YTD TOTAL
Fire Tech Fee	\$ 698	\$ 802	\$ 773	\$ 2,273
EMS Participation Grant	-	-	1,260	1,260
Haz Mat Response Recovery	4,485	3,064	2,800	10,349
Emergency Services (EMS Levy)	2,000	2,000	2,000	6,000
Fire Inspections	15,595	7,207	7,095	29,897
Planning Review Fees - FMO	14,747	12,780	12,157	39,684
False Alarm Charges	400	150	200	750
Ambulance Services	2,000	2,000	2,000	6,000
Totals	\$ 39,925	\$ 28,002	\$ 28,284	\$ 96,212

In addition, the Fire Department has continually looked at operational savings throughout its department and has implemented these where possible.

**RECOMMENDATION**

Staff is seeking direction on the preferred option to meet the Proviso condition of Item 1d regarding hiring a third-party consultant to review the Fire Department budgetary and management practices.

**ATTACHMENTS**

Attachment 1: Budget Proviso of the Tukwila City Council 2019 – 2020 Mid-Biennium Budget Amendment

Attachment 2: Fire Department Budget to Actual Report as of March 31, 2020

Attachment 1

**Budget Proviso of the Tukwila City Council  
2019-2020 Mid-Biennium Budget Amendment**

The following is hereby declared to be the legislative intent of the City Council regarding the General Fund appropriation to the Fire Department:

1. The City Council approves the \$522,900 amendment to the Fire Department's 2019 budget with the expectation that the following conditions be met in 2020:
  - a. The Fire Chief will deliver a 2019 Annual Report, per RCW 35A.92.030, to the City Council by the end of the 1st Quarter.
  - b. The Fire Chief will deliver quarterly reports to the City Council discussing new revenue implementation and budget status updates including overtime and training.
  - c. The Mayor and/or City Administrator will deliver a mid-year report to the City Council regarding budget status to date and projection for year-end.
  - d. The City will hire a third-party consultant to review the Fire Department budgetary and management practices.
  - e. The Fire Department will implement additional revenue sources and operational efficiencies while considering cost savings wherever appropriate.
2. It is expected that the Fire Department will operate within the adopted budget for 2020. If the above proviso conditions are met, the City Council may reconsider a budget amendment following the mid-year report.



Attachment 2

**FIRE**

YTD AS OF MARCH 31, 2020

CITY OF TUKWILA  
GENERAL FUND EXPENDITURES

EXPENDITURE TYPE	BUDGET		ACTUAL			VARIANCES			
	2020 ANNUAL	2020	2018	2019	2020	ACTUAL	%	% CHANGE	
		ALLOCATED				OVER/(UNDER)		2018/2019	2019/2020
						ALLOCATED	EXPENDED		
						BDGT			
11 Salaries	7,666,823	1,916,706	1,814,823	1,910,209	2,002,445	85,740	26%	5%	5%
12 Extra Labor	-	-	825	-	-	-	-	-	-
13 Overtime	534,648	170,822	121,036	207,665	106,435	(64,387)	20%	72%	(49)%
15 Holiday Pay	295,454	-	2,443	-	-	-	-	-	-
21 FICA	208,956	52,239	33,511	38,196	35,719	(16,520)	17%	14%	(6)%
22 Pension-LEOFF 2	446,274	111,569	96,434	106,396	105,306	(6,262)	24%	10%	(1)%
23 Pension-PERS/PSERS	51,129	12,782	12,517	13,551	8,650	(4,132)	17%	8%	(36)%
24 Industrial Insurance	422,619	105,655	66,953	102,081	96,946	(8,709)	23%	52%	(5)%
25 Medical & Dental	1,548,497	387,124	364,164	376,823	420,224	33,100	27%	3%	12%
<b>Total Salaries &amp; Benefits</b>	<b>11,174,400</b>	<b>2,756,897</b>	<b>2,512,706</b>	<b>2,754,921</b>	<b>2,775,726</b>	<b>18,830</b>	<b>25%</b>	<b>10%</b>	<b>1%</b>
31 Supplies	206,877	84,753	38,063	56,102	29,641	(55,112)	14%	47%	(47)%
35 Small Tools	87,268	2,132	3,307	276	26,898	24,766	31%	(92)%	9643%
41 Professional Services	302,945	18,442	74,446	54,160	70,932	52,490	23%	(27)%	31%
42 Communication	32,170	6,321	8,318	7,169	8,620	2,298	27%	(14)%	20%
43 Travel	7,000	757	1,788	2,355	468	(290)	7%	32%	(80)%
45 Rentals and Leases	654,151	162,974	151,209	168,731	164,060	1,086	25%	12%	(3)%
46 Insurance	199,922	172,182	191,453	164,888	173,213	1,031	87%	(14)%	5%
47 Public Utilities	73,360	15,575	23,270	23,846	35,354	19,780	48%	2%	48%
48 Repairs and Maintenance	36,921	8,218	11,418	11,876	16,121	7,903	44%	4%	36%
49 Miscellaneous	143,874	18,750	82,056	22,512	22,517	3,767	16%	(73)%	0%
64 Machinery & Equipment	200,000	-	-	-	-	-	-	-	-
<b>Total Operating Expenses</b>	<b>1,944,488</b>	<b>490,104</b>	<b>585,328</b>	<b>511,914</b>	<b>547,824</b>	<b>57,720</b>	<b>28%</b>	<b>(13)%</b>	<b>7%</b>
<b>Total Expenses</b>	<b>13,118,888</b>	<b>3,247,001</b>	<b>3,098,033</b>	<b>3,266,836</b>	<b>3,323,550</b>	<b>76,549</b>	<b>25%</b>	<b>5%</b>	<b>2%</b>

Percent of year completed 25%





## **INFORMATIONAL MEMORANDUM**

**TO: Finance Committee**

**FROM: Vicky Carlsen, Finance Director**

**CC: Mayor Ekberg**

**DATE: July 21, 2020**

**SUBJECT: 2021-2022 Budget Process Update**

### **ISSUE**

Review activities and calendar associated with the 2021-2022 budget process.

### **BACKGROUND & DISCUSSION**

#### *Activities to Date*

The City Council kicked off its budget process with the Council Retreat on February 22, 2020, working with guest facilitator Mike Bailey to review municipal budgeting, the financial structure of the city, and a draft budget calendar for the remainder of the year. A follow up budget work session had been scheduled in April but was postponed as the severity of the pandemic emergency was realized and the Council transitioned to virtual meetings.

At the same time, it was necessary to better understand the financial implications of the pandemic, specifically the loss of sales tax revenue and other revenue due to business closures. Staff work was redirected to addressing the financial impacts and the internal budget preparation process was delayed. The Finance Committee spent all its meetings in April and May working on mitigation of these financial impacts, leading to the passage of Resolutions 1987 and 1988.

At this time, departments are currently in the process of working on their budget proposals. Departments are also working on implementing the next phase of priority-based budgeting, which includes identify performance measures that can be incorporated into the decision-making process. Existing fees and charges for services are currently under review and possible adjustments to certain existing revenue sources could be recommended at a later date.

#### *Work Session Outcomes*

The City Council convened the special Budget work session on June 29, 2020. The purpose of this meeting was to affirm a common understanding of the need to reduce the 2021-2022 budget, including city services, and for Councilmembers to give policy level input toward Administration's development of the 2021-2022 budget. All Councilmembers had the opportunity to weigh in with their concerns and ideas. While the ideas expressed were given by individuals, these common themes emerged:

- Evaluate and provide options for affordable service levels
- Consider restructuring of City organization if needed
- Focus on the needs of the residential community

- Emphasize equity and social justice
- Provide transparency and communication with Council and the community

#### *Public Outreach*

While the budget process was shortened due to COVID-19, the City Council and Administration both desire community engagement to the extent feasible. The City is also limited to online and mail-based outreach, with community members providing feedback via the web, social media, mail and phone. Staff is working on an outreach plan that includes an online survey and a City Council sponsored virtual Town Hall meeting later this summer. Staff will offer translated materials and engage with community-based organizations to maximize participation.

#### *Next Steps*

As described above, the delay in beginning the budget development process, coupled with Council committees and other meetings held remotely, necessitated an adjustment to the calendar previously shared with the City Council. With approval by the Finance Chair and Council President, full Council workshops will be conducted in lieu of Council committees reviewing budgets prior to review by the full Council.

The attached budget calendar provides a proposed timeline for the budget process and includes placeholders for possible workshops in the latter part of September as well as the month of October.

Workshops could be structured as follows:

1. Funds that do not rely on general fund support including: utility funds, drug seizure, lodging tax, firemen's pension
2. General fund including revenue
3. Capital project funds, debt service, 6-year financial plan
4. Follow up to any outstanding items not addressed in previous workshops

All workshops and review of the complete budget must be completed in time for Council to adopt the budget in December.

As a reminder, a previously planned budget software contract was deemed too expensive and not an ideal long-term solution, therefore staff must continue to use Excel to build the budget. This will result in a simplified budget process by removing non-essential information from the final document. The City, with Council support, is planning on a completely new financial accounting and reporting system update later this year that will include a complete budget software tool that will be available to help create the 2023-2024 budget.

#### **RECOMMENDATION**

Staff is seeking Committee discussion and feedback on the work session outcome themes, public outreach plan, and calendar for the remainder of the year.

#### **ATTACHMENTS**

Proposed Budget Calendar

# Tentative Budget Timeline

Dates are all Mondays and represent the week of...

Holiday week, no Council Committee or Council meetings

2020

