



City of Tukwila  
**Finance and Governance  
 Committee**

- ◆ De'Sean Quinn, Chair
- ◆ Kate Kruller
- ◆ Cynthia Delostrinos Johnson

<b>Distribution:</b>	
D. Quinn	Mayor Ekberg
K. Kruller	D. Cline
C. Delostrinos Johnson	R. Bianchi
T. McLeod	C. O'Flaherty
K. Hougardy	A. Youn
M. Abdi	L. Humphrey
T. Sharp	

# AGENDA

**MONDAY, NOVEMBER 14, 2022 – 5:30 PM**

**THIS MEETING WILL BE CONDUCTED BOTH ON-SITE AT TUKWILA CITY HALL AND ALSO VIRTUALLY.**

**ON-SITE PRESENCE WILL BE IN THE DUWAMISH CONFERENCE ROOM  
 (2ND FLOOR, 6300 SOUTHCENTER BOULEVARD)**

**THE PHONE NUMBER FOR THE PUBLIC TO PARTICIPATE IN THIS  
 MEETING IS: 1-253-292-9750, Access Code 118148336#**

**Click here to: [Join Microsoft Teams Meeting](#)**

*For Technical Support during the meeting call: 1-206-433-7155.*

Item	Recommended Action	
<b>1. BUSINESS AGENDA</b>		
a. Contract Amendment No. 1 with the Walls Law Firm. <i>David Cline, City Administrator</i>	a. Forward to 11/21 Regular Meeting Consent Agenda.	<b>Pg.1</b>
b. Impact fees update: (1) An ordinance updating Fire Impact Fees. <i>Vicky Carlsen, Finance Director</i> (2) An ordinance updating Parks Impact Fees. <i>David Rosen, Parks &amp; Recreation Fiscal Analyst</i>	b. Forward to 11/28 C.O.W. and 12/5 Regular Meeting.	<b>Pg.5</b>
c. A resolution adopting the 2023 Legislative Agenda. <i>Rachel Bianchi, Deputy City Administrator</i>	c. Forward to 11/28 C.O.W. and 12/5 Consent Agenda.	<b>Pg.15</b>
d. Non-Represented Employees Market and Compression Study. <i>Rachel Bianchi, Deputy City Administrator</i>	d. Forward to 11/14 C.O.W. Meeting.	<b>Pg.21</b>
<i>(continued...)</i>		



The City of Tukwila strives to accommodate individuals with disabilities.

Please contact the City Clerk's Office at **206-433-1800** ([TukwilaCityClerk@TukwilaWA.gov](mailto:TukwilaCityClerk@TukwilaWA.gov)) for assistance.



**Finance and Governance Committee**  
**Monday, November 14, 2022**  
**Page 2**

<b>Item</b>	<b>Recommended Action</b>	
<p><b>1. BUSINESS AGENDA</b> <i>(cont.)</i></p> <p>e. ARPA (American Rescue Plan Act) Fund expenditures report (January through June).  <i>Julie Hatley, ARPA Analyst</i></p> <p>f. Monthly General Fund update.  <i>Tony Cullerton, Deputy Finance Director</i></p> <p><b>2. MISCELLANEOUS</b></p>	<p>e. Discussion only.</p> <p>f. Discussion only.</p>	<p><b>Pg.37</b></p> <p><b>Pg.43</b></p>

**Next Scheduled Meeting:** *November 28, 2022*







## **INFORMATIONAL MEMORANDUM**

**TO: Mayor Ekberg  
Finance & Governance Committee**

**FROM: David Cline, City Administrator**

**BY: Cheryl Thompson, Executive Assistant**

**DATE: November 7, 2022**

**SUBJECT: Contract for Prosecution Services**

### **ISSUE**

The current contract for Prosecution Services provided by the Walls Law Firm expires December 31, 2022. Attached is a proposed contract amendment extending the term of the contract to June 30, 2023.

### **BACKGROUND**

The City contracts the Walls Law Firm for Prosecution Services. The term for the current contract expires December 31, 2022. One of the firm members may be appointed to a judicial position with King County effective January, 2023, which will impact who is appointed as the lead prosecuting attorney for the City of Tukwila. To ensure continuity of service the City is extending the term of the contract through June 30, 2023. This will allow time for the City and the firm to address any impacts to service from the pending judicial appointment.

### **DISCUSSION**

Compensation will continue at \$12,500 per month. As a six-month extension equates to \$75,000 in compensation, we are bringing the amendment before Council for approval.

### **RECOMMENDATION**

The Committee is being asked to move this contract amendment forward to the November 21, 2022 consent agenda.

### **ATTACHMENTS**

Amendment #1 to the Walls Firm Contract for Prosecution Services 20-120





**City of Tukwila**

6200 Southcenter Boulevard, Tukwila WA 98188

Agreement Number:

**CONTRACT FOR SERVICES**

**Amendment #1**

**Between the City of Tukwila and the Walls Law Firm**

That portion of Contract No. 20-120 between the City of Tukwila and the Walls Law Firm is hereby amended as follows:

**Section 3: Duration of Agreement.** This Agreement shall be in full force and effect for a period commencing **January 1, 2021** and ending ~~December 31, 2022~~ June 30, 2023 unless sooner terminated under the provisions hereinafter specified or extended by the express written consent of Contractor and the Mayor or his designee.

All other provisions of the contract shall remain in full force and effect.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

CITY OF TUKWILA

CONTRACTOR

\_\_\_\_\_  
Allan Ekberg, Mayor

\_\_\_\_\_  
Aaron Walls, Attorney, WSBA No. 25266

ATTEST/AUTHENTICATED

APPROVED AS TO FORM

\_\_\_\_\_  
Christy O’Flaherty, MMC, City Clerk

\_\_\_\_\_  
Office of the City Attorney







INFORMATIONAL MEMORANDUM

TO: Finance & Governance Committee
FROM: David Rosen, Parks & Recreation Fiscal Analyst
Vicky Carlsen, Finance Director
DATE: October 19, 2022
SUBJECT: Ordinance Updating Fire and Parks Impact Fees Rate Schedule

ISSUE

Per TMC 16.26.080, the Fire Impact Fee Schedule is to be updated annually. Additionally, per TMC 16.28.080, the Park Impact Fee schedule is to be updated annually. The last updates were made via Ordinance 2643 for Fire Impact Fees and Ordinance 2644 for Park Impact Fees, approved by City Council in December of 2020, creating the 2021 Fire Impact Fee Schedule in Figure 16-1 "Fee Schedule" as Exhibit B to Ordinance 2643 and the 2021 Parks Impact Fee Schedule in Figure 16-1 "Fee Schedule" as Exhibit B to Ordinance 2644. No updates were made to the fee schedules in 2022. Staff seeks to update the Fire and Park Impact Fee schedules for 2023 to include revised rate structures reflecting current economic conditions.

BACKGROUND

Fire and Park Impact Fees are one-time charges assessed by a given government against a new development project as a means of helping pay for new or expanded public facilities that will be needed to address increased demand for services created by the development itself. Fire Impact fees support the development of facilities related to Fire and the purchase of capital items for Fire. Park Impact fees support the acquisition and development of parks, trails, natural areas and recreation facilities. The developer or builder of a proposed residential or commercial development pay the impact fees at the time a building permit is issued.

ANALYSIS

Authority to impose these fees is granted via Revised Code of Washington (RCW) as well as the Washington Administrative Code (WAC). While no RCW or WAC exists that imposes any restrictions on or creates any requirements concerning how a city updates its fee schedule, the City has adopted an index to inform the setting of fees. TMC 16.26.080 (1) for Fire Impact Fees and TMC 16.28.080 (1) for Park Impact Fees require the use of the Construction Cost Index for Seattle (June-June) published by the Engineering News Record to calculate annual inflation adjustments in the impact fee rates. The index calculates general construction costs across 20 U.S. cities. The table below reflects the Construction Cost Index (CCI) for Seattle from June 2020 to June 2022.

Note: Due to rounding, the proposed fee increase is not the same in terms of percentage change.

Table with 3 columns: Date, CCI, % Change. Rows include June 2022, June 2021, June 2020, and Total Change 2020-2022.

**FINANCIAL IMPACT**

Fire Impact Fees and Park Impact Fees are not a general fund revenue source; therefore, passage of this ordinance does not directly create any general fund inflows or outflows. Also, due to Fire Impact and Park Impact Fees only being earned when development occurs, they are considered a volatile revenue source.

**RECOMMENDATION**

Department staff recommends the Finance & Governance Committee approve the proposed ordinances and forward it to the Committee of the Whole.

**ATTACHMENTS**

- A --- Proposed Ordinance for Fire Impact Fees (Includes proposed rate schedule)
- B --- Proposed Ordinance for Park Impact Fees (Includes proposed rate schedule)
- C --- Full Construction Cost Index Data (Seattle, WA June 2020 to June 2022)

# DRAFT

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, AMENDING ORDINANCE NO. 2571 TO UPDATE THE FIRE IMPACT FEE SCHEDULE, AS CODIFIED IN TUKWILA MUNICIPAL CODE CHAPTER 16.26 AS FIGURE 16-1, "FEE SCHEDULE;" REPEALING ORDINANCE NO. 2643; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, the City Council adopted Ordinance No. 2571 related to fire impact fees on May 7, 2018; and

**WHEREAS**, Tukwila Municipal Code Sections 16.26.060, 16.26.070 and 16.26.080 provide direction on annual updates to fire impact fees; and

**WHEREAS**, the City desires to promote economic recovery in the construction industry and provide flexibility on the payment of fire impact fees by delaying the effective date to April 1, 2023;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, HEREBY ORDAINS AS FOLLOWS:**

**Section 1. Repealer.** Ordinance No. 2643 is hereby repealed in its entirety.

**Section 2. Fire Impact Fee Schedule Amended.** Exhibit B to Ordinance No. 2571 is hereby amended to update the Fire Impact Fee Schedule codified as Figure 16-1, "Fee Schedule," as attached hereto.

**Section 3. Corrections by City Clerk or Code Reviser Authorized.** Upon approval of the City Attorney, the City Clerk and the code reviser are authorized to make necessary corrections to this ordinance, including the correction of clerical errors; references to other local, state or federal laws, codes, rules, or regulations; or ordinance numbering and section/subsection numbering.

**Section 4. Severability.** If any section, subsection, paragraph, sentence, clause or phrase of this ordinance or its application to any person or situation should be held to be invalid or unconstitutional for any reason by a court of competent jurisdiction, such

invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this ordinance or its application to any other person or situation.

**Section 5. Effective Date.** This ordinance or a summary thereof shall be published in the official newspaper of the City, and shall take effect and be in full force April 1, 2023.

PASSED BY THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, at a Regular Meeting thereof this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

ATTEST/AUTHENTICATED:

\_\_\_\_\_  
Christy O'Flaherty, MMC, City Clerk

\_\_\_\_\_  
Allan Ekberg, Mayor

APPROVED AS TO FORM BY:

Filed with the City Clerk: \_\_\_\_\_

Passed by the City Council: \_\_\_\_\_

Published: \_\_\_\_\_

Effective Date: \_\_\_\_\_

Ordinance Number: \_\_\_\_\_

\_\_\_\_\_  
Office of the City Attorney

Attachment: Updated Figure 16-1, "Fee Schedule," for Fire Impact Fees  
(Exhibit B to Ordinance No. 2571)

## Figure 16-1 “Fee Schedule”

### Exhibit B

#### CITY OF TUKWILA FIRE IMPACT FEE SCHEDULE

	<b>FIRE Impact Fee</b>
<b>RESIDENTIAL – per dwelling unit</b>	
(a) Single family	<del>\$1,882</del> <u>\$2,273</u>
(d) with fire sprinkler system installed	<del>\$1,769</del> <u>\$2,136</u>
(b) Multi-family	<del>\$2,168</del> <u>\$2,618</u>
 <b>COMMERCIAL/NON-RESIDENTIAL</b>	
<b>- per 1,000 square feet of development</b>	
(c) Retail	<del>\$2,108</del> <u>\$2,546</u>
(c) Office	<del>\$ 824</del> <u>\$994</u>
(c) Industrial/manufacturing	<del>\$ 176</del> <u>\$213</u>

- 
- (a) Attached accessory dwelling units are exempt from impact fees.
  - (b) A structure with more than two dwelling units.
  - (c) See the more detailed land use descriptions in the Land Use Categories document.
  - (d) 6% discount for single family units with fire sprinkler system installed representing the portion of all incidents that were fire only—as opposed to emergency medical incidents. Per Section 16.26.120.B.9. of the Tukwila Municipal Code, "A fee payer installing a residential fire sprinkler system in a single-family home shall not be required to pay the fire operations portion of the impact fee."



# DRAFT

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, AMENDING ORDINANCE NO. 2572 TO UPDATE THE PARKS IMPACT FEE SCHEDULE AS CODIFIED IN TUKWILA MUNICIPAL CODE CHAPTER 16.28 AS FIGURE 16-1, "FEE SCHEDULE,"; REPEALING ORDINANCE NO. 2644; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, the City Council adopted Ordinance No. 2572 related to parks impact fees on May 7, 2018; and

**WHEREAS**, Tukwila Municipal Code Sections 16.28.060, 16.28.070, and 16.28.080 provide direction on annual updates to parks impact fees; and

**WHEREAS**, the City desires to promote economic recovery in the construction industry and provide flexibility on the payment of parks impact fees by delaying the effective date to April 1, 2023;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, HEREBY ORDAINS AS FOLLOWS:**

**Section 1. Repealer.** Ordinance No. 2644 is hereby repealed in its entirety.

**Section 2. Parks Impact Fee Schedule Amended.** Exhibit B to Ordinance No. 2572 is hereby amended to update the Parks Impact Fee Schedule codified as Figure 16-1, "Fee Schedule," as attached hereto.

**Section 3. Corrections by City Clerk or Code Reviser Authorized.** Upon approval of the City Attorney, the City Clerk and the code reviser are authorized to make necessary corrections to this ordinance, including the correction of clerical errors; references to other local, state or federal laws, codes, rules, or regulations; or ordinance numbering and section/subsection numbering.

**Section 4. Severability.** If any section, subsection, paragraph, sentence, clause or phrase of this ordinance or its application to any person or situation should be held to be

invalid or unconstitutional for any reason by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this ordinance or its application to any other person or situation.

**Section 5. Effective Date.** This ordinance or a summary thereof shall be published in the official newspaper of the City, and shall take effect and be in full force April 1, 2023.

PASSED BY THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, at a Regular Meeting thereof this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

ATTEST/AUTHENTICATED:

\_\_\_\_\_  
Christy O'Flaherty, MMC, City Clerk

\_\_\_\_\_  
Allan Ekberg, Mayor

APPROVED AS TO FORM BY:

Filed with the City Clerk: \_\_\_\_\_

Passed by the City Council: \_\_\_\_\_

Published: \_\_\_\_\_

Effective Date: \_\_\_\_\_

Ordinance Number: \_\_\_\_\_

\_\_\_\_\_  
Office of the City Attorney

Attachment: Updated Figure 16-1, "Fee Schedule," for Parks Impact Fees  
(Exhibit B to Ordinance No. 2572)



# Figure 16-1 “Fee Schedule”

## Exhibit B

CITY OF TUKWILA  
PARKS IMPACT FEE SCHEDULE (2023)

### PARKS Impact Fee

#### RESIDENTIAL – per dwelling unit

(a) Single family	<del>\$3,006</del> <u>\$3,629</u>
(b) Multi-family	<del>\$2,618</del> <u>\$3,162</u>

#### COMMERCIAL/NON-RESIDENTIAL

- per 1,000 square feet of development

(c) Retail	<del>\$1,375</del> <u>\$1,660</u>
(c) Office	<del>\$1,239</del> <u>\$1,496</u>
(d) K-12 Educational Facilities	<del>\$248</del> <u>\$300</u>
(c) Industrial/Manufacturing	<del>\$687</del> <u>\$830</u>

- 
- (a) Attached accessory dwelling units are exempt from impact fees.
  - (b) A structure with more than two dwelling units.
  - (c) See the more detailed land use descriptions in the Land Use Categories document.
  - (d) 80% discount for K-12 educational facilities.

ENR Cost Index - Seattle, WA  
June 2020 - June 2022

YEAR	MONTH	CCI	%CHG
2022	June	14661.2	11.4
2022	May	14623.7	12.5
2022	April	14493.3	12
2022	March	14451	12.3
2022	February	14425.3	12.5
2022	January	13722.8	6.8
2021	December	13682.7	6.6
2021	November	13595.6	6.2
2021	October	13573.9	6.20%
2021	September	13525.7	5.9
2021	August	13466.9	8.3
2021	July	13248.3	9.1
2021	June	13165	8.4
2021	May	12994.4	7
2021	April	12945.2	6.6
2021	March	12865.1	7.3
2021	Feb	12826.1	5.9
2021	Jan	12845.4	6
2020	Dec	12840.4	6
2020	Nov	12796.6	5.80%
2020	Oct	12776.2	5.6
2020	Sept	12771.7	5.6
2020	Aug	12431	2.8
2020	July	12140.5	1.2
2020	June	12141.8	0.9



## **INFORMATIONAL MEMORANDUM**

**TO: Community Services and Safety Committee  
Finance & Governance Committee**

**FROM: Rachel Bianchi, Deputy City Administrator**

**CC: Mayor Ekberg**

**DATE: October 18, 2022**

**SUBJECT: 2023 Legislative Agenda**

### **ISSUE**

The City of Tukwila develops an annual legislative agenda for use in Olympia during the legislative session.

### **BACKGROUND**

The City's Legislative Agenda provides direction to staff and consensus among the elected officials as to what policy positions are taken on behalf of the City of Tukwila during the legislative session.

### **RECOMMENDATION**

The Community Services and Safety and Finance & Governance Committees are being asked to provide comment and feedback, which will be incorporated into the agenda for discussion at the November 28, 2022, Committee of the Whole meeting. The full Council is being asked to formally adopt the agenda at the December 5 Regular Meeting. The City's lobbyist, David Foster, will provide a legislative update at the November 28 Committee of the Whole meeting.

### **ATTACHMENTS**

Resolution in draft form  
Attachment A – Legislative Agenda



# DRAFT

## A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, ADOPTING A LEGISLATIVE AGENDA FOR USE DURING THE 2023 WASHINGTON STATE LEGISLATIVE SESSION.

**WHEREAS**, the City Council has agreed to pursue certain legislative issues for 2023; and  
**WHEREAS**, the City Council recognizes this agenda is not all encompassing, in that certain additional items may arise during the legislative session that require support or opposition; and  
**WHEREAS**, a legislative agenda outlines the priority issues that elected officials may discuss when speaking to members of the Washington State Legislature; and  
**WHEREAS**, the City Council agreed to these priorities at the City Council Meeting on December 5, 2022;

### NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

The Tukwila City Council has identified priorities for the 2023 Washington State Legislative Session that provide a framework for advocacy on behalf of the community. The City of Tukwila 2023 Legislative Agenda is hereby incorporated by reference as Attachment A.

PASSED BY THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, at a Regular Meeting thereof this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

ATTEST/AUTHENTICATED:

\_\_\_\_\_  
Christy O'Flaherty, MMC, City Clerk

\_\_\_\_\_  
Thomas McLeod, Council President

APPROVED AS TO FORM BY:

Filed with the City Clerk: \_\_\_\_\_  
Passed by the City Council: \_\_\_\_\_  
Resolution Number: \_\_\_\_\_

\_\_\_\_\_  
Office of the City Attorney

Attachment A: City of Tukwila 2023 Legislative Agenda



**ATTACHMENT A**  
**City of Tukwila ~~2022~~ 2023 Legislative Agenda**

**~~Transportation & Infrastructure~~**

- ~~• Provide funding for critical local infrastructure, including the **Allentown Bridge**, which is **Structurally Deficient and Functionally Obsolete**.~~
- Provide funding for the full replacement of the Tukwila Community Center's heating and air cooling system, which is functionally obsolete and impedes the City's ability to provide full programming and meet critical safety-net needs during extreme winter events.
- Create **stable, reliable infrastructure assistance funding** for cities to assist in repairing roads, bridges and other public infrastructure that support economic development.
- Honor funding commitments made in **Move Ahead Washington**.

**Housing & Human Services**

- **Address the housing stability crisis** by providing additional tools for rental assistance, foreclosure/eviction prevention and capital construction of affordable housing, including starter homes and options for people aging.
- Fund additional investments in behavioral health, including in-patient and out-patient facilities as an alternative to jail and align State law with best practices to allow individuals in crisis to receive necessary and life-saving services.
- We strongly encourage the State to **adequately fund human services** programs for the health of the safety net.

**Advancing Equity**

- Develop and implement a **racial equity toolkit** for legislation, policies and programs to advance racial equity in Washington.
- **Ensure affordable, high-quality broadband internet access as defined by SB 5717** is available to all households and businesses to provide educational, entrepreneurial, business and accessibility equity for all Washingtonians to access the internet.
- Enact a **financial inclusion law** that will address the public safety and equal access issues caused by bank de-risking.

**Law Enforcement Use of Force**

- Respond to the Blake decision by revising the current system so that it can be more effectively administered within and across jurisdictions.
- Clarify the **ability for law enforcement to conduct vehicle pursuits** using a reasonable suspicions standard in specific circumstances when there is an immediate threat to public safety.

**~~Shared Revenue~~**

- ~~• **Include local governments in any new statewide revenues** to ensure the long-term health of municipalities.~~
- ~~• The State must continue its role as a **partner with cities**, including reinstating funding for the Public Works Assistance Account and Community Economic Revitalization Board.~~

**Revenue Reform**

- Allow cities the **authority and flexibility** to address the fact that growth in the cost of services continue to outstrip revenues.

- The state should **amend the law** that limits annual property tax growth to 1 percent and work with cities to authorize additional funding flexibility and opportunities at the local level.

## Education

- Implement **needs-based funding** for allocation of social emotional student support resources and **expand funding for learning opportunities** for summer school students.
- Increase **funding for homeless students** and secondary ELL students.
- Incorporate early learning for low-income students as a part of **Basic Education**.
- ~~Improve language access for non-English speaking families in school settings and build career pathways for multi-lingual students to leverage interpretation and translation skills.~~

## Preserve Lodging Tax Flexibility

- Ensure the definition of “tourist” in Washington State **remains flexible** to allow jurisdictions and Lodging Tax Advisory Committees to distribute lodging tax dollars in a manner that **best serves each individual community**.

## Preparing for Our Future

- Enact policies to prepare to **combat climate change**, including adequately budgeting for its effects and providing tools to cities to prepare and address the ramifications of flooding, pollution and other key factors.
- Continue to invest in **workforce education and job training** to ensure Washingtonians have access to high-quality career and technical education opportunities.
- Support a permanent policy **that allows greater flexibility for local governments** to hold virtual meetings without a physical location.

## Law Enforcement Use of Force

- ~~Support clarification of the civil standards for use of force requirements so law enforcement can better understand the state requirements and know when they can use force to intervene in a situation, including a mental health crisis where a crime is not being committed.~~





## **INFORMATIONAL MEMORANDUM**

**TO: Finance and Governance Committee**

**FROM: Rachel Bianchi, Deputy City Administrator**

**CC: Mayor Ekberg**

**DATE: November 7, 2022**

**SUBJECT: Non-Represented Market and Compression Study**

### **ISSUE**

Included in the proposed 2022-2023 budget is a market and compression study to address non-represented staff compensation.

### **BACKGROUND**

In 2019 the City Council approved a market study for non-represented staff in line with the Council's adopted Compensation Policy, Resolution 1951. The study was to be conducted in 2020. Due to pandemic-related budget reductions, this study was not conducted and the funding for the study removed from the budget. Since that time, contractual agreements have also led to compression with the Police Department and other positions.

### **DISCUSSION**

Non-represented staff compensation has not been systematically studied in at least ten years in the City of Tukwila. In 2019 the City Council indicated a desire to move non-represented salary from the Decision Band Method (DBM) to a market-based system, as well as to comprehensively look at all non-represented salary and specifically not take an incremental approach. Over the years, tweaks to the DBM system have "broken" the system, resulting in very different jobs and responsibilities located within the same band. This has made traditional methods of benchmarking based on the AWC not possible for many non-represented positions, particularly those currently in the lower bands of the DBM system. In fact, partially due to the problematic nature of the band system, the 2019 benchmark analysis showed – *as a group* – the lower bands of the DBM system were over market and the highest bands under market. Because of the problematic nature of the DBM system, the Administration has been unable to provide the Council with a benchmark or market study as outlined in Resolution 1951.

This analysis in 2019, the problematic nature of the current system and the Council policy to have non-represented positions at market, led to the Council's decision to move forward with a market study in 2020, which, as stated above, was cut due to the pandemic-related budget cuts. Without a significant refresh of our non-represented compensation system, the City is not able to provide a true market-based analysis of non-represented compensation. The study was contemplated to be completed in the first quarter of 2020 and applied to 2020 salaries for non-represented positions found to be under market.

Since that time, staff represented by the Teamsters Local 763 have undergone a market study and, where shown to be below market, those positions' compensation was increased and applied retroactively. Human Resources is currently finishing the study for the Professional/Supervisory and Maintenance and Trades units and the contractually obligated retroactive payments to 2021 will be included in the 2023 budget amendment. The other two units – Admin/Tech and Senior Program Managers – were addressed in 2021 with retroactive payments to 2019.

As a part of the proposed 2023/2024 budget, included is funding for the non-represented market and compression study that was supposed to be complete in 2020. In order to maintain alignment with the Council's adopted Compensation Policy, Resolution 1951, which includes "internal equity considerations," the proposed budget ordinance contains a retroactive payment to 2020 to any non-represented position found to be below market and/or compressed due to recent contractual obligations and still employed at the City when the study is complete.

**RECOMMENDATION**

For information and discussion

**ATTACHMENTS**

Non-Represented Employee Compensation memo dated October 23, 2019  
Compensation Policy, Resolution 1951



## **INFORMATIONAL MEMORANDUM**

TO: Finance Committee

CC: Mayor Ekberg

FROM: Juan Padilla, Human Resources Director

DATE: **Updated October 23, 2019 – New content appears on pages 7-10**

SUBJECT: Non-Represented Employee Compensation

### **ISSUE**

City Council adopted Resolution 1951 in November of 2018, which provides policy direction to the Administration regarding employee compensation. This is the first year this revised policy is being implemented and is also a “market” year for non-represented employees. The purpose of this item is to share the implementation steps to date with the Committee, seek additional guidance from the Committee on some areas of implementation and meet the timelines detailed in the policy.

### **DISCUSSION**

Before going into the specifics of implementing Resolution 1951, below is a quick discussion of the changes made from the previous resolution, 1796. The biggest changes are found in the following categories:

1. Specific timelines and information due to the council for non-represented employees with data specifically to come from the AWC Washington City and County Employee Salary and Benefit Survey.
2. Expanded the number of comparable cities by increasing the comparable cities’ annual assessed valuation from +50/-50% to +75/-50% and that comparable cities must have their own police departments.
3. Strict guidelines on how to deal with positions that are either more than 5% below the market and 10% above the market.
4. Simplified the language describing compression.
5. Review of the policy on an annual basis.

Resolution 1951 is broken down in two main areas: “Information to be provided to the City Council” and “Compensation Policy.” A copy of the policy is attached for reference. Below is a discussion of the implementation of the different areas to date.

### **UPDATE: October 9, 2019**

Staff has completed the analysis of the non-represented employee compensation, except for the Fire Chief and Assistant Fire Chief. Because the City is still bargaining with the IAFF 2088, staff is unable to complete a compression analysis of these two positions until that bargaining is complete. It is recommended that those two positions are reviewed once that contract is settled in order to address any potential internal compression issues, which may be a likely outcome.

Below in underline is a discussion of any changes from the previous memo relative to the Council’s adopted non-represented compensation policy, Resolution 1951. Also included are staff’s recommendations on how to move forward, consistent with industry best practice.

1. A1 – “For Represented Employees”: The information laid out in this section has been shared with the City Council during executive session by bargaining group throughout the process of negotiating the latest collective bargaining agreements. During this calendar year Human Resources has successfully negotiated new contracts with six bargaining groups. Of the two remaining, one achieved a tentative agreement this week and the other continues to bargain and the current contract does not expire until the end of this year.  
A1. No Change
2. A2 – “For Non-Represented Employees”: Current internal salary trends show that represented employees are receiving an increase in 2020 and 2021 ranging from 1.53% to 1.7% (90% - 100% of CPI). Externally, while staff knows of no cities that have yet made a final decision on 2020 compensation, conversations with their staff indicate most are contemplating an increase for non-represented staff between 1.5% and 3%. The adopted City of Tukwila budget included a 2.5% increase from 2019 to 2020 for non-represented employees.

Staff is seeking guidance from the Council to finalize the information based on challenges that have arisen in the implementation of this new policy. There are 39 non-represented employees that hold 36 different positions in 15 different bands. Previously the City had benchmarked approximately 12 positions. Staff has attempted to expand benchmarked positions to over 20 positions in order to provide a more complete analysis. The AWC Employee Salary and Benefit Survey is not comprehensive, leaving many positions unable to be benchmarked (benchmarking positions require finding at least five other comparable positions within our comparable cities). Staff can and has reached out to the other comparable cities to achieve a higher number of benchmarked positions, but such activity is outside of the policy direction given in the resolution. Going outside the AWC survey allows the City to better track total compensation, as the benefit information provided by AWC is incomplete.

- o Question for the Committee – Should staff go beyond the AWC survey in order to gather as much information as possible, which would include polling our comparable cities for information on each non-represented position?
- o Question for the Committee – Alternately, should the City contract with an outside firm for a full market study?

A2. There was a change from the previous meeting where staff thought it could benchmark more than 20 positions. However, after further analysis and using the industry standard of five comparable cities to constitute a match, only 19 positions were able to be benchmarked.

Recommended courses of action for future market system:

1. Contract for a new market-based non-represented compensation system to replace the current DBM system.

To initiate this action, the City would conduct an RFP process. Staff would seek additional budget authority to be granted in the 2020 budget to develop the new market-based non-represented compensation system.

3. B1 – This section changed the jurisdictions defined as comparable cities from +50/-50% of Tukwila’s annual assessed value to +75/-50% AV *with a police department*. This has resulted in the City now having 15 comparable cities, seven under Tukwila’s A/V and eight above. The comparable cities with their AV are attached.

- o Question for the Committee – the policy does not address Fire as only three of our comparable cities have stand-alone fire departments (Snoqualmie, Mukilteo and Bothell). This affects two employees, the Fire Chief, and Assistant Fire Chief. Staff believes there are two options: 1) the City can choose to not benchmark these positions, or 2) the City can use comparable fire districts/authorities with the same A/V direction given in section B1 of Resolution 1951. Neither of these are perfect options.

B1. The table in B2 shows the regression results from the analysis not including the Fire Chief and Assistant Chief, as there were not enough comparable jurisdictions within the City’s comps (there are only three) for those positions. As the table shows, there are some positions that are over market more than 10% and some positions that are under market in salary only by 4.44%. This does not consider internal compression that will be addressed in B6, nor does it consider non-salary compensation, common in higher ranking positions in the City’s comparable cities. However, the regression analysis shows an average difference across the benchmarked positions as 5.57% above market which puts the whole of the non-represented employees as considered competitive with the market.

4. B2 – Staff is currently analyzing the salaries with comparable jurisdictions and will present the information to the Committee on October 14, 2019.

	Market Median	Market Median Hourly	Current Max	Max Based on Regression Results	% Diff
DBM®					
B21	NA	NA	\$34.74	\$28.31	-18.50%
B22	NA	NA	\$36.99	\$30.72	-16.96%
B23	6511	37.56	\$39.24	\$33.12	-15.60%
C41	6866	39.61	\$47.76	\$42.74	-10.52%
C42	7374	42.54	\$50.47	\$45.14	-10.57%
C43	8108	46.78	\$52.72	\$47.54	-9.83%
C51	NA	NA	\$55.54	\$50.55	-8.99%
C52	NA	NA	\$58.91	\$54.15	-8.08%
D61	8734	50.39	\$59.92	\$57.16	-4.61%
D62	NA	NA	\$60.98	\$59.56	-2.33%
D63	9940	57.35	\$63.14	\$61.96	-1.87%
D71	NA	NA	\$65.84	\$64.97	-1.33%
D72	12686	73.19	\$69.05	\$68.57	-0.69%
E81	NA	NA	\$71.73	\$71.58	-0.21%
E82	13049	75.28	\$73.90	\$73.98	0.11%
E83	13108	75.62	\$76.04	\$76.38	0.45%
E91	13153	75.88	\$78.70	\$79.39	0.88%
E92	NA	NA	\$81.97	\$82.99	1.25%
F101	NA	NA	\$85.23	\$86.60	1.61%
F102	15364	88.64	\$86.37	\$90.21	4.44%

Average % Difference -5.57%

5. B3 – Staff is currently analyzing the data per the item above. At the October 14, 2019 Finance Committee staff will provide all documentation defined in this section of the resolution.

B3. As staff analyzed the data, we found several issues in using our current DBM system. One of the most important is that it is difficult when there is only one benchmark for several different positions. For example, at the C42 Band, there are four Analyst positions (Council Analyst, Human Resources Analyst, Parks & Recreation Analyst, Public Works Analyst) but only one, Human Resources Analyst, is a market benchmark with the AWC Survey. This causes the other three positions to be shown as overmarket more than 10%, as the City lacks true benchmarks with the other positions to determine whether this is an accurate reflection of the market. In other words, four employees in the band are being impacted by only having on benchmark out of 4 different jobs in the C42 band; this issue would be resolved with the market-based system.

Staff recognizes that the lower banded positions in the current DBM system are over market whereas the higher banded positions are under market. This can be related to the obscurity of the AWC survey, in that the higher end bands are more common job descriptions across agencies within the market. Another reason behind the disparity between the lower and upper bands, is a result of over time the bands not moving together throughout the years, not maintaining the chart over time to show a true regression.

As noted in the meeting on September 23, 2019, without a significant refresh of our system, the City is not able to provide a true market analysis for non-represented positions. When the City moves to the market-based system in 2020, and a new analysis is complete, positions that are found to be under market will be retroactively adjusted to January 1, 2020.

Option 1: Due to the high value that the City places on the employees, as well as consideration of equity and parity with our represented staff, all non-represented employees receive 90% CPI-W (June to June 2019) 1.53% in 2020, in order to maintain the current market and allow time for the City to convert to the new market-based non-represented compensation system.

Option 2: Freeze the positions that are over 10% and apply the 2020, 90% CPI-W 1.53% for the positions between -5% to +10%.

**Recommendation:** Option 1 and conduct an RFP in the 1<sup>st</sup> quarter of 2020, to develop the new market-based non-represented compensation system.

6. B4 – This section, non-represented COLA for odd years, was implemented in November of 2018 for the 2019 Fiscal Year as a part of the biennial budget process.

B4. No Change

7. B5 – Staff is not suggesting any changes to employee benefits at this time. The Administration expects there will be a discussion on health care costs during the 2021/2022 budget process.

B5. No Change

8. B6 – Analysis to date shows that there is salary compression within the organization. Specifically, recent contract changes have resulted in compression between the Police

Commanders and Deputy Chief. Compression at this level has a cascading effect impacting other leadership positions. The full compression analysis will be presented to the Committee on October 14, 2019.

B6. Recent successful negotiated contracts with the Police Commanders, which brought them to market, has created significant compression with the Deputy Police Chief and Police Chief. Currently, a Commander with 25 years of service makes more than the Deputy Police Chief. Even though our Deputy is close to market, the policy allows for the compression to be mitigated, which is standard best practice in the industry.

**Recommendation: Courses of action for Police Compression**

1. The Police Chief and the Deputy Police Chief should receive the same longevity as the Commanders in order to mitigate current compression in the department.

Internal compression not only affects the Police Department; it also impacts the Deputy City Administrator and the City Administrator; which we recommend to be reviewed during the Option 1 of B3 new market based non-represented compensation system implementation.

9. B7 – Staff strongly agrees that the compensation policy should be reviewed on a regular basis. In fact, implementing this policy has brought to light deficiencies in the City's Decision Band Method (DBM) compensation system. Like any major system, without a significant refresh on a regular basis, a static DBM system can become obsolete. In addition, after a review of comparable and neighboring cities, it is has become clear that most have moved away from a DBM system to market-based ones. While any employer needs to have a system – and the DBM one did work for the City for a number of years – it is clear that either the DBM needs to be updated or the City should move to a different system. Staff believes the City should explore moving to a market-based system and will be bringing a proposal to the Finance Committee in the fourth quarter of this year for a process exploring this option. Moving to a new compensation system – and even simply updating the existing DBM one so that can function as requested by Resolution 1951 – will require a budget amendment.

B7: Staff strongly suggests that the City moves forward with researching and implementing a new classification and compensation system. Staff's recommendation is to move to a market-based system in 2020, that better allows for this policy to be implemented with transparency with the non-represented employees as well as our labor partners.

**RECOMMENDATION**

Staff is seeking answers to the questions raised above and will return to the next Finance Committee meeting with the full analysis discussed above.

**Recommendation: Implement the new market-based non-represented compensation system that will identify more accurate job classifications and compensation levels.**

**ATTACHMENTS**

- Resolution 1951
- Resolution 1796 (repealed by Resolution 1951)

**Comparable Cities per Resolution 1951**

	AV per Billion	% of Tukwila's AV
Snoqualmie	3469	51%
Mill Creek	4128	62%
Lake Stevens	4335	65%
Des Moines	4356	65%
Mukilteo	5129	77%
Puyallup	6261	94%
Tukwila	6685	100%
Lakewood	6929	104%
Lynnwood	7015	105%
Marysville	7986	119%
Edmonds	10223	153%
Federal Way	11393	170%
Bothell	11415	171%
Auburn	11435	171%
Issaquah	11567	173%

**Non-Represented Position Benchmarks**

<u>Position Title</u>	<u>DBM Band/Grade</u>
Assistant to the Chief	B22
Assistant to the Director	B23
Deputy City Clerk	B23
Executive Coordinator	C41
IT Systems Administrator	C41
Human Resources Analyst	C42
IT Systems Engineer	C43
Records Governance Manager/City Clerk	D61
Building Official	D61
Municipal Court Administrator	D63
Deputy Public Works Director/City Engineer	D72
Deputy Police Chief	E82
DCD Director	E83
Finance Director	E83
Parks & Recreation Director	E83
Human Resources Director	E83
Police Chief	E91
Public Works Director	E91
City Administrator	F102



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**UPDATE: October 23, 2019**

After the meeting on October 14, 2019, the Finance Committee wanted a historical look back as to why the DMB system and potentially the AWC survey are no longer valid solutions for classification and compensation.

The DBM system is a good system for internal equity with our labor partners, as well as, in determining job specifications in relation to other job classes, i.e. in the case of reclassifications, it maintains equity amongst the other bands and generally maintains stability within the non-represented staff, based on decision authority and responsibility. However, there is also the negative approach to external equity and performing a true market analysis.

As discussed in the previous committee meeting, the DBM pay scale is determined using a proprietary regression analysis which determines the band average top wage to market on a linear line. If the whole of the non-represented staff were at market, the analysis would show an average at +/- 0.00%. Obviously not all of are jobs are the same within market, so the regression analysis has variations that try and determine market. Resolution #1951 addresses the changes to salary in a market year, but I want to point out that the regression analysis and market has a distinct variation:

- The B23 band market, based on the regression, has that band over market by 15.60%, however in a true market, the Deputy City Clerk is only 1% over market based on our comparators within our AV.
- On the other end of the spectrum, the F102 band (City Administrator position) according to the regression analysis is under market by 4.44%, but according to our AV comps the position is under market 6.60%. To further exemplify this side of the analysis, the Police Chief position, according to regression, is 0.88% under market in the E91 Band, but in comparison with AV is 5.27% under market.

Since 2009, there have been changes made to the DBM non-represented pay table that has not kept the regression analysis moving together. As discussed on October 14, 2019, the DBM system bands should move in conjunction with each other based on the market. If the system is changed from the recommended number increases, it can and has changed the regression analysis with no regard for market.

The difference in regression can first be linked back to the market survey staff conducted in 2009 for application in even numbered year 2010. Below is an excerpt from resolution #1700 which was ultimately adopted for 2010 Non-represented compensation:

11/16/09 Regular Council Action: MOTION CARRIED 7 0 TO ADOPT RESOLUTION NUMBER 1700.

- Ranges A11 -D61 wages for 2010 are based on the outcome of the trendline analysis. Wage increases for these Decision Bands shall be as shown on the attached Salary Schedule, Attachment A, pages 1 and 8.
- Ranges D62 -F102 wages for 2010 will be on a "Cost -of- Living Holiday" (COLA Holiday), meaning there will be no wage increases on January 1, 2010 for positions in these Decision Bands. Any consideration for wage increases during 2010 for positions in these Decision Bands will be based on the ability of the City of Tukwila to pay such increases through improved budget and economic factors. The Finance Department,

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working in conjunction with the Human Resources Department will, from time to time, review the ability of the City of Tukwila to provide wage increases to employees at these Decision Band levels during 2010.

This is the first time that it was noted that the Non-represented salary table had wages frozen at the higher bands, and a market adjustment applied to the lower bands resulting in the entire pay table not moving in unison to the regression line. This began to influence future internal compression and misalignment with market.

The next major alignment issues occurred in 2012, below is the summary from resolution #1769 adopted by Council for 2012 Non-represented wages:

- Positions within Decision Bands A11-C42 and D62-E91 will receive a 3% wage adjustment effective January 1, 2012. Positions within Decision Band C41 will receive a 2% wage adjustment effective January 1, 2012. D61 and F102 no wage adjustment.
- A COLA increase will be given to positions within Decision Bands A11— F102 = 3.3%
- Item B resolution 1769 – “The City Council will evaluate City Administration’s recommendations regarding continued use of the DBM method in 2013.”

During this time frame, multiple changes occurred. However, there was still a freeze at the top level and the mid-level of the DBM. These changes affect total market and the regression analysis. This is the second time that the top of the scale was frozen in a wage adjustment, however COLA was adjusted by 3.3%. Understanding that the more one side or the other gets an increase affects the overall regression analysis and can make one side or the other appear to be over market.

In 2015 for 2016 Market here is the excerpt summary:

Resolution 1879:

- 1.5% adjustment across the board to Non-represented employees.
- F102 additional increase of 2.5% to bring it into alignment with the market (below market by average of 4%).
- In addition, during the 3rd quarter of 2016, City Administration will meet with the City Council to review and discuss City Council Resolution No. 1796, specific to comparability related to non-represented employees' compensation and benefits.
- No benefit changes.

This change was specific to only the F102 band and did not keep up with previous increases across the DBM, which continues to have an effect on Market with the regression analysis as explained earlier.

Specifically, for the 2016 market year the information memo to the Finance and Safety Committee stated that staff:

- “noticed there was compression within specific bands and that a new line of regression, especially for the upper bands, would be necessary to correct this issue. Administration recommending that compression and other issues be addressed at a later date when the Council reviews Resolution 1796. Recommendation to review the resolution in 3rd quarter 2016.”

There have been no changes to date.

Below are the wage increases for the Non-Represented staff since 2010:

<u>Non-Represented (NR) Wages Summary 2010 to Present:</u>
2010 (from 2009 market survey) Bands A11-D61 receive 4.14% market increase based on market regression data. D62-F102 wages frozen.
2011 Wages frozen (economic conditions poor).
2012 Market regression showed D62-F102 below market and A11-D61 at market. Council engaged an outside consultant to validate the market data.  Final outcome: Bands A11-C42 and D62-E91 receive 3% market adjustment. C41 receives 2% market adjustment. D61-F102 wages frozen, no adjustment.
2013 COLA adjustment based on 90% CPI-W First Half = 2.61%
2014 wages were frozen for all NR (Regression line did not recommend a wage increase based on the data).
2015 wages received a 2% flat increase. (90% CPI-W June = 1.98%, but 2% given to all NR for internal equity with represented groups.)
2016 Market adjustment of 1.5% provided across the board; Band F102 received additional increase of 2.5% to align it with market – (total of 4% to F102).
2017 COLA adjustment based on 90% of CPI-W June = 1.8%
2018 COLA adjustment based on 90% of CPI-W June = 2.70%
2019 COLA adjustment based on 90% of CPI-W June = 3.24%

Throughout the years, there have been discussions in committee and full Council in reference to non-represented wages. However, we are still in discussion on market and this is due to the fact that the DBM system no longer supports the City's needs in accordance with the Policy about market studies be completed every other year.

The Combination of the market not being reflected by the regression analysis, and the inability to have multiple benchmark positions as described in previous committee meetings, is proof that the City needs to move away from the DBM system to a market based system.

#### Market Based System Approach

A market based compensation system will allow for benchmark matching for each Non-represented job's specific duties and required knowledge and skills, for an apples to apples comparison, where that currently does not exist within the AWC salary survey data for many of our positions. A broader source of information will allow us to find benchmarks for unique Non-represented roles like the various analyst roles and the other technical and supervisory roles that make up the bulk of the middle of the DBM salary table. Market benchmarks can be sourced from existing salary survey data sources such as the comprehensive data gathered by Milliman which includes a public sector focus and provides a weighted average of the market for a more accurate market rate for each position being benchmarked. Staff is not making a recommendation on using Milliman at this time, it is only provided here as an example.

To move to a market based compensation system, initial steps would involve a review of all Non-represented job descriptions to establish job classifications to match to market, then a suitable market data source(s) would need to be identified and positions then priced in the market. A compensation pay structure is then developed from the market data and positions are placed in the pay structure. It is noted that internal equity does not always align with market and

non-benchmark positions should be slotted into grades with positions of similar worth to the organization.

Staff has reached out to get some quotes on the cost to change to a true market-based system and is waiting to receive that information to propose a schedule and budget. It is anticipated this work could begin the first quarter of 2020, upon Committee and Council approval.

In summary, the 2019 (for 2020) market data and analysis shows the average market for the Non-represented positions as a group to be above market, with noted anomalies as related in the discussion about the DBM system and market misalignment over the years. Staff's recommendation is to provide a 90% COLA to the Non-represented group of 1.53% to keep pace with the market and maintain internal equity with the increases the represented groups will receive in 2020.

Regarding performance evaluation reviews, over the past five years the majority of non-represented employees have received their evaluation timely. In the past two years, since the implementation of the on-line Lanterria system, all non-represented employees have received evaluations and are currently in the final stages of timely review for 2019.

Approval of the Finance Committee is being sought to forward these recommendations on to the November 12, 2019, COW.

#### **ATTACHMENTS**

Resolution 1951

Resolution 1796 (repealed by Resolution 1951)



# City of Tukwila

Washington

Resolution No. 1951

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, ESTABLISHING A COMPENSATION POLICY FOR CITY OF TUKWILA EMPLOYEES AND REPEALING RESOLUTION NO. 1796.**

**WHEREAS**, the City believes that the purpose of a compensation program is to facilitate recruiting, retention, development and productivity of employees; and

**WHEREAS**, the City desires to utilize standardized policies, procedures and processes, wherever possible, for compensating all employee groups, both represented and non-represented; and

**WHEREAS**, the City recognizes that current economic conditions and forecasts, long-range City budget forecasts, and position rates for comparable jurisdictions, as well as internal equity considerations, should assist in guiding the compensation of employees; and

**WHEREAS**, the City has made a determination to, when economic conditions allow, review and adjust non-represented employee salaries via a market analysis to that of the average of comparable jurisdictions in even-numbered years, and to provide a cost-of-living (COLA) allowance in odd-numbered years; and

**WHEREAS**, the City has made a determination to, when economic conditions and negotiations allow, provide represented employees with salaries that reflect the average of comparable jurisdictions; and

**WHEREAS**, the City has made a determination to, when economic conditions allow, provide benefits to represented and non-represented employees that are slightly above the average of comparable jurisdictions; and

**WHEREAS**, the City Council will participate in setting negotiation expectations and reviewing and approving represented employee group contracts;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:**

**Section 1.** The following statements and processes are adopted for the purpose of guiding compensation programs for employees of the City of Tukwila.

**A. Information to be provided to the City Council.**

1. **For Represented Employees.** A written presentation of current internal and local external public agency salary and benefit trends, including a salary and benefits market survey of comparable jurisdictions, as defined herein, will be provided to the City Council. This presentation must be made to the Council prior to the commencement of negotiations with the bargaining units regarding salary and benefits. The City Council and Administration will discuss represented employee group negotiation expectations, negotiating points, salary and benefit change floors and/or ceilings prior to the beginning of, and at appropriate points during, negotiation sessions.

2. **For Non-Represented Employees.** A written presentation of current internal and local external public agency salary and benefit trends, including a salary and benefits market survey of comparable jurisdictions, as defined herein, will be provided to the City Council by Administration every year by the end of the third quarter that a non-represented salary increase is due. Relevant Association of Washington Cities (AWC) data from the previous year's Washington City and County Employee Salary and Benefit Survey, for the comparable jurisdictions, will be used in the salary market survey.

**B. Compensation Policy.**

1. All Puget Sound jurisdictions with +75/-50% of Tukwila's annual assessed valuation, using the most current data from County Assessors, will be used to create the list of comparable jurisdictions for evaluation of salary information. A second criteria to be used to refine comparable jurisdictions is to only include cities with their own police department. It is desirable to use the same comparable jurisdictions for both represented and non-represented employee groups.

2. For non-represented employees, the City desires to pay the average salary for the particular pay scale, as derived from the comparable jurisdiction data described in Section B.1. If the City's pay scale for any classification does not represent the average of comparable salary ranges (+/-5%), written justification must be provided to the City Council. For represented employees, the City desires to pay salaries that are competitive to the City's comparable jurisdictions.

3. Positions that are 5% below the market and up to 10% above the market are considered competitive with the market and will receive a market adjustment the year the survey is to occur. Those positions more than 10% above the market will not receive an adjustment during the year the market adjustment is to occur and will warrant further evaluation. Documented justification of potential reclassification will be provided to the City Council for review and approval. If the documented justification results in reclassification, any adjustments will be made in alignment with City policy.

4. The cost-of-living adjustment (COLA) in odd-numbered years for non-represented employees shall be based upon 90% of the Seattle-Tacoma-Bellevue Consumer Price Index (CPI-W) Average (June to June). It is desirable to calculate represented cost-of-living adjustments the same way, unless a different method is authorized by the Council. Considerations for cost-of-living adjustment for odd-numbered years will be based upon internal equity with represented groups to determine if an adjustment is warranted. Administration will provide a written justification documenting that an adjustment is warranted for the City Council's review and approval prior to implementation.

5. The goal of the City is to establish parity between represented and non-represented employees' benefits. The City desires to provide employee benefits that are competitive to the comparable cities described herein. The City will endeavor to keep increases to annual health care costs under market averages. If costs exceed market averages, adjustments will be made to reduce benefit costs.

6. The goal of the City is to mitigate or avoid salary compression issues where possible. An example of salary compression is when there is only a small difference in pay between employees regardless of their skills, level, seniority or experience. Administration will provide a written justification documenting that an adjustment is warranted for the City Council's review and approval prior to implementation.

7. The City Council shall review the compensation policy described herein on an annual basis to assess efficacy and make adjustments if warranted. If the Administration determines that a deviation from the above process (in its entirety or for individual positions) is necessary, it will provide justification to the City Council for review and approval prior to the adoption of any process change.

**Section 2.** Resolution No. 1796 is hereby repealed.

PASSED BY THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, at a Regular Meeting thereof this 19<sup>TH</sup> day of November, 2018.

ATTEST/AUTHENTICATED:

  
Christy O'Flaherty, MMC, City Clerk

  
Verna Seal, Council President

APPROVED AS TO FORM BY:

  
Rachel B. Turpin, City Attorney

Filed with the City Clerk: 11-14-18  
Passed by the City Council: 11-19-18  
Resolution Number: 1951







## **INFORMATIONAL MEMORANDUM**

**TO:** Finance and Governance Committee

**FROM:** Vicky Carlsen, Finance Director

**BY:** Julie Hatley, ARPA Funds Analyst

**CC:** Mayor Ekberg

**DATE:** November 14, 2022

**SUBJECT:** First Half of 2022 American Rescue Plan Act (ARPA) Fund expenditures and Benefits to our Community

### **ISSUE**

Staff is reporting First Half of 2022 ARPA-funded expenditures, and information detailing the benefits of the expenditures to the community, per 2021 allocations approved by City Council in November 2021.

### **BACKGROUND**

On March 10, 2021, a \$1.9 trillion relief package, known as the American Rescue Plan Act, was approved and provided funding in several areas including state and local aid, education, rental assistance, and transit. The City was allocated \$5.68 million with the first half received in June of 2021 and the second half received in July of 2022. Funds must be spent or contractually committed by December 31, 2024.

In January 2022 the US Treasury released their ARPA Final Rule for compliant recordkeeping and reporting with updates provided the following months. In September 2022 Treasury announced that, due to budget cuts and current rules barring them from flexing administrative costs from one program to another, they would close their popular ARPA Call-in Customer Service Center. Treasury staff levels were severely curtailed with only email support remaining, however, they predict significantly delayed response times. The US Treasury continues to refer governments to online reference materials, however, relevant information for smaller municipalities like Tukwila who received less than under \$10M is limited. Staff confirms commitment to all state and federal compliance requirements.

On March 14, 2022, staff introduced ARPA Funds Analyst to the Finance & Governance committee that included Analyst presenting responsibilities for accurate and federally compliant recordkeeping and reporting. For each Council-approved allocation, Analyst monitors, tracks, and audits each individual ARPA-funded expenditure, collaborates across departments, provides ongoing knowledge support for decision makers, and reconciles expenditures at multiple points during the year. In April 2022 Analyst successfully reported the City's first year of ARPA expenditures and community projects to the US Treasury as required.

On May 23, 2022, Analyst prepared and presented to the Finance & Governance committee a report of 2021 ARPA-funded expenditures and benefits to the community. During the subsequent 2021 State Audit, Analyst provided methodology and records to auditors for their detailed assessment. Auditors

were complimentary with no findings for Analyst accuracy, accounting, and reporting. Analyst duties include budget projection tasks, researching options to maximize ARPA-funded benefits, comparing pre-Covid to post-Covid revenue changes, and researching historical inflation vs. current, post-Covid inflationary impacts on our community.

**DISCUSSION**

The tables below outline First Half of 2022 ARPA-funded expenditures that occurred between January 1, 2022 and June 30, 2022. Each expenditure meets Treasury compliance requirements and directly or indirectly benefits the visitors, residents, and business owners in our community. Known or anticipated spending for the Second Half of 2022 is included, as provided by the department.

**Administrative Services:**

Human Services Allocation	Total 2022 Allocation	First Half 2022 Expenditures	Funds Remaining for Q3 & Q4	Community Benefits Summary
Rent & Utility Assistance	\$500,000	\$163,184.91	\$336,815.09	*ARPA assisted 72 individual households (47 in Q1, 25 in Q2).  *In Tukwila, 60% of residents spend more than 30% of income on rent. Some pay up to 100% of income on rent. *Women pay disproportionately higher income on rent than men. *For more information about South King County housing and data including % of income spent on rent, visit the Communities Count website at <a href="https://www.communitiescount.org">https://www.communitiescount.org</a> (click Housing tab).

TIS Allocations	Total 2022 Allocation	First Half 2022 Expenditures	Funds Remaining for Q3 & Q4	Community Benefits Summary
DarkTrace Cyber Security	\$25,000	\$25,669.51	\$0	*Specific details not released to ensure security risk is not created.

**Community Development:**

Department Allocation	Total 2022 Allocation	First Half 2022 Expenditures	Funds Remaining for Q3 & Q4	Community Benefits Summary
Permit Processing (2 positions)	\$300,000	\$112,550.45	\$187,449.55	*Reduced backlog of permits. *Decreased time required to process permits. *Successful transition to electronic permitting with improved identification and implementation of necessary changes. *Developed training plans and performed cross-training of job processes for land use permits, fire permits, and public works permits. Resulted in successful transition after staff retired.

**Finance Department:**

Allocation	Total 2022 Allocation	First Half 2022 Expenditures	Funds Remaining for Q3 & Q4	Community Benefits Summary
ARPA Funds Analyst in Finance	\$160,000.00	\$62,477.08	\$97,512.92	*Researched, documented & reconciled each individual 2021 expenditure for all department allocations. *Prepared & successfully submitted first report to US Treasury. No errors! *Provide ongoing support to departments for ARPA questions/concerns. *Established ARPA best practices & coordinate communication across departments. *Documentated & reconciled each individual 2022 Q1 & Q2 expenditures for all departments. *Researched sales tax data for pre- to post-Covid 19 impacts.

**Fire Department:**

Allocation	Total 2022 Allocation	First Half 2022 Expenditures	Funds Remaining for Q3 & Q4	Community Benefits Summary
Fire-OT for Minimum Staffing Level	\$300,000	\$263,098.99	\$36,901.01	*Maintains full staff levels for each A, B, C Shift to best support the well-being of the people and property in our community.

**Public Works:**

Allocation	Total 2022 Allocation	First Half 2022 Expenditures	Funds Remaining for Q3 & Q4	Community Benefits Summary
Residential Street Maintenance (Fund 103)	\$335,000	\$104,648.36	\$230,351.64	<p><u>*List of Work Locations:</u></p> <ul style="list-style-type: none"> <li>-Homeless Encampment cleanup TIB West Valley Hwy, SC Blvd, East Marginal Way.</li> <li>-Vegetation control for site distance at intersections and clearing vegetation around traffic signs.</li> <li>-SCF Requests Pothole repair, vegetation clearing, litter control and illegal dumping clean up.</li> <li>-Repairing our 20 irrigation systems and trimming vegetation on our over 4 acres of streetscape.</li> <li>-Completed MUTCD required annual maintenance to include street striping, thermoplastic stop bars and turn arrows, and the installation of the raised pavement markers (buttons).</li> </ul> <p><u>*Benefits of Maintenance:</u></p> <ul style="list-style-type: none"> <li>-Public safety.</li> <li>-MUTCD required maintenance completed.</li> <li>-Beautification to provide an inviting environment for visitors to the city.</li> </ul> <p><u>*Challenges:</u></p> <ul style="list-style-type: none"> <li>-Loss of manpower and budget.</li> <li>-Inability to maintain an adequate level of service.</li> <li>-Increased schedule of cleaning bus stops to maintain a sanitary environment.</li> <li>-Marked increase in homeless encampments, litter and illegal dumping.</li> </ul>

Allocation	Total 2022 Allocation	First Half 2022 Expenditures	Funds Remaining for Q3 & Q4	Community Benefits Summary
Traffic Calming	\$400,000	\$61,490.82	\$338,509.18	<p><u>*Community Requests:</u></p> <ul style="list-style-type: none"> <li>-Allentown neighborhood improved safety and livability that includes addressing the high volume of heavy trucks, associated with the BNSF Intermodal Yard, with residential life.</li> <li>-Tukwila Community Center area work for improved walking conditions.</li> <li>-Tukwila Elementary School and Cascade View Elementary School work to improve walkability and pedestrian safety for students and neighbor walking to/from school.</li> </ul> <p><u>*Work Done:</u></p> <ul style="list-style-type: none"> <li>-Allentown Speed and Safety Study (not fully complete) including data collection, public outreach and document production.</li> <li>-RRFB design at 2 locations in Allentown, S 124th Street at 44th Avenue S and 46th Avenue S, near the Tukwila Community Center.</li> <li>-Preliminary data collection and analysis around for future pedestrian safety improvements.</li> </ul> <p><u>*Benefits:</u></p> <ul style="list-style-type: none"> <li>-Residents, businesses and visitors benefit from all traffic calming treatments with safer driving, walking and biking conditions.</li> <li>-Around the Tukwila Community Center, pedestrians will have higher visibility to cross S 124th Avenue to access the residential area, improving their safety and reducing vehicle speeds of cars and heavy trucks at the future RRFB locations.</li> </ul>

**Recreation:**

Before & After School Allocation	Total 2022 Allocation	First Half 2022 Expenditures	Funds Remaining for Q3 & Q4	Community Benefits Summary
After School Activities Program & Enrichment Classes	\$170,000	\$48,324.09	\$121,675.91	<p><b>*Activities and Enrichment:</b></p> <p>-Enrichment Classes provide a variety options including african drumming, martial arts, crafts, drama camp, &amp; sports clinics.</p> <p>-After School Activities Program (ASAP) provides safe childcare, homework help, educational activities, high and low energy games, art &amp; crafts, STEM activities, Social and Emotional Learning projects, free play. Some activities were aided through partnerships with Museum of Flight, Aviation High School, Nature Vision, and the Tukwila Library.</p> <p><b>*Restoring ASAP and Enrichment Classes programming in 2021 resulted in:</b></p> <p>-40 initial participants September to December 2021.</p> <p>-Participation significantly increased January to June 2022 at 4,221</p> <p>-For comparison, pre-pandemic January to June 2019 participation was 6,261</p> <p>-Numbers clear show that students and parents greatly value the restored programming.</p> <p>*Preschool programming was expanded in April 2022 to address the negative pandemic impact on school readiness.</p> <p>*Due to staff shortages, Recreation was unable to restore Before School, Fall Carnival, or Winter Break programming.</p>

Parks Allocation	Total 2022 Allocation	First Half 2022 Expenditures	Funds Remaining for Q3 & Q4	Community Benefits Summary
Parks Maintenance (2 positions)	\$160,000	\$60,122.36	\$99,877.64	<p>*Important park maintenance tasks were accomplished to improve public safety and increase park use by the community.</p> <p>*Example of increased park use, Park Rental Income in 2022 already exceeds the 2019 level (fields, shelters, facilities). See following table.</p> <p>*For more information about Parks and Recreation, please visit <a href="https://www.tukwilawa.gov/wp-content/uploads/PR-Tukwila-PROS-Plan-March-2020-1.pdf">https://www.tukwilawa.gov/wp-content/uploads/PR-Tukwila-PROS-Plan-March-2020-1.pdf</a></p>

**Park Rental Income Shows Benefit of Restored Park Maintenance Positions**

Facility Rented	2019	2020 (No Rentals due to Pandemic)	2021	First Half of 2022 (Exceeds 2019 by \$1,200)
Ball field - Duwamish	See a.		\$0	\$480
Ball field - TCC	\$1,900		\$5,770	\$4,550
Lee Phillips Field	\$1,220		\$2,060	\$1,500
Lower Foster Field	See b.		\$500	\$750
Shelter - Crestview	\$1,770		\$1,500	\$1,323
Shelter - Duwamish	\$1,170		\$1,510	\$440
Shelter - Joseph Foster	\$1,110		\$2,610	\$1,780
Shelter - Riverton	\$1,150		\$1,870	\$1,000
Shelter - TCC	\$3,340		\$3,760	\$3,330
Shelter - Tukwila Park	\$271		\$110	\$0
Total Rental Income (See c.)	\$13,950	\$0	\$19,690	\$15,153

- a. Ball Field – Duwamish was not rented out in 2019 (or 2020) due to poor field conditions that needed rehabilitation.
- b. Lower Foster Field was not rented out in 2019 due to being used as staging area for construction that was taking place at the time.
- c. In 2021 the flat usage fee charged to youth sports organizations throughout the area (for certain hours of usage) was increased from \$1,000 to \$1,500.

**Allocations Having No Q1 or Q2 Spending:**

Allocations	Total 2022 Allocation	Second Half Spending Plans?	Summary
Business Assistance	\$185,000	No	*Department didn't use ARPA funds for programming. No future plans.
Leadership Initiatives	\$25,000	Yes	*Had Q3 expenditures and Q4 planned (to be reconciled and reported at later date).
Summer Camp	\$100,000	Yes	*Had Q3 spending (to be reconciled and reported). *Restored Teen Venture Camp after 2 year absence (camp last provided 2019). *Expanded Preschool programming to summer to address negative impact on school
Council Chamber Build Out	\$200,000	Yes	*Had Q3 expenditures and Q4 planned (to be reconciled and reported at later date).
SeeClickFix	\$0	No	*Software had 2021 renewal, so the 2022 Allocation (\$25,000) was used to pay bill in 2021. Renews again in 2023.

**NEXT STEPS**

Analyst continues to manage and reconcile the Second Half of 2022 expenditures and will prepare a final 2022 reconciliation report for the Finance & Governance committee in 2023. Additional, multiple-year comparisons will be included in the next report after Q3/Q4 data is analyzed. Staff will also prepare ARPA records in advance of the City's 2022 State Audit and the April 2023 US Treasury ARPA required reporting.

**RECOMMENDATION**

Discussion only.





## **INFORMATIONAL MEMORANDUM**

**TO: Finance & Governance Committee**

**FROM: Tony Cullerton, Deputy Finance Director**

**CC: Mayor Ekberg**

**DATE: November 14, 2022**

**SUBJECT: September 2022 General Fund Departmental Budget-to-Actuals Report**

### **Summary**

The purpose of the September 2022 General Fund Financial Report is to summarize for the City Council the general state of departmental expenditures and to highlight significant items. The following provides a high-level summary of the departmental financial performance.

The September 2022 report is based on financial data available as of November 1, 2022, for the period ending September 30, 2022. Additional details can be found within the included financial report.

### **Expenditures**

General Fund departmental expenditures totaled \$45.3 million through September, which is \$645,670 less than the allocated budget of \$45.9 million. Department 20, which is transfers to other funds, totaled \$7.6 million, which is \$1.2 million greater than the allocated budget. This overbudgeted amount is reflective of two large transfers. One transfer for debt service and a second transfer for the budgeted Environmental Impact Statement funding in the Arterial Street und. The allocated budget is calculated to reflect year-to-date spending patterns of the previous year. Transfers to capital project funds are transferred to capital project funds as needed for cash flow purposes. Debt service transfers are done quarterly.

In total, the General Fund reported expenditures of \$52.9 million, which is equivalent to **71%** of the annual budget at the completion of **75%** of the year. While the General Fund as a whole is currently tracking expenditures below the YTD annual budget, three departments are trending slightly higher than 75% of the annual budget at the completion of September.

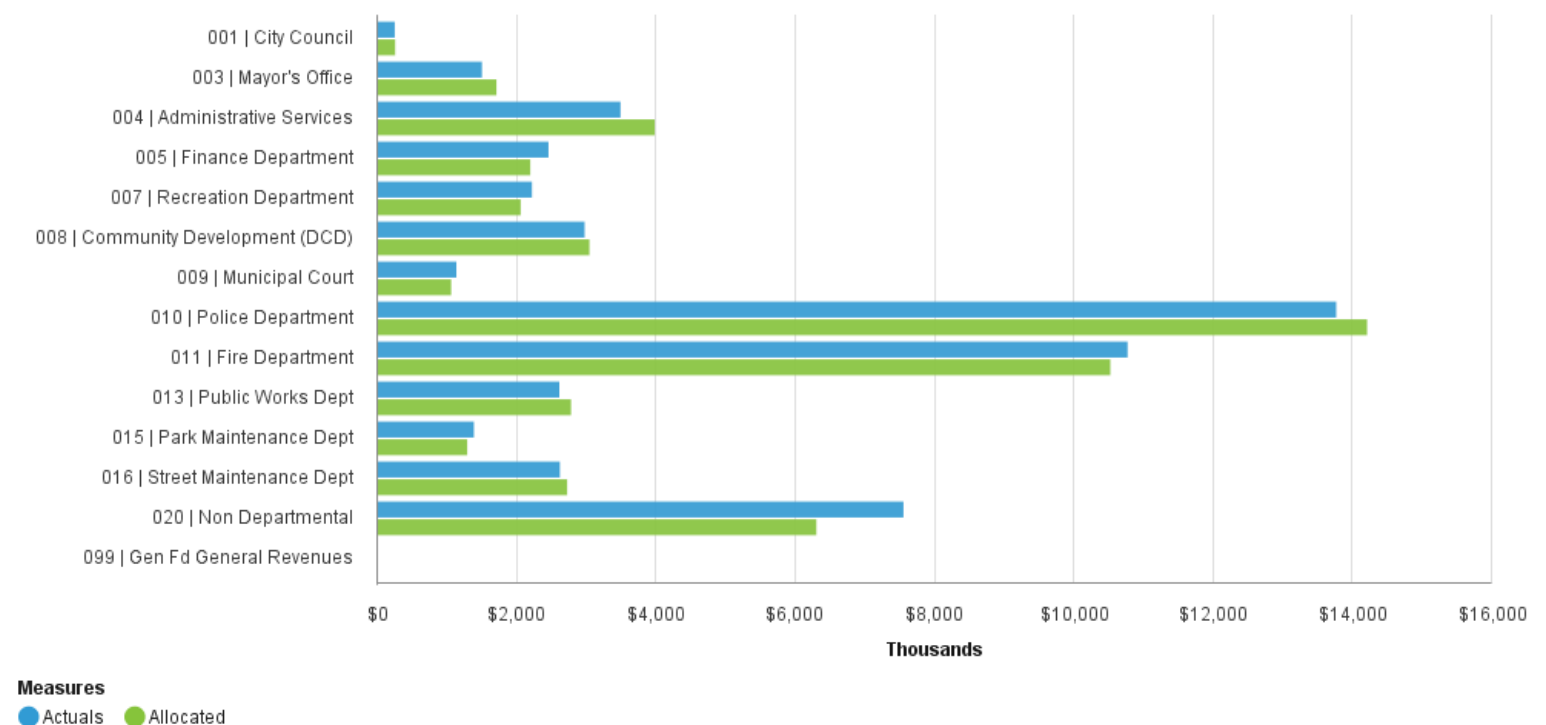
**Fire** expenditures totaled 75.44% of annual budget at the completion of 75% of the year. The overage of 0.44% (\$248,027) is reflected in YTD overtime. There is an expectation that Fire will exceed total budget, resulting in a budget amendment. **Parks Maintenance** reported expenditures of 81.09% of budget at the end of September. The 6.9% overage equates to \$96,489. As reported last month, the increase is attributed to expenses that will be reimbursed by the SEEK grant. Parks will be receiving a revenue-backed budget amendment and is expected to end the year within their allocated budget. **Street Maintenance** reported department expenditures of 76.31% of annual budget. This is 1.31% over the targeted budget of 75%, Street Maintenance is \$104,127 less than the allocated budget, suggesting the variance is related to expenditure timing issues. Street is also expected to be below budget by the end of the year.

**Departmental Variances**

Year to Date Department Expenditures Compared to Allocated Budget Through September 2022:

EXPENDITURES BY DEPARTMENT	BUDGET		ACTUAL			COMPARISON OF RESULTS					
	2022 Annual	2022 Allocated	2020	2021	2022	Allocated Budget vs Actual OVER/(UNDER)	% Actual Year-Over-Year				
							Expended	\$ Change	% Change	% Change	
										2020/2021	2021/2022
001 City Council	385,826	268,937	258,036	253,457	263,478	(5,459)	68.29%	(4,578)	-1.77%	10,021	3.95%
003 Mayor's Office	2,565,927	1,723,140	1,554,800	1,462,714	1,514,872	(208,268)	59.04%	(92,087)	-5.92%	52,158	3.57%
004 Administrative Services	5,869,141	3,996,925	3,148,377	3,513,068	3,504,766	(492,159)	59.72%	364,691	11.58%	(8,302)	-0.24%
005 Finance Department	3,347,587	2,208,825	1,896,822	1,973,945	2,470,747	261,922	73.81%	77,124	4.07%	496,802	25.17%
007 Recreation Department	3,233,011	2,071,225	1,870,916	1,920,151	2,233,435	162,210	69.08%	49,235	2.63%	313,284	16.32%
008 Community Development (DCD)	4,662,212	3,058,508	2,298,178	2,870,673	2,989,472	(69,036)	64.12%	572,495	24.91%	118,799	4.14%
009 Municipal Court	1,597,482	1,072,778	937,685	905,547	1,148,143	75,365	71.87%	(32,138)	-3.43%	242,597	26.79%
010 Police Department	19,844,123	14,224,406	12,911,060	13,269,954	13,781,263	(443,143)	69.45%	358,895	2.78%	511,308	3.85%
011 Fire Department	14,297,033	10,537,591	9,193,078	10,124,717	10,785,618	248,027	75.44%	931,639	10.13%	660,901	6.53%
013 Public Works Dept	3,982,685	2,793,915	2,659,207	2,546,990	2,626,424	(167,490)	65.95%	(112,217)	-4.22%	79,435	3.12%
015 Park Maintenance Dept	1,726,097	1,303,199	1,135,705	1,190,030	1,399,688	96,489	81.09%	54,325	4.78%	209,658	17.62%
016 Street Maintenance Dept	3,452,085	2,738,307	2,332,345	2,527,779	2,634,180	(104,127)	76.31%	195,434	8.38%	106,401	4.21%
<b>Subtotal</b>	<b>64,963,209</b>	<b>45,997,756</b>	<b>40,196,208</b>	<b>42,559,026</b>	<b>45,352,087</b>	<b>(645,669)</b>	<b>69.81%</b>	<b>2,362,818</b>	<b>5.88%</b>	<b>2,793,061</b>	<b>6.56%</b>
020 Non Departmental	9,619,291	6,316,838	2,929,357	3,793,874	7,567,718	1,250,880	78.67%	864,517	29.51%	3,773,844	99.47%
<b>Total Expenditures</b>	<b>74,582,500</b>	<b>52,314,593</b>	<b>43,125,564</b>	<b>46,352,900</b>	<b>52,919,805</b>	<b>605,211</b>	<b>70.95%</b>	<b>3,227,335</b>	<b>7.48%</b>	<b>6,566,905</b>	<b>14.17%</b>
							% of Year	75.00%			

Year to Date Department Expenditures Compared to Allocated Budget as of Sep 30, 2022





INFORMATIONAL MEMO

General Fund  
City of Tukwila  
General Fund Expenditures

Year-to-Date as of Sept 30, 2022

		BUDGET		ACTUAL			COMPARISON OF RESULTS			
		2022 Annual	2022 Allocated	2020	2021	2022	Allocated Budget vs Actuals OVER/(UNDER)	% Expended	% Change	
									2020/2021	2021/2022
511	Salaries	32,802,451	23,274,841	21,051,723	20,852,627	22,398,094	(876,747)	68.3%	(0.9%)	7.4%
512	Extra Labor	584,220	150,172	126,788	133,207	341,367	191,195	58.4%	5.1%	156.3%
513	Overtime	2,000,115	1,521,565	870,752	1,657,357	1,912,736	391,171	95.6%	90.3%	15.4%
515	Holiday Pay	515,500	78,815	69,718	78,815	88,723	9,908	17.2%	13.0%	12.6%
521	FICA	2,151,955	1,483,686	1,307,355	1,325,755	1,449,987	(33,698)	67.4%	1.4%	9.4%
522	Pension-LEOFF	920,517	737,559	791,952	720,983	765,292	27,733	83.1%	(9.0%)	6.1%
523	Pension-PERS/PSERS	1,494,905	1,074,013	1,241,113	1,172,061	1,100,448	26,435	73.6%	(5.6%)	(6.1%)
524	Industrial Insurance	876,892	687,348	663,012	686,508	560,237	(127,111)	63.9%	3.5%	(18.4%)
525	Medical & Dental	7,551,216	5,663,412	4,670,637	5,178,089	5,509,057	(154,356)	73.0%	10.9%	6.4%
526	Unemployment	0	0	27,319	36,827	37,205	37,205	-	34.8%	1.0%
528	Uniform/Clothing	8,525	2,573	1,334	2,573	1,511	(1,062)	17.7%	92.9%	(41.3%)
<b>Total Salaries &amp; Benefits</b>		<b>48,906,296</b>	<b>34,673,985</b>	<b>30,821,703</b>	<b>31,844,802</b>	<b>34,164,657</b>	<b>(509,327)</b>	<b>69.9%</b>	<b>3.3%</b>	<b>7.3%</b>
531	Supplies	890,636	406,401	320,908	399,602	240,278	(166,123)	27.0%	24.5%	(39.9%)
532	Repairs & Maint Supplies	299,025	179,559	228,888	157,041	223,840	44,282	74.9%	(31.4%)	42.5%
534	Resale Supplies	10,000	0	235	0	141	141	1.4%	(100.0%)	#DIV/0!
535	Small Tools	41,250	35,991	62,212	37,736	36,963	971	89.6%	(39.3%)	(2.1%)
536	Technology Supplies	13,000	13,000	33,497	34,674	20,649	7,649	158.8%	3.5%	(40.4%)
537	Fleet Supplies	3,000	2,417	11,248	2,417	4,781	2,365	159.4%	(78.5%)	97.8%
<b>Total Supplies</b>		<b>1,256,911</b>	<b>637,367</b>	<b>656,988</b>	<b>631,470</b>	<b>526,651</b>	<b>(110,716)</b>	<b>41.9%</b>	<b>(3.9%)</b>	<b>(16.6%)</b>
541	Professional Services	7,391,918	5,259,464	4,448,621	5,092,536	5,089,097	(170,367)	68.8%	14.5%	(0.1%)
542	Communications	458,739	319,957	359,546	319,957	292,203	(27,754)	63.7%	(11.0%)	(8.7%)
543	Professional Development	252,921	252,921	193,525	289,845	233,536	(19,385)	92.3%	49.8%	(19.4%)
544	Advertising	40,250	7,682	11,669	8,159	9,723	2,041	24.2%	(30.1%)	19.2%
545	Rentals	478,484	329,316	309,666	358,384	253,282	(76,034)	52.9%	15.7%	(29.3%)
546	Technology Services	348,291	348,291	515,037	405,636	393,479	45,188	113.0%	(21.2%)	(3.0%)
547	Utilities	2,034,285	1,983,190	1,644,097	1,941,426	1,994,718	11,529	98.1%	18.1%	2.7%
548	Repairs & Maint Services	2,185,367	1,560,007	921,352	1,491,134	1,617,911	57,904	74.0%	61.8%	8.5%
549	Miscellaneous	879,747	122,290	308,509	99,493	475,392	353,102	54.0%	(67.8%)	377.8%
<b>Total Services</b>		<b>14,070,002</b>	<b>10,183,117</b>	<b>8,712,022</b>	<b>10,006,570</b>	<b>10,359,341</b>	<b>176,224</b>	<b>73.6%</b>	<b>14.9%</b>	<b>3.5%</b>
561	Capital Outlay-Land	0	0	0	0	893	893	-	-	-
564	Machinery & Equipment	730,000	103,629	5,495	76,184	300,544	196,915	41.2%	1,286.5%	294.5%
<b>Total Capital Outlay</b>		<b>730,000</b>	<b>103,629</b>	<b>5,495</b>	<b>76,184</b>	<b>301,437</b>	<b>197,808</b>	<b>41.3%</b>	<b>1,286.5%</b>	<b>295.7%</b>
750	Transfers Out	9,619,291	6,716,495	2,929,357	3,793,874	7,567,718	851,223	78.7%	29.5%	99.5%
<b>Total Non Operating Expense</b>		<b>9,619,291</b>	<b>6,716,495</b>	<b>2,929,357</b>	<b>3,793,874</b>	<b>7,567,718</b>	<b>851,223</b>	<b>78.7%</b>	<b>29.5%</b>	<b>99.5%</b>
<b>TOTAL EXPENDITURES</b>		<b>74,582,500</b>	<b>52,314,593</b>	<b>43,125,564</b>	<b>46,352,900</b>	<b>52,919,805</b>	<b>605,212</b>	<b>71.0%</b>	<b>7.5%</b>	<b>14.2%</b>

