



City of Tukwila
**Finance and Governance
 Committee**

- ◆ **Kate Kruller, Chair**
- ◆ **Kathy Hougardy**
- ◆ **De'Sean Quinn**

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

AGENDA

MONDAY, JUNE 12, 2023 – 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 LISTEN TO THIS
 MEETING IS: 1-253-292-9750, Access Code 965223169#**

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

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

Item	Recommended Action	
1. BUSINESS AGENDA		
a. Monthly General Fund update (April 2023). <i>Tony Cullerton, Deputy Finance Director</i>	a. Discussion only	Pg.1
b. Honorary Street Designation for Jim Haggerton. <i>Laurel Humphrey, Legislative Analyst</i>	b. Discussion only	Pg.7
2. MISCELLANEOUS		

Next Scheduled Meeting: *June 26, 2023*



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INFORMATIONAL MEMORANDUM

TO: **Finance & Governance Committee**

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

CC: **Mayor Ekberg**

DATE: **June 12, 2023**

SUBJECT: **April 2023 General Fund Departmental Budget-to-Actuals Report**

Summary

The purpose of the April 2023 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 April 2023 report is based on financial data available as of June 1, 2023, for the period ending April 31, 2023.

Expenditures

General Fund departmental expenditures totaled \$24.3 million through April, which is \$1.1 million over the allocated budget of \$23,288,541 million. Department 20, which transfers to other funds, reported \$1.5 million in expenditures. This number reflects transactions for debt payments and interfund activity. In total the General Fund activity YTD as of the end of April was \$25.8 million which exceeded the allocated budget by \$959,538. The overall overage is a timing issue pertaining to Fire. Contracted services for Fire were paid in April but scheduled to be paid in June.

Allocated Budget

As of the end of April, all departments, with the exception of City Council and Fire, reported activity that is within their allocated budget. The overage in **City Council** is \$8,575. The overage is attributed to consulting services for the council retreat and hotel lodging for the National League of Cities conference. Fire is over their allocated budget by \$3,635,767. The overage in **Fire** totals \$3,635,676. The overage is a result of paying the Q2 contracted services in April.

Budget to Actual (% Expended)

When comparing YTD spending to the percent of year completed (33%), two departments finished the month higher than 33%. **Fire** has been explained above. PW Dept./Street Maintenance ended the month at 41.4%. **PW Dept./Street Maint** reported % Expended of 41.4%. Facilities Maintenance/Structures incurred costs related to the Kennedy Cottage Demolition

Project. Additionally, there were increased expenditures in Insurance-Property and Utilities, attributed to the new Facilities Maintenance building that opened in June of 2022.

While Public Works reported YTD expenditures of 41.4% at 33% of the year, these expenditures were previously identified and budgeted, as is supported by Public Works currently reporting total expenditures under Allocated Budget.

2023 Compared to 2022

Most of the General Fund departments reported increases over the same period compared to the prior year. This is expected as a result of increases in salaries due to contractual obligations and the general rise in the cost of ongoing expenditures. However, a few departments reported increases greater than 5% and \$50,000 over the same period last year. This section of the report provides additional information on the increase over the prior year.

Mayor’s Office increased \$64,142 (10.3%) over the prior year. While we did not tie out 100% of the increases over the prior year, we did identify the largest increases, accounting for 93% of the variance.

		2022	2023	Variance
Mayor's Office		620,560	684,732	64,172
Attorney Svs	Mayor	126,653	149,974	23,322
Administration	Economic Dev	3,000	16,000	13,000
Mayor's Office Administration	Hotel Lodging	0	4,610	4,610
Mayor's Office Administration	Tuition	0	6,000	6,000
Mayor's Office	Salaries	142,192	155,080	12,888
Total		271,845	331,664	59,820

These expenditures were previously identified and budgeted, as is supported by Mayor’s Office currently reporting total expenditures under Allocated Budget.

Administrative Services increased \$125,264 (8.9%) over the prior year. The increase is primarily attributed to Online Services-Subscriptions, with the remainder being reported in Salaries.

Account	2022	2023	Variance
Online Services-Subscriptions	58,930	145,563	86,632

These expenditures were previously identified and budgeted, as is supported by Administrative Services currently reporting total expenditures under Allocated Budget.

Police are operating below allocated budget as reported year-to-date. Similar to other departments expenditures reported in 2023 have exceeded costs incurred for the same period in 2022. Salaries and Overtime are the primary drivers of the increased expenditures. Similar to other departments, Insurance-Liability is the major increase to Professional Svs. Software Maintenance Contracts represents the increase to Technology Svs.

Police	Police	2022	2023	Variance	% Increase
		5,847,652	6,629,824	782,172	13.4%
511	Salaries	2,874,296.22	3,369,840.10	495,544	17.2%
513	Overtime	346,470.75	480,496.47	134,026	38.7%
541	Professional Svs	878,250.07	953,451.00	75,201	8.6%
546	Technoligy Svs	87,886.52	136,495.68	48,609	55.3%
	Total			753,380	
	% Identified			96.3%	

Fire increased \$2,670,021 (55%). The increase has been consistently explained as due to Contracted Svs. with the Puget Sound Regional Fire Authority agreement. In prior years, these costs were reported in the Salaries line-item.

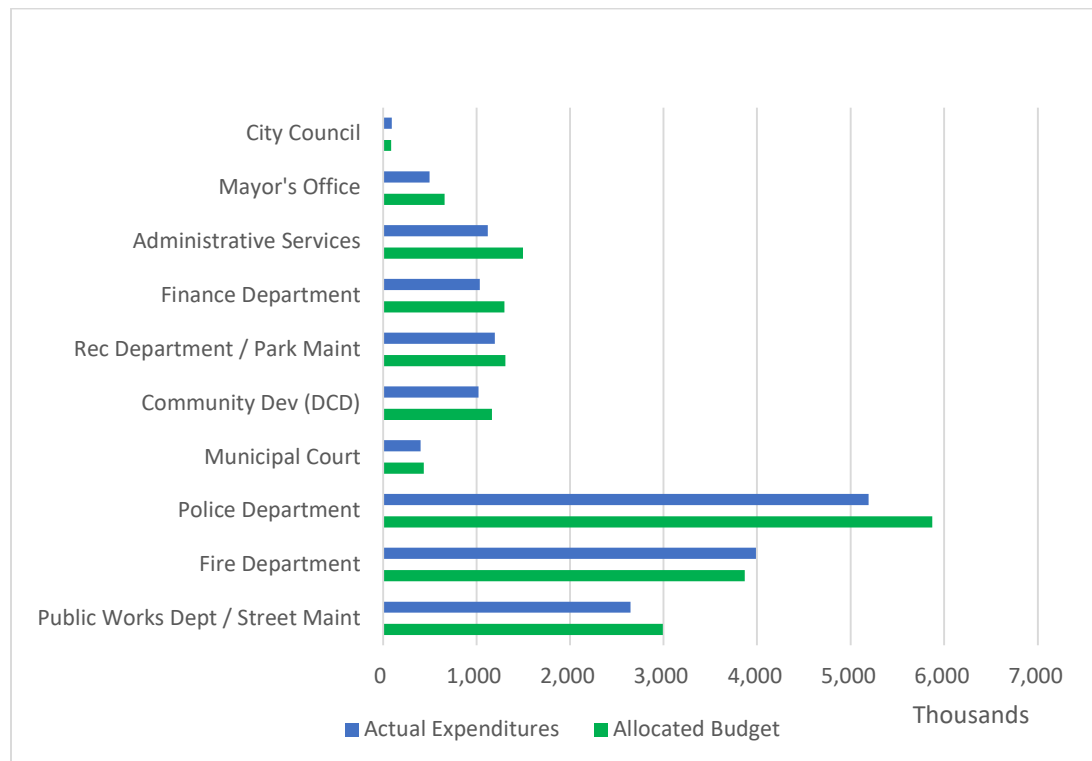
This concludes the recap of notable variances within departments between 2022 and 2023. While overall General Fund departmental costs increased by 18% over the same period last year, the increase in expenditure was identified ahead of time and were budgeted for.

Departmental Variances

Year to Date Department Expenditures Through April 2023:

DEPARTMENT	BUDGET		ACTUAL			Allocated Budget vs Actual OVER/(UNDER)	%	\$ Change	% Change
	2023 Annual	2023 Allocated	2021	2022	2023				
	City Council	384,889	117,713	103,786	114,889	126,288	8,575	32.8%	11,399
Mayor's Office	2,502,666	858,394	605,187	620,560	684,732	(173,662)	27.4%	64,172	10.3%
Administrative Services	5,676,491	1,942,246	1,333,229	1,412,082	1,537,347	(404,900)	27.1%	125,264	8.9%
Finance Department	3,868,642	1,563,114	1,041,509	1,211,258	1,249,851	(313,263)	32.3%	38,593	3.2%
Rec Dept / Parks Maint	5,109,490	1,703,846	1,328,478	1,468,426	1,532,029	(171,817)	30.0%	63,603	4.3%
Community Dev	4,672,314	1,551,737	1,286,664	1,419,896	1,421,266	(130,471)	30.4%	1,370	0.1%
Municipal Court	1,741,340	580,447	378,460	505,983	527,075	(53,372)	30.3%	21,091	4.2%
Police Department	22,746,448	7,578,971	5,734,389	5,847,652	6,629,824	(949,147)	29.1%	782,172	13.4%
Fire Department	14,790,120	3,890,545	4,562,650	4,856,291	7,526,312	3,635,767	50.9%	2,670,021	55.0%
PW Dept / Street Maint	7,574,988	3,501,527	2,671,285	3,066,233	3,138,218	(363,310)	41.4%	71,985	2.3%
Subtotal	69,067,388	23,288,541	19,045,635	20,523,270	24,372,942	1,084,400	35.3%	3,849,671	18.8%
Non Departmental	6,688,881	1,633,158	1,365,690	1,342,690	1,508,296	(124,862)	22.5%	165,606	12.3%
Total Expenditures	75,756,269	24,921,699	20,411,325	21,865,960	25,881,237	959,538	34.2%	4,015,277	18.4%
						% of Year	33.3%		

The graph below shows the Actual Expenditures, and Allocated Budget amounts for the General Fund departments.



General Fund by Category

Per ordinance, the City adopts a biennial budget by fund. This is the required level of reporting for external authoritative sources of oversight such as of the Washington State Auditor’s office. This level of reporting is also utilized for the purposes of debt issuance and by other stakeholders.

For managerial reporting and internal use, the city reports activity at the department level. This provides more details and additional information used by decision makers within the city and those charged with governers. In an effort to provide an enhanced level of reporting, additional information is being provided for activity at the transaction level that reflect an increase of more than **5%** over the prior year AND **\$50,000**, that are part of a Category that is reporting total activity above the % of Year calculation.

The end of April represents the completion of 33% of the year. **Total Services** is the only Category that reported total activity higher than 33%. Within Total Services, Professional Services stands alone as the sole account that exceeded the Allocated Budget. The event that tipped **Professional Services** was the Fire contract payment. As previously stated, in the prior year, these costs were reported in the Salaries line.

2023 vs 2022

When comparing the same period of the current year to the prior year, three accounts rise to the level of an increase greater than 5% and \$50,000. All three accounts are reported within the Total Services Category. **Professional Services** has been previously explained as the Puget Sound Regional Fire Authority agreement. The **Technology Services** increase is attributed to Online Subscriptions as reported previously. **Rentals** is a new line item that has not been discussed previously. Rentals is primarily made up of leased equipment and fleet. The increase over the prior year reflects the 22 vehicles the City is currently leasing.

Department	Fleet Count
Police	5
Public Works	4
Community Development	4
Sewer Water	3
Water	1
Techonlogy Information Services	1
Building Maintance	1
Parks	1
Recreation	2
Total	22

INFORMATIONAL MEMO
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General Fund
City of Tukwila
General Fund Expenditures

Year-to Date as of June 1, 2023

	BUDGET		ACTUAL			COMPARISON OF RESULTS			
	2023 Annual	2023 Allocated	2021	2022	2023	Allocated Budget vs Allocated OVER/(UNDER)	% Expended	Change	
								\$	%
			2022/2023		2022/2023				
Salaries	25,787,016	8,595,672	9,276,425	9,837,759	7,645,362	(950,310)	29.6%	(2,192,398)	(22.3%)
Extra Labor	769,106	187,330	7,734	89,415	111,099	(76,232)	14.4%	21,684	24.3%
Overtime	755,184	217,929	638,397	825,963	525,212	307,283	69.5%	(300,750)	(36.4%)
Holiday Pay	250,000	8,759	7,417	7,738	3,202	(5,557)	1.3%	(4,536)	(58.6%)
FICA	2,110,086	703,362	577,239	627,276	625,350	(78,012)	29.6%	(1,925)	(0.3%)
Pension-LEOFF	635,410	187,137	285,510	299,898	171,702	(15,435)	27.0%	(128,196)	(42.7%)
Pension-PERS/PSERS	1,744,919	581,640	549,458	482,058	506,994	(74,646)	29.1%	24,936	5.2%
Industrial Insurance	586,183	195,395	322,374	233,483	130,719	(64,675)	22.3%	(102,764)	(44.0%)
Medical & Dental	5,748,432	1,916,144	2,078,513	2,462,700	1,787,221	(128,923)	31.1%	(675,479)	(27.4%)
Unemployment	0	0	0	15,108	0	0	-	(15,108)	(100.0%)
Uniform/Clothing	33,290	15,763	1,120	598	564	(15,200)	1.7%	(34)	(5.7%)
Total Salaries & Benefits	38,419,627	12,609,130	13,744,188	14,881,995	11,507,425	(1,101,705)	30.0%	(3,374,570)	(22.7%)
Supplies	678,334	219,274	143,661	74,477	85,313	(133,961)	12.6%	\$10,836	14.5%
Repairs & Maint Supplies	450,010	148,892	59,542	96,241	104,074	(44,818)	23.1%	\$7,834	8.1%
Resale Supplies	2,500	800	0	0	0	(800)	-	\$0	-
Small Tools	213,203	71,068	8,516	11,916	9,951	(61,116)	4.7%	(\$1,965)	(16.5%)
Technology Supplies	110,798	36,933	12,129	13,554	24,058	(12,874)	21.7%	\$10,504	77.5%
Fleet Supplies	7,000	2,333	544	1,286	1,460	(873)	20.9%	\$175	13.6%
Total Supplies	1,461,845	479,300	224,393	197,474	224,857	(254,443)	15.4%	\$27,383	13.9%
Professional Services	21,798,537	6,901,615	2,459,824	2,455,456	9,990,786	3,089,171	45.8%	\$7,535,329	306.9%
Communications	440,528	142,665	137,169	133,993	105,932	(36,733)	24.0%	(\$28,061)	(20.9%)
Professional Dev	570,359	198,977	201,074	141,207	190,486	(8,491)	33.4%	\$49,280	34.9%
Advertising	66,300	25,167	2,099	2,055	6,692	(18,475)	10.1%	\$4,637	225.7%
Rentals	1,298,059	347,286	128,723	52,530	272,031	(75,255)	21.0%	\$219,501	417.9%
Technology Services	1,031,264	531,095	137,426	301,739	354,745	(176,350)	34.4%	\$53,006	17.6%
Utilities	2,244,354	1,507,777	1,363,476	1,416,209	1,460,311	(47,466)	65.1%	\$44,103	3.1%
Repairs & Maint Svs.	1,286,418	427,384	647,044	729,095	372,939	(54,445)	29.0%	(\$356,156)	(48.8%)
Miscellaneous	1,012,899	326,346	219	162,019	93,015	(233,331)	9.2%	(\$69,004)	(42.6%)
Total Services	29,748,719	10,408,312	5,077,054	5,394,303	12,846,937	2,438,625	43.2%	7,452,634	138.2%
Capital Outlay-Land	0	0	0	0	0	0	-	0	-
Other Improvements	0	0	0	0	0	0	-	0	-
Machinery & Equipment	420,000	37,500	0	49,499	0	(37,500)	-	(49,499)	(100.0%)
Construction Projects	0	0	0	0	39,423				
Total Capital Outlay	420,000	37,500	0	49,499	39,423	(37,500)	9.4%	(10,075)	(20.4%)
Transfers Out	5,706,078	1,387,457	1,365,690	1,342,690	1,262,595	(4,443,483)	22.1%	(80,095)	(6.0%)
Total Non Operating Expense	5,706,078	1,387,457	1,365,690	1,342,690	1,262,595	(4,443,483)	22.1%	(80,095)	(6.0%)
Total Expenditures	75,756,269	24,921,699	20,411,325	21,865,960	25,881,237	(3,398,506)	34.2%	4,015,277	18.4%
							% of Year	33.3%	



INFORMATIONAL MEMORANDUM

TO: **Finance & Governance Committee**
FROM: **Laurel Humphrey, Legislative Analyst**
DATE: **May 17, 2023**
SUBJECT: **Jim Haggerton Honorary Street Designation**

ISSUE

Honoring former Mayor Jim Haggerton for his contributions toward the City with an honorary street designation

BACKGROUND

Former Mayor Jim Haggerton passed away in November 2021. He was [recognized by the City Council](#) for his outstanding character as well as the contributions he made in service to his country as a United States Marine and to the City of Tukwila during his long career in public service including as a Planning Commissioner, Councilmember, and Mayor. Last year the Finance and Governance Committee discussed an honorary street naming but set the matter aside until a new policy on naming of city property could be developed and adopted.

The City Council adopted [Resolution 2052](#) on October 3, 2022, which outlines criteria and a process for naming, including honorary street designations. The policy outlines the following criteria:

Section 4. Criteria for Naming City Property

A. The following unranked criteria should be used to guide decision making on naming City property:

- (1) Geographical location
- (2) Building or property's purpose
- (3) Cultural attributes
- (4) Significant historical events
- (5) Natural or geological features
- (6) City identity and image
- (7) Names of persons who have made an outstanding civic contribution to the community, or whose names are of historic significance to the area
- (8) Names of City officials who served for a minimum of 10 years and who made outstanding contributions over and above the normal duties required by their positions and had a positive impact on the past and future development of programs, projects or facilities

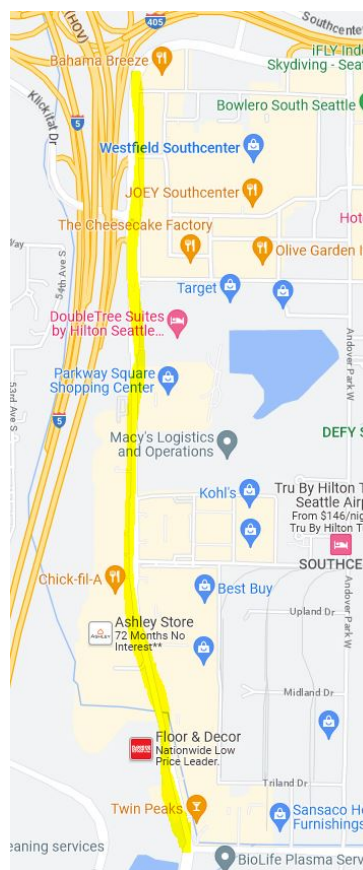
The policy outlines the following process:

Section 8. Honorary Street Designations

- A. Honorary street designations are intended to recognize and honor individuals or groups without changing the official name of the street or the official addresses of residents and businesses on the street.
- B. Requests for honorary street designations must be accompanied by written rationale for the name and significance of the proposed name to the criteria in Section 4.A.
- C. If the proposed name complies with this Policy, the City shall provide an open public comment period of 30 days that is advertised broadly including notification to all members of the City’s Boards and Commissions.
- D. The City Council shall review all public comment received in its determination as to whether the public interest is served by the proposed honorary street designation.

In 2023, a new suggestion has emerged from discussions with the Haggerton family that would designate Southcenter Parkway between Tukwila Parkway and South 180th Street as an honorary “Jim Haggerton Street,” as shown in yellow highlight to the right.

Many major development and public projects in the Tukwila Urban Center are directly related to Mayor Haggerton’s leadership including the Klickitat interchange, Tukwila South Development Agreement, Tukwila Commuter Rail station, and Southcenter Parkway.



RECOMMENDATION

Staff is seeking Committee direction on proceeding with the public comment period required by the naming policy.

ATTACHMENT

Letter from Carol Haggerton dated October 31, 2021

October 31, 2021

To: Mayor Allan Ekberg and Tukwila City Council Members

From: Carol Haggerton, 15820 – 43rd Avenue South, Tukwila, WA 98188-2701

This is an informal request for consideration of having a Tukwila street named in honor of previous Mayor Jim Haggerton not only for his 30 years in government service to the City of Tukwila, but for his more than 60 years of dedication and commitment to the Tukwila Community as a whole, as a resident and Tukwila business owner, volunteering his time and expertise in leadership to our schools and youth, our seniors, our military men and women and veterans, and every resident within our city. He sincerely believed **Tukwila is the City of Opportunity, the Community of Choice** as evidenced by his desire to adopt this new city motto while in office.

Late '50's – early '60's he volunteered as a **Little League Baseball Coach and Umpire** (no children of his own at that time).

He was **President of Southcenter Rotary (1984-1985)** and hosted **Exchange Students**: A young woman from Italy on a one-year program at Foster and a young man from Germany on a summer program. He headed the local **Junior Achievement Program** mentoring young teens interested in business and becoming Entrepreneurs. Jim was involved in "**Northwest Harvest**" and their beginning efforts as a food bank, and later joined the efforts of Joe Tice for our local "**Tukwila Pantry**".

He volunteered his time and support to **Tukwila's Heritage and Cultural Center** because he considered it a valuable resource for the city.

Jim founded his business "HACO Services, Inc." in Tukwila in 1986 and lent his support to the community by sponsoring Co-ed and women's softball teams where he became an advocate and financial supporter for our current **Tukwila Community Center**.

As a **U.S. Marine Corp. Veteran** he joined **Tukwila American Legion Post 235** and held many positions before being elected **Commander from 2006 – 2008**. He used every opportunity to speak out on the needs of our Veterans at the Local, Regional, State and National levels. Many Christmas mornings would find him at the **Seattle Veterans Hospital delivering "Sweats for Vets"** and visiting those men and women hospitalized and unable to be home for the holidays.

Jim was our local advocate for the **Boy's and Girl's State programs** at Foster High and Seattle Christian Schools, and the **Boeing Academy STEM Learning program**. He was appointed as **Government Representative** to the **SCHOOL ADVISORY BOARD Strategic Planning Commission by Governor Christine Gregoire** and served for 10 years planning for the Growth and changes in our schools.

He rarely, if ever, missed a "**Night Out Against Crime**" and the chance to chat with residents about any questions or concerns they had. He had an "open door" policy to his office and welcomed all. He enjoyed having young school children visit and ask questions, and made time to visit them in their classrooms as well.

Jim made a habit of visiting **local businesses** to learn about their concerns and needs, and to celebrate with them when they were awarded **King County Small Business Awards**. At every opportunity he was an ambassador for Tukwila, citing the benefits of opening a new business in our city. He attended many ribbon cuttings – **over 300 hundred new businesses were launched in Tukwila in one just year alone**.

His pledge to provide low-income housing for Seniors was realized with the opening of Tukwila Village and the Shag Development.