



**BUSINESS OF THE CITY COUNCIL  
CITY OF MERCER ISLAND, WA**

**AB 4369  
November 3, 2008  
Public Hearing**

**2009-2010 BUDGET REVIEW & PUBLIC HEARING**

**Proposed Council Action:**

Receive presentation and conduct public hearing.

**DEPARTMENT OF** Finance (Chip Corder)

**COUNCIL LIAISON** n/a

**EXHIBITS** n/a

**APPROVED BY CITY MANAGER**

<b>AMOUNT OF EXPENDITURE</b>	\$	n/a
<b>AMOUNT BUDGETED</b>	\$	n/a
<b>APPROPRIATION REQUIRED</b>	\$	n/a

**SUMMARY**

Below is a summary of the 2009-2010 Budget calendar for the Council review and adoption phases of the budget process:

- Oct. 20 Review 2009-2010 Operating Budget: City Council, City Attorney’s Office, City Manager’s Office, Human Resources, Finance, Municipal Court, Non-Departmental, Youth & Family Services, and Development Services
- Nov. 3 Review 2009-2010 Operating Budget: Fire, Police, Maintenance, and Parks & Recreation**
- Nov. 17 Review 2009-2010 revenue estimates and 2009 utility rates  
Follow-up items, if any, related to Operating Budget  
Finalize changes to Operating Budget  
Review re-balancing options for and finalize changes to the 2009-2014 CIP  
Adopt 2009 property tax levy
- Dec. 8 Adopt 2009 utility rates (water, sewer, storm water, and EMS)  
Adopt 2009-2010 Budget

At the November 3<sup>rd</sup> Council meeting, staff will present the operating budgets for the Fire, Police, Maintenance, and Parks & Recreation Departments, focusing on the 2009-2010 Budget Analysis for each department, service package requests, dashboard indicator targets, and significant budget policy issues. As was done at the October 20<sup>th</sup> meeting, it would be helpful for the Council to provide a preliminary “thumbs up” or “thumbs down” on each service package request. At the November 17<sup>th</sup> meeting, staff will present for final approval all changes made to the Operating Budget, including a summary listing of service packages preliminarily approved and not approved by the Council.

A summary of the budget follow-up items and preliminary Council decisions resulting from the October 20<sup>th</sup> budget review meeting is provided below.

Department	Follow-Up Item or Preliminary Council Decision
City Council	No changes
City Attorney's Office	Add \$10,395 for cable franchise negotiation (AB 4362, 10/6/08)
City Manager's Office	Eliminate "Production of 4 Episodes of MI View" service package (\$44,000)
	Negotiate with Comcast to help fund \$30,000 in ongoing broadcast costs
Human Resources	No changes
Finance	Make sure Contingency Fund is at target before 12/31/09
Municipal Court	No changes
Non-Departmental	No changes
Youth & Family Services	No changes
Development Services	Tentative approval of staff proposed changes to "Maintain Plan Review & Inspection LOS" service package (reduce by 3.0 FTE's) and "Transportation Plan" service package (reduce by \$40K)
	Discuss "Development Review Fees" budget policy at Nov 17 <sup>th</sup> meeting

For the November 3<sup>rd</sup> meeting, the relevant budget document page references for the base budget, dashboard indicators, service packages, and budget policies are noted in the following table.

Department	Base Budget (Focus on)	Dashboard Indicators	Service Packages	Budget Policies
Fire	G-53 to G-64 <b>(G-57)</b>	D-30 to D-31 (#'s 5, 6, 7)	None	C-91 to C-92 (Fire Apparatus Replacement) C-97 to C-98 (Police & Fire Dispatching)
Police	G-125 to G-141 <b>(G-130)</b>	D-29 to D-31 (#'s 1, 2, 3, 4, 8)	K-99 to K-107	C-89 to C-90 (Criminal Justice Funds) C-93 to C-94 (Jail Services) C-97 to C-98 (Police & Fire Dispatching) C-99 to C-100 (Public Safety Education & Emergency Management)
Maintenance	G-77 to G-96 <b>(G-82 to G-84)</b>	None (all related to CIP)	K-39 to K-56	C-3 to C-4 (Beautification Fund) C-25 to C-33 (Sustainability)
Parks & Recreation	G-107 to G-121 <b>(G-112)</b>	D-39 (#'s 25, 26)	K-81 to K-96	C-3 to C-4 (Beautification Fund) C-65 to C-67 (I-90 Landscape Maintenance) C-69 to C-72 (Luther Burbank Park) C-73 to C-77 (Parks & Recreation Financing) C-79 to C-81 (Parks Ballot Measure) C-83 to C-85 (Trees & Urban Forest Lands)

At this meeting, staff will distribute revised budget document pages reflecting the \$1.05 million in reductions made to the Preliminary 2009-2010 General Fund Budget in response to recent economic events. In addition, staff will distribute a revised real estate excise tax (REET) forecast for 2009-2014 and 5 options for re-balancing the 2009-2010 Capital Improvement Program (CIP) Budget, both of which will be reviewed at the November 17<sup>th</sup> meeting.

## **RECOMMENDATION**

*Chip Corder*

MOVE TO: Receive presentation, conduct public hearing, and provide feedback and direction to staff.