



CITY OF KIRKLAND
Department of Finance
123 Fifth Avenue, Kirkland, WA 98033 425.587.3100
www.ci.kirkland.wa.us

MEMORANDUM

To: David Ramsay, City Manager

From: Tracey Dunlap, Director of Finance and Administration

Date: November 13, 2006

Subject: **Public Hearing on Preliminary 2007-2008 Budget**

RECOMMENDATION:

City Council hold a public hearing on the Preliminary 2007-2008 Budget.

POLICY IMPLICATIONS:

1. A preliminary public hearing on anticipated revenue sources was held on September 19, 2006.
2. Copies of the Preliminary 2007-2008 Budget were available to the public on October 20, 2006.
3. RCW 35A.33 requires that a public hearing on the coming year's budget be held on or before the first Monday in December.

BACKGROUND DISCUSSION:

The purpose of this final hearing is to solicit public comment on the 2007-2008 Preliminary Budget as submitted by the City Manager and amended by the City Council. The amended 2007-2008 Preliminary Budget totals \$318,759,281 which represents a 7.98 percent decrease from the 2005-2006 Approved Budget. Factors contributing to the change include planned increases in all of the utility funds, the full impact of the mid-biennium increase in public safety service levels in 2006 using some of the banked property tax capacity available to the City, and planned increases in spending for capital improvements. The proposed General Fund budget totals \$107,789,861, which is a 13.23 percent increase from the 2005-2006 Approved Budget. To date, the Council has held two budget study sessions (October 30th and November 9th) to review the proposed budget.

The Council's modifications to the 2007-2008 Preliminary Budget proposed by the City Manager are summarized in Attachment A and include the following items of note:

- **Fund additional 2007-2008 human service agencies (\$70,383) and 2007 Kirkland Downtown Association (\$8,500)** for a total of \$78,993 from available fund balance of \$50,000 (originally allocated to ARCH funding but \$50,000 of Kirkland's ARCH contribution will be funded with King County CDBG) and \$28,883 from sales tax hold-back (annexation planning or unallocated).
- **Council funded the four Correctional Officers (\$549,874 for two years) from additional new construction property tax and added a fifth Correctional Officer (\$136,840 for two years).** The one-time costs for the four positions continues to be funded by existing fund balance (\$48,512) and the one-time costs for the fifth position (\$10,175) is funded from sales tax hold-back.
- **Council added funding for a Communications Coordinator (\$185,640 for two years) from property tax banked capacity (.8% = \$187,000 for two years) and a half-time Emergency Preparedness Coordinator (\$156,255 for two years) from sales tax hold-back (annexation planning or unallocated).** The one-time costs associated with the Communications Coordinator (\$4,614) are funded from existing fund balance.

Also attached are an updated 2007-2008 Budget Overview by Fund Type/Fund (Attachment B) and a 2007-2008 Service Package Summary (Attachment C) reflecting the modifications made by the Council.

Subsequent to the November 9 Study Session, a potential Summer Festival event was identified to replace Summerfest. Attachment D provides an overview of the event and further details will be brought forward for City Council consideration at the December 12th meeting.

Along with modifications to the biennial budget, Council requested several reports for future follow-up items. These include:

- Continue to report on **Process Improvements**.
- The consideration of **Performance Management** as a potential Council retreat topic.
- A potential Council retreat or workshop topic on **Projects Utilizing Long Term Financing**.
- A more detailed look at the **LTAC/tourism program**.
- A report on **Special Events Cost Recovery**.
- Further discussion on **long-term issues relating to the Jail**.
- A report on **human services** with a breakout of homelessness initiatives and the final outcome of CDBG funding.
- A discussion regarding a matching program for **Special Events** funding.
- A report on **ARCH projects** when they have been decided.

At the beginning of the public hearing, staff will provide a summary of Council's actions to date on the 2007-2008 Preliminary Budget.

Service Package Options

	2007-2008 City Manager Recommendations		
	One-Time	Ongoing	Total
Human Services Funding above initial CM recommendations	70,383	-	70,383
Kirkland Downtown Assn. (2007) above initial CM recommend.	8,500	-	8,500
Corrections Officers (4 FTEs)	48,512	549,874	598,386
Corrections Officer (1 FTE)	10,175	136,840	147,015
Communications Coordinator (1 FTE)	4,614	185,640	190,254
Emergency Preparedness Coordinator	156,255	-	156,255
Total Uses	298,439	872,354	1,170,793

	Funding Recommendations		
	One-Time	Ongoing	Total
Existing Fund Balance	63,301	-	63,301
Fund Balance made available by CDBG Funding (ARCH)	50,000	-	50,000
Additional New Construction Property Tax (including Refund Levy)	-	536,000	536,000
Use of Banked Property Tax Capacity	-	312,495	312,495
Use of Sales Tax Hold Back	185,138	23,859	208,997
Total Funding Sources	298,439	872,354	1,170,793

CITY OF KIRKLAND

2007-2008 BUDGET OVERVIEW: BY FUND TYPE/FUND

General Government Operating Funds

Fund	2005-2006 Budget*	2007-2008 Budget	Percent Change
<i>General Fund</i>			
010 General	95,197,625	107,789,861	13.23%
<i>Special Revenue Funds</i>			
112 Lodging Tax	377,463	390,814	3.54%
117 Street Operating	8,150,265	8,867,461	8.80%
122 Cemetery Operating	311,728	337,514	8.27%
125 Parks Maintenance	1,784,151	1,959,973	9.85%
126 Recreation Revolving	1,850,967	2,141,701	15.71%
127 Facilities Maintenance	8,435,301	8,900,070	5.51%
Total Special Revenue Funds	20,909,875	22,597,533	8.07%
<i>Internal Service Funds</i>			
521 Equipment Rental	12,247,352	12,262,223	0.12%
522 Information Technology	8,598,001	9,841,040	14.46%
Total Internal Service Funds	20,845,353	22,103,263	6.03%
Total General Government Operating Funds	136,952,853	152,490,657	11.35%

General Government Non-Operating Funds

Fund	2005-2006 Budget*	2007-2008 Budget	Percent Change
<i>Special Revenue Funds</i>			
152 Contingency	2,357,321	3,193,826	35.49%
154 Cemetery Improvement	493,195	550,473	11.61%
156 Impact Fees	3,456,512	4,002,831	15.81%
157 Park & Municipal Reserve	10,802,759	11,426,772	5.78%
158 Off-Street Parking Reserve	84,564	69,564	-17.74%
159 Tour Dock	210,913	93,211	-55.81%
170 Street Improvement	3,091,247	2,600,998	-15.86%
188 Grant Control Fund	437,001	285,873	-34.58%
190 Excise Tax Capital Improvement	14,018,435	21,888,649	56.14%
Total Special Revenue Funds	34,951,947	44,112,197	26.21%

* 2005-2006 Budget as of June 30, 2006.

CITY OF KIRKLAND
2007-2008 BUDGET OVERVIEW: BY FUND TYPE/FUND

General Government Non-Operating Funds (Continued)

Fund	2005-2006 Budget*	2007-2008 Budget	Percent Change
<i>Debt Service Funds</i>			
210 LTGO Debt Service	3,287,354	4,966,356	51.07%
220 UTGO Debt Service	3,236,949	3,256,779	0.61%
230 LID Control	16,221	7,361	-54.62%
Total Debt Service Funds	6,540,524	8,230,496	25.84%
<i>Capital Projects Funds</i>			
310 General Capital Projects	19,384,424	16,332,109	-15.75%
320 Grant Capital Projects	13,844,535	3,968,636	-71.33%
Total Capital Projects Funds	33,228,959	20,300,745	-38.91%
<i>Trust Funds</i>			
620 Firefighter's Pension	1,146,129	1,381,860	20.57%
Total Trust Funds	1,146,129	1,381,860	20.57%
Total General Government Non-Op Funds	75,867,559	74,025,298	-2.43%

Water/Sewer Utility Funds

Fund	2005-2006 Budget*	2007-2008 Budget	Percent Change
<i>Operating Fund</i>			
411 Water/Sewer Operating	35,331,607	38,392,730	8.66%
Total Operating Fund	35,331,607	38,392,730	8.66%
<i>Non-Operating Funds</i>			
412 Water/Sewer Debt Service	3,728,096	3,756,868	0.77%
413 Utility Capital Projects	14,449,916	15,106,018	4.54%
Total Non-Operating Funds	18,178,012	18,862,886	3.77%
Total Water/Sewer Utility Funds	53,509,619	57,255,616	7.00%

* 2005-2006 Budget as of June 30, 2006.

CITY OF KIRKLAND
2007-2008 BUDGET OVERVIEW: BY FUND TYPE/FUND

Surface Water Utility Funds

Fund	2005-2006 Budget*	2007-2008 Budget	Percent Change
<i>Operating Fund</i>			
421 Surface Water Management	9,710,508	11,636,958	19.84%
Total Operating Fund	9,710,508	11,636,958	19.84%
<i>Non-Operating Fund</i>			
423 Surface Water Capital Projects	3,608,588	6,287,882	74.25%
Total Non-Operating Funds	3,608,588	6,287,882	74.25%
Total Surface Water Utility Funds	13,319,096	17,924,840	34.58%

Solid Waste Utility Fund

Fund	2005-2006 Budget*	2007-2008 Budget	Percent Change
<i>Operating Fund</i>			
431 Solid Waste Utility	15,549,923	17,062,870	9.73%
Total Operating Fund	15,549,923	17,062,870	9.73%
Total Solid Waste Utility Fund	15,549,923	17,062,870	9.73%

TOTAL ALL FUNDS	295,199,050	318,759,281	7.98%
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* 2005-2006 Budget as of June 30, 2006.

**City of Kirkland
2007-2008 Preliminary Budget
Biennial Service Package Requests and Recommendations**

	2007-08 Department Request				2007-08 City Manager Recommended				Funding Source						
	FTE	Ongoing	One-time	Total	FTE	Ongoing	One-time	Total	Available Fund Balance	External Source	Expenditure Offset	Fees/Charges	Taxes	CIP	Reserves
GENERAL FUND															
Nondepartmental															
Flexpass for City Employees	-	42,630	-	42,630	-	-	42,630	42,630	42,630	-	-	-	-	-	-
Outside Agency Funding	-	344,000	125,500	469,500	-	140,000	320,500	460,500	320,500	-	70,000	-	70,000	-	-
Subtotal Nondepartmental	-	386,630	125,500	512,130	-	140,000	363,130	503,130	363,130	-	70,000	-	70,000	-	-
City Council															
Community Survey	-	-	40,000	40,000	-	-	35,000	35,000	35,000	-	-	-	-	-	-
Subtotal City Council	-	-	40,000	40,000	-	-	35,000	35,000	35,000	-	-	-	-	-	-
City Manager															
NORCOM Transition (Kirkland Portion)	-	-	625,000	625,000	-	-	215,000	215,000	47,407	-	167,593	-	-	-	-
Kirkland Cannery Project	-	-	30,000	30,000	-	-	30,000	30,000	30,000	-	-	-	-	-	-
Vancouver International Sculpture Exhibit	-	-	62,500	62,500	-	-	-	-	-	-	-	-	-	-	-
State Legislative Advocate Services	-	60,000	-	60,000	-	-	60,000	60,000	60,000	-	-	-	-	-	-
Federal Legislative Advocate Services	-	-	80,000	80,000	-	-	20,000	20,000	20,000	-	-	-	-	-	-
Probation Officer & Administration Support	0.50	91,178	-	91,178	0.50	91,178	-	91,178	-	-	-	91,178	-	-	-
Increase Judicial Services	0.15	56,396	-	56,396	0.15	56,396	-	56,396	-	56,396	-	-	-	-	-
Economic Development - Services for Entrepreneurs	-	-	10,000	10,000	-	-	-	-	-	-	-	-	-	-	-
Economic Development - Professional Services	-	60,000	-	60,000	-	-	25,000	25,000	25,000	-	-	-	-	-	-
Economic Development - Marketing and Promotion	-	-	66,000	66,000	-	-	25,000	25,000	15,000	-	-	-	-	-	10,000
Economic Development - Doing Business in Kirkland	-	-	14,000	14,000	-	-	14,000	14,000	14,000	-	-	-	-	-	-
Economic Development Program Update	-	98,400	-	98,400	-	30,000	68,400	98,400	68,400	-	-	-	30,000	-	-
Communications Coordinator	1.00	185,640	4,614	190,254	1.00	185,640	4,614	190,254	4,614	-	-	-	185,640	-	-
Special Projects Coordinator	0.25	40,368	-	40,368	0.25	40,368	-	40,368	-	-	40,368	-	-	-	-
Subtotal City Manager	1.90	591,982	892,114	1,484,096	1.90	403,582	462,014	865,596	284,421	56,396	207,961	91,178	215,640	-	10,000
Human Resources															
HR Analyst Reclass to Senior Analyst	-	10,308	-	10,308	-	10,308	-	10,308	-	-	-	-	10,308	-	-
Temporary Human Resources Analyst	-	-	154,047	154,047	-	-	52,557	52,557	52,557	-	-	-	-	-	-
Automate Personnel Action Form	-	360	6,360	6,720	-	360	6,360	6,720	6,360	-	-	-	360	-	-
Regional HR Initiatives	-	-	25,000	25,000	-	-	-	-	-	-	-	-	-	-	-
Respiratory Fit Machine	-	1,390	10,150	11,540	-	1,390	10,150	11,540	10,150	-	-	-	1,390	-	-
Employee Training	-	14,260	-	14,260	-	-	7,060	7,060	4,660	-	2,400	-	-	-	-
Subtotal Human Resources	-	26,318	195,557	221,875	-	12,058	76,127	88,185	73,727	-	2,400	-	12,058	-	-

**City of Kirkland
2007-2008 Preliminary Budget
Biennial Service Package Requests and Recommendations**

	2007-08 Department Request				2007-08 City Manager Recommended				Funding Source						
	FTE	Ongoing	One-time	Total	FTE	Ongoing	One-time	Total	Available Fund Balance	External Source	Expenditure Offset	Fees/Charges	Taxes	CIP	Reserves
Parks & Community Services															
Accounts Associate	0.50	69,449	-	69,449	0.50	69,449	-	69,449	-	-	29,793	39,656	-	-	-
Heritage Park Maintenance Phase I & II	-	58,465	-	58,465	-	58,465	-	58,465	-	-	-	-	58,465	-	-
124th Avenue Park Site Maintenance	-	60,008	-	60,008	-	-	60,008	60,008	60,008	-	-	-	-	-	-
Heritage Hall Operations	-	55,763	-	55,763	-	55,763	-	55,763	-	-	-	-	55,763	-	-
Waterfowl Management	-	14,502	-	14,502	-	-	14,502	14,502	14,502	-	-	-	-	-	-
Human Services Grant Per Capita Funding Increase	-	234,596	-	234,596	-	35,795	212,201	247,996	212,201	-	-	-	35,795	-	-
Community Center IT Project	-	2,802	10,024	12,826	-	-	-	-	-	-	-	-	-	-	-
Senior Council Increase Access to Services & Programs	-	24,000	-	24,000	-	-	19,000	19,000	19,000	-	-	-	-	-	-
EnhanceWellness Program for Older Adults	-	30,000	-	30,000	-	-	7,500	7,500	7,500	-	-	-	-	-	-
Improving Water Safety	-	21,730	-	21,730	-	-	5,000	5,000	5,000	-	-	-	-	-	-
Comprehensive Park, Rec. & Open Space Plan Update	-	-	45,000	45,000	-	-	45,000	45,000	45,000	-	-	-	-	-	-
Senior Services Needs Assessment	-	-	5,000	5,000	-	-	-	-	-	-	-	-	-	-	-
All-City Youth Summit	-	-	4,000	4,000	-	-	4,000	4,000	4,000	-	-	-	-	-	-
Youth Council Video Program	-	-	18,000	18,000	-	-	-	-	-	-	-	-	-	-	-
Environmental Stewardship - Community Outreach & Ed.	-	-	87,326	87,326	-	-	43,210	43,210	43,210	-	-	-	-	-	-
Leash Law Enforcement	-	-	21,600	21,600	-	-	21,600	21,600	21,600	-	-	-	-	-	-
Step Up to Health	-	-	20,000	20,000	-	-	-	-	-	-	-	-	-	-	-
Summer Performing Arts Series and Movies	-	-	16,811	16,811	-	10,811	-	10,811	-	-	-	-	10,811	-	-
Cemetery Business Plan	-	-	10,000	10,000	-	-	-	-	-	-	-	-	-	-	-
Convert Waterfront Parks Irrigation Systems/Water Rights	-	1,350	130,552	131,902	-	1,350	130,552	131,902	-	-	26,450	-	-	-	105,452
Marina Park Dock Master	-	57,240	9,489	66,729	-	40,344	9,489	49,833	9,489	-	-	40,344	-	-	-
Boat Launch Card System Update	-	-	5,000	5,000	-	-	5,000	5,000	5,000	-	-	-	-	-	-
Marina Park Electrical Upgrades	-	-	10,800	10,800	-	-	10,800	10,800	-	-	-	-	-	-	10,800
Subtotal Parks & Community Services	0.50	629,905	393,602	1,023,507	0.50	271,977	587,862	859,839	446,510	-	56,243	80,000	160,834	-	116,252
Public Works															
Public Works Engineering Office Specialist	0.30	39,384	1,566	40,950	0.30	19,273	21,677	40,950	1,566	-	-	-	39,384	-	-
Alternative Fuel Vehicle	-	5,280	12,000	17,280	-	-	-	-	-	-	-	-	-	-	-
BKR Model Support	-	20,000	-	20,000	-	-	20,000	20,000	20,000	-	-	-	-	-	-
Record Drawing Scanning Project	-	-	5,000	5,000	-	-	5,000	5,000	5,000	-	-	-	-	-	-
Traffic Counts Alternate Years	-	30,000	-	30,000	-	-	30,000	30,000	30,000	-	-	-	-	-	-
Transportation Management Plans Support	-	20,000	-	20,000	-	-	20,000	20,000	20,000	-	-	-	-	-	-
Customer Self-Service Computer Work Station	-	934	5,389	6,323	-	-	-	-	-	-	-	-	-	-	-
Neighborhood Traffic Control Program Support	0.50	57,293	-	57,293	-	-	57,293	57,293	28,224	-	29,069	-	-	-	-
Non-Motorized Plan Update	-	-	50,000	50,000	-	-	50,000	50,000	50,000	-	-	-	-	-	-
Kirkland Intelligent Transportation System Plan/Strategy	-	-	60,000	60,000	-	-	-	-	-	-	-	-	-	-	-
Development Services Permit Center Remodel	-	-	80,000	80,000	-	-	-	-	-	-	-	-	-	-	-
Temporary Construction Inspector	-	-	81,689	81,689	-	-	81,689	81,689	-	81,689	-	-	-	-	-
Subtotal Public Works	0.80	172,891	295,644	468,535	0.30	19,273	285,659	304,932	154,790	81,689	29,069	-	39,384	-	-

City of Kirkland
2007-2008 Preliminary Budget
Biennial Service Package Requests and Recommendations

	2007-08 Department Request				2007-08 City Manager Recommended				Funding Source						
	FTE	Ongoing	One-time	Total	FTE	Ongoing	One-time	Total	Available Fund Balance	External Source	Expenditure Offset	Fees/Charges	Taxes	CIP	Reserves
Finance & Administration															
Actuarial Study of Firefighter's Pension & OPEB	-	16,000	-	16,000	-	-	16,000	16,000	16,000	-	-	-	-	-	-
Mail Services Clerk to ongoing FTE	0.05	7,250	-	7,250	0.05	7,250	-	7,250	-	-	-	-	7,250	-	-
Accounts Payable Accounting Support	1.00	134,231	5,189	139,420	-	-	-	-	-	-	-	-	-	-	-
Customer Account Associate - Utility Billing	1.00	127,103	5,715	132,818	1.00	127,103	5,715	132,818	-	-	-	132,818	-	-	-
Reception Desk On-call Support	-	10,137	-	10,137	-	-	-	-	-	-	-	-	-	-	-
Document Management Project Professional Services	-	-	85,000	85,000	-	-	-	-	-	-	-	-	-	-	-
Off-site Records Storage Vendor Transfer	-	-	41,000	41,000	-	-	20,000	20,000	20,000	-	-	-	-	-	-
Records Storage Room Shelving	-	-	33,365	33,365	-	-	-	-	-	-	-	-	-	-	-
Building Fee Study Update	-	-	18,000	18,000	-	-	18,000	18,000	18,000	-	-	-	-	-	-
Subtotal Finance & Administration	2.05	294,721	188,269	482,990	1.05	134,353	59,715	194,068	54,000	-	-	132,818	7,250	-	-
Planning & Community Development															
Administrative Clerk Cubicle Creation	-	934	16,445	17,379	-	934	16,445	17,379	-	-	-	-	934	-	16,445
Professional Services for Development Review	-	-	144,000	144,000	-	-	136,000	136,000	136,000	-	-	-	-	-	-
Code Enforcement Officer	0.50	95,801	-	95,801	-	-	47,586	47,586	15,000	-	10,000	22,586	-	-	-
ARCH Housing Trust Fund: Annual Contribution	-	432,000	-	432,000	-	-	166,000	166,000	166,000	-	-	-	-	-	-
Offices and Front Counter Improvements	-	934	26,689	27,623	-	934	26,689	27,623	-	-	-	-	934	-	26,689
Affordable Housing Incentives and Regulations	-	-	15,000	15,000	-	-	12,000	12,000	12,000	-	-	-	-	-	-
Neighborhood Plan Updates	-	40,000	-	40,000	-	-	16,000	16,000	16,000	-	-	-	-	-	-
Historic Preservation Incentives	-	-	18,000	18,000	-	-	-	-	-	-	-	-	-	-	-
Multi-family Design Guidelines	-	-	20,000	20,000	-	-	-	-	-	-	-	-	-	-	-
Urban Forester	-	53,789	-	53,789	-	-	-	-	-	-	-	-	-	-	-
Downtown Model Update	-	-	10,000	10,000	-	-	-	-	-	-	-	-	-	-	-
Downtown Public Improvements Plan	-	-	40,000	40,000	-	-	-	-	-	-	-	-	-	-	-
Administrative Clerk	0.50	67,364	-	67,364	-	-	-	-	-	-	-	-	-	-	-
Subtotal Planning & Community Development	1.00	690,822	290,134	980,956	-	1,868	420,720	422,588	345,000	-	10,000	22,586	1,868	-	43,134
Police															
Electronic Ticketing	-	19,200	114,946	134,146	-	19,200	114,946	134,146	114,946	-	-	-	19,200	-	-
Tablet PC's for Police Motorcycles	-	15,438	35,945	51,383	-	15,438	35,945	51,383	35,945	-	-	-	15,438	-	-
Online Citizen Incident Reporting	-	9,034	23,226	32,260	-	-	-	-	-	-	-	-	-	-	-
Public Safety Interface Software	-	5,760	58,400	64,160	-	-	-	-	-	-	-	-	-	-	-
Citizen Survey	-	-	25,000	25,000	-	-	-	-	-	-	-	-	-	-	-
Crime Scene Vehicle	-	12,220	21,900	34,120	-	12,220	21,900	34,120	-	-	32,620	-	1,500	-	-
Corrections Officers	5.00	686,714	58,687	745,401	5.00	686,714	58,687	745,401	58,687	-	-	-	686,714	-	-
Accreditation Fees and Expenses	-	50,960	-	50,960	-	-	25,480	25,480	25,480	-	-	-	-	-	-
Police Support Associate - Records	-	63,397	7,757	71,154	-	-	-	-	-	-	-	-	-	-	-
Subtotal Police	5.00	862,723	345,861	1,208,584	5.00	733,572	256,958	990,530	235,058	-	32,620	-	722,852	-	-

**City of Kirkland
2007-2008 Preliminary Budget
Biennial Service Package Requests and Recommendations**

	2007-08 Department Request				2007-08 City Manager Recommended				Funding Source						
	FTE	Ongoing	One-time	Total	FTE	Ongoing	One-time	Total	Available Fund Balance	External Source	Expenditure Offset	Fees/Charges	Taxes	CIP	Reserves
Fire & Building															
North Finn Hill Overtime Staffing	-	-	700,000	700,000	-	-	700,000	700,000	515,900	184,100	-	-	-	-	-
Building Permit Technician	1.00	135,273	3,989	139,262	-	-	128,744	128,744	128,744	-	-	-	-	-	-
Temporary Electrical Inspector	-	-	169,687	169,687	-	-	159,169	159,169	-	-	-	-	-	-	159,169
Wildland Equipment	-	-	10,171	10,171	-	-	10,171	10,171	7,496	2,675	-	-	-	-	-
Think Again Program	-	-	11,088	11,088	-	-	11,088	11,088	11,088	-	-	-	-	-	-
Fire Protection Engineer	1.00	215,627	30,452	246,079	-	-	-	-	-	-	-	-	-	-	-
Administrative Services Supervisor	1.00	176,068	4,189	180,257	-	-	-	-	-	-	-	-	-	-	-
Building Administrative Clerk	1.00	119,990	6,200	126,190	-	-	-	-	-	-	-	-	-	-	-
Fire Overhaul Equipment	-	-	5,500	5,500	-	-	5,500	5,500	4,070	1,430	-	-	-	-	-
Prevention Staffing Analysis	-	-	10,000	10,000	-	-	-	-	-	-	-	-	-	-	-
Community Education Program Assistant	-	-	76,696	76,696	-	-	-	-	-	-	-	-	-	-	-
Joint IAFC/IAFF Wellness-Fitness Initiative	-	61,546	33,600	95,146	-	-	-	-	-	-	-	-	-	-	-
Fire Inspector	1.00	226,354	30,452	256,806	-	-	-	-	-	-	-	-	-	-	-
Plans Examiner	0.50	100,939	6,189	107,128	-	-	96,610	96,610	16,610	-	80,000	-	-	-	-
Emergency Response Vehicle for Director	-	13,800	32,027	45,827	-	13,800	32,027	45,827	23,604	12,053	5,400	-	4,770	-	-
Personal Protective Clothing	-	-	23,622	23,622	-	-	23,622	23,622	17,409	6,213	-	-	-	-	-
Fire Training - Fund Current Programs	-	317,209	22,127	339,336	-	-	100,000	100,000	-	26,300	73,700	-	-	-	-
Fire Command Training	-	135,206	-	135,206	-	-	-	-	-	-	-	-	-	-	-
Third Party Review Staffing	3.00	490,846	18,567	509,413	3.00	490,846	18,567	509,413	-	-	509,413	-	-	-	-
Overtime Coverage for FMLA Usage	-	61,000	-	61,000	-	-	-	-	-	-	-	-	-	-	-
Maintain Emergency Services During Training	-	477,583	-	477,583	-	-	-	-	-	-	-	-	-	-	-
Architectural or Engineering Intern	-	-	20,169	20,169	-	-	-	-	-	-	-	-	-	-	-
Emergency Preparedness Coordinator	1.00	211,313	35,329	246,642	-	-	156,255	156,255	156,255	-	-	-	-	-	-
NIMS Compliance & Emergency Preparation Training	-	-	189,540	189,540	-	-	189,540	189,540	95,514	94,026	-	-	-	-	-
Disaster Training	-	-	136,725	136,725	-	-	-	-	-	-	-	-	-	-	-
Reserve Vehicles (Disaster Use)	-	4,800	10,000	14,800	-	4,800	10,000	14,800	7,370	3,892	-	-	3,538	-	-
Emergency Preparedness Community Education	-	-	167,054	167,054	-	-	-	-	-	-	-	-	-	-	-
Subtotal Fire & Building	9.50	2,747,554	1,753,373	4,500,927	3.00	509,446	1,641,293	2,150,739	984,060	330,689	668,513	-	8,308	-	159,169
GENERAL FUND TOTAL	20.75	6,403,546	4,520,054	10,923,600	11.75	2,226,129	4,188,478	6,414,607	2,975,696	468,774	1,076,806	326,582	1,238,194	-	328,555

**City of Kirkland
2007-2008 Preliminary Budget
Biennial Service Package Requests and Recommendations**

	2007-08 Department Request				2007-08 City Manager Recommended				Funding Source						
	FTE	Ongoing	One-time	Total	FTE	Ongoing	One-time	Total	Available Fund Balance	External Source	Expenditure Offset	Fees/Charges	Taxes	CIP	Reserves
OTHER OPERATING FUNDS															
Street Operating Fund															
Graffiti Program	1.00	155,111	20,000	175,111	-	-	90,796	90,796	90,796	-	-	-	-	-	-
Field Arborist	1.00	182,729	10,000	192,729	-	-	109,120	109,120	109,120	-	-	-	-	-	-
Public Grounds Tech	1.00	160,021	5,200	165,221	-	-	77,463	77,463	38,731	-	38,732	-	-	-	-
Downtown Kirkland Trash Removal	-	7,627	2,500	10,127	-	7,627	2,500	10,127	2,500	-	-	-	7,627	-	-
Street Lighting Program	-	60,000	-	60,000	-	-	-	-	-	-	-	-	-	-	-
Parking Garage Lighting	-	-	40,000	40,000	-	-	40,000	40,000	-	-	-	-	-	-	40,000
Parking Advisory Board Support	-	14,000	-	14,000	-	14,000	-	14,000	-	-	-	-	14,000	-	-
Subtotal Street Operating Fund	3.00	579,488	77,700	657,188	-	21,627	319,879	341,506	241,147	-	38,732	-	21,627	-	40,000
Cemetery Operating Fund															
Cemetery Surplus Backhoe	-	6,820	5,000	11,820	-	6,820	5,000	11,820	5,000	-	-	6,820	-	-	-
Subtotal Cemetery Operating Fund	-	6,820	5,000	11,820	-	6,820	5,000	11,820	5,000	-	-	6,820	-	-	-
Recreation Revolving Fund															
PKCC/Senior Center Recreation Coordinator	1.00	152,394	2,545	154,939	-	79,373	2,545	81,918	2,545	-	-	79,373	-	-	-
Subtotal Recreation Revolving Fund	1.00	152,394	2,545	154,939	-	79,373	2,545	81,918	2,545	-	-	79,373	-	-	-
Water/Sewer Operating Fund															
Eductor Safety Backup Vehicle	-	10,320	12,500	22,820	-	10,320	12,500	22,820	12,500	-	-	10,320	-	-	-
Alternative Fuel Vehicle	-	2,640	6,000	8,640	-	-	-	-	-	-	-	-	-	-	-
Public Works Engineering Office Specialist	0.40	52,513	2,088	54,601	0.40	52,513	2,088	54,601	2,088	-	-	52,513	-	-	-
Computer for TV Inspection Data Management	-	466	1,347	1,813	-	466	1,347	1,813	1,347	-	-	466	-	-	-
Subtotal Water/Sewer Operating Fund	0.40	65,939	21,935	87,874	0.40	63,299	15,935	79,234	15,935	-	-	63,299	-	-	-
Surface Water Management Fund															
Water Quality Monitoring Equipment	-	-	14,000	14,000	-	-	14,000	14,000	14,000	-	-	-	-	-	-
Eductor Safety Backup Vehicle	-	10,320	12,500	22,820	-	10,320	12,500	22,820	12,500	-	-	10,320	-	-	-
Alternative Fuel Vehicle	-	1,305	6,000	7,305	-	-	-	-	-	-	-	-	-	-	-
Public Works Engineering Office Specialist	0.20	26,258	1,044	27,302	0.20	26,258	1,044	27,302	1,044	-	-	26,258	-	-	-
Computer for TV Inspection Data Management	-	468	1,346	1,814	-	468	1,346	1,814	1,346	-	-	468	-	-	-
Subtotal Surface Water Management Fund	0.20	38,351	34,890	73,241	0.20	37,046	28,890	65,936	28,890	-	-	37,046	-	-	-
Solid Waste Fund															
Recycling Program Enhancement & Ed. Outreach Spec.	0.50	119,053	5,000	124,053	0.50	119,053	5,000	124,053	5,000	-	-	119,053	-	-	-
Public Works Engineering Office Specialist	0.10	13,130	521	13,651	0.10	13,130	521	13,651	521	-	-	13,130	-	-	-
Commercial Organics Recycling Program	-	160,000	-	160,000	-	160,000	-	160,000	-	-	-	160,000	-	-	-
Subtotal Solid Waste Fund	0.60	292,183	5,521	297,704	0.60	292,183	5,521	297,704	5,521	-	-	292,183	-	-	-
Equipment Rental Fund															
Mechanic III	-	64,477	-	64,477	-	-	-	-	-	-	-	-	-	-	-
Fleet Administrative Clerk	0.50	57,988	-	57,988	0.50	57,988	-	57,988	-	-	57,988	-	-	-	-
Vehicle Exhaust Evacuation System	-	-	15,000	15,000	-	-	15,000	15,000	15,000	-	-	-	-	-	-
Bay #3 Hoist Replacement	-	-	25,000	25,000	-	-	25,000	25,000	25,000	-	-	-	-	-	-
In-ground Hoist Removal	-	-	20,000	20,000	-	-	20,000	20,000	20,000	-	-	-	-	-	-
Heavy Duty Mobile Hoists	-	-	15,000	15,000	-	-	15,000	15,000	15,000	-	-	-	-	-	-
Subtotal Equipment Rental Fund	0.50	122,465	75,000	197,465	0.50	57,988	75,000	132,988	75,000	-	57,988	-	-	-	-

**City of Kirkland
2007-2008 Preliminary Budget
Biennial Service Package Requests and Recommendations**

	2007-08 Department Request				2007-08 City Manager Recommended				Funding Source						
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Information Technology Fund															
System Administrator Finance & HR Systems	1.00	209,408	-	209,408	-	-	209,408	209,408	-	-	-	-	-	209,408	-
Applications Analyst - PD Systems	-	-	170,974	170,974	-	-	83,149	83,149	80,269	2,880	-	-	-	-	-
Web Production Assistant	1.00	133,940	150	134,090	-	-	65,328	65,328	65,328	-	-	-	-	-	-
GIS Analyst	1.00	149,235	5,602	154,837	-	-	154,837	154,837	-	-	-	-	-	154,837	-
Applications Manager	1.00	230,823	4,314	235,137	-	-	-	-	-	-	-	-	-	-	-
Videographer Consultant to FTE	1.00	139,591	804	140,395	0.50	70,696	69,699	140,395	69,699	-	52,000	-	18,696	-	-
Help Desk - Vista Operating System Deployment	-	-	38,906	38,906	-	-	38,906	38,906	38,906	-	-	-	-	-	-
Networks & Operations Division Intern	-	30,475	1,975	32,450	-	-	-	-	-	-	-	-	-	-	-
Senior Graphic Designer Increase to Full-time	0.25	36,916	-	36,916	-	-	-	-	-	-	-	-	-	-	-
GIS Public Safety Analyst	1.00	157,625	13,577	171,202	-	-	-	-	-	-	-	-	-	-	-
Network Support	1.00	185,519	2,125	187,644	-	-	-	-	-	-	-	-	-	-	-
Disaster Recovery and Test Environment	-	67,500	-	67,500	-	-	50,000	50,000	50,000	-	-	-	-	-	-
Copier Replacements	-	-	72,226	72,226	-	-	72,226	72,226	72,226	-	-	-	-	-	-
Kirkland Free Wireless	-	-	29,049	29,049	-	-	29,049	29,049	29,049	-	-	-	-	-	-
Currently Kirkland Television Show	-	92,674	-	92,674	-	-	16,229	16,229	16,229	-	-	-	-	-	-
Multimedia Services Support	-	20,000	-	20,000	-	-	20,000	20,000	20,000	-	-	-	-	-	-
ID Cards	-	-	5,000	5,000	-	-	5,000	5,000	5,000	-	-	-	-	-	-
Class Facilities Scheduling Software Implementation	-	-	11,000	11,000	-	-	-	-	-	-	-	-	-	-	-
Media Library	-	10,500	37,893	48,393	-	-	-	-	-	-	-	-	-	-	-
Handheld Voting Machines	-	-	18,500	18,500	-	-	-	-	-	-	-	-	-	-	-
3D Kirkland Geospatial Model	-	-	50,000	50,000	-	-	-	-	-	-	-	-	-	-	-
Subtotal Information Technology Fund	7.25	1,464,206	462,095	1,926,301	0.50	70,696	813,831	884,527	446,706	2,880	52,000	-	18,696	364,245	-
TOTAL OTHER OPERATING FUNDS	11.95	2,569,452	682,141	3,251,593	2.20	549,659	1,264,056	1,813,715	818,199	2,880	148,720	399,348	40,323	364,245	40,000
TOTAL ALL FUNDS	32.70	8,972,998	5,202,195	14,175,193	13.95	2,775,788	5,452,534	8,228,322	3,793,895	471,654	1,225,526	725,930	1,278,517	364,245	368,555

CITY OF KIRKLAND**City Manager's Office****123 Fifth Avenue, Kirkland, WA 98033 425.587.3001****www.ci.kirkland.wa.us**

MEMORANDUM

To: David Ramsay, City Manager

From: Sheila Cloney, Special Projects Coordinator
Tracy Burrows, Senior Management Analyst

Date: November 13, 2006

Subject: 2007-08 Biennial Budget - New Summer Festival

RECOMMENDATION:

It is recommended that the City Council consider inclusion of a budget expenditure for the production of a new summer festival in the 2007-08 budget. Staff will prepare the specific details of the expenditure and corresponding revenue off-set for Council consideration at the December 12th City Council meeting.

BACKGROUND DISCUSSION:

For many years, the City of Kirkland has hosted the Kirkland Summerfest, a weekend of art at Marina Park that draws over 45,000 attendees. This year, the Kirkland Art Center has announced that they will no longer produce the Summerfest event. In 2007, the City has an opportunity to re-invent Kirkland's summer celebration into one of the Puget Sound's premier "tasting events," drawing art lovers, wine enthusiasts, and families from all across the region.

The new event, with a working title of **Kirkland's Wine on the Waterfront**, will combine a wine tasting garden hosted by the Washington Wine Commission, musical entertainment, and top-notch artisans selected by the Kirkland Cultural Council and Kirkland Downtown Association to create a comprehensive community event.

The City Role in the Event

We are currently in discussion with Bold Hat Festivals and Events, a proven event production company that coordinated Summerfest over the past four years. Bold Hat has developed a budget of approximately \$250,000 for the entire event production, which includes \$40,000 of "seed money" from the City of Kirkland. In order to proceed with the event production, Bold Hat has proposed a partnership with the City wherein the City would enter into a professional services agreement with Bold Hat Productions to produce the event for the purposes of building community, promoting tourism and the arts, and fostering economic development. The professional services agreement would be in the amount of approximately \$40,000. The agreement would also stipulate that, once the base costs of the event are covered by sponsorship revenue, ticket sales, and other sources, the City would share in the event proceeds up to the threshold of \$40,000. The City would negotiate a contract with Bold Hat that would specify the financial responsibilities of the parties.

The City would budget a \$40,000 professional services expenditure with a matching revenue off-set from the share of sponsorships and ticket sales. Because the event is gated this year and the focus is on wine and food, there is a significant potential for entrance revenue. It is projected that each guest will spend an average of \$30.00 for a gourmet tasting experience (this includes a \$15.00 admission and additional tastes and/or food purchases). The event organizers project that the revenue generated at the gate will cover the costs of the event, including the City's professional services contract. However, there is a risk that the event may not be as successful as is projected and the revenues may not be sufficient to off-set the cost of the professional services agreement. The City's maximum financial risk would be the \$40,000 initial expenditure. This risk must be balanced with the opportunity at hand. Bold Hat will have to forego contracts for other events in order to take on the work for Wine on the Waterfront. They will not go forward with this event absent a significant financial commitment from a partner agency. Staff is working with Bold Hat to develop a specific proposal for the professional services agreement for the Council to consider.

Event Description

The proposal for the Wine on the Waterfront event was initiated when the Washington State Wine Commission approached Bold Hat Festivals and Events and expressed an interest in partnering to produce Wine on the Waterfront, which will ensure an enticing variety of marquee vineyards from across the state. Further, the event will bring together a number of key organizations such as the Kirkland Downtown Association, Kirkland Parks Department, Kirkland Tourism, and Kirkland Cultural Council to showcase Kirkland's outstanding offerings.

Bold Hat Festivals and Events, a full-service event production company that specializes in "tasting experience" event planning, coordinated Summerfest for the past four years, and introduced the very successful wine tasting element in 2005. Bold Hat has produced some of the largest gated tasting events in the region, and looks forward to expanding Wine on the Waterfront to its full potential, providing maximum value for the City and creating a memorable experience for event sponsors, participants and the public.

The "tasting experience" atmosphere of the event creates a wide variety of sponsorship opportunities. From gourmet food outlets to wine storage facilities and specialty stores, the list of potential partners is numerous. Additionally, Bold Hat will draw on established relationships with media outlets to create maximum exposure for the event. Just some of the targeted businesses and media outlets include:

- Seattle Homes and Lifestyles Magazine
- 103.7 KMTT – The Mountain
- Northwest Yacht Broker
- Viking Bank

The following is a list of elements that will likely be included in the new event. At this stage in the planning, there is room to incorporate more or fewer elements as involved parties see fit.

1. Wine garden

- Produced by the Washington State Wine Association
- Guests receive five one-ounce tastes with admission and have the option of purchasing more tastes.
- High end food sampling as well as larger portions available for purchase.
- Food demonstrations put on by local restaurants, markets or grocery stores.

2. Art Gallery

- The Kirkland Cultural Council will program a gallery like atmosphere within the wine garden.
- Pieces will be available to guests for purchase.
- Art will be displayed in true gallery style, rather than artist booths, adding to the overall feel of an artistic showcase.

3. Artists in Action –

- The Cultural Council and KDA plan to program artists in action.
- The demonstrations will take place within the gated event and on Kirkland Avenue.
- Artists will contribute a piece of art to the Fresh Art Auction

4. Music

- Bold Hat Productions with work with the Kirkland Parks Department to program two music venues within the event.
- Both entertainment venues will have popular bands headlining each night of the event.

5. Partnerships with Downtown Restaurants

- Bold Hat Productions will work with the KDA and downtown restaurateurs to coordinate and promote “wine dinners” pairing a featured Washington wine and a chef’s special dinner menu on the Friday night of the event.
- Local restaurants will have the opportunity to be featured on the tasting menu at the event, with each restaurant featuring its appetizers over a manageable two-hour time frame within the overall event.

6. Fresh Art Auction

- Premier artisans working in a variety of media- from oils and watercolor paints to clay and fabrics- will create art inspired by their experience at the park.
- Guests can watch the artists as they work providing a unique insight into the artists’ process.
- Pieces will be auctioned off Sunday afternoon, providing guests the opportunity to take a “piece of the weekend” home with them.

7. Kids Area

- Free-to-enter family area with children’s activities.
- Zucchini and Summer Squash Art Car decorating and racing.
- Why should the grownups have all the fun? Sparkling cider and grape juice tasting for the kids!

Partners and Sponsorship

Partners for the event at this time include:

- Washington State Wine Commission: they have already expressed interest and will be the resource that enables us to get wineries to attend.
- Kirkland Downtown Association
- Kirkland Cultural Council
- Kirkland Tourism
- Kirkland Parks Department
- Seafair