



MEMORANDUM

To: Mayor and Councilmembers
Mark Hoppen, City Manager

From: Jennifer Ferrer-Santa Ines, Finance Director

RE: Financial Update-March 2016

Date: May 2, 2016

The data below include YTD actuals through the end of March compared against the annual budget and how much is left for the remainder of the year. Each department budget include salaries, benefits, supplies and services, with the exception of those marked by an asterisk.

Department/Division	2016				2015			
	YTD Actuals	Budget	% of Total	Balance	YTD Actuals	Budget	% of Total	Balance
* City Council	\$ 9,165	\$ 56,425	16.24%	\$ 47,260	\$ 13,338	\$ 55,925	23.85%	\$ 42,587
* Training	\$ 1,446	\$ 25,761	5.61%	\$ 24,315	\$ 1,836	\$ 25,740	7.13%	\$ 23,904
City Management ⁽³⁾	\$ 51,759	\$ 220,319	23.49%	\$ 168,560	\$ 136,981	\$ 383,251	35.74%	\$ 246,270
* Legal	\$ 23,302	\$ 186,000	12.53%	\$ 162,698	\$ 34,984	\$ 186,000	18.81%	\$ 151,016
* Court	\$ 7,696	\$ 67,531	11.40%	\$ 59,835	\$ 3,482	\$ 65,564	5.31%	\$ 62,082
Finance/Transfers ⁽¹⁾	\$ 45,238	\$ 549,054	8.24%	\$ 503,816	\$ 108,218	\$ 824,866	13.12%	\$ 716,648
Clerk	\$ 25,353	\$ 132,218	19.18%	\$ 106,865	\$ 24,924	\$ 173,337	14.38%	\$ 148,413
* Central Services ⁽²⁾	\$ 131,723	\$ 201,841	65.26%	\$ 70,118	\$ 104,173	\$ 169,091	61.61%	\$ 64,918
Police	\$ 339,266	\$ 1,544,563	21.97%	\$ 1,205,297	\$ 433,191	\$ 1,922,859	22.53%	\$ 1,489,668
* City Hall ⁽⁴⁾	\$ 10,795	\$ 73,527	14.68%	\$ 62,732	\$ 23,133	\$ 71,060	32.55%	\$ 47,927
Community Development	\$ 75,703	\$ 626,289	12.09%	\$ 550,586	\$ 102,433	\$ 703,402	14.56%	\$ 600,969
Preschool	\$ 19,830	\$ 87,424	22.68%	\$ 67,594	\$ 18,135	\$ 76,643	23.66%	\$ 58,508
Parks & Recreation-ILA	\$ 129,814	\$ 1,036,129	12.53%	\$ 906,315	\$ 95,297	\$ 673,928	14.14%	\$ 578,631
General Fund Total	\$ 871,090	\$ 4,807,081	18.12%	\$ 3,935,991	\$ 1,100,123	\$ 5,331,666	20.63%	\$ 4,231,543

* Does not include salaries and benefits

- (1) The finance budget in 2015 is higher than 2016 due to approved transfers for streets, debt service, equipment rental, and unemployment. For the current year, approved transfers include debt service, equipment rental and arts commission, and a lesser amount of general fund subsidy for street operations.
- (2) The City's annual liability and property insurance is paid under Central Services in the month of January for the year. This is the bulk of the budget. The remaining balance will be used to purchase supplies like copy paper, postage, pencils.

- (3) Expenditures related to city management in 2015 are higher due to a severance package payment to a former City Manager.
- (4) Plumbing and asbestos abatement work in city hall contributed to higher expenditures in 2015.

“Professional Services”

The term “Professional Services” is used to describe services obtained by the City outside of the organization. Smaller municipalities that have fewer employees or larger jurisdictions that do not possess certain skills or talent internally may use the expertise of other organizations.

Below is a list of professional services budgeted in the City’s General Fund.

2016 GENERAL FUND 001-PROFESSIONAL SERVICES			
Department	Title	Description	Budget
Council	Advertising	Used for Council meetings/outreach	\$ 1,000
Police	Advertising	Advertising	\$ 1,027
Comm Development	Advertising	Advertising	\$ 2,000
Police	Animal Control	Holiday Kennels, Pierce County Humane Society	\$ 3,377
Legal	City Attorney	Legal	\$ 63,000
City Manager	Consulting Contracts	City Scene-9K, Econ Dev/Graphic Design-7K, Facilities Task Force-5K	\$ 21,000
Finance	Consulting Contracts	Bond Counsel, Microflex	\$ 2,500
Central Services	Consulting Contracts	MRSC Rosters, Microsoft Update, IT Contract	\$ 26,150
Police	Consulting Contracts	Hamre Invest/Public Safety Testing/Northup Group/M5 IT Solutions	\$ 19,554
City Hall	Consulting Contracts	Custodial, Security Monitoring/Pest Control	\$ 10,816
Comm Development	Consulting Contracts	Recycling Grant-100% Reimb-Olympic Environmental Resource	\$ 126,290 *
Parks-MPD	Consulting Contracts	Miscellaneous Consulting	\$ 3,601 *
Parks-MPD	Consulting Contracts	Custodial Contracts	\$ 12,584 *
Legal	Special Counsel	Litigation/Land Purchases, Misc Litigation Review & Prep	\$ 40,000
Council	Consulting Contracts	Code Updates	\$ 9,000
Legal	Prosecuting Attorney	Prosecuting Attorney	\$ 35,000
Comm Development	Engineering & Planning Review	Reimb Dev Review by Stantec/Hartcrowser-50K, Non Reimb Dev Review-\$34,500	\$ 84,500
Legal	Public Defender	Public Defender Contract	\$ 48,000
Comm Development	Consulting Contracts	Annual Comp Plan Amendment Docket	\$ 29,932
Parks-MPD	Consulting Contracts	Park Mowing-108K/Plumbing-2K/Electrical-3K/Fencing-10K/Tree Removal-10K, Park Signage-50K, Marvista Fencing-45K	\$ 228,000 *
		Total Professional Services	\$ 767,331
		<i>*Reimbursed by other agencies (MPD, Grant Agency)</i>	<i>\$ (370,475)</i>
		Net General Fund Professional Services	\$ 396,856