



CITY OF
BAINBRIDGE ISLAND

FINANCE POLICY AND PROCESS BRIEFING

JANUARY 23, 2018

OVERVIEW

- ❖ Financial policies
- ❖ Budget development process
- ❖ Priority Based Budgeting

FINANCIAL POLICIES



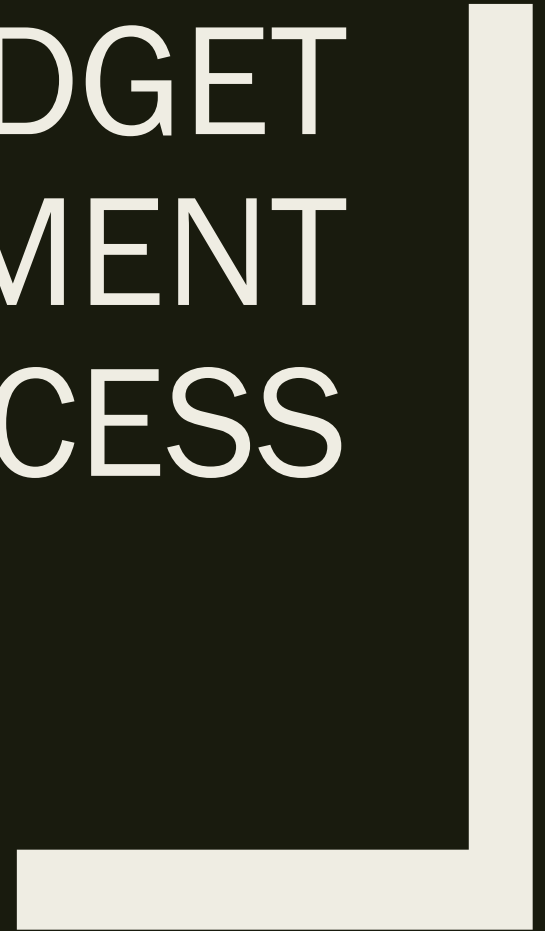
Financial Policies – Purpose

- ❖ Council guidance for City staff and administration regarding City financial management
- ❖ First part of biennial budget process

Financial Policies – Contents

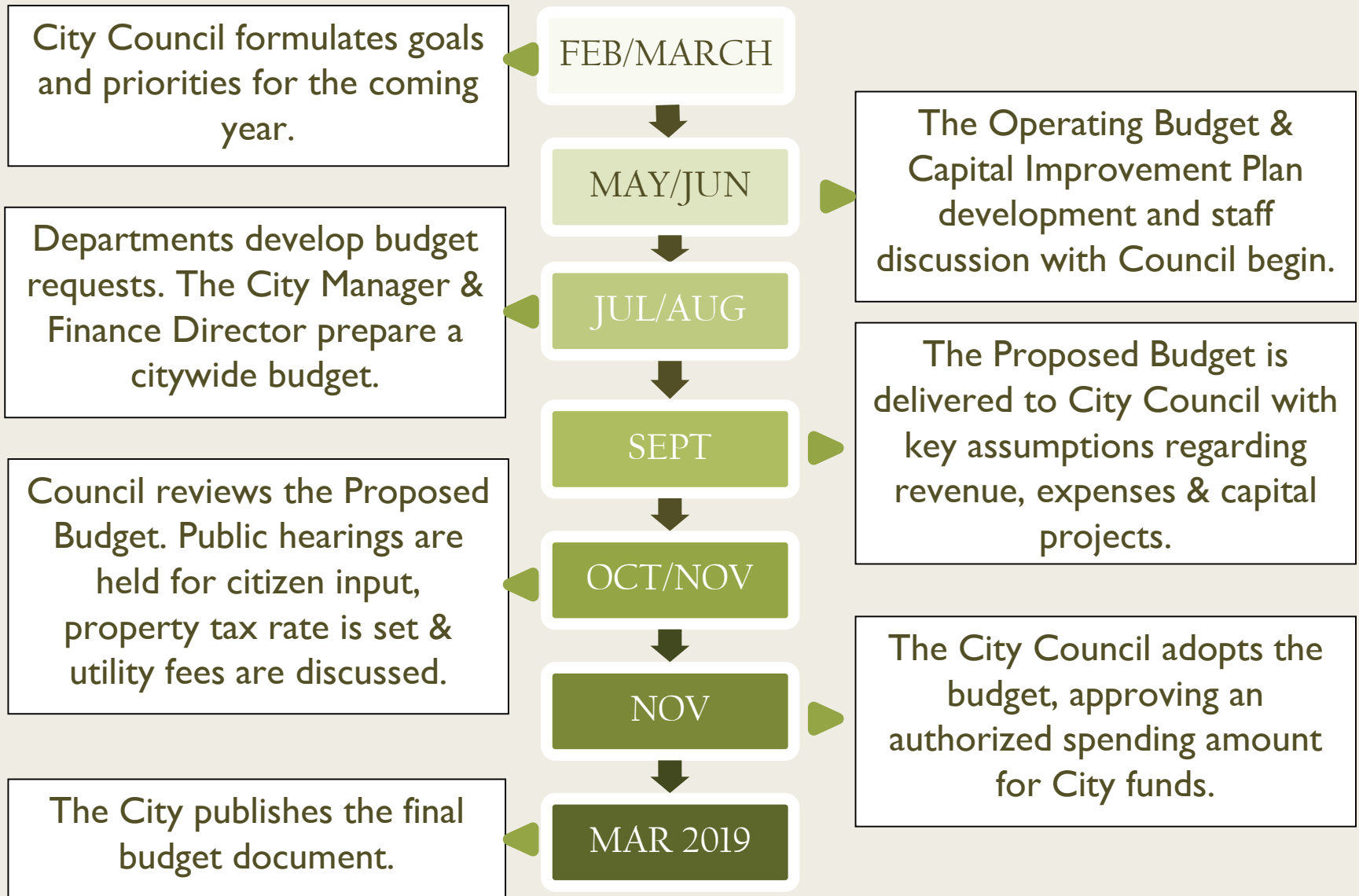
- ❖ Reserves
- ❖ Approach to forecasting
- ❖ Reporting
- ❖ References to policies such as debt, investment, and surplus property

BUDGET DEVELOPMENT PROCESS

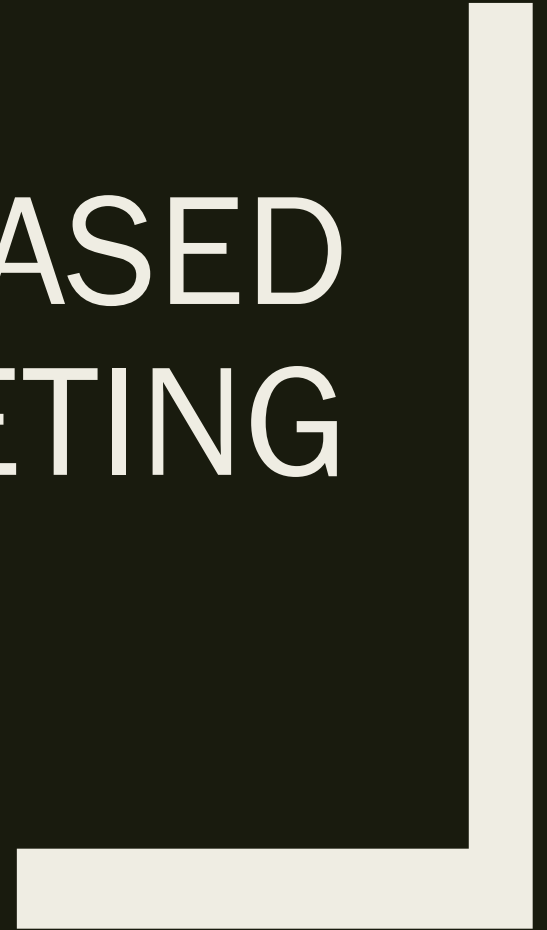


Proposed Biennial Budget Development

- ❖ Financial policies
- ❖ Capital Improvement Plan
- ❖ Utility rates
- ❖ Operating budget



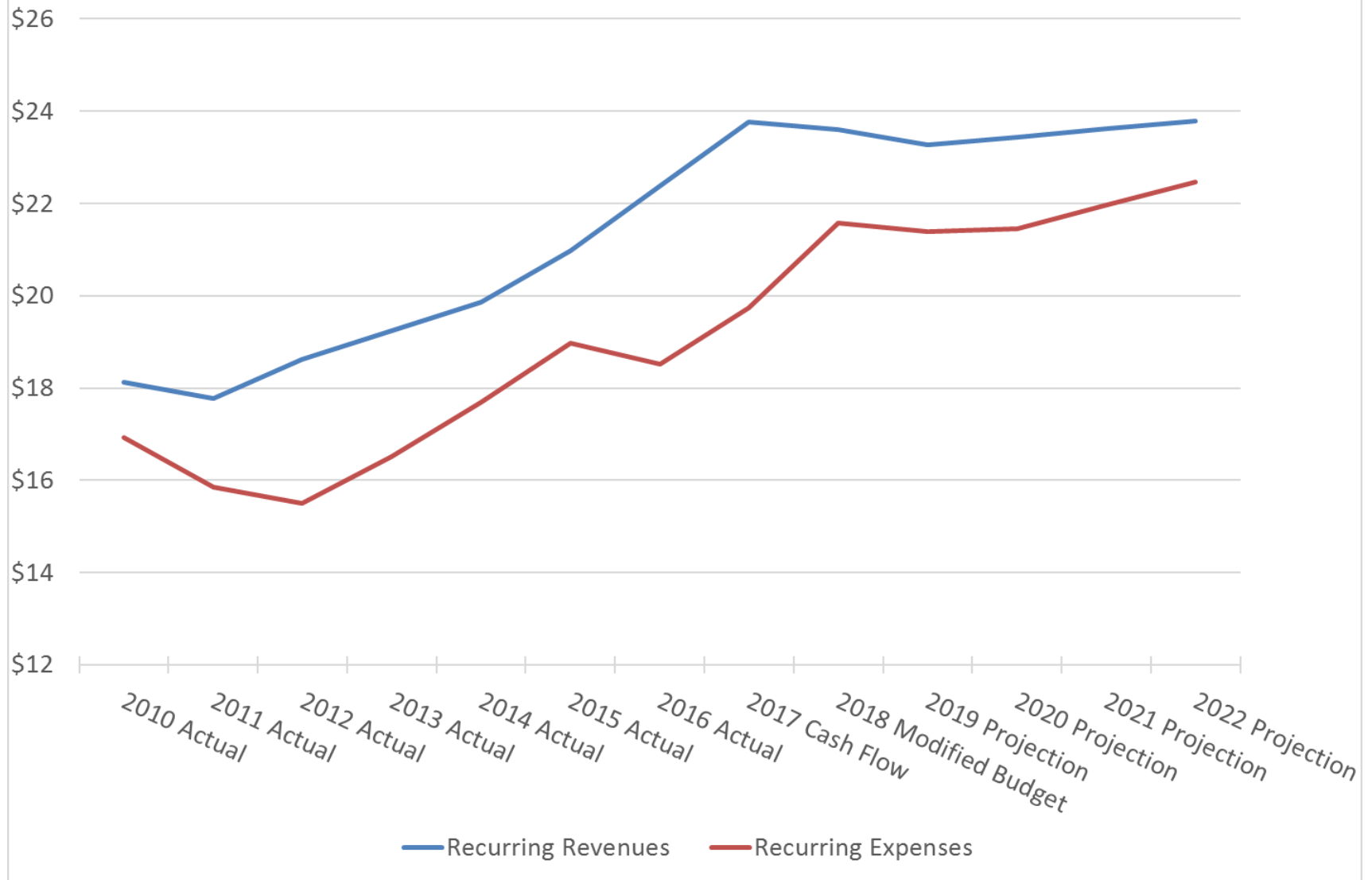
PRIORITY BASED BUDGETING



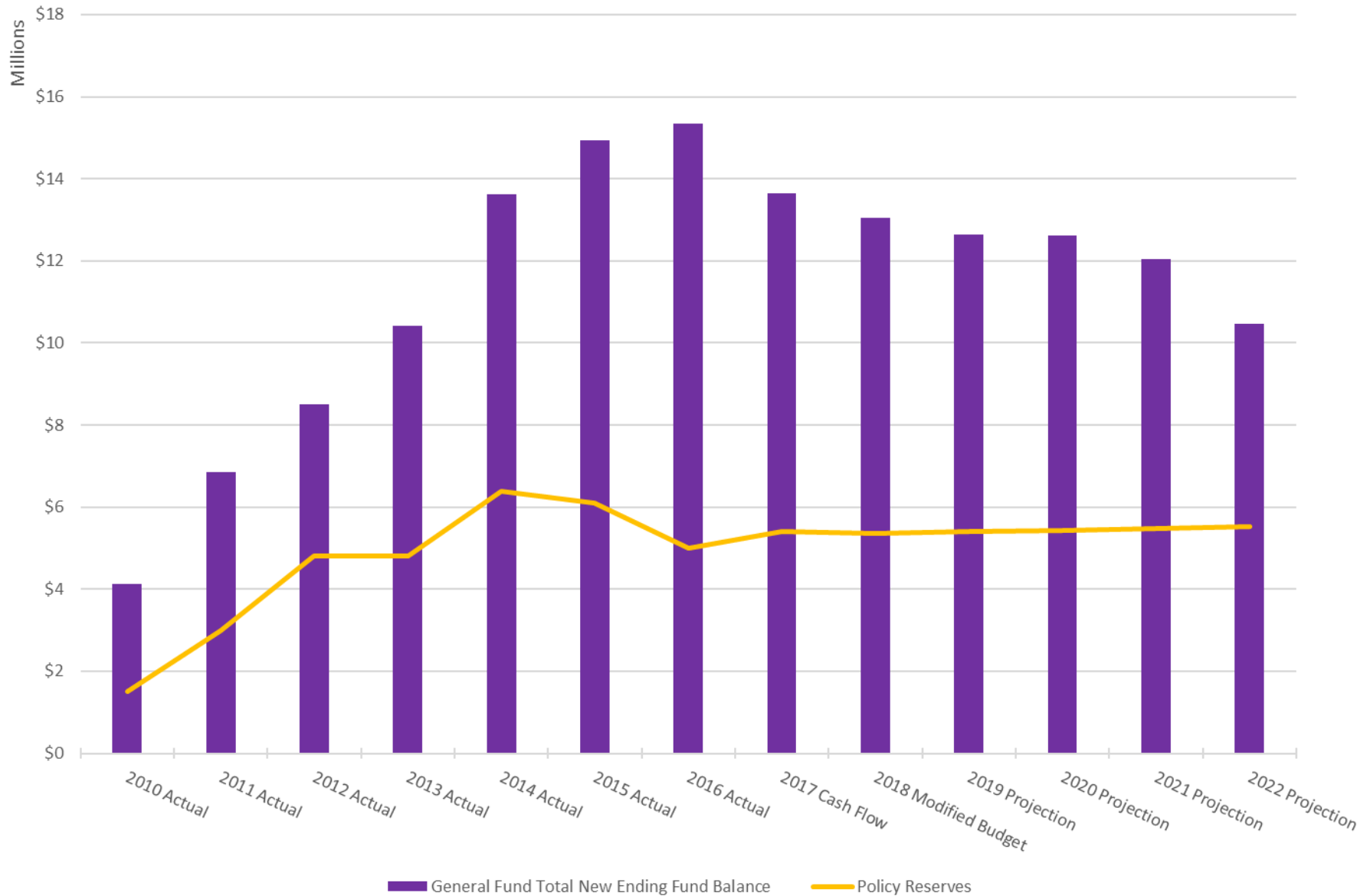
PBB – FISCAL HEALTH MODEL

- ❖ Shows analysis of recurring revenues and recurring expenditures
- ❖ Presents long-term effect of current financial decisions on ending fund balance.

RECURRING REVENUES AND RECURRING EXPENDITURES TAX-SUPPORTED FUNDS



GENERAL FUND ENDING FUND BALANCE AND RESERVES - 2018 MODIFIED BUDGET



PBB – RESOURCE ALIGNMENT DIAGNOSTIC TOOL

- ❖ Compares community values and priorities with the programs and services that the City delivers.
- ❖ Presents the range of programs that the City provides.
- ❖ Portrays City plans to spend time and money on the programs.

COBI RESULTS

- ❖ Safe City
- ❖ Reliable Infrastructure and Connected Mobility
- ❖ Green, Well-Planned Community
- ❖ Healthy and Attractive Community
- ❖ Vibrant Economy

- ❖ Good Governance

COBI RESULTS

- ❖ Established by Council workshop in 2014
- ❖ Reaffirmed in 2015 and 2017

SAFE CITY

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graph TD; A[Well-prepared and adequately staffed to offer protection, enforce the law, and proactively prevent crime] --- B[Offers protection to lives and property by promptly responding to calls for service and being sufficiently trained and prepared to react and respond to reasonably foreseeable emergency situations]; B --- C[Provides for a safe transportation network that is well-maintained, accessible, enhances traffic flow and offers safe mobility to motorists, cyclists and pedestrians alike]; C --- D[Ensures regulatory compliance in order to provide clean and well-maintained neighborhoods, to protect property, the environment and the lives of its residents and visitors]; D --- E[Creates an informed and engaged community that encourages volunteerism and partnerships]; E --- A; A --- B --- C --- D --- E --- A
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Well-prepared and adequately staffed to offer protection, enforce the law, and proactively prevent crime

Offers protection to lives and property by promptly responding to calls for service and being sufficiently trained and prepared to react and respond to reasonably foreseeable emergency situations

Provides for a safe transportation network that is well-maintained, accessible, enhances traffic flow and offers safe mobility to motorists, cyclists and pedestrians alike

Ensures regulatory compliance in order to provide clean and well-maintained neighborhoods, to protect property, the environment and the lives of its residents and visitors

Creates an informed and engaged community that encourages volunteerism and partnerships

RELIABLE INFRASTRUCTURE and CONNECTED MOBILITY

Provides safe, integrated, convenient and connected travel options for pedestrians, cyclists and motorists to easily get around

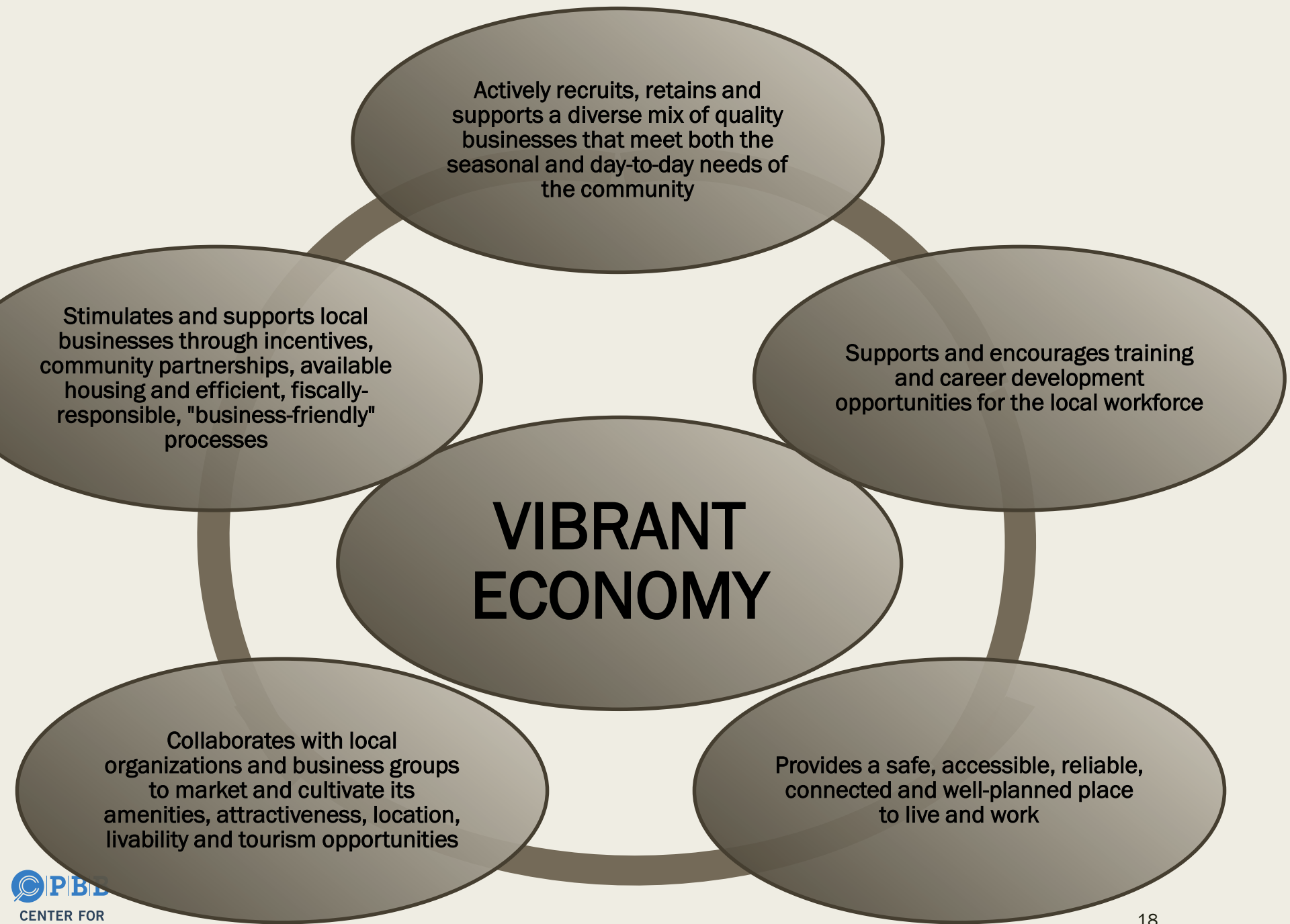
Plans for the long-term maintenance, repair and replacement of roads

Designs, constructs and proactively maintains a reliable utility infrastructure that delivers safe, clean water, controls storm water drainage and effectively manages sewage treatment

Keeps citizens connected and informed, providing a reliable communications network and leveraging opportunities to provide information to citizens through community activities

Plans, designs and maintains functional public facilities and parking

Partners with others in the community to regionally plan, cooperatively prepare and collaboratively invest in properly regulated, sustainable development



HEALTHY AND ATTRACTIVE COMMUNITY

Designs, develops and enhances parks, trails, open spaces and recreation facilities, ensuring they are convenient, safe, accessible, attractive and well-maintained, including collaboration with other public and private entities.

Ensures proactive code enforcement and regulation to provide for a safe, well-maintained, attractive and healthy environment, ensuring access to clean air and water

Promotes and preserves the eclectic and nostalgic "feel" of the community to support and improve tourism and to strengthen the local economy

Provides connected transportation and communications networks to ensure accessibility throughout the community

Cultivates a strong sense of culture and community by ensuring access to parks and gathering spaces, exposure to the arts, quality education and opportunities for life-long learning

Provides for the basic physical needs and well-being of its citizens, ensuring a variety of available housing options, and providing economic and social support services to at-risk children and families, the homeless, and those in need of mental health services.

Collaborates with regional governments and local non-profit social service agencies.

GREEN, WELL-PLANNED COMMUNITY

Applies consistent land use regulations to ensure orderly and strategically planned growth, limit sprawl and offer appropriate regulation with consistent community input

Seeks to preserve, protect and conserve natural resources

Incentivizes and encourages energy conservation, sustainability, recycling and resource preservation

Creates and preserves access to open space, green space, shorelines, parks and recreational opportunities, including collaboration with other organizations and community partners.

Develops, preserves and revitalizes residential neighborhoods that are safe, attractive, accessible to public transportation and provide diverse, affordable housing options

Provides a multi-modal transportation system, emphasizing non-motorized mobility options for bicyclists and pedestrians, minimizing the impact to the Island's environment

GOOD GOVERNANCE

Protects, manages, optimizes
and invests in its financial,
human, physical and
technology resources

Develops sustainable fiscal
and operational policies and
fosters trust and transparency
by ensuring accountability,
efficiency, integrity, innovation
and best practices in all
operations

Supports decision-making with
timely and accurate short-term
and long-range analysis that
enhances vision and planning

Provides assurance of
regulatory and policy
compliance to minimize and
mitigate risk

Provides responsive and
accessible leadership and
facilitates timely and effective
two-way communication and
input with all stakeholders

Attracts, motivates, develops
and retains a high-quality,
engaged and productive
workforce

PROGRAM INVENTORY

- ❖ Inventories for each department
 - Annual review and update
- ❖ Programs classified as “community” or “governance”
- ❖ Programs classified as “fixed” or “non-fixed” costs
- ❖ PBB analysis of “non-fixed” costs

PROGRAM COSTING

- ❖ Analysis of personnel and non-personnel costs
- ❖ Positions evaluated and distributed across programs
- ❖ Non-personnel costs directly associated with certain programs, or distributed by FTE

PROGRAM SCORING

- ❖ Staff scores the programs based upon:
 - ❖ Program attributes (Level of mandate, reliance on city for service, cost recovery, portion of the community served, change in demand)
 - ❖ The impact of the program on the community and governance results

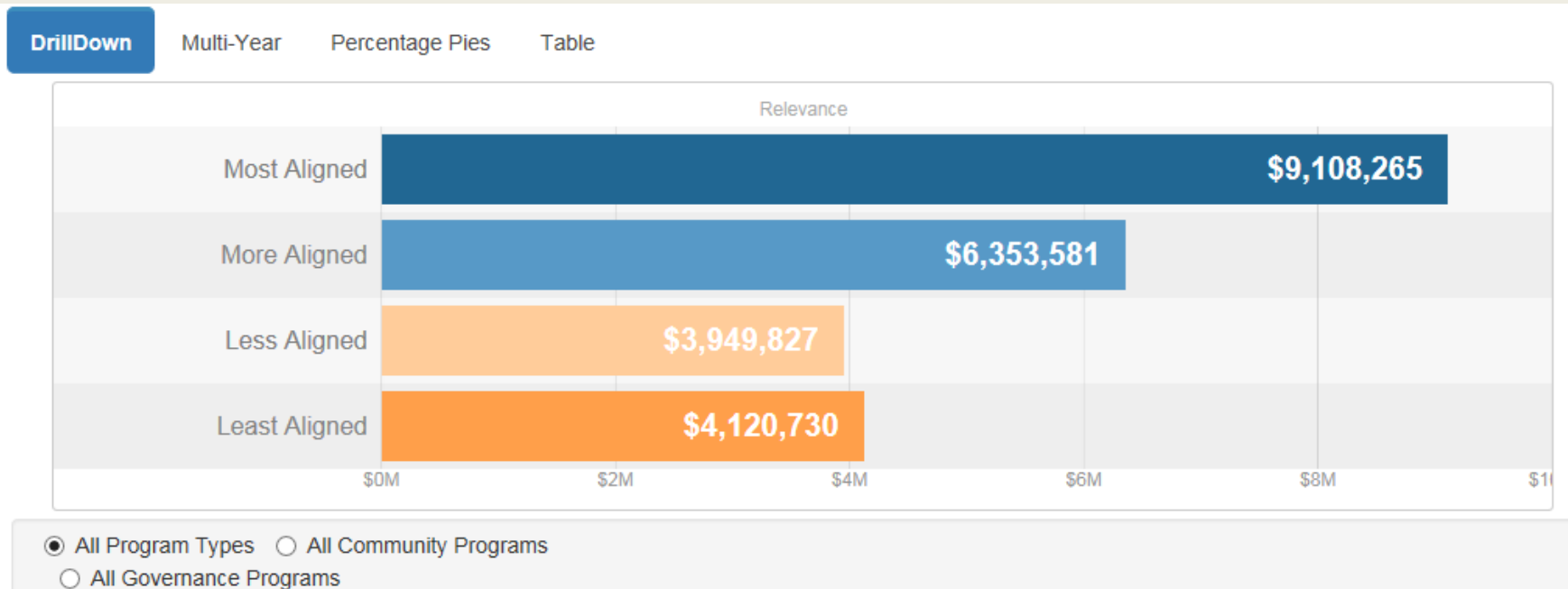
Funds	Fund:	001 - General Fund	001 - General Fund	001 - General Fund
Public Safety	PositionNumber:	59	56	57
	Position:	Senior Police Clerk	Chief of Police	Deputy Chief of Police
Divisions				
Accounts	Comment:	Eisenhood, Kelly	Hamner, Matthew	Horn, Jeff
	#ofFTE:	1.00	1.00	1.00
	Percent Allocated:	100%	100%	100%
Program	Division	59	56	57
Council Meetings and Agenda - Public Safety	Leadership	0	4	2
Customer Service - Public Safety	Community Engagement	2	3	2
Public Outreach - Public Safety	Community Engagement	2	3	2
Internship Program	Law Enforcement	0	0	1
Volunteer Program	Community Engagement	0	1	1
Open Ride-Along	Community Engagement	0	1	1
Community Events	Community Engagement	1	4	2
Community Outreach	Community Engagement	0	3	2
Door Stewards	Public Safety	0	0	0
Crime Prevention Education & Outreach	Public Safety	0	1	0
Public Records Requests - Public Safety	Policy	1	1	1
Records Management	Public Safety	30	1	1
Administration - Public Safety	Leadership	0	4	5
Department Meetings/Events	Leadership	0	4	4
Internal Teams & Committees - Public Safety	Leadership	0	4	4
Emergency Management Planning and Operations	Public Safety	0	5	5
Emergency Preparedness	Public Safety	0	1	1
Fire Training	Risk Management	0	0	0
Fire Training and Certification	Risk Management	3	2	2
Interagency Planning & Cooperation	Planning	1	2	5
Fleet Management	Equipment Accountability	0	0	0
Portable Radios Programming and Maintenance	Equipment Accountability	0	0	0
Vehicle Inspections	Equipment Accountability	0	0	0
Complaints and Internal Affairs Investigations	Personnel Accountability	0	0	0
Crime Prevention	Law Enforcement	2	1	1

part sic oui	Public Works		AcctNumber	71	72	71	71
	All Divisions		CostCode	43	541	542	543
			CostType	Training	Professional Services	Communication	Travel
	All Accounts						
			Value	13,950	342,023	100	450
			Update By FTE - YES/NO:	yes	no	yes	yes
			Sum Allocated:	13,950	342,023	100	450
			Percent Allocated:	100%	100%	100%	100%
	partme	Program	FTE	71_43	72_541	71_542	71_543
0	Public W	Transportation Engineering and	2.380	754.57	85786.05	5.41	
5	Public W	Traffic Engineering	0.150	47.56	54763.75	0.34	
0	Public W	Stormwater Engineering and Co	0.650	206.08	52972.98	1.48	
4	Public W	NPDES - Discharge Permit Mana	0.461	146.18	45500.00	1.05	
4	Public W	Streetscape Maintenance	1.610	510.44	30000.00	3.66	
6	Public W	Facilities Engineering and Cons	0.680	215.59	25000.00	1.55	
6	Public W	Water Quality and Flow Monito	0.834	264.35	25000.00	1.89	
1	Public W	Groundwater Management Pro	0.613	194.24	15000.00	1.39	
2	Public W	Illicit Discharge Detection and E	0.429	135.96	8000.00	0.97	
7	Public W	Council Meetings and Agenda -	0.360	114.14	0.00	0.82	
7	Public W	Customer Service - Public Work	1.150	364.60	0.00	2.61	
7	Public W	Public Outreach - Public Works	0.120	38.05	0.00	0.27	
0	Public W	Public Outreach and Education	0.040	12.68	0.00	0.09	
.	Public W	Public Information/Public Affai	0.470	149.01	0.00	1.07	
!	Public W	Public Involvement and Particip	0.050	15.85	0.00	0.11	
i	Public W	Communications and Media Re	0.620	196.57	0.00	1.41	
7	Public W	Public Records Requests - Publi	0.310	98.28	0.00	0.70	

FINAL PROGRAM RESULTS

The model puts programs into quartiles based upon their performance at meeting the desired results

Citywide Quartile Analysis – 2018 Modified Budget



PBB ANALYSIS

- ❖ Builds understanding of array of City programs and services
- ❖ Demonstrates range of staff responsibilities
- ❖ Links budget decisions to service delivery

QUESTIONS?

DISCUSSION