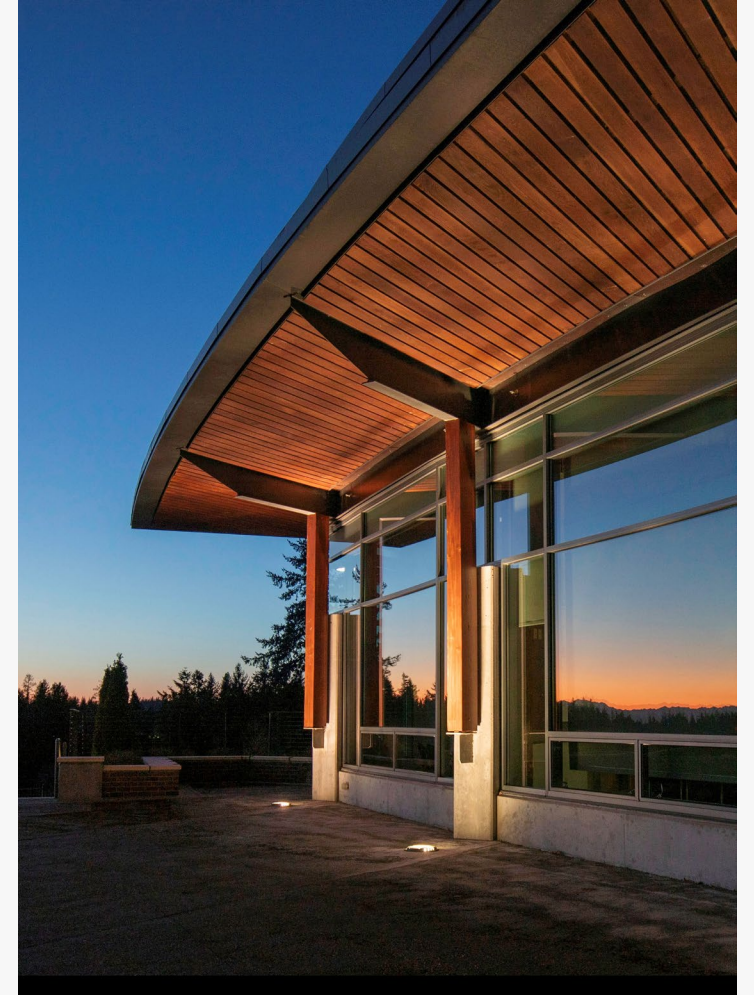


2025-2026 Budget – Department Overviews

City Council Meeting | October 8, 2024

Tonight's Presentation

- Overall philosophy
- Cost saving measures applied to all departments
- Department budget presentations
 - › Major Work Plan Items
 - › CIP Projects
 - › Service level reductions
 - › 2023-2024 Underspend
(Threshold: 10% of department budget or greater)



Budget Philosophy

- Generally maintain LOS and hold staff harmless – following Council direction
- Follow Fiscal Sustainability Taskforce recommendations
- Reflect Council's Fiscal Sustainability goal
- Improve trust and transparency in the budget and capital planning process
- Acknowledge structural imbalance requires new revenues
 - Implement 6% Utility Tax by January 2026
 - Direction to staff to explore creation of Metropolitan Parks District

2025-2026 Budget and Workplan Highlights

Cost-saving measures applied to all departments

- “What ifs” and contingencies gone
- Office supplies reduced
- Out of state travel restricted & training reduced
- Reduced number of seasonal positions
- Greatly reduced meeting meals
- Limited overtime
- Continuing to find ways to reduce costs (e.g., cell phones)

Net result: Total 2025-2026 departmental general fund budget increase of 0.7% over 2023-2024 budget

excluding budget for capital transfers

Public Works Department

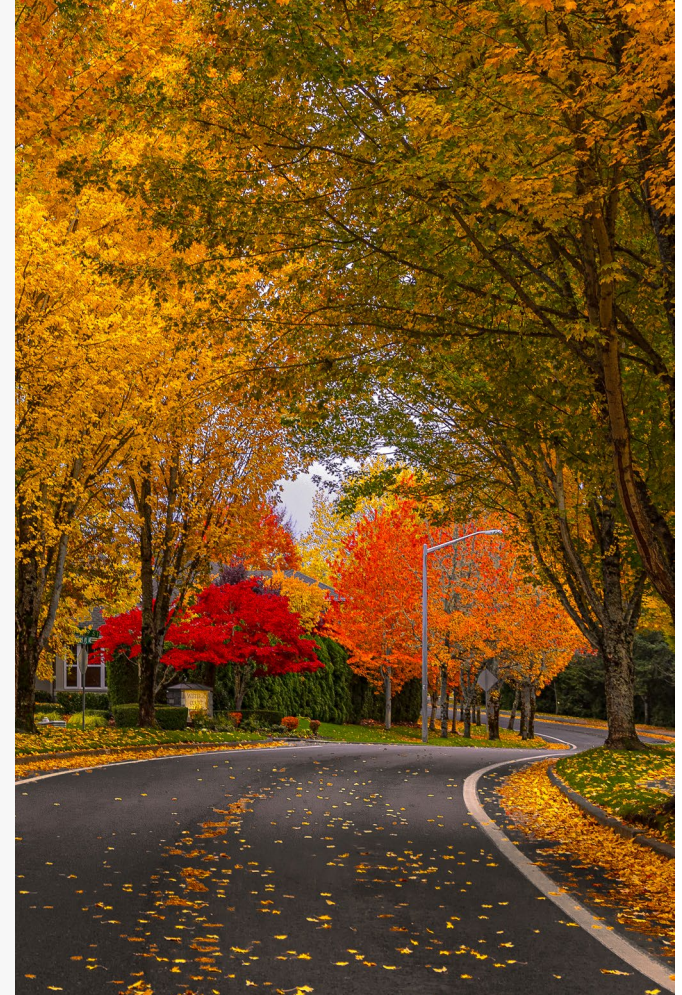
Department Summary | Pg. 123-126

Budget Detail | Pg. 230-233

Work Plan | Pg. 33-46

Major Work Plan Items

- Transportation Master Plan Update (T1)
- Bike & Pedestrian Mobility Plan (T2)
- Pavement Management Strategic Plan (T4)
- Right of Way Code Update (T5)
- Intelligent Transportation Systems (ITS) Master Plan (T7)

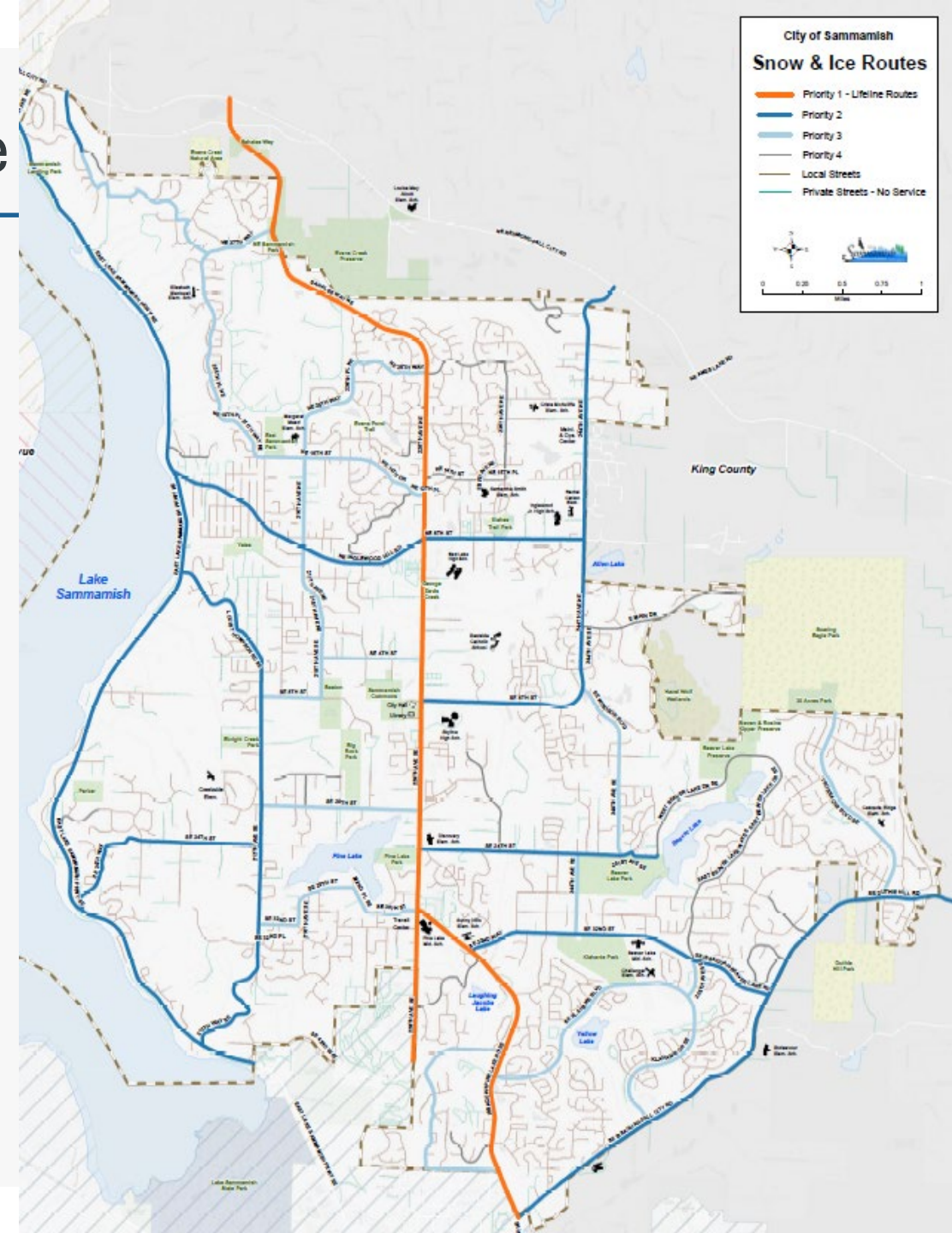


Public Works Department | Service Level Reductions

- Pavement management underfunded; study planned for 2025
- Snow and ice response recalibrated

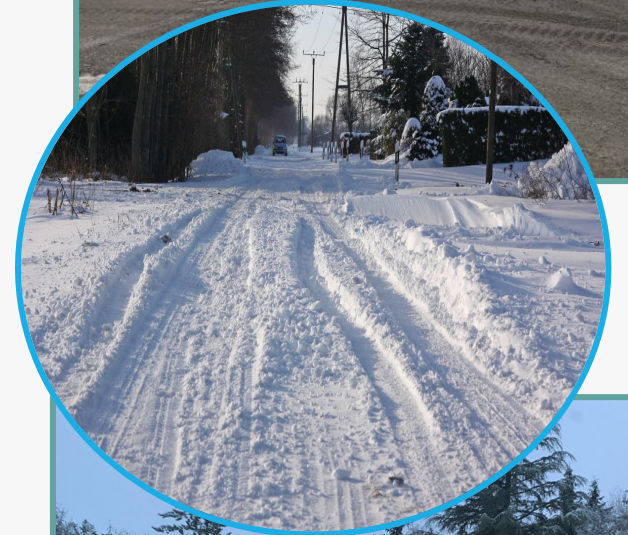
Snow & Ice Program Level of Service

- Level of Service (LOS) options developed for isolated storm events
 - Option 1: Priority routes only
 - Option 2: Priority routes + plowing local roads; cul-de-sacs not serviced
 - Option 3: Priority routes + treatment and plowing local roads
- Council selected Option 2 in May 2024
- Draft Snow and Ice Management Plan (October 15th Council meeting), budget reflects Option 2



Snow and Ice LOS Options

Snow & Ice Program Component	Option 1	Option 2	Option 3
Citywide Pretreatment	✓	✓	✓
Technology & Equipment Program Improvements	✓	✓	✓
Priority 1 Roads Plow & treat to bare pavement, begins ≥ 1" of snow.	✓	✓	✓
Priority 2 Roads Plow and treat to bare pavement, begins ≥ 1" of snow AFTER priority route 1.	✓	✓	✓
Priority 3 & 4 Roads Plow and treat to bare pavement, begins ≥ 1" of snow AFTER priority routes 1 & 2.	✓	✓	✓
Plow residential streets Plow only, will not treat street surface. Begins ≥ 1" of snow, after Priority Roads 1-4 are in good winter driving condition. Does not service cul-de-sacs.		✓	✓
Treat residential streets Plow and treat residential streets until travel lanes are bare. Begins ≥ 1" of snow & after Priority Roads 1-4. Cul-de-sacs and low traffic volume roads are only serviced based on availability of resources.			✓
Forecasted quantities of materials In tons, based on the 2022-2023 storm season.	430	575	720
Forecasted cost of storm response for a two-year budget (\$ in 100s) For 2-year budget based on costs from the 2022-2023 storm season.	\$579	\$863	\$1,119



Street Fund

Fund Summary | Pg. 141-142

CIP Summary | Pg. 181-199

Budget Detail | Pg. 246-247

2025-2026 CIP Highlights

- Pavement Management Program (T16)

Transportation CIP Fund

Fund Summary | Pg. 152-154

CIP Summary | Pg. 181-199

Budget Detail | Pg. 254-255

2025-2026 CIP Highlights

- Louis Thompson Road Tightline Project (TR-101)
- Sahalee Way Improvements: NE 8th to City Limits (TR-115)
- SE 6th Street Improvement Project (TR-134)
- 212th Bridge Study & Repairs

Surface Water Management Operating Fund

Fund Summary | Pg. 157-159

Budget Detail | Pg. 256-259

Work Plan | Pg. 33-46

Major Work Plan Items

- Fish Passage Barrier Assessment (E17)
- Storm and Surface Water Comprehensive Plan Update (E18)
- Basin Plans – Pine Lake Creek (E19) and Panhandle (E20)
- Storm Pipe Condition Assessment (E23)
- Surface Water Design Manual and Code Update (E25)

Surface Water CIP Fund

Fund Summary | Pg. 160-162

CIP Summary | Pg. 181-199

Budget Detail | Pg. 260-261

2025-2026 CIP Highlights

- George Davis Creek Fish Passage and Stormwater Improvements (SW-601)
- Issaquah Fall City Road (IFCR) Flood Mitigation: Endeavour-SE Duthie (TR-100)
- Hazel Wolf Culvert (SW-602)
- Retrofit Program (SW-300)

Public Works | 2023-2024 Underspend

Public Works Department Underspend: 16% (\$3.4M)

- Still budget remaining for “what ifs,” particularly in 2023
- Staffing vacancies

Transportation CIP Fund Underspend: 42% (\$3.7M)

- IFCR reimbursement
- East Lake Sammamish Shore Lane delay
- Pivoted to corridor studies to ensure appropriate levels of investment

Public Works | 2023-2024 Underspend

Surface Water Management Operating Fund Underspend: 14% (\$3.5M)

- Staff vacancies
- Street sweeper procurement/grant coordination with Ecology
- “What ifs” and contingencies included – will be evaluated in 2025-2026 during Storm & Surface Water Comprehensive Plan update
- Initial implementation of new programs

Surface Water CIP Fund Underspend: 89% (\$16.3M)

- Most due to George Davis Creek delay due to litigation
- Louis Thompson tightline to finish in 2025
- Staff vacancies

Parks, Recreation & Facilities Department

Parks & Recreation

Department Summary | Pg. 133-136

Budget Detail | Pg. 239-242

Work Plan | Pg. 33-46

Facilities

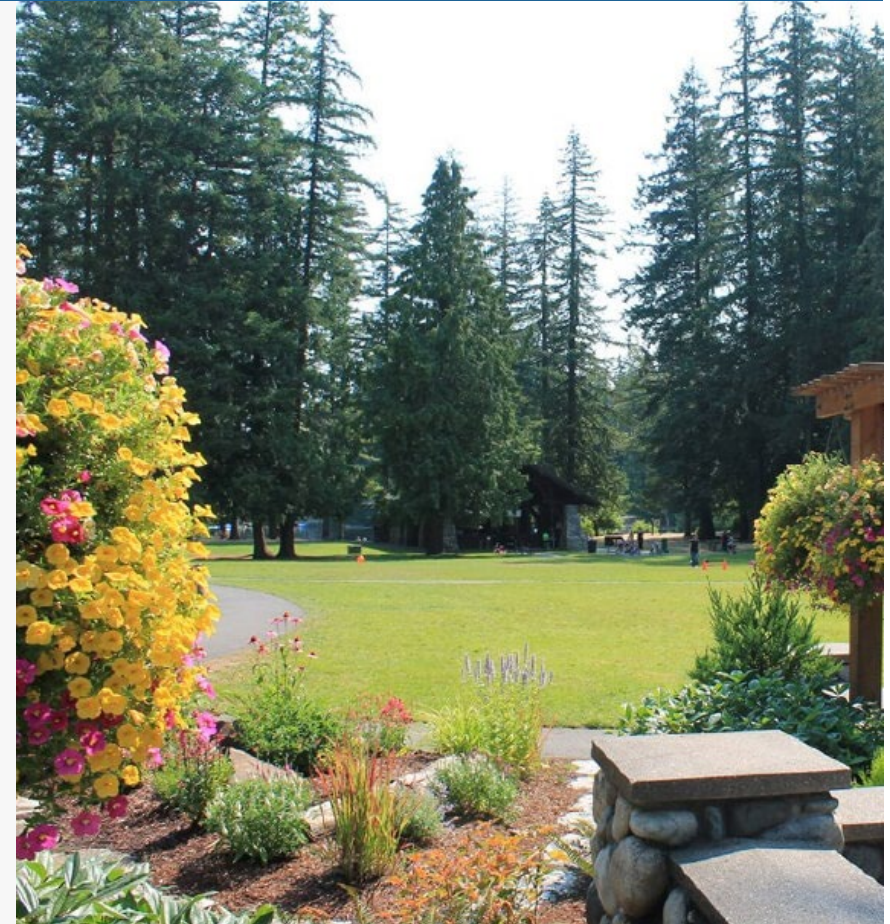
Department Summary | Pg. 115-116

Budget Detail | Pg. 226

Work Plan | Pg. 33-46

Major Work Plan Items

- Arts Strategic Plan (T6)



Parks, Rec & Facilities Department | Service Level Reductions

- Removed funding for holiday lights at City Hall
- Fewer volunteer and restoration events
- Fewer recreation events
- Removed non-capital budget associated with land acquisition

Parks CIP Fund

Fund Summary | Pg. 149-151

CIP Summary | Pg. 181-199

Budget Detail | Pg. 252-253

2025-2026 CIP Highlights

- East Sammamish Park – Baseball Field Rehab (PK-3)
- Big Rock Park South - Early Opening & Phase 1 Improvements (PK-4 & PK-8)
- Beaton Hill Park – Soft Opening (PK-9)
- Eastlake Community Sports Field 1 & 2 – Synthetic Turf Replacement (PK-11)
- Town Center Land Acquisition (PK-23)
- Parker Property Master Plan (E14)

General Government CIP Fund

Fund Summary | Pg. 147-148

CIP Summary | Pg. 181-199

Budget Detail | Pg. 250-251

2025-2026 CIP Highlights

- Fire Station #83 Renovation (FS-03)
- City Hall Plumbing, HVAC, Lighting, and Flooring (CH-01 through CH-05)
- Facility Electrification Infrastructure Feasibility Study (MULT-05)
- Fleet Electrification Infrastructure Upgrades (MULT-07)

Equipment Rental & Replacement Fund

Fund Summary | Pg. 165-167

CIP Summary | Pg. 181-199

Budget Detail | Pg. 262-263

2025-2026 CIP Highlights

- Replacement of five vehicles and four pieces of equipment

Parks, Rec & Facilities Department | 2023-2024 Underspend

Parks CIP Fund Underspend: 35% (\$10M)

- East Sammamish Park ballfields moved out to maximize fields being open to the community during Inglewood Middle School ballfield project
- Large capital contingency reserve
- \$4.3M is the land acquisition fund

General Government CIP Fund: 27% (\$3.5M)

- Fire Station # 82 under budget
- South Yard acquisition under budget
- Investments in South Yard and Beaver Lake Shop deferred until needs assessment is complete

Information Technology Fund

Department Summary | Pg. 168-170

CIP Summary | Pg. 181-199

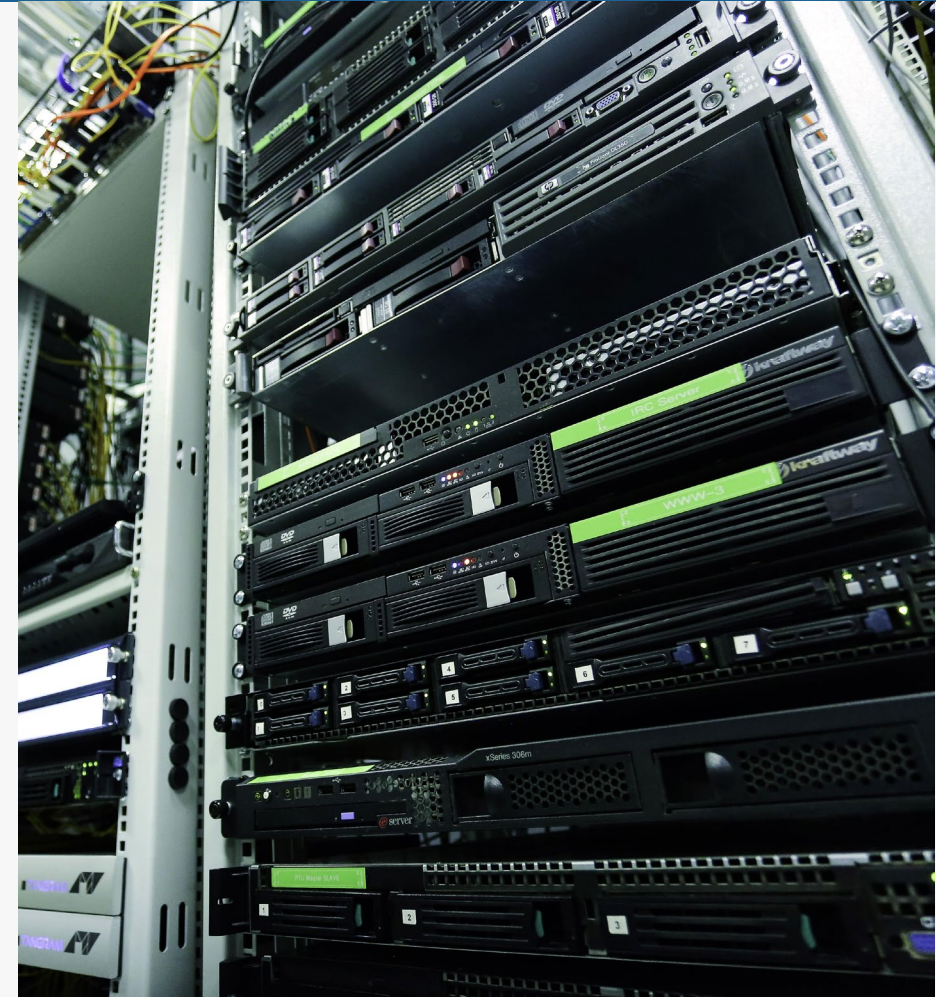
Budget Detail | Pg. 264-265

Major Work Plan/CIP Items

- Permitting System Replacement (T3 / IT-1)
- Financial System Upgrade (F7 / IT-2)
- Phone System Upgrade (T4 / IT-8)
- SharePoint Migration (T5 / IT-11)

IT Fund Underspend: 12% (\$856,000)

- Savings in small tools and equipment
- Over estimated software license increases
- Pivoted from replacing land line phone system to Teams phones



Next Week | October 15

Non-Capital Department Presentations

- › City Council
- › City Manager
- › Finance
- › Legal Services
- › Administrative Services/Emergency Management
- › Police Services (non-contract)
- › Public Safety (contract)
- › Human Services
- › Community Development

Budget Schedule

~~**Sept 3:** Discuss funds, the budget, and CIP document~~

~~**Sept 10:** Discuss the Capital Improvement Plan (CIP)~~

~~**Sept 17:** Focus on maintenance and operations~~

~~**Oct 1:** Full budget and CIP presented to Council~~

Oct 8: Department budget presentations

Oct 15: Department budget presentations (continued)

Nov 5: Public hearing & Council deliberations

Nov 12: Public hearing & Council deliberations (continued)

Nov 19: Budget adoption