

City of Kenmore



City of Kenmore - 18120 68th Avenue NE - P.O. Box 82607 - Kenmore, WA 98028
Phone: 425-398-8900 - Fax: 425-481-3236 - E-mail: cityhall@kenmorewa.gov

City of Kenmore
City Council Special Meeting
5:30 p.m., Monday, May 13, 2013
City Council Regular Meeting
7:00 p.m., Monday, May 13, 2013
Kenmore City Hall, Council Chambers
18120 68th Ave. NE, Kenmore, WA 98028

If you have any questions or to confirm agenda items prior to the meeting, or if you require special accommodations, please call the City Clerk at 425-398-8900. You may also stop by City Hall at 18120 68th Avenue NE, Kenmore. Council agendas are also available on our website at www.kenmorewa.gov.

I. CALL SPECIAL MEETING TO ORDER - 5:30 p.m.

II. EXECUTIVE SESSION

Pursuant to RCW 42.30.110(1)(b), Property Acquisition; RCW 42.30.110(1)(c), Property Disposition; and RCW 42.30.110(1)(i), Litigation

III. POSSIBLE ACTION RELATING TO EXECUTIVE SESSION

IV. ADJOURN SPECIAL MEETING

V. CALL REGULAR MEETING TO ORDER - 7:00 p.m.

VI. ROLL CALL

VII. FLAG SALUTE

VIII. AGENDA APPROVAL

IX. CITIZEN COMMENTS

This is an opportunity to express your views on issues that are important to you and to the community. Please limit your comments to three (3) minutes.

X. CONSENT AGENDA

X. CONSENT AGENDA

- A. Approve Minutes for the April 15, 2013 Special & Regular Study Session; April 16, 2013 Joint City Council/Planning Commission Meeting; and April 22, 2013 Special & Regular Meeting
- B. Approve Check Nos. 27697 - 27790 in the Amount of \$512,953.23 and Electronically Transferred Payroll Funds Totaling \$64,153.49 and Payroll Check No. 210102 in the Amount of \$381.90
- C. Receive and File February 2013 Financial Report
- D. Amend City Manager Employment Agreement - Contract No. 12-C1014
- E. Authorize Application for a Community Development Block Grant (CDBG) for Sidewalk Improvements
- F. Adopt Ordinance No. 13-0358 - Indemnification and Defense of City Officials and Employees

XI. STAFF REPORT

- A. Kenmore Village Update
- B. SR 522 West A Project Update

XII. COUNCILMEMBER REPORTS & COMMENTS

- A. Joint City Council Meeting with Lake Forest Park - June 13, 2013, 6:00 p.m.

XIII. COUNCILMEMBER INITIATIVES

XIV. EXECUTIVE SESSION

Pursuant to RCW 42.30.110(1)(i), Litigation

XV. POSSIBLE ACTION RELATING TO EXECUTIVE SESSION

XVI. ADJOURNMENT

Upcoming Meetings:

Monday, May 20, 2013	City Council Special & Regular Study Session Meeting	6:00 p.m.
Wednesday, May 22, 2013	Parks Forum and Open House	7:00 - 9:00 p.m.
Monday, May 27, 2013	Memorial Day - CITY HALL CLOSED	
Tuesday, May 28, 2013	City Council Regular Meeting	7:00 p.m.

**City of Kenmore
City Council Special & Regular Meeting
Study Session
Minutes
April 15, 2013**

CALL TO ORDER – The special meeting of the Kenmore City Council was called to order by Mayor David Baker at 5:30 p.m.

EXECUTIVE SESSION

Mayor Baker recessed the special meeting at 5:30 p.m. to an executive session to discuss Property Acquisition, pursuant to RCW 42.30.110(1)(b), Property Disposition, pursuant to RCW 42.30.110(1)(c), and Potential Litigation, pursuant to RCW 42.30.110(1)(i). He stated that the executive session will last for approximately 90 minutes and that no action is anticipated when the meeting is reconvened.

ADJOURNMENT – Mayor Baker adjourned the special meeting at 7:00 p.m.

CALL TO ORDER – Mayor Baker called the regular meeting to order at 7:00 p.m.

Councilmembers present: Mayor David Baker, Deputy Mayor Bob Hensel, and Councilmembers Allan Van Ness, Milton Curtis, and Glenn Rogers

Councilmembers excused: Councilmembers Brent Smith and Laurie Sperry

Staff present: Rob Karlinsey, City Manager; Nancy Ousley, Assistant City Manager; Joanne Gregory, Finance & Administration Director; Kris Overleese, Engineering & Environmental Services Director; Jennifer Gordon, Public Works Operations Manager; Kent Vaughan, Senior Civil Engineer; and Patty Safrin, City Clerk

STUDY SESSION AGENDA

Kenmore Business Incubator Report – Nancy Ousley, Assistant City Manager, and Barry Weisband, Consultant, were present to give a brief PowerPoint presentation and report. They were also available to answer any questions.

Assistant City Manager Ousley stated that the pilot business incubator program is now operating in approximately 3,000 square feet of space in downtown Kenmore. They reviewed the timeline from the time the City Council authorized the 2-year pilot program to the present and discussed why and how Kenmore is taking the lead in providing this program and the ways in which businesses and entrepreneurs are being actively recruited to partner with the City and take part in the business incubator program. Mr. Weisband detailed the expectations for participants, including creation of a detailed business plan, participation in seminars and mentoring opportunities, and best efforts to locate in Kenmore post-incubator. Assistant City Manager Ousley stated that the incubator program has made clear the need for a business registration program and much more office space in Kenmore.

Sidewalk Program Discussion – Kris Overleese, Engineering & Environmental Services Director, and Kent Vaughan, Senior Civil Engineer, were present to give a brief PowerPoint presentation and report. They were also available to answer any questions.

Senior Engineer Vaughan stated that the sidewalk program was developed late last year in response to City Council goals to establish a 20- to 30-year sidewalk plan and establish a nonmotorized circulation system linking key community destinations. He pointed out the pedestrian and bicycle routes on the City map as well as locations of existing sidewalks. He noted that, in developing the sidewalk program, the assumptions were installing sidewalks on one side of the road only, ADA ramps where necessary, storm drainage as needed, and provision of street trees. He stated that the funding strategy is to set aside \$100,000 in REET funds per year for sidewalks, surface water funds for storm water components, and grant funding. Estimated arterial funding needs are \$36 million. The 68th Avenue project will be done in 2013 with Transportation Improvement Board (TIB) grant funds, and Community Development Block Grant (CDBG) funds are being sought in 2013 for the 181st Street sidewalk project.

STAFF REPORT

City Manager Karlinsey handed out the Coffee with Council schedule. He suggested that Councilmembers may want to look at cutting back to once a month, as attendance is declining. He noted that next week's schedule is full, with activities every evening. He reminded the Council of the Joint Planning Commission/City Council Meeting tomorrow, April 16th, at 6:30 p.m.

CITY COUNCILMEMBER COMMENTS/REPORTS

Deputy Mayor Hensel stated that with the Kenmore Camera property sale finally closed, he would like to recognize and thank former city manager Fred Stouder, Assistant City Manager Nancy Ousley, and City Manager Karlinsey for all their efforts in making this happen.

Mayor Baker stated that the King County Executive has appointed him to a 3-year term in the Office of Law Oversight Citizens' Committee. He announced that this Saturday, April 20th, for Parks Appreciation Day the City Council is providing hot dogs for lunch in Rhododendron Park. He stated that he will be in Olympia on Friday working on getting legislation passed, particularly transportation. He stated that the Sound Cities Public Issues Committee passed a resolution supporting mitigation for the effects tolling, and with I-90 and the viaduct replacement also to be tolled, the problems need to be looked at more regionally. The Lake Washington Mayors' group has drafted a letter which has been taken over by the County, but the cities are trying to retain control and not let it become a County issue instead of a city issue.

ADJOURNMENT

There being no further business, Mayor Baker adjourned the meeting at 8:33 p.m.

David Baker, Mayor

ATTEST:

Patty Safrin, City Clerk

City of Kenmore, Washington
Joint City Council/Planning Commission Meeting
Minutes
April 16, 2013

DINNER – Dinner was available from 6:30 to 7:00 p.m.

CALL TO ORDER – Mayor Baker called the special meeting to order at 7:00 p.m.

Councilmembers present: Mayor David Baker, Deputy Mayor Bob Hensel, and Councilmembers Milton Curtis, Allan Van Ness and Glenn Rogers

Councilmembers excused: Councilmembers Brent Smith and Laurie Sperry

Planning Commission Members present: Vice Chairperson Angela Kugler and Commissioners Dennis Mendrey, Doug Huxtable, Jim Howard, Mark Ohrenschall, and Mike Vanderlinde

Planning Commission Members excused: Chairperson Doug Nugent

Staff present: Rob Karlinsey, City Manager; Debbie Bent, Director of Community Development; Marc Connelly, Parks Project Manager; and Patty Safrin, City Clerk

CITIZEN COMMENTS

Dave Crawford, 7534 NE 175th Street, Kenmore, was present to state his concerns regarding the 1% for art policy.

Mayor Baker thanked the citizen for his comments.

BUSINESS AGENDA

Discussion and Direction on the Parks and Recreation Open Space (PROS) Plan - Debbie Bent, Community Development Director, and Marc Connelly, Parks Project Manager, provided a PowerPoint presentation. They were also available to answer any questions.

Parks Project Manager Connelly stated that we update and adopt our parks plans for strategic direction, grant funding eligibility, to ensure compliance with growth management policies, and because parks are an essential value to the community. He stated that we need the plan adopted this year so that we do not miss a State grant cycle. He also noted that it is important to continue to measure our progress towards the goals that we establish in our strategic plan. He stated that one of the key policy issues that the City made in the 2003 plan was to invest our resources in the support of others to provide recreation activity programs for Kenmore residents. He gave a timeline for the plan and noted that we have a good strong foundation for the new plan based on the work the City has done in the past and the public surveys we have done. The proposed new telephone survey will allow the City to get feedback from the public which can be numerically rated for accuracy with confidence in terms of representing the community as a whole. The 2002 and 2006 parks surveys both showed a desire in the community for improved access to the water,

trails, and playgrounds. He suggested that the new survey providers do a comparative analysis of all three surveys in order to see what has changed. He stated that the telephone survey is scheduled to be completed by the end of this year. Director Bent asked for direction on the proposed survey questions.

It was Council consensus that the proposed telephone survey questions should be used with the changes and additions from the discussion at this meeting included.

Director Bent stated that staff would look at some of the key Planning Commission meetings and determine a good time for the Planning Commission to report back to the City Council, possibly in June.

COUNCILMEMBER COMMENTS/REPORTS

Mayor Baker announced the Saturday, April 20th Parks Appreciation Day, with hot dogs provided at Rhododendron Park.

ADJOURNMENT

Mayor Baker adjourned the meeting at 8:36 p.m.

David Baker, Mayor

ATTEST:

Patty Safrin, City Clerk

City of Kenmore, Washington
City Council Special & Regular Meeting
Minutes
April 22, 2013

CALL TO ORDER – The special meeting of the Kenmore City Council was called to order by Mayor David Baker at 6:00 p.m.

EXECUTIVE SESSION

Mayor Baker recessed the special meeting at 6:00 p.m. to an executive session to discuss Potential Litigation, pursuant to RCW 42.30.110(1)(i); Property Disposition, pursuant to RCW 42.30.110(1)(c); and Property Acquisition, pursuant to RCW 42.30.110(1)(b). He stated that the executive session will last for approximately one hour and that no action is anticipated when the meeting is reconvened.

ADJOURNMENT – Mayor Baker adjourned the special meeting at 7:00 p.m.

CALL TO ORDER – Mayor Baker called the regular meeting to order at 7:00 p.m.

Councilmembers present: Mayor David Baker, Deputy Mayor Bob Hensel, and Councilmembers Brent Smith, Allan Van Ness, Milton Curtis, and Glenn Rogers

Councilmembers excused: Councilmember Laurie Sperry

Staff present: Rob Karlinsey, City Manager; Nancy Ousley, Assistant City Manager; Joanne Gregory, Finance & Administration Director; Kris Overleese, Engineering & Environmental Services Director; Dawn Reitan, City Attorney; and Patty Safrin, City Clerk

FLAG SALUTE

Mayor Baker led the flag salute.

AGENDA APPROVAL

Deputy Mayor Hensel moved to approve the agenda as submitted. Councilmember Van Ness seconded the motion. The motion passed unanimously.

PROCLAMATION

Child Abuse Prevention Month, April 2013 – Mayor Baker read the proclamation into the record. Talia Speer, Junior Board Member of Children’s Response Center, was present to accept the proclamation. She gave a brief speech in which she noted that the Children’s Response Center assisted 89 victims in Kenmore during 2012.

CITIZEN COMMENTS

David Mason, 20305 60th Avenue NE, Kenmore, was present to state his concerns regarding plans for employees' retirement, in light of the current economic problems affecting cities and other government entities.

Dave Crawford, 7534 NE 175th Street, Kenmore, was present to state his concerns regarding bond issues for parks, the 3-minute citizen comment period, and raised medians. He submitted a historical picture of the City of Anacortes City Hall to Council.

Patrick O'Brien, 6330 NE 181st Street, Kenmore, was present to state his concerns regarding tolling on State highways, air quality, and court codes. He stated that he wants low buildings along the waterfront and the same level of City services with no new taxes.

Hugh Wiese, 18011 58th Avenue NE, Kenmore, was present to express his gratitude to the Council for the improved traffic signal at 61st Avenue NE and NE 181st Street.

Don Williams, 18430 60th Place NE, Kenmore, was present to thank the Council, former City Engineer Ron Loewen, and City Engineer Kris Overleese for the improved traffic signal at 61st Avenue NE and NE 181st Street.

Elizabeth Mooney, 5934 NE 201st Place, Kenmore, was present to state her concerns regarding the business registration ordinance, asphalt fumes, and an optional SEPA process for the shoreline.

Mayor Baker thanked the citizens for their comments. He stated that additional ways for citizens to provide input to Council are to send an e-mail or come in to City Hall to state their concerns.

CONSENT AGENDA

Deputy Mayor Hensel moved to pull Consent Agenda Item D., Adopt Council Rules and Procedures, Resolution No. 13-215, for separate consideration. It was Council consensus to pull Consent Item D. for separate consideration.

Councilmember Van Ness moved to Approve the Minutes of the April 8, 2013 City Council Special & Regular Meeting; Approve Check Nos. 26634 - 27696 in the Amount of \$212,735.96 and Electronically Transferred Payroll Funds Totaling \$62,887.22 and Payroll Check Nos. 210061 – 210063 in the Amount of \$1,687.07 for the Period Ending April 12, 2013; and Adopt the National Volunteer Week Proclamation, April 21-27, 2013. The motion passed unanimously.

There was Council discussion on Consent Agenda Item D., Adopt Council Rules and Procedures, Resolution No. 13-215.

It was Council consensus that the official record should provide more information, as detailed below, regarding the creation of the current Council Rules and Procedures document, as the Agenda Bill for this item did not include all relevant information.

The Council Rules and Procedures to be adopted with Resolution No. 13-215 represent a significant amount of work over the last couple of years, revising the Council Rules of Procedure, which had become cumbersome and lacked coherence after several previous revisions. A Rules and Procedures committee was formed in early 2011, and was comprised of Councilmembers Curtis and Hendrickson and Deputy Mayor Hensel. The committee solicited comments from citizens, consulted with Ann McFarlane of Jurassic Parliament, consulted with two attorneys, including the City Attorney, and came

up with several possible revised versions. At the most recent Council Retreat in January of 2013, the Council expressed a desire to move the process along, and Councilmember Curtis consolidated all the input into one cohesive document.

Deputy Mayor Hensel moved to approve Consent Item D., Adopt Council Rules and Procedures, Resolution No. 13-215. Councilmember Rogers seconded the motion. The motion passed unanimously.

PUBLIC HEARING

Public Hearing to Receive Public Testimony Regarding Ordinance No. 13-0356, Business Registration Program – Nancy Ousley, Assistant City Manager, was present to provide a brief staff report, including a PowerPoint presentation. She reviewed the background of the proposal, the timeline, next steps, goals for program design, and the State Department of Revenue (DOR) service. She also gave highlights of the current business registration proposal, pointing out revisions to the original proposal, and noted exemptions from business registration. She was also available to answer any questions. Chief Torpin of the Northshore Fire Department was present to answer any questions regarding how business registration and a business directory can be helpful for emergency services.

Mayor Baker opened the public hearing to receive public testimony on this issue at 8:25 p.m.

The following citizens spoke:

Carl Michelman, 18023 62nd Avenue NE, Kenmore, was present to state his concerns regarding the business registration program.

Krista Michelman, 18023 62nd Avenue NE, Kenmore, was present to state her concerns regarding the business registration program.

Patrick O'Brien, 6330 NE 181st Street, Kenmore, was present to state his concerns regarding the business registration program.

Stan Isenhath, 16328 Inglewood Road NE, Kenmore, was present to state his opinion that if businesses perceive that the registration will add value to their businesses, possibly in terms of branding, networking, and marketing, they would be in favor of it.

Ken Smith, 15816 70th Avenue NE, Kenmore, was present to state his concerns regarding the business registration program.

As there was no further testimony, Mayor Baker closed the public hearing at 8:55 p.m.

BUSINESS AGENDA

Business Registration Program – Ordinance No. 13-0356 – Nancy Ousley, Assistant City Manager was present to thank the citizens for their comments and to answer any further Council questions.

It was Council consensus that “gross income” should mean gross revenue and not a net figure.

Councilmember Van Ness moved to postpone the business registration decision for at least a month. Mayor Baker seconded the motion. The motion failed 3-3, with Councilmembers Rogers and Curtis and Deputy Mayor Hensel voting no.

Councilmember Curtis moved to Adopt Ordinance No. 13-0356, Business Registration Program. Mayor Baker seconded the motion. The motion passed 4-2, with Councilmembers Smith and Van Ness voting no.

STAFF REPORT

City Manager Karlinsey stated that approximately 60 volunteers turned out for the volunteer event on Saturday. He thanked Council for providing hot dogs. He requested that anyone wanting to be a greeter for the upcoming Volunteer Appreciation event show up a little early. Also coming up this week is a ribbon cutting and reception for the 61st Avenue NE and NE 181st Street traffic signal and a Business Plan seminar.

CITY COUNCILMEMBER COMMENTS/REPORTS

Councilmember Van Ness stated that he is glad the City is proceeding with the business registration program.

Councilmember Rogers thanked Councilmember Curtis and his team for putting together the new Council Rules and Procedures. He thanked the Public Works department and the community workers program crew for the great work they have done on SR 522 and stated his concerns regarding King County's commitment to maintaining their side of SR 522.

Deputy Mayor Hensel thanked the volunteers from Saturday's event.

Mayor Baker stated that he was in Olympia on Friday and testified in front of the House Transportation Committee on the transportation package, funding, and local options. He also met with Senator Frock and Representative Pollett. He will testify in front of the Senate Transportation Committee tomorrow morning. He stated that the Lake Washington Mayors' group drafted a letter regarding the piecemeal approach to regional tolling and the unanticipated impacts to cities which will be sent to Puget Sound Regional Council (PRSC) Executive Director Bob Drewel tomorrow.

ADJOURNMENT

Mayor Baker adjourned the regular meeting at 9:39 p.m.

David Baker, Mayor

ATTEST:

Patty Safrin, City Clerk

City of Kenmore

Voucher Certification and Approval

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein and that the following claims, paid by checks 27697-27790 which total \$512,953.23, and electronically transferred payroll funds which total \$64,153.49 and payroll check #210102 in the amount of \$381.90 are just, due and unpaid obligations against the City of Kenmore/KingCounty/Washington, and that I am authorized to authenticate and certify to said claims.



City Manager

5/1/13

Date



Finance Director

4-29-13

Date

Check #	Vendor Name	Description	Check Amount
27697	TITAN OUTDOOR, LLC	SW Education & Outreach	969.61
27698	NATIONWIDE FINANCIAL 401a	Social Security Replacement Plan	10,343.23
27699	NATIONWIDE RETIREMENT SOLUTIONS 457	Deferred Comp Payroll Deduction	200.00
27700	ICMA RETIREMENT TRUST 457 - 304745	Deferred Comp Payroll Deduction	2,578.19
27701	DRS 457	Deferred Comp Payroll Deduction	1,783.33
27702	AFLAC	Private Medical/ Disability Plans	458.90
27703	CITY OF KENMORE FS	Flexible Spending Medical Plans	253.08
27704	BANK OF AMERICA 941	Payroll Taxes	14,114.70
27705	DEPARTMENT OF RETIREMENT SYSTEMS	WA State Retirement	10,244.72
27706	DEPARTMENT OF LABOR AND INDUSTRIES	Worker's Compensation	1,368.96
27707	UNITED WAY OF KING COUNTY	Employee Charitable Contribution	137.00
27708	NATIONAL LIFE OF VERMONT	Life Insurance	234.89
27709	AMERICAN GENERAL	Life Insurance	530.79
27710	STATE OF FLORIDA DISBURSEMENT UNIT	Payroll Deduction	275.00
27711	AWC EMPLOYEE BENEFITS	Employee Health Insurance	37,476.17
27712	DEPARTMENT OF LABOR AND INDUSTRIES	1st Qtr Worker's Comp for Volunteers	4.86
27713	BAKER, DAVID	Mileage/ Meal Reimbursements	529.43
27714	CITY OF BELLEVUE	Q1 2013 Mybuildingpermit.com Fee	1,263.99
27715	COASTWIDE LABORATORIES	Maintenance Supplies/ Trash Liners	422.96
27716	CONSOLIDATED PRESS	Qtr 1 2013 Newsletter Printing	2,786.33
27717	FIRST AMERICAN TITLE	SR522 West ROW	54.75
27718	FRUHLING SAND & TOPSOIL	Asphalt/drainage material dump fees	45.50
27719	GRAY & OSBORNE, INC	On-call Surface Wtr Svcs 2/3-3/30/13	1,909.72
27720	H.W. LOCHNER, INC.	SR522 West A Design 2/2-3/1/13	6,162.36
27721	INSLEE, BEST, DOEZIE & RYDER, P.S.	Feb. Legal Services	30,760.42
27722	JET CITY PRINTING	Business Card Printing	136.87
27723	KING COUNTY FINANCE	March Road Svcs/Signs/Signal/Bridge	28,320.11
27724	KING COUNTY FINANCE	March Solid Waste Disposal - Couch	22.00
27725	KING COUNTY FINANCE	March Community Work Program	6,321.00

XB. Approve Check Nos. 27697 - 27790 in the Amount of \$512,953.23 and Electronically Transferred Payroll Funds Totaling

27726	KING COUNTY OFFICE OF FINANCE	March 2013 Indigency Screening	984.53
27727	KING COUNTY TREASURY	2013 Property Taxes - 91 Parcels	37,566.63
27728	LIGHTHOUSE CONSULTING INC	March 2013 Anti-Virus/Spam & IT Svc	2,558.64
27729	MR. T'S TROPHIES	Name Plate Printing	64.39
27730	NORTHSHORE FIRE DEPT	March 2013 Fire Plan Review	200.00
27731	NORTHSHORE UTILITY DIST	March Vehicle Maintenance & Fuel	3,959.64
27732	OFFICE MAX	Ink & Supplies	73.64
27733	OFFICE TEAM	Temp Svc-Front Desk wk end 4/5 & 4/12	893.28
27734	PACIFIC TOPSOILS	Materials/ Wood Chips	1,115.80
27735	PUGET SOUND ENERGY	Various Electric/ Gas & Street Lights	4,145.13
27736	CEMEX	Catch Basin & Drainage Materials	221.74
27737	SIGN UP, SIGN CO, INC	Squires Landing Land Use Sign	421.58
27738	TOTAL LANDSCAPE CORP	Arpil 2013 Parks & CH Landscaping	5,002.61
27739	WA STATE DEPT OF ENTERPRISE SVCS	Q2 2013 Co-Op Membership	500.00
27740	WA STATE DEPT OF TRANSPORTATION	61st/181st March Signal Support	1,027.01
27741	COLUMBIA RIDGE LANDFILL	Street Sweeper Dump Fees 4/1-4/15	980.71
27742	MAIL FINANCE	5/14-6/13/13 Postage Machine Lease	250.76
27743	SAFRIN, PATTY	Conference Mileage Reimbursement	53.11
27744	TELESYSTEMS WEST	Phone Repair/ Troubleshooting	114.98
27745	WA RECREATION & PARK ASSOCIATION	Annual Membership Dues	104.00
27746	BANNER BANK LD	Supplies, Parking, Social Media	196.91
27747	BANNER BANK CS	Meeting Supplies, Expenses	555.24
27748	BANNER BANK DB	Parking	14.64
27749	BANNER BANK NO	Incubator Furniture, Lodging, Mtgs	3,187.23
27750	OUSLEY, NANCY	Meeting/Trip Exp. Reimbursement	247.13
27751	BANNER BANK JG	Registration, Advertising, Mtg	565.17
27752	TOPIA TECHNOLOGY/ BIS	April 2013 Web Hosting	175.00
27753	NORTHSHORE PARK & REC SERVICE AREA	NPRSA Annual Administrative Svcs	1,360.00
27754	BANNER BANK KENMORE	Computers, Shipping, Supplies	2,478.45
27755	BANNER BANK KENMORE	UPS PRR Chgs/ Office Supplies	68.26
27756	A+ CONFERENCING	3/31 & 4/5 Teleconferences	28.50
27757	BANNER BANK JGORDON	Incubator Internet, Tools, Supplies	700.49
27758	GORDON, JENNIFER	Mileage Reimbursement	72.32
27759	SHRED-IT	City Hall Document Shredding	49.50
27760	ZUMAR	Park/ Area Signage for Pets	881.44
27761	COMCAST	City Hall Internet Service	117.57
27762	TOWNE CENTRE HARDWARE	Incubator and CH Supplies	320.89
27763	INTEGRA TELECOM	4/8 - 5/7 CH Telephone Service	801.24
27764	C. ANDERSON & CO.	City of Kenmore Flags	930.75
27765	EARTHCORPS	Blackberry Removal, Planting	9,706.47
27766	INDEPENDENT STATIONERS	Office Supplies	237.80
27767	BANNER BANK BH	Signs, Code Books, Parking, Co	1,673.30
27768	SMITH, JARRETT	Work Boot Reimbursement	150.00
27769	TRANE U.S. INC.	City Hall HVAC Maintenance	2,037.50
27770	CANTEEN REFRESHMENT SERVICES	City Hall Coffee & Tea Supplies	371.84
27771	VERIZON WIRELESS	Cell Phones 3/27-4/26/13	1,062.49
27772	FRAUSE	Kenmore Village Marketing Materials	2,749.03
27773	BANNER BANK VAN NESS	Lodging, Meals, Transportation	2,004.99
27774	BANNER BANK BAKER	Lodging, Meals, Transportation	2,539.15

XB. Approve Check Nos. 27697 - 27790 in the Amount of
\$512,953.23 and Electronically Transferred Payroll Funds Totaling

\$ 577,488.62

XB. Approve Check Nos. 27697 - 27790 in the Amount of \$512,953.23 and Electronically Transferred Payroll Funds Totaling

2013	PRIOR VENDOR ACTIVITY	TOTAL	FOR 2013
	A+ CONFERENCING		99.30
	AAA PRINTING		192.10
	ACTION ENTERTAINMENT		395.00
	ACTIVE SHOOTER TRAINING LLC		800.00
	AFLAC		1,376.70
	ALCALDE & FAY		20,075.23
	ALLIED WASTE SERVICES #172		1,682.74
	ALPHAGRAPHICS US718		342.79
	AM TEST, INC		500.00
	AMERICAN GENERAL		1,592.37
	AMERICAN PLANNING ASSOCIATION		1,990.00
	AMERICAN PUBLIC WORKS ASSOCIATION		715.67
	ANCHOR QEA, LLC		76,080.16
	ASSOCIATED BOAT TRANSPORT		1,440.00
	ASSOCIATION OF WA CITIES		14,220.00
	AURORA RENTS		610.24
	AWC EMPLOYEE BENEFITS		115,142.96
	BAKER, DAVID		616.08
	BANK OF AMERICA 941		89,520.45
	BANNER BANK BAKER		1,364.73
	BANNER BANK BH		1,188.28
	BANNER BANK CS		2,516.26
	BANNER BANK DB		100.00
	BANNER BANK JG		4,353.71
	BANNER BANK JGORDON		4,018.99
	BANNER BANK KENMORE		8,437.69
	BANNER BANK LD		635.72
	BANNER BANK NO		2,128.58
	BANNER BANK PS		1,526.51
	BANNER BANK ROGERS		1,330.01
	BANNER BANK VAN NESS		636.00
	BASTYR UNIVERSITY		50,000.00
	BINW		16,528.79
	BIS		175.00
	BLACKBAUD		5,204.11
	BULGER SAFE & LOCK, INC.		125.49
	CALPORTLAND COMPANY		138.13
	CANTEEN REFRESHMENT SERVICES		654.68
	CARLSON, THOMAS G.		100.00
	CASCADE PEST CONTROL		427.05
	CEMEX		1,666.64
	CHAMPION COURIER		51.53
	CHICAGO TITLE		10,000.00
	CHIEF LAW ENFORCEMENT SUPPLY		188.21
	CITY OF BELLEVUE		30,916.12
	CITY OF KENMORE		210.58
	CITY OF KENMORE FS		1,771.56
	CITY OF LAKE FOREST PARK		208,783.93
	CITY OF SHORELINE		1,022.00
	CITYWORKS/ AZTECA SYSTEMS INC.		9,995.00

XB. Approve Check Nos. 27697 - 27790 in the Amount of
\$512,953.23 and Electronically Transferred Payroll Funds Totaling

COASTWIDE LABORATORIES	2,626.99
CODE PUBLISHING COMPANY	350.00
COLUMBIA RIDGE LANDFILL	1,634.69
COMCAST	502.46
CSAT, LLC	500.00
CULLEY, AMBERLY	810.62
CURTIS, DR. MILTON	72.24
DAILY JOURNAL OF COMMERCE	119.70
DEPARTMENT OF ECOLOGY	5,540.78
DEPARTMENT OF LABOR AND INDUSTRIES	8,828.44
DEPARTMENT OF LICENSING	39.00
DEPARTMENT OF RETIREMENT SYSTEMS	70,428.18
DRS 457	12,483.31
DURRANT, JEFF	287.58
EASTSIDE TRANSP PARTNERSHIP	200.00
EFFICIENCY INC	987.69
EJ USA, INC.	1,549.96
EMERGENCY SERVICE COORDINATING AGCY	41,832.00
ENTERPRISE SEATTLE	5,000.00
ENVIRONMENTAL SYSTEMS RESEARCH INST	4,779.00
EVERGREEN PRINT SOLUTIONS	291.05
EVERGREEN SAFETY COUNCIL	175.00
FERGUSON ENTERPRISES INC #1539	948.75
FIRE PROTECTION, INC	959.22
FIRST AMERICAN TITLE	3,558.75
FRAUSE	2,436.36
FRONTIER	31,880.72
FRUHLING SAND & TOPSOIL	528.00
GAMETIME	5,605.96
GEOENGINEERS INC	7,495.75
GORDON THOMAS HONEYWELL	10,779.55
GOVERNMENT FINANCE OFFICERS ASSOC	190.00
GRAINGER	60.07
GRAY & OSBORNE, INC	10,464.99
GREATER BOTHELL CHAMBER OF COMMERCE	20.00
GREGORY, JOANNE	119.92
H.W. LOCHNER, INC.	31,426.23
HANDY ANDY RENT-A-TOOL INC	134.40
HARBOR HISTORY MUSEUM	400.00
HARRIS & SMITH PUBLIC AFFAIRS	7,344.22
HOME DEPOT CREDIT SERVICES	376.91
HWA GEOSCIENCES INC.	5,934.41
ICMA RETIREMENT TRUST 457 - 304745	18,047.33
INDEPENDENT STATIONERS	493.29
INNOVAC	15,564.74
INSLEE, BEST, DOEZIE & RYDER, P.S.	48,260.69
INTEGRA TELECOM	2,343.29
INTERNATIONAL CITY/CNTY MGMT ASSOC	1,036.28
iWORQ SYSTEMS	1,000.00
JBS INSTRUMENTS	1,052.00
JET CITY PRINTING	741.31
JOYCE ZIKER PARKINSON	20,941.51
JRW ENTERPRISES	1,642.50
JSH PROPERTIES, INC.	5,484.00
KARLINSEY, ROB	7,442.80

XB. Approve Check Nos. 27697 - 27790 in the Amount of
\$512,953.23 and Electronically Transferred Payroll Funds Totaling

KBA INC.	66,487.65
KCDA PURCHASING COOP	526.20
KENMORE COMMERCIAL LLC	8,568.00
KING COUNTY ANIMAL SVCS	1,440.00
KING COUNTY FINANCE	40,713.23
KING COUNTY FINANCE W.L.R.D.	2,208.68
KING COUNTY MUNICIPAL CLERKS ASSOC	25.00
KING COUNTY OFFICE OF FINANCE	3,081.68
KING COUNTY RADIO COMM SERVICES	254.17
KING COUNTY RECORDER'S OFFICE	500.00
KING COUNTY SHERIFF	6,307.11
KING COUNTY SHERIFF'S OFFICE	15,121.30
KING COUNTY SUPERIOR COURT CLERK	11,000.00
KING COUNTY UTILITY COORDINATION CO	40.00
KONICA MINOLTA BUSINESS SOLUTIONS	2,086.47
KVO INDUSTRIES, INC	365.00
LIGHTHOUSE CONSULTING INC	4,230.42
LOWE SABRA	250.00
MAIL FINANCE	1,003.04
MILLER STEPHENS, MARY	3,750.00
MINZGHOR, NICHOLAS	740.26
MR. T'S TROPHIES	208.99
NATIONAL BARRICADE CO	689.85
NATIONAL CITIZEN SURVEY	5,025.00
NATIONAL LEAGUE OF CITIES	1,549.00
NATIONAL LIFE OF VERMONT	704.67
NATIONWIDE FINANCIAL 401a	71,760.12
NATIONWIDE RETIREMENT SOLUTIONS 457	1,400.00
NEXTEL COMMUNICATIONS	884.60
NORTH COAST ELECTRIC	1,870.42
NORTH LAKE MARINA	1,520.51
NORTHSHORE FIRE DEPT	340.00
NORTHSHORE UTILITY DIST	11,940.77
OFFICE CLEANING CREW	248.00
OFFICE MAX	3,700.60
OFFICE TEAM	505.88
OLYMPIC ENVIRONMENTAL RESOURCES INC	1,470.00
OTAK	17,956.91
OVERLEESE, KRISTEN	70.67
PACIFIC TOPSOILS	3,904.28
PASSPORT TRAVEL AND TOURS	665.80
PAWS	1,650.00
PENDLETON, MICHAEL	4,680.70
PEOPLES STORAGE	1,150.50
PERSONAL BEST/ OAKSTONE	197.77
PERTEET INC.	11,172.90
PHOTOTAINMENT	1,231.88
PHSI PURE WATER FINANCE	352.20
PRSA	307.00
PUGET SOUND CLEAN AIR AGENCY	11,309.00
PUGET SOUND ENERGY	39,601.53
PUGET SOUND FINANCE OFFICERS ASSOC	50.00
PURE WATER TECHNOLOGY OF PUGET SOUND	188.35
QUALITY BUSINESS SYSTEMS	1,642.48
RAZZ CONSTRUCTION	478,729.15

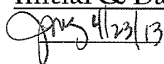
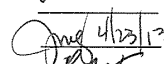
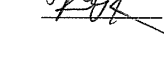
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REPUBLIC SERVICES	842.38
ROGERS, GLENN	82.41
SAFRIN, PATTY	347.89
SARAH ROBERTS	30,906.00
SCHWARZWALTER, MARK	90.00
SEATTLE TIMES	2,518.56
SELECT AIR SERVICES DBA GREENWOOD	119.19
SESAC	327.00
SHRED-IT	99.00
SIGN UP, SIGN CO, INC	586.92
SMITH, BRENT	91.03
SNOHOMISH COUNTY	5,728.00
SNOHOMISH COUNTY SHERIFF'S OFFICE	69,368.79
SOUND CITIES ASSOC	11,767.00
SOUND LAW CENTER	5,614.00
SOUND PUBLISHING, INC.	1,096.95
SPERRY, LAURIE	61.42
SPINNAKER STRATEGIES	11,799.40
ST OF WA DEPT OF FISH & WILDLIFE	150.00
STATE OF FLORIDA DISBURSEMENT UNIT	1,925.00
STEWART MACNICHOLS HARMELL, INC.	3,600.00
TELESYSTEMS WEST	301.13
THE KIPLINGER LETTER	99.00
TITAN OUTDOOR, LLC	382.78
TOPIA TECHNOLOGY/ BIS	350.00
TOTAL LANDSCAPE CORP	15,467.73
TOWN & COUNTRY FENCE, INC	416.10
TOWNE CENTRE HARDWARE	248.50
TRANE U.S. INC.	2,037.50
UNITED STATES POSTMASTER	1,466.40
UNITED WAY OF KING COUNTY	959.00
UNIVERSITY OF WASHINGTON	827.00
URBAN LAND INSTITUTE	225.00
VAN NESS, ALLAN	752.31
VERIZON WIRELESS	2,079.41
WA ASSOC OF CODE ENFORCEMENT	50.00
WA CITIES INSURANCE AUTHORITY	161,036.00
WA FINANCE OFFICERS ASSOCIATION	150.00
WA GUARANTEED EDUCATION TUITION	1,290.00
WA STATE ASSOC OF PERMIT TECHNICIAN	95.00
WA STATE DEPARTMENT OF AGRICULTURE	33.00
WA STATE DEPT OF ENTERPRISE SVCS	1,000.00
WA STATE DEPT OF LABOR & INDUSTRIES	125.30
WA STATE DEPT OF TRANSPORTATION	4,843.60
WAGE WORKS	100.00
WASHINGTON ENERGY SERVICES	28.14
WASHINGTON STATE DEPT OF INFO SERV	525.00
WEINSTEIN AU	1,057.50
WEISBAND, BARRY	6,000.00
WELLS FARGO FINANCIAL	3,287.09
WELWEST CONSTRUCTION INC.	3,482.65
WINTERBOURNE LANDSCAPE	542.03
ZEP SALES AND SERVICE	865.49
ZONAR SYSTEMS	525.33
	<u>\$ 2,302,486.40</u>

XB. Approve Check Nos. 27697 - 27790 in the Amount of
\$512,953.23 and Electronically Transferred Payroll Funds Totaling



City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic: February 2013 Financial Report		For Council Meeting Agenda of: May 13, 2013	
		Department: Finance and Administration	
		Prepared by: Joanne Gregory	
		To Be Presented By: N/A	
Proposed Council Action/Motion: Receive and File February 2013 Financial Report for the City of Kenmore, Washington		Initial & Date	
		Approved by Department Head:  4/23/13	
		Approved by City Attorney:	
		Approved by Finance Director:  4/23/13	
		Approved by City Manager: 	
		Exhibits/Attachments: February 2013 Financial Report for the City of Kenmore, Washington.	
Expenditure Required N/A		Amount Budgeted	
		\$47,384,475 Revenues	
		\$47,461,310 Expenditures	
Appropriation Required N/A			
<u>INFORMATION/BACKGROUND:</u>			
The February monthly financial report is presented for Council review. This provides the opportunity for the City Council and the community to receive information on the City of Kenmore's biennium to date revenues and expenditures in comparison to the City's 2013-2014 adopted biennial budget. It also provides an opportunity to identify any potential variances or fluctuations from the budget.			
<u>FISCAL CONSIDERATION:</u>			
February marks the second month of the new 24 month 2013-2014 biennium. The monthly schedules attached include the Transportation Benefit District Fund for informational purposes although it is a separate entity. On the national level, the unemployment rate declined to 7.7% from 7.8% in January. The Dow Jones closed at 14,054 in February, above the January close at 13,860.			
<u>COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:</u>			
Kenmore Budget Policy 9a: A revenue/expenditure report will be produced monthly so that it can be directly compared to the actual results of the fiscal year to date. Kenmore Budget Policy 9b: All budget amendments, both revenues and expenditures, will be noted in the monthly report.			



The City of Kenmore

PO Box 82607
KENMORE, WASHINGTON 98028

MEMORANDUM

TO: Rob Karlinsey, City Manager
FROM: Joanne Gregory, Finance Director
DATE: April 8, 2013
RE: February 2013 Financial Reports for the City of Kenmore, Washington

February 2013 financial information is presented for your review and delivery to the City Council. Attached you will find the following reports:

- General Fund Summary
- General Fund Revenue Graphs
- General Fund Expenditure Graphs
- All Funds Cash Summary
- Other Funds Monthly Activity
- Cash and Investment Report
- Schedule of Investments
- ~~Sales Tax Receipts by Business Type *~~
- ~~Retail Sales and Use Tax Distribution *~~
- Real Estate Excise Tax Report
- Monthly Report for Kenmore Village
- SR 522 Phase I Revenue and Expenditure History
- SR 522 Phase II Revenue and Expenditure History

* The Sales Tax Receipts by Business Type & Retail Sales and Use Tax Distribution reports are not included in this month's financial report. The consultant who compiles these reports retired abruptly without notice and we were unable to get the data. We are working with the WA State Dept. of Revenue and others to resolve this reporting situation as soon as possible.

If you would like additional information or have any questions regarding the financial reports, please feel free to contact me.

GENERAL FUND

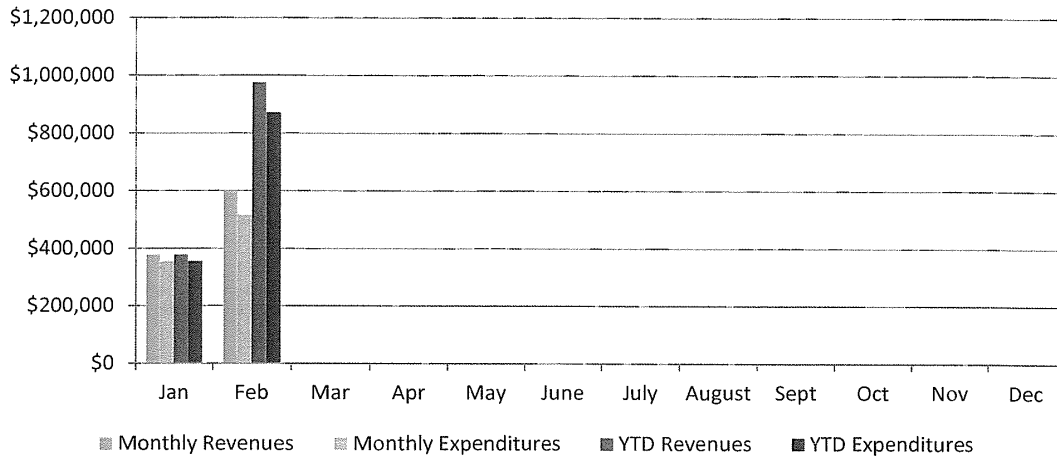
The first section of the monthly financial report is a review of the General Fund. \This fund accounts for operational activities and includes all financial resources except those required or elected to be accounted for in another fund. Revenues include various taxes, per capita distributions from the State, fines and forfeitures, permits and licenses, and fees for service.

In the context of the biennial budget, February is the second month (8%) of the 2013-2014 biennial budget period.

City of Kenmore, Washington
Monthly Financial Report
February 2013

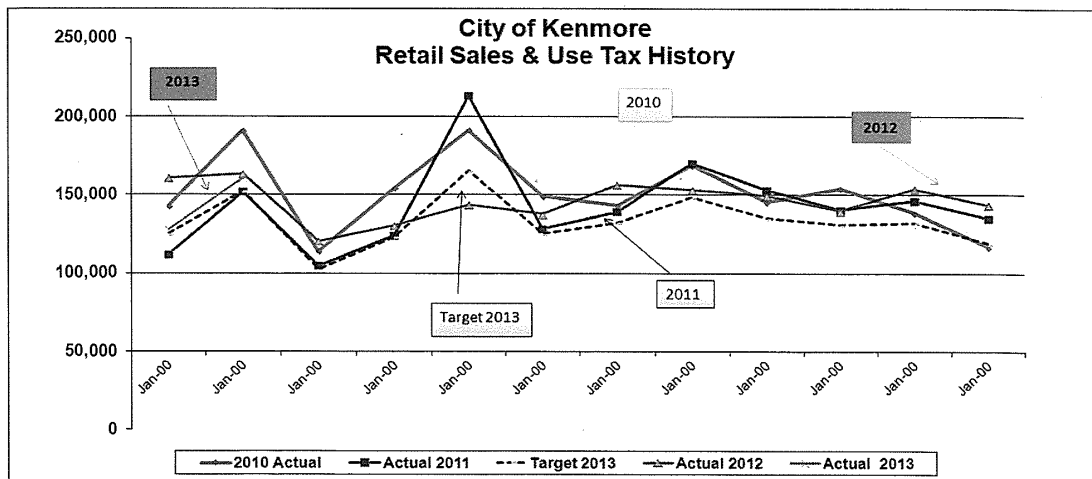
For the month of February, revenues exceeded expenditures in the General Fund by \$80,762.

The following chart illustrates the monthly revenue and expenditure activity in the General Fund through February 2013.



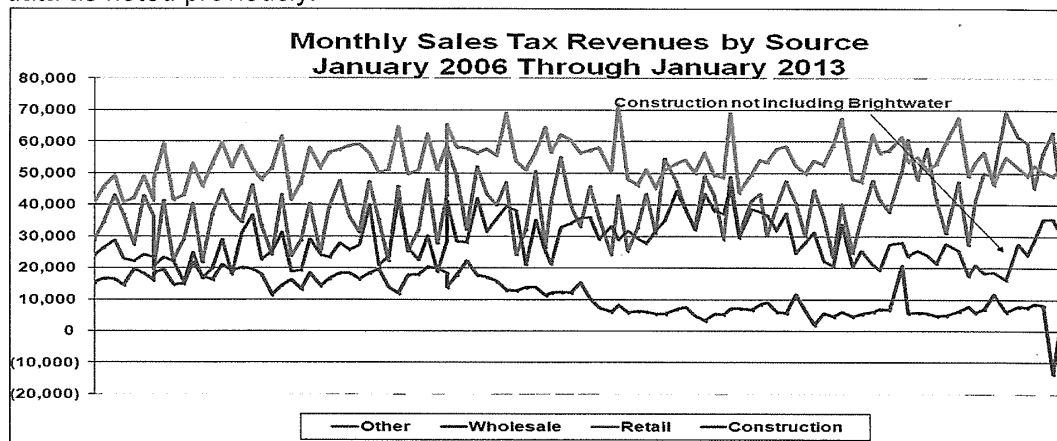
Total **revenues** for the month were **\$596,842**. Biennium to date revenues are \$975,789 which is 5% of the budgeted revenues of \$19,241,695. Primary sources of revenue for the month included property taxes in the amount of \$28,351, development fees & permits in the amount of \$61,387, retail sales and use taxes in the amount of \$160,894, and utility taxes in the amount of \$224,589.

A summary of sales tax revenues received in February is attached. These receipts are based on December sales activity. The chart below gives a historical perspective of monthly sales tax receipts over the last several years. The black dotted Target 2013 line is a monthly average of actual receipts by month during 2010, 2011, and 2012. The Purple line represents 2013 actual receipts.

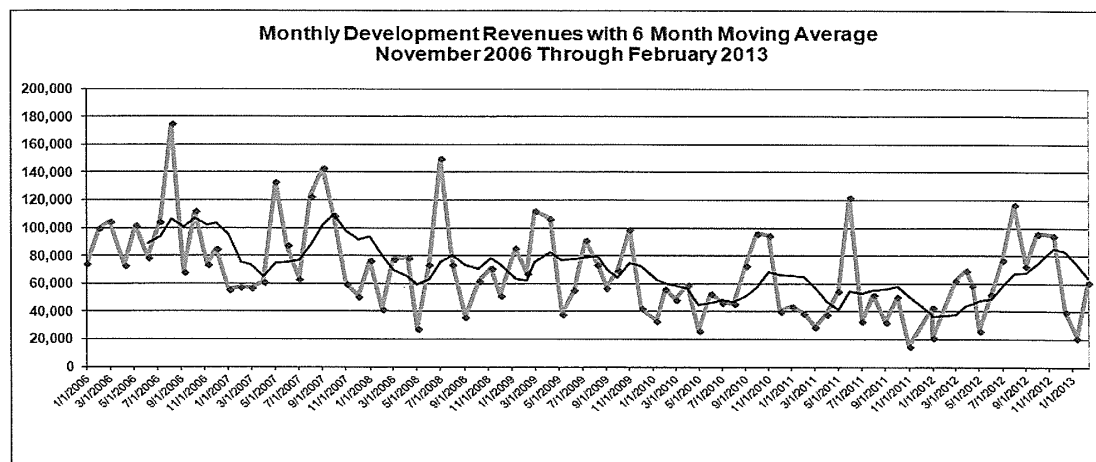


The following chart illustrates the historical trends of sales tax receipts from the major segments: construction, retail, wholesale, other (agriculture, services, manufacturing, transportation and utilities) from January 2006 through January 2013. Construction sales taxes are shown without the benefit of the Brightwater construction project. This category previously had the benefit of the city hall, Bastyr dorms, fire station and library construction projects which have been completed. The construction segment and "Other" (includes agriculture, services, manufacturing, transportation and utilities) are showing a positive trend of improvement recently. In December, \$20,000 was deducted from the City's sales tax receipts by Department of Revenue to correct a prior error (see the dip in the wholesale line). The \$20k adjustment was related to a refund request received by the Department of Revenue to reclassify income due to an error in reporting.

This graph was not updated for the month of February due to our inability to receive the data as noted previously.



Development revenues are trending in a positive direction also. The following chart illustrates the revenue activity over the last six years.



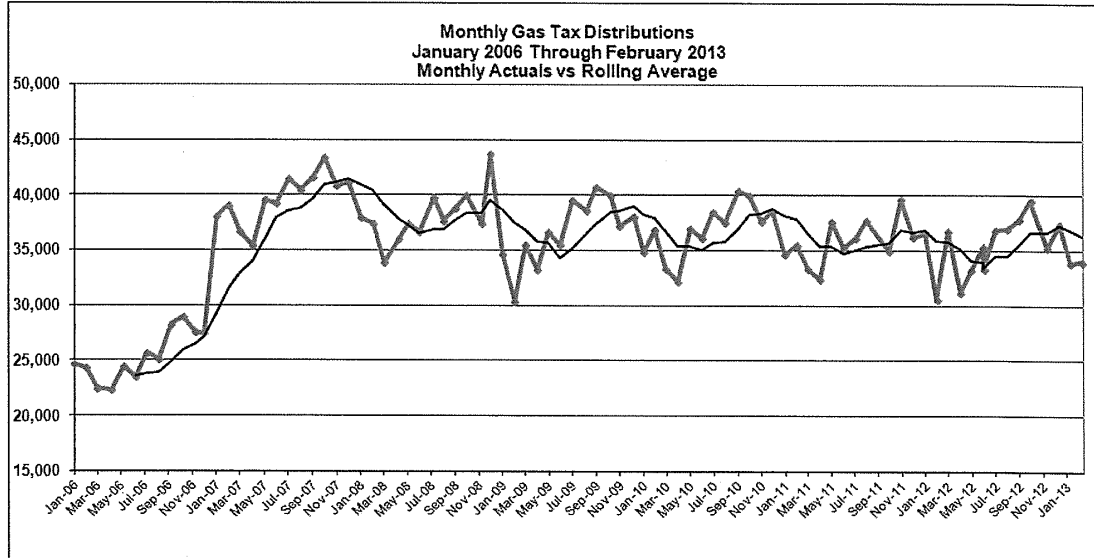
February 2013 expenditures were **\$516,080**. Biennium to date expenditures are \$871,215 which is 4% of the budget expenditures of \$21,714,108.

OTHER FUNDS

The February cash activity for all funds is presented on the attached All Funds Cash Summary. Total City cash and investments, at the end of February, totaled \$15,499,077. The Other Funds Monthly Activity graphs compare biennium to date revenues and expenditures to the 2013-2014 biennial budget.

The following transactions and activities were of note during the month of February. Total non General Fund revenues were \$123,488 and total non-General Fund expenditures were \$234,538.

In the **Street Fund** revenue from gas tax distributions was \$33,926. The following chart shows recent gas tax receipts through February 2013. The revenues reflect economizing by the public and increased use of fuel efficient vehicles.

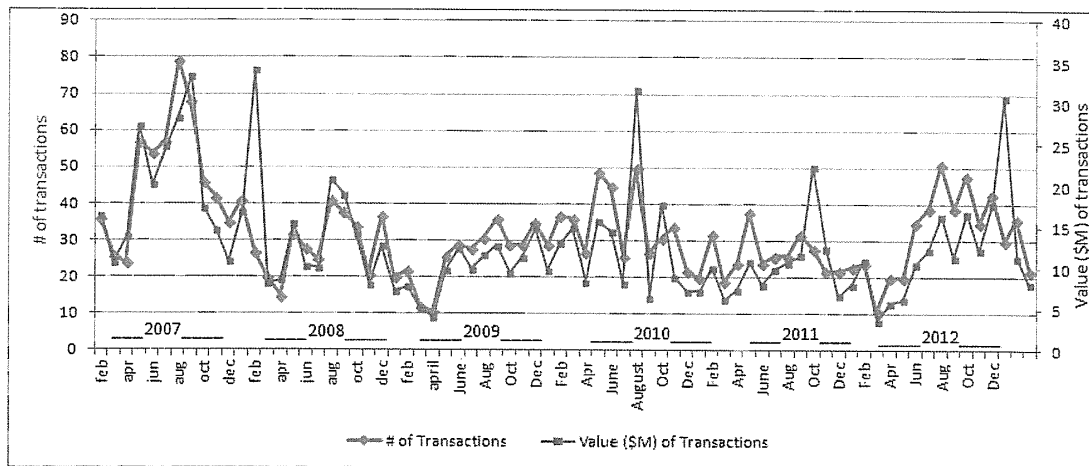


In the **Transportation Capital** Fund the City received \$23,033 in reimbursements for the SR 522 Ph 1 project.

City of Kenmore, Washington
Monthly Financial Report
February 2013

The **Real Estate Excise Tax** Fund received \$40,281 of real estate excise taxes (REET) in February from sales activity that occurred in January. 22 transactions were reported this month.

The attached Real Estate Excise Tax Report shows the monthly activity since 2007. Below is a chart that shows both the number of real estate transactions and the value of those transactions for the years 2007, 2008, 2009, 2010, 2011, and 2012.



The **Kenmore Village** Fund All Funds Cash Summary shows a projected negative cash balance. The \$1.2 Million Interfund Loan from the General Fund was repaid this month. The fund will go back into the positive when the sale of the Kenmore Village property closes in April.

SUMMARY

This concludes the financial report for the City of Kenmore as of **February 28, 2013**. I appreciate your feedback and encourage you to contact me if you have any questions prior to the City Council meeting.

City of Kenmore, Washington
General Fund Summary Report
February 28, 2013



	CURRENT PERIOD 2013-2014				PRIOR PERIOD 2011-2012			
	MONTH	BIENNIUM TO DATE	% of	BUDGET	MONTH	BIENNIUM TO DATE	% of	BIENNIUM BUDGET
	<u>February 2013</u>	<u>2013-2014</u>	<u>BUDGET</u>	<u>2013-2014</u>	<u>February 2011</u>	<u>2011-2012</u>	<u>BUDGET</u>	<u>2011-2012</u>
REVENUES								
Beginning Fund Balance		5,539,954		5,338,942				4,941,884
Property Taxes	28,351	34,243	0.4%	8,469,973	38,306	48,396	0.6%	8,254,387
Sales and Use Taxes	206,373	371,653	9.4%	3,960,331	193,533	337,267	7.8%	4,339,202
Utility Taxes	224,589	281,331	9.6%	2,942,395	143,414	289,238	9.6%	3,002,082
Other Taxes	8,553	11,870	19.4%	61,300	7,362	8,043	7.7%	104,104
Development Fees & Permits	61,387	82,718	6.7%	1,227,303	39,408	83,138	5.8%	1,439,095
Franchise Fees	0	75,656	5.8%	1,309,591	129,225	193,553	29.8%	650,588
Intergovernmental and Grants	0	42,428	6.6%	639,866	0	39,034	5.1%	761,476
Investment Interest	63,870	68,624	117.5%	58,400	1,803	4,134	7.4%	56,000
Fines and Forfeitures	0	50	0.0%	0	0	362	n/a	0
Transfers and Other Revenues	3,719	7,215	1.3%	572,536	266	419	0.1%	338,662
Total Revenues	596,842	975,789	5.1%	19,241,695	553,317	1,003,584	5.3%	18,945,596
Total Revenues & Beginning Fund Balance		6,515,744		24,580,637				23,887,480

	CURRENT PERIOD 2013-2014				PRIOR PERIOD 2011-2012			
	MONTH	BIENNIUM TO DATE	% of	BUDGET	MONTH	BIENNIUM TO DATE	% of	BIENNIUM BUDGET
	<u>February</u>	<u>2013-2014</u>	<u>BUDGET</u>	<u>2013-2014</u>	<u>February</u>	<u>2011-2012</u>	<u>BUDGET</u>	<u>2011-2012</u>
EXPENDITURES								
Cost Center								
City Council	11,936	17,346	8.1%	213,950	11,135	16,802	7.7%	217,644
City Manager	129,360	185,503	9.0%	2,055,821	55,207	105,614	5.9%	1,796,600
City Clerk	6,767	14,105	5.8%	243,139	18,482	38,422	7.2%	536,261
Finance	24,924	48,237	6.6%	735,429	25,648	43,841	6.9%	639,213
Legal	4,956	4,956	1.2%	430,000	9,472	9,472	1.9%	494,285
Non-Departmental	97,674	240,538	15.7%	1,533,487	8,687	203,114	13.3%	1,532,818
Interfund Transfers	0	0	0.0%	4,006,101	0	0	0.0%	1,564,000
Public Safety	35,060	35,598	0.5%	7,553,348	15,180	45,647	0.6%	7,179,563
Engineering	46,635	92,037	6.8%	1,361,385	33,717	67,607	6.5%	1,045,741
Planning & Community Dev	29,059	56,350	6.0%	939,441	29,050	52,442	7.4%	712,632
Land Dev & Permitting	46,075	89,527	6.9%	1,304,736	41,717	81,679	5.4%	1,501,147
Parks & Facility Maintenance	83,633	87,019	6.5%	1,337,271	97,316	103,546	6.1%	1,695,042
Total Expenditures	516,080	871,215	4.0%	21,714,108	345,611	768,186	4.1%	18,914,946
Ending Fund Balance		5,644,528		2,866,529			0.0%	4,972,534
Total Expenditures and Ending Fund Balance		6,515,744		24,580,637				23,887,480

**City of Kenmore, Washington
General Fund Revenue Graphs
February 28, 2013**

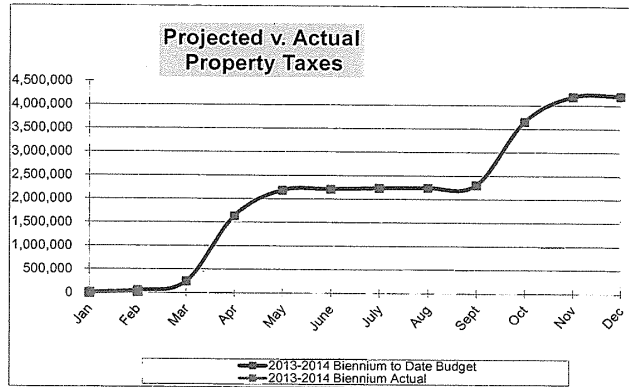
PROPERTY TAXES

	2013-2014 Biennium to Date Budget	2013-2014 Biennium Actual
Jan	11,954	5,892
Feb	59,028	34,243
Mar	251,297	
Apr	1,644,997	
May	2,193,491	
June	2,218,132	
July	2,245,638	
Aug	2,253,168	
Sept	2,313,416	
Oct	3,661,593	
Nov	4,194,035	
Dec	4,213,917	
2013	4,213,917	

Year To Date

Actual v. Projected

1%



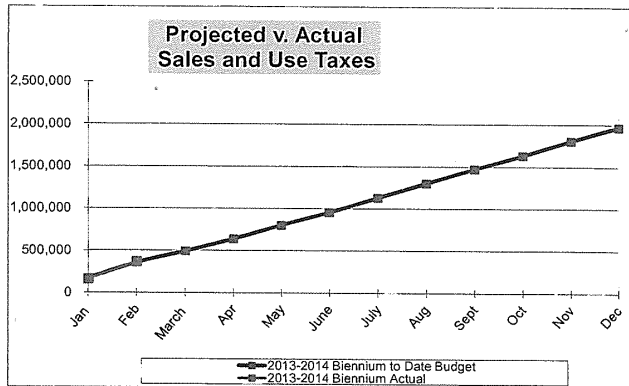
SALES, USE, CRIM JUSTICE TAXES

	2013-2014 Biennium to Date Budget	2013-2014 Biennium Actual
Jan	174,942	165,280
Feb	361,685	371,653
March	497,400	
Apr	643,196	
May	805,908	
June	959,342	
July	1,133,164	
Aug	1,306,744	
Sept	1,475,984	
Oct	1,637,030	
Nov	1,811,890	
Dec	1,975,227	
2013	1,975,227	

Year To Date

Actual v. Projected

19%



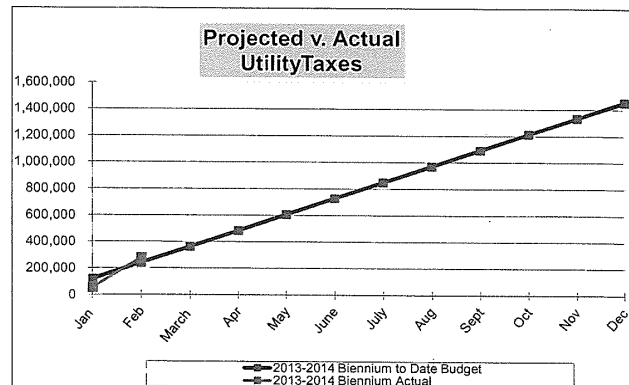
UTILITY TAXES

	2013-2014 Biennium to Date Budget	2013-2014 Biennium Actual
Jan	121,532	56,742
Feb	243,065	281,331
March	364,597	
Apr	486,130	
May	607,662	
June	729,195	
July	850,727	
Aug	972,259	
Sept	1,093,792	
Oct	1,215,324	
Nov	1,336,857	
Dec	1,458,389	
2013	1,458,389	

Year To Date

Actual v. Projected

19%

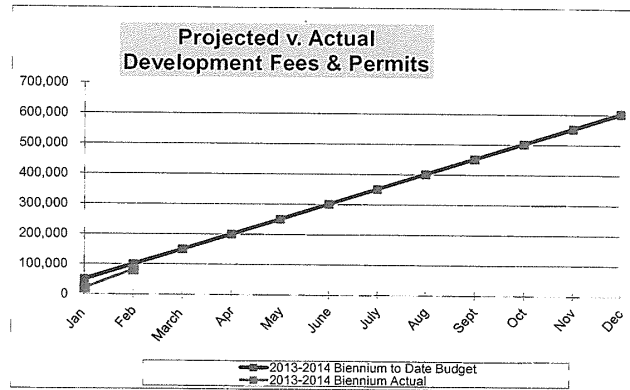


**City of Kenmore, Washington
General Fund Revenue Graphs
February 28, 2013**

DEVELOPMENT FEES & PERMITS

	2013-2014 Biennium to Date Budget	2013-2014 Biennium Actual
Jan	50,371	21,332
Feb	100,742	82,718
March	151,113	
Apr	201,484	
May	251,855	
June	302,227	
July	352,598	
Aug	402,969	
Sept	453,340	
Oct	503,711	
Nov	554,082	
Dec	604,453	
2013	604,453	

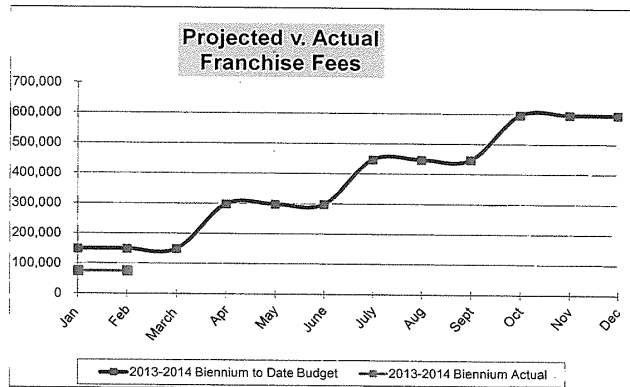
Year To Date
Actual v. Projected 14%



FRANCHISE FEES

	2013-2014 Biennium to Date Budget	2013-2014 Biennium Actual
Jan	149,431	75,656
Feb	149,431	75,656
March	149,431	
Apr	298,862	
May	298,862	
June	298,862	
July	448,292	
Aug	448,292	
Sept	448,292	
Oct	597,723	
Nov	597,723	
Dec	597,723	
2013	597,723	

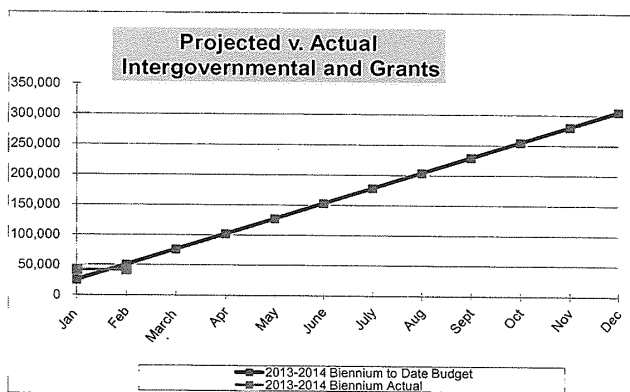
Year To Date
Actual v. Projected 13%



INTERGOVERNMENTAL & GRANTS

	2013-2014 Biennium to Date Budget	2013-2014 Biennium Actual
Jan	25,490	42,428
Feb	50,980	42,428
March	76,471	
Apr	101,961	
May	127,451	
June	152,941	
July	178,431	
Aug	203,921	
Sept	229,412	
Oct	254,902	
Nov	280,392	
Dec	305,882	
2013	305,882	

Year To Date
Actual v. Projected 14%

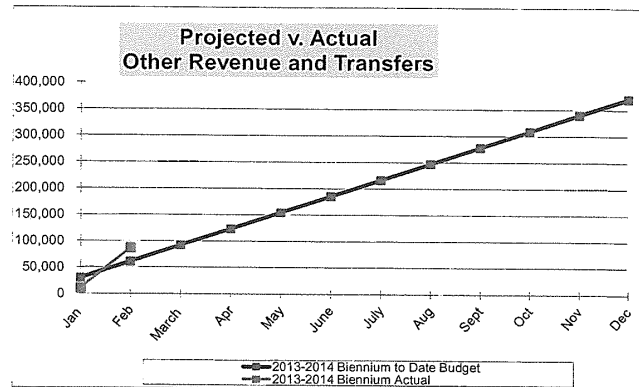


**City of Kenmore, Washington
General Fund Revenue Graphs
February 28, 2013**

OTHER REVENUES AND TRANSFERS

	2013-2014 Biennium to Date Budget	2013-2014 Biennium Actual
Jan	30,992	11,617
Feb	61,984	87,759
March	92,975	
Apr	123,967	
May	154,959	
June	185,951	
July	216,942	
Aug	247,934	
Sept	278,926	
Oct	309,918	
Nov	340,909	
Dec	371,901	
2013	371,901	

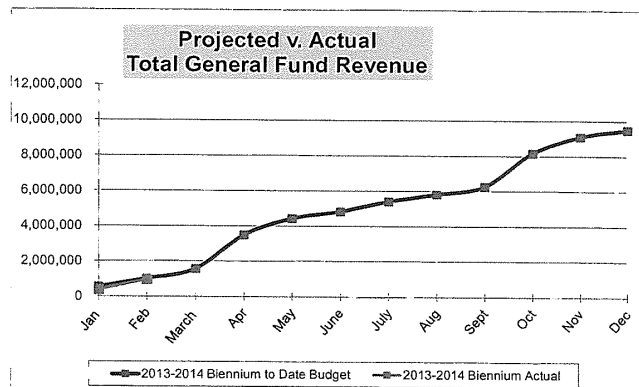
Year To Date
Actual v. Projected 24%



TOTAL GENERAL FUND REVENUE

	2013-2014 Biennium to Date Budget	2013-2014 Biennium Actual
Jan	564,712	378,947
Feb	1,026,915	975,789
March	1,583,284	
Apr	3,500,596	
May	4,440,187	
June	4,846,648	
July	5,425,792	
Aug	5,835,288	
Sept	6,293,161	
Oct	8,180,200	
Nov	9,115,888	
Dec	9,527,491	
2013	9,527,491	

Year To Date
Actual v. Projected 10%



**City of Kenmore, Washington
General Fund Expenditure Graphs
February 28, 2013**

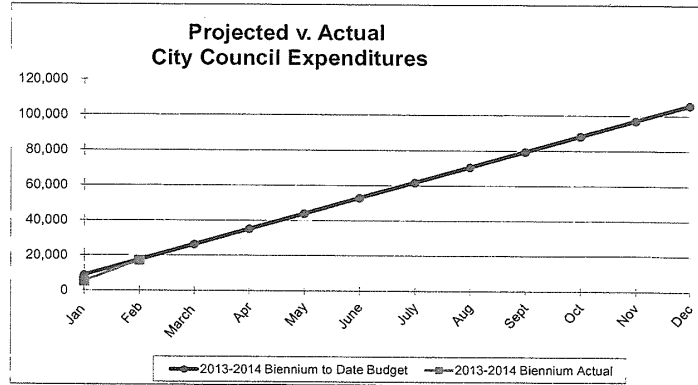
CITY COUNCIL

	2013-2014 Biennium to Date Budget	2013-2014 Biennium Actual
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Jan	8,843	5,410
Feb	17,686	17,346
March	26,529	
Apr	35,371	
May	44,214	
June	53,057	
July	61,900	
Aug	70,743	
Sept	79,586	
Oct	88,428	
Nov	97,271	
Dec	106,114	
2013	106,114	

Year To Date

Actual v. Projected 16%



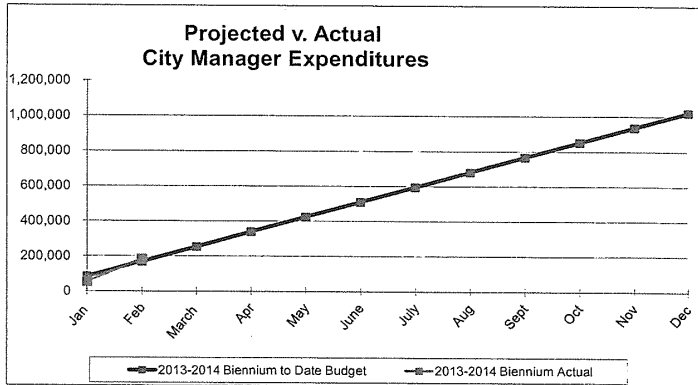
CITY MANAGER

	2013-2014 Biennium to Date Budget	2013-2014 Biennium Actual
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Jan	85,361	56,142
Feb	170,723	185,503
March	256,084	
Apr	341,446	
May	426,807	
June	512,169	
July	597,530	
Aug	682,891	
Sept	768,253	
Oct	853,614	
Nov	938,976	
Dec	1,024,337	
2013	1,024,337	

Year To Date

Actual v. Projected 18%



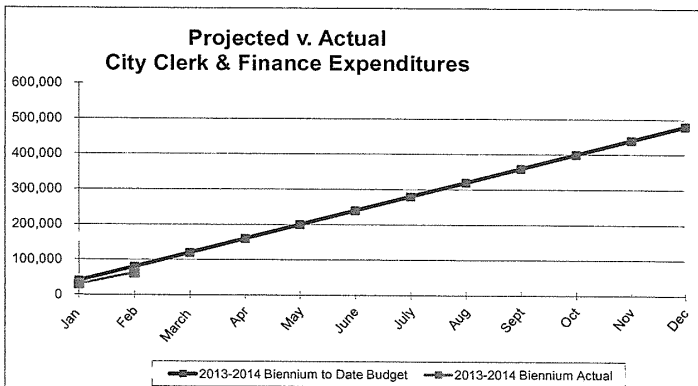
CITY CLERK & FINANCE

	2013-2014 Biennium to Date Budget	2013-2014 Biennium Actual
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Jan	40,054	30,652
Feb	80,108	62,343
March	120,163	
Apr	160,217	
May	200,271	
June	240,325	
July	280,379	
Aug	320,433	
Sept	360,488	
Oct	400,542	
Nov	440,596	
Dec	480,650	
2013	480,650	

Year To Date

Actual v. Projected 13%



**City of Kenmore, Washington
General Fund Expenditure Graphs
February 28, 2013**

LEGAL

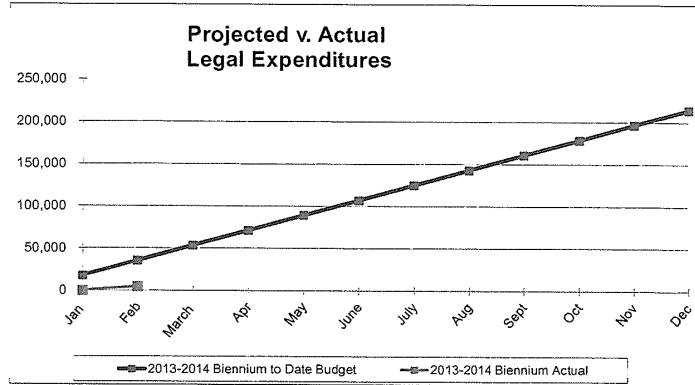
	2013-2014 Biennium to Date Budget	2013-2014 Biennium Actual
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Jan	17,917	0
Feb	35,833	4,956
March	53,750	
Apr	71,667	
May	89,583	
June	107,500	
July	125,417	
Aug	143,333	
Sept	161,250	
Oct	179,167	
Nov	197,083	
Dec	215,000	
2013	215,000	

Year To Date

Actual v. Projected

2%



NON-DEPARTMENTAL, TRANSFERS, INTERFUND LOANS

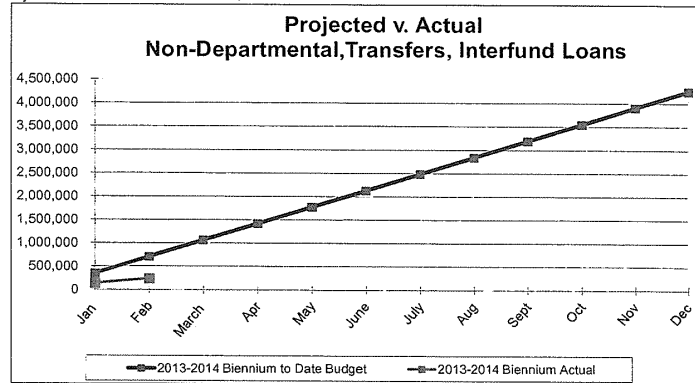
	2013-2014 Biennium to Date Budget	2013-2014 Biennium Actual
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Jan	355,690	142,864
Feb	711,379	240,538
March	1,067,069	
Apr	1,422,759	
May	1,778,448	
June	2,134,138	
July	2,489,828	
Aug	2,845,517	
Sept	3,201,207	
Oct	3,556,897	
Nov	3,912,586	
Dec	4,268,276	
2013	4,268,276	

Year To Date

Actual v. Projected

6%



PUBLIC SAFETY

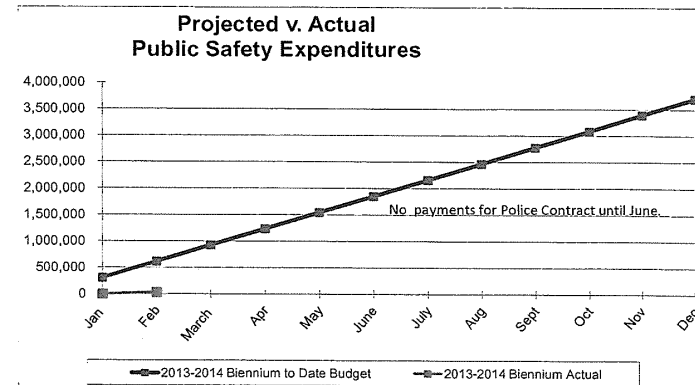
	2013-2014 Biennium to Date Budget	2013-2014 Biennium Actual
--	---	---------------------------------

Jan	308,950	537
Feb	617,900	35,598
March	926,850	
Apr	1,235,799	
May	1,544,749	
June	1,853,699	
July	2,162,649	
Aug	2,471,599	
Sept	2,780,549	
Oct	3,089,498	
Nov	3,398,448	
Dec	3,707,398	
2013	3,707,398	

Year To Date

Actual v. Projected

1%

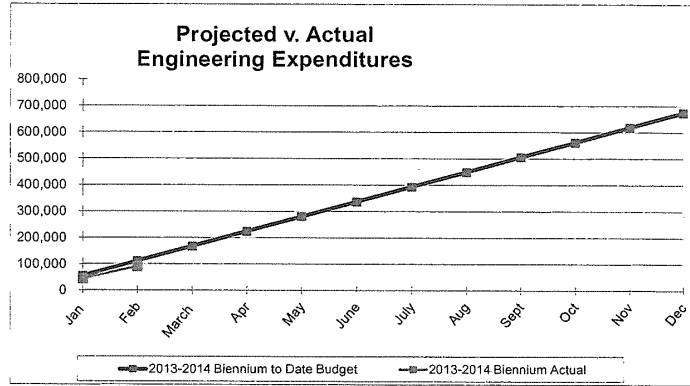


**City of Kenmore, Washington
General Fund Expenditure Graphs
February 28, 2013**

ENGINEERING

	2013-2014 Biennium to Date Budget	2013-2014 Biennium Actual
Jan	56,346	45,402
Feb	112,692	92,037
March	169,038	
Apr	225,384	
May	281,730	
June	338,076	
July	394,421	
Aug	450,767	
Sept	507,113	
Oct	563,459	
Nov	619,805	
Dec	676,151	
2013	676,151	

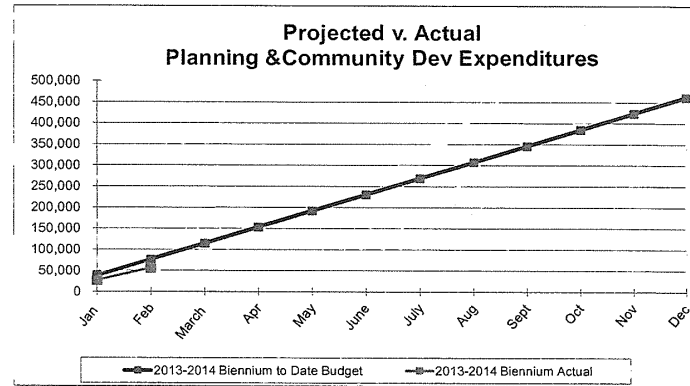
Year To Date
Actual v. Projected 14%



PLANNING & COMMUNITY DEV

	2013-2014 Biennium to Date Budget	2013-2014 Biennium Actual
Jan	38,540	27,290
Feb	77,080	56,350
March	115,621	
Apr	154,161	
May	192,701	
June	231,241	
July	269,781	
Aug	308,321	
Sept	346,862	
Oct	385,402	
Nov	423,942	
Dec	462,482	
2013	462,482	

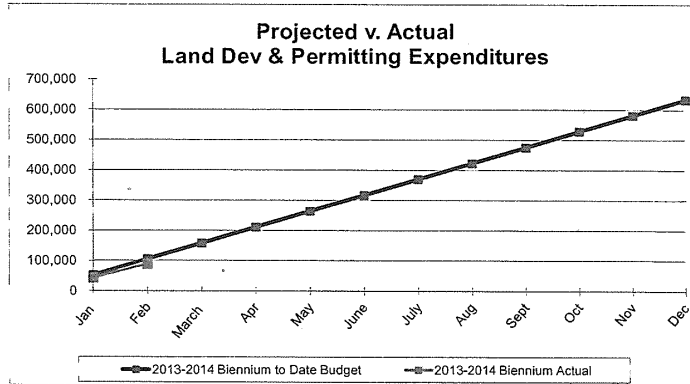
Year To Date
Actual v. Projected 12%



LAND DEV & PERMITTING

	2013-2014 Biennium to Date Budget	2013-2014 Biennium Actual
Jan	52,883	43,452
Feb	105,766	89,527
March	158,650	
Apr	211,533	
May	264,416	
June	317,299	
July	370,182	
Aug	423,065	
Sept	475,949	
Oct	528,832	
Nov	581,715	
Dec	634,598	
2013	634,598	

Year To Date
Actual v. Projected 14%



City of Kenmore, Washington
General Fund Expenditure Graphs
February 28, 2013

PARKS & FACILITY MAINT

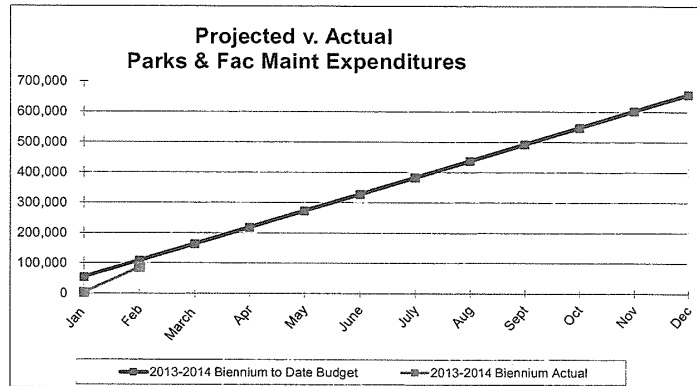
	2013-2014 Biennium to Date Budget	2013-2014 Biennium Actual
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Jan	54,878	3,386
Feb	109,755	87,019
March	164,633	
Apr	219,510	
May	274,388	
June	329,265	
July	384,143	
Aug	439,020	
Sept	493,898	
Oct	548,775	
Nov	603,653	
Dec	658,530	
2013	658,530	

Year To Date

Actual v. Projected

13%



TOTAL GENERAL FUND EXPENDITURES

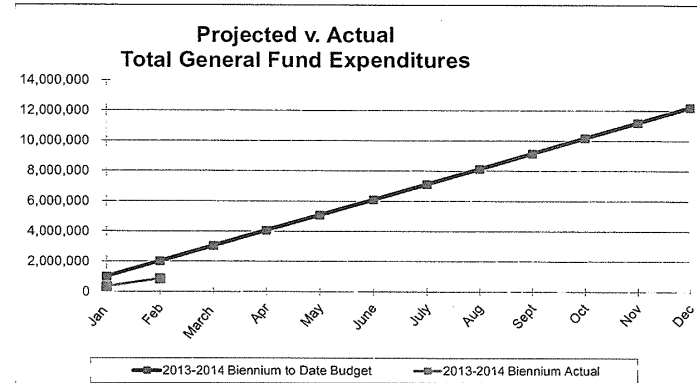
	2013-2014 Biennium to Date Budget	2013-2014 Biennium Actual
--	---	---------------------------------

Jan	1,019,461	355,135
Feb	2,038,923	871,215
March	3,058,384	
Apr	4,077,845	
May	5,097,307	
June	6,116,768	
July	7,136,229	
Aug	8,155,691	
Sept	9,175,152	
Oct	10,194,613	
Nov	11,214,075	
Dec	12,233,536	
2013	12,233,536	

Year To Date

Actual v. Projected

7%



City of Kenmore, Washington
All Funds Cash Summary
February 28, 2013



	2011-2012			2013-2014
	BIENNIUM TO DATE	BUDGET	FEBRUARY	BIENNIUM TO DATE
GENERAL FUND				
Beginning Cash	4,941,884	4,351,224		4,351,224
Interfund Loan Repayment	0	0	1,200,000	1,200,000
Revenues	18,860,927	19,241,694	596,842	975,789
Total Sources	23,802,811	23,592,918	1,796,842	6,527,013
Interfund Loans	1,200,000	0		0
Expenditures	18,262,857	21,714,108	516,080	871,215
Ending Cash	4,339,954	1,878,810		5,655,798
Total Uses	23,802,811	23,592,918	516,080	6,527,013
STREET FUND				
Beginning Cash	2,040,582	1,512,463		1,512,463
Interfund Loan	0	0		0
Revenues	2,144,716	3,850,173	34,036	67,931
Total Sources	4,185,298	5,362,636	34,036	1,580,394
Expenditures	2,672,835	3,840,126	29,832	50,658
Ending Cash	1,512,463	1,522,510		1,529,736
Total Uses	4,185,298	5,362,636	29,832	1,580,394
TRANSPORTATION CAPITAL FUND				
Beginning Cash	1,209,197	427,539		427,539
Revenues	4,657,682	11,387,950	23,033	166,545
Total Sources	5,866,879	11,815,489	23,033	594,084
Expenditures	4,447,557	10,900,750	108,258	108,258
Ending Cash	1,419,322	914,739		485,827
Total Uses	5,866,879	11,815,489	108,258	594,084
PUBLIC ART FUND				
Beginning Cash	68,244	68,540		68,540
Revenues	1,296	600	0	0
Total Sources	69,540	69,140	0	68,540
Expenditures	1,000	1,000	0	0
Ending Cash	68,540	68,140		68,540
Total Uses	69,540	69,140	0	68,540
PARK IMPACT FEE FUND				
Beginning Cash	1,354,455	1,610,440		1,610,440
Revenues	285,604	346,567	2,537	2,537
Total Sources	1,640,059	1,957,007	2,537	1,612,977
Expenditures	24,963	220,000	0	0
Ending Cash	1,615,096	1,737,007		1,612,977
Total Uses	1,640,059	1,957,007	0	1,612,977
TRANSPORTATION IMPACT FEE FUND				
Beginning Cash	545,655	240,535		240,535
Revenues	916,135	876,670	8,434	8,434
Total Sources	1,461,790	1,117,205	8,434	248,969
Expenditures	1,221,255	792,500	0	0
Ending Cash	240,535	324,705		248,969
Total Uses	1,461,790	1,117,205	0	248,969
SWAMP CREEK BASIN FUND				
Beginning Cash	1,762,640	1,581,067		1,581,067
Revenues	16,536	16,000	0	0
Total Sources	1,779,176	1,597,067	0	1,581,067
Expenditures	198,109	160,000	0	0
Ending Cash	1,581,067	1,437,067		1,581,067
Total Uses	1,779,176	1,597,067	0	1,581,067
TRANSPORTATION BENEFIT DISTRICT FUND				
Beginning Cash	0	0		0
Revenues	0	535,000	0	0
Total Sources	0	535,000	0	0
Expenditures	0	535,000	0	5,000
Ending Cash	0	0		(5,000)
Total Uses	0	535,000	0	0
SAMMAMISH BRIDGE REPLACEMENT FUND				
Beginning Cash	0	0		0
Revenues	0	80,000	0	0
Total Sources	0	80,000	0	0
Expenditures	0	0	0	0
Ending Cash	0	80,000		0
Total Uses	0	80,000	0	0

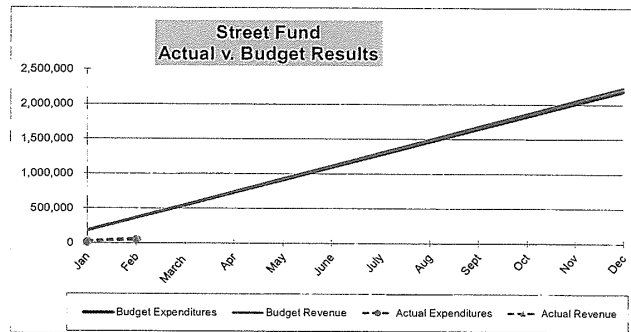
City of Kenmore, Washington
All Funds Cash Summary
February 28, 2013



	2011-2012 BIENNIUM TO DATE	BUDGET	FEBRUARY	2013-2014 BIENNIUM TO DATE
REAL ESTATE EXCISE TAX FUND				
Beginning Cash	1,866,318	1,965,806		1,965,806
Revenues	1,497,557	1,147,317	40,281	96,082
Total Sources	3,363,874	3,113,123	40,281	2,061,888
Expenditures	2,386,812	2,167,250	0	0
Ending Cash	977,062	945,873		2,061,888
Total Uses	3,363,874	3,113,123	0	2,061,888
KENMORE VILLAGE FUND				
Beginning Cash	60,725	151,088		151,088
Interfund Loan	1,200,000			0
Revenues	555,153	1,692,340	2,600	4,650
Total Sources	1,815,878	1,843,428	2,600	155,738
Interfund Loans	0	0	1,200,000	1,200,000
Expenditures	1,663,002	339,200	11,182	14,302
Ending Cash	152,875	1,504,228		(1,058,564)
Total Uses	1,815,878	1,843,428	1,211,182	155,738
PARK CAPITAL FUND				
Beginning Cash	0	0		0
Revenues	0	663,534	340	340
Total Sources	0	663,534	340	340
Expenditures	0	620,000	0	0
Ending Cash	0	43,534		340
Total Uses	0	663,534	0	340
SURFACE WATER MANAGEMENT FUND				
Beginning Cash	1,590,280	1,419,392		1,419,392
Revenues	3,739,336	3,499,176	9,481	20,625
Total Sources	5,329,616	4,918,568	9,481	1,440,017
Expenditures	3,908,437	4,477,876	68,552	109,357
Ending Cash	1,421,179	440,692		1,330,660
Total Uses	5,329,616	4,918,568	68,552	1,440,017
SURFACE WATER CAPITAL FUND				
Beginning Cash	0	0		0
Revenues	0	1,902,250	0	0
Total Sources	0	1,902,250	0	0
Expenditures	0	1,902,250	0	0
Ending Cash	0	0		0
Total Uses	0	1,902,250	0	0
STRATEGIC RESERVE FUND				
Beginning Cash	1,264,464	1,264,464		1,264,464
Interfund Loan Repayment	0			0
Revenues	0	0	0	0
Total Sources	1,264,464	1,264,464	0	1,264,464
Interfund Loans	0			0
Expenditures	0	0	0	0
Ending Cash	1,264,464	1,264,464		1,264,464
Total Uses	1,264,464	1,264,464	0	1,264,464
STRATEGIC OPPORTUNITIES FUND				
Beginning Cash	0	0		0
Revenues	0	2,525,062	1,502	1,502
Total Sources	0	2,525,062	1,502	1,502
Expenditures	0	50,000	13,991	16,847
Ending Cash	0	2,475,062		(15,346)
Total Uses	0	2,525,062	13,991	1,502
EQUIPMENT REPLACEMENT FUND				
Beginning Cash	524,310	490,603		490,603
Revenues	188,365	155,142	0	0
Total Sources	712,675	645,745	0	490,603
Expenditures	222,072	276,250	1,948	1,948
Ending Cash	490,603	369,495		488,655
Total Uses	712,675	645,745	1,948	490,603
TRUST AND AGENCY (NON BUDGETED FUND)*				
Beginning Cash	278,859	247,209		247,209
Revenues	122,994	0	1,244	2,232
Total Sources	401,854	247,209	1,244	249,441
Expenditures	154,645	0	775	775
Ending Cash	247,209	247,209		248,666
Total Uses	401,854	247,209	775	249,441
TOTALS				
Beginning Cash	17,507,613	15,330,369	0	15,330,369
Interfund Loan	0	0	1,200,000	1,200,000
Revenues	32,986,301	47,919,475	720,330	1,346,667
Total Sources	50,493,914	63,249,844	1,920,330	17,877,036
Interfund Loan	1,200,000	0	1,200,000	1,200,000
Expenditures	34,965,435	47,996,310	750,618	1,178,361
Ending Cash	15,330,370	15	0	15,498,675
Total Uses	51,495,805	63 15	1,950,618	17,877,036

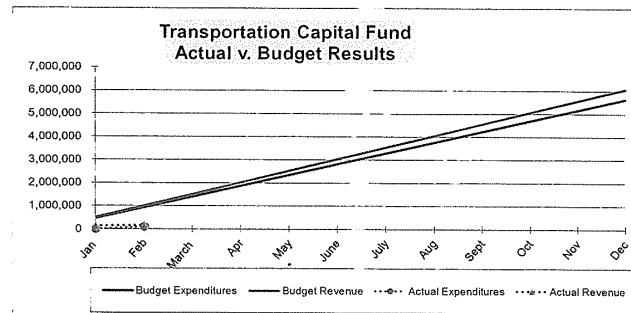
**City of Kenmore, Washington
Other Funds Monthly Activity
February 28, 2013**

STREET FUND				
	2013-2014 Budget Expenditures	2013-2014 Actual Expenditures	2013-2014 Budget Revenue	2013-2014 Actual Revenue
Jan	182,816	20,826	187,144	33,895
Feb	365,631	50,658	374,287	67,931
March	548,447		561,431	
Apr	731,263		748,574	
May	914,078		935,718	
June	1,096,894		1,122,861	
July	1,279,710		1,310,005	
Aug	1,462,525		1,497,148	
Sept	1,645,341		1,684,292	
Oct	1,828,157		1,871,435	
Nov	2,010,972		2,058,579	
Dec	2,193,788		2,245,722	
2013-2014	3,840,126		3,850,173	
Total Actual to Date vs Total Budget		1%		2%



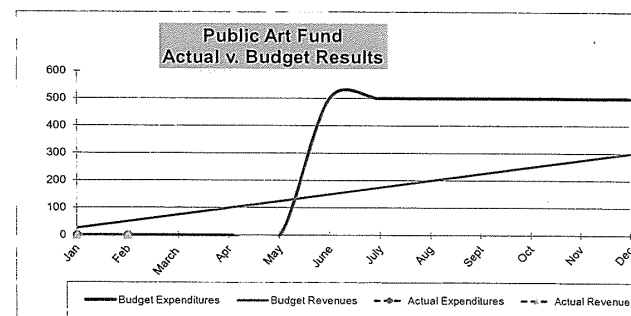
The Street Fund accounts for street maintenance operations, funded by the State's fuel tax and transfers from the General Fund.

TRANSPORTATION CAPITAL FUND				
	2013-2014 Budget Expenditures	2013-2014 Actual Expenditures	2013-2014 Budget Revenue	2013-2014 Actual Revenue
Jan	469,646	0	506,829	143,512
Feb	939,292	108,258	1,013,658	166,545
March	1,408,938		1,520,488	
Apr	1,878,583		2,027,317	
May	2,348,229		2,534,146	
June	2,817,875		3,040,975	
July	3,287,521		3,547,804	
Aug	3,757,167		4,054,633	
Sept	4,228,813		4,561,463	
Oct	4,696,458		5,068,292	
Nov	5,166,104		5,575,121	
Dec	5,635,750		6,081,950	
2013-2014	10,900,750		11,387,950	
Total Actual to Date vs Total Budget		1%		1%



The Transportation Capital Fund accounts for capital improvements to the City's streets and SR 522, funded by various grants plus City resources from real estate excise tax and transportation impact fees. All phases of improvements to SR 522 are now accounted for in this fund. There is a time lag between project expenditures and reimbursements from grants; this accounts for the lower revenues compared to the expenditures.

PUBLIC ART FUND				
	2013-2014 Budget Expenditures	2013-2014 Actual Expenditures	2013-2014 Budget Revenue	2013-2014 Actual Revenue
Jan	0	0	25	0
Feb	0	0	50	0
March	0		75	
Apr	0		100	
May	0		125	
June	500		150	
July	500		175	
Aug	500		200	
Sept	500		225	
Oct	500		250	
Nov	500		275	
Dec	500		300	
2013-2014	1,000		600	
Total Actual to Date vs Total Budget		0%		0%

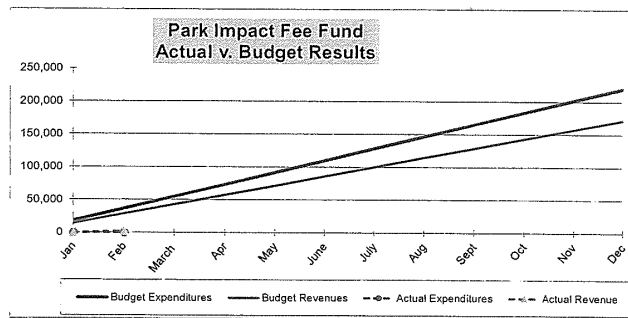


This fund accounts for public art authorized by Ordinance 01-0115. One percent (1%) of public project construction contracts is contributed to this fund to provide for public art displays or performing arts events as authorized by the City Council.

**City of Kenmore, Washington
Other Funds Monthly Activity
February 28, 2013**

PARK IMPACT FEE FUND

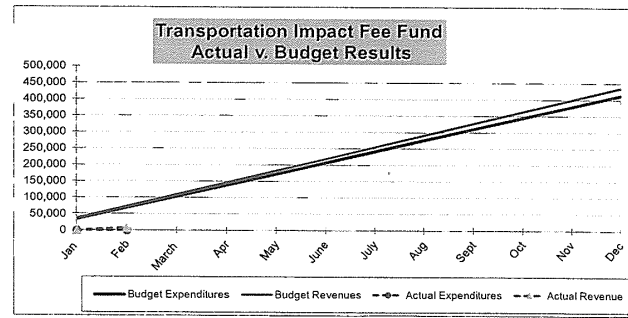
	2013-2014 Budget Expenditures	2013-2014 Actual Expenditures	2013-2014 Budget Revenue	2013-2014 Actual Revenue
Jan	18,333	0	14,351	0
Feb	36,667	0	28,702	2,537
March	55,000		43,054	
Apr	73,333		57,405	
May	91,667		71,756	
June	110,000		86,107	
July	128,333		100,458	
Aug	146,667		114,809	
Sept	165,000		129,161	
Oct	183,333		143,512	
Nov	201,667		157,863	
Dec	220,000		172,214	
2013-2014	220,000		346,567	
Total Actual to Date vs Total Budget		0%		1%



This fund accounts for City imposed park impact fees on new development. Expenditures are for public park acquisitions and improvements. In the 2011-2012 budget, expenditures represent transfers to Municipal Capital Fund for improvements to City parks.

TRANSPORTATION IMPACT FEE FUND

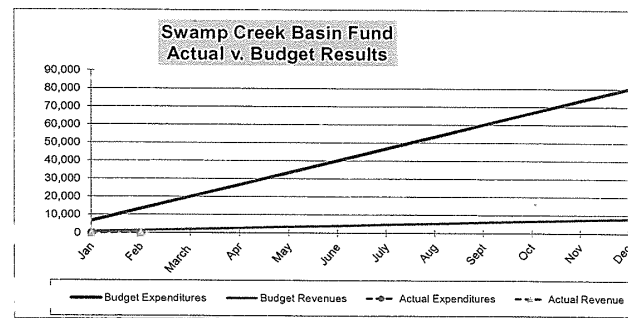
	2013-2014 Budget Expenditures	2013-2014 Actual Expenditures	2013-2014 Budget Revenue	2013-2014 Actual Revenue
Jan	34,375	0	36,331	0
Feb	68,750	0	72,662	8,434
March	103,125		108,993	
Apr	137,500		145,324	
May	171,875		181,655	
June	206,250		217,987	
July	240,625		254,318	
Aug	275,000		290,649	
Sept	309,375		326,980	
Oct	343,750		363,311	
Nov	378,125		399,642	
Dec	412,500		435,973	
2013-2014	792,500		876,670	
Total Actual to Date vs Total Budget		0%		1%



This fund accounts for City imposed transportation impact fees on new development. Expenditures are for public transportation improvements.

SWAMP CREEK BASIN FUND

	2013-2014 Budget Expenditures	2013-2014 Actual Expenditures	2013-2014 Budget Revenue	2013-2014 Actual Revenue
Jan	6,667	0	683	0
Feb	13,333	0	1,367	0
March	20,000		2,050	
Apr	26,667		2,733	
May	33,333		3,417	
June	40,000		4,100	
July	46,667		4,783	
Aug	53,333		5,467	
Sept	60,000		6,150	
Oct	66,667		6,833	
Nov	73,333		7,517	
Dec	80,000		8,200	
2013-2014	160,000		16,000	
Total Actual to Date vs Total Budget		0%		0%

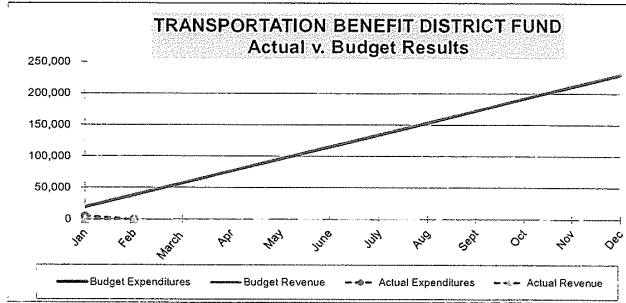


This fund accounts for the Memorandum of Agreement with King County which provided funds reserved for surface water projects, improvements, and maintenance within the Swamp Creek Basin.

**City of Kenmore, Washington
Other Funds Monthly Activity
February 28, 2013**

TRANSPORTATION BENEFIT DISTRICT FUND

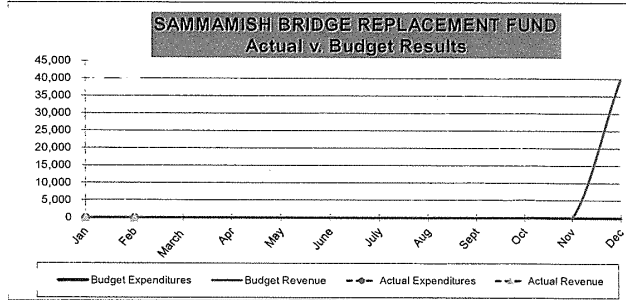
	2013-2014 Budget Expenditures	2013-2014 Actual Expenditures	2013-2014 Budget Revenue	2013-2014 Actual Revenue
Jan	19,167	5,000	19,167	0
Feb	38,333	0	38,333	0
March	57,500		57,500	
Apr	76,667		76,667	
May	95,833		95,833	
June	115,000		115,000	
July	134,167		134,167	
Aug	153,333		153,333	
Sept	172,500		172,500	
Oct	191,667		191,667	
Nov	210,833		210,833	
Dec	230,000		230,000	
2013-2014	535,000		535,000	
Total Actual to Date vs Total Budget		0%		0%



The Transportation Benefit District fund accounts for the \$20 vehicle license tab fees levied on vehicles located in the Kenmore city limits. The revenue generated will be used in maintaining the City's transportation system.

SAMMAMISH BRIDGE REPLACEMENT FUND

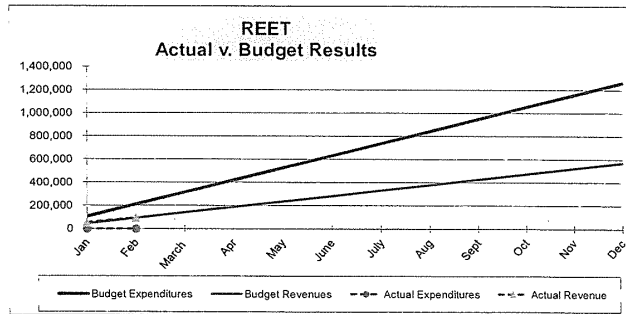
	2013-2014 Budget Expenditures	2013-2014 Actual Expenditures	2013-2014 Budget Revenue	2013-2014 Actual Revenue
Jan	0	0	0	0
Feb	0	0	0	0
March	0		0	
Apr	0		0	
May	0		0	
June	0		0	
July	0		0	
Aug	0		0	
Sept	0		0	
Oct	0		0	
Nov	0		0	
Dec	0		40,000	
2013-2014	0		80,000	
Total Actual to Date vs Total Budget		0%		0%



The Sammamish Bridge Replacement fund is a fund used to put money aside for the replacement of the West Sammamish bridge.

REAL ESTATE EXCISE TAX FUND

	2013-2014 Budget Expenditures	2013-2014 Actual Expenditures	2013-2014 Budget Revenue	2013-2014 Actual Revenue
Jan	105,188	0	47,456	55,801
Feb	210,375	0	94,911	96,082
March	315,563		142,367	
Apr	420,750		189,823	
May	525,938		237,278	
June	631,125		284,734	
July	736,313		332,190	
Aug	841,500		379,645	
Sept	946,688		427,101	
Oct	1,051,875		474,557	
Nov	1,157,063		522,012	
Dec	1,262,250		569,468	
2013-2014	2,167,250		1,147,317	
Total Actual to Date vs Total Budget		0%		8%

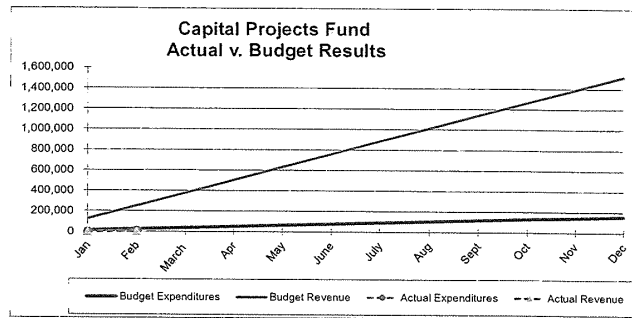


The Real Estate Excise Tax Fund accounts for the 1/2% real estate excise taxes levied by the City which are restricted to capital projects and improvements. Expenditures include park improvements and transfers to the Transportation Capital Fund for transportation improvements.

**City of Kenmore, Washington
Other Funds Monthly Activity
February 28, 2013**

KENMORE VILLAGE FUND

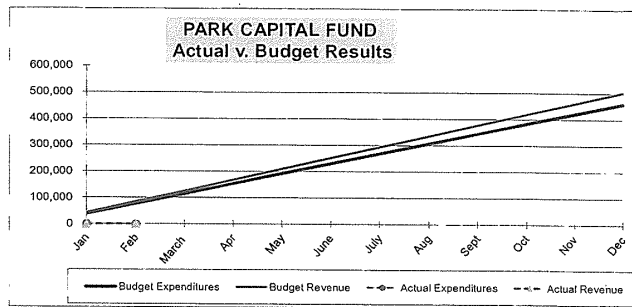
	2013-2014 Budget Expenditures	2013-2014 Actual Expenditures	2013-2014 Budget Revenue	2013-2014 Actual Revenue
Jan	13,467	3,120	126,918	2,050
Feb	26,933	14,302	253,837	4,650
March	40,400		380,755	
Apr	53,867		507,673	
May	67,333		634,592	
June	80,800		761,510	
July	94,267		888,428	
Aug	107,733		1,015,347	
Sept	121,200		1,142,265	
Oct	134,667		1,269,183	
Nov	148,133		1,396,102	
Dec	161,600		1,523,020	
2013-2014	339,200		1,692,340	
Total Actual to Date vs Total Budget		4%		0%



The Kenmore Village Fund accounts for leasing activity within Kenmore Village

PARK CAPITAL FUND

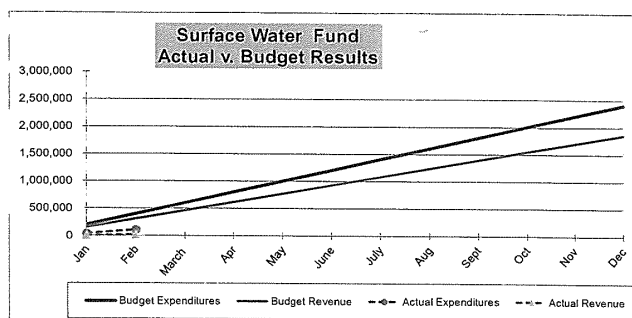
	2013-2014 Budget Expenditures	2013-2014 Actual Expenditures	2013-2014 Budget Revenue	2013-2014 Actual Revenue
Jan	38,333	0	41,961	0
Feb	76,667	0	83,922	340
March	115,000		125,884	
Apr	153,333		167,845	
May	191,667		209,806	
June	230,000		251,767	
July	268,333		293,728	
Aug	306,667		335,689	
Sept	345,000		377,651	
Oct	383,333		419,612	
Nov	421,667		461,573	
Dec	460,000		503,534	
2013-2014	620,000		663,534	
Total Actual to Date vs Total Budget		0%		0%



The Park Capital fund will account for Park Capital Projects formerly included in the Municipal Capital fund. In addition, distributions from the King County Proposition 2 Parks Expansion Levy will be receipted into this fund

SURFACE WATER MANAGEMENT FUND

	2013-2014 Budget Expenditures	2013-2014 Actual Expenditures	2013-2014 Budget Revenue	2013-2014 Actual Revenue
Jan	200,635	40,806	154,928	11,144
Feb	401,269	109,357	309,856	20,625
March	601,904		464,784	
Apr	802,538		619,712	
May	1,003,173		774,640	
June	1,203,808		929,569	
July	1,404,442		1,084,497	
Aug	1,605,077		1,239,425	
Sept	1,805,711		1,394,353	
Oct	2,006,346		1,549,281	
Nov	2,206,980		1,704,209	
Dec	2,407,615		1,859,137	
2013-2014	4,477,876		3,499,176	
Total Actual to Date vs Total Budget		2%		1%

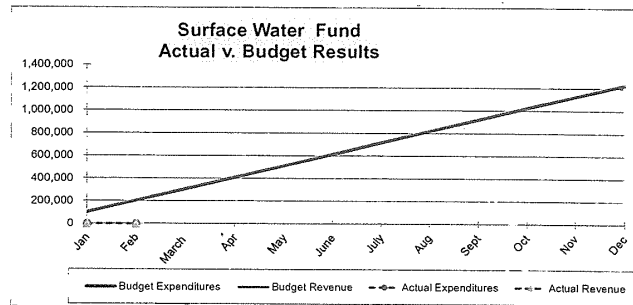


This fund accounts for receipts from surface water assessments. The assessments are collected through the property tax billings; the majority of the receipts are collected in May and November. Expenditures are for surface water maintenance activities such as sweeping and drainage as well as capital improvements.

**City of Kenmore, Washington
Other Funds Monthly Activity
February 28, 2013**

SURFACE WATER CAPITAL FUND

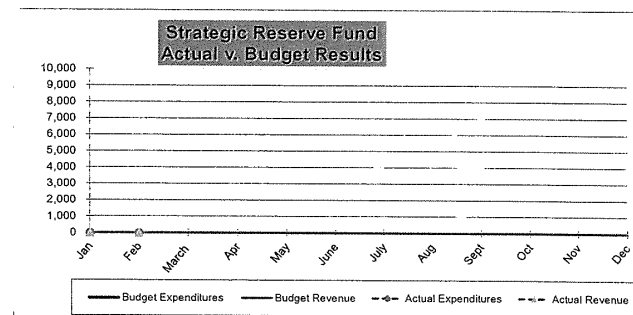
	2013-2014 Budget Expenditures	2013-2014 Actual Expenditures	2013-2014 Budget Revenue	2013-2014 Actual Revenue
Jan	102,521	0	102,521	0
Feb	205,042	0	205,042	0
March	307,563		307,563	
Apr	410,083		410,083	
May	512,604		512,604	
June	615,125		615,125	
July	717,646		717,646	
Aug	820,167		820,167	
Sept	922,688		922,688	
Oct	1,025,208		1,025,208	
Nov	1,127,729		1,127,729	
Dec	1,230,250		1,230,250	
2013-2014	1,902,250		1,902,250	
Total Actual to Date vs Total Budget		0%		0%



This fund accounts for the expenditures for Surface Water Capital Improvements. Revenue sources for this fund include a variety of federal, state, or local grants, surface water management fees transferred from the Surface Water Management Fund and real estate excise taxes.

STRATEGIC RESERVE FUND

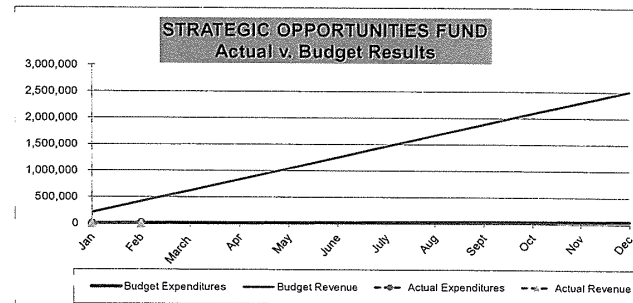
	2013-2014 Budget Expenditures	2013-2014 Actual Expenditures	2013-2014 Budget Revenue	2013-2014 Actual Revenue
Jan	0	0	0	0
Feb	0	0	0	0
March	0		0	
Apr	0		0	
May	0		0	
June	0		0	
July	0		0	
Aug	0		0	
Sept	0		0	
Oct	0		0	
Nov	0		0	
Dec	0		0	
2013-2014	0		0	
Total Actual to Date vs Total Budget		0%		0%



This fund was created to serve as the City's emergency reserve fund. Per State Statute, the fund cannot exceed \$.375 per \$1,000 of the City's assessed value and is fully funded at \$1,264,464 for 2011. No expenditures are anticipated or have been budgeted at this time.

STRATEGIC OPPORTUNITIES FUND

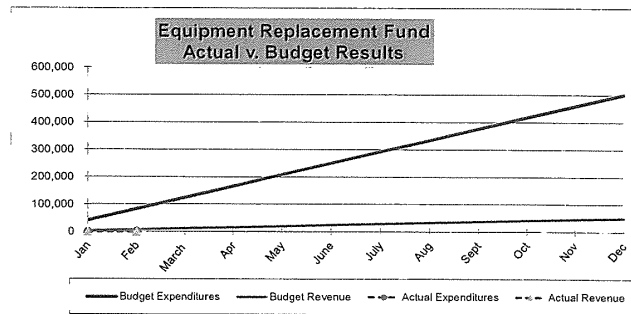
	2013-2014 Budget Expenditures	2013-2014 Actual Expenditures	2013-2014 Budget Revenue	2013-2014 Actual Revenue
Jan	4,167	2,856	209,375	0
Feb	8,333	16,847	418,750	1,502
March	12,500		628,125	
Apr	16,667		837,500	
May	20,833		1,046,875	
June	25,000		1,256,250	
July	29,167		1,465,625	
Aug	33,333		1,675,000	
Sept	37,500		1,884,375	
Oct	41,667		2,093,750	
Nov	45,833		2,303,125	
Dec	50,000		2,512,500	
2013-2014	50,000		2,525,062	
Total Actual to Date vs Total Budget		34%		0%



The purpose of the Strategic Opportunities Fund is to have funds available for "rainy days" and for the City to make key investments or take advantage of strategic opportunities as they present themselves. For 2013-14, the Business Incubator expenditures are budgeted in this fund.

City of Kenmore, Washington
Other Funds Monthly Activity
February 28, 2013

EQUIPMENT REPLACEMENT FUND				
	2013-2014 Budget Expenditures	2013-2014 Actual Expenditures	2013-2014 Budget Revenue	2013-2014 Actual Revenue
Jan	41,883	0	4,321	0
Feb	83,767	1,948	8,642	0
March	125,650		12,963	
Apr	167,534		17,283	
May	209,417		21,604	
June	251,301		25,925	
July	293,184		30,246	
Aug	335,067		34,567	
Sept	376,951		38,888	
Oct	418,834		43,208	
Nov	460,718		47,529	
Dec	502,601		51,850	
2013-2014	276,250		155,142	
Total Actual to Date vs Total Budget		1%		0%



This fund is used to maintain a reserve for future replacement of equipment, including, but not limited to furniture, computers and vehicles. Payments are received from various operating departments and funds that benefit from or use the assets.

City of Kenmore, Washington
Cash and Investment Report
February 28, 2013



Fund	Beg. Cash & Inv.	Monthly	Monthly	End. Cash & Inv.
	from Prev. Mo.	Revenues	Expenditures	Current Month
General	\$4,361,757	\$1,796,842	\$516,080	\$5,642,520
Street	1,525,531	34,036	29,832	1,529,735
Transportation Capital	1,562,835	23,033	108,258	1,477,611
Public Art	68,541	0	0	68,541
Park Impact Fee	1,615,098	2,537	0	1,617,635
Transp Impact Fee	240,536	8,434	0	248,970
Swamp Creek Basin	1,581,067	0	0	1,581,067
Transportation Benefit District	-5,000	0	0	(5,000)
Sammamish Bridge Replacement	0	0	0	0
Real Estate Excise Tax	1,032,862	40,281	0	1,073,143
Kenmore Village	151,802	2,600	1,211,182	(1,056,780)
Park Capital	0	340	0	340
Surface Water Management	1,391,518	9,481	68,552	1,332,447
Surface Water Capital	0	0	0	0
Strategic Reserve	1,264,465	0	0	1,264,465
Strategic Opportunities	-2,856	1,502	13,991	(15,346)
Equipment Replacement	490,602	0	1,948	488,654
Trust & Agency	248,193	1,244	775	248,662
Totals	\$15,526,952	\$1,920,330	\$1,950,618	\$15,496,664

Fund	Cash, Savings,	(> One Year)	Total
	Local Govt Investment Pool	Fixed Investments	
General	\$2,912,133	\$2,744,068	\$5,656,201
Street	679,735	850,000	1,529,735
Transportation Capital	485,828	0	485,828
Public Art	53,541	15,000	68,541
Park Impact Fee	682,979	930,000	1,612,979
Transp Impact Fee	218,971	30,000	248,971
Swamp Creek Basin	181,068	1,400,000	1,581,068
Transportation Benefit District	-5,000	0	(5,000)
Sammamish Bridge Replacement	0	0	0
Real Estate Excise Tax	2,061,887	0	2,061,887
Kenmore Village	-1,508,566	450,000	(1,058,566)
Park Capital	340	0	340
Surface Water Management	820,660	510,000	1,330,660
Surface Water Capital	0	0	0
Strategic Reserve	414,465	850,000	1,264,465
Strategic Opportunities	-15,346	0	(15,346)
Equipment Replacement	38,655	450,000	488,655
Trust & Agency	148,661	100,000	248,661
Totals	\$7,170,010	\$8,329,068	\$15,499,078

City of Kenmore, Washington
Schedule of Investments
February 28, 2013



Report by Security	Investment #	Type	Average Yield to Maturity-Securities				Overall Average Yield		0.54%
			Maturity Date	Purchase Date	Rate	Yield	Possible Call Date	Principal or Balance	Yield Equivalents
<u>Piper Jaffray</u>									
	313371PC4	FHLB	12/12/2014	6/7/2011	0.88%	0.88%	no call	991,238.90	8,722.90
	3136G0QY0	FNMA	7/25/2017	7/25/2012	0.75%	0.75%	7/25/2013	1,000,000.00	7,500.00
	31771J4M9	FICO	9/26/2017	8/14/2012	1.13%	1.13%	non callable	894,731.88	10,137.31
Total Piper Jaffrey Purchases								2,885,970.78	26,360.21
<u>Seattle Northwest Securities</u>									
								-	-
<u>Time Value Investments</u>									
	313586QR3	FNMA	7/5/2014	6/7/2011	1.00%	compounds	no call	998,858.37	9,988.58
	31398A4N9	FNMA	10/15/2013	12/8/2010	1.00%	1.00%	4/15/2011	999,990.00	9,999.90
	31359MEL3	FNMA	4/22/2017	10/22/2012	0.86%	0.86%	no call	999,468.08	8,595.43
Total TVI Purchases								2,998,316.45	28,583.91
<u>Wells Fargo Bank</u>									
Total Wells Fargo Purchases								-	-
<u>Banner Bank CD's</u>									
	5740005425	CD	2/6/2013	2/6/2012	0.45%	0.45%		1,195,585.97	5,380.14
Total Banner Bank CD's								1,195,585.97	5,380.14
<u>Sound Community Bank CD's</u>									
	18299229	CD	2/11/2014	8/17/2012	0.65%	0.65%		1,000,000.00	6,500.00
Total Sound Community Bank CD's								1,000,000.00	6,500.00
<u>Opus Bank CD's</u>									
	280140042	CD	3/16/2015	3/15/2011	1.15%	1.15%		249,194.49	2,865.74
Total Cascade Bank CD's								249,194.49	2,865.74
TOTAL ALL SECURITIES								\$ 8,329,067.69	\$ 69,690.00
Banner Checking and Savings						0.15% Banner		2,920,590.86	4,380.89
Opus Bank						0.20%		11,082.46	22.16
Cash								1,005.00	
Local Government Investment Pool						0.24% LGIP		4,237,330.54	9,957.73
Total Accounts								\$ 15,499,076.55	84,050.78

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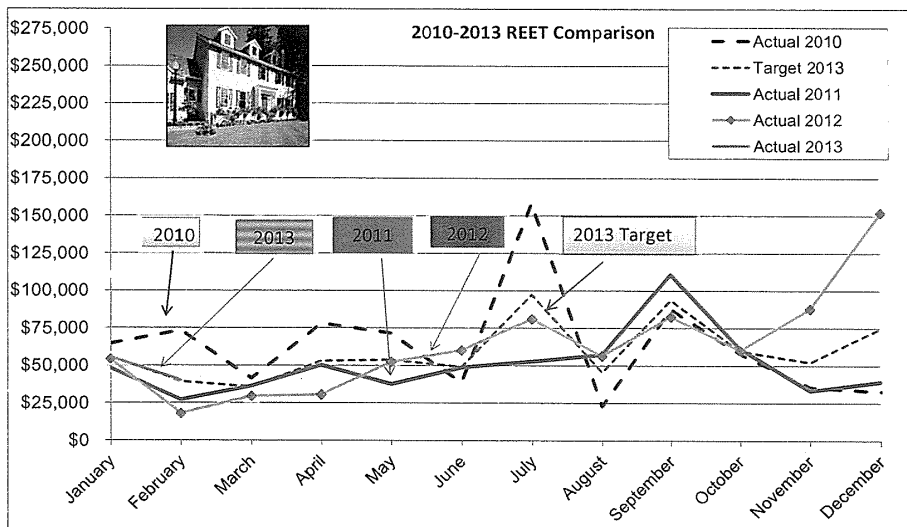
City of Kenmore, Washington
Real Estate Excise Tax Report
February 28, 2013



Real Estate Excise Taxes (REET) 2009 - 2013 Monthly Receipts					
	Actual 2010	Actual 2011	Actual 2012	Actual 2013	Target 2013
January	64,792	48,679	54,359	55,801	55,943
February	73,383	27,294	18,064	40,281	39,580
March	41,445	36,507	29,691		35,881
April	78,233	50,463	30,662		53,119
May	71,622	37,671	52,575		53,956
June	38,919	48,938	60,408		49,422
July	158,221	53,012	81,316		97,516
August	23,033	57,471	56,626		45,710
September	87,734	111,107	82,785		93,875
October	57,761	61,805	60,265		59,944
November	35,585	33,475	88,057		52,372
December	32,962	39,510	152,262		74,911
	\$763,689	\$605,931	\$767,070	\$96,082	\$712,230

For 2013, REET is \$23,659 more than the same period last year and more than the 2013 target by \$559

Real Estate Excise Taxes (REET)								
2010 - 2013 Property Sales > \$500,000								
sales actually occur in the prior month; there is a 30 day lag between sales and when the City receives the revenue								
	Taxes from > \$500,000 Sale Amounts							
	2010	2011	2012	2013	2010	2011	2012	2013
January	3,790,500	1,046,085	5,515,283	3,380,165	18,763	5,178	27,301	16,732
February	4,805,000	547,257	1,152,000	3,417,500	23,785	2,709	5,702	16,917
March	1,149,000	1,100,000	750,000		5,688	5,445	3,713	0
April	1,779,000	1,075,000	870,000		8,806	5,321	4,307	0
May	1,859,000	2,372,000	2,796,250		9,202	11,741	13,841	0
June	540,000	2,605,000	1,215,000		2,673	12,895	6,014	0
July	18,013,000	3,354,950	4,196,500		89,164	16,607	20,773	0
August	1,020,000	3,045,950	1,756,200		5,049	15,077	8,693	0
September	11,276,760	15,691,044	4,859,500		55,820	77,671	24,055	0
October	610,000	7,873,950	3,087,500		3,020	38,976	15,283	0
November	1,020,000	875,000	8,334,960		5,049	4,331	41,258	0
December	2,178,000	2,189,000	23,033,200		10,781	10,836	114,014	0
	\$48,040,260	\$41,775,236	\$57,566,393	\$6,797,665	237,800	206,787	284,954	33,649



* NOTE THE 2013 TARGET IS BASED ON A 3-YEAR AVERAGE (2010-2012) OF ACTUAL RECEIPTS.

City of Kenmore, Washington
Monthly Report for Kenmore Village
February 28, 2013



<u>Revenues</u>	February 2013	Biennium-to- Date	Biennium Budget
Lease Income (USPS & Kenmore Village)	\$ -	\$ -	\$ 317,940
Return of Security Deposit		0	0
Other Rent Income	2,600	4,650	15,000
Landlord Expense (CAM*) Reimbursement	-	0	0
Insurance Proceeds	-	0	0
Sale of Property	-	0	1,250,000
Leasehold Excise Returned	-	0	14,900
Total Revenues	\$ 2,600	\$ 4,650	1,597,840
<u>Expenditures</u>			
6700 Building Improvements	\$ -	\$ -	11,000
Property Management	3,263	3,263	43,200
Utilities and Insurance - Kenmore Village		3,120	103,400
Repairs, Maintenance, Other Services		-	
Total Expenditures	\$ 3,263	\$ 6,383	157,600
Net Income (Loss)	\$ (663)	\$ (1,732)	\$ 1,440,240

City of Kenmore, Washington
SR 522 Phase I Revenue and Expenditure History
as of February 28, 2013

Phase I		**Actuals Received on Cash Basis**							
Stage 3 Burke Gilman Trail @ 73rd Ave NE-nearing completion									
Stage 1 SR 522 Central Segment 65th to 73rd and other improvements, in construction									
Stage 2 SR 522 West Segment 57th to 65th and other improvements, pending funding									
		Cumulative through 2008	2009	2010	2011	Year to Date 2012	February 2013	Year to Date 2013	Life to Date
Revenues:									
Secured:									
Wa State Transportation Improve. Board:									
to Street Fund	5,047,000	851,786	0	0	0	0	0	0	851,786
to Arterial Street Fund	0	148,214	2,545,308	1,501,692	0	0	0	0	4,195,214
Wa State Gas Tax	4,663,620	3,119,047	1,765,416	0	0	0	0	0	4,884,463
Federal Surface Transportation Prog	12,045,444	1,708,895	8,535,460	1,781,817	0	55	0	0	12,026,227
Brightwater	15,000	15,000	0	0	0	0	0	0	15,000
Federal: Wa State Dept of Trans Signal	357,914	0	0	546,862	0	0	0	0	546,862
King County Parks	906,500	514,616	201,467	0	0	0	0	0	716,083
King County Roads	350,000	350,000	0	0	0	0	0	0	350,000
Northshore Utility District Reimb	432,400	80,559	0	0	0	259,387	0	0	339,946
Puget Sound Energy Reimb	264,100	0	0	0	0	0	0	0	0
Northshore School Dist Reimb	22,258	0	0	0	0	0	0	0	0
Library Reimb	10,000	0	0	0	0	0	0	0	0
Comcast Reimb	168,800	88,620	0	0	0	113,383	0	0	202,003
Urban Partners	75,000	0	25,000	54,438	0	0	0	0	79,438
Fire District Reim	49,000	0	0	0	0	63,245	0	0	63,245
City Art Fund	126,486	0	0	0	0	0	0	0	0
BWR St. 1 Ph. 1 Settlement	0	0	0	0	0	0	0	0	0
U of WA IT Reimbursement	0	0	0	0	0	26,113	0	0	26,113
City Light Reimbursement	0	0	0	0	0	0	23,033	23,033	23,033
City Funds:	5,607,250	0	0	0	0	200,000	0	0	200,000
Transfer from REET Muni Cap		1,083,250	0	3,290,000	0	0	0	0	4,373,250
Transfer from Street Fund		0	0	521,870	0	0	0	0	521,870
Stage 1/181st		0	334,000	0	0	0	0	0	334,000
Transfer from REET Muni Cap		0	334,000	0	0	0	0	0	334,000
Stage 2	700,000	0	700,000	0	470,174	157,468	0	0	1,327,642
Transfer from REET Muni Cap		0	700,000	0	470,174	157,468	0	0	1,327,642
Transfer from Trans Impact Fees		900,000	0	0	0	0	0	0	900,000
								0	0
Total Revenues	30,840,772	8,859,987	14,106,651	7,696,679	470,174	819,651	23,033	23,033	31,976,175
Expenditures:									
Street Fund		15,148,961	1,090	0	0	0	0	0	15,150,051
Street-Interfund Loan Interest		0	0	0	0	0	0	0	0
1% Art Fund		0	0	0	0	0	0	0	0
Arterial Street Fund		253,860	11,708,313	2,874,519	154,162	418,047	0	0	15,408,901
Stage 2 Design			483,830	435,358	132,834	102,132	0	0	1,154,154
Arterial Street Fund			483,830	435,358	132,834	102,132	0	0	1,154,154
Muni Cap Fund		46,782	0	0	0	0	0	0	46,782
Total Expenditures		15,449,603	12,193,233	3,309,877	352,046	520,179	0	0	31,759,888

City of Kenmore, Washington
SR 522 Phase II Revenue and Expenditure History
as of February 28, 2013

Phase II

SR 522 East Segment, 73rd to 83rd, nearing completion

****Actuals Received on Cash Basis****

Revenues:

	Secured:	Cumulative through 2008	2009	2010	2011	2012	February 2013	Year to Date 2013	Life to Date
Wa State Transportation Improve. Board:	3,450,000	3,145,975	131,526	172,500	0	0	0	0	3,450,000
Sound Transit	8,192,307	8,192,307	0	0	0	0	0	0	8,192,307
Brightwater	250,000	0	0	0	0	0	0	0	0
Federal Grant via WSDOT	697,312	578,381	91,120	0	6,683	0	0	0	676,184
Federal: WSDOT Signal/Overlay	683,608	185,272	498,322	0	0	0	0	0	683,594
Regional Mobility WSDOT	1,800,000	1,441,827	358,173	0	0	0	0	0	1,800,000
King County Metro	400,000	0	0	400,000	0	0	0	0	400,000
Wa State Gas Tax Grant	8,336,380	4,636,717	2,951,182	439,620	0	0	0	0	8,027,519
Comcast Reimb	147,770	92,680	0	55,090	0	0	0	0	147,770
Northshore Utility District Reimb	1,621,486	1,024,376	441,836	0	0	112,124	0	0	1,578,336
Northshore School District Reimb	28,914	0	0	0	2,694	2,444	0	0	5,138
PSE Reimbursement	150,000	0	0	0	0	0	0	0	0
Integra Reimbursement		0	0	0	0	9,144	0	0	9,144
City: Art Fund	161,006	0	0	0	0	0	0	0	0
City:	2,870,793								
Investment Earnings		92,191	15,331	2,532	0	0	0	0	110,054
Fuel Tax		274,153	0	0	0	0	0	0	274,153
Transfer of Trans Impact Fees		512,000	430,698	450,000	387,500	0	0	0	1,392,698
Transfer from Street Fund		0	0	1,000,000	0	0	0	0	1,000,000
Transfer of REET		1,096,420	0	0	215,307	0	0	0	1,096,420
Total Revenues	28,789,576	21,272,299	4,918,188	2,519,742	612,184	123,712	0	0	28,843,318

Expenditures:

Arterial Street	22,497,211	4,671,626	1,068,152	1,403,237	48,234	0	0	29,688,459
Interfund Loan Interest	127,175	0	0	0	0	0	0	127,175
Art 1%	0	0	0	0	0	0	0	0
Transportation Impact Fee Fund	100,000	0	0	0	0	0	0	100,000
Total Expenditures	22,724,386	4,671,626	1,068,152	1,403,237	48,234	0	0	29,915,634



City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic: City Manager Employment Agreement	For Council Meeting Agenda of: May 13, 2013 Department: City Manager's Office Prepared by: Finance & Administration and City Attorney Proposed Council Action/Motion: Amend the City Manager's employment agreement as shown in Exhibit A granting a 3% merit increase (5% less 2% wage adjustment granted 1/1/13), and changing the period of evaluation, effective April 23, 2013.								
	To Be Presented By City Attorney <table><tr><td>Approved by Department Head:</td><td><u>Initial & Date</u> [Signature] 5/2/13</td></tr><tr><td>Approved by City Attorney:</td><td>[Signature] RR email</td></tr><tr><td>Approved by Finance Director:</td><td>[Signature] 5/2/13</td></tr><tr><td>Approved by City Manager:</td><td>N/A</td></tr></table> Exhibits/Attachments: Exhibit A, Amendment to Employment Agreement Contract No. 12-C1014 Employment Agreement for City Manager	Approved by Department Head:	<u>Initial & Date</u> [Signature] 5/2/13	Approved by City Attorney:	[Signature] RR email	Approved by Finance Director:	[Signature] 5/2/13	Approved by City Manager:	N/A
Approved by Department Head:	<u>Initial & Date</u> [Signature] 5/2/13								
Approved by City Attorney:	[Signature] RR email								
Approved by Finance Director:	[Signature] 5/2/13								
Approved by City Manager:	N/A								
Expenditure Required: See Fiscal Consideration below	Amount Budgeted: Appropriation Required: \$0								
<u>INFORMATION/BACKGROUND:</u> The City Manager's employment agreement provides for annual performance-based merit increases at the City Council's discretion. The City Council recently evaluated the performance of the City Manager. Based on completion of work plan items and progress toward City Council goals, members of the City Council propose to increase the City Manager's base salary by 3% per year to \$148,660 effective April 23, 2013. This 3% amount is the net of 5% less the 2% wage adjustment granted by the City Council on January 1, 2013. It is also proposed that the attached City Manager Employment Agreement (Exhibit A) be amended to change the effective date of annual merit increases from January 1 to April 23 (the City Manager's annual anniversary with the City). The proposed amended contract also changes the date range of City Manager evaluations by the City Council from "October or November" to "the fourth quarter" of each year.									
<u>FISCAL CONSIDERATION:</u> Employee salaries, including estimated merit increases, are included in the City's adopted budget.									
<u>COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:</u> All 12 City Council Goals.									

AMENDMENT TO EMPLOYMENT AGREEMENT FOR CITY MANAGER

THIS AMENDMENT TO EMPLOYMENT AGREEMENT FOR CITY MANAGER is entered into as of the ____ day of _____, 2013, by and between the **CITY OF KENMORE**, King County, Washington ("City") and **ROBERT G. KARLINSEY** ("Manager").

RECITALS

- A. The parties entered into an Employment Agreement for City Manager effective April 23, 2012 through April 30, 2017 ("Agreement").
- B. The parties desire to modify the Manager's salary, as stated in paragraph 4 of the Agreement and the period of evaluation, as stated in paragraph 5 B of the Agreement.

AGREEMENT

- 1. Effective April 23, 2013, paragraph 4 of the Agreement is amended to read as follows:

4. Salary. The City shall pay the Manager a salary of \$148,660 per year, payable in equal installments in accordance with the City's normal payroll schedule. The salary shall be increased each April 23 by a cost of living adjustment equal to the cost of living increase for other full-time City employees, if any, or a merit increase in accordance with paragraph 5 of this Agreement, whichever is greater. This Agreement shall be deemed to be automatically amended to reflect any cost of living adjustments or salary increases based on merit.

- 2. Effective April 23, 2013, paragraph 5 B. of the Agreement is amended to read as follows:

5 B. With the assistance of a facilitator selected by the City Council, the City Council shall evaluate the performance of the Manager annually in the fourth quarter of each year. The evaluation shall take into account the Manager's performance measures as established by the City Council. The City Council shall conduct an initial evaluation of the Manager in October or November of 2012, using relevant criteria determined by the City Council.

- 3. Except as expressly set forth in this Amendment, the Agreement shall continue in full force and effect as written.

MANAGER

CITY OF KENMORE

Robert G. Karlinsey

By _____
Mayor

EMPLOYMENT AGREEMENT FOR CITY MANAGER

THIS EMPLOYMENT AGREEMENT ("Agreement") is made and entered into between the **CITY OF KENMORE**, King County, Washington ("City") and **ROBERT G. KARLINSEY** ("Manager") to describe the terms and conditions of the Manager's employment by the City.

1. Term and Effective Date.

This Agreement shall be effective on April 23, 2012, and shall continue in effect through April 30, 2017, absent prior termination in accordance with this Agreement. However, pursuant to RCW 35A.13.130, the Manager is appointed to his position for an indefinite term, to be removed in accordance with RCW 35A.13.130 and 35A.13.140. The parties agree that expiration of this Agreement shall not be deemed a "removal" from employment pursuant to RCW 35A.13.130 and 35A.13.140.

2. Employment Status.

The Manager shall serve at the pleasure of the City Council. The Manager shall be an "at will" employee of the City and shall be an exempt employee under the Fair Labor Standards Act, receiving no overtime payments and compensatory time.

3. Powers, Duties and Status--Personnel Policies.

- A. The Manager shall serve as the City's chief administrative employee, and shall manage, administer and direct the City's overall functions and operations in accordance with Chapter 35A.13 RCW. Subject to the general supervision and direction of the City Council consistent with Chapter 35A.13 RCW, the Manager shall perform such legally permissible and proper duties and responsibilities as provided for by State of Washington laws, City ordinances and resolutions and City Council directives.
- B. Except as otherwise provided in this Agreement, the Manager shall be subject to the City's personnel policies and procedures.
- C. The Manager shall perform his duties to the best of his ability in accordance with the highest professional and ethical standards of the profession and shall comply with all general rules and regulations of the State of Washington and the City and the Code of Ethics of the International City/County Management Association ("ICMA").
- D. The Manager shall not engage in any activity or enter into a contract that is, or may become, a conflict of interest as defined by State of Washington laws and City ordinances, or that is, or may become, incompatible with the position of Manager.

- E. The Manager shall remain in the exclusive employ of the City and shall neither accept other employment nor become employed by any other employer without the prior written approval of the City Council. The term "employed" and derivations of that term as used in the preceding sentence shall include employment by another legal entity or self employment, but shall not be construed to prohibit occasional teaching, writing, consulting or military reserve service performed on the Manager's own time, and with the advance approval of the City Council.

4. Salary.

The City shall pay the Manager a salary of \$141,500 per year, payable in equal installments in accordance with the City's normal payroll schedule. The salary shall be increased each January 1 by a cost of living adjustment equal to the cost of living increase for other full-time City employees, if any, or a merit increase in accordance with paragraph 5 of this Agreement, whichever is greater. This Agreement shall be deemed to be automatically amended to reflect any salary increases.

5. Priority Setting and Performance Reviews.

- A. The City Council and the Manager shall participate in a City goal, priority and objective setting workshop in January or February each year. At this workshop, the City Council shall determine preliminarily the City goals, priorities and objectives for the remainder of the year. Also at this workshop, the City Council, with input from the Manager, shall determine preliminarily the Manager's attainable performance measures for the remainder of the year, taking into account such goals, priorities and objectives and the City's operating and capital budgets. At the next or subsequent City Council meeting, the City Council shall establish formally the City goals, priorities and objectives and the Manager's performance measures for the remainder of the year.
- B. With the assistance of a facilitator selected by the City Council, the City Council shall evaluate the performance of the Manager annually in October or November each year. The evaluation shall take into account the Manager's performance measures as established by the City Council, and any other relevant criteria determined by the City Council. The City Council shall conduct an initial evaluation of the Manager in October or November of 2012, using relevant criteria determined by the City Council.
- C. Within 5 days after the City Council's evaluation, the Mayor shall provide to the Manager a written evaluation, and shall discuss the evaluation with the Manager. If requested by the Manager within 5 days, the Mayor shall provide for an opportunity to discuss the evaluation with the City Council at the next or subsequent City Council meeting. After completion of the discussions, the evaluation shall become final.

- D. After completion of the evaluation, and beginning January 1, 2013, the City Council may grant to the Manager a salary increase based upon merit of up to five percent of the Manager's salary at that time.

6. Residence.

The Manager shall reside within the City; however, the Manager shall have one year from the effective date of this Agreement to become a resident of the City. Upon City Council approval of receipts and invoices, the City shall reimburse the Manager for up to \$12,000 of the Manager's costs and expenses of relocating to the City, including but not limited to moving, temporary housing and real estate transaction costs and expenses.

7. Benefits.

- A. Except as otherwise provided in this Agreement, the City shall provide vacation, sick leave, holidays, leaves, medical, dental, insurance and retirement benefits and payments in the same manner and to the same extent as for other full-time City employees.
- B. The amount of life insurance shall not exceed the Manager's annual salary.
- C. The Manager shall commence employment with 40 hours of sick leave. The termination or expiration of this Agreement and of the Manager's employment shall be deemed a "layoff" or "resignation" for purposes of payment of unused sick leave.
- D. The Manager shall commence employment with 5 days of vacation, and shall receive 15 days of vacation per year, acknowledging a prior service credit of 5 years for vacation accrual purposes.
- E. The City shall enroll the Manager in the Public Employee Retirement System of Washington ("PERS") and make all legally required City contributions for the Manager's participation in PERS. The Manager shall be responsible for paying all legally required employee contributions for the Manager's participation in PERS.
- F. If the Manager participates in an IRS Section 457 plan, or similar deferred compensation plan, the City shall match the Manager's contribution to the plan up to a maximum of five percent of the Manager's current annual base salary.
- G. The Manager is aware that the City participates in a 401A Program that is in lieu of the Social Security program.

8. Professional Development.

- A. In accordance with City policies and procedures, the City shall pay for travel, lodging, meals and registration at conferences of the Washington City/County

Managers Association ("WCMA"), and as the City budget allows, at the conferences of the ICMA.

- B. The City shall pay for membership dues for the ICMA and WCMA.
- C. The City shall pay for membership dues in up to four civic clubs or organizations that hold their meetings in or serve the area of the City. The Manager shall report to the City on each membership that he has taken out at City expense.

9. Reimbursable Expenses.

- A. In lieu of expense reimbursement for City-related travel, and except as provided in sub-paragraph b below, the Manager shall receive \$450 per month to defray the expense of using a personal automobile for such travel.
- B. For City business trips over 50 miles (one-way), the Manager may use City vehicles, subject to availability, or the Manager may use his personal automobile and be reimbursed at the then-current IRS car mileage reimbursement rate.
- C. The City shall reimburse the Manager for other reasonable and actual expenses incurred in the course of City business, pursuant to City policies and procedures.

10. Termination and Resignation.

- A. The City Council may terminate the Manager "without cause" at any time pursuant to the general procedures of RCW 35A.13.130 and 35A.13.140. For such a termination "without cause," the parties agree that the reasons for termination under RCW 35A.13.130 shall be "mutual agreement of the parties pursuant to employment agreement," and that the Manager shall not reply in writing to the notice of termination pursuant to RCW 35A.13.140.
- B. The City Council may terminate the Manager "for cause" at any time pursuant to the general procedures of RCW 35A.13.130 and 35A.13.140. The term "cause" shall mean:
 - 1. Conviction of, plea of guilty to, or no contest of a felony;
 - 2. Conviction of, plea of guilty to, or no contest of a criminal act relating to employment with the City or otherwise involving dishonesty, fraud or physical violence;
 - 3. Repeated neglect of duties and responsibilities under this Agreement;
 - 4. Loss of legal capacity;

5. Long-term disability that prevents the Manager from performing the essential duties of the position, with or without reasonable accommodation;
 6. Repeated refusal to follow one or more reasonable instructions or requests of the City Council consistent with Chapter 35A.13 RCW;
 7. Conduct, relating to City employment, which, while not criminal in nature, violates the City's personnel policies or other reasonable standards of professional and personal conduct in some substantial manner injurious to the business or reputation of the City; or
 8. Material breach of this Agreement.
- C. The City's personnel policies and procedures regarding discipline and termination shall not apply to the Manager's termination under this paragraph.
- D. The Manager may resign voluntarily following at least 30 days prior written notice. In the event of the Manager's resignation, the City reserves the right, in its discretion, to earlier terminate the Manager's employment and to pay the Manager his regular base salary through the effective resignation date, in lieu of his working the entire notice period.

11. Severance Pay.

- A. If the City Council terminates the Manager's employment under paragraph 10 this Agreement "without cause," the City shall pay the Manager severance pay in the amount of the Manager's regular base salary for six months. The severance payments shall be paid in installments over a six-month period in accordance with the City's normal payroll schedule, starting after the termination date or after the effective date of the legal release of sub-paragraph b below, whichever occurs last. During the severance payment period, and if requested by the Manager, the City shall provide at the Manager's expense COBRA health insurance coverage for each health plan that applied to the Manager and any covered dependants as of the termination date, at the level of coverage in effect for City employees during the severance payment period.
- B. As a condition to receive severance pay under this paragraph, the Manager shall sign, concurrent with his separation and in a form provided by the City, a legal release of any and all claims of any kind against the City (except for earned and unpaid wages and benefits under this Agreement and COBRA benefits), agreeing neither to bring any litigation or claims against the City and its officers, employees and agents, nor to make any written or oral communications that are harmful to the reputation of the City or any elected or unelected City official or employee.

12. Addresses for Notices and Deliverable Materials.

All notices and other material to be delivered under this Agreement shall be in writing and shall be delivered or mailed to the following addresses:

City
Attention: City Council
P.O. Box 82607
Kenmore, WA 98028

Manager
(Address as shown on the most
current City roster at the
time of mailing)

or such other addresses as either party may, from time to time, designate in writing.

13. Bond.

As required by RCW 35A.13.070, the Manager shall file with the City Clerk a bond in favor of the City in the amount of \$50,000. The City shall pay for the premium of the bond.

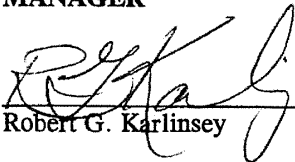
14. Entire Agreement—Amendment.

This Agreement constitutes the entire agreement between the parties, and shall supersede, modify, and/or rescind all prior written or oral understandings and agreements between the parties. This Agreement may be amended only by written agreement signed by the parties.

15. Rights and Remedies.

The rights and remedies provided in this Agreement are cumulative, and the use of any one right or remedy by any party shall not preclude nor waive its rights to use any or all other remedies. Any rights provided to the parties under this Agreement are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise.

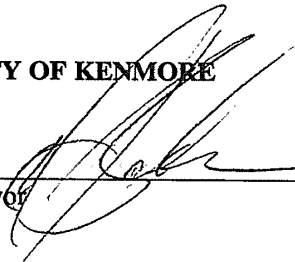
MANAGER


Robert G. Karlinsky

2/23/2012
Date

CITY OF KENMORE

By
Mayor


Date 2-23-12



Business of the City Council
City of Kenmore, WA

Subject/Topic: Authorization to apply for a Community Development Block Grant (CDBG) to partially fund design and installation of sidewalk improvements on the south side of NE 181st Street between 68th Avenue NE and 73rd Avenue NE.

For Council Meeting Agenda of: 05/13/12

Department: Community Development

Prepared by: Debbie Bent, Director

Initial & Date
Approved by Department Head: DBS 5/11/12
Approved by City Attorney:
Approved by Finance Director: James 5/11/12
Approved by City Manager: RJR

Proposed Council Action/Motion: Council authorize the City Manager to sign a CDBG application requesting funds for sidewalk improvements on the south side of NE 181st Street between 68th Avenue NE and 73rd Avenue NE.

Exhibits/Attachments:

Expenditure Required \$220,000 in city matching funds

Amount Budgeted \$150,000 from the sidewalk program budget.

Appropriation Required A budget amendment would be needed for the \$70,000 surface water management fund if the City obtained the grant.

INFORMATION/BACKGROUND: Each year, the Community Development Block Grant (CDBG) program accepts grant applications for public improvements in low- to moderate-income neighborhoods. The application period for 2014 awards is now open. The program, administered through King County, is a pass-through program for federal CDBG funds. Eligible public improvement projects include sidewalks.

Sidewalk improvements on the south side of NE 181st Street would be located in a census block group identified as "Low/Moderate-Income Households from 45.2% to 69.9% of Total Households" and would serve nearby low-income residents and seniors. For this reason, the NE 181st sidewalk project is eligible for funding through CDBG. The total project cost to design and install the sidewalk is estimated to be \$450,000. The grant request would be \$230,000. The City's match would be \$220,000--\$150,000 from the sidewalk program and \$70,000 from the surface water management fund (to cover the costs of storm drainage improvements). A budget amendment would be needed to allocate the \$70,000 in the surface water management fund if the City obtained the grant.

Available CDBG funds for 2014 are unknown at this time and may be impacted by sequestration. The total 2013 CDBG available monies for those projects awarded last year are expected to be approximately \$473,062. The City's project would be in competition with projects from approximately five other north County jurisdictions for the 2014 funds.

The NE 181st Street sidewalk was identified as a high priority during your April 15, 2013 discussion of the Sidewalk Program. Installation of the missing sidewalk segments on the south side of the street would improve safety in the area (pedestrians presently use the road shoulder), and provide better connections between existing housing and the downtown, as well as to the Park and Ride lot.

FISCAL CONSIDERATION: Capital Project T-27, Sidewalk Program, funds sidewalk projects for the 2013/2014 biennium. It is anticipated that up to \$150,000 of these funds could be used as a match for the grant, if awarded. The balance of the City match would come from the surface water management fund.

COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:

Goal 7. To establish a 20 to 30 year sidewalk plan.

XE. Authorize Application for a Community Development Block Grant (CDBG) for Sidewalk Improvements



City Council Business Agenda Items City of Kenmore, WA

Subject/Topic: Indemnification and defense of city officials and employees Proposed Council Action/Motion: Passage of Ordinance No. 13-0358	For Council Meeting Agenda of: May 13, 2013 Department: City Attorney Prepared by: Rod Kaseguma <table style="width: 100%;"> <tr> <th style="text-align: left; width: 70%;"><u>Initial & Date</u></th> <th style="width: 30%;"></th> </tr> <tr> <td>Approved by Department Head:</td> <td style="text-align: center;"><u>NA</u></td> </tr> <tr> <td>Approved by City Attorney:</td> <td style="text-align: center;"><u>✓</u></td> </tr> <tr> <td>Approved by Finance Director:</td> <td style="text-align: center;"><u>Greg 5/13/13</u></td> </tr> <tr> <td>Approved by City Manager:</td> <td style="text-align: center;"><u>RK</u></td> </tr> </table> Exhibits/Attachments: 1. Ordinance No. 13-0358 2. Attachment A to Ordinance	<u>Initial & Date</u>		Approved by Department Head:	<u>NA</u>	Approved by City Attorney:	<u>✓</u>	Approved by Finance Director:	<u>Greg 5/13/13</u>	Approved by City Manager:	<u>RK</u>
<u>Initial & Date</u>											
Approved by Department Head:	<u>NA</u>										
Approved by City Attorney:	<u>✓</u>										
Approved by Finance Director:	<u>Greg 5/13/13</u>										
Approved by City Manager:	<u>RK</u>										
Expenditure Required N/A	Amount Budgeted N/A	Appropriation Required N/A									
<u>INFORMATION/BACKGROUND:</u> RCW 4.96.041 authorizes any local governmental agency to defend and indemnify at the agency's expense an action or proceeding for damages against any past or present officer or employee, which action or proceeding arises from acts or omissions of the officer or employee while performing or in good faith purporting to perform official duties. The defense and indemnification must be carried out pursuant to a procedure created by ordinance or resolution. The protection of local government officers and employees from such actions or proceedings is an appropriate and reasonable term and condition of employment. Consequently, most cities have passed ordinances to carry out RCW 4.96.041. In conjunction with incorporation of the City in 1998, the Kenmore City Council adopted Resolution No. 98-007, which provided a procedure to implement RCW 4.96.041. The City Attorney recently compared Resolution No. 98-007 with ordinances of several other cities, and concluded that the City's procedure and requirements should be modified. The ordinances reviewed were for the Cities of Kent, Burien, Kirkland, Seattle, Sammamish, Gig Harbor, Lakewood, Edmonds, Brier, Lake Forest Park, Mountlake Terrace and Bothell. The ordinances of Lakewood, Mountlake Terrace and Bothell are substantially similar. The City Attorney has determined that these ordinances are appropriate examples for Kenmore, modified slightly to fit Kenmore. The attached ordinance, which adopts a new chapter 2.50 of the KMC, is based upon those ordinances.											

FISCAL CONSIDERATION:

The City already has an indemnification and defense law in effect. The proposed ordinance would not increase or change the circumstances under which the City would provide defense and indemnification for City officers and employees.

COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:

N/A

CITY OF KENMORE
WASHINGTON

ORDINANCE NO. 13- 0358

**AN ORDINANCE OF THE CITY OF KENMORE, WASHINGTON
ADOPTING A NEW CHAPTER 2.50 OF THE KENMORE
MUNICIPAL CODE REGARDING INDEMNIFICATION AND
DEFENSE OF EMPLOYEES AND APPOINTED AND ELECTED
CITY OFFICIALS, AND REPEALING RESOLUTION NO. 98-007.**

WHEREAS, by Resolution No. 98-007, adopted on June 1, 1998, the City Council adopted rules and procedures for the indemnification and defense of City officials and employees from claims of liability arising from their acts or omissions performed in good faith within the scope of their official duties; and

WHEREAS, the City Council desires to update and modify the rules and procedures for such indemnification and defense;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF KENMORE, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Adoption. A new Chapter 2.50, entitled "Indemnification of Employees and Appointed and Elected City Officials," is hereby adopted and added to the Kenmore Municipal Code to read as set forth in Attachment A, attached hereto and incorporated by this reference.

Section 2. Repeal. Resolution No. 98-007 is repealed.

Section 3. Effective Date. This ordinance shall take effect five (5) days after passage and publication of an approved summary thereof consisting of the title.

PASSED by the City Council this 13th day of May, 2013.

David Baker, Mayor

ATTEST/AUTHENTICATED:

Patty Safrin, City Clerk

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY:

Rod Kaseguma, City Attorney

FILED WITH THE CITY CLERK: May 3, 2013
PASSED BY THE CITY COUNCIL: May 13, 2013
PUBLISHED: May 17, 2013
EFFECTIVE DATE: May 22, 2013
ORDINANCE NO. 13-0358

ATTACHMENT A

CHAPTER 2.50 INDEMNIFICATION OF EMPLOYEES AND APPOINTED AND ELECTED CITY OFFICIALS

Sections:

- 2.50.010 Authorization.
- 2.50.020 Definitions.
- 2.50.030 Legal representation.
- 2.50.040 Exclusions.
- 2.50.050 Determination of exclusion.
- 2.50.060 Representation and payment of claims – Conditions.
- 2.50.070 Effect of compliance with conditions.
- 2.50.080 Failure to comply with conditions.
- 2.50.090 Reimbursement of incurred expenses.
- 2.50.100 Conflict with provisions of insurance policies.
- 2.50.110 Pending claims.
- 2.50.120 Modification of chapter.

2.50.010 Authorization.

There is hereby created a procedure to provide for indemnification and for defense of claims of liability arising from acts or omissions of officials or employees of the city, while performed or in good faith purported to have been performed in the scope of the official duties of such officials or employees.

2.50.020 Definitions.

Unless the context indicates otherwise, the words and phrases used in this chapter shall have the following meaning:

- A. “Employee” means any person who is or has been employed by the city.
- B. “Official” means any person who is serving or has served as an elected city official, and any person who is serving or who has served as an appointed member of any city board, commission, committee or any other appointed position within the city.

2.50.030 Legal representation.

A. The city shall provide to an official or employee, subject to the conditions and requirements of this chapter and notwithstanding the fact that such official or employee may have concluded service or employment with the city, such legal representation as may be reasonably necessary to defend a claim or lawsuit filed against such official or employee resulting from any conduct, act or omission of such official or employee performed or omitted on behalf of the city in his or her capacity as a city official or employee which act or omission is within the scope of his or her service or employment with the city.

B. The legal services shall be provided by the city attorney unless:

- 1. Any provision of an applicable policy of insurance provides otherwise; or

2. The city manager, upon consultation with the city attorney, appoints alternate legal counsel.

2.50.040 Exclusions.

A. Except as otherwise determined pursuant to KMC 2.50.030, in no event shall protection be offered under this chapter by the city to or involving:

1. Any dishonest, fraudulent, criminal, willful, intentional or malicious act or course of conduct of an official or employee;
2. Any act or course of conduct of an official or employee which is not performed on behalf of the city;
3. Any act or course of conduct which is outside the scope of an official or employee's service or employment with the city;
4. Any lawsuit brought against an official or employee by or on behalf of the city;

or

5. Any action or omission contrary to or not in furtherance of any adopted city policy.

B. The provisions of this chapter shall have no force or effect with respect to any accident, occurrence or circumstance for which the city or the official or employee is insured from whatever source against loss or damages; provided, that the provisions of this chapter shall apply in the event the loss or damages fall within the deductible or exclusion(s) of the city's applicable policy of insurance. The provisions of this chapter are intended to be secondary to any contract or policy of insurance whether owned by or otherwise applicable to any official or employee. The city shall have the right to require an official or employee to fully utilize any such policy protection prior to requesting the protection afforded by this chapter.

2.50.050 Determination of exclusion.

The determination of whether an official or employee shall be afforded a defense by the city under the terms of this chapter shall be made by the city council on the recommendation of the city manager. The decision of the city council shall be rendered within 20 days of notice of the request for defense/indemnification, shall be final as a legislative determination and shall be based upon a finding that an official or employee meets or does not meet the criteria of this chapter. Nothing herein shall preclude the city from undertaking an official's or employee's defense under a reservation of rights. The determination as to whether a defense is to be furnished as provided under this chapter to a member or to members of the city council shall be made without the vote of such member or members of the city council unless the inclusion of such member or members is required for a quorum; provided, that if a claim or lawsuit affects a quorum or greater number of the members of the city council, all such affected members shall retain their voting privileges under this section.

2.50.060 Representation and payment of claims – Conditions.

The provisions of this chapter shall apply only when the following conditions are met:

A. In the event of any incident or course of conduct potentially giving rise to a claim for damages, or for the commencement of a lawsuit, the official or employee involved shall, as soon as practicable, give the city manager written notice thereof, identifying the

official or employee involved, all information known to the official employee involved with respect to the date, time, place and circumstances surrounding the incident or conduct giving rise to the potential claim or lawsuit, as well as the names and addresses of all persons allegedly injured or otherwise damaged thereby, and the names and addresses of all witnesses.

B. Upon receipt thereof, the official or employee shall forthwith deliver any claim, demand, notice, summons or other process relating to any such incident or conduct to the city manager, and shall cooperate with the city attorney or if the city attorney authorizes or designates another attorney to handle the matter, with that attorney, and, upon request, assist in making settlement of any suit and enforcing any claim for any right of subrogation against any persons or organizations that may be liable to the city because of any damages or claim of loss arising from the incident or course of conduct, including but not limited to, rights of recovery for costs and attorney's fees arising out of state or federal statute upon a determination that the lawsuit brought was frivolous in nature.

C. Such official or employee shall attend interviews, depositions, hearings and trials and shall assist in securing and giving evidence and obtaining assistance of witnesses all without any additional compensation to the official or employee, and, in the event that an employee has left the employ of the city, no fee or compensation shall be provided; and

D. Such official or employee shall not accept nor voluntarily make any payment, assume any obligation or incur any expense related to the claim or lawsuit, other than for first aid to others at the time of any incident or course of conduct giving rise to any such claim, loss or damage. Nothing herein shall be deemed to preclude any official or employee from retaining an attorney to represent his or her interests relating to such claim or lawsuit; however, all costs and expenses incurred thereby shall be paid by the official or employee.

2.50.070 Effect of compliance with conditions.

If legal representation of an official or employee is undertaken by the city, all of the conditions of representation are met, and a judgment is entered against the official or employee, or a settlement is made, the city shall pay such judgment or settlement; provided, that the city may at its discretion appeal as necessary any such judgment.

2.50.080 Failure to comply with conditions.

In the event that any official or employee fails or refuses to comply with any of the conditions set forth in KMC 2.50.060 or elects to provide his/her own representation with respect to any such claim or litigation, then all of the provisions of this chapter shall be inapplicable, and shall have no force or effect with respect to any such claim or litigation.

2.50.090 Reimbursement of incurred expenses.

A. If the city determines that an official or employee does not come within the provisions of this chapter, and a court of competent jurisdiction later determines that such a claim does come within the provisions of this chapter, then the city shall pay any judgment rendered against the official or employee and reasonable attorney's fees incurred in defending against the claim. The city shall pay any costs and reasonable attorney's fees incurred in obtaining the determination that such claim is covered by the provisions of this chapter; provided, that if a court of competent jurisdiction determines that such claim

does not come within the provisions of this chapter, then the official or employee shall pay the city's costs and reasonable attorney's fees incurred in obtaining the determination that such claim is not covered under the provisions of this chapter.

B. If the city determines that a claim against an official or employee does come within the provisions of this chapter, and a court of competent jurisdiction later finds that such claim does not come within the provisions of this chapter, then the city shall be reimbursed by the official or employee for costs or expenses incurred in obtaining the determination that such claim is not covered by the provisions of this chapter.

2.50.100 Conflict with provisions of insurance policies.

The indemnification provisions of this chapter do not constitute a policy of insurance, and nothing contained in this chapter shall be construed to modify or amend any provision of any policy of insurance where the official or employee is the named insured. In the event of any conflict between this chapter and the provision of any such policy of insurance, the policy provisions shall be controlling; provided, that nothing contained in this chapter shall be deemed to limit or restrict any employee's or official's right to full coverage pursuant to this chapter, it being the intent of this chapter to provide the coverage detailed in this chapter only outside and beyond insurance policies which may be in effect while not compromising the terms and conditions of such policies by any conflicting provisions contained in this chapter.

2.50.110 Pending claims.

The provisions of this chapter shall apply to any claims or lawsuits filed against any official or employee, and any such claims or lawsuits hereinafter filed, irrespective of the date of the events or circumstances which are the basis of such claim or lawsuit.

2.50.120 Modification of chapter.

The provision of this chapter shall be subject to amendment, modification and repeal, at the sole discretion of the city council; provided, that any such amendment, modification or repeal shall apply prospectively only, and shall have no effect on the obligation of the city to indemnify and/or defend against any claim which is based, in whole or in part, upon any action or omission of an official or employee occurring prior to the effective date of the amendment, modification or repeal.