

**ORDINANCE NO. TBD 2015-002**

**AN ORDINANCE APPROVING AND ADOPTING THE BUDGET  
FOR THE SEQUIM TRANSPORTATION BENEFIT DISTRICT  
FOR THE FISCAL YEAR 2016**

**WHEREAS**, the Budget for the Sequim Transportation Benefit District (TBD) for the year 2016 as prepared by the Executive Director has been finally amended, fixed and determined as to each fund total by the Board of Directors in open meetings; and

**WHEREAS**, the Board of Directors held an open meeting and public hearing on revenues and expenses on November 23, 2014; and notice of said hearings having been given and published in the manner provided by law;

**NOW THEREFORE, THE BOARD OF DIRECTORS OF THE SEQUIM TRANSPORTATION BENEFIT DISTRICT DO HEREBY ORDAIN AS FOLLOWS:**

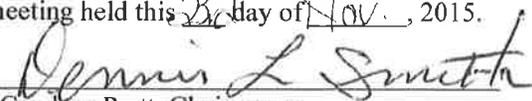
*Section 1.* The budget for the Sequim TBD for the year 2016 is hereby adopted in its final form and content, as specified in Section 2.

*Section 2.* The summary of the total of estimated resources and uses for each separate fund and the aggregate totals for such funds combined is as follows:

<b>Beginning Fund Balance</b>	<b>\$319,531</b>
Total Revenues	582,000
Total Expenses	604,892
Net Surplus / (Deficit)	(22,892)
<b>Ending Fund Balance</b>	<b>\$296,639</b>

*Section 3.* This Ordinance shall be in full force and effect after its passage, approval and publication as provided by law.

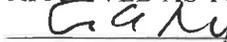
Passed by the Board of Directors at a regular meeting held this 23 day of Nov., 2015.

*for*   
Candace Pratt, Chairperson

ATTEST:

  
Karen Kuznek-Reese, MMC, City Clerk ex officio TBD Clerk

APPROVED AS TO FORM:

  
Craig A. Ritchie, City Attorney ex officio TBD Attorney

Published: 12/1/15

# Sequim

## Transportation Benefit District (TBD)



7<sup>th</sup> Avenue Overlay

**Budget for Fiscal Year 2016**

*Requested 11-9-2015*

# Sequim

## Transportation Benefit District (TBD)

Fiscal Year 2016

Budget Message	Pg 1-2
Board of Directors	Pg 3
The Budget Calendar	Pg 4
2015 Budget	Pg 5



Transportation Benefit District 152 W. Cedar Street, Sequim, Washington 98382 Phone (360) 683-4139 Fax (360) 681-3448

## **2016 BUDGET MESSAGE**

*Requested 11-9-2015*

Dear TBD Board of Directors,

I am pleased to present the proposed 2016 Budget for the Transportation Benefit District (TBD) for the City of Sequim.

Sales and use taxes of two-tenths of one percent (.2%) are collected and distributed by the state on a monthly basis. These tax revenues are used to fund projects which include street preservation, replacing or upgrading all modes of transportation infrastructure (streets, sidewalks, bicycle lanes, trails, etc.), creating new infrastructure, and district-wide safety enhancements as part of street maintenance and operations.

The Forecast for 2015 tax revenue is \$555,400, which represents 100% of budget. The revenues budgeted for 2016 of \$578,000 anticipate reasonable growth of 4%.

The Forecast for 2015 projects includes the completion of the following on or before year-end: 2014 East Fir Street ADA improvements (completed at \$7k), School Zone Treatment (estimated \$5k), and LED Upgrades (estimated \$30k), Pavement Rehabilitation (estimated \$440k), Signal engineering on Washington (estimated \$51k), Cedar Street crosswalks (estimated \$20k), plus management fees.

The 2016 expenditure budget for capital projects is \$408k, not including a 22% management fee. This is a decrease in the overall project budget of 38% from the 2015 year-end amended budget due to the significant size of the 2015 pavement preservation project. 2016 projects anticipated include the following:

- \$53k for Street LED Upgrades
- \$54k for City-Wide Safety Enhancements
- \$48k for a Sunnyside Bicycle path
- \$54k for a Blake Avenue Sidewalks
- \$199k for Pavement Rehabilitation

The 2016 budget also includes \$20,400 as a 5% contingency on capital projects and \$5,100 for insurance coverage and audit expenses.

In 2015 reimbursement of district-wide safety enhancement and street maintenance services totaled \$100,000. Efforts included city-wide improvements and maintenance within the public right-of-way, such as crosswalk markings, pavement striping, pavement patching, signage, signal

maintenance, and snow and ice removal. The 2016 reimbursement is budgeted at \$80k in an effort to direct more TBD tax revenues toward projects.

Services will continue to be performed per the inter-local agreement with the City of Sequim, dated March 8, 2010. The project management and administration services fees are comprised of indirect costs which exclude certain overhead charges such as facilities, technology, and equipment. The City of Sequim calculates the indirect costs based on all capital projects to create an indirect rate based on project costs. The City of Sequim does not charge the TBD for indirect costs related to district-wide safety enhancements that are part of Street maintenance and operations. The indirect rate for capital projects in 2016 is budgeted at 22.4%, 10.10% higher than 2015 due to shifting of allocable costs away from the completed Civic Center project.

Sincerely,

Charlie Bush  
Executive Director

Transportation Benefit District  
2016 Budget  
Board of Directors/Executive Director form of Organization

Board Members:

Candace Pratt (Chairperson)  
Erik Erichsen  
Ted Miller  
Genaveve Starr

Dennis Smith (Vice Chairperson)  
Laura Dubois  
Ken Hays

Executive Director:

Charlie Bush

Services will continue to be provided by the City of Sequim, per the Interlocal Agreement, dated March 8, 2010. Ordinance 2010-004 established the following positions:

Treasurer shall be the City Finance/Administrative Services Director, Sue Hagener

Secretary shall be the City Clerk, Karen Kuznek-Reese

Transportation Benefit District  
Annual Budget Calendar

Introduction: We are not aware of any rules or regulations governing transportation benefit district requirements for key budgeting steps and timelines. To simplify the TBD budget process and closely coordinate these activities with the City of Sequim, the key steps and timing will attempt to mirror that of the City's. The following are key budget steps and the suggested timing:

<b>Steps in Budget Preparation</b>	<b>Timing</b>
1. Chief administrative officer prepares preliminary budget with budget message.	At least 60 days before the ensuing fiscal year. October 30, 2015 has been established for the TBD.
2. Clerk publishes notice of filing of preliminary budget with city clerk and publishes notice of public hearing on it once a week for two consecutive weeks.	Published during the first two weeks in November. November 2 through November 15, 2015 is the timeframe established for the TBD.
3. The legislative body must schedule hearings on the budget.	Prior to the final hearing. November 2 through November 30, 2015 is the timeframe established for the TBD.
4. Copies of the preliminary budget are made available to citizens upon request.	No later than six weeks before January 1, 2016. November 9 is the date established for the TBD.
5. Final hearing on proposed budget.	On or before first Monday of December and may be continued to not later than the 25 <sup>th</sup> day prior to the next fiscal year. November 23 <sup>rd</sup> has been established for the TBD.
6. Adoption of budget for next fiscal year. Send copies of final budget to the State Auditor's Office.	Adopt by ordinance. Following the public hearing and prior to the beginning of the ensuing fiscal year.

**Sequim Transportation Benefit District  
2016 Budget**

	2012	2013	2014	2015	2015	2016	2016 Budget - 2015 w/Amend	
	Actuals	Actuals	Actuals	Forecast	Budget w/ Amendment	Budget	Amount	Percent
<b>Beginning Fund Balance</b>	\$ 534,208	\$ 291,551	\$ 246,352	\$ 486,250	\$ 446,906	\$ 319,531	\$ (127,375)	-29%
<b>Revenues</b>								
TBD Sales & Use Tax	511,030	532,577	554,863	555,400	555,400	578,000	22,600	4%
Interest Income	11,046	7,902	5,859	4,000	4,000	4,000	-	
<b>Total Revenue</b>	\$ 522,076	\$ 540,479	\$ 560,723	\$ 559,400	\$ 559,400	\$ 582,000	\$ 22,600	4%
<b>Expenses</b>								
<b>Professional Services</b>								
Safety and Maintenance	100,000	100,000	100,000	100,000	100,000	80,000	(20,000)	-20%
<b>Capital Projects</b>								
Street Projects	542,631	443,699	179,847	553,000	658,200	408,000	(250,200)	-38%
<i>Indirect Rate</i>	<i>Mixed *</i>	<i>17%</i>	<i>19%</i>		<i>12%</i>	<i>22%</i>		
Project Management & Administration Fee	118,016	38,319	34,171	68,019	78,984	91,392	12,408	16%
Contingency Rate	10%	5%			5%	5%		
Contingency	-	-	-		32,910	20,400	(12,510)	-38%
<b>Other</b>								
AWC Insurance & Annual Audit	4,086	3,660	6,807	5,100	5,100	5,100	-	0%
<b>Total Expenses</b>	\$ 764,733	\$ 585,678	\$ 320,825	\$ 726,119	\$ 875,194	\$ 604,892	\$ (270,302)	-31%
<b>Surplus / (Deficit)</b>	\$ (242,657)	\$ (45,199)	\$ 239,898	\$ (166,719)	\$ (315,794)	\$ (22,892)	\$ 292,902	-93%
<b>Ending Fund Balance</b>	\$ 291,551	\$ 246,352	\$ 486,250	\$ 319,531	\$ 131,112	\$ 296,639	\$ 165,527	126%

The budget is adopted on a fund basis, not by individual line item.  
Services are performed per the Interlocal Agreement with the City of Sequim dated 03/08/10.