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City Council adopts 2019-20 biennial budget

The Federal Way City Council adopted the 2019-20 biennial budget by a 5-2 vote during Tuesday night's meeting.

Council members Jesse Johnson and Hoang Tran accounted for the two "no" votes.

"This balanced budget delivers what the community expects and deserves — without raising taxes, laying off any city employees, or dipping into the general fund reserve, all while continuing to provide the same level of services," Federal Way Mayor Jim Ferrell said. "I'm fortunate to have dedicated and hard-working council members who are leaders with vision and commitment to Federal Way. Our final budget is the financial plan that keeps in place or brings into being all the individual programs and projects that address our community's needs."

The City faced a daunting situation a mere nine months ago, when Finance Director Ade' Ariwoola told Ferrell the City would need to dip into the general fund reserve to the tune of about \$1 million — possibly for both 2019 and 2020 — about \$2 million for the biennium.

But Ferrell firmly said he would not do it.

Immediately, he convened the department directors and utilized zero based budgeting principles to find a way to bridge that gap.

Directors of the big four departments — Parks and Rec, Police, Public Works and Community Development — dug deep and found more than \$200,000 each in savings and efficiencies for a total of about \$1 million toward 2019. Smaller departments such as IT, the Clerk's Office, Human Resources and Finance, were not subjected to that financial scrutiny due to the fact they are already operating at the very minimum.

The balanced budget also provides a small cost-of-living adjustment for non-union city employees and will also pay for a comprehensive salary study in 2019.

"While 2019 is a year of austerity as we adhere to a strict bottom line, we are looking forward to a nearly \$2 million budget surplus in 2020 from the calculated and fiscally-responsible decision to leave the SCORE jail services contract," Ferrell said.

Because the future of the litigation surrounding the water and sewer tax ordinance and any revenue that comes from it is undecided at this moment, the mayor did not include any of the potential revenue in his biennial budgeting plans.

If the City does prevail on that litigation, it would result in nearly \$1 million per year of additional revenue.

The first reading of the mayor's budget at the Nov. 20 meeting passed unanimously.

Two last-minute amendments to the budget were adopted as well during Tuesday night's meeting.

Council member Martin Moore proposed borrowing \$25,000 from the Police Department's overtime budget to fund the Federal Way Youth Action Team in 2019 until the budget can be amended early in the new year.

Moore's amendment passed unanimously.

Another motion, brought forth by Council member Lydia Assefa-Dawson, proposed borrowing \$26,000 from the Police Department's overtime budget for 2019 as well in order to fund a position on the [South King County Housing and Homeless Partnership](#).

The funds for Assefa-Dawson's motion would be replaced at the first budget amendment opportunity as well. That motion passed unanimously.

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