

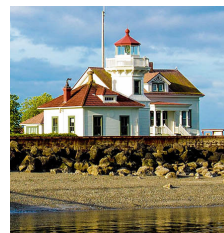
2019 CITY OF MUKILTEO Preliminary

ANNUAL BUDGET



MAYOR JENNIFER GREGERSON

11930 CYRUS WAY | MUKILTEO, WA 98275 • (425) 263-8000



PRINCIPAL CITY OFFICIALS

ELECTED OFFICIALS 2019



Jennifer Gregerson
Mayor



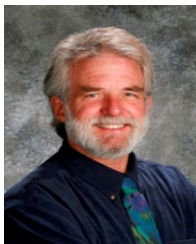
Steve Schmalz
Council President



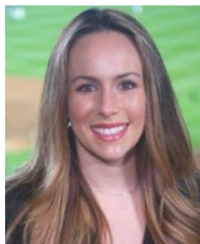
Christine Cook
Council Vice President



Bob Champion
Councilmember



Richard Emery
Councilmember



Sarah Kneller
Councilmember



Anna Rohrbough
Councilmember



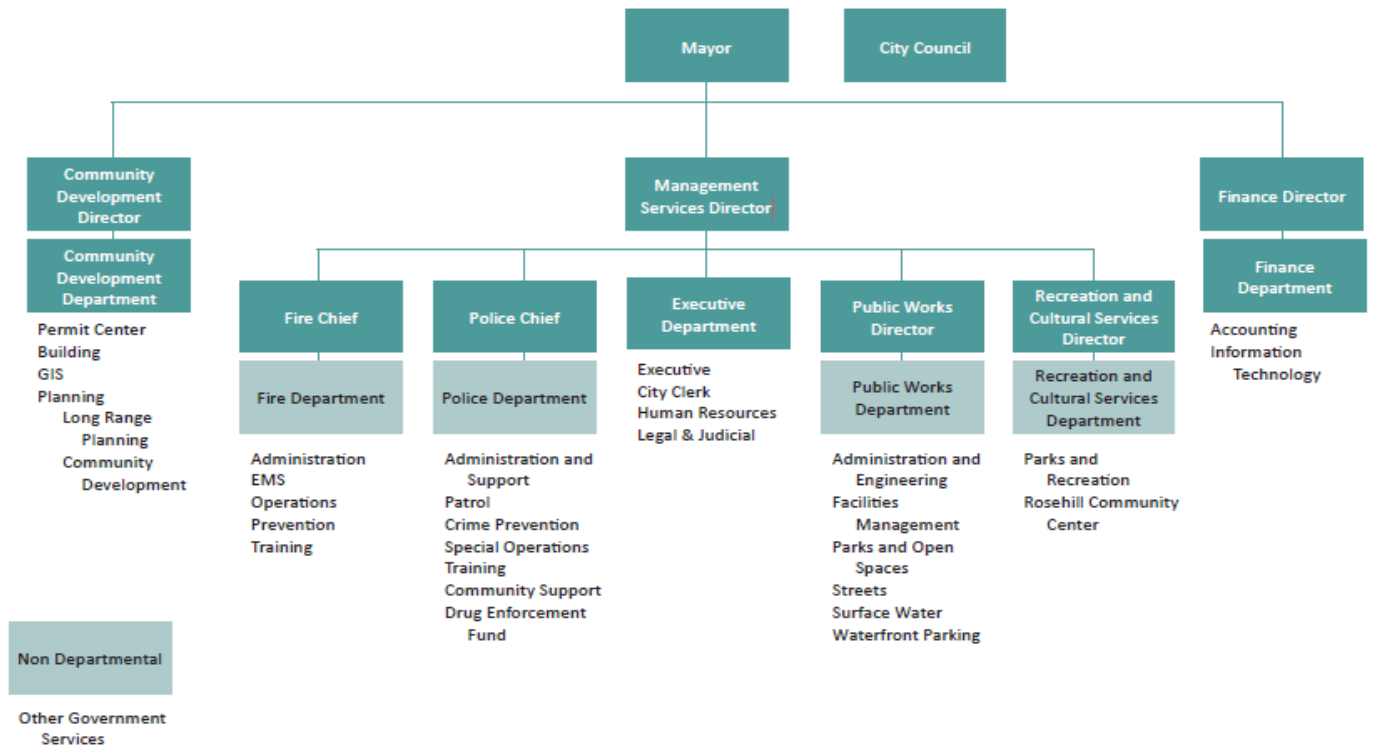
Scott Whelpley
Councilmember

EXECUTIVE STAFF

Management Services Director
Fire Chief
Police Chief
Public Works Director
Finance Director
Community Development Director
Recreation & Cultural Services Director

Steve Edin
Chris Alexander
Cheol Kang
Mick Matheson
Michelle Meyer
Dave Osaki
Jeff Price

ORGANIZATION STRUCTURE FOR CITY BUDGET



City Staffing		
Department	2018	2019
City Council	7.0	7.0
Executive	5.0	5.0
Finance & IT	8.0	8.0
Police	36.0	36.0
Fire	29.0	29.0
Public Works	24.5	24.5
Planning	11.0	11.0
Recreation	7.875	8.125
Total	128.375	128.625

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MAYOR'S 2019 BUDGET MESSAGE

October 1, 2018

Dear Council President Schmalz and Members of the City Council:

I am honored to have the opportunity to present this fifth budget to you for your review and consideration. It reflects my commitment to work with you and our residents to make important decisions collaboratively and transparently.

This year marked the earliest and most transparent process of budget review, beginning in late May. I am confident that there are “no surprises” for the City Council and public in this budget, after numerous Council meetings, work sessions and discussions of the elements of this 2019 Preliminary Budget.

I have shared in previous messages that I believe our budget is more than simply a book of numbers, it is an expression of our values as a community. As I have worked with our staff to prepare this Preliminary Budget, I have been guided by our vision for our city operations. I have committed to our city staff and the community that this budget proposal would be not just balanced, but also sustainable. This budget presents a realistic funding of the costs to provide the services that our community expects. It represents a city that delivers the fundamentals of our operation: public safety, infrastructure, development services and parks and recreation.

Our City is guided by our vision: A sustainable, well-run city with safe, strong neighborhoods. In addition, our city staff has established their own values in serving our community and each other: we are professional, trusted and respectful. To accomplish both that vision for our community and to support our city organization in doing so, I have focused on a number of priorities to help guide the difficult decisions necessary to draft this budget.

Our budget is balanced. Every budget I have presented has balanced our revenues and expenditures and this budget continues my commitment to sound financial decision-making. As it has every year, this means that I and our staff must make tough choices, but I believe it is our responsibility to do so.

Align services with priorities. In order to balance the budget, I have continued my approach of aligning our City services with our priorities and values as a community. I have trimmed costs in areas outside of our core services of public safety, quality of life and sustainability.

Ensure our safety. This year, we will expand the support we provide to crime victims, expand training for our police officers, and continue to fund a school resource officer, a reflection of how important the safety and well-being of the most vulnerable among us is to our community. We have also continued to invest in safe, modern equipment for our first responders. And we will ensure that prevention is at the heart of what we do to keep our community safe. Over the last few years, our Police and Fire Departments have reached thousands of Mukilteo children with educational messages. This budget continues those important prevention programs.

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Prepare for a rainy day. This budget continues my commitment to fully funding our City Reserve Fund at \$1 million. Because of prudent management in the past, we continue to maintain General Fund reserves in excess of the two months required by City policy. It is clear that this excess is not enough to fund basic operations in the future, outside of an emergency. Our focus on a sustainable budget ensures that 2019 expenditures do not exceed revenues. This sustainable approach does require that the City Council exercise the banked property tax that was saved over the last decade, allowing for millions in savings for our taxpayers. However, today, that tax authority is now needed to continue delivering the fundamental services that Mukilteans expect and deserve.

Invest in our community. Our team has worked to develop a detailed plan to invest new sales tax revenues from Proposition 1 in our transportation infrastructure. I have heard your request that we be open and transparent with how these funds would be spent, so this budget lays those proposed expenditures out for the public to see.

Improve accessibility and mobility. Mukilteo is facing a transformation of our waterfront, and large transportation projects in Harbour Pointe, as well. The City is poised to deliver on these major projects next year, including the widening of Harbour Pointe Blvd S and the Harbour Reach Corridor Project, which will connect Beverly Park Road neighborhoods with Harbour Pointe, relieving congestion on the Speedway. These are some of the most significant transportation investments in decades, and our City staff stands ready to get them done.

As always, I am grateful to our department directors, the Finance Department staff and our budget team for all their work in crafting this budget proposal. They have worked together to develop options and recommendations as I crafted my proposal, which have been critical for this final product I am delivering to you.

This budget is sustainable, it represents our values, and I am proud to bring it to you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Jennifer Gregerson". The signature is fluid and cursive, with the first name "Jennifer" being more prominent than the last name "Gregerson".

Jennifer Gregerson
Mayor

BUDGET BUILDING PROCESS

This section is intended to briefly discuss the process behind the creation of the 2019 Final Budget.

Creating a budget, as we all know, requires that revenues and expenditures be projected as accurately as possible. Finance staff, working with the other Departments, project revenues for the General Fund and all other Funds. On the expenditure side, each Department prepares expenditure estimates for operations and Public Works, primarily, develops the proposed capital improvement portion of the Preliminary Budget.

The Preliminary Budget identifies the Mayor's operating and capital priorities for the upcoming year. As the City's Chief Executive Officer, the Mayor is responsible for presenting an annual budget to the City Council by October 31st for the subsequent year beginning January 1st.

The City uses a Baseline Budget approach to begin the process of developing the expenditure side of the Budget. A Baseline Budget is each Department's minimum dollar amount needed to perform their respective functions without reducing services.

In addition to the Baseline Budget process, the City also utilizes New Budget Items (NBIs). NBIs are prepared to identify the nature and cost of requested additions to the Baseline Budget that have a significant cost. These additional expenditure requests typically result from identified needs to maintain basic operations as well as improvements to or enhancements of operations.

A NBI identifies the specific operating request, which Fund will incur the cost, the purpose of and justification for the expenditure, whether the request will be ongoing or one time, alternatives, and related revenue, if any. The completed NBI form is included in the Preliminary Budget.

In addition to NBIs for operating expenditures, the budget process also utilizes NBIs for capital purposes such as capital projects or the purchase of equipment. In addition to the information provided for NBIs related to operating expenditures noted above, capital NBIs identify the impact on operating expenditures, whether previous approval has been received from the City Council, the amount previously approved, dollar amount requested for 2019, and estimates of the cost of future related requests. For example, a new capital project may require a multi-year process to complete. The initial amount needed will be budgeted in 2019 and additional amounts needed to complete the project will be budgeted in future fiscal years. The NBI identifies the total estimated cost of a project together with alternatives and additional related revenue, if any.

In regards to capital projects approved by the City Council in prior fiscal years, the 2019 Preliminary Budget no longer includes NBIs requesting the City Council to reapprove the

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unspent balances for these capital projects. Unspent budgets for specific capital projects will be “carried forward” to subsequent fiscal years until the projects are completed. At that time, the remaining budget for any completed projects will be cancelled. This simplifies the budget process for capital projects.

The City implemented an updated Internal Cost Allocation Plan (CAP) in the 2017 budget to identify the costs of indirect services provided by the City’s central service departments. The CAP was updated for the 2019 budget based on actual expenditures for 2017. A CAP establishes a fair and equitable methodology for identifying and allocating indirect costs to benefiting activities. It can be a valuable tool in establishing fees designed to recover total costs of a program; recovering indirect costs associated with local, state, and federal grants; reimbursing costs associated with providing support services to restricted funds such as enterprise and other special revenue funds; and many other financial analyses. This plan will be updated annually.

The budget for the General Fund is presented first, followed by various Reserve Funds, Special Revenue Funds, Capital Projects Funds, the one Debt Service Fund, the one Enterprise Fund, and the City’s four Internal Service Funds. Each of the City’s twenty-one budgeted Funds is a separate fiscal entity with its respective revenues and expenditures. NBIs for the various General Fund Departments and other Funds are presented following the respective budgets for each Department and Fund.

BUDGET AND FINANCIAL POLICIES

The summary of budget policies listed below creates a general framework of budgetary goals and objectives. They provide standards against which current budgetary performance can be measured and proposals for future programs are evaluated. The policies included are approved and updated, as needed, by the City Council.

BALANCED BUDGET

A balanced budget is one where operating revenues and sources equal or exceed operating expenditures and uses. In compliance with state law, the City's 2019 budget is a balanced budget.

BUDGET RESOURCES

Expenditures from special revenue funds supported by intergovernmental revenues and special purpose taxes are limited strictly to the mandates of the funding source. Addition of personnel will only be requested to meet program initiatives and policy directives after service needs have been thoroughly examined.

REVENUE ESTIMATION

During the budget process, revenues are projected for the year. Budgeted revenues are reviewed by the City Council on a quarterly basis and are adjusted as deemed necessary.

LEGAL COMPLIANCE AND FINANCIAL MANAGEMENT – FUND ACCOUNTING

To ensure legal compliance and financial management for the various restricted revenues and program expenditures, the City's accounting and budget structure is segregated into various funds. This approach is unique to the government sector. A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. For example, Special Revenue Funds are used to account for expenditures of restricted revenues, while Enterprise Funds are used to account for self-sustaining "business" related activities for which a fee is charged to cover all costs associated with that business.

BUDGET POLICY

These general Budget Policies are the basis on which staff develops budget recommendations and establishes funding priorities within the limited revenues the City has available to provide municipal services.

Operating Budgets¹ – Overall

- The budget should be a performance, financing and spending plan agreed to by the City Council and Mayor. It should contain information and data regarding expected revenues, expected expenditures and expected performance.
- The Finance Director shall prepare and present the annual budget preparation calendar to Council, Mayor and staff by the end of March each year.
- Annually, the Mayor will prepare and refine written policies and goals to guide the preparation of performance, financing and spending plans for the City budget. Adopted budgets will comply with the adopted budget policies and City Council priorities.
- As a comprehensive business plan, the budget should provide the following critical elements recommended by the Government Finance Officers Association: public policies, and Long-Range Financial Plan.
- The City's annual budget presentation should display the City's service/delivery performance plan in a Council Constituent-friendly format. Therefore, the City will use a program budgeting format to convey the policies for and purposes of the City operations. The City will also prepare the line item format materials for those who wish to review that information.
- Decision making for capital improvements will be coordinated with the operating budget to make effective use of the City's limited resources for operating and maintaining facilities.
- Mayor has primary responsibility for: a) formulating budget proposals in line with City Council priority directions; and b) implementing those proposals once they are approved.

Fiscal Integrity

- Ongoing operating expenditure budgets will not exceed the amount of ongoing revenue budgets to finance these costs. New program request costs will have to identify either a new ongoing source of revenue or identify offsetting/ongoing expenditures to be eliminated.
- In years when City Council approves operating budgets with ongoing costs exceeding ongoing revenues, the City's "Gap Closing" Policy must be invoked.
- Any available carryover balance will only be used to offset one-time or non-recurring costs. Cash balances in excess of the amount required to maintain strategic reserves will be used to fund one-time or non-recurring costs.²
- The City will maintain the fiscal integrity of its operating and capital improvement budgets which provide services and maintain certain public facilities, streets and utilities. It is the City's intent to maximize the level of public goods and services while minimizing the level of debt.
- Mitigation fees shall be used only for the project or purpose for which they are intended.
- The City will maintain a balanced budget which is defined as planned funds available equal planned expenditures and ending fund balance.

¹Operating Budgets Include: General Fund, Street Fund, Recreation and Cultural Services Fund, Emergency Medical Services Fund & Facilities Maintenance Fund.

²Carryover balances can only be calculated in years when revenues exceed expenditures & actual revenues exceed budgeted revenues

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Revenues

- Generally revenues estimates shall not assume growth rates in excess of inflation and scheduled rate increases. Actual revenues that are over estimates will be recognized through budgetary adjustments only after it takes place. This minimizes the likelihood of either a reduction in force or service level in the event revenues would be less than anticipated.
- Investment income earned shall be budgeted on the allocation methodology, i.e., the projected average monthly balance of each participating fund.

Internal Services Charges

- Depreciation of equipment, furnishings and computer software will be included in the service charges paid by departments to the Equipment Replacement Fund. This will permit the accumulation of cash to cost effectively replace these assets and smooth out budgetary impacts.

Reporting

- 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.
- Each quarter, staff will produce a “Quarterly Financial Report” comparing current year to past year actual revenue and expenditure and present the data to City Council.
- Semi-annually, staff will provide revenue and expenditure projections for the next five years (General Fund Projection Model.) Projections will include estimated operating costs for future capital improvements that are included in the capital budget. This data will be presented to the City Council in a form to facilitate annual budget decisions, based on a multi-year strategic planning perspective.

Citizen Involvement

- Citizen involvement during the budget process shall be encouraged through public hearings, work sessions, website and surveys.
- Involvement shall also be facilitated through Council appointed boards, commissions and committees that serve in an advisory capacity to the Council and staff.

Fees

- Fees shall be to cover 100% of the costs of service delivery, unless such amount prevents an individual from obtaining essential services. Fees or service charges should not be established to generate money in excess of the cost of providing service.
- Fees may be less than 100% if other factors, e.g., market forces, competitive position, etc., need to be recognized.

Capital Budget – Fiscal Policies

- Capital project proposals should include as complete, reliable and attainable cost estimates as possible. Project cost estimates for the Capital Budget should be based upon a thorough analysis of the project and are expected to be as reliable as the level of detail known about the project. (Project cost estimates included in the City’s Capital Facilities Six Year Plan should be as reliable as possible, recognizing that Year 1 or Year 2 project cost estimates will be more reliable than cost estimates in the later years.)
- Proposals should include a comprehensive resource plan. This plan should include the amount and type of resources required, a timeline and financing strategies to be employed. The plan should indicate resources necessary to complete any given phase of the project, e.g., design, rights-of-way acquisition, construction, project management, sales taxes, contingency, etc.
- Capital project proposals should include a discussion on level of service (LOS). At a minimum, the discussion should include current LOS level associated with the proposal and level of LOS after completion of proposal. Proposals with low level LOS will receive higher

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priority than those with higher levels of LOS. Capital project proposals that either have a current LOS level of 100% or higher or will have an LOS level of 100% or higher after completion of the proposal must include a discussion on impacts to other services that have an LOS level below 100%.

- All proposals for capital projects will be presented to the City Council within the framework of a Capital Budget. Consideration will be given to the commitment of capital funds outside the presentation of the annual capital budget review process for emergency capital projects, time sensitive projects, projects funded through grants or other non-city funding sources and for projects that present and answer the following questions for Council consideration:
 - Impacts to other projects
 - Funding sources
- Capital project proposals shall include all reasonably attainable cost estimates for operating and maintenance costs necessary for the life cycle of the asset.
- Major changes in project cost must be presented to the City Council for review and approval. Major changes are defined per City's Procurement Policies & Procedures as amounts greater than \$30,000 for single craft or trade and greater than \$50,000 for two or more crafts or trades.
- At the time of project award, each project shall have reasonable contingencies also budgeted:
- The amount set aside for contingencies shall correspond with industry standards and shall not exceed ten percent (10%), or a percentage of contract as otherwise determined by the City Council.
- Project contingencies may, unless otherwise determined by the City Council, be used only to compensate for unforeseen circumstances requiring additional funds to complete the project within the original project scope and identified needs.
- For budgeting purposes, project contingencies are a reasonable estimating tool. At the time of contract award, the project cost will be replaced with an appropriation that includes the contingency as developed above.
- Staff shall seek ways of ensuring administrative costs of implementing the Capital Budget are kept at appropriate levels.
- The Capital Budget shall contain only those projects that can be reasonably expected to be accomplished during the budget period. The detail sheet for each project shall contain a project schedule with milestones indicated.
- Capital projects that are not expensed during the budget period will be re-budgeted or carried over to the next fiscal period except as reported to the City Council for its approval. Multi-year projects with unexpended funds will be carried over to the next fiscal period.
- If a proposed capital project will have a direct negative effect on other publicly owned facilities and/or property, or reduce property taxes revenues (for property purchases within the City), mitigation of the negative impact will become part of the proposed capital project costs.
- A capital project will not be budgeted unless there is a reasonable expectation that funding is available.

Debt Policies

- Debt will not be used for operating costs.
- Whenever possible, the City shall identify alternative sources of funding and availability to minimize the use of debt financing.
- Whenever possible, the City shall use special assessment, revenue or other self-supporting debt instead of general obligation debt.
- Tax Anticipation Notes will be issued only when the City's ability to implement approved programs and projects is seriously hampered by temporary cash flow shortages.

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- Long-term general obligation debt will be issued when necessary to acquire land and/or fixed assets, based upon the City's ability to pay. Long-term general obligation debt will be limited to those capital projects that cannot be financed from existing revenues and only when there is an existing or near-term need for the acquisition or project. The acquisition or project should also be integrated with the City's Long-range Financial Plan and the Capital Facilities Plan.
- The maturity date for any debt issued for acquisition or project will not exceed the estimated useful life of the financed acquisition or project.
- Current revenues or ending fund balance shall be set aside to pay for the subsequent two year's debt service payments. This is intended to immunize the City's bondholders from any short-term volatility in revenues.
- The City shall establish affordability guidelines in order to preserve credit quality. One such guideline, which may be suspended for emergency purposes or unusual circumstances, is as follows: Debt service as a percent of the City's operating budget should not exceed ten percent (10%).

GAP CLOSING POLICY

“Gap” refers to any one year when anticipated expenditures exceed anticipated revenues in any of the next three years.

A. Purpose

The Gap Closing Policy is established to ensure that the City can sustain on-going operations. It will trigger measures to ensure that gaps in the General Fund are dealt with in a timely, prudent and cost effective manner. The Gap Closing Policy sets forth guidelines for City Council, Mayor and staff to use to identify and close spending gaps.

The intent of the Gap Closing Policy is to:

- Inform Mayor, City Council and Citizens of impending financial threats to City’s ability to sustain on-going operations;
- Establish trigger points implementing Gap Closing Plan;
- Promote consistency and continuity in the decision making process;
- Demonstrate a commitment to long-range financial planning objectives, and
- Ensure that budgetary decisions are incorporated into long-range financial planning.

B. Implementation

The City’s Finance Director shall inform Council during the Quarterly Financial Update whether the General Fund is expected to experience a “Gap.” If a Gap is expected, the Finance Director must inform Council which level of severity is anticipated. There are three levels of severity:

- Watch – Gap exceeds 1%, but less than 3% of General Fund Expenditures
- Moderate – Gap exceeds 3%, but less than 5% of General Fund Expenditures
- Severe – Gap exceeds 5% of General Fund Expenditures

C. Gap Reporting

If a Gap has been reported, Mayor and City Council must receive a quarterly report on the status of the Gap. The report must identify the severity of the Gap and whether the Gap is growing, stable or declining.

D. Gap Closing Strategy

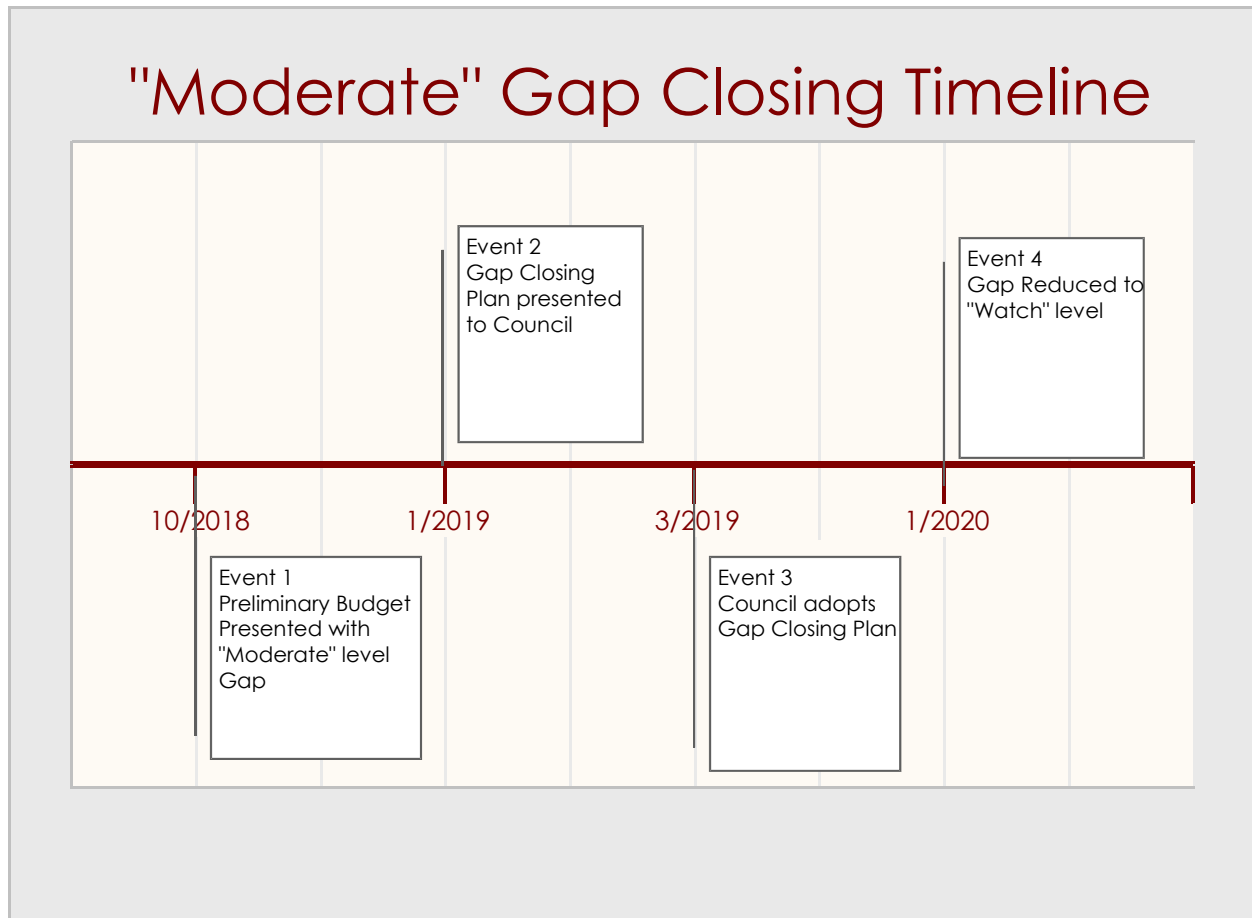
The severity of the Gap will dictate how to address the Gap.

- Watch –If the Gap stays less than 3%, nothing more than an acknowledgement that a Gap exists has to be included in the Quarterly Financial Update.

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- Moderate – The Mayor or Mayor’s designee has to present a Gap Closing Plan to Council within three months of Finance Director’s initial Gap report indicating that a “Moderate” Gap is anticipated within one of the next three years. The plan must include details explaining how the City will move the Gap from a “Moderate” level into a “Watch” level within the next twelve months. Council must adopt a Gap Closing Plan within two months after receipt of the Plan.

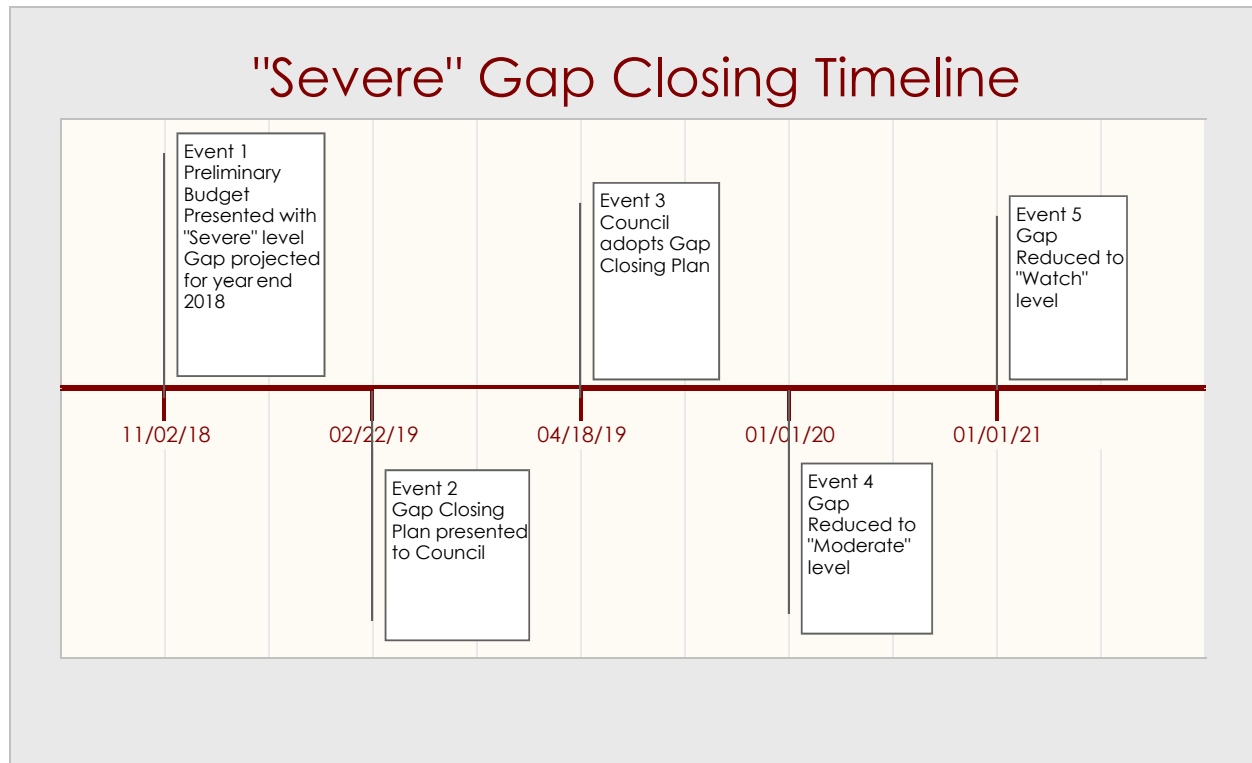
The timeline for closing the “Moderate” level gap could look like the following chart:



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- Severe – The Mayor or Mayor’s designee has to present a Gap Closing Plan to Council within three months of Finance Director’s initial Gap report indicating a “Severe” Gap is anticipated within one of the next three years. The plan must include details explaining how the City will move the Gap from a “Severe” level into a “Moderate” level within the next twenty-four months. Council must adopt a Gap Closing Plan within two months after receipt of the Plan.

The timeline for closing the “Severe” level gap could look like the following chart:



E. Mayor’s Recommended Gap Closing Plan

Gap Closing Plan must include:

- Gap level being addressed and year(s) Gap is anticipated to occur
- Timeline the Plan covers
- Primary causes for Gap
- Assumptions used for revenues, expenditures and operating reserve balances
- Mayor’s recommendation identifying all potential new sources of revenue and discuss the related impact of each on citizens and/or users
- A list of expenditure reductions by type with discussion on impacts to the related Level of Service and how the reduction affects the Council’s Budget Priorities
- How the use of reserves can help close the Gap and if reserves are a part of the solution, the Plan must provide a repayment schedule to restore all reserves used.

FUND BALANCE RESERVE POLICY

Fund balance is the uncommitted resources of a fund. It is the policy of the City to construct the various fund budgets in such a way that there will be sufficient uncommitted resources to cover cash flow needs at all times, regardless of seasonal fluctuations in expenditures or revenues, to provide adequate reserves for emergency needs, and to provide on-going investment earnings.

Adequate fund balance and reserve levels are a necessary component of the City's overall financial management strategy and a key factor in external agencies' measurement of the City's financial strength. Maintenance of fund balance for each accounting fund assures adequate resources for cash flow and to mitigate short-term effects of revenue shortages. Reserve funds are necessary to enable the City to deal with unforeseen emergencies or changes in condition.

The City maintains reserves required by law, ordinance and/or bond covenants. All expenditures drawn from reserve accounts require prior Council approval unless previously authorized by the City Council for expenditure within the City's annual budget. If reserves and/or fund balances fall below the required levels as set by the policy, the City shall include within its annual budget a plan to restore reserves and/or fund balance to the required levels.

The Fund Balance Reserve Policy specifies individual fund requirements as follows:

- **Contingency Fund Reserves:** The City maintains a Contingency Fund reserve equal to \$1,000,000 to provide a financial cushion to cover revenue shortfalls resulting from unexpected economic changes or recessionary periods or to provide funds in the event of major unplanned expenditures the City could face as a result of landslides, earthquake or other natural disaster.
- **General Fund Operating Reserves:** The City maintains a General Fund Operating Reserve to provide for adequate cash flow, budget contingencies, and insurance reserves. The cash flow reserve within the General Fund is an amount equal to two months of budgeted operating expenditures.
- **Hotel/Motel Lodging Tax Reserves:** The City maintains a Hotel/Motel Lodging Tax Reserve in an amount equal to six months' revenues in ending fund balance. (For example, the 2019 budgeted expenditures cannot exceed half of the 2017 actual revenues receipted into the fund.)
- **Technology Replacement Reserves:** The City maintains a Technology Replacement Reserve for replacement of entity-wide computer hardware, software, or telephone equipment identified in the City's Technology Replacement listing. The required level of reserve will equal each year's scheduled replacement costs. For example, if the 2019 equipment replacement costs are budgeted at \$100,000, the fund reserve balance must equal or exceed \$100,000.

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- **Health Self-Insured Administration Reserves:** The City maintains a Health Self-Insured Administration Reserve to provide Washington State mandated reserves for the City's self-insured dental and vision benefits for City Employees. The City maintains a reserve equal to 16 weeks of budgeted expense as required by Washington State's Office of Financial Management. The City reviews the required reserve level annually and adjusts it to meet the State's requirements (Washington Administrative Code, WAC 82.60).
- **Equipment and Vehicle Replacement Reserves:** The City maintains fully funded reserve for the replacement of vehicles and equipment identified on the City's equipment replacement listing. The required level of reserve equals each year's scheduled replacement costs. For example, if the 2019 equipment replacement costs are budgeted at \$100,000, the fund reserve balance must equal or exceed \$100,000. Contributions are made through assessments to the using funds and are maintained on a per asset basis.
- **Surface Water Utility Fund Reserves:** The City maintains an operating reserve within the Surface Water Utility Fund of an amount equal to no less than 20% of budgeted operating revenues.

EXPLANATION OF BUDGET EXHIBITS

The following pages present a variety of budgetary information for the 2019 Budget that is intended to assist the reader in understanding the eleven exhibits that follow:

- **BUDGET SUMMARY BY FUND** (Exhibit 1) - Provides a recap for each of the City's twenty-one budgeted Funds of estimated beginning fund balance, revenues and transfers in which constitute total sources, expenditures and transfers out which constitute total uses, and projected ending fund balance as of the end of 2019.
- **REVENUE AND EXPENDITURE SUMMARY ALL FUNDS** (Exhibit 2) – Provides the following revenue and expenditure information for each Fund: 2017 actual amounts, 2018 Adopted Budget, 2018 estimates, the 2019 Budget, and two columns reflecting the dollar and percentage changes comparing the 2018 Adopted Budget to the 2019 Budget. Transfers in and out are excluded as they do not constitute revenues or expenditures.
- **TOTAL REVENUES AND EXPENDITURES FOR ALL FUNDS** (Exhibit 3) – Provides 2019 revenue and expenditure information for all Funds by categories of revenues and expenditures together with actual amounts for 2017, Adopted Budget for 2018 and 2018 estimates, and two columns reflecting the dollar and percentage changes comparing the 2018 Adopted Budget to the 2019 Budget.
- **GENERAL FUND REVENUES AND EXPENDITURES** (Exhibit 4) – Provides similar information as Exhibit 3 for the General Fund only.
- **GENERAL FUND EXPENDITURES** (Exhibit 5) – Provides additional 2019 General Fund expenditure information by Division and Department.
- **OPERATING EXPENDITURES FOR ALL FUNDS** (Exhibit 6) – Provides a breakdown of operating expenditures for the General Fund, EMS Fund, Street Fund, Surface Water Management Fund, Facilities Maintenance Fund, Waterfront Parking Fund, and the Recreation & Cultural Services Fund.
- **GENERAL FUND REVENUE SUMMARY** (Exhibit 7) – Provides a further breakdown of the General Fund's various revenue categories.
- **2019 TOP 10 GENERAL FUND REVENUES** (Exhibit 8) – Provides information on the most significant General Fund revenue sources
- **TRANSFERS BETWEEN FUNDS** (Exhibit 9) – Provides detailed information on transfers between Funds. Transfers in and out are not considered revenues and expenditures for budget and accounting purposes.
- **2019 NEW BUDGET ITEMS** (Exhibit 10) – Provides a list of NBIs included in budget.
- **CAPITAL PROJECT CARRY FORWARDS** (Exhibit 11) – Provides a list of capital projects budgeted in previous years, estimated expenditures in 2018, and estimated amounts to be carried forward to 2019.

2019 Preliminary Budget

EXHIBIT 1 - BUDGET SUMMARY BY FUND

Fund Description	Beginning Fund Balance	Revenue	Transfers-in	Total Sources	Expenditures	Transfers-out	Total Uses	Ending Fund
	A	B	C	B+C = D	E	F	E+F = G	A+D-G
General	\$ 3,014,016	\$ 14,431,750	\$ 159,800	\$ 14,591,550	13,803,415	\$ 775,950	\$ 14,579,365	\$ 3,026,201
City Reserve	1,000,000	-	-	-	-	-	-	1,000,000
LEOFF I Reserve	21,666	-	10,000	10,000	20,000	-	20,000	11,666
Transportation Benefit District	447,000	318,000	314,500	632,500	1,079,500	-	1,079,500	-
Streets	-	564,400	256,050	820,450	820,450	-	820,450	-
Waterfront Parking	-	678,500	-	678,500	678,000	-	678,000	500
Recreation & Cultural Services	-	686,400	173,600	860,000	860,000	-	860,000	-
Hotel/Motel Lodging Tax	153,471	245,000	-	245,000	259,700	-	259,700	138,771
Emergency Medical Services	-	2,604,000	166,300	2,770,300	2,770,300	-	2,770,300	-
Drug Enforcement	10	20,000	-	20,000	10,000	-	10,000	10,010
Debt Service	3,321	-	880,345	880,345	877,000	-	877,000	6,666
Park Acquisition & Development	240,843	20,000	-	20,000	67,500	-	67,500	193,343
Transportation Impact Fee	97,730	50,000	-	50,000	-	87,200	87,200	60,530
Real Estate Excise Tax I	2,182,867	700,000	-	700,000	-	1,005,345	1,005,345	1,877,522
Real Estate Excise Tax II	1,765,518	17,280,000	100,000	17,380,000	18,732,300	320,500	19,052,800	92,718
Surface Water Management	2,543,035	4,474,000	-	4,474,000	4,575,580	41,600	4,617,180	2,399,855
Surface Water Reserve	300,000	-	-	-	-	-	-	300,000
Technology Replacement Reserve	114,755	18,500	130,000	148,500	125,000	-	125,000	138,255
Equipment Replacement Reserve	812,610	-	-	-	493,000	-	493,000	319,610
Facilities Maintenance	-	759,050	-	759,050	759,050	-	759,050	-
Facility Renewal	497,880	12,000	40,000	52,000	277,000	-	277,000	272,880
TOTALS	\$ 13,194,722	\$ 42,861,600	\$ 2,230,595	\$ 45,092,195	\$ 46,207,795	\$ 2,230,595	\$ 48,438,390	\$ 9,848,527

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EXHIBIT 2 – REVENUE SUMMARY ALL FUNDS (excludes Transfers-in)

Fund Description	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Change in Budget (\$)	Change in Budget (%)
General	\$ 14,479,651	\$ 14,160,608	\$ 13,973,608	\$ 14,591,550	\$ 430,942	3.04%
City Reserve	-	-	-	-	-	-
LEOFF I Reserve	25,850.00	20,000.00	20,000.00	10,000	(10,000)	(50.00%)
Transportation Benefit District	-	1,342,000.00	1,072,000.00	632,500	(709,500)	(52.87%)
Streets	818,223.00	714,000.00	692,516.00	820,450	106,450	14.91%
Waterfront Parking	-	647,500.00	656,900.00	678,500	31,000	4.79%
Recreation & Cultural Services	836,681.60	834,135.00	801,550.00	860,000	25,865	3.10%
Hotel/Motel Lodging Tax	242,392.00	245,000.00	245,000.00	245,000	-	0.00%
Emergency Medical Services	2,449,012.00	2,614,125.00	2,523,793.00	2,770,300	156,175	5.97%
Drug Enforcement	2,004.00	24,000.00	15,250.00	20,000	(4,000)	(16.67%)
Debt Service	8,864,913.00	880,345.00	880,345.00	880,345	-	0.00%
Park Acquisition & Development	4,876.00	50,000.00	30,000.00	20,000	(30,000)	(60.00%)
Transportation Impact Fee	295,144.00	50,000.00	50,000.00	50,000	-	0.00%
Real Estate Excise Tax I	645,467.00	700,000.00	700,000.00	700,000	-	0.00%
Real Estate Excise Tax II	1,937,465.00	19,538,350.00	4,689,641.00	17,380,000	(2,158,350)	(11.05%)
Surface Water Management	2,841,541.00	3,162,000.00	3,220,000.00	4,474,000	1,312,000	41.49%
Surface Water Reserve	-	-	-	-	-	-
Technology Replacement Reserve	189,204.00	119,000.00	94,000.00	148,500	29,500	24.79%
Equipment Replacement Reserve	215,646.00	73,000.00	71,000.00	-	(73,000)	(100.00%)
Facilities Maintenance	685,286.00	675,730.00	716,923.00	759,050	83,320	12.33%
Facility Renewal	417,330.00	122,700.00	76,700.00	52,000	(70,700)	(57.62%)
TOTALS	\$ 34,950,686	\$ 45,972,493	\$ 30,529,226	\$ 45,092,195	\$ (880,298)	(1.91%)

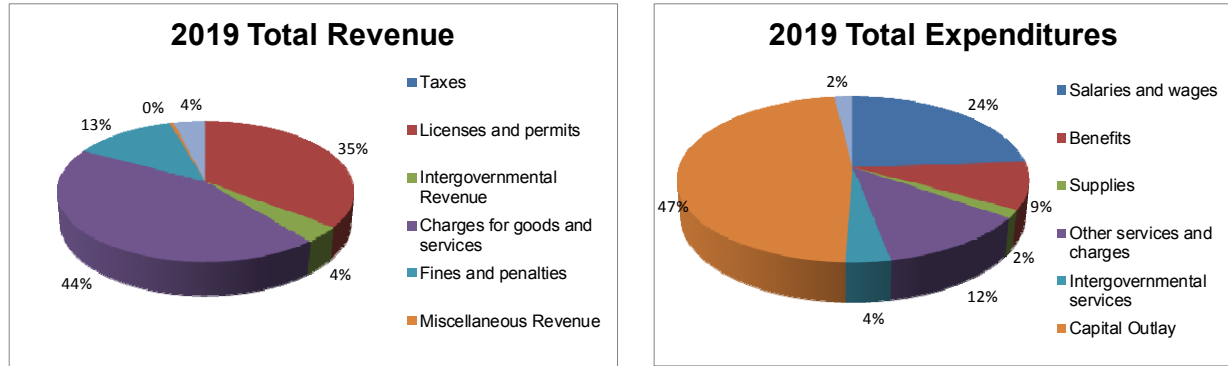
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EXHIBIT 2 – EXPENDITURE SUMMARY ALL FUNDS (excludes Transfers-out)

Fund Description	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Change in Budget (\$)	Change in Budget (%)
General	14,749,681	14,700,008	14,712,547	\$ 14,579,365	\$ (120,643)	(0.82%)
City Reserve	-	-	-	-	-	-
LEOFF I Reserve	11,321	20,000	20,000	20,000	-	0.00%
Transportation Benefit District	-	1,125,000	625,000	1,079,500	(45,500)	(4.04%)
Streets	789,239	714,000	721,500	820,450	106,450	14.91%
Waterfront Parking	-	647,500	656,900	678,000	30,500	4.71%
Recreation & Cultural Services	836,682	834,135	801,550	860,000	25,865	3.10%
Hotel/Motel Lodging Tax	303,043	312,830	312,830	259,700	(53,130)	(16.98%)
Emergency Medical Services	2,435,734	2,614,125	2,574,125	2,770,300	156,175	5.97%
Drug Enforcement	13,746	24,000	24,000	10,000	(14,000)	(58.33%)
Debt Service	8,862,588	880,345	880,345	877,000	(3,345)	(0.38%)
Park Acquisition & Development	17,223	77,500	10,000	67,500	(10,000)	(12.90%)
Transportation Impact Fee	661,416	481,665	481,665	87,200	(394,465)	(81.90%)
Real Estate Excise Tax I	939,819	939,319	939,319	1,005,345	66,026	7.03%
Real Estate Excise Tax II	1,850,901	20,269,426	4,133,126	19,052,800	(1,216,626)	(6.00%)
Surface Water Management	1,927,959	3,648,979	2,700,525	4,617,180	968,201	26.53%
Surface Water Reserve	-	-	-	-	-	-
Technology Replacement Reserve	108,069	111,000	111,000	125,000	14,000	12.61%
Equipment Replacement Reserve	1,189,039	206,500	237,500	493,000	286,500	138.74%
Facilities Maintenance	684,091	675,730	728,570	759,050	83,320	12.33%
Facility Renewal	162,300	221,000	141,000	277,000	56,000	25.34%
TOTALS	\$ 35,542,850	\$ 48,503,062	\$ 30,811,502	\$ 48,438,390	\$ (64,672)	(0.13%)

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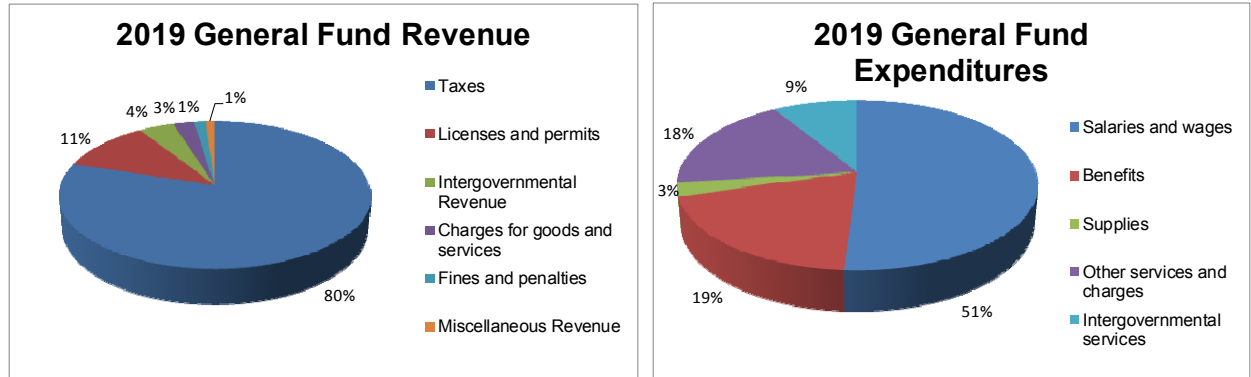
EXHIBIT 3 – TOTAL REVENUES AND EXPENDITURES FOR ALL FUNDS



	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Change in Budget (\$)	Change in Budget (%)
Revenues:						
Taxes	\$ 14,289,173	\$ 14,791,800	\$ 14,544,800	\$ 15,107,000	\$ 315,200	2.1%
Licenses and permits	1,332,142	1,481,900	1,450,900	1,611,900	130,000	8.8%
Intergovernmental Revenue	1,802,107	19,107,185	4,390,476	18,739,100	(368,085)	-1.9%
Charges for goods and services	5,016,459	5,004,730	5,052,573	5,488,350	483,620	9.7%
Fines and penalties	136,507	181,550	180,350	210,350	28,800	15.9%
Miscellaneous Revenue	9,427,548	1,533,675	1,613,225	1,704,900	171,225	11.2%
Total Revenues	\$ 32,003,936	\$ 42,100,840	\$ 27,232,324	\$ 42,861,600	\$ 760,760	1.8%
Expenditures:						
Salaries and wages	\$ 10,083,903	\$ 10,453,628	\$ 10,634,150	\$ 11,061,350	\$ 607,722	5.8%
Benefits	3,700,698	4,089,535	4,080,890	4,248,290	158,755	3.9%
Supplies	688,468	653,105	700,500	746,400	93,295	14.3%
Other services and charges	5,322,827	5,386,935	5,229,278	5,647,605	260,670	4.8%
Intergovernmental services	1,576,907	1,601,161	1,605,737	1,650,850	49,689	3.1%
Capital Outlay	2,580,719	21,566,700	4,383,700	21,976,300	409,600	1.9%
Debt service	8,862,588	880,345	880,345	877,000	(3,345)	-0.4%
Total Expenditures	\$ 22,732,207	\$ 34,177,781	\$ 16,880,450	\$ 35,146,445	\$ 1,576,386	4.6%

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EXHIBIT 4 – GENERAL FUND REVENUES AND EXPENDITURES

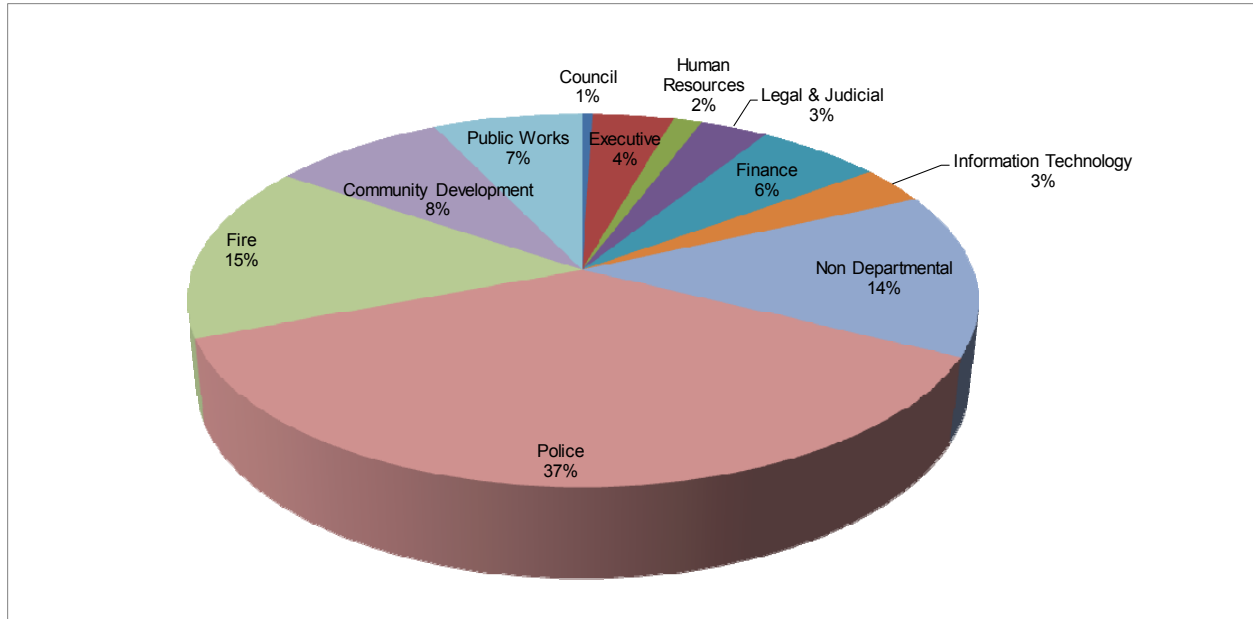


	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Change in Budget (\$)	Change in Budget (%)
Revenues:						
Taxes	\$ 10,861,796	\$ 11,210,958	\$ 10,963,958	\$ 11,502,000	\$ 291,042	2.6%
Licenses and permits	1,331,067	1,480,500	1,449,500	1,610,500	130,000	8.8%
Intergovernmental Revenue	668,742	671,800	686,800	606,000	(65,800)	-9.8%
Charges for goods and services	332,988	330,800	329,000	359,400	28,600	8.6%
Fines and penalties	136,507	181,550	180,350	210,350	28,800	15.9%
Miscellaneous Revenue	840,541	155,000	234,000	143,500	(11,500)	-7.4%
Total Revenues	\$ 14,171,641	\$ 14,030,608	\$ 13,843,608	\$ 14,431,750	\$ 401,142	2.9%
Expenditures:						
Salaries and wages	\$ 6,773,717	\$ 6,631,728	\$ 6,929,350	\$ 7,040,700	\$ 408,972	6.2%
Benefits	2,515,226	2,533,935	2,587,040	2,692,040	158,105	6.2%
Supplies	407,535	331,675	341,750	359,850	28,175	8.5%
Other services and charges	2,780,079	2,427,630	2,644,773	2,493,875	66,245	2.7%
Intergovernmental services	1,246,115	1,213,397	1,216,742	1,216,950	3,553	0.3%
Total Expenditures	\$ 6,948,955	\$ 6,506,637	\$ 6,790,305	\$ 6,762,715	\$ 665,050	10.2%

*Parking revenues were moved from the General Fund to the Waterfront Parking Fund; this is reflected in the reduction in Miscellaneous Revenues from 2017 to 2018.

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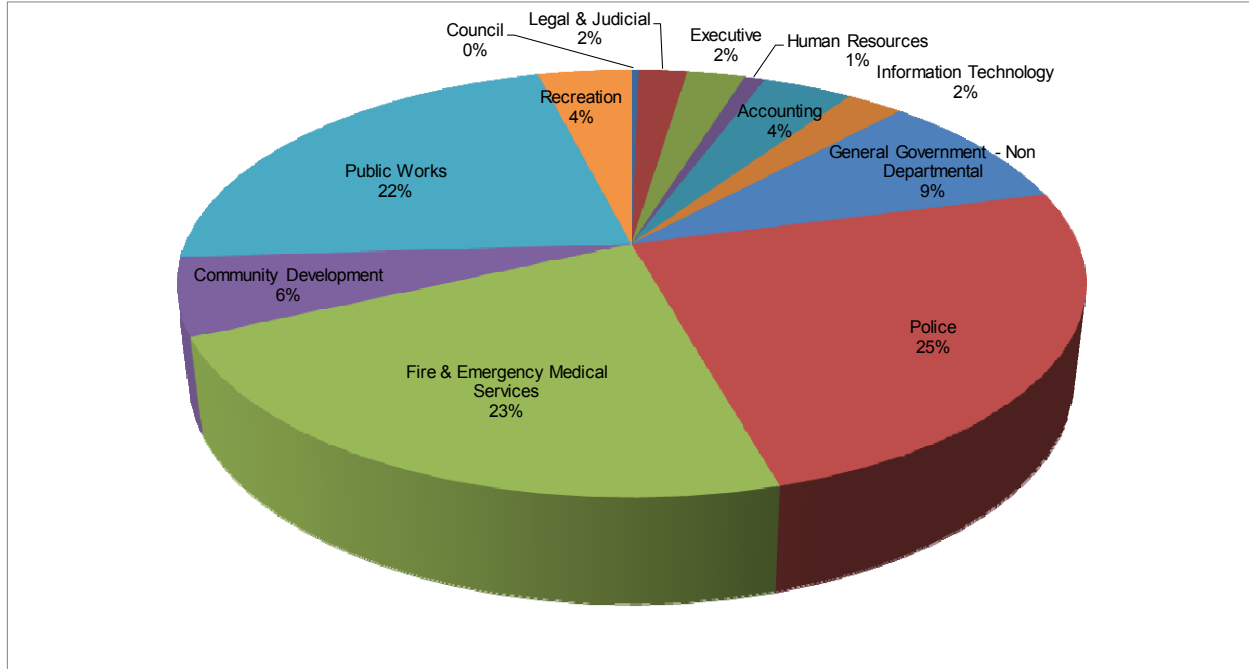
EXHIBIT 5 – GENERAL FUND EXPENDITURES



Department/Division	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Change in Budget (\$)	Change in Budget (%)
Council	\$ 77,262	\$ 70,790	\$ 70,790	\$ 70,790	\$ -	0.0%
Executive	616,428	513,150	512,650	534,875	21,725	4.2%
Human Resources	222,313	200,300	197,850	189,250	(11,050)	-5.5%
Legal & Judicial	459,291	433,000	433,000	445,000	12,000	2.8%
Finance	828,322	827,250	827,250	827,550	300	0.0%
Information Technology	425,751	404,800	448,700	448,300	43,500	10.7%
Non Departmental	1,989,840	1,502,774	2,004,923	1,949,550	446,776	29.7%
Police	4,755,330	4,727,325	4,812,650	5,088,350	361,025	7.6%
Fire	2,158,479	2,226,146	2,172,992	2,107,400	(118,746)	-5.3%
Community Development	1,096,273	1,316,310	1,289,750	1,154,600	(161,710)	-12.3%
Public Works	1,093,383	916,520	949,100	987,750	71,230	7.8%
Totals	\$ 13,722,672	\$ 13,138,365	\$ 13,719,655	\$ 13,803,415	\$ 665,050	5.1%

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EXHIBIT 6 – OPERATING EXPENDITURES FOR ALL FUNDS (Excludes Transfers-out)



Department/Division	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Change in Budget (\$)	Change in Budget (%)
Council	\$ 77,262	\$ 70,790	\$ 70,790	\$ 70,790	\$ -	0.0%
Legal & Judicial	459,291	433,000	433,000	445,000	12,000	2.8%
Executive	616,428	513,150	512,650	534,875	21,725	4.2%
Human Resources	222,313	200,300	197,850	189,250	(11,050)	-5.5%
Accounting	828,322	827,250	827,250	827,550	300	0.0%
Information Technology	491,270	515,800	510,900	523,300	7,500	1.5%
General Government - Non Departmental	1,989,840	1,502,774	2,004,923	1,949,550	446,776	29.7%
Police	4,769,076	4,945,645	5,050,050	5,326,350	380,705	7.7%
Fire & Emergency Medical Services	4,594,213	4,840,271	4,747,117	4,877,700	37,429	0.8%
Community Development	1,179,369	1,430,060	1,401,850	1,271,450	(158,610)	-11.1%
Public Works	4,000,860	4,443,509	4,510,445	4,764,380	320,871	7.2%
Recreation	836,682	834,135	801,550	860,000	25,865	3.1%
Totals	\$ 20,064,926	\$ 20,556,684	\$ 21,068,375	\$ 21,640,195	\$ 1,083,511	5.3%

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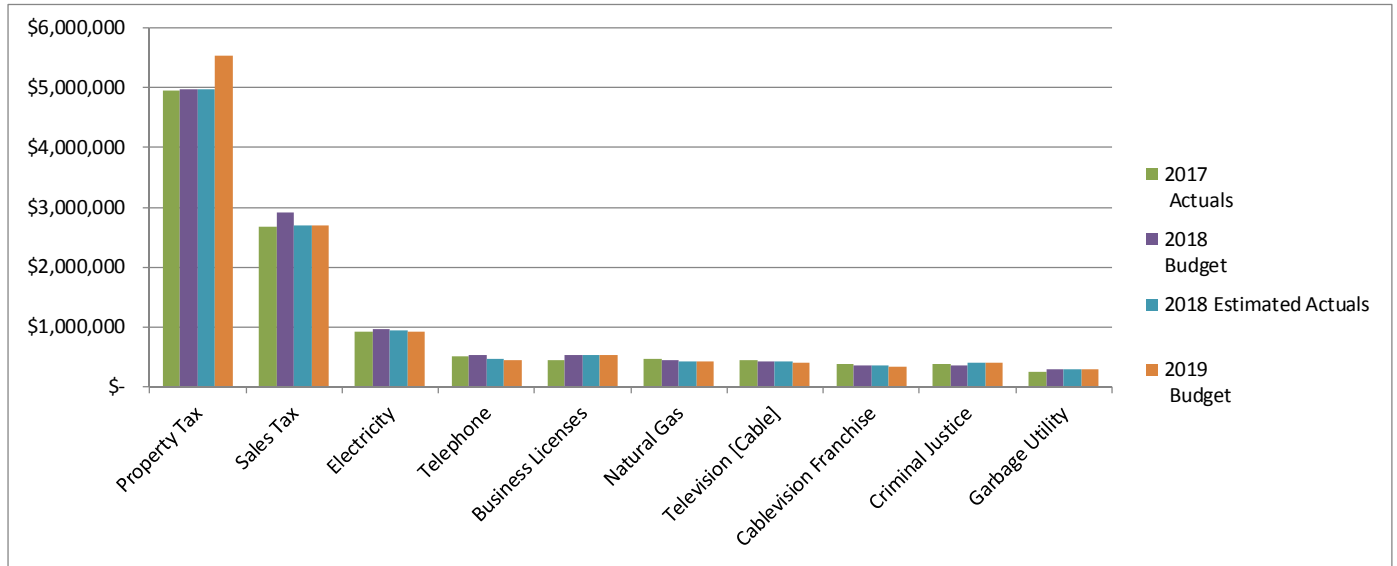
EXHIBIT 7 – GENERAL FUND REVENUE SUMMARY

GENERAL FUND	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Change in Budget (\$)	Change in Budget (%)
<u>TAXES</u>						
Property Taxes	\$ 4,953,510	\$ 4,966,958	\$ 4,966,958	\$ 5,542,000	\$ 575,042	11.6%
Sales Tax	2,666,826	2,917,000	2,700,000	2,700,000	(217,000)	-7.4%
Utility Taxes	2,717,093	2,815,000	2,745,000	2,700,000	(115,000)	-4.1%
Other Taxes	524,367	512,000	552,000	560,000	48,000	9.4%
	10,861,796	11,210,958	10,963,958	11,502,000	291,042	2.6%
<u>LICENSES & PERMITS</u>						
Business Licenses	442,615	529,500	528,500	528,500	(1,000)	-0.2%
Franchise Fees	703,688	717,000	685,000	840,000	123,000	17.2%
Building & Other Permits	184,764	234,000	236,000	242,000	8,000	3.4%
	1,331,067	1,480,500	1,449,500	1,610,500	130,000	8.8%
<u>INTERGOVERNMENTAL REVENUES</u>						
Liquor Board Profits	177,891	176,000	176,000	174,000	(2,000)	-1.1%
Liquor Excise Tax	104,127	104,500	104,500	109,500	5,000	4.8%
PUD Privilege Tax	114,766	115,000	115,000	115,000	-	-
Other Intergovernmental Revenue	271,958	276,300	291,300	207,500	(68,800)	-24.9%
	668,742	671,800	686,800	606,000	(65,800)	-9.8%
<u>CHARGES FOR SERVICE</u>						
Development Revenues	18,666	14,500	15,000	17,000	2,500	17.2%
Overhead Cost Recovery	133,027	135,700	135,700	180,500	44,800	33.0%
Miscellaneous Services	181,295	180,600	178,300	161,900	(18,700)	-10.4%
	332,988	330,800	329,000	359,400	28,600	8.6%
<u>FINES & FORFEITURES</u>						
Traffic Violations	37,994	62,000	54,000	54,000	(8,000)	-12.9%
Parking Fines	75,202	80,500	95,500	128,000	47,500	59.0%
Other Fines	23,311	39,050	30,850	28,350	(10,700)	-27.4%
	136,507	181,550	180,350	210,350	28,800	15.9%
<u>MISCELLANEOUS REVENUES</u>						
Parking & Boat Launch Fees	608,392	-	-	-	-	-
Rental Income	19,849	26,000	26,000	22,500	(3,500)	-13.5%
Interest Income	132,535	51,500	83,000	82,500	31,000	60.2%
Other Miscellaneous Revenue	79,765	77,500	125,000	38,500	(39,000)	-50.3%
	840,541	155,000	234,000	143,500	(11,500)	-7.4%
Total General Fund	\$ 14,171,641	\$ 14,030,608	\$ 13,843,608	\$ 14,431,750	\$ 401,142	2.9%

*Parking revenues were moved from the General Fund to the Waterfront Parking Fund; this is reflected in the reduction in Miscellaneous Revenues from 2017 to 2018.

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EXHIBIT 8 –TOP 10 GENERAL FUND REVENUES



Top 10 General Fund Revenues	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Change in Budget (\$)	Change in Budget (%)
Property Tax	\$ 4,953,510	\$ 4,966,958	\$ 4,966,958	\$ 5,542,000	\$ 48,614	11.6%
Sales Tax	2,666,826	2,917,000	2,700,000	2,700,000	23,684	0.0%
Electricity	920,927	975,000	940,000	925,000	8,114	-1.6%
Telephone	499,413	525,000	475,000	435,000	3,816	-8.4%
Business Licenses	438,515	525,000	525,000	525,000	4,605	0.0%
Natural Gas	457,681	435,000	415,000	420,000	3,684	1.2%
Television [Cable]	438,201	425,000	425,000	410,000	3,596	-3.5%
Cablevision Franchise	373,444	350,000	350,000	340,000	2,982	-2.9%
Criminal Justice	372,390	350,000	400,000	400,000	3,509	0.0%
Garbage Utility	240,523	295,000	295,000	295,000	2,588	0.0%
Total Top 10 General Fund Revenues	\$ 11,361,430	\$ 11,763,958	\$ 11,491,958	\$ 11,992,000	\$ 105,193	4.4%
Remaining General Fund Revenues	2,810,211	2,266,650	2,351,650	2,439,750		
Total General Fund Revenues	\$ 14,171,641	\$ 14,030,608	\$ 13,843,608	\$ 14,431,750		

all totals and calculations exclude transfers in

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EXHIBIT 9 – TRANSFERS BETWEEN FUNDS

		Transferring Fund					
		General	Transportation Impact Fee	Real Estate Excise Tax I	Real Estate Excise Tax II	Surface Water Management	Total Transfers-in
Recipient Fund	General		\$ 87,200		\$ 31,000	\$ 41,600	\$ 159,800
	City Reserve						\$ -
	LEOFF I Reserve	10,000					\$ 10,000
	Transportation Benefit District			25,000	289,500		\$ 314,500
	Streets	256,050					\$ 256,050
	Waterfront Parking						\$ -
	Recreation & Cultural Services	173,600					\$ 173,600
	Hotel/Motel Lodging Tax						\$ -
	Emergency Medical Services	166,300					\$ 166,300
	Drug Enforcement						\$ -
	Debt Service			880,345			\$ 880,345
	Park Acquisition & Development						\$ -
	Transportation Impact Fee						\$ -
	Real Estate Excise Tax I						\$ -
	Real Estate Excise Tax II			100,000			\$ 100,000
	Surface Water Management						\$ -
	Surface Water Reserve						\$ -
	Technology Replacement Reserve	140,000					\$ 140,000
	Equipment Replacement Reserve						\$ -
	Facilities Maintenance						\$ -
	Facility Renewal	40,000					\$ 40,000
Total Transfers-out		\$ 785,950	\$ 87,200	\$ 1,005,345	\$ 320,500	\$ 41,600	\$ 2,240,595

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EXHIBIT 10 – 2019 NEW BUDGET ITEMS

Page Number	Department/Facility	Description	Grant Revenue	Fund						Cost to Fund
				General Fund	TBD	REET II	Surface Water	Facility Renewal	Equipment Replacement	
29	Non-Departmental	Housing Trust Fund		20,000						\$ 20,000
34	Police	Domestic Violence Services		12,200						\$ 12,200
44	Police	Police Training		30,000						\$ 30,000
82	Public Works	Pavement Preservation			632,500					\$ 632,500
110	Public Works	ADA Upgrades				25,000				\$ 25,000
111	Public Works	BTW Program				120,000				\$ 120,000
112	Public Works	Traffic Calming Program				25,000				\$ 25,000
113	Public Works	Harbour Reach Corridor Project	2,300,000			2,300,000				\$ -
114	Public Works	Pedestrian Crosswalk Enhancement				35,000				\$ 35,000
115	Public Works	Guardrail Project				41,000				\$ 41,000
123	Public Works	Decant Facility Construction	969,000				1,292,000			\$ 323,000
124	Surface Water	Dodge 3500 Dump truck					110,000			\$ 110,000
124	Surface Water	JD 444E Front end loader					200,000			\$ 200,000
133	Public Works: Parks	Chevrolet 2500-Parks							50,000	\$ 50,000
133	Public Works: Streets	Ford F250-Streets							65,000	\$ 65,000
133	Police	Ford Interceptor SUV							50,000	\$ 50,000
133	Police	Ford Interceptor SUV							63,000	\$ 63,000
133	Police	Ford Interceptor Sedan							63,000	\$ 63,000
133	Fire	Ford Crown Victoria							63,000	\$ 63,000
133	Fire: EMS	Two Cardiac Defibrillators							74,000	\$ 74,000
134	Police	Automated License Plate Reader							65,000	\$ 65,000
140	Fire Station 25	HVAC						120,000		\$ 120,000
140	Fire Station 24	Exterior Paint						18,000		\$ 18,000
140	Fire Station 25	Dorm Windows						10,000		\$ 10,000
140	Public Works Shop	Entrance Paint						5,000		\$ 5,000
140	Rosehill	Water Infiltration						32,000		\$ 32,000
140	Police Department	Front Entrance Staining						10,000		\$ 10,000
140	City Hall	EV Charging Stations						30,000		\$ 30,000
140	Chamber of Commerce	Basement Stairwell Enclosure	12,000					12,000		\$ -
Totals			\$ 3,281,000	\$ 62,200	\$ 632,500	\$ 2,546,000	\$ 1,602,000	\$ 237,000	\$ 493,000	

2019 Preliminary Budget

EXHIBIT 11 – CAPITAL PROJECT CARRY FORWARDS

Capital Projects Carried Forward	Description	2018 Budgeted Amount	2018 Estimated Actuals	2019 Carry Forward
Transportation Benefit District	Pavement Preservation	1,125,000	625,000	447,000
Total Transportation Benefit District		1,125,000	625,000	447,000
REET II	Public ROW ADA Transition Plan	133,000	\$ 2,250	130,750
REET II	Harbour Pointe Blvd Widening	1,465,000	\$ 165,000	1,300,000
REET II	Bike Transit Walk	412,000	-	412,000
REET II	Harbour Reach Corridor Project	15,093,000	\$ 813,000	14,280,000
REET II	Pedestrian Activated Crosswalk Lighting	35,000	25,000	10,000
Total REET II		17,138,000	1,005,250	16,132,750
Surface Water Management	61st Place Culvert	305,500	\$ 15,000	290,500
Surface Water Management	61st Place Retaining Wall Repairs	803,300	\$ 81,300	722,000
Surface Water Management	Decant Facility Design	152,300	30,000	122,300
Total Surface Water Management		1,261,100	126,300	1,134,800
Parks Acquisition & Development	Peace Park	77,500	10,000	67,500
Total Parks Acquisition & Development		77,500	10,000	67,500
Facility Renewal	Lighthouse Park Charging Stations	40,000	-	40,000
Total Facility Renewal		40,000	-	40,000
Total Capital Projects Carried Forward		\$ 19,641,600	\$ 1,766,550	\$ 17,822,050

2019 Preliminary Budget

GENERAL FUND

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
Beginning fund balance	\$ 4,022,984	\$ 4,078,326	\$ 3,752,954	\$ 3,014,016	\$ -
Revenue and transfers-in					
Taxes	10,861,796	11,210,958	10,963,958	11,502,000	291,042
Licenses and permits	1,331,067	1,480,500	1,449,500	1,610,500	130,000
Intergovernmental revenue	668,742	671,800	686,800	606,000	(65,800)
Charges for goods and services	332,988	330,800	329,000	359,400	28,600
Fines and penalties	136,507	181,550	180,350	210,350	28,800
Miscellaneous revenue	840,541	155,000	234,000	143,500	(11,500)
Transfers-in	308,010	130,000	130,000	159,800	29,800
Total revenue and transfers-in	<u>\$ 14,479,651</u>	<u>\$ 14,160,608</u>	<u>\$ 13,973,608</u>	<u>\$ 14,591,550</u>	<u>\$ 430,942</u>
Total resources	<u>\$ 18,502,635</u>	<u>\$ 18,238,934</u>	<u>\$ 17,726,563</u>	<u>\$ 17,605,566</u>	<u>\$ 430,942</u>
Expenditures and transfers-out					
Council	\$ 77,262	\$ 70,790	\$ 70,790	\$ 70,790	-
Executive					
Legal and Judicial	459,291	433,000	433,000	445,000	12,000
Executive	616,428	513,150	512,650	534,875	21,725
Human Resources	222,313	200,300	197,850	189,250	(11,050)
Finance					
Accounting	828,322	827,250	827,250	827,550	300
Information Technology	425,751	404,800	448,700	448,300	43,500
Community Development					
Permit Center	252,221	280,400	264,350	286,200	5,800
Planning	616,510	810,410	804,750	650,100	(160,310)
Building	131,938	139,250	137,050	141,600	2,350
GIS	95,604	86,250	83,600	76,700	(9,550)
Police					
Administration	1,107,004	1,098,175	1,176,600	1,250,900	152,725
Patrol	2,707,516	2,754,850	2,775,500	2,867,500	112,650
Special Operations	562,589	657,600	644,300	708,650	51,050
Crime Prevention	148,446	156,000	148,850	152,300	(3,700)
Rangers	167,056	-	-	-	-
Training	62,719	60,700	67,400	109,000	48,300
Fire					
Administration	335,857	332,100	323,350	321,750	(10,350)
Operations	1,686,620	1,761,776	1,719,042	1,662,700	(99,076)
Prevention	16,702	14,300	13,000	13,350	(950)
Training	119,300	117,970	117,600	109,600	(8,370)
Public Works					
Administration	376,808	460,970	481,950	489,600	28,630
Parks	716,575	455,550	467,150	498,150	42,600
Other governmental	1,989,840	1,502,774	2,004,923	1,949,550	446,776
Transfers-out	1,027,009	1,561,643	992,892	775,950	(785,693)
Total expenditures and transfers-out	<u>\$ 14,749,681</u>	<u>\$ 14,700,008</u>	<u>\$ 14,712,547</u>	<u>\$ 14,579,365</u>	<u>\$ (120,643)</u>
Ending fund balance	<u>\$ 3,752,954</u>	<u>\$ 3,538,926</u>	<u>\$ 3,014,016</u>	<u>\$ 3,026,201</u>	<u>\$ 551,585</u>

CITY COUNCIL

Purpose

The City Council is responsible for establishing policy direction for the City through the adoption of laws, policies, procedures, and programs. The City Council is authorized to: adopt local laws, which are called ordinances; adopt resolutions, which are formal statements of the Council's policy direction; approve agreements for services, supplies, or programs; approve and adopt an annual budget which appropriates funds for City programs; and approve payment of City monies.

The City Council meets several times each month at regularly scheduled meetings to discuss matters. City Councilmembers are elected by position number to four year overlapping terms, so that three to four Councilmembers are up for election every two years. Annually, the City Council selects a President and Vice President from among its membership, assigns Councilmembers as representatives to outside agencies, approves organizational work plans and priorities, and meets with County, Regional, State, and Federal representatives to secure legislation beneficial to Mukilteo.

Budget Highlights

- No new budget items are included in the requested expenditure.

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
Salaries and wages	\$ 42,600	\$ 42,600	\$ 42,600	\$ 42,600	\$ -
Benefits	3,484	3,490	3,490	3,490	-
OFFICE SUPPLIES	454	750	500	500	(250)
ANCILLARY MEETING COSTS	500	-	250	250	250
COUNCIL RETREAT	1,379	200	200	200	-
SMALL ITEMS OF EQUIPMENT	409	-	-	-	-
Supplies	2,742	950	950	950	-
LEGAL PUBLICATIONS	2,754	2,000	2,000	2,000	-
PUBLICATION OF AGENDAS	2,813	3,000	3,000	3,000	-
CELL PHONES	2,324	2,150	2,150	2,150	-
TRAVEL & SUBSISTENCE	11,993	10,600	10,600	10,600	-
TRAINING & REGISTRATION	4,700	3,000	3,000	3,000	-
CITY CODE REVISION	3,852	3,000	3,000	3,000	-
Other services and charges	28,436	23,750	23,750	23,750	-
Intergovernmental services	-	-	-	-	-
Total Council expenditures	\$ 77,262	\$ 70,790	\$ 70,790	\$ 70,790	\$ -
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EXECUTIVE DEPARTMENT

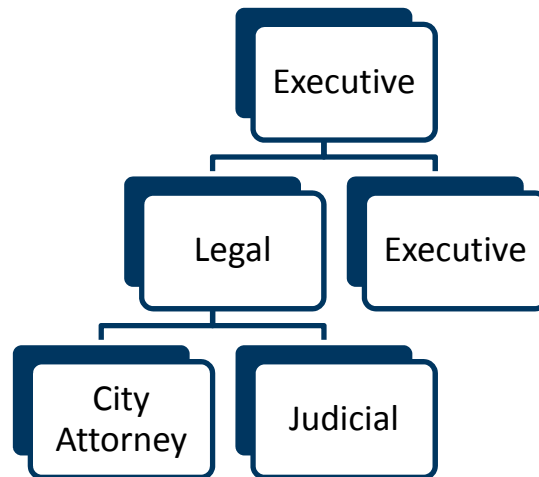
Purpose:

The Executive Department provides overall management direction to the City organization. The Department is responsible for implementing policy direction, overseeing, managing, coordinating and evaluating City operations and programs.

The Department prepares and recommends an annual budget, executes all City contracts, maintains the City's official public records, provides Risk Management services, and prepares analyses and reports as necessary to help optimize City operations and clarify policy direction. It also provides all Human Resource Management services which include attracting and retaining a skilled professional staff, administering employee benefits, updating the City's classification and compensation program, employee wellness program and directing labor relations as it relates to formal grievances, arbitration actions and contract negotiation efforts. Additionally, the Executive Department administers the City's legal functions, which are provided by contract.

The Executive Department consists of the Executive and Legal Divisions, which are described within this section.

Organization Chart:



Expenditure Summary:

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
Legal & Judicial	\$ 459,291	\$ 433,000	\$ 433,000	\$ 445,000	12,000
Executive	616,428	513,150	512,650	534,875	21,725
Human Resources	222,313	200,300	197,850	189,250	(11,050)
Total Executive expenditures	<u>\$ 1,298,032</u>	<u>\$ 1,146,450</u>	<u>\$ 1,143,500</u>	<u>\$ 1,169,125</u>	<u>\$ 22,675</u>

EXECUTIVE

Purpose

The Mayor serves as Chief Executive Officer and manages and directs the operations of the City. Mayor Jennifer Gregerson was elected to a four-year term beginning January 1, 2014, and re-elected for a second term beginning January 1, 2018. The Mayor oversees the long-term vision of the City directly and manages day-to-day operations with the assistance of the Management Services Director.

The Executive Department is responsible for policy analysis and coordination among the City's departments, public outreach and community involvement, and provides direct staff support to the Mayor and City Council. The Department also maintains the City's official public records, coordinates and processes liability claims and lawsuits involving the City, and provides human resources services to all City departments.

2018 Accomplishments

- Continue to update and streamline HR policies/practices and payroll processing.
- Negotiated a new 10-year hauling agreement with Waste Management NW for the entire City.
- Supported the City Attorney's Office to implement a new Comcast Franchise Agreement.
- With participation throughout the city organization, developed new vision and values for the City: Professional, Trusted and Respectful.
- Began the assessment process for a Transition Plan under the Americans with Disabilities Act (ADA).
- Developed policies for text message retention.
- Negotiated a new Fire Department Collective Bargaining Agreement.

2019 Goals & Objectives

- Continue supporting the City Council in setting policy direction for the City.
- Continue to empower city employees to be professional, trusted and respectful.
- Continue work on projects stemming from 2018 vision and values workshops: culture, leadership, budget and priorities.
- Continue transparency by providing open access to public records.
- Continue recruiting and hiring qualified candidates and looking for innovative ways to retain them.
- Execute an updated hauling agreement with Waste Management.
- Conduct City Management Team retreats to continue building a collaborative team relationship.
- Update the City's Personnel Handbook.
- Implement a new employee Accident Prevention Program.

Budget Highlights

- Salary and benefit costs comprise 87% of the total expenditure budget. Compared to the 2018 budget, expenditures are increasing approximately 1.5% in this division due to salary and benefits.

2019 Preliminary Budget

EXECUTIVE DEPARTMENT – EXECUTIVE DIVISION

	<u>2017 Actuals</u>	<u>2018 Budget</u>	<u>Estimated Actuals</u>	<u>2019 Budget</u>	<u>Increase/ (Decrease)</u>
Salaries and wages	\$ 455,619	\$ 361,000	\$ 365,000	\$ 377,500	\$ 16,500
Benefits	128,511	121,600	117,400	124,000	2,400
OFFICE SUPPLIES	5,283	1,500	1,100	1,500	-
OPERATING SUPPLIES	553	1,000	1,000	1,000	-
ANCILLARY MEETING COSTS	800	1,500	500	500	(1,000)
SMALL ITEMS OF EQUIPMENT	2,222	1,000	1,000	1,000	-
Supplies	8,858	5,000	3,600	4,000	(1,000)
CONSULTING SERVICES	606	6,000	6,000	6,000	-
OTHER PROFESSIONAL SVCS.	7,641	12,500	12,500	15,000	2,500
TELEPHONE	1,125	500	1,150	1,150	650
POSTAGE	238	300	400	300	-
CELL PHONE	1,381	500	850	425	(75)
TRAVEL & SUBSISTENCE EXPENSE	7,749	3,000	3,000	2,550	(450)
ASSOC. DUES & MEMBERSHIPS	890	1,250	1,250	1,250	-
TRAINING & REGISTRATION COSTS	3,810	1,500	1,500	2,700	1,200
Other services and charges	23,440	25,550	26,650	29,375	3,825
Intergovernmental services	-	-	-	-	-
Total Executive expenditures	\$ 616,428	\$ 513,150	\$ 512,650	\$ 534,875	\$ 21,725
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2019 Preliminary Budget

EXECUTIVE DEPARTMENT - HUMAN RESOURCES DIVISION

Salaries and wages	\$ 104,684	\$ 107,250	\$ 107,000	\$ 100,000	\$ (7,250)
Benefits	38,040	40,850	37,000	29,900	(10,950)
Supplies	-	-	-	-	-
ADMIN FEE	1,215	1,000	1,250	1,250	250
OTHER PROFESSIONAL SVCS.	62,063	30,000	30,000	35,000	5,000
AWC WELLNESS PROGRAM	4,501	-	-	-	-
CLASSIFIED ADVERTISING	4,134	2,500	4,500	5,500	3,000
TELEPHONE	113	100	100	100	-
POSTAGE	2	100	100	100	-
CELL PHONES	437	500	400	450	(50)
TRAVEL & SUBSISTENCE	1,671	2,000	1,500	800	(1,200)
ASSOC. DUES & MEMBERSHIPS	399	500	500	500	-
TUITION REIMBURSEMENT	4,677	15,000	15,000	15,000	-
TRAINING & REGISTRATION	314	500	500	650	150
MISCELLANEOUS	63	-	-	-	-
Other services and charges	79,589	52,200	53,850	59,350	7,150
Intergovernmental services	-	-	-	-	-
Total Human Resources expenditures	\$ 222,313	\$ 200,300	\$ 197,850	\$ 189,250	\$ (11,050)
<i>Check figure in dept</i>	-	-	-	-	-
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LEGAL & JUDICIAL

Purpose

The Legal Division provides legal services to the City, in the form of the City Attorney and Judicial Divisions.

City Attorney services include providing legal advice to the Mayor, City Council, City Commissions and Boards, and City Departments. The City Attorney defends the City against claims not covered by the City's liability insurance program, represents the City in grievance and interest arbitration with its employee unions, and represents the City in general litigation matters. City Attorney services include prosecution of civil or criminal matters related to violations of the Mukilteo Municipal Code. City Attorney services are provided by contract with several private law firms.

The Judicial Division provides court services to the community which includes the cost of hearing criminal and civil traffic infraction cases filed by the City. The Division provides these services through an Inter-local agreement with the Snohomish County District Court. In addition to district court functions, the Division includes costs to provide constitutionally-required public defender services for indigent defendants.

2018 Accomplishments

- Met with Snohomish County Public Defender's Association to identify ways to improve services to defendants.
- City Attorney provided sound legal advice on a variety of topics that significantly reduced the City's exposure to claims or arbitration.

2019 Goals & Objectives

- Provide sound legal advice to inform City operations and decision making.
- Ensure that City ordinances and regulations are properly enforced.
- Continue to ensure that indigent defendants receive adequate counsel.

Budget Highlights

- The 2019 budget for this division reflects no change in staffing levels.
- No new budget items are included in the requested expenditure.
- Compared to the 2018 budget, expenditures are increasing 3% to reflect actual costs.

2019 Preliminary Budget

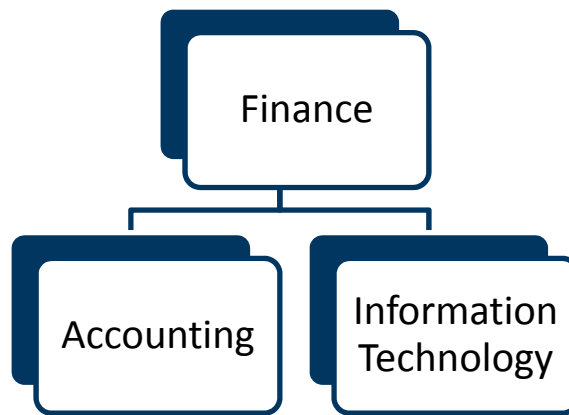
EXECUTIVE DEPARTMENT – LEGAL & JUDICIAL DIVISION

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
Salaries and wages	\$ -	\$ -	\$ -	\$ -	-
Benefits	-	-	-	-	-
Supplies	-	-	-	-	-
CITY ATTORNY PAINE FIELD DEFENSE	17,898	-		-	-
CITY ATTORNEY	116,291	130,000	115,000	120,000.00	(10,000)
CITY ATTORNEY OTHER SVCS.	44,658	28,000	38,000	30,000.00	2,000
CITY PROSECUTING ATTORNEY	96,000	100,000	100,000	100,000.00	-
INDIGENT DEFENSE ATTORNEY	105,284	100,000	105,000	105,000.00	5,000
CITY ATTORNEY LABOR NEGOTIATIONS	38,680	20,000	18,000	30,000.00	10,000
Other services and charges	418,811	378,000	376,000	385,000.00	7,000
EVERETT DISTRICT COURT	40,480	55,000	57,000	60,000.00	5,000
INTERLOCAL EXTRADITION	-	-		-	-
Intergovernmental services	40,480	55,000	57,000	60,000.00	5,000
Total Legal & Judicial expenditures	\$ 459,291	\$ 433,000	\$ 433,000	\$ 445,000	\$ 12,000

FINANCE

The Finance Department consists of the Accounting and Information Technology Divisions. Narratives for these two Divisions follow on subsequent pages.

Organization Chart:



Expenditure Summary:

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
Accounting	\$ 828,322	\$ 827,250	\$ 827,250	\$ 827,550	300
Information Technology	425,751	404,800	448,700	448,300	43,500
Total Finance expenditures	<u>\$ 1,254,073</u>	<u>\$ 1,232,050</u>	<u>\$ 1,275,950</u>	<u>\$ 1,275,850</u>	<u>\$ 43,800</u>

Budget Highlights

- There are no new budget items for Finance in 2019.

ACCOUNTING DIVISION

Purpose:

The Accounting Division fulfills all accounting and treasury functions, which include general accounting, accounts payable, accounts receivable, payroll, cash management, purchasing, auditing, investing, budgeting, and financial reporting. The Division also manages business licensing and issues some specialty licenses.

2018 Accomplishments

- Prepared the 2017 Annual Financial Statements and submitted them to the State Auditor's Office on time
- Completed 2017 Washington State Financial and Accountability Audits
- Fulfilled continuing disclosure requirements
- Updated the Cost Allocation Plan
- Renegotiated the contract with Mukilteo Water Wastewater District for Surface Water billing and implemented a lien procedure to collect on unpaid accounts
- Partnered with the State of Washington for business licensing collections

2019 Goals & Objectives

- Develop a funding strategy for the Facility Renewal Capital Plan and Equipment Replacement Plan
- Prepare and submit the 2018 Annual Financial Statements on time
- Continue to look for ways to utilize existing resources to streamline processes to save time and reduce paper usage
- Evaluate and update financial policies

Budget Highlights

- The 2019 budget for the Accounting Division reflects no change in staffing levels
- No new budget items are included in the requested expenditure
- Salary and benefit costs comprise approximately 83% of the total expenditure budget
Compared to the 2018 budget, expenditures are increasing by .036%

2019 Preliminary Budget

FINANCE DEPARTMENT - ACCOUNTING DIVISION

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
Salaries and wages	\$ 435,298	\$ 479,000	\$ 462,000	\$ 480,500	\$ 1,500
Benefits	179,179	219,950	192,650	208,950	(11,000)
OFFICE SUPPLIES	1,441	2,000	2,000	2,000	-
PURCHASE OF FORMS	1,241	350	350	350	-
REFERENCE MATERIAL	302	200	100	100	(100)
MOTOR FUEL	110	100	100	100	-
Supplies	3,094	2,650	2,550	2,550	(100)
OTHER PROFESSIONAL SVCS.	23,767	22,000	60,000	26,000	4,000
TELEPHONE	900	750	900	900	150
POSTAGE	2,450	500	2,000	1,500	1,000
PAYFLOW PROCESSING FEES	1,230	1,000	2,000	2,000	1,000
CELL PHONES	436	400	400	400	-
TRAVEL & SUBSISTENCE	3,126	2,000	3,000	3,000	1,000
ACCOUNTING SYSTEM MAINT	33,139	-	-	-	-
ASSOC. DUES & MEMBERSHIPS	463	750	750	750	-
PRINTING AND BINDING	-	250	-	-	(250)
TRAINING & REGISTRATION	1,160	3,000	3,000	3,000	-
BANKING FEES	75,510	20,000	30,000	30,000	10,000
Other services and charges	142,181	50,650	102,050	67,550	16,900
STATE AUDITOR AUDIT	68,570	75,000	68,000	68,000	(7,000)
Intergovernmental services	68,570	75,000	68,000	68,000	(7,000)
Total Accounting expenditures	\$ 828,322	\$ 827,250	\$ 827,250	\$ 827,550	\$ 300

INFORMATION TECHNOLOGY DIVISION

Purpose

The Information Technology (IT) Division manages all aspects of the City's technology infrastructure. Core components of this infrastructure include: firewalls, switches, routers, security/network appliances, servers, a VOIP telephone system, mobile technology devices, workstations and peripheral devices.

The IT Division ensures a reliable and secure infrastructure that is responsible for ensuring data integrity, and provides archival, backup, business continuity, and disaster recovery of City data. IT provides all internal technology support including server infrastructure, networking operations, help desk support, as well as device and software management.

The IT Division coordinates with the City's Emergency 911 dispatch service provider to maintain a secure and reliable connection for the transmission of data from both fixed and mobile units for the City's first responders.

The IT Division maintains awareness of current and upcoming technology trends and performs analysis of those trends to make recommendations to the City. Through this analysis, the IT division is able to assist other Departments in using technology to their greatest advantage. One of the ways in which this is achieved is through end-user education and by identifying subject-matter experts who can assist in the process of developing new workflows.

The IT Division continues to focus upon business continuity and disaster recovery as a primary goal for the City and its infrastructure. Over the course of 2018, the City has continued to explore options area of business continuity and the continuation of services in the face of a catastrophic event. The City has successfully deployed and maintained a disaster recovery site in Eastern Washington, and has continued to take steps to harden the internal infrastructure and its ability to stay viable during a catastrophic event.

2018 Accomplishments:

- Continued upgrades to virtualized platforms with the replacement of server and storage infrastructure at City Hall, the Police Department and our backup location in Eastern Washington
- Deployed City-wide Cyber Security training and continued staff education in the area of computer information systems security
- Repaired and updated security cameras at Rosehill Community Center
- Completed Council Chamber sound, video and workstation upgrades
- Reorganized division to replace IT Systems Administrator position with IT Manager

2019 Goals & Objectives

- Begin the analysis of telephony systems and the replacement of the phone system, which includes the upgrade of network switches across the city infrastructure
- Continue the deployment of Windows 10 operating system across the city devices and SharePoint, preparation for Office 365, and upgrades to servers, workstations, and communication systems
- Continue efforts to improve business continuity, disaster preparedness and improvements to the EOC and radio room infrastructure.
- Continue focus on network security, data integrity and training of staff and end users
- Evaluate departmental and City-wide future IT needs and identify appropriate staffing

Budget Highlights

- No new budget items are included in the requested expenditure
- Salary and benefit costs comprise approximately 51% of the total expenditure budget.
- Compared to the 2018 budget, expenditures are increasing approximately 10.7% in this division mainly due to salary.
- The 2019 IT Budget continues to operationalize the 6-year IT plan and incorporates a variety of elements that include upgrading, extending or replacing required equipment based upon its useful life; extending the Microsoft Enterprise Agreement which expands the City's server capacity and provides for a seamless transition to Office 365 in 2019; and a variety of telephony, network and data security initiatives.

2019 Preliminary Budget

FINANCE DEPARTMENT - INFORMATION TECHNOLOGY DIVISION

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
Salaries and wages	\$ 114,485	\$ 129,000	\$ 161,000	\$ 162,000	\$ 33,000
Benefits	45,400	59,950	65,800	68,600	8,650
COMPUTER SUPPLIES	2,011	4,000	4,000	4,000	-
REFERENCE MATERIAL	-	-	-	-	-
OPERATING SUPPLIES	29	250	750	500	250
SMALL ITEMS OF EQUIPMENT	8,997	11,500	11,000	11,000	(500)
Supplies	11,037	15,750	15,750	15,500	(250)
CONSULTING SERVICES	45,000	15,000	15,000	7,000	(8,000)
OTHER PROFESSIONAL SVCS.	25,137	-	-	-	-
TELEPHONE	1,024	1,000	1,050	1,050	50
POSTAGE	-	150	150	150	-
ON-LINE CHARGES	10,577	12,500	12,000	12,500	-
CELL PHONE	1,670	1,500	700	750	(750)
TRAVEL & SUBSISTENCE	1,255	3,000	3,000	3,000	-
FIBER LEASE	13,130	11,500	13,500	15,000	3,500
COMMUNICATIONS EQUIP M & R	12,710	14,000	14,000	14,000	-
COMPUTER SYSTEM MAINT	38,606	38,500	40,000	42,000	3,500
SOFTWARE MAINTENANCE	89,144	95,000	95,000	95,000	-
ASSOC. DUES & MEMBERSHIPS	209	150	250	250	100
LICENSES AND SUBSCRIPTIONS	6,438	-	-	-	-
TRAINING & REGISTRATION	4,125	5,000	6,500	6,500	1,500
OFFSITE DATA STORAGE	5,804	2,800	5,000	5,000	2,200
Other services and charges	254,829	200,100	206,150	202,200	2,100
Intergovernmental services	-	-	-	-	-
Total Information Technology expenditures	\$ 425,751	\$ 404,800	\$ 448,700	\$ 448,300	\$ 43,500
<i>Check figure in dept</i>	-	-	-	-	-

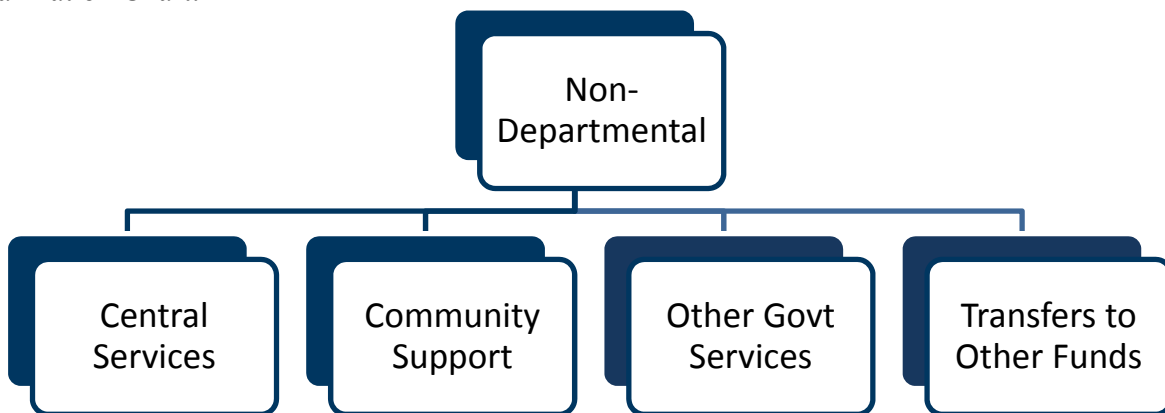
NON-DEPARTMENTAL

Purpose:

Non-departmental services represent a mix of services that support internal and external partnerships to support the City and its operations, and include the following elements: Central Services, Other Governmental Services and Community Support. Central Services includes City-wide services that support all departments and are consolidated for efficiency and transparency. Other Governmental Services Division includes services which support City operations through interdepartmental cooperation within the City and regional partnerships with outside agencies. Community Support Division includes efforts to engage residents in City operations through public outreach and the City newsletter. Also included are large item pickup and community support grants, which improve the quality of life for residents and visitors.

The Non-Departmental budget also includes a variety of transfers from the General Fund to other City Funds.

Organization Chart:



Budget Highlights

- This budget does not include the vacancy savings reduction that was applied in previous years to salaries and benefits expenses.
- The City is budgeting \$20,000 to the Snohomish County Health District to support their efforts.
- This budget includes \$20,000 for a housing trust fund, administered by the Alliance for Housing Affordability, a regional organization that the City joined in 2009. The trust fund provides grants to fund affordable housing developments throughout Snohomish County.

2019 Preliminary Budget

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
Salaries and wages	\$ -	\$ (277,922)	\$ -	\$ -	\$ 277,922
Benefits	20,391	(74,505)	47,000	47,000	121,505
PAPER STOCK	2,637	5,000	3,000	3,000	(2,000)
OPERATING SUPPLIES	6,966	5,000	5,000	5,000	-
Supplies	9,603	10,000	8,000	8,000	(2,000)
PUBLIC AFFAIRS & COMMUNITY OUTREACH	15,602	20,000	20,000	20,000	-
YOUTH ADVISORY COUNCIL	922	1,000	1,300	1,000	-
AWC WELLNESS PROGRAM	-	4,200	4,200	4,200	-
FACILITIES MAINTENANCE CHARGES FOR SVCS.	663,214	583,200	650,923	684,550	101,350
OTHER PROFESSIONAL SERVICES	-	-	30,000	-	-
RECORDS SERVICES	1,451	1,000	1,000	1,500	500
POSTAGE	-	350	300	350	-
WEBSITE HOSTING - ARCHIVE	1,077	2,000	1,500	1,500	(500)
EQUIPMENT REPLACEMENT CHARGES	-	-	-	-	-
TRAVEL & SUBSISTENCE	686	-	-	-	-
OFFICE EQUIPMENT RENTAL	2,337	2,000	2,200	2,400	400
INSURANCE	310,471	300,000	300,000	280,000	(20,000)
OFFICE EQUIPMENT R&M	23,253	8,000	25,000	25,000	17,000
VEHICLE R&M	106,806	113,250	113,250	113,250	-
CITY LETTERHEAD AND ENVELOPES	346	1,200	400	500	(700)
TRAINING & REGISTRATION	525	-	-	-	-
EMERGENCY MGMT MISC	7,029	5,000	7,000	7,000	2,000
COBRA DENTAL/VISION CLAIMS	-	2,000	-	-	(2,000)
LARGE ITEM PICKUP	45,456	49,000	45,300	45,500	(3,500)
COMMUNITY ORGANIZATIONAL SUPPORT	9,821	10,000	10,000	10,000	-
PARKS SPECIAL PROJECTS	11,768	17,000	10,000	10,000	(7,000)
Other services and charges	1,200,764	1,119,200	1,222,373	1,206,750	87,550
PUGET SOUND REGION COUNCIL	8,717	8,500	8,500	8,800	300
SNOHOMISH COUNTY TOMORROW	3,784	4,000	3,850	3,850	(150)
NATIONAL LEAGUE OF CITIES	3,722	2,000	2,000	2,000	-
MINORITY & WOMAN'S BUSINESS	100	100	100	100	-
ECONOMIC ALLIANCE - SNOHOMISH COUNTY	5,000	2,500	2,500	2,500	-
SNOHOMISH COUNTY CITIES	200	200	200	200	-
INTERJURISDICTIONAL HOUSING PROGRAM	1,983	1,900	2,100	22,150	20,250
PUGET SOUND CLEAN AIR AGENCY	18,552	18,600	19,000	19,000	400
ELECTION SERVICES	24,230	20,000	20,000	20,000	-
VOTER REGISTRATION	54,695	30,000	30,000	30,000	-
COMMUTE TRIP REDUCTION	989	1,000	1,000	1,000	-
EMERGENCY SERVICES	25,941	25,919	27,000	28,400	2,481
ASSOC WASH CITIES	14,702	15,158	15,150	15,400	242
SNOCOM - DISPATCH SERVICES	522,198	515,645	515,650	436,800	(78,845)
SERS OPERATING ASSESSMENT	57,286	55,750	55,750	71,600	15,850
NEW WORLD	-	-	-	-	-
PUBLIC HEALTH SERVICES	10,000	18,729	18,750	20,000	1,271
ALCOHOL PROGRAM FEES	6,983	6,000	6,000	6,000	-
Intergovernmental services	759,082	726,001	727,550	687,800	(38,201)
TRANSFER TO TECH REP FUND	174,000	100,525	75,525	130,000	29,475
TRANS TO EMS FUND	-	169,283	2,951	166,300	(2,983)
TRANSFER TO STREET FUND	254,361	186,500	140,016	256,050	69,550
TRANSFER TO CITY RES FUND	-	-	-	-	-
TRANSFER TO REET II FUND	60,000	500,000	500,000	-	(500,000)
TRANSFER TO COMMUNITY CENTER FUND	177,290	218,335	144,400	173,600	(44,735)
TRANSFER TO FACILITIES MAINT FUND	-	-	-	-	-
TRANSFER TO FACILITY RENEWAL FUND	335,508	40,000	-	40,000	-
TRANSFER TO LEOFF I RESERVE FUND	25,850	20,000	20,000	10,000	(10,000)
TRANSFER TO HOTEL/MOTEL FUND	-	-	-	-	-
TRANSFER TO TRANSP BENEFIT DISTRICT	-	327,000	110,000	-	(327,000)
Transfers-out	1,027,009	1,561,643	992,892	775,950	(785,693)
Total Other Government Services expenditures	\$ 3,016,849	\$ 3,064,417	\$ 2,997,815	\$ 2,725,500	\$ 446,776

2019 Preliminary Budget



2019 Budget Housing Trust Fund

A contribution to the Alliance for Housing Affordability's Housing Trust Fund, to fund a county-wide grant program for affordable housing development projects

Fund Name
Non-Departmental

Amount Requested

\$20,000

Nature of the expenditure? **Ongoing**

Any Additional Revenue? If Yes, Identify Below

Expenditure Purpose and Justification

In Mukilteo, one out of three households pays more than 30% of monthly household income for housing. The impact is worst on renters: approximately 50% of renters pay >30% of income to rent, while 20.6% of renters pay more than 50% of income to rent. It is important to ensure that the next generation of Mukilteo residents can afford to live and work here. Addressing housing demand must be done on a regional level, as acknowledged in both the City's comprehensive plan policies and the housing report. It is beyond the capacity of cities to individually meet the demand for housing by all populations. Local governments pooling resources to help fund affordable housing projects throughout the county is one approach to achieving the goal of all families living in quality homes that are affordable, and ensuring regional vitality for generations.

Mukilteo's Comprehensive Plan has a goal of providing a variety of housing options serving all populations. Comprehensive Plan Policy HO4 states that "The City shall actively collaborate with other municipalities, public agencies, and private entities to address housing issues; including the issue that there is an inadequate supply of housing that is affordable for lower income segments of the population." This investment will continue the City's ongoing active participation with the Alliance for Housing Affordability to promote and contribute to an adequate and diversified supply of housing countywide.

The Trust Fund currently has \$500,000 in REET 2 dollars from Snohomish County, \$5,000 from the Town of Woodway and is anticipated to have over \$100,000 from the City of Edmonds. The Cities of Snohomish, Stanwood and Lake Stevens also plan to contribute to the Trust Fund.

Alternatives and Potential Costs

The City could wait for a future year to contribute funds or property to the trust fund.

Identify Additional Related Revenue and Expenses and Whether One-Time or On-Going

The current contribution to AHA's operating expenses and support (\$2,150) is also included in the 2019 budget.

Department:	Non-Departmental
Division:	Services & Charges
Prepared by:	Mayor Jennifer Gregerson

Expenditure Account # & Title	Amount
Alliance for Housing Affordability	\$ 20,000
011.19.511.600.5180	\$ -
	\$ -
	\$ -

Revenue Account # & Title	Amount
	\$ -
	\$ -
	\$ -
	\$ -

TRANSFERS TO OTHER FUNDS

Purpose:

Transfers from the General Fund to other City funds are not considered expenditures for budgeting and financial reporting purposes. The General Fund has budgeted transfers to six City funds: LEOFF 1 Fund, Street Fund, Recreation & Cultural Services Fund, Emergency Medical Services Fund, Technology Replacement Fund, and Facility Renewal.

The transfer to the Law Enforcement Officers' and Firefighters' Retirement System (LEOFF 1) Reserve Fund is intended to set aside resources for future funding requirements.

Transfers to the Street Fund, Recreation & Cultural Services Fund and Emergency Medical Services Fund are intended to subsidize the operations of those funds with the goal of a zero dollar fund balance in those funds at the end of the year. This ensures the financial viability of these funds while minimizing the General Fund's financial commitment.

The transfer to the Technology Replacement Fund is intended to set aside resources in that Fund for future expenditures contained in the six year IT Asset Management Plan. The 2019 Budget includes an additional \$25,000 transfer as a set-aside for financial system software replacement that was budgeted in 2018 but will be completed in 2019.

The transfer to the Facility Renewal Fund was budgeted in 2018 but will be completed in 2019; this is to pay for electric vehicle charging stations at Lighthouse Park.

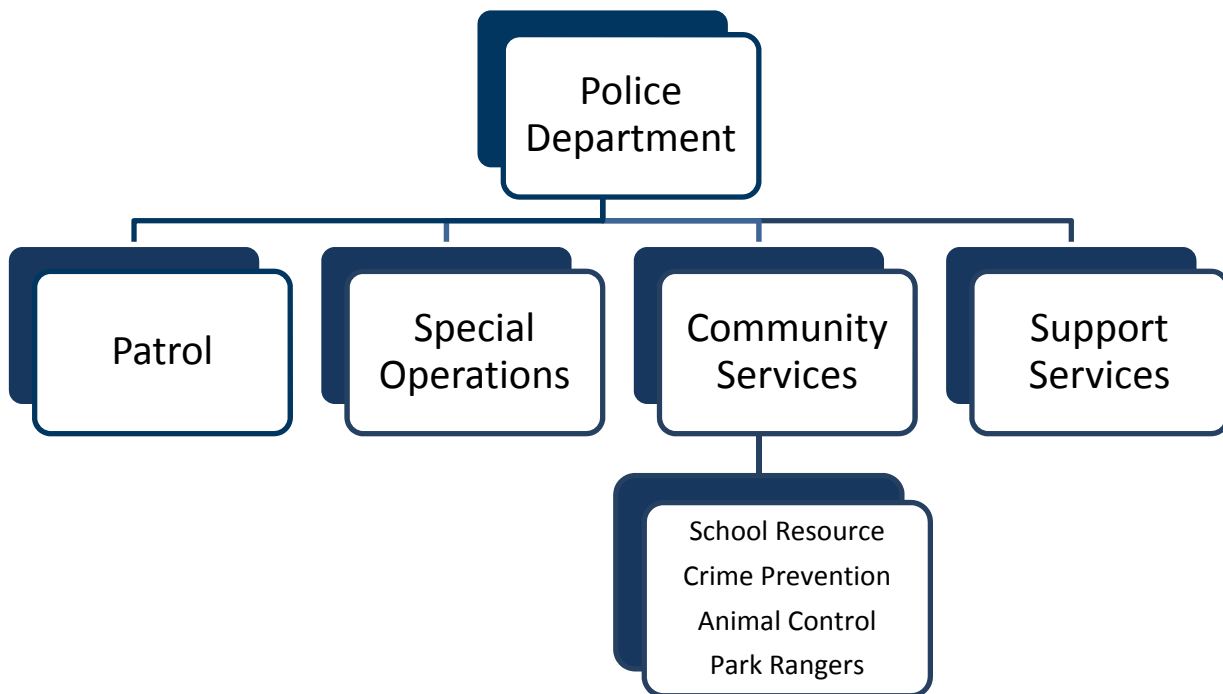
	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
TRANSFER TO TECH REP FUND	174,000	100,525	75,525	130,000	29,475
TRANS TO EMS FUND	4,480	5,000	4,450	5,150	150
TRANSFER TO STREET FUND	-	-	-	-	-
TRANSFER TO CITY RES FUND	-	-	-	-	-
TRANSFER TO REET II FUND	60,000	500,000	500,000	-	(500,000)
TRANSFER TO COMMUNITY CENTER FUND	9,207	7,500	7,500	8,000	500
TRANSFER TO FACILITIES MAINT FUND	-	-	-	-	-
TRANSFER TO FACILITY RENEWAL FUND	335,508	40,000	-	40,000	-
TRANSFER TO LEOFF I RESERVE FUND	-	-	-	-	-
TRANSFER TO HOTEL/MOTEL FUND	-	-	-	-	-
TRANSFER TO TRANSP BENEFIT DISTRICT	-	327,000	110,000	-	(327,000)
Transfers-out	583,195	980,025	697,475	183,150	(796,875)

POLICE DEPARTMENT

The Police Department provides services for the protection of persons and property. These activities include general law and traffic enforcement, criminal investigations, animal control, and emergency service coordination and support.

The Police Department is organizationally comprised of four functional divisions: Patrol, Special Operations, Community Services, and Support Services. For budget and tracking purposes, the department's budget is broken down in six divisions: Administration & Support, Crime Prevention, Drug Enforcement, Patrol, Special Operations, and Training. The Park Ranger program is managed by the Police Department, but the division's budget is separated into the Waterfront Parking budget for tracking purposes.

Organization Chart:



2019 Preliminary Budget

Expenditure Summary:

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
Administration	\$ 1,107,004	\$ 1,098,175	\$ 1,176,600	\$ 1,250,900	152,725
Patrol	2,707,516	2,754,850	2,775,500	2,867,500	112,650
Special Operations	562,589	657,600	644,300	708,650	51,050
Crime Prevention	148,446	156,000	148,850	152,300	(3,700)
Rangers	167,056	194,320	213,400	228,000	33,680
Training	62,719	60,700	67,400	109,000	48,300
Total Police expenditures	<u>\$ 4,755,330</u>	<u>\$ 4,921,645</u>	<u>\$ 5,026,050</u>	<u>\$ 5,316,350</u>	<u>\$ 394,705</u>

Note: Details for Rangers Division are presented in Waterfront Parking Fund.

Budget Highlights

- The 2019 budget for the Police Department maintains the existing staffing levels
- Salary and benefits costs comprise 86% of the total expenditure budget
- Compared to the 2018 budget, expenditures are increasing 4% in this budget
- Training: Registration and overtime costs for crisis intervention, critical incident stress management, firearms training, and other training requirements mandated by policy and law
- Domestic Violence Coordinator: Increase the number of staff hours budgeted for our contracted DV coordinator to provide high quality support for crime victims
- Automated License Plate Reader: increase the enforcement efficiency of the downtown paid parking program
- Vehicles: Replace three vehicles (two patrol and one special operations) that have reached the end of their life cycle

ADMINISTRATION AND SUPPORT SERVICES DIVISION

Purpose

The Administration and Support Services Division provides overall management of the Police Department and coordinates department activities with other City departments and outside law enforcement agencies.

Included in the Division are costs for inter local services agreements for jail fees and animal control.

The Division manages and performs clerical and record keeping duties; updates computerized criminal justice databases; issues concealed weapon and other licenses; provides fingerprinting services; maintains evidence and property room security; provides information and assistance to the public regarding law enforcement matters; and provides services for victims of Domestic Violence crimes.

2018 Accomplishments

- Completed the transition to the Lexipol digital policy manual
- Completed the update to the standard operating procedure (SOP) manual for the records division
- Purged records that are beyond retention requirements
- Converted the Department Assistant position to a Support Services Technician
- Implemented the Passport Inc. mobile payment platform for web and app based parking payments in the downtown paid parking area
- Completed a WCIA audit of the police administrative divisions
- Installed a “Live-Scan” automated fingerprint scan system, replacing the previous “ink and roll” method of fingerprinting subjects

2019 Goals & Objectives

- Implement a departmental wellness and resiliency program for police staff
- Conduct internal audits of the evidence and records division
- Increase budgeted service hours for the Domestic Violence Coordinator to provide high quality support for crime victims
- Continue purging records that are beyond retention requirements

Budget Highlights

- The 2019 budget for the Administration and Support Services Division reflects no change in staffing levels.
- The budget includes one new budget item: Increase in Domestic Violence Coordinator hours

2019 Preliminary Budget



2019 Budget

Domestic Violence Services

Date Discussed by
Council:

Increase the amount allocated for contracted Domestic Violence
Services

Fund Name

General

Amount Requested

\$12,200

Nature of the expenditure?

Ongoing

Any Additional
Revenue? If Yes,
Identify Below

No

Expenditure Purpose and Justification

The City contracts with Bridge Coordination, LLC for Domestic Violence Coordinator services. For 2018, the contracted amount is not to exceed \$7,800 (an average of five hours per week at \$30 per hour). The need for these services continue to increase; for the first six months of 2018, the cost for services has totaled over \$5,000. In order to continue to provide these critical services for victims, the contract amount will need to be increased.

The current contract rate of \$30 per hour is good through 12/31/18. Upon renewal, it is anticipated that the hourly rate will increase slightly for 2019; this contract will be taken to the City Council for approval in December of 2018 after adoption of the 2019 budget.

The requested \$12,200 will accommodate the anticipated 2019 rate.

Alternatives and Potential Costs

Alternative 1: Do not provide increased services for crime victims.

Alternative 2: Hire a full-time Victim Services Coordinator (est. \$78,000) to further enhance the department's ability to combat family violence, sexual assault, dating violence, and stalking crimes against women and men, and to develop and strengthen victim services in such cases.

Identify Additional Related Revenue and Expenses and Whether One-Time or On-Going

Amount would be ongoing, subject to contract approval.

Department:	Police
Division:	Community Services
Prepared by:	Cheol Kang

Expenditure Account # & Title	Amount
Domestic Violence Services	\$ 12,200
011.21.521.101.4923	\$ -
	\$ -
	\$ -

Revenue Account # & Title	Amount
	\$ -
	\$ -
	\$ -
	\$ -

2019 Preliminary Budget

POLICE DEPARTMENT – ADMINISTRATION & SUPPORT DIVISION

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
Salaries and wages	\$ 567,444	\$ 633,000	\$ 652,150	\$ 681,150	\$ 48,150
Benefits	250,387	233,800	264,650	271,500	37,700
OFFICE SUPPLIES	12,361	12,000	12,000	12,000	-
CLOTHING/BOOTS	3,472	3,500	3,500	3,500	-
MOTOR FUEL	5,361	5,800	6,000	6,000	200
SMALL ITEMS OF EQUIPMENT	9,650	5,525	6,000	6,000	475
Supplies	30,844	26,825	27,500	27,500	675
OTHER PROFESSIONAL SVCS.	29,780	16,040	17,000	26,050	10,010
TELEPHONE	20,775	15,900	22,000	22,000	6,100
POSTAGE	2,299	2,000	2,000	2,000	-
NEW WORLD PROJECT CONNECTIVITY	8,153	5,500	7,000	8,000	2,500
CELL PHONES	12,545	10,000	12,500	12,500	2,500
TRAVEL & SUBSISTENCE	1,818	1,500	1,500	1,500	-
OFFICE EQUIPMENT RENTAL	852	900	900	900	-
EQUIPMENT R&M	1,452	2,000	2,000	2,000	-
COMPUTER SYSTEM MAINTENANCE	695	810	800	800	(10)
ASSOC. DUES & MEMBERSHIPS	1,964	1,100	2,000	2,000	900
PRINTING AND BINDING	2,461	2,000	2,000	2,000	-
DOMESTIC VIOLENCE SERVICES	6,881	7,800	7,800	20,000	12,200
CONCEALED PISTOL LICENSE	6,833	6,000	6,800	7,000	1,000
Other services and charges	96,508	71,550	84,300	106,750	35,200
HOME DETENTION	-	-	-	-	-
JAIL CONTRACT	153,256	120,000	135,000	150,000	30,000
ANIMAL SHELTER FEES	8,565	13,000	13,000	14,000	1,000
Intergovernmental services	161,821	133,000	148,000	164,000	31,000
Total Administration expenditures	\$ 1,107,004	\$ 1,098,175	\$ 1,176,600	\$ 1,250,900	\$ 152,725
<i>Check figure in dept</i>	-	-	-	-	-
<i>Check figure in budget</i>				-	

CRIME PREVENTION DIVISION

Purpose:

The Crime Prevention Division facilitates Police – Community partnerships through community education and outreach programs.

Activities include media releases, conducting Citizen Police Academies, coordinating the City's National Night Out against Crime Event. The Crime Prevention Officer also makes presentations to schools, civic clubs and homeowner associations.

This Officer conducts the False Alarm Reduction Program and performs Crime Trend Analysis. The Crime Prevention officer works with Block Watch groups and supervises the Volunteer Program.

2018 Accomplishments

- Continued building the volunteer program. Currently have 28 active volunteers and three police chaplains. Volunteers have expanded their roles assisting with traffic monitoring/calming and assisting with the Mukilteo Farmer's Market.
- Held Mukilteo's second Youth Academy and graduated 17 teens from the program. The academy presented teen specific issues as well as exposing the youth to various public safety career fields.
- Crime Prevention Workshops: held two workshops for the general public covering topics such as resident safety and crime analysis.
- Conducted multiple residential security surveys.
- Youth and schools outreach:
 - Continued partnerships with local schools presenting at Veterans' Day and Martin Luther King civil rights assemblies, the mock DUI car crash and special presentations to student groups.
 - Provided numerous tours of the police station to local Cub, Boy and Girl Scout groups.
 - Conducted two student panels and the both the community college and high school levels discussing law enforcement career goals.
- Block Watch Program: developed two new block watch groups, bringing the total to 49 block watch groups in the city. Also attended numerous homeowners' association meetings to present on topics such as identify theft, vehicle prowls, and burglary prevention.
- Citizens Police Academy: Held one academy class with 17 participants.
- National Night Out: Over 1500 attendees joined the department in bringing the community together to focus on crime prevention, community partnerships, unity and cultural diversity and we "dunked crime".
- Currently training with the Snohomish County Dept. of Emergency Management PIOs to be part of Joint Information Center PIO group.

2019 Preliminary Budget

2019 Goals & Objectives

- Continue building a strong Police Volunteer Program and promote an active role from volunteers through assigned responsibilities. Increase the volunteers to 30 active volunteers and five police chaplains.
- Hold National Night-Out Against Crime Event, at least one Citizens' Police Academy, community outreach events involving Gun Safety, Drug Awareness, Teen Issues, Identity Theft, and other community concerns, and conduct a third Mukilteo Youth Police Academy.
- Host at least two "Coffee with a Cop" outreach events.
- Conduct two elementary school level youth specific events.
- Expand the Block Watch program throughout the city; continue to meet with and support the Block Watch groups to address crime trends and neighborhood safety.

Budget Highlights

- The 2019 budget for the Crime Prevention Division reflects no change in staffing levels.
- The budget includes zero new budget items:
- .

2019 Preliminary Budget

POLICE DEPARTMENT – CRIME PREVENTION DIVISION

Salaries and wages	\$	90,392	\$	94,200	\$	98,150	\$	99,650	\$	5,450
Benefits		38,077		43,050		30,900		32,150		(10,900)
OFFICE SUPPLIES		4,661		5,000		5,000		5,000		-
CLOTHING/BOOTS		2,940		1,500		1,500		2,000		500
MOTOR FUEL		988		750		1,800		2,000		1,250
Supplies		8,589		7,250		8,300		9,000		1,750
PUBLIC AFFAIRS & COMMUNITY OUTREACH		8,661		9,000		9,000		9,000		-
TRAVEL & SUBSISTENCE		1,443		1,500		1,500		1,500		-
PRINTING AND BINDING		1,284		1,000		1,000		1,000		-
Other services and charges		11,388		11,500		11,500		11,500		-
Intergovernmental services		-		-		-		-		-
Total Crime Prevention expenditures	\$	148,446	\$	156,000	\$	148,850	\$	152,300	\$	(3,700)
<i>Check figure in dept</i>		-		-		-		-		-
<i>Check figure in budget</i>								-		

PATROL DIVISION

Purpose:

The Patrol Division provides 24-hour per day active police patrol service to the community.

Activities include uniformed police patrol; arrest of suspected criminals; traffic enforcement; responding to calls for service; crime prevention, detection, and investigation; traffic collision investigation; and citizen assistance.

The Division works with neighborhoods, citizens, businesses, and community groups to identify and resolve community problems.

2018 Accomplishments

- Conducted department wide defensive tactics, firearms, and less-lethal tactics training
- One Officer contributed over 200 hours with the U.S. Marshal's Violent Offender Task Force (VOTF)
- One Officer continued to participate on North Sound Metro SWAT Team; responded to separate SWAT callouts supporting partner agencies
- Two Officers continued participation on the Allied Law Enforcement Riot Team (ALERT) Team

2019 Goals & Objectives

- Reorganize the patrol division to deploy officers during peak activity periods
- Train and deploy a motorcycle officer to provide traffic enforcement, education, and outreach
- Train two new officers who will have graduated from the Basic Law Enforcement Academy
- Increase training hours for staff members to include critical training in crisis communications, de-escalation techniques, and advanced investigation methods
- Implement the computer based policy manual training/daily training bulletins
- Continue directed patrols and emphasis for deterrence and community problem solving

Budget Highlights

- The 2019 budget for the Patrol Division reflects no change in staffing levels.
- The budget includes zero new budget items.

2019 Preliminary Budget

POLICE DEPARTMENT – PATROL DIVISION

Salaries and wages	\$ 1,884,764	\$ 1,946,000	\$ 1,971,100	\$ 2,000,500	\$ 54,500
Benefits	721,821	718,450	713,500	773,000	54,550
OPERATING SUPPLIES	625	2,400	1,000	-	(2,400)
CLOTHING/BOOTS	30,543	20,000	20,000	20,000	-
MOTOR FUEL	29,020	33,000	33,000	35,000	2,000
SMALL ITEMS OF EQUIPMENT	17,525	17,000	18,400	20,500	3,500
Supplies	77,713	72,400	72,400	75,500	3,100
TRAVEL & SUBSISTENCE	2,158	1,500	1,500	1,500	-
EQUIPMENT R&M	18,995	15,000	15,000	15,000	-
LAUNDRY SERVICES	2,065	1,500	2,000	2,000	500
Other services and charges	23,218	18,000	18,500	18,500	500
Intergovernmental services	-	-	-	-	-
Total Patrol expenditures	<u>\$ 2,707,516</u>	<u>\$ 2,754,850</u>	<u>\$ 2,775,500</u>	<u>\$ 2,867,500</u>	<u>\$ 112,650</u>
<i>Check figure in dept</i>	-	-	-	-	-
<i>Check figure in budget</i>				-	

SPECIAL OPERATIONS DIVISION

Purpose:

The Special Operations Division provides follow up investigation of all major crimes and supplemental law enforcement services.

Follow-up investigations of numerous felony and certain misdemeanor crimes, incorporates many of the following: crime scene investigation; identifying, developing, and pursuing leads; preparing and serving search warrants; conducting surveillance or undercover activities; interviewing suspects and victims; preparing suspect composite drawings; gathering and processing evidence; recovering stolen property; arresting and/or transporting suspects; and preparing cases for presentation in court.

The Division monitors registered sex offenders, and conducts background checks on prospective department members.

2018 Accomplishments

- Continued participation in Regional Police Intelligence (RIG) Group
- Two detectives now participate on the Snohomish Multi Agency Response Team (SMART) Team
- Two detectives continue to participate on the Interagency Child Abduction Response Team (ICART)
- Enhance school safety program through our School Resource Officer
- Coordinated with Crime Prevention Officer on Crime Trend Analysis using burglary location maps to investigate incidents.
- Conducted several special operations to combat drug, prostitution, and property crimes throughout the City
- Trained a detective to conduct pre-employment background investigations
- Two detectives attended the Washington State Homicide Investigators Association Conference
- Selected and trained the vacant third detective position

2018 Goals & Objectives

- Perform more proactive special operations
- Continue participation in RIG, SMART, and ICART Teams
- Continue our partnership with the Mukilteo School District through our School Resource Officer Program
- Increased participation with the Snohomish Regional Drug and Gang Task Force
- Provide additional support and training to Patrol
- Increase training for investigators
- Enhance intelligence gathering capabilities and digital/video evidence capture capacity

Budget Highlights

- The budget includes zero new budget item:

2019 Preliminary Budget

POLICE DEPARTMENT – SPECIAL OPERATIONS DIVISION

Salaries and wages	\$ 402,059	\$ 499,200	\$ 468,000	\$ 510,450	\$ 11,250
Benefits	139,465	141,000	156,200	179,200	38,200
OPERATING SUPPLIES	455	500	500	-	(500)
CLOTHING/BOOTS	2,350	1,900	2,000	2,000	100
MOTOR FUEL	3,922	2,500	5,000	5,000	2,500
SMALL ITEMS OF EQUIPMENT	993	500	500	-	(500)
Supplies	7,720	5,400	8,000	7,000	1,600
TRAVEL & SUBSISTENCE	2,044	2,000	2,000	2,000	-
EQUIPMENT R&M	500	-	100	-	-
LAUNDRY SERVICES	135	-	-	-	-
INVESTIGATION COSTS	10,666	10,000	10,000	10,000	-
Other services and charges	13,345	12,000	12,100	12,000	-
Intergovernmental services	-	-	-	-	-
Total Special Operations expenditures	\$ 562,589	\$ 657,600	\$ 644,300	\$ 708,650	\$ 51,050
<i>Check figure in dept</i>	-	-	-	-	-
<i>Check figure in budget</i>				-	

TRAINING DIVISION

Purpose:

The Training Division, under the supervision of the Assistant Police Chief, ensures that all employees of the Police Department receive both mandated as well as supplemental training.

The Training Division also maintains officers' training records and certifications, participates in the hiring process, and facilitates the Field Training Program for newly hired officers.

2018 Accomplishments

- Conducted dynamic Defense Tactics training for all commissioned personnel
- Performed two range qualifications for commissioned staff increasing firearm safety incorporating use of force review and scenario based training methods.
- Hired six new police officers.
- Successfully met all RCW training hour requirements for commissioned staff per Criminal Justice Training Commission standards
- Streamlined use of force review and training on search and seizure

2019 Goals & Objectives

- Assure minimum required training hours are met
- Meet standards for safety training requirement
- Provide crisis intervention training and other de-escalation concepts so officers are better prepared to deal with increasing number of mental health contacts
- Continue developing staff members for their respective roles in the organization
- Develop a succession plan for career development and potential promotions

Budget Highlights

- The 2019 budget for the Training Division reflects no change in staffing levels.
- The budget includes one new budget items to increase training registration and overtime, focused on de-escalation techniques, communication and crisis intervention.

2019 Preliminary Budget



2019 BUDGET

Police Training

Date Discussed by Council: discussed as a priority at January Council Retreat

To increase the funding for police staff training registrations and training ammunition, allowing the Department to stay in line with industry best practices, increase training frequency, and better meet the need for critical staff training and long term officer care.

Fund Name

General

Amount Requested

\$30,000

Nature of the expenditure? **Ongoing**

Any Additional Revenue? If Yes, Identify Below

No

Expenditure Purpose and Justification

Request funding to send police staff to specialized courses that will help the agency better deal with current and emerging issues (crisis/conflict resolution, peer support and critical incident stress management, advanced collision investigations, mid-level management courses, criminal investigations and crime scene courses, etc.) The training registration budget has remained the same over the last few years but the demand and expectation for level of training has increased. Additionally, the actual cost of ammunition for training has increased and this amount reflects the cost to maintain a second firearms qualification for all commissioned staff members; the major police training and policy groups recommend more frequent firearms training to maintain skill sets and reduce liability. In the past, some ammunition costs were funded out of the Drug Enforcement Fund, however that fund is dependent on drug seizures and will be depleted by the end of 2018.

\$4,600: additional training overtime

\$8,400: training ammunition

\$7,000: training registrations

\$10,000: devoted to a program dedicated to the long-term care and wellness of our officers to aid in dealing with the physical and emotional trauma of the constant response to critical situations.

Alternatives and Potential Costs

Do not fund the need for critical staff training and long term officer care, which could increase liability, decrease staff morale, and not address the long term care of our first responders dealing with critical situations and stressors beyond what the average resident will deal with.

Identify Additional Related Revenue and Expenses and Whether One-Time or On-Going

N/A

Department:	Police Department
Division:	Training
Prepared by:	Cheol Kang

Expenditure Account # & Title	Amount
Training Division	\$ 30,000
011.21.521.400.1201 \$4,600	
011.21.521.400.3110 \$8,400	
011.21.521.400.4106 \$10,000	
011.21.521.400.4912 \$7,000	

Revenue Account # & Title	Amount
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -

2019 Preliminary Budget

POLICE DEPARTMENT – TRAINING DIVISION

Salaries and wages	\$ 17,826	\$ 24,000	\$ 26,000	\$ 30,600	\$ 6,600
Benefits	-	3,500	-	-	(3,500)
AMMUNITION	12,925	12,900	12,900	30,400	17,500
SMALL ITEMS OF EQUIPMENT	3,084	2,800	2,000	2,000	(800)
Supplies	16,009	15,700	14,900	32,400	16,700
OTHER PROFESSIONAL SVCS.	5,740	5,500	15,000	22,000	16,500
TRAVEL & SUBSISTENCE	4,183	4,500	4,000	4,500	-
TRAINING & REGISTRATION	18,961	7,500	7,500	19,500	12,000
Other services and charges	28,884	17,500	26,500	46,000	28,500
Intergovernmental services	-	-	-	-	-
Total Training expenditures	<u>\$ 62,719</u>	<u>\$ 60,700</u>	<u>\$ 67,400</u>	<u>\$ 109,000</u>	<u>\$ 48,300</u>
<i>Check figure in dept</i>	-	-	-	-	-
<i>Check figure in budget</i>				-	

FIRE DEPARTMENT

The Mukilteo Fire Department works under the guiding vision “Excellence in Public Service.” Duties and responsibilities of the department include prevention services, fire suppression services, fire cause and origin investigation, emergency medical services, disaster preparedness and response, and other special operations.

The Fire Chief is the administrative head of the department. In 2018, the authorized strength is 29 personnel. They respond from two stations, Station 24 in Old Town and Station 25 in Harbour Pointe. Each station has three personnel on duty around the clock. These personnel staff a fire engine or an ambulance, depending on the emergency. In addition to the Fire Chief, 2018 administrative staff positions include an Assistant Chief, a Fire Marshal, a Senior Administrative Assistant, and a Training Captain.

The department receives funds from the General Fund, Emergency Medical Services levy and billing for ambulance transports. The total budget for the department for 2019 is \$4,877,700

Organization Chart:



2019 Preliminary Budget

Expenditure Summary:

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
Administration	\$ 335,857	\$ 332,100	\$ 323,350	\$ 321,750	(10,350)
Operations	1,686,620	1,761,776	1,719,042	1,662,700	(99,076)
Prevention	16,702	14,300	13,000	13,350	(950)
Training	119,300	117,970	117,600	109,600	(8,370)
EMS	2,435,734	2,614,125	2,574,125	2,770,300	156,175
Total Fire and EMS expenditures	<u>\$ 4,594,213</u>	<u>\$ 4,840,271</u>	<u>\$ 4,747,117</u>	<u>\$ 4,877,700</u>	<u>\$ 37,429</u>

2019 Goals & Objectives

- The 2019 budget for the Fire Department maintains the existing staffing levels.
- Salary and benefit costs comprise 88.35% of the total expenditure budget.
- Compared to the 2018 budget, expenditures are increasing 0.76% in this department.

Budget Highlights

- Facility Renewal:
 - Fire Station 24 exterior painting to repair and maintain the exterior of the building.
 - Fire Station 25 HVAC system replacement.
 - Fire Station 25 dorm window replacement.
- Two Cardiac Monitor Defibrillator replacements for units reaching manufacturer's end-of-life.
- One Fire Command Vehicle for replacement of a retired police vehicle.

ADMINISTRATION

Purpose

Fire Administration provides administrative direction and leadership for the Fire Department. Under the direction of the Fire Chief, the responsibilities assigned to Administration are budget development and management, strategic planning, personnel management, operational performance reporting, and coordination with outside entities. The Fire Chief is also the City's designated Emergency Management Coordinator and directs disaster planning and response.

2018 Accomplishments

- Honored the department's history while making changes in the physical environment, ourselves and operations to prepare the department for the future.
 - Exterior painting and station repair issues.
 - Continued to support opportunities for regional and national education and training opportunities for all personnel.
- Worked with City Council on strategic matters for the department.
 - Considered of EMS Levy Re-authorization.
 - Developed facility renewal multi-year plans.
- Worked with other city departments on administrative refinements in the department.
- Continued WAC 296-305 Safety Standards for Firefighters compliance efforts.
 - Worked towards the adoption of updated policies and procedures.
 - Re-examined station environments for opportunities to improve safety.
- Continued to improve the city's ability to respond to a large-scale incident or disaster in partnership with Snohomish County Department of Emergency Management.
 - Continued Map Your Neighborhood classes in the community.
 - Continued Emergency Management and Emergency Operations Center training and education opportunities for elected officials and staff.
- Monitored inter-local agreements (ILAs) to ensure service to the city.
- Continued the work on the wellness/fitness program consistent with NFPA 1500.

2019 Goals & Objectives

- Honor the department's history while making changes in the physical environment, ourselves and operations to prepare the department for the future.
 - Exterior painting and station repair issues.
 - Continued to support opportunities for regional and national education and training opportunities for all personnel.
- Work with City Council on strategic matters for the department.
 - EMS Levy re-authorization and replacement for Medical Services Officer inter-local agreement.
 - Regional Fire Authority discussions.
 - Reorganization of the Fire Department to better serve the community.
- Continue WAC 296-305 Safety Standards for Firefighters compliance efforts by finalizing the adoption of updated policies and procedures.

2019 Preliminary Budget

- Continue to improve the city's ability to respond to a large-scale incident or disaster in partnership with Snohomish County Department of Emergency Management.
 - Lead city participation in county-wide earthquake functional exercise.
 - Continue Emergency Management and Emergency Operations Center training and education opportunities for elected officials and staff.
- Monitor inter-local agreements (ILAs) to ensure service to the city.
- Continue the work on the wellness/fitness program consistent with NFPA 1500.

Budget Highlights

- The 2019 budget for this division reflects no change in the number of positions.
- The budget includes three new budget items.
 - Fire Station 24 exterior painting to repair and maintain the exterior of the building.
 - Fire Station 25 HVAC system replacement.
 - Fire Station 25 dorm window replacement.
 - One Fire Command Vehicle for replacement of a retired police vehicle
- Salary and benefit costs comprise 87.80% of the total expenditure budget.
- Compared to the 2018 budget, expenditures are decreasing 3.10% in this division.

2019 Preliminary Budget

FIRE DEPARTMENT – ADMINISTRATION DIVISION

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
Salaries and wages	\$ 208,922	\$ 223,000	\$ 212,000	\$ 213,500	\$ (9,500)
Benefits	68,150	71,900	64,400	69,000	(2,900)
OFFICE SUPPLIES	1,434	1,400	1,000	1,400	-
PURCHASE OF FORMS	719	300	300	300	-
SUPPLIES - ADMINISTRATION	1,604	300	300	1,500	1,200
CLOTHING/BOOTS	973	2,000	1,500	2,000	-
MOTOR FUEL	6,521	4,500	4,500	4,500	-
SMALL ITEMS OF EQUIPMENT	2,421	200	800	800	600
Supplies	13,672	8,700	8,400	10,500	1,800
OTHER PROFESSIONAL SVCS.	39,003	23,000	33,000	23,000	-
TELEPHONE	1,325	1,200	1,400	1,400	200
POSTAGE	112	200	200	200	-
CELL PHONE	1,556	1,200	1,450	1,450	250
ASSOC. DUES & MEMBERSHIPS	1,971	2,500	2,000	2,000	(500)
LAUNDRY SERVICES	1,146	400	500	700	300
Other services and charges	45,113	28,500	38,550	28,750	250
Intergovernmental services	-	-	-	-	-
Total Administration expenditures	\$ 335,857	\$ 332,100	\$ 323,350	\$ 321,750	\$ (10,350)

OPERATIONS

Purpose:

Fire Operations is responsible for the emergency and non-emergency response services provided to the community. Under the direction of the Assistant Fire Chief, the division provides fire suppression and emergency medical services as well as initial hazardous materials and technical rescue response to the City.

2018 Accomplishments

- Supported opportunities to work with regional teams.
 - Facilitate operational and response opportunities for personnel participating in regional technical rescue and incident management teams.
- Reduced preventable injury rates.
 - Inventory the cancer risk factors in procedures and stations, provide cancer-prevention education to personnel, and implement best prevention practices.

2019 Goals & Objectives

- Improve the department's ability to respond to fire and medical emergencies safely and effectively.
 - Analyze response time measurement methodologies, determine process hindrances in turn-out time, and implement recommendations to reduce response times.
 - Analyze response maps for needed improvements, work with GIS to incorporate improvements, and verify each address within the city to improve response capability.
- Reduce preventable injury rates.
 - Perform analysis of preventable injuries, identify tools and resources to reduce these injuries and initiate the procurement process.
- Support opportunities to work with regional teams.
 - Facilitate operational and response opportunities for personnel participating in regional technical rescue and incident management teams.

Budget Highlights

- The 2019 budget for this division reflects no change in staffing levels.
- The budget includes no new budget items.
- Salary and benefit costs comprise 78.86% of the total expenditure budget.
- Compared to the 2018 budget, expenditures are decreasing 5.66% in this division.

2019 Preliminary Budget

FIRE DEPARTMENT – OPERATIONS DIVISION

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
Salaries and wages	\$ 1,048,494	\$ 1,067,500	\$ 1,061,700	\$ 997,250	\$ (70,250)
Benefits	297,974	367,200	335,000	313,950	(53,250)
OFFICE SUPPLIES	783	500	500	700	200
SUPPLIES - FIRE SUPPRESSION	17,214	7,500	7,500	10,000	2,500
CLOTHING/BOOTS	19,621	25,000	20,000	25,000	-
MOTOR FUEL	4,436	5,500	5,000	5,500	-
SMALL ITEMS OF EQUIPMENT	60,395	50,000	50,000	50,000	-
Supplies	102,449	88,500	83,000	91,200	2,700
PROFESSIONAL SERVICES	4,942	7,500	7,500	7,500	-
TELEPHONE	2,208	2,300	2,300	2,300	-
NEW WORLD PROJECT CONNECTIVITY	3,314	-	2,000	2,000	2,000
CELL PHONES & PAGERS	2,611	2,500	3,000	3,000	500
EQUIPMENT R&M	8,586	2,000	8,500	8,500	6,500
Other services and charges	21,661	14,300	23,300	23,300	9,000
FIRE DISTRICT 1 ILA FOR LADDER TRUCK SVC	216,042	224,276	216,042	237,000	12,724
Intergovernmental services	216,042	224,276	216,042	237,000	12,724
Total Operations expenditures	\$ 1,686,620	\$ 1,761,776	\$ 1,719,042	\$ 1,662,700	\$ (99,076)
<i>Check figure in dept</i>	-	-	-	-	-

TRAINING

Purpose:

Training is responsible for local and regional training to maintain skills and enhance the response to emergencies in conjunction with regional partners. The department also utilizes classroom and computer-based training, evolutions, and multi-company operation drills to maintain and enhance skills. The Training Captain also serves as the department's Safety Officer with responsibilities for emergency scene safety as well as personnel health and safety and risk management.

2018 Accomplishments

- Updated internal training programs.
 - Improved live fire training operations through utilization of a regional contractor. This provides increased fire attack, forcible entry and ventilation repetitions for personnel.
 - Development of the officer and acting officer program, including initial education and qualification requirements as well as the continuing education program for existing officers and acting officers.
 - Purchased new software to track training. Replaced the current software system that is extremely time-consuming to administer and limited in functionality.
- Provided external training opportunities.
 - Increased participation in regional training to enhance training opportunities.
 - Participated in the development of a regional training consortium to facilitate operational and training standardization with neighboring jurisdictions.

2019 Goals & Objectives

- Update internal training programs.
 - Implement new software to track training.
 - Develop an elevator rescue training program for personnel to improve firefighter safety.
 - Development of the officer and acting officer program, including initial education and qualification requirements as well as the continuing education program for existing officers and acting officers.
- Provide external training opportunities.
 - Continue participation in regional training to enhance training opportunities.
 - Continue participation in the regional training consortium to facilitate operational and training standardization with neighboring jurisdictions.

Budget Highlights

- The 2019 budget for this division reflects no change in staffing levels.
- The budget includes no new budget items.
- Salary and benefit costs comprise 61.04% of the total expenditure budget.
- Compared to the 2018 budget, expenditures are decreasing 7.10% in this division.

2019 Preliminary Budget

FIRE DEPARTMENT – TRAINING DIVISION

Salaries and wages	\$ 56,847	\$ 54,600	\$ 55,400	\$ 52,900	\$ (1,700)
Benefits	13,088	13,700	15,000	14,000	300
OFFICE SUPPLIES	323	350	350	350	-
REFERENCE MATERIAL	2,281	1,500	1,000	1,500	-
SUPPLIES - TRAINING	720	1,300	1,300	1,300	-
CLOTHING/BOOTS	154	850	850	850	-
SMALL ITEMS OF EQUIPMENT	770	850	3,000	1,000	150
Supplies	4,248	4,850	6,500	5,000	150
OTHER PROFESSIONAL SVCS.	6,500	10,000	6,500	6,500	(3,500)
TELEPHONE	294	300	300	300	-
CELL PHONE	785	720	600	600	(120)
TRAVEL & SUBSISTENCE	16,256	16,000	16,000	16,000	-
EQUIPMENT R&M	-	500	-	-	(500)
ASSOC. DUES & MEMBERSHIPS	100	300	300	300	-
TRAINING & REGISTRATION	21,182	17,000	17,000	14,000	(3,000)
Other services and charges	45,117	44,820	40,700	37,700	(7,120)
Intergovernmental services	-	-	-	-	-
Total Training expenditures	\$ 119,300	\$ 117,970	\$ 117,600	\$ 109,600	\$ (8,370)
<i>Check figure in dept</i>	-	-	-	-	-
<i>Check figure in budget</i>				-	

PREVENTION

Purpose:

Fire Prevention is the community-focused division responsible for prevention and community education efforts in the department. Under the direction of the Fire Marshal, the division oversees fire safety inspections, public education programs, and special events planning. The Fire Marshal is also responsible for the application of the fire code to new and existing structures.

2018 Accomplishments

- Reduced the risk of fire in commercial structures.
 - Facilitate marking all fire department connections, “Fire Control Rooms”, and any pertinent doors, areas, and devices with the appropriate signage to assist responding local and out of area crews with timely identification.
 - Purchased new inspection software to track violations, code compliance, and fire risk analysis. Replaced the current paper system that is extremely time-consuming to administer.
 - Complete ICC Fire Plans Examiner certification.
- Raised the department’s visibility to the community through a robust public education program including fire safety, injury prevention, and disaster resilience.
 - Provided fire safety education and rig tours to all 2nd Grade Elementary School classes in Mukilteo.
 - Designated both stations as a Safe Place and a Safe Haven. Complete the training and become part of the national registry, train all fire department personnel, mount appropriate signage at each station, and implement department wide.

2019 Goals & Objectives

- Reduce the risk of fire in commercial structures.
 - Continue Pre-Plan development of high risk structures and occupancies.
 - Implement new inspection software to track violations, code compliance, and fire risk analysis.
 - Complete ICC Fire Plans Examiner certification.
- Raise the department’s visibility to the community through a robust public education program including fire safety, injury prevention, and disaster resilience.
 - Provide fire safety education and rig tours to all 2nd Grade Elementary School classes in Mukilteo.
 - Continue outreach efforts with daycares and other community groups.
 - Continue participation in Touch-a-Truck, National Night Out, and Boo Bash.

Budget Highlights

- The 2019 budget for this division reflects no change in staffing levels.
- The budget includes no new budget items.
- Salary and benefit costs comprise 0% of the total expenditure budget.
- Compared to the 2018 budget, expenditures are decreasing 6.64% in this division.

2019 Preliminary Budget

FIRE DEPARTMENT – PREVENTION DIVISION

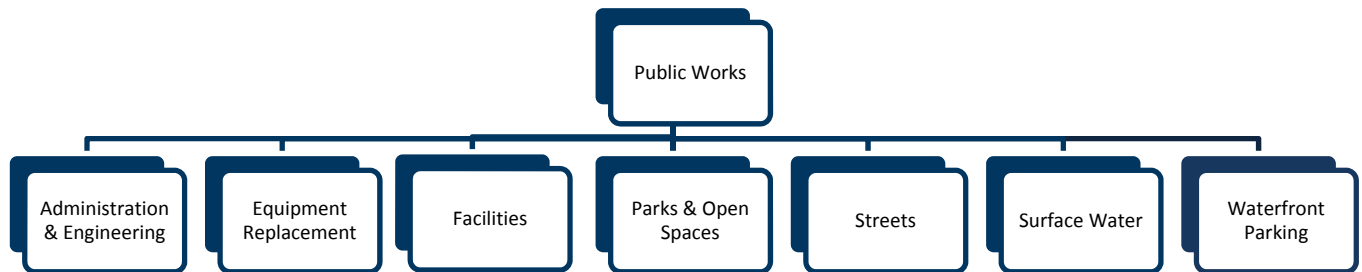
Salaries and wages	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Benefits	-	-	-	-	-
OFFICE SUPPLIES	604	600	800	800	200
REFERENCE MATERIAL	-	1,000	500	500	(500)
SUPPLIES - FIRE PREVENTION	9,296	3,800	3,800	3,800	-
CLOTHING/BOOTS	849	700	700	800	100
MOTOR FUEL	200	850	850	1,000	150
SMALL ITEMS OF EQUIPMENT	711	400	400	400	-
Supplies	11,660	7,350	7,050	7,300	(50)
OTHER PROFESSIONAL SVCS.	4,060	5,000	5,000	5,000	-
TELEPHONE	294	350	350	350	-
CELL PHONE	688	700	600	700	-
EQUIPMENT R&M	-	400	-	-	(400)
ASSOC. DUES & MEMBERSHIPS	-	500	-	-	(500)
Other services and charges	5,042	6,950	5,950	6,050	(900)
Intergovernmental services	-	-	-	-	-
Total Prevention expenditures	<u>\$ 16,702</u>	<u>\$ 14,300</u>	<u>\$ 13,000</u>	<u>\$ 13,350</u>	<u>\$ (950)</u>
<i>Check figure in dept</i>	-	-	-	-	-
<i>Check figure in budget</i>				-	

PUBLIC WORKS

The Public Works Department is responsible for the planning, design, construction and maintenance of City-owned infrastructure facilities and buildings as well as approval of all engineering aspects of development – public and private within the City of Mukilteo. This work takes place on or involves:

- 67 centerline miles of City streets and State highways, 45 miles of sidewalks, 6.8 miles of bike lanes
- Two traffic signals and 27 school zone flashers and 26 rectangular rapid flashing beacons (RRFB's), and 12 radar speed signs, and 2 temporary radar speed signs.
- 55 miles of storm drains, 6.5 miles of ditches, 4842 catch basins and 120 public detention and water quality facilities
- 620 acres of parklands and landscaped areas, including tidelands
- 75 vehicles and pieces of equipment – excluding police and fire
- 23 municipal buildings
- 1,486 Street lights (City owned: 310; PUD owned: 1,176) The City monitors the operation of all street lights, regardless of ownership (PUD or City)

Organization Chart:



2019 Preliminary Budget

Expenditure Summary:

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
Administration and Engineering - General Fund	\$ 376,808	\$ 460,970	\$ 481,950	\$ 489,600	28,630
Parks	716,575	455,550	467,150	498,150	42,600
Streets	701,291	647,650	657,150	753,350	105,700
Waterfront Parking	-	453,180	443,500	450,000	(3,180)
Surface Water	1,844,863	3,535,229	2,588,425	4,500,330	965,101
Facilities Maintenance	684,091	675,730	728,570	759,050	83,320
Total Public Works expenditures	<u>\$ 4,323,628</u>	<u>\$ 6,228,309</u>	<u>\$ 5,366,745</u>	<u>\$ 7,450,480</u>	<u>\$ 1,222,171</u>

Budget Highlights

- New Budget Items for the Public Works Department are shown in their respective funds.

ADMINISTRATION AND ENGINEERING DIVISION

Purpose:

The Administration and Engineering Division of Public Works performs the following core functions:

- Manages current operations and plans future operations for all five of the Department's operating divisions (Engineering, Surface Water, Streets, Parks, and Facilities)
- Manages public works projects that maintain the City's capital assets or build new capital facilities and programs funding for Capital Projects using City funds, and State and Federal grants
- Performs development review relative to city infrastructure and engineering standards
- Establishes standards for development of infrastructure and applies those standards and policies to regulate the use of the City's Right-of-Ways
- Provides engineering support to the Public Works O&M Divisions, Community Development Department, the Police and Fire Departments
- Oversees Public Works' role as a first responder in the event of an emergency that requires traffic control devices, storm debris removal, or snow and ice removal
- Manages the City's Traffic Calming Program
- Coordinates the City's National Pollutant Discharge Elimination System (NPDES) Permit and responds to drainage complaints and provides spill and illicit discharge response
- Manages the City's street light program through agreements for service with Snohomish County PUD and Snohomish County Public Works, and manages the City's traffic signals and school zone flashers
- Is responsible for the City's transportation plan and assists with the development and implementation of the City's Capital Improvement Program
- Manages the "Fix It Public Works!" Service Request Program

2018 Accomplishments

- Completed the 100% design of Harbour Reach Corridor project and the 88th Street Overlay project
- Completed the 100% design of Harbour Pointe Blvd SW widening project and advertised for bid
- Completed demolition and abatement for Tank Farm Site Remediation project
- Assisted Mukilteo Boys & Girls Club to approve significant design revisions and complete construction
- Oversaw the grants and funding associated with the construction of the Mukilteo Boys & Girls Club
- Advanced the 61st Place Retaining Wall project, the 61st Street Culvert design and the Decant Facility project, each to 95 percent
- Applied for a Safe Routes to Schools grant for the 76th Street & SR 525 sidewalk improvements with results known in December 2018
- Applied for a Transportation Improvement Board grant for the Harbour Reach Corridor project to make up the budget shortfall
- Received a \$700,000 STP grant for the Harbour Reach Drive North pavement preservation project for design and construction in 2021
- Assisted WSDOT on achieving 100% design for the SR 525 Pedestrian Access project
- Developed a Complete Streets ordinance that was adopted by City Council in August 2018
- Completed 487 Service Requests through August 2018

2019 Preliminary Budget

- Cross functional team consisting of members from several City departments to plan and develop the City's ADA Transition Plan met monthly to advance the plan
- Updated the 6-year Transportation Improvement Plan
- Conducted 3 Traffic Studies and prepared 3 Traffic Action Plans for requestors as part of our Traffic Calming Program. Measures implemented are budgeted in the Streets Division.
- Conducted 8 additional traffic studies outside of the Traffic Calming Program consisting of quarterly studies of Mukilteo Lane, east and west of Mt. Baker Avenue
- Resurfaced 12.6 lane miles with slurry seal as part of the 2018 Pavement Preservation Project,
- Completed exterior painting projects at Lighthouse Quarters, Rosehill Community Center, Fire Station 25, and City Hall
- Assisted with the Peace Park design effort

2019 Goals & Objectives

- Assist WSDOT in completing construction of SR 525 Pedestrian Improvements
- Staff and support the City's Pavement Preservation and Bike Transit Walk Programs
- Evaluate and update the Mukilteo City Code, City Development Standards, and permitting forms to help streamline and simplify the City's permitting process. Update the Traffic Calming Program to make process more effective and efficient
- Continue updating the GIS system to include all City assets (streets, storm water, parks, and buildings)
- Continue with the self-evaluation of the public right of way and development of the City-wide ADA Transition plan
- Complete the design and construct the 61st Place W Retaining Wall Repairs, 61st Place Culvert, Curb Ramp Upgrades, and 2019 Pavement Preservation projects and begin the construction phase of the Harbour Pointe Boulevard SW Widening, Harbour Reach Corridor Project, and 88th Street Overlay project
- Assist with the construction of the Peace Park

Budget Highlights

- Salary and benefit costs comprise 92% of the total expenditure budget
- Compared to the 2018 budget, expenditures are increasing approximately 6.2% in this division due to salary and benefits

2019 Preliminary Budget

PUBLIC WORKS DEPARTMENT – ADMINISTRATION AND ENGINEERING DIVISION

	2017	2018	2018	2019	Increase/
	Actuals	Budget	Estimated	Budget	(Decrease)
Salaries and wages	\$ 232,263	\$ 296,000	\$ 296,500	307,000	11,000
Benefits	108,351	128,650	136,200	142,850	14,200
OFFICE SUPPLIES	445	650	650	650	-
REFERENCE MATERIAL	525	550	550	550	-
OPERATING SUPPLIES	271	500	500	500	-
CLOTHING/BOOTS	357	300	300	300	-
MOTOR FUEL	597	600	650	650	50
SMALL ITEMS OF EQUIPMENT	864	2,300	2,300	2,300	-
Supplies	3,059	4,900	4,950	4,950	50
ENGINEERING & ARCHITECT SVCS	8,551	8,000	20,000	10,000	2,000
OTHER PROFESSIONAL SVCS.	8,117	4,500	4,500	5,000	500
LEGAL PUBLICATIONS		400	400	400	-
TELEPHONE	900	800	900	900	100
POSTAGE	843	500	600	600	100
CELL PHONE	2,781	2,000	2,350	2,350	350
TRAVEL & SUBSISTENCE	1,149	1,500	1,500	1,500	-
COMPUTER SYSTEM MAINT	8,063	7,000	7,000	7,000	-
ASSOC. DUES & MEMBERSHIPS	856	1,500	1,800	1,800	300
FILE, RECORDING FEES	98	400	400	400	-
PRINTING AND BINDING	552	500	500	500	-
TRAINING & REGISTRATION COSTS	1,105	4,200	4,200	4,200	-
BLDG & FIXTURE M&R	-			-	-
Other services and charges	33,015	31,300	44,150	34,650	3,350
MRSC SMALL WORKS ROSTER FEE	120	120	150	150	30
Intergovernmental services	120	120	150	150	30
Total Administration and Engineering expenditures	\$ 376,808	\$ 460,970	\$ 481,950	\$ 489,600	\$ 28,630
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PARKS AND OPEN SPACE DIVISION

Purpose:

The Parks and Open Space Division maintains all City-owned parklands, landscaped areas and building grounds. Maintenance and improvement activities take place on 620 acres of parks and open space, including seven municipal facilities with grounds (Police Station, Fire Stations 24 & 25, City Hall, the Chamber of Commerce building, Rosehill Community Center and the Public Works Shop).

Year-round maintenance activities include: mowing, fertilizing, pruning, weeding, planting, spraying of herbicides and insecticides, daily cleaning of park and landscaped areas (at Lighthouse Park and 92nd St. Park) and maintaining of park structures including restrooms, play structures, picnic shelters, barbecue grills, fire pits, benches and tables.

Improvement work is generally in the form of minor additions to a park, replanting, or clearing of an area and repairs to park equipment and features.

2018 Accomplishments

- Preserved existing park assets with an emphasis on Lighthouse Park, Rosehill Community Center, and 92nd St Park
- Maintained the level of service to all areas
- Cleaned up storm debris from several severe windstorms
- Upgraded and maintained playground equipment to comply with safety code
- Removed rubber sidewalk at Light Station grounds and replaced with concrete pavers
- Assumed maintenance responsibility of Edgewater Park from the Port of Everett
- Responded to 82 service requests through August 2018

2019 Goals & Objectives

- Continue to maintain existing level of service to all areas currently maintained by Parks Staff
- Preserve existing park assets with an emphasis on Lighthouse Park, Rosehill Community Center, and 92nd St Park
- Reduce chemical use by implementing green alternatives

Budget Highlights

- Salary and benefit costs comprise 70% of the total expenditure budget
- Compared to the 2018 budget, expenditures are increasing approximately 9% in this division due to higher cost of materials, salary and benefits

2019 Preliminary Budget

PUBLIC WORKS DEPARTMENT – PARKS DIVISION

Salaries and wages	\$ 353,866	\$ 192,500	\$ 199,250	\$ 229,200	\$ 36,700
Benefits	155,516	129,500	109,850	117,900	(11,600)
OFFICE SUPPLIES	161	250	250	250	-
OPERATING SUPPLIES	22,889	27,250	27,250	27,250	-
CLOTHING/BOOTS	5,068	3,500	5,500	5,500	2,000
BLDG MATERIALS & SUPPLIES	-	-	500	1,000	1,000
BUILDING MAINTENANCE SUPPLIES	1,240	1,000	1,000	1,000	-
SIGNS	738	500	1,200	1,000	500
LANDSCAPE MATERIALS	3,452	8,500	9,000	1,000	(7,500)
FLOWER BASKET PROGRAM	1,107	1,750	1,750	1,750	-
MOTOR FUEL	5,403	1,500	5,000	5,000	3,500
SMALL ITEMS OF EQUIPMENT	5,106	2,500	10,000	5,000	2,500
Supplies	45,164	46,750	61,450	48,750	2,000
OTHER PROFESSIONAL SVCS.	45,216	16,500	16,500	20,000	3,500
TELEPHONE	873	900	900	900	-
CELL PHONE	3,498	3,000	3,000	3,000	-
TRAVEL & SUBSISTENCE	581	1,800	800	1,800	-
LAND RENTAL	2,349	-	-	-	-
WORK EQUIP & MACHINE RENTAL	11,557	9,000	12,000	9,000	-
ELECTRICITY	4,525	5,680	4,000	4,000	(1,680)
SEWER SERVICE	11,014	6,620	6,500	7,000	380
GARBAGE SERVICES	-	1,000	-	-	(1,000)
WATER SERVICE	13,886	5,100	10,000	10,000	4,900
STORM DRAINAGE CHGS.	20,230	15,000	15,000	16,000	1,000
BRUSH DISPOSAL	105	-	-	-	-
IRRIGATION SYSTEM MAINTENANCE & REPAIR	-	2,000	1,500	2,000	-
EQUIPMENT R&M	30,220	3,000	10,000	10,000	7,000
OTHER MAINTENANCE & REPAIR	6,654	2,100	2,000	2,000	(100)
PLAYGROUND EQUIPMENT MAINTENANCE & REPAIR	-	5,000	3,000	5,000	-
DOG PARK MAINTENANCE	1,313	1,000	1,000	1,000	-
HP MAINTENANCE ASSN DUES	3,800	4,500	3,800	3,800	(700)
LAUNDRY SERVICES	1,746	1,600	1,600	1,800	200
TRAINING & REGISTRATION COSTS	4,462	3,000	5,000	5,000	2,000
Other services and charges	162,029	86,800	96,600	102,300	15,500
Intergovernmental services	-	-	-	-	-
Total Parks expenditures	\$ 716,575	\$ 455,550	\$ 467,150	\$ 498,150	\$ 42,600
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PLANNING & COMMUNITY DEVELOPMENT

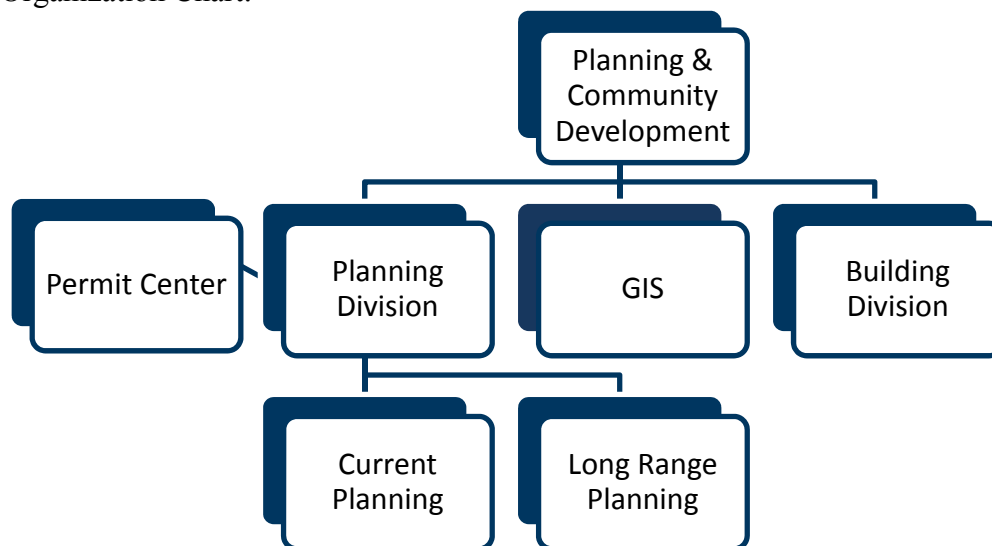
The Community Development Department (“Department”) consists of four divisions that take a leadership role in managing the natural and built environment. The Department does this by implementing the City’s adopted Comprehensive Plan and codes and regulations, coordinating with external agencies and providing information to the public. In doing this work, the Community Development Department places a high premium on customer service.

The Department’s four divisions are:

- **Building Division** - Reviews building permits and inspects development projects for compliance with adopted building codes. Ensuring that life safety considerations are met is an essential Building Division function.
- **Geographic Information Systems (GIS) Division** - Provides mapping and GIS support for all city departments and also produces mapping services available to the public on the City website that can be accessed 24/7.
- **Permit Services Division**- Provides front counter reception services, providing information about City services in general. The Division also processes permits, ensures applicants understand the permitting process and administers the City’s parking permit program.
- **Planning Division** - Manages the processing and review of major permits (current planning) and works on policies and codes (long range planning). Responds to public inquiries on development requirements and conducts public outreach. The Planning Division is also actively engaged in enforcing code related complaints.

The Community Development Department’s work is highly interdepartmental, frequently supporting the Police, Fire, Public Works, Executive and Recreation Departments.

Organization Chart:



2019 Preliminary Budget

Expenditure Summary:

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
Permit Center	\$ 252,221	\$ 280,400	\$ 264,350	\$ 286,200	5,800
Planning	616,510	810,410	804,750	650,100	(160,310)
Building	131,938	139,250	137,050	141,600	2,350
GIS - General Fund	95,604	86,250	83,600	76,700	(9,550)
GIS - Surface Water Fund	83,096	113,750	112,100	116,850	3,100
Total Community Development expenditures	<u>\$ 1,179,369</u>	<u>\$ 1,430,060</u>	<u>\$ 1,401,850</u>	<u>\$ 1,271,450</u>	<u>\$ (158,610)</u>

Budget Highlights

- The Community Development Department's 2019 budget maintains the existing staffing levels.
- Salary and benefit costs comprise approximately 92% of the total expenditure budget.
- Major projects for 2019 include:
 - Shoreline Master Program Update;
 - Snohomish County Annexation ILA,
 - Waterfront Development implementation, including the Tulalip Tribes Development Agreement and NOAA development.
- The professional services budget includes funds to allow for a review of the City's preliminary fiscal impact analysis associated with the Phase I annexation area. Implementation of this fiscal impact analysis effort will need to be preceded by approval of an annexation ILA with Snohomish County.

PLANNING DIVISION

Purpose

The Planning Division is actively engaged in policy/code development (long range planning) and in permit processing (current planning).

The Long Range Planning function maintains the City's Comprehensive Plan and the many related specialized functional plans. Processing code amendments to implement these plans is also a long range planning function. Support is provided to the City Council and Planning Commission, including general and specialized land use research, drafting ordinances, policies and programs, and facilitating large-scale and multi-agency projects. They also are also engaged in economic development and waterfront redevelopment efforts.

The Current Planning function processes permits in accordance with federal, state, and local laws. It also provides staff support to the City Council and Hearing Examiner. Planning staff serves as project managers of land use projects to assess their impact on the environment and compliance with Mukilteo Municipal Code. They also serve as the City's land use code compliance officers.

2018 Accomplishments

- Staffed Hearing Examiner, Planning Commission, Council Land Use and Economic Development committee meetings. Provided staff support to the Parks and Arts Commission as needed.
- Provided on-going project review of the Washington State Ferry Multimodal project, the NOAA redevelopment project and continued to meet with the Mukilteo Tank Farm Coordination Group monthly.
- Submitted two grant applications to the Washington State Recreation and Conservation Office for the promenade
- Completed processing of the 2017-2018 Comprehensive Plan amendment/rezone docket.
- Conducted public outreach on the State mandated Shoreline Master Program update.
- Continue work on several inter-local agreements and development agreements including Annexation Agreement with Snohomish County and development agreement with the Tulalip Tribes.
- Continued to process daily permit applications, conduct field visits, and perform code enforcement activities.

2019 Goals & Objectives

- Continue the evaluation of the City's permit processing times for development applications to improve customer service and timeliness.
- Organize a multi-Agency Waterfront Parking Committee
- Provide oversight & coordination of waterfront projects.
- Update the City's Shoreline Master Plan and Regulations.

2019 Preliminary Budget

- Update the City's sign code based on the US Supreme Court ruling requiring codes to be "content neutral".
- Work with Sound Transit, Tulalip Tribes, and private property owners on parking project feasibility issues and grant opportunities.
- Complete work on several inter-local agreements and development agreements including the Annexation Agreement with Snohomish County, development agreement with the Tulalip Tribes and permitting agreement for Edgewater Beach with the City of Everett.
- Continue staff support for Planning Commission, Hearing Examiner & Council Land Use and Economic Development committee.

Budget Highlights

- Salary and benefit costs comprise 72% of the total expenditure budget.
- Compared to the 2018 budget, expenditures have decreased in this Division due to completed projects which had required additional professional services.

2019 Preliminary Budget

PLANNING & COMMUNITY DEVELOPMENT DEPARTMENT – PLANNING DIVISION

Salaries and wages	\$ 360,742	\$ 433,000	\$ 435,000	\$ 427,000	(6,000)
Benefits	123,269	153,350	147,700	141,050	(12,300)
OFFICE SUPPLIES	1,067	1,000	1,000	1,000	-
REFERENCE MATERIAL	-	50	50	50	-
CLOTHING/BOOTS	494	400	400	400	-
MOTOR FUEL	241	400	400	400	-
SMALL ITEMS OF EQUIPMENT	-	-	-	-	-
Supplies	1,802	1,850	1,850	1,850	-
OTHER PROFESSIONAL SVCS.	105,670	190,500	190,500	50,000	(140,500)
REIMBURSABLE CONSULTING	-	3,000	-	-	(3,000)
REIMBURSABLE COPIES	734	1,000	750	750	(250)
LEGAL PUBLICATIONS	2,929	3,000	3,000	3,000	-
TELEPHONE	1,063	1,000	1,050	1,050	50
POSTAGE	4,575	3,300	6,000	6,000	2,700
CELL PHONES	434	410	400	400	(10)
TRAVEL & SUBSISTENCE EXPENSE	3,221	2,500	2,500	3,000	500
ASSOC. DUES & MEMBERSHIPS	2,047	2,500	2,500	2,500	-
FILE, RECORDING FEES	620	100	200	200	100
PRINTING AND BINDING	313	400	300	300	(100)
TRAINING & REGISTRATION COSTS	2,815	4,500	3,000	3,000	(1,500)
HEARING EXAMINER	6,276	10,000	10,000	10,000	-
Other services and charges	130,697	222,210	220,200	80,200	(142,010)
Intergovernmental services	-	-	-	-	-
Total Planning expenditures	\$ 616,510	\$ 810,410	\$ 804,750	\$ 650,100	\$ (160,310)
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<i>Check figure in budget</i>				-	

PERMIT CENTER DIVISION

Purpose:

Permit Services oversees the City Hall front counter and reception area (both over the counter, telephone and online). Division staff generally is the first contact the public has when conducting business at City Hall.

Permit Services also has administrative oversight over the city's permit process. This includes permit intake and issuance, use of the permit tracking software, system cashiering and making sure customers understand the permit process. In addition, Permit Services administers the City's residential, business, commuter and boat launch parking permit programs, coordinates responses to public records requests, maintaining the property files, and orders supplies.

Permit Center staff act as the Planning Commission, the Parks & Arts Commission, and Hearing Examiners secretary, so they are responsible for noticing, producing, distributing and publishing their monthly meeting packets and for drafting the minutes for those meetings.

2018 Accomplishments

- Issued roughly 700 permits.
- Responded to over 4,300 phone calls.
- Provided customer support to over 4,100 walk-in customers at the front counter.
- Continued to manage parking pass programs.
- Participated in the working group to improve the City's permit process.
- Completed detailed procedures for Permit Center Processes.
- Trained two new Permit Services Assistants
- There were approximately 30 Pre-application Meetings in 2018.
- Began updating all public information forms
- Processed more than 60 Public Records Requests

2019 Goals & Objectives

- Maintain our strong customer service commitment.
- Continue training of new Permit Services staff
- Continue to track, evaluate, and improve processing time for permit issuance.
- Complete update of public information brochures, handouts and application packets.
- Update the Planning, Building and Permit Center webpage.

Budget Highlights

- The 2019 budget for this division reflects no change in staffing levels.
- There are no new budget items for this division.
- Salary and benefit costs comprise approximately 97% of the total expenditure budget.

2019 Preliminary Budget

PLANNING & COMMUNITY DEVELOPMENT DEPARTMENT – PERMIT CENTER DIVISION

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
Salaries and wages	\$ 170,294	\$ 185,000	\$ 174,000	\$ 188,500	3,500
Benefits	77,035	89,350	84,200	90,950	1,600
OFFICE SUPPLIES	3,907	4,000	4,000	4,000	-
Supplies	3,907	4,000	4,000	4,000	-
TELEPHONE	675	700	800	800	100
TRAVEL & SUBSISTENCE	6	600	600	600	-
ASSOC. DUES & MEMBERSHIPS	155	150	150	150	-
TRAINING & REGISTRATION	149	600	600	1,200	600
Other services and charges	985	2,050	2,150	2,750	700
Intergovernmental services	-	-	-	-	-
Total Permit Center expenditures	\$ 252,221	\$ 280,400	\$ 264,350	\$ 286,200	\$ 5,800
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BUILDING DIVISION

Purpose:

The Building Division (“Division”) reviews building permits and inspects new construction to ensure development complies with the relevant codes and approved plans. Led by the Building Official, the Division assists the public by answering questions regarding building code requirements and construction best practices. The Building Official works in close coordination with the City Fire Marshal and Community Development staff.

The Division is also responsible for inspecting certain right-of-way permit work and for the City’s street addressing program. The Division investigates complaints regarding illegal, unsafe and non-code-compliant structures, and when necessary, initiates code enforcement orders against violators.

2018 Accomplishments

- Reviewed over 300 permit applications.
- Conducted approximately 800 building inspections.

2019 Goals & Objectives

- Maintain permit flow / turn-around times.
- Maintain pro-active stance and oversight during the development of critical / difficult sites.
- Inspect Right-of-way permits in conjunction with Public Works Engineering.

Budget Highlights

- The 2019 budget for this division reflects no change in staffing levels.
- There are no new budget items for this division.
- Salary and benefit costs comprise 92% of the total expenditure budget.

2019 Preliminary Budget

PLANNING & COMMUNITY DEVELOPMENT DEPARTMENT – BUILDING DIVISION

Salaries and wages	\$ 83,190	\$ 85,000	\$ 85,000	\$ 86,600	\$ 1,600
Benefits	40,310	43,700	42,900	44,550	850
REFERENCE MATERIAL	-	750	400	1,700	950
OPERATING SUPPLIES	361	500	500	500	-
CLOTHING/BOOTS	372	400	400	400	-
MOTOR FUEL	512	500	600	600	100
SMALL ITEMS OF EQUIPMENT	265	200	200	200	-
Supplies	1,510	2,350	2,100	3,400	1,050
CONTRACT SERVICES	3,990	5,000	4,000	4,000	(1,000)
TELEPHONE	1,448	400	500	500	100
POSTAGE	76	300	200	200	(100)
CELLULAR PHONES	325	450	400	400	(50)
TRAVEL & SUBSISTENCE	182	500	500	500	-
ASSOC. DUES & MEMBERSHIPS	405	450	550	550	100
PRINTING AND BINDING	52	200	-	-	(200)
TRAINING & REGISTRATION COSTS	450	900	900	900	-
Other services and charges	6,928	8,200	7,050	7,050	(1,150)
Intergovernmental services	-	-	-	-	-
Total Building expenditures	<u>\$ 131,938</u>	<u>\$ 139,250</u>	<u>\$ 137,050</u>	<u>\$ 141,600</u>	<u>\$ 2,350</u>
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GIS DIVISION

Purpose:

GIS is a software-driven tool which allows the City to publish maps, identify coordinates, manage assets, analyze infrastructure needs and gaps, and create 3-D graphics. GIS is utilized extensively by internal City users and by the public.

The GIS Division is responsible for providing the following mapping services:

- Supporting the stormwater utility (in order to meet NPDES Permit requirements);
- Supporting Public Works to do georeferenced asset inventories of city assets and to manage those assets and to meet federal ADA, street signage, and other requirements;
- Making GIS mapping available to all city staff without having to have GIS software and training, and
- Provides online GIS maps to the public through the city's website that are available to the public 24/7.

2018 Accomplishments

- Finalized the GIS Needs Assessment and Strategic Plan
- Continued to expand the City GIS web page with both interactive maps and pdf copies for use by the general public 24/7.
- Provided widespread mapping support for multiple large scale planning and engineering projects, including the waterfront redevelopment projects, comprehensive plan/zoning amendments and shoreline master program outreach.
- Completed mapping of public stormwater facilities.
- Began systematic mapping of private stormwater facilities.
- Supported Public Works field crews by providing and maintaining mobile GIS apps for inspection and inventory efforts.

2019 Goals & Objectives

- Begin Implementing the 6-Year GIS Strategic Plan.
- Create an internal “power user” interactive map for use by city staff to use for day-to-day tasks
- Continue to expand the map offerings on the MukMaps page and add functionality to existing maps

Budget Highlights

- The 2019 budget for this division reflects no change in staffing levels.
- Salary and benefit costs comprise 96% of the total expenditure budget.

2019 Preliminary Budget

PLANNING & COMMUNITY DEVELOPMENT DEPARTMENT – GIS DIVISION

Salaries and wages	\$ 66,912	\$ 57,800	\$ 57,500	\$ 53,800	\$ (4,000)
Benefits	22,966	25,450	23,200	20,000	(5,450)
OPERATING SUPPLIES	500	500	500	500	-
SMALL ITEMS OF EQUIPMENT	-	-	-	-	-
Supplies	500	500	500	500	-
OTHER PROFESSIONAL SERVICES	3,297	-	-	-	-
TELEPHONE	-	100	-	-	(100)
TRAVEL & SUBSISTENCE	1,449	1,500	1,500	1,500	-
ASSOC. DUES & MEMBERSHIPS	25	300	300	300	-
TRAINING & REGISTRATION	455	600	600	600	-
Other services and charges	5,226	2,500	2,400	2,400	(100)
Intergovernmental services	-	-	-	-	-
Total GIS - General Fund expenditures	<u>\$ 95,604</u>	<u>\$ 86,250</u>	<u>\$ 83,600</u>	<u>\$ 76,700</u>	<u>\$ (9,550)</u>
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RESERVE FUNDS

- City Reserve
- LEOFF I Reserve

CITY RESERVE FUND

Purpose:

Adequate fund balances and reserve levels are necessary for the City's overall financial management strategy and a key factor in external agencies' measurement of the City's financial strength.

Maintenance of fund balance in each Fund assures adequate resources for cash flow purposes and serves to mitigate short-term effects of revenue shortfalls or timing differences between the receipt of revenue and expenditures. Reserve funds are also necessary to enable the City to respond to unforeseen emergencies or downturns in the economy that reduce revenues.

The purpose of the City Reserve Fund is to maintain compliance with the City's Fund Balance Reserve Policy. This policy requires maintenance of a \$1 million balance in the City Reserve Fund. This Fund provides a financial cushion to cover revenue shortfalls resulting from economic changes or recessionary periods and also provides resources in the event of major unplanned expenditures the City could face such as a landslide, earthquake, or other disaster.

Budget Highlights

- This budget continues to fully fund the City Reserve Fund at \$1 million.

2019 Preliminary Budget

City Reserve Fund (012)

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
Beginning fund balance	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ -
Revenue and transfers-in					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-
Charges for goods and services	-	-	-	-	-
Fines and penalties	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
Transfers-in	-	-	-	-	-
Total revenue and transfers-in	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total resources	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>	<u>\$ -</u>
Expenditures and transfers-out					
Salaries and wages	\$ -	\$ -	\$ -	\$ -	-
Benefits	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Intergovernmental services	-	-	-	-	-
Transfers-out	-	-	-	-	-
Total expenditures and transfers-out	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Ending fund balance	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>	<u>\$ -</u>

LAW ENFORCEMENT OFFICERS' AND FIREFIGHTERS' RETIREMENT SYSTEM (LEOFF 1) RESERVE FUND

Purpose:

The purpose of the LEOFF 1 Reserve Fund is to set aside funds to be used for the payment of health care premiums and expenses for LEOFF 1 retirees pursuant to State law. At this time, the City has one retiree who is eligible and participating. No other retirees or current City employees are eligible for this benefit as it only applies to public safety employees hired prior to October 1, 1977.

Budget Highlights

- The 2019 Budget includes a transfer in from the General Fund of \$10,000 to fund anticipated 2019 expenditures.

2019 Preliminary Budget

Law Enforcement Officers' and Firefighters' Retirement System (LEOFF 1) Reserve Fund (009)

	<u>2017 Actuals</u>	<u>2018 Budget</u>	<u>2018 Estimated Actuals</u>	<u>2019 Budget</u>	<u>Increase/ (Decrease)</u>
Beginning fund balance	\$ 7,137	\$ 29,847	\$ 21,666	\$ 21,666	\$ -
Revenue and transfers-in					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-
Charges for goods and services	-	-	-	-	-
Fines and penalties	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
Transfers-in	25,850	20,000	20,000	10,000	(10,000)
Total revenue and transfers-in	<u>\$ 25,850</u>	<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>\$ 10,000</u>	<u>\$ (10,000)</u>
Total resources	<u>\$ 32,987</u>	<u>\$ 49,847</u>	<u>\$ 41,666</u>	<u>\$ 31,666</u>	<u>\$ (10,000)</u>
Expenditures and transfers-out					
Salaries and wages	\$ -	\$ -	\$ -	\$ -	-
Benefits	10,458	18,500	18,500	18,500	-
Supplies	-	-	-	-	-
Other services and charges	863	1,500	1,500	1,500	-
Intergovernmental services	-	-	-	-	-
Transfers-out	-	-	-	-	-
Total expenditures and transfers-out	<u>\$ 11,321</u>	<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>\$ -</u>
Ending fund balance	<u>\$ 21,666</u>	<u>\$ 29,847</u>	<u>\$ 21,666</u>	<u>\$ 11,666</u>	<u>\$ (10,000)</u>

SPECIAL REVENUE FUNDS

- Transportation Benefit District
- Waterfront Parking
- Street
- Recreation & Cultural Services
- Hotel/Motel Lodging Tax
- Emergency Medical Services
- Drug Enforcement

TRANSPORTATION BENEFIT DISTRICT

Purpose:

A Transportation Benefit District (TBD) is a Quasi-municipal corporation and independent taxing district created for the sole purpose of funding transportation improvements within the district. On April 3, 2017, after conducting a public hearing, the Mukilteo City Council approved Ordinance #1399 that formed the Mukilteo Transportation Benefit District. The ordinance specifies that the boundaries of the TBD include the entire City of Mukilteo as the boundaries currently exist or as they may exist following future annexations.

The City of Mukilteo has formed the Mukilteo Transportation Benefit District for the purpose of constructing transportation improvements to preserve city streets and improve pedestrian and bicyclist safety. State law requires that any sales tax revenues approved by voters for a Transportation Benefit District may only be spent for transportation improvements as identified by the Governing Board of the Mukilteo Transportation Benefit District. The Governing Board has identified two projects from the City of Mukilteo Transportation Improvement Program for funding: the annual pavement preservation program and Bike Transit Walk program for construction of sidewalks, walkways, bike lanes or shared-use paths.

The City Council absorbed the duties of the Transportation Benefit District on December 11, 2017.

2018 Accomplishments

- Began collecting 0.1% Sales Tax.
- Continued progress on the City's Pavement Preservation Program.

2019 Goals & Objectives

- Continue progress on the City's Pavement Preservation Program and bike and pedestrian projects.

Budget Highlights

- The 2019 Budget includes one New Budget Item for Pavement Preservation.

2019 Preliminary Budget



Previously Discussed
by Council and
Transportation Benefit

2019 Budget

2019 Annual Pavement Preservation

Preservation of roadway surface with various pavement preservation techniques. As planned, this annual program also funds project management and overhead costs.

Fund Name
Transportation
Benefit District

Amount Requested

\$900,000

Nature of the expenditure? **Ongoing**

Any Additional
Revenue? If
Yes, Identify
Below

Yes

Expenditure Purpose and Justification

Based on the Pavement Preservation Program, Wise Investments in Transportation Taskforce and City Council recommendations, this proposal includes funding of the preservation need at \$900,000. The ongoing funding sources total \$632,500 for 2019. In 2018, \$823,000 was funded through a combination of the ongoing revenue mechanisms as well as a one time General Fund transfer of \$110,000. For 2019, the City continue to face a challenge of identifying a sustainable funding source. This proposal would include a \$10 license fee, approved by the Council.

In addition to resurfacing recommended streets throughout the City, the 2019 program will also be used to fund required matching components of one pavement preservation grant. Future years will fund other streets, based on the Pavement Preservation Program, along with project management and outreach support from contracting consultants.

88th Street SW Pavement Preservation Project - A federal grant was received in late 2016 for the resurfacing of 88th Street SW. Design is scheduled to begin in 2018 with construction anticipated in 2019. There is a 13.5% matching requirement for this grant. The City match amount required to complete the construction is \$60,588. Construction costs exceeding the grant amount will need to be borne by the City.

Previously Approved by Council	Budget	Est. Carry Forward
2016-2017 Pavement Preservation	\$ 1,003,555	
2018 Pavement Preservation (including specific projects)	\$ 1,125,000	\$ 500,000

Alternatives and Potential Costs

Other alternatives include dedicating more REET funding, a \$20 license fee, asking voters for an additional 0.1% sales tax, or reducing pavement preservation funding.

If not funded, the deferred cost of pavement surface maintenance will increase over time. This will reduce the level of service to the community. The Council could choose to decrease funding for this program. In addition, Council could choose to fund the matching portions of the grants via the general fund.

Identify Additional Related Revenue and Expenses and Whether One-Time or On-Going

This is an ongoing program.

Department:	Public Works
Division:	Engineering
Prepared by:	Mick Matheson, Public Works Director

Expenditure Account # & Title	Amount
Pavement Preservation	\$ 571,912
101.38.542.300.4880	
88th St SW Construction	\$ 60,588
101.38.542.300.4880 (TR180101.1014880)	
Total	\$ 632,500

Revenue Account # & Title	Amount
REET II	\$ 289,500
0.1% Sales Tax	\$ 318,000
REET I Transfer, Bond Savings	\$ 25,000
Total	\$ 632,500

2019 Preliminary Budget

Transportation Benefit District Fund (101)

	<u>2017 Actuals</u>	<u>2018 Budget</u>	<u>2018 Estimated Actuals</u>	<u>2019 Budget</u>	<u>Increase/ (Decrease)</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ 447,000	\$ -
Revenue and transfers-in					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-
Charges for goods and services	-	-	-	-	-
Fines and penalties	-	-	-	-	-
Miscellaneous revenue	-	238,000	185,000	318,000	80,000
Transfers-in	-	1,104,000	887,000	314,500	(789,500)
Total revenue and transfers-in	<u>\$ -</u>	<u>\$ 1,342,000</u>	<u>\$ 1,072,000</u>	<u>\$ 632,500</u>	<u>\$ (709,500)</u>
Total resources	<u>\$ -</u>	<u>\$ 1,342,000</u>	<u>\$ 1,072,000</u>	<u>\$ 1,079,500</u>	<u>\$ (709,500)</u>
Expenditures and transfers-out					
Salaries and wages	\$ -	\$ -	\$ -	\$ -	-
Benefits	-	-	-	-	-
Supplies	-	-	-	-	-
STREET MAINTENANCE AND REPAIR		1,125,000	625,000	1,079,500	(45,500)
Other services and charges	-	1,125,000	625,000	1,079,500	(45,500)
Intergovernmental services	-	-	-	-	-
Transfers-out	-	-	-	-	-
Total expenditures and transfers-out	<u>\$ -</u>	<u>\$ 1,125,000</u>	<u>\$ 625,000</u>	<u>\$ 1,079,500</u>	<u>\$ (45,500)</u>
Ending fund balance	<u>\$ -</u>	<u>\$ 217,000</u>	<u>\$ 447,000</u>	<u>\$ -</u>	<u>\$ (664,000)</u>
<i>Check figure in dept</i>	-	-	-	-	-
<i>Check figure in budget</i>				-	
<i>Check figure for fund balance</i>	-	-	-	-	

WATERFRONT PARKING

Purpose:

The Mukilteo Lighthouse Park was constructed in the 1950s on a filled tideland and has provided continuous public beach access up to the present. The former Washington State Park was deeded to the City in 2003. In 2004, the City adopted a Lighthouse Park Master Plan to make physical improvements to the approximately 14.4 acre site. Phases I & II of the Plan are completed.

The City has instituted a paid parking program to encourage parking space turnover and to pay for the services needed to maintain the park and waterfront. Net revenues from the program are planned to be used to fund pedestrian improvements, park maintenance, park enhancement, implementation of the Waterfront Master Plan, and potentially long-term parking solutions, such as a parking garage. The 2018 budget was the first budget year these revenues and expenditures were shown in a separate fund; they were previously included in the General Fund.

The fund includes salary and benefits for Community Service Officer-Rangers who enforce parking regulations and Public Works-Parks employees who maintain the grounds and buildings within the park. All of these employees provide assistance and service to visitors of the park as needed.

2018 Accomplishments

- Maintained a high level of service for visitors of Lighthouse Park.
- Implemented the Passport Inc. mobile payment platform for web and app based parking payments in the downtown paid parking area.

2019 Goals & Objectives

- Continue to provide a high level of service to visitors of Lighthouse Park.

Budget Highlights

- This budget funds 3.68 parks employees and 2 park rangers.

2019 Preliminary Budget

Waterfront Parking Fund (105)

	<u>2017 Actuals</u>	<u>2018 Budget</u>	<u>2018 Estimated Actuals</u>	<u>2019 Budget</u>	<u>Increase/ (Decrease)</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue and transfers-in					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental revenue	-	-	-	-	-
Charges for goods and services	-	-	-	-	-
Fines and penalties	-	-	-	-	-
Miscellaneous revenue	-	647,500	656,900	678,500	31,000
Transfers-in	-	-	-	-	-
Total revenue and transfers-in	<u>\$ -</u>	<u>\$ 647,500</u>	<u>\$ 656,900</u>	<u>\$ 678,500</u>	<u>\$ 31,000</u>
Total resources	<u>\$ -</u>	<u>\$ 647,500</u>	<u>\$ 656,900</u>	<u>\$ 678,500</u>	<u>\$ 31,000</u>
Expenditures and transfers-out					
Salaries and wages	\$ -	\$ 290,000	\$ 293,600	\$ 303,000	\$ -
Benefits	-	133,100	127,150	128,350	-
Supplies	-	28,920	31,750	32,750	-
Other services and charges	-	195,480	204,400	213,900	-
Intergovernmental services	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Transfers-out	-	-	-	-	-
Total expenditures and transfers-out	<u>\$ -</u>	<u>\$ 647,500</u>	<u>\$ 656,900</u>	<u>\$ 678,000</u>	<u>\$ -</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 500</u>	<u>\$ 31,000</u>

2019 Preliminary Budget

WATERFRONT PARKING FUND – PUBLIC WORKS DEPARTMENT – PARKS DIVISION

	<u>2017 Actuals</u>	<u>2018 Budget</u>	<u>2018 Estimated Actuals</u>	<u>2019 Budget</u>	<u>Increase/ (Decrease)</u>
Salaries and wages	\$ -	\$ 185,500	\$ 186,600	\$ 187,000	\$ 1,500
Benefits	-	68,500	71,500	69,600	1,050
Supplies	-	5,500	8,000	8,500	3,000
Other services and charges	-	193,680	177,400	184,900	(8,780)
Intergovernmental services	-	-	-	-	-
Total Parks expenditures	<u>\$ -</u>	<u>\$ 453,180</u>	<u>\$ 443,500</u>	<u>\$ 450,000</u>	<u>\$ (3,230)</u>

WATERFRONT PARKING FUND – POLICE DEPARTMENT – RANGERS DIVISION

	<u>2017 Actuals</u>	<u>2018 Budget</u>	<u>2018 Estimated Actuals</u>	<u>2019 Budget</u>	<u>Increase/ (Decrease)</u>
Salaries and wages	\$ -	\$ 104,500	\$ 107,000	\$ 116,000	\$ 11,500
Benefits	-	64,600	55,650	58,750	(5,850)
Supplies	-	23,420	23,750	24,250	830
Other services and charges	-	1,800	27,000	29,000	27,200
Intergovernmental services	-	-	-	-	-
Total Rangers expenditures	<u>\$ -</u>	<u>\$ 194,320</u>	<u>\$ 213,400</u>	<u>\$ 228,000</u>	<u>\$ 33,680</u>

STREET FUND

Purpose:

The Streets Maintenance Division maintains the City's street system, (except for the pavement on SR 525 and 526, which are maintained by WSDOT), sidewalks, curbs, gutters, crosswalk and school zone flashers, signs, vegetation in the right-of-ways and removes and disposes of illegally dumped waste in City right-of-ways.

This work includes: fixing potholes; painting pavement markings; repair, replacement, and installation of all City owned signs; mowing of shoulders and snow and ice removal.

There are 13 traffic signals with in the City of Mukilteo, 2 are owned by the City. Washington State Department of Transportation owns the remaining 11 traffic signals, as well as the traffic signage on SR 525 and SR 526.

2018 Accomplishments

- Installed radar speed signs on Harbour Heights Parkway and 44th Avenue West. Installed a new crosswalk and Rapid Flashing Beacons on Harbour Heights Parkway at 58th Avenue West.
- Continued to implemented the City's retro-reflectivity monitoring program and continue street sign replacement and repair program
- Manage contracts/agreements for street striping, vegetation control
- Repaired concrete sidewalks at One Clubhouse Lane, 96th Street SW, and 92nd Street SW.
- Restriped crosswalks with thermoplastic
- The City contracted with Kemp West to remove 7 hazard trees. City crews felled and removed 10 hazard trees, and removed 7 fallen trees.
- The Public Works Street Crew installed an ADA-compliant curb ramp in the Seawatch neighborhood of Harbour Pointe
- Removed rubber sidewalks at Light House Park that were a trip hazard and replaced with a concrete sidewalk
- Installed a new boat launch pay machine at Light House Park
- Responded to 216 service requests through August 2018

2019 Goals & Objectives

- Continue to maintain existing level of service
- Expand Streets crew knowledge and expertise on ADA ramp installation

Budget Highlights

- The 2019 budget for this division reflects no change in staffing levels.
- The budget includes no new budget items
- Salary and benefit costs comprise 51% of the total expenditure budget.
- Compared to the 2018 budget, expenditures are increasing approximately 15% in this division due to increases in the cost for street lighting and contracted maintenance for SR 525 and 526, which can be found in the Contract Services line item.

2019 Preliminary Budget

Street Fund (111)

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
Beginning fund balance	\$ -	\$ -	\$ 28,984	\$ -	\$ -
Revenue and transfers-in					
Taxes	70,740	55,000	55,000	60,000	5,000
Licenses and permits	-	-	-	-	-
Intergovernmental revenue	478,311	465,000	490,000	496,900	31,900
Charges for goods and services	14,668	7,500	7,500	7,500	-
Fines and penalties	-	-	-	-	-
Miscellaneous Revenue	143	-	-	-	-
Transfers-in	254,361	186,500	140,016	256,050	69,550
Total revenue and transfers-in	\$ 818,223	\$ 714,000	\$ 692,516	\$ 820,450	\$ 106,450
Total resources	\$ 818,223	\$ 714,000	\$ 721,500	\$ 820,450	\$ 106,450
Expenditures and transfers-out					
Salaries and wages	\$ 293,908	\$ 276,200	\$ 275,750	\$ 286,500	\$ -
Benefits	143,731	161,800	145,050	153,000	-
Supplies	79,896	68,500	89,500	100,500	-
Other services and charges	257,808	184,500	188,700	257,450	-
Intergovernmental services	13,896	23,000	22,500	23,000	-
Capital Outlay	-	-	-	-	-
Transfers-out	-	-	-	-	-
Total expenditures and transfers-out	\$ 789,239	\$ 714,000	\$ 721,500	\$ 820,450	\$ -
Ending fund balance	\$ 28,984	\$ -	\$ -	\$ -	\$ 106,450

2019 Preliminary Budget

STREET FUND – PUBLIC WORKS DEPARTMENT – STREETS DIVISION

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
Salaries and wages	\$ 230,982	\$ 230,700	\$ 230,250	\$ 239,500	\$ 8,800
Benefits	118,709	140,950	126,200	132,900	(8,050)
TRAFFIC CONTROL DEVICE SUPPLY	28,287	28,000	28,000	30,000	2,000
OPERATING SUPPLIES	20,987	10,000	20,000	25,000	15,000
CLOTHING/BOOTS	3,390	3,000	5,000	5,000	2,000
AGGREGATE	4,971	4,500	7,500	7,500	3,000
MOTOR FUEL	10,496	9,000	12,000	12,000	3,000
SMALL ITEMS OF EQUIPMENT	11,765	5,000	15,000	18,000	13,000
STREET LIGHTING EQUIPMENT	-	3,000	2,000	3,000	-
	-	6,000	-	-	(6,000)
Supplies	79,896	68,500	89,500	100,500	32,000
OTHER PROFESSIONAL SVCS.	143	-	-	-	-
CONTRACT SERVICES	13,380	30,000	26,500	52,550	22,550
TELEPHONE	873	800	900	900	100
EQUIPMENT REPLACEMENT CHARGES	68,000	-	-	-	-
CELL PHONE	2,804	2,200	2,250	2,250	50
TRAVEL & SUBSISTENCE	2,957	1,200	3,000	3,000	1,800
WORK EQUIP & MACHINE RENTAL	484	2,000	2,000	2,000	-
ELECTRICITY STREET LIGHTS	113,228	92,000	114,500	117,500	25,500
CONSTRUCTION DEBRIS DISPOSAL	20	600	500	500	(100)
EQUIPMENT R&M	11,262	8,000	17,800	20,000	12,000
VEHICLE R&M	9,328	12,000	10,000	12,000	-
ROW MAINTENANCE & REPAIR	1,000	1,000	1,000	1,000	-
LAUNDRY SERVICES	1,746	1,700	1,750	1,750	50
TRAINING & REGISTRATION	4,382	3,000	3,500	4,000	1,000
LANE STRIPING & MARKING	28,201	30,000	5,000	40,000	10,000
Other services and charges	257,808	184,500	188,700	257,450	72,950
STREET LIGHT MAINTENANCE	13,896	22,000	22,000	22,000	-
ROW VEG MAINTENANCE	-	1,000	500	1,000	-
Intergovernmental services	13,896	23,000	22,500	23,000	-
Total Street expenditures	\$ 701,291	\$ 647,650	\$ 657,150	\$ 753,350	\$ 105,700

2019 Preliminary Budget

STREET FUND – PUBLIC WORKS DEPARTMENT – ADMINISTRATION AND ENGINEERING DIVISION

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
Salaries and wages	\$ 62,926	\$ 45,500	\$ 45,500	\$ 47,000	\$ 1,500
Benefits	25,022	20,850	18,850	20,100	(750)
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Intergovernmental services	-	-	-	-	-
Total expenditures and transfers-out	\$ 87,948	\$ 66,350	\$ 64,350	\$ 67,100	\$ 750

RECREATION & CULTURAL SERVICES

Purpose:

The Recreation and Cultural Services Department provides a diverse assortment of recreational opportunities to the Mukilteo community. Activities range from fitness to classes on reducing stress. One can schedule a room for a party, quietly read a book in the Rosehill Room, or engage with others around a board game, the department offers something for activities for all ages. From preschool to seniors, we have something for everyone!

The department offers a variety of special events each year, too, which include traditional favorites such as “Boo Bash” and “Touch a Truck”. Another great way to get involved would be to volunteer for the department. Programs such as “Beach Watchers” enable volunteers to help beautify our waterfront in Mukilteo, and provide community members to get to know their neighbors.

The Rosehill Community Center fills many roles in the community: it is a community gathering place, provides community enrichment opportunities, is a place to hold events, celebrations, public meetings and workshops, is an information center, and spurs economic development in Mukilteo.

The Department also inspires community involvement in the arts through a variety of mediums including dance, drama/theater, music, visual arts, and performing arts.

The mission of the Recreation and Cultural Services Department is to provide premium services and facilitate safe, quality leisure services, programs, and facilities while preserving and enhancing natural resources and stimulating the economic vitality of the community. The Center will be a leader in promoting community health and well-being through fun, progressive and memorable parks, arts, and recreation experiences and activities for everyone.

2018 Accomplishments

- Rosehill served 188 total participants across 20 camps.
- Rosehill offered two Movies in the Park events, exceeding 500 total participants.
- The popularity of the Osher Lifelong Learning series has allowed for additional offerings, including evening lectures and new classes.
- Coordinated with Beach Watchers to offer free educational sessions at low tide on the beach at Lighthouse Park.
- Completed the department's business plan
- In support of connecting families and building community spirit, offered 9 free community events at the Rosehill Community Center in 2018. Approximately 10,000 people attended these events.
- Continued to coordinate with the Planning Department for the public process for development of the Peace Park design.

2019 Preliminary Budget

- Tracked overnight stays at Mukilteo hotels generated from rentals at the Rosehill Community Center; resulting in hundreds of overnight stays.
- Partnered with the Mukilteo Senior Association and Snohomish County on a grant to offer expanded senior program offerings to the Mukilteo senior community.

2019 Goals & Objectives

- Continue to implement the Department's business plan
- Explore a partnership with a local agency for recreation services.
- Grow the volunteer stewardship program to include the Big Gulch Park and hold another Stewardship training to recruit a new group of Park Stewards.
- Continue examining and implementing recreation program offerings, in consultation with the Rosehill Board, as well as other community and non-profit organizations.
- Continue to develop the marketing strategy to fund the Recreation Class Scholarship Program.

Budget Highlights

- Exceeded budgeted (non-tax) revenues.
- The 2019 budget for the Recreation Department reflects a focus on offering free community programming for all age groups, balanced with paid programs and rentals.
- The budget includes a continuing grant request for Hotel/Motel Lodging Tax funding to provide for additional staff time to continue to support and build the rental market for Rosehill Community Center.

2019 Preliminary Budget

Recreation & Cultural Services (114)

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue and transfers-in					
Taxes	-	-	-	-	-
Licenses and permits	1,075	1,400	1,400	1,400	-
INTERLOCAL AGREEMENT - SNOHOMISH CO	13,871	12,000	15,000	15,000	3,000
HOTEL/MOTEL LODGING TAX GRANT	39,386	40,000	40,000	40,200	200
Intergovernmental revenue	53,257	52,000	55,000	55,200	3,200
FARMERS MKT BOOTH FEES	621	650	650	700	50
RECREATION PROGRAM FEES	66,389	95,000	80,000	85,000	(10,000)
ALCOHOL USE FEE	4,950	15,000	15,000	16,000	1,000
THEATER TECHNICIAN FEES	1,410	1,000	1,000	1,200	200
ARTWORK ADMINISTRATIVE FEE	417	50	500	500	450
Charges for goods and services	73,787	111,700	97,150	103,400	(8,300)
Fines and penalties	-	-	-	-	-
COMMUNITY CENTER RENTAL FEES	476,625	400,000	450,000	470,000	70,000
UPPER LAWN & OUTDOOR PLAZA RENTAL	4,550	7,500	7,500	8,500	1,000
WEIGHT ROOM FEES	14,654	14,000	15,000	15,000	1,000
COMMUTER PARKING FEES	11,051	11,000	12,100	13,900	2,900
PICNIC SHELTER RENTAL FEES	10,825	12,700	11,000	11,000	(1,700)
LIGHT STATION WEDDING RENTAL FEES	1,425	2,500	1,500	1,500	(1,000)
CONTRIBUTIONS PRIVATE SOURCE	1,150	-	2,500	2,500	2,500
INSURANCE RECOVERY	7,536	-	-	-	-
SPONSORSHIPS	2,950	3,000	4,000	4,000	1,000
OTHER MISCELLANEOUS REVENUE	507	-	-	-	-
Miscellaneous revenue	531,273	450,700	503,600	526,400	75,700
Transfers-in	177,290	218,335	144,400	173,600	(44,735)
Total revenue and transfers-in	\$ 836,682	\$ 834,135	\$ 801,550	\$ 860,000	\$ 25,865
Total resources	\$ 836,682	\$ 834,135	\$ 801,550	\$ 860,000	\$ 25,865

2019 Preliminary Budget

Recreation & Cultural Services (114) continued

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
Expenditures and transfers-out					
Salaries and wages	\$ 452,977	\$ 458,500	\$ 440,500	\$ 482,500	\$ 24,000
Benefits	149,943	177,900	174,050	184,900	7,000
OFFICE SUPPLIES	3,979	4,000	4,000	4,000	-
OPERATING SUPPLIES	9,207	7,500	7,500	8,000	500
CLOTHING/BOOTS	-	300	300	300	-
MOTOR FUEL	300	600	600	600	-
SMALL ITEMS OF EQUIPMENT	5,914	6,000	4,700	5,500	(500)
Supplies	19,400	18,400	17,100	18,400	-
SENIOR CENTER SUBRECIPIENT GRANTS	2,300	-	1,000	1,000	1,000
CONSULTING SERVICES	69,114	-	-	-	-
OTHER PROFESSIONAL SVCS.	4,917	6,750	6,750	6,750	-
INSTRUCTORS PROFESSIONAL SERVICES	39,443	60,000	50,000	55,000	(5,000)
WSU BEACH WATCHERS - OTHER PROF SEF	8,550	7,500	10,000	7,500	-
ADVERTISING	11,789	15,270	15,000	15,000	(270)
COMMUNITY ADVERTISING - RECREATION G	22,570	26,000	25,000	22,000	(4,000)
TELEPHONE	3,873	3,800	4,000	4,000	200
POSTAGE	1,711	1,000	1,000	1,000	-
CELL PHONE	1,087	1,140	800	800	(340)
COMCAST	7,508	7,100	8,200	8,300	1,200
TRAVEL & SUBSISTENCE	1,136	200	200	1,200	1,000
WORK EQUIP & MACHINE RENTAL	271	575	550	550	(25)
SHORT-TERM FACILITY/FIELD RENTAL	790	5,000	1,500	2,000	(3,000)
OFFICE EQUIPMENT R&M	1,462	5,000	7,000	7,000	2,000
OTHER R&M	275	900	300	300	(600)
VEHICLE R&M	-	300	-	300	-
ASSOC. DUES & MEMBERSHIPS	416	600	600	500	(100)
PRINTING AND BINDING	1,391	2,100	1,500	1,500	(600)
CONTRACTUAL SERVICES	34,594	33,500	35,000	37,000	3,500
TRAINING & REGISTRATION	269	2,600	1,500	2,500	(100)
Other services and charges	214,362	179,335	169,900	174,200	(5,135)
Total expenditures and transfers-out	\$ 836,682	\$ 834,135	\$ 801,550	\$ 860,000	\$ 25,865
Ending fund balance	\$ -	\$ -	\$ -	\$ -	\$ -

HOTEL/MOTEL LODGING TAX FUND

Purpose:

This Fund receives the 2% hotel/motel tax assessed on room stays at hotels/motels within the City. State law restricts the use of this tax revenue to fund promotion of tourism, related operations, and maintenance of tourism facilities in the City. The City has established a Lodging Tax Advisory Committee to advise the City Council on the effective use of the Funds assets.

Each year, the Committee solicits grant applications to fund promotional opportunities within the City for tourism. The Committee reviews the applications and then presents recommendations to the City Council.

Budget Highlights

- Hotel/Motel tax revenue is projected to be \$245,000 in 2019, the same as 2018.
- All expenditures from this fund are dependent on recommendations from the Lodging Tax Committee.
- On September 17, 2018, the City approved the follow grant applications totaling \$259,700 for 2019:
 - Tourism Grants \$124,000
 - Mukilteo Lighthouse Festival \$55,000
 - City Lodging Tax Grants
 - Chamber Stairwell Roof \$12,000
 - Rosehill Marketing \$10,200
 - Community Center Staffing \$30,000
 - Lighthouse Festival Overtime \$28,500

2019 Preliminary Budget

Hotel/Motel Lodging Tax Fund (116)

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
Beginning fund balance	\$ 281,952	\$ 211,852	\$ 221,301	\$ 153,471	\$ -
Revenue and transfers-in					
HOTEL/MOTEL TRANSIENT TAX	242,392	245,000	245,000	245,000	-
Taxes	242,392	245,000	245,000	245,000	-
Licenses and permits	-	-	-	-	-
Intergovernmental revenue	-	-	-	-	-
Charges for goods and services	-	-	-	-	-
Fines and penalties	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
Transfers-in	-	-	-	-	-
Total revenue and transfers-in	\$ 242,392	\$ 245,000	\$ 245,000	\$ 245,000	\$ -
Total resources	\$ 524,344	\$ 456,852	\$ 466,301	\$ 398,471	\$ -
Expenditures and transfers-out					
Salaries and wages	\$ -	\$ -	\$ -	\$ -	-
Benefits	-	-	-	-	-
Supplies	-	-	-	-	-
INSURANCE	-	-	-	-	-
TOURISM GRANTS	205,321	129,830	129,830	124,000	(5,830)
COMMUNITY ORGANIZATIONAL SUPPORT	(778)	65,000	65,000	-	(65,000)
MAJOR EVENT SUPPORT	45,000	60,000	60,000	55,000	(5,000)
CITY LODGING TAX GRANTS	53,500	58,000	58,000	80,700	22,700
Other services and charges	303,043	312,830	312,830	259,700	(53,130)
Intergovernmental services	-	-	-	-	-
Transfers-out	-	-	-	-	-
Total Hotel/Motel Tax Fund expenditures	\$ 303,043	\$ 312,830	\$ 312,830	\$ 259,700	\$ (53,130)
Ending fund balance	\$ 221,301	\$ 144,022	\$ 153,471	\$ 138,771	\$ 53,130

EMERGENCY MEDICAL SERVICES

Purpose:

The Emergency Medical Services (EMS) Fund accounts for property tax revenue generated from the EMS levy and charges for ambulance service. To the extent these revenue sources are not sufficient to pay for all expenditures of the Fund, a transfer is made from the General Fund.

The EMS Division of the Fire Department provides Basic and Advanced Life Support services to the community.

Please refer to the Fire Department Operations section to review department goals and accomplishments related to EMS.

Budget Highlights

- The 2019 budget for this division reflects no change in staffing levels.
- Due to the failure of EMS Levy lid lift in 2018, there are no funds for equipment replacement. An ambulance that was slated to be replaced in 2019 has been deferred to 2020.
- Salary and benefit costs comprise 88.35% of the total expenditure budget.
- Compared to the 2018 budget, expenditures are increasing approximately 5.97% in this division. The data used to determine the salary and benefit split between fire and EMS has been updated based on 2017 data, with 62% of the expenditures attributed to EMS and 38% of the expenditures attributed to fire.
- This fund is required to have a \$0 fund balance at the end of the year. Since revenues are not adequate to cover planned expenditures, this budget includes a transfer in from the General Fund of \$166,300.

2019 Preliminary Budget

Emergency Medical Services Fund (126)

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
Beginning fund balance	\$ 37,054	\$ -	\$ 50,332	\$ -	\$ -
Revenue and transfers-in					
Taxes	1,856,933	1,880,842	1,880,842	1,900,000	19,158
Charges for goods and services	579,072	564,000	640,000	704,000	140,000
Miscellaneous revenue	13,007	-	-	-	-
Transfers-in	-	169,283	2,951	166,300	(2,983)
Total revenue and transfers-in	\$ 2,449,012	\$ 2,614,125	\$ 2,523,793	\$ 2,770,300	\$ 156,175
Total resources	\$ 2,486,066	\$ 2,614,125	\$ 2,574,125	\$ 2,770,300	\$ 156,175
Expenditures and transfers-out					
Salaries and wages	\$ 1,690,281	\$ 1,706,250	\$ 1,671,500	\$ 1,893,750	\$ 187,500
Benefits	470,712	573,050	542,100	553,700	(19,350)
OFFICE SUPPLIES	414	450	450	450	-
REFERENCE MATERIAL	298	800	800	800	-
SUPPLIES - TRAINING	690	1,500	1,000	1,500	-
SUPPLIES - EMG MEDICAL SVC	41,519	35,000	40,000	45,000	10,000
CLOTHING/BOOTS	4,415	11,000	10,000	11,000	-
MOTOR FUEL	11,166	9,000	12,000	12,000	3,000
SMALL ITEMS OF EQUIPMENT	20,828	45,000	40,000	40,000	(5,000)
Supplies	79,330	102,750	104,250	110,750	8,000
BILLING SERVICES	36,983	33,600	38,000	30,000	(3,600)
PROFESSIONAL SERVICES	17,294	15,000	20,000	20,000	5,000
TELEPHONE	1,177	1,000	1,250	1,250	250
NEW WORLD PROJECT CONNECTIVITY	475	-	400	400	400
EQUIPMENT REPLACEMENT CHARGES	36,000	40,000	40,000	-	(40,000)
CELL PHONE	4,157	2,000	4,200	4,200	2,200
HAZARDOUS WASTE DISPOSAL	-	500	500	500	-
EQUIPMENT R&M	-	1,000	1,000	1,000	-
VEHICLE R&M	14,787	15,000	31,925	30,000	15,000
LAUNDRY SERVICES	-	-	-	-	-
BANKING FEES	2,001	9,000	4,000	4,000	(5,000)
Other services and charges	112,874	117,100	141,275	91,350	(25,750)
LYNNWOOD EMS CONTRACT	82,537	114,975	115,000	120,750	5,775
Intergovernmental services	82,537	114,975	115,000	120,750	5,775
Capital Outlay	-	-	-	-	-
Transfers-out	-	-	-	-	-
Total expenditures and transfers-out	\$ 2,435,734	\$ 2,614,125	\$ 2,574,125	\$ 2,770,300	\$ 156,175
Ending fund balance	\$ 50,332	\$ -	\$ -	\$ -	\$ -

DRUG ENFORCEMENT

Purpose:

The Drug Enforcement Fund is specifically regulated under Washington State law RCW 69.50 which relates to seizures and forfeitures of illegal drug case proceeds. The Fund may only be used for drug enforcement equipment, investigations, education or similar purposes as defined by state law. A portion of all monies forfeited is submitted to the State of Washington or applicable federal agency.

2018 Accomplishments

- MPD participated in two separate Drug Marketing Interdiction and Special Operations events working in conjunction with the Snohomish County Regional Narcotics Task Force
- Funded one SWAT officer position (North Sound Metro SWAT Team) with funds from this division

2019 Goals & Objectives

- Continue to investigate drug cases
- Continue participating in Drug Marketing Interdiction events and special operations working in conjunction with the Snohomish County Regional Narcotics Task Force
- Continue to comply with RCW 69.50 as the law relates to seizures and forfeitures
- Conduct a community outreach program that meets the RCW requirements, to support the prevention of youth substance abuse

Budget Highlights

- The budget does not include any new budget items.
- Total expenditures for 2019 are less than the expenditure budget for 2018 due to decreased seizure revenue.

2019 Preliminary Budget

Drug Enforcement Fund (104)

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
Beginning fund balance	\$ 20,502	\$ 506	\$ 8,760	\$ 10	\$ -
Revenue and transfers-in					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental revenue	-	-	-	-	-
Charges for goods and services	-	-	-	-	-
Fines and penalties	-	-	-	-	-
Miscellaneous revenue	2,004	24,000	15,250	10,000	(14,000)
Transfers-in	-	-	-	-	-
Total revenue and transfers-in	\$ 2,004	\$ 24,000	\$ 15,250	\$ 10,000	\$ (14,000)
Total resources	\$ 22,506	\$ 24,506	\$ 24,010	\$ 10,010	\$ (14,000)
Expenditures and transfers-out					
Salaries and wages	\$ 4,162	\$ 2,950	\$ 2,950	2,000	(950)
Benefits	-	-	-	-	-
Supplies	5,268	8,000	8,000	3,000	(5,000)
Other services and charges	-	5,000	5,000	3,000	(2,000)
Intergovernmental services	4,316	8,050	8,050	2,000	(6,050)
Transfers-out	-	-	-	-	-
Total expenditures and transfers-out	\$ 13,746	\$ 24,000	\$ 24,000	\$ 10,000	\$ (14,000)
Ending fund balance	\$ 8,760	\$ 506	\$ 10	\$ 10	\$ -

DEBT SERVICE FUND

- Limited Tax General Obligation Bond

LIMITED TAX GENERAL OBLIGATION BOND FUND

Purpose:

The purpose of this Fund is to account for the annual principal and interest (debt service) payments. The City issued \$12,585,000 in General Obligation bonds in 2009 to fund the construction of the Rosehill Community Center. Limited tax general obligations of the City are payable from taxes levied upon all the taxable property in the City, and may be imposed by the City Council without a vote of the people. These bonds were refunded in 2017, which resulted in a net present value savings to the City of \$316,941.

Bonds mature in 2029 and interest payments are made semi-annually in June and December and principal payments are made annually in December. The funding source to make debt service payments has historically come from the Real Estate Excise Tax I and II Funds (REET), although funding is not required to be limited to this sole source.

Budget Highlights

- In 2015 City Council resolved to spend REET I funds only on this debt service obligation, and to fund capital projects with REET II funds.

2019 Preliminary Budget

Limited Tax General Obligation Bond Fund (275)

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
Beginning fund balance	\$ 996	\$ 453	\$ 3,321	\$ 3,321	\$ -
Revenue and transfers-in					
Miscellaneous revenue	\$ 7,980,000	\$ -	\$ -	\$ -	\$ -
Transfers-in	884,913	880,345	880,345	880,345	-
Total revenue and transfers-in	\$ 8,864,913	\$ 880,345	\$ 880,345	\$ 880,345	\$ -
Total resources	\$ 8,865,909	\$ 880,798	\$ 883,666	\$ 883,666	\$ -
Expenditures and transfers-out					
Salaries and wages	\$ -	\$ -	\$ -	\$ -	-
Benefits	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Intergovernmental services	-	-	-	-	-
Debt service	8,862,588	880,345	880,345	877,000	(3,345)
Transfers-out	-	-	-	-	-
Total expenditures and transfers-out	\$ 8,862,588	\$ 880,345	\$ 880,345	\$ 877,000	\$ (3,345)
Ending fund balance	\$ 3,321	\$ 453	\$ 3,321	\$ 6,666	\$ 3,345

CAPITAL PROJECTS FUNDS

- Park Acquisition & Development
- Transportation Impact Fee
- Real Estate Excise Tax I
- Real Estate Excise Tax II

PARK ACQUISITION & DEVELOPMENT FUND

Purpose:

The purpose of this Fund is to account for the receipt of Park Mitigation Fees on new development within the City.

The demand for park and recreation facilities generated by residential growth is greater than what can be supported by the City's General Fund. Park and recreation facilities need to be developed to serve this need and, as a result, new residential developments pay an impact fee to provide a portion of increased park and recreation needs due to growth.

A park impact mitigation fee is charged by the City on new single family and multifamily residential projects to pay for the costs of providing additional public facilities or improving existing facilities needed as a result of new development. Projects such as remodels or renovation permits which do not result in additional dwelling units are excluded from paying the impact fee.

The estimated revenue from Park Mitigation Fees for 2019 is budgeted at \$20,000.

Budget Highlights

- The only budgeted expenditure from this fund for 2019 is for the design and development of a Mukilteo Peace Park; \$77,500 was budgeted for 2018 yet only \$10,000 was expended so the remaining \$67,500 of that amount is being carrying forward to spend in 2019.

2019 Preliminary Budget

Park Acquisition & Development Fund (322)

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
Beginning fund balance	\$ 233,190	\$ 224,842	\$ 220,843	\$ 240,843	\$ -
Revenue and transfers-in					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental revenue	-	-	-	-	-
Charges for goods and services	4,876	50,000	30,000	20,000	(30,000)
Fines and penalties	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
Transfers-in	-	-	-	-	-
Total revenue and transfers-in	\$ 4,876	\$ 50,000	\$ 30,000	\$ 20,000	\$ (30,000)
Total resources	\$ 238,066	\$ 274,842	\$ 250,843	\$ 260,843	\$ (30,000)
Expenditures and transfers-out					
Salaries and wages	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Intergovernmental services	-	-	-	-	-
Capital Outlay	17,223	77,500	10,000	67,500	(10,000)
Transfers-out	-	-	-	-	-
Total expenditures and transfers-out	\$ 17,223	\$ 77,500	\$ 10,000	\$ 67,500	\$ (10,000)
Ending fund balance	\$ 220,843	\$ 197,342	\$ 240,843	\$ 193,343	\$ (20,000)

TRANSPORTATION IMPACT FEE FUND

Purpose:

The purpose of this Fund is to account for street mitigation fees collected by the City as authorized by the State Environmental Policy Act and the Growth Management Act to help offset the cost of roads and other transportation infrastructure resulting from new growth and development.

Budget Highlights

- The primary revenue for this fund is street mitigation fees which are projected to be \$50,000.
- The 2019 budget includes a transfer out to the General Fund for a portion of the Capital Project Engineer's salary and benefits, as the 2017 and 2018 budgets did.
- In the 2016 and 2017 budgets, \$950,000 in impact fee funds was allocated to be spent on the Harbour Reach Drive Extension project, to begin preliminary design efforts, ensuring the City is ready when State Connecting Washington funds are available.

2019 Preliminary Budget

Transportation Impact Fee Fund (323)

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
Beginning fund balance	\$ 895,667	\$ 434,251	\$ 529,395	\$ 97,730	\$ -
Revenue and transfers-in					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental revenue	-	-	-	-	-
Charges for goods and services	295,144	50,000	50,000	50,000	-
Fines and penalties	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
Transfers-in	-	-	-	-	-
Total revenue and transfers-in	\$ 295,144	\$ 50,000	\$ 50,000	\$ 50,000	\$ -
Total resources	\$ 1,190,811	\$ 484,251	\$ 579,395	\$ 147,730	\$ -
Expenditures and transfers-out					
Salaries and wages	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Intergovernmental services	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Transfers-out	661,416	481,665	481,665	87,200	(394,465)
Total expenditures and transfers-out	\$ 661,416	\$ 481,665	\$ 481,665	\$ 87,200	\$ (394,465)
Ending fund balance	\$ 529,395	\$ 2,586	\$ 97,730	\$ 60,530	\$ 394,465

REAL ESTATE EXCISE (REET) I & II FUNDS

Purpose:

The purpose of these two Funds is to account for the proceeds of the Real Estate Excise Tax. The Tax is levied on the sale of real property within the City at a total rate of 0.5% of the selling price. Use of the tax proceeds is limited to capital projects. Tax proceeds are allocated equally to the two Funds – REET I and II.

Budget Highlights for Both Funds

- REET I & II revenue for 2019 is estimated to total \$1.4M and is allocated equally between both Funds.
- The REET I Fund will transfer the amount needed to fund the annual debt service payments for the bond issues used to construct the Rosehill Community Center to the LTGO Debt Service Fund.
- Fund balances at the end of 2018 are projected to be \$2,182,867 for the REET I Fund.
- Fund balances at the end of 2018 are projected to be \$1,765,518 for the REET II Fund.
- REET II includes \$2,835,500 in new capital budget items (listed below) and \$16,092,750 in carry-forward projects (listed in Exhibit 11 on page 12).
- This fund also includes a transfer of \$289,500 to the Transportation Benefit District Fund.

Transportation Projects

- **ADA Upgrades:** Upgrade curbs ramps that have been identified in the City's ADA Transition Plan to be upgraded to comply with the 2010 ADA Guidelines. This will be an on-going effort until all of the City's 1,187 curb ramps are in compliance.
- **Annual Bike Transit Walk Construction Program:** Construct bike path projects that are identified in the City's By the Way Bike Transit Walk plan.
- **Traffic Calming:** This continues to fund the City's Traffic Calming program that was adopted by Council Resolution 2015-07.
- **Harbour Reach Corridor Project:** This will fund design, right-of-way acquisition and construction for the project which is expected to be completed in 2019. 2018 revenues and expenditures are based entirely on state grant funding.
- **Pedestrian Crosswalk Enhancement Program:** Install pedestrian crosswalk enhancements, including but not limited to, pedestrian activated solar powered crosswalk flashing light systems.
- **Guardrail Project:** Install guardrail at 53rd Avenue SW and 84th Street

2019 Preliminary Budget



Previously Discussed
by Council, continuing
program

2019 Budget

2019 ADA Upgrades

Replace curb ramps that have been prioritized for replacement in the
City's' Public Right Of Way ADA Transition Plan

Fund Name

REET II

Amount Requested

\$25,000

Nature of the expenditure? **Ongoing**

**Any Additional
Revenue? If Yes,
Identify Below**

Expenditure Purpose and Justification

In 2015 the City began preparing an ADA Transition Plan for Public Right-of-Way (PROW). The City, with assistance from the on-call engineering consultant, developed a GIS data collection tool to map, inventory and measure 30 different elements to check ADA compliance of existing curb ramps throughout the City. The inventory found 1219 ramps.

The City has a federal mandate via the Department of Justice to repair or replace all ramps that do not comply with the 2010 ADA regulations. Since it will be too costly to address all of the non-compliant curb ramps in one year the DOJ has allowed municipalities to use a PROW ADA Transition plan to prioritize replacement over time.

This will be an ongoing effort until all of the City curb ramps are compliant with the 2010 ADA Standard.

Funding History	Budget	Est. Carry Forward
2017 ADA Upgrades	\$ 50,000	\$ 50,000
2018 ADA Upgrades	\$ 50,000	\$ 50,000
ADA Transition Plan	\$ 35,000	\$ 30,750
Total	\$ 135,000	\$ 130,750

Alternatives and Potential Costs

The Council could choose to reduce the level of funding for 2019 which will increase the financial burden on future years.

Identify Additional Related Revenue and Expenses and Whether One-Time or On-Going

N/A

Department:	Public Works
Division:	Engineering
Prepared by:	Mick Matheson, Public Works Director

Expenditure Account # & Title	Amount
REET II	\$ 25,000
332.90.595.610.6309 (TR180300.6106309)	

Revenue Account # & Title	Amount
	\$ -
	\$ -
	\$ -
	\$ -

2019 Preliminary Budget



Previously Discussed
by Council, plan
adopted March, 2017

**2019 Budget
Annual BTW Program**

This will begin implementation of the adopted Bike Transit Walk Plan. It includes the design and construction of new bike path and sidewalk amenities for the improvement of the City's non-motorized system.

Fund Name
REET II

Amount Requested

\$120,000

Nature of the expenditure?

Ongoing

**Any Additional
Revenue? If Yes,
Identify Below**

Expenditure Purpose and Justification

Bike paths and sidewalks provide connectivity throughout the City and allow cyclists and pedestrians to safely travel between locations. The purpose of annually allocating REET II funds for bike path and sidewalk construction is to build a reserve to construct bike paths and sidewalk projects that have been identified in the City's award-winning Bike Transit Walk (BTW) Plan.

The BTW Plan was adopted by the Council on March 6, 2017.

Projects Previously Approved by Council	Budget	Est. Carry Forward
2014 Annual Bike Path Construction	\$ 25,000	\$ 25,000
2016 Annual Bike Path Construction	\$ 50,000	\$ 50,000
2017 Annual Bike Path Construction	\$ 50,000	\$ 50,000
2014/2015 Annual Sidewalk Construction	\$ 67,000	\$ 67,000
2016 Annual Sidewalk Construction	\$ 50,000	\$ 50,000
2017 Annual Sidewalk Construction	\$ 50,000	\$ 50,000
2018 BTW Program	\$ 120,000	\$ 120,000
Total	\$ 412,000	\$ 412,000

Alternatives and Potential Costs

Reduce funding level and delay implementation of various projects, thereby reducing the level of service to the community.

Identify Additional Related Revenue and Expenses and Whether One-Time or On-Going

N/A

Department:	Public Works
Division:	Engineering
Prepared by:	Mick Matheson, Public Works Director

Expenditure Account # & Title	Amount
REET II	\$ 120,000
332.90.595.610.6309 (TR180400.6106309)	

Revenue Account # & Title	Amount
	\$ -
	\$ -
	\$ -
	\$ -

2019 Preliminary Budget



Previously Discussed
by Council, continuing
program

2019 Budget

Traffic Calming Program

2019 Traffic Calming Program

Fund Name

REET II

Amount Requested

\$25,000

Nature of the expenditure? **Ongoing**

Any Additional
Revenue? If Yes,
Identify Below

Expenditure Purpose and Justification

In 2015 Council adopted a Traffic Calming Program via Resolution 2015-07. Included in this program are traffic calming devices such as signs, radar speed indicator signs, construction materials for lane striping, raised crosswalks, and speed humps. This budget does not cover the staff time to administer this program.

Funding History	Budget	Est. Carry Forward
2017 & 2018 Traffic Calming Program	\$ 50,000	\$ 3,550
(not included \$6,500 radar trailer)		
Total	\$ 50,000	\$ 3,550

Alternatives and Potential Costs

Reduce funding level and delay implementation of various projects, thereby reducing the level of service to the community.

Identify Additional Related Revenue and Expenses and Whether One-Time or On-Going

N/A

Department:	Public Works
Division:	Engineering
Prepared by:	Mick Matheson, Public Works Director

Expenditure Account # & Title	Amount
REET II	\$ 25,000
332.90.595.640.6363 (TR180600.3326363)	

Revenue Account # & Title	Amount
	\$ -
	\$ -
	\$ -
	\$ -

2019 Preliminary Budget



Previously Discussed
by Council, prior
phases funded in 2016,
2017 and 2018 budgets

2019 Budget

Harbour Reach Corridor Project

Design, right-of-way acquisition, and construction of the Harbour Reach Corridor Project, to be completed in 2019. This is the full anticipated cost of the entire project. The Harbour Reach Corridor Project will improve freight mobility and connectivity near SR525 and Paine Field by improving and extending Harbour Reach Drive to Beverly Park Road.

Fund Name

REET II

Amount Requested

\$2,300,000

Nature of the expenditure? **One-time**

**Any Additional
Revenue? If
Yes, Identify
Below**

Expenditure Purpose and Justification

The Harbour Reach Corridor Project received \$15,100,000 of State Connection Washington funds (CWA) to design and construct this project. The City has also received \$1,000,000 from Snohomish County Paine Field Airport in traffic impact mitigation fees that were dedicated to this project. In 2017 the City applied for approximately \$2,835,000 in Transportation Improvement Board (TIB) state funding in order to complete the construction of both the north and south segments, but that grant was not awarded. The project has been re-scoped to only include the south segment, along with significant value engineering incorporated to reduce construction costs. A new TIB grant application for approximately \$2,300,000 will be submitted in 2018 to cover the anticipated budget gap. The CWA grant can serve as the match for this grant. This expenditure will cover the right-of-way acquisition, construction management and inspection and construction of the project. Design of the project first began in 2016, with construction originally anticipated for mid-2018. It is now anticipated that construction will start in 2019 and completed in 2020, therefore the remaining budget will be carried forward at the end of 2019 as part of the 2020 budget process.

Summary of past Council-approved budget items associated with this project:

- 2016 & 2017 Approved Budget: \$1,110,000 of Transportation Impact Mitigation Fee funding used to begin the preliminary design of the project.
- 2017 Approved Budget: \$900,000 of the Connecting Washington funds used to advance the project into final design.

Funding History

	Budget	Est. Carry Forward
2016 - Transportation Impact Fee	\$ 950,000	
2017 - Transportation Impact Fee	\$ 160,000	
2017 - Connecting Washington Grant	\$ 900,000	
2018 Harbour Reach Corridor Project	\$ 14,000,000	
Total	\$ 16,010,000	\$ 14,280,000

Alternatives and Potential Costs

N/A

Identify Additional Related Revenue and Expenses and Whether One-Time or On-Going

N/A

Department:	Public Works
Division:	Engineering
Prepared by:	Mick Matheson, Public Works Director

Expenditure Account # & Title	Amount
REET II	\$ 2,300,000
332.90.595.101.4112 (PW081108.3324112)	

Revenue Account # & Title	Amount
State TIB Funds	\$ 2,300,000
332.334.030.80	

2019 Preliminary Budget



2019 Budget

2019 Pedestrian Crosswalk Enhancement Program

Install pedestrian crosswalk enhancements, including but not limited to, pedestrian activated solar powered crosswalk flashing light systems.

Fund Name

REET II

Amount Requested

\$35,000

Nature of the expenditure? **Ongoing**

Any Additional Revenue? If Yes, Identify Below

No

Expenditure Purpose and Justification

The City strives to provide cost-effective services to improve pedestrian safety in crossing streets. This request will allow pedestrian crosswalk enhancements, such as the installation of pedestrian activated crosswalk flashing lights (RRFBs). The City receives and evaluates resident requests for RRFBs throughout the year. Priority is given to locations within school zones, areas with high pedestrian traffic, and/or roadways with a high annual average daily traffic (AADT).

Alternatives and Potential Costs

Council could choose to reduce the proposed level of funding for 2018, which would result in less pedestrian crosswalk enhancements, and reduce staff's ability to respond to specific requests from residents.

Identify Additional Related Revenue and Expenses and Whether One-Time or On-Going

N/A

Department:	Public Works
Division:	Engineering
Prepared by:	Mick Matheson, Public Works Director

Expenditure Account # & Title	Amount
REET II	\$ 35,000
332.90.595.640.6320 (TR170700.6406320)	

Revenue Account # & Title	Amount
	\$ -
	\$ -
	\$ -
	\$ -

2019 Preliminary Budget



2019 Budget

84th Street SW & 53rd Ave W Guardrail

Construction of guardrail safety improvement

Fund Name

REET II

Amount Requested

\$41,000

Nature of the expenditure? **One-time**

Any Additional Revenue? If Yes, Identify Below

Expenditure Purpose and Justification

City staff has identified sections of 84th Street SW and 53rd Avenue West adjacent to a ravine that are in need of guardrail improvements to improve traffic and pedestrian safety. The design was initiated by the City's on-call consultant in 2018 and the City plans to go to bid in late 2018, immediately following approval of the 2019 budget, with anticipated construction in 2019.

This proposal also includes reduced construction costs by having City Public Works staff provide clearing and traffic control services.

Alternatives and Potential Costs

The Council could choose to delay the project, however construction costs will likely continue to rise and the City has risk exposure due to a known safety issue.

Identify Additional Related Revenue and Expenses and Whether One-Time or On-Going

N/A

Department:	Public Works
Division:	Engineering
Prepared by:	Mick Matheson, Public Works Director

Expenditure Account # & Title	Amount
REET II	\$ 41,000
332.38.542.640.4819	

Revenue Account # & Title	Amount
	\$ -
	\$ -
	\$ -
	\$ -

2019 Preliminary Budget

Real Estate Excise (REET) I Fund (331)

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
Beginning fund balance	\$ 2,716,538	\$ 2,476,719	\$ 2,422,186	\$ 2,182,867	\$ -
Revenue and transfers-in					
Taxes	628,656	700,000	700,000	700,000	-
Licenses and permits	-	-	-	-	-
Intergovernmental revenue	-	-	-	-	-
Charges for goods and services	-	-	-	-	-
Fines and penalties	-	-	-	-	-
Miscellaneous revenue	16,811	-	-	-	-
Transfers-in	-	-	-	-	-
Total revenue and transfers-in	\$ 645,467	\$ 700,000	\$ 700,000	\$ 700,000	\$ -
Total resources	\$ 3,362,005	\$ 3,176,719	\$ 3,122,186	\$ 2,882,867	\$ -
Expenditures and transfers-out					
Salaries and wages	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Intergovernmental services	-	-	-	-	-
Capital Outlay	-	-	-	-	-
TRANSFER TO REET II	100,000	100,000	100,000	100,000	-
TRANSFER TO TRANSP BENEFIT DISTRICT	-	25,000	25,000	25,000	-
TRANSFER TO LTGO BOND FUND	839,819	814,319	814,319	880,345	66,026
Transfers-out	939,819	939,319	939,319	1,005,345	66,026
Total expenditures and transfers-out	\$ 939,819	\$ 939,319	\$ 939,319	\$ 1,005,345	\$ 66,026
Ending fund balance	\$ 2,422,186	\$ 2,237,400	\$ 2,182,867	\$ 1,877,522	\$ (66,026)

2019 Preliminary Budget

Real Estate Excise (REET) II Fund (332)

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
Beginning fund balance	\$ 1,122,439	\$ 742,836	\$ 1,209,003	\$ 1,765,518	\$ -
Revenue and transfers-in					
Taxes	628,656	700,000	700,000	700,000	-
Licenses and permits	-	-	-	-	-
GRANT REVENUE - UNASSIGNED	-	600,000	-	-	(600,000)
DOT CMAQ BIKE PEDPATH GRANT	3,266	211,059	57,350	-	(211,059)
GRANT RECREATION & CONSERVATION OFFICE	-	500,000	500,000	-	(500,000)
WA STATE DEPT OF TRANS GRANT	417,511	14,660,000	565,000	16,580,000	1,920,000
WA STATE TIB GRANT	99,383	845,826	845,826	-	(845,826)
STATE GRANT DEPT OF COMMERCE	8,843	233,500	233,500	-	(233,500)
INTERLOCAL AGMT SNOHOMISH COUNTY	-	775,000	775,000	-	(775,000)
HOTEL/MOTEL LODGING TAX GRANT	-	8,000	8,000	-	(8,000)
Intergovernmental revenue	529,003	17,833,385	2,984,676	16,580,000	(1,253,385)
Charges for goods and services	12,375	-	-	-	-
Fines and penalties	-	-	-	-	-
Miscellaneous revenue	(2,065)	-	-	-	-
Transfers-in	769,496	1,004,965	1,004,965	100,000	(904,965)
Total revenue and transfers-in	\$ 1,937,465	\$ 19,538,350	\$ 4,689,641	\$ 17,380,000	\$ (2,158,350)
Total resources	\$ 3,059,904	\$ 20,281,186	\$ 5,898,644	\$ 19,145,518	\$ (2,158,350)
Expenditures and transfers-out					
Salaries and wages	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-	-
Supplies	-	-	-	-	-
STREET PRESERVATION	783,269	32,000	32,000	-	(32,000)
TRAFFIC CONTROL IMPROVEMENTS	-	-	-	41,000	41,000
Other services and charges	783,269	32,000	32,000	41,000	9,000
Intergovernmental services	-	-	-	-	-
PAVEMENT PRESERVATION	103	-	-	-	-
TANK FARM SITE REMEDIATION	2,430	235,000	235,000	-	(235,000)
MUKILTEO BALLFIELDS	-	1,275,000	1,275,000	-	(1,275,000)
MUKILTEO BALLFIELDS	-	500,000	500,000	-	(500,000)
JAPANESE GULCH WAYFINDING	-	8,000	8,000	-	(8,000)
RIGHT-OF-WAYS	-	69,500	69,500	-	(69,500)
PUBLIC ROW ADA TRANSITION PLAN/ADA UPGRADES	-	133,000	2,250	155,750	22,750
HARBOUR POINTE BLVD RECONSTRUCTION	177,523	1,465,000	165,000	1,300,000	(165,000)
SR 526 SHARED USE PATH	16,716	123,000	123,000	-	(123,000)
HARBOUR REACH EXTENSION	776,645	15,093,000	813,000	16,580,000	1,487,000
SIDEWALKS AND BTW	1,527	412,000	-	532,000	120,000
PEDESTRIAN ACTIVATED CROSSWALK LIGHTING	23,926	35,000	25,000	95,000	60,000
TRAFFIC CALMING	5,188	43,600	40,050	28,550	(15,050)
Capital Outlay	1,004,058	19,392,100	3,255,800	18,691,300	(700,800)
TRANSFER TO GENERAL FUND	18,480	27,300	27,300	31,000	3,700
TRANSFER TO TBD	-	752,000	752,000	289,500	(462,500)
TRANSFER TO LTGO BOND FUND	45,094	66,026	66,026	-	(66,026)
Transfers-out	63,574	845,326	845,326	320,500	(524,826)
Total expenditures and transfers-out	\$ 1,850,901	\$ 20,269,426	\$ 4,133,126	\$ 19,052,800	\$ (1,216,626)
Ending fund balance	\$ 1,209,003	\$ 11,760	\$ 1,765,518	\$ 92,718	\$ (941,724)

2019 Preliminary Budget

Real Estate Excise Tax Reporting Requirements

REET I

	2017 Actual	2018 Adopted	2018 Estimated	2019 Budget	2020 Projected*
Beginning Fund Balance	\$ 2,716,538	\$ 2,422,186	\$ 2,422,186	\$ 2,182,867	\$ 1,877,522
<u>Revenues</u>					
REET	\$ 628,656	\$ 700,000	\$ 700,000	\$ 700,000	\$ 650,000
Grants	-	-	-	-	-
Investment Interest	16,811	-	-	-	-
Total Revenue	\$ 645,467	\$ 700,000	\$ 700,000	\$ 700,000	\$ 650,000
Total Resources	\$ 3,362,005	\$ 3,122,186	\$ 3,122,186	\$ 2,882,867	\$ 2,527,522
<u>Expenditures</u>					
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers-Out	939,819	939,319	939,319	1,005,345	1,005,345
Total Expenditures	\$ 939,819	\$ 939,319	\$ 939,319	\$ 1,005,345	\$ 1,005,345
Ending Fund Balance	\$ 2,422,186	\$ 2,182,867	\$ 2,182,867	\$ 1,877,522	\$ 1,522,177
Percent of available funds used for maintenance		0.00%	0.00%		
Percent of capital projects attributed to REET I		3.20%	3.20%		

REET II

	2017 Actual	2018 Adopted	2018 Estimated	2019 Budget	2020 Projected*
Beginning Fund Balance	\$ 1,122,439	\$ 742,836	\$ 1,209,003	\$ 1,765,518	\$ 92,718
<u>Revenues</u>					
REET	\$ 628,656	\$ 700,000	\$ 700,000	\$ 700,000	\$ 650,000
Transfers In	769,496	1,004,965	1,004,965	100,000	100,000
SR 526 Shared Use Path ROW CMAQ Grant	3,266	57,350	57,350		
SR 526 Shared Use Path Design CMAQ Grant	-	98,000	-		
HPB Widening TIB Grant	99,383	845,826	845,826		
HRD Extension - State Grants	417,511	14,660,000	565,000	16,580,000	
Lodging Tax Grant		8,000	8,000		
Tank Farm Remediation	8,843	233,500	233,500		
Mukilteo Ball Fields		1,275,000	1,275,000		
88th Street STP Grant		55,709	-		
Other	10,310	600,000	-		
Total Revenue	\$ 1,937,465	\$ 19,538,350	\$ 4,689,641	\$ 17,380,000	\$ 750,000
Total Resources	\$ 3,059,904	\$ 20,281,186	\$ 5,898,644	\$ 19,145,518	\$ 842,718

* Includes Carry-Forward Amounts

Continued on next page...

2019 Preliminary Budget

	2017 Actual	2018 Adopted	2018 Estimated	2019 Budget	2020 Projected*
Expenditures					
Transfers Out	\$ 63,574	\$ 845,326	\$ 845,326	\$ 320,500	\$ -
Bike Transit Walk	1,527	412,000		532,000	
Street Imps - Pavement Preservation	783,372	32,000	32,000		
Traffic Calming	5,188	43,600	40,050	28,550	
Annual ROW ADA Improvements	-	133,000	2,250	155,750	155,750
Harbour Point Blvd Widening	177,523	1,465,000	165,000	1,300,000	
Waterfront Promenade Design					
SR 526 Shared Use Path	16,716	123,000	123,000		
2017 SR 526 Shared Use Path - Right-of-Way Acquisition		69,500	69,500		
Harbour Reach Drive Extension	776,645	15,093,000	813,000	16,580,000	
Mukilteo B&G Club Ballfields		1,275,000	1,275,000		
Mukilteo B&G Club Construction		500,000	500,000		
Tank Farm Site Remediation	2,430	235,000	235,000		
Pedestrian Activated Crosswalk Lighting Program	23,926	35,000	25,000	95,000	
84th & 53rd Guardrail project				41,000	
Japanese Gulch Way Finding	-	8,000	8,000		
Total Expenditures	\$ 1,850,901	\$ 20,269,426	\$ 4,133,126	\$ 19,052,800	\$ 155,750
Ending Fund Balance	\$ 1,209,003	\$ 11,760	\$ 1,765,518	\$ 92,718	\$ 686,968
<i>Percent of available funds used for maintenance</i>				0.00%	
<i>Percent of capital projects attributed to REET II</i>				13.70%	

* Includes Carry-Forward Amounts

ENTERPRISE FUNDS

- Surface Water Management
- Surface Water Reserve

SURFACE WATER UTILITY

Purpose:

The Surface Water Utility operates under Public Works. The Surface Water Utility's goals are outlined in the 2015 Comprehensive Surface Water Management Plan adopted by Council in 2015, as Key Performance Indicators (KPI) and Implementation Measures (IM). These performance measures address operations and engineering maintaining the City's stormwater system, meeting NPDES permit requirements, providing engineering services for development projects, providing technical assistance to City residents, and implementing stormwater related outreach programs. The Utility maintains 55 miles of storm drains, 6.5 miles of ditches, 4842 catch basins and 120 public detention and water quality facilities. The Key Performance Indicators and Implementation Measures set forth in the Comprehensive Surface Water Management Plan were met in 2018, and are more specifically described below.

2018 Accomplishments

- Maintained compliance with NPDES Phase II requirements
- Reviewed Draft NPDES Phase II Permit 2019 and provided Department of Ecology with comments
- Inspected all municipally owned stormwater facilities
- Inspected 1,049 catch basins; 271 required cleaning as of September 2018
- Responded to 82 Service Requests through September 2018
- Reviewed 84 stormwater permit submittals (including resubmittals) (as of September 2018)
- Responded to 14 spill reports as of September 2018
- Provided 10 stormwater classes to a total of 492 students in the Mukilteo School District
- Obtained cost estimates for two stormwater pond renovation CIP projects
- Provided training to 27 local businesses on spill clean-up and assisted with preparation of Spill Prevention Plans. Each participant received a no-cost Spill Kit
- Partnered with Snohomish County to provide Natural Yard Care training in Mukilteo
- Developed a Stormwater Brand with public participation
- Identified team to participate in GIS-centric Asset Management implementation
- Developed new templates for use by applicants for private development to help explain and clarify requirements

2019 Goals & Objectives

- Complete the design of a Decant Facility to remove sediment from saturated soils generated from catch basin cleaning with the intent to apply for construction grants in Fall of 2018
- Continue implementation of the NPDES Phase II permit requirements
- Re-evaluate upcoming stormwater utility needs and capacity, in light of anticipated NPDES Permit requirements
- Evaluate timing of pipe inspections and Watershed Planning proposed in the 2015 Plan in terms of new NPDES Permit requirements.
- Record street sweeping efforts utilizing GPS/GIS in lane miles per year, identify which streets are swept and the frequency

2019 Preliminary Budget

- Research and make recommendations on GIS-based software that allows field tracking and reporting of inspection and maintenance work that is tied to the asset
- Map private stormwater flow control and water quality facilities that are tied into the City's stormwater network
- Identify strategy for asset condition assessment (entire City to be complete by 2021)
- Continue to clarify and delineate responsibility for public and private stormwater systems through mapping of easements and continued field verification of stormwater network
- Continue to adopt regional outreach messaging into stormwater programs
- Document all Operations practices that protect water quality

Budget Highlights

- The 2019 budget for this division reflects no change in staffing levels.
- The budget includes New Budget Items for the Decant Facility and Surface Water Vehicle Replacement
- Salary and benefit costs comprise 35% of the total expenditure budget.
- Compared to the 2017 budget, expenditures are increasing approximately .15% in this division due to high material cost, salary and benefits
- Surface Water Equipment Replacement Items
 - Dump Truck
 - Front End Loader

2019 Preliminary Budget



2019 Budget

Decant Facility Construction

7/16/18 Council
approved project

Construction of Decant Facility at the City Public Works Shop, to
facilitate the Surface Water program compliance with NPDES
requirements.

Fund Name

Surface Water

Amount Requested

\$323,000

Nature of the expenditure? **One-time**

**Any Additional
Revenue? If Yes,
Identify Below**

Expenditure Purpose and Justification

The City originally received a Department of Ecology grant for the Decant Facility in 2014, but was unable to finalize the grant agreement due to funding limitations set by the State Legislature. In 2018, the City renegotiated the grant agreement with Ecology to focus exclusively on construction. The City's required match amount is \$322,966, with DOE contributing \$968,989.

The City Council approved the Mayor to sign the Water Quality Combined Financial Assistance Agreement with DOE at the July 16, 2018 Council meeting, thus committing the City to provide the \$322,966 match, reflected in this budget request.

The design effort was initiated during 2018 and is approximately 30% complete. Preliminary cost estimates show a budget shortfall of approximately \$700,000 to \$1,300,000.

Alternatives and Potential Costs

The current estimated budget shortfall is approximately \$700,00 to \$1,300,000. Staff will be exploring other funding mechanisms to close the budget gap such as a second Ecology grant.

Identify Additional Related Revenue and Expenses and Whether One-Time or On-Going

N/A

Department:	Public Works
Division:	Engineering
Prepared by:	Mick Matheson, Public Works Director

Expenditure Account # & Title	Amount
SW Fund: Decant Facility Construction	\$ 1,292,000
440.90.594.310.6313	\$ -
	\$ -
	\$ -

Revenue Account # & Title	Amount
Ecology Water Quality Grant	\$ 969,000
440.334.030.10	\$ -
	\$ -
	\$ -

2019 Preliminary Budget



2019 Budget

Surface Water Vehicle Replacement

Date Discussed by
Council: 4/9/18
Infrastructure
Committee

In accordance with the Vehicle and Equipment Replacement Plan,
authorize purchase of the Vehicles & Equipment identified for
replacement in 2019 from the Surface Water Fund

Fund Name
Surface Water

Amount Requested

\$310,000

Nature of the expenditure? **One-time**

Any Additional
Revenue? If Yes,
Identify Below

No

Expenditure Purpose and Justification

Beginning with the 2018 budget, Capital Vehicle and Equipment items for the Surface Water Fund are being purchased directly from that fund rather than the Equipment Replacement Fund.

	MAKE/MODEL	Model Year	Life Expectancy	Current Life Years @ Replacement	Estimated Replacement Cost	Priority	Estimated Cost	Notes/Comments
Stormwater	Dodge 3500 Dump truck	2007	10	12	\$110,000	1	\$110,000	Includes Plow
	JD 444E Front end loader	1993	20	26	\$200,000	1	\$200,000	
	\$310,000							

Alternatives and Potential Costs

Delay repair/replacement of any or all items which could increase maintenance costs and increase future replacement costs.

Identify Additional Related Revenue and Expenses and Whether One-Time or On-Going

The Surface Water Fund is anticipated to begin 2019 with a balance of \$2.7 Million

Department:	Public Works
Division:	Surface Water
Prepared by:	Michelle Meyer

Expenditure Account # & Title	Amount
Surface Water Capital Equipment	\$ 310,000
440.90.594.310.6408	

Revenue Account # & Title	Amount
	\$ -
	\$ -
	\$ -
	\$ -

2019 Preliminary Budget

Surface Water Management Fund (440)

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
Beginning fund balance	\$ 1,109,978	\$ 434,251	\$ 2,023,560	\$ 2,543,035	\$ -
Revenue and transfers-in					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
61ST PLACE WEST SOLDIER PILE WALL	7,109	-	50,000	-	-
61ST PLACE WEST SOLDIER PILE WALL	1,185	-	8,000	-	-
DEPARTMENT OF ECOLOGY STATE GRANT	-	20,000	20,000	989,000	969,000
STATE GRANT DOT	-	-	-	-	-
DOE BIENNIAL STORMWATER CAPACITY GRAN	-	-	-	-	-
Intergovernmental revenue	8,294	20,000	78,000	989,000	969,000
Charges for goods and services	2,829,705	3,142,000	3,142,000	3,485,000	343,000
Fines and penalties	-	-	-	-	-
Miscellaneous revenue	3,542	-	-	-	-
Transfers-in	-	-	-	-	-
Total revenue and transfers-in	\$ 2,841,541	\$ 3,162,000	\$ 3,220,000	\$ 4,474,000	\$ 1,312,000
Total resources	\$ 3,951,519	\$ 3,596,251	\$ 5,243,560	\$ 7,017,035	\$ 1,312,000
Expenditures and transfers-out					
Salaries and wages	\$ 697,892	\$ 894,000	\$ 836,500	\$ 868,900	\$ (25,100)
Benefits	327,206	390,350	390,400	412,600	22,250
Supplies	40,819	55,710	64,250	66,750	11,040
Other services and charges	322,916	288,380	309,630	294,680	6,300
Intergovernmental services	230,043	241,739	243,445	288,150	46,411
PW VEHICLE REPLACEMENT	-	425,000	485,000	310,000	(115,000)
61ST ST CULVERT REPLACEMENT	-	305,500	15,000	290,500	(15,000)
DECANT FACILITY DESIGN	-	152,300	122,300	30,000	(122,300)
OTHER MACHINERY & EQUIPMENT	-	55,000	65,000	-	(55,000)
61ST PLACE RETAINING WALL REPAIRS	-	803,300	81,300	722,000	(81,300)
STREET CATCHMENT	-	-	50,000	-	-
DECANT FACILITY CONSTRUCTION	-	-	-	1,292,000	1,292,000
DEPRECIATION	279,995	-	-	-	-
Capital Outlay	279,995	1,741,100	818,600	2,644,500	903,400
Transfers-out	29,088	37,700	37,700	41,600	3,900
Total expenditures and transfers-out	\$ 1,927,959	\$ 3,648,979	\$ 2,700,525	\$ 4,617,180	\$ 968,201
Ending fund balance	\$ 2,023,560	\$ (52,728)	\$ 2,543,035	\$ 2,399,855	\$ 343,799

2019 Preliminary Budget

SURFACE WATER FUND – PUBLIC WORKS DEPARTMENT – SURFACE WATER MAINTENANCE DIVISION

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
Salaries and wages	\$ 290,318	\$ 473,500	\$ 418,500	\$ 433,500	\$ (40,000)
Benefits	146,285	176,000	200,550	210,850	34,850
Supplies	39,514	50,210	59,250	61,750	11,540
Other services and charges	255,858	240,650	261,050	223,250	(17,400)
Intergovernmental services	230,043	241,739	243,445	288,150	46,411
Total Stormwater expenses	<u>\$ 962,018</u>	<u>\$ 1,182,099</u>	<u>\$ 1,182,795</u>	<u>\$ 1,217,500</u>	<u>\$ 35,401</u>

SURFACE WATER FUND – PUBLIC WORKS DEPARTMENT – ADMINISTRATION AND ENGINEERING DIVISION

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
Salaries and wages	\$ 349,280	\$ 344,500	\$ 344,500	\$ 361,500	\$ 17,000
Benefits	159,791	191,000	166,250	173,900	(17,100)
Supplies	539	3,000	2,500	2,500	(500)
Other services and charges	64,152	35,830	36,080	58,830	23,000
Intergovernmental services	-	-	-	-	-
Total Administration & Engineering expenses	<u>\$ 573,762</u>	<u>\$ 574,330</u>	<u>\$ 549,330</u>	<u>\$ 596,730</u>	<u>\$ 22,400</u>

2019 Preliminary Budget

SURFACE WATER FUND – PLANNING & COMMUNITY DEVELOPMENT DEPARTMENT – GIS DIVISION

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
Salaries and wages	\$ 58,294	\$ 76,000	\$ 73,500	\$ 73,900	\$ (2,100)
Benefits	21,130	23,350	23,600	27,850	4,500
Supplies	766	2,500	2,500	2,500	-
Other services and charges	2,906	11,900	12,500	12,600	700
Intergovernmental services	-	-	-	-	-
Total GIS expenses	<u>\$ 83,096</u>	<u>\$ 113,750</u>	<u>\$ 112,100</u>	<u>\$ 116,850</u>	<u>\$ 3,100</u>

2019 Preliminary Budget

Surface Water Reserve Fund (445)

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
Beginning fund balance	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ -
Revenue and transfers-in					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental revenue	-	-	-	-	-
Charges for goods and services	-	-	-	-	-
Fines and penalties	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
Transfers-in	-	-	-	-	-
Total revenue and transfers-in	\$ -	\$ -	\$ -	\$ -	\$ -
Total resources	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ -
Expenditures and transfers-out					
Salaries and wages	-	-	-	-	-
Benefits	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Intergovernmental services	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Transfers-out	-	-	-	-	-
Total expenditures and transfers-out	\$ -	\$ -	\$ -	\$ -	\$ -
Ending fund balance	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ -

INTERNAL SERVICE FUNDS

- Technology Replacement
- Equipment Replacement Reserve
- Facilities Maintenance
- Facility Renewal

TECHNOLOGY REPLACEMENT FUND

Purpose:

The purpose of the Technology Replacement Fund is to set aside funds for the acquisition and replacement of a variety of computer hardware, software, mobile technology, and related items.

Budget Highlights

- This Fund's financing is derived from two sources: 5% of General Fund revenues derived from building permits, zoning & subdivision fees, plan checking fees, and similar revenues is annually allocated to this Fund; and an additional operating transfer from the General Fund is made each year.

2019 Preliminary Budget

Technology Replacement Fund (120)

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
Beginning fund balance	\$ 50,620	\$ 138,120	\$ 131,755	\$ 114,755	\$ -
Revenue and transfers-in					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental revenue	-	-	-	-	-
Charges for goods and services	-	-	-	-	-
Fines and penalties	-	-	-	-	-
Miscellaneous revenue	15,204	18,475	18,475	18,500	25
Transfers-in	174,000	100,525	75,525	130,000	29,475
Total revenue and transfers-in	\$ 189,204	\$ 119,000	\$ 94,000	\$ 148,500	\$ 29,500
Total resources	\$ 239,824	\$ 257,120	\$ 225,755	\$ 263,255	\$ 29,500
Expenditures and transfers-out					
Salaries and wages	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-	-
Supplies	17,530	14,500	14,500	25,000	10,500
Other services and charges	47,989	-	47,700	50,000	50,000
Intergovernmental services	-	-	-	-	-
Capital Outlay	42,550	96,500	48,800	50,000	(46,500)
Transfers-out	-	-	-	-	-
Total expenses and transfers-out	\$ 108,069	\$ 111,000	\$ 111,000	\$ 125,000	\$ 14,000
Ending fund balance	\$ 131,755	\$ 146,120	\$ 114,755	\$ 138,255	\$ 15,500

EQUIPMENT REPLACEMENT RESERVE FUND

Purpose:

The Equipment Replacement Division of Public Works is responsible for the management and replacement of all City vehicles and equipment. The Equipment Replacement Reserve Fund is used for replacement of all City vehicles and equipment with the exception of Enterprise Funds.

Revenues are derived from equipment maintenance charges; no charges are included in the 2019 budget.

2018 Accomplishments

- Created a six year equipment and fleet replacement plan
- Replaced two Police Patrol cars with new Ford Explorers, and a Ranger vehicle with a Ford C-Max hybrid
- Purchased new mowers, aerator, and electric utility vehicle for the Parks Department
- Purchased eight AED's for City buildings, Crime prevention, Ranger and School Resource vehicles

2019 Goals & Objectives

- Update the six year equipment and fleet replacement plan
- Continue to research cost efficient ways of maintaining the City's vehicles and equipment through the use of regional partnerships
- Maintain all city owned equipment and vehicles such that reliability and life cycles are maximized
- Develop equipment and fleet maintenance tracking system

Budget Highlights

Vehicle and Equipment Replacements included in the 2019 Budget:

- Police Department:
 - Replace three Patrol vehicles
 - New License Plate Reader for parking enforcement
- Public Works:
 - Replace one Parks Division truck
 - Replace one Street Division sign truck
- Fire Department:
 - Replace one command vehicle
 - Replace two cardiac monitor defibrillators for EMS

2019 Preliminary Budget



2019 Budget

Vehicle & Equipment Replacement

Date Discussed by
Council: 4/9/18
Infrastructure
Committee

In accordance with the Vehicle and Equipment Replacement Plan,
authorize purchase of the Vehicles & Equipment identified for
replacement in 2019 from the Equipment Reserve Fund.

Fund Name
Equipment Rep.

Amount Requested

\$428,000

Nature of the expenditure? **One-time**

Any Additional
Revenue? If Yes,
Identify Below

No

Expenditure Purpose and Justification

	MAKE/MODEL	Model Year	Life Expectancy	Current Life Years @ Replacement	Estimated Replacement Cost	Priority	Estimated Cost	Notes/Comments
Public Works	Chevrolet 2500-Parks	1992	14	27	\$47,000	1	\$50,000	50% LHP use
	Ford F250-Streets	1997	14	22	\$47,000	1	\$65,000	Sign truck for streets
Police	Ford Interceptor SUV	2013	4	6	\$50,000	1	\$50,000	
	Ford Interceptor SUV	2014	4	5	\$63,000	1	\$63,000	
	Ford Interceptor Sedan	2014	4	5	\$63,000	1	\$63,000	
Fire	Ford Crown Victoria	2008	10	11	\$63,000	1	\$63,000	Poor Condition-New will be AC25
EMS	Cardiac Defib				\$37,000	1	\$37,000	EMS-Existing obsolete in 2019
	Cardiac Defib				\$37,000	1	\$37,000	EMS-Existing obsolete in 2019
\$428,000								

Alternatives and Potential Costs

Delay repair/replacement of any or all items which could increase maintenance costs and increase future replacement costs.

Identify Additional Related Revenue and Expenses and Whether One-Time or On-Going

The Equipment Replacement Fund is expected to have a balance of \$1.2 Million at the beginning of 2019

Department:	Multiple
Division:	N/A
Prepared by:	Michelle Meyer

Expenditure Account # & Title	Amount
Public Works 510.38.594.480.6408	\$ 115,000
Police 510.38.594.210.6408	\$ 176,000
Fire 510.38.594.220.6408	\$ 63,000
EMS 510.38.594.220.6407	\$ 74,000
Total Equipment Replacement Reserve	\$ 428,000

Revenue Account # & Title	Amount
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -

2019 Preliminary Budget



2019 Budget

Automated License Plate Reader (ALPR)

Date Discussed by
Council: 6/11/18 Public
Safety Committee

Automated License Plate Reader (ALPR) to increase efficiency of paid parking enforcement in the paid waterfront parking zone.

Fund Name

Equipment Replacement

Amount Requested

\$65,000

Nature of the expenditure? **One Time**

**Any Additional
Revenue? If Yes,
Identify Below**

Expenditure Purpose and Justification

The Mukilteo Police Department currently uses a mix of parking meters and an app based online parking program to have guests pay for parking in the downtown waterfront parking areas. The meters, through Global Parking, have the capability to integrate with the online/app payment system, Passport Inc. Currently, Community Service Officers (CSOs) are visually checking cars for a payment tag or verifying on their mobile device to see if a vehicle has a valid parking session.

An ALPR system mounted on a vehicle would allow one CSO to verify parking sessions by driving through the streets and parks. Those vehicles in violation would be flagged in the computer system. The parking enforcement officer would do a final verification before printing the parking ticket and placing it on the vehicle. This process is estimated to provide a 40% increase in parking enforcement efficiency. Staff would be able to conduct parking payment compliance in more areas and in less time throughout the downtown waterfront parking corridor, providing additional time for other activities.

Alternatives and Potential Costs

Continue to verify parking payment compliance and issue violations one vehicle at a time.

Identify Additional Related Revenue and Expenses and Whether One-Time or On-Going

Increased revenues from parking fines will offset the cost of the equipment over two years.

Department:	Police
Division:	Rangers
Prepared by:	Cheol Kang

Expenditure Account # & Title	Amount
Equipment Replacement	\$ 65,000
510.38.594.210.6407	\$ -
	\$ -
	\$ -

Revenue Account # & Title	Amount
Parking Fines	\$ 32,500
011.354.000.01	\$ -
	\$ -
	\$ -

2019 Preliminary Budget

Equipment Replacement Reserve Fund (510)

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
Beginning fund balance	\$ 1,952,503	\$ 1,371,427	\$ 979,110	\$ 812,610	\$ -
Revenue and transfers-in					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental revenue	-	-	31,000	-	-
Charges for goods and services	193,000	73,000	40,000	-	(73,000)
Fines and penalties	-	-	-	-	-
Miscellaneous revenue	22,646	-	-	-	-
Transfers-in	-	-	-	-	-
Total revenue and transfers-in	\$ 215,646	\$ 73,000	\$ 71,000	\$ -	\$ (73,000)
Total resources	\$ 2,168,149	\$ 1,444,427	\$ 1,050,110	\$ 812,610	\$ (73,000)
Expenditures and transfers-out					
Salaries and wages	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-	-
Supplies	4,429	-	-	-	-
Other services and charges	-	-	-	-	-
Intergovernmental services	-	-	-	-	-
Capital Outlay	1,184,610	206,500	237,500	493,000	286,500
Transfers-out	-	-	-	-	-
Total expenses and transfers-out	\$ 1,189,039	\$ 206,500	\$ 237,500	\$ 493,000	\$ 286,500
Ending fund balance	\$ 979,110	\$ 1,237,927	\$ 812,610	\$ 319,610	\$ (359,500)

FACILITY MAINTENANCE FUND

Purpose:

The Facility Maintenance Division is staffed by two employees of the Public Works Department who maintain the City's 23 buildings. Expenditures for this division are financed through facility maintenance charges to the General and Surface Water Funds in accordance with the City's Cost Allocation Plan.

General facility maintenance and operation activities include: utility expenses, janitorial, inspection and coordination of custodial service, HVAC service, security systems, and elevators; inspection and coordination of contracts for small capital improvements to buildings; minor building repairs (electrical, plumbing, painting, locks, etc.); minor interior remodeling; ordering all building cleaning and operating supplies.

The 23 City buildings include:

- City Hall
- Fire Stations 24 & 25
- Police Station
- Three Public Works Department buildings (new and old shops and equipment building)
- Rosehill Community Center
- Four Lighthouse buildings
- Six buildings and structures at Lighthouse Park
- One building at the 92nd St. Park
- Mukilteo Visitor Center/Chamber of Commerce building
- Garage on Beverly Park Road
- The Boys and Girls Club building

2018 Accomplishments

- Completed 107 facilities service requests through August 2018

2019 Goals & Objectives

- Continue to respond to "Fix It Public Works!" Service Requests

Budget Highlights

- Salary and benefit costs comprise 38% of the total expenditure budget
- Compared to the 2018 budget, expenditures are increasing approximately 13% in this division due to utility cost increases, salary and benefits

2019 Preliminary Budget

Facilities Maintenance Fund (518)

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
Beginning fund balance	\$ 10,452	\$ 12,072	\$ 11,647	\$ -	\$ -
Revenue and transfers-in					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-
Charges for goods and services	680,844	675,730	716,923	759,050	83,320
Fines and penalties	-	-	-	-	-
Miscellaneous revenue	4,442	-	-	-	-
Transfers-in	-	-	-	-	-
Total revenue and transfers-in	\$ 685,286	\$ 675,730	\$ 716,923	\$ 759,050	\$ 83,320
Total resources	\$ 695,738	\$ 687,802	\$ 728,570	\$ 759,050	\$ 83,320
Expenditures and transfers-out					
Salaries and wages	\$ 170,966	\$ 194,000	\$ 184,000	\$ 184,000	(10,000)
Benefits	83,422	100,900	96,600	105,200	4,300
Supplies	34,261	24,650	29,400	29,400	4,750
Other services and charges	381,757	350,180	418,570	440,450	90,270
Intergovernmental services	-	-	-	-	-
Capital Outlay	7,851	-	-	-	-
Transfers-out	5,834	6,000	-	-	(6,000)
Total expenses and transfers-out	\$ 684,091	\$ 675,730	\$ 728,570	\$ 759,050	\$ 83,320
Ending fund balance	\$ 11,647	\$ 12,072	\$ -	\$ -	\$ -

2019 Preliminary Budget

FACILITIES MAINTENANCE FUND - EXPENSES DIRECTLY RELATED TO BUILDING

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
OPERATING SUPPLIES - CITY HALL	3,448	2,000	3,200	3,200	1,200
WORK EQUIP & MACHINE RENTAL - CITY HALL		500		-	(500)
Supplies - City Hall	\$ 3,448	\$ 2,500	\$ 3,200	\$ 3,200	\$ 700
ELECTRICITY - CITY HALL	26,322	18,800	27,000	27,500	8,700
CONTRACT SERVICES - CITY HALL	4,544	6,020	6,000	6,000	(20)
SEWER SERVICE - CITY HALL	468	700	500	600	(100)
WATER SERVICE - CITY HALL	2,266	1,600	2,400	2,500	900
STORM DRAINAGE CHGS. - CITY HALL	1,216	850	1,350	1,500	650
ALARM SYSTEM - CITY HALL	10	-		-	-
BLDG & FIXTURE M&R - CITY HALL	20,635	24,000	15,000	21,000	(3,000)
Other services and charges - City Hall	55,461	51,970	52,250	59,100	7,130
City Hall expenditures	\$ 58,909	\$ 54,470	\$ 55,450	\$ 62,300	\$ 7,830
Police Station expenditures	107,572	82,265	114,100	121,400	39,135
Fire Stations expenditures	76,181	74,360	79,500	84,350	9,990
Public Works Shop expenditures	36,467	29,315	40,250	40,900	11,585
Rosehill Community Center expenditures	76,372	80,400	93,450	95,850	15,450
Lighthouse expenditures	25,119	40,630	49,500	51,350	10,720
Chamber of Commerce expenditures	23	100	100	100	-
Total expenses related directly to buildings	\$ 380,643	\$ 361,540	\$ 432,350	\$ 456,250	\$ 94,710

FACILITY RENEWAL FUND

Purpose:

The Facility Renewal Fund provides for the capital maintenance of the City's 23 buildings including City Hall, two Fire Stations, the Police Station, Rosehill Community Center, three Public Works buildings, and other facilities.

2018 Accomplishments

- Worked with Trane to assess City facilities, establish cost ranges for improvements, identify energy cost savings, and determine grant eligibility
- Completed exterior painting and staining of City Hall, Rosehill, Fire Station 25, and the Light Station.
- Completed interior painting and new floor installation at the Public Works Shop
- Completed new floor installation at the Point Elliott Room at Rosehill

2019 Goals & Objectives

- Replace HVAC and dorm windows at Fire Station 25
- Paint exterior of Fire Station 24
- Paint Public Works shop door
- Resolve Rosehill Community Center electrical room drainage
- Stain Police Department front entrance
- Install charging stations at City Hall
- Complete stairway repairs at Chamber of Commerce

Budget Highlights

- This budget includes four new budget items:
- This budget includes several facility renewal projects, described on the next page.

2019 Preliminary Budget



2019 Budget Facility Renewal

Date Discussed by
Council: 8/13/18
Infrastructure
Committee

Authorize completion of the priority projects identified in the
Facility Renewal Plan

Fund Name
Facility Renewal

Amount Requested

\$237,000

Nature of the expenditure? **One-time**

Any Additional Revenue? If Yes, Identify Below

Yes

Expenditure Purpose and Justification

Facility	Project	Description	Estimated Cost	Comments
Fire Station 25	HVAC	Replace existing standard efficiency furnaces and outdoor condensing units to reduce energy and maintenance costs. Add fire dampers to comply with code	\$120,000	Original 24 and 26 year old furnaces at end of life. Will eliminate current R-22 refrigerant. These continue to have maintenance issues each year.
Fire Station 24	Exterior Paint	Three garage doors, metal headers, three exit doors, entry awning, eight down spouts, gutters, and fascia	\$18,000	Doors are faded and discolored, paint on metal surfaces is peeling causing rust damage, wood trim in poor condition
Fire Station 25	Dorm Windows	The existing windows are on ongoing maintenance problem and are at the end of their life. This would replace the existing windows with new operable windows and frames.	\$10,000	Existing windows do not close properly and leak
Public Works Shop	Entrance Paint	Paint front entrance columns, ceiling, and soffits	\$5,000	Paint is in poor condition with cracking and peeling. Rust on metal columns. Entrance ceiling is discolored from mold.
Rosehill Community Center	Water Infiltration	Cut a sump into the existing concrete floor and discharge the water into an existing floor drain in the adjacent room	\$32,000	Address ongoing maintenance issues.
Police Department	Front Entrance Staining	The exposed wood on the front entrance is in poor condition and needs to be sealed and stained	\$10,000	
City Hall	EV Charging Stations	Install 4 EV Charging stations	\$30,000	
Chamber of Commerce	Basement Stairwell Enclosure	Construct a roof over the exterior basement entrance.	\$12,000	The exterior stairwell is open to the elements causing the basement to flood during rain events. Many organizations store supplies in the basement.
Total			\$237,000	

Alternatives and Potential Costs

Delay repair/replacement of any or all items which could increase maintenance costs and increase future replacement costs.

Identify Additional Related Revenue and Expenses and Whether One-Time or On-Going

\$12,000 for the Chamber Stairwell Repair is proposed to come from a Lodging Tax Grant; if that grant is not awarded, the total amount will be reduced by \$12,000.

Department:	Public Works
Division:	Facility Renewal
Prepared by:	Michelle Meyer

Expenditure Account # & Title	Amount
FS 24&25 520.38.522.500.4808 (FC190500)	\$ 148,000
PW Shop 520.38.548.300.4808 (FC190100)	\$ 5,000
RHCC 520.38.575.500.4808 (FC190400)	\$ 32,000
PD 520.38.521.500.4808 (FC190200)	\$ 10,000
CH 520.38.594.180.6210 (FC190300)	\$ 30,000
Chamber 520.38.576.900.4808 (FC190600)	\$ 12,000
Total Facility Renewal Bldg & Fixture Impr.	\$ 237,000

Revenue Account # & Title	Amount
520.337.004.00 Lodging Tax Grant	\$ 12,000

2019 Preliminary Budget

Facility Renewal Fund (520)

	2017 Actuals	2018 Budget	2018 Estimated Actuals	2019 Budget	Increase/ (Decrease)
Beginning fund balance	\$ 307,150	\$ 565,339	\$ 562,180	\$ 497,880	\$ -
Revenue and transfers-in					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental revenue	64,500	65,000	65,000	12,000	(53,000)
Charges for goods and services	-	-	-	-	-
Fines and penalties	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
Transfers-in	352,830	57,700	11,700	40,000	(17,700)
Total revenue and transfers-in	\$ 417,330	\$ 122,700	\$ 76,700	\$ 52,000	\$ (70,700)
Total resources	\$ 724,480	\$ 688,039	\$ 638,880	\$ 549,880	\$ (70,700)
Expenditures and transfers-out					
Salaries and wages	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-	-
Supplies	-	-	-	-	-
BLDG & FIXTURE R&M - CITY HALL	10,998	20,000	20,000	-	(20,000)
BLDG & FIXTURE R&M - POLICE DEPT	8,862	-	-	10,000	10,000
BLDG & FIXTURE R&M - FIRE DEPT	7,869	25,000	25,000	148,000	123,000
BLDG & FIXTURE R&M - PW SHOPS	867	-	-	5,000	5,000
BLDG & FIXTURE R&M - ROSEHILL	45,591	83,000	83,000	32,000	(51,000)
BLDG & FIXTURE R&M - LIGHTHOUSE	43,681	40,000	-	40,000	-
BLDG & FIXTURE R&M - CHAMBER OF COMMERCE	-	-	-	12,000	12,000
Other services and charges	117,868	168,000	128,000	247,000	79,000
Intergovernmental services	-	-	-	-	-
DEPRECIATION EXPENSE	35,780	-	-	-	-
BUILDING IMPROVEMENTS - CITY HALL	-	-	-	30,000	30,000
BUILDING IMPROVEMENTS - FIRE	8,653	-	-	-	-
BUILDING IMPROVEMENTS - PW	-	13,000	13,000	-	(13,000)
BUILDING IMPROVEMENTS - LIGHTHOUSE PARK	-	40,000	-	-	(40,000)
Capital Outlay	44,432	53,000	13,000	30,000	(23,000)
Transfers-out	-	-	-	-	-
Total expenses and transfers-out	\$ 162,300	\$ 221,000	\$ 141,000	\$ 277,000	\$ 56,000
Ending fund balance	\$ 562,180	\$ 467,039	\$ 497,880	\$ 272,880	\$ (126,700)

