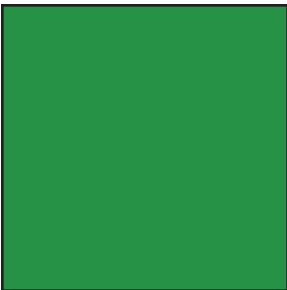
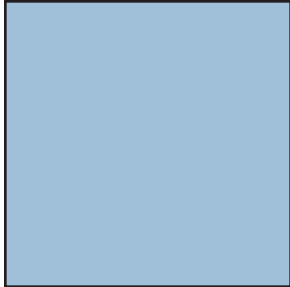


# 2009

## City of Mukilteo

### Annual Budget



### City of Mukilteo, Washington

11930 Cyrus Way

Mukilteo, WA 98275

(425) 263-8000

Mayor Joe Marine

City Administrator Joe Hannan

Prepared by Finance Director Scott James



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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

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**City of Mukilteo  
Washington**

For the Fiscal Year Beginning

**January 1, 2008**

*Charles S. Cox*

President

*Jeffrey R. Enos*

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented this Distinguished Budget Presentation Award to the City of Mukilteo, Washington for the Annual Budget beginning January 1, 2008. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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## ELECTED OFFICIALS 2009

(At time of report submission)



Joe Marine  
Mayor



Randy Lord  
Council President



Kevin Stoltz  
Council Vice President



Richard Emery  
Councilmember



Linda Grafer  
Councilmember



Jennifer Gregerson  
Councilmember



Howard T. Tinsley  
Councilmember



Emily Vanderwielen  
Councilmember

## EXECUTIVE STAFF

City Administrator  
Finance Director  
Fire Chief  
Planning & Community Development Director  
Police Chief  
Public Works Director  
Recreation & Cultural Services Manager

Joe Hannan  
Scott James  
Mike Springer  
Heather McCartney  
Michael Murphy  
Larry Waters  
Jennifer Berner



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## MAYOR'S 2009 BUDGET MESSAGE

October 20, 2008

Mukilteo City Council  
Citizens of Mukilteo  
Mukilteo Business Community

*Reference: Transmittal of 2009 Preliminary Budget*

Dear Council and Mukilteo Community:

It is a pleasure to submit to you the 2009 budget for your review and action. This budget is a continuation of my plan to place the City on solid ground for providing services to our citizens during 2009 and for years to come. My plan for the City has been modified as I recognize the financially unsettling times we are experiencing as a community. With the collective knowledge and wisdom of the City Council, volunteer advisory boards and residents, we are prioritizing what is most important. We are being smarter with our resources and empowering neighbors help to build community.

First, I want to extend my gratitude to Council for their many hours and dedication to the City. In 2008, we added worksessions and additional Special Council Meetings to discuss and move forward on issues important to the City. Much of our work has been spent on the financial affairs of the City, setting priorities, understanding details, creating a financial safety net and planning for the next 3-5 years while also looking to the long term health of the City. Long hours in study and meetings have been required of the City Council and staff who have risen to the challenge. I want to thank you and my staff for all the hard work and perseverance. We are beginning to see the fruits of all our labors.

Before I share my vision for 2009 and beyond, I want to take a brief glimpse back so you can see the direction we are taking our City.

During my first three years as Mayor (2006-2008), I oversaw the transformation the City needed to move forward. After my first year, it was clear that for a new vision to emerge there needed to be a change in upper management, a new City Administrator, Fire Chief, Public Works Director and a new Finance Director. In 2006 and 2007, my new Management Team and I began addressing many of our internal weaknesses; such as updating our Comprehensive Plan, Completing our Annual Financial Reports and Audits, Addressing Staffing Levels, Increasing our Public Safety Capabilities and Improving our External Communications with Council and Citizens.

In 2008, the emphasis has been on public safety, financial planning and stability, preservation of our infrastructure and increased citizen communication. Following is brief list of highlights and accomplishments for 2008:

- My first goal for 2008 addressed the City's ability to keep our community safe.
  - We accomplished this goal in part by focusing on making a career based Fire Department versus a hybrid volunteer/career based department. We hired new firefighter/paramedics. This new focus positions the City to not only receive fire and emergency medical services from our surrounding neighbors, but also to reciprocate these same services back to our neighbors. By working together, this new level of service makes the Fire Department more efficient and responsive and provides each of us with faster, more reliable emergency medical care.
  - In our Police Department we also took a proactive stance, by instituting a Crime Prevention unit. During this year, we graduated two Citizens Community Policing classes, hosted the Annual National Night Out, and re-instituted the Neighborhood Block Watch programs. Neighbors knowing and helping neighbors will reduce the likelihood of us becoming victims, make each of us more self reliant during natural disasters and will increase our law enforcement capabilities throughout the community.
  - Additionally, we increased our Police Department's response capabilities by adding a Patrol Officer and a Traffic Officer.
- My second goal for 2008 addressed the City's financial health and stability.
  - The 2005 and 2006 state financial audits were completed with the 2005 audit identifying several significant internal weaknesses that my new finance team addressed and corrected. The initial report from the State Auditors Office is that there are no reportable incidents for 2006; the 2007 audit will be completed by the end of the year. Turning around our financial ship has been challenging for the City Council, staff and I, and while I am proud of what we have accomplished, we are not done.
  - Throughout 2008, the City Council, staff and myself have spent many hours assembling, sharing and understanding financial information, setting priorities of service as reflected in this budget and worked hard on a long term financial plan for the City.
- My third goal is the preservation of our infrastructure which continued with the pavement maintenance plan. For example the entire Chennault Beach Neighborhood received a pavement freshening.

- My fourth goal has been to increase and improve communication.
  - We reinvented the City's Newsletter with a new look and format to better inform the Citizens.
  - The City's website has been improved to allow residents to do more city business from home or office saving time and gas.
  - With Council encouragement there are more communication improvements coming including internet based broadcasting of City Council meetings, increased abilities to file development and employment applications through the web and consideration of cable broadcast of public meetings with the potential for further community programming.

Several other important events occurred this year including:

- The City led and continues to lead community and regional efforts to save Paine Field for Boeing and related companies by encouraging expansion of aeronautical industries and discouraging commercial aviation.
- The Rosehill Community Center choice was placed on the Ballot as an advisory vote and Citizens voted to rebuild. Again, I thank Council for sticking to the vision to create a recreation center for the Citizens of Mukilteo to be proud of.
- We completed the first of four phases for the Lighthouse Park. All responses to date have been extremely positive with much anticipation of full completion of our waterfront.
- During 2008, the City took the first steps in the preservation of Japanese Gulch by purchasing the Precht property.
- We will be moving into our new City Hall this December. This much discussed building will be the first LEEDS certified municipal building in Snohomish County – it comes with a green roof, Geo Thermal heating and cooling, pervious concrete and grass Crete parking. The innovations used in construction should result in significant environmental and energy savings to the City for years to come. We are moving in on December 20<sup>th</sup> – three months ahead of schedule.
- The City also applied its “Going Green” philosophy to our vehicle replacement plan by purchasing three hybrid vehicles.
- This year saw the creation of our Community Float that we can all be proud of and will represent the City of Mukilteo around the State.
- We purchased our first street sweeper so we can better control the frequency and quality of our cleaning.

- During 2008, staff began rewriting the City's Comprehensive Plan, which has not undergone any significant changes since 1992. This document is an integral part of the City's direction over the coming years. It contains several elements:
  - The Transportation Plan deals with how we will move people through our City.
  - The Capital Facilities Plan identifies when and how much it will cost to replace or repair City infrastructure.
  - The Land Use Plan addresses how we will grow and develop our City, and
  - The Parks and Open Space Plan discusses how the City will develop maintain and diversify our parks and open spaces.
- I would be remiss not to mention a special thanks to Councilmember Kevin Stoltz and his group of volunteers for their trail building efforts, to the Lighthouse Festival volunteers for making the event a successful regional festival, and to the Beach Watchers for making our waterfront all the more enjoyable.

With much ground work laid during my first three years as Mayor, I now invite you to continue working with me and our staff in making Mukilteo the most viable and livable city that together we can be proud of.

#### Budget Overview

The 2009 Budget picks up where 2008 left off by emphasizing public safety, financial stability and effective management, infrastructure preservation, environmental protection and sustainability, park and recreation enhancement and increased and transparent communication between the city and our residents.

The proposed budget contains:

1. Full funding of our career fire department with enhanced emergency medical response capabilities;
2. Enhanced crime prevention program with additional opportunities for neighborhood involvement;
3. Increased parking enforcement;
4. Second phase of Lighthouse Park;
5. Completed design of the new Community Center;
6. 92<sup>nd</sup> Street Park and Big Gulch trail connection;
7. Continued investments to rebuild and maintain our street and stormwater systems.
8. Webcasting of Council meetings;
9. Mukilteo Public Access Channel;
10. Funds for lobbying to protect Mukilteo's interests and obtain federal assistance;
11. Updating the City's Comprehensive Plan;
12. Purchasing of software to facilitate State mandated permitting and building activity reporting;
13. A Volunteer Project Coordinator in partnership with Edmonds Community College; and
14. Continued planning for annexation.

### Taxes and Fees

I am recommending that the City collect the statutory 1% increase in general property taxes (\$43,863). I have tasked staff to finalize a comprehensive utility tax and utility franchise fee study, which I find us to be lacking as a source of revenue, when compared to our neighboring cities. I am proposing no increases in our business license fees for 2009; however, we are currently restructuring a fee schedule, which will be brought to Council in 2009.

### The 2009 Budget

The \$23.3 million budget includes revenues (before transfers) of \$18.2 million, about 6% less than the prior year's budget which reflects a slowing economy and lower development-related revenues.

Total expenditures (before transfers) are \$23.2 million and are \$8.9 million or 27% less than last year's budget. Proposed operating expenditures total \$15.6 million or 6% less than the prior year; operating transfers are \$3.1 million or 55% less than the prior year, and capital improvements are \$7.9 million or 50% less than the prior year.

Keeping with the City's fiscally conservative approach, the budget includes a protected City Reserve of \$1,022,366 and an estimated ending General Fund balance of \$4,364,329.

### Closing Comments

Thank you Councilmembers who took time to participate in our Budget Worksessions. Your questions and comments have been excellent, and many of your suggestions have been incorporated into the budget.

This Budget protects Mukilteo as a wonderful place to live and work. It makes our community safer, more attractive to business and residents and makes living in our community one of the best deals in the region.

It is my hope that I and my staff will increase the transparency, readability and usability of City Policies, Procedures and the City's Financial plan during 2009.

My staff and I look forward to working with the Council over the next several weeks, and responding to any budget related questions that may arise from you or interested citizens.

Thank You,



Joe Marine  
Mayor

**Preliminary Budget Document Changes**

1. Emergency Medical Services Fund revenues increased \$45,000 for additional transport fees.
2. Operating transfer from General Fund to EMS Fund reduced \$45,000 to offset additional EMS transport fee revenues.
3. General Fund EMS transport fee revenues increased \$67,500.
4. General Fund Transfer to Reserves reduced \$90,000 and separate line item added for Lobbyist for \$90,000.
5. General Fund expenditures increased \$4,000 for Youth Advisory Council.
6. Parking Enforcement Program Equipment decision package for \$4,000 removed from General Fund expenditures.
7. Transferred \$160,000 in expenditures for Mukilteo Lane Repairs decision package from the Arterial Street Fund to the Real Estate Excise Tax II Fund.
8. Combined Lighthouse Park Phase 2a and 2b decision packages.
9. Reduced Lighthouse Park Phase 2 grant revenues by \$500,000.
10. Reduced Lighthouse Park Phase 2 design and construction costs to total \$1,410,000, which includes \$490,000 from the Park Acquisition and Improvement Fund and \$920,000 from the Real Estate Excise Tax II Fund.
11. Added \$415,000 expenditure to the Park Acquisition & Improvement Fund to contribute/pay for the Precht property purchase.
12. Added \$800,000 in revenues to Park Acquisition & Improvement Fund for receipt of Lighthouse Park Phase I grant.
13. Added \$412,070 expenditure to Park Acquisition & Improvement Fund for interfund loan payment (\$410,020) and interest (\$2,050). Loan was made to Park Acquisition & Improvement Fund due to late receipt of grant as indicated in #12.
14. Reduced real estate excise tax revenue for Real Estate Excise Tax I Fund by \$200,000.
15. Reduced real estate excise tax revenue for Real Estate Excise Tax II Fund by \$200,000.
16. Added \$980,000 revenues to Real Estate Excise Tax I Fund for proceeds of land sale.
17. Added \$10,220,700 in bond proceeds and \$10,220,700 for community center construction expenses to Real Estate Excise Tax I Fund.
18. Added \$888,920 for debt service costs to Real Estate Excise Tax I Fund.
19. Reduced Precht Property interfund loan decision package to \$465,000 with \$30,000 for loan interest.
20. Added \$1,527,000 in bond proceeds and \$1,527,000 for Rosehill Commons Park development costs to Real Estate Excise Tax II Fund.
21. Transferred \$30,000 interest revenues from the City Reserve Fund to the General Fund.
22. Reduced transfer from the General Fund to the Technology Reserve Fund by \$50,000.
23. General Fund expenses increased \$20,000 for election services, \$155,000 in capital outlays for pavement improvements, \$7,000 for professional survey services, and \$21,000 for other professional services.



## CITY OF MUKILTEO PROFILE

### **General Information**

On January 22, 1855, a peace treaty was signed in Mukilteo between the Governor of Washington and 82 Native American leaders, representing 22 tribes. Several years later, in 1858, the Jacob D. Fowler family of Poughkeepsie, New York, established the first white settlement in Snohomish County on the northern point of Mukilteo. Mukilteo served as the first county seat of Snohomish County from 1861 until 1897. The City of Mukilteo, as we know it today, was incorporated May 8, 1947.

Mukilteo is a scenic waterfront community on the Puget Sound with views of the Olympic Peninsula and Olympic Mountains to the west, Whidbey Island to the northeast, and the northern Cascade Mountains to the north and east. The City's beaches are popular scuba diving and crabbing spots. Underwater visitors are treated to views of rockfish, Dungeness crabs, and crustaceans of all kinds as well as the occasional sea lion.

The City is located 25 miles north of downtown Seattle. While the City is known as a "bedroom community" it is also located at the northern end of the Technology Corridor which extends from Bellevue to Mukilteo and is the home of many professional, service and light industrial manufacturing businesses. The Mukilteo-to-Clinton (Whidbey Island) ferry service is one of Washington State Ferries' highest volume runs, carrying over 2.3 million vehicles, and over 4 million passengers every year.

In late December 2008, the new Mukilteo City Hall building became a reality. This is the first LEEDS\* certified municipal building in Snohomish County, with a green roof, geo thermal heating and cooling, pervious concrete and grass crete parking. It is expected that there will be significant environmental and energy savings to the City, in addition to the elimination of monthly lease payments for rented space.

In addition to the new City Hall, the City owns a Police Station, two Fire Stations, a Public Works Facility, Recreation and Cultural Services Center, 57.5 acres of parks, 357.3 acres of open space, and 83.6 acres of tideland.

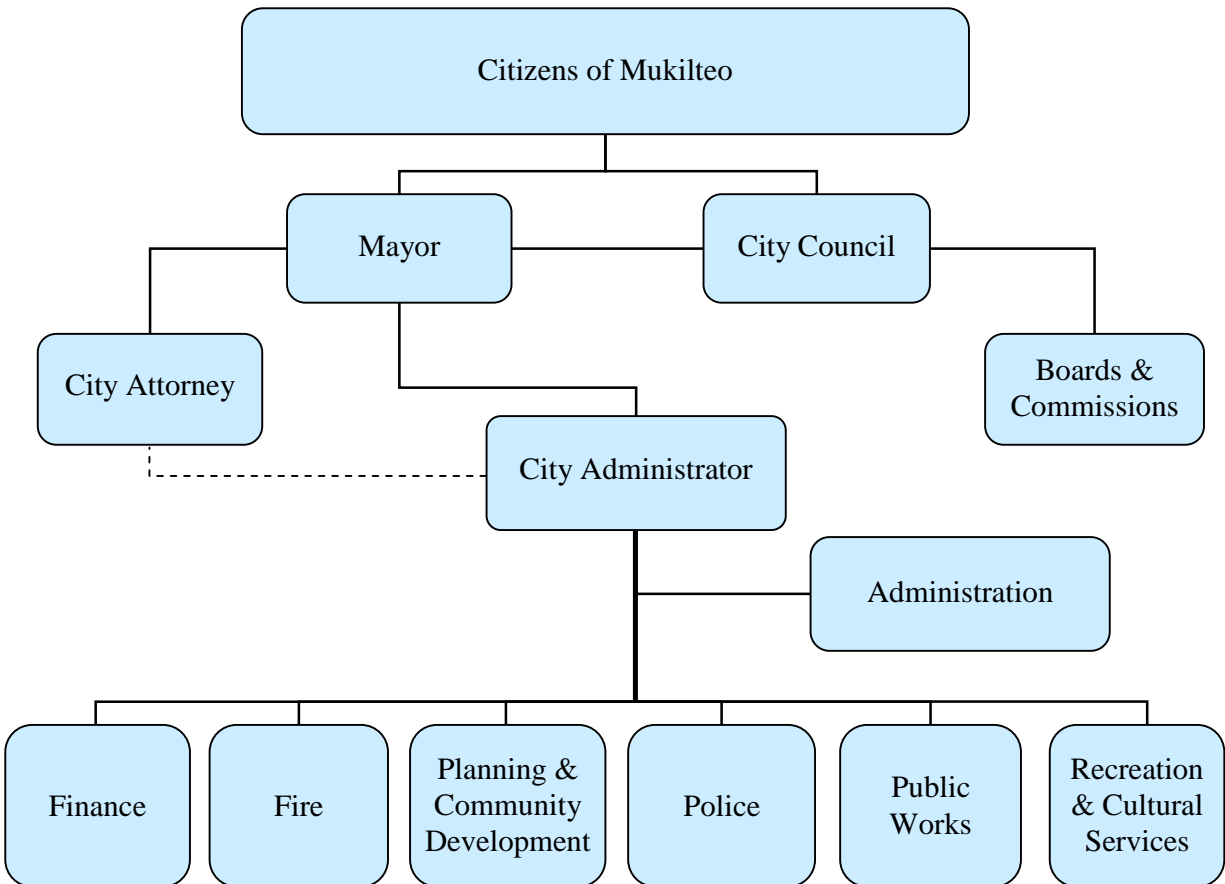
\*LEEDS = Leadership in Energy and Environmental Design. This is a "Green Building Rating System" utilized by the US Green Building Council's certification program as a nationally accepted benchmark for the design, construction and operation of high performance green buildings.

### **Form of Government**

The City operates as a non-charter code city with a Mayor-Council form of government under the provisions of Revised Code of Washington (RCW) 35A et al. This form is commonly referred to as an "optional code city" that essentially enjoys all the rights and privileges granted to larger cities or charter cities. Legislative authority is vested in a seven member City Council. Council members are elected by position number to four-year overlapping terms. Three to four council members are up for election every two years. The Council is composed of a president and vice-president who are elected by the Council for a one year term each.

The Mayor serves as the Chief Executive Officer and is elected to a four-year term by general election. The Mayor appoints the City Administrator, with confirmation by the Council. The City Administrator oversees all City operations and implements policy direction.

## City of Mukilteo Organizational Structure



The municipal government consists of eight departments, some with multiple divisions. While multiple divisions may report to the same director, the department directors are selected by the City Administrator and confirmed by the City Council. Department Directors report to the City Administrator.

The **Legislative Department** includes the City Council. It is responsible for establishing policy direction through ordinances, resolutions and their adoption/approval.

The **Executive Department** is headed by the City Administrator, and consists of the Administration, Human Resources, and Legal divisions. The department provides overall management direction to the City by implementing policy direction. The Human Resources



division provides support services through recruitment, selection and training of employees. The City contracts for legal services with an outside legal firm. This department is also responsible for the management of Community Services.

The **Finance Department** is responsible for accurate recording of all receipts and disbursements. The department issues bi-monthly payrolls; maintains a fixed asset system; compiles the annual budget; and prepares the City's Annual Financial Report. This department is also responsible for all City-wide information technology (IT) needs and other governmental services. This department is headed by the Finance Director.

The **Fire Department** has two fire stations: one centrally located on 47<sup>th</sup> Pl W, and the other located near the waterfront at the north end of the City. The Fire Department includes five divisions: The Fire Administration division, headed by the Fire Chief and Assistant Fire Chief, provides direction to Department personnel in accordance with goals and objectives, oversees the operating budget, develops strategic planning, oversees disaster planning programs, and performs program documentation, processing and archiving services. The Fire Prevention division provides fire safety inspections, fire prevention education and other community services. The Training division is responsible for all aspects of training and safety. The Fire Suppression division renders fire suppression, hazardous material and technical rescue services to the community and local region. The Emergency Medical Services division provides advanced life support and basic life support services to the community with trained paramedics and emergency medical technicians.

The **Police Department** enforces local, State and Federal laws in addition to protecting citizens and their property. The Police Department is located in a separate facility on 47<sup>th</sup> Pl W. The department, headed by a Police Chief and assisted by a Commander, consists of five divisions. The Administration and Support Services division consists of records, evidence, customer service and clerical functions. The Patrol division performs uniformed patrol, traffic enforcement, arrest, and response to calls for assistance. The Special Operations division performs investigative services. The Crime Prevention division activities include media releases, Citizen Police Academies, coordinating the City's National Night Out Against Crime Event, and presentations to schools, civic clubs, block watch groups and homeowner associations. The Training division monitors training requirements and implements training programs to assure that training requirements are met.

The **Planning and Community Development Department** consists of three divisions: Planning and Community Development, Permit Services and Building. The Planning and Community Development division is responsible for guiding the City's physical development by developing long-range plans, reviewing and approving land use permits, drafting and processing municipal code amendments and enforcing land use regulations. The Permit Services division processes and issues permits, provides administrative support for both Planning and Community Development and Engineering staff, serves as the first point of public contact for telephone and visitors to City Hall and handles cashiering. The Building Division enforces the City's adopted building and mechanical codes by reviewing plans, approving building and mechanical permits and inspecting construction. The department is headed by the Planning and Community Development Director.

The **Public Works** Department is responsible for the planning, design, construction and maintenance of City owned infrastructure, facilities, buildings, streets, landscape and fleet. This department also provides engineering services for design, review, and inspection of private development projects. The department is headed by the Public Works Director.

The **Recreation and Cultural Services Department** provides recreational opportunities to citizens through the Recreation and Cultural Services Center. The department is headed by the Recreation and Cultural Services Manager.

### **Long-Range Goals and Objectives**

The City is required to comprehensively plan for its future growth and development under state statute RCW 36.70A.040, by adopting a Comprehensive Plan. The Comprehensive Plan is continually evaluated, reviewed, and amended with Council approval, to meet changing conditions. However, it may not be amended more than once a year.

The elements, both optional and mandatory, of the Comprehensive Plan for the City are: General Development, Land Use, Housing Element, Critical Areas & Shoreline, Parks, Open Space & Recreation, Transportation, Utilities, Municipal Urban Growth Areas, and Capital Facilities.

The 2007 Comprehensive Plan is a 166 page document that covers, in detail, the policy direction for each of the above areas, and the methods used to determine how to accomplish that direction. The document is available by contacting the City's Planning Department.

The General Development Goals are as follows:

GD1 – Preserve the existing, owner-occupied, residential quality of life of each neighborhood and throughout the residential portion of the City by keeping high volumes of traffic out of residential neighborhoods.

GD2 – Encourage City entryways, commercial development, and redevelopment near the urban waterfront to reflect the waterfront atmosphere of the City.

GD3 – Ensure compatibility of adjacent land uses through the use of buffers, landscaping, and quality building design to maintain property values, safe living environments, and the City's unique identity and distinctive entryways.

GD4 - Promote economic development and redevelopment to provide for a tax base that is balanced so the tax burden is shared among residential, commercial and industrial properties.

GD5 – Provide public infrastructure and services which are cost effective, efficient and sensitive to the environment; and which balance the use of private vehicles, cars/vanpools, public transit and non-motorized modes of transportation, including a comprehensive system of bicycle and pedestrian routes, for the movement of people and goods.

GD6 – Protect and enhance the City’s critical areas, habitats, and shoreline management zones to support fish and wildlife resources and provide physical and visual access opportunities.

GD7 – Provide a system of parks, recreational, and cultural facilities that incorporates both public entities (City, County, State, Port of Everett and schools), private assets to expand opportunities within the City, views of the water and mountain scenery and public access along the shoreline.

The City meets these goals by managing the pattern and rate of growth in a way that preserves existing land use patterns; encouraging development of the waterfront as a visitor or tourist oriented activity center; developing and maintaining a balanced motorized and non-motorized transportations system that is efficient, cost effective and environmentally and noise sensitive; maintain the water and mountain views and watershed systems; and reach out and be responsive to citizen concerns.

The 1990 Growth Management Act of Washington State requires that the City develop a capital facilities element to the City’s Comprehensive Plan, and that this plan be adopted by the City Council. In order to use the real estate excise tax revenues collected for a project, it must be included in the capital facilities element of the Comprehensive Plan.

### **Economic Condition and Outlook**

The City of Mukilteo has a current build-out population capacity of about 22,000 residents. The current estimated population is 20,050. The City has a diverse business base, including restaurants, retail, wholesale, manufacturing, hotels, office facilities and industrial parks. There are 25 aeronautical based businesses in the City, not including Boeing. A list of the ten largest employers is featured in the Supplemental Information section.

Over the past several years, the City has had tremendous building activity resulting in higher than expected construction related revenues. This trend began to slow in the second half of 2008, and is expected to continue to decline. Real estate sales and new construction are also affected, and the result is a projected 40% decline in real estate excise tax revenues.

It is highly unlikely that the City will be left unscathed by the rising unemployment that is affecting the nation and the region. This will directly impact retail sales tax revenues as worker’s disposable income declines. As a result, the 2009 budget projects a 5% decline in sales tax revenues.

For several years the City has accumulated fund balances that have helped to soften some of the impact of the current economic climate. As a result, there are currently no anticipated reductions in staffing or in service levels provided to the community. The City continually monitors its financial position and is poised to respond if the current financial situation declines. However, the City remains confident in its ability to continue to provide the services required to maintain the character and standard of living that makes Mukilteo an outstanding community in which to live and work.



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## THE BUDGET PROCESS

Under RCW 35A.12, the Mayor is responsible for proposing an Annual Budget to the City Council. The City's budget year runs from January 1 to December 31.

The Mayor, City Council, City Administrator, Finance Director, and Department Heads work together to develop the budget. The Mayor and City Council discuss and designate budget priorities. Expenditure requests from operating departments and revenue projections for the entire City are reviewed and evaluated. In October each year, the Mayor presents the Preliminary Budget to the City Council and community.

### **Budgetary Basis**

The budgetary basis refers to the form of accounting utilized throughout the budget process. The City prepares its budgets on a cash basis in accordance with State Law (Revised Code of Washington 35A.33). Using this basis, transactions are recognized only when cash is increased or decreased. This budget basis is consistent with generally accepted accounting principals (GAAP).

Calendar year budgets are adopted by the City Council for the general fund, special revenue funds, debt service funds, enterprise funds, internal service funds, and capital projects.

The financial statements are prepared using the flow of economic resources measurement focus and accrual basis of accounting. For governmental type funds, revenues are recognized when susceptible to accrual; when they are measurable and available. Expenditures are recorded when the related debt is incurred, except for unmatured interest on general long term debt, which is recognized when the obligations are expected to be liquidated with expendable available financial resources. For Enterprise funds, the measurement focus emphasizes the determination of net income. Revenues are recorded when earned and expenses are recorded at the time the liability is incurred.

### **Balanced Budget**

The City's 2009 adopted budget is a balanced budget. A balanced budget is one where operating revenues and sources equal or exceed operating expenditures and uses.

### **The Budget Development Process**

The annual budget serves five essential purposes. They are: 1) Legal Document – sets forth expenditure limits by fund; 2) Financial Plan – projects revenues and expenditures for the ensuing year; 3) Policy Document – reflecting how approved city expenditures are consistent with overall city policies; 4) Management Tool – documenting service level commitments made by the City departments; and 5) Public Information Document – describes the City's financial condition, its service objectives for the budget year, and the funding sources available to meet the objectives.

To assure that the budget satisfies each essential purpose, the City follows an established process. The process involves the Mayor, the City Administrator, Department Directors, the City Council, and the public in deliberation periods and decision points. The public participates

through direct contact and in public hearings with the City Council, commissions and advisory boards.

### **Budget Calendar**

March/April – The Mayor meets with the City Administrator and Finance Director to provide overall budget priorities.

May – The Council reviews current revenues and potential future revenue sources.

June/July – The Finance Department develops the baseline budget and budget worksheets for distribution to Department Directors. The Finance Director distributes the budget instructions and forms along with the directions for the preliminary budget preparation.

July/August – The City Administrator meets with Department Directors to hear general departmental concerns, priorities and goals.

August/September – Departments develop and submit budgets and personnel information to the Finance Department. The Finance Department compiles the departments' requests for the Mayor and City Administrator's review.

September – The Mayor, City Administrator and Finance Director hold meetings with individual departments to review the budgets. Following the meetings, Mayor and City Administrator meet with the Finance Director to make final decisions, and the Finance Department prepares the preliminary budget document and supporting information for presentation by the Mayor to the City Council and to the public.

October - The Preliminary Budget is presented to the Council in October.

November/December – the City Council holds budget work sessions to review and discuss the Mayor's Preliminary Budget proposal. Preliminary recommendations are developed and formal public hearings are held to allow the public to comment on the annual budget. After these hearings, the City Council may make amendments before adopting the budget.

December – The Council amends the budget as needed and formally adopts revenue and expenditure actions to implement the final adopted budget.

## Budget Development Calendar

	Item	Deadline
I.	Budget Committee (Mayor, City Administrator, Finance Director, Accounting Services Manager) meet to discuss budget plan.	March-April
	A. Review budget development calendar dates	
	B. Review baseline budget process & decision packages	
	C. Establish agenda & Council workshop schedule	
II.	Council Workshop - Revenue Sources Discussion	May
III.	Base budget preparation	June/July
	A. Departmental expenses updated	
	1.) Mandatory (non-employee) cost increases added	
	2.) Year-end expense estimates submitted	
	3.) Decision packages submitted	
	B. Revenue projections - department revisions submitted	
	C. Employee salaries and benefits updated	
	D. Central service charges updated	
	E. Capital projects reviewed/updated	
	F. Other Gov'ts, Agencies & Commissions	
IV.	Budget instructions delivered to department directors	July
V.	Commission & committee budgets submitted	August
VI.	Council Workshop - internal service (IT, Facilities & Equipment) rates	August
VII.	Preliminary budget preparation	September
	A. Department director meetings with budget committee	
	B. Budget balancing	
VIII.	Mayor's Budget Address	October
	A. Preliminary budget presented to Council, citizens.	
IX.	Public Hearings & Budget Adoption	
	A. Public Hearing I	1st week in November
	B. Public Hearing II	2nd week in November
	C. Public Hearing III	3rd week in November
	D. Public Hearing IV	4th week in November
	E. Public Hearing & Adoption	4th week in November
X.	Property Tax Hearing & Adoption	November/December

## Budget Policies

The budget policies listed below create 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.

### **Budget Resources**

- Special one-time revenue sources will be used to purchase or pay for non-recurring items. One-time revenues will not be used to support long-term operational expenditures.
- 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.

### **Fund Balance**

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.

### **Revenue Estimation**

Revenue estimation is performed with the goal of coming as close as possible to what is actually collected by year-end. Estimates are based on a number of factors: Past trends, economic environment, consumer price indices and building activity.

The trend line is used in conjunction with the overall local economy. We look at building activity – how many new residents are we adding to the City? How many new businesses and what type of businesses? We look to see where the local consumer price indices are trending. We look at what is happening at the local employment office. Are employment numbers holding steady? Or are the unemployment roles growing, etc? And lastly, we look to see what the utility companies are planning for their rates. In Washington State, utility company rates are regulated by the State.

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

### **Unused Appropriations**

Unused appropriations lapse at year-end. If needed in the following year, they must be re-appropriated in the next year's operating budget.

### **Debt Management**

The City's debt management policy is to plan and direct the use of debt so that debt service payments will be a predictable and manageable part of the operating budget. At the beginning of 2009 the City has no outstanding debt. The City intends to begin construction of a new Recreation and Cultural Services Center building in fall 2009, which will require the issuance of



councilmanic bonds to fund construction costs. Estimated debt services payments of \$1,437,412 are included in the 2009 capital outlays budget.

### **Capital Improvements and Acquisition Process**

The Capital program in the City has two distinct elements: the Capital Improvement Plan (CIP) and the operating capital/equipment acquisition process.

The **Capital Improvement Plan** is a long-range prioritized schedule of proposed capital projects with estimated costs and revenue sources. Capital improvement projects are funded in a number of ways. In addition to the real estate excise tax, other funding methods include federal, state and local grants, the issuance of bonds, accumulated cash reserves, ongoing revenues and sources, as well as contributions from other funds.

The Capital Improvement plan is used to determine which projects will be included in the annual capital budget and to anticipate future capital requirements. Approved capital improvement projects for the 2009 budget year are shown in the capital budget section of this budget.

**Operating Capital/Equipment** items, such as equipment and tools, are requested by Department Directors with their annual operating budget requests. These items, along with all other budget elements, are evaluated by the Mayor and the City Administrator. The Mayor makes a recommendation to the City Council in the preliminary budget. These budget items are shown in the capital outlay section of each detail division budget. Operating capital items are usually funded out of the general revenues of the City.

The replacement of certain vehicles and equipment is accounted for in the Equipment Replacement Fund. Replacement and upgrades to technology and technology related equipment is accounted for in the Technology Replacement fund. The City makes monthly replacement deposits into these funds over the projected life of each specific item of equipment so that there are adequate funds available to replace the equipment when needed.

### **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.

### **Baseline Budget**

A Baseline Budget approach was used to begin the 2009 budget development process. A Baseline Budget is each department's minimum budget needed to offer their services to citizens, without cutting back on any services. The baseline was established by utilizing each Department's original 2008 amended budgets less all one-time expenditures as identified during the 2008 budget. The baseline budgets include mandated increases. Mandated increases are costs that are out of Department control. Examples are salaries, benefits, and utilities.

Second, departments needing to change how they operate or needing to expand services that require additional expense are required to complete a Decision Package.

The Decision Package request format is designed to assist decision makers in understanding:

- What staff is requesting
- Why staff is requesting the item
- Alternatives, if applicable
- Source of funding for the request

After baseline budgets and decision package requests are developed, a series of meetings are held to discuss each department's budget requests with the Mayor, City Administrator, and Finance Director. The information gathered during the department meetings aid in developing a balanced budget that is then presented to the City Council for review, public hearings, and eventual adoption. During the public hearing process, the City Council may make changes to the proposed budget. For example, several changes were made to the 2009 proposed budget, which are listed on page 9.

### **Budget Execution/Amendments**

Adopted budget allocations are recorded in the City's accounting system in detailed expenditure and revenue accounts, which are monitored throughout the year. Monthly reports of the City's financial status are made to the Mayor, City Council, and City Administrator.

The Mayor and City Administrator are authorized to transfer budgeted amounts within any fund. However, revisions that alter the total expenditures or revenues of any fund must be approved by budget amendment ordinance.

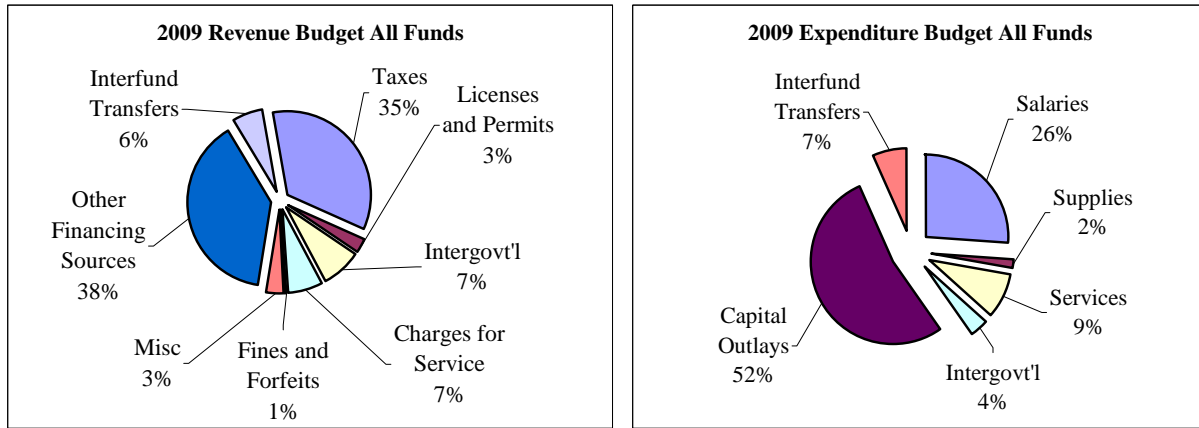
## BUDGET SUMMARY – ALL FUNDS

Exhibit 1 lists projected 2009 beginning fund balances, revenues, expenditures and ending fund balances for each fund.

### Exhibit 1: Budget Summary by Fund – All Funds

Fund Number	Fund Discription	Beginning Fund Balance	Revenue	Expenditures	Ending Fund Balance
009	LEOFF I RESERVE	\$164,875	\$0	\$27,000	\$137,875
011	GENERAL	6,048,154	12,090,400	\$13,784,725	4,353,829
015	PAINE FIELD EMERGENCY RESERVE	150,000	0	\$150,000	0
111	STREET	73,900	830,500	\$849,970	54,430
112	ARTERIAL STREET	12,150	140,500	\$100,000	52,650
114	RECREATION & CULTURAL SERVICES	1,065	361,310	\$344,875	17,500
116	HOTEL/MOTEL LODGING TAX	181,070	134,500	\$139,390	176,180
118	FACILITIES MAINTENANCE	92,200	390,000	\$463,490	18,710
120	TECHNOLOGY REPLACEMENT	297,860	60,000	\$113,240	244,620
125	CITY RESERVE	992,360	0	\$0	992,360
126	EMERGENCY MEDICAL SERVICES	310,270	1,523,750	\$1,800,885	33,135
141	MUNICIPAL FACILITIES	35,375	50,440	\$50,000	35,815
142	PARKS AND OPEN SPACE	79,845	94,500	\$62,675	111,670
322	PARK ACQUISITION & DEVELOPMENT	0	1,324,100	\$1,317,070	7,030
323	TRANSPORTATION IMPACT FEE	525,950	150,500	\$600,000	76,450
331	REAL ESTATE EXCISE TAX I	7,297,795	11,663,050	\$13,403,270	5,557,575
332	REAL ESTATE EXCISE TAX II	1,757,430	1,879,500	\$3,287,722	349,208
440	SURFACE WATER MANAGEMENT	1,242,120	1,706,000	\$1,893,845	1,054,275
502	HEALTH INSURANCE ADMINISTRATION	53,320	0	\$0	53,320
510	EQUIPMENT REPLACEMENT RESERVE	1,060,220	340,150	\$167,000	1,233,370
516	UNEMPLOYMENT COMPENSATION	36,200	0	\$0	36,200
<b>TOTALS</b>		<b>\$20,412,159</b>	<b>\$32,739,200</b>	<b>\$38,555,157</b>	<b>\$14,596,202</b>

## Exhibit 2: Total Budgeted Revenues, Expenditures and Fund Balances – All Funds



Item	2007 ACTUAL	2008 AMENDED BUDGET	2009 ADOPTED BUDGET	\$ Change '09 - '08	% Change '09 - '08
Beginning Fund Balance	\$31,866,457	31,866,458	\$20,412,159	(\$11,454,299)	-35.94%
Revenues:					
Taxes	12,679,496	11,693,500	11,312,650	(380,850)	-3.26%
Licenses and Permits	1,160,117	1,012,000	887,650	(124,350)	-12.29%
Intergovernmental Revenue	837,076	1,694,935	2,501,900	806,965	47.61%
Charges for Service	2,244,214	2,358,725	2,188,300	(170,425)	-7.23%
Fines and Forfeitures	140,397	101,600	139,500	37,900	37.30%
Miscellaneous Revenues	2,969,145	2,657,865	1,068,240	(1,589,625)	-59.81%
Other Financing Sources	0	0	12,727,700	12,727,700	100.00%
Interfund Transfers	2,477,059	6,297,875	1,913,260	(4,384,615)	-69.62%
<b>Total Revenues</b>	<b>\$22,507,506</b>	<b>\$25,816,500</b>	<b>\$32,739,200</b>	<b>\$6,922,700</b>	<b>26.82%</b>
Expenditures:					
Personnel	9,024,521	10,949,620	10,095,725	(853,895)	-7.80%
Supplies	443,622	601,291	646,945	45,654	7.59%
Services	2,830,513	3,718,938	3,422,330	(296,608)	-7.98%
Intergovernmental	1,311,344	1,668,064	1,405,045	(263,019)	-15.77%
Capital Outlays	2,935,854	16,097,585	20,424,552	4,326,967	26.88%
Interfund Transfers	2,477,059	6,297,875	2,560,560	(3,737,315)	-59.34%
<b>Total Expenditures</b>	<b>\$19,022,914</b>	<b>\$39,333,373</b>	<b>\$38,555,157</b>	<b>(\$778,216)</b>	<b>-1.98%</b>
<b>Ending Fund Balance</b>	<b>\$35,351,050</b>	<b>\$18,349,585</b>	<b>\$14,596,202</b>	<b>(\$3,753,383)</b>	<b>-20.45%</b>

### Expenditures:

The annual budget for the City is divided into five major components, which include all appropriations for the City.

- The **personnel services budget** consists of the salaries and benefits for all the City's employees. The amount budgeted for personnel services is \$10,095,725.
- The **operating budget** finances the day-to-day provisions of the City, consisting of supplies, services and intergovernmental, and totals \$5,474,320.
- The **capital outlays budget** funds the construction or improvement of City facilities and infrastructure and the purchase of various types of machinery and equipment. Capital improvements are budgeted within various City funds. The capital outlays budget totals \$20,424,552.
- The **debt service budget** is used to repay money borrowed by the City, primarily for capital improvements. No debt is outstanding as of the beginning of 2009. The City anticipates issuing bonds in fall 2009 for the construction of a new Recreation and Cultural Services Center. Debt service payments are included in the capital outlays budget in the amount of \$1,437,412.
- The **interfund transfers budget** represents the amount of funds transferred from one fund to another.

**Exhibit 3: Revenue Summary – All Funds**

FUND NO.	FUND DESCRIPTION	2007 ACTUAL	2008 AMENDED BUDGET	2009 ADOPTED BUDGET	\$ Change '09 - '08	% Change '09 - '08
009	LEOFF I RESERVE	\$0	\$178,415	\$0	(178,415)	-100.00%
011	GENERAL	12,783,921	12,521,569	12,090,400	(431,169)	-3.44%
015	PAINE FIELD EMERGENCY RESERVE	250,000	0	0	0	-
111	STREET	327,835	845,500	830,500	(15,000)	-1.77%
112	ARTERIAL STREET	362,668	153,750	140,500	(13,250)	-8.62%
114	RECREATION & CULTURAL SERVICES	121,912	343,785	361,310	17,525	5.10%
116	HOTEL/MOTEL LODGING TAX	139,397	135,000	134,500	(500)	-0.37%
118	FACILITIES MAINTENANCE	0	388,530	390,000	1,470	100.00%
120	TECHNOLOGY REPLACEMENT	112,871	61,700	60,000	(1,700)	-2.76%
125	CITY RESERVE	53,014	50,000	0	(50,000)	-100.00%
126	EMERGENCY MEDICAL SERVICES	1,238,542	1,289,000	1,523,750	234,750	18.21%
141	MUNICIPAL FACILITIES	1,828,685	1,150,000	50,440	(1,099,560)	-95.61%
142	PARKS AND OPEN SPACE	105,272	87,500	94,500	7,000	8.00%
322	PARK ACQUISITION & DEVELOPMENT	204,507	835,000	1,324,100	489,100	58.57%
323	TRANSPORTATION IMPACT FEE	0	670,616	150,500	(520,116)	100.00%
331	REAL ESTATE EXCISE TAX I	2,527,945	680,000	11,663,050	10,983,050	1615.15%
332	REAL ESTATE EXCISE TAX II	0	3,627,429	1,879,500	(1,747,929)	-48.19%
440	SURFACE WATER MANAGEMENT	1,255,532	1,324,286	1,706,000	381,714	28.82%
502	HEALTH INSURANCE ADMINISTRATION	966,706	1,100,000	0	(1,100,000)	-100.00%
510	EQUIPMENT REPLACEMENT RESERVE	219,700	365,420	340,150	(25,270)	-6.92%
516	UNEMPLOYMENT COMPENSATION	9,000	9,000	0	(9,000)	-100.00%
	<b>TOTALS</b>	<b>22,507,506</b>	<b>25,816,500</b>	<b>32,739,200</b>	<b>6,922,700</b>	<b>26.82%</b>

**Exhibit 4: Revenue Estimates by Fund Class – All Funds**

		<b>2007</b>	<b>2008</b>	<b>2009</b>	
		<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>% Change</b>
<b>General Fund</b>					
<b><u>Taxes</u></b>					
011.311.100.00	Real & Personal Property	4,193,954	4,330,000	4,351,650	0.50%
011.313.101.00	Retail Sales & Use Tax	2,176,680	2,040,000	2,050,000	0.49%
011.313.600.00	Natural Gas Use Tax	4,181	5,500	4,000	-27.27%
011.313.710.00	Local Criminal Justice	321,797	305,000	305,000	0.00%
011.316.200.00	Admissions Tax	69,727	60,000	60,000	0.00%
011.316.300.00	Commercial Parking Tax	57,355	50,000	35,000	-30.00%
011.316.xxx.00	Utility Taxes	2,857,972	2,925,000	2,920,000	-0.17%
011.317.200.00	Leasehold Excise Tax	6,939	4,500	4,500	0.00%
011.317.500.00	Gambling Tax	3,654	4,500	3,500	-22.22%
<b>Total Taxes</b>		<b>9,692,258</b>	<b>9,724,500</b>	<b>9,733,650</b>	<b>0.09%</b>
<b><u>Licenses &amp; Permits</u></b>					
011.321.xxx.00	Business Licenses	418,654	344,000	341,150	-0.83%
011.321.910.00	Cablevision Franchise Fees	263,938	230,000	270,000	17.39%
011.322.101.xx	Building Permits	378,980	315,000	208,000	-33.97%
011.322.101.02	Plumbing Permit	19,817	30,000	12,000	-60.00%
011.322.101.03	Mechanical Permit	25,213	40,000	12,000	-70.00%
011.322.102.00	Sign Permits	8,482	8,000	4,500	-43.75%
011.322.103.00	Right of Way Permits	33,269	35,000	30,000	-14.29%
011.322.301.00	Dog Licenses	7,555	7,000	7,000	0.00%
011.322.901.00	Gun Permits (City)	2,005	1,500	1,500	0.00%
011.322.902.00	Gun Permits (State)	2,205	1,500	1,500	0.00%
<b>Total Licenses &amp; Permits</b>		<b>1,160,118</b>	<b>1,012,000</b>	<b>887,650</b>	<b>-12.29%</b>
<b><u>Intergovernmental</u></b>					
011.334.035.00	Traffic Safety Commission Grant	0	2,535	0	-100.00%
011.334.040.20	State Grant	8,652	45,000	0	-100.00%
011.334.040.90	Pre-Hospital Grant	1,439	0	0	0.00%
011.335.000.91	PUD Privilege Tax	94,898	95,000	95,000	0.00%
011.336.006.xx	Criminal Justice	18,992	18,900	15,500	-17.99%
011.336.060.51	DUI Cities	4,531	3,500	3,500	0.00%
011.336.060.90	Cost Reimburse Fire Fighter Volunteers	250	0	0	0.00%
011.336.060.94	Liquor Excise Tax	44,195	85,000	85,000	0.00%
011.336.060.95	Liquor Board Profits	188,717	135,000	135,000	0.00%
011.338.000.22	Ferry Fire Svcs	0	0	1,900	100.00%
<b>Total Intergovernmental</b>		<b>361,674</b>	<b>384,935</b>	<b>335,900</b>	<b>-12.74%</b>

**Revenue Estimates by Fund Class - All Funds**

		<b>2007</b>	<b>2008</b>	<b>2009</b>	
		<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>% Change</b>
<b><u>Charges for Services</u></b>					
011.341.050.00	Sale of Maps, Copies Etc.	575	600	0	-100.00%
011.341.053.00	Non Taxable Sales	1,790	1,000	1,000	0.00%
011.341.431.00	School Mitigation Admin Fee	4,531	9,000	2,000	-77.78%
011.342.100.00	Law Enforcement Services	160	2,500	2,500	0.00%
011.342.36x.00	Home Detention Fees	5,215	2,600	2,600	0.00%
011.342.370.00	Fingerprinting Fees	1,914	1,500	1,500	0.00%
011.342.602.xx	Ambulance Transport Fees	171,996	180,000	227,500	26.39%
011.342.901.00	Misc Security, Persons & Prop	1,813	700	700	0.00%
011.343.200.00	Engineering Fees & Charges	35,305	40,000	20,000	-50.00%
011.345.810.00	Zoning and Subdivision Fees	65,884	75,000	60,000	-20.00%
011.345.820.00	Hearing Examiner Fees	0	30,000	30,000	0.00%
011.345.830.00	Plan Checking Fees	243,226	200,000	175,000	-12.50%
011.345.890.00	Reimbursable Development	0	7,000	5,000	-28.57%
011.349.180.00	Overhead Cost Recovery	334,000	195,500	195,500	0.00%
<b>Total Charges for Services</b>		<b>866,409</b>	<b>745,400</b>	<b>723,300</b>	<b>-2.96%</b>
<b><u>Fines &amp; Forfeitures</u></b>					
011.350.100.00	Traffic Violations	128,890	95,000	125,000	31.58%
011.352.201.00	Impoundment Fees	1,740	0	1,000	100.00%
011.353.700.00	Non-Traffic Infraction Penalty	852	600	7,500	1150.00%
011.354.000.01	Parking Fines	8,915	6,000	6,000	0.00%
<b>Total Fines &amp; Forfeitures</b>		<b>140,397</b>	<b>101,600</b>	<b>139,500</b>	<b>37.30%</b>
<b><u>Miscellaneous</u></b>					
011.361.110.00	Investment Interest	428,422	400,000	210,000	-47.50%
011.361.400.00	Sales Tax Interest	9,881	8,000	8,000	0.00%
011.362.600.00	Rentals & Leases	0	0	2,400	100.00%
011.363.900.00	WCIA Insurance Recovery	0	11,445	0	-100.00%
011.367.100.00	Private Contributions	1,460	0	0	0.00%
011.368.901.00	Cable Subscriber Assessment	0	0	40,000	100.00%
011.369.100.00	Sale of Surplus Property	0	5,000	0	-100.00%
011.369.200.00	Sale of Unclaimed Property	1,668	0	0	0.00%
011.369.901.00	Other Miscellaneous Revenue	52,075	10,000	10,000	0.00%
011.397.100.00	Operating Transfers In	69,559	118,689	0	-100.00%
<b>Total Miscellaneous</b>		<b>563,065</b>	<b>553,134</b>	<b>270,400</b>	<b>-51.11%</b>
<b>Total General Fund Revenues</b>		<b>12,783,921</b>	<b>12,521,569</b>	<b>12,090,400</b>	<b>-3.44%</b>
<b><u>LEOFF I Reserve Fund</u></b>					
009.397.100.00	Operating Transfers In	0	178,415	0	-100.00%
<b>Total LEOFF I Reserve Fund</b>		<b>0</b>	<b>178,415</b>	<b>0</b>	<b>-100.00%</b>
<b>Total LEOFF I Reserve Fund</b>		<b>0</b>	<b>178,415</b>	<b>0</b>	<b>-100.00%</b>

**Revenue Estimates by Fund Class - All Funds**

	<b>2007 Actual</b>	<b>2008 Budget</b>	<b>2009 Budget</b>	<b>% Change</b>
<b><u>Paine Field Emergency Reserve Fund</u></b>				
015.397.100.00 Operating Transfers In	250,000	0	0	0.00%
<b>Total Paine Field Emergency Reserve Fund</b>	<b>250,000</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Paine Field Emergency Reserve Fund</b>	<b>250,000</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b><u>Special Revenue Funds</u></b>				
<b><u>Street Fund</u></b>				
111.336.000.87 Street Fuel Tax	323,939	330,000	305,000	-7.58%
111.361.110.00 Investment Interest	3,896	500	500	0.00%
111.397.100.00 Operating Transfers In	0	515,000	525,000	1.94%
<b>Total Street Fund</b>	<b>327,835</b>	<b>845,500</b>	<b>830,500</b>	<b>-1.77%</b>
<b><u>Arterial Street Fund</u></b>				
112.336.000.88 Arterial Street Fuel Tax	151,463	150,000	140,000	-6.67%
112.345.841.00 Street Mitigation Fees	187,031	0	0	0.00%
112.361.110.00 Investment Interest	24,174	3,750	500	-86.67%
<b>Total Arterial Street Fund</b>	<b>362,668</b>	<b>153,750</b>	<b>140,500</b>	<b>-8.62%</b>
<b><u>Recreation &amp; Cultural Services</u></b>				
114.347.304.00 Rec Program Fees	3,343	8,325	22,000	164.26%
114.361.110.00 Investment Interest	302	0	600	100.00%
114.362.401.00 Space Rental	71,219	73,100	64,000	-12.45%
114.362.502.00 Parking Rental - Long Term	39,548	40,000	20,000	-50.00%
114.369.901.00 Miscellaneous	0	200	200	0.00%
114.397.100.00 Operating Transfers In	7,500	222,160	254,510	14.56%
<b>Total Recreation &amp; Cultural Services</b>	<b>121,912</b>	<b>343,785</b>	<b>361,310</b>	<b>5.10%</b>
<b><u>Hotel/Motel Lodging Tax Fund</u></b>				
116.313.300.00 Hotel/Motel Transient Tax	133,509	130,000	130,000	0.00%
116.361.110.00 Investment Interest	5,888	5,000	4,500	-10.00%
<b>Total Hotel/Motel Lodging Tax Fund</b>	<b>139,397</b>	<b>135,000</b>	<b>134,500</b>	<b>-0.37%</b>
<b><u>Facilities Maintenance Fund</u></b>				
118.397.100.00 Operating Transfers In	0	388,530	390,000	0.38%
<b>Total Facilities Maintenance Fund</b>	<b>0</b>	<b>388,530</b>	<b>390,000</b>	<b>0.38%</b>
<b><u>Technology Replacement</u></b>				
120.361.110.00 Investment Interest	12,871	11,700	10,000	-14.53%
120.397.100.00 Operating Transfers In	100,000	50,000	50,000	0.00%
<b>Total Technology Replacement</b>	<b>112,871</b>	<b>61,700</b>	<b>60,000</b>	<b>-2.76%</b>
<b><u>City Reserve</u></b>				
125.361.110.00 Investment Interest	53,014	50,000	0	-100.00%
<b>Total City Reserve</b>	<b>53,014</b>	<b>50,000</b>	<b>0</b>	<b>-100.00%</b>



**Revenue Estimates by Fund Class - All Funds**

	<b>2007 Actual</b>	<b>2008 Budget</b>	<b>2009 Budget</b>	<b>% Change</b>
<b><u>Emergency Medical Services</u></b>				
126.311.106.00 EMS Levy	825,317	839,000	849,000	1.19%
126.342.601.00 Ambulance Transport Fees	173,192	170,000	180,000	5.88%
126.361.110.00 Investment Interest	45,033	30,000	18,000	-40.00%
126.397.100.00 Operating Transfers In	195,000	250,000	476,750	90.70%
<b>Total Emergency Medical Services</b>	<b>1,238,542</b>	<b>1,289,000</b>	<b>1,523,750</b>	<b>18.21%</b>
<b><u>Municipal Facilities</u></b>				
141.361.110.00 Investment Interest	307,685	150,000	440	-99.71%
141.397.100.00 Operating Transfers In	1,521,000	1,000,000	50,000	-95.00%
<b>Total Municipal Facilities</b>	<b>1,828,685</b>	<b>1,150,000</b>	<b>50,440</b>	<b>-95.61%</b>
<b><u>Parks &amp; Open Space</u></b>				
142.361.110.00 Investment Interest	1,755	500	500	0.00%
142.362.301.00 Boat Launch Revenue	42,694	40,000	30,000	-25.00%
142.362.501.00 Annual Boat Launch Permits	7,200	7,000	4,000	-42.86%
142.362.502.00 Lighthouse Park LT Parking	45,572	40,000	60,000	50.00%
142.362.600.00 Housing Rentals & Leases	1,050	0	0	0.00%
142.369.100.00 Sale of Surplus Property	7,001	0	0	0.00%
<b>Total Parks &amp; Open Space</b>	<b>105,272</b>	<b>87,500</b>	<b>94,500</b>	<b>8.00%</b>
<b>Total Special Revenue Fund Revenues</b>	<b>4,290,195</b>	<b>4,504,765</b>	<b>3,585,500</b>	<b>-20.41%</b>
<b>Capital Projects Funds</b>				
<b><u>Park Acquisition &amp; Development</u></b>				
322.334.020.41 Lighthouse Park Grant	0	800,000	1,290,000	61.25%
322.345.852.00 Park Mitigation Fees	135,754	25,000	30,000	20.00%
322.361.110.00 Investment Interest	68,753	10,000	4,100	-59.00%
<b>Total Park Acquisition &amp; Development</b>	<b>204,507</b>	<b>835,000</b>	<b>1,324,100</b>	<b>58.57%</b>
<b><u>Transportation Impact Fees</u></b>				
323.345.841.00 Street Mitigation Fees	0	160,000	150,000	-6.25%
323.361.110.00 Investment Interest	0	6,250	500	-92.00%
323.397.100.00 Operating Transfers In	0	504,366	0	-100.00%
<b>Total Transportation Impact Fees</b>	<b>0</b>	<b>670,616</b>	<b>150,500</b>	<b>-77.56%</b>
<b><u>Real Estate Excise Tax I</u></b>				
331.317.340.00 Local Real Estate Excise Tax	2,028,413	500,000	300,000	-40.00%
331.361.110.00 Investment Interest	499,532	180,000	162,350	-9.81%
331.391.100.00 G.O. Bond Proceeds	0	0	10,220,700	100.00%
331.395.100.00 Sale of Fixed Assets	0	0	980,000	100.00%
<b>Total Real Estate Excise Tax I</b>	<b>2,527,945</b>	<b>680,000</b>	<b>11,663,050</b>	<b>1615.15%</b>

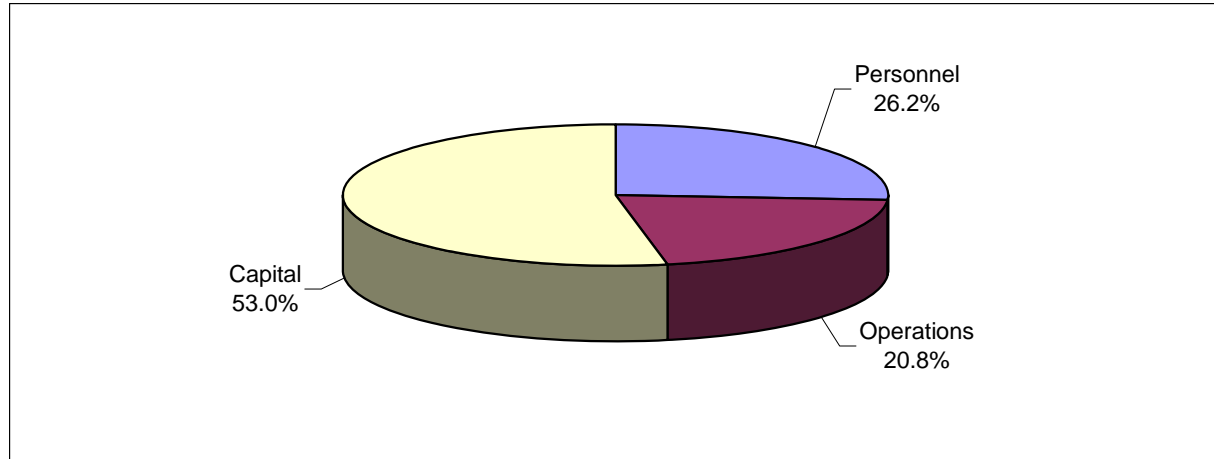


## Revenue Estimates by Fund Class - All Funds

	2007 Actual	2008 Budget	2009 Budget	% Change
<b><u>Real Estate Excise Tax II</u></b>				
332.317.340.00 Local Real Estate Excise Tax	0	500,000	300,000	-40.00%
332.361.110.00 Investment Interest	0	70,000	52,500	-25.00%
332.391.100.00 G.O. Bond Proceeds	0	0	1,527,000	100.00%
332.397.100.00 Operating Transfers In	0	3,057,429	0	-100.00%
<b>Total Real Estate Excise Tax II</b>	0	3,627,429	1,879,500	-48.19%
<b>Total Capital Projects Funds Revenues</b>	<b>2,732,452</b>	<b>5,813,045</b>	<b>15,017,150</b>	<b>158.34%</b>
<b><u>Utility Enterprise Funds</u></b>				
<b><u>Surface Water Management</u></b>				
440.334.000.00 State Grants	0	0	431,000	100.00%
440.334.030.10 WA State Dept of Ecology Grant	0	30,000	0	-100.00%
440.343.830.01 Storm Drainage Fees & Charges	1,212,486	1,250,000	1,250,000	0.00%
440.361.110.00 Investment Interest	43,046	35,000	25,000	-28.57%
440.397.100.00 Operating Transfers In	0	9,286	0	-100.00%
<b>Total Surface Water Management</b>	<b>1,255,532</b>	<b>1,324,286</b>	<b>1,706,000</b>	<b>28.82%</b>
<b>Total Utility Enterprise Funds Revenues</b>	<b>1,255,532</b>	<b>1,324,286</b>	<b>1,706,000</b>	<b>28.82%</b>
<b><u>Internal Service Funds</u></b>				
<b><u>Health Insurance Administration</u></b>				
502.366.500.00 Interfund Insurance Payments	966,706	1,100,000	0	-100.00%
<b>Total Health Insurance Administration</b>	<b>966,706</b>	<b>1,100,000</b>	<b>0</b>	<b>-100.00%</b>
<b><u>Equipment Replacement Reserve</u></b>				
510.365.902.00 Equipment Replacement Charge	219,700	365,420	340,150	-6.92%
<b>Total Equipment Replacement Reserve</b>	<b>219,700</b>	<b>365,420</b>	<b>340,150</b>	<b>-6.92%</b>
<b><u>Unemployment Compensation</u></b>				
516.365.903.00 Unemployment Comp Charges	9,000	9,000	0	-100.00%
<b>Total Unemployment Compensation</b>	<b>9,000</b>	<b>9,000</b>	<b>0</b>	<b>-100.00%</b>
<b>Total Internal Service Funds Revenues</b>	<b>1,195,406</b>	<b>1,474,420</b>	<b>340,150</b>	<b>-76.93%</b>
<b>Totals</b>	<b>22,507,506</b>	<b>25,816,500</b>	<b>32,739,200</b>	<b>26.82%</b>

**Exhibit 5: Expenditure Summary – All Funds**

FUND NO.	FUND DESCRIPTION	2007 ACTUAL	2008 AMENDED BUDGET	2009 ADOPTED BUDGET	\$ Change '09 - '08	% Change '09 - '08
009	LEOFF I RESERVE	\$0	\$26,500	\$27,000	500	1.89%
011	GENERAL	\$12,883,590	14,524,749	13,784,725	(740,024)	-5.09%
015	PAINE FIELD EMERGENCY RESERVE	0	250,000	150,000	(100,000)	-40.00%
111	STREET	297,507	862,483	849,970	(12,513)	-1.45%
112	ARTERIAL STREET	113,682	754,366	100,000	(654,366)	-86.74%
114	RECREATION & CULTURAL SERVICES	104,312	358,940	344,875	(14,065)	-3.92%
116	HOTEL/MOTEL LODGING TAX	66,759	111,500	139,390	27,890	25.01%
118	FACILITIES MAINTENANCE	0	388,530	463,490	74,960	100.00%
120	TECHNOLOGY REPLACEMENT	0	196,450	113,240	(83,210)	100.00%
125	CITY RESERVE	0	190,000	0	(190,000)	-100.00%
126	EMERGENCY MEDICAL SERVICES	1,338,550	1,763,196	1,800,885	37,689	2.14%
141	MUNICIPAL FACILITIES	1,206,125	7,564,250	50,000	(7,514,250)	-99.34%
142	PARKS AND OPEN SPACE	96,580	58,600	62,675	4,075	6.95%
322	PARK ACQUISITION & DEVELOPMENT	451,590	1,930,000	1,317,070	(612,930)	-31.76%
323	TRANSPORTATION IMPACT FEE	0	164,200	600,000	435,800	100.00%
331	REAL ESTATE EXCISE TAX I	499,469	4,580,329	13,403,270	8,822,941	192.63%
332	REAL ESTATE EXCISE TAX II	0	2,383,237	3,287,722	904,485	37.95%
440	SURFACE WATER MANAGEMENT	825,916	1,224,093	1,893,845	669,752	54.71%
502	HEALTH INSURANCE ADMINISTRATION	940,455	1,403,200	0	(1,403,200)	-100.00%
510	EQUIPMENT REPLACEMENT RESERVE	196,790	588,750	167,000	(421,750)	-71.63%
516	UNEMPLOYMENT COMPENSATION	1,589	10,000	0	(10,000)	-100.00%
	<b>TOTALS</b>	<b>19,022,914</b>	<b>39,333,373</b>	<b>38,555,157</b>	<b>(778,216)</b>	<b>-1.98%</b>

**Exhibit 6: Expenditure Summary by Department and Expense Category – All Funds****2009 Budget**

Department	Personnel	Operations	Capital	Total Expenditures
Legislative	46,030	575,900		621,930
Executive	532,925	409,175	10,000	952,100
Legal		271,685		271,685
Finance	638,190	236,140	117,590	991,920
Non-Departmental	26,500	2,545,070		2,571,570
Police	3,071,545	488,860		3,560,405
Fire	2,895,940	1,349,780	80,400	4,326,120
Planning & Community Development	1,021,110	555,930		1,577,040
Public Works	1,664,055	1,456,895	232,000	3,352,950
Recreation & Cultural Services	199,430	145,445		344,875
Capital Projects			19,984,562	19,984,562
Total Operations	10,095,725	8,034,880	20,424,552	38,555,157
% of Total	26.2%	20.8%	53.0%	100.0%

Exhibit 6 represents the distribution of expenses by three main categories: Personnel, Operations, and Capital. The chart included gives further detail of the expense distribution by department and expense category.

**Exhibit 7: Expense Estimates by Category – All Funds**

	<b>2007 Actual</b>	<b>2008 Budget</b>	<b>2009 Budget</b>	<b>% Change</b>
<b><u>Salaries &amp; Wages</u></b>				
1101 FULL TIME EMPLOYEES	5,468,202	6,606,407	6,786,600	2.73%
1102 PART TIME EMPLOYEES	153,278	218,164	170,465	-21.86%
1105 VOLUNTEER FIREFIGHTERS	132,249	166,504	150,000	-9.91%
1111 PART PAID	12,470	87,600	0	-100.00%
1113 SPECIAL ASSIGNMENT PAY	72,484	28,700	42,675	48.69%
1114 EDUCATION PREMIUM PAY	43,398	30,200	50,090	65.86%
1115 ACTING SUPERVISOR PAY	11,246	18,042	8,360	-53.66%
1116 PARAMEDIC INCENTIVE	35,539	63,900	55,955	-12.43%
1117 MERIT PAY	8,816	0	9,365	100.00%
1201 OVERTIME	266,633	271,135	265,070	-2.24%
1202 OFF DUTY OVERTIME	1,478	3,500	3,500	0.00%
1203 STANDBY PAY	21,050	12,500	13,000	4.00%
1204 OVERTIME HOLIDAY	45,889	35,400	35,400	0.00%
1208 OVERTIME OFF DUTY SECURITY	640	0	0	0.00%
	<b>6,273,372</b>	<b>7,542,052</b>	<b>7,590,480</b>	<b>0.64%</b>
<b><u>Personnel Benefits</u></b>				
2101 FICA	390,600	466,014	437,860	-6.04%
2102 LAW ENF. RETIREMENT SYSTEM	178,393	205,862	224,075	8.85%
2103 PERS	165,464	184,225	258,520	40.33%
2104 L&I	68,725	185,308	120,470	-34.99%
2105 MEDICAL BENEFITS PACKAGE	970,040	1,055,268	1,082,460	2.58%
2106 MEDICAL SAVINGS ACCOUNT	15,975	16,200	22,950	41.67%
2107 TEAMSTERS PENSION	42,662	39,600	40,200	1.52%
2109 UNEMPLOYMENT COMP.	9,000	11,041	11,145	0.94%
2110 DEFERRED COMP	48,303	61,200	52,795	-13.73%
2112 VEHICLE ALLOWANCE	7,000	13,200	15,600	18.18%
2113 DENTAL BENEFITS PACKAGE	85,286	90,000	115,680	28.53%
2114 VISION BENEFITS PACKAGE	23,394	27,500	35,455	28.93%
2115 LEOFF I MEDICAL PAYMENTS	1,501	3,000	3,000	0.00%
2116 VOLUNTEER FIREMENS PENSION	3,750	6,600	3,085	-53.26%
2117 UNEMPLOYMENT COMP. INSURANCE	1,589	10,000	0	-100.00%
2119 LIFE INSURANCE	15,463	22,295	21,545	-3.36%
2121 LONG TERM DISABILITY INSURANCE	15,290	25,356	24,405	-3.75%
2125 CLOTHING ALLOWANCE	2,200	11,400	3,000	-73.68%
2126 LEOFF I INS PREMIUMS	21,608	23,500	23,500	0.00%
2130 GENERAL EMPLOYEE BENEFITS	1,667	0	9,500	100.00%
2505 INS. PREMIUMS - AWC	791,919	950,000	0	-100.00%
	<b>2,859,829</b>	<b>3,407,569</b>	<b>2,505,245</b>	<b>-26.48%</b>

**Expense Estimates by Category - All Funds**

	<b>2007 Actual</b>	<b>2008 Budget</b>	<b>2009 Budget</b>	<b>% Change</b>
<b><u>Supplies</u></b>				
3101 OFFICE SUPPLIES	21,861	34,650	57,550	66.09%
3102 COMPUTER SUPPLIES	5,739	5,000	5,000	0.00%
3103 PURCHASE OF FORMS	7,114	9,500	5,000	-47.37%
3104 REFERENCE MATERIAL	11,060	13,300	13,300	0.00%
3105 PAPER STOCK	4,066	3,000	3,000	0.00%
3108 PHOTO SUPPLIES	44	500	0	-100.00%
3110 AMMUNITION	4,538	4,500	12,750	183.33%
3111 PUBLIC RELATIONS PROGRAMS	0	400	2,300	475.00%
3112 OPERATING SUPPLIES	48,437	58,180	105,730	81.73%
3113 VEHICLE REPAIR TOOLS & EQ	794	1,000	1,000	0.00%
3114 SUPPLIES - FIRE SUPPRESSION	6,741	7,500	0	-100.00%
3115 SUPPLIES - TRAINING	280	3,000	8,000	166.67%
3116 SUPPLIES - EMG MEDICAL SVC	30,070	35,000	37,500	7.14%
3121 CLEANING & HOUSEHOLD SUPPLIES	11,045	12,800	0	-100.00%
3124 CLOTHING/BOOTS *	77,747	111,300	87,500	-21.38%
3130 BLDG. MATERIALS & SUPPLIES	4,583	6,000	0	-100.00%
3131 RADIO PARTS AND SUPPLIES	2,352	12,600	500	-96.03%
3132 MTR VEHICLE REPAIR MATERIALS	5,981	1,900	0	-100.00%
3133 TIRES & WHEELS	9,274	9,500	0	-100.00%
3135 AGGREGATE	23,497	22,000	22,360	1.64%
3138 BUILDING MAINTENANCE SUPPLIES	8,846	15,500	2,500	-83.87%
3147 TRAFFIC CONTROL DEVICE SUPPLY	9,260	13,000	13,000	0.00%
3148 SIGNS	172	1,000	1,000	0.00%
3149 RECEPTION SUPPLIES	0	200	0	-100.00%
3155 LANDSCAPE MATERIALS	7,729	20,000	20,000	0.00%
3156 TREES AND SHRUBS	1,873	3,500	3,500	0.00%
3157 ANCILLARY MEETING COSTS	452	2,000	2,000	0.00%
3158 COMMUNITY PROMOTIONAL SUPPLIES	157	3,500	0	-100.00%
3206 MOTOR FUEL	108,066	105,100	122,715	16.76%
3341 RESALE PURCHASES	0	100	100	0.00%
3501 SMALL ITEMS OF EQUIPMENT	31,822	84,761	120,640	42.33%
3503 TRAINING EQUIPMENT & SUPPLIES	26	1,000	0	-100.00%
	<b>443,626</b>	<b>601,291</b>	<b>646,945</b>	<b>7.59%</b>

\*2007 actual and 2008 budget for Clothing and Boots included laundry expenses for the Fire Department. In the 2009 budget, Laundry Services are included in line item #4904.

**Expense Estimates by Category - All Funds**

	<b>2007 Actual</b>	<b>2008 Budget</b>	<b>2009 Budget</b>	<b>% Change</b>
<b><u>Services</u></b>				
4101 BILLING SERVICES	17,598	19,400	19,400	0.00%
4102 CONSULTING SERVICES	59,699	76,500	63,500	-16.99%
4103 ENGINEERING & ARCHITECT SVCS	146,082	221,740	35,000	-84.22%
4104 SPECIAL LEGAL SERVICES	20,194	15,000	15,000	0.00%
4105 CITY ATTORNEY	80,062	69,500	72,975	5.00%
4106 OTHER PROFESSIONAL SVCS.	223,098	319,450	537,490	68.25%
4109 CITY ATTY. OTHER SVCS.	27,889	337,000	237,000	-29.67%
4111 HAZARDOUS MATERIALS TESTING	4,825	9,000	6,000	-33.33%
4115 CITY PROSECUTING ATTORNEY	41,348	38,710	38,710	0.00%
4125 CONTRACT SERVICES	36,562	98,000	88,000	-10.20%
4132 REIMBURSABLE CONSULTING	12,791	7,192	6,500	-9.62%
4138 PUBLIC AFFAIRS & COMMUNITY OUTREACH	30,120	11,000	78,000	609.09%
4140 YOUTH ADVISORY COUNCIL	0	0	4,000	100.00%
4171 RECORDS SERVICES	0	0	10,000	100.00%
	<b>700,268</b>	<b>1,222,492</b>	<b>1,211,575</b>	<b>-0.89%</b>
<b><u>Utilities</u></b>				
4201 TELEPHONE	85,133	83,800	94,415	12.67%
4202 POSTAGE	19,422	23,454	30,600	30.47%
4204 ON-LINE CHARGES	7,558	10,000	12,500	25.00%
4701 NATURAL GAS	43,584	54,600	56,600	3.66%
4702 ELECTRICITY	89,944	95,800	95,800	0.00%
4703 SEWER SERVICE	26,316	27,000	29,000	7.41%
4704 GARBAGE SERVICES	23,151	22,400	22,400	0.00%
4709 WATER SERVICE	21,701	10,100	11,400	12.87%
4710 STORM DRAINAGE CHGS.	26,206	24,800	24,800	0.00%
4712 ALARM SYSTEM	5,954	7,100	7,100	0.00%
4713 ELECTRICITY STREET LIGHTS	104,079	110,000	110,000	0.00%
	<b>453,048</b>	<b>469,054</b>	<b>494,615</b>	<b>5.45%</b>
<b><u>Travel</u></b>				
4301 TRAVEL & SUBSISTENCE	43,174	64,200	72,750	13.32%
	<b>43,174</b>	<b>64,200</b>	<b>72,750</b>	<b>13.32%</b>
<b><u>Advertising &amp; Publishing</u></b>				
4401 CLASSIFIED ADVERTISING	15,219	13,600	13,600	0.00%
4402 LEGAL PUBLICATIONS	6,608	6,500	6,500	0.00%
4404 CITY NEWSLETTER	5,382	42,000	38,000	-9.52%
4405 PUBLICATION OF AGENDAS	3,024	3,300	3,300	0.00%
4406 ADVERTISING	1,015	2,700	2,700	0.00%
4407 COMMUNITY ADVERTISING	0	2,000	0	-100.00%
4408 COMMUNITY ORGANIZATIONAL SUPPORT	26,616	120,000	159,390	32.83%
	<b>57,864</b>	<b>190,100</b>	<b>223,490</b>	<b>17.56%</b>

## Expense Estimates by Category - All Funds

	2007 Actual	2008 Budget	2009 Budget	% Change
<b><u>Rentals</u></b>				
4503 WORK EQUIP & MACHINE RENTAL	10,504	14,600	16,100	10.27%
4504 OFFICE EQUIPMENT RENTAL	2,118	2,000	2,000	0.00%
4509 MOTOR POOL CHARGES	219,700	408,717	340,155	-16.77%
4512 CITY HALL RENT	166,902	170,000	18,000	-89.41%
	399,224	595,317	376,255	-36.80%
<b><u>Insurance</u></b>				
4601 INSURANCE	168,523	176,500	176,500	0.00%
	168,523	176,500	176,500	0.00%
<b><u>Disposals</u></b>				
4705 HAZARDOUS WASTE DISPOSAL	9,374	25,200	22,700	-9.92%
4706 PUBLIC UTILITY SOLID WASTE	113	1,500	1,500	0.00%
4722 BRUSH DISPOSAL	9,886	6,000	9,000	50.00%
4723 LARGE ITEM PICKUP	22,768	33,990	24,000	-29.39%
4730 CONSTRUCTION DEBRIS DISPOSAL	0	0	4,500	100.00%
	42,141	66,690	61,700	-7.48%
<b><u>Repair &amp; Maintenance</u></b>				
4801 OFFICE EQUIPMENT M&R	12,103	15,800	11500	-27.22%
4802 INTERCEPTOR CLEANING	6,839	4,000	0	-100.00%
4807 COMMUNICATIONS EQUIP M & R	12,491	16,300	4500	-72.39%
4808 BLDG & FIXTURE M&R	66,154	127,150	88945	-30.05%
4815 WORK EQUIPMENT M&R	25,026	13,250	53150	301.13%
4816 OTHER MAINTENANCE & REPAIR	6,252	12,500	4700	-62.40%
4817 COMPUTER SYSTEM MAINT	12,858	8,600	7300	-15.12%
4820 VEHICLE R&M	30,809	22,000	105395	379.07%
4821 ACCOUNTING SYSTEM MAINT	24,701	30,000	38100	27.00%
4822 eCITYGOV ALLIANCE CONTRACT	2,000	14,400	14400	0.00%
4825 WETLANDS SUPPORT	0	10,000	0	-100.00%
4840 INSURANCE DEDUCT REPAIRS	0	15,000	15000	0.00%
	199,233	289,000	342,990	18.68%



**Expense Estimates by Category - All Funds**

	<b>2007 Actual</b>	<b>2008 Budget</b>	<b>2009 Budget</b>	<b>% Change</b>
<b><u>Miscellaneous</u></b>				
4902 ASSOC. DUES & MEMBERSHIPS	5,281	15,900	13,855	-12.86%
4903 SUBSCRIPTIONS	0	100	100	0.00%
4904 LAUNDRY SERVICES *	5,099	8,700	34,440	295.86%
4905 FILE, RECORDING FEES	126	500	500	0.00%
4906 VEHICLE CONTRACT LABOR	55,335	92,641	6,900	-92.55%
4907 FILM PROCESSING	7	100	100	0.00%
4909 PRINTING AND BINDING	4,732	21,700	30,500	40.55%
4911 CONTRACTUAL SERVICES	0	850	850	0.00%
4912 TRAINING & REGISTRATION	53,204	107,250	110,500	3.03%
4917 INVESTIGATION COSTS	1,273	3,908	3,910	0.05%
4918 CONTRACT LABOR	216,205	13,000	13,000	0.00%
4920 ANNEXATION SERVICES	182,548	111,746	0	-100.00%
4921 PERMIT FEES	0	0	9,000	100.00%
4922 HEARING EXAMINER	31,720	30,000	20,000	-33.33%
4923 DOMESTIC VIOLENCE SERVICES	0	5,000	5,000	0.00%
4924 JANITORIAL SERVICES	22,500	21,500	23,500	9.30%
4926 CITY CODE REVISION	4,540	3,000	3,000	0.00%
4927 MISCELLANEOUS	1,185	1,400	1,600	14.29%
4928 VEHICLE EQ REMOVAL	243	2,000	2,000	0.00%
4929 TAXES AND ASSESSMENTS	4,495	10,200	10,200	0.00%
4932 EMERGENCY MGMNT MISC	1,503	5,000	5,000	0.00%
4935 BACKGROUND INVESTIGATIONS	0	1,100	500	-54.55%
4937 CONCEALED PISTOL LICENSE	3,084	2,000	3,500	75.00%
4940 VACTOR SERVICE	16,285	24,000	24,000	0.00%
4941 STREET SWEEPING	20,149	20,000	0	-100.00%
4947 RECORDS RETENTION	2,726	10,000	0	-100.00%
4958 COMPREHENSIVE PLAN	11,443	55,000	70,000	27.27%
4961 ADMIN CHARGE - TPA	15,032	15,000	0	-100.00%
4962 ADMIN CHARGE - COBRA NCAS	138	1,000	0	-100.00%
4963 OFM ASSMT FEE	500	500	500	0.00%
4990 COMPENSATION ADJUSTMENTS	0	36,990	50,000	35.17%
4991 RESERVE FOR ACCRUED LEAVE	0	20,000	20,000	0.00%
4997 RAILROAD QUIET ZONE CONTRACT	0	15,500	0	-100.00%
	<b>659,353</b>	<b>655,585</b>	<b>462,455</b>	<b>-29.46%</b>

\*2007 actual and 2008 budget for Clothing and Boots (line item #3124) included laundry expenses for the Fire Department. In the 2009 budget, Laundry Services are included in line item #4904.

**Expense Estimates by Category - All Funds**

	<b>2007 Actual</b>	<b>2008 Budget</b>	<b>2009 Budget</b>	<b>% Change</b>
<b><u>Intergovernmental</u></b>				
5104 ALCOHOL PROGRAM	3,518	4,500	5,000	11.11%
5106 ELECTION SERVICES	10,535	22,500	32,500	44.44%
5112 MUKILTEO WATER DISTRICT	26,953	30,000	30,000	0.00%
5114 HOME DETENTION	3,794	2,000	2,000	0.00%
5115 JAIL CONTRACT	78,466	66,150	67,900	2.65%
5116 EMERGENCY SERVICES	39,614	42,000	44,000	4.76%
5117 ANIMAL SHELTER	26,298	18,000	18,000	0.00%
5118 LANE STRIPING & MARKING	36,787	30,000	30,000	0.00%
5119 SNOHOMISH COUNTY EDC	10,000	10,000	0	-100.00%
5120 SNOHOMISH COUNTY - ILA	99,892	150,000	0	-100.00%
5122 COMMUTE TRIP REDUCTION	0	1,000	2,000	100.00%
5123 NARCOTICS TASK FORCE	4,511	4,600	9,600	108.70%
5125 EVERETT DISTRICT COURT	70,301	57,000	57,000	0.00%
5127 INTERLOCAL EXTRADITION	0	1,000	1,000	0.00%
5130 DISPATCH SERVICES	347,950	376,099	394,820	4.98%
5132 ASSOC WASH CITIES	11,011	11,800	13,870	17.54%
5133 PUGET SOUND AIR POLLUTION	9,918	11,550	12,800	10.82%
5134 PUGET SOUND REGION COUNCIL	7,453	7,500	8,750	16.67%
5136 SNOHOMISH COUNTY TOMORROW	4,441	4,000	7,000	75.00%
5139 VOTER REGISTRATION	0	30,000	30,000	0.00%
5140 STATE AUDITOR AUDIT	44,719	40,000	40,000	0.00%
5142 PARAMEDIC SERVICES CONTRACT	468,222	488,000	366,000	-25.00%
5143 WA ST PURCHASING COOP	900	900	900	0.00%
5146 NATIONAL LEAGUE OF CITIES	1,790	2,000	2,000	0.00%
5147 MINORITY & WOMAN'S BUSINESS	100	100	0	-100.00%
5150 DOE - STORMWATER PERMIT	7,582	0	0	0.00%
5151 SERS OPERATING ASSESSMENT	30,813	31,800	35,805	12.59%
5153 WRIA ILA	0	0	8,000	100.00%
5154 STREET LIGHT MAINTENANCE	12,267	20,000	20,000	0.00%
5157 ROW VEG MAINTENANCE	0	0	11,000	100.00%
5160 SNOHOMISH COUNTY TREASURER	500	0	0	0.00%
5165 SNOHOMISH COUNTY CITIES	0	0	100	100.00%
5170 REGIONAL SERVICE CONTRACTS SNO CO	0	0	150,000	100.00%
5301 TAXES AND ASSESSMENTS	21,570	15,000	15,000	0.00%
9918 OVERHEAD COSTS	334,000	167,000	167,000	0.00%
	<b>1,713,905</b>	<b>1,644,499</b>	<b>1,582,045</b>	<b>-3.80%</b>

**Expense Estimates by Category - All Funds**

	<b>2007 Actual</b>	<b>2008 Budget</b>	<b>2009 Budget</b>	<b>% Change</b>
<b><u>Capital Outlay</u></b>				
6103 LAND PURCHASES	826,231	875,000	2,380,000	172.00%
6201 PRELIMINARY DESIGN	26,761	100,000	110,000	10.00%
6202 DESIGN	594,068	0	0	0.00%
6203 CONSTRUCTION	841,755	3,588,660	1,550,000	-56.81%
6204 INSPECTION	988	0	0	0.00%
6210 BUILDING IMPROVEMENTS	2,591	47,000	97,000	106.38%
6306 LIGHTING SYSTEMS	0	0	5,000	100.00%
6308 ROADWAYS	0	338,527	155,000	-54.21%
6320 PARK CONSTRUCTION	0	60,000	0	-100.00%
6336 SIGN WORK	0	45,000	11,500	-74.44%
6402 COMPUTER HARDWARE	76,963	228,325	113,240	-50.40%
6403 COMPUTER SOFTWARE	5,686	60,100	4,350	-92.76%
6404 OFFICE FURN. AND EQUIPMENT	5,356	337,350	11,500	-96.59%
6407 OTHER MACHINERY & EQUIPMENT	349,655	117,044	93,900	-19.77%
6408 VEHICULAR EQUIPMENT	196,548	877,074	165,000	-81.19%
6426 VOICE MAIL	9,252	0	0	0.00%
6510 STREET RECONSTRUCTION PROJECT	0	0	260,000	100.00%
6520 STREET CONSTRUCTION	0	164,200	145,000	-11.69%
6528 PARK CONSTRUCTION	0	0	1,527,000	100.00%
6530 BIG GULCH BASIN	0	0	660,000	100.00%
6534 CITY HALL DESIGN/CONST	0	8,361,855	0	-100.00%
6539 COMMUNITY CENTER DESIGN	0	525,000	11,149,350	2023.69%
6540 PEDESTRIAN IMPROVEMENTS CONSTRUCTION	0	180,000	0	-100.00%
6555 BIG GULCH TRAIL CONSTRUCTION	0	72,450	399,300	451.14%
6560 JAPANESE GULCH TRAIL CONSTRUCTION	0	70,000	0	-100.00%
6565 PEDESTRIAN & TRAIL PLANNING	0	50,000	0	-100.00%
6575 NEARSHORE RESTORATION PROJECT	0	0	150,000	100.00%
	<b>2,935,854</b>	<b>16,097,585</b>	<b>18,987,140</b>	<b>17.95%</b>
<b><u>Debt Service</u></b>				
7190 DEBT SERVICE	0	0	1,437,412	100.00%
	<b>0</b>	<b>0</b>	<b>1,437,412</b>	<b>100.00%</b>
<b><u>Interfund Transfers</u></b>				
5504 TRANSFER TO GENERAL FUND	0	319,200	0	-100.00%
5506 TRANSFER TO TECH REP FUND	100,000	50,000	50,000	0.00%
5508 TRANS TO EMS FUND	195,000	250,000	466,750	86.70%
5509 TRANSFER TO EQUIPMENT RENTAL	0	4,000	0	-100.00%
5511 TRANSFER TO STREET FUND	0	515,000	525,000	1.94%
5515 TRANSFER TO MUN FAC FUND	1,521,000	1,000,000	50,000	-95.00%
5517 TRANSFER TO COMMUNITY CENTER FUND	7,500	232,915	254,510	9.27%
5518 TRANSFER TO FACILITIES MAINT FUND	0	378,530	390,000	3.03%
5521 TRANSFER TO REET II FUND	0	3,057,429	0	-100.00%
5525 TRANSFER TO PAINE FIELD RESERVE FUND	250,000	0	0	0.00%
5532 TRANSFER TO TRANS. IMPACT FEE FUND	0	504,366	0	-100.00%
5590 TRANSFER TO RESERVES	0	0	647,300	100.00%
	<b>2,073,500</b>	<b>6,311,440</b>	<b>2,383,560</b>	<b>-62.23%</b>
<b><u>TOTAL</u></b>	<b>19,022,914</b>	<b>39,333,374</b>	<b>38,555,157</b>	<b>-1.98%</b>

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## SOURCES AND USES BY FUND CLASS

Exhibit 8 summarizes sources and uses by fund class for the entire City budget.

### **Sources of Funds**

The top portion of the statement shows all anticipated “sources” of funds that will be available during the budget year. These sources include beginning fund balance reserves and current year revenues.

### **Uses of Funds**

The middle portion of the statement shows all anticipated “uses” of funds, by major fund class and by department or major expenditure classification.

Uses of funds include: Operating expenditures, Debt Service expenditures, Capital Improvement expenditures, and other uses of funds including operating transfers to other funds.

### **Ending Fund Balance**

The last line of the statement shows projected Ending Fund Balance by major fund class. This is the anticipated amount of funds projected to be remaining at year-end.

**Exhibit 8: Summary of Sources and Uses by Fund Class  
2009 Budget**

	General Fund	Restricted Funds	Restricted Capital Funds	Enterprise Funds	Total Budgeted Funds
<b>SOURCES OF FUNDS</b>					
<b>BEGINNING FUND BALANCE</b>	6,048,154	2,500,825	10,621,060	1,242,120	20,412,159
Revenues	12,090,400	2,048,450	2,430,390	1,706,000	18,275,240
Interfund Transfers	0	1,686,260	50,000	-	1,736,260
Bond Proceeds	0	-	12,727,700	-	12,727,700
<b>TOTAL SOURCES OF FUNDS</b>	18,138,554	6,235,535	25,829,150	2,948,120	53,151,359
<b>USES OF FUNDS</b>					
Legislative	98,730	-	-	-	98,730
Executive	739,340	-	-	-	739,340
Human Resources	192,760	27,000	-	-	219,760
Legal Services	198,685	-	-	-	198,685
Judicial	73,000	-	-	-	73,000
Finance	744,930	-	-	-	744,930
Information Technology	129,400	-	-	-	129,400
Non-Departmental	1,052,120	289,390	-	-	1,341,510
Police	3,977,985	-	-	-	3,977,985
Fire	2,064,655	1,763,485	-	-	3,828,140
Planning & Community Development	1,577,040	-	-	-	1,577,040
Public Works	975,970	1,311,135	-	833,845	3,120,950
Recreation & Cultural Services	-	344,875	-	-	344,875
<b>TOTAL OPERATIONS</b>	11,824,615	3,735,885	-	833,845	16,394,345
<b>TOTAL DEBT SERVICE</b>	-	-	-	-	-
<b>CAPITAL PROJECTS</b>	223,850	382,640	16,905,650	1,060,000	18,572,140
<b>TOTAL CAPITAL PROJECTS</b>	223,850	382,640	16,905,650	1,060,000	18,572,140
<b>OTHER USES</b>					
Interfund Transfers	1,736,260	-	-	-	1,736,260
Loans Payable	-	-	1,852,412	-	1,852,412
<b>TOTAL OTHER USES</b>	1,736,260	-	1,852,412	-	3,588,672
<b>TOTAL USES OF FUNDS</b>	13,784,725	4,118,525	18,758,062	1,893,845	38,555,157
<b>ENDING FUND BALANCE</b>	4,353,829	2,117,010	7,071,088	1,054,275	14,596,202
<b>Fund Balance % Change 2008-2009</b>	-28.01%	-15.35%	-33.42%	-15.12%	-28.49%
	(1)	(2)	(3)	(4)	(5)

(1) Change in fund balance primarily due to decline in revenues related to downturn in economy.

(2) Change in fund balance due to scheduled replacement of equipment.

(3) Change in fund balance due to Community Center facility design and construction, and Lighthouse Park construction.

(4) Change in fund balance due to an increase in budgeted capital expenditures for Storm Water improvements.

(5) The overall change in fund balance is mainly due to reduced revenues related to the economic downturn, and expenditures for Capital Projects, including Community Center Facility design and construction, and Lighthouse Park construction.



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## FUNDS BY FUND CATEGORY

The accounts of the City are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts, which includes assets, liabilities, fund equity, revenues and expenditures. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The number of funds maintained by the City is consistent with legal and managerial requirements.

The following fund categories and individual funds are discussed in further detail in this section:

### **Governmental Funds**

- General Fund
- LEOFF I Reserve Fund
- Paine Field Emergency Reserve Fund

### **Special Revenue Funds**

- Street Fund
- Arterial Street Fund
- Recreation and Cultural Services Fund
- Hotel/Motel Lodging Tax Fund
- Facilities Maintenance Fund
- Technology Replacement Fund
- City Reserve Fund
- Emergency Medical Services
- Parks and Open Space Fund

### **Capital Project Funds**

- Municipal Facilities Fund
- Park Acquisition & Development Fund
- Transportation Impact Fee Fund
- Real Estate Excise Tax Funds

### **Enterprise Funds**

- Surface Water Management Fund

### **Internal Service Funds**

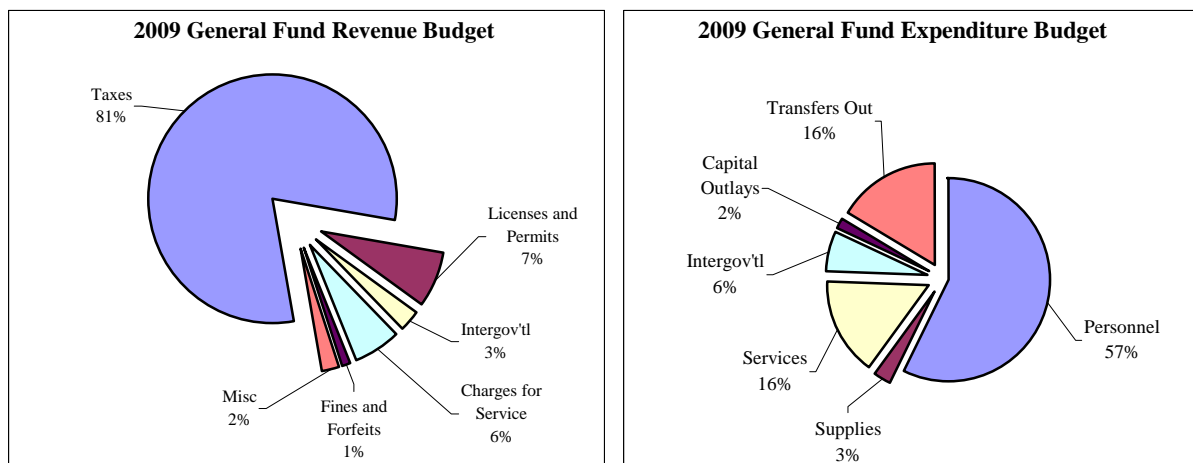
- Health Insurance Administration Fund
- Equipment Replacement Fund
- Unemployment Compensation Fund

## Governmental Funds

### General Fund

The General Fund is the primary operating fund of the City and is used to account for all financial activity not reflected in another fund. It exists to account for the resources devoted to finance the services traditionally associated with local government. Included in these services are police, fire, parks, economic development, engineering, general administration and any other activity for which a special revenue fund or enterprise fund has not been created. The General Fund is the largest fund and typically the fund of most interest and significance to citizens.

### Exhibit 9: General Fund Revenues, Expenditures, and Fund Balance



Item	2007 ACTUAL	2008 AMENDED BUDGET	2009 ADOPTED BUDGET	\$ Change '09 - '08	% Change '09 - '08
Beginning Fund Balance	\$7,105,554	\$7,304,198	\$6,048,154	(\$1,256,044)	-17.20%
Revenues:					
Taxes	9,692,258	9,724,500	9,733,650	9,150	0.09%
Licenses and Permits	1,160,117	1,012,000	887,650	(124,350)	-12.29%
Intergovernmental Revenue	361,674	384,935	335,900	(49,035)	-12.74%
Charges for Service	866,409	745,400	723,300	(22,100)	-2.96%
Fines and Forfeitures	140,397	101,600	139,500	37,900	37.30%
Miscellaneous Revenues	493,505	434,445	270,400	(164,045)	-37.76%
Transfers In	69,559	118,689	0	(118,689)	-100.00%
<b>Total Revenues</b>	<b>\$12,783,921</b>	<b>\$12,521,569</b>	<b>\$12,090,400</b>	<b>(\$431,169)</b>	<b>-3.44%</b>
Expenditures:					
Personnel	6,962,620	7,771,552	7,870,760	99,208	1.28%
Supplies	358,166	390,961	398,350	7,389	1.89%
Services	2,454,225	2,343,583	2,159,565	(184,018)	-7.85%
Intergovernmental	855,577	810,826	857,740	46,914	5.79%
Capital Outlays	179,502	767,382	238,850	(528,532)	-68.87%
Transfers Out	2,073,500	2,440,445	2,259,460	(180,985)	-7.42%
<b>Total Expenditures</b>	<b>\$12,883,590</b>	<b>\$14,524,749</b>	<b>\$13,784,725</b>	<b>(\$740,024)</b>	<b>-5.09%</b>
<b>Ending Fund Balance</b>	<b>\$7,005,885</b>	<b>\$5,301,018</b>	<b>\$4,353,829</b>	<b>(\$947,189)</b>	<b>-17.87%</b>



## General Fund Revenues

The General Fund's major revenue categories are Taxes, Licenses and Permits, Intergovernmental Revenues, Fees for Service, Fines and Forfeitures and Other Miscellaneous Revenues. Taxes are the General Fund's largest revenue source, comprising 81% of total 2009 General Fund revenues. Tax revenues are generated from property taxes, sales tax, utility taxes and a few miscellaneous taxes.

### Exhibit 10: General Fund Revenues – Major Revenue Sources

GENERAL FUND	2007 ACTUAL	2008 AMENDED BUDGET	2009 ADOPTED BUDGET	\$ Change '09 - '08	% Change '09 - '08
<b><u>Taxes</u></b>					
Property Taxes	\$4,193,954	\$4,330,000	\$4,351,650	\$21,650	0.50%
Sales Tax	2,176,680	2,040,000	2,050,000	10,000	0.49%
Utility Taxes	2,862,152	2,930,500	2,924,000	(6,500)	-0.22%
Other Taxes	459,472	424,000	408,000	(16,000)	-3.77%
<b>Total Taxes</b>	<b>9,692,259</b>	<b>9,724,500</b>	<b>9,733,650</b>	<b>9,150</b>	<b>0.09%</b>
<b><u>Licenses &amp; Permits</u></b>					
Business Licenses	418,654	344,000	341,150	(2,850)	-0.83%
Building & Other Permits	741,463	668,000	546,500	(121,500)	-18.19%
<b>Total Licenses &amp; Permits</b>	<b>1,160,117</b>	<b>1,012,000</b>	<b>887,650</b>	<b>(124,350)</b>	<b>-12.29%</b>
<b><u>Intergovernmental Revenues</u></b>					
Liquor Board Profits	188,717	135,000	135,000	0	-
Liquor Excise Tax	44,195	85,000	85,000	0	-
State Entitlements & Impact Payments	8,652	45,000	0	(45,000)	-100.00%
Other Intergovernmental Revenue	120,110	119,935	115,900	(4,035)	-3.36%
<b>Total Intergovernmental Revenues</b>	<b>361,674</b>	<b>384,935</b>	<b>335,900</b>	<b>(49,035)</b>	<b>-12.74%</b>
<b><u>Fees For Service</u></b>					
General Government	530,596	549,200	527,100	(22,100)	-4.02%
Security of Persons & Property	1,813	700	700	0	-
Overhead Charge to Other Funds	334,000	195,500	195,500	0	-
<b>Total Fees For Service</b>	<b>866,409</b>	<b>745,400</b>	<b>723,300</b>	<b>(22,100)</b>	<b>-2.96%</b>
<b><u>Fines &amp; Forfeitures</u></b>					
Fines & Forfeitures	140,397	101,600	139,500	37,900	37.30%
<b>Total Fines &amp; Forfeitures</b>	<b>140,397</b>	<b>101,600</b>	<b>139,500</b>	<b>37,900</b>	<b>37.30%</b>
<b><u>Miscellaneous Revenues</u></b>					
Interest Earnings	428,422	408,000	218,000	(190,000)	-46.57%
Other Miscellaneous Revenue	65,084	26,445	52,400	25,955	100.00%
<b>Total Miscellaneous Revenues</b>	<b>493,505</b>	<b>434,445</b>	<b>270,400</b>	<b>(164,045)</b>	<b>-37.76%</b>
<b><u>Transfers In</u></b>					
Operating Transfers In	69,559	118,689	0	(118,689)	-100.00%
<b>Total Fines &amp; Forfeitures</b>	<b>69,559</b>	<b>118,689</b>	<b>0</b>	<b>(118,689)</b>	<b>-100.00%</b>
<b>Total General Fund</b>	<b>\$12,783,921</b>	<b>\$12,521,569</b>	<b>\$12,090,400</b>	<b>(\$431,169)</b>	<b>-3.44%</b>

## Property Taxes

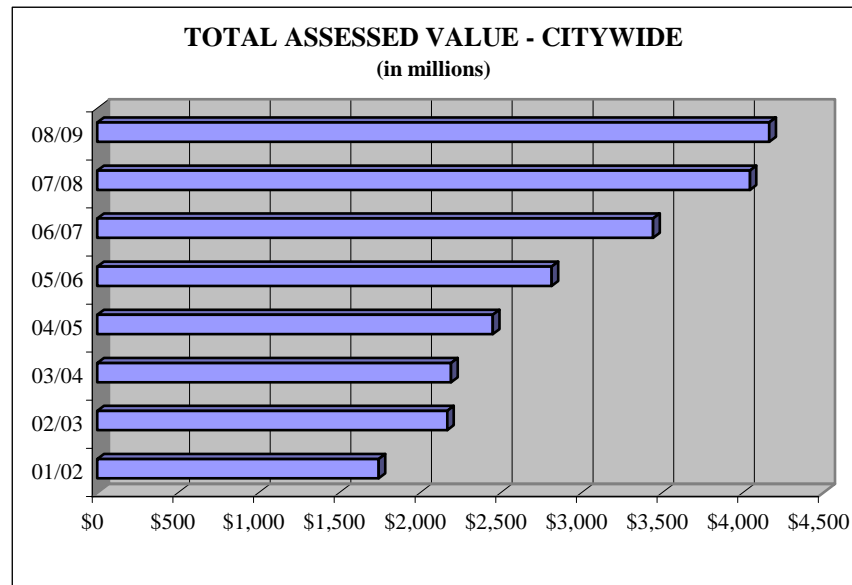
Property taxes are the largest portion (36%) of General Fund revenues. Property taxes include amounts levied against all real, public utility and tangible personal assets located within the City. Taxes collected on real property in one calendar year are levied in the preceding calendar year on assessed values as of the levy date (January 1 of that preceding year.) The assessor sets the levy rate based on the City's budget request, the total assessed value of properties in the City, and any applicable limitations or other adjustments. Washington State law restricts taxing districts to a 1% monetary aggregate increase after adjustments for new construction. The City Council

included this 1% property tax increase in the 2009 budget. Increases exceeding 1% require a vote of the citizens.

The Snohomish County Assessor's Office statistically updates all real property in Snohomish County to "true and fair market value" every year, and physically inspects each property at least once every six years.

As represented in exhibit 11, the total assessed value of all properties in Mukilteo increased by 139% from \$1.74 billion to \$4.17 billion between 2001 and 2008. This increase is partially attributed to increases in property values due to the recent nationwide real estate boom, and partially due to new construction. From 2007 to 2008, total assessed values increased \$121 million, or 3%, as compared to \$599 million, or 17%, the previous year, which reflects recent declines in the real estate market.

**Exhibit 11: Total Assessed Value of Property in Mukilteo**



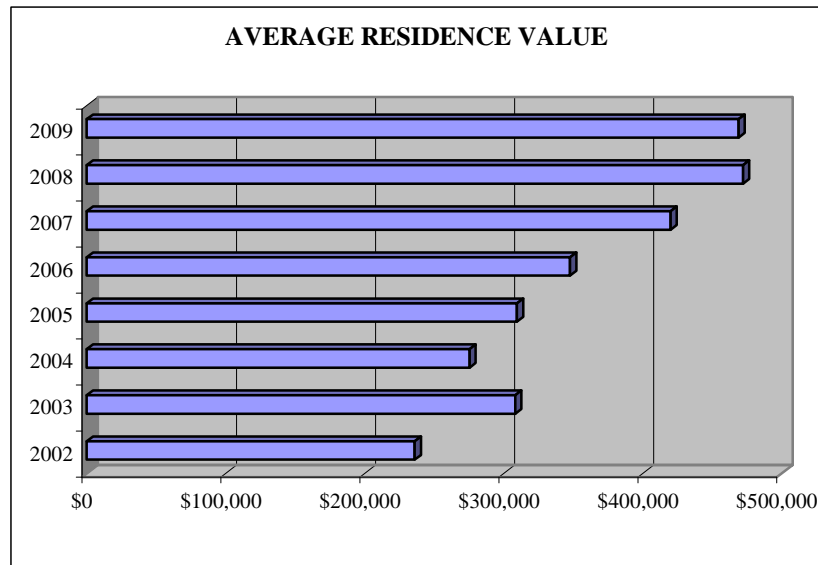
Levy Year/ Collection Year	Total Assessed Value (millions)	Annual Change in Assessed Value (millions)	Annual % Change in Assessed Value	Cumulative Change in Assessed Value Since 01/02 (millions)	Cumulative % Change in Assessed Value Since 01/02
01/02	\$ 1,744				
02/03	\$ 2,169	\$ 425	24%	\$ 425	24%
03/04	\$ 2,192	\$ 23	1%	\$ 448	26%
04/05	\$ 2,452	\$ 260	12%	\$ 708	41%
05/06	\$ 2,815	\$ 363	15%	\$ 1,071	61%
06/07	\$ 3,445	\$ 630	22%	\$ 1,701	98%
07/08	\$ 4,044	\$ 599	17%	\$ 2,300	132%
08/09	\$ 4,165	\$ 121	3%	\$ 2,421	139%

Source: Snohomish County Assessor's Annual Reports for Taxes

### Average Residence Values

Exhibit 12 demonstrates that the average residence value in the City of Mukilteo has increased 99% since 2002, nearly doubling from \$236,000 to \$469,100. The changing financial climate is beginning to affect values, as reflected in the 1% decrease in 2009 average residence values.

**Exhibit 12: Value of Average Residence in Mukilteo**



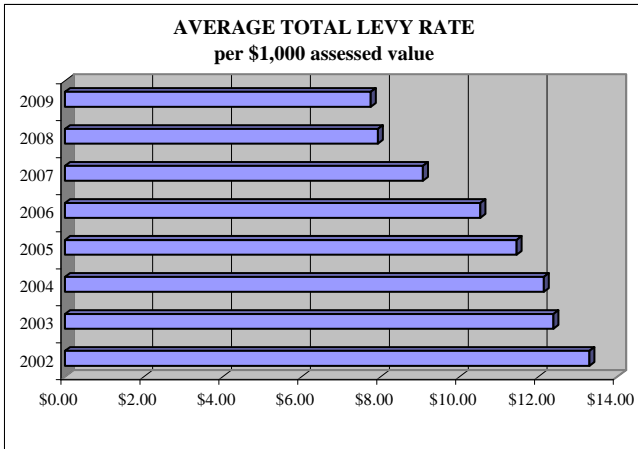
Year	Average Residence Value	Annual Change in Average Value	Annual % Change in Average Value	Cumulative Change in Average Value Since 2002	Cumulative % Change in Average Value Since 2002
2002	\$ 236,000				
2003	\$ 308,300	\$ 72,300	31%	\$ 72,300	31%
2004	\$ 275,400	\$ (32,900)	-11%	\$ 39,400	17%
2005	\$ 309,600	\$ 34,200	12%	\$ 73,600	31%
2006	\$ 347,700	\$ 38,100	12%	\$ 111,700	47%
2007	\$ 420,100	\$ 72,400	21%	\$ 184,100	78%
2008	\$ 472,300	\$ 52,200	12%	\$ 236,300	100%
2009	\$ 469,100	\$ (3,200)	-1%	\$ 233,100	99%

Source: Snohomish County Assessor's Annual Reports for Taxes

### Average Total Property Tax Levy Rates

The average total property tax levy for a home in Mukilteo per \$1,000 assessed value has decreased from \$13.30 in 2002 to \$7.76 in 2009, as indicated in exhibit 13.

#### Exhibit 13: Changes in Average Total Levy Rate



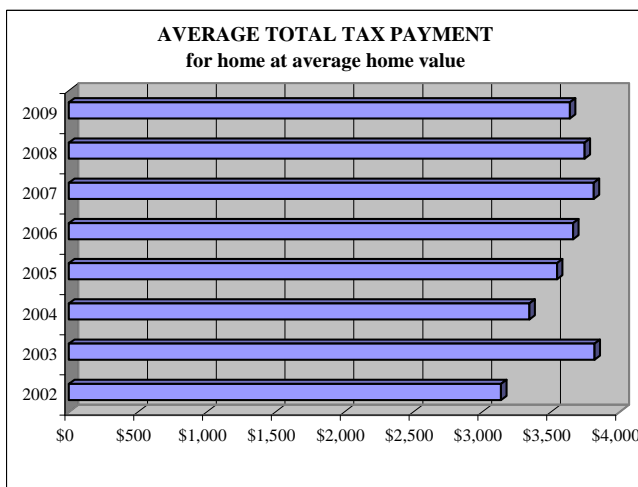
Year	Average Total Levy Rate	Annual Change in Average Levy Rate	Annual % Change in Average Levy Rate	Cumulative \$ Change in Average Levy Rate Since 2002	Cumulative % Change in Average Levy Rate Since 2002
2009	\$ 7.76	\$ (0.18)	\$ (0.02)	\$ (5.54)	-41.68%
2008	\$ 7.93	\$ (1.14)	\$ (0.13)	\$ (5.37)	-40.36%
2007	\$ 9.07	\$ (1.45)	\$ (0.14)	\$ (4.22)	-31.76%
2006	\$ 10.53	\$ (0.92)	\$ (0.08)	\$ (2.77)	-20.82%
2005	\$ 11.45	\$ (0.69)	\$ (0.06)	\$ (1.85)	-13.89%
2004	\$ 12.14	\$ (0.24)	\$ (0.02)	\$ (1.16)	-8.70%
2003	\$ 12.38	\$ (0.92)	\$ (0.07)	\$ (0.92)	-6.90%
2002	\$ 13.30				

Source: Snohomish County Assessor's Annual Reports for Taxes

### Average Total Property Tax Payment

The total property tax payment for an average valued home in Mukilteo has increased from \$3,138 in 2002 to \$3,638 in 2009, as indicated in exhibit 14. This includes levy amounts for the City, County, State, Port, Library, and School District.

#### Exhibit 14: Changes in Average Total Property Tax Payment



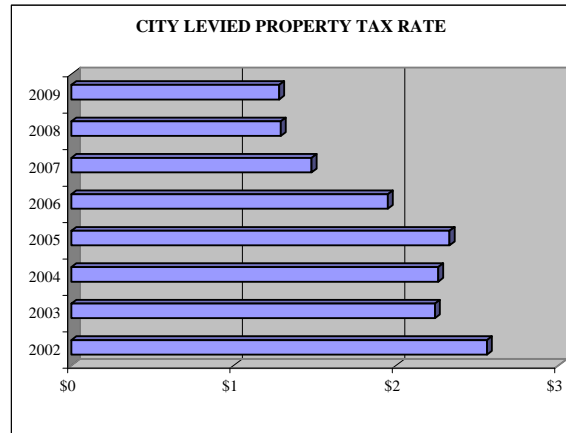
Year	Average Tax Payment	Annual Change in Average Tax Payment	Annual % Change in Average Tax Payment	Cumulative \$ Change in Average Tax Payment Since 2002	Cumulative % Change in Average Tax Payment Since 2002
2009	\$ 3,638	\$ (107.71)	\$ (0.03)	\$ 499.94	15.93%
2008	\$ 3,746	\$ (65.98)	\$ (0.02)	\$ 607.65	19.36%
2007	\$ 3,812	\$ 151.03	\$ 0.04	\$ 673.63	21.47%
2006	\$ 3,661	\$ 115.64	\$ 0.03	\$ 522.60	16.65%
2005	\$ 3,545	\$ 201.65	\$ 0.06	\$ 406.96	12.97%
2004	\$ 3,343	\$ (473.05)	\$ (0.12)	\$ 205.31	6.54%
2003	\$ 3,816	\$ 678.36	\$ 0.22	\$ 678.36	21.62%
2002	\$ 3,138				

Source: Snohomish County Assessor's Annual Reports for Taxes

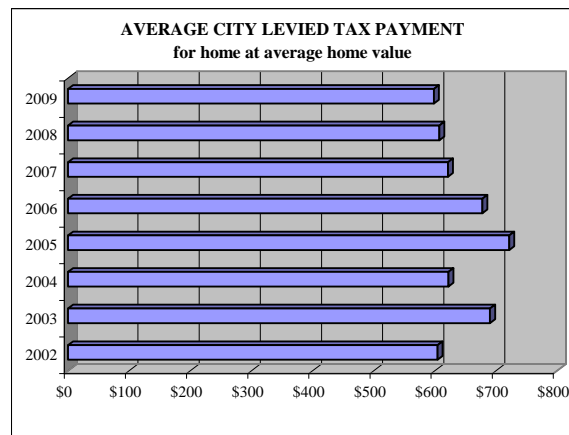
### Average City Levied Property Tax

As represented in exhibit 15, the average property tax rate levied by the City has decreased by 50% between 2002 and 2009. The City levied tax payment for an average valued home has decreased slightly during this same time period, from \$605 to \$598, despite a 99% increase in assessed home values.

### Exhibit 15: Average City Levied Property Tax Rates and Payments



City Levied Property Tax Rate	Annual \$ Change in Average City Levied Rate	Annual % Change in Average City Levied Rate	Cumulative \$ Change in Average City Levied Rate	Cumulative % Change in Average City Levied Rate
\$ 1.28	\$ (0.01)	-0.78%	\$ (1.28)	-50.00%
\$ 1.29	\$ (0.19)	-12.84%	\$ (1.27)	-49.61%
\$ 1.48	\$ (0.47)	-24.10%	\$ (1.08)	-42.19%
\$ 1.95	\$ (0.38)	-16.31%	\$ (0.61)	-23.83%
\$ 2.33	\$ 0.07	3.10%	\$ (0.23)	-8.98%
\$ 2.26	\$ 0.02	0.89%	\$ (0.30)	-11.72%
\$ 2.24	\$ (0.32)	-12.50%	\$ (0.32)	-12.50%
\$ 2.56				



Year	Average Residence Value	Average City Levied Tax Payment	Annual \$ Change in Average City Levied Tax Payment	Annual % Change in Average City Levied Tax Payment	Cumulative \$ Change in Average City Levied Tax Payment	Cumulative % Change in Average City Levied Tax Payment
2009	\$ 469,100	\$ 598	\$ (9)	-1.48%	\$ (7.00)	-1.16%
2008	\$ 472,300	\$ 607	\$ (14)	-2.25%	\$ 2.00	0.33%
2007	\$ 420,100	\$ 621	\$ (57)	-8.41%	\$ 16.00	2.64%
2006	\$ 347,700	\$ 678	\$ (44)	-6.09%	\$ 73.00	12.07%
2005	\$ 309,600	\$ 722	\$ 100	16.08%	\$ 117.00	19.34%
2004	\$ 275,400	\$ 622	\$ (68)	-9.86%	\$ 17.00	2.81%
2003	\$ 308,300	\$ 690	\$ 85	14.05%	\$ 85.00	14.05%
2002	\$ 236,000	\$ 605				

Source: Snohomish County Assessor's Annual Reports for Taxes

### Distribution of Property Taxes

Property taxes collected by Snohomish County and are distributed to various taxing authorities. In 2009, the City of Mukilteo will receive approximately 16 ½ cents of each property tax dollar collected within the City. These property tax revenues are allocated to provide Emergency Medical Services (2 ¾ cents), and general City services (13 ¾ cents).

Exhibit 16 visually demonstrates the allocation of collected property tax revenues for 2009:

## Exhibit 16: Allocation of Property Tax Dollars

### WHERE DO PROPERTY TAX DOLLARS GO?



Source: Snohomish County Assessor's Annual Reports for Taxes

### Utility Taxes

Utility taxes are the second largest portion (24%) of General Fund revenues. Utility Taxes of 6% are levied upon the gross income of businesses providing utility services within the City. These utility services include natural gas, electricity, telephone, cable, garbage, and storm drainage.

### Sales Taxes

Retail sales taxes are the third largest portion (17%) of General Fund revenues. Retail sales tax is charged on the sale of tangible personal property, and the sale of services such as installation, repair, cleaning, altering, improving, construction, and decorating. The sales tax rate in the City of Mukilteo is 8.9% in January 2009. This is comprised of a state sales tax of 6.5%, a Regional Transit Authority sales tax of .4%, and the local tax rate of 2%. The City receives .85% sales tax on retail sales.

Beginning July 1, 2008, retailers must collect local sales tax based on the destination of the shipment or delivery, (where the purchaser takes possession of the goods or services) – known as “destination-based sales tax.” Some local jurisdictions have experienced a net loss in sales tax revenues due to this change to destination-based sales tax, and as a result, are eligible for mitigation payments from the state. The City of Mukilteo has not experienced losses due to this new tax structure.

### Licenses & Permits

Licenses & Permits include business license fees, franchise fees, building permits and other miscellaneous licenses and permits. The majority of the revenue in this category comes from permit fees related to new construction.

## Exhibit 17: Construction Related Revenues

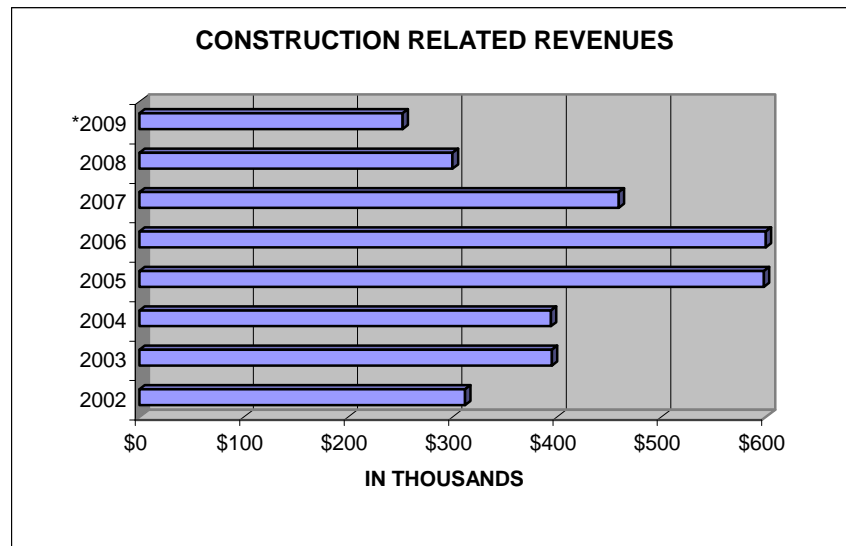


Exhibit 17 reflects actual combined revenues received for building permits, plumbing permits, mechanical permits and engineering fees, with the exception of 2009, which reflects budgeted amounts. The nationwide decline in real estate values and resulting sales has caused a steady decline in these revenues since 2006.

**Intergovernmental** revenues come from grants, state entitlements and state shared revenues.

### State Shared Revenues

The primary allocation basis for other state revenue sharing for each city is the City's relative share of the state's population of all incorporated cities and towns. The Office of the State Treasurer collects, allocates, and distributes these funds.

### Liquor Excise Tax & Liquor Board Profits

Liquor is sold only in Washington State liquor stores. State law provides that a share of the state collected profits and taxes are to be returned to the cities to help defray the costs of policing these stores. The City receives 28% of the liquor excise taxes collected within the City.

**Fines & Forfeitures Revenues** are derived primarily from traffic violations, and also include parking citations and miscellaneous.

**Other Miscellaneous Revenues** include sources such as investment income, contributions and revenues that do not fit in another category.

## General Fund Expenditures

The total General Fund expenditure budget for 2009 totals \$ 13,784,725, a decrease of 5.14% from 2008. Major expenditure categories include:

### Personnel Services

Personnel services represent a significant portion of the total General Fund budget. In 2009 salaries and benefits (health, dental, vision, disability, life, retirement) account for \$7,870,760 or 57% of the total General Fund budget.

### Operating Expenditures

Operating expenditures represent approximately 28% of the total General Fund budget for 2009. This includes a wide array of expenditures. Operating expenditures include all normal day-to-day expenditures (i.e., engineering services, custodial services, repair and maintenance, legal notices, equipment rental and repair, telephone and utility services, legal and accounting services, motor vehicle repair and maintenance, minor equipment, liability insurance, and miscellaneous supplies).

### Capital Outlays

Capital outlays represent approximately 2% of the total General Fund budget for 2009. Capital outlays in the General Fund include items such as software, machinery and equipment, interpretive signage, and pavement improvements.

### Interfund Transfers

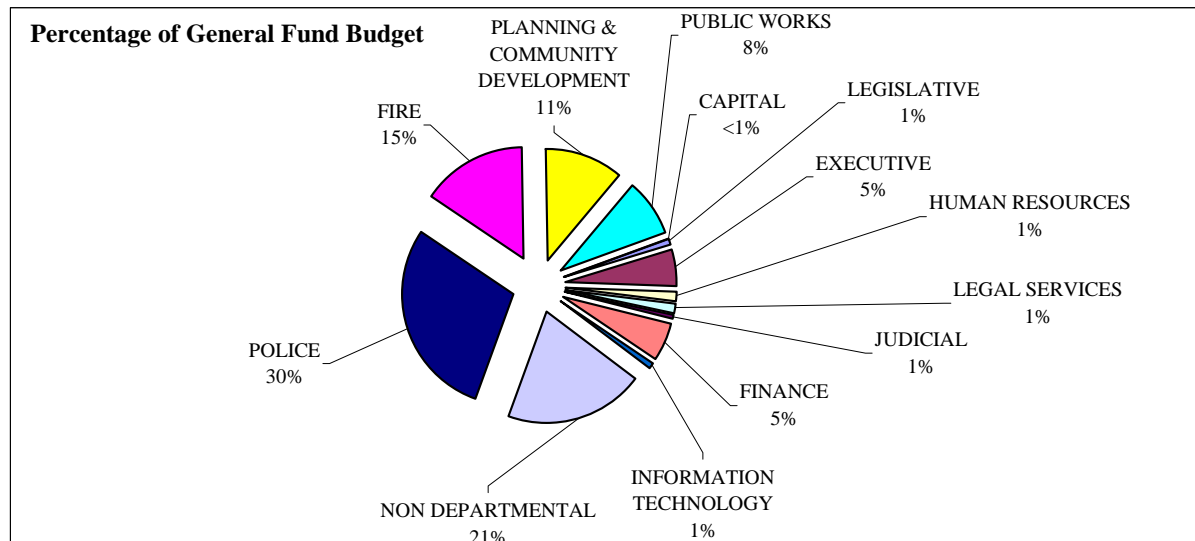
Transfers are made from the General Fund to several other funds, which represent 13% of the total General Fund budget:

• To Municipal Facilities	\$ 50,000
• To Technology Replacement Reserve	\$ 50,000
• To Street Fund	\$ 525,000
• To Recreation and Cultural Services Center	\$ 254,510
• To EMS Fund	\$ 466,750
• To Facilities Maintenance Fund	<u>\$ 390,000</u>
Total Interfund Transfers	<u>\$ 1,736,260</u>



Exhibit 18 depicts the major departments or functions in the General Fund and the amount budgeted in those categories.

### Exhibit 18: General Fund Expenditures Summary by Division



	2007 ACTUAL	2008 AMENDED BUDGET	2009 ADOPTED BUDGET	\$ Change '09 - '08	% Change '09 - '08
LEGISLATIVE	\$101,374	\$98,710	\$98,730	\$20	0.02%
EXECUTIVE	581,857	609,652	749,340	139,688	22.91%
HUMAN RESOURCES	91,786	146,596	192,760	46,164	31.49%
LEGAL SERVICES	149,299	195,210	198,685	3,475	1.78%
JUDICIAL	90,495	73,000	73,000	0	-
FINANCE	728,643	745,859	744,930	(929)	-0.12%
INFORMATION TECHNOLOGY	162,572	187,725	133,750	(53,975)	-28.75%
NON DEPARTMENTAL	2,518,364	3,529,084	2,788,380	(740,704)	-20.99%
POLICE	3,742,513	4,030,412	3,977,985	(52,427)	-1.30%
FIRE	1,997,719	2,132,646	2,107,655	(24,991)	-1.17%
PLANNING & COMMUNITY DEVELOPMENT	1,273,336	1,445,217	1,577,040	131,823	9.12%
PUBLIC WORKS	1,422,438	1,330,638	1,130,970	(199,668)	-15.01%
RECREATION & CULTURAL SERVICES	23,194	0	0	0	0.00%
CAPITAL	0	0	11,500	11,500	100.00%
<b>Totals</b>	<b>\$12,883,590</b>	<b>\$14,524,749</b>	<b>\$13,784,725</b>	<b>(\$740,024)</b>	<b>-5.09%</b>

### LEOFF I Reserve Fund

The LEOFF I Reserve Fund holds funds set aside to be used for the payment of medical premiums and medical expenses for LEOFF I retirees. A fund statement for the LEOFF I Reserve Fund is included on page 80.

### Paine Field Emergency Fund

This fund receives all revenues from a funds transfer from the General Fund, and is used for the payment of legal or other costs deemed necessary by council as appropriate to oppose commercial expansion of Paine Field. A fund statement for the Paine Field Emergency Fund is included on page 71.

## Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specific purposes or resources dedicated for specific purposes.

The City maintains nine Special Revenue Funds:

### Street Fund

In addition to a transfer from the General Fund, this fund receives 68.14% of the Motor Vehicle Fuel Excise Tax (gas tax) received. These revenues are used for costs related to street maintenance. A fund statement for the Street Fund is included on page 125.

### Arterial Street Fund

This fund receives 31.86% of the Motor Vehicle Fuel Excise Tax (gas tax), and may be used for the construction, improvement, chip sealing, seal-coating, and repair of arterial highways and city streets. A fund statement for the Arterial Street Fund is included on page 143.

### Recreation and Cultural Services Center Fund

In addition to a transfer from the General Fund, this fund receives Recreation and Cultural Services Center activities fees and rental revenues, and funds the expenditures for the operations and maintenance of the Recreation and Cultural Services Center building and programs. A fund statement for the Recreation and Cultural Services Center Fund is included on page 140.

### Hotel/Motel Lodging Tax Fund

This fund receives the 2% hotel/motel tax assessed on hotels/motels within the City. These funds are mandated to be used only for tourism promotion and operations and maintenance of tourism facilities in the City. A fund statement for the Hotel/Motel Lodging Tax Fund is included on page 83.

### Facilities Maintenance Fund

This fund receives all revenues from a funds transfer from the General Fund. This fund is used for expenses related to maintenance of City facilities. A fund statement for the Facilities Maintenance Fund is included on page 127.

### Technology Replacement Fund

This fund maintains a reserve for replacement of entity-wide computer hardware/software, telephone hardware or any other major technology need that arises in the future. Funding is provided through a transfer from the General Fund. A fund statement for the Technology Replacement Fund is included on page 77.

### City Reserve Fund

This fund is used to reserve funds in the event of major unplanned expenditures the city could face in the future as a result of landslides, earthquake or other natural disasters. A fund statement for the City Reserve Fund is included on page 72.

### Emergency Medical Services Fund

In addition to a transfer from the General Fund, this fund receives the revenues from a voter approved tax levy to fund advanced life support (ALS) services. A fund statement for the Emergency Medical Services Fund is included on page 112.

### Parks and Open Space Fund

This fund receives revenues from the Lighthouse Park boat launch and long-term parking. Allowed expenditures are related to maintaining developed and undeveloped parkland, open space, and tidelands. A fund statement for the Parks and Open Space Fund is included on page 130.

## Debt Service Funds

Debt Service Funds are used to account for bond proceeds and the subsequent payment of principal and interest.

Per State law, the City may have a total general obligation debt outstanding of up to 2.5% of the assessed value for general purposes, 2.5% for utility purposes and 2.5% for open space/parks. Within the 2.5%, the City may have non-voted general obligation debt outstanding of up to 1.5% of assessed value. This non-voted debt includes limited tax general obligation bonds, conditional sales contracts and capital leases.

### Exhibit 19: Computation of Legal Debt Capacity

Assessed Value	General Capacity		Special Purpose Capacity		Total Capacity
	General	Lease	Utility Purposes	Parks & Open Space	
\$ 4,164,912,117					
2.5% AV	104,122,803		104,122,803	104,122,803	312,368,409
1.5% AV*		62,473,682			
Statutory Debt Limit	104,122,803	62,473,682	104,122,803	104,122,803	312,368,409
Debt Outstanding	-	-	-	-	
Less amount available in Debt Service Fund	-	-	-	-	
Net Debt Outstanding	-	-	-	-	
<b>Remaining Debt Capacity</b>					<b>312,368,409</b>

\* The 1.5 % General Capacity Lease amount is part of the 2.5% General Capacity amount.

Exhibit 19 indicates that the legal debt capacity for the City is over \$312 million. At the end of 2008 the City had no debt outstanding. In 2009 the City has budgeted debt service payment obligations of \$1,437,412, in anticipation of the issuance of new bonds to fund construction of the new Recreation and Cultural Services Center. Since 1991, Mukilteo's bond rating has been an "A2 with positive outlook." This bond rating will be advantageous to Mukilteo when new bonds are issued.

## Capital Projects Funds

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. The City uses the Capital Project funds to ensure legal compliance with and financial management for various restricted revenues.

The City maintains five Capital Projects Funds:

### **Municipal Facilities Fund**

The revenues from this fund come from transfers from the General Fund and are used to construct City facilities. A fund statement for the Municipal Facilities Fund is included on page 144.

### **Parks Acquisition and Development Fund**

This fund receives revenues from park mitigation fees and grants, and is used to fund the expenditures for park development. A fund statement for the Parks Acquisition and Development Fund is included on page 145.

### **Transportation Impact Fee Fund**

Transportation Impact fees are authorized under the State Environmental Policy Act (SEPA) and the Growth Management Act (GMA) to help offset the cost of transportation capital facilities brought about by new growth and development. Impact fee revenues collected are used to design, engineer and construct transportation facilities that are consistent with the capital facilities and transportation elements of the Mukilteo comprehensive plan. A fund statement for the Transportation Impact Fee Fund is included on page 146.

### **Real Estate Excise Tax Funds**

Real estate excise tax is collected on all sales of real estate within the city, measured by the full selling price, including the amount of any liens, mortgages, and other debts given to secure the purchase. The state levies this tax at the rate of 1.28 percent. Cities may levy an additional two separate quarter percent taxes. The City levies both the additional quarter percents. There are two components of Real Estate Excise Tax revenues:

#### **Real Estate Excise Tax I Fund**

Revenues generated may be used for any capital purpose identified in the current capital improvement plan for the purposes of planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement. These purposes may include: streets; roads; highways; sidewalks; street and road lighting systems; traffic signals; bridges; domestic water systems; storm and sanitary sewer systems; parks planning, acquisition (building & land), construction, reconstruction, repair, replacement, rehabilitation, or improvement; recreational facilities; law enforcement facilities; fire protection facilities; administrative and judicial facilities; trails; and libraries. A fund statement for the Real Estate Excise Tax I Fund is included on page 147.

**Real Estate Excise Tax II Fund**

Revenues generated may be used for street and park projects (with the exclusion of the acquisition of land.) A fund statement for the Real Estate Excise Tax II Fund is included on page 148.

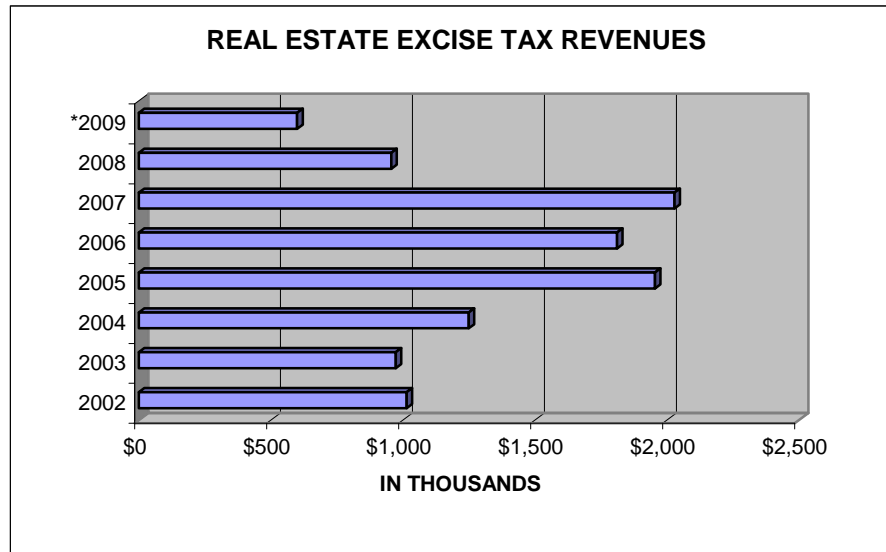
**Exhibit 20: Real Estate Excise Tax Revenues**

Exhibit 20 reflects actual Real Estate Excise Tax revenues received in both funds, with the exception of 2009 which reflects budgeted amounts. The nationwide decline in real estate values and resulting sales has caused a steady decline in these revenues since 2007.

## Enterprise Funds

Enterprise funds are used to account for those operations that provide services to the general public for a fee. Under GASB Statement #34, enterprise funds are required for any activity whose principal revenue sources meet any of the following criteria: (1) any activity that has issued debt backed solely by the fees and charges of the activity, (2) if the cost of providing the services for an activity, including capital costs such as depreciation or debt service, must legally be recovered through fees and charges, or (3) it is the policy of the City to establish activity fees or charges to recover the cost of providing services, including capital costs.

The City maintains one Enterprise Fund:

### Surface Water Management

The revenue for this fund comes from user fees and is used for operations, maintenance and improvement of the City's storm drainage system. A fund statement for the Surface Water Management Fund is included on page 133.

### Exhibit 21: Surface Water Utility Revenues

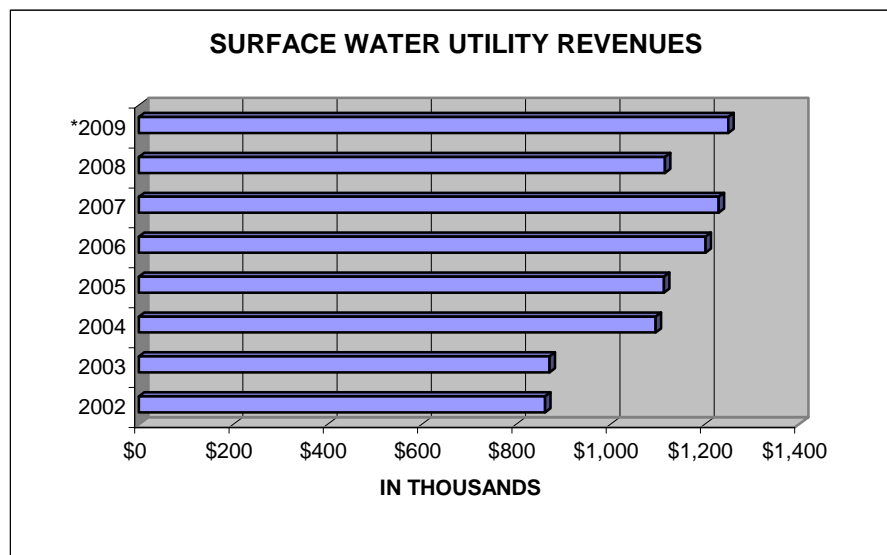


Exhibit 21 reflects actual revenues received for storm drainage fees, with the exception of 2009 which reflects budgeted amounts.

## Internal Service Funds

Internal Service funds are used when a City provides services for other departments and charges the departments for those services. The revenue for these funds comes from transfers from other departments within the City.

The City maintains three internal service funds:

### Health Insurance Administration Fund

The City self-insures dental and vision benefits for City Employees. Since 2008 the Health Insurance Administration Fund has held reserves for these benefits, as required by state law, and dental and vision charges are expensed directly to each department budget. A fund statement for the Health Insurance Administration Fund is included on page 84.

### Equipment Replacement Fund

The City maintains a detailed equipment replacement schedule for all capital equipment owned by the City. Departments are charged an annual fee that is set aside for the purpose of replacing capital equipment used by the department. A fund statement for the Equipment Replacement Fund is included on page 135.

### Unemployment Compensation Fund

Beginning in 2009, unemployment claims are budgeted to and paid directly from each department budget. This fund holds reserve funds to protect against higher than anticipated employment compensation claims. A fund statement for the Unemployment Compensation Fund is included on page 85.



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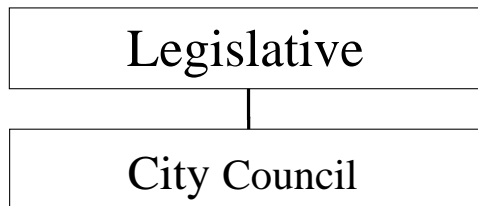


## LEGISLATIVE DEPARTMENT

The Legislative Department includes the City Council. The City Council is responsible for establishing policy direction for the City through the adoption of laws, policies, procedures, and programs.

The City Council approves the City Budget, all ordinances, resolutions, contracts, fees, and programs. The City Council meets twice each month at regularly scheduled meetings and meets, as needed, to discuss special interest matters.

The City Council consists of seven members who serve four-year terms. Terms are staggered so that no more than four Councilmember positions are up for election at any one time.



## City Council

### **PURPOSE**

The City Council establishes policy direction for the City organization by adopting ordinances, resolutions, programs, priorities, and procedures.

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.

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.

### **POSITION SUMMARY**

Position Title	2008	2009
Councilmember	7	7
Total	7	7

### **PERFORMANCE INDICATORS**

	2007 Actual	2008 Actual	2009 Est
Council Meetings	39	39	40
Formal Actions Taken	32	252	250
Ordinances Adopted	30	29	25
Resolutions Approved	25	31	30

### **2009 GOALS & OBJECTIVES**

- To establish clear policy direction and priorities for City operations.
- To establish annual work plans for City commissions and boards.
- To protect the community against Paine Field Airport expansion.
- To pursue State and Federal legislation beneficial to Mukilteo.
- To pursue responsible development for the Mukilteo Landing Waterfront Development.
- To efficiently and effectively communicate with the public through Council Meetings, Chime-In Meetings, and public information programs.

**CITY COUNCIL**

Fund: General - 011

	<b>2007 Actual</b>	<b>2008 Budget</b>	<b>2009 Budget</b>	<b>% Change</b>
Salaries and Benefits	46,482	46,010	46,030	0.04%
Supplies	1,343	3,300	3,300	0.00%
Professional Services	24,149	10,000	10,000	0.00%
Communications	4,313	6,100	6,100	0.00%
Training & Travel	20,546	30,000	30,000	0.00%
Computer System Maintenance	0	300	300	0.00%
City Code Revision	4,540	3,000	3,000	0.00%
<b>TOTAL CITY COUNCIL</b>	<b>101,373</b>	<b>98,710</b>	<b>98,730</b>	<b>0.02%</b>



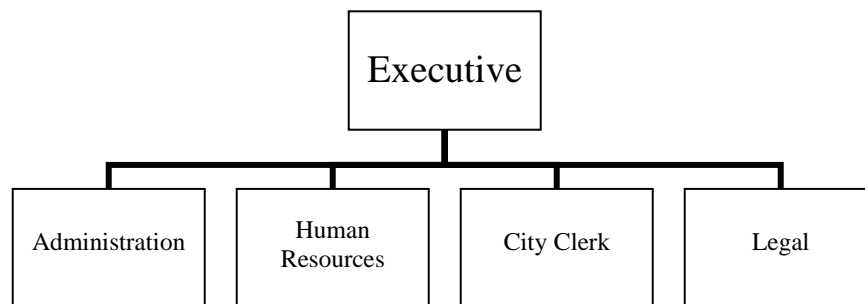
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## EXECUTIVE DEPARTMENT

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

The Executive Department consists of the Administration, Human Resources and City Clerk Divisions, which are described within this section.



### DEPARTMENT EXPENDITURE SUMMARY

Division	2007 Actuals	2008 Budget	2009 Budget	% Change
Administration	580,510	609,650	749,340	22.91%
Human Resources	91,787	192,910	192,760	-0.08%
Legal	239,794	268,210	271,685	1.30%
Paine Field Emergency Reserve	-	250,000	150,000	-40.00%
<b>TOTAL</b>	<b>912,091</b>	<b>1,320,770</b>	<b>1,363,785</b>	<b>3.26%</b>

## Administration

### **PURPOSE**

The Administration Division manages and directs the operations of the City. The Mayor serves as the Chief Executive Officer and is elected to a four-year term. The Mayor appoints the City Administrator, with confirmation by the City Council.

The City Administrator oversees all City operations, implements policy direction established by the Mayor and City Council, manages the daily operations of the City, and establishes work plans for departments. Through department heads, the City Administrator coordinates operations, develops programs, evaluates performance, and manages activities to assure City services are effectively and efficiently provided.

This Division also maintains the City's official public records, coordinates and processes liability claims and lawsuits involving the City, monitors public information requests, prepares public outreach information, manages and maintains the City's web site, and provides direct staff support to the Mayor and City Council.

### **POSITION SUMMARY**

Title	2008	2009
Mayor	1	1
City Administrator	1	1
City Clerk	1	1
Executive/HR Assistant	1	1
Management Analyst*	1	0
Assistant to City Administrator*	0	1
Department Assistant	0.5	0.5
<b>Total</b>	<b>5.5</b>	<b>5.5</b>

\*This position title was changed from Management Analyst to Assistant to City Administrator.

### **PERFORMANCE INDICATORS**

	2007 Actual	2008 Actual	2009 Est.
Agenda Bills Presented	106	119	105
Public Records Requests	460	366	450
Claims Opened	9	12	17
Claims Closed	12	5	15
Incidents Reported	24	22	25

### **2009 GOALS & OBJECTIVES**

- To continue activities to protect the community from commercial air service at Paine Field Airport.
- To continue communications and public information activities and initiatives to promote the City
- To complete negotiations for inter-local agreements for development at Paine Field Airport.
- To improve long-range financial and operational planning and stability.
- To evaluate existing and future opportunities for Franchise agreements.
- To implement an annual Records Disposition Program.
- To implement an Electronic Records Management system.

**ADMINISTRATION**

Fund: General - 011

	2007 Actuals	2008 Budget	2009 Budget	% Change
Salaries and Benefits	405,865	499,050	518,425	1.41%
Overtime	14,478	5,000	5,000	0.00%
Supplies	2,993	10,800	13,800	27.78%
Professional Services	34,900	50,000	137,000	174.00%
Records Management	0	0	10,000	100.00%
Communications	3,488	3,800	8,615	126.71%
Travel and Training	18,342	22,500	28,000	24.44%
Equipment Repairs & Maintenance	0	500	500	0.00%
Assoc. Dues and Memberships	624	5,000	5,000	0.00%
Contract Labor	99,820	13,000	13,000	0.00%
Capital Equipment	0	0	10,000	100.00%
<b>TOTAL ADMINISTRATION</b>	<b>580,510</b>	<b>609,650</b>	<b>749,340</b>	<b>22.91%</b>

## Human Resources

### **PURPOSE**

The Human Resources Division provides support services to the organization through the recruitment, selection, training, and evaluation of employees. These functions are performed by employees of the Executive Division.

The Division conducts employee recruitments, background investigations, and employee orientations and exit interviews.

The Division also monitors the performance of all city employees and assures that regular constructive evaluations and training are provided.

The Division conducts studies of position classifications, compensation evaluations, and monitors employee attendance and performance.

The Division coordinates and manages employee benefit programs and handles all civil service related activities required by State Law.

The Division handles informal and formal grievances, arbitration actions, represents the City in negotiations or actions with employee unions, and participates in negotiations of all labor contracts with the City's 4 union-represented employee groups.

### **PERFORMANCE INDICATORS**

	2007	2008	2009
	Actual	Actual	Est.
Position Recruitments	23	25	30
Applications Screened	331	600	500
Applicants Interviewed	82	150	250
Labor Contracts Settled	0	0	4
Background			
Verifications	23	25	10
Labor Arbitrations	0	0	0

### **2009 GOALS & OBJECTIVES**

- To recruit and hire qualified candidates for position vacancies.
- To complete a comprehensive update of the City's Personnel Manual.
- To develop administrative guidelines and evaluations for personnel.
- To conduct a full review of employee benefit packages.
- To develop, coordinate and monitor training programs.
- To comply with state and federal employee regulations, providing updated material and programs for employees.
- To complete negotiations for new labor agreement



**HUMAN RESOURCES**

Fund: General - 011

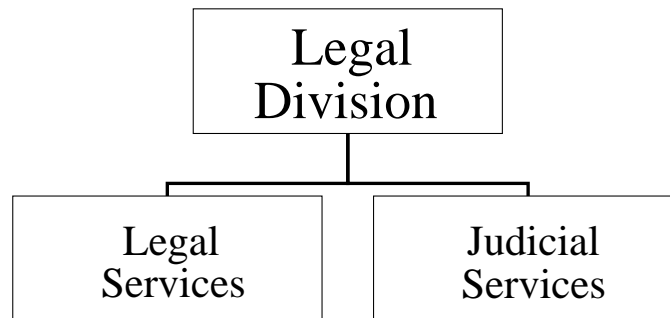
	<b>2007 Actuals</b>	<b>2008 Budget</b>	<b>2009 Budget</b>	<b>% Change</b>
Supplies	1,918	3,500	3,500	0.00%
Professional Services	54,256	30,000	60,000	100.00%
Communications	1,241	1,900	1,900	0.00%
Travel and Training	18,953	41,500	41,500	0.00%
Classified Advertising	15,219	13,600	13,600	0.00%
Assoc. Dues and Memberships	200	200	560	180.00%
Printing and Binding	0	1,700	1,700	0.00%
Compensation Adjustments	0	80,510	50,000	-37.90%
Reserve for Accrued Leave	0	20,000	20,000	0.00%
<b>TOTAL HUMAN RESOURCES</b>	<b>91,787</b>	<b>192,910</b>	<b>192,760</b>	<b>-0.08%</b>

## Legal Division

The Legal Division provides legal advice, defense, and prosecution services to City Departments and provides court services to the community.

Legal services are provided by the City Attorney and City Prosecutor. Court services are provided by the Everett District Court.

The Division is organized into two subdivisions shown below:



### LEGAL DIVISION EXPENDITURE SUMMARY

Division	2007 Actuals	2008 Budget	2009 Budget	% Change
Legal Services	149,299	195,210	198,685	1.78%
Judicial Services	90,495	73,000	73,000	0.00%
<b>TOTAL</b>	<b>239,794</b>	<b>268,210</b>	<b>271,685</b>	<b>1.30%</b>

## Legal Services

### **PURPOSE**

The Legal Services subdivision provides two main types of legal services to the City: City Attorney services and City Prosecutor services.

City Attorney services include providing legal advice to the Mayor, City Council, City Commissions and Boards, and City Departments. The City Attorney prepares and/or reviews City ordinances, resolutions, and agreements; reviews and advises the City regarding new Federal and State legislation; and provides general and specific legal advice on all City matters. 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 are provided through contract with the law firm of Ogden Murphy and Wallace of Seattle.

City Prosecutor services include prosecution of civil or criminal matters related to violations of the Mukilteo Municipal Code. City Prosecutor services are provided through contract with a private attorney.

### **PERFORMANCE INDICATORS**

	2007 Actual	2008 Actual	2009 Est.
Hours of Service			
City Attorney	808	750	840
City Prosecutor	342	300	350
Litigation Cases	8	6	6

### **2009 GOALS & OBJECTIVES**

- Provide on-going legal advice covering City operations.
- Provide on-going prosecution services.

### **LEGAL SERVICES**

Fund: General - 011

	2007 Actuals	2008 Budget	2009 Budget	% Change
City Attorney	80,062	69,500	72,975	5.00%
City Attorney - Other Services	27,889	87,000	87,000	0.00%
City Prosecuting Attorney	41,348	38,710	38,710	0.00%
<b>TOTAL LEGAL SERVICES</b>	<b>149,299</b>	<b>195,210</b>	<b>198,685</b>	<b>1.78%</b>

## Judicial Services

### PURPOSE

The Judicial subdivision provides district 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 interlocal agreement with Snohomish County district court system.

In addition to district court functions, the Division includes costs to provide State-required defense of indigent defendants and payment of witness fees.

### PERFORMANCE INDICATORS

	2007 Actual	2008 Actual	2009 Est.
Cases	93	90	98
Indigents Defended	85	82	90
Hours of Service	87	90	94

### 2009 GOALS & OBJECTIVES

- To continue to provide district court services.

### JUDICIAL SERVICES

Fund: General - 011

	2007 Actuals	2008 Budget	2009 Budget	% Change
Indigent Defense Attorney	20,194	15,000	15,000	0.00%
Interlocal Extradition	0	1,000	1,000	0.00%
Everett District Court	70,301	57,000	57,000	0.00%
<b>TOTAL JUDICIAL SERVICES</b>	<b>90,495</b>	<b>73,000</b>	<b>73,000</b>	<b>0.00%</b>

## Paine Field Emergency Fund

### PURPOSE

The purpose of the Paine Field Emergency Fund is to set aside funds for the payment of legal or other costs deemed necessary by council as appropriate to oppose commercial expansion of Paine Field.

### **PAINE FIELD EMERGENCY FUND**

Fund: Paine Field Emergency - 015

	2007 Actuals	2008 Budget	2009 Budget	% Change
<b>Beginning Fund Balance</b>	<b>0</b>	<b>250,000</b>	<b>150,000</b>	<b>-40.00%</b>
Revenues				
Operating Transfers In	250,000	0	0	0.00%
Total Revenues	250,000	0	0	0.00%
<b>Total Resources</b>	<b>250,000</b>	<b>250,000</b>	<b>150,000</b>	<b>-40.00%</b>
Expenditures				
Legal Services	0	250,000	150,000	-40.00%
<b>Total Expenditures</b>	<b>0</b>	<b>250,000</b>	<b>150,000</b>	<b>-40.00%</b>
<b>Ending Fund Balance</b>	<b>250,000</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>

## City Reserve Fund

### PURPOSE

The purpose of the City Reserve Fund is to set aside funds for unanticipated expenditures.

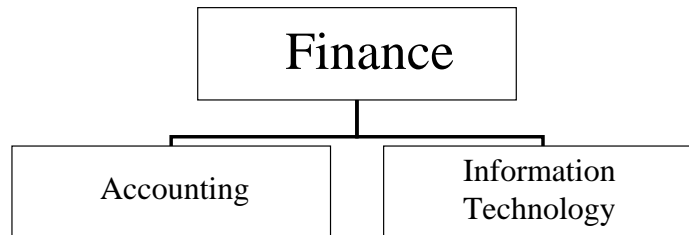
<b>CITY RESERVE FUND</b>				
Fund: City Reserve - 125				
	<b>2007 Actuals</b>	<b>2008 Budget</b>	<b>2009 Budget</b>	<b>% Change</b>
<b>Beginning Fund Balance</b>	<b>1,094,348</b>	<b>1,147,361</b>	<b>992,360</b>	<b>-13.51%</b>
Revenues				
Investment Interest	53,013	50,000	0	-100.00%
Total Revenues	53,013	50,000	0	-100.00%
<b>Total Resources</b>	<b>1,147,361</b>	<b>1,197,361</b>	<b>992,360</b>	<b>-17.12%</b>
Expenditures				
Land Purchases	0	190,000	0	-100.00%
<b>Total Expenditures</b>	<b>0</b>	<b>190,000</b>	<b>0</b>	<b>0.00%</b>
<b>Ending Fund Balance</b>	<b>1,147,361</b>	<b>1,007,361</b>	<b>992,360</b>	<b>-1.49%</b>

## FINANCE DEPARTMENT

The Finance Department consists of the accounting and information technology services cost centers.

The accounting cost center includes payroll, business licensing, accounts receivable, accounts payable, cash management, budgeting and financial reporting.

The information technology cost center manages and maintains the City's computer hardware, software, networks, applications and systems; ensures the backup, integrity and security of the computer data assets; and maintains equipment including telephone systems, copiers, and fax devices.



<b><u>POSITION SUMMARY</u></b>		
Position Title	2008	2009
Finance Director	1	1
Accounting Services Manager	1	1
Staff Accountant	1	1
Accounting Technician	3	3
Technology Analyst	1	1
<b>Total</b>	<b>7</b>	<b>7</b>

### DEPARTMENT EXPENDITURE SUMMARY

<b>FINANCE DEPARTMENT</b>	<b>2007 Actual</b>	<b>2008 Budget</b>	<b>2009 Budget</b>	<b>% Change</b>
Accounting	728,827	762,860	744,930	-2.35%
Information Technology	158,094	345,075	246,990	-28.42%
<b>TOTAL</b>	<b>886,921</b>	<b>1,107,935</b>	<b>991,920</b>	<b>-10.47%</b>

## Accounting

### **PURPOSE**

The Accounting Division fulfills all accounting/treasury functions, which include accounts payable, accounts receivable, payroll, cash management, auditing, job costing, investing, budgeting, and financial reporting. The department also issues all business and some specialty licensing, and provides purchasing services.

### **ACCOMPLISHMENTS**

During 2008 and early 2009, the Finance Department completed 2005, 2006 and 2007 annual audits, bringing the City audit schedule up-to-date.

During 2008 and early 2009, the following policies were written by the Finance Department and adopted by the City Council:

- Investments
- Procurement
- Capital Assets
- Travel
- Meals with Meetings
- Light Refreshments

These policies are available in the Finance Department section of the City's website:  
[www.ci.mukilteo.wa.us](http://www.ci.mukilteo.wa.us)

New Fixed Assets software was implemented, improving internal control over and reporting of capital assets.

The Payroll system received in-depth review and reconfiguration, and additional staff training was completed, resulting in greater efficiencies in payroll processing.

### **POSITION SUMMARY**

Position Title	2008	2009
Finance Director	1	1
Accounting Services Manager	1	1
Staff Accountant	1	1
Accounting Technician	3	3
Total	6	6

### **2009 GOALS & OBJECTIVES**

Revise the budget process to include goal & benchmark setting with Council & Citizens.

Continue to create and/or strengthen policies and procedures as needs are identified.

Revise the City's business licensing structure to be more small-business friendly and to streamline processes.

Review credit card program to see if we can benefit from using the State's Procurement Card Program.

Improved tracking of park and transportation impact fees for enhanced reporting.

Complete a Comprehensive Annual Financial Report for fiscal year 2008, and successfully participate in the Government Finance Officers Association awards program.

Successfully participate in the Government Finance Officers Association Distinguished Budget Presentation Award program for 2009.





## ACCOUNTING

Fund: General - 011

	2007 Actuals	2008 Budget	2009 Budget	% Change
Salaries and Benefits	619,289	620,620	623,190	0.41%
Overtime	15,225	15,000	15,000	0.00%
Supplies	6,545	5,600	5,600	0.00%
Professional Services	0	15,000	7,500	-50.00%
Communications	6,693	5,600	5,600	0.00%
Travel & Training	1,272	7,200	7,200	0.00%
Motor Pool Charges	268	3,740	3,740	0.00%
Equipment R&M	103	1,000	1,000	0.00%
Accounting System Maintenance	24,701	30,000	34,100	13.67%
Dues & Memberships	1,152	1,000	1,000	0.00%
Printing And Binding	1,807	1,000	1,000	0.00%
Miscellaneous	1,367	0	0	0.00%
State Auditor Audit	44,719	40,000	40,000	0.00%
Computer Software	5,686	17,100	0	-100.00%
<b>TOTAL ACCOUNTING</b>	<b>728,827</b>	<b>762,860</b>	<b>744,930</b>	<b>-2.35%</b>

## Information Technology

### **PURPOSE**

The Information Technology (IT) Division administers the City's computer hardware, software, networks, applications and systems to ensure maximum performance, efficiency and reliability on a 24 hour basis; ensures the backup, integrity and security of the computer data assets and enforces user credential accountability; and maintains non-departmental equipment including telephone systems, copiers, and fax devices while working with vendors to maintain services.

IT provides all internal technical and helpdesk support, configuration, installation and maintenance for each device and application and coordinates with vendors for specialized technical issues. IT also provides centralized technology review and purchasing to assist in achieving City goals.

The division provides analysis of procedures and new technologies, and develops recommendations including the reallocation and replacement of equipment. Training material is developed and instruction is provided on applications and technology as needed.

Support and coordination with emergency 911 dispatch/records is also provided by the IT division.

### **POSITION SUMMARY**

Position Title	2008	2009
Technology Analyst	1	1
Total	1	1

### **ACCOMPLISHMENTS**

Switched to high-speed data connection, which connected all City buildings.

Standardized City-wide VOIP phone system.

Cost reduction measures through service provider changes.

Server consolidation.

Enhanced calendar sharing.

### **PERFORMANCE INDICATORS**

Data loss instances: 2

Virus attacks intercepted  
at secondary level: 1

### **2009 GOALS & OBJECTIVES**

Develop an I.T. plan to encompass replacement schedules and how we deliver services to our customers.

Research and implement the most cost effective avenue to improve on our building to building connectivity.

Improve performance of the Planning, GIS, and Engineering software systems.

Implement remote connection ability for staff.

### INFORMATION TECHNOLOGY

Funds: General - 011 and Technology Replacement - 120

	2007 Actuals	2008 Budget	2009 Budget	% Change
Supplies	18,916	21,000	21,000	0.00%
Consulting Services	27,249	26,500	43,500	64.15%
Travel and Training	0	0	3,500	100.00%
Communications	8,083	10,500	10,500	0.00%
On-Line Fees	7,558	10,000	10,000	0.00%
Equipment Rental and Maintenance	25,760	22,500	26,500	17.78%
ECitygov Alliance Contract	2,000	14,400	14,400	0.00%
Capital Outlay	68,528	240,175	117,590	-51.04%
<b>TOTAL INFORMATION TECHNOLOGY</b>	<b>158,094</b>	<b>345,075</b>	<b>246,990</b>	<b>-28.42%</b>

### TECHNOLOGY REPLACEMENT FUND

Fund: Technology Replacement - 120

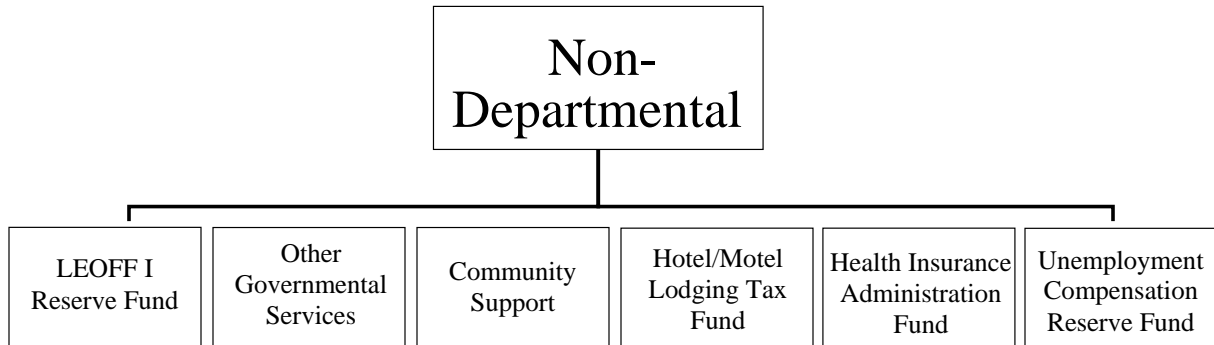
	2007 Actuals	2008 Budget	2009 Budget	% Change
<b>Beginning Fund Balance</b>	<b>208,941</b>	<b>321,812</b>	<b>297,860</b>	<b>-7.44%</b>
Revenues				
Investment Interest	4,000	11,700	10,000	-14.53%
General Fund Subsidy	100,000	50,000	50,000	0.00%
Total Revenues	104,000	61,700	60,000	-2.76%
<b>Total Resources</b>	<b>312,941</b>	<b>383,512</b>	<b>357,860</b>	<b>-6.69%</b>
Expenditures				
Capital Outlays	0	196,450	113,240	-42.36%
<b>Total Expenditures</b>	<b>0</b>	<b>196,450</b>	<b>113,240</b>	<b>100.00%</b>
<b>Ending Fund Balance</b>	<b>312,941</b>	<b>187,062</b>	<b>244,620</b>	<b>30.77%</b>



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## NON DEPARTMENTAL

The Non-Departmental division is used to segregate all costs not directly identifiable to a specific department/division and that are either required by law and/or a service which is beneficial to all citizens.



### DEPARTMENT EXPENDITURE SUMMARY

NON DEPARTMENTAL	2007 Actuals	2008 Budget	2009 Budget	% Change
LEOFF I Reserve Fund	0	26,500	27,000	1.89%
Other Governmental Services	2,224,386	2,935,795	2,706,380	-7.81%
Community Support	54,923	99,990	82,000	-17.99%
Hotel/Motel Lodging Tax Fund	66,790	111,500	139,390	25.01%
Health Insurance Administration Fund	943,286	1,403,200	0	-100.00%
Unemployment Compensation Fund	1,589	10,000	0	-100.00%
<b>TOTAL</b>	<b>3,290,974</b>	<b>4,586,985</b>	<b>2,954,770</b>	<b>-35.58%</b>

## LEOFF I Reserve Fund

### PURPOSE

The purpose of the LEOFF I Reserve Fund is to set aside funds to be used for the payment of medical premiums and medical expenses for LEOFF I retirees.

This fund was established in 2008 to segregate funds designated as LEOFF I Reserve Funds that were previously included in fund 502 Self Insurance Health Benefit Reserve Fund.

LEOFF I RESERVE FUND				
Fund: LEOFF I - 009				
	2007 Actuals	2008 Budget	2009 Budget	% Change
<b>Beginning Fund Balance</b>	<b>0</b>	<b>0</b>	<b>164,875</b>	<b>0.00%</b>
Transfer from Health Insurance Administration Fund	0	178,415	0	-100.00%
<b>Total Resources</b>	<b>0</b>	<b>178,415</b>	<b>164,875</b>	<b>-7.59%</b>
Expenditures				
LEOFF I Medical Payments	0	3,000	3,000	0.00%
LEOFF I Insurance Premiums	0	23,500	23,500	0.00%
OFM Assessment Fee	0	0	500	100.00%
<b>Total Expenditures</b>	<b>0</b>	<b>26,500</b>	<b>27,000</b>	<b>1.89%</b>
<b>Ending Fund Balance</b>	<b>0</b>	<b>151,915</b>	<b>137,875</b>	<b>-9.24%</b>

## Other Governmental Services

### PURPOSE

The Other Governmental Services division contains costs that are not particular to any one department or activity. The division includes costs for general city memberships in professional organizations or associations and may include other uses that are not technically expenditures but are uses of budgetary funds. These other uses of funds include such things as inter-fund loan repayments or transfers and contributions to other funds.

### OTHER GOVERNMENTAL SERVICES

Fund: General - 011

	2007 Actuals	2008 Budget	2009 Budget	% Change
General Employee Benefits	1,668	0	9,500	100.00%
Public Affairs & Community Outreach	30,120	11,000	78,000	609.09%
Youth Advisory Council	0	0	4,000	100.00%
Insurance	168,523	176,500	176,500	0.00%
Insurance Deduct Repairs	0	15,000	15,000	0.00%
Emergency Mgmt Miscellaneous	1,503	5,000	5,000	0.00%
Alcohol Program	3,518	4,500	5,000	11.11%
Election Services	10,535	22,500	32,500	44.44%
Emergency Services	39,614	42,000	44,000	4.76%
Snohomish County EDC	10,000	10,000	0	-100.00%
Snohomish County - ILA	99,892	150,000	0	-100.00%
Commute Trip Reduction	0	1,000	2,000	100.00%
Association of Washington Cities	11,011	11,800	13,870	17.54%
Puget Sound Air Pollution	9,918	11,550	12,800	10.82%
Puget Sound Region Council	7,453	7,500	8,750	16.67%
Snohomish County Tomorrow	4,441	4,000	7,000	75.00%
Voter Registration	0	30,000	30,000	0.00%
WA St Purchasing Coop	900	900	900	0.00%
National League of Cities	1,790	2,000	2,000	0.00%
Snohomish County Cities	0	100	100	100.00%
Transfer to Technology Repl Fund	100,000	50,000	50,000	0.00%
Transfer to EMS Fund	195,000	250,000	466,750	86.70%
Transfer to Equipment Replacement Fund	0	4,000	0	-100.00%
Transfer to Street Fund	0	515,000	525,000	1.94%
Transfer to Municipal Facility Fund	1,521,000	1,000,000	50,000	-95.00%
Transfer to Community Center	7,500	232,915	254,510	9.27%
Transfer to Facilities Maint Fund	0	378,530	390,000	3.03%
Transfer to Reserves	0	0	523,200	100.00%
<b>TOTAL OTHER GOVERNMENTAL SERVICES</b>	<b>2,224,386</b>	<b>2,935,795</b>	<b>2,706,380</b>	<b>-7.81%</b>

## Community Support

### **PURPOSE**

The Community Support division includes costs associated with conducting programs, services, events or activities that promote the City, community or outreach services to the residents and businesses of Mukilteo. The division also provides support for community groups, including Community Support Funding to promote tourism and economic development and for events such as the City co-sponsored Mukilteo Lighthouse Festival.

### **COMMUNITY SUPPORT**

Fund: General - 011

	<b>2007 Actuals</b>	<b>2008 Budget</b>	<b>2009 Budget</b>	<b>% Change</b>
Community Promotional Supplies	157	3,500	0	-100.00%
City Newsletter	5,382	42,000	38,000	-9.52%
Advertising	0	2,000	0	-100.00%
Community Organizational Support	26,616	8,500	20,000	135.29%
Large Item Pickup	22,768	33,990	24,000	-29.39%
Wetlands Support	0	10,000	0	-100.00%
<b>TOTAL COMMUNITY SUPPORT</b>	<b>54,923</b>	<b>99,990</b>	<b>82,000</b>	<b>-17.99%</b>



## Hotel/Motel Lodging Tax Fund

### PURPOSE

This fund receives the 2% hotel/motel tax assessed on hotels/motels within the City. State of Washington RCW's restrict the use of the tax to fund tourism promotion and operations and/or maintenance of tourism facilities in the City.

The City has established a Lodging Tax Advisory Committee to advise Council on effective use of the fund's assets.

Each year, the Committee solicits grant application to fund tourism promotional opportunities within the City. The applications are reviewed by the Lodging Tax Advisory Committee, who then present their recommendations to Council.

### HOTEL/MOTEL LODGING TAX FUND

Fund: Hotel/Motel Lodging Tax - 116

	2007 Actuals	2008 Budget	2009 Budget	% Change
<b>Beginning Fund Balance</b>	<b>96,755</b>	<b>163,570</b>	<b>181,070</b>	<b>10.70%</b>
Revenues				
Taxes	126,685	130,000	130,000	0.00%
Investment Interest	5,889	5,000	4,500	-10.00%
<b>Total Revenues</b>	<b>132,574</b>	<b>135,000</b>	<b>134,500</b>	<b>-0.37%</b>
<b>Total Resources</b>	<b>229,329</b>	<b>298,570</b>	<b>315,570</b>	<b>5.69%</b>
Expenditures				
Personnel Expense	31,160	0	0	0.00%
Supplies	2,280	7,000	0	-100.00%
Community Organizational Support	12,729	104,500	139,390	33.39%
Capital Outlays	20,621	0	0	0.00%
<b>Total Expenditures</b>	<b>66,790</b>	<b>111,500</b>	<b>139,390</b>	<b>25.01%</b>
<b>Ending Fund Balance</b>	<b>162,539</b>	<b>187,070</b>	<b>176,180</b>	<b>-5.82%</b>

## Health Insurance Administration Fund

### PURPOSE

The City of Mukilteo self-insures dental and vision benefits for City staff. In 2008 and prior years, all vision and dental expenses were budgeted to and paid from the Health Insurance Administration Fund. Beginning in 2009, dental and vision expenses are budgeted to and paid from each department budget, and only the reserve is maintained in this fund.

Per State of Washington Office of Financial Management guidelines, the City is required to maintain a reserve balance equal to or exceeding 16 weeks of budgeted self-insured expenses. The minimum reserve requirement for 2009 is \$41,232. The current reserve amount maintained is \$53,320.

### HEALTH INSURANCE ADMINISTRATION FUND

Fund: Health Insurance Administration - 502

	2007 Actuals	2008 Budget	2009 Budget	% Change
<b>Beginning Fund Balance</b>	<b>527,289</b>	<b>550,709</b>	<b>53,320</b>	<b>-90.32%</b>
Revenues				
Interfund Insurance Payments	966,705	1,100,000	0	-100.00%
General Fund Subsidy	0	0	0	0.00%
<b>Total Revenues</b>	<b>966,705</b>	<b>1,100,000</b>	<b>0</b>	<b>-100.00%</b>
<b>Total Resources</b>	<b>1,493,994</b>	<b>1,650,709</b>	<b>53,320</b>	<b>-96.77%</b>
Expenditures				
Personnel Benefits				
LEOFF I Medical Payments	1,501	0	0	0.00%
LEOFF I Insurance Premiums	21,608	0	0	0.00%
Insurance Premiums - AWC	793,981	950,000	0	-100.00%
Admin Charge - TPA	15,032	15,000	0	-100.00%
Admin Charge - Cobra NCAS	138	1,000	0	-100.00%
OFM Assmt Fee	500	500	0	-100.00%
Dental Charges	86,583	90,000	0	-100.00%
Vision Charges	23,943	27,500	0	-100.00%
Transfer to LEOFF I Fund	0	319,200	0	-100.00%
<b>Total Expenditures</b>	<b>943,286</b>	<b>1,403,200</b>	<b>0</b>	<b>-100.00%</b>
<b>Ending Fund Balance</b>	<b>550,708</b>	<b>247,509</b>	<b>53,320</b>	<b>-78.46%</b>

## Unemployment Compensation Fund

### PURPOSE

Unemployment Compensation Expenses are budgeted directly to each department in 2009. The Unemployment Compensation Fund maintains a reserve balance to help offset unexpected expenditures from unemployment claims processed against the City.

### UNEMPLOYMENT COMPENSATION FUND

Fund: Unemployment Compensation - 516

	2007 Actuals	2008 Budget	2009 Budget	% Change
<b>Beginning Fund Balance</b>	<b>28,786</b>	<b>36,197</b>	<b>36,200</b>	<b>0.01%</b>
Revenues				
Unemployment Compensation				
Charges	9,000	9,000	0	-100.00%
Total Revenues	9,000	9,000	0	-100.00%
<b>Total Resources</b>	<b>37,786</b>	<b>45,197</b>	<b>36,200</b>	<b>-19.91%</b>
Expenditures				
Unemployment Compensation	1,589	10,000	0	-100.00%
<b>Total Expenditures</b>	<b>1,589</b>	<b>10,000</b>	<b>0</b>	<b>-100.00%</b>
<b>Ending Fund Balance</b>	<b>36,197</b>	<b>35,197</b>	<b>36,200</b>	<b>2.85%</b>

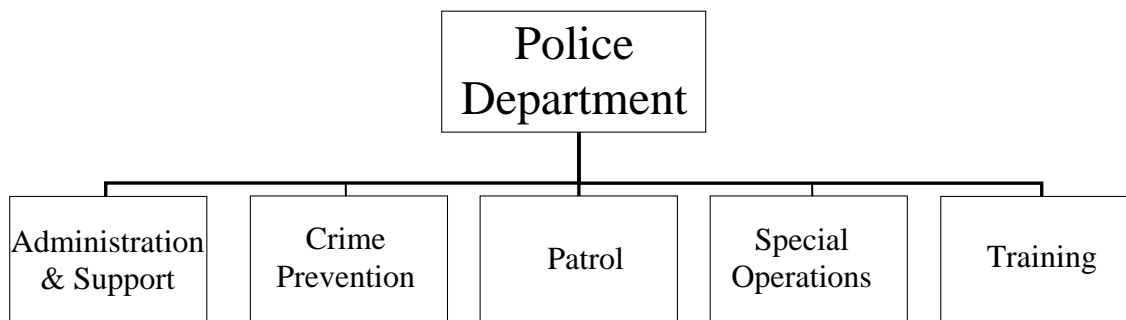


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## POLICE DEPARTMENT

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 consists of five divisions: Administration and Support Services, Crime Prevention, Patrol, Training and Special Operations, as shown below.



### DEPARTMENT EXPENDITURE SUMMARY

POLICE DEPARTMENT	2007 Actual	2008 Budget	2009 Budget	% Change
Administration & Support Services	1,061,761	1,233,900	1,156,545	-6.27%
Crime Prevention*	-	-	126,410	100.00%
Patrol	2,344,763	2,472,380	2,292,115	-7.29%
Special Operations	257,405	324,135	354,625	9.41%
Training*	-	-	48,290	100.00%
<b>TOTAL</b>	<b>3,663,929</b>	<b>4,030,415</b>	<b>3,977,985</b>	<b>-1.30%</b>

\* New divisions added in 2009. Previously budgeted to Administration, Patrol, and Special Operations.

## Administration and Support Services

### **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 interlocal services agreements for: radio and emergency dispatch; jail fees; domestic violence counseling; 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 manages the Electronic Home Monitoring Detention Program.

### **POSITION SUMMARY**

<b>Title</b>	<b>2008</b>	<b>2009</b>
Police Chief	1	1
Commander	1	1
Police Officer	1	1
Office Supervisor	1	1
Community Support Officer	1	1
Support Services Technician	2	2
Crime Prevention Officer*	1	0
<b>Total</b>	<b>8</b>	<b>7</b>

\*Crime Prevention is a separate division in 2009.

### **PERFORMANCE INDICATORS**

	<b>2007 Actual</b>	<b>2008 Actual</b>	<b>2009 Est.</b>
Jail Detention			
No. Bookings	162	131	130
Housing Days	1,236	1,197	1,250
Electronic Home Detention			
No. Participants	34	21	18
Detention Days	429	314	300
Internal	1	0	1
Animal Complaints	506	473	550
Case Reports	2,497	2,221	2,800
Fingerprint Services	229	196	280
Infraction/Citations	2,636	2,677	3,000
Animal Licenses	288	380	360
Pistol Permits	123	211	180

### **2009 Goals & Objectives**

- Complete a comprehensive inventory audit of the property & evidence room
- Cross-Train all records personnel
- Establish a Training Division under the supervision of the Police Commander
- Planning in preparation of annexation



ANNUAL BUDGET

POLICE DEPARTMENT

**POLICE - ADMINISTRATION & SUPPORT SERVICES**

Fund: General - 011

	2007 Actuals	2008 Budget	2009 Budget	% Change
Salaries and Benefits	610,991	691,345	642,610	-7.05%
Overtime	7,236	12,900	11,600	-10.08%
Supplies	16,852	27,900	27,050	-3.05%
Small Equipment	1,554	5,350	5,350	0.00%
Professional Services	3,542	800	800	0.00%
Communications	25,596	27,000	27,000	0.00%
Travel & Training	891	7,290	500	-93.14%
Motor Pool Charges	5,708	12,315	10,705	-13.07%
Equipment Rental and Maintenance	1,434	3,850	3,850	0.00%
Dues & Memberships	635	3,700	1,000	-72.97%
Domestic Violence Services	0	5,000	5,000	0.00%
Background Investigations	0	1,100	0	-100.00%
Concealed Pistol License	3,084	2,000	3,500	75.00%
Home Detention	3,794	2,000	2,000	0.00%
Jail Contract	78,466	66,150	67,900	2.65%
Animal Shelter Fees	26,298	18,000	18,000	0.00%
Drug Task Force	4,511	4,600	9,600	108.70%
Dispatch Services	250,524	281,200	295,265	5.00%
SERS Operating Assessment	20,645	21,500	24,815	15.42%
Capital Outlay	0	39,900	0	-100.00%
<b>TOTAL POLICE - ADMINISTRATION &amp; SUPPORT SERVICES</b>	<b>1,061,761</b>	<b>1,233,900</b>	<b>1,156,545</b>	<b>-6.27%</b>

## Crime Prevention

### **PURPOSE**

The Crime Prevention Program was a part of the Police Administration Division in 2008 and is established as a separate division in 2009, to better track Crime Prevention costs for budgeting.

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 will supervise the new Volunteer Program starting in 2009.

### **PERFORMANCE INDICATORS**

<b>Title</b>	<b>2009</b>
Volunteer Hours	100
Security Surveys	10
Presentations	20
Special Projects	5

### **2009 Goals & Objectives**

- Establish a Police Volunteer Program
- Enlarge on National Night-Out Against Crime Event
- Conduct at least one Citizens' Police Academy
- Help establish new Block Watch groups
- Increase Security Surveys

### **POSITION SUMMARY**

<b>Title</b>	<b>2008</b>	<b>2009</b>
Police Officer	0	1
Total	0	1





ANNUAL BUDGET

POLICE DEPARTMENT

**POLICE - CRIME PREVENTION**

Fund: General - 011

	<b>2007 Actuals</b>	<b>2008 Budget</b>	<b>2009 Budget</b>	<b>% Change</b>
Salaries and Benefits	0	0	97,310	100.00%
Overtime	0	0	3,200	100.00%
Supplies	0	0	11,900	100.00%
Small Equipment	0	0	8,300	100.00%
Communications	0	0	1,200	100.00%
Motor Pool Charges	0	0	4,000	100.00%
Background Investigation	0	0	500	100.00%
<b>TOTAL POLICE - CRIME PREVENTION</b>	<b>0</b>	<b>0</b>	<b>126,410</b>	<b>100.00%</b>

## Patrol

### **PURPOSE**

The Patrol Division provides 24-hour per day active police patrol service to the community, and maintains at least three Commissioned Officers on duty at all times.

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.

### **POSITION SUMMARY**

<b>Title</b>	<b>2008</b>	<b>2009</b>
Sergeant	4	4
Police Officer	17	17
Total	21	21

### **PERFORMANCE INDICATORS**

	<b>2007 Actual</b>	<b>2008 Actual</b>	<b>2009 Estimate</b>
Dispatched Events	14,036	12,488	12,800
Citations/Infractions	2,636	2,677	3,000
Case Reports	2,497	2,221	2,616
Average Response Time (Min)			
Emergency/Priority Calls	4.91	4.18	4.5
Non-Priority Calls	7.40	6.96	7.30

### **2009 Goals & Objectives**

- Maintain minimum deployment of three patrol officers per shift
- Train at least one additional officer in advanced traffic procedures
- Review and update field training program



ANNUAL BUDGET

POLICE DEPARTMENT

**POLICE - PATROL**

Fund: General - 011

	2007 Actuals	2008 Budget	2009 Budget	% Change
Salaries and Benefits	2,005,601	1,986,100	1,895,080	-4.58%
Overtime	117,580	96,510	88,510	-8.29%
Supplies	7,850	16,380	10,880	-33.58%
Small Equipment	32,426	51,700	47,925	-7.30%
Professional Services	2,603	10,000	8,000	-20.00%
Travel & Training	8,319	14,310	1,500	-89.52%
Motor Pool Charges	150,384	213,545	213,120	-0.20%
Equipment Repairs & Maintenance	10,482	17,300	27,100	56.65%
Computer Hardware	6,841	11,000	0	-100.00%
Other Machinery & Equipment	2,677	9,535	0	-100.00%
Vehicular Equipment	0	46,000	0	-100.00%
<b>TOTAL POLICE - PATROL</b>	<b>2,344,763</b>	<b>2,472,380</b>	<b>2,292,115</b>	<b>-7.29%</b>

## Special Operations

### **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, conducts background checks on prospective department members and City employees.

### **POSITION SUMMARY**

Title	2008	2009
Detective Sergeant	1	1
Detective	2	2
Total	3	3

### **PERFORMANCE INDICATORS**

Crime	2007 Actual	2008 Actual	2009 Estimate
Homicide	0	0	0
Rape	5	3	3
Robbery	10	6	12
Aggravated Assault	12	21	11
Burglary	136	159	170
Theft	335	362	300
Vehicle Theft	98	56	75
Total	596	607	571

### **2009 Goals & Objectives**

- Continue participation in Regional Police Intelligence (RIG) Group
- Develop coordination with the South County Drug Task Force
- Coordinate with the Crime Prevention Division on Crime Trend Analysis



ANNUAL BUDGET

POLICE DEPARTMENT

**POLICE - SPECIAL OPERATIONS**

Fund: General - 011

	<b>2007 Actuals</b>	<b>2008 Budget</b>	<b>2009 Budget</b>	<b>% Change</b>
Salaries and Benefits	231,369	293,425	314,935	7.33%
Overtime	6,440	7,800	8,400	7.69%
Supplies	380	1,300	1,450	11.54%
Small Equipment	448	1,200	1,200	0.00%
Professional Services	7	300	300	0.00%
Travel & Training	1,053	2,350	900	-61.70%
Motor Pool Charges	15,681	10,850	20,530	89.22%
Repairs and Maintenance	754	3,000	3,000	0.00%
Investigation Costs	1,273	3,910	3,910	0.00%
<b>TOTAL POLICE - SPECIAL OPERATIONS</b>	<b>257,405</b>	<b>324,135</b>	<b>354,625</b>	<b>9.41%</b>

## Training

### **PURPOSE**

The Training Division assumes duties previously performed by the Administration Division in the area of training. This Division is under the supervision of the Police Commander, who remains in the Administration Division.

This budget division was created in 2009. In previous years the budget for this division was included as part of the Police Administration & Support, Patrol, and Special Operations divisions.

### **PERFORMANCE INDICATORS**

	<b>2009</b>
Training hours	5000
Safety training hours	190
% of officers meeting min training hours	85

### **2009 Goals & Objectives**

- Assure minimum required training hours are met
- Create an in-house defensive tactics training program
- Meet standards for safety training requirements
- Complete changes to the Field Training Program



ANNUAL BUDGET

POLICE DEPARTMENT

### POLICE - TRAINING

Fund: General - 011

	2007 Actuals	2008 Budget	2009 Budget	% Change
Overtime	0	0	9,900	100.00%
Supplies	0	0	13,050	100.00%
Small Equipment	0	0	2,000	100.00%
Professional Services	0	0	2,490	100.00%
Travel & Training	0	0	20,850	100.00%
<b>TOTAL POLICE - TRAINING</b>	<b>0</b>	<b>0</b>	<b>48,290</b>	<b>100.00%</b>



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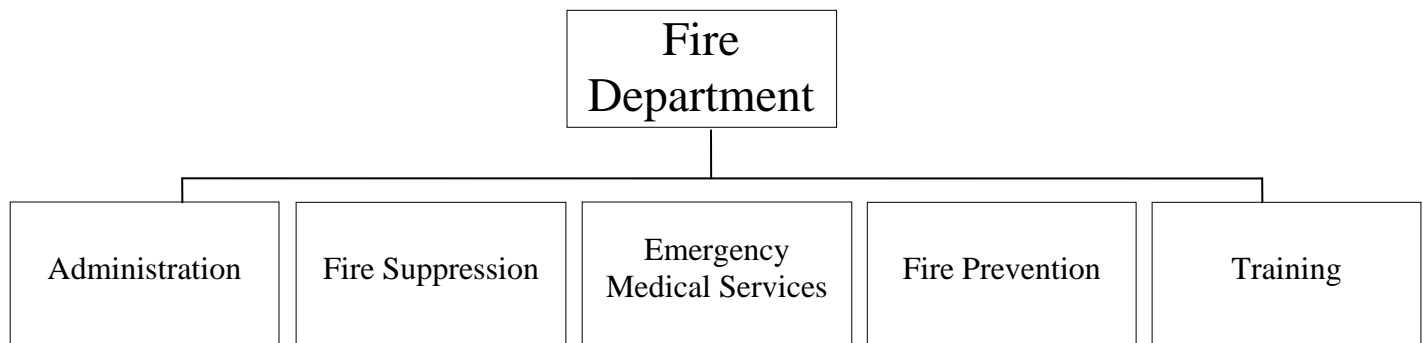


## FIRE DEPARTMENT

The Fire Department protects lives and property by providing Fire Suppression, Technical Rescue, Hazardous Material responses and Emergency Medical Services to the community. The Department is a combination department presently staffed by 29.5 full-time Career Personnel and 15-30 Reserve Firefighters, EMS Providers, and Chaplains.

The Fire Department serves the City out of two Fire Stations staffed by career personnel 24-hours per day, 365 days per year: Fire Station 24 (#1), located in the northern part of the City, and Fire Station 25 (#3), located in the central part of the City.

The Department is organized into five divisions:



<b><u>POSITION SUMMARY</u></b>		
Position Title	2008	2009
Fire Chief	1	1
Assistant Fire Chief	1	1
Fire Marshall	1	1
Training Captain	1	1
Fire Captain	6	6
Firefighter	9	9
Firefighter/Paramedic	9	9
Reserve Firefighters	24	24
Part-Paid Firefighters*	0	0
Reserve EMS Provider	7	7
Senior Department Assistant	1	1
Department Assistant	0.5	0.5
<b>Total</b>	<b>60.5</b>	<b>60.5</b>

\* Disbanded in 2008

**DEPARTMENT EXPENDITURE SUMMARY**

<b>FIRE DEPARTMENT</b>	<b>2007 Actuals</b>	<b>2008 Budget</b>	<b>2009 Budget</b>	<b>% Change</b>
Administration and Support*	-	-	292,215	100.00%
Training*	-	-	185,540	100.00%
Fire Prevention*	-	-	122,715	100.00%
Fire Suppression	1,919,592	2,077,805	1,507,185	-27.46%
Emergency Medical Services	1,338,548	1,763,196	1,800,885	2.14%
<b>TOTAL</b>	<b>3,258,140</b>	<b>3,841,001</b>	<b>3,908,540</b>	<b>1.76%</b>

\* Separate divisions added in 2009. Previously included in Fire Suppression and EMS divisions.



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## Fire Administration

### **PURPOSE**

The Fire Administration division provides activities of general nature up to oversight management of the Fire Department's five divisions and all personnel. This division provides direction to Department personnel in accordance with goals and objectives. This division oversees the operating budget, develops strategic planning and oversees disaster planning programs. All program documentation, processing and archiving is completed in this division.

This budget division was created in 2008. In previous years this division was included as part of the Fire Suppression and Emergency Medical Services divisions.

### **POSITION SUMMARY**

Position Title	2008	2009
Fire Chief	1	1
Assistant Fire Chief	1	1
Senior Department Assistant	1	1
Department Assistant	0.5	0.5
Total	3.5	3.5

### **2009 GOALS & OBJECTIVES**

- Personnel records, Emergency Response Reports, Training Records, Fire Inspection Records, Public Education records and other correspondences will be processed, filed and archived within Washington State Record Keeping and Archiving criteria.
- Fire Department five divisions and their operating budgets will maintain a positive financial balance and expenditures will be accurately paid out.
- Facilities, vehicles and equipment will be maintained in a ready-use condition.



ANNUAL BUDGET

FIRE DEPARTMENT

### FIRE ADMINISTRATION

Fund: General - 011

	2007 Actuals	2008 Budget	2009 Budget	% Change
Salaries and Benefits	0	0	251,040	100.00%
Overtime	0	0	1,440	100.00%
Supplies	0	0	3,550	100.00%
Small Equipment	0	0	3,500	100.00%
Professional Services	0	0	2,142	100.00%
Communications	0	0	2,000	100.00%
Motor Pool Charges	0	0	15,012	100.00%
Repairs and Maintenance	0	0	10,631	100.00%
Dues & Memberships	0	0	1,400	100.00%
Office Equipment	0	0	1,500	100.00%
<b>TOTAL FIRE ADMINISTRATION</b>	<b>0</b>	<b>0</b>	<b>292,215</b>	<b>100.00%</b>

## Training

### **PURPOSE**

The Training division is responsible for all aspects of training and safety to include classes in tactics and strategy, fire suppression, emergency medical services, rescue and extrication, hazardous materials, disaster response, and leadership along with personnel management. The Training Captain also serves as the department Safety Officer.

This budget division was created in 2008. In previous years this division was included as part of the Fire Suppression and Emergency Medical Services divisions.

### **POSITION SUMMARY**

Position Title	2008	2009
Captain	1	1
Total	1	1

### **PERFORMANCE INDICATORS**

	2008 <b>Actual</b>	2009 <b>Est.</b>
Training/Service Hours		
EMS (BLS & ALS)	1,000	1,110
Fire	600	650
Specialty (Haz-Mat, Rescue)	390	396
Career and Rank Advancement	1,200	1,250

### **2009 GOALS & OBJECTIVES**

- Provide on-going training to meet State requirements and maintain job skills for all personnel.
- Increase regional training activity with neighboring fire department jurisdictions and other Snohomish County Public Safety Agencies.
- Increase personnel skills, knowledge and abilities to perform emergency services through contracted instructors and professional trainers.

**FIRE TRAINING**

Fund: General - 011

	2007 Actuals	2008 Budget	2009 Budget	% Change
Salaries & Benefits	0	0	65,115	100.00%
Overtime	0	0	71,555	100.00%
Supplies	0	0	8,550	100.00%
Small Equipment	0	0	1,750	100.00%
Professional Services	0	0	12,870	100.00%
Communications	0	0	150	100.00%
Travel & Training	0	0	21,500	100.00%
Repairs & Maintenance	0	0	1,500	100.00%
Dues & Memberships	0	0	50	100.00%
Equipment	0	0	2,500	100.00%
<b>TOTAL FIRE TRAINING</b>	<b>0</b>	<b>0</b>	<b>185,540</b>	<b>100.00%</b>

## Fire Prevention

### **PURPOSE**

The Fire Prevention division was created in 2008, and provides fire safety inspections, fire prevention education and other community services. This division oversees Public Education programs, station tours, safety education classes and CPR programs.

The Fire Marshal performs technical inspections of buildings and facilities to determine conformity with the city fire and building codes. This division also conducts education services for fire prevention methods and other prevention programs. This division determines cause and origin of fires and prepares case material for prosecution.

### **POSITION SUMMARY**

Position Title	2008	2009
Fire Marshall	1	1
Total	1	1

### **PERFORMANCE INDICATORS**

	2008 Actual	2009 Est.
Fire Safety Inspections	509	600
Fire Safety Education hours	160	600
Building Code Plan Checks hours	150	600
Misc. Programs (pre-fire) hours	100	150

### **2009 GOALS & OBJECTIVES**

- Increase quality of business fire and life safety inspections.
- Increase quality of new and existing building code plan reviews.
- Increase participation in public education programs (CPR, Basic First Aid, etc).



**FIRE PREVENTION**

Fund: General - 011

	2007 Actuals	2008 Budget	2009 Budget	% Change
Salaries and Benefits	0	0	104,215	100.00%
Overtime	0	0	2,520	100.00%
Office Supplies	0	0	1,700	100.00%
Small Items Of Equipment	0	0	2,250	100.00%
Professional Services	0	0	920	100.00%
Telephone	0	0	550	100.00%
Motor Pool Charges	0	0	5,630	100.00%
Repairs and Maintenance	0	0	3,980	100.00%
Dues & Memberships	0	0	950	100.00%
<b>TOTAL FIRE PREVENTION</b>	<b>0</b>	<b>0</b>	<b>122,715</b>	<b>100.00%</b>

## Fire Suppression

### PURPOSE

The Fire Suppression Division renders Fire Suppression, Hazardous Material and Technical Rescue services to the community and local region from two staffed fire stations. The Division regularly trains and performs drills on a local and regional basis to maintain skills and improve services. The Fire Suppression Division operates one Ladder truck, three Pumpers, and one Rescue unit.

### POSITION SUMMARY

Position Title	2008	2009
Fire Captains	6	6
Firefighters	9	9
Reserve Firefighters *	24	24
Part-Paid Firefighters **	0	0
	39	39

\*Volunteer changed to Reserve in 2008.

\*\*Disbanded in 2008.

### PERFORMANCE INDICATORS

	2007 Actual	2008 Actual	2009 Est.
Fire Calls	316	352	360
Service Calls	98	73	80
Total Calls	414	425	440
Engine on Scene (min)	Less than 90% of the time	Less than 8 min.	Less than 8 min.
Average Response (min)	4.31 min.	4.76 min.	4.5 min.

### 2009 GOALS & OBJECTIVES

In 2008, the Fire Department established an emergency response time deployment standard, as required by a new state law. The Department deployment standards are:

- Beginning our emergency response within 1 minute of being notified of a significant emergency structure fires. We are trying to achieve this response 90% of the time.
- First Engine Company arrives at the scene of a reported structure fire within 4 minutes of leaving the station. We are trying to achieve this response 90% of the time.
- Arrival of full first alarm assignment crews at the scene of a reported structure fire within 8 minutes of leaving the station. We are trying to achieve this response 90% of the time.
- Other deployment standards have been adopted for hazardous materials, aircraft emergencies, marine emergencies, and wildfires. However, these incidents do not occur frequently enough to accurately determine deployment and speed of response trends at this time.

**FIRE SUPPRESSION**

Fund: General - 011

	<b>2007 Actuals</b>	<b>2008 Budget</b>	<b>2009 Budget</b>	<b>% Change</b>
Salaries and Benefits	1,526,547	1,679,755	1,291,235	-23.13%
Overtime	67,646	98,250	18,680	-80.99%
Supplies	20,791	24,500	6,250	-74.49%
Small Equipment	37,972	56,600	48,580	-14.17%
Professional Services	20,135	22,700	19,415	-14.47%
Communications	22,095	16,800	15,950	-5.06%
Travel & Training	6,757	9,500	0	-100.00%
Motor Pool Charges	35,889	38,675	16,450	-57.47%
Repairs and Maintenance	39,747	37,700	18,385	-51.23%
Dues & Memberships	1,050	2,400	0	-100.00%
Dispatch Services	97,426	23,725	24,890	4.91%
SERS Operating Assessment	10,168	7,800	8,350	7.05%
Computer Hardware	9,837	10,500	0	-100.00%
Equipment	23,532	48,900	39,000	-20.25%
<b>TOTAL FIRE SUPPRESSION</b>	<b>1,919,592</b>	<b>2,077,805</b>	<b>1,507,185</b>	<b>-27.46%</b>

## Emergency Medical Services

### PURPOSE

The Emergency Medical Services (EMS) Division provides Advanced Life Support (ALS) and Basic Life Support (BLS) services to the community with trained paramedics and Emergency Medical Technicians (EMT's). This division provides BLS services with Reserve Firefighters and Reserve EMS providers who are EMT certified. Both fire stations are cross-staffed with ambulance services.

The division provides paramedic ALS services through a contract with the City of Everett, which assigns one paramedic, 24 hours per day every three out of four days, to respond from the City's main Fire Station, located on Harbour Pointe Blvd N at 47<sup>th</sup> Pl W. This contract is scheduled to expire in 2010 and the City has adopted a 6-year transition plan to provide the service with its own employees by 2011.

### POSITION SUMMARY

Position Title	2008	2009
Paramedic/Firefighter	9	9
Reserve EMS Provider	7	7
Total	16	16

### PERFORMANCE INDICATORS

	2007 Actual	2008 Actual	2009 Est.
ALS Calls*	558	496	500
BLS Calls**	797	679	700
Total Calls	1355	1175	1200
Engine on Scene (min)	Less than 8 min.	Less than 8 min.	Less than 8 min.
90% of the time			
Average Response (min)	4.41 min.	4.52 min.	4.5 min

\*ALS = Advanced Life Support

\*\*BLS = Basic Life Support

### 2009 GOALS & OBJECTIVES

In 2008, the Fire Department established an emergency response time deployment standard, as required by a new state law. The Department deployment standards are:

- Beginning our emergency response within 1 minute of being notified of a significant emergency (critical advanced life support medical emergencies). We are trying to achieve this response 90% of the time.
- First medical vehicle arrives at the scene of a reported critical advanced life support medical emergencies within 4 minutes of leaving the station. We are trying to achieve this response 90% of the time.
- Arrival of full first alarm assignment composed of basic life support and paramedic unit at the scene of a critical advanced life support medical emergency within 8 minutes of leaving the station. We are trying to achieve this response 90% of the time.



### EMERGENCY MEDICAL SERVICES

Fund: Emergency Medical Services - 126

	2007 Actuals	2008 Budget	2009 Budget	% Change
Salaries and Benefits	461,692	974,573	1,063,300	9.10%
Overtime	41,032	28,250	26,840	-4.99%
Supplies	31,096	38,100	40,250	5.64%
Motor Fuel	6,305	6,200	6,000	-3.23%
Small Equipment	13,370	17,500	24,350	39.14%
Professional Services	22,944	31,500	33,490	6.32%
Communications	0	2,400	550	-77.08%
Travel & Training	9,387	12,000	0	-100.00%
Motor Pool Charges	44,700	44,700	44,700	0.00%
Repairs and Maintenance	17,380	17,300	23,000	32.95%
Transfer to Reserves	0	0	57,700	100.00%
Dispatch Services	0	71,173	74,665	4.91%
Paramedic Services Contract	468,222	488,000	366,000	-25.00%
SERS Operating Assessment	0	2,500	2,640	5.60%
Equipment	222,420	29,000	37,400	28.97%
<b>TOTAL EMERGENCY MEDICAL SERVICES</b>	<b>1,338,548</b>	<b>1,763,196</b>	<b>1,800,885</b>	<b>2.14%</b>


**EMERGENCY MEDICAL SERVICES FUND**

Fund: Emergency Medical Services - 126

	2007 Actuals	2008 Budget	2009 Budget	% Change
<b>Beginning Fund Balance</b>	<b>930,354</b>	<b>844,186</b>	<b>310,270</b>	<b>-63.25%</b>
Revenues				
EMS Levy	826,361	839,000	849,000	1.19%
ALS Charges	185,985	170,000	180,000	5.88%
Investment Interest	45,034	30,000	18,000	-40.00%
Operating Transfers In	195,000	250,000	476,750	90.70%
<b>Total Revenues</b>	<b>1,252,380</b>	<b>1,289,000</b>	<b>1,523,750</b>	<b>18.21%</b>
<b>Total Resources</b>	<b>2,182,734</b>	<b>2,133,186</b>	<b>1,834,020</b>	<b>-14.02%</b>
Expenditures				
Salaries and Benefits	502,725	1,002,823	1,090,140	8.71%
Supplies	51,188	63,800	70,600	10.66%
Other Services & Charges	93,994	105,900	101,740	-3.93%
Intergovernmental Services	468,222	561,673	501,005	-10.80%
Capital Outlay	222,420	29,000	37,400	28.97%
<b>Total Expenditures</b>	<b>1,338,549</b>	<b>1,763,196</b>	<b>1,800,885</b>	<b>2.14%</b>
<b>Ending Fund Balance</b>	<b>844,185</b>	<b>369,990</b>	<b>33,135</b>	<b>-91.04%</b>

## PLANNING & COMMUNITY DEVELOPMENT

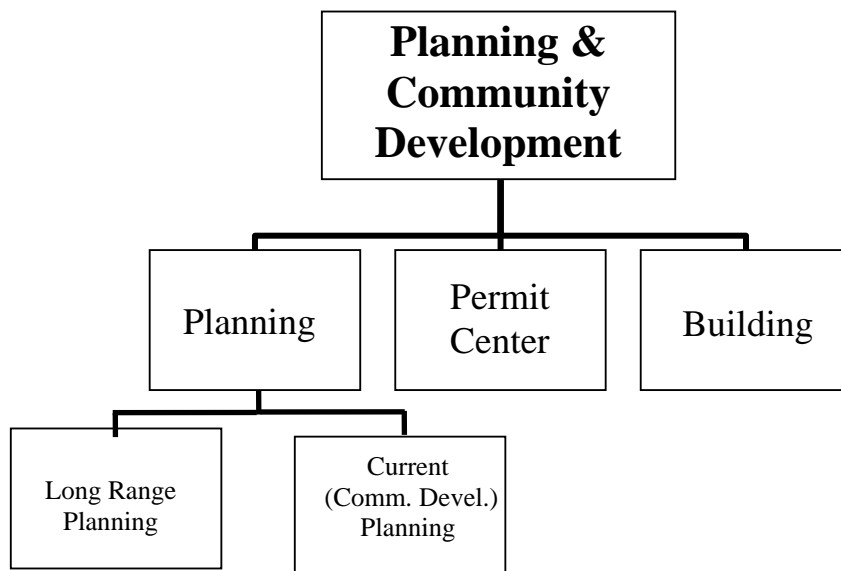
The Planning and Community Development Department is responsible for developing long-range plans to help guide the City's physical development, as well as regulating land uses and administering the development process. Building is responsible for building plan review and inspections. The Permit Center supports planning, development and building activities.

The Community Development Division is responsible for enforcing the City's land use and zoning regulations, reviewing all development proposals, investigating citizen complaints regarding violations of local land use regulations.

The Planning (long-range) staff is responsible for drafting new or revising codes, and leading the City's planning efforts required by the State's Growth Management Act as well as guiding economic development, business retention, safe guard neighborhoods and oversee waterfront redevelopment.

The Department provides support to the Planning Commission and Hearing Examiner, and provides information and assistance to the public regarding development regulations and information.

The Department is organized into three divisions as shown below.



### DEPARTMENT EXPENDITURE SUMMARY

Division	2007 Actuals	2008 Budget	2009 Budget	% Change
Planning	777,674	932,050	1,086,850	16.61%
Permit Center	309,053	327,300	337,515	3.12%
Building	165,986	181,780	152,675	-16.01%
<b>TOTAL</b>	<b>1,252,713</b>	<b>1,441,130</b>	<b>1,577,040</b>	<b>9.43%</b>

## Planning

### **PURPOSE**

The Planning division provides comprehensive long range planning and current planning land use services to the City and its citizens while ensuring compliance with Federal, State, and local laws. It also reviews all land use applications acting as lead Project Manager to determine: impact on the environment, appropriate mitigation, and development alternatives to proposed uses or developments based on the City's Municipal Code. The division also provides land use code compliance.

The Department staff provides general assistance and staff support to City Council, Planning Commission, and Hearing Examiner. The Planning division support includes conducting general or specialized land use research; developing ordinances, policies and/or programs; or developing alternatives to proposed uses or developments.

The Department serves as the City's lead agency for the development of the Comprehensive Plan and Unified Development Code including the zoning code, and assures code compliance.

### **POSITION SUMMARY**

Position Title	2008	2009
Planning Director	1	1
Assistant Director	1	1
Senior Planner	1	1
Associate Planner	1	1
Assistant Planner	2	2
Intern	0.25	0
Total	6.25	6

### **PERFORMANCE INDICATORS**

	2007 Actual	2008 Actual	2009 Est.
Plats & Short Plats	3	6	5
Land Use Applications	20	14	10
SEPA Review	20	30	15
Sign Application	29	27	22
State Required Actions	2	2	2
City Projects	3	3	5
Plans/Projects or Codes	5	8	6
Land Use Code Compliance	115	80	100
Signs Code Compliance	7	10	10
Notices of Violation	2	3	2

### **2009 GOALS & OBJECTIVES**

- Evaluate/maintain/improve processing time for development applications and report to the State on 120 day compliance or non-compliance as mandated for cities over 20,000.
- Develop new project tracking software.
- Improve public information brochures, handouts & application packets.
- Prepare annual/bi-annual Comprehensive Plan Amendment to include policy changes and land use/rezones.
- Public Process for Shoreline Management Program – Plan and Code.
- Resolve code & enforcement of sign code regulations on public rights-of-way.
- Continue code compliance efforts primarily on complaint basis.
- Complete Annexation process and census.
- Update Comprehensive Plan and Transportation Plan to include Airport Compatibility and the Westside Airport Master Plan.





**PLANNING**

Fund: General - 011

	2007 Actuals	2008 Budget	2009 Budget	% Change
Salaries and Benefits	446,651	587,300	590,460	0.54%
Overtime	227	8,000	4,000	-50.00%
Supplies	768	1,250	1,750	40.00%
Small Equipment	0	400	700	75.00%
Professional Services	63,619	96,310	205,500	113.37%
Reimbursable Consulting	12,791	7,190	6,500	-9.60%
Communications	14,271	13,155	16,900	28.47%
Travel and Training	3,580	9,500	9,500	0.00%
Legal Publications	4,363	4,200	4,200	0.00%
Motor Pool Charges	4,585	4,300	3,540	-17.67%
Repairs and Maintenance	251	400	400	0.00%
Dues & Memberships	367	1,900	2,000	5.26%
Printing and Binding	453	1,000	1,000	0.00%
Annexation Services	182,548	111,745	0	-100.00%
Hearing Examiner	31,720	30,000	20,000	-33.33%
Miscellaneous	37	400	400	0.00%
Comprehensive Plan	11,443	55,000	70,000	27.27%
Regional Service Contracts	0	0	150,000	100.00%
<b>TOTAL PLANNING</b>	<b>777,674</b>	<b>932,050</b>	<b>1,086,850</b>	<b>16.61%</b>

## Permit Center

### **PURPOSE**

The Permit Center division in the Planning and Community Development Department manages and operates the City Hall Information Desk and Permit Center; and provides clerical and support services to the Public Works, and Planning and Community Development Departments.

The Permit Center staff assists citizens and applicants with general zoning information; technical and general permit assistance; tracks all requests/applications; issues permits; serves as the City's central cashiering location; and provides initial contact over the counter and on the phone for City Hall.

Support services provided to departments includes the establishment and transfer of data to a new computerized on-line permit tracking system, and maintenance of data bases related to development status, reports; preparation and distribution of commission packets; public noticing; records management; information brochures; and assistance with department web page for meetings, notices and development project information.

### **POSITION SUMMARY**

Position Title	2008	2009
Permit Services Supervisor	1	1
Permit Services Assistant	3	3
Total	4	4

### **PERFORMANCE INDICATORS**

	2007 Actual	2008 Actual	2009 Est.
Land Use Applications	20	14	10
Packets Distributed	449	402	400
Notices	16,503	6,015	10,000
Building Related Permits	322	311	250
Right-of-Way	115	145	135
Files Opened	660	606	550

### **2009 GOALS & OBJECTIVES**

- Maintain customer services commitment.
- Expand electronic applications and project tracking.
- Track/evaluate/improve processing time for permit issuance.
- Provide public information brochures, handouts and application packets.
- Maintain department webpage for notices, meeting dates and development projects.
- Continue records conversion from paper records to computerized digital format until completed.

**PERMIT CENTER**

Fund: General - 011

	2007 Actuals	2008 Budget	2009 Budget	% Change
Salaries and Benefits	293,206	295,600	302,915	2.47%
Overtime	8,311	5,000	5,000	0.00%
Supplies	4,782	6,900	7,100	2.90%
Professional Services	0	15,000	15,000	0.00%
Communications	0	200	200	0.00%
Travel & Training	1705	1,700	4,200	147.06%
Repairs and Maintenance	441	500	500	100.00%
Dues & Memberships	85	300	300	0.00%
Subscriptions	0	100	100	0.00%
Printing And Binding	523	1,200	1,200	0.00%
Miscellaneous	0	800	1,000	25.00%
<b>TOTAL PERMIT CENTER</b>	<b>309,053</b>	<b>327,300</b>	<b>337,515</b>	<b>3.12%</b>

## Building

### **PURPOSE**

The Building department is organized as a division of the Planning and Community Development Department.

The division protects the public health and safety by ensuring that all structures are built in accordance with adopted building codes. It also assigns all street addresses.

The division provides information to the public on building code requirements, reviews and approves building plans, and performs a complete range of building services including plan check review and inspection services for all required codes, including building, plumbing, mechanical, energy, barrier free, air quality, and building heights. The State of Washington conducts electrical system plan checks and inspections. The Fire Department Fire Marshall reviews all development projects for International Fire code compliance.

The division also investigates complaints regarding illegal or unsafe structures and when necessary, initiates code enforcement orders against violators.

Division activities are funded through fees paid by private developers and residents.

During the year, the division anticipates that it will issue permits for \$37,000,000 assessed value of new development, which will include commercial, hotel, and industrial projects and 100-125 new single family homes.

### **POSITION SUMMARY**

Position Title	2008	2009
Interim Building Official	1	1
Total	1	1

### **PERFORMANCE INDICATORS**

	2007 Actual	2008 Actual	2009 Est.
Permits Issued	322	311	250
Plan Reviews	214	208	185
Site Inspections	2,400	2,300	2,300
Value (million \$)	\$51	\$39	\$20
Revenue (thousand \$)	\$645	\$486	\$400

### **2009 GOALS & OBJECTIVES**

- To increase electronic submittals and the use of on-line applications, permits and inspections.
- Maintain permit flow / turn-around times.
- To maintain pro-active stance and oversight during the development of critical / difficult sites.
- To assist in the evaluation of building fees and to make adjustments based on actual/estimated cost of service.



ANNUAL BUDGET

PLANNING & COMMUNITY  
DEVELOPMENT DEPARTMENT

## BUILDING

Fund: General - 011

	2007 Actuals	2008 Budget	2009 Budget	% Change
Salaries and Benefits	124,325	109,600	103,735	-5.35%
Overtime	24,839	15,000	15,000	0.00%
Supplies	850	1,100	1,100	0.00%
Reference Material	1,999	1,500	1,500	0.00%
Small Equipment	315	800	800	0.00%
Professional Services	2,650	30,100	20,100	-33.22%
Communications	490	3,300	3,300	0.00%
Travel & Training	2,099	1,300	1,300	0.00%
Motor Pool Charges	4,933	8,480	5,240	-38.21%
Dues & Memberships	340	400	400	0.00%
Printing and Binding	420	200	200	0.00%
Records Retention	2,726	10,000	0	-100.00%
<b>TOTAL</b>	<b>165,986</b>	<b>181,780</b>	<b>152,675</b>	<b>-16.01%</b>



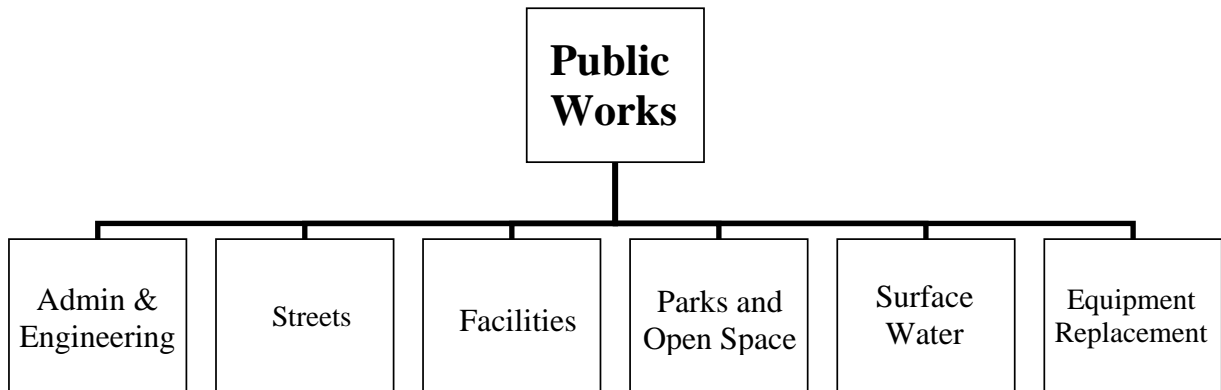
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## PUBLIC WORKS DEPARTMENT

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. This work takes place on or involves:

- 67 miles of streets
- Two traffic signals
- 35 miles of storm drains
- 499 acres of parklands and landscaped areas, including tidelands
- 75 vehicles and pieces of equipment – excluding police and fire (Equipment Rental)
- 16 municipal buildings – including 2 Fire Stations, a Police Station, the Public Works Shop, old public works shop, City Hall, the Light House buildings (4), Lighthouse Park (4), 92<sup>nd</sup> Street Park (1) building and the Recreation and Cultural Services Center.
- 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).

The Department is organized into six operating divisions as shown below:



### DEPARTMENT EXPENDITURE SUMMARY

Division	2007 Actuals	2008 Budget	2009 Budget	% Change
Administration & Engineering	329,885	543,564	522,240	-3.92%
Streets	297,507	862,483	849,970	-1.45%
Facilities Maintenance	-	388,530	463,490	19.29%
Parks and Open Space	562,625	603,315	641,845	6.39%
Surface Water	608,681	708,494	708,405	-0.01%
Equipment Replacement	197,058	588,750	167,000	-71.63%
<b>TOTAL</b>	<b>1,995,756</b>	<b>3,695,136</b>	<b>3,352,950</b>	<b>-9.26%</b>

## Administration and Engineering

### **PURPOSE**

The Administration and Engineering Division of Public Works:

- Manages public works projects that maintain the City's capital assets or build new ones.
- 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.
- Oversees the operations and maintenance (O&M) divisions of public works (storm water, streets, parks, facilities, equipment maintenance).
- Provides support to the Public Works O&M divisions, Community Development Department, the Police and Fire Departments and oversees the Public Works role as a first responder in the event of an emergency.
- Manage the City's right-of-way permit program.
- Manage the City's street light program through agreements for service with Snohomish County PUD and Snohomish County Public Works (for lights wholly owned by the City).
- Manages the City's traffic signals through a contract with the Snohomish County Public Works.
- Is responsible for the City's transportation plan and assists with the development of the City's Capital Improvement Program.

### **POSITION SUMMARY**

Position Title	2008	2009
Public Works Director	1	1
Assistant City Engineer	1	1
Engineering Technician	2	2
Total	4	4

<b><u>PERFORMANCE INDICATORS</u></b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
	<b>Actual</b>	<b>Actual</b>	<b>Est.</b>
Plat Reviews	3	6	5
SEPA Reviews	20	30	15
ROW Permits	156	145	150
Grading Permits	33	16	18
Capital Projects Managed	4	4	6
Capital Projects Constructed	4	4	4
Lot Line Adjustments	1	3	2
Sign Permits	29	27	22
Traffic Studies (speed/count)	3	0	2
Engineering Studies/Design	3	3	3

### **2009 GOALS & OBJECTIVES**

- Finish code updates/reviews: Storm water, grading and geological sensitive area regulations.
- Implement all 2008 carry over capital projects and initiate the 2009 ones.
- Develop and get adopted sidewalk management code.
- Continue updating the GIS system to include all City assets (streets, storm water, parks, and buildings).
- Continue implementation of the NPDES Phase II permit requirements.
- Continue with implementation the pavement preservation system report recommendations (slightly modified).
- Meet development review timeline goals.



**PUBLIC WORKS - ADMINISTRATION & ENGINEERING**

Funds: General - 011 and Surface Water Management - 440

	2007 Actuals	2008 Budget	2009 Budget	% Change
Salaries and Benefits	153,416	267,600	392,485	46.67%
Overtime	43	3,000	3,000	0.00%
Supplies	1,904	1,500	2,000	33.33%
Small Equipment	860	600	5,600	833.33%
Professional Services	163,409	231,940	67,700	-70.81%
Communications	3,918	5,000	5,000	0.00%
Online Fees	0	0	2,500	100.00%
Travel & Training	1,570	3,000	3,000	0.00%
Motor Pool Charges	3,792	8,826	13,655	54.71%
Repairs and Maintenance	405	1,200	1,200	0.00%
Dues & Memberships	568	300	600	100.00%
Printing And Binding	0	500	500	0.00%
Transfer to Reserves	0	0	25,000	100.00%
Computer Software	0	10,000	0	-100.00%
Vehicular Equipment	0	10,098	0	-100.00%
<b>TOTAL PUBLIC WORKS - ADMINISTRATION &amp; ENGINEERING</b>	<b>329,885</b>	<b>543,564</b>	<b>522,240</b>	<b>-3.92%</b>

## Streets

### **PURPOSE**

The Streets Maintenance Division maintains the City's street system, including the pavement surfaces (except for SR 525 and 526), sidewalks, curbs, gutters, crosswalk flashers, signs, vegetation in the right-of-ways and illegally dumped waste in the City.

Maintenance and operations activities include: filling potholes; repainting of all pavement markings (by contract and City crews); repair, replacement, and installation of traffic control and directional/informational signs; right-of-way vegetation control; and snow and ice removal.

Of the 13 signals in the City 11 are owned, operated and maintained by the Washington State Department of Transportation as is the signage on SR 525/526.

### **POSITION SUMMARY**

Position Title	2008	2009
Superintendent	0.3	0.3
Lead Serviceworker	1	1
Park/Utility Service Worker	2	2
Total	3.3	3.3

### **PERFORMANCE INDICATORS**

	2007 Actual	2008 Actual	2009 Est.
Miles of Street	67	67	67
Traffic Signals	2	2	2
Street Lights*	<75	80	80
Potholes Repaired	20	100	60
Tons of Asphalt Used	50	37	60
Lane Lines Painted (miles)	70	67	70
Streets Swept (miles)	260	285	450
Snow/Ice Removed (hours)	170	500	400
Painted Markings (sf)	10,000	10,000	10,000
Sidewalk Repaired (sf)	600	480	800
Signs Installed/Replaced	160	141	150
Sign Posts Installed/Repl.	75	50	100

\*Work orders for repair processed.

### **2009 GOALS & OBJECTIVES**

- Continue street sign replacement program
- Prepare about two miles of streets for chip seals.
- Manage contracts/agreements for street striping, vegetation control.
- Mow ROW vegetation a minimum of two times between late March and end of October.
- Dispose of excess soil at the public works shop to provide more useable space for operations.

**STREETS FUND**

Fund: Streets - 111

	2007 Actuals	2008 Budget	2009 Budget	% Change
<b>Beginning Fund Balance</b>	<b>19,168</b>	<b>57,566</b>	<b>73,900</b>	<b>28.37%</b>
Revenues				
Fuel Tax	332,009	330,000	305,000	-7.58%
Investment Interest	3,896	500	500	0.00%
General Fund Subsidy	0	515,000	525,000	100.00%
<b>Total Revenues</b>	<b>335,905</b>	<b>845,500</b>	<b>830,500</b>	<b>-1.77%</b>
<b>Total Resources</b>	<b>355,073</b>	<b>903,066</b>	<b>904,400</b>	<b>0.15%</b>
Expenditures				
Salaries and Benefits	297,110	387,700	401,600	3.59%
Supplies	0	54,850	57,385	100.00%
Other Services & Charges	397	364,266	301,385	-17.26%
Intergovernmental Services	0	50,000	84,600	100.00%
Capital Outlay	0	5,667	5,000	100.00%
<b>Total Expenditures</b>	<b>297,507</b>	<b>862,483</b>	<b>849,970</b>	<b>-1.45%</b>
<b>Ending Fund Balance</b>	<b>57,566</b>	<b>40,583</b>	<b>54,430</b>	<b>34.12%</b>

## Facilities Maintenance

### DESCRIPTION

The Facilities Maintenance Division maintains all 16 of the City's buildings, including:

- City Hall.
- Two Fire Department buildings.
- The Police Department building.
- Two Public Works Department buildings (new and old shops).
- Recreation and Cultural Services Center.
- Four Lighthouse buildings.
- Four buildings and structures at Lighthouse Park.
- One building at the 92<sup>nd</sup> St. Park.

Maintenance and operation activities include:

- Management of contracts for custodial service, HVAC service and security.
- Management of contracts for small capital improvements to buildings.
- Minor building repairs (electrical, plumbing, painting, locks, etc.)
- Minor interior remodeling.
- Recommending a Capital Facility Plan for these buildings.

### POSITION SUMMARY

Position Title	2008	2009
Lead Serviceworker	0.5	0.5
Total	0.5	0.5

### PERFORMANCE INDICATORS

	2007 Actual	2008 Actual	2009 Est.
Plumbing Repairs	2	11	5
Electrical Repairs	1	15	7
Painting (interior)	3	0	0
Painting (exterior)	0	2	0
Roof repairs	0	2	1
Security systems	0	0	3
Furniture Repairs	0	2	2
Interior remodels	1	0	0
Damage repair	0	25	20

### 2009 GOALS & OBJECTIVES

- Within one work day, respond to employee requests for building problems. Effect repairs in the shortest time possible, but based on priorities.
- Assess the cost and service quality effectiveness of contract custodial service versus hiring City employees to do the work.
- Implement long and short range building maintenance practices that assure the highest practical level of asset protection and longevity for the City.



**FACILITIES MAINTENANCE FUND**

Fund: Facilities Maintenance - 118

	2007 Actuals	2008 Budget	2009 Budget	% Change
<b>Beginning Fund Balance</b>	<b>0</b>	<b>0</b>	<b>92,200</b>	<b>100.00%</b>
Revenues				
Operating Transfers In	0	388,530	390,000	0.38%
Total Revenues	0	388,530	390,000	0.38%
<b>Total Resources</b>	<b>0</b>	<b>388,530</b>	<b>482,200</b>	<b>24.11%</b>
Expenditures				
Salaries and Benefits	0	41,580	88,145	111.99%
Supplies	0	31,900	37,400	17.24%
Other Services & Charges	0	248,050	290,945	17.29%
Capital Outlay	0	67,000	47,000	-29.85%
<b>Total Expenditures</b>	<b>0</b>	<b>388,530</b>	<b>463,490</b>	<b>19.29%</b>
<b>Ending Fund Balance</b>	<b>0</b>	<b>0</b>	<b>18,710</b>	<b>100.00%</b>

City Hall Rent and a portion of the monthly utilities were budgeted and paid from the General Fund in 2008. In 2009, all City Hall facilities expenses are budgeted in the Facilities Maintenance Fund.

## Parks and Open Space

### PURPOSE

The Parks and Open Space Division of Public Works maintains all of the City-owned parklands and landscaped areas. Maintenance and improvement activities take place on 499 acres of parks and open space that includes five municipal facility building sites.

Maintenance activities include: mowing, fertilizing, pruning, weeding, planting of new plants, and spraying of herbicides and insecticides. Daily cleaning of park and landscaped areas (at Lighthouse Park and 92<sup>nd</sup> St. Park) and maintaining of park structures including benches and tables.

Improvement work is generally in the form of minor additions to a park, replanting, or clearing of an area. The Division also conducts the hanging flower basket program.

### POSITION SUMMARY

Position Title	2008	2009
Superintendent	0.2	0.2
Lead Serviceworker	1	1
Park/Utility Service Worker	4	4
Park Attendant	1.5	1.5
Total	6.7	6.7

### PERFORMANCE INDICATORS

	2007 Actual	2008 Actual	2009 Est.
<u>Acreage</u>			
Parks	58	58	64
Open Space	357	357	357
Tidelands	84	84	84
Total Acreage	499	499	505
<u>Parks</u>			
Number of Parks	11	33	33
Parks - Supervised	1	1	1
Recreation Trails	2	4	4
<u>Lighthouse Park</u>			
Hours Open to Public	5100	5100	5100
Hours Supervised	2500	2500	2500
<u>Landscape Maintenance</u>			
Sites Maintained	22	23	23
Acres Maintained	124	124	124
Acres Mowed	20	22	20
Trees Planted	40	7	10
Shrubs/Flowers	190	190	500

### 2009 GOALS & OBJECTIVES

- Begin drafting Level of Service standards for all parks and landscape areas with an emphasis on Lighthouse Park and 92<sup>nd</sup> St. Park.
- Develop a plan that combines crew and contract labor for achieving the LOS established for each park and landscape area.
- Continue with the hanging basket program. Attempt to restart the High School horticulture program to grow the plants for the baskets.

### PARKS AND OPEN SPACE

Funds: General Fund - 011 and Parks and Open Space - 142

	<b>2007 Actuals</b>	<b>2008 Budget</b>	<b>2009 Budget</b>	<b>% Change</b>
Salaries and Benefits	369,852	414,745	456,115	9.97%
Overtime	3,776	4,000	4,000	0.00%
Supplies	37,774	57,667	49,375	-14.38%
Motor Fuel	9,716	8,300	12,800	54.22%
Small Items of Equipment	1,515	3,275	7,700	135.11%
Professional Services	31,622	17,900	18,150	1.40%
Telephone	3,307	2,700	3,000	11.11%
Travel & Training	1,419	2,500	2,500	0.00%
Work Equip & Machine Rental	3,006	1,000	2,500	150.00%
Motor Pool Charges	8,295	18,428	18,405	-0.12%
Utilities	46,199	37,100	37,100	0.00%
Repairs & Maintenance	6,129	10,200	10,200	0.00%
HP Maintenance Assn Dues	2,657	5,000	5,000	0.00%
Equipment	37,358	20,500	15,000	-26.83%
<b>TOTAL PARKS &amp; OPEN SPACE</b>	<b>562,625</b>	<b>603,315</b>	<b>641,845</b>	<b>6.39%</b>

**PARKS AND OPEN SPACE FUND**

Fund: Parks and Open Space - 142

	2007 Actuals	2008 Budget	2009 Budget	% Change
<b>Beginning Fund Balance</b>	<b>28,661</b>	<b>41,295</b>	<b>79,845</b>	<b>93.35%</b>
Revenues				
Investment Interest	1,754	500	500	0.00%
Boat Launch Revenue	42,695	40,000	30,000	-25.00%
Annual Boat Launch Permits	7,200	7,000	4,000	-42.86%
Lighthouse Park LT Parking	49,514	40,000	60,000	50.00%
Housing Rentals & Leases	1,050	0	0	0.00%
Sale of Surplus Property	7,001	0	0	0.00%
<b>Total Revenues</b>	<b>109,214</b>	<b>87,500</b>	<b>94,500</b>	<b>8.00%</b>
<b>Total Resources</b>	<b>137,875</b>	<b>128,795</b>	<b>174,345</b>	<b>35.37%</b>
Expenditures				
Supplies	931	7,300	11,875	62.67%
Other Services & Charges	52,141	51,300	50,800	-0.97%
Capital Outlay	43,509	0	0	0.00%
<b>Total Expenditures</b>	<b>96,581</b>	<b>58,600</b>	<b>62,675</b>	<b>6.95%</b>
<b>Ending Fund Balance</b>	<b>41,294</b>	<b>70,195</b>	<b>111,670</b>	<b>59.09%</b>



## Surface Water Management

### **PURPOSE**

The Surface Water Management Division of Public Works provides surface/storm water control for the community through the maintenance of the City's drainage system (pipes, ditches, culverts, catch basins, detention facilities). Stream corridors are observed for problems and where appropriate, and with the necessary State approvals, may do limited maintenance in some creek corridors to prevent damage from flooding.

The Division develops solutions to small scale localized problems and constructs those improvements.

Street sweeping is paid for from the Surface Water Utility funds since the primary purpose of street cleaning is to reduce the amount of contamination getting into the City's streams. It also reduces the amount of waste material trapped by the system's catch basins, which, in turn, reduces the amount of contaminated waste that much then be vacuumed out of the catch basins.

The Division and other related overhead costs are primarily funded by user charges. Billing services are provided through a contract with the Mukilteo Water and Sewer District. System customers are billed every two months.

### **PERFORMANCE INDICATORS**

	2007	2008	2009
	Actual	Actual	Est.
Drainage Basins	13	13	13
Miles of Pipe	34	34	35
Miles of Ditches	11	11	10
Catch Basins	2,600	2,606	2,610
Catch Basins Cleaned	700	720	720
Detention Ponds	90	95	96
Ponds Cleaned	2	0	2

### **2009 GOALS & OBJECTIVES**

- Continue implementing NPDES II surface water regulations.
- Perform regular preventive maintenance of drainage system and detention ponds.
- Minor improvements to the City surface water collection, treatment and convenience system.

### **POSITION SUMMARY**

Position Title	2008	2009
Superintendent	0.2	0.2
Lead Serviceworker	1.5	1.5
Park/Utility Service Worker	3	3
Total	4.7	4.7

**SURFACE WATER MANAGEMENT**

Fund: Surface Water Management - 440

	2007 Actuals	2008 Budget	2009 Budget	% Change
Salaries and Benefits	283,322	334,575	315,210	-5.79%
Overtime	3,119	3,500	3,500	0.00%
Supplies	17,152	20,000	40,000	100.00%
Small Equipment	4,168	6,880	13,385	94.55%
Professional Services	29,493	79,000	57,250	-27.53%
Communications	2,957	1,800	4,300	138.89%
Travel & Training	278	1,700	1,700	0.00%
Work Equip & Machine Rental	1,754	4,000	4,000	0.00%
Motor Pool Charges	20,063	29,039	28,060	-3.37%
Waste/Brush Disposal	9,066	18,500	22,500	21.62%
Repairs & Maintenance	7,454	0	0	0.00%
Permit Fees	0	0	9,000	100.00%
Vactor Service/Rental	16,285	24,000	24,000	0.00%
Taxes And Assessments	21,570	18,500	18,500	0.00%
Overhead Charges	192,000	167,000	167,000	0.00%
<b>TOTAL SURFACE WATER MANAGEMENT</b>	<b>608,681</b>	<b>708,494</b>	<b>708,405</b>	<b>-0.01%</b>

**SURFACE WATER MANAGEMENT FUND**

Fund: Surface Water - 440

	2007 Actuals	2008 Budget	2009 Budget	% Change
<b>Beginning Fund Balance</b>	<b>736,887</b>	<b>958,576</b>	<b>1,242,120</b>	<b>29.58%</b>
Revenues				
Storm Drainage Fees & Charges	1,003,386	1,250,000	1,250,000	0.00%
State Grants	0	0	431,000	100.00%
Investment Interest	43,046	35,000	25,000	-28.57%
<b>Total Revenues</b>	<b>1,046,432</b>	<b>1,285,000</b>	<b>1,706,000</b>	<b>32.76%</b>
<b>Total Resources</b>	<b>1,783,319</b>	<b>2,243,576</b>	<b>2,948,120</b>	<b>31.40%</b>
Expenditures				
Salaries & Benefits*	352,154	338,075	419,150	23.98%
Supplies	30,308	35,380	62,885	77.74%
Other Services & Charges	52,176	123,039	131,810	7.13%
Intergovernmental Services	56,105	45,000	53,000	17.78%
Capital Outlays**	0	623,999	1,060,000	69.87%
Payment for Services	334,000	167,000	167,000	0.00%
<b>Total Expenditures</b>	<b>824,743</b>	<b>1,332,493</b>	<b>1,893,845</b>	<b>42.13%</b>
<b>Ending Fund Balance</b>	<b>958,576</b>	<b>911,083</b>	<b>1,054,275</b>	<b>15.72%</b>

\*A portion of Salaries and Benefits expense is included in the Administration & Engineering budget.

\*\*Capital Outlays expenses are included in the Capital Improvements section of this budget book.

## Equipment Replacement

### DESCRIPTION

The Equipment Replacement Division of Public Works is responsible for the maintenance of most City vehicles and equipment and the replacement of those vehicles and equipment. In prior years, vehicle and equipment maintenance costs were assigned to this Division. In 2007, maintenance and operating costs for vehicles and heavy equipment was included in the budgets of the relevant operating department and division. With this budget we are proposing a return to all equipment maintenance and replacement costs being managed in this Division.

Monies expended in this Division are derived from equipment maintenance charges, funded depreciation replacement charges, transfers or set-asides that are made over the useful life of the related vehicle/heavy equipment.

Some vehicles and equipment maintenance is provided through interlocal agreements and contracts with various private parties.

### POSITION SUMMARY

Position Title	2008	2009
Superintendent	0.2	0.2
Department Assistant	0.25	0.25
Total	0.25	0.25

### PERFORMANCE INDICATORS

	2007 Actual	2008 Actual	2009 Est.
Vehicles & Heavy Equipment Maintained	73	75	75
Vehicles & Heavy Equipment Replaced	9	11	5

### 2009 GOALS & OBJECTIVES

1. Maintain all equipment and vehicles such that:
  - a. Reliability is maximized
  - b. Life cycles are maximized
  - c. Costs are minimized.
2. Maintain and implement the equipment/ vehicle replacement schedule. Vehicles/ equipment to be replaced in 2009:
  - a. Five police vehicles
3. Resolve the issue of long term maintenance of our fleet by either finding a suitable shop to provide service for our fleet or present the plan to hire a mechanic and equip the shop for doing service on City vehicles.
4. Evaluate the need for additional equipment in 2010.
  - a. Asphalt roller
  - b. U-Cart concrete cart.

**EQUIPMENT REPLACEMENT FUND**

Fund: Equipment Replacement - 510

	2007 Actuals	2008 Budget	2009 Budget	% Change
<b>Beginning Fund Balance</b>	<b>1,164,606</b>	<b>1,187,548</b>	<b>1,060,220</b>	<b>-10.72%</b>
Revenues				
Replacement Charges	215,000	365,420	340,150	-6.92%
Sales of Surplus Equipment	5,000	0	0	100.00%
<b>Total Revenues</b>	<b>220,000</b>	<b>365,420</b>	<b>340,150</b>	<b>-6.92%</b>
<b>Total Resources</b>	<b>1,384,606</b>	<b>1,552,968</b>	<b>1,400,370</b>	<b>-9.83%</b>
Expenditures				
Tires & Wheels	0	300	0	-100.00%
Motor Pool Charges	0	2,400	0	-100.00%
Vehicle Contract Labor	0	400	0	-100.00%
Vehicle Eq Removal	243	2,000	2,000	0.00%
Vehicular Equipment	196,815	583,650	165,000	-71.73%
<b>Total Expenditures</b>	<b>197,058</b>	<b>588,750</b>	<b>167,000</b>	<b>-71.63%</b>
<b>Ending Fund Balance</b>	<b>1,187,548</b>	<b>964,218</b>	<b>1,233,370</b>	<b>27.91%</b>



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## RECREATION AND CULTURAL SERVICES DEPARTMENT

The Recreation and Cultural Services Department provides recreational opportunities to the community through the Recreation and Cultural Services Center. The mission of the Recreation and Cultural Services Department is to provide and facilitate safe, quality leisure services, programs, and facilities while preserving and enhancing natural resources and stimulating the economic vitality of the community.

Year-round city sponsored recreation/enrichment classes and special events are offered at the Recreation and Cultural Services Center. A wide variety of activities are offered for all ages, seniors, adults, youth, and preschoolers.

The Recreation and Cultural Services Center also provides rental space to a variety of private and community organizations that provide music, theatrical and dance instruction, and senior services. The Center also provides rental space for special events, such as weddings and receptions, dances, fundraisers and meetings.

The Department is organized as follows:



<b><u>POSITION SUMMARY</u></b>		
Position Title	2008	2009
Recreation Manager	1	1
Department Assistant	1	1
Facility Attendant	1	1
<b>Total</b>	<b>3</b>	<b>3</b>

### DEPARTMENT EXPENDITURE SUMMARY

Division	2007 Actual	2008 Budget	2009 Budget	% Change
Recreation & Cultural Services	111,669	358,940	344,875	-3.92%
<b>TOTAL</b>	<b>111,669</b>	<b>358,940</b>	<b>344,875</b>	<b>-3.92%</b>

## Recreation & Cultural Services

### PURPOSE

The Recreation and Cultural Services Department assumes a major role in developing a sense of community and enhancing citizens' quality of life by providing recreational and social programs and special events.

In 2009 the Recreation and Cultural Services Center will provide opportunities for drop-in and programmed recreational activities as well as amenities for meeting rentals, special events and provide leased space.

Major tenants include: the Mukilteo Chamber of Commerce, the Mukilteo Lighthouse Festival Association; the Mukilteo Seniors; a non-profit school of the arts, a non-profit academy of arts, and a private dance studio. A private parking lot agency leases portions of the community center parking lot.

### POSITION SUMMARY

Position Title	2008	2009
Recreation Manager	1	1
Department Assistant	1	1
Facility Attendant	1	1
Total	3	3

### PERFORMANCE INDICATORS

	2008 <u>Actual</u>	2009 <u>Est.</u>
Total Leased Tenants	7-6	6
<ul style="list-style-type: none"> <li>Allegro Dance, Gene Nastri School of Music, Chamber, Mukilteo Seniors, Art Academy, Lighthouse Festival</li> </ul>		
City Recreation Program	65	80
City Co-Sponsored Events	7	7
<ul style="list-style-type: none"> <li>Farmers Market, Open Mic Night, Art Walks, Bluegrass Festival, Lighthouse Festival, Lighthouse Play, Chamber Tree Lighting</li> </ul>		

### 2009 GOALS & OBJECTIVES

- Maintain some leased space occupancy at the Recreation and Cultural Services Center.
- Continue to offer and add city recreation programming activities and events in a variety of mediums to a variety of age ranges.
- Continue to work with ARC Architects on the new Recreation and Cultural Services Center project to include design development, bid and begin construction.
- Review part-time staffing options and evaluate the possibility of opening and staffing the Recreation and Cultural Services Center 6 - days a week.
- Continue to work with community groups (Arts Guild, Farmers Market, Chamber and Lighthouse Festival) to integrate event programming into the city recreation programming with co-sponsorships.





ANNUAL BUDGET

RECREATION & CULTURAL SERVICES

**RECREATION & CULTURAL SERVICES DEPARTMENT**

Fund: Community Center - 114

	<b>2007 Actuals</b>	<b>2008 Budget</b>	<b>2009 Budget</b>	<b>% Change</b>
Salaries and Benefits	62,536	225,290	199,430	-11.48%
Supplies	1,036	9,800	8,450	-13.78%
Professional Services	259	33,000	29,400	-10.91%
Communications	2,439	7,500	9,700	29.33%
Travel & Training	42	3,800	3,800	0.00%
Advertising	1,015	2,700	2,700	0.00%
Small Equipment Rental	0	3,600	3,600	0.00%
Utilities	43,527	52,000	52,000	0.00%
Printing And Binding	0	13,000	21,000	100.00%
Miscellaneous	815	1,400	2,295	63.93%
Transfer to Reserves	0	0	12,500	100.00%
Equipment	0	6,850	0	-100.00%
<b>TOTAL RECREATION &amp; CULTURAL SERVICES</b>	<b>111,669</b>	<b>358,940</b>	<b>344,875</b>	<b>-3.92%</b>



ANNUAL BUDGET

RECREATION & CULTURAL SERVICES

**RECREATION & CULTURAL SERVICES FUND**

Fund: Recreation & Cultural Services - 114

	2007 Actuals	2008 Budget	2009 Budget	% Change
<b>Beginning Fund Balance</b>	<b>(3,740)</b>	<b>18,100</b>	<b>1,065</b>	<b>-94.12%</b>
Revenues				
Recreation Fees	979	6,200	20,000	222.58%
Room Rental	73,583	75,225	66,000	-12.26%
Parking Rental	43,790	40,000	20,000	-50.00%
Miscellaneous Revenue	302	200	800	300.00%
General Fund Subsidy	7,500	222,160	254,510	14.56%
<b>Total Revenues</b>	<b>126,154</b>	<b>343,785</b>	<b>361,310</b>	<b>5.10%</b>
<b>Total Resources</b>	<b>122,414</b>	<b>361,885</b>	<b>362,375</b>	<b>0.14%</b>
Expenditures				
Salaries and Benefits	62,536	225,290	199,430	-11.48%
Supplies	1,036	9,800	8,450	-13.78%
Other Services & Charges	48,097	117,000	136,995	17.09%
Capital Outlays	0	6,850	0	-100.00%
<b>Total Expenditures</b>	<b>111,669</b>	<b>358,940</b>	<b>344,875</b>	<b>-3.92%</b>
<b>Ending Fund Balance</b>	<b>10,745</b>	<b>2,945</b>	<b>17,500</b>	<b>494.21%</b>

## CAPITAL IMPROVEMENTS

The Capital Improvements portion of the budget includes costs to construct repairs or improvements to the City's long-term capital infrastructure systems or facilities. Capital Improvements include the construction of new, or the significant repair of: streets, parks, municipal buildings, or other facilities that are not classified as on-going operating expenditures. Capital Improvements do not include minor repairs, physical replacement or improvements. Capital Improvement expenditures are typically one-time in nature, with replacement not required for 25 - 75 years, depending upon the type of improvements.

The following table summarizes the 2009 Capital Improvement budget. On subsequent pages are fund statements for the funds involved, which include beginning fund balances, revenues, expenditures, and ending fund balances. These fund statements are followed by descriptions of, and timelines for, the budgeted capital improvement projects for 2009. Estimated project costs include engineering design and construction costs. The costs of in-house labor involved with coordinating, designing, managing, or inspection are not included in these figures.

Several of these projects are contingent upon receipt of grant funding. If the grant funding is not received, the projects will be delayed until a funding source is identified, or cancelled if no other funding alternatives exist.



## 2009 CAPITAL EXPENDITURE DETAIL

Fund & Account Number	Description	Amount
General Fund 011		
011.90.594.207.6336	Interpretive Signage Plan	\$11,500
011.90.595.606.6308	Street Overlays	\$155,000
	Total	<b>\$166,500</b>
Arterial Street Fund 112		
112.90.595.606.6510	Mukilteo Lane	\$100,000
	Total	<b>\$100,000</b>
Municipal Facilities Fund 141		
141.38.594.500.6210	Public Works Yard - Pole Building for Equipment	\$50,000
	Total	<b>\$50,000</b>
Parks Acquisition & Development Fund 322		
322.90.594.207.6203	Lighthouse Park Phase 2 Construction (Partial funding comes from REET II Fund)	\$490,000
	Total	<b>\$490,000</b>
Transportation Impact Fee fund 323		
323.90.595.345.6103	Harbour Reach Extension Land Purchase (Partial funding comes from REET I Fund)	\$600,000
	Total	<b>\$600,000</b>
Real Estate Excise Tax I Fund 331		
331.90.594.196.6538	Community Center Design	\$928,650
331.90.594.196.6539	Community Center Construction	\$10,220,700
	Harbour Reach Extension Land Purchase	
331.90.595.345.6103	(Parital funding comes from Transportation Impact Fee Fund)	\$900,000
	Total	<b>\$12,049,350</b>
Real Estate Excise Tax II Fund 332		
332.90.594.207.6201	Lighthouse Park Phase 2 Design (Partial funding comes for Park Acq. & Dev. Fund)	\$110,000
332.90.595.605.6510	Mukilteo Lane (Partial funding comes from Arterial Street Fund)	\$160,000
332.90.594.207.6203	Lighthouse Park Phase 2 Construction (Partial funding comes for Park Acq. & Dev. Fund)	\$810,000
332.90.594.198.6528	Rosehill Commons Park Development	\$1,527,000
332.90.594.801.6555	Big Gulch & 92nd Street Park Trail Connection Design	\$40,300
332.90.594.801.6555	Big Gulch & 92nd Street Park Trail Connection Construction	\$270,000
332.90.595.606.6520	Pavement Improvements - chip seal program	\$145,000
332.90.594.802.6555	Big Gulch Trail - Gap Area Design*	\$89,000
	Total	<b>\$3,151,300</b>
Surface Water Management Fund 440		
440.90.594.380.6578	North Mukilteo Waterfront Nearshore Restoration Project	\$150,000
440.90.594.306.6203	61st Street Culvert Replacement	\$250,000
440.90.594.386.6530	Big Gulch Estuary Land Acquisition	\$500,000
440.90.594.386.6535	Big Gulch Estuary Design	\$160,000
	Total	<b>\$1,060,000</b>
*Project Contingent Upon Grant Funding	<b>TOTAL</b>	<b><u>\$17,667,150</u></b>



<b>ARTERIAL STREET FUND</b>
-----------------------------

Fund: Arterial Street - 112

	2007 Actuals	2008 Budget	2009 Budget	% Change
<b>Beginning Fund Balance</b>	<b>372,029</b>	<b>621,016</b>	<b>12,150</b>	<b>-98.04%</b>
Revenues				
Fuel Tax	151,463	150,000	140,000	-6.67%
Street Mitigation Fees	187,031	0	0	0.00%
Investment Interest	24,174	3,750	500	-86.67%
<b>Total Revenues</b>	<b>362,668</b>	<b>153,750</b>	<b>140,500</b>	<b>-8.62%</b>
<b>Total Resources</b>	<b>734,697</b>	<b>774,766</b>	<b>152,650</b>	<b>-80.30%</b>
Expenditures and Uses				
Capital Outlays	113,682	243,767	100,000	-58.98%
Transfer to Trans Impact Fee Fund	0	504,366	0	-100.00%
<b>Total Expenditures &amp; Uses</b>	<b>113,682</b>	<b>748,133</b>	<b>100,000</b>	<b>-86.63%</b>
<b>Ending Fund Balance</b>	<b>621,015</b>	<b>26,633</b>	<b>52,650</b>	<b>97.69%</b>



### MUNICIPAL FACILITIES FUND

Fund: Municipal Facilities - 141

	2007 Actuals	2008 Budget	2009 Budget	% Change
<b>Beginning Fund Balance</b>	<b>5,847,064</b>	<b>6,469,624</b>	<b>35,375</b>	<b>-99.45%</b>
Revenues				
Investment Interest	307,685	150,000	440	-99.71%
General Fund Subsidy	1,521,000	1,000,000	50,000	-95.00%
Total Revenues	1,828,685	1,150,000	50,440	-95.61%
<b>Total Resources</b>	<b>7,675,749</b>	<b>7,619,624</b>	<b>85,815</b>	<b>-98.87%</b>
Expenditures				
City Hall Construction	1,206,125	7,564,250	0	-100.00%
Public Works Pole Building Construction	0	0	50,000	100.00%
Total Expenditures	1,206,125	7,564,250	50,000	-99.34%
<b>Ending Fund Balance</b>	<b>6,469,624</b>	<b>55,374</b>	<b>35,815</b>	<b>-35.32%</b>


**PARKS ACQUISITION & DEVELOPMENT FUND**

Fund: Parks Acquisition &amp; Development - 322

	2007 Actuals	2008 Budget	2009 Budget	% Change
<b>Beginning Fund Balance</b>	<b>1,336,746</b>	<b>1,095,648</b>	<b>0</b>	<b>-100.00%</b>
Revenues				
Lighthouse Park Grant	0	800,000	1,290,000	61.25%
Park Mitigation Fees	135,754	25,000	30,000	20.00%
Investment Interest	68,753	10,000	4,100	-59.00%
<b>Total Revenues</b>	<b>204,507</b>	<b>835,000</b>	<b>1,324,100</b>	<b>58.57%</b>
<b>Total Resources</b>	<b>1,541,253</b>	<b>1,930,648</b>	<b>1,324,100</b>	<b>-31.42%</b>
Expenditures				
Debt Service Payments	0	0	412,070	100.00%
Land Purchases	0	165,000	415,000	151.52%
Construction Design	160,644	50,000	0	-100.00%
Construction	290,946	1,715,000	490,000	-71.43%
<b>Total Expenditures</b>	<b>451,590</b>	<b>1,930,000</b>	<b>1,317,070</b>	<b>-31.76%</b>
<b>Ending Fund Balance</b>	<b>1,089,663</b>	<b>648</b>	<b>7,030</b>	<b>984.88%</b>



<b>TRANSPORTATION IMPACT FEES FUND</b>
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Fund: Transportation Impact Fees - 323

	2007 Actuals	2008 Budget	2009 Budget	% Change
<b>Beginning Fund Balance</b>	<b>0</b>	<b>0</b>	<b>525,950</b>	<b>100.00%</b>
Revenues				
Street Mitigation Fees	0	160,000	150,000	-6.25%
Investment Interest	0	6,250	500	-92.00%
<b>Total Revenues</b>	<b>0</b>	<b>166,250</b>	<b>150,500</b>	<b>-9.47%</b>
Transfer from Arterial Street Fund	0	504,366	0	-100.00%
<b>Total Resources</b>	<b>0</b>	<b>670,616</b>	<b>676,450</b>	<b>0.87%</b>
Expenditures				
Capital Outlays	0	164,200	600,000	265.41%
<b>Total Expenditures</b>	<b>0</b>	<b>164,200</b>	<b>600,000</b>	<b>265.41%</b>
<b>Ending Fund Balance</b>	<b>0</b>	<b>506,416</b>	<b>76,450</b>	<b>-84.90%</b>




**REAL ESTATE EXCISE TAX FUND I**

Fund: Real Estate Excise Tax I - 331

	2007 Actuals	2008 Budget	2009 Budget	% Change
<b>Beginning Fund Balance</b>	<b>8,770,360</b>	<b>10,799,052</b>	<b>7,297,795</b>	<b>-32.42%</b>
Revenues				
Real Estate Excise Tax	2,028,628	500,000	300,000	-40.00%
Investment Interest	499,533	180,000	162,350	-9.81%
<b>Total Revenues</b>	<b>2,528,161</b>	<b>680,000</b>	<b>462,350</b>	<b>-32.01%</b>
Other Sources				
G.O. Bond Proceeds	0	0	10,220,700	100.00%
Sale of Fixed Assets	0	0	980,000	100.00%
<b>Total Other Resources</b>	<b>0</b>	<b>0</b>	<b>11,200,700</b>	<b>100.00%</b>
<b>Total Resources</b>	<b>11,298,521</b>	<b>11,479,052</b>	<b>18,960,845</b>	<b>65.18%</b>
Expenditures				
Debt Service Costs	0	0	888,920	100.00%
Community Center	81,256	525,000	11,149,350	2023.69%
City Hall Construction	0	621,500	0	-100.00%
Lighthouse Park Design	120,228	0	0	0.00%
Lighthouse Park Construction	288,744	0	0	0.00%
Pedestrian Improvements	4,441	0	0	0.00%
Land Acquisition	0	520,000	465,000	-10.58%
Harbour Reach Project	4,800	0	900,000	100.00%
<b>Total Expenditures</b>	<b>499,469</b>	<b>1,666,500</b>	<b>13,403,270</b>	<b>704.28%</b>
Transfer to REET II Fund	0	3,057,429	0	-100.00%
<b>Ending Fund Balance</b>	<b>10,799,052</b>	<b>6,755,123</b>	<b>5,557,575</b>	<b>-17.73%</b>



### REAL ESTATE EXCISE TAX FUND II

Fund: Real Estate Excise Tax II - 332

	2007 Actuals	2008 Budget	2009 Budget	% Change
<b>Beginning Fund Balance</b>	<b>0</b>	<b>0</b>	<b>1,757,430</b>	<b>100.00%</b>
Revenues				
Real Estate Excise Tax	0	500,000	300,000	-40.00%
Investment Interest	0	70,000	52,500	-25.00%
Total Revenues	0	570,000	352,500	-38.16%
Other Sources				
Transfer from REET I Fund	0	3,057,429	0	-100.00%
G.O. Bond Proceeds	0	0	1,527,000	100.00%
Total Other Resources	0	3,057,429	1,527,000	-50.06%
<b>Total Resources</b>	<b>0</b>	<b>3,627,429</b>	<b>3,636,930</b>	<b>0.26%</b>
Expenditures				
Debt Service Costs	0	0	136,422	100.00%
Rosehill Commons Park Construction	0	0	1,527,000	100.00%
Lighthouse Park Design	0	100,000	110,000	10.00%
Lighthouse Park Construction	0	1,778,660	810,000	-54.46%
Small Park Construction Projects	0	90,000	0	-100.00%
Pedestrian Improvements	0	180,000	0	-100.00%
Street Overlays	0	88,527	145,000	63.79%
Big Gulch Trail Connection	0	0	399,300	100.00%
Mukilteo Lane Reconstruction	0	0	160,000	100.00%
Total Expenditures	0	2,237,187	3,287,722	46.96%
<b>Ending Fund Balance</b>	<b>0</b>	<b>1,390,242</b>	<b>349,208</b>	<b>-74.88%</b>



1		Interpretive Signage Plan												PL085804		\$	11,500					
	Design, construction and installation of interpretative signs included in the Intrepretative Signage Plan drafted in 2008. The signs will be installed along the waterfront.												Funding Source: General Fund 011.90.594.207.6336						\$	11,500		
	Cost Distribution:																					
		Construction		\$		11,500																
Project Schedule																						
Construction	2009												2010									
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug		
2		Mukilteo Lane Reconstruction												PW081109		\$	260,000					
	Public Works closed Mukilteo Lane earlier this year after discovering voids under the road surface. Subsequent testing revealed that a large section of the road's supporting fill was sinking. The repair will consist of a soldier pile wall and reconstruction of the failed street section.												Funding Source: Arterial Street Fund 112.90.595.605.6510						\$	100,000		
													332.90.595.605.6510						\$	160,000		
		Cost Distribution:																				
		Design		\$		13,000																
		Construction		\$		247,000																
Project Schedule																						
Design Construction	2009												2010									
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug		
3		Public Works Pole Building												PW042204		\$	50,000					
	A five bay pole building will be constructed to protect Public Works equipment from the elements. Three of the bays will be enclosed, lightly insulated and have power and lights. The other two will be open sided. One of the bays will be used to store the City float and the other two for the sweeper and 10 yard dump truck.												Funding Source: Municipal Facilities Fund 141.90.594.500.6210						\$	50,000		
	Cost Distribution:																					
		Construction		\$		50,000																
Project Schedule																						
Construction	2009												2010									
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug		
4		Lighthouse Park Redevelopment - Phase 2												PK075501		\$	1,410,000					
	Lighthouse Park Phase 2 includes adding a picket fencing around the Lighthouse, a public path outside the fencing around the Lighthouse, a restroom, and a band shell for events in the park. Contingent upon grant funding.												Funding Source: 322.90.594.207.6203						\$	490,000		
													332.90.594.207.6201						\$	110,000		
														332.90.594.207.6203						\$	810,000	
		Cost Distribution:																				
		Design		\$		110,000																
		Construction		\$		1,300,000																
Project Schedule																						
Design Construction	2009												2010									
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug		



5		Harbour Reach Extension-Phase 1												PW081108				\$ 1,500,000						
	Purchase of remaining ROW for the extension of Harbour Reach Drive.												Funding Source: Traffic Impact Fees Fund Real Estate Excise Tax Fund 323.90.595.345.6103 \$ 600,000 331.90.595.345.6103 \$ 900,000											
	Cost Distribution:																							
	Land Purchase \$ 1,500,000																							
Project Schedule																								
Land Purchase	2009												2010											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug				
6		Community Center Facility												PW082205				\$ 11,149,350						
	Design and construction of a new Community Center facility.												Funding Source: Real Estate Excise Tax Fund 331.90.594.196.6538 \$ 928,650 331.90.594.196.6539 \$ 10,220,700											
	Cost Distribution:																							
	Design \$ 928,650 Construction \$ 10,220,700																							
Project Schedule																								
Design Construction	2009												2010											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug				
7		Rosehill Commons Park Development												PK090001				\$ 1,527,000						
	Construction of a park at the new Community Center facility. (Design costs included in Community Center Facility design, see #6 above.)												Funding Source: Real Estate Excise Tax Fund II 332.90.594.198.6528 \$ 1,527,000											
	Cost Distribution:																							
	Construction \$ 1,527,000																							
Project Schedule																								
Construction	2009												2010											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug				
8		Street Overlays												ST090001				\$ 300,000						
	Pavement improvements and chip seal program.												Funding Source: General Fund Real Estate Excise Tax Fund II 011.90.595.606.6308 \$ 155,000 332.90.595.606.6520 \$ 145,000											
	Cost Distribution:																							
	Construction \$ 300,000																							
Project Schedule																								
Construction	2009												2010											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug				



9	Big Gulch Trail & 92nd Street Park Trail Connection												PL090001				\$	310,300					
	To design and construct a pedestrian bridge and trails, including a trail entrance, connecting an Olympus Terrace Sewer District access road with 92nd Street Park.												Funding Source: Real Estate Excise Tax Fund II										
													332.90.594.801.6555				\$	40,300					
													332.90.594.801.6555				\$	270,000					
Cost Distribution:																							
Design												\$				40,300							
Construction												\$				270,000							
Project Schedule																							
Design Construction	2009												2010										
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug			
10	Big Gulch Trail - Gap Area Design												PL090002				\$	89,000					
	Design, permitting, and cultural resources evaluation of the Big Gulch Trail - Gap Area. Contingent on grant funding.												Funding Source: Real Estate Excise Tax Fund II										
													332.90.594.802.6555				\$	89,000					
	Cost Distribution:																						
Design												\$				89,000							
Project Schedule																							
Design	2009												2010										
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug			
11	North Mukilteo Waterfront Nearshore Restoration Project												SW090001				\$	150,000					
	The first phase of this project is feasibility, preliminary design and cost analysis, estimated at \$150,000. This project is contingent on grant funding which requires 1/3 matching. With receipt of a \$100,000 grant, the City's net cost would be \$50,000.												Funding Source: Surface Water Management Fund										
													440.90.594.380.6578				\$	150,000					
	Cost Distribution:																						
Study/Concept												\$				150,000							
Project Schedule																							
Study	2009												2010										
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug			
12	61st Street Culvert Replacement												SW073101				\$	250,000					
	Repair/replacement of the culvert at the bottom of Smuggler's Gulch, 61st Street.												Funding Source: Surface Water Management Fund										
													440.90.594.306.6203				\$	250,000					
	Cost Distribution:																						
Design												\$				25,000							
Construction												\$				225,000							
Project Schedule																							
Design Construction	2009												2010										
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug			



13		Big Gulch Estuary Land Acquisition												SW090002				\$				500,000										
	The Big Gulch property is the last private land holding in Big Gulch, and lies between the sewer plant road and the railroad tracks. It is a combination of steep slopes and wetlands. The property is needed to create the saltwater estuary for Chinook fry to rest and grow, and for future access to the shoreline.												Funding Source: Surface Water Management Fund 440.90.594.386.6530												\$				500,000			
	Cost Distribution:																															
	Land Acquisition												\$				500,000															
Project Schedule																																
Acquisition	2009												2010																			
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug												
14		Big Gulch Estuary Design												SW090002				\$				160,000										
	Phase 2 of the Big Gulch Estuary project includes design and permitting of the estuary. Work includes 100% plan design, cultural resource assesment, and preparation of bid documents.												Funding Source: Surface Water Management Fund 440.90.594.386.6535												\$				160,000			
	Cost Distribution:																															
	Design												\$				160,000															
Project Schedule																																
Design	2009												2010																			
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug												

## SUPPLEMENTAL INFORMATION

### POSITION LISTING – 2009 BUDGET

POSITION TITLE	2007 Staff	2008 Staff	2009 Staff	Pay Grade	2009 Annual Salary Range
City Administrator	1.0	1.0	1.0	By Contract	117,000
Finance Director	1.0	1.0	1.0	N124	81,521 - 99,089
Fire Chief	1.0	1.0	1.0	N130	86,538 - 105,187
Planning & Comm Dev Director	1.0	1.0	1.0	N124	81,521 - 99,089
Police Chief	1.0	1.0	1.0	N130	86,538 - 105,187
Public Works Director	1.0	1.0	1.0	N130	86,538 - 105,187
Recreation/Cultural Svcs Manager	1.0	1.0	1.0	N112	72,349 - 87,941
Accounting Services Manager	1.0	1.0	1.0	N100	64,203 - 78,040
Accounting Technician	3.0	3.0	3.0	C62	41,209 - 50,090
Assistant City Engineer	1.0	1.0	1.0	N112	72,349 - 87,941
Assistant Fire Chief	1.0	1.0	1.0	N120	78,341 - 95,224
Assistant Planner	2.0	2.0	2.0	C85	51,829 - 62,998
Associate Planner	1.0	1.0	1.0	C89	53,940 - 65,564
Asst Director Planning & CD	1.0	1.0	1.0	N123	80,723 - 98,119
Building Inspector II	1.0	1.0	1.0	C86	52,350 - 63,632
Building Official	1.0	1.0	1.0	N102	65,496 - 79,610
City Clerk	1.0	1.0	1.0	N88	56,982 - 69,263
Community Services Officer	1.0	1.0	1.0	C56	38,813 - 47,177
Department Assistant - PT 50%	0.0	1.5	1.5	C55	38,427 - 46,709
Engineer Technician	2.0	2.0	2.0	C93	56,125 - 68,221
Exec Assistant/HR Assistant	1.0	1.0	1.0	N88	56,982 - 69,263
Fire Captain	4.0	7.0	7.0	F-1	69,080 - 76,780
Fire Marshall	0.0	1.0	1.0	N103	66,154 - 80,411
Firefighter	8.0	9.0	9.0	F-2	53,232 - 66,608
Firefighter/Paramedic	6.0	9.0	9.0	F-2	58,560 - 73,269
Lead Serviceworker	3.0	4.0	4.0	C81	49,859 - 60,604
Management Analyst	1.0	1.0	1.0	N95	61,087 - 74,252
Office Supervisor	1.0	1.0	1.0	C80	49,307 - 59,934
Park Attendant (PT/Seasonal)	1.5	1.5	1.5	C43	34,105 - 41,455
Park/Utility Service Worker	8.0	8.0	8.0	C64	42,096 - 51,168
Parks/Facility Attendant - PT 20%	0.2	0.2	0.2	C43	6,821 - 8,291
Parks/Facility Attendant - PT 80%	0.8	0.8	0.8	C53	30,136 - 36,630
Permit Services Assistant	3.0	3.0	3.0	C62	41,209 - 50,089
Permit Services Supervisor	1.0	1.0	1.0	C85	51,829 - 62,998
Police Commander	1.0	1.0	1.0	N120	78,341 - 95,224
Police Officer	18.0	21.0	21.0	P-2	51,431 - 66,496
Police Sergeant	5.0	5.0	5.0	P-1	74,606 - 78,568
Public Works Superintendent	1.0	1.0	1.0	N111	71,640 - 87,079
Senior Dept Assistant	1.0	1.0	1.0	C67	43,320 - 52,657
Senior Planner	1.0	1.0	1.0	C102	61,392 - 74,622
Staff Accountant	1.0	1.0	1.0	C89	53,940 - 65,564
Support Services Technician	2.0	2.0	2.0	C58	39,594 - 48,127
Technology Analyst	1.0	1.0	1.0	C88	53,406 - 64,915
<b>SUBTOTAL</b>	<b>92.5</b>	<b>106.0</b>	<b>106.0</b>		
Mayor	1.0	1.0	1.0		30,000 - 30,000
Councilmembers	7.0	7.0	7.0		6,000 - 6,600
Reserve EMS Providers (On Call)	0.0	7.0	7.0	\$10/hr	\$10/hr
Reserve Firefighters (On Call)	60.0	24.0	24.0	\$10/hr	\$10/hr
<b>TOTAL</b>	<b>160.5</b>	<b>145.0</b>	<b>145.0</b>		



## MAJOR EMPLOYERS

Name of Business	Type of Business	Number of Employees
Boeing Company	Aviation	850
Travis Industries	Fireplaces, stoves, inserts manufacturing	400
ElectroImpact Inc	Engineering Design	240
Synrad Inc	Metal, Sealed CO2 Lasers and Accessories Mfg	150
KAAS Tailored	Furniture Mfg and Sales	131
Mukilteo YMCA	Recreation Programs	120
Diligenz	Corporate Record Retrieval	115
Diversified Industrial Services	Parts Assembly, Mailing, Janitorial Services	115
Ivars Mukilteo Landing	Restaurant	112
Sr. Services of Snohomish County	Services for Low Income Elderly and Disabled	100
Hydra Master Corp	Carpet Cleaning Equipment Mfg	100

## PRINCIPAL PROPERTY TAXPAYERS

Name of Business	Type
Boeing Company	Aviation
Misawa On The Green	Multi-Family Dwelling
WiredZone Property LLP	Commercial
RREEF America Reit II Corp	Multi-Family Dwelling
Legacy Partners Harbour Pointe LLC	Commercial
Columbia Corrugated	Misc. Manufacturing
Apple Six Hospitality	Hotel/Motel
SC Harbour Pointe Inc.	Retail Trade
Synrad	Commercial



## THE COMMUNITY AND SELECTED DATA

The City of Mukilteo was incorporated on May 8, 1947, with a Mayor and City Council form of government. Located 25 miles north of Seattle, at the end of the technology corridor, Mukilteo offers numerous business opportunities while retaining its small-town waterfront charm. Mukilteo has extensive Puget Sound view property, quiet, planned residential neighborhoods, top quality schools, numerous fine restaurants, and waterfront recreational opportunities. The planned Mukilteo Landing waterfront development will provide a host of residential and business opportunities, while serving as a multi-modal hub for one of the State's busiest ferry routes and the future Sound Transit rail station.

### Miscellaneous Statistics and Information

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009 Est.
<b>General</b>										
Area (square miles)	6.25	6.25	6.25	6.25	6.25	6.25	6.25	6.25	6.25	6.25
Population	18,019	18,340	18,520	19,190	19,220	19,350	19,620	19,800	20,050	20,050
Number of City Employees	78.75	82.00	82.00	82.00	82.50	84.50	87.5	89.5	106	106
Employees per 1,000 Population	4.4	4.5	4.4	4.3	4.3	4.4	4.5	4.5	5.3	5.3
<b>Fire Protection</b>										
Number of Fire Personnel	15	16	16	16	17	18	20	21	21.5	29.5
Number of Volunteers	45	45	50	50	54	55	55	55	0	0
Number of Part Paid Firefighters	0	0	0	0	0	0	0	0	6	0
Number of Reserve Firefighters/EMS	0	0	0	0	0	0	0	0	31	31
Number of Stations	2	2	2	2	2	2	2	2	2	2
Number of Responses (EMT/Fire)	1,480	1,492	1,500	1,635	1,590	1,742	1,876	1,769	1,600	1,600
<b>Police Protection</b>										
Number of Police Personnel	25	26	27	27	27	27	27	28	32	32
Number of Calls for Service	13,913	14,290	14,520	15,175	16,923	12,486	12,614	12,943	12,800	12,800
<b>Parks and Recreation</b>										
Total Acreage	119	142	414	431	433	433	433	433	499	505
<b>Streets</b>										
Miles of Paved Roadway	62	62.5	63	63	67	67	67	68	68	68
Miles of Unpaved Roadway	1.2	1.1	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05
Signalized Intersections	9	10	11	13	13	13	13	13	13	13
Traffic Signals	1	1	2	2	2	2	2	2	2	2
<b>Storm Water Management</b>										
Linear Feet of Storm Water Pipes	155,314	160,532	166,000	172,402	174,000	178,125	179,520	179,520	184,800	184,800
Catch Basins	2,165	2,238	2,280	2,300	2,530	2,550	2,570	2,600	2,606	2,610
<b>Licenses</b>										
Business Licenses	839	882	824	946	1,005	1,055	1,100	1,000	1,122	1,125
Animal Licenses	407	410	412	394	399	419	425	440	315	315
<b>Libraries</b>										
Number of Libraries	1	1	1	1	1	1	1	1	1	1
Circulation (2004 & 2005 are Est.)	376,352	393,743	355,476	377,064	381,765	372,268	375,894	379,653	456,297	460,000



CITY OF MUKILTEO  
MUKILTEO, WASHINGTON

**ORDINANCE NO. 1217**

**AN ORDINANCE OF THE CITY OF MUKILTEO, WASHINGTON,  
ADOPTING THE 2009 MUNICIPAL BUDGET IN THE AMOUNT OF  
\$38,555,157.**

**WHEREAS**, the Mayor presented his preliminary budget and the budget message to the City Council at a public hearing on October 20, 2008, and filed the preliminary budget with the City Clerk as his recommendation for the 2009 Municipal Budget; and

**WHEREAS**, the City Clerk provided sufficient copies of the Mayor's preliminary budget and budget message to meet the reasonable demands of taxpayers, and published and posted notice of filing and the availability of said preliminary budget together with the date of a public hearing for the purpose of fixing a final budget, all as required by law; and

**WHEREAS**, the City Council scheduled a hearing on the preliminary budget for the purpose of providing information regarding estimates and programs; and

**WHEREAS**, the City Council held a public hearing on October 20, 2008, which was on or before the first Monday of the next month preceding the beginning of the ensuing fiscal year, for the purpose of presenting the 2009 annual budget, at which hearing all taxpayers were heard who appeared for or against any part of said budget; and

**WHEREAS**, the public hearing was continued to November 3, 2008, November 17, 2008, November 24, 2008 and December 1, 2008 at which time public testimony was closed, and deliberations began; and

**WHEREAS**, following the conclusion of said hearing, the City Council made adoptions and changes as it deemed necessary and proper.

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

**Section 1.** Attached hereto and identified as Exhibit "A," in summary form, are the totals of estimated revenues and appropriations for each separate fund and the aggregate totals for each separate fund and the aggregate totals for all such funds combined, and by this reference said Exhibit "A" is incorporated herein, and the same is hereby adopted in full. The Finance Director is hereby authorized to include year-end cash balances in the final budget document as determined at the close of the current fiscal year.



**Section 2.** A complete copy of the 2009 Adopted Municipal Budget, together with a copy of this adopting ordinance shall be transmitted by the City Clerk to the Division of Municipal Corporations of the Office of the State Auditor and to the Association of Washington Cities.

**Section 3.** Administrative Budget Adjustments. The City Administrator and Mayor are authorized to transfer budgeted amounts between departments or line-items within any fund which are necessary for the conduct of city business and operations and providing service to the public. In the event certain restricted revenues exceed budget estimates, the City Administrator and Mayor are authorized to expend such funds for eligible expenditures in order to conserve General Fund monies.

This section shall not be construed to authorize expenditures in excess of expenditure limits established by the City Council for the affected program or services.

**Section 4.** This ordinance shall take effect five (5) days after publication of the attached summary, which is hereby approved.

PASSED by the City Council and APPROVED by the Mayor this 8th day of December 2008.

APPROVED

\_\_\_\_\_  
MAYOR, JOE MARINE

ATTEST/AUTHENTICATED:

\_\_\_\_\_  
CITY CLERK, CHRISTINA J. BOUGHMAN

APPROVED AS TO FORM:  
OFFICE OF THE CITY ATTORNEY:

By: \_\_\_\_\_  
ANGELA BELBECK

FILED WITH THE CITY CLERK: 12-08-08  
PASSED BY THE CITY COUNCIL: 12-08-08  
PUBLISHED: 12-12-08  
EFFECTIVE DATE: 12-17-08  
ORDINANCE NO. 1217

## ORDINANCE NO. 1217

### EXHIBIT "A"

#### BUDGET SUMMARY BY FUND

Fund Number	Fund Discription	Beginning Fund Balance	Revenue	Expenditures	Ending Fund Balance
009	LEOFF I RESERVE	\$164,875	\$0	\$27,000	\$137,875
011	GENERAL	6,048,154	12,090,400	\$13,784,725	4,353,829
015	PAINE FIELD EMERGENCY RESERVE	150,000	0	\$150,000	0
111	STREET	73,900	830,500	\$849,970	54,430
112	ARTERIAL STREET	12,150	140,500	\$100,000	52,650
114	COMMUNITY CENTER	1,065	361,310	\$344,875	17,500
116	HOTEL/MOTEL LODGING TAX	181,070	134,500	\$139,390	176,180
118	FACILITIES MAINTENANCE	92,200	390,000	\$463,490	18,710
120	TECHNOLOGY REPLACEMENT	297,860	60,000	\$113,240	244,620
125	CITY RESERVE	992,360	0	\$0	992,360
126	EMERGENCY MEDICAL SERVICES	310,270	1,523,750	\$1,800,885	33,135
141	MUNICIPAL FACILITIES	35,375	50,440	\$50,000	35,815
142	PARKS	79,845	94,500	\$62,675	111,670
322	PARK ACQUISITION & DEVELOPMENT	0	1,324,100	\$1,317,070	7,030
323	TRANSPORTATION IMPACT FEE	525,950	150,500	\$600,000	76,450
331	REAL ESTATE EXCISE TAX I	7,297,795	11,663,050	\$13,403,270	5,557,575
332	REAL ESTATE EXCISE TAX II	1,757,430	1,879,500	\$3,287,722	349,208
440	SURFACE WATER MANAGEMENT	1,242,120	1,706,000	\$1,893,845	1,054,275
502	SELF INSURANCE HEALTH BENEFIT	53,320	0	\$0	53,320
510	EQUIPMENT REPLACEMENT RESERVE	1,060,220	340,150	\$167,000	1,233,370
516	UNEMPLOYMENT COMPENSATION	36,200	0	\$0	36,200
<b>TOTALS</b>		<b>\$20,412,159</b>	<b>\$32,739,200</b>	<b>\$38,555,157</b>	<b>\$14,596,202</b>

## GLOSSARY OF TERMS

**ACCOUNTING SYSTEM** The total set of records and procedures used to record, classify, and report information on the financial status and operations of an entity.

**ACCRUAL BASIS** Refers to the accounting of revenues and expenditures on the basis of when they are incurred or committed, rather than when they are made or received.

**ADOPTED** As used in fund, summaries, department and program summaries within the budget, represents the budgets as approved by Council.

**ADOPTION** A formal action taken by Council that sets the spending limits for the fiscal year.

**APPROPRIATION** Legal authorization adopted annually, by the legislative body (City Council) to make expenditures and obligate money for specific purposes. An appropriation is limited in the amount and the period of time in which it may be expended.

**APPROPRIATED BUDGET** The expenditures authority created by the appropriation resolution/ordinance, which is signed into law, and the related estimated revenues. The appropriated budget would include all reserves, transfers, allocations, supplemental appropriations and other legally authorized and executive changes.

**ASSESSED VALUATION** A determination of the value of real or personal property as a basis for levying taxes.

**ASSET** Resources owned or held by a government, which have monetary value.

**AVAILABLE (UNDESIGNATED) FUND BALANCE** Refers to funds remaining from the prior year that are available for appropriation and expenditure in the current year.

**BASELINE BUDGET** A Baseline Budget is each department's minimum budget needed to offer their services to citizens, without cutting back on any services.

**BALANCED BUDGET** A budget in which operating revenues equal or exceed operating expenses.

**BARS** Budgeting, Accounting and Reporting System. Refers to the accounting rules established by the State Auditor's office.

**BEGINNING FUND BALANCE** An account used to record estimated and actual resources available for expenditure in one fiscal year because of revenues collected in excess of the budget and/or under-expenditure of the prior years' budgets.

**BENEFITS** The City provided employee benefits such as retirement, worker's compensation, life insurance, medical insurance and dental insurance.

**BOND** A certificate obligating the payment of a specified sum of money which includes the principal or face value, plus interest, to be computed at a specified rate on a specified date or dates in the future or the maturity date(s).

**BUDGET** A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed revenue, or means of financing the expenditures.

**BUDGET CALENDAR** The schedule of key dates or events, which the City follows in the preparation, adoption and administration of the budget.

**BUDGETARY BASIS** This refers to the basis of accounting used to estimate financing sources and uses in the budget. This generally takes one of two forms: cash or modified accrual

**BUDGETARY CONTROL** The control or management of a governmental unit or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of authorized appropriations and available revenues.

**BUDGET MESSAGE** A written general dialogue of the budget, presented by the budget making authority. It provides Council with a general summary of the most important budget issues, changes from recent fiscal years and recommendations regarding the financial policy for the coming year.

**CAPITAL ASSET** Tangible assets having a life over one year obtained or controlled as a result of financial transactions, events or circumstances. Capital assets include buildings, equipment, improvements other than buildings and land.

**CAPITAL IMPROVEMENT PLAN (CIP)** A plan which prioritizes and schedules proposed capital construction projects and major equipment acquisition.

**CAPITAL OUTLAY** Expenditures resulting in the acquisition or addition to the government's general capital assets. These assets usually have a useful life of more than one year.

**CAPITAL PROJECTS** Projects which purchase or construct capital assets. Typically a capital project encompasses a purchase of land and/or the construction of a building or facility.

**CAPITAL PROJECT CONSTRUCTION FUNDS** A type of fund that accounts for major general government construction projects financed by long-term general obligations or other financing.

**CASH BASIS ACCOUNTING** The method of accounting where revenues are recorded when received and expenditures are recorded when paid.

**CHARTER CODE CITY** A city having at least 10,000 residents that is run under an adopted charter or rules and regulations.

**COMPREHENSIVE PLAN** A plan required by the state for the future growth and development of the City.

**COST-OF-LIVING ADJUSTMENT (COLA)** An increase in salaries to offset the adverse effect of inflation on compensation.

**COUNCILMANIC BONDS** Intermediate to long-term debt instruments issued by City Council authorization. By state law, the maximum amount of councilmanic bonds that may be sold is equal to 1.5 percent of the City's assessed valuation.

**DEBT SERVICE** The process of accumulating resources for and making payment of long-term debt principal and interest.

**DEBT SERVICE FUND** A fund used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

**DEPARTMENT** An organizational or budgetary unit. Each department serves a specific function as a distinct organizational unit of government, having budget accountability.

**DEPRECIATION** Consumption of the service life of capital assets, due to normal wear, deterioration, environmental elements, passage of time and obsolescence. The portion of the cost of a

**DEVELOPMENT-RELATED FEES** Those fees and charges generated by building, development and growth in a community. Included are building and street permits, development review fees, and zoning, platting and subdivision fees.

**DISTINGUISHED BUDGET PRESENTATION AWARD** A voluntary awards program administered by the Government Finance Officers Association to encourage governments to prepare effective budget documents.

**ENTERPRISE FUNDS** A type of proprietary fund that contains activities which are operated in a manner similar to private businesses. In Mukilteo, the only Enterprise Fund is the Surface Water Management Fund.

**EXPENDITURE** An outlay of current resources for goods and services. Expenditures reduce the remaining budget authorization (appropriation) available.

**FIXED ASSETS** Assets of significant value which have a useful life of several years.

**FUND** Governmental accounting systems are organized and operated on a fund basis. A fund is an independent financial and accounting entity with a self-balancing set of accounts in which financial transactions relating to revenues, expenditures, assets and liabilities are recorded. Funds are established to account for the use of restricted revenue sources and to carry on specific activities or pursue specific objectives. Funds may be established by State constitution, State statute, or City ordinances.

**FRANCHISE FEE** A fee paid by public service businesses for the special privilege to use City streets, alleys and property in providing their services to the citizens of the community.

**FULL TIME EQUIVALENT (FTE)** Apart-time position converted to the decimal equivalent of a full time position based on 2080 hours per year, or a full value of one full time position.

**FUNCTION** Activity, which is performed by one or more organizational units for the purpose of accomplishing a goal.

**FUND** An accounting entity having a set of self-balancing accounts and records for all financial transactions for specific activities or government functions in attaining certain objectives governed by special regulations, restrictions or limitations.

**FUND BALANCE** Generally thought of as fund equity. In the budget, part of fund balance may be designated and appropriated as a resource to support the fund expenditures.

**GENERAL FUND** The fund used to account for the receipt and expenditure of general governmental revenues such as taxes, fees for service and state-shared revenues that are not earmarked for specific functions. The General Fund accounts for services customarily provided by general purpose local governments, including fire and police protection, park and recreation facilities, land use planning and the administrative and support services associated with these activities.

**GENERAL OBLIGATION BONDS** Bonds for the payment of which the full faith and credit of the issuing government are pledged.

capital asset charged as an expense during a specified period based on service life of the asset and ultimately expending the entire cost of the asset.

**GOAL** The end toward which an endeavor is directed. A City department may have several goals in the accomplishing of its mission

**GRANTS** A contribution of assets (usually cash) by one governmental unit or other organization to be used or spent for a specified purpose, activity, or facility. Typically, these contributions are made to local governments from the State and Federal governments.

**IMPACT FEE** Fees charged to developers or individuals to cover, in whole or in part, the anticipated cost of improvements that will be necessary as a result of the development.

**INTERFUND TRANSFERS** Amounts transferred from one City fund to another.

**INTERGOVERNMENTAL** Referring to activities or transactions (contracts, grants, etc.) occurring between government jurisdictions (e.g., cities and counties) such as "intergovernmental revenue".

**INTRAGOVERNMENTAL** Referring to activities or transactions occurring within a single government jurisdiction.

**INTERNAL SERVICE FUNDS** A type of proprietary fund which accounts for the goods and services which are provided as internal services of the City; such as equipment rental.

**LEEDS** "Leadership in Energy and Environmental Design." This is a "Green Building Rating System" utilized by the US Green Building Council's certification program as a nationally accepted benchmark for the design, construction and operation of high performance green buildings.

**LEOFF** Law enforcement officers and firefighters retirement system.

**LEVY** To impose a tax, special assessment or service charge for the support of government activities. The total amount of taxes, special assessments or service charges imposed by a government. The term most commonly refers to the real and personal property tax levy.

**LEVY RATE** The rate at which taxes, special assessments or service charges are imposed. For example, the real and personal property tax levy is the rate at which property is taxed per \$1,000 assessed valuation.

**LIABILITY** Debt or other legal obligation arising out of transactions in the past that must be liquidated renewed or refunded at some future date. Does not include encumbrances.

**LICENSES AND PERMITS** Charges for the issuance of licenses and permits. Licenses are required by municipalities for selected trades, occupations and other activities for regulatory purposes. Permits are issued to aid regulation of new business activities.

**LID** Local Improvement District.

**LINE-ITEM BUDGET** A budget prepared along departmental lines that focuses on what is to be bought.

**MISSION** The overall purpose for which a unit of Government exists.

**MODIFIED ACCRUAL ACCOUNTING** The accrual basis of accounting adapted to the governmental fund type Spending Measurement Focus. Under it, revenues are recognized when they become both “measurable” and “available to finance expenditures of the current period.” Expenditures are recognized when the related fund liability is incurred except for: inventories, prepaid insurance, unpaid benefit amounts or principal and interest.

**NON-CHARTER CODE CITY** A City, regardless of population, that has elected to not run a city charter.

**OBJECT (OF EXPENDITURE)** The budget accounting term for the previously used “line item budget” level. The lowest level of detail used in the budget to designate the item or service to be purchased or obtained as the result of an expenditure, e.g., postage, printing, etc.

**OBJECTIVE** In a budgetary context, an objective is some event, activity or opinion poll result, which can be evaluated to measure progress towards defined goals.

**OPERATING BUDGET** A budget which includes all expenditures and revenues expected to be made during a year for ongoing operations of a government entity. The operating budgets carry on the traditional services of a governmental entity. Such a budget generally excludes amounts budgeted for major capital projects.

**OPERATING TRANSFER IN/OUT** Specifically identifies the transfer of resources from one fund to another made to support the normal level of operations of the receiving fund.

**OPTIONAL CODE CITY** A City that runs under the optional state statute 35A, which does not require a charter for cities with a population of over 10,000.

**ORDINANCE** A law passed by the legislative authority of a local jurisdiction (city or county).

**PERFORMANCE INDICATORS** Measurable means of evaluating the effectiveness of a department or cost center in accomplishing its defined objectives.

**PERS** Public Employees Retirement System.

**PERSONNEL SERVICES** Costs related to compensating employees, including wages, insurance, payroll taxes, retirement contributions, and allowances for clothing and automobiles.

**PRELIMINARY BUDGET** The recommended and unapproved City budget submitted to the City Council and public in October or November of each year.

**PROPRIETARY FUND** A fund used to account for operations that are financed and operating in a manner similar to business enterprises. Such a fund is established as a self-supporting operation with revenues provided principally from fees, charges or contracts for services.

**REGULAR LEVY** The portion of the property tax which supports the General Fund.

**RESOLUTION** A special or temporary order of a legislative body requiring less legal formality than an ordinance or statute.

**RESOURCES** The dollars available for appropriation, including estimated revenues, interfund transfers and in some cases, a beginning fund balance.

**REVENUE** Income received by the City to support programs or services to the community. It includes such items as taxes, fees, user charges, grants, fines, forfeits, interest income and miscellaneous revenue.

**RISK MANAGEMENT** An organized attempt to protect a government’s assets against accidental loss in the most economical method.

**SALARIES AND WAGES** Amounts paid for services rendered by employees in accordance with rates, hours, terms and conditions authorized by law or stated in employment contracts. This category also includes overtime and temporary help.

**SPECIAL ASSESSMENT** A compulsory levy made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

**SPECIAL LEVY** Separate property tax levies authorized by the voters for specific purposes.

**SPECIAL REVENUE FUND** A fund used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

**TAXES** Compulsory charges levied by a government for the purpose of financing services performed for the common benefit of the people. This term does not include specific charges made against particular persons or property for current or permanent benefit, such as special assessments.

**TAX BASE** The wealth of the community available to be taxed by various forms of City taxes. Commonly thought of as the assessed value of the community.

**TRUST AND AGENCY FUNDS** A type of fiduciary fund which accounts for funds held by the City as a trustee.

**UNRESERVED FUND BALANCE** Undesignated monies available for appropriations.

**USER CHARGES** The payment of a fee for direct receipt of a public service by the party who benefits from the service.

**WORKLOAD INDICATORS** Specific quantitative measures of work performed within an activity or program (e.g., total miles of streets cleaned).