

2020

ANNUAL BUDGET

Adopted November 18, 2019



CITY OF
MUKILTEO

MAYOR JENNIFER GREGERSON

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



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PRINCIPAL CITY OFFICIALS

ELECTED OFFICIALS 2019



Jennifer Gregerson
Mayor



Christine Cook
Council President



Anna Rohrbough
Council Vice President



Bob Champion
Councilmember



Richard Emery
Councilmember



Sarah Kneller
Councilmember



Steve Schmalz
Councilmember



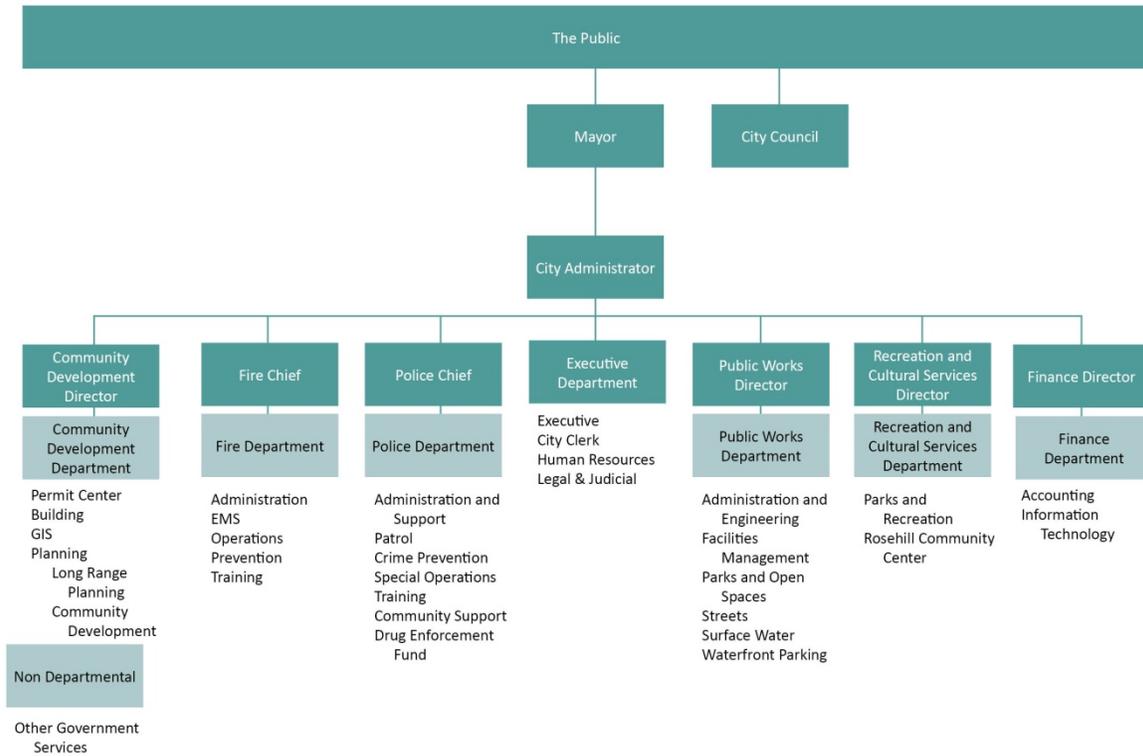
Scott Whelpley
Councilmember

EXECUTIVE STAFF

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

Chris Alexander
Cheol Kang
Andrea Swisstack
Michelle Meyer
Dave Osaki
Jeff Price

ORGANIZATION STRUCTURE FOR CITY BUDGET



City Staffing		
Department	2019	2020
City Council	7.0	7.0
Executive	5.0	5.0
Finance & IT	8.0	8.0
Police	36.0	36.0
Fire	30.0	30.0
Public Works <i>(includes Seasonals)</i>	27.8	29.8
Planning	11.0	11.0
Recreation <i>(Full Time Equivalents)</i>	8.1	8.3
Total	133.0	135.2

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MAYOR'S MESSAGE



October 2, 2019

Dear Council President Cook, Members of the City Council, and the Public:

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

This year we continue our commitment to an early and transparent budget process, beginning in late May. I am confident that there are “no surprises” for the City Council and public in this budget, after numerous Council meetings, work sessions and discussions of the elements of this 2020 Preliminary Budget.

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

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

MUKILTEO VISION

**A SUSTAINABLE,
WELL-RUN CITY**
with
**SAFE, STRONG
NEIGHBORHOODS**

Budget efficiently and effectively to align with our priorities

Support a **diverse & inclusive community**

Plan well and **look forward to the future** in decision making

Ensure residents are **safe** in our homes and neighborhoods

Empower city employees to collaborate, support and serve

Provide high quality two-way **communications** with residents and encourage full **participation** in City government

Manage **appropriate growth** that minimizes environmental impact and uses land efficiently

Improve **accessibility and mobility** to destinations throughout our community

Ensure **access to quality recreation & cultural** facilities and services for residents of all ages

Support local businesses to ensure a **healthy economy**



FISCAL HEALTH

The 2020 Preliminary Budget is balanced and adequately funds our infrastructure needs. Appropriate replacement of equipment, maintenance and repair of our facilities, preservation of our infrastructure, and sustainable revenues are all a part of this budget.

There are items in this balanced budget that I have heard some Councilmembers do not support, or need more time and information before they are ready to support. That is the purpose of the budget hearing process. I have included these items, such as the water and wastewater franchise 0.75% fee increase and the ambulance transport fees, because I believe it is the most responsible way to deliver services, meet expectations, and balance that with policy goals. Both fees help us support full funding of our equipment replacement reserve. Preserving our assets is an important goal that I know I share with our City Council.

It is clear from our financial picture that we need to turn to user fees to fund the services that our community deserves.

During our budget development, we continued to identify reductions that could be made. I asked for substantive cuts that could be made to limit the need for fee increases. We also ask this same question throughout the year.

LONG RANGE FINANCIAL PLANNING

Our city staff and I have worked to bring the Council and community a budget that funds our rainy day emergency reserve and an ending fund balance that more than meets our policy goal. Our ending fund balance of \$3,527,106 equals a 22.7% reserve, above the adopted policy limit of 16.7%. We have also ensured financial policy compliance, a priority identified by the City Council this year.

SAFE, STRONG NEIGHBORHOODS In 2020, we continue our substantial investment in

2020

This proposed preliminary budget reflects the goals and policies developed by our City Council, the priorities of the Mayor and provides a blueprint for city services. The budget serves not only as a financial plan, but also as a tool for accountability.

MUKILTEO PRIORITIES



FISCAL HEALTH

A balanced budget that adequately funds our infrastructure needs.



LONG RANGE FINANCIAL PLANNING

A budget that funds our rainy day emergency reserve and an ending fund balance that more than meets our policy goal.



SAFE, STRONG NEIGHBORHOODS

Investment in our public safety services.



A BEAUTIFUL COMMUNITY

Shaping our future through capital projects, improved accessibility and beautiful parks.



public safety services. Next year will mark the first full year of motorcycle traffic officer support in our community since 2012. We continue our strong partnership with our schools, with our School Resource Officer beginning every day at Kamiak High School, building relationships with all of our Mukilteo kids.

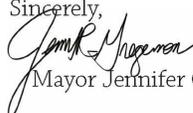
Supporting public safety also includes efforts behind the scenes. The proposed Human Resources Coordinator will support hiring and on-boarding of police officers and firefighters, and other city staff, and allow our Human Resources Manager to continue to a focus on the City's five collective bargaining agreements and begin more strategic initiatives. In each of the last three years, our City welcomed 6 new public safety professionals and approximately 20 other employees. The HR Coordinator will improve efficiencies in that process.

We are also investing in improved security at our police station, and purchasing a new medic unit, fire and police command vehicles. Our team conducts a cross-functional review to ensure we purchase new vehicles at the right time, and that we get as much life as possible out of our equipment. Now is the time for these investments.

A BEAUTIFUL COMMUNITY

One of the best parts of our city government is the ability to shape the future of our community. I am proud of the significant investment in safe places to walk and bike that will happen in 2020, as well as a number of other capital projects. Our City Council has identified the beauty of Mukilteo as one of their key priorities. This budget includes the first new Public Works crew employee in over a decade, helping to ensure that we remain a beautiful and unique community.

This budget is sustainable, it represents our values, and I am proud to bring it to you for your consideration. The hard work that is ahead of you is important, and our City staff will be by your side to get us all to our goal of passage and approval by November 12, 2019.

Sincerely,

Mayor Jennifer Gregerson

BUDGET in BRIEF



GENERAL FUND SUMMARY

General Fund Beginning Balance
\$3,527,106

Projected Total Revenue **\$15,549,118**

Projected Total Expenditure
\$15,549,118

Estimated End of Year Fund Balance
\$3,527,106



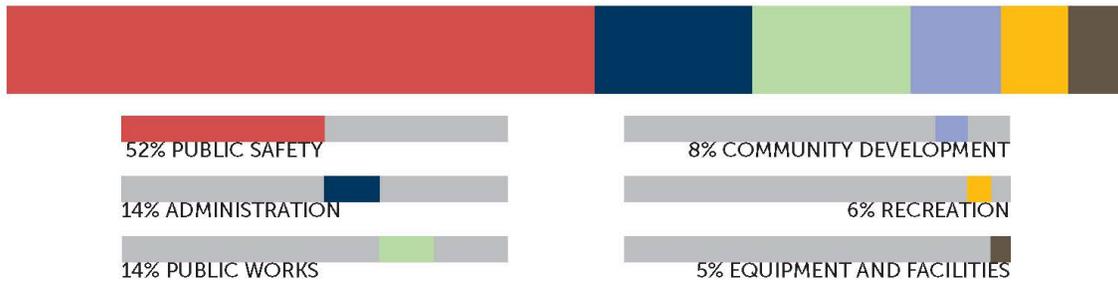


WHERE THE CITY'S MONEY COMES FROM



Over half of general fund revenues come from property and sales tax.
 Fees and charges includes intergovernmental fees, business licenses, development revenues, traffic fines, and other miscellaneous revenues.

HOW THE CITY SPENDS YOUR MONEY



Public Safety includes Police, Fire, and related non-departmental costs like Sno911 charges
 Administration includes Council, Executive, Human Resources, Legal and Judicial, Finance, Information Technology, most Non Departmental
 Public Works includes all PW related divisions
 Equipment and Facilities includes Equipment Replacement Fund, Facility Renewal Fund and Tech Replacement Fund



EXPENDITURE HIGHLIGHTS

<p>\$16M Harbour Reach Corridor Construction</p>	<p>\$955k Making Safe Places to Walk & Bike¹</p>	<p>\$743k Equipment and Facilities Repair & Replacement²</p>
<p>\$758k Preserving Our Pavement Infrastructure</p>	<p>\$6.3M Surface Water Utility Investment</p>	<p>\$1.3M Funding Our Beautiful Parks and Streets³</p>

- 1) Includes 76th Street project, 5th Street project, ADA Upgrades, Bike Transit Walk Program, Pedestrian Enhancement Program, Sidewalk Repair, Traffic Calming.
- 2) Includes Equipment Replacement, Facility Renewal, and Tech Replacement Funds
- 3) Includes Parks and Streets Budgets

INVESTMENT IN OUR FUTURE



EQUIPMENT AND FACILITIES FUNDS SUMMARY

Beginning Balances
\$1,693,416

Projected Total Re-Investment
\$980,150

Projected Total Expenditures **\$873,000**

Estimated End of Year Equipment & Facilities Funds Available
\$1,800,566

Includes Equipment Replacement, Facility Renewal, and Tech Replacement Funds

BUDGET BUILDING PROCESS

This section is intended to briefly discuss the process behind the creation of the 2020 Final Budget.

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

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

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

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

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

In addition to NBIs for operating expenditures, the budget process also utilizes NBIs for capital purposes such as capital projects or the purchase of equipment. In addition to the information provided for NBIs related to operating expenditures noted above, capital NBIs identify the impact on operating expenditures, whether previous approval has been received from the City Council, the amount previously approved, dollar amount requested for 2020, and estimates of the cost of future related requests. For example, a new capital project may require a multi-year process to complete. The initial amount needed will be budgeted in 2020 and additional amounts needed to complete the project will be budgeted in future fiscal years. The NBI identifies the total estimated cost of a project together with alternatives and additional related revenue, if any.

In regard to capital projects approved by the City Council in prior fiscal years, the 2020 Preliminary Budget no longer includes NBIs requesting the City Council to reapprove the

2020 Budget

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

The City implemented an updated Internal Cost Allocation Plan (CAP) in the 2017 budget to identify the costs of indirect services provided by the City’s central service departments. The CAP was updated for the 2020 budget based on actual expenditures for 2018. A CAP establishes a fair and equitable methodology for identifying and allocating indirect costs to benefiting activities. It can be a valuable tool in establishing fees designed to recover total costs of a program; recovering indirect costs associated with local, state, and federal grants; reimbursing costs associated with providing support services to restricted funds such as enterprise and other special revenue funds; and many other financial analyses. This plan will be updated annually.

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

BUDGET AND FINANCIAL POLICIES

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

BALANCED BUDGET

A balanced budget is one where operating revenues and sources equal or exceed operating expenditures and uses. In compliance with state law, the City's 2020 budget is a balanced budget.

BUDGET RESOURCES

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

REVENUE ESTIMATION

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

LEGAL COMPLIANCE AND FINANCIAL MANAGEMENT – FUND ACCOUNTING

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

BUDGET POLICY

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

Operating Budgets¹ – Overall

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

Fiscal Integrity

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

¹Operating Budgets Include: General Fund, Street Fund, Emergency Medical Services Fund & Facility Maintenance Fund

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

Revenues

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

Internal Services Charges

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

Reporting

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

Citizen Involvement

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

Fees

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

Capital Budget – Fiscal Policies

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

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- Capital project proposals should include a discussion on level of service (LOS). At a minimum, the discussion should include current LOS level associated with the proposal and level of LOS after completion of proposal. Proposals with low level LOS will receive higher priority than those with higher levels of LOS. Capital project proposals that either have a current LOS level of 100% or higher or will have a LOS level of 100% or higher after completion of the proposal must include a discussion on impacts to other services that have a LOS level below 100%.
- All proposals for capital projects will be presented to the City Council within the framework of a Capital Budget. Consideration will be given to the commitment of capital funds outside the presentation of the annual capital budget review process for emergency capital projects, time sensitive projects, projects funded through grants or other non-city funding sources and for projects that present and answer the following questions for Council consideration:
 - Impacts to other projects
 - Funding sources
 - Capital project proposals shall include all reasonably attainable cost estimates for operating and maintenance costs necessary for the life cycle of the asset.
 - Major changes in project cost must be presented to the City Council for review and approval. Major changes are defined per City's Procurement Policies & Procedures as amounts greater than \$30,000 for single craft or trade and greater than \$50,000 for two or more crafts or trades.
 - At the time of project award, each project shall have reasonable contingencies also budgeted:
 - The amount set aside for contingencies shall correspond with industry standards and shall not exceed ten percent (10%), or a percentage of contract as otherwise determined by the City Council.
 - Project contingencies may, unless otherwise determined by the City Council, be used only to compensate for unforeseen circumstances requiring additional funds to complete the project within the original project scope and identified needs.
 - For budgeting purposes, project contingencies are a reasonable estimating tool. At the time of contract award, the project cost will be replaced with an appropriation that includes the contingency as developed above.
 - Staff shall seek ways of ensuring administrative costs of implementing the Capital Budget are kept at appropriate levels.
 - The Capital Budget shall contain only those projects that can be reasonably expected to be accomplished during the budget period. The detail sheet for each project shall contain a project schedule with milestones indicated.
 - Capital projects that are not expensed during the budget period will be re-budgeted or carried over to the next fiscal period except as reported to the City Council for its approval. Multi-year projects with unexpended funds will be carried over to the next fiscal period.
 - If a proposed capital project will have a direct negative effect on other publicly owned facilities and/or property or reduce property taxes revenues (for property purchases within the City), mitigation of the negative impact will become part of the proposed capital project costs.
 - A capital project will not be budgeted unless there is a reasonable expectation that funding is available.

Debt Policies

- Debt will not be used for operating costs.
- Whenever possible, the City shall identify alternative sources of funding and availability to minimize the use of debt financing.

2020 Budget

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

GAP CLOSING POLICY

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

A. Purpose

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

The intent of the Gap Closing Policy is to:

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

B. Implementation

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

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

C. Gap Reporting

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

D. Gap Closing Strategy

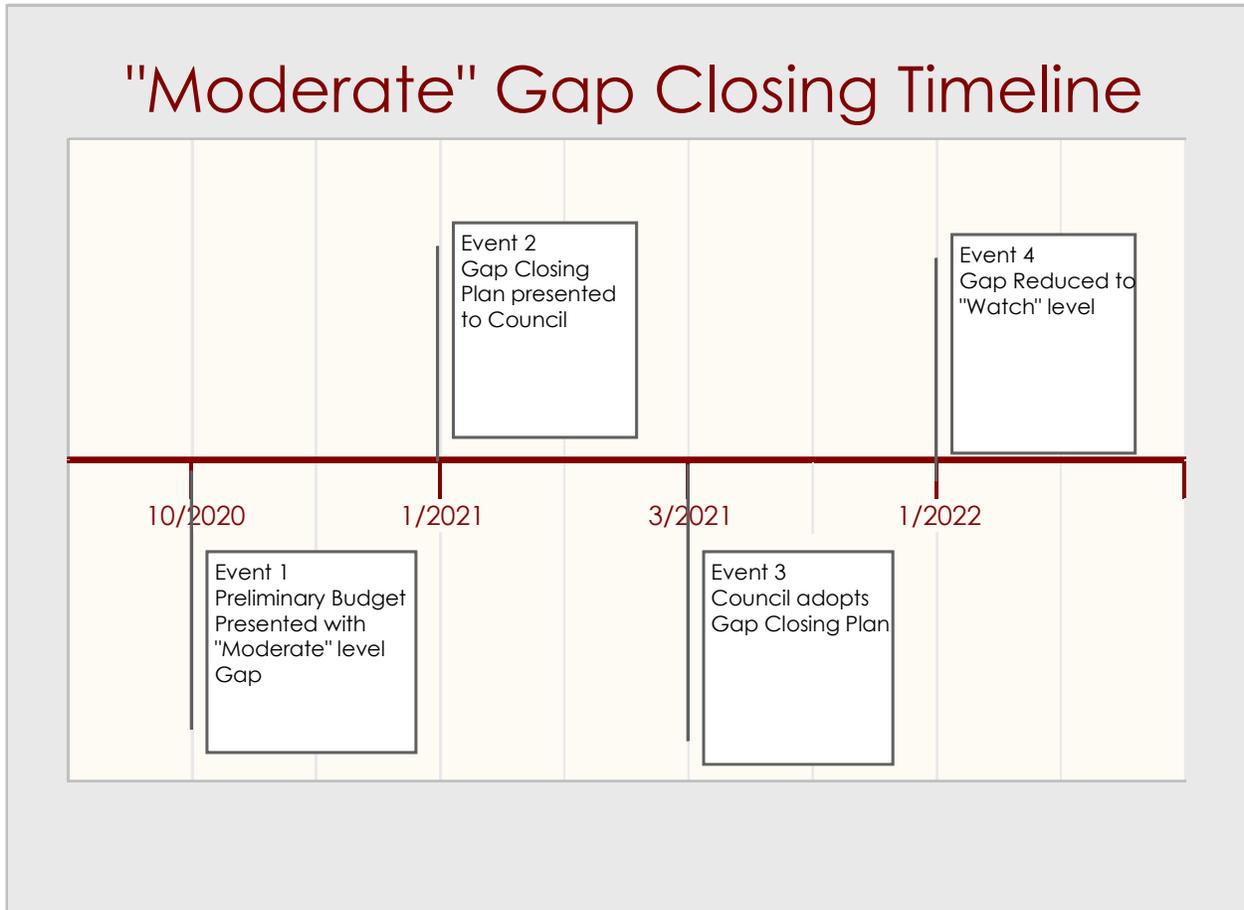
The severity of the Gap will dictate how to address the Gap.

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

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

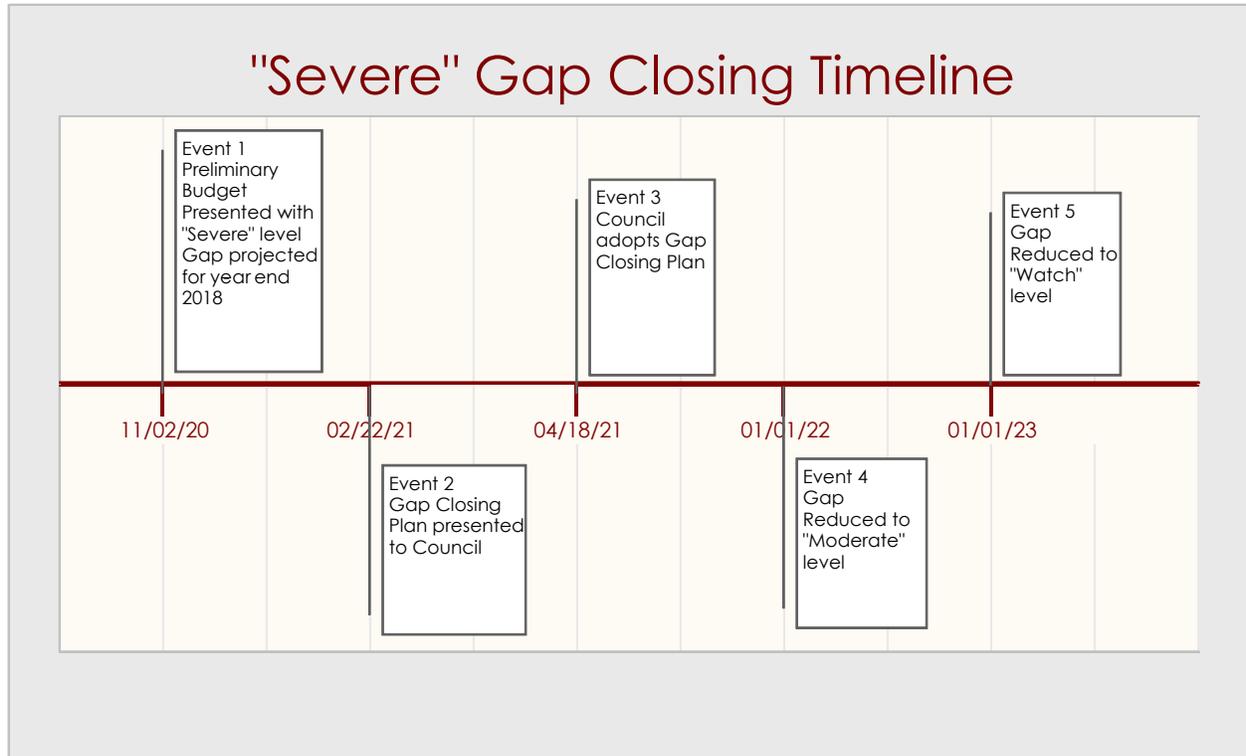
The timeline for closing the “Moderate” level gap could look like the following chart:



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

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



E. Mayor’s Recommended Gap Closing Plan

Gap Closing Plan must include:

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

FUND BALANCE RESERVE POLICY

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

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

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

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

- **Contingency Fund Reserves:** The City maintains a Contingency Fund reserve equal to \$1,000,000 to provide a financial cushion to cover revenue shortfalls resulting from unexpected economic changes or recessionary periods or to provide funds in the event of major unplanned expenditures the City could face as a result of landslides, earthquake or other natural disaster.
- **General Fund Operating Reserves:** The City maintains a General Fund Operating Reserve to provide for adequate cash flow, budget contingencies, and insurance reserves. The cash flow reserve within the General Fund is an amount equal to two months of budgeted operating expenditures.
- **Hotel/Motel Lodging Tax Reserves:** The City maintains a Hotel/Motel Lodging Tax Reserve in an amount equal to six months' revenues in ending fund balance. (For example, the 2020 budgeted expenditures cannot exceed half of the 2018 actual revenues receipted into the fund.)
- **Technology Replacement Reserves:** The City maintains a Technology Replacement Reserve for replacement of entity-wide computer hardware, software, or telephone equipment identified in the City's Technology Replacement listing. The required level of reserve will equal each year's scheduled replacement costs. For example, if the 2020 equipment replacement costs are budgeted at \$100,000, the fund reserve balance must equal or exceed \$100,000.

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- **Equipment and Vehicle Replacement Reserves:** The City maintains fully funded reserve for the replacement of vehicles and equipment identified on the City's equipment replacement listing. The required level of reserve equals each year's scheduled replacement costs. For example, if the 2020 equipment replacement costs are budgeted at \$100,000, the fund reserve balance must equal or exceed \$100,000. Contributions are made through assessments to the using funds and are maintained on a per asset basis.
- **Surface Water Utility Fund Reserves:** The City maintains an operating reserve within the Surface Water Utility Fund of an amount equal to no less than 20% of budgeted operating revenues.

EXPLANATION OF BUDGET EXHIBITS

The following pages present a variety of budgetary information for the 2020 Budget that is intended to assist the reader in understanding the eleven exhibits that follow:

- **BUDGET SUMMARY BY FUND** (Exhibit 1) - Provides a recap for each of the City's twenty-one budgeted Funds of estimated beginning fund balance, revenues and transfers in which constitute total sources, expenditures and transfers out which constitute total uses, and projected ending fund balance as of the end of 2020.
- **REVENUE AND EXPENDITURE SUMMARY ALL FUNDS** (Exhibit 2) – Provides the following revenue and expenditure information for each Fund: 2018 actual amounts, 2019 Adopted Budget, 2019 estimates, the 2020 Budget, and two columns reflecting the dollar and percentage changes comparing the 2019 Adopted Budget to the 2020 Budget. Transfers in and out are excluded as they do not constitute revenues or expenditures.
- **TOTAL REVENUES AND EXPENDITURES FOR ALL FUNDS** (Exhibit 3) – Provides 2020 revenue and expenditure information for all Funds by categories of revenues and expenditures together with actual amounts for 2018, Adopted Budget for 2019 and 2019 estimates, and two columns reflecting the dollar and percentage changes comparing the 2019 Adopted Budget to the 2020 Budget.
- **GENERAL FUND REVENUES AND EXPENDITURES** (Exhibit 4) – Provides similar information as Exhibit 3 for the General Fund only.
- **GENERAL FUND EXPENDITURES** (Exhibit 5) – Provides additional 2020 General Fund expenditure information by Division and Department.
- **OPERATING EXPENDITURES FOR ALL FUNDS** (Exhibit 6) – Provides a breakdown of operating expenditures for the General Fund, EMS Fund, Street Fund, Surface Water Management Fund, Facilities Maintenance Fund, Waterfront Parking Fund, and the Recreation & Cultural Services Fund.
- **GENERAL FUND REVENUE SUMMARY** (Exhibit 7) – Provides a further breakdown of the General Fund's various revenue categories.
- **2020 TOP 10 GENERAL FUND REVENUES** (Exhibit 8) – Provides information on the most significant General Fund revenue sources
- **TRANSFERS BETWEEN FUNDS** (Exhibit 9) – Provides detailed information on transfers between Funds. Transfers in and out are not considered revenues and expenditures for budget and accounting purposes.
- **2020 NEW BUDGET ITEMS** (Exhibit 10) – Provides a list of NBIs included in budget.
- **CAPITAL PROJECT CARRY FORWARDS** (Exhibit 11) – Provides a list of capital projects budgeted in previous years, estimated expenditures in 2019, and estimated amounts to be carried forward to 2020.

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EXHIBIT 1 - BUDGET SUMMARY BY FUND

	BEGINNING FUND BALANCE	REVENUE	INCOMING TRANSFERS	TOTAL FUND SOURCES	EXPENDITURES	OUTGOING TRANSFERS	TOTAL FUND USES	ENDING FUND BALANCE
GENERAL & SPECIAL REVENUE FUNDS								
General	\$ 3,026,456	\$ 15,353,018	\$ 151,100	\$ 15,504,118	\$ 14,889,193	\$ 488,375	\$ 15,377,568	\$ 3,153,006
City Reserve	1,000,000	-	-	-	-	-	-	1,000,000
LEOFF I Reserve	33,723	-	-	-	11,200	-	11,200	22,523
Transportation Benefit District	518,680	317,650	-	317,650	-	924,536	924,536	(88,206)
Streets	45,196	550,200	238,375	788,575	863,650	-	863,650	(29,879)
Waterfront Parking	60,997	719,200	-	719,200	719,200	-	719,200	60,997
Recreation & Cultural Services	-	-	-	-	-	-	-	-
Hotel/Motel Lodging Tax	156,794	245,000	-	245,000	262,200	-	262,200	139,594
Emergency Medical Services	-	2,894,924	-	2,894,924	2,820,250	60,000	2,880,250	14,674
Drug Enforcement	(4,482)	20,000	-	20,000	20,000	-	20,000	(4,482)
<hr/>								
DEBT SERVICE FUND	6,786	-	880,345	880,345	877,000	-	877,000	10,131
<hr/>								
CAPITAL PROJECT FUNDS								
Capital Projects	-	17,469,600	3,097,502	20,567,102	20,567,102	-	20,567,102	-
Park Acquisition & Development	230,450	262,749	-	262,749	242,749	-	242,749	250,450
Transportation Impact Fee	161,290	50,000	-	50,000	-	90,700	90,700	120,590
Real Estate Excise Tax I	2,164,615	713,500	-	713,500	-	905,345	905,345	1,972,770
Real Estate Excise Tax II	876,634	700,000	-	700,000	-	2,020,566	2,020,566	(443,932)
<hr/>								
PROPRIETARY FUNDS								
Surface Water Management	3,775,925	5,586,606	-	5,586,606	6,186,513	198,250	6,384,763	2,977,768
Surface Water Reserve	300,000	-	-	-	-	-	-	300,000
<hr/>								
INTERNAL SERVICE FUNDS								
Technology Replacement Reserve	175,487	18,500	60,000	78,500	125,000	-	125,000	128,987
Equipment Replacement Reserve	1,285,797	471,200	-	471,200	95,000	-	95,000	1,661,997
Facilities Maintenance	-	784,200	-	784,200	784,200	-	784,200	-
Facility Renewal	405,212	30,000	260,450	290,450	375,000	-	375,000	320,662
	\$ 14,219,560	\$ 46,186,347	\$ 4,687,772	\$ 50,874,119	\$ 48,838,257	\$ 4,687,772	\$ 53,526,029	\$ 11,567,650

*Recreation revenues and expenditures were moved into the General Fund for 2020.

Negative Ended Fund Balances shown are reflective of higher anticipated Carry Forward amounts. Actual 2020 Expenditures will be reduced accordingly; funds will not go negative.

2020 Budget

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

	2018	2019	2019	2020	Change in	Change in
	Actuals	Budget	Estimated	Budget	Budget (\$)	Budget (%)
General	\$ 13,980,254	\$ 14,639,050	\$ 14,069,122	\$ 15,504,118	\$ 865,068	5.9%
City Reserve	-	-	-	-	-	-
LEOFF I Reserve	20,000	10,000	10,000	-	(10,000)	-100.0%
Transportation Benefit District	1,171,949	632,500	890,362	317,650	(314,850)	-49.8%
Streets	742,577	820,450	735,629	788,575	(31,875)	-3.9%
Waterfront Parking	645,626	728,500	689,513	719,200	(9,300)	-1.3%
Recreation & Cultural Services	761,157	860,000	898,371	-	(860,000)	-100.0%
Hotel/Motel Lodging Tax	257,078	245,000	216,184	245,000	-	0.0%
Emergency Medical Services	2,594,002	2,731,432	2,731,418	2,894,924	163,492	6.0%
Drug Enforcement	8,179	20,000	4,279	20,000	-	0.0%
Debt Service	880,345	880,345	880,345	880,345	-	0.0%
Capital Projects	-	-	-	20,567,102	20,567,102	-
Park Acquisition & Development	36,288	408,000	149,571	262,749	(145,251)	-35.6%
Transportation Impact Fee	86,299	50,000	114,461	50,000	-	0.0%
Real Estate Excise Tax I	973,180	700,000	639,412	713,500	13,500	1.9%
Real Estate Excise Tax II	4,295,539	17,380,000	1,404,723	700,000	(16,680,000)	-96.0%
Surface Water Management	3,401,451	4,474,000	3,636,387	5,586,606	1,112,606	24.9%
Surface Water Reserve	-	-	-	-	-	-
Technology Replacement Reserve	120,059	148,500	149,897	78,500	(70,000)	-47.1%
Equipment Replacement Reserve	156,863	359,264	461,377	471,200	111,936	31.2%
Facilities Maintenance	727,823	759,050	817,721	784,200	25,150	3.3%
Facility Renewal	114,031	52,000	62,176	290,450	238,450	458.6%
	\$ 30,972,700	\$ 45,898,091	\$ 28,560,948	\$ 50,874,119	\$ 4,976,028	10.8%

*Recreation revenues were moved into the General Fund for 2020.

2020 Budget

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

	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Change in Budget (\$)	Change in Budget (%)
General	\$ 14,345,532	\$ 14,626,865	\$ 14,430,342	\$ 15,377,568	\$ 750,703	5.1%
City Reserve	-	-	-	-	-	-
LEOFF I Reserve	8,572	20,000	9,372	11,200	(8,800)	-44.0%
Transportation Benefit District	738,818	1,079,500	804,813	924,536	(154,964)	-14.4%
Streets	696,486	820,450	765,508	863,650	43,200	5.3%
Waterfront Parking	645,559	703,000	628,583	719,200	16,200	2.3%
Recreation & Cultural Services	799,667	860,000	859,861	-	(860,000)	-100.0%
Hotel/Motel Lodging Tax	308,893	259,700	228,876	262,200	2,500	1.0%
Emergency Medical Services	2,531,135	2,896,307	2,844,618	2,880,250	(16,057)	-0.6%
Drug Enforcement	16,940	10,000	-	20,000	10,000	100.0%
Debt Service	880,244	877,000	876,981	877,000	-	0.0%
Capital Projects	-	-	-	20,567,102	20,567,102	-
Park Acquisition & Development	30,028	360,777	146,224	242,749	(118,028)	-32.7%
Transportation Impact Fee	481,665	87,200	87,200	90,700	3,500	4.0%
Real Estate Excise Tax I	939,319	1,005,345	930,845	905,345	(100,000)	-9.9%
Real Estate Excise Tax II	3,885,914	19,052,800	2,147,717	2,020,566	(17,032,234)	-89.4%
Surface Water Management	2,527,190	4,617,180	2,996,804	6,384,763	1,767,583	38.3%
Surface Water Reserve	-	-	-	-	-	-
Technology Replacement Reserve	101,520	125,000	124,704	125,000	-	0.0%
Equipment Replacement Reserve	243,865	557,700	482,834	95,000	(462,700)	-83.0%
Facilities Maintenance	725,137	759,050	757,372	784,200	25,150	3.3%
Facility Renewal	227,399	247,000	126,618	375,000	128,000	51.8%
	\$ 30,133,883	\$ 48,964,874	\$ 29,249,271	\$ 53,526,029	\$ 4,561,155	9.3%

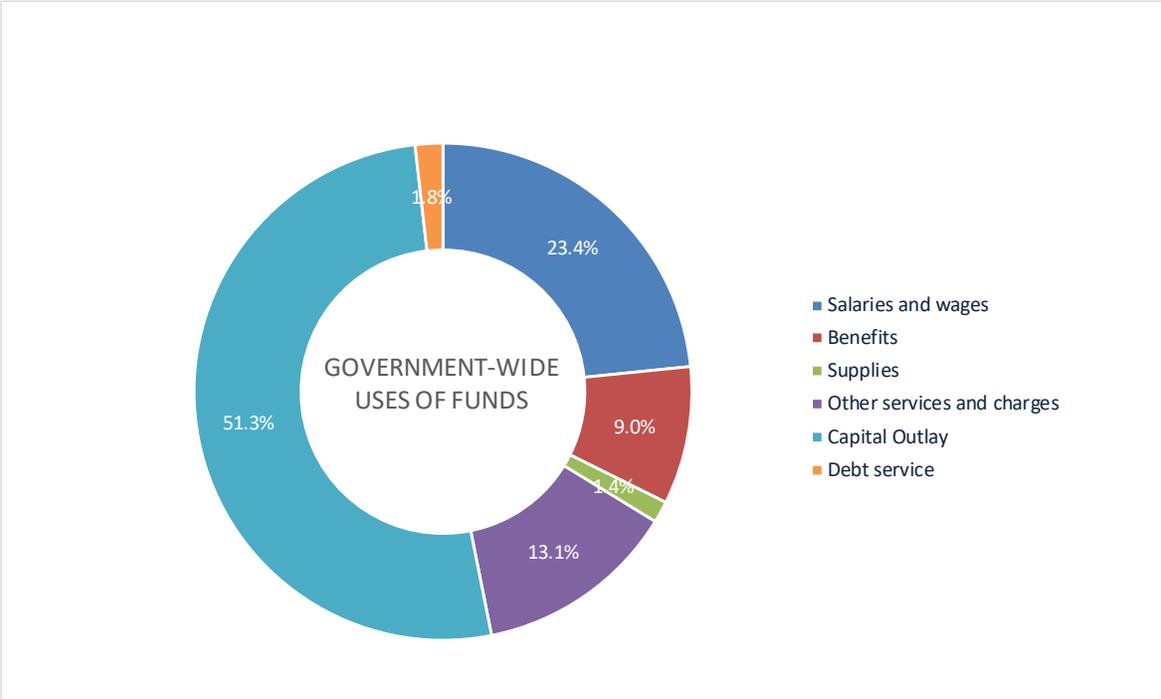
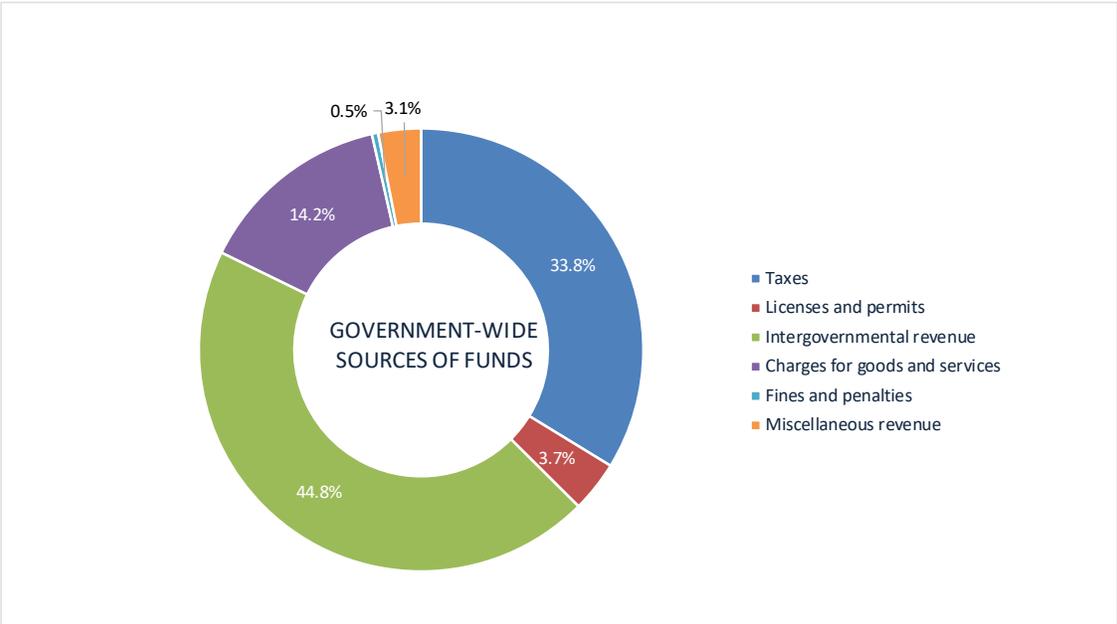
*Recreation expenditures were moved into the General Fund for 2020.

2020 Budget

EXHIBIT 3 – TOTAL REVENUES AND EXPENDITURES FOR ALL FUNDS

	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Change in Budget (\$)	Change in Budget (%)
REVENUE SOURCE:						
Taxes	\$ 15,214,030	\$ 15,450,000	\$ 14,708,707	\$ 15,591,762	\$ 141,762	0.9%
Licenses and permits	1,440,792	1,611,900	1,524,426	1,716,900	105,000	6.5%
Intergovernmental revenue	3,897,640	19,127,100	2,335,739	20,678,555	1,551,455	8.1%
Charges for goods and services	5,288,809	5,898,614	6,090,162	6,554,630	656,016	11.1%
Fines and penalties	165,607	210,350	136,528	210,350	-	0.0%
Miscellaneous revenue	1,604,440	1,459,400	1,517,312	1,434,150	(25,250)	-1.7%
TOTAL REVENUES	\$ 27,611,318	\$ 43,757,364	\$ 26,312,874	\$ 46,186,347	\$ 2,428,983	5.6%
EXPENDITURE TYPE:						
Salaries and wages	\$ 10,426,263	\$ 11,092,950	\$ 10,779,497	\$ 11,419,600	\$ 326,650	2.9%
Benefits	3,899,876	4,249,290	4,114,038	4,378,340	129,050	3.0%
Supplies	728,320	745,400	763,966	685,200	(60,200)	-8.1%
Other services and charges	8,379,182	7,478,325	7,083,346	6,407,383	(1,070,942)	-14.3%
Intergovernmental services	18,508	-	-	-	-	-
Capital Outlay	2,440,108	22,344,277	3,383,370	25,070,734	2,726,457	12.2%
Debt service	880,244	877,000	876,981	877,000	-	0.0%
TOTAL EXPENDITURES	\$ 26,772,501	\$ 46,787,242	\$ 27,001,197	\$ 48,838,257	\$ 2,051,015	4.4%

2020 Budget



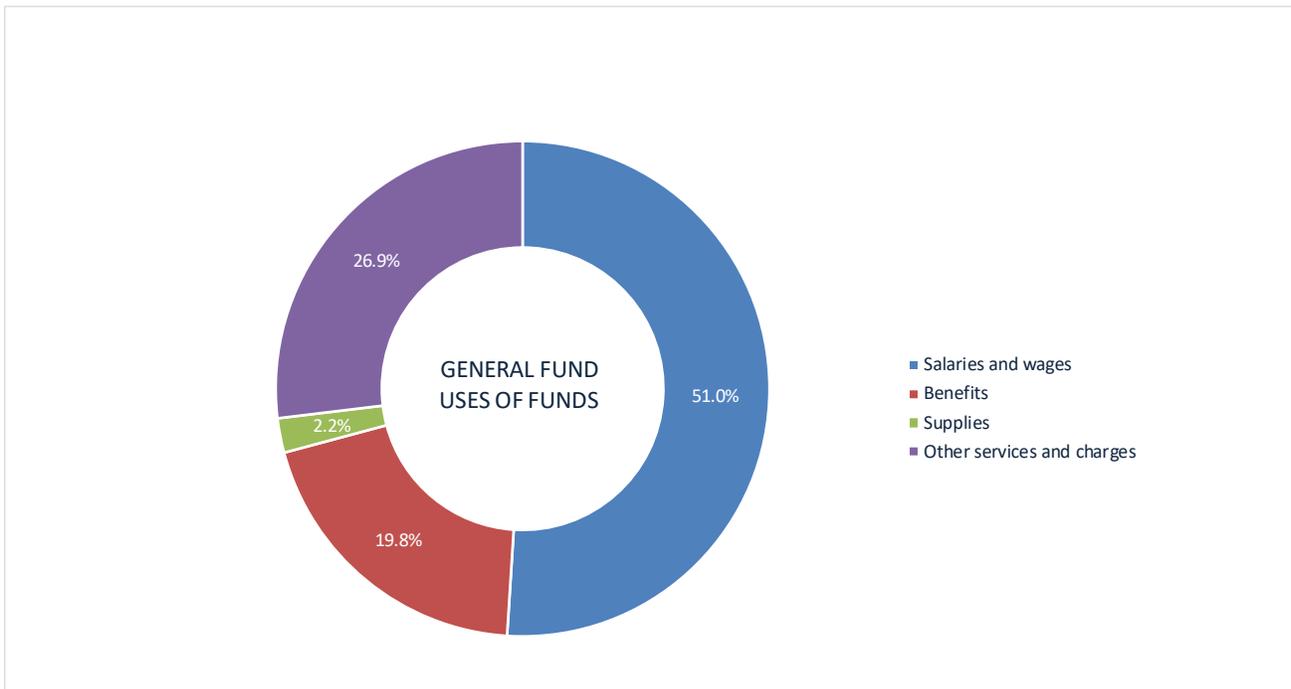
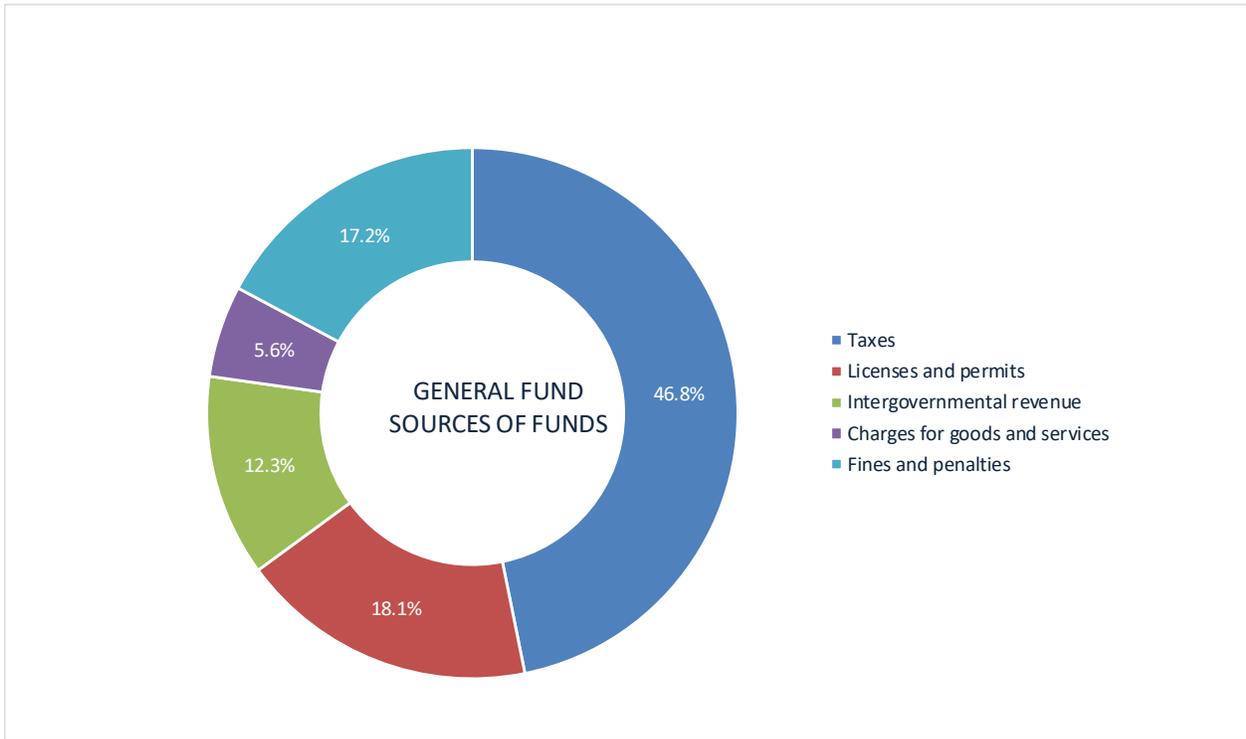
*Recreation revenues and expenditures were moved into the General Fund for 2020

2020 Budget

EXHIBIT 4 – GENERAL FUND REVENUES AND EXPENDITURES

	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Change in Budget (\$)	Change in Budget (%)
REVENUE SOURCE:						
Taxes	\$ 10,865,415	\$ 11,527,000	\$ 11,040,233	\$ 11,635,068	\$ 108,068	0.9%
Licenses and permits	1,439,842	1,610,500	1,523,626	1,716,900	106,400	6.6%
Intergovernmental revenue	763,009	606,000	609,580	681,400	75,400	12.4%
Charges for goods and services	285,097	359,400	386,120	462,550	103,150	28.7%
Fines and penalties	165,607	210,350	136,528	210,350	-	0.0%
Miscellaneous revenue	331,284	166,000	225,235	646,750	480,750	289.6%
TOTAL REVENUES	\$ 13,850,254	\$ 14,479,250	\$ 13,921,322	\$ 15,353,018	\$ 873,768	6.0%
EXPENDITURE TYPE:						
Salaries and wages	\$ 6,775,228	\$ 7,013,100	\$ 6,732,341	\$ 7,594,150	\$ 581,050	8.3%
Benefits	2,529,378	2,693,040	2,584,941	2,953,840	260,800	9.7%
Supplies	379,383	358,850	373,687	334,900	(23,950)	-6.7%
Other services and charges	3,587,311	3,838,888	3,871,444	4,006,303	167,415	4.4%
Intergovernmental services	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ 13,271,300	\$ 13,903,878	\$ 13,562,413	\$ 14,889,193	\$ 985,315	7.1%

2020 Budget

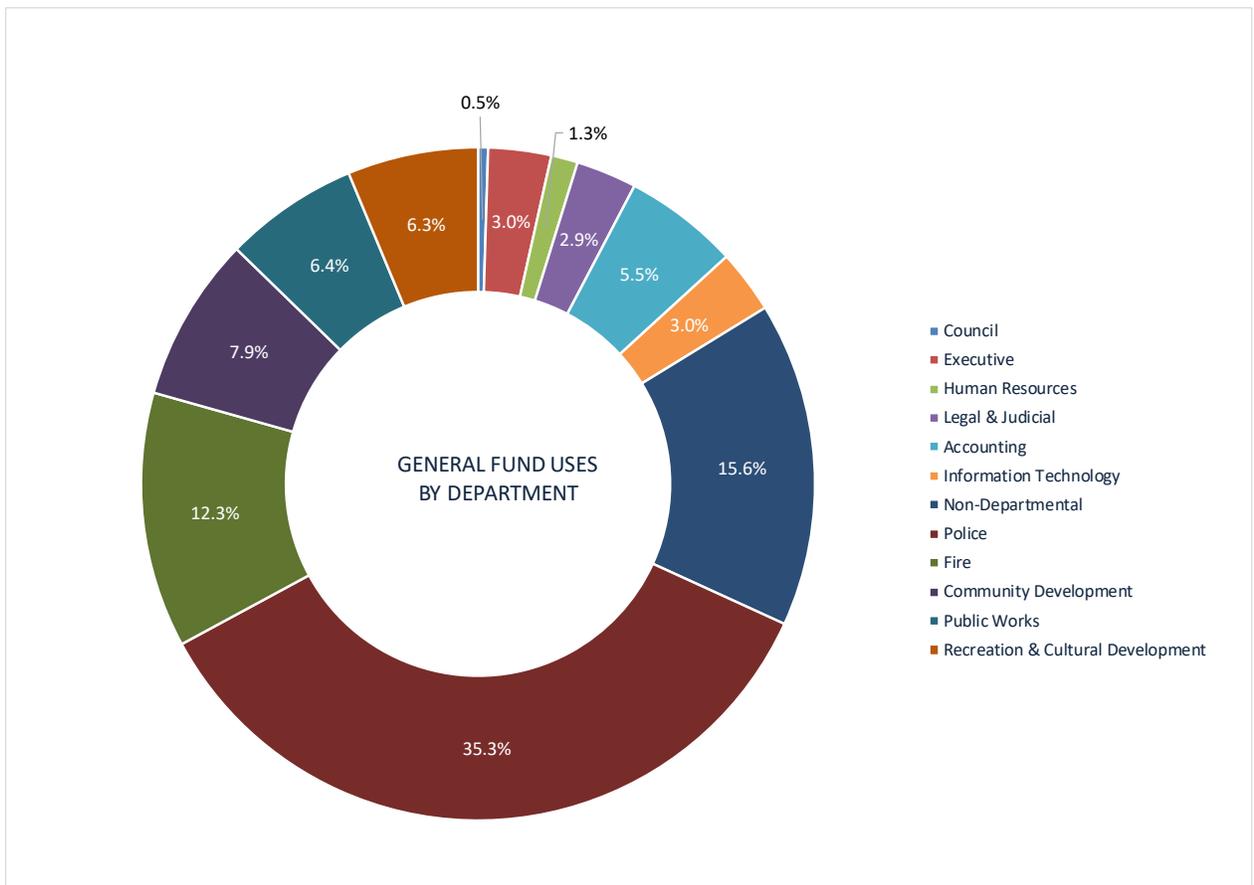


*Recreation revenues were moved into the General Fund for 2020.

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EXHIBIT 5 – GENERAL FUND EXPENDITURES

	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Change in Budget (\$)	Change in Budget (%)
Council	\$ 75,303	\$ 101,790	\$ 76,724	\$ 71,340	\$ (30,450)	-29.9%
Executive	502,392	523,675	336,842	449,325	(74,350)	-14.2%
Human Resources	194,564	181,250	165,548	190,900	9,650	5.3%
Legal & Judicial	470,943	433,000	469,217	433,000	-	0.0%
Accounting	821,941	823,550	793,910	820,650	(2,900)	-0.4%
Information Technology	382,196	448,300	379,123	451,950	3,650	0.8%
Non-Departmental	2,045,361	2,104,713	2,316,028	2,322,128	217,415	10.3%
Police	4,860,364	5,088,350	5,133,987	5,251,600	163,250	3.2%
Fire	1,922,745	2,056,900	2,074,758	1,826,750	(230,150)	-11.2%
Community Development	1,131,011	1,154,600	992,749	1,178,700	24,100	2.1%
Public Works	881,340	987,750	823,527	959,050	(28,700)	-2.9%
Recreation & Cultural Development	-	-	-	933,800	933,800	100.0%
	\$ 13,288,160	\$ 13,903,878	\$ 13,562,413	\$ 14,889,193	\$ 985,315	7.1%

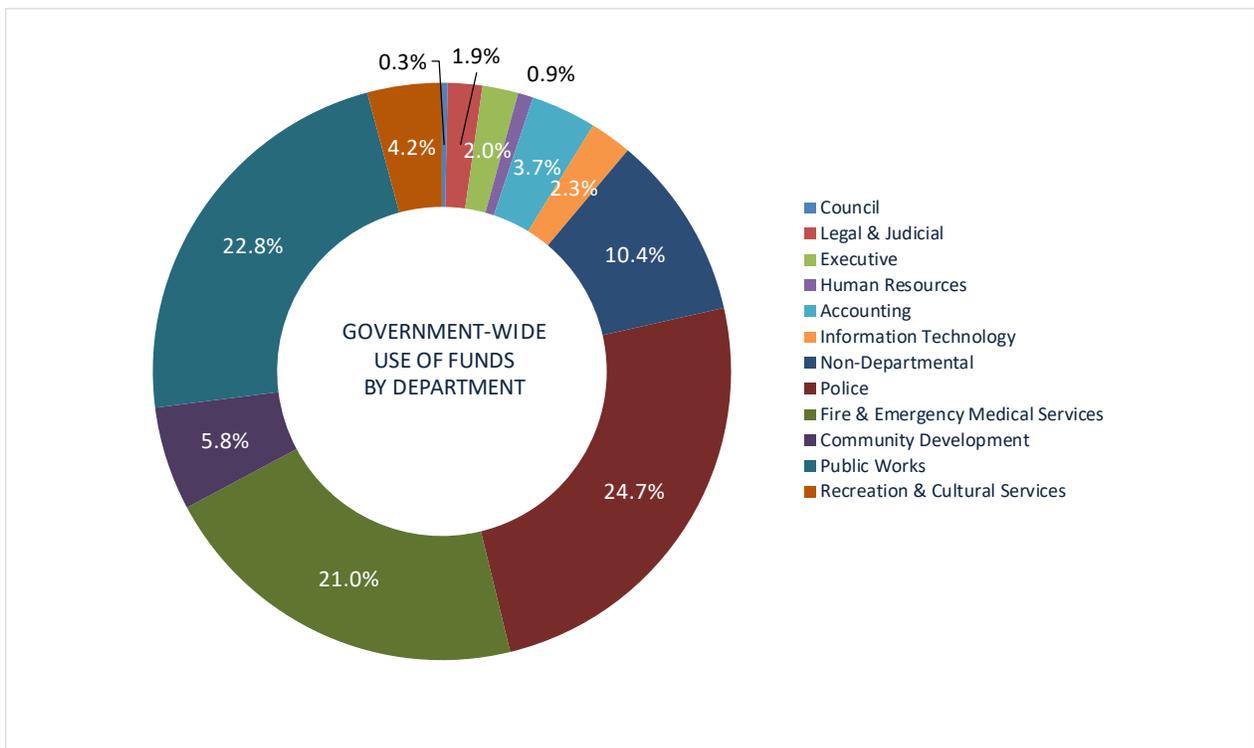


*Recreation expenditures were moved into the General Fund for 2020.

2020 Budget

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

	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Change in Budget (\$)	Change in Budget (%)
Council	\$ 75,303	\$ 101,790	\$ 76,724	\$ 71,340	\$ (30,450)	-29.9%
Legal & Judicial	470,943	433,000	469,217	433,000	-	0.0%
Executive	502,392	523,675	336,842	449,325	(74,350)	-14.2%
Human Resources	194,564	181,250	165,548	190,900	9,650	5.3%
Accounting	821,941	823,550	793,910	820,650	(2,900)	-0.4%
Information Technology	448,584	573,300	493,215	526,950	(46,350)	-8.1%
Non-Departmental	2,028,501	2,104,713	2,316,028	2,322,128	217,415	10.3%
Police	5,078,712	5,351,350	5,335,426	5,547,150	195,800	3.7%
Fire & Emergency Medical Services	4,453,880	4,953,207	4,919,376	4,707,000	(246,207)	-5.0%
Community Development	1,233,096	1,271,450	1,088,419	1,302,300	30,850	2.4%
Public Works	4,310,902	4,831,480	4,699,041	5,122,580	291,100	6.0%
Recreation & Cultural Services	799,667	860,000	859,861	933,800	73,800	8.6%
\$	20,418,485	22,008,765	21,553,607	22,427,123	\$ 418,358	1.9%



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EXHIBIT 7 – GENERAL FUND REVENUE SUMMARY

	2018	2019	2019	2020	Change in	Change in
	Actuals	Budget	Estimated Actuals	Budget	Budget (\$)	Budget (%)
TAXES						
Property Taxes	\$ 4,945,752	\$ 5,542,000	\$ 5,445,055	\$ 5,652,568	\$ 110,568	2.0%
Sales Tax	2,699,947	2,700,000	2,449,689	2,700,000	-	-
Utility Taxes	2,655,975	2,725,000	2,557,625	2,690,000	(35,000)	-1.3%
Other Taxes	563,741	560,000	587,864	592,500	32,500	5.8%
TOTAL TAXES	10,865,415	11,527,000	11,040,233	11,635,068	108,068	0.9%
LICENSES & PERMITS						
Business Licenses	512,402	528,500	508,533	511,500	(17,000)	-3.2%
Franchise Fees	654,985	840,000	798,910	965,000	125,000	14.9%
Building & Other Permits	272,455	242,000	216,183	240,400	(1,600)	-0.7%
TOTAL LICENSES & PERMITS	1,439,842	1,610,500	1,523,626	1,716,900	106,400	6.6%
INTERGOVERNMENTAL REVENUES						
Liquor Board Profits	175,993	174,000	173,795	171,200	(2,800)	-1.6%
Liquor Excise Tax	109,019	109,500	90,210	117,200	7,700	7.0%
PUD Privilege Tax	121,580	115,000	119,960	115,000	-	-
Other Intergovernmental Revenue	356,417	207,500	225,615	278,000	70,500	34.0%
TOTAL INTERGOVERNMENTAL	763,009	606,000	609,580	681,400	75,400	12.4%
CHARGES FOR SERVICE						
Development Revenues	11,726	17,000	15,540	17,000	-	-
Overhead Cost Recovery	135,700	180,500	180,500	174,350	(6,150)	-3.4%
Recreation	-	100,218	-	109,700	9,482	100.0%
Miscellaneous Services	137,671	61,682	190,080	161,500	99,818	161.8%
TOTAL CHARGES FOR SERVICE	285,097	359,400	386,120	462,550	103,150	28.7%
FINES & FORFEITURES						
Traffic Violations	46,203	54,000	51,464	54,000	-	-
Parking Fines	93,375	128,000	66,400	128,000	-	-
Other Fines	26,029	28,350	18,664	28,350	-	-
TOTAL FINES & FORFEITURES	165,607	210,350	136,528	210,350	-	-
MISCELLANEOUS REVENUES						
Rental Income	20,517	22,500	21,435	22,500	-	-
Interest Income	148,382	82,500	143,440	40,000	(42,500)	-51.5%
Recreation	530,021	526,400	432,061	548,000	21,600	100.0%
Other Miscellaneous Revenue	(367,636)	(465,400)	(371,701)	36,250	501,650	-107.8%
TOTAL MISCELLANEOUS REVENUE	331,284	166,000	225,235	646,750	480,750	289.6%
TOTAL GENERAL FUND REVENUE	\$ 13,850,254	\$ 14,479,250	\$ 13,921,322	\$ 15,353,018	\$ 873,768	6.0%

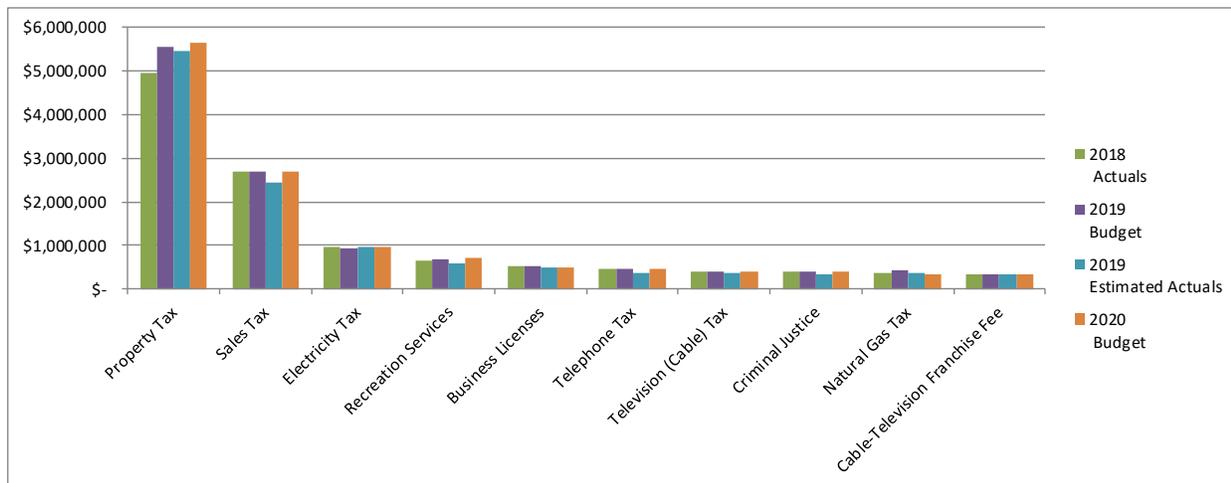
* Recreation revenues were moved into the General Fund for 2020.

2020 Budget

EXHIBIT 8 –TOP 10 GENERAL FUND REVENUES

	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Change in Budget (\$)	Change in Budget (%)
Property Tax	\$ 4,945,752	\$ 5,542,000	\$ 5,445,055	\$ 5,652,568	\$ 110,568	2.0%
Sales Tax	2,699,947	2,700,000	2,449,689	2,700,000	-	-
Electricity Tax	960,765	935,000	963,208	960,000	25,000	2.7%
Recreation Services	660,810	686,400	586,975	722,800	36,400	5.3%
Business Licenses	511,252	525,000	508,533	510,000	(15,000)	-2.9%
Telephone Tax	456,911	450,000	376,756	450,000	-	-
Television (Cable) Tax	407,800	410,000	364,304	400,000	(10,000)	-2.4%
Criminal Justice	394,397	400,000	341,902	400,000	-	-
Natural Gas Tax	356,933	420,000	356,464	350,000	(70,000)	-16.7%
Cable-Television Franchise Fee	343,246	340,000	324,850	340,000	-	-
	\$ 11,737,813	\$ 12,408,400	\$ 11,717,736	\$ 12,485,368	\$ 76,968	6.6%
	84.7%	85.7%	84.2%	81.3%		
Remaining General Fund Revenue	2,112,441	2,070,850	2,203,586	2,867,650		
Total General Fund Revenue	\$ 13,850,254	\$ 14,479,250	\$ 13,921,322	\$ 15,353,018		

All totals and calculations exclude transfers in



* Recreation revenues were moved into the General Fund for 2020.

2020 Budget

EXHIBIT 9 – TRANSFERS BETWEEN FUNDS

Recipient Fund	Transferring Fund							TOTAL INCOMING TRANSFERS
	General	Transportation Benefit District	Emergency Medical Services	Transportation Impact Fee	Real Estate Excise Tax I	Real Estate Excise Tax II	Surface Water Management	
General	\$ -	\$ -	\$ -	\$ 90,700	\$ -	\$ 22,600	\$ 37,800	\$ 151,100
Streets	238,375	-	-	-	-	-	-	238,375
Debt Service	-	-	-	-	880,345	-	-	880,345
Capital Projects	-	924,536	-	-	25,000	1,997,966	150,000	3,097,502
Technology Replacement	60,000	-	-	-	-	-	-	60,000
Facility Renewal	190,000	-	60,000	-	-	-	10,450	260,450
TOTAL OUTGOING TRANSFERS	\$ 488,375	\$ 924,536	\$ 60,000	\$ 90,700	\$ 905,345	\$ 2,020,566	\$ 198,250	\$ 4,687,772

2020 Budget

EXHIBIT 10 – 2020 NEW BUDGET ITEMS

NEW BUDGET ITEMS

OPERATING REQUESTS

PAGE	FUND/DIVISION	STAFFING NEED	2020 AMOUNT	IN 2020 PRELIMINARY	IN 2020 ADOPTED
-	GENERAL/HR	Human Resources Coordinator	\$ 80,550	X	
79	GENERAL/RECREATION	Office Technician from 3/4 to 1.0 FTE	\$ 17,500	X	X
-	GENERAL/EXEC	Deputy City Clerk	\$ 80,550		
-	GENERAL/FINANCE: IT	Network Engineer	\$ 90,000		
95	STREETS	Maintenance Worker I	\$ 56,000	X	X
129	SURFACE WATER	Maintenance Worker II	\$ 71,150		X
TOTAL			\$ 395,750	\$ 154,050	\$ 144,650

FACILITY RENEWAL FUND

PAGE	FACILITY	PROJECT	2020 AMOUNT	IN 2020 PRELIMINARY	IN 2020 ADOPTED
148	POLICE STATION	Security Camera Upgrade	\$ 100,000	X	X
148	ROSEHILL	Christiansen Room Flooring Replacement	\$ 20,000	X	X
148	LIGHTHOUSE	Roof Replacement (Grant Funded)	\$ 30,000	X	X
148	LIGHTHOUSE PARK	Replace Small Meters with 7 Large Meters	\$ 105,000	X	X
TOTAL			\$ 255,000	\$ 255,000	\$ 255,000

EQUIPMENT REPLACEMENT RESERVE FUND

PAGE	DEPARTMENT	VEHICLE TO BE REPLACED	2020 AMOUNT	IN 2020 PRELIMINARY	IN 2020 ADOPTED
142	FIRE/EMS	Ford E450 Ambulance (5 yr. Lease Purchase)	\$ 75,000	X	
142	FIRE/EMS	Ford Expedition: Battalion Chief	\$ 63,000	X	
142	POLICE	Ford SUV: Assistant Chief	\$ 60,000	X	X
142	POLICE	Ford SUV: Patrol	\$ 70,000	X	
142	POLICE	Ford SUV: Patrol	\$ 70,000	X	
142	PW/FACILITY MAINT.	GMC Safari Van: Janitorial	\$ 35,000	X	X
TOTAL			\$ 373,000	\$ 373,000	\$ 95,000

NEW CAPITAL PROJECTS

PAGE	FUNDING SOURCE	PROJECT	2020 AMOUNT	IN 2020 PRELIMINARY	IN 2020 ADOPTED
110	REET I	Transfer to TBD for Pavement Preservation	\$ 25,000	X	X
113	REET II	ADA Upgrades	\$ 25,000	X	X
-	REET II	Annual BTW Program (ORIGINALLY \$120,000)	\$ -	X	
115	REET II	Traffic Calming Program	\$ 25,000	X	X
114	REET II	Pedestrian Crosswalk Enhancement Program	\$ 35,000	X	X
116	REET II	Annual Sidewalk Repair Program (ORIGINALLY \$25,000)	\$ 145,000	X	X
112	REET II	Safe Routes to School Grant Match SR 525 & 76th	\$ 22,275	X	X
110	REET II	Transfer to TBD for Pavement Preservation	\$ 422,725	X	X
TOTAL REET			\$ 700,000	\$ 700,000	\$ 700,000
130	SURFACE WATER	Decant Facility Construction	\$ 850,000	X	X
131	SURFACE WATER	2020 Surface Water Maintenance Projects	\$ 248,000	X	X
133	SURFACE WATER	Stormwater Pipe Assessment & Management Plan	\$ 75,000	X	X
132	SURFACE WATER	Consulting Services for NPDES Stormwater Management Action Planning	\$ 100,000	X	X
TOTAL SURFACE WATER			\$ 1,273,000	\$ 1,273,000	\$ 1,273,000
110	TBD	Sales Tax Revenues dedicated to Pavement Preservation	\$ 317,650	X	X
TOTAL TRANSPORTATION BENEFIT DISTRICT			\$ 317,650	\$ 317,650	\$ 317,650

2020 Budget

EXHIBIT 11 – CAPITAL PROJECT CARRY FORWARDS

Capital Projects Carried Forward	Description	2019 Budgeted Amount*	2019 Estimated Actuals	2020 Carry Forward**
Transportation Benefit District	Pavement Preservation	763,761	421,875	341,886
Total Transportation Benefit District		763,761	421,875	341,886
Park Acquisition and Development	Peace Park	340,749	98,000	242,749
Total Park Acquisition and Development		340,749	98,000	242,749
REET II	ADA Upgrades	100,138	-	100,138
REET II	Harbour Pointe Blvd Widening (HPBW)	1,980,000	736,775	1,243,225
REET II	Bike Transit Walk	372,000	-	372,000
REET II	Harbour Reach Corridor Project	16,690,875	178,000	16,512,875
REET II	Traffic Calming Program	37,603	-	37,603
REET II	Pedestrian Crosswalk Enhancement Program	35,000	-	35,000
Total REET II		19,215,616	914,775	18,300,841
Surface Water Management	61st Place Culvert	289,855	9,000	280,855
Surface Water Management	61st Place Retaining Wall Repairs	645,526	-	645,526
Surface Water Management	Decant Facility Design & Construction	1,343,922	15,000	1,328,922
Total Surface Water Management		2,279,303	24,000	2,255,303
Facility Renewal	Fire Station 25 HVAC	120,000	-	120,000
Total Facility Renewal		120,000	-	120,000
Total Capital Projects Carried Forward		\$ 22,719,429	\$ 1,458,650	\$ 21,260,779

*2019 Budgeted Amount reflects adopted 2019 budget amount OR the amount the budget should have been if the actual carry-forward from 2018 was different than the budgeted estimate

**2020 Carry Forward Amount reflects estimated actuals for 2019; actual carry forward amounts may vary if 2019 actuals differ from estimates

2020 Budget

GENERAL FUND

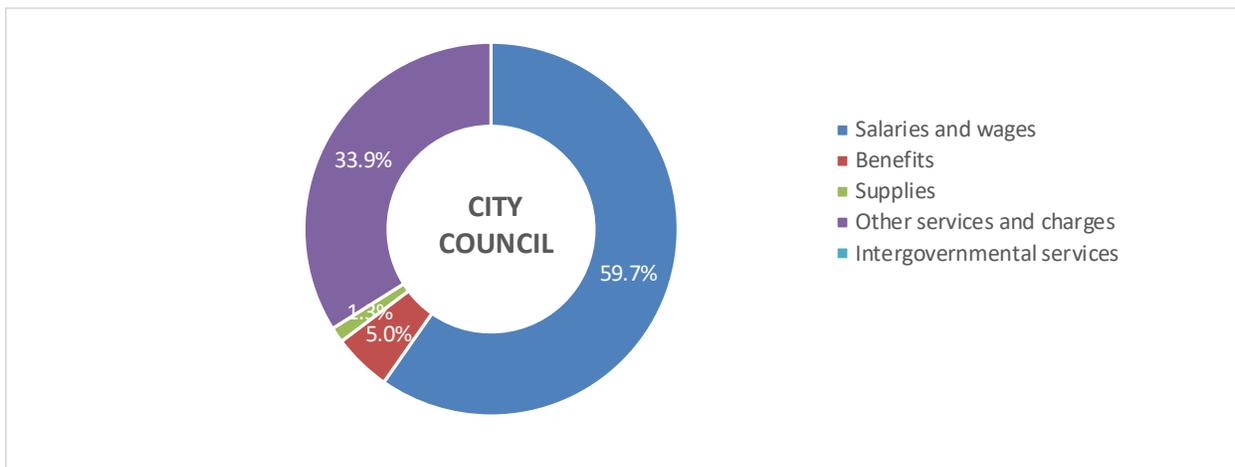
	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Beginning fund balance	\$ 3,752,953	\$ 3,002,684	\$ 3,387,676	\$ 3,026,456	\$ -
Revenue and transfers-in					
Taxes	10,865,415	11,527,000	11,040,233	11,635,068	108,068
Licenses and permits	1,439,842	1,610,500	1,523,626	1,715,500	105,000
Intergovernmental revenue	763,009	606,000	609,580	617,700	11,700
Charges for goods and services	285,097	359,400	386,120	352,850	(6,550)
Fines and penalties	165,607	210,350	136,528	210,350	-
Miscellaneous revenue	331,284	166,000	225,235	98,750	(67,250)
Recreation and cultural services				722,800	722,800
Transfers-in	130,000	159,800	147,800	151,100	(8,700)
Total revenue and transfers-in	<u>\$ 13,980,254</u>	<u>\$ 14,639,050</u>	<u>\$ 14,069,122</u>	<u>\$ 15,504,118</u>	<u>\$ 865,068</u>
Total resources	<u>\$ 17,733,207</u>	<u>\$ 17,641,734</u>	<u>\$ 17,456,798</u>	<u>\$ 18,530,574</u>	<u>\$ 865,068</u>
Expenditures and transfers-out					
Council	\$ 75,303	\$ 101,790	\$ 76,724	\$ 71,340	(30,450)
Executive					
Legal and Judicial	470,943	433,000	469,217	433,000	-
Executive	502,392	523,675	336,842	449,325	(74,350)
Human Resources	194,564	181,250	165,548	190,900	9,650
Finance					
Accounting	821,941	823,550	793,910	820,650	(2,900)
Information Technology	382,196	448,300	379,123	451,950	3,650
Community Development					
Permit Center	262,364	286,200	247,845	272,900	(13,300)
Planning	653,509	650,100	544,680	678,000	27,900
Building	137,100	141,600	138,841	146,800	5,200
GIS	78,038	76,700	61,383	81,000	4,300
Police					
Administration	1,165,737	1,250,900	1,280,441	1,307,300	56,400
Patrol	2,820,058	2,867,500	2,776,028	2,886,000	18,500
Special Operations	620,201	708,650	805,332	792,200	83,550
Crime Prevention	152,232	152,300	153,507	157,100	4,800
Rangers	-	-	-	-	-
Training	102,136	109,000	118,679	109,000	-
Fire					
Administration	291,613	321,750	261,140	271,550	(50,200)
Operations	1,495,720	1,608,350	1,721,108	1,493,900	(114,450)
Prevention	20,426	13,350	13,834	15,250	1,900
Training	114,986	113,450	78,676	46,050	(67,400)
Public Works					
Administration	437,959	489,600	407,653	458,350	(31,250)
Parks	443,381	498,150	415,874	500,700	2,550
Recreation and Cultural Services				933,800	933,800
Other governmental	2,028,501	2,104,713	2,316,028	2,322,128	217,415
Transfers-out	1,057,372	722,987	867,929	488,375	(234,612)
Capital Outlay	16,860				
Total expenditures and transfers-out	<u>\$ 14,345,532</u>	<u>\$ 14,626,865</u>	<u>\$ 14,430,342</u>	<u>\$ 15,377,568</u>	<u>\$ 750,703</u>

CITY COUNCIL

Purpose

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

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



2020 Budget

	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Salaries and wages	\$ 42,600	\$ 42,600	\$ 42,600	\$ 42,600	\$ -
Benefits	3,462	3,490	3,515	3,590	100
OFFICE SUPPLIES	363	500	570	500	-
ANCILLARY MEETING COSTS	77	250	140	250	-
COUNCIL RETREAT	164	200	67	200	-
SMALL ITEMS OF EQUIPMENT	(118)	4,000	5,292	-	(4,000)
Supplies	486	4,950	6,069	950	(4,000)
CONCIL ATTY. OTHER SVCS	1,484	30,000	10,268	-	(30,000)
LEGAL PUBLICATIONS	2,398	2,000	985	2,000	-
PUBLICATION OF AGENDAS	4,485	3,000	238	3,000	-
CELL PHONES	2,332	2,150	2,185	2,150	-
TRAVEL & SUBSISTENCE	10,797	7,600	3,777	7,600	-
MEALS	-	-	1,054	3,450	3,450
LICENSES & SUBSCRIPTIONS			21		
TRAINING & REGISTRATION	3,759	3,000	5,313	3,000	-
CITY CODE REVISION	3,500	3,000	699	3,000	-
Other services and charges	28,755	50,750	24,540	24,200	(26,550)
Intergovernmental services	-	-	-	-	-
Total Council expenditures	\$ 75,303	\$ 101,790	\$ 76,724	\$ 71,340	\$ (30,450.00)

EXECUTIVE

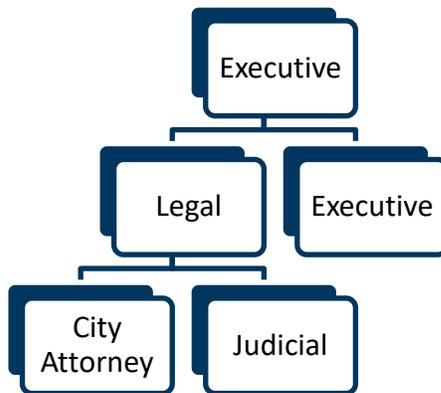


The Executive Department provides overall management direction to the City organization. The Department is responsible for implementing policy direction, overseeing, managing, coordinating and evaluating City operations and programs.

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

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

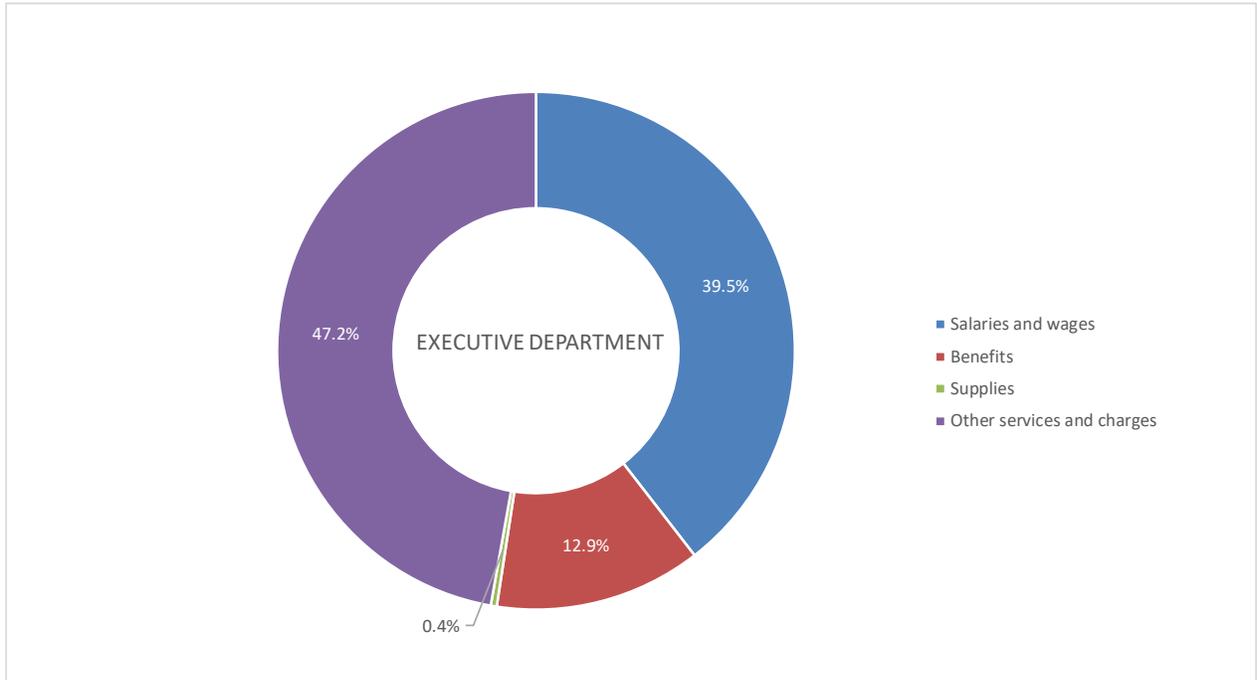
Organization Chart:



Expenditure Summary:

	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Legal & Judicial	\$ 470,943	\$ 433,000	\$ 469,217	\$ 433,000	-
Executive	502,392	523,675	336,842	449,325	(74,350)
Human Resources	194,564	181,250	165,548	190,900	9,650
Total Executive expenditures	\$ 1,167,899	\$ 1,137,925	\$ 971,607	\$ 1,073,225	\$ (64,700)

2020 Budget



	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Salaries and wages	\$ 476,869	\$ 477,500	\$ 324,733	\$ 424,000	\$ (53,500)
Benefits	139,516	153,900	106,567	138,700	(15,200)
Supplies	3,228	4,000	1,261	4,000	-
Other services and charges	548,286	502,525	539,046	506,525	4,000
Intergovernmental services	-	-	-	-	-
Total Executive expenditures	\$ 1,167,899	\$ 1,137,925	\$ 971,607	\$ 1,073,225	\$ (64,700)

EXECUTIVE

Purpose

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

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

2019 Accomplishments

- Continue to update and streamline HR policies/practices and payroll processing.
- With participation throughout the city organization, developed new vision and values for the City: Professional, Trusted and Respectful.
- Negotiated with Teamsters for Public Works and Office, Clerical and Technical Collective Bargaining Agreements, and with the Police Guild for Law Enforcement Officers and Law Enforcement Support Collective Bargaining Agreements.
- Completed over 200 hours of work on support for potential form of government change ballot measure that did not pass in November, 2019.

2020 Goals & Objectives

- Continue supporting the City Council in setting policy direction for the City.
- Continue to empower city employees to be professional, trusted and respectful.
- Continue transparency by providing open access to public records.
- Continue recruiting and hiring qualified candidates and looking for innovative ways to retain them.
- Recruit and hire a new City Administrator.
- Update the City's Personnel Handbook.
- Implement a new employee Accident Prevention Program.

Budget Highlights

- The preliminary budget included \$80,550 for a new HR Coordinator to assist the HR Manager with timely hiring, training and benefit administration in accordance with Federal and State Employment laws. The City hires on average 26 new individuals each year, with recruiting, hiring and on-boarding required for each one. The position was eliminated prior to budget adoption.

2020 Budget

EXECUTIVE DEPARTMENT – EXECUTIVE DIVISION

	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Salaries and wages	\$ 358,045	\$ 377,500	\$ 224,725	\$ 317,500	\$ (60,000)
Benefits	113,461	124,000	75,848	105,600	(18,400)
OFFICE SUPPLIES	1,586	1,500	511	1,500	-
OPERATING SUPPLIES	754	1,000	68	1,000	-
ANCILLARY MEETING COSTS	218	500	-	500	-
SMALL ITEMS OF EQUIPMENT	526	1,000	226	1,000	-
Supplies	3,084	4,000	805	4,000	-
CONSULTING SERVICES	3,683	3,000	76	3,000	-
OTHER PROFESSIONAL SVCS.	17,642	10,000	28,543	10,000	-
TELEPHONE	1,147	1,150	1,167	1,150	-
POSTAGE	291	300	115	300	-
CELL PHONE	855	425	388	425	-
TRAVEL & SUBSISTENCE	1,958	550	1,595	1,000	450
MEALS	114	-	173	1,020	1,020
ASSOC. DUES & MEMBERSHIPS	300	1,250	310	1,250	-
PRINTING AND BINDING			127		
TRAINING & REGISTRATION	1,812	1,500	2,970	4,080	2,580
Other services and charges	27,802	18,175	35,464	22,225	4,050
Intergovernmental services	-	-	-	-	-
Total Executive expenditures	\$ 502,392	\$ 523,675	\$ 336,842	\$ 449,325	\$ (74,350)

2020 Budget

EXECUTIVE DEPARTMENT - HUMAN RESOURCES DIVISION

	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Salaries and wages	\$ 118,824	\$ 100,000	\$ 100,008	\$ 106,500	\$ 6,500
Benefits	26,055	29,900	30,719	33,100	3,200
SMALL ITEMS OF EQUIPMENT	144	-	456	-	-
Supplies	144	-	456	-	-
ADMIN FEE FSA	1,355	1,250	1,560	1,250	-
ADMIN FEE - OLD AGE SURVIVOR INSURANCE	43	-	28	-	-
OTHER PROFESSIONAL SVCS.	26,780	30,000	18,605	30,000	-
CLASSIFIED ADVERTISING	2,858	5,500	3,660	5,500	-
TELEPHONE	115	100	117	100	-
POSTAGE	14	100	66	100	-
CELL PHONES	441	450	412	400	(50)
TRAVEL & SUBSISTENCE	694	800	282	800	-
MEALS			-		
ASSOC. DUES & MEMBERSHIPS	192	500	209	500	-
LICENSES & SUBSCRIPTIONS			758		
PRINTING AND BINDING			-		
TUITION REIMBURSEMENT	16,835	12,000	8,071	12,000	-
TRAINING & REGISTRATION	214	650	597	650	-
Other services and charges	49,541	51,350	34,365	51,300	(50)
Intergovernmental services	-	-	-	-	-
Total Human Resources expenditures	\$ 194,564	\$ 181,250	\$ 165,548	\$ 190,900	\$ 9,650

LEGAL & JUDICIAL

Purpose

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

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

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

2019 Accomplishments

- City Attorney provided sound legal advice on a variety of topics that significantly reduced the City's exposure to claims or arbitration.

2020 Goals & Objectives

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

Budget Highlights

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

2020 Budget

EXECUTIVE DEPARTMENT – LEGAL & JUDICIAL DIVISION

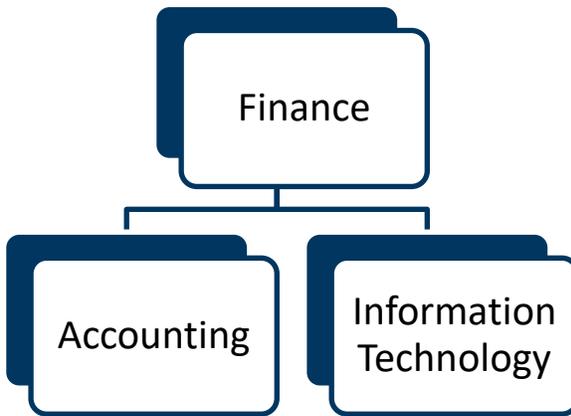
	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Salaries and wages	\$ -	\$ -	\$ -	\$ -	-
Benefits	-	-	-	-	-
Supplies	-	-	-	-	-
CITY ATTORNEY - CONSULTATIONS	157,226	120,000	136,218	120,000	-
OUTSIDE ATTORNEY - CONSULTATIONS	22,191	18,000	14,571	18,000	-
OUTSIDE ATTORNEY - LITIGATIONS	87	-	-	-	-
CITY PROSECUTING ATTORNEY - CONSULTATION	74,235	100,000	93,359	100,000	-
CITY PROSECUTING ATTORNEY - LITIGATIONS	24,720	-	-	-	-
INDIGENT DEFENSE ATTORNEY	110,955	105,000	113,970	105,000	-
CITY ATTORNEY LABOR NEGOTIATIONS	18,601	30,000	47,982	30,000	-
EVERETT DISTRICT COURT	62,928	60,000	63,117	60,000	-
Other services and charges	470,943	433,000	469,217	433,000	-
Intergovernmental services	-	-	-	-	-
Total Legal & Judicial expenditures	\$ 470,943	\$ 433,000	\$ 469,217	\$ 433,000	\$ -

FINANCE



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

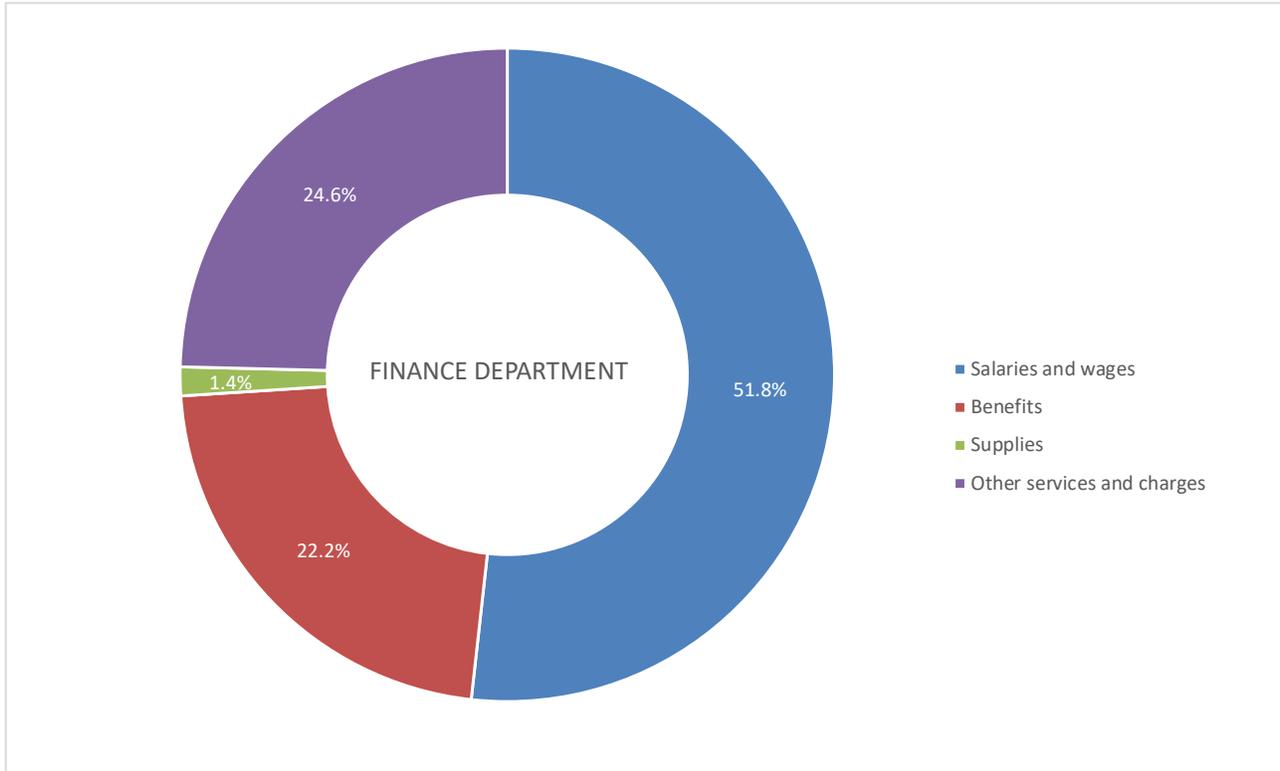
Organization Chart:



Expenditure Summary:

	<u>2018 Actuals</u>	<u>2019 Budget</u>	<u>2019 Estimated Actuals</u>	<u>2020 Budget</u>	<u>Increase/ (Decrease)</u>
Accounting	\$ 821,941	\$ 823,550	\$ 793,910	\$ 820,650	(2,900)
Information Technology	382,196	448,300	379,123	451,950	3,650
Total Finance expenditures	<u>\$ 1,204,137</u>	<u>\$ 1,271,850</u>	<u>\$ 1,173,033</u>	<u>\$ 1,272,600</u>	<u>\$ 750</u>

2020 Budget



	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Salaries and wages	\$ 600,064	\$ 642,500	\$ 605,195	\$ 658,700	\$ 16,200
Benefits	266,691	277,550	261,308	282,650	5,100
Supplies	15,355	18,050	46,745	18,100	50
Other services and charges	322,027	333,750	259,785	313,150	(20,600)
Intergovernmental services	-	-	-	-	-
Total Finance expenditures	\$ 1,204,137	\$ 1,271,850	\$ 1,173,033	\$ 1,272,600	\$ 750

Budget Highlights

- A New Budget Item request was prepared to add a Network Engineer position to the IT Division but was not approved for inclusion in the Preliminary or Final Budgets.

ACCOUNTING DIVISION

Purpose:

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

2019 Accomplishments

- Prepared the 2018 Annual Financial Statements and submitted them to the State Auditor's Office on time
- Completed 2018 Washington State Financial and Accountability Audits
- Fulfilled continuing disclosure requirements
- Updated the Cost Allocation Plan
- Worked with Public Works and other Departments to update the six-year plan for Facility Renewal and Equipment Replacement.

2020 Goals & Objectives

- Prepare and submit the 2019 Annual Financial Statements on time
- Continue to look for ways to utilize existing resources to streamline processes to save time and reduce paper usage
- Evaluate and update financial policies

Budget Highlights

- The 2020 budget for the Accounting Division reflects no change in staffing levels
- No new budget items are included in the requested expenditure

2020 Budget

FINANCE DEPARTMENT - ACCOUNTING DIVISION

	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Salaries and wages	\$ 433,917	\$ 480,500	\$ 469,140	\$ 494,700	\$ 14,200
Benefits	199,191	208,950	204,521	213,050	4,100
OFFICE SUPPLIES	979	2,000	2,375	2,000	-
PURCHASE OF FORMS	420	350	211	350	-
REFERENCE MATERIAL	50	100	13	100	-
MOTOR FUEL	123	100	132	150	50
SMALL ITEMS OF EQUIPMENT	-	-	3,012	-	-
Supplies	1,572	2,550	5,743	2,600	50
OTHER PROFESSIONAL SVCS.	60,130	22,000	23,178	22,000	-
STATE AUDITOR AUDIT	78,744	68,000	72,933	60,600	(7,400)
TELEPHONE	918	900	933	950	50
POSTAGE	2,512	1,500	1,665	2,500	1,000
PAYFLOW PROCESSING FEES	2,314	2,000	3,237	2,000	-
CELL PHONES	441	400	490	500	100
TRAVEL & SUBSISTENCE	2,670	3,000	198	3,000	-
MEALS			104		
ASSOC. DUES & MEMBERSHIPS	742	750	757	750	-
PRINTING AND BINDING	-	-	63	-	-
TRAINING & REGISTRATION	2,863	3,000	2,053	3,000	-
BANKING FEES	35,927	30,000	8,895	15,000	(15,000)
Other services and charges	187,261	131,550	114,506	110,300	(21,250)
Intergovernmental services	-	-	-	-	-
Total Accounting expenditures	\$ 821,941	\$ 823,550	\$ 793,910	\$ 820,650	\$ (2,900)

INFORMATION TECHNOLOGY DIVISION

Purpose

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

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

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

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

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

2019 Accomplishments:

- Continued upgrades to virtualized platforms with the replacement of server and storage infrastructure at City Hall, the Police Department and our backup location in Eastern Washington
- Deployed City-wide Cyber Security training and continued staff education in the area of computer information systems security
- Continued the deployment of Windows 10 operating system across the city devices and SharePoint, deployment of Office 365, and upgrades to servers, workstations, and communication systems

2020 Budget

2020 Goals & Objectives

- Begin the analysis of telephony systems and the replacement of the phone system, which includes the upgrade of network switches across the city infrastructure
- Continue efforts to improve business continuity, disaster preparedness and improvements to the EOC and radio room infrastructure. Council Chamber sound, video and workstation upgrades.
- Continue focus on network security, data integrity and training of staff and end users
- Evaluate departmental and City-wide future IT needs and identify appropriate staffing

Budget Highlights

- No new budget items are included in the requested expenditure
- The 2020 IT Budget continues to operationalize the 6-year IT plan and incorporates a variety of elements that include upgrading, extending or replacing required equipment based upon its useful life; extending the Microsoft Enterprise Agreement which expands the City's server capacity and provides for a seamless transition to Office 365; and a variety of telephony, network and data security initiatives.

2020 Budget

FINANCE DEPARTMENT - INFORMATION TECHNOLOGY DIVISION

	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Salaries and wages	\$ 166,147	\$ 162,000	\$ 136,055	\$ 164,000	\$ 2,000
Benefits	67,500	68,600	56,787	69,600	1,000
COMPUTER SUPPLIES	2,698	4,000	1,145	4,000	-
REFERENCE MATERIAL	-	-	200	-	-
OPERATING SUPPLIES	874	500	361	500	-
SMALL ITEMS OF EQUIPMENT	10,211	11,000	39,296	11,000	-
Supplies	13,783	15,500	41,002	15,500	-
CONSULTING SERVICES	-	7,000	8,283	7,000	-
OTHER PROFESSIONAL SVCS.	-	-	-	-	-
TELEPHONE	1,034	1,050	1,297	1,050	-
POSTAGE	95	150	-	100	(50)
ON-LINE CHARGES	8,378	12,500	2,004	12,500	-
CELL PHONE	819	750	891	1,200	450
TRAVEL & SUBSISTENCE	1,781	3,000	2,294	2,500	(500)
MEALS	-	-	298	500	500
FIBER LEASE	13,605	15,000	14,231	15,000	-
COMMUNICATIONS EQUIP R & M	10,524	14,000	88	14,000	-
COMPUTER SYSTEM MAINT	23,347	42,000	19,188	42,000	-
SOFTWARE MAINTENANCE	63,785	95,000	34,801	95,000	-
ASSOC. DUES & MEMBERSHIPS	185	250	387	500	250
LICENSES AND SUBSCRIPTIONS	617	-	54,695	-	-
TRAINING & REGISTRATION	4,350	6,500	1,585	6,500	-
OFFSITE DATA STORAGE	6,246	5,000	5,237	5,000	-
Other services and charges	134,766	202,200	145,279	202,850	650
Intergovernmental services	-	-	-	-	-
Total Information Technology expenditures	\$ 382,196	\$ 448,300	\$ 379,123	\$ 451,950	\$ 3,650

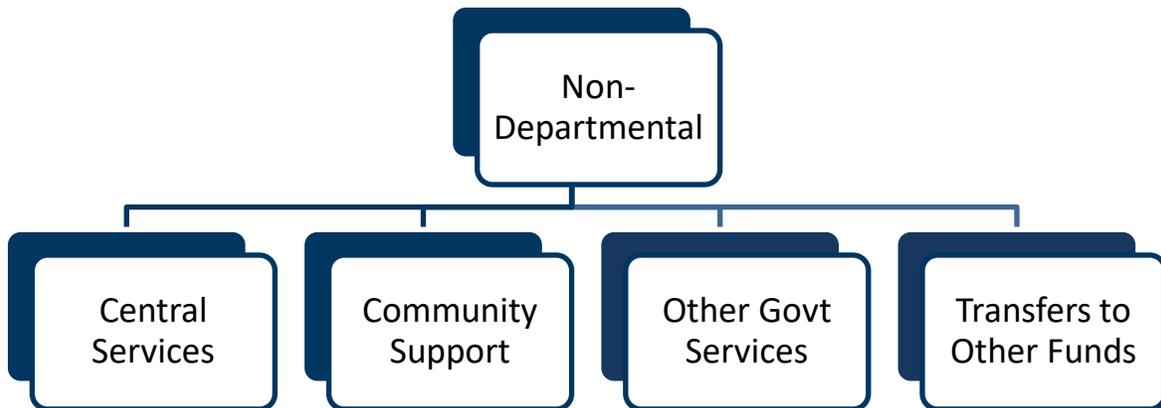
NON-DEPARTMENTAL

Purpose:

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

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

Organization Chart:



Budget Highlights

- No new budget items are included in the requested expenditure

2020 Budget

	2018	2019	2019	2020	Increase/
	Actuals	Budget	Estimated	Budget	(Decrease)
Salaries and wages	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	58,589	48,000	59,633	49,000	1,000
PAPER STOCK	1,998	3,000	2,034	3,000	-
OPERATING SUPPLIES	8,927	5,000	6,239	5,000	-
Supplies	10,925	8,000	8,273	8,000	-
PUGET SOUND REGION COUNCIL	8,791	8,800	-	8,850	50
INTERJURISDICTIONAL HOUSING PROGRAM	1,061	2,150	2,179	2,150	-
ASSOC. DUES & MEMBERSHIP	4,046	8,650	8,659	8,650	-
CONSULTING SERVICES	30,000	-	-	-	-
PUBLIC AFFAIRS & COMMUNITY OUTREACH	14,992	10,000	11,223	10,000	-
YOUTH ADVISORY COUNCIL	1,416	1,000	2,075	1,000	-
PUGET SOUND CLEAN AIR AGENCY	18,827	19,000	18,970	19,000	-
ELECTION SERVICES	6,270	20,000	12,031	20,000	-
VOTER REGISTRATION	27,017	30,000	27,017	30,000	-
AWC WELLNESS PROGRAM	4,296	4,200	4,006	4,200	-
WATER COOLER RENTAL	-	-	540	-	-
FACILITIES MAINTENANCE CHARGES FOR SVCS.	643,605	684,550	742,446	707,600	23,050
OTHER PROFESSIONAL SERVICES	-	-	-	-	-
RECORDS SERVICES	-	1,500	-	1,500	-
POSTAGE	225	350	1,746	300	(50)
WEBSITE HOSTING - ARCHIVE	1,636	1,500	1,775	1,500	-
EQUIPMENT REPLACEMENT CHARGES	-	183,694	258,644	430,000	246,306
EMERGENCY SERVICES	26,981	28,400	27,921	30,750	2,350
OFFICE EQUIPMENT RENTAL	10,989	2,400	13,052	12,000	9,600
INSURANCE	294,808	280,000	281,768	282,000	2,000
OFFICE EQUIPMENT R&M	20,464	25,000	17,174	12,000	(13,000)
VEHICLE R&M	140,968	113,250	158,496	100,000	(13,250)
ASSOC WASH CITIES	15,158	15,400	15,953	15,800	400
LICENSES & SUBSCRIPTIONS	-	-	618	-	-
PRINTING AND BINDING	-	500	9,523	5,500	5,000
TRAINING & REGISTRATION	-	-	-	2,000	2,000
EMERGENCY MGMNT MISC	8,207	7,000	8,201	7,000	-
COBRA DENTAL/VISION CLAIMS	-	-	-	-	-
SNO911 - DISPATCH SERVICES	515,645	436,800	464,070	503,100	66,300
SERS OPERATING ASSESSMENT	55,721	71,600	71,585	-	(71,600)
NEW WORLD	-	-	-	-	-
LARGE ITEM PICKUP	45,323	45,500	40,324	-	(45,500)
COMMUNITY ORGANIZATIONAL SUPPORT	9,986	10,000	9,757	10,000	-
PARKS SPECIAL PROJECTS	9,731	10,000	9,756	10,000	-
PUBLIC HEALTH SERVICES	20,000	21,469	21,469	21,478	9
STATE ALCOHOL PROGRAM FEES PASS THROUGH	5,444	6,000	4,411	6,000	-
LEASEHOLD EXCISE TAX FOR CHAMBER OF COMM	17,380	-	2,733	2,750	2,750
Other services and charges	1,958,987	2,048,713	2,248,122	2,265,128	216,415
Intergovernmental services	-	-	-	-	-
TRANSFER TO TECH REP FUND	100,525	130,000	130,000	60,000	(70,000)
TRANS TO EMS FUND	-	113,337	120,483	-	(113,337)
TRANSFER TO STREET FUND	186,500	256,050	256,050	238,375	(17,675)
TRANSFER TO REET II FUND	500,000	-	-	-	-
TRANSFER TO CITY RES FUND	-	-	-	-	-
TRANSFER TO COMMUNITY CENTER FUND	100,347	173,600	311,396	-	(173,600)
TRANSFER TO FACILITY RENEWAL FUND	40,000	40,000	40,000	190,000	150,000
TRANSFER TO LEOFF I RESERVE FUND	20,000	10,000	10,000	-	(10,000)
TRANSFER TO TRANSP BENEFIT DISTRICT	110,000	-	-	-	-
Transfers-out	1,057,372	722,987	867,929	488,375	(234,612)
Total Other Government Services expenditures	\$ 3,085,873	\$ 2,827,700	\$ 3,183,957	\$ 2,810,503	\$ 217,415

TRANSFERS TO OTHER FUNDS

Purpose:

Transfers from the General Fund to other City funds are not considered expenditures for budgeting and financial reporting purposes. The General Fund has budgeted transfers to three City funds: Street Fund, Technology Replacement Fund, and Facility Renewal.

Transfer to the Street Fund is intended to subsidize the operations of the fund with the goal of a zero-dollar fund balance at the end of the year. This ensures the financial viability of the fund while minimizing the General Fund’s financial commitment.

The transfer to the Technology Replacement Fund is intended to set aside resources in that Fund for future expenditures contained in the six-year IT Asset Management Plan.

The transfer to the Facility Renewal Fund is based on the six-year Capital Replacement and Funding Analysis.

	<u>Transferring Fund</u>
Recipient Fund	<u>General</u>
Streets	238,375
Technology Replacement	60,000
Facility Renewal	190,000
TOTAL OUTGOING TRANSFERS	\$ 488,375

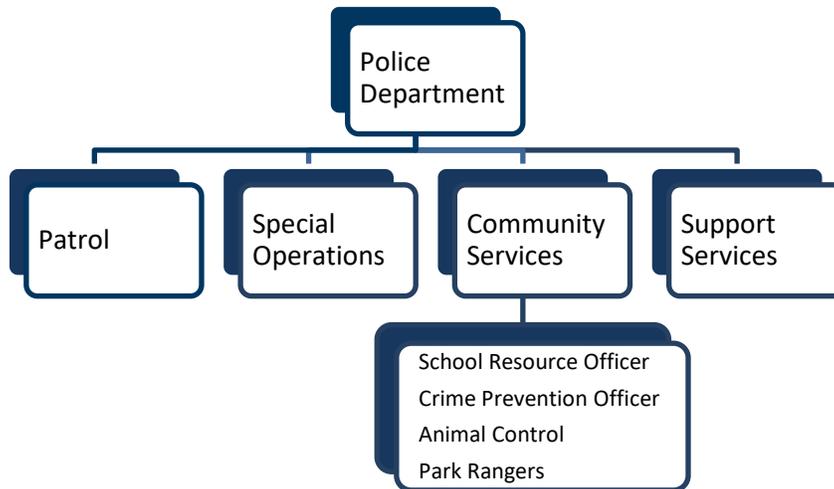
POLICE



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

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

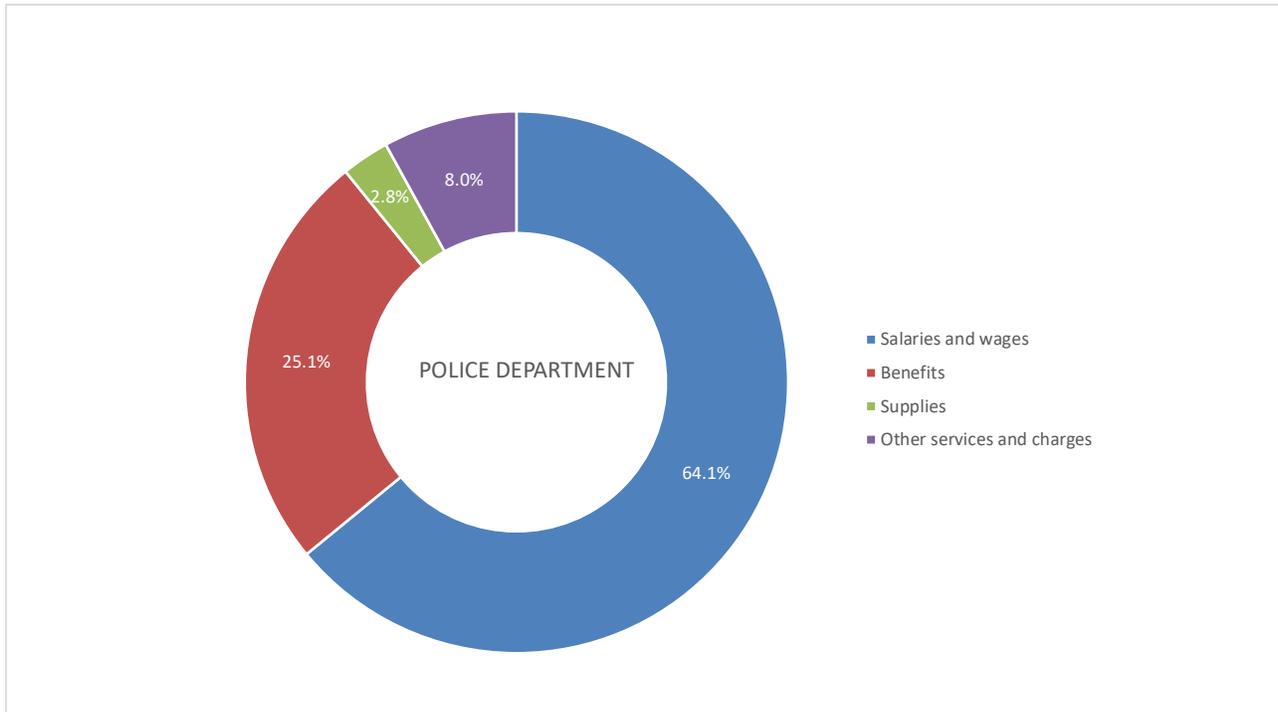
Organization Chart:



Expenditure Summary:

	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Administration	\$ 1,165,737	\$ 1,250,900	\$ 1,280,441	\$ 1,307,300	56,400
Patrol	2,820,058	2,867,500	2,776,028	2,886,000	18,500
Special Operations	620,201	708,650	805,332	792,200	83,550
Crime Prevention	152,232	152,300	153,507	157,100	4,800
Rangers	201,408	253,000	201,439	275,550	22,550
Training	102,136	109,000	118,679	109,000	-
Total Police expenditures	\$ 5,061,772	\$ 5,341,350	\$ 5,335,426	\$ 5,527,150	\$ 185,800

2020 Budget



	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Salaries and wages	\$ 3,320,710	\$ 3,438,350	\$ 3,399,009	\$ 3,540,350	\$ 102,000
Benefits	1,240,647	1,314,600	1,339,647	1,388,350	73,750
Supplies	189,480	175,650	164,682	157,350	(18,300)
Other services and charges	310,935	412,750	432,088	441,100	28,350
Intergovernmental services	-	-	-	-	-
Total Police expenditures	\$ 5,061,772	\$ 5,341,350	\$ 5,335,426	\$ 5,527,150	\$ 185,800

Budget Highlights

- The 2020 budget for the Police Department maintains the existing staffing levels

ADMINISTRATION AND SUPPORT SERVICES DIVISION

Purpose

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

Included in the Division are costs for inter local services agreements for jail fees, animal control, Narcotics Task Force and SWAT.

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

2019 Accomplishments

- Implemented a wellness and resiliency program for all police staff
- Recruited and trained three new police officers
- Conducted internal audits of the evidence and records division
- Increase the service hours for the Domestic Violence Coordinator to assist more crime victims
- Continued purging records that are beyond retention requirements
- Installed and implemented the live scan digital fingerprint system
- Completed inventory and processing of all sexual assault kits as mandated by recent state law to be sent to the Washington State Patrol crime lab

2020 Goals & Objectives

- Enhance and build on the departmental wellness and resiliency program for police staff
- Conduct internal audits of the evidence and records division
- Continue purging records that are beyond retention requirements
- Increase staff training on records and case management
- Be able to process all background checks for semi-automatic rifles per new state law

Budget Highlights

- The 2020 budget for the Administration and Support Services Division reflects no change in staffing levels.

2020 Budget

POLICE DEPARTMENT – ADMINISTRATION & SUPPORT DIVISION

	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Salaries and wages	\$ 656,936	\$ 681,150	\$ 694,831	\$ 717,300	\$ 36,150
Benefits	268,182	271,500	291,106	292,100	20,600
OFFICE SUPPLIES	10,217	12,000	9,023	12,000	-
REFERENCE MATERIAL			114		
CLOTHING/BOOTS	1,953	3,500	972	1,750	(1,750)
MOTOR FUEL	3,258	6,000	2,782	4,750	(1,250)
SMALL ITEMS OF EQUIPMENT	987	6,000	3,824	6,000	-
Supplies	16,415	27,500	16,715	24,500	(3,000)
OTHER PROFESSIONAL SVCS.	15,632	26,050	22,786	17,200	(8,850)
WELLNESS PROGRAM			575		
TELEPHONE	22,450	22,000	22,952	25,000	3,000
POSTAGE	2,154	2,000	2,683	2,000	-
NEW WORLD PROJECT CONNECTIVITY	8,193	8,000	7,463	8,000	-
CELL PHONES	12,351	12,500	11,422	12,000	(500)
TRAVEL & SUBSISTENCE	901	1,500	787	1,000	(500)
MEALS	748	-	906	500	500
JAIL CONTRACT	131,454	150,000	160,713	150,000	-
ANIMAL SHELTER FEES	9,114	14,000	12,504	14,000	-
NARCOTICS TASK FORCE	-		5,726		
OFFICE EQUIPMENT RENTAL	593	900	633	900	-
EQUIPMENT R&M	792	2,000	137	2,000	-
COMPUTER SYSTEM MAINTENANCE	695	800	767	800	-
ASSOC. DUES & MEMBERSHIPS	726	2,000	1,810	2,000	-
LICENSES & SUBSCRIPTIONS	-	-	8,351	9,000	9,000
PRINTING AND BINDING	1,764	2,000	777	2,000	-
TRAINING & REGISTRATION			87		
DOMESTIC VIOLENCE SERVICES	9,773	20,000	16,710	20,000	-
CONCEALED PISTOL LICENSE	6,864	7,000	-	7,000	-
Other services and charges	224,204	270,750	277,789	273,400	2,650
Intergovernmental services	-	-	-	-	-
Total Administration expenditures	\$ 1,165,737	\$ 1,250,900	\$ 1,280,441	\$ 1,307,300	\$ 56,400

CRIME PREVENTION DIVISION

Purpose:

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

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

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

2019 Accomplishments

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

2020 Budget

2020 Goals & Objectives

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

Budget Highlights

- The 2020 budget for the Crime Prevention Division reflects no change in staffing levels.
- No new budget items are included in the requested expenditure.

2020 Budget

POLICE DEPARTMENT – CRIME PREVENTION DIVISION

	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Salaries and wages	\$ 99,356	\$ 99,650	\$ 103,892	\$ 103,500	\$ 3,850
Benefits	30,198	32,150	32,049	33,100	950
OFFICE SUPPLIES	5,120	5,000	1,549	5,000	-
CLOTHING/BOOTS	2,371	2,000	1,012	1,500	(500)
MOTOR FUEL	2,338	2,000	2,514	2,500	500
Supplies	9,829	9,000	5,075	9,000	-
PUBLIC AFFAIRS & COMMUNITY OUTREACH	10,416	9,000	11,126	9,000	-
TRAVEL & SUBSISTENCE	99	1,500	-	1,000	(500)
MEALS	1,866	-	642	500	500
PRINTING AND BINDING	468	1,000	723	1,000	-
Other services and charges	12,849	11,500	12,491	11,500	-
Intergovernmental services	-	-	-	-	-
Total Crime Prevention expenditures	\$ 152,232	\$ 152,300	\$ 153,507	\$ 157,100	\$ 4,800

PATROL DIVISION

Purpose:

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

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

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

2019 Accomplishments

- The Patrol Division was successfully restructured to include a Power Shift. The Power Shift bolstered coverage and services during peak activity periods.
- The Patrol Division added a Motor Officer position. This position was created to provide traffic enforcement, education, and outreach. The Motor Officer completed specialized on motorcycle operations for patrol over the summer, and is now able to deploy on a police motor cycle as well as a patrol vehicle.
- By the end of the year, the division will have field trained 4 new academy graduates, 1 Lateral Officer and mentored 3 new Corporals.
- Enhanced critical skill sets by completing department wide defensive tactics, firearms, less-lethal tactics and de-escalation training.
- One Officer contributed over 200 hours with the U.S. Marshal's Violent Offender Task Force (VOTF).
- Two members of the division filled specialized roles on the North Sound Metro SWAT Team. One continued his role as a tactical team member and earned an assignment as Squad Leader. The other officer was selected to be a member of the Hostage Negotiation Team. Together, they provided enhanced services to the City and supported partner agencies by responding to SWAT callouts.
- The Patrol Division, in partnership with Special Operations, shut down 2 significant crime hot spots through proactive enforcement and planned operations.
- Fully implemented the computer-based policy manual and conducted policy updates and refresher training.

2020 Goals & Objectives

- Enhance existing skill sets by conducting squad and division level active shooter response training.
- Expand critical incident management skill sets by conducting tabletop exercises and Incident Command training for patrol supervisors.
- Conduct multiple training sessions on de-escalation, control and less-lethal techniques and tactics.
- Enhance operational effectiveness by training Corporals on crime trend analysis.
- Conduct targeted patrols to prevent burglaries, vehicle prowls, package thefts and address other community problems.
- Train one new/lateral officer.

2020 Budget

POLICE DEPARTMENT – PATROL DIVISION

	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Salaries and wages	\$ 1,988,095	\$ 2,000,500	\$ 1,916,914	\$ 2,016,850	\$ 16,350
Benefits	726,116	773,000	762,674	790,650	17,650
OPERATING SUPPLIES	499	-	2,369	5,000	5,000
CLOTHING/BOOTS	33,580	20,000	29,720	3,000	(17,000)
MOTOR FUEL	39,026	35,000	37,903	35,000	-
SMALL ITEMS OF EQUIPMENT	19,584	20,500	17,023	20,000	(500)
Supplies	92,689	75,500	87,015	63,000	(12,500)
OTHER PROFESSIONAL SVCS.	-	-	644	-	-
PATROL COMMUNITY SUPPORT	-	-	350	-	-
TRAVEL & SUBSISTENCE	393	1,500	-	750	(750)
MEALS	770	-	1,722	750	750
EQUIPMENT R&M	10,190	15,000	4,460	12,000	(3,000)
ASSOC. DUES & MEMBERSHIPS	-	-	30	-	-
LICENSES & SUBSCRIPTIONS	-	-	193	-	-
LAUNDRY SERVICES	1,805	2,000	2,026	2,000	-
Other services and charges	13,158	18,500	9,425	15,500	(3,000)
Intergovernmental services	-	-	-	-	-
Total Patrol expenditures	\$ 2,820,058	\$ 2,867,500	\$ 2,776,028	\$ 2,886,000	\$ 18,500

SPECIAL OPERATIONS DIVISION

Purpose:

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

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

The Division monitors registered sex offenders, conducts threat assessments, facilitates the extradition of suspects back to Snohomish County and conducts background checks on prospective department members.

2019 Accomplishments

- Continued participation in Regional Police Intelligence (RIG) Group
- Two detectives continue to participate on the Snohomish Multi Agency Response Team (SMART)
- Two detectives continue to participate on the Interagency Child Abduction Response Team (ICART)
- In partnership with the School Resource Officer we have conducted several threat assessments on students who have made threats of school violence.
- Conducted seven proactive operations targeting drug locations and nuisance homes.
- Conducted operations focusing on mail and package thefts.
- Increased training and awareness on Complex Coordinated Terrorist Attacks, De-escalation, Active Shooter Response, Child Investigations, Homicide Investigations and Crime Scene Analysis.
- Presented training to the patrol division in the form of Search and Seizure, Search Warrant Training, Vehicle Assaults, Undercover Operations and Latent Prints.
- While working with the US Marshals arrested four homicide suspects within Snohomish County and participated in a county wide Gang Sweep and Sexual Offender Sweep.
- Detectives responded on their time off to 26 call-outs and 54 phone calls for investigative assistance to the patrol division.

2020 Goals & Objectives

- Continue participation in RIG, SMART, US Marshals and ICART Teams.
- Continue to develop patrol with specialized training.
- Increased participation with Snohomish County Property Crimes Task Force.
- Conduct in-house monthly training for investigators.
- Enhance intelligence gathering and threat assessment capabilities.
- Increase participation with GIS.

2020 Budget

POLICE DEPARTMENT – SPECIAL OPERATIONS DIVISION

	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Salaries and wages	\$ 442,557	\$ 510,450	\$ 567,372	\$ 557,050	\$ 46,600
Benefits	160,288	179,200	214,210	213,800	34,600
OPERATING SUPPLIES	316	-	2,604	-	-
CLOTHING/BOOTS	1,382	2,000	698	350	(1,650)
MOTOR FUEL	6,911	5,000	7,012	5,000	-
SMALL ITEMS OF EQUIPMENT	1,119	-	473	-	-
Supplies	9,728	7,000	10,787	5,350	(1,650)
TRAVEL & SUBSISTENCE	883	2,000	3,449	1,500	(500)
MEALS	1,111	-	1,403	500	500
EQUIPMENT R&M	37	-	-	-	-
LICENSES & SUBSCRIPTIONS	-	-	4,142	4,000	4,000
INVESTIGATION COSTS	5,597	10,000	3,969	10,000	-
Other services and charges	7,628	12,000	12,963	16,000	4,000
Intergovernmental services	-	-	-	-	-
Total Special Operations expenditures	\$ 620,201	\$ 708,650	\$ 805,332	\$ 792,200	\$ 83,550

TRAINING DIVISION

Purpose:

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

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

2019 Accomplishments

- Successfully met all RCW training hour requirements for commissioned staff per Criminal Justice Training Commission standards
- Conducted dynamic Defense Tactics training for all commissioned personnel to include policy mandated impact weapon and OC refresher and two firearms qualification/training sessions
- Re-certified each member on the Taser CEW device
- Facilitated policy review on critical policies.
- Coordinated scenario-based training using simunitions.
- Formed a Training Committee to conduct annual assessments of the training needs of the department
- Developed a training plan for each officer for individual career progression and development
- Assisted with the onboarding and training of five new police officers
- Helped implement the Supervisor Field Training program
- Hosted a Field Training Officer Academy which was open to neighboring agencies, resulting in certification of three new department FTOs
- Hosted a WSP fingerprinting class that was also open to neighboring agencies

2020 Goals & Objectives

- Assure all training required by law and policy is achieved
- Continue to provide training on crisis intervention and other de-escalation concepts so officers are better prepared to deal with increasing number of mental health contacts
- Continue developing staff members for their respective roles in the organization and prepare them for future roles and potential promotions
- Develop a series of table top exercises to enhance critical incident management skills for supervisors
- Develop the Defensive Tactics instructor cadre through a formalized training program
- Train an additional Taser instructor
- Train an additional EVOC instructor
- Train two additional Range Safety Officers
- Train one additional firearms instructor

Budget Highlights

- The 2020 budget for the Training Division reflects no change in staffing levels.

2020 Budget

POLICE DEPARTMENT – TRAINING DIVISION

	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Salaries and wages	\$ 27,960	\$ 30,600	\$ 29,327	\$ 30,600	\$ -
Benefits	-	-	-	-	-
AMMUNITION	17,250	30,400	32,017	30,400	-
SMALL ITEMS OF EQUIPMENT	25,795	2,000	4,627	2,000	-
Supplies	43,045	32,400	36,644	32,400	-
OTHER PROFESSIONAL SVCS.	7,107	22,000	21,286	22,000	-
TRAVEL & SUBSISTENCE	6,938	4,500	9,902	3,500	(1,000)
MEALS	819	-	4,476	1,000	1,000
LICENSES & SUBSCRIPTIONS			1,217		
TRAINING & REGISTRATION	16,267	19,500	15,827	19,500	-
Other services and charges	31,131	46,000	52,708	46,000	-
Intergovernmental services	-	-	-	-	-
Total Training expenditures	\$ 102,136	\$ 109,000	\$ 118,679	\$ 109,000	\$ -

FIRE



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

The Fire Chief is the administrative head of the department. In 2019, the authorized strength increased from 29 to 30 with the addition of battalion chief positions in July. Personnel respond from two stations, Station 24 in Old Town and Station 25 in Harbour Pointe. Each station has three personnel on duty around the clock. These personnel staff a fire engine or an ambulance, depending on the emergency. Station 25 also houses the Battalion Chief. In addition to the Fire Chief, 2020 administrative staff positions include a Fire Marshal and a Senior Administrative Assistant.

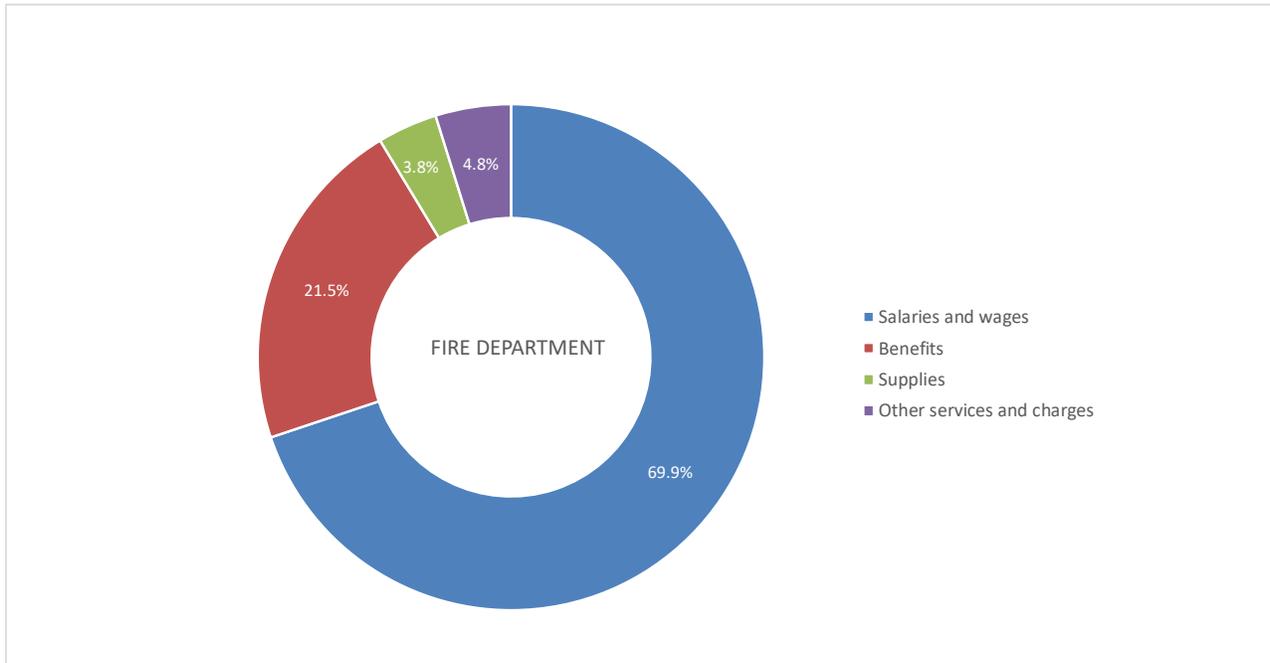
Organization Chart:



Expenditure Summary:

	2018 Actuals	2019 Amended Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Administration	\$ 291,613	\$ 321,750	\$ 261,140	\$ 271,550	(50,200)
Operations	1,495,720	1,608,350	1,721,108	1,493,900	(114,450)
Prevention	20,426	13,350	13,834	15,250	1,900
Training	114,986	113,450	78,676	46,050	(67,400)
EMS	2,531,135	2,896,307	2,844,618	2,880,250	(16,057)
Total Fire and EMS expenditures	\$ 4,453,880	\$ 4,953,207	\$ 4,919,376	\$ 4,707,000	\$ (246,207)

2020 Budget



	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Salaries and wages	\$ 2,941,024	\$ 3,189,000	\$ 3,250,608	\$ 3,247,200	\$ 58,200
Benefits	930,050	950,650	979,069	998,450	47,800
Supplies	196,073	219,750	174,083	177,850	(41,900)
Other services and charges	386,733	593,807	515,616	223,500	(370,307)
Intergovernmental services	-	-	-	-	-
Total Fire expenditures	\$ 4,453,880	\$ 4,953,207	\$ 4,919,376	\$ 4,647,000	\$ (306,207)

Budget Highlights

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

ADMINISTRATION

Purpose

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

2019 Accomplishments

- Honored the department's history while making changes in the physical environment, ourselves and operations to prepare the department for the future.
 - Continued to support opportunities for regional and national education and training opportunities for all personnel.
- Worked with City Council on strategic matters for the department.
 - Battalion chief deployment.
 - Transition from inter-local agreements to local medical services supervision.
- Continued WAC 296-305 Safety Standards for Firefighters compliance efforts.
 - Worked towards the adoption of updated policies and procedures.
 - Re-examined station environments for opportunities to improve safety.
- Continued to improve the city's ability to respond to a large-scale incident or disaster in partnership with Snohomish County Department of Emergency Management.
 - Continued work with Snohomish County to develop regional emergency operations centers.
 - Continued Emergency Management and Emergency Operations Center training and education opportunities for elected officials and staff.
- Agreement signed for fire fighter physicals consistent with NFPA 1500.

2020 Goals & Objectives

- Honor the department's history while making changes in the physical environment, ourselves and operations to prepare the department for the future.
 - Continued to support opportunities for regional and national education and training opportunities for all personnel.
- Work with City Council on strategic matters for the department.
 - EMS Levy re-authorization.
- Continue WAC 296-305 Safety Standards for Firefighters compliance efforts by finalizing the adoption of updated policies and procedures.
- Continue to improve the city's ability to respond to a large-scale incident or disaster in partnership with Snohomish County Department of Emergency Management.
 - Continue Emergency Management and Emergency Operations Center training and education opportunities for elected officials and staff.
- Monitor inter-local agreements (ILAs) to ensure service to the city.

Budget Highlights

The 2020 budget for this division reflects a reduction of one position, the Assistant Fire Chief; the position was changed to a Battalion Chief position that is now included in the Operations division.

2020 Budget

FIRE DEPARTMENT – ADMINISTRATION DIVISION

	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Salaries and wages	\$ 189,140	\$ 213,500	\$ 172,026	\$ 175,300	\$ (38,200)
Benefits	60,642	69,000	58,837	60,200	(8,800)
OFFICE SUPPLIES	1,509	1,400	619	1,400	-
PURCHASE OF FORMS	439	300	356	150	(150)
SUPPLIES - ADMINISTRATION	744	1,500	146	1,000	(500)
CLOTHING/BOOTS	1,009	2,000	47	1,250	(750)
MOTOR FUEL	3,274	4,500	3,100	3,000	(1,500)
SMALL ITEMS OF EQUIPMENT	485	800	413	500	(300)
Supplies	7,460	10,500	4,681	7,300	(3,200)
OTHER PROFESSIONAL SVCS.	29,214	23,000	12,184	18,000	(5,000)
TELEPHONE	1,391	1,400	1,422	1,400	-
POSTAGE	217	200	177	200	-
CELL PHONE	1,476	1,450	1,362	1,450	-
TRAVEL & SUBSISTENCE	-	-	-	-	-
MEALS	-	-	-	-	-
ASSOC. DUES & MEMBERSHIPS	1,692	2,000	6,887	2,000	-
LICENSES AND SUBSCRIPTIONS	-	-	3,129	5,000	5,000
LAUNDRY SERVICES	381	700	27	700	-
PRINTING & BINDING	-	-	408	-	-
Other services and charges	34,371	28,750	25,596	28,750	-
Intergovernmental services	-	-	-	-	-
Total Administration expenditures	\$ 291,613	\$ 321,750	\$ 261,140	\$ 271,550	\$ (50,200)

OPERATIONS

Purpose:

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

2019 Accomplishments

- Supported opportunities to work with regional teams.
 - Facilitate operational and response opportunities for personnel participating in regional technical rescue and incident management teams.
- Reduced preventable injury rates.
 - Provide cancer-prevention education to personnel and implementation of decontamination kits on all apparatus.

2020 Goals & Objectives

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

Budget Highlights

- The 2020 budget for this division reflects the addition of three Battalion Chief positions.
- The budget for the ladder truck and incident command inter-local agreement has been removed.
- The budget includes no new budget items.

2020 Budget

FIRE DEPARTMENT – OPERATIONS DIVISION

	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Salaries and wages	\$ 1,047,806	\$ 969,650	\$ 1,092,595	\$ 1,064,950	\$ 95,300
Benefits	333,883	313,950	328,899	338,850	24,900
OFFICE SUPPLIES	494	700	500	600	(100)
SUPPLIES - FIRE SUPPRESSION	18,517	10,000	27,941	11,000	1,000
CLOTHING/BOOTS	6,071	20,000	14,640	1,000	(19,000)
MOTOR FUEL	5,995	5,500	5,522	5,500	-
SMALL ITEMS OF EQUIPMENT	54,875	50,000	48,210	50,000	-
Supplies	85,952	86,200	96,813	68,100	(18,100)
PROFESSIONAL SERVICES	12,480	7,500	15,790	5,300	(2,200)
TELEPHONE	2,318	2,300	3,633	2,400	100
NEW WORLD PROJECT CONNECTIVITY	2,372	2,000	2,240	2,000	-
CELL PHONES & PAGERS	4,145	3,000	4,883	3,600	600
MEALS	-	-	6	-	-
FIRE DISTRICT 1 ILA FOR LADDER TRUCK SVC	-	217,250	162,031	-	(217,250)
HAZARDOUS WASTE DISPOSAL	-	-	38	-	-
EQUIPMENT R&M	6,764	6,500	8,877	6,500	-
LICENSES AND SUBSCRIPTIONS	-	-	5,303	2,200	2,200
Other services and charges	28,079	238,550	202,801	22,000	(216,550)
Intergovernmental services	-	-	-	-	-
Total Operations expenditures	\$ 1,495,720	\$ 1,608,350	\$ 1,721,108	\$ 1,493,900	\$ (114,450)

TRAINING

Purpose:

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

2019 Accomplishments

- Updated internal training programs.
 - Improved live fire training operations through multicompny exercises with regional partners.
 - Implementation of the captain and acting captain program, including initial education and qualification requirements as well as the continuing education program.
 - Implemented new software to track training.
- Provided external training opportunities.
 - Increased participation in regional training to enhance training opportunities.
 - Continued support of a regional training consortium to facilitate operational and training standardization with neighboring jurisdictions.

2020 Goals & Objectives

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

Budget Highlights

- The 2020 budget for this division reflects a reduction of one position, the training captain; the position was changed to a Battalion Chief position that is now included in the Operations division.
- The budget includes no new budget items.

2020 Budget

FIRE DEPARTMENT – TRAINING DIVISION

	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Salaries and wages	\$ 51,953	\$ 52,900	\$ 29,709	\$ -	\$ (52,900)
Benefits	16,934	14,000	7,556	-	(14,000)
OFFICE SUPPLIES	291	350	276	350	-
REFERENCE MATERIAL	1,303	1,500	174	1,500	-
SUPPLIES - TRAINING	2,603	1,300	649	1,300	-
CLOTHING/BOOTS	-	850	157	350	(500)
SMALL ITEMS OF EQUIPMENT	2,628	1,000	-	1,000	-
Supplies	6,825	5,000	1,256	4,500	(500)
OTHER PROFESSIONAL SVCS.	10,430	6,500	717	3,300	(3,200)
TELEPHONE	309	300	316	300	-
CELL PHONE	725	600	335	600	-
TRAVEL & SUBSISTENCE	6,668	11,600	8,471	8,000	(3,600)
MEALS	1,717	-	4,021	3,600	3,600
ASSOC. DUES & MEMBERSHIPS	200	300	2,750	300	-
LICENSES AND SUBSCRIPTIONS	-	-	3,167	3,200	3,200
TRAINING & REGISTRATION	19,225	22,250	20,378	22,250	-
Other services and charges	39,274	41,550	40,155	41,550	-
Intergovernmental services	-	-	-	-	-
Total Training expenditures	\$ 114,986	\$ 113,450	\$ 78,676	\$ 46,050	\$ (67,400)

PREVENTION

Purpose:

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

2019 Accomplishments

- Reduced the risk of fire in commercial structures.
 - Facilitate marking all fire department connections, “Fire Control Rooms”, and any pertinent doors, areas, and devices with the appropriate signage to assist responding local and out of area crews with timely identification.
 - Implemented new inspection software to track violations, code compliance, and fire risk analysis.
- Raised the department’s visibility to the community through a robust public education program including fire safety, injury prevention, and disaster resilience.
 - Provided fire safety education and rig tours to all 2nd Grade Elementary School classes in Mukilteo.
 - Continued participation in Touch-a-Truck, National Night Out, and Boo Bash.
 - Increased use of banner poles for public safety messaging, both in front of the fire stations and key locations on Mukilteo Speedway.

2020 Goals & Objectives

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

Budget Highlights

- The budget includes no new budget items.

2020 Budget

FIRE DEPARTMENT – PREVENTION DIVISION

	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Salaries and wages	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-	-
OFFICE SUPPLIES	464	800	-	700	(100)
REFERENCE MATERIAL	-	500	-	400	(100)
SUPPLIES - FIRE PREVENTION	4,809	3,800	4,926	4,000	200
CLOTHING/BOOTS	545	800	-	600	(200)
MOTOR FUEL	620	1,000	674	750	(250)
SMALL ITEMS OF EQUIPMENT	-	400	-	400	-
Supplies	6,438	7,300	5,600	6,850	(450)
OTHER PROFESSIONAL SVCS.	12,885	5,000	6,620	2,800	(2,200)
TELEPHONE	309	350	316	350	-
CELL PHONE	699	700	659	700	-
EQUIPMENT R&M	-	-	-	-	-
ASSOC. DUES & MEMBERSHIPS	95	-	115	150	150
LICENSES AND SUBSCRIPTIONS	-	-	462	2,200	2,200
PRINTING & BINDING	-	-	62	2,200	2,200
Other services and charges	13,988	6,050	8,234	8,400	2,350
Intergovernmental services	-	-	-	-	-
Total Prevention expenditures	\$ 20,426	\$ 13,350	\$ 13,834	\$ 15,250	\$ 1,900

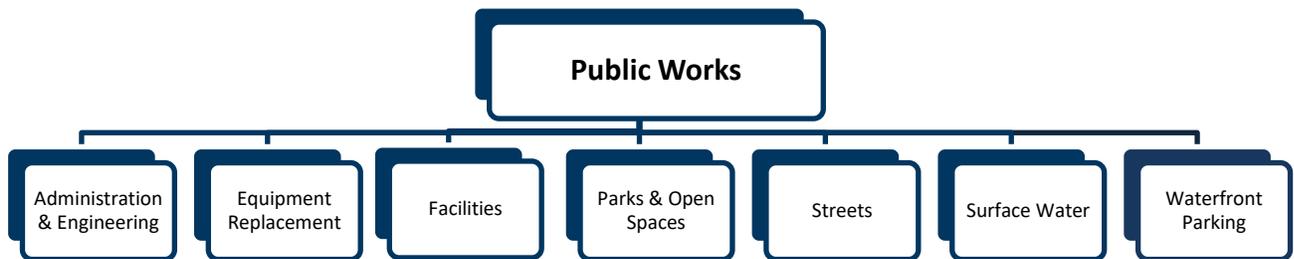
PUBLIC WORKS



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

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

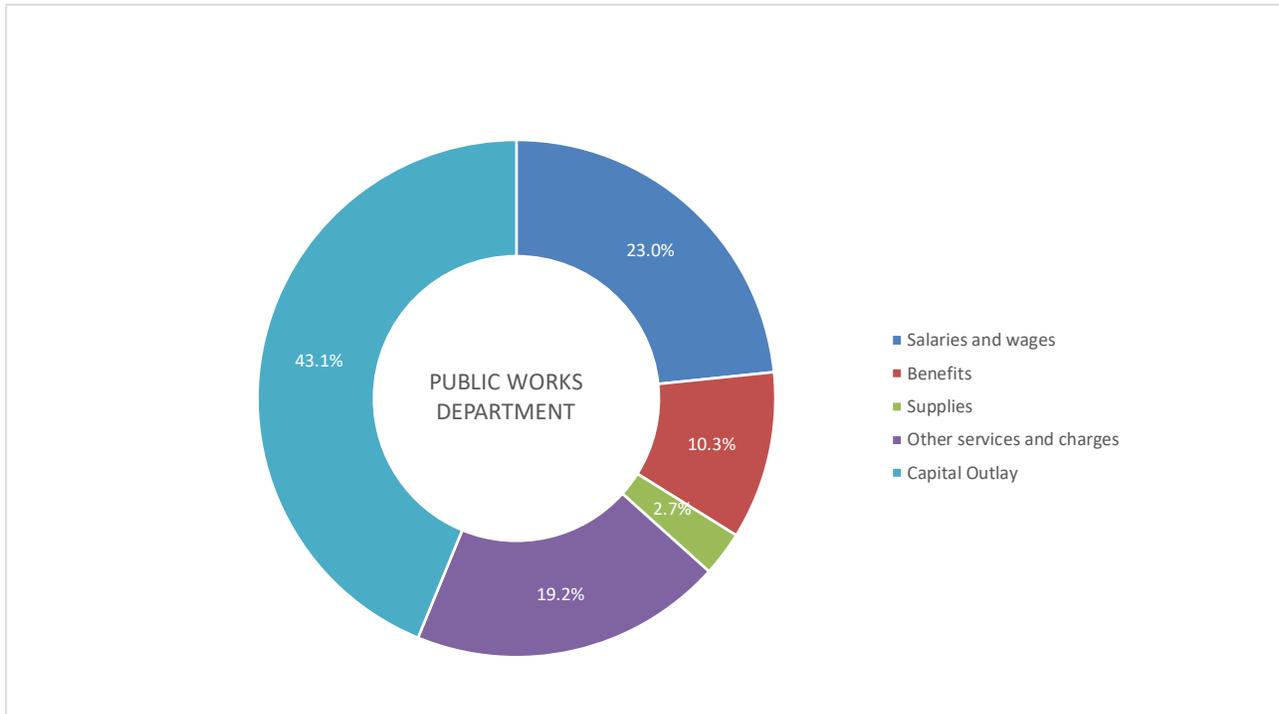
Organization Chart:



Expenditure Summary:

	<u>2018 Actuals</u>	<u>2019 Budget</u>	<u>2019 Estimated Actuals</u>	<u>2020 Budget</u>	<u>Increase/ (Decrease)</u>
Administration and Engineering - General Fund	\$ 437,959	\$ 489,600	\$ 407,653	\$ 458,350	(31,250)
Parks	443,381	498,150	415,874	500,700	2,550
Streets	696,486	820,450	765,508	863,650	43,200
Waterfront Parking	444,151	450,000	427,144	443,650	(6,350)
Surface Water	2,425,105	4,500,330	2,901,134	6,261,163	1,760,833
Facilities Maintenance	725,137	759,050	757,372	784,200	25,150
Total Public Works expenditures	<u>\$ 5,172,219</u>	<u>\$ 7,517,580</u>	<u>\$ 5,674,685</u>	<u>\$ 9,311,713</u>	<u>\$ 1,794,133</u>

2020 Budget



	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Salaries and wages	\$ 1,847,941	\$ 1,988,700	\$ 1,937,044	\$ 2,130,150	\$ 94,950
Benefits	799,173	973,300	862,041	956,450	(16,850)
Supplies	251,797	256,350	312,175	254,300	(2,050)
Other services and charges	1,393,483	1,613,130	1,587,781	1,781,680	168,550
Intergovernmental services	18,508	-	-	-	-
Capital Outlay	823,617	2,644,500	934,044	3,990,883	1,346,383
Total Public Works expenditures	\$ 5,134,519	\$ 7,475,980	\$ 5,633,085	\$ 9,113,463	\$ 1,590,983

Budget Highlights

- New Budget Items are included in their respective funds

ADMINISTRATION AND ENGINEERING DIVISION

Purpose:

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

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

2019 Accomplishments

- Project Completions
 - Completed the 100% design of Harbour Reach Corridor project and advertised for bid
 - Completed the Harbour Pointe Blvd SW widening project, the 88th Street Overlay project, the 2019 Crack Sealing and Pavement Repair project and the 84th Street SW and 53rd Avenue West guardrail project
 - Completed the 61st Street Catchment Wall project which allowed 61st Street to be re-opened after a two year closure
- Planning for the Future
 - Updated the 2017 Development Standards
 - Updated the 6-year Transportation Improvement Plan
 - Conducted 5 Traffic Studies and prepared 5 Traffic Action Plans for requestors as part of our Traffic Calming Program. Measures implemented are captured under the Streets Division.
 - Cross functional team consisting of members from several City departments to plan and develop the City's ADA Transition Plan met monthly to advance the plan
- Support of Outside Development
 - Assisted WSDOT on achieving 100% design for the SR 525 Pedestrian Access project

2020 Budget

- Oversaw the grants and funding associated with the construction of the Mukilteo Boys & Girls Club
- Project Development
 - Facilitated a change order on the Harbour Pointe Blvd SW widening project to extend utilities to the Islamic Center of Mukilteo project
 - Advanced the 61st Street Culvert design project as well as the 61st Place Retaining Wall project by obtaining all of the easements required for construction
 - Advanced the design of the Decant Facility project to 30 percent
 - Assisted with the design of the Peace Park project and advertised for bid
- Grant Applications and Awards
 - Received a Safe Routes to Schools grant for the 76th Street & SR 525 sidewalk for design in 2020 and construction in 2021.
 - Received a \$2.3 Million grant from the Transportation Improvement Board for the Harbour Reach Corridor project to make up the budget shortfall
 - Applied for a Transportation Improvement Board grant for a new sidewalk on the east side of SR 525 from 2nd Street to 3rd Street
 - Applied for two Sound Transit System Access Fund grants for the design of the 5th Street Bicycle & Pedestrian project and the Park Avenue Improvements project
 - Participated in the Sound Transit Mukilteo Station Interagency Committee meetings to assist Sound Transit in project selection for Mukilteo's share of \$40M in ST 3 funds
- Completed 615 Service Requests through August 2019.

2020 Goals & Objectives

- Assist WSDOT in completing construction of SR 525 Pedestrian Improvements
- Staff and support the City's Pavement Preservation and Bike Transit Walk Programs
- Continue updating the GIS system to include all City assets (streets, storm water, parks, and buildings)
- Continue with the self-evaluation of the public right of way and development of the City-wide ADA Transition plan
- Complete the construction of the 61st Place W Retaining Wall Repairs, 61st Place Culvert, Curb Ramp Upgrades, and 2020 Pavement Preservation projects and begin the construction phase of the Harbour Reach Corridor Project.
- Complete the design of the 76th Street SW Sidewalks and SR 525 Crosswalk Improvements
- Assist with the construction of the Peace Park

Budget Highlights

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

2020 Budget

PUBLIC WORKS DEPARTMENT – ADMINISTRATION AND ENGINEERING DIVISION

	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Salaries and wages	\$ 277,914	\$ 307,000	\$ 275,735	286,000	(21,000)
FICA	20,765	23,500	20,036	21,600	(1,900)
PERS	34,353	39,250	33,661	37,500	(1,750)
L&I	780	900	747	900	-
MEDICAL BENEFITS	56,556	68,000	47,482	53,000	(15,000)
VEHICLE ALLOWANCE	720	700	690	700	-
DENTAL BENEFITS	5,272	6,200	4,289	4,750	(1,450)
VISION BENEFITS	758	1,200	605	750	(450)
LIFE INSURANCE	759	850	728	850	-
PAID FAMILY LEAVE	11	400	271	700	300
LONG TERM DISABILITY INSURANCE	1,681	1,850	1,611	1,850	-
UNIFORMS BENEFITS			-	-	-
Benefits	121,655	142,850	110,120	122,600	(20,250)
OFFICE SUPPLIES	360	650	233	650	-
REFERENCE MATERIAL	-	550	1,136	550	-
OPERATING SUPPLIES	-	500	380	500	-
CLOTHING/BOOTS	11	300	300	300	-
MOTOR FUEL	733	650	720	650	-
SMALL ITEMS OF EQUIPMENT	499	2,300	-	2,300	-
Supplies	1,603	4,950	2,769	4,950	-
ENGINEERING & ARCHITECT SVCS	17,628	10,000	9,637	20,000	10,000
OTHER PROFESSIONAL SVCS.	7,138	5,000	358	5,000	-
LEGAL PUBLICATIONS	159	400	94	400	-
TELEPHONE	918	900	933	900	-
POSTAGE	553	600	820	600	-
CELL PHONE	2,740	2,350	2,277	2,350	-
TRAVEL & SUBSISTENCE	1,508	1,500	115	1,000	(500)
MEALS	106	-	-	500	500
COMPUTER SYSTEM MAINT	3,216	7,000	3,284	7,000	-
ASSOC. DUES & MEMBERSHIPS	1,808	1,950	693	1,950	-
ASSOC. DUES & MEMBERSHIPS (MRSC SM/	135	-	-	-	-
FILE, RECORDING FEES	84	400	-	400	-
PRINTING AND BINDING	52	500	206	500	-
TRAINING & REGISTRATION COSTS	742	4,200	612	4,200	-
Other services and charges	36,787	34,800	19,029	44,800	10,000
Intergovernmental services	-	-	-	-	-
Total Administration and Engineering ex	\$ 437,959	\$ 489,600	\$ 407,653	\$ 458,350	\$ (31,250)

PARKS AND OPEN SPACE DIVISION

Purpose:

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

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

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

2019 Accomplishments

- Preserved existing park assets with an emphasis on Lighthouse Park, Rosehill Community Center, and 92nd St Park
- Maintained the level of service to all areas
- Cleaned up storm debris from several severe windstorms
- Upgraded and maintained playground equipment to comply with safety code
- Responded to 63 service requests through August 2019

2020 Goals & Objectives

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

Budget Highlights

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

2020 Budget

PUBLIC WORKS DEPARTMENT – PARKS DIVISION

	2018	2019	2019	2020	Increase/ (Decrease)
	Actuals	Budget	Estimated Actuals	Budget	
Salaries and wages	\$ 183,862	\$ 229,200	\$ 195,821	\$ 224,000	\$ (5,200)
Benefits	93,225	117,900	91,160	107,150	(10,750)
OFFICE SUPPLIES	114	250	84	250	-
REFERENCE MATERIAL			92		-
OPERATING SUPPLIES	25,293	27,250	14,261	27,250	-
CLOTHING/BOOTS	10,273	5,500	4,358	1,000	(4,500)
BUILDING MAINTENANCE SUPPLIES	334	1,000	287	1,000	-
SIGNS	1,120	1,000	188	1,000	-
LANDSCAPE MATERIALS	7,823	2,000	1,000	2,000	-
FLOWER BASKET PROGRAM	1,570	1,750	1,791	1,750	-
MOTOR FUEL	7,497	5,000	6,418	7,500	2,500
SMALL ITEMS OF EQUIPMENT	8,153	5,000	5,091	5,000	-
PARK BENCH			995		-
Supplies	62,177	48,750	34,565	46,750	(2,000)
OTHER PROFESSIONAL SVCS.	26,453	20,000	40,896	40,000	20,000
TELEPHONE	911	900	933	900	-
CELL PHONE	2,874	3,000	1,922	3,000	-
TRAVEL & SUBSISTENCE	681	1,800	2,604	1,300	(500)
MEALS			1,051		-
LAND RENTAL	-	-	-	500	500
WORK EQUIP & MACHINE RENTAL	11,561	9,000	8,689	9,500	500
ELECTRICITY	3,486	4,000	3,082	4,000	-
SEWER SERVICE	7,570	7,000	4,056	7,000	-
GARBAGE SERVICES	205	-	-	-	-
WATER SERVICE	10,564	10,000	7,539	10,000	-
STORM DRAINAGE CHGS.	12,752	16,000	3,344	16,000	-
BRUSH DISPOSAL	-	-	-	-	-
IRRIGATION SYSTEM MAINTENANCE & REPA	1,195	2,000	355	2,000	-
EQUIPMENT R&M	9,979	10,000	3,873	10,000	-
OTHER R&M	777	2,000	282	2,000	-
PLAYGROUND EQUIPMENT R&M	3,254	5,000	1,879	5,000	-
DOG PARK MAINTENANCE	51	1,000	5,385	1,000	-
HP MAINTENANCE ASSOCIATION DUES	3,800	3,800	3,800	3,800	-
LAUNDRY SERVICES	1,953	1,800	-	1,800	-
TRAINING & REGISTRATION COSTS	6,051	5,000	4,638	5,000	-
Other services and charges	104,117	102,300	94,328	122,800	20,500
Intergovernmental services	-	-	-	-	-
Total Parks expenditures	\$ 443,381	\$ 498,150	\$ 415,874	\$ 500,700	\$ 2,550

PLANNING & COMMUNITY DEVELOPMENT

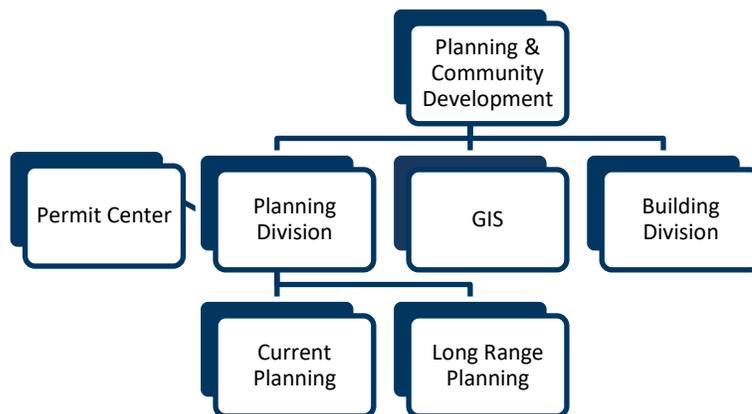


The Community Development Department (“Department”) consists of four divisions that provide leadership in managing the natural and built environment. The Department does this by preparing and implementing the City’s adopted Comprehensive Plan, implementing codes and regulations, coordinating with external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

The Department’s four divisions are:

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

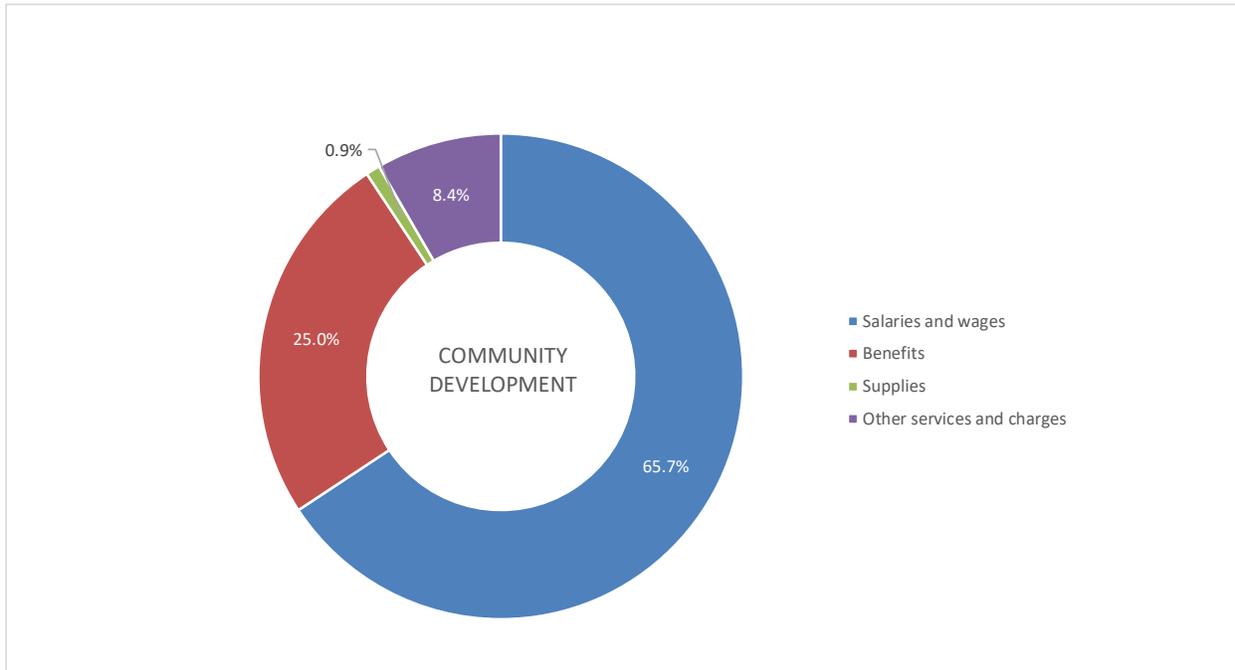
Organization Chart:



2020 Budget

Expenditure Summary:

	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Permit Center	\$ 262,364	\$ 286,200	\$ 247,845	\$ 272,900	(13,300)
Planning	653,509	650,100	544,680	678,000	27,900
Building	137,100	141,600	138,841	146,800	5,200
GIS - General Fund	78,038	76,700	61,383	81,000	4,300
GIS - Surface Water Fund	102,085	116,850	95,670	123,600	6,750
Total Community Development expend	\$ 1,233,096	\$ 1,271,450	\$ 1,088,419	\$ 1,302,300	\$ 30,850



	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Salaries and wages	\$ 758,945	\$ 829,800	\$ 750,221	\$ 855,850	\$ 26,050
Benefits	274,771	324,400	282,270	325,150	750
Supplies	7,401	12,250	9,519	12,250	-
Other services and charges	191,979	105,000	46,409	109,050	4,050
Intergovernmental services	-	-	-	-	-
Total Community Development expend	\$ 1,233,096	\$ 1,271,450	\$ 1,088,419	\$ 1,302,300	\$ 30,850

Budget Highlights

- The Community Development Department's 2020 budget maintains the existing staffing levels.
- Major projects for 2020 include:
 - Sign Code Update;
 - Snohomish County Master Annexation ILA;
 - Waterfront Redevelopment.

PLANNING DIVISION

Purpose

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

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

The Current Planning function processes permits in accordance with federal, state, and local laws. It also provides staff support to the City Council and Hearing Examiner. Planning staff serves as land use permit project managers to assess a project's impact on the environment and compliance with Mukilteo Municipal Code. Staff also serve as the City's land use code compliance officers, and refer cases as appropriate to other departments or outside agencies.

2019 Accomplishments

- Staffed Hearing Examiner and Planning Commission. Provided staff support to the Parks and Arts Commission as needed.
- Provided on-going project review of the Washington State Ferry Multimodal project, the NOAA redevelopment project and continued to meet with the Mukilteo Tank Farm Coordination Group quarterly.
- Processed 2019 Comprehensive Plan amendment/rezone docket applications.
- Coordinated inter-departmental staff work related to City Council action on Discovery Crest/Waterford Park parking issues.
- Participated in Sound Transit's Parking and Access Study Inter-Agency Committee process.
- Completed the State mandated Shoreline Master Program update.
- Continued work on several inter-local agreements and development agreements, including an Annexation Inter-local Agreement with Snohomish County.
- Continued to process permit applications, conduct related field visits, and perform code enforcement activities.
- Continued work on an update to the City's sign code based on the US Supreme Court ruling requiring codes to be "content neutral."
- Provide support on matters related to Hawthorne Hall property's future use.

2020 Goals & Objectives

- Complete sign code update.
- Continue the evaluation of the City's permit processing times to improve customer service and timeliness.

2020 Budget

- Complete 2018 and 2019 final docket items; initiate the 2020 docket process.
- Provide oversight & coordination of waterfront projects, including but not limited to actions related to the Washington State Ferries terminal opening in October 2020.
- Sustain continuous improvement activities to improve the City's permit processing regulations.
- Manage State and other funding to implement work on the Japanese Gulch Creek daylighting project and on the waterfront promenade. Continue to pursue funding for these projects.
- Complete work on Snohomish County master annexation inter-local agreement.
- Continue staff support for Planning Commission, Hearing Examiner & Council Committees. Provide support for re-established Historic Preservation Commission.

Budget Highlights

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

2020 Budget

PLANNING & COMMUNITY DEVELOPMENT DEPARTMENT – PLANNING DIVISION

	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Salaries and wages	\$ 371,866	\$ 427,000	\$ 380,071	\$ 445,500	18,500
Benefits	108,026	141,050	127,427	149,450	8,400
OFFICE SUPPLIES	678	1,000	1,723	1,000	-
REFERENCE MATERIAL	-	50	535	50	-
CLOTHING/BOOTS	179	400	504	400	-
MOTOR FUEL	332	400	210	400	-
SMALL ITEMS OF EQUIPMENT	-	-	-	-	-
Supplies	1,189	1,850	2,972	1,850	-
OTHER PROFESSIONAL SVCS.	141,967	50,000	7,328	50,000	-
REIMBURSABLE CONSULTING	150	-	-	-	-
REIMBURSABLE COPIES	236	750	404	750	-
LEGAL PUBLICATIONS	2,408	3,000	3,870	3,000	-
TELEPHONE	1,033	1,050	1,050	1,050	-
POSTAGE	5,878	6,000	3,613	6,000	-
CELL PHONES	286	400	-	400	-
TRAVEL & SUBSISTENCE EXPENSE	1,388	3,000	1,575	3,500	500
MEALS	-	-	451	500	500
ASSOC. DUES & MEMBERSHIPS	1,499	2,500	1,705	2,500	-
FILE, RECORDING FEES	77	200	4	200	-
PRINTING AND BINDING	-	300	933	300	-
TRAINING & REGISTRATION COSTS	1,281	3,000	1,657	3,000	-
HEARING EXAMINER	16,225	10,000	11,620	10,000	-
Other services and charges	172,428	80,200	34,210	81,200	1,000
Intergovernmental services	-	-	-	-	-
Total Planning expenditures	\$ 653,509	\$ 650,100	\$ 544,680	\$ 678,000	\$ 27,900

PERMIT CENTER DIVISION

Purpose:

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

Permit Services has administrative oversight over the City's permit process. This includes permit intake and issuance, use of the permit tracking software, system cashiering and assisting customers in understand the permit process. In addition, Permit Services administers the City's residential, business, commuter and boat launch parking permit programs, coordinates responses to Community Development Department public records requests and maintains property files.

Permit Services staff serve the secretary role to the Planning Commission, the Parks and Arts Commission, and Hearing Examiner and also notice, produce, distribute and publish their monthly meeting packets. Permit Services staff also draft meeting minutes.

2019 Accomplishments

- Issued roughly 700 permits.
- Responded to over 4,300 phone calls.
- Provided customer support to over 4,100 walk-in customers at the front counter.
- Continued to manage parking pass programs.
- Participated in the working group to improve the City's permit process.
- Completed detailed procedures for Permit Center Processes.
- Scheduled approximately 50 Pre-application Meetings.
- Began updating all public information forms.
- Processed more than 60 Public Records Requests

2020 Goals & Objectives

- Maintain a strong customer service commitment.
- Assist in tracking, evaluating, and improving permit processing times.
- Complete update of public information brochures, handouts and application packets.
- Restore level of service associated with June 2019 position vacancy.

Budget Highlights

- There are no new budget items for this division.

2020 Budget

PLANNING & COMMUNITY DEVELOPMENT DEPARTMENT – PERMIT CENTER DIVISION

	2018		2019		Increase/ (Decrease)
	<u>Actuals</u>	<u>2019 Budget</u>	<u>Estimated Actuals</u>	<u>2020 Budget</u>	
Salaries and wages	\$ 175,740	\$ 188,500	\$ 170,299	\$ 185,000	(3,500)
Benefits	81,138	90,950	71,556	81,150	(9,800)
OFFICE SUPPLIES	3,421	4,000	2,089	4,000	-
REFERENCE MATERIAL			160		-
SMALL ITEMS OF EQUIPMENT			1,075		-
Supplies	3,421	4,000	3,324	4,000	-
TELEPHONE	754	800	700	800	-
TRAVEL & SUBSISTENCE	483	600	429	450	(150)
MEALS	17	-	145	150	150
EQUIPMENT R&M			450		-
ASSOC. DUES & MEMBERSHIPS	210	150	70	150	-
PRINTING AND BINDING			52		-
TRAINING & REGISTRATION	601	1,200	820	1,200	-
Other services and charges	2,065	2,750	2,666	2,750	-
Intergovernmental services	-	-	-	-	-
Total Permit Center expenditures	\$ 262,364	\$ 286,200	\$ 247,845	\$ 272,900	\$ (13,300)

BUILDING DIVISION

Purpose:

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

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

2019 Accomplishments

- Reviewed over 150 permit applications.
- Conducted approximately 770 building inspections.

2020 Goals & Objectives

- Maintain efficient permit flow and turn-around times consistent with internal goals.
- Maintain pro-active oversight of development in general, but especially on sites that present unique development challenges (e.g. steep slopes).

Budget Highlights

- There are no new budget items for this division.

2020 Budget

PLANNING & COMMUNITY DEVELOPMENT DEPARTMENT – BUILDING DIVISION

	2018		2019		Increase/ (Decrease)
	Actuals	2019 Budget	Estimated	2020	
			Actuals	Budget	
Salaries and wages	\$ 84,630	\$ 86,600	\$ 86,322	\$ 88,250	\$ 1,650
Benefits	42,175	44,550	43,200	45,050	500
REFERENCE MATERIAL	858	1,700	1,522	1,700	-
OPERATING SUPPLIES	29	500	443	500	-
CLOTHING/BOOTS	393	400	385	400	-
MOTOR FUEL	724	600	591	600	-
SMALL ITEMS OF EQUIPMENT	177	200	-	200	-
Supplies	2,181	3,400	2,941	3,400	-
CONTRACT SERVICES	6,630	4,000	4,230	7,000	3,000
TELEPHONE	409	500	350	500	-
POSTAGE	30	200	196	200	-
CELLULAR PHONES	443	400	419	400	-
TRAVEL & SUBSISTENCE	-	500	-	500	-
MEALS			176		-
ASSOC. DUES & MEMBERSHIPS	550	550	455	600	50
PRINTING AND BINDING	52	-	52	-	-
TRAINING & REGISTRATION COSTS	-	900	500	900	-
Other services and charges	8,114	7,050	6,378	10,100	3,050
Intergovernmental services	-	-	-	-	-
Total Building expenditures	\$ 137,100	\$ 141,600	\$ 138,841	\$ 146,800	\$ 5,200

GIS DIVISION

Purpose:

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

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

- Supporting utility (in order to meet National Pollutant Discharge Elimination System (NPDES) permit requirements);
- Supporting Public Works in performing georeferenced City asset inventories and to manage those assets and to meet federal Americans with Disabilities Act (ADA), street signage, and other requirements;
- Making GIS mapping in a user-friendly form available to all City staff, without the need to provide additional GIS software and training; and,
- Public GIS maps through the City's website that are available to the public 24/7.

2019 Accomplishments

- Continued to expand the City GIS web page with both interactive maps and pdf copies for use by the general public including the launch of the Critical Areas story map
- Provided widespread mapping support for multiple large-scale planning and engineering projects, including the waterfront redevelopment projects, comprehensive plan/zoning amendments and shoreline master program outreach.
- Implemented a cloud-based stormwater facility inspection program to replace old paper forms
- Continued systematic mapping of private stormwater facilities.
- Launched an internal "Power User" map which staff can use to access an expanded set of GIS data and create their own maps.
- Supported Public Works field crews by providing and maintaining mobile GIS apps for inspection and inventory efforts.

2020 Goals & Objectives

- Continue implementing the 6-Year GIS Strategic Plan.
- Continue to expand the map offerings on the MukMaps page and add functionality to existing maps
- Publish a custom printing service to allow all staff to create professional looking maps using the webmap interface
- Create an Open Data portal to allow citizens and businesses self-serve access to our selected GIS datasets

Budget Highlights

- There are no new budget items for this division.

2020 Budget

PLANNING & COMMUNITY DEVELOPMENT DEPARTMENT – GIS DIVISION

	2018	2019 Budget	2019	2020	Increase/
	Actuals		Estimated	Budget	(Decrease)
			Actuals		
Salaries and wages	\$ 57,880	\$ 53,800	\$ 44,899	\$ 57,800	\$ 4,000
Benefits	18,658	20,000	15,124	20,300	300
OPERATING SUPPLIES	437	500	165	500	-
MOTOR FUEL			17		-
SMALL ITEMS OF EQUIPMENT	-	-	-	-	-
Supplies	437	500	182	500	-
OTHER PROFESSIONAL SERVICES	-	-	-	-	-
TELEPHONE	-	-	-	-	-
TRAVEL & SUBSISTENCE	463	1,500	797	1,500	-
MEALS			321		-
ASSOC. DUES & MEMBERSHIPS	-	300	-	300	-
LICENSES & SUBSCRIPTIONS			33		-
TRAINING & REGISTRATION	600	600	27	600	-
Other services and charges	1,063	2,400	1,178	2,400	-
Intergovernmental services	-	-	-	-	-
Total GIS - General Fund expenditures	\$ 78,038	\$ 76,700	\$ 61,383	\$ 81,000	\$ 4,300

RECREATION



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

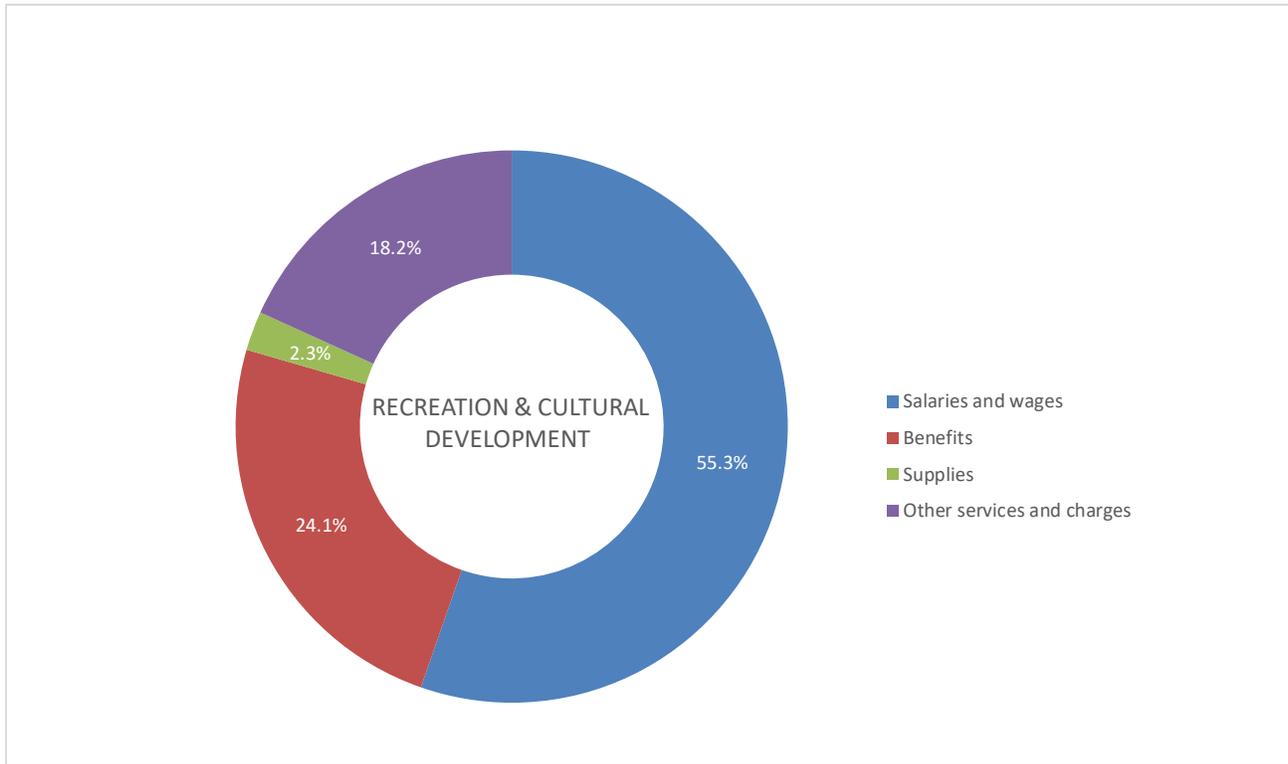
The department offers a variety of special events each year, too, which include traditional favorites such as “Boo Bash” and “Touch a Truck”. Another great way to get involved would be to volunteer for the department. Programs such as “Beach Watchers” enable volunteers to help beautify our waterfront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

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

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

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

2020 Budget



	<u>2018 Actuals</u>	<u>2019 Budget</u>	<u>2019 Estimated Actuals</u>	<u>2020 Budget</u>	<u>Increase/ (Decrease)</u>
Salaries and wages	\$ 434,946	\$ 482,500	\$ 470,087	\$ 516,750	\$ 34,250
Benefits	178,405	184,900	210,616	225,500	40,600
Supplies	15,320	18,400	14,595	21,400	3,000
Other services and charges	170,996	174,200	164,563	170,150	(4,050)
Total Recreation & Cultural Development expenditures	<u>\$ 799,667</u>	<u>\$ 860,000</u>	<u>\$ 859,861</u>	<u>\$ 933,800</u>	<u>\$ 73,800</u>

2019 Accomplishments

- Rosehill served more than 200 total participants across 20 camps.
- Rosehill offered a movie in the Park event, with several hundred in attendance.
- The popularity of the Osher Lifelong Learning series has allowed for additional offerings, including evening lectures and new classes.
- Coordinated with Beach Watchers to offer free educational sessions at low tide on the beach at Lighthouse Park.
- Completed the department’s business plan
- In support of connecting families and building community spirit, offered 8 free community events at the Rosehill Community Center in 2019. More than 5,000 people attended these events.
- Continued to coordinate efforts to development the Peace Park at the Byers Property.

2020 Budget

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

2020 Goals & Objectives

- Continue to implement the Department's business plan
- Explore a partnership with a local agency for recreation services.
- Continue examining and implementing recreation program offerings, in consultation with the Rosehill Board, as well as other community and non-profit organizations.
- Continue to develop and expand overnight hotel stays via Rosehill-related rentals.

Budget Highlights

- In prior budget years, Recreation revenues and expenditures were shown in a separate fund; for 2020 budget Recreation is now a department in the General Fund.
- The 2020 budget for the Recreation Department includes a new budget items to increase staffing level.
- The 2020 budget reflects a focus on offering free community programming for all age groups, balanced with paid programs and rentals.
- The budget includes a continuing grant request for Hotel/Motel Lodging Tax funding to provide for additional staff time to continue to support and build the rental market for Rosehill Community Center.



Addition of 1/4 Time for Office Technician

Date Discussed by
Council:
08/26/2019

Increase a Rosehill Office Technician from 3/4 time to full-time, to aid in marketing and additional revenue, particularly through increased use of classroom spaces.

Fund Name

General

Amount Requested

\$17,500

Nature of the expenditure? **Ongoing**

Any Additional
Revenue? If Yes,
Identify Below

Yes

Expenditure Purpose and Justification

The current 3/4 Office Technician has a significant role in driving more than \$400,000 in facility rental revenue at Rosehill. As part of the Recreation & Cultural Services Business Plan, the facility rental section has continued to improve the customer service experience. As such, more staff time is needed to meet and coordinate with customers and prospective customers. The additional staff contact time with renters has improved communication and the rental experience for both the renter and staff.

However, this increased customer service has resulted in less time available to focus on new rentals and new revenue. By making this position full-time, the Office Technician will have time to develop and drive additional business (i.e. revenue) by a projected amount of \$6,000 annually; partially offsetting the cost of the added expense.

Alternatives and Potential Costs

General Fund impact is \$3000

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

Ongoing expense, with \$6000 in anticipated new revenues from increased usage of classroom rentals.

Department:	Recreation & Cultural Services
Division:	Recreation & Cultural Services
Prepared by:	Jeff Price, Recreation & Cultural Services Director

Expenditure Account # & Title	Amount
Recreation Salaries	\$ 14,500
Recreation Benefits	\$ 3,000
	\$ -
	\$ 17,500

Revenue Account # & Title	Amount
Recreation Rental Revenue	\$ 6,000
Lodging Tax Grant	\$ 8,500
	\$ -
	\$ 14,500

2020 Budget

RECREATION & CULTURAL SERVICES DEPARTMENT

	2018	2019	2019	2020	Increase/
	Actuals	Budget	Estimated	Budget	(Decrease)
Revenue and transfers-in					
SPECIAL EVENT PERMITS	950	1,400	800	1,400	-
Licenses and permits	950	1,400	800	1,400	-
INTERLOCAL AGREEMENT - SNOHOMISH CO	12,961	15,000	15,000	15,000	-
HOTEL/MOTEL LODGING TAX GRANT	38,510	40,200	38,896	48,700	8,500
Intergovernmental revenue	51,471	55,200	53,896	63,700	8,500
FARMERS MKT BOOTH FEES	392	700	-	-	(700)
RECREATION PROGRAM FEES	70,436	85,000	79,232	90,000	5,000
ALCOHOL USE FEE	5,500	16,000	19,661	18,000	2,000
THEATER TECHNICIAN FEES	915	1,200	760	1,200	-
ARTWORK ADMINISTRATIVE FEE	1,125	500	565	500	-
Charges for goods and services	78,368	103,400	100,218	109,700	6,300
COMMUNITY CENTER RENTAL FEES	478,617	470,000	381,015	485,000	15,000
UPPER LAWN & OUTDOOR PLAZA RENTAL	8,300	8,500	7,800	8,500	-
WEIGHT ROOM FEES	15,054	15,000	11,316	15,000	-
COMMUTER PARKING FEES	12,333	13,900	12,353	14,500	600
PICNIC SHELTER RENTAL FEES	9,260	11,000	13,834	16,000	5,000
LIGHT STATION WEDDING RENTAL FEES	900	1,500	975	1,500	-
SCHOLARSHIP CONTRIBUTIONS					-
CONTRIBUTIONS PRIVATE SOURCE	1,001	2,500	1,500	2,500	-
SPONSORSHIPS	4,550	4,000	3,250	5,000	1,000
OTHER MISCELLANEOUS REVENUE	6	-	18	-	-
Miscellaneous revenue	530,021	526,400	432,061	548,000	21,600
Transfers-in	100,347	173,600	311,396	-	(173,600)
Total Recreation revenue	\$ 761,157	\$ 860,000	\$ 898,371	\$ 722,800	\$ 36,400

2020 Budget

RECREATION & CULTURAL SERVICES DEPARTMENT CONTINUED

	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Expenditures and transfers-out					
Salaries and wages	\$ 434,946	\$ 482,500	\$ 470,087	\$ 516,750	\$ 34,250
Benefits	178,405	184,900	210,616	225,500	40,600
OFFICE SUPPLIES	4,187	4,000	2,790	4,000	-
OPERATING SUPPLIES	8,858	8,000	4,057	11,000	3,000
CLOTHING/BOOTS	-	300	-	300	-
MOTOR FUEL	96	600	37	600	-
SMALL ITEMS OF EQUIPMENT	2,179	5,500	6,186	5,500	-
PARK BENCH	-	-	1,525	-	-
Supplies	15,320	18,400	14,595	21,400	3,000
SENIOR CENTER SUBRECIPIENT GRANTS	2,886	1,000	2,300	1,000	-
CONSULTING SERVICES	-	-	-	-	-
OTHER PROFESSIONAL SVCS.	8,662	6,750	5,852	6,750	-
INSTRUCTORS PROFESSIONAL SERVICES	40,999	55,000	42,023	43,000	(12,000)
WSU BEACH WATCHERS - OTHER PROF SERVICES	9,996	7,500	7,726	7,500	-
ADVERTISING	10,542	15,000	13,579	13,000	(2,000)
COMMUNITY ADVERTISING - RECREATION GUIDE	19,777	22,000	17,405	22,000	-
TELEPHONE	4,027	4,000	4,134	4,000	-
POSTAGE	203	1,000	1,832	500	(500)
CELL PHONE	790	800	694	500	(300)
COMCAST	8,175	8,300	8,025	8,300	-
TRAVEL & SUBSISTENCE	24	1,200	389	1,500	300
MEALS	180	-	295	400	400
WORK EQUIP & MACHINE RENTAL	-	550	-	550	-
SHORT-TERM FACILITY/FIELD RENTAL	2,197	2,000	3,870	2,300	300
OFFICE EQUIPMENT R&M	9,915	7,000	1,225	7,000	-
OTHER R&M	10,896	300	9,787	2,000	1,700
VEHICLE R&M	-	300	-	300	-
ASSOC. DUES & MEMBERSHIPS	618	500	1,682	700	200
LICENSES & SUBSCRIPTIONS	-	-	662	-	-
PRINTING AND BINDING	350	1,500	566	1,000	(500)
CONTRACTUAL SERVICES	39,483	37,000	40,356	40,000	3,000
TRAINING & REGISTRATION	1,276	2,500	2,161	2,500	-
PUBLIC ART FUNDING (PER CAPITA)	-	-	-	5,350	5,350
Other services and charges	170,996	174,200	164,563	170,150	(4,050)
Total Recreation expenditures	\$ 799,667	\$ 860,000	\$ 859,861	\$ 933,800	\$ 73,800

RESERVE FUNDS

- CITY RESERVE
- LEOFF I RESERVE



Photos include our park facilities (1, 2); Mukilteo's Police Youth Academy students (3); Chief Kang presenting a certificate of appreciation to Don Millard, owner of Bel-Red and donor to the Police Foundation (6); Crime Prevention Travis presenting to a homeowners' association (8); and Public Works crews preserving and maintaining our infrastructure (4, 5, 7, 9).

CITY RESERVE FUND

Purpose:

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

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

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

Budget Highlights

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

2020 Budget

City Reserve Fund (012)

	<u>2018 Actuals</u>	<u>2019 Budget</u>	<u>2019 Estimated Actuals</u>	<u>2020 Budget</u>	<u>Increase/ (Decrease)</u>
Beginning fund balance	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ -
Revenue and transfers-in					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-
Charges for goods and services	-	-	-	-	-
Fines and penalties	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
OPERATING TRANSFERS IN					
Transfers-in	-	-	-	-	-
Total revenue and transfers-in	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total resources	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>	<u>\$ -</u>
Expenditures and transfers-out					
Salaries and wages	\$ -	\$ -	\$ -	\$ -	-
Benefits	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Intergovernmental services	-	-	-	-	-
Transfers-out	-	-	-	-	-
Total expenditures and transfers-out	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Ending fund balance	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>	<u>\$ -</u>

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

Purpose:

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

Budget Highlights

- The 2020 Budget is based on 2019 estimated actuals.

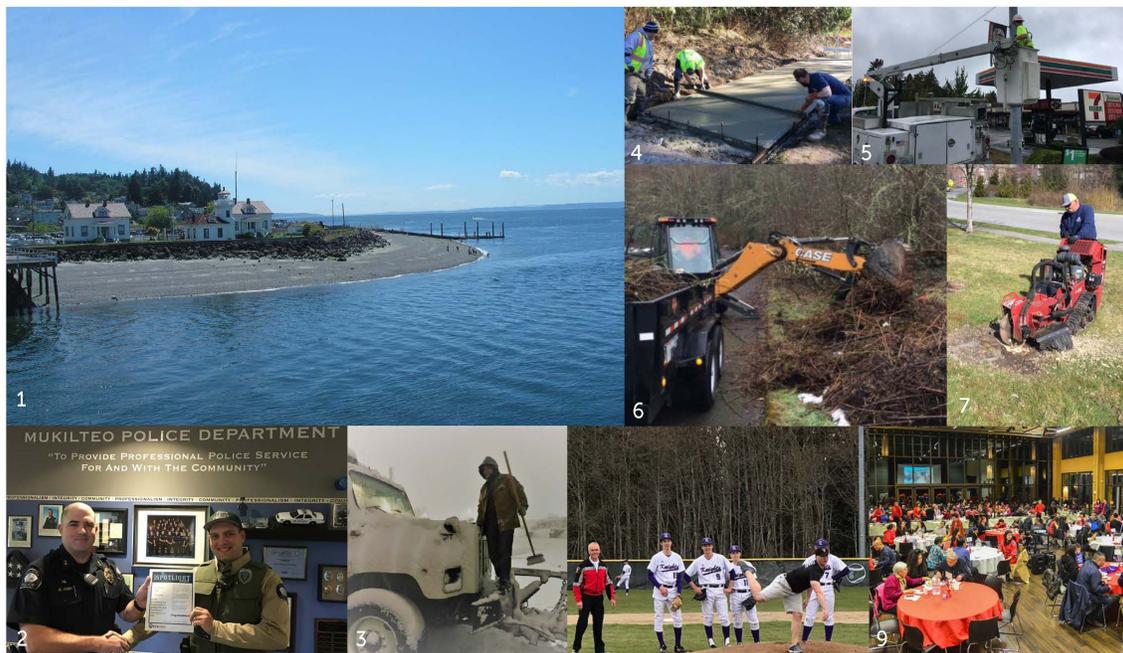
2020 Budget

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

	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Beginning fund balance	\$ 21,667	\$ 21,666	\$ 33,095	\$ 33,723	\$ -
Revenue and transfers-in					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-
Charges for goods and services	-	-	-	-	-
Fines and penalties	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
Transfers-in	20,000	10,000	10,000	-	(10,000)
Total revenue and transfers-in	\$ 20,000	\$ 10,000	\$ 10,000	\$ -	\$ (10,000)
Total resources	\$ 41,667	\$ 31,666	\$ 43,095	\$ 33,723	\$ (10,000)
Expenditures and transfers-out					
Salaries and wages	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	8,572	18,500	9,372	10,500	(8,000)
Supplies	-	-	-	-	-
Other services and charges	-	1,500	-	700	(800)
Intergovernmental services	-	-	-	-	-
Transfers-out	-	-	-	-	-
Total expenditures and transfers-out	\$ 8,572	\$ 20,000	\$ 9,372	\$ 11,200	\$ (8,800)
Ending fund balance	\$ 33,095	\$ 11,666	\$ 33,723	\$ 22,523	\$ (1,200)

SPECIAL REVENUE FUNDS

- **TRANSPORTATION BENEFIT DISTRICT**
- **WATERFRONT PARKING**
- **STREETS**
- **HOTEL/MOTEL LODGING TAX**
- **EMERGENCY MEDICAL SERVICES**
- **DRUG ENFORCEMENT**



Photos include Assistant Chief Koen presenting a Spotlight Award to Ranger Frenzen for his work resolving an abandoned boat on our waterfront (2); Public Works crew preparing for a day of February snow (3); Paramedic Ouellette throwing out the first pitch for Kamiak baseball (8); attendees at a Chinese Dance performance at Rosehill (9); Public Works streets and parks crews repairing sidewalks, maintaining vegetation and caring for parks and streets (4, 5, 6, 7).

TRANSPORTATION BENEFIT DISTRICT

Purpose:

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

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

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

2019 Accomplishments

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

2020 Goals & Objectives

- Continue to fund the City's Pavement Preservation Program.

Budget Highlights

- The 2020 Budget includes a transfer to the Capital Projects Fund for Pavement Preservation.
- The negative ending fund balance reflected is due to a lower than estimated carry forward amount. 2020 Expenditures will be reduced accordingly; fund will not go negative.

2020 Budget

Transportation Benefit District Fund (101)

	<u>2018 Actuals</u>	<u>2019 Budget</u>	<u>2019 Estimated Actuals</u>	<u>2020 Budget</u>	<u>Increase/ (Decrease)</u>
Beginning fund balance	\$ -	\$ 447,000	\$ 433,131	\$ 518,680	\$ -
Revenue and transfers-in					
Taxes	241,937	318,000	283,646	317,650	(350)
Licenses and permits	-	-	-	-	-
Intergovernmental Revenue	43,012	-	292,216	-	-
Charges for goods and services	-	-	-	-	-
Fines and penalties	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	(700)
Transfers-in	887,000	314,500	314,500	-	(314,500)
Total revenue and transfers-in	<u>\$ 1,171,949</u>	<u>\$ 632,500</u>	<u>\$ 890,362</u>	<u>\$ 317,650</u>	<u>\$ (315,200)</u>
Total resources	<u>\$ 1,171,949</u>	<u>\$ 1,079,500</u>	<u>\$ 1,323,493</u>	<u>\$ 836,330</u>	<u>\$ (315,200)</u>
Expenditures and transfers-out					
Salaries and wages	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	738,818	1,079,500	804,813	-	(1,079,500)
Intergovernmental services	-	-	-	-	-
Transfer out to Capital Projects: Pavement	-	-	-	659,536	659,536
Transfer out to Capital Projects: HPBW	-	-	-	265,000	265,000
Transfers-OUT	-	-	-	924,536	924,536
Total expenditures and transfers-out	<u>\$ 738,818</u>	<u>\$ 1,079,500</u>	<u>\$ 804,813</u>	<u>\$ 924,536</u>	<u>\$ (814,500)</u>
Ending fund balance	<u>\$ 433,131</u>	<u>\$ -</u>	<u>\$ 518,680</u>	<u>\$ (88,206)</u>	<u>\$ 499,300</u>

WATERFRONT PARKING

Purpose:

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

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

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

2019 Accomplishments

- Maintained a high level of service for visitors of Lighthouse Park.

2020 Goals & Objectives

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

Budget Highlights

- This budget includes \$25,000 in Equipment Replacement charges towards the replacement of new parking meters.

2020 Budget

Waterfront Parking Fund (105)

	<u>2018 Actuals</u>	<u>2019 Budget</u>	<u>2019 Estimated Actuals</u>	<u>2020 Budget</u>	<u>Increase/ (Decrease)</u>
Beginning fund balance	\$ -	\$ -	\$ 67	\$ 60,997	\$ -
Revenue and transfers-in					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental revenue	-	-	-	-	-
Charges for goods and services	-	-	-	-	-
Fines and penalties	-	-	-	-	-
Miscellaneous revenue	645,626	728,500	689,513	719,200	(9,300)
Transfers-in	-	-	-	-	-
Total revenue and transfers-in	<u>\$ 645,626</u>	<u>\$ 728,500</u>	<u>\$ 689,513</u>	<u>\$ 719,200</u>	<u>\$ (9,300)</u>
Total resources	<u>\$ 645,626</u>	<u>\$ 728,500</u>	<u>\$ 689,580</u>	<u>\$ 780,197</u>	<u>\$ (9,300)</u>
Expenditures and transfers-out					
Salaries and wages	\$ 276,294	\$ 303,000	\$ 241,995	\$ 303,650	\$ -
Benefits	119,535	128,350	93,767	120,350	-
Supplies	23,600	32,750	32,540	31,600	-
Other services and charges	226,130	238,900	260,281	263,600	-
Intergovernmental services	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Transfers-out	-	-	-	-	-
Total expenditures and transfers-out	<u>\$ 645,559</u>	<u>\$ 703,000</u>	<u>\$ 628,583</u>	<u>\$ 719,200</u>	<u>\$ -</u>
Ending fund balance	<u>\$ 67</u>	<u>\$ 25,500</u>	<u>\$ 60,997</u>	<u>\$ 60,997</u>	<u>\$ (9,300)</u>

2020 Budget

WATERFRONT PARKING FUND – PUBLIC WORKS DEPARTMENT – PARKS DIVISION

	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Salaries and wages	\$ 170,488	\$ 187,000	\$ 155,322	\$ 188,600	\$ 1,600
Benefits	63,672	69,600	54,159	61,650	(8,300)
CLOTHING/BOOTS	1,094	1,000	2,308	1,000	-
BUILDING MAINTENANCE SUPPLIES	2,947	4,000	16,679	4,000	-
SIGNS	262	500	1,473	500	-
LANDSCAPE MATERIALS	190	500	53	500	-
MOTOR FUEL	-	1,500	3,170	1,500	-
SMALL ITEMS OF EQUIPMENT	1,333	1,000	411	1,000	-
Supplies	5,826	8,500	24,094	8,500	-
OTHER PROFESSIONAL SVCS.	1,372	800	5,713	800	-
EQUIPMENT REPLACEMENT CHARGES	30,026	-	-	-	-
FACILITIES MAINTENANCE CHARGES FOR SVCS	76,030	51,350	51,350	51,350	-
TRAVEL & SUBSISTENCE			941		-
MEALS			171		-
LAND RENTAL	2,419	2,550	2,492	2,550	-
WORK EQUIP & MACHINE RENTAL			3,831		-
ELECTRICITY	1,194	2,400	2,210	2,400	-
SEWER SERVICE	4,273	6,600	6,936	6,600	-
WATER SERVICE	2,538	4,000	3,188	4,000	-
STORM DRAINAGE CHGS.	19,209	31,500	31,978	31,500	-
EQUIPMENT R&M	14,417	10,000	3,196	10,000	-
OTHER R&M	3,353	2,500	7,520	2,500	-
PLAYGROUND EQUIPMENT R&M			1,570		-
TRAINING & REGISTRATION			1,641		-
BANKING FEES	49,334	73,200	70,832	73,200	-
Other services and charges	204,165	184,900	193,569	184,900	-
Intergovernmental services	-	-	-	-	-
Total Parks expenditures	\$ 444,151	\$ 450,000	\$ 427,144	\$ 443,650	\$ (6,700)

2020 Budget

WATERFRONT PARKING FUND – POLICE DEPARTMENT – RANGERS DIVISION

	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Salaries and wages	\$ 105,806	\$ 116,000	\$ 86,673	\$ 115,050	\$ (950)
Benefits	55,863	58,750	39,608	58,700	(50)
OFFICE SUPPLIES	64	1,000	-	1,000	-
OPERATING SUPPLIES	8,827	14,550	6,344	14,550	-
CLOTHING/BOOTS	583	1,500	1,235	350	(1,150)
MOTOR FUEL	2,956	3,200	867	3,200	-
SMALL ITEMS OF EQUIPMENT	5,344	4,000	-	4,000	-
Supplies	17,774	24,250	8,446	23,100	(1,150)
OTHER PROFESSIONAL SERVICES	18,815	25,000	16,965	25,000	-
LEGAL PUBLICATIONS			109		-
POSTAGE	1,285	500	-	3,000	2,500
EQUIPMENT REPLACEMENT CHARGES	-	25,000	25,000	25,000	
CELL PHONE	1,690	1,500	1,598	1,500	-
TRAVEL & SUBSISTENCE	-	1,000	-	1,000	-
MEALS			-		-
LICENSES & SUBSCRIPTIONS	-	-	22,760	22,200	22,200
PRINTING AND BINDING			66		-
TRAINING & REGISTRATION	175	1,000	214	1,000	-
Other services and charges	21,965	54,000	66,712	78,700	24,700
Intergovernmental services	-	-	-	-	-
Total Rangers expenditures	\$ 201,408	\$ 253,000	\$ 201,439	\$ 275,550	\$ 22,550

STREET FUND

Purpose:

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

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

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

2019 Accomplishments

- Installed a new crosswalk and Rapid Flashing Beacons on Harbour Pointe Blvd and St Andrews Drive
- Retrofit a driveway ramp near the Mukilteo library for ADA accessibility
- Continued to implement the City's retro-reflectivity monitoring program and continue street sign replacement and repair program
- Manage contracts/agreements for street striping, vegetation control
- Repaired concrete sidewalks at One Clubhouse Lane, 96th Street SW, and 92nd Street SW.
- Restriped crosswalks with thermoplastic
- The City contracted with Kemp West to remove 25 hazard trees. City crews felled and removed 4 hazard trees and removed 6 fallen trees.
- The Public Works Street Crew installed an ADA-compliant curb ramp in the vicinity of the library
- Responded to the severe winter snowstorm event
- Responded to 252 service requests through August 2019

2020 Goals & Objectives

- Continue to maintain existing level of service
- Expand Streets crew knowledge and expertise on ADA ramp installation
- Implement vegetation sight distance inspection program

Budget Highlights

- The budget includes one new budget item for the addition of a Maintenance Worker I position.
- The negative ending fund balance is reflective of a lower than estimated beginning fund balance; 2020 expenditures will be reduced and/or additional revenues will be required. The fund will not go negative.



Streets Maintenance Worker I

Date Discussed by Council:
05/28 & 08/26/2019

Additional Streets crew member, Maintenance Worker I, to improve the level of service in street maintenance and repair

Fund Name
Streets

Amount Requested
\$56,000

Nature of the expenditure? **Ongoing**

Any Additional Revenue? If Yes, Identify Below

Expenditure Purpose and Justification

Challenges: Streets has the smallest crew (one lead and two maintenance workers), the highest number of service requests and have had additional work added over the years with no increase in employees. Additional work includes programs such as the federally required retroreflectivity program and the City's traffic calming program. Another additional program is the WCIA mandatory program to inspect for and remove roadside vegetation that creates an encroachment or visual obstruction. Most of the division's work requires traffic control flagging, which requires one to two crew members at a time. It is difficult to get work completed without help from other divisions. The division does not have sufficient staff to respond in the event of severe weather; staff must be pulled from all other divisions (which puts those divisions' work on hold)

An additional Maintenance Worker I would allow the streets division to complete mowing, street repair, and projects with less help from other divisions, freeing them up to complete more of their work.

Alternatives and Potential Costs

Continue with the existing staff level.

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

Ongoing

Department:	Public Works
Division:	Streets
Prepared by:	Matt Nienhuis

Expenditure Account # & Title	Amount
Street Fund Full Time Salaries	\$ 40,000
Street Fund Benefits	\$ 16,000
	\$ -
	\$ -

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

2020 Budget

Street Fund (111)

	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Beginning fund balance	\$ 28,984	\$ -	\$ 75,075	\$ 45,196	\$ -
Revenue and transfers-in					
Taxes	58,458	60,000	58,994	60,000	-
Licenses and permits	-	-	-	-	-
Intergovernmental revenue	490,215	496,900	412,799	482,700	(14,200)
Charges for goods and services	7,342	7,500	7,662	7,500	-
Fines and penalties	-	-	-	-	-
Miscellaneous Revenue	62	-	124	-	-
Transfers-in	186,500	256,050	256,050	238,375	(17,675)
Total revenue and transfers-in	\$ 742,577	\$ 820,450	\$ 735,629	\$ 788,575	\$ (31,875)
Total resources	\$ 771,561	\$ 820,450	\$ 810,704	\$ 833,771	\$ (31,875)
Expenditures and transfers-out					
Salaries and wages	\$ 269,818	\$ 286,500	\$ 296,727	\$ 333,000	\$ -
Benefits	134,778	153,000	136,278	152,700	-
Supplies	85,752	100,500	125,166	104,000	-
Other services and charges	187,630	280,450	207,337	273,950	-
Intergovernmental services	18,508	-	-	-	-
Capital Outlay	-	-	-	-	-
Transfers-out	-	-	-	-	-
Total expenditures and transfers-out	\$ 696,486	\$ 820,450	\$ 765,508	\$ 863,650	\$ -
Ending fund balance	\$ 75,075	\$ -	\$ 45,196	\$ (29,879)	\$ (31,875)

2020 Budget

STREET FUND – PUBLIC WORKS DEPARTMENT – STREETS DIVISION

	2018	2019	2019	2020	Increase/
	Actuals	Budget	Estimated	Budget	(Decrease)
Salaries and wages	\$ 224,154	\$ 239,500	\$ 242,948	\$ 285,500	\$ 46,000
Benefits	117,233	132,900	118,846	133,950	1,050
TRAFFIC CONTROL DEVICE SUPPLY	24,129	30,000	36,930	30,000	-
OPERATING SUPPLIES	22,115	25,000	52,627	25,000	-
CLOTHING/BOOTS	5,064	5,000	4,045	6,000	1,000
AGGREGATE	10,914	7,500	5,992	10,000	2,500
SIGNS	-	-	1,121	-	-
MOTOR FUEL	9,690	12,000	11,698	12,000	-
SMALL ITEMS OF EQUIPMENT	9,697	18,000	12,753	18,000	-
STREET LIGHTING EQUIPMENT	4,143	3,000	-	3,000	-
Supplies	85,752	100,500	125,166	104,000	3,500
CONTRACT SERVICES	24,208	52,550	26,275	52,550	-
TELEPHONE	911	900	933	900	-
CELL PHONE	2,616	2,250	2,594	2,250	-
TRAVEL & SUBSISTENCE	1,893	3,000	1,774	2,250	(750)
MEALS	305	-	1,106	750	750
WORK EQUIP & MACHINE RENTAL	730	2,000	374	2,000	-
ELECTRICITY STREET LIGHTS	116,443	117,500	116,611	117,500	-
CONSTRUCTION DEBRIS DISPOSAL	2,960	500	4,090	3,500	3,000
EQUIPMENT R&M	18,155	20,000	4,253	20,000	-
VEHICLE R&M	8,778	12,000	2,601	12,000	-
STREET LIGHT MAINTENANCE	-	22,000	24,281	22,000	-
ROW VEG MAINTENANCE	-	1,000	-	1,000	-
ROW MAINTENANCE & REPAIR	149	1,000	-	1,000	-
LAUNDRY SERVICES	1,953	1,750	-	1,750	-
TRAINING & REGISTRATION	4,616	4,000	3,208	4,500	500
LANE STRIPING & MARKING	3,913	40,000	19,237	30,000	(10,000)
Other services and charges	187,630	280,450	207,337	273,950	(6,500)
	17,692	-	-	-	-
	816	-	-	-	-
Intergovernmental services	18,508	-	-	-	-
Total Street expenditures	\$ 633,277	\$ 753,350	\$ 694,297	\$ 797,400	\$ 44,050

2020 Budget

STREET FUND – PUBLIC WORKS DEPARTMENT – ADMINISTRATION AND ENGINEERING DIVISION

	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Salaries and wages	\$ 45,664	\$ 47,000	\$ 53,779	\$ 47,500	\$ 500
Benefits	17,545	20,100	17,432	18,750	(1,350)
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Intergovernmental services	-	-	-	-	-
Total expenditures and transfers-out	\$ 63,209	\$ 67,100	\$ 71,211	\$ 66,250	\$ (850)

HOTEL/MOTEL LODGING TAX FUND

Purpose:

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

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

Budget Highlights

- Hotel/Motel tax revenue is projected to be \$245,000 in 2020, the same as 2019.
- All expenditures from this fund are dependent on recommendations from the Lodging Tax Committee.
- On October 7, 2019, the City approved the follow grant applications totaling \$262,200 for 2020:
 - Tourism Grants \$109,500
 - Mukilteo Lighthouse Festival \$55,000
 - City Lodging Tax Grants \$97,700
 - Light Station Roof Replacement \$20,000
 - Rosehill Marketing \$10,200
 - Rosehill Staffing \$38,500
 - Lighthouse Festival City Staff Support \$29,000

2020 Budget

Hotel/Motel Lodging Tax Fund (116)

	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Beginning fund balance	\$ 221,301	\$ 128,471	\$ 169,486	\$ 156,794	28,323
Revenue and transfers-in					
Taxes	257,078	245,000	216,184	245,000	-
Licenses and permits	-	-	-	-	-
Intergovernmental revenue	-	-	-	-	-
Charges for goods and services	-	-	-	-	-
Fines and penalties	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
Transfers-in	-	-	-	-	-
Total revenue and transfers-in	<u>\$ 257,078</u>	<u>\$ 245,000</u>	<u>\$ 216,184</u>	<u>\$ 245,000</u>	<u>\$ -</u>
Total resources	<u>\$ 478,379</u>	<u>\$ 373,471</u>	<u>\$ 385,670</u>	<u>\$ 401,794</u>	<u>\$ 28,323</u>
Expenditures and transfers-out					
Salaries and wages	\$ -	\$ -	\$ -	\$ -	-
Benefits	-	-	-	-	-
Supplies	-	-	-	-	-
INSURANCE	-	-	-	-	-
TOURISM GRANTS	101,119	124,000	96,554	109,500	(14,500)
COMMUNITY ORGANIZATIONAL SUPPORT	-	-	-	-	-
MAJOR EVENT SUPPORT	72,000	55,000	55,000	55,000	-
CITY LODGING TAX GRANTS	135,774	80,700	77,322	97,700	17,000
Other services and charges	308,893	259,700	228,876	262,200	2,500
Intergovernmental services	-	-	-	-	-
Transfers-out	-	-	-	-	-
Total Hotel/Motel Tax Fund expenditure:	<u>\$ 308,893</u>	<u>\$ 259,700</u>	<u>\$ 228,876</u>	<u>\$ 262,200</u>	<u>\$ 2,500</u>
Ending fund balance	<u>\$ 169,486</u>	<u>\$ 113,771</u>	<u>\$ 156,794</u>	<u>\$ 139,594</u>	<u>\$ 25,823</u>

EMERGENCY MEDICAL SERVICES

Purpose:

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

The EMS Division, led by a shift battalion chief, provides Basic and Advanced Life Support services to the community. The division is also responsible for quality of care feedback, continuing medical education and recertification, and compliance with Washington Department of Health regulations.

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

Budget Highlights

- Participation in the Washington Ground Emergency Medical Transportation program to supplement reimbursement for ambulance transportation of Medicaid patients.
- Increased rates billed for ambulance transportation.
- Funds dedicated to equipment replacement without requiring transfer from General Fund to the division.

2020 Budget

Emergency Medical Services Fund (126)

	<u>2018 Actuals</u>	<u>2019 Amended Budget</u>	<u>2019 Estimated Actuals</u>	<u>2020 Budget</u>	<u>Increase/ (Decrease)</u>
Beginning fund balance	\$ 50,333	\$ 113,200	\$ 113,200	\$ -	\$ -
Revenue and transfers-in					
Taxes	1,872,586	1,900,000	1,858,552	1,934,044	34,044
Licenses and permits	-	-	-	-	-
Intergovernmental revenue	-	-	-	-	-
Charges for goods and services	720,553	755,000	750,908	960,880	205,880
Miscellaneous revenue	863	-	1,475	-	-
Transfers-in	-	76,432	120,483	-	(76,432)
Total revenue and transfers-in	\$ 2,594,002	\$ 2,731,432	\$ 2,731,418	\$ 2,894,924	\$ 163,492
Total resources	\$ 2,644,335	\$ 2,844,632	\$ 2,844,618	\$ 2,894,924	\$ 163,492
Expenditures and transfers-out					
Salaries and wages	\$ 1,652,125	\$ 1,952,950	\$ 1,956,278	\$ 2,006,950	\$ 54,000
Benefits	518,591	553,700	583,777	599,400	45,700
OFFICE SUPPLIES	432	450	17	450	-
REFERENCE MATERIAL	584	800	-	600	(200)
SUPPLIES - TRAINING	105	1,500	-	750	(750)
SUPPLIES - EMG MEDICAL SVC	42,606	45,000	46,944	47,500	2,500
CLOTHING/BOOTS	4,030	11,000	(808)	800	(10,200)
MOTOR FUEL	12,442	12,000	11,098	11,000	(1,000)
SMALL ITEMS OF EQUIPMENT	29,199	40,000	8,482	30,000	(10,000)
Supplies	89,398	110,750	65,733	91,100	(19,650)
BILLING SERVICES	42,153	30,000	40,273	60,000	30,000
PROFESSIONAL SERVICES	24,088	20,000	31,329	33,000	13,000
LYNNWOOD EMS CONTRACT	117,318	111,937	68,667	-	(111,937)
TELEPHONE	1,236	1,250	-	1,250	-
POSTAGE	-	-	1,609	1,000	1,000
NEW WORLD PROJECT CONNECTIVITY	399	400	402	400	-
EQUIPMENT REPLACEMENT CHARGES	40,000	75,620	75,620	-	(75,620)
CELL PHONE	5,200	4,200	3,928	4,700	500
MEALS	-	-	9	-	-
HAZARDOUS WASTE DISPOSAL	-	500	416	250	(250)
EQUIPMENT R&M	317	1,000	1,146	1,000	-
VEHICLE R&M	38,531	30,000	15,018	15,000	(15,000)
LICENSES AND SUBSCRIPTIONS	-	-	36	4,200	4,200
BANKING FEES	1,779	4,000	377	2,000	(2,000)
Other services and charges	271,021	278,907	238,830	122,800	(156,107)
Intergovernmental services	-	-	-	-	-
Capital Outlay	-	-	-	-	-
TRANSFER TO FACILITY RENEWAL FUND	-	-	-	60,000	60,000
Transfers-out	-	-	-	60,000	60,000
Total expenditures and transfers-out	\$ 2,531,135	\$ 2,896,307	\$ 2,844,618	\$ 2,880,250	\$ (16,057)

DRUG ENFORCEMENT

Purpose:

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

2019 Accomplishments

- MPD participated in one Drug Marketing Interdiction with the Snohomish County Regional Narcotics Task Force and a second operation with the Snohomish County Auto Theft Task Force.
- Mukilteo Special Operations and Patrol staff conducted four operations which disrupted a drug distribution network that ran from Everett, WA to Whidbey Island and resulted in four arrests.
- Mukilteo Special Operations and Snohomish County Regional Narcotics Task Force arrested a subject who was responsible for significant levels of distribution in South Snohomish County. The result of the investigation was the seizure of 300 grams of Methamphetamine and \$22,000 in cash.

2020 Goals & Objectives

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

Budget Highlights

- Expenditures will be limited to balance with the amount of revenues received from seizures.

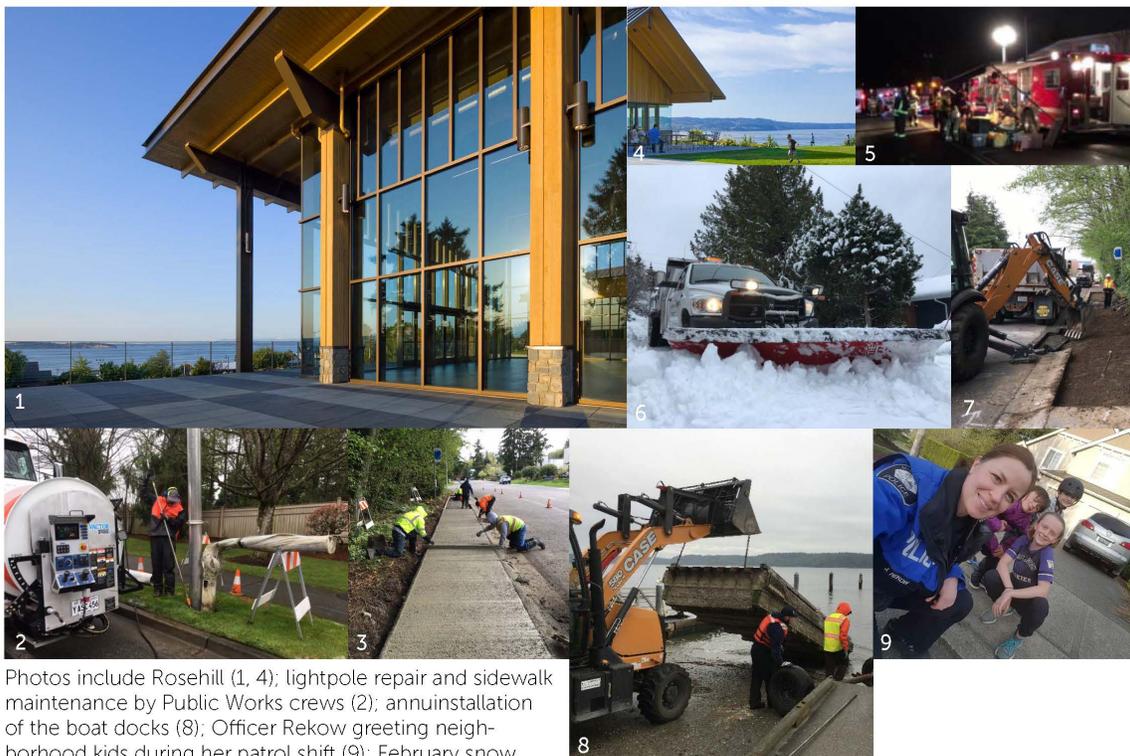
2020 Budget

Drug Enforcement Fund (104)

	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Beginning fund balance	\$ -	\$ 10	\$ (8,761)	\$ (4,482)	\$ -
Revenue and transfers-in					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental revenue	-	-	-	-	-
Charges for goods and services	-	-	-	-	-
Fines and penalties	-	-	-	-	-
Miscellaneous revenue	8,179	20,000	4,279	20,000	-
Transfers-in	-	-	-	-	-
Total revenue and transfers-in	<u>\$ 8,179</u>	<u>\$ 20,000</u>	<u>\$ 4,279</u>	<u>\$ 20,000</u>	<u>\$ -</u>
Total resources	<u>\$ 8,179</u>	<u>\$ 20,010</u>	<u>\$ (4,482)</u>	<u>\$ 15,518</u>	<u>\$ -</u>
Expenditures and transfers-out					
Salaries and wages	\$ 3,164	\$ 2,000	\$ -	4,000	2,000
Benefits	-	-	-	-	-
OPERATING SUPPLIES	272	3,000	-	6,000	3,000
SMALL ITEMS OF EQUIPMENT	1,163	-	-	-	-
Supplies	1,435	3,000	-	6,000	3,000
PUBLIC AFFAIRS & COMMUNITY OUTREACI	-	-	-	-	-
NARCOTICS TASK FORCE	5,559	-	-	-	-
SPECIAL OPERATIONS	250	2,000	-	4,000	2,000
SEIZED PROPERTY	3,613	3,000	-	6,000	3,000
TRAINING & REGISTRATION	2,919	-	-	-	-
Other services and charges	12,341	5,000	-	10,000	5,000
Intergovernmental services	-	-	-	-	-
Transfers-out	-	-	-	-	-
Total expenditures and transfers-out	<u>\$ 16,940</u>	<u>\$ 10,000</u>	<u>\$ -</u>	<u>\$ 20,000</u>	<u>\$ 10,000</u>
Ending fund balance	<u>\$ (8,761)</u>	<u>\$ 10,010</u>	<u>\$ (4,482)</u>	<u>\$ (4,482)</u>	<u>\$ (10,000)</u>

DEBT SERVICE FUND

- LIMITED TAX GENERAL OBLIGATION BOND



Photos include Rosehill (1, 4); lightpole repair and sidewalk maintenance by Public Works crews (2); annual installation of the boat docks (8); Officer Rekow greeting neighborhood kids during her patrol shift (9); February snow response (6); sidewalk replacement (3) and a fire response (5).

LIMITED TAX GENERAL OBLIGATION BOND FUND

Purpose:

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

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

Budget Highlights

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

2020 Budget

Limited Tax General Obligation Bond Fund (275)

	<u>2018 Actuals</u>	<u>2019 Budget</u>	<u>2019 Estimated Actuals</u>	<u>2020 Budget</u>	<u>Increase/ (Decrease)</u>
Beginning fund balance	\$ 3,321	\$ 3,321	\$ 3,422	\$ 6,786	\$ -
Revenue and transfers-in					
Miscellaneous revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers-in	880,345	880,345	880,345	880,345	-
Total revenue and transfers-in	<u>\$ 880,345</u>	<u>\$ 880,345</u>	<u>\$ 880,345</u>	<u>\$ 880,345</u>	<u>\$ -</u>
Total resources	<u>\$ 883,666</u>	<u>\$ 883,666</u>	<u>\$ 883,767</u>	<u>\$ 887,131</u>	<u>\$ -</u>
Expenditures and transfers-out					
Salaries and wages	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Intergovernmental services	-	-	-	-	-
BOND PRINCIPAL	650,000	670,000	670,000	670,000	-
BOND INTEREST	230,094	206,700	206,681	206,700	-
PAYMENTS TO REFUNDED DEBT ESCROW	-	-	-	-	-
ADMINISTRATION FEE	150	300	300	300	-
Debt service	880,244	877,000	876,981	877,000	-
Transfers-out	-	-	-	-	-
Total expenditures and transfers-out	<u>\$ 880,244</u>	<u>\$ 877,000</u>	<u>\$ 876,981</u>	<u>\$ 877,000</u>	<u>\$ -</u>
Ending fund balance	<u>\$ 3,422</u>	<u>\$ 6,666</u>	<u>\$ 6,786</u>	<u>\$ 10,131</u>	<u>\$ -</u>

CAPITAL PROJECTS FUNDS

- CAPITAL PROJECTS
- PARK ACQUISITION AND DEVELOPMENT
- TRANSPORTATION IMPACT FEE
- REAL ESTATE EXCISE TAX I
- REAL ESTATE EXCISE TAX II



Photos include Public Works sidewalk repair (1); Fire Marshal and Chief visit and inspection at the Mukilteo Multimodal Terminal construction site (2); 88th Street Preservation work (6, 8, 9) and Public Works crews in action (2, 4, 5, 7).

CAPITAL PROJECTS FUND

Purpose:

In prior budget years, the City has used the REET II fund as the working capital projects fund. The purpose of this newly established Capital Projects Fund is to provide greater transparency of the use of restricted funds.

As the first budget year for this fund, the 2020 budget will include initial transfers-in from other funds (primarily REET II) for projects that are already funded in 2019. Many of these transfers include carry forward budget amounts from prior years.

Budget Highlights

- There are ten projects budgeted for 2020; seven of these projects are further detailed below in individual New Budget Item requests.
- The ongoing Harbour Reach Corridor and Harbour Pointe Boulevard Widening projects are also budgeted through this new fund, even though no new funding is requested.
- The Peace Park project will continue to be budgeted through the Park Acquisition & Development Fund.
- Surface Water capital projects will continue to be budgeted through the Surface Water Fund.

2020 Budget



2020 Annual Pavement Preservation

Previously Discussed by Council and Transportation Benefit District

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

Fund Name
Capital Projects

Amount Requested
\$765,375

Nature of the expenditure? Ongoing
Project eligible for REET II Funding Yes

Any Additional Revenue? If Yes, Identify Below Yes

Expenditure Purpose and Justification

Based on the Wise Investments in Transportation Taskforce recommendations and City Council policy, the Pavement Preservation Program proposes funding of the preservation need at \$900,000 annually. The 2020 Budget includes funding of \$758,162. In 2019, \$823,000 was funded through a combination of the ongoing revenue mechanisms as well as a one time General Fund transfer of \$110,000. In 2019, \$632,500 was funded through Transportation Benefit District funds, REET II, and \$25,000 from REET I Bond Savings. For 2020, the City continues to face a challenge of identifying a sustainable funding source.

The Harbour Reach Drive/Chennault Beach Road Pavement Preservation project design effort is proposed to be initiated in September/October 2020. This project is being funded with a Puget Sound Regional Council STP grant. Pavement preservation funds are proposed to be used for the City match element of the design.

Previously Approved by Council	Budget	Est. Carry Forward
2016 - 2019 Pavement Preservation (Included 88th St SW)	\$ 2,496,055	\$ 341,886
Transfer to Harbour Pointe Blvd. Widening Project	\$ 265,000	\$ 265,000
Total	\$ 2,761,055	\$ 606,886

Alternatives and Potential Costs

Other alternatives include dedicating more REET funding, implementing a councilmanic \$10 license fee, asking voters for an additional 0.1% sales tax, or reducing pavement preservation funding. If not funded, the deferred cost of pavement surface maintenance will increase over time. This will reduce the level of service to the community. The Council could choose to decrease funding for this program. In addition, Council could choose to fund the matching portions of the grants via the General Fund.

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

This is an ongoing program. The total pavement preservation expenditure budget for 2020 will be \$1,107,261 which includes \$341,886 of carry forward funding and \$765,375 of new funding.

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

Expenditure Account # & Title	Amount
Capital Projects Fund	\$ 765,375
	\$ 765,375

Revenue Account # & Title	Amount
Transfer in from REET II	\$ 422,725
0.1% Sales Tax	\$ 317,650
Transfer in from REET I	\$ 25,000
Total	\$ 765,375

2020 Budget



5th Street Bicycle & Pedestrian Improvements

Date Discussed by
Infrastructure
Committee: 5/28/19

Expenditure authority for 100% no-match Sound Transit System Access Fund grant for design of the 5th Street Bicycle & Pedestrian Improvement Project.

Fund Name
Capital Projects

Amount Requested
\$0

Nature of the expenditure? **One-Time** Any Additional Revenue? If Yes, Identify Below **Yes**
Project eligible for REET II Funding **Yes**

Expenditure Purpose and Justification

The City applied for a Sound Transit System Access Fund grant in 2019 for the design element of the 5th Street Bicycle & Pedestrian Improvement project. The project limits extend from Lincoln Avenue to the eastern city limits. The project will add a shared use path on the south side of 5th Street and an on-street bicycle lane on the north side. There is no City match requirement. Design is planned for 2020.

Sound Transit has identified this project as a strong candidate for construction funding as part of the \$40,000,000 Edmonds and Mukilteo Stations Parking and Access Improvement grant. If Sound Transit grant funding is awarded for the construction element, the project is anticipated to be built in 2021. The Planning Level Construction Cost estimate for construction is approximately \$3,300,000.

The project description can be found on page 67 of the adopted Bike Transit Walk Plan, available here: <https://mukilteowa.gov/wp-content/uploads/Final-BTW-Plan-w-Appendix-Reduced.pdf>

Funding Commitment	Grant	City Match	Total
2020 Preliminary Budget	\$ 764,000	\$ 0	\$ 764,000
2021 ST Grant Application	\$ 3,300,000	\$ 0	\$ 3,300,000
Total	\$ 4,064,000	\$ 0	\$ 4,064,000

Alternatives and Potential Costs

N/A

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

There is no City match required for this one-time grant

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

Expenditure Account # & Title	Amount
Capital Projects Fund	\$ 764,000
	\$ -
	\$ -
	\$ -

Revenue Account # & Title	Amount
Sound Transit System Access Grant	\$ 764,000
	\$ -
	\$ -
	\$ -

2020 Budget



76th & SR 525 Pedestrian Improvements

Date Discussed by Council: 4/9/18

Design and right-of-way acquisition elements for 2020-2021 Safe Routes to Schools State Funding Grant, with construction in 2021.

Fund Name
Capital Projects

Amount Requested
\$22,275

Nature of the expenditure? **One-Time** Any Additional Revenue? If Yes, Identify Below **Yes**
Project eligible for REET II Funding **Yes**

Expenditure Purpose and Justification

The City applied for a Safe Routes to Schools grant from WSDOT to construct missing gaps of sidewalk on 76th Street SW between the existing sidewalk at Olympic View Middle School & 44th Ave West. The project will include ADA ramps, new and repaired curb, gutter and sidewalk, a HAWK signal at SR 525, an RRFB on 76th, marked crosswalks, retaining walls, and a pedestrian handrail. The City was awarded \$134,075 for Preliminary Engineering, \$8,650 for right-of-way acquisition, and \$1,180,725 for construction. City match required is 13.5%. The Preliminary Engineering and right-of-way acquisition elements of the project are planned for 2020. The required match for these elements of the work total \$22,275.

Funding Commitment	Grant	City Match	Total
2020 Preliminary Budget-Design	\$ 142,725	\$ 22,275	\$ 165,000
2021 Safe Routes to Schools Grant-Construction	\$ 1,180,725	\$ 184,275	\$ 1,365,000
Total	\$ 1,323,450	\$ 206,550	\$ 1,530,000

Alternatives and Potential Costs

N/A

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

The total expenditure budget for 2020 will be \$165,000 which includes the \$142,725 of grant funding and \$22,275 of City funding

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

Expenditure Account # & Title	Amount
REET II transfer to Capital Projects	\$ 22,275
	\$ -
	\$ -
	\$ -

Revenue Account # & Title	Amount
WSDOT Safe Routes to Schools Grant	\$ 142,725
REET II (City Match)	\$ 22,275
	\$ -
	\$ -

2020 Budget



2020 ADA Upgrades

Previously Discussed by Council, continuing program

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

Fund Name
Capital Projects

Amount Requested
\$25,000

Nature of the expenditure? **Ongoing**
Project eligible for REET II Funding **Yes**

Any Additional Revenue? If Yes, Identify Below

Expenditure Purpose and Justification

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

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

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

Funding History	Budget	Est. Carry Forward
2017-2019 ADA Upgrades	\$ 70,000	\$ 70,000
Harbour Pointe Boulevard Widening	\$ 55,000	\$ 55,000
ADA Transition Plan	\$ 35,000	\$ 30,138
Total	\$ 160,000	\$ 155,138

Alternatives and Potential Costs

The Council could choose to reduce the level of funding for 2020 which will increase the financial burden on future years.

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

The total expenditure budget for 2020 will be \$180,138 which includes the carry-forward amount of \$155,138 plus 2020 funding of \$25,000.

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

Expenditure Account # & Title	Amount
REET II transfer to Capital Projects	\$ 25,000
	\$ -
	\$ -
	\$ -

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



2020 Pedestrian Crosswalk Enhancement Program

Previously Discussed by Council, continuing program

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

Fund Name
Capital Projects

Amount Requested
\$35,000

Nature of the expenditure? Ongoing
Project eligible for REET II Funding Yes

Any Additional Revenue? If Yes, Identify Below No

Expenditure Purpose and Justification

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

Funding History	Budget	Est. Carry Forward
2019 Pedestrian Crosswalk Program	\$ 35,000	\$ 35,000

Alternatives and Potential Costs

Council could choose to reduce the proposed level of funding for 2020, which would result in fewer pedestrian crosswalk enhancements, and reduce the City's ability to respond to specific requests from residents.

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

The total expenditure budget for 2020 will be \$70,000 which includes \$35,000 of carry forward funding plus \$35,000 of 2020 funding.

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

Expenditure Account # & Title	Amount
REET II Transfer to Capital Projects	\$ 35,000
	\$ -
	\$ -
	\$ -

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



Traffic Calming Program

Previously Discussed by Council, continuing program adopted via Resolution 2015-07

Continued program to respond to resident requests for traffic safety improvements, via the adopted Traffic Calming Policy framework.

Fund Name
Capital Projects

Amount Requested
\$25,000

Nature of the expenditure? **Ongoing**
Project eligible for REET II Funding **Yes**

Any Additional Revenue? If Yes, Identify Below

Expenditure Purpose and Justification

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

Funding History	Budget	Est. Carry Forward
2017 & 2018 Traffic Calming Program	\$ 50,000	\$ 12,603
2019 Traffic Calming Program	\$ 25,000	\$ 25,000
Total	\$ 75,000	\$ 37,603

Alternatives and Potential Costs

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

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

The total expenditure budget for 2020 will be \$62,603 which includes \$37,603 in carry forward funding plus \$25,000 for 2020 funding.

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

Expenditure Account # & Title	Amount
REET II Transfer to Capital Projects	\$ 25,000
	\$ -
	\$ -
	\$ -

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



Annual Sidewalk Repair Program

Annual investment to repair existing sidewalks that are damaged and have issues with tripping hazards.

Fund Name
 Capital Projects

Amount Requested

Nature of the expenditure? **Ongoing**
Project eligible for REET II Funding **Yes**

Any Additional Revenue? If Yes, Identify Below **No**

Expenditure Purpose and Justification

The City is lacking an annual program dedicated to the repair of damaged sidewalks. Many sidewalks have issues with tree root intrusions, cracking, spalling and other issues that create tripping hazards.

This program only includes repairs, and does not include new infrastructure which is funded via the adopted Bike Transit Walk Plan program.

Alternatives and Potential Costs

Council could choose to not to fund this New Budget Item, delaying the repair of sidewalks that are a potential litigation issue due to tripping hazards.

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

Ongoing. Initial request in Preliminary Budget was for \$25,000; Council increased to \$145,000 prior to budget adoption.

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

Expenditure Account # & Title	Amount
REET II Transfer to Capital Projects	\$ 145,000
	\$ -
	\$ -
	\$ -

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

2020 Budget

Capital Projects Fund (301)

	<u>2018 Actuals</u>	<u>2019 Budget</u>	<u>2019 Estimated Actuals</u>	<u>2020 Budget</u>	<u>Increase/ (Decrease)</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue and transfers-in					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
WA STATE DEPT OF TRANS GRANT	-	-	-	16,512,875	16,512,875
GRANT FOR 5TH STREET BICYCLE & PED	-	-	-	764,000	764,000
SRTS GRANT 76TH & 525	-	-	-	142,725	142,725
WA STATE TIB GRANT	-	-	-	50,000	50,000
Intergovernmental revenue	-	-	-	17,469,600	17,469,600
Charges for goods and services	-	-	-	-	-
Fines and penalties	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
OPERATING TRANSFERS IN - TBD PAVE PRES	-	-	-	659,536	659,536
OPERATING TRANSFERS IN - TBD HPBW	-	-	-	265,000	265,000
OPERATING TRANSFERS IN - REET I PAVE PRES	-	-	-	25,000	25,000
OPERATING TRANSFERS IN - REET II PAVE PRES	-	-	-	422,725	422,725
OPERATING TRANSFERS IN - REET II: HPBW	-	-	-	778,225	778,225
OPERATING TRANSFERS IN - REET II TRAFFIC CALM	-	-	-	62,603	62,603
OPERATING TRANSFERS IN - REET II ADA	-	-	-	125,138	125,138
OPERATING TRANSFERS IN - REET II 76TH & SR 525	-	-	-	22,275	22,275
OPERATING TRANSFERS IN - REET II BTW	-	-	-	372,000	372,000
OPERATING TRANSFERS IN - REET II SIDEWALK	-	-	-	145,000	145,000
OPERATING TRANSFERS IN - REET II PED XWALK	-	-	-	70,000	70,000
OPERATING TRANSFERS IN - SW HPBW	-	-	-	150,000	150,000
Transfers-in	-	-	-	3,097,502	3,097,502
Total revenue and transfers-in	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,567,102</u>	<u>\$ 20,567,102</u>
Total resources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,567,102</u>	<u>\$ 20,567,102</u>
Expenditures and transfers-out					
Salaries and wages	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Intergovernmental services	-	-	-	-	-
TRAFFIC CALMING PROJECT	-	-	-	62,603	62,603
ADA UPGRADES PROJECT	-	-	-	125,138	125,138
SRTS 76TH & SR 525 PROJECT	-	-	-	165,000	165,000
BTW PROJECT	-	-	-	372,000	372,000
SIDEWALK REPAIR PROJECT	-	-	-	145,000	145,000
PEDESTRIAN CROSSWALK ENHANCEMENTS	-	-	-	70,000	70,000
5TH STREET BICYCLE & PED IMPROVEMENTS	-	-	-	764,000	764,000
STREET PRESERVATION PROJECT	-	-	-	1,107,261	1,107,261
HARBOUR REACH CORRIDOR PROJECT	-	-	-	16,512,875	16,512,875
HARBOUR POINTE WIDENING PROJECT	-	-	-	1,243,225	1,243,225
Capital Outlay	-	-	-	20,567,102	20,567,102
Transfers-out	-	-	-	-	-
Total expenditures and transfers-out	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,567,102</u>	<u>\$ 20,567,102</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

PARK ACQUISITION & DEVELOPMENT FUND

Purpose:

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

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

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

The estimated revenue from Park Mitigation Fees for 2020 is budgeted at \$20,000.

Budget Highlights

- The only budgeted expenditure from this fund for 2020 is for the continued design and development of a Mukilteo Peace Park.

2020 Budget

Park Acquisition & Development Fund (322)

	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Beginning fund balance	\$ 220,843	\$ 240,843	\$ 227,103	\$ 230,450	\$ -
Revenue and transfers-in					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental revenue	-	388,000	136,042	242,749	(145,251)
Charges for goods and services	34,744	20,000	12,974	20,000	-
Fines and penalties	-	-	-	-	-
Miscellaneous revenue	1,544	-	555	-	-
Transfers-in	-	-	-	-	-
Total revenue and transfers-in	\$ 36,288	\$ 408,000	\$ 149,571	\$ 262,749	\$ (145,251)
Total resources	\$ 257,131	\$ 648,843	\$ 376,674	\$ 493,199	\$ (145,251)
Expenditures and transfers-out					
Salaries and wages	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	860	-	-
Intergovernmental services	-	-	-	-	-
PEACE PARK DESIGN AND DEVELOPMENT	30,028	360,777	98,230	242,749	(118,028)
Capital Outlay	30,028	360,777	145,364	242,749	(118,028)
Transfers-out	-	-	-	-	-
Total expenditures and transfers-out	\$ 30,028	\$ 360,777	\$ 146,224	\$ 242,749	\$ (118,028)
Ending fund balance	\$ 227,103	\$ 288,066	\$ 230,450	\$ 250,450	\$ (27,223)

TRANSPORTATION IMPACT FEE FUND

Purpose:

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

Budget Highlights

- The primary revenue for this fund is street mitigation fees which are projected to be \$50,000.
- The 2020 budget includes a transfer out to the General Fund for a portion of the Capital Project Engineer's salary and benefits, as the 2017, 2018 and 2019 budgets did.

2020 Budget

Transportation Impact Fee Fund (323)

	<u>2018 Actuals</u>	<u>2019 Budget</u>	<u>2019 Estimated Actuals</u>	<u>2020 Budget</u>	<u>Increase/ (Decrease)</u>
Beginning fund balance	\$ 529,395	\$ 97,730	\$ 134,029	\$ 161,290	\$ -
Revenue and transfers-in					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental revenue	-	-	-	-	-
Charges for goods and services	86,299	50,000	114,461	50,000	-
Fines and penalties	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
Transfers-in	-	-	-	-	-
Total revenue and transfers-in	<u>\$ 86,299</u>	<u>\$ 50,000</u>	<u>\$ 114,461</u>	<u>\$ 50,000</u>	<u>\$ -</u>
Total resources	<u>\$ 615,694</u>	<u>\$ 147,730</u>	<u>\$ 248,490</u>	<u>\$ 211,290</u>	<u>\$ -</u>
Expenditures and transfers-out					
Salaries and wages	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Intergovernmental services	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Transfers-out	481,665	87,200	87,200	90,700	3,500
Total expenditures and transfers-out	<u>\$ 481,665</u>	<u>\$ 87,200</u>	<u>\$ 87,200</u>	<u>\$ 90,700</u>	<u>\$ 3,500</u>
Ending fund balance	<u>\$ 134,029</u>	<u>\$ 60,530</u>	<u>\$ 161,290</u>	<u>\$ 120,590</u>	<u>\$ (3,500)</u>

REAL ESTATE EXCISE (REET) I & II FUNDS

Purpose:

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

Budget Highlights for Both Funds

- REET I & II revenue for 2020 is estimated to total \$1.4M and is allocated equally between both Funds.
- The REET I Fund will transfer the amount needed to fund the annual debt service payments for the bond issues used to construct the Rosehill Community Center to the LTGO Debt Service Fund.
- REET II includes \$1,997,966 in transfer to the Capital Projects fund and \$22,600 to the General Fund.
- REET II shows a negative ending fund balance due to lower than estimated carry forward amounts in certain projects (see Exhibit 11). 2020 project expenditures will be reduced accordingly; the fund will not go negative.

2020 Budget

Real Estate Excise (REET) I Fund (331)

	<u>2018 Actuals</u>	<u>2019 Budget</u>	<u>2019 Estimated Actuals</u>	<u>2020 Budget</u>	<u>Increase/ (Decrease)</u>
Beginning fund balance	\$ 2,422,187	\$ 2,182,867	\$ 2,456,048	\$ 2,164,615	\$ -
Revenue and transfers-in					
Taxes	959,278	700,000	625,549	700,000	-
Licenses and permits	-	-	-	-	-
Intergovernmental revenue	-	-	-	-	-
Charges for goods and services	-	-	-	-	-
Fines and penalties	-	-	-	-	-
Miscellaneous revenue	13,902	-	13,863	13,500	13,500
Transfers-in	-	-	-	-	-
Total revenue and transfers-in	\$ 973,180	\$ 700,000	\$ 639,412	\$ 713,500	\$ 13,500
Total resources	\$ 3,395,367	\$ 2,882,867	\$ 3,095,460	\$ 2,878,115	\$ 13,500
Expenditures and transfers-out					
Salaries and wages	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Intergovernmental services	-	-	-	-	-
Capital Outlay	-	-	-	-	-
TRANSFER TO LTGO BOND FUND	814,319	880,345	880,345	880,345	-
TRANSFER TO REET II	100,000	100,000	25,500	-	(100,000)
TRANSFER TO TRANSP BENEFIT DISTRICT	25,000	25,000	25,000	-	(25,000)
TRANSFER TO CAPITAL PROJECTS FUND	-	-	-	25,000	25,000
Transfers-out	939,319	1,005,345	930,845	905,345	(100,000)
Total expenditures and transfers-out	\$ 939,319	\$ 1,005,345	\$ 930,845	\$ 905,345	\$ (100,000)
Ending fund balance	\$ 2,456,048	\$ 1,877,522	\$ 2,164,615	\$ 1,972,770	\$ 113,500

2020 Budget

Real Estate Excise (REET) II Fund (332)

	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Beginning fund balance	\$ 1,210,003	\$ 1,765,518	\$ 1,619,628	\$ 876,634	\$ -
Revenue and transfers-in					
Taxes	959,278	700,000	625,549	700,000	-
DOT CMAQ BIKE PEDPATH GRANT	10,168	-	-	-	-
GRANT RECREATION & CONSERVATION OFFICE	450,000	-	50,000	-	-
WA STATE DEPT OF TRANS GRANT	800,738	16,580,000	70,479	-	(16,580,000)
WA STATE TIB GRANT	-	-	528,119	-	-
WA STATE TIB GRANT	-	-	27,213	-	-
STATE GRANT DEPT OF COMMERCE	362,100	-	-	-	-
INTERLOCAL AGMT SNOHOMISH COUNTY	697,500	-	77,500	-	-
HOTEL/MOTEL LODGING TAX GRANT	7,388	-	-	-	-
Intergovernmental revenue	2,327,894	16,580,000	753,311	-	(16,580,000)
Miscellaneous revenue	3,402	-	363	-	-
Transfers-in	1,004,965	100,000	25,500	-	(100,000)
Total revenue and transfers-in	\$ 4,295,539	\$ 17,380,000	\$ 1,404,723	\$ 700,000	\$ (16,680,000)
Total resources	\$ 5,505,542	\$ 19,145,518	\$ 3,024,351	\$ 1,576,634	\$ (16,680,000)
Expenditures and transfers-out					
Salaries and wages	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-	-
SMALL ITEMS OF EQUIPMENT	9,922	-	-	-	-
Supplies	9,922	-	-	-	-
STREET PRESERVATION	9,927	-	-	-	-
TRAFFIC CONTROL IMPROVEMENTS	-	41,000	36,038	-	(41,000)
COMMUNITY SUPPORT	1,775,000	-	-	-	-
Other services and charges	1,784,927	41,000	36,038	-	(41,000)
Intergovernmental services	-	-	-	-	-
TANK FARM SITE REMEDIATION	375,908	-	-	-	-
JAPANESE GULCH WAYFINDING	7,388	-	-	-	-
SR 526 SHARED USE PATH	1,022	-	-	-	-
RIGHT-OF-WAYS	45,544	-	319,988	-	-
PRINTING AND BINDING	-	-	1,383	-	-
HARBOUR POINTE BLVD WIDENING (HPBW)	27,769	1,300,000	1,248,813	-	(1,300,000)
TRAFFIC CALMING	37,397	28,550	-	-	(28,550)
ADA TRANSITION PLAN/ADA UGRADES	2,861	155,750	-	-	(155,750)
SIDEWALKS AND BTW	-	532,000	11,845	-	(532,000)
PEDESTRIAN ACTIVATED CROSSWALK LIGHTING	45,725	95,000	3,127	-	(95,000)
LEGAL PUBLICATIONS	-	-	681	-	-
HARBOUR REACH EXTENSION	702,125	16,580,000	205,342	-	(16,580,000)
Capital Outlay	1,245,739	18,691,300	1,791,179	-	(18,691,300)
TRANS TO LTGO BOND FUND	66,026	-	-	-	-
TRANS TO TRANSPORTATION BENEFIT DIST.	752,000	289,500	289,500	-	(289,500)
TRANS TO GENERAL FUND	27,300	31,000	31,000	22,600	(8,400)
TRANS TO CAP PROJ: PAVEMENT PRES.	-	-	-	422,725	422,725
TRANS TO CAP PROJ: HPBW	-	-	-	778,225	778,225
TRANS TO CAP PROJ: TRAFFIC CALMING	-	-	-	62,603	62,603
TRANS TO CAP PROJ: ADA UGRADES	-	-	-	125,138	125,138
TRANS TO CAP PROJ: SRTS 76TH & 525	-	-	-	22,275	22,275
TRANS TO CAP PROJ: BTW	-	-	-	372,000	372,000
TRANS TO CAP PROJ: SIDEWALK REPAIR	-	-	-	145,000	145,000
TRANS TO CAP PROJ: PED ACTIVATED XWALK	-	-	-	70,000	70,000
Transfers-out	845,326	320,500	320,500	2,020,566	1,700,066
Total expenditures and transfers-out	\$ 3,885,914	\$ 19,052,800	\$ 2,147,717	\$ 2,020,566	\$ (17,032,234)
Ending fund balance	\$ 1,619,628	\$ 92,718	\$ 876,634	\$ (443,932)	\$ 352,234

2020 Budget

**Real Estate Excise Tax
Reporting Requirements**

REET I

	<u>2018 Actuals</u>	<u>2019 Budget</u>	<u>2019 Estimated Actuals</u>	<u>2020 Budget</u>	<u>2021 Projected</u>
Beginning fund balance	\$ 2,422,187	\$ 2,182,867	\$ 2,456,048	\$ 2,164,615	\$ 1,972,770
Revenue and transfers-in					
Real Estate Excise Tax	\$ 959,278	\$ 700,000	\$ 625,549	\$ 700,000	\$ 700,000
Grants	-	-	-	-	-
Investment Interest	13,902	-	13,863	13,500	-
Transfers-in	-	-	-	-	-
Total revenue and transfers-in	\$ 973,180	\$ 700,000	\$ 639,412	\$ 713,500	\$ 700,000
Total resources	\$ 3,395,367	\$ 2,882,867	\$ 3,095,460	\$ 2,878,115	\$ 2,672,770
Expenditures and transfers-out					
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers-Out	939,319	1,005,345	930,845	905,345	905,345
Total Expenditures	\$ 939,319	\$ 1,005,345	\$ 930,845	\$ 905,345	\$ 905,345
Ending Fund Balance	\$ 2,456,048	\$ 1,877,522	\$ 2,164,615	\$ 1,972,770	\$ 1,767,425

REET II

	<u>2018 Actuals</u>	<u>2019 Budget</u>	<u>2019 Estimated Actuals</u>	<u>2020 Budget</u>	<u>2021 Projected</u>
Beginning fund balance	\$ 1,210,003	\$ 1,765,518	\$ 1,619,628	\$ 876,634	\$ (0)
Revenue and transfers-in					
Real Estate Excise Tax	\$ 959,278	\$ 700,000	\$ 625,549	\$ 700,000	\$ 700,000
DOT CMAQ Bike Ped Path Grant	10,168	-	-	-	-
RCO Grant	450,000	-	50,000	-	-
DOT Grant	800,738	16,580,000	70,479	-	-
TIB Grant	-	-	555,332	-	-
DOC Grant	362,100	-	-	-	-
Shohomish County	697,500	-	77,500	-	-
Hotel/Motel Lodging Tax Grant	7,388	-	-	-	-
Miscellaneous Revenues	3,402	-	363	-	-
Transfers In	1,004,965	100,000	25,500	-	-
Total revenue and transfers-in	\$ 4,295,539	\$ 17,380,000	\$ 1,404,723	\$ 700,000	\$ 700,000
Total resources	\$ 5,505,542	\$ 19,145,518	\$ 3,024,351	\$ 1,576,634	\$ 700,000

Continued on next page...

2020 Budget

	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	2021 Projected
Expenditures and transfers-out					
Small Items of Equipment	\$ 9,922	\$ -	\$ -	\$ -	\$ -
Street Imps - Pavement Preservation	9,927	-	-	422,725	261,430
Traffic Control Improvements	-	41,000	36,038	-	-
Tank Farm Site Remediation	375,908	-	-	-	-
Mukilteo B&G Club Ballfields	1,275,000	-	-	-	-
Mukilteo B&G Club Construction	500,000	-	-	-	-
Japanese Gulch Way Finding	7,388	-	-	-	-
Right of Ways	45,544	-	319,988	-	-
Annual ROW ADA Improvements	2,861	155,750	-	125,138	25,000
Harbour Point Blvd Widening	27,769	1,300,000	1,248,813	266,187	-
SR 526 Shared Use Path	1,022	-	-	-	-
Harbour Reach Drive Extension	702,125	16,580,000	205,342	-	-
Bike Transit Walk	-	532,000	11,845	372,000	120,000
Pedestrian Activated Crosswalk Lighting Program	45,725	95,000	3,127	70,000	35,000
Traffic Calming	37,397	28,550	-	62,603	25,000
Annual Sidewalk Program	-	-	-	145,000	25,000
Safe Routes to School 76th & 525	-	-	-	22,275	184,275
Transfer Out to LTGO Bond Fund	66,026	-	-	-	-
Transfer Out to TBD	752,000	289,500	289,500	-	-
Transfer Out to General	27,300	31,000	31,000	22,600	24,295
Transfer Out to Capital Projects	-	-	-	*SEE PROJECTS	*SEE PROJECTS
Total Expenditures	\$ 3,885,914	\$ 19,052,800	\$ 2,145,653	\$ 1,508,528	\$ 700,000
Ending Fund Balance	\$ 1,619,628	\$ 92,718	\$ 878,698	\$ 68,106	\$ (0)
PERCENT OF REET II USED FOR MAINTENANCE	0%	0%	0%	4%	4%

*Beginning in 2020, all expenditures for capital projects will be shown as transfers to the Capital Projects Fund: Specific amounts are listed by project title for clarity

ENTERPRISE FUNDS

- SURFACE WATER MANAGEMENT
- SURFACE WATER RESERVE



Photos include stormwater pond maintenance (1); pavement repair (2); Big Gulch trail maintenance (3); Harbour Pointe Blvd stormwater installation (8); Touch a Truck Public Works vehicles (6); and other PW work (4, 5, 7, 9).

SURFACE WATER UTILITY

Purpose:

The Surface Water Utility operates under Public Works. The Surface Water Utility's goals are outlined in the 2015 Comprehensive Surface Water Management Plan adopted by Council in 2015, as Key Performance Indicators (KPI) and Implementation Measures (IM). These performance measures address operations and engineering maintaining the City's stormwater system, meeting NPDES permit requirements, providing engineering services for development projects, providing technical assistance to City residents, and implementing stormwater related outreach programs. The Utility maintains 55 miles of storm drains, 6.5 miles of ditches, 4842 catch basins and 120 public detention and water quality facilities. The Key Performance Indicators and Implementation Measures set forth in the Comprehensive Surface Water Management Plan were met in 2019 and are more specifically described below.

2019 Accomplishments

- Maintained compliance with NPDES Phase II requirements
- Inspected all municipally owned stormwater facilities
- Inspected 1,228 catch basins; 704 required cleaning as of September 2019
- Responded to 106 Service Requests through September 2019
- Reviewed 31 stormwater permit submittals (including resubmittals) as of September 2019
- Responded to 13 spill reports as of September 2019
- Provided stormwater classes to students in the Mukilteo School District
- Provided training to local businesses on spill clean-up and assisted with preparation of Spill Prevention Plans. Each participant received a no-cost Spill Kit
- Partnered with Snohomish County to provide Hands On Natural Yard Care training

2020 Goals & Objectives

- Complete the design and construction of a Decant Facility to remove sediment from saturated soils generated from catch basin cleaning
- Continue implementation of the NPDES Phase II permit requirements
- Re-evaluate upcoming stormwater utility needs and capacity, in light of anticipated NPDES Permit requirements
- Continue to clarify and delineate responsibility for public and private stormwater systems through mapping of easements and continued field verification of stormwater network
- Continue to adopt regional outreach messaging into stormwater programs
- Document all Operations practices that protect water quality
- Complete Pond M restoration, Clearview Pond, and Storm Control Structure Replacement
- Complete the NPDES Stormwater Management Action Planning
- Complete the Stormwater Pipe Assessment & Management Plan

Budget Highlights

- The 2020 budget for this division includes the addition of a Maintenance Worker II.
- The budget includes New Budget Items for the Decant Facility, Stormwater Maintenance Projects, NPDES Stormwater Management Action Planning, and Stormwater Pipe Assessment & Management Plan

2020 Budget



2020 Budget

Maintenance Worker II

Date Discussed by Council:

Public Works Stormwater Division MWII-Street Sweeping
(not included in 2020 Preliminary Budget, added prior to final budget adoption)

Fund Name
Stormwater

Amount Requested
\$71,150

Nature of the expenditure? **Ongoing**

Any Additional Revenue? If Yes, Identify Below

Expenditure Purpose and Justification

Challenges: Meeting NPDES permit requirements while also doing necessary projects, general maintenance and street sweeping. We have been forced to divert resources away from street sweeping in order to meet NPDES permit requirements; our goal is to sweep every day.

If the City were to add an additional FTE, a Maintenance Worker II, dedicated to sweeping, it would allow us to meet our permit requirements and meet our goal of daily sweeping. This would allow the crew to also meet other needs such as catch basin inspections and maintenance needs.

Alternatives and Potential Costs

Continue with the existing staff level.

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

On-going

Department:	Public Works
Division:	Stormwater
Prepared by:	Matt Nienhuis

Expenditure Account # & Title	Amount
Surface Water Fund Salaries	\$ 51,150
Surface Water Fund Benefits	\$ 20,500
	\$ -
	\$ -

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

2020 Budget



Decant Facility Construction

7/16/18 Council approved project

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

Fund Name
Surface Water

Amount Requested
\$850,000

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

Any Additional Revenue? If Yes, Identify Below

Expenditure Purpose and Justification

The City originally received a Department of Ecology (Ecology) grant for the Decant Facility in 2014, but funding limitations set by the State Legislature did not allow the grant to be finalized. In 2018, the City was able to renegotiate the grant agreement with Ecology for the amount available to focus exclusively on construction, without funding for the vehicle storage. In the 2019 Budget, the City's required match amount was \$323,000, with Ecology contributing \$969,000.

The City Council approved the Mayor to sign the Water Quality Combined Financial Assistance Agreement with Ecology at the July 16, 2018 Council meeting, thus committing the City to provide the \$323,000 match. The construction grant and match were adopted by City Council in the 2019 Budget.

The design effort was initiated during 2018 and is approximately 30% complete. Preliminary construction cost estimates show a budget shortfall of approximately \$450,000 for the construction of the decant facility, and an additional \$400,000 for construction of vehicle storage. Construction is scheduled for Fall 2020.

Previously Approved by Council	Ecology Grant	City Funds	Total	Est. Carry Forward
Decant Facility Construction (2019 Budget: pg. 123)	\$ 969,000	\$ 323,000	\$ 1,292,000	\$ 1,292,000
2020 Decant Facility Construction		\$ 850,000	\$ 850,000	
Total	\$ 969,000	\$ 1,173,000	\$ 2,142,000	\$ 1,292,000

Alternatives and Potential Costs

Council could choose to exclude the vehicle storage element of the project, thus saving approximately \$400,000. Council could also consider funding the project with a bond or a low interest loan and pay for the project over time instead of a lump sum.

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

Total 2020 expenditure budget will be \$2,142,000 which includes \$969,000 of Ecology grant revenues plus \$323,000 of City funding authority carried over from 2019 plus \$850,000 of new City funding.

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

Expenditure Account # & Title	Amount
SW Fund: Decant Facility Construction	\$ 450,000
SW Fund: Vehicle Storage Construction	\$ 400,000
	\$ -
	\$ -

Revenue Account # & Title	Amount
Department of Ecology Grant	\$ 969,000
	\$ -
	\$ -
	\$ -

2020 Budget



2020 Surface Water Maintenance Projects

Implementation of Surface Water Comprehensive Plan, to complete surface water maintenance projects identified through operational inspections.

Fund Name
Surface Water

Amount Requested
\$248,000

Nature of the expenditure? **One-time** **Any Additional Revenue? If Yes, Identify Below**

Expenditure Purpose and Justification

City surface water maintenance crews have identified issues with two detention ponds that require restoration, and six control structures in detention facilities that need to be replaced. The City has worked with a consultant to estimate costs for the pond restoration and the replacement of the control structures.

Pond M Restoration - \$110,000
 Clearview Pond - \$88,000
 Storm Control Structure Replacement (6 Structures) - \$50,000

Alternatives and Potential Costs

Council could choose to defer the pond restoration and control structure replacement.

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

One-Time

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

Expenditure Account # & Title	Amount
SW Fund	\$ 248,000
	\$ -
	\$ -
	\$ -

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



Consulting Services for NPDES Stormwater Management Action Planning

Update of the Stormwater Management Action Plan (SMAP) to reflect current conditions and information, and to include a Receiving Water Assessment and Receiving Water Prioritization.

Fund Name
Surface Water

Amount Requested

\$100,000

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

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

Expenditure Purpose and Justification

The 2019 NPDES Permit (Section 5.C.1) requires Stormwater Management Action Planning, to include Receiving Water Assessment, Receiving Water Prioritization, and development of a Stormwater Management Action Plan (SMAP) over the next permit term. The City will review, evaluate, and update as necessary, its existing 2013 Watershed-Based Stormwater Strategies Plan, 2014 Stormwater Retrofit Report, and other relevant documents to meet the requirements of the NPDES Permit.

The 2015 Stormwater Comprehensive Plan (Chapter 7) anticipated and budgeted for Basin Planning for the years 2017-2025. This work will be completed by an outside contractor.

Alternatives and Potential Costs

The Council could choose to delay completion of the updated plan

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

One-Time

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

Expenditure Account # & Title	Amount
SW Fund	\$ 50,000
DOE Capacity Grant	\$ 50,000
	\$ -
	\$ -

Revenue Account # & Title	Amount
DOE Capacity Grant	\$ 50,000
	\$ -
	\$ -
	\$ -



Stormwater Pipe Assessment & Management Plan

Develop a stormwater pipe inspection and asset management plan, based on the Comprehensive Surface Water Management Plan goal of completion in this approximate timeframe.

Fund Name
Surface Water

Amount Requested
\$75,000

Nature of the expenditure? One-time **Any Additional Revenue? If Yes, Identify Below** No

Expenditure Purpose and Justification

The City's Comprehensive Surface Water Management Plan (Chapter 7.3.1 "Condition Assessments") identifies the Stormwater Utility's goal to implement a stormwater pipe inspection and asset management plan. This Plan was anticipated in the funding model to be completed through the years 2017-2025.

The first task to begin in 2020 is the development of a plan for methods, materials, and procedures. The plan will outline items such as recommended inspection frequency, necessary equipment, and define prioritization metrics for capital projects in future years. This effort moves the Utility toward a more robust asset management program. The work will be contracted.

Alternatives and Potential Costs

The Council could choose to delay completion of the Plan to a future year

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

One-Time; anticipated and budgeted in the 2015 Stormwater Comprehensive Plan and Utility Rates

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

Expenditure Account # & Title	Amount
SW Fund	\$ 75,000
	\$ -
	\$ -
	\$ -

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

2020 Budget

Surface Water Management Fund (440)

	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Beginning fund balance	\$ 2,262,081	\$ 2,543,035	\$ 3,136,342	\$ 3,775,925	\$ -
Revenue and transfers-in					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental revenue	130,457	989,000	52,626	1,772,106	783,106
Charges for goods and services	3,270,245	3,485,000	3,541,609	3,814,500	329,500
Fines and penalties	-	-	-	-	-
Miscellaneous revenue	749	-	42,152	-	-
Transfers-in	-	-	-	-	-
Total revenue and transfers-in	\$ 3,401,451	\$ 4,474,000	\$ 3,636,387	\$ 5,586,606	\$ 1,112,606
Total resources	\$ 5,663,532	\$ 7,017,035	\$ 6,772,729	\$ 9,362,531	\$ 1,112,606
Expenditures and transfers-out					
Salaries and wages	\$ 828,508	\$ 868,900	\$ 887,301	\$ 972,450	\$ 103,550
Benefits	325,365	412,600	391,234	435,400	22,800
Supplies	65,867	66,750	84,094	62,650	(4,100)
Other services and charges	446,133	582,830	658,531	725,130	142,300
Intergovernmental services	-	-	-	-	-
COMPUTER HARDWARE					-
COMPUTER SOFTWARE					-
OTHER MACHINERY & EQUIPMENT	70,214	-	-	-	-
VEHICULAR EQUIPMENT	479,606	310,000	801,907	500,000	190,000
61ST ST CULVERT REPLACEMENT	15,645	290,500	12,573	280,855	(9,645)
POND M, CLEARVIEW, 6 CONTROL				248,000	248,000
DECANT FACILITY DESIGN	-		10,270	36,922	36,922
DECANT FACILITY CONSTRUCTION	100,378	1,322,000	3,823	2,142,000	820,000
RIGHT-OF-WAYS			39,919		-
61ST PLACE RETAINING WALL REPAIRS	157,774	722,000	31,157	645,526	(76,474)
LID RETROFIT	-	-	34,395	137,580	137,580
Capital Outlay	823,617	2,644,500	934,044	3,990,883	1,346,383
TRANSFER TO GENERAL FUND	26,000	29,600	29,600	37,800	8,200
TRANSFER TO FACILITY RENEWAL FUND	11,700	12,000	12,000	10,450	(1,550)
TRANSFER TO CAP PROJ: HPBW			-	150,000	150,000
Transfers-out	37,700	41,600	41,600	198,250	156,650
Total expenditures and transfers-out	\$ 2,527,190	\$ 4,617,180	\$ 2,996,804	\$ 6,384,763	\$ 1,767,583
Ending fund balance	\$ 3,136,342	\$ 2,399,855	\$ 3,775,925	\$ 2,977,768	\$ (654,977)

2020 Budget

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

	2018	2019	2019	2020	Increase/ (Decrease)
	Actuals	Budget	Estimated Actuals	Budget	
Salaries and wages	\$ 423,393	\$ 433,500	\$ 447,482	\$ 523,650	\$ 90,150
Benefits	145,548	210,850	207,385	235,400	24,550
OFFICE SUPPLIES	327	750	133	750	-
REFERENCE MATERIAL	-	150	-	150	-
OPERATING SUPPLIES	19,571	15,000	31,750	15,000	-
VEHICLE R&M TOOLS/EQ	460	1,250	90	1,250	-
CLOTHING/BOOTS	9,798	7,600	13,916	1,500	(6,100)
AGGREGATE	-	6,000	4,679	6,000	-
MOTOR FUEL	17,923	16,000	20,009	18,000	2,000
SMALL ITEMS OF EQUIPMENT	16,982	15,000	13,313	15,000	-
Supplies	65,061	61,750	83,890	57,650	(4,100)
OVERHEAD COSTS	135,700	180,500	180,495	174,350	(6,150)
OTHER PROFESSIONAL SVCS.	-	-	416	-	-
CITY ATTY. OTHER SVCS.	8,468	15,000	8,485	-	(15,000)
HAZARDOUS MATERIALS TESTING	-	1,000	54	1,000	-
CONTRACT SERVICES	5,429	8,500	5,098	143,500	135,000
WRIA ILA	10,742	7,650	7,467	-	(7,650)
TELEPHONE	911	1,000	933	1,000	-
EQUIPMENT REPLACEMENT CHARGES	-	-	-	-	-
FACILITIES MAINTENANCE CHARGES FOR SVCS	16,500	23,150	23,150	25,250	2,100
CELL PHONES	4,110	3,350	4,550	4,200	850
TRAVEL & SUBSISTENCE	883	2,000	481	1,500	(500)
MEALS	338	-	603	500	500
TAXES AND ASSESSMENTS	55,381	51,000	52,959	51,000	-
SNOHOMISH COUNTY - ILA	-	-	-	-	-
WORK EQUIP & MACHINE RENTAL	289	10,000	133,801	10,000	-
HAZARDOUS WASTE DISPOSAL	202	20,500	32,255	20,500	-
MUKILTEO WATER DISTRICT	69,847	70,000	75,589	-	(70,000)
BRUSH DISPOSAL	6,803	7,500	25,257	7,500	-
EQUIPMENT R&M	7,578	21,250	3,649	21,250	-
VEHICLE R&M	25,549	32,000	14,047	32,000	-
DEPT OF ECOLOGY	21,747	30,000	26,091	-	(30,000)
LAUNDRY SERVICES	1,953	2,000	-	2,000	-
TRAINING & REGISTRATION	6,648	5,000	4,932	5,000	-
PERMIT/NPDES OUTREACH	49,231	15,000	10,950	-	(15,000)
VACTOR SERVICE	1,615	5,000	-	5,000	-
Other services and charges	429,924	511,400	611,262	505,550	(5,850)
Intergovernmental services	-	-	-	-	-
Total Stormwater expenses	<u>\$ 1,063,926</u>	<u>\$ 1,217,500</u>	<u>\$ 1,350,019</u>	<u>\$ 1,322,250</u>	<u>\$ 104,750</u>

2020 Budget

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

	2018	2019	2019	2020	Increase/
	Actuals	Budget	Estimated	Budget	(Decrease)
Salaries and wages	\$ 336,286	\$ 361,500	\$ 371,189	\$ 369,500	\$ 8,000
Benefits	155,043	173,900	158,886	170,800	(3,100)
OFFICE SUPPLIES	12	500	82	500	-
REFERENCE MATERIAL	-	400	-	400	-
OPERATING SUPPLIES	621	1,000	22	1,000	-
CLOTHING/BOOTS	-	600	-	600	-
Supplies	633	2,500	104	2,500	-
CONSULTING SERVICES	-	-	-	-	-
OTHER PROFESSIONAL SVCS.	5,886	50,000	5,176	50,000	-
OUTSIDE ATTORNEY	-	-	-	15,000	15,000
ENGINEERING SERVICES	-	-	37,306	-	-
WRIA ILA	-	-	-	7,650	7,650
LEGAL PUBLICATIONS	701	300	-	300	-
POSTAGE	-	350	67	350	-
TRAVEL & SUBSISTENCE	498	2,800	715	2,800	-
MEALS	-	-	151	-	-
STORM BILLING SERVICE MWWD ILA	-	-	-	80,500	80,500
COMPUTER SYSTEM MAINT	200	2,500	-	2,500	-
ASSOC. DUES & MEMBERSHIPS	-	180	58	30,180	30,000
PRINTING AND BINDING	-	-	52	-	-
TRAINING & REGISTRATION	615	2,700	1,767	2,700	-
PERMIT/NPDES OUTREACH	-	-	-	15,000	15,000
Other services and charges	7,900	58,830	45,292	206,980	148,150
Intergovernmental services	-	-	-	-	-
Total Administration & Engineering expenses	\$ 499,862	\$ 596,730	\$ 575,471	\$ 749,780	\$ 153,050

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

	2018	2019	2019	2020	Increase/
	Actuals	Budget	Estimated	Budget	(Decrease)
Salaries and wages	\$ 68,829	\$ 73,900	\$ 68,630	\$ 79,300	\$ 5,400
Benefits	24,774	27,850	24,963	29,200	1,350
REFERENCE MATERIAL	-	500	35	500	-
OPERATING SUPPLIES	173	1,000	53	1,000	-
MOTOR FUEL	-	-	12	-	-
SMALL ITEMS OF EQUIPMENT	-	1,000	-	1,000	-
Supplies	173	2,500	100	2,500	-
CONSULTING SERVICES	-	2,500	-	2,500	-
TELEPHONE	-	-	-	-	-
POSTAGE	-	100	-	100	-
CELL PHONE	882	800	825	800	-
TRAVEL & SUBSISTENCE	1,441	1,500	831	1,500	-
MEALS	-	-	321	-	-
GIS SYSTEM MAINT & LICENSES	5,246	5,800	-	5,800	-
ASSOC. DUES & MEMBERSHIPS	-	300	-	300	-
PRINTING & BINDING	140	1,000	-	1,000	-
TRAINING & REGISTRATION	600	600	-	600	-
Other services and charges	8,309	12,600	1,977	12,600	-
Intergovernmental services	-	-	-	-	-
Total GIS expenses	\$ 102,085	\$ 116,850	\$ 95,670	\$ 123,600	\$ 6,750

2020 Budget

Surface Water Reserve Fund (445)

	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Beginning fund balance	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ -
Revenue and transfers-in					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental revenue	-	-	-	-	-
Charges for goods and services	-	-	-	-	-
Fines and penalties	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
Transfers-in	-	-	-	-	-
Total revenue and transfers-in	\$ -	\$ -	\$ -	\$ -	\$ -
Total resources	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ -
Expenditures and transfers-out					
Salaries and wages	-	-	-	-	-
Benefits	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Intergovernmental services	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Transfers-out	-	-	-	-	-
Total expenditures and transfers-out	\$ -	\$ -	\$ -	\$ -	\$ -
Ending fund balance	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ -

INTERNAL SERVICE FUNDS

- TECHNOLOGY REPLACEMENT
- EQUIPMENT REPLACEMENT RESERVE
- FACILITIES MAINTENANCE
- FACILITY RENEWAL



Photos include fire crews at the Touch a Truck event (1); Mukilteo Lighthouse Festival (2, 3); Light Station repair by Maintenance Worker McDaniels (8); Lighthouse Park maintenance (7, 9); facilities maintenance (4, 5); and Stormwater crew work (6).

TECHNOLOGY REPLACEMENT FUND

Purpose:

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

Budget Highlights

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

2020 Budget

Technology Replacement Fund (120)

	<u>2018 Actuals</u>	<u>2019 Budget</u>	<u>2019 Estimated Actuals</u>	<u>2020 Budget</u>	<u>Increase/ (Decrease)</u>
Beginning fund balance	\$ 131,755	\$ 114,755	\$ 150,294	\$ 175,487	\$ -
Revenue and transfers-in					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental revenue	-	-	-	-	-
Charges for goods and services	-	-	-	-	-
Fines and penalties	-	-	-	-	-
5% ADMIN FEE	19,534	18,500	19,897	18,500	
Miscellaneous revenue	19,534	18,500	19,897	18,500	-
Transfers-in	100,525	130,000	130,000	60,000	(70,000)
Total revenue and transfers-in	<u>\$ 120,059</u>	<u>\$ 148,500</u>	<u>\$ 149,897</u>	<u>\$ 78,500</u>	<u>\$ (70,000)</u>
Total resources	<u>\$ 251,814</u>	<u>\$ 263,255</u>	<u>\$ 300,191</u>	<u>\$ 253,987</u>	<u>\$ (70,000)</u>
Expenditures and transfers-out					
Salaries and wages	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-	-
SMALL ITEMS OF EQUIPMENT	18,732	25,000	26,564	25,000	-
Supplies	18,732	25,000	26,564	25,000	-
LICENSES & SUBSCRIPTIONS	47,656	50,000	87,528	50,000	-
Other services and charges	47,656	50,000	87,528	50,000	-
Intergovernmental services	-	-	-	-	-
COMPUTER HARDWARE	35,132	50,000	10,612	50,000	-
COMPUTER SOFTWARE	-	-	-	-	-
Capital Outlay	35,132	50,000	10,612	50,000	-
Transfers-out	-	-	-	-	-
Total expenses and transfers-out	<u>\$ 101,520</u>	<u>\$ 125,000</u>	<u>\$ 124,704</u>	<u>\$ 125,000</u>	<u>\$ -</u>
Ending fund balance	<u>\$ 150,294</u>	<u>\$ 138,255</u>	<u>\$ 175,487</u>	<u>\$ 128,987</u>	<u>\$ (70,000)</u>

EQUIPMENT REPLACEMENT RESERVE FUND

Purpose:

The Equipment Replacement Division of Public Works is responsible for the maintenance of Public Works vehicles and equipment and City Hall vehicles. The Police Department uses a private maintenance shop to service its vehicles while the Fire Department uses the Fire District One maintenance shop.

Since Public Works has no mechanic, vehicles are maintained through warranties, service via an agreement with a local repair shop and on minor things, the City maintenance workers do some mechanics work.

Replacement of all vehicles is managed by 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.

2019 Accomplishments

- Created a six-year equipment and fleet replacement plan
- Ordered a new Vactor Truck with delivery in 2020

2020 Goals & Objectives

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

Budget Highlights

The following vehicles were budgeted for replacement:

- Police Department:
 - Ford SUV – Assistant Chief
- Public Works
 - GMC Safari Van - Janitorial

2020 Budget



Vehicle & Equipment Replacement

Date Discussed by
Council: 3/18/19;
8/26/19

Authorize purchase of the Vehicles identified through the Equipment Replacement Plan for replacement in 2020 from the Equipment Reserve Fund

Fund Name
Equipment Rep.

Amount Requested
\$373,000

Nature of the expenditure? **One-time** Any Additional Revenue? If Yes, Identify Below **No**

Expenditure Purpose and Justification

Department	Equipment Description	Model Year	Life Expectancy	Life at Replacement	Preliminary Budget	Adopted Budget
EMS	Ford E450 Ambulance: 5 yr. Lease Purchase	2010	7	10	\$ 75,000	\$ -
Fire	Ford Expedition: Battalion Chief	2008	10	12	\$ 63,000	\$ -
Police	Ford SUV: Assistant Chief	2013	7	7	\$ 60,000	\$ 60,000
Police	Ford SUV: Patrol	2014	6	6	\$ 70,000	\$ -
Police	Ford SUV: Patrol	2014	6	6	\$ 70,000	\$ -
Public Works	GMC Safari Van: Janitorial	1999	14	21	\$ 35,000	\$ 35,000
					\$ 373,000	\$ 95,000

Alternatives and Potential Costs

Delay replacement of any or all items, or pursue a purchase of the Ambulance for \$375,000 in 2020, rather than the lease purchase option.

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

The Equipment Replacement Fund is expected to have a balance of approximately \$1,125,000 at the beginning of 2020. The amount listed for the replacement Ambulance is an estimated one-year payment for a five-year lease purchase term. The lease purchase will require a separate Council action in addition to inclusion in the budget. Original request for \$373,000; adopted budget amount \$95,000.

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

Expenditure Account # & Title	Amount
Equipment Replacement Reserve	\$ 95,000
	\$ -
	\$ -
	\$ -

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

2020 Budget

Equipment Replacement Reserve Fund (510)

	2018 Actuals	2019 Amended Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
Beginning fund balance	\$ 1,394,256	\$ 799,110	\$ 1,307,254	\$ 1,285,797	\$ 486,687
Revenue and transfers-in					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental revenue	29,251	-	15,093	-	-
EQUIPMENT REPLACEMENT CHARGE - GENERAL FUND	70,026	258,644	258,644	430,000	171,356
EQUIPMENT REPLACEMENT CHARGE - WATERFRONT		25,000	25,000	25,000	-
EQUIPMENT REPLACEMENT CHARGE - EMS FUND		75,620	75,620	-	(75,620)
Charges for goods and services	70,026	359,264	359,264	455,000	95,736
Fines and penalties	-	-	-	-	-
Miscellaneous revenue	57,586	-	87,020	16,200	16,200
Transfers-in	-	-	-	-	-
Total revenue and transfers-in	\$ 156,863	\$ 359,264	\$ 461,377	\$ 471,200	\$ 111,936
Total resources	\$ 1,551,119	\$ 1,158,374	\$ 1,768,631	\$ 1,756,997	\$ 598,623
Expenditures and transfers-out					
Salaries and wages	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-	-
Supplies	-	-	-	-	-
DEPRECIATION EXPENSE	-	-	-	-	-
Other services and charges	-	-	-	-	-
Intergovernmental services	-	-	-	-	-
OTHER MACHINERY & EQUIPMENT (License Plate Reader)	-	65,000	50,095	-	(65,000)
POLICE VEHICLE REPLACEMENT	175,764	176,000	171,736	60,000	(116,000)
FIRE OTHER MACHINERY & EQUIPMENT (Cardiac Defib)	-	138,700	95,170	-	(138,700)
FIRE VEHICLE REPLACEMENT	25,121	63,000	18,027	-	(63,000)
PW VEHICLE REPLACEMENT	42,980	115,000	147,806	35,000	(80,000)
Capital Outlay	243,865	557,700	482,834	95,000	(462,700)
Transfers-out	-	-	-	-	-
Total expenses and transfers-out	\$ 243,865	\$ 557,700	\$ 482,834	\$ 95,000	\$ (462,700)
Ending fund balance	\$ 1,307,254	\$ 600,674	\$ 1,285,797	\$ 1,661,997	\$ 1,061,323

FACILITY MAINTENANCE FUND

Purpose:

The Facility Maintenance Division is staffed by two employees of the Public Works Department who maintain the City's 23 buildings. Expenditures for this division are financed entirely by an annual transfer from the General Fund.

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

The 23 City buildings include:

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

2019 Accomplishments

- Updated six-year facility renewal plan
- Completed 120 facilities service requests through August 2019
- Resolved Rosehill Community Center electrical room drainage issue

2020 Goals & Objectives

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

Budget Highlights

- The 2020 budget for this division reflects no change in staffing levels

2020 Budget

Facilities Maintenance Fund (518)

	2018	2019	2019	2020	Increase/
	Actuals	Budget	Estimated	Budget	(Decrease)
Beginning fund balance	\$ (63,035)	\$ (60,349)	\$ (60,349)	\$ -	\$ -
Revenue and transfers-in					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-
Charges for goods and services	736,135	759,050	816,946	784,200	25,150
Fines and penalties	-	-	-	-	-
Miscellaneous revenue	(8,312)	-	775	-	-
Transfers-in	-	-	-	-	-
Total revenue and transfers-in	\$ 727,823	\$ 759,050	\$ 817,721	\$ 784,200	\$ 25,150
Total resources	\$ 664,788	\$ 698,701	\$ 757,372	\$ 784,200	\$ 25,150
Expenditures and transfers-out					
Salaries and wages	\$ 186,180	\$ 184,000	\$ 194,768	\$ 205,400	21,400
Benefits	85,252	105,200	104,053	106,150	950
OFFICE SUPPLIES	10	350	264	350	-
OPERATING SUPPLIES	704	1,000	1,856	1,000	-
CLOTHING/BOOTS	2,349	2,400	3,783	2,400	-
MOTOR FUEL	2,814	2,750	3,242	2,800	50
SMALL ITEMS OF EQUIPMENT	3,421	2,000	2,923	2,500	500
Supplies	30,745	29,400	41,587	29,950	550
OTHER PROFESSIONAL SVCS.	142	-	59	-	-
CELL PHONE	1,286	1,100	1,525	1,400	300
TRAVEL & SUBSISTENCE	92	500	583	650	150
MEALS	366	-	439	350	350
WATER SERVICE	44	-	-	-	-
STORM DRAINAGE CHGS.	626	-	267	1,200	1,200
ALARM SYSTEM	375	-	-	-	-
VEHICLE R&M	93	2,000	39	2,000	-
TRAINING & REGISTRATION	2,165	1,500	1,500	1,500	-
Other services and charges	422,960	440,450	416,964	442,700	2,250
Intergovernmental services	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Transfers-out	-	-	-	-	-
Total expenses and transfers-out	\$ 725,137	\$ 759,050	\$ 757,372	\$ 784,200	\$ 25,150
Ending fund balance	\$ (60,349)	\$ (60,349)	\$ -	\$ -	\$ -

2020 Budget

FACILITIES MAINTENANCE FUND - EXPENSES DIRECTLY RELATED TO BUILDING

	2018 Actuals	2019 Budget	2019 Estimated Actuals	2020 Budget	Increase/ (Decrease)
City Hall expenditures	\$ 61,134	\$ 62,300	\$ 62,094	\$ 62,550	\$ 250
Police Station expenditures	111,511	121,400	97,928	121,400	-
Fire Stations expenditures	85,296	84,350	78,731	84,350	-
Public Works Shop expenditures	35,704	40,900	67,617	40,900	-
Rosehill Community Center expenditures	106,408	95,850	121,701	95,850	-
Hawthorne Hall Building expenditures	-	-	1,729	-	-
Lighthouse expenditures	39,103	51,350	11,863	51,350	-
Chamber of Commerce expenditures	62	100	408	100	-
Total expenses related directly to buildings	\$ 439,218	\$ 456,250	\$ 442,071	\$ 456,500	\$ 250

FACILITY RENEWAL FUND

Purpose:

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

2019 Accomplishments

- Completed construction of the Chamber of Commerce basement stairwell enclosure
- Replaced dorm windows at Fire Station 25
- Painted exterior of Fire Station 24
- Painted Public Works shop entry
- Stained Police Department front entrance
- Installed charging stations at Lighthouse Park

2020 Goals & Objectives

- Replace HVAC at Fire Station 25
- Replace Rosehill Christensen Room Flooring
- Replace Light Station Roof
- Replace Light House Park Parking meters
- Upgrade security cameras at the Police station

Budget Highlights

- The budget includes a Facility Renewal New Budget Item to reflect the 2020 Goals and Objectives listed above



Facility Renewal

Date Discussed by Council:

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

Fund Name
Facility Renewal

Amount Requested
\$375,000

Nature of the expenditure? **One-time** Any Additional Revenue? If Yes, Identify Below **Yes**

Expenditure Purpose and Justification

Facility	Project	Detailed Description	Estimated Cost
Fire Station 25	HVAC (Carry Forward from 2019)	Replace standard efficiency furnaces and condensing units to reduce energy and maintenance costs and add fire dampers to comply with code	\$ 120,000
Police Station	Security Camera upgrade	Replace 15-year-old security camera and digital recording system. Add cameras in several additional areas around police facility that currently have limited visibility.	\$ 100,000
Rosehill	Christiansen room flooring	The carpet is badly stained and worn in certain areas. Will install a hard surface floor that will be more resistant to damage from spills and high traffic and conducive to the types of uses in this room: parties with food, etc.	\$ 20,000
Lighthouse Park	Roof Replacement (GRANT FUNDED)	Roof is leaking causing damage; \$10,000 grant from Lighthouse Environmental Programs and \$20,000 grant from Lodging Tax will cover the full cost	\$ 30,000
Lighthouse Park	Replace Small Meters with 7 Large	Existing small meters have ongoing problems that result in lost revenue not only from parking fees, but also from parking tickets that cannot be written due to malfunctioning meters.	\$ 105,000
TOTAL			\$ 375,000

Alternatives and Potential Costs

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

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

The Facility Renewal Fund is anticipated to have a balance of approximately \$395,000 at the beginning of 2020, and will receive transfers totalling \$260,450 and grants totalling \$30,000. The Fund is expected to end the year with a balance of approximately \$310,000.

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

Expenditure Account # & Title	Amount
Facility Renewal Bldg & Fixture Impr.	\$ 375,000
	\$ -
	\$ -
	\$ -

Revenue Account # & Title	Amount
Transfers In from Other Funds	\$ 260,450
Lodging Tax Grant	\$ 20,000
Lighthouse Environmental Grant	\$ 10,000
	\$ -

2020 Budget

Facility Renewal Fund (520)

	<u>2018 Actuals</u>	<u>2019 Budget</u>	<u>2019 Estimated Actuals</u>	<u>2020 Budget</u>	<u>Increase/ (Decrease)</u>
Beginning fund balance	\$ 583,022	\$ 480,880	\$ 469,654	\$ 405,212	\$ -
Revenue and transfers-in					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental revenue	62,331	12,000	10,176	30,000	18,000
Charges for goods and services	-	-	-	-	-
Fines and penalties	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
Transfers-in	51,700	40,000	52,000	260,450	220,450
Total revenue and transfers-in	<u>\$ 114,031</u>	<u>\$ 52,000</u>	<u>\$ 62,176</u>	<u>\$ 290,450</u>	<u>\$ 238,450</u>
Total resources	<u>\$ 697,053</u>	<u>\$ 532,880</u>	<u>\$ 531,830</u>	<u>\$ 695,662</u>	<u>\$ 238,450</u>
Expenditures and transfers-out					
Salaries and wages	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-	-
Supplies	8,166	-	-	-	-
BLDG & FIXTURE R&M - CITY HALL	30,822	-	14,144	-	-
BLDG & FIXTURE R&M - POLICE DEPT	10,814	10,000	25,688	100,000	90,000
BLDG & FIXTURE R&M - FIRE DEPT	21,475	148,000	29,628	120,000	(28,000)
BLDG & FIXTURE R&M - PW SHOPS	764	5,000	9,705	-	(5,000)
BLDG & FIXTURE R&M - ROSEHILL	76,623	32,000	9,579	-	(32,000)
BLDG & FIXTURE R&M - HAWTHORNE HALL	-	-	-	-	-
BLDG & FIXTURE R&M - LIGHTHOUSE	30,804	-	8,611	30,000	30,000
BLDG & FIXTURE R&M - CHAMBER OF COMMERCE	3,064	12,000	9,926	-	(12,000)
Other services and charges	174,366	207,000	107,281	250,000	43,000
Intergovernmental services	-	-	-	-	-
BUILDING IMPROVEMENTS - PW	19,360	-	-	-	-
BUILDING IMPROVEMENTS - ROSEHILL	-	-	-	20,000	20,000
BUILDING IMPROVEMENTS - LIGHTHOUSE	18,625	40,000	19,337	-	(40,000)
OTHER MACHINERY & EQUIPMENT	-	-	-	105,000	105,000
OFFICE FURN. AND EQUIPMENT	6,882	-	-	-	-
Capital Outlay	44,867	40,000	19,337	125,000	85,000
Transfers-out	-	-	-	-	-
Total expenses and transfers-out	<u>\$ 227,399</u>	<u>\$ 247,000</u>	<u>\$ 126,618</u>	<u>\$ 375,000</u>	<u>\$ 128,000</u>
Ending fund balance	<u>\$ 469,654</u>	<u>\$ 285,880</u>	<u>\$ 405,212</u>	<u>\$ 320,662</u>	<u>\$ 110,450</u>

SUPPLEMENTAL INFORMATION

ANNUAL SALARY POSITION MATRIX

Group	Position Title	Pay Grade	2020 Annual Salary Range
ELECTED	Mayor		70,800
	Council President		6,600
	Councilmembers		6,000
NON-REPRESENTED	City Administrator	N148	125,205 - 149,203
	Fire Chief	N146	121,536 - 147,728
	Police Chief	N146	121,536 - 147,728
	Public Works Director	N145	119,146 - 144,823
	Finance Director	N145	119,146 - 144,823
	Planning & Comm Dev Director	N145	119,146 - 144,823
	Recreation/Cultural Svcs Director	N138	111,124 - 135,072
	Assistant Police Chief	N131	103,657 - 125,996
	Assistant City Engineer	N129	101,614 - 123,513
	Human Resource Manager	N119	91,985 - 111,808
	Planning Manager	N112	87,511 - 106,370
	Public Works Superintendent	N111	86,653 - 105,328
	Capital Projects Engineer (Temp)	N111	86,653 - 105,328
	Information Technology Manager	N110	85,795 - 104,284
	Fire Marshal	N103	80,018 - 97,262
	Surface Water Program Manager	N101	78,440 - 95,344
	Accounting Manager	N100	77,658 - 94,394
	Exec Assistant	N088	68,924 - 83,778
	City Clerk	N085	66,901 - 81,319
	Adminstrative Support Coordinator	N085	66,901 - 81,319
Recreation Customer Service Clerk	N01	\$13.95 - \$16.95/hourly	

Continued on following page

2020 Budget

Continued from previous page

Group	Position Title	Pay Grade	2020 Annual Salary Range
CLERICAL	Senior Planner	C102	74,050 - 90,008
	Senior Engineer Technician	C101	73,309 - 89,107
	GIS Coordinator	C93	67,698 - 82,287
	Surface Water Technician	C93	67,698 - 82,287
	Associate Planner	C89	65,061 - 79,082
	Staff Accountant	C89	65,061 - 79,082
	Network Engineer	C88	64,417 - 78,299
	Building Inspector II	C86	63,144 - 76,752
	Assistant Planner	C85	62,514 - 75,987
	Permit Services Supervisor	C85	62,514 - 75,987
	Payroll Coordinator	C74	56,028 - 68,102
	GIS/CAD Technician	C73	55,474 - 67,428
	Senior Dept Assistant	C67	52,253 - 63,513
	Accounting Technician	C62	49,706 - 60,418
	Permit Services Assistant	C62	49,706 - 60,418
	Office Technician	C62	49,706 - 60,418
	Recreation Coordinator	C62	49,706 - 60,418
Recreation Programmer	C55pt	\$22.29 - \$27.09/hourly	
POLICE SUPPORT	Office Supervisor	L85	59,940 - 72,857*
	Support Services Technician	L62	48,612 - 59,088*
	Community Services Officer	L56	46,458 - 56,470*
	Support Services Assistant	L55	44,442 - 54,019*
**FIRE	Battalion Chief	F-0	107,633 - 119,001
	Fire Captain	F-1	92,703 - 102,508
	Firefighter/EMT	F-2	71,241 - 89,126
	Firefighter/Paramedic	F-2	71,241 - 89,126
**POLICE	Police Sergeant	P-1	96,537 - 101,653*
	Police Detective Sergeant	P-2	66,646 - 86,080*
	Police Detective	P-2	66,646 - 86,080*
	Crime Prevention Officer	P-2	66,646 - 86,080*
	School Resource Officer	P-2	66,646 - 86,080*
	Patrol Officer	P-2	66,646 - 86,080*
PUBLIC WORKS	Foreman	C100	75,670 - 90,574
	Maintenance Lead	C81	63,011 - 76,505
	Maintenance Worker II	C64	53,263 - 64,656
	Senior Facility/Park Attendant	C53	47,773 - 57,973
	Maintenance Worker I	C40	41,719 - 50,660
	Custodial Worker	C35	39,711 - 48,219
	Maintenance Assistant - Seasonal		\$15.62 - \$18.99/hourly

*2019 rates shown for Police and Police Support; 2020 Contract not yet approved

**Rates shown for Fire and Police do not include education, longevity or special pays

All annual rates rounded to nearest dollar

CITY COUNCIL CHANGES PRELIMINARY TO FINAL BUDGET

Fund	Item	Impact (positive= money returning to fund)
General Fund	Eliminate the HR Coordinator NBI from the 2020 Budget	+\$80,550
	Eliminate the proposed June 2020 increase in Water and Wastewater rates	-\$45,000
	Reduce salary & benefits from the City Administrator position in anticipation of five months of vacancy and direct that all remaining funds only be used for the City Administrator position	+\$65,000
	Reduce Executive Department travel	+\$2,000
	Reduce Council travel	+\$2,000
	Reduce Council training	+\$2,400
	Adjust Rosehill fees: increase split between residents and non-residents	Net \$0
	Reduce salary & benefits for the Public Works Director position in anticipation of five months of vacancy	+\$19,400
Emergency Medical Services	Eliminate the proposed 2020 Budget rate increase for EMS transport fees, reducing revenue	-\$140,000
	Reduce Equipment Replacement Charges to Equipment Replacement Fund	+\$140,000
Real Estate Excise Tax II (REET II)	Shift \$120,000 in funds from the Bike Transit Walk Program (new sidewalks and bike infrastructure) to the Sidewalk Repair Program inside the REET II fund	Net \$0
Capital Projects	Shift \$120,000 in funds from the Bike Transit Walk Program (new sidewalks and bike infrastructure) to the Sidewalk Repair Program inside the REET II fund	Net \$0
Surface Water	Add Surface Water Maintenance Worker II position	-\$71,150
Equipment Replacement Fund	Reduce revenues from Emergency Medical Services Fund Equipment Replacement Charges	-\$140,000
	Eliminate the Ambulance purchase, Battalion Chief Ford expedition and two Patrol SUVs (all except the GMC Van and the Assistant Chief 2013 Ford SUV)	+\$278,000

OVERTIME BUDGET SUMMARY

Overtime Budget by Department/Division					
<i>Following passage of the 2020 Budget, the City Council requested a separate breakdown of overtime for City Departments. Overtime budgets are listed below.</i>					
Department	Division	2018 Actuals	2019 Budget	2019 Actuals	2020 Budget
Finance	Accounting	\$ 1,202	\$ 2,500	\$ 3,172	\$ 2,500
	Information Technology	\$ 30,805	\$ 1,000	\$ -	\$ 500
Recreation & Cultural Services	-	\$ 574	\$ 500	\$ -	\$ 500
Community Development	Permit Center	\$ 8,587	\$ 10,000	\$ 7,206	\$ 10,000
	Planning	\$ 6,479	\$ 10,000	\$ 6,155	\$ 10,000
	GIS	\$ 31	\$ 800	\$ 185	\$ 800
Police	Administration	\$ 6,440	\$ 10,000	\$ 16,045	\$ 10,000
	*Patrol	\$ 210,390	\$ 165,000	\$ 171,440	\$ 165,000
	Special Operations	\$ 42,357	\$ 28,950	\$ 64,899	\$ 42,500
	Crime Prevention	\$ 6,347	\$ 5,000	\$ 9,021	\$ 6,500
	Training	\$ 27,960	\$ 30,600	\$ 29,327	\$ 30,600
	*Drug Enforcement	\$ 3,164	\$ 2,000	\$ -	\$ 4,000
	Rangers (Waterfront Parking)	\$ 207	\$ 1,500	\$ 1,734	\$ 1,500
	Fire	Administration	\$ -	\$ 2,000	\$ 206
	Operations	\$ 131,555	\$ 81,750	\$ 173,259	\$ 88,950
	Prevention	\$ 6,577	\$ 9,000	\$ 8,589	\$ -
	EMS Ambulance Services	\$ 181,671	\$ 132,250	\$ 276,854	\$ 144,650
	EMS Training	\$ 9,083	\$ 15,000	\$ 14,014	\$ -
Public Works	Admin & Engineering	\$ -	\$ 1,000	\$ 535	\$ 1,000
	Parks	\$ 7,775	\$ 8,000	\$ 18,203	\$ 8,000
	Parks (Waterfront Parking)	\$ 4,606	\$ 5,500	\$ 9,982	\$ 5,500
	Streets Operations	\$ 4,482	\$ 6,000	\$ 21,483	\$ 6,000
	Surface Water Administration	\$ 869	\$ 1,500	\$ 1,347	\$ 1,500
	Surface Water Operations	\$ 3,256	\$ 8,000	\$ 18,855	\$ 8,000
	Facility Maintenance	\$ 3,391	\$ 1,000	\$ 11,334	\$ 3,000
	TOTAL		\$ 697,808	\$ 538,850	\$ 863,845

**Reimbursements for Police Department grant-funded enforcements/special operations/Interlocal Agreements are shown as revenue in the General Fund, not as a reduction in expenditure*

BUDGET ORDINANCE

CITY OF MUKILTEO
MUKILTEO, WASHINGTON
ORDINANCE NO. 1431

**AN ORDINANCE OF THE CITY OF MUKILTEO, WASHINGTON,
ADOPTING THE 2020 MUNICIPAL BUDGET IN THE AMOUNT OF
\$53,526,029.**

WHEREAS, the Mayor's 2020 Preliminary Budget recommendation and Budget Message was presented to the City Council, and filed with the City Clerk for the purpose of presenting the 2020 Annual 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 Preliminary Budget public hearings on October 7, 14, and 21, at which hearings all taxpayers were heard who appeared for or against any part of said budget; and

WHEREAS, the public hearings for the Final Budget were held on October 21 and 28, and November 4 and 12; 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. The 2020 budget for the City of Mukilteo, Washington, on file with the City Clerk, is hereby adopted in its final form and content. The totals of estimated revenues and transfers in and appropriations for expenditures and transfers out for each separate Fund and the aggregate totals for all such Funds combined, in summary form, are attached hereto as Exhibit "A" and incorporated herein by this reference.

Section 2. A complete copy of the 2020 Adopted Municipal Budget, together with a copy of this adopting ordinance shall be transmitted by the Finance Director to the Division of Municipal Corporations of the Office of the State Auditor and to the Association of Washington Cities.

2020 Budget

Section 3. Administrative Budget Adjustments. The Mayor and Management Services Director/City Administrator are authorized to transfer budgeted appropriations within any Fund when considered necessary for the conduct of City business and the provision of services to the public as long as the total appropriations of any Fund are not increased. Any budget adjustments that would increase the total appropriations of any Fund must be approved by the City Council by Ordinance as part of the budget amendment process. Budgeted appropriations are defined to include amounts budgeted for both expenditures and transfers to other Funds.

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

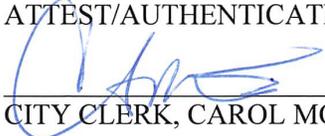
Section 4. This ordinance shall take effect five (5) days after publication of the attached summary, which is hereby approved.

PASSED by at least a majority plus one of the City Council and APPROVED by the Mayor this 18th day of November, 2019.

APPROVED


MAYOR, JENNIFER GREGERSON

ATTEST/AUTHENTICATED:


CITY CLERK, CAROL MOORE

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY:

for: By:  
DANIEL KENNY

FILED WITH THE CITY CLERK: 11-18-2019
PASSED BY THE CITY COUNCIL: 11-18-2019
PUBLISHED:
EFFECTIVE DATE:
ORDINANCE NO. 1431

2020 Budget

	BEGINNING FUND BALANCE	REVENUE	INCOMING TRANSFERS	TOTAL FUND SOURCES	EXPENDITURES	OUTGOING TRANSFERS	TOTAL FUND USES	ENDING FUND BALANCE
GENERAL & SPECIAL REVENUE FUNDS								
General	\$ 3,523,894	\$ 15,353,018	\$ 151,100	\$ 15,504,118	\$ 14,889,193	\$ 488,375	\$ 15,377,568	\$ 3,650,444
City Reserve	1,000,000	-	-	-	-	-	-	1,000,000
LEOFF I Reserve	32,395	-	-	-	11,200	-	11,200	21,195
Transportation Benefit District	643,756	317,650	-	317,650	-	924,536	924,536	36,870
Streets	75,075	550,200	238,375	788,575	863,650	-	863,650	0
Waterfront Parking	17	719,200	-	719,200	719,200	-	719,200	17
Recreation & Cultural Services	-	-	-	-	-	-	-	-
Hotel/Motel Lodging Tax	154,786	245,000	-	245,000	262,200	-	262,200	137,586
Emergency Medical Services	-	2,894,924	-	2,894,924	2,820,250	60,000	2,880,250	14,674
Drug Enforcement	1,239	20,000	-	20,000	20,000	-	20,000	1,239
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DEBT SERVICE FUND	0	-	880,345	880,345	877,000	-	877,000	3,345
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CAPITAL PROJECT FUNDS								
Capital Projects	-	17,469,600	3,097,502	20,567,102	20,567,102	-	20,567,102	-
Park Acquisition & Development	274,326	262,749	-	262,749	242,749	-	242,749	284,326
Transportation Impact Fee	122,829	50,000	-	50,000	-	90,700	90,700	82,129
Real Estate Excise Tax I	2,157,470	713,500	-	713,500	-	905,345	905,345	1,965,625
Real Estate Excise Tax II	1,320,566	700,000	-	700,000	-	2,020,566	2,020,566	(0)
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PROPRIETARY FUNDS								
Surface Water Management	4,286,412	5,586,606	-	5,586,606	6,186,513	198,250	6,384,763	3,488,255
Surface Water Reserve	300,000	-	-	-	-	-	-	300,000
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INTERNAL SERVICE FUNDS								
Technology Replacement Reserve	173,794	18,500	60,000	78,500	125,000	-	125,000	127,294
Equipment Replacement Reserve	1,124,968	471,200	-	471,200	95,000	-	95,000	1,501,168
Facilities Maintenance	34,207	784,200	-	784,200	784,200	-	784,200	34,207
Facility Renewal	394,654	30,000	260,450	290,450	375,000	-	375,000	310,104
	\$ 15,620,387	\$ 46,186,347	\$ 4,687,772	\$ 50,874,119	\$ 48,838,257	\$ 4,687,772	\$ 53,526,029	\$ 12,968,478