

The
CITY OF LAKE STEVENS

Washington

2012 Proposed Annual Budget



One Community Around the Lake

Vern Little
Mayor

City Officials

Vern Little
Mayor

Suzanne Quigley
Council President

Mark Somers
Council Vice President

Kim Daughtry
Councilmember

Neal Dooley
Councilmember

John Spencer
Councilmember

Kathy Holder
Councilmember

Marcus Tageant
Councilmember

City Staff

City Administrator.....	Jan Berg
Finance Director.....	Barbara Lowe
City Clerk/ Administrative Assistant.....	Norma Scott
Police Chief.....	Randy Celori
Public Works Director/Engineer.....	Mick Monken
Planning Director.....	Becky Ableman
Human Resources Director.....	Steve Edin, MPA

City of Lake Stevens
2012 Proposed Annual Budget

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**City of Lake Stevens
2012 Budget**



Budget Message



November 1, 2011

Honorable Council President Suzanne Quigley and City Council members, City of Lake Stevens, Lake Stevens, Washington

Dear Council President Quigley and City Council members

I am pleased to present you with the City's recommended budget for 2012.

General Fund

The General Fund is balanced. We have been challenged financially due to the current economic conditions. In the current economic environment, we are anticipating reductions in property tax, sales tax, building permit revenues, and liquor board profits.

We are also faced with governmental mandates and obligatory expenses such as planning mandates passed by the Legislature and capital and maintenance expenses for emergency communications. Our duty is to manage these expenses wisely, within the resources made available under our state's municipal financing system.

In this fiscal environment, department requests were limited and prioritized based on the principle that if it was not a necessity, it was not to be included in the request.

Our priorities this year are to continue to maintain the high quality of services provided by city staff, streamline processes, update high priority city codes, focus on economic development, and accumulate reserves for future needs.

Quality development will provide a path to greater financial stability. The solution to our current financial challenges is to continue to identify and promote economic development opportunities to broaden our tax base.

Street Fund

The purpose of the street fund is to maintain existing streets, build new streets, and if necessary, rebuild existing ones.

Historically, the Street Fund has received 50% of the B&O Electric tax revenues. The share of the B&O Electric tax revenues will remain at 50% in this year's budget for the Street Fund. The Street Fund's share of Property tax collections will be increased from 21% to 28% for 2012.

Capital Projects include street and bridge repairs, continuation of the 20th Street traffic study, a GMA Traffic Mitigation plan, and two mini-roundabouts located near the Frontier Village shopping center.

Enterprise Funds

Surface Water Fund

The purpose of the Storm Water Fund is to provide for maintenance and operation of our storm water drainage system. This includes a share of the Lake Stevens Aerator in partnership with Snohomish County.

Projects include culvert replacement and drainage repairs, and ongoing milfoil/aquatic weed eradication solution. In addition, we must continue to meet specific NPDES requirements for water quality. These requirements include meeting outreach, education, and testing of water quality.

Sewer Fund

The Sewer Fund was transferred to the Lake Stevens Sewer district in June of 2005. The City maintains an ongoing relationship with the sewer district and consults with the District on a wide array of issues. The City also makes debt service payments on sewer bonds and Public Works Trust Fund Loans, which are reimbursed by the Sewer District.

Conclusion

We are continuing to put a great deal of emphasis on forecasting for the future of the City beyond 2012. We are challenged with increasing demands on our tax base but we are rising to the challenge. This City is well managed and our staff is highly motivated. We will continue to use our best talents to put our scarce resources to their best use.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Vern Little', with a stylized, cursive script.

Vern Little, Mayor

CITY OF LAKE STEVENS
LAKE STEVENS, WASHINGTON

ORDINANCE NO. 865

AN ORDINANCE ADOPTING THE BUDGET FOR THE CITY OF LAKE STEVENS,
WASHINGTON, FOR THE CALENDAR YEAR ENDING DECEMBER 31, 2012

WHEREAS, the Mayor of the City of Lake Stevens, Washington completed and placed on file with the City Clerk a proposed budget and estimate of the amount of the moneys required to meet the public expenses including salaries and benefits of City employees, bond retirement and interest, reserve funds and expenses of government of said City for the fiscal year ending December 31, 2012, and a notice was published that the Council of said City would meet for the purpose of making a budget for said fiscal year and giving taxpayers within the limits of said City an opportunity to be heard upon said budget, and

WHEREAS, the said City Council did meet at said time and place and did then consider the matter of said proposed budget; and

WHEREAS, notices were published in the official newspaper of the City, that the Council of said City would meet on the 14th day of November and the 28nd day of November, 2011, at the hour of 7:00 P.M., at the City Council Chambers in the Lake Stevens School District Educational Service Center of said City for the purpose of receiving public testimony in a public hearing as to the matter of said proposed budget; and

WHEREAS, the said City Council did meet at said dates, times, and place and did receive public testimony during a public hearing as to the matter of said proposed budget; and

WHEREAS, the said proposed budget does not exceed the lawful limit of taxation allowed by law to be levied on the property within the City of Lake Stevens for the purposes set forth in said budget, and the estimated expenditures set forth in said budget being all necessary to carry on the government of said City for said year and being sufficient to meet the various needs of said City during said period.

NOW, THEREFORE, the City Council of the City of Lake Stevens do ordain as follows:

Section 1. The budget for the City of Lake Stevens, Washington, for the year 2012 is hereby adopted in its final form and content as set forth in the document entitled City of Lake Stevens 2012 Annual Budget, 1 copy of which are on file in the Office of the Clerk.

Section 2. Totals for all such funds combined, for the year 2012 are set forth in summary form below, and are hereby appropriated for expenditure during the year 2012 as set forth below:

Fund #	Fund Name	Estimated Beg. Bal.	Resources	Expenditures	End. Bal.
001	General	\$2,974,867	\$7,757,763	\$8,034,762	\$2,697,868
002	Contingency Reserve	\$845,195	\$900	\$100	\$845,995
101	Street	\$1,589,683	\$2,037,700	\$1,871,911	\$1,755,472
103	Street Reserve	\$1,518	\$3	\$0	\$1,521
111	Drug Seizure & Forfeiture Fund	\$2,562	\$2,005	\$200	\$4,367
112	Municipal Arts Fund	\$1,318	\$5	\$0	\$1,323
205	PWTF Loan 2002	\$0	\$90,405	\$90,405	\$0
206	Police Station LTGO 2004	\$0	\$105,969	\$105,969	\$0
207	PWTF 2006	\$0	\$413,380	\$413,380	\$0
208	PWTF 2005	\$0	\$67,369	\$67,369	\$0
209	PWTF 2008	\$0	\$566,294	\$566,294	\$0
210	2008 Bonds	\$0	\$347,999	\$347,999	\$0
211	PWTF 2010	\$0	\$69,251	\$69,251	\$0
212	2010 LTGO Bonds	\$0	\$95,613	\$95,613	\$0
301	Cap. Proj.-Dev. Contrib.	\$1,285,045	\$62,000	\$0	\$1,347,045
303	Cap. Imp.-REET	\$707,965	\$226,600	\$442,546	\$492,019
304	Cap. Improvements	\$990,357	\$226,500	\$0	\$1,216,857
305	Downtown Redevelopment	\$1,636	\$3	\$0	\$1,639
309	Sidewalk Capital Project	\$591,762	\$1,000	\$0	\$592,762
401	Sewer	\$315,776	\$1,377,714	\$1,384,522	\$308,968
406	Sewer Reserve	\$196,275	\$360	\$0	\$196,635
410	Storm and Surface Water	\$492,482	\$1,468,559	\$1,374,876	\$586,165
501	Unemployment	\$89,606	\$30,179	\$35,000	\$84,785
510	Equipment Fund	\$75,353	\$51,966	\$46,920	\$80,399
520	Equipment Fund-Police	\$149,789	\$100,500	\$80,000	\$170,289
530	Equipment Fund-PW	\$134,218	\$87,022	\$26,700	\$194,540
540	Aerator Equipment Replacement	\$53,404	\$38,640	\$0	\$92,044
621	Refundable Deposits	\$3,400	\$30,500	\$33,900	\$0
633	<u>Treasurer's Trust</u>	<u>\$0</u>	<u>\$300,000</u>	<u>\$300,000</u>	<u>\$0</u>
	Total	\$10,502,211	\$15,556,199	\$15,387,717	\$10,670,693

Section 3. The City Clerk is directed to transmit a certified copy of the budget hereby adopted to the Division of Municipal Corporations in the Office of the State Auditor and to the Association of Washington Cities.

Section 4. A summary of this ordinance consisting of the title shall be published in the official City newspaper. This ordinance shall take effect and be in full force five (5) days after publication.

PASSED BY THE CITY COUNCIL OF THE CITY OF LAKE STEVENS this 28th day of November, 2011.

City of Lake Stevens 2012 Budget



About the Budget and the Budget Process

About the Budget and the Budget Process

What?

The budget includes the financial planning and legal authority to obligate public funds. Additionally, the budget provides significant policy direction from the City Council to the Mayor, City staff and the community. As a result, the City Council, Mayor, staff, and public are involved in establishing the budget for the City of Lake Stevens.

The budget provides four functions:

1. A Policy Document

The budget functions as a policy document in that the decisions made within the budget are designed to "reflect the Major Themes & Policies that guide the actions taken for the future." As a policy document, the budget makes specific attempts to link desired themes and policy direction to the actual day-to-day activities of the City staff.

2. An Operational Tool

The budget details all of the operations of the City. Activities of each City function and organization have been planned, debated, formalized, and described in the following sections. This process will help to maintain an understanding of the various operations of the City and how they relate to each other and to the attainment of the Major Themes & Policy issues of the City Council.

3. A Link With the General Public

The budget provides a unique opportunity to allow and encourage public review of City operations. The budget describes the activities of the City, the reason or cause for those activities, future implications, and the direct relationship to the citizenry.

4. A Legally Required Financial Planning Tool

The budget is a financial planning tool, which has been its most traditional use. In this light, the budget is a State law requirement of all cities, as stated in Title 35A RCW. The budget must be proposed as a balanced budget and must be in place prior to the expenditure of any City funds. The budget is the legal authority to expend public monies and controls those expenditures by limiting the amount of the appropriation at the fund level. The revenues of the City are estimated, along with available cash carry-forward, to indicate funds available. The staff's requests for appropriations comprise the disbursement side of the preliminary budget.

Why?

The budget is a requirement of State law. The budget, as proposed, constitutes the legal authority for expenditures. The City's budget is proposed at the fund level so expenditures may not legally exceed appropriations at that level of detail.

But more than that, the budget process affords both an interesting and challenging opportunity to reassess plans or legislative policies and the means for accomplishing them. It's through this effort that the budget becomes the single most important policy document produced each year. Much effort is expended to ensure the budget plan will achieve the Major Themes & Policies of the City Council.

How?

The Budget Process

Determining Budget Themes and Policies - The Budget process for the City of Lake Stevens is, in some respects, an on-going, year-round activity. This is especially true with the ECB process. The formal budget planning begins in the summer, with discussions between the Mayor, City Administrator, departments, and the City Council about status of on-going programs, and new policies and objectives for the future which result from the legislative retreat and priority setting process.

Reporting and Monitoring

The budget and its policies are implemented through the individual departments and the accounting controls of the Finance Department. The budget is monitored by a reporting system consisting of monthly reports to the department heads. Financial reports are issued by the Finance Department which compare actual expenditures and revenues with the budget. In these reports, financial data is presented at the same level of detail as the final budget. Financial reports are submitted to the City Council monthly and reported in summary on a quarterly basis.

Staff Planning and Preparation

Budget preparation actually begins in late spring and early summer with the completion and Council's subsequent adoption of the six-year financial forecast. Then typically in July, the budget process kicks off with the budget call letter which requests all department heads to complete their departmental expenditure requests.

Major Funds of the Budget

The City's budget and accounting structure uses funds as a means to collect and record all the revenues and expenditures associated with different departments, areas of service, grants, and other projects. There are three primary funds utilized to track a majority of the City's activities. The first is the General Fund which is responsible for a majority of all departments and general operations of the City. The second fund is the Street Fund which supports a variety of activities associated with building, maintaining, and planning for the City's transportation network. The third fund is the Storm and Surface Water Fund which provides maintenance and operations of the City's storm drainage system and aerator.

Preliminary Budget

In September the budget is ready for the Mayor and City Administrator's review. The preliminary budget is prepared and available for City Council and citizen review in November. The Council holds formal hearings on the preliminary budget and conducts a series of workshops to examine the budget in detail during October and November. Final action on the budget usually occurs in early December.

Final Budget

The final budget is issued as a formal published document in the same format as the preliminary budget, but as modified by the City Council. The actual appropriations implementing and amending the budget are contained in the budget ordinance proposed by the City Council.

Amending the Budget

The budget can be amended at anytime during the budget year. If the amendment consists of just the movement or adjustment of budget within a single fund without increasing or decreasing the budget grand total for that fund, it may be adjusted with just administrative approval. However if the amendment changes the grand total for that fund or creates or deletes a fund, the amendment must be approved by the city council in the form a budget amendment ordinance.

CITY OF LAKE STEVENS 2012 ANNUAL BUDGET CALENDAR

<u>TASK/EVENT</u>	<u>DATE</u>
Budget Instructions to Department Heads	August 2
Budget Revenue & Expense Estimates Filed with City Clerk	August 19
Budget Estimates Presented to Mayor & Administrator	August 23
Dept Heads Meet with Mayor & Administrator	August 29- September 2
Budget Committee Meeting	September 19
Budget Estimates Presented to Legislative Body	September 26
Budget Committee Meeting	September 26
Budget Committee Meeting	October 10
City Council Budget	October 10
Preliminary Budget and Budget Message Filed with City Clerk	November 1
Copies of Proposed Budget Available to the Public	November 1
Notice of Public Hearing	November 2
Notice of Public Hearing	November 9
Public Hearing #1 (Property Tax Levy)	November 14
Final Public Hearing and Budget Adoption	November 28
Final Public Hearing (continuation) and Budget Adoption (if needed)	December 12

City of Lake Stevens 2012 Budget



Budget Themes and Policies

MAJOR BUDGET THEMES & POLICIES OF LAKE STEVENS **CITY GOVERNMENT**

The City of Lake Stevens' elected officials and staff have together articulated a set of values and expectations of City government: the Major Themes & Policies. It is these themes and their supporting policies which set the course for Lake Stevens well into the future. The City's Budget Process utilizes the Themes & Policies to ensure that the community's service goals are supported by the budget process.

Readers are invited to review the departments' 2011 major objectives which are located within the "Proposed Budget" Section of this document. The major objectives of each department are described there and coded to identify the Major Themes and Policies to which they relate.

THEME: A. CERTAINTY OF BASIC MUNICIPAL SERVICES

Basic municipal services are characterized by consistent high quality, dependability, responsiveness, and customer satisfaction.

POLICIES:

Leadership -- Continue to provide effective and efficient leadership for all municipal services to deliver the best service possible.

Personnel Resources -- Ensure that sufficient and qualified staff resources are available to maintain current levels of service.

Legislative Retreat -- Continue to conduct an annual legislative retreat to develop and prioritize City goals, policies, and directives for the ensuing year.

Police Service -- Provide for 24 hour police protection for basic law enforcement functions and provide police services that meet professional standards resulting in the citizen's perception that the City is safe and Police are responsive.

Public Safety -- Provide crime prevention and life safety/ inspection services.

Comprehensive Plan Update Processing -- Annually review Comprehensive Plan policies and plans for effectiveness; revise as needed. Process privately requested Comprehensive Plan amendments.

Operational Standards -- Continue to update and improve City codes, policies, and practices necessary to provide basic municipal services which are high quality, dependable, consistent, and responsive to community needs and in compliance with state and federal law.

Customer Satisfaction -- Continue the City's customer focus orientation in all services provided that results in citizen feedback of responsiveness to their concerns.

Sewer Capacity -- Continue to work with the Lake Stevens Sewer District to provide for the acquisition of sufficient sewer hook-ups to support build-out within the City.

Capital Improvements -- Acknowledge, schedule and budget for the Six-Year Schedule of Improvement of the Capital Facilities element of the Comprehensive Plan and other capital improvements as required.

Review and Amend Land Use Code (as needed) -- The Growth Management Act requires that the City's Land Use Code be consistent with its Comprehensive Plan.

Parks – Continued updating City and UGA needs study.

Street Addresses -- Coordinate needed changes with local emergency service providers and the U.S. Post Office. All changes should include an evaluation of the economic impacts to the City and the individual citizens involved.

Code Enforcement -- Provide education and enforcement of to enhance the quality of life in the city.

THEME: SENSE OF COMMUNITY

The places where people live, do business, and play should be safe, friendly, and supportive. The City will attend to the well-being of its citizens and families. All citizens should feel "connected" to the community, its government and its lasting institutions.

POLICIES:

Aquafest -- Be a full partner in the celebration and contribute to its success.

Gang Prevention - Support the Interlocal Youth Gangs Taskforce through funding and participation in community sponsored alternatives to youth violence. Be vigilant to problems and pro-active in enforcement.

Urban Design -- Update the Urban Design Guidelines to more precisely fit the City and the UGA.

Phased Annexation Plan -- Continue with the implementation of the phased annexation plan prioritizing lands for annexation that require urban services in accordance with the Growth Management Act, City's Capital Facilities Plan and fiscal impact analysis.

Annexation Fiscal/Service Impact Study -- Supplement/update the City's analysis with an annexation impact study.

Implement GMA -- Manage the City Comprehensive Plan and adopt Urban Growth Area Comprehensive Plan, provide staff to Growth Management Coordinating Committee and develop population/employment monitoring plan.

Park/Trail Safety -- Provide for police patrol of City Parks and Trails.

Senior Citizens -- Continue to support and promote the City's senior citizens and their activities through the provision of facilities (Senior Center) and other associated costs (maintenance and utilities).

Historic Preservation -- Prepare a strategy to identify and manage historic and prehistoric sites, and facilitate the preservation and interpretation of historic buildings.

Downtown Development -- Assist in in-filling downtown with viable businesses applying a historic flavor.

Special Districts -- Develop clear policies and positive partnerships with special districts serving the Lake Stevens community to improve the overall public service system.

City Entrances -- Sign and beautify the City's major entrances.

THEME: RESPECTED AND PROTECTED NATURAL ENVIRONMENT

Lake Stevens wetlands, trees, open spaces, and other important features of its natural environment are to be protected.

POLICIES:

Lake Restoration --The City will continue with its efforts to manage and implement the Lake Restoration Program and to continue to work with Snohomish County to improve water quality in the lake and its tributary drainages.

Alternative Energy Sources -- The City will facilitate the conversion to cost-effective and environmentally sensitive alternative technologies and energy sources.

Recycling -- Maintain and expand reduction, re-use, and recycling programs in the City; and support local, regional, state, federal, and private programs aimed at reduction, re-use, and recycling of natural resources.

Drainage Regulations -- Meet NPDES requirements and benchmarks for water quality. Keep current the proposed storm water control ordinance requiring best management practices for storm water control, addressing such issues as detention, release, erosion and siltation, etc.

THEME: LIMITED FINANCIAL RISK

Lake Stevens city government will maintain conservative fiscal policies which guide decisions on revenue, investment and expenditures of city funds, and maintain adequate reserves to support consistent city services regardless of economic fluctuations.

POLICIES:

Financial Reporting -- Provide reliable financial information through financial reporting and fiscal controls.

Financial Plan -- Maintain a policy-based six year financial plan of projected revenues and expenditures for major operating and capital funds.

Grants Management -- Maintain sound fiscal management of grants to ensure compliance with all federal and state grant requirements and to ensure that grant reimbursement funds are obtained promptly to maximum investment potential.

20-Year CIP and 6-Year TIP -- The City shall continue to adopt an annual budget and a six-year capital improvement program as part of its budgeting process.

Debt Management -- Debt shall be managed so that City general obligation debt will not exceed debt limitations set by law and the City's ability to pay. There are no limits placed on revenue bonds other than the ability to pay.

THEME: MAXIMIZE EFFICIENCY OF CITY OPERATIONS

City resources are to be used wisely and carefully. City government shall continuously seek opportunities to improve service and maintain high quality and efficiency.

POLICIES:

Budget System -- Implement, manage, improve, and continually evaluate the City's budget performance to maintain expenditures within the City's revenue base.

Actively Pursue Grants -- Efforts shall be made to secure grants or private funds, whenever available, to finance the provision of capital improvements.

Continuing Efficiency -- Strive to maintain efficiency in the provision of City government services through continual evaluation and improvement of administrative, technical, and personnel procedures and practices, as well as the Lake Stevens Municipal Code.

Salary -- Devote adequate funds to ensure competitive salaries and benefits so trained and competent employees will remain with the City, ensuring expertise and continuity in service delivery.

Continuing Education -- Ensure that elected officials, appointed commissioners, and staff maintain and/or improve their levels of expertise through continued education, development, and peer consultation.

Staff and Equipment Management -- Ensure that City Hall remains technologically advanced in order to provide the best service possible and minimize the need for additional staff.

Computer Networks -- Maintain the City Hall computer network to continue to allow for more efficient exchange of information between departments and between the City and its customers.

Civic Center Improvements -- Continue efforts to complete the planning process and implement a new Civic Center vision including an expanded library facility, park improvements and the future City Hall.

Update CIP -- Plan and budget capital improvements to correct existing deficiencies, to replace worn out or obsolete facilities and to accommodate desired future growth, as identified within the Comprehensive Plan.

Review of Developer Submittals -- Appropriate funding mechanisms for development's contribution of a fair share of public facility improvements (such as recreation, drainage and solid waste) will be considered for implementation as they are developed by the City.

Streamline Permit Process -- Monitor our permit approval procedures to ensure we have the most streamlined and efficient process possible.

THEME: REGIONAL COOPERATION

Lake Stevens shall seek to coordinate and cooperate with other jurisdictions to address shared concerns, meet mutual needs, and to deliver services and manage operations with maximum efficiency.

POLICIES:

Interagency and Utility Coordination -- In order to expand services to the citizens of Lake Stevens in a fiscally responsible manner, coordinate the construction of new utilities with existing facilities and land use designations, and provide for appropriate mitigation charges and assessments, the City shall continue with interagency cooperation, including the sharing of personnel, facilities and resources whenever possible. The Comprehensive Plan lists policies regarding coordination, cooperation, joint review of projects, and mitigation with regional agencies, utilities and with the Lake Stevens School District, Lake Stevens Sewer District, and Lake Stevens Fire.

Transportation Coordination -- The City will continue to coordinate with Puget Sound Regional Council and all other agencies and neighboring jurisdictions involved with public transportation, whether they be bus, HOV lanes, light rail, heavy rail, ride sharing, van pooling, or other forms, to identify what is of best use to the citizens of the City and participate in those ventures and proposals which are of general, and/or specific, benefit to the citizens of the City.

THEME: MAINTAIN/IMPROVE CITY FACILITIES & INFRASTRUCTURE

The City will seek to maintain and improve its facilities and infrastructure to support the existing population as well as to provide for managed growth.

POLICIES:

Prioritizing Capital Improvements -- Proposed capital improvement projects shall be evaluated and prioritized using all the following criteria:

- a. elimination of public hazards;
- b. whether the project is needed to correct existing deficiencies, replace needed facilities, or to provide facilities needed for future growth;
- c. elimination of capacity deficits;
- d. financial feasibility;
- e. site needs based on projected growth patterns;
- f. environmental impacts;
- g. new development and redevelopment;
- h. plans of state agencies;
- i. local budget impact including costs for operation and maintenance.

Pursue Capital Construction -- Continue to prioritize and construct those projects listed within the Capital Facilities Plan.

Transportation Plan -- Provide safe, convenient and efficient transportation for all residents and visitors to the City. This will include improvements to existing facilities as well as extensions of transportation to new developments. The Comprehensive Plan lists policies requiring studies and reports of transportation details, specifically for:

- a. annually updating the transportation element of the Comprehensive Plan;
- b. a transportation plan for the central business district, including access to and movement within the district for both motorized and non-motorized traffic;
- c. improve and encourage the use of the truck route through the industrial area;

Transit Coordination -- Continue to work with Community Transit to identify the best routes, stops and scheduling to best serve the community, encourage use and maximize the efficiency of public transportation and identify and develop car pool, van pool, and park and ride facilities to best accommodate City residents and encourage ride sharing and use of public transportation.

Municipal Code Revisions -- The City will continue to review the Municipal Code and propose revisions to the language and references therein to be consistent with the language and references in the Transportation Element of the Comprehensive Plan.

Impact Fee Management -- Keep transportation improvement cost estimates current to collect appropriate shares from developers and users as established.

Infrastructure Maintenance Regulations -- The City shall review and amend existing regulations as necessary, including the critical areas ordinance, to allow maintenance, repair, installation and replacement of utilities.

Financing Options -- The City will investigate alternative methods of obtaining financing for transportation improvements, including: creating a street utility district, local option taxes, bonding, Local Improvement Districts, combining efforts with other agencies, investigate all

possible grant and loan opportunities such as the Public Works Trust Fund, Intermodal Surface Transportation Efficiency Act funding, and interlocal agreements for mitigation costs with Snohomish County.

Sidewalks -- Where appropriate, the City will install or cause to be installed, budget permitting, new sidewalks on existing City streets considered by the City to be high priority areas and adopt sidewalk regulations consistent with state guidelines for the maintenance and responsibility of sidewalks and planting strips by adjacent property owners.

Streets/Pavement Management Program -- Monitor, maintain and repair all City streets in conformance with a pavement management program set up to establish priorities, scopes and estimate improvement costs.

THEME: ECONOMIC VITALITY

The City will work in partnership with citizens, business leaders and community agencies to create and maintain steady, sustainable economic growth which enhances and supports the community.

POLICIES:

Main Street Program -- Continue to encourage the Lake Stevens businesses, in partnership with the City, to sponsor, support, and implement a Main Street Program.

Economic Development Program -- The City will continue to develop an economic development program in coordination with the Snohomish Economic Development Council, and Lake Stevens businesses to retain existing business as well as attract new businesses.

Informed Business Community -- Improve communications with commercial/industrial businesses by holding periodic round-table discussions and involvement for regulatory code changes affecting business community.

**REVENUE SUMMARY
PROPOSED 2012 Budget**

GENERAL FUND REVENUES

The General Fund provides general purpose governmental services to the citizens. The fund is used to account for all financial resources except those that must be accounted for in special revenue funds.

Major Revenue Sources:

The 2012 Budgeted General Fund revenues of \$7,757,763 are \$1,697,866 less than received in 2011.

Anticipated major revenue sources are: Taxes (81%), Licenses and Permits (2%), Intergovernmental Revenue (8%), Charges for Services (4%), Fines and Forfeitures (4%), Miscellaneous Revenues (1%), and Other Sources (0%).

GENERAL FUND REVENUE BY SOURCE

	<u>2011 Est</u>	<u>%</u>	<u>2012 Budget</u>	<u>%</u>
Taxes	\$7,640,272	80%	\$6,322,534	80%
Licenses & Permits	\$424,402	4%	\$306,402	4%
Intergovernmental	\$560,623	6%	\$303,400	6%
Charges for Services	\$399,499	5%	\$377,041	5%
Fines & Forfeitures	\$301,699	4%	\$313,139	4%
Miscellaneous	\$33,653	1%	\$61,669	1%
Other Sources/Transfers	\$28,679	0%	\$500	0%
Total Revenue	\$9,455,629	100%	\$7,757,763	100%

GENERAL FUND REVENUE ANALYSIS

The City's General Fund receives a wide variety of revenue. This section of the budget will discuss the key factors affecting the revenue for the next year.

TAX REVENUES

The bulk of the tax revenue is in three categories; property taxes, sales taxes, and utility taxes.

Property Tax - Regular Levy

The City's property tax is levied based on the full cash value of property from the previous January 1, as determined by the Snohomish County Assessor's Office. The office of the Snohomish County Treasurer is responsible for both billing and collecting all property taxes. All real and personal property is subject to such taxation, except that which is specifically exempted, such as property owned by federal, state, and local governments.

Assessed values are established by the County Auditor at 100% of the fair market value and adjusted

each year, based on market value changes. A physical verification of each property is made at least once every four years and the estimated assessed value is then changed to reflect the physical verification.

The Snohomish County Assessor conducts annual reassessments of the property located within the City. The reassessment decreased the City's 2012 property value by approximately 13% percent from the previous year's assessment. This, however, does not mean that property taxes changed by the same percentage. There are two considerations in estimating property taxes, after adjustments for new construction.

- The "101% limitation" came from Initiative 747 approved by the voters in 2001. I-747 limits the City's ability to increase its previous levy amount each year by 1% or CPI whichever is lower until it reaches the statutory tax rate limit of \$3.60 per \$1,000 of assessed value. The legislative body may declare a substantial need, in which case the City may levy more than CPI, up to 101% of the previous year's levy amount.
- The Washington State Constitution limits the total regular property taxes to one percent assessed valuation, or \$10 per \$1,000 of assessed value, of which the City may levy up to \$3.60 per \$1,000 of assessed value. If a city belongs to a library, fire or other junior taxing district, the City's \$3.60 tax levy is reduced by the amount of the junior taxing districts' levy rates.

The following table shows the regular property tax levy and its distribution.

Property Tax Distribution - Regular Levy

	<u>2009</u>	<u>2010</u>	<u>2011Est.</u>	<u>2012</u>	<u>2012 % of Allocation</u>
General Fund	\$1,835,839	\$1,950,067	\$3,243,300	\$2,611,547	72.00%
<u>Street Fund</u>	<u>\$579,739</u>	<u>\$785,516</u>	<u>\$862,809</u>	<u>\$1,015,602</u>	<u>28.00%</u>
Total	\$2,415,578	\$2,735,583	\$4,106,109	\$3,627,149	100.00%

The 2012 property tax distribution between the General and Street Fund is 72% and 28% respectively.

Sales and Use Tax

Sales tax was the second largest source of revenue in the General Fund, accounting for 22 percent of total general fund revenues and 28 percent of all general fund taxes in 2011. Sales tax receipts estimates for 2012 include a reduced level due to fewer construction projects as compared to 2011.

The current rate of sales tax in Lake Stevens is 8.6 percent. The taxable base includes all retail sales of personal property to state residents except food products consumed off the premises and prescription drugs.

Sales taxes are remitted by the retailers to the Department of Revenue by the 20th of each month (for monthly taxpayers). The department distributes that money to local governments on the last day of the following month.

The following table depicts sales tax revenue and % of change for the years 2002 to 2012 with 2012 reflecting the budgeted amount.

Sales Tax Revenues		
Year	Sales Tax	% Change
2002	\$481,416	-2%
2003	\$577,816	20%
2004	\$565,573	-2%
2005	\$597,693	6%
2006	\$702,030	17%
2007	\$1,604,490	129%
2008	\$2,049,348	28%
2009	\$2,177,383	6%
2010	\$2,057,068	-6%
2011	\$2,085,694	1%
2012	\$1,607,585	-23%

Criminal Justice Sales Tax

In September of 1990, the voters of Snohomish County approved an additional one-tenth of one- percent sales tax effective November 1990. All counties are authorized to levy this tax, subject to repeal by referendum. The revenues from this tax are dedicated exclusively for criminal justice purposes, with an emphasis on drug enforcement and crime prevention.

UTILITY TAXES

Utility taxes are levied on the gross operating revenue that private utilities earn from operations within the boundaries of the City. These utilities include electric, natural gas, and telephone. The City levies a 5 percent rate on electric and natural gas, and a 6 percent rate on telephone. Included in this section of taxes is the 5 percent cable television franchise fee.

PERMITS AND LICENSES

The City issues business licenses to all businesses operating within the City limits. The annual fee for a regular business is \$25. The City is estimating a slight increase in this area.

The City also requires regulatory licenses for the privilege of engaging in certain trades, occupations, and other activities. The businesses and activities governed by the City's regulatory license code are included because of health, safety, or security hazards that might arise if the City does not take an active part in their regulation. The fees for the various regulatory licenses are designed to cover the cost of their administration, inspection and enforcement.

The largest segment of the license and permit revenue is from the issuance of building permits for both residential and commercial construction or remodeling. Prior to 1998 the City had experienced a high level of construction which was a steady source of revenue. However, in 1998 the city went into a sewer moratorium at which time 360 lots were vested. During 2001 the moratorium was lifted and permitting activity is beginning again. In 2012 building permit revenue is expected to fairly consistent.

Business license revenue showed an increase in 2011 due to coordinating the City business license

process with the State business license process.

The following table demonstrates the history and forecast for Licenses and Permits.

Year	Business	Building	Animal	Other	Total
2002	\$9,080	\$133,517	\$1,200	\$45	\$143,842
2003	\$9,625	\$204,131	\$1,064	\$21	\$214,841
2004	\$10,725	\$141,003	\$1,193	\$0	\$152,921
2005	\$8,694	\$179,616	\$1,832	\$0	\$190,142
2006	\$9,500	\$195,500	\$1,200	\$15	\$206,215
2007	\$18,368	\$685,084	\$2,842	\$0	\$729,481
2008	\$28,133	\$588,800	\$3,424	\$756	\$621,113
2009	\$36,208	\$769,787	\$2,932	\$2,171	\$811,097
2010	\$41,233	\$430,854	\$4,864	\$3,155	\$480,107
2011	\$43,684	\$370,378	\$4,506	\$5,834	\$424,402
2012	\$44,560	\$258,000	\$4,550	\$6,270	\$313,380

INTERGOVERNMENTAL REVENUE

This category is dominated by various state-shared revenues which by statute, the State is required to share with local governments, including motor vehicle excise tax, liquor tax, liquor profits, as well as some other minor taxes..

The remaining state shared revenues are provided on the basis of a state prescribed formula based on population. As such, these revenues tend to be predictable. In 1990, the Legislature added several new categories of shared revenue, primarily for criminal justice and transportation purposes. State-shared revenues for transportation are in the Street Fund.

As previously stated, state-shared revenues are taxes collected by the State of Washington and apportioned on the basis of relative population. As a consequence, the revenue received by the City is affected not only by state-wide growth in the various tax bases, but also by Lake Stevens' share of total population in incorporated areas in the State. Due to the statewide trend toward incorporation, this share of revenue continues to decrease as the revenues are shared among an increasing number of cities. So the expectation is that the growth of these revenues will be minimal.

Annexation Sales Tax Incentive

In December 2009, the City annexed the Southwest annexation area with a population over 10,000. RCW 82.14.415 provides cities annexing areas with a population between 10,000 and 20,000 with a one-tenth of a percent credit on the State sales tax. The credit applies to sales tax collected within existing city limits and within the boundaries of the annexation area. The funds are generated from the State's General Fund in the form of a locally imposed sales tax that becomes a credit against the state's share of sales tax. This credit is meant to offset municipal service costs to the newly annexed area and is available as long as expenditures in the annexed area exceed the revenues generated from the same area. The sales tax incentive increase intergovernmental revenues for 2010 and 2011 and is expected to end in 2012.

Liquor Board Profits and Excise Tax

Because the City is responsible for the policing of liquor establishments located within its limits, but are precluded from taxing them because of the State liquor monopoly, the law provides for a share of the State-collected profits and taxes to be returned to the City. Hard liquor sales have continued their slight upward trend in 2011.

Liquor board profits consist of the difference between revenue from state liquor stores, taxes on wine and beer, license fees, permit fees, penalties and forfeitures, and board expenditures. These profits are disbursed to municipalities quarterly on a per capita basis. 2009 legislature voted to increase the distribution of liquor board profits to cities. The anticipated statewide amount for Liquor Board Profit for 2012 is more than \$26.8 million, or \$6.19 per capita, which is a per capita decrease of \$0.66 from 2011. This represents approximately \$166,438 in revenue for the City in 2012. In addition, the proposed 2012 budget anticipates the passage of I-1183 and includes the expectation of board profits ending in the 3rd quarter 2012.

Liquor Excise Tax consists of 28 percent of the two sales taxes imposed on sales of spirituous liquors and 32 percent of the gallonage tax imposed on sales of wine and is allocated to cities and towns. The allocation is computed on a per capita basis and distributed quarterly. The anticipated amount for 2012 distribution is \$21.8 million, which is \$5.01 per capita. This represents approximately \$136,290 in revenue for the City for 2012.

Criminal Justice Funding

Beginning in 2003 criminal justice legislation provided for some major changes in the allocation of revenues that cities have been receiving. Seventy percent of the funds are distributed on the basis of population. This includes 16% for distribution as Criminal Justice Population and 54% as distribution as Criminal Justice – Special Programs. These revenues must be spent for criminal justice purposes in such areas as innovative law enforcement programs, child abuse prevention, and domestic violence prevention. However, there is no requirement stating how much must be spent in each area, and a city may choose to spend it all in any one area.

Ten percent of the distribution is for cities that contract for law enforcement services and the remaining twenty percent of the funds are handed out based partially on crime rates.

Sales Tax Equalization

In 1982, the State legislature created a “municipal sales and use tax equalization account” in an effort to more equitably allocate revenue to cities in the State. Payments were made to cities that receive less than 70 percent of the statewide per capita sales tax collection amount. The basic idea is to make certain that the computation of the sales tax that the jurisdiction earns from retail sales within its city limits, plus its equalization payment, come up to 70 percent of the state-wide average.

In November 1999, the voters approve Initiative 695, which reduced the motor vehicle tax on most vehicles to \$30 and eliminated the sales tax equalization fund. Although the courts ruled the Initiative unconstitutional, the state legislature set the \$30 tax. Initially the State Legislative did provide some relief for the lost revenue to the city through the local government assistance funding but this amount has not come close to the revenue decrease experienced from I-695.

Other Miscellaneous Intergovernmental Revenues

In addition to the already presented intergovernmental revenues, a number of small, miscellaneous revenues are also received by the City. The City occasionally will receive a small one-year grant for disaster assistance, traffic safety, or assistance for providing a provisional police officer in replacement of an officer who is away at the police academy. Other miscellaneous revenues include Housing Authority's payment in lieu of property taxes, PUD privilege tax for use of City right-of-ways for power lines, and assistance to help design the City's Comprehensive Plan and the implementation of the Growth Management Act.

The following chart depicts the historical flow of the City's major intergovernmental revenues.

Intergovernmental Revenues

Year	Criminal Justice	Liquor Prof/Ex	Local Gov Assistance	Annex Sales Tax Incentive	Total
2002	\$5,956	\$59,219	\$10,000	\$0	\$75,175
2003	\$5,857	\$65,545	\$3,900	\$0	\$75,302
2004	\$6,247	\$76,836	\$2,600	\$0	\$85,683
2005	\$6,589	\$79,815	\$29,633	\$0	\$116,037
2006	\$8,280	\$124,775	\$45,750	\$0	\$178,805
2007	\$8,445	\$150,498	\$0	\$0	\$158,943
2008	\$31,008	\$168,418	\$0	\$0	\$199,426
2009	\$31,330	\$171,338	\$0	\$0	\$202,668
2010	\$24,493	\$294,066	\$12,819	\$84,906	\$416,284
2011	\$29,305	\$325,845	\$40,657	\$249,156	\$644,963
2012	\$29,895	\$302,728	\$0	\$0	\$332,623

CHARGES FOR GOODS AND SERVICES

This revenue reflects the revenues raised for the City selling goods or providing services. The philosophy behind these revenues is to charge just those people purchasing the goods or requesting the services rather than allocating these costs of goods and services over the City's entire population.

The primary source of revenue in this category is Law Enforcement Services. The City has entered into a contract with the local school district to physically station one of our officers for the 2011-2012 school year, within each of the high schools. For providing this service, the district will reimburse the City for a portion of the officer's wages and benefits. This budget assumes the continuation of the program based on school district official's commitment to fund the positions in the 2012-2013 school year. The Police Department also has other agreements to provide law enforcement services for contract.

The City has also entered into a contract with the local fire district for information technology services for 2012. For providing this service, the district will reimburse the City for a portion of the employees' wages and benefits.

Another source of revenue in this category is Zoning and Subdivision Fees. This accounts for the fees of the City's Planning and Community Development Department processing and handling of land use and development activity.

The other areas of revenue in this category include sales of passports and passport photos, maps and publications, such as the Comprehensive Plan, charges for photocopies for non-city business or archival copies, miscellaneous Law Enforcement services, such as fingerprinting.

FINES AND FORFEITURES

Fine and Forfeiture revenues include drug investigation contributions which are court mandated fines-contributions from convicted drug offenders and impound fees which represent pet owners paying a fee to get their animal out of impound. Also included in this category is the City's share of revenue from our violations bureau. This area represents a small portion of General Fund Revenues.

INVESTMENT INTEREST

Washington State law permits all unused funds to be invested within defined parameters. The interest is based upon the principal amount invested. The interest from the investment portfolio is distributed monthly among specified funds based on the ending cash balance in those funds. The General Fund is estimated to receive \$5,950 in 2012. Estimates on investment activity are conservatively based on the assumption of declining interest in 2012. The City places its investments based on the Investment Policy proposed by the City Council.

MISCELLANEOUS REVENUES

Miscellaneous Revenues represent all the General Fund revenues not associated with the other revenue categories. Revenues found in this category include interest on investments, facilities rentals, restitution proceeds, arts donations and other miscellaneous revenues.

NON-REVENUES

Non-Revenues account for the receipt of funds that are not considered revenue. Examples could include the receipt of refunds from overpayment or credits or the repayment of interfund loans from other funds.

NON GENERAL FUND REVENUES

STREET FUND

Gas Tax Revenues

The State of Washington provides a state-collected gasoline tax that is shared with cities. This tax is distributed to the City for the construction, improvement, chip sealing, seal coating and repair of arterial highways and city streets. Gas taxes are distributed monthly, based on population.

The State estimates a distribution of \$21.15 per capita in 2012, which is slightly less than in 2011.

UTILITY TAXES

Utility taxes are levied on the gross operating revenue that private utilities earn from operations within the boundaries of the City. The Street fund is allocated a portion of the electric utility tax imposed upon the private utilities.

SEWER FUND

Charges for Services

In June of 2005 the City of Lake Stevens and the Lake Stevens Sewer District entered into an interlocal agreement to allow the Sewer District to be the sole provider of sewer service within the Lake Stevens Community. To set rates and charges for the combined system, the Sewer Utility Committee was formed consisting of members from the City Council and the Sewer District Commission.

The 2012 Budget reflects the fees charged per the operating agreement between the Sewer District and the City for the entire combined sewer utility.

STORM AND SURFACE WATER FUND

Charges for Services

1998 was the first year the City has charged a storm/surface water charge for the maintenance and operation of the storm drainage system. This coincides with the formation of the Storm and Surface Water Fund (410). In 2000 the charge was increased to \$60 per year for residential customers to allow the utility to support more of the surface water functions and not continue to be subsidized by other city funds. In 2008, the annual charge was increased to \$104 for residential customers to cover additional costs associated with NPDES requirements. No additional increases have been budgeted for 2012.

MISCELLANEOUS REVENUES

Real Estate Excise Tax

This tax is imposed on sales of real property within the City upon transfer of title. One ¼ of one percent of the selling prices is paid to the City. By local option, an additional one ¼ of one percent is also levied by the City. This revenue is restricted by law to be spent on specific capital projects.

Issuance of Debt Proceeds

One method of funding large projects or purchases is by issuing debt. The City has developed a central Civic Center "Mainstreet" plan. In order to accomplish this plan, certain properties must be purchased. Some of the properties were purchased in 1995, 1996, and 2008. The 2012 Budget reflects the debt service payments for these properties. These councilmanic bonds were issued to finance major sewer projects as well as repayment of interfund loans for the purchase of this property. The term general obligation debt means that bonds or some other type of debt instrument are authorized by the Council, and are paid from general revenues already established and collected, not an additional levy of property tax.

The remaining amount of the 1997 bonds was refunded into the 2008 series A bonds. The issuance of the 2008 bonds includes a portion of the 1997 bonds that is reimbursed by the Sewer District. The additional issuance is backed by the general revenues of the City but will be paid from real estate excise revenues and sewer rates and charges.

In 2010, the 2008 series B bonds were refunded into the 2010 series B bonds, the principle of which will come due in 2015. The remainder of the 2010 bond, or series A bonds, were used for the purchase of the City Shop. The additional issuance is backed by the general revenues of the City but will be paid from real estate excise revenues.

In 2002, the City received a \$1,692,900 Public Works Trust Fund Loan to construct sewer projects within the City limits. Currently, \$1,626,040 of this loan has been drawn upon. Following the transfer of the sewer utility to the Sewer District, the associated debt service is reimbursed to the City by the Sewer District.

The City issued \$1,340,000 in 2004 for the construction of a new Police Station to replace the old house the department was previously located in. This debt service is being paid from real estate excise tax collections.

In 2005, the City received a \$1,000,000 Public Works Trust Fund Loan to construct the Sunnyside Waste Water Treatment Facility within the City limits. Following the transfer of the sewer utility to the Sewer District, the associated debt service is reimbursed to the City by the Sewer District.

In 2006, the City received an additional \$7,000,000 Public Works Trust Fund Loan for the construction of the Sunnyside Waste Water Treatment Facility. Currently, \$6,650,000 of this loan has been drawn upon.

The debt service related to this loan is reimbursed to the City by the Sewer District.

In 2008, the City received an additional \$10,000,000 Public Works Trust Fund Loan for the construction of the Sunnyside Waste Water Treatment Facility. Currently, \$9,500,000 of this loan has been drawn upon. The debt service related to this loan is reimbursed to the City by the Sewer District.

In 2010, the City received an 80,300 Public Works Trust Fund Loan for the emergency repair of the 36th Street Bridge. Currently, \$12,045 of this loan has been drawn upon. The debt service related to this loan is paid by the Street Fund.

Traffic Fines

The City receives a portion of the fines charged for traffic and criminal infractions. The revenues are collected either from payments made directly to the traffic bureau at City Hall or indirectly from payments made to Marysville Municipal Court.

Beginning Fund Balances

This represents the amount of money each fund brings forward from the operations of the previous year. These resources can be used as an internal reserve or can in some cases be spent if needed.

**2012 Proposed Budget
All Funds
Summary of Revenues**

Fund #	Fund Name	2011 Est. Revenues	2012 Budget Revenues	Percent Change
001	General	\$9,455,629	\$7,757,763	-18%
002	Contingency Reserve	\$756,044	\$900	-100%
101	Street	\$1,779,971	\$2,037,700	14%
103	Street Reserve	\$3	\$3	0%
111	Drug Seizure & Forfeiture Fund	\$893	\$2,005	125%
112	Municipal Arts Fund	\$20	\$5	-75%
205	PWTF Loan 2002	\$90,833	\$90,405	0%
206	Police Station LTGO 2004	\$103,219	\$105,969	3%
207	PWTF 2006	\$413,286	\$413,380	0%
208	PWTF 2005	\$68,422	\$67,369	-2%
209	PWTF 2008	\$563,001	\$566,294	1%
210	2008 Bonds	\$349,337	\$347,999	0%
211	PWTF 2010	\$240	\$996	315%
212	2010 LTGO Bonds	\$95,613	\$95,613	0%
301	Cap. Proj.-Dev. Contrib.	\$40,155	\$62,000	54%
303	Cap. Imp.-REET	\$229,018	\$226,600	-1%
304	Cap. Improvements	\$228,901	\$226,500	-1%
305	Downtown Redevelopment	\$6	\$3	-50%
309	Sidewalk Capital Project	\$591,763	\$1,000	-100%
401	Sewer	\$1,387,585	\$1,377,714	-1%
406	Sewer Reserve	\$360	\$360	0%
410	Storm and Surface Water	\$1,500,544	\$1,468,559	-2%
501	Unemployment	\$96,204	\$30,179	-69%
510	Equipment Fund	\$53,289	\$51,966	-2%
520	Equipment Fund-Police	\$74,200	\$100,500	35%
530	Equipment Fund-PW	\$72,685	\$87,022	20%
540	Aerator Equipment Replacement	\$41,700	\$38,640	-7%
621	Refundable Deposits	\$3,400	\$30,500	797%
633	<u>Treasurer's Trust</u>	<u>\$300,000</u>	<u>\$300,000</u>	0%
	Total	\$18,296,321	\$15,487,944	

Expenditure Overview and Summary

In order to continue to meet governmental mandates and also provide essential services during the current economic downturn, the City has evaluated all departments and reduced expenditures accordingly.

The general fund shows an increase of about 3% between 2011 expenditures and the 2012 Budget, which is about \$234,912. The most significant increases are in the Planning, Law Enforcement, and General Government Departments.

The Street fund shows a decrease of approximately 12% or \$257,089. This is due to completion of major capital projects during 2011, and the reorganization of the Public Works departments.

The debt service funds show insignificant changes from 2011 to 2012. Minimal draws are anticipated for 2012 for the 36th Street Bridge repair.

The Enterprise funds show increases totaling nearly \$39,368 due to increased debt service transfer payment.

The Capital Projects funds show insignificant changes from 2011 to 2012.

2012 Proposed Budget
All Funds
Summary of Expenditures

Fund #	Fund Name	2011 Est Expenditures	2012 Budget Expenditures	Percent Change
001	General	\$7,799,850	\$8,034,762	3%
002	Contingency Reserve	\$0	\$100	>100%
101	Street	\$2,129,000	\$1,871,911	-12%
103	Street Reserve	\$0	\$0	0%
111	Drug Seizure & Forfeiture Fund	\$100	\$200	100%
112	Municipal Arts Fund	\$9,424	\$0	-100%
205	PWTF Loan 2002	\$90,833	\$90,405	0%
206	Police Station LTGO 2004	\$103,219	\$105,969	3%
207	PWTF 2006	\$413,286	\$413,380	0%
208	PWTF 2005	\$68,422	\$67,369	-2%
209	PWTF 2008	\$562,862	\$566,294	1%
210	2008 Bonds	\$349,337	\$347,999	0%
211	PWTF 2010	\$240	\$996	315%
212	2010 LTGO Bonds	\$95,613	\$95,613	0%
301	Cap. Proj.-Dev. Contrib.	\$0	\$0	0%
303	Cap. Imp.-REET	\$437,955	\$442,546	1%
304	Cap. Improvements	\$0	\$0	0%
305	Downtown Redevelopment	\$0	\$0	0%
309	Sidewalk Capital Project	\$0	\$0	0%
401	Sewer	\$1,379,865	\$1,384,522	0%
406	Sewer Reserve	\$0	\$0	0%
410	Storm and Surface Water	\$1,340,165	\$1,374,876	3%
501	Unemployment	\$6,780	\$35,000	416%
510	Equipment Fund	\$38,888	\$46,920	21%
520	Equipment Fund-Police	\$0	\$80,000	>100%
530	Equipment Fund-PW	\$97,132	\$26,700	-73%
540	Aerator Equipment Replacement	\$26,000	\$0	-100%
621	Refundable Deposits	\$2,900	\$33,900	1069%
633	<u>Treasurer's Trust</u>	<u>\$300,000</u>	<u>\$300,000</u>	0%
	Total	\$15,251,871	\$15,319,462	



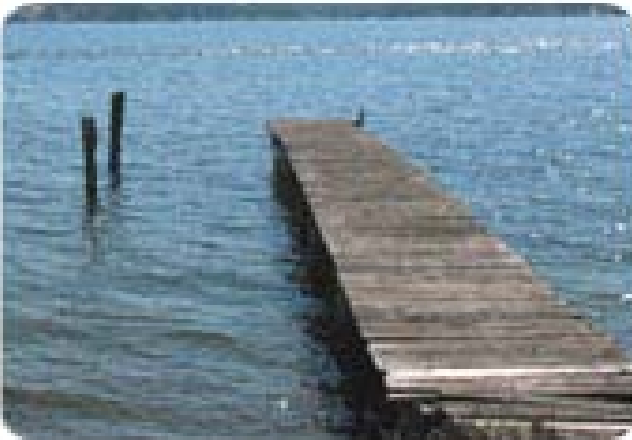
**Fund / Departmental
Programs
and
Expenditures**

**City of Lake Stevens
2012 Budget**

**General Funds
(000s)**

*Purpose of Funds: The primary fund that
accounts for general government operations.*

City of Lake Stevens 2012 Budget



Mayor and City Council

CITY OF LAKE STEVENS

Proposed Budget 2012

Non-Department: MAYOR and CITY COUNCIL
Fund: General Fund

PURPOSE

The purpose of the Mayor and City Council is to provide for political leadership and exercise those powers and duties granted by state statute to the executive and legislative branches of Lake Stevens City government which are in the best interest of city residents and taxpayer

PROGRAM FUNCTION NARRATIVE

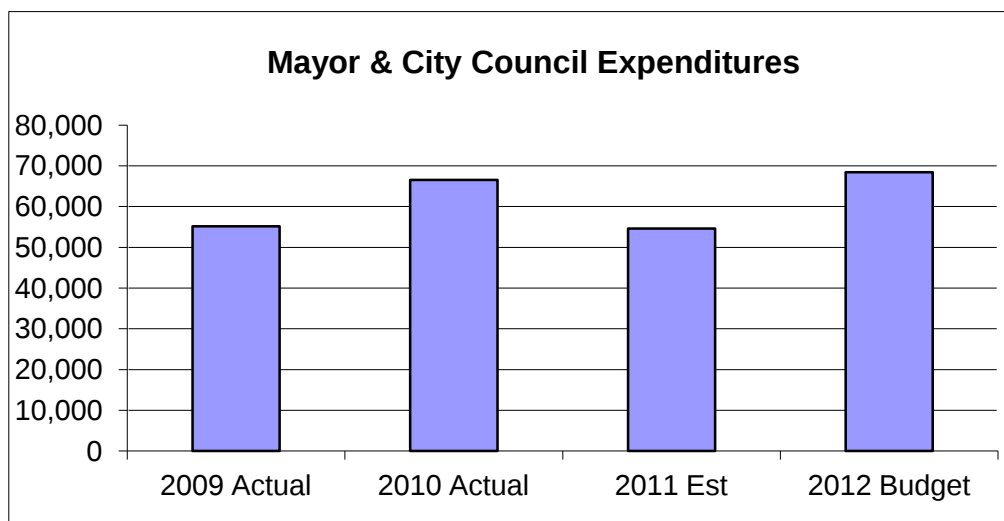
The City of Lake Stevens operates within the Mayor-Council form of Government. This form consists of an elected Mayor (elected at large for a four year term) who serves as the City's Chief Executive Officer (CEO) and a Council (seven members elected at large for four year terms - staggered) which is responsible for formulating and adopting policies that will guide the Mayor in carrying out the functions of the City. The Mayor-Council form of government is characterized by a separation of executive and legislative powers and a system of checks and balances patterned after our traditional national and state governments. In short, the function of the Council is to decide what business the City should accomplish (adoption of policies, ordinances, etc.) and the Mayor's function is to translate those decisions into governmental actions.

BUDGET DATA BY PROGRAM/FUNCTION

Account Description	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est</u>	<u>2012 Budget</u>
Executive - Mayor	\$18,601	\$17,893	\$17,768	\$18,647
Legislative - City Council	<u>\$36,577</u>	<u>\$48,626</u>	<u>\$36,885</u>	<u>\$49,857</u>
Total	<u>\$55,178</u>	<u>\$66,519</u>	<u>\$54,653</u>	<u>\$68,455</u>

BUDGET DATA BY OBJECT

<u>Account Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	2012 Budget
EXECUTIVE-MAYOR				
Salaries	\$14,400	\$14,400	\$14,400	\$14,400
Benefits	\$1,102	\$1,103	\$1,103	\$1,392
Travel	\$1,389	\$1,114	\$850	\$1,000
Communication	\$1,083	\$726	\$660	\$655
Professional Development	\$322	\$300	\$400	\$750
Board Appreication	\$0	\$0	\$105	\$200
<u>Miscellaneous</u>	<u>\$305</u>	<u>\$250</u>	<u>\$250</u>	<u>\$250</u>
Executive-Mayor Subtotal	\$18,601	\$17,893	\$17,768	\$18,647
LEGISLATIVE-CITY COUNCIL				
Salaries	\$30,250	\$32,700	\$30,000	\$42,000
Benefits	\$2,314	\$2,502	\$2,500	\$3,213
Operating Supplies	\$1,444	\$700	\$300	\$300
Council Retreat	\$0	\$2,484	\$2,485	\$2,485
Travel	\$1,734	\$1,021	\$800	\$1,000
Capital	\$0	\$9,219	\$0	\$0
<u>Professional Development</u>	<u>\$835</u>	<u>\$0</u>	<u>\$800</u>	<u>\$800</u>
Legislative-CityCouncil Subtotal	\$36,577	\$48,626	\$36,885	\$49,485
<u>Grand Total</u>	<u>\$55,178</u>	<u>\$66,519</u>	<u>\$54,653</u>	<u>\$68,455</u>



OBJECT NARRATIVE

Salaries

This account provides for the salary costs for Lake Stevens elected officials who are paid on a part-time basis.

Benefits

This account provides for FICA benefits for Lake Stevens elected officials.

Travel

This account provides for transportation, meals and lodging for Lake Stevens elected officials attendance at meetings, professional development seminars and conferences.

Communication

This account provides for communication costs such as cellular phone service for the Mayor.

Miscellaneous

This account is to provide for expenses associated with public relation activities, service awards, and other miscellaneous items.

Operating Supplies

This account is to provide the City Council with the opportunity to purchase miscellaneous operating supplies throughout the year.

Council Retreat

This account is to provide the City Council with the opportunity to conduct an annual retreat to discuss the goals and priorities of the City.

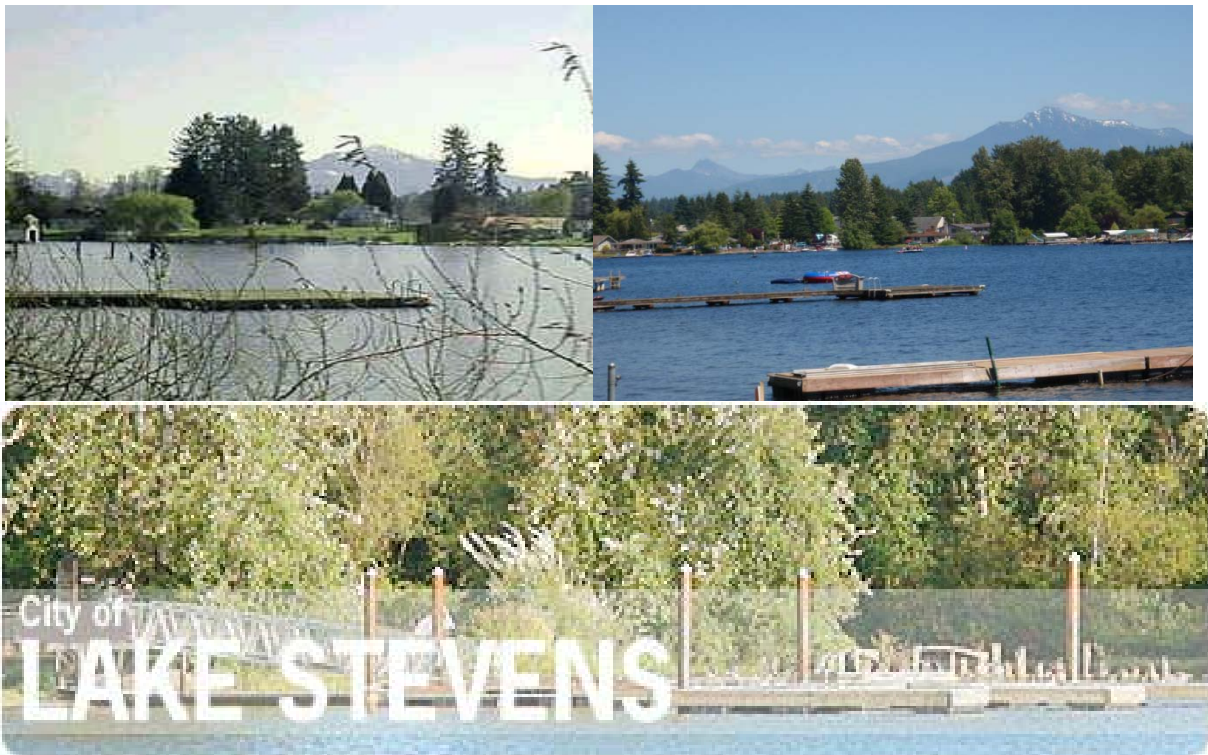
Professional Development

This account provides the Lake Stevens elected officials with funds for registration fees for meetings, seminars and conferences to further advance their knowledge and skills for the benefit of the City.

POSITION LIST

Position	2009	2010	2011	2012
Mayor	1	1	1	1
City Councilmember	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>
Total	8	8	8	8

City of Lake Stevens 2012 Budget



Administration

CITY OF LAKE STEVENS

Proposed Budget 2012

Department: **ADMINISTRATION**

Fund: General Fund

PURPOSE

The Administration Department is responsible for assisting in the coordination of activities and services the City provides its customers and assists in the translation of Mayor/Council goals and policies into action. The Administration Department includes the City Administrator, Office Assistant and Receptionist.

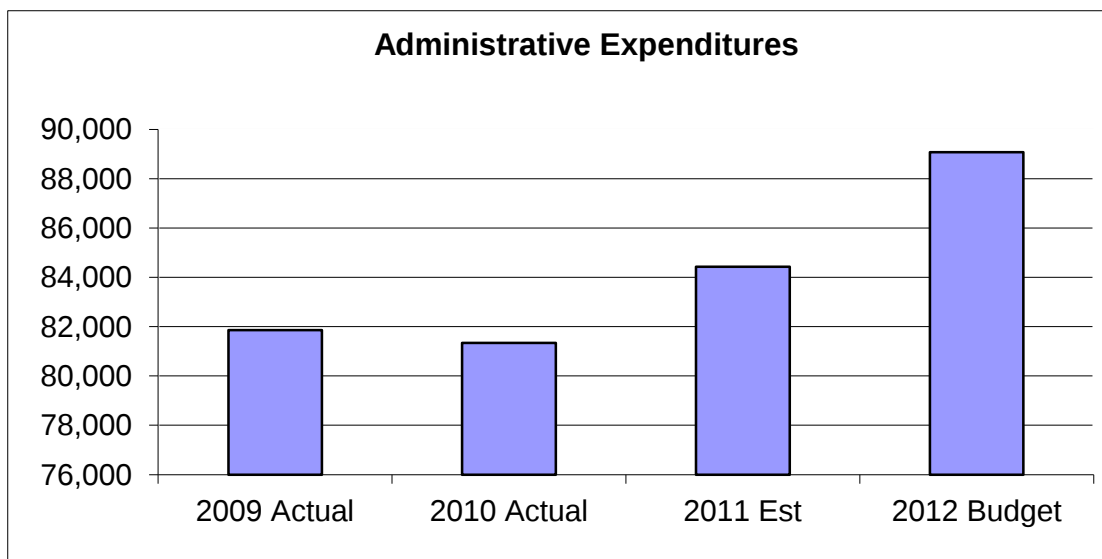
PROGRAM FUNCTION NARRATIVE

Administration

The major responsibility of the Administration Department is the coordination and supervision of the work of all other departments. Additional responsibilities include, contract negotiations and management; participation with other departments in the pursuit of grant funds; preparing regular and special management reports; processing citizen inquiries and service requests; and working with other regional governments.

BUDGET DATA BY PROGRAM/FUNCTION

<u>Account Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est</u>	<u>2012 Budget</u>
<u>Administration Dept.</u>	<u>\$81,866</u>	<u>\$81,338</u>	<u>\$84,427</u>	<u>\$89,078</u>



BUDGET DATA BY OBJECT

Account Description	2009 Actual	2010 Actual	2011 Est	2012 Budget
Salaries	\$59,821	\$61,924	\$62,356	\$65,346
Benefits	\$18,609	\$16,518	\$16,904	\$19,252
Office Supply	\$331	\$437	\$250	\$250
Communications	\$710	\$710	\$764	\$1,280
Travel	\$1,599	\$994	\$1,900	\$1,600
Miscellaneous	\$250	\$175	\$250	\$250
Capital	\$0	\$0	\$753	\$0
<u>Staff Development</u>	<u>\$546</u>	<u>\$580</u>	<u>\$1,250</u>	<u>\$1,100</u>
Total	\$81,866	\$81,338	\$84,427	\$89,078

¹ Please see the salary plan in the appendix for the detail of salaries and benefits per department.

OBJECT NARRATIVE

Salaries

This account provides for the majority of the salary costs for the City Administrator, Office Assistant and Receptionist. Prior to 2009, this also included salary costs for the City Clerk/Administrative Assistant, Human Resource Director, Information Technology Manager, and IT Specialist.

Benefits

This account provides for the benefits costs for the Administration Department employees including health insurance, retirement, salary insurance, state disability insurance and FICA.

Office Supply

This account provides for those items used by the Administration Department which are necessary for the operation of the department.

Communications

This account provides for the telephone and mailing expenses for this department.

Repair and Maintenance

This account has been used in the past to track repairs made to equipment such as the telephone and voicemail system. These repairs are not allocated among the departments utilizing the equipment.

Travel

This account provides for transportation, lodging, and meals for the Administration Department to attend meetings, professional development seminars and conferences.

Miscellaneous

This account provides for professional memberships for department staff and other miscellaneous expenditures.

Staff Development

This account provides the Administration Department with funds for registration fees for meetings, professional development seminars and conferences to further advance the department's knowledge and skills for the benefit of the City.

Wellness Program

This account is used to fund programs that support healthy lifestyles and offer opportunities for employees to optimize their health and well-being. Beginning in 2009, this program is accounted for in the Human Resource Department.

Safety Program

This account is used to develop, supervise, implement and enforce safety and health training programs per WAC 296-800-14020 and WAC 296-800-14025. Beginning in 2009, this program is accounted for in the Human Resource Department.

POSITION LIST - FTE

Position	2009	2010	2011	2012
City Administrator	0.34	0.34	0.34	0.34
City clerk/Administrative Assistant	0	0	0	0
Receptionist/Office Assistant	0	0	0	0
Finance Director	0.21	0.21	0.21	0.21
HR Manager	0.0	0	0	0
IT Manager	0.0	0	0	0
IT Specialist	0.0	0	0	0
TOTAL	0.55	0.55	0.55	0.55

City of Lake Stevens 2012 Budget



City Clerk

CITY OF LAKE STEVENS Proposed Budget 2012

Department: **CITY CLERK**
Fund: General Fund

PURPOSE

The City Clerk's Department provides central reception, clerical and administrative support to all City departments, all official records and actions of the City Council, Planning Commission, Park Board, and Arts Commission.

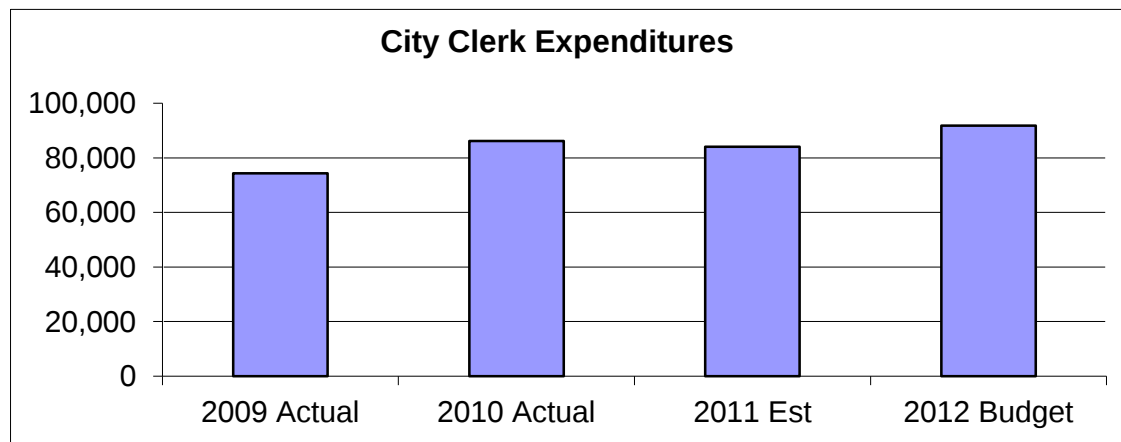
PROGRAM FUNCTION NARRATIVE

City Clerk

The major responsibility of the City Clerk's Department is to provide clerical and administrative support to all City departments. In addition, the Clerk's office issues/processes lifetime pet licenses (dogs and cats), business licenses, boat launch annual parking passes, yard waste vouchers, Community Center facility rental, and Lundeen Park Shelter reservations. City business licenses are issued in coordination with State Department of Licensing Master License Division. In addition, the department is responsible for the Traffic Violations Bureau. This Bureau provides service to process Police Department citations. Services include collection of fines, and transmittal of cases to District Court for processing.

BUDGET DATA BY PROGRAM/FUNCTION

<u>Account Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
<u>City Clerk's Dept.</u>	<u>\$74,343</u>	<u>\$86,113</u>	<u>\$84,043</u>	<u>\$91,756</u>



BUDGET DATA BY OBJECT

Account Description	2009 Actual	2010 Actual	2011 Est.	2012 Budget
Salaries	\$53,766	\$55,473	\$58,827	\$56,350
Benefits	\$13,246	\$17,151	\$18,663	\$20,024
Office Supply	\$1,158	\$825	\$568	\$600
Professional Services	\$3,994	\$10,270	\$4,000	\$12,000
Communications	\$556	\$571	\$499	\$482
Travel	\$75	\$238	\$400	\$800
Miscellaneous	\$543	\$0	\$36	\$0
DOL Fees	\$0	\$738	\$750	\$700
Capital	\$763	\$397	\$100	\$0
<u>Staff Development</u>	<u>\$242</u>	<u>\$403</u>	<u>\$200</u>	<u>\$800</u>
Total	\$74,343	\$86,113	\$84,043	\$91,756

¹ Please see the salary plan in the appendix for the detail of salaries and benefits per department.

OBJECT NARRATIVE

Salaries

This account provides for the majority of the salary costs for the City Clerk Administrator. Prior to 2009, this salary was included in the Administration Department.

Benefits

This account provides for the benefits costs for the City Clerk's Department employees including health insurance, retirement, salary insurance, state disability insurance and FICA.

Office Supply

This account provides for those items used by the City Clerk's Department which are necessary for the operation of the department.

Professional Services

This account represents the costs related to publishing and updating of the City's code.

Communications

This account provides for the telephone and mailing expenses for this department.

Travel

This account provides for transportation, lodging, and meals for the City Clerk's Department to attend meetings, professional development seminars and conferences.

Repair & Maintenance

This account is used to track repairs made to equipment such as the telephone and voicemail system.

Miscellaneous

This account provides for professional memberships for department staff and other miscellaneous expenditures including fees paid for use of the online DOL system.

Staff Development

This account provides the City Clerk's Department with funds for registration fees for meetings, professional development seminars and conferences to further advance the department's knowledge and skills for the benefit of the City.

POSITION LIST - FTE

Position	2009	2010	2011	2012
City clerk	0.61	0.61	0.61	0.61
Receptionist/Office Assistant	0.0	0.0	0.28	0.28
TOTAL	0.61	0.61	0.89	0.89

City of Lake Stevens 2012 Budget



Human Resources

CITY OF LAKE STEVENS Proposed Budget 2012

Department: **HUMAN RESOURCES**

Fund: General Fund

PURPOSE

The Human Resources Department's major objective is to develop a Labor Relations and Human Resources Department for the City that is multifaceted and provides support to the public, the Lake Stevens City Council, City Administration, Civil Service Commission, and other departments.

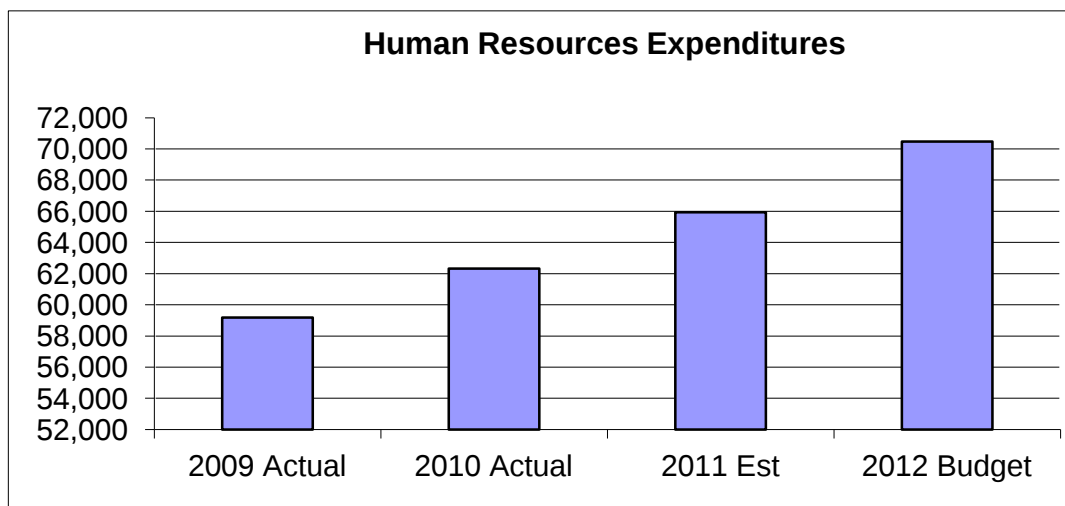
PROGRAM FUNCTION NARRATIVE

Human Resources

The Human Resources Department is responsible for providing services for city employment and benefits, employee relations, city employee training, risk management, and wellness. In addition, the department provides staff support to the Civil Service Commission.

BUDGET DATA BY PROGRAM/FUNCTION

<u>Account Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
<u>Human Resources Dept.</u>	<u>\$59,179</u>	<u>\$62,314</u>	<u>\$65,941</u>	<u>\$70,465</u>



BUDGET DATA BY OBJECT

Account Description	2009 Actual	2010 Actual	2011 Est.	2012 Budget
Salaries	\$43,398	\$46,362	\$48,543	\$49,156
Benefits	\$11,298	\$11,616	\$12,320	\$13,552
Office Supply	\$399	\$518	\$250	\$500
Professional Services	\$133	\$295	\$600	\$600
Communications	\$763	\$690	\$777	\$757
Travel	\$269	\$268	\$500	\$400
Miscellaneous	\$165	\$120	\$100	\$150
Wellness Program	\$1,077	\$884	\$1,000	\$1,000
Safety Program	\$1,045	\$1,133	\$1,250	\$1,250
Capital	\$0	\$0	\$0	\$2,500
<u>Staff Development</u>	<u>\$632</u>	<u>\$427</u>	<u>\$600</u>	<u>\$600</u>
Total	\$59,179	\$62,314	\$65,941	\$2,100

¹ Please see the salary plan in the appendix for the detail of salaries and benefits per department.

OBJECT NARRATIVE

Salaries

This account provides for the majority of the salary costs for the Human Resource Director. Prior to 2009, this salary was included in the Administration Department.

Benefits

This account provides for the benefits costs for the Human Resource Department employees including health insurance, retirement, salary insurance, state disability insurance and FICA.

Office Supply

This account provides for those items used by the Human Resource Department which are necessary for the operation of the department.

Communications

This account provides for the telephone and mailing expenses for this department.

Travel

This account provides for transportation, lodging, and meals for the Human Resource Department to attend meetings, professional development seminars and conferences.

Miscellaneous

This account provides for professional memberships for department staff and other miscellaneous expenditures.

Wellness Program

This account is used to fund programs that support healthy lifestyles and offer opportunities for employees to optimize their health and well-being.

Safety Program

This account is used to develop, supervise, implement and enforce safety and health training programs per WAC 296-800-14020 and WAC 296-800-14025.

Staff Development

This account provides the Human Resource Department with funds for registration fees for meetings, professional development seminars and conferences to further advance the department's knowledge and skills for the benefit of the City.

POSITION LIST - FTE

Position	2009	2010	2011	2012
Human Resource Director	0.58	0.58	0.58	0.58
TOTAL	0.58	0.58	0.58	0.58

City of Lake Stevens 2012 Budget



Information Technology

CITY OF LAKE STEVENS Proposed Budget 2012

Department: **INFORMATION TECHNOLOGY**

Fund: General Fund

PURPOSE

The purpose of the Information Technology Department is to provide technology services to all City Departments through development, implementation, training, and maintenance of the City's technology infrastructure.

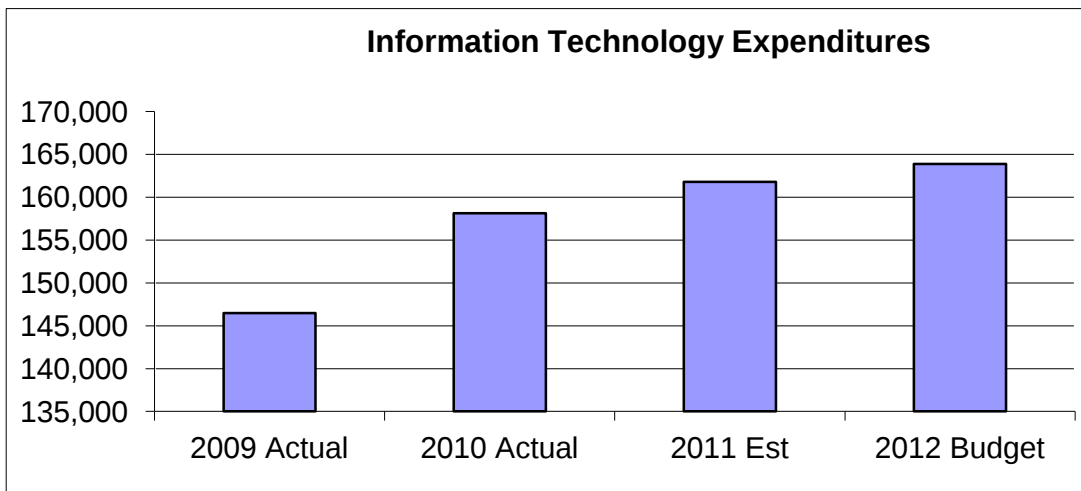
PROGRAM FUNCTION NARRATIVE

Information Technology

The Information Technology Department is responsible for managing the City's growing technology infrastructure. This includes project management, website development, data and internet security, backup and recovery maintenance and support of application systems, network and desktop technology, telecommunication systems and IT plans in support of City goals and objectives.

BUDGET DATA BY PROGRAM/FUNCTION

<u>Account Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
<u>Human Resources Dept.</u>	<u>\$146,496</u>	<u>\$158,137</u>	<u>\$161,797</u>	<u>\$163,875</u>



BUDGET DATA BY OBJECT

Account Description	2009 Actual	2010 Actual	2011 Est.	2012 Budget
Salaries	\$107,131	\$107,871	\$110,708	\$110,564
Overtime	\$0	\$2,615	\$1,500	\$1,500
Benefits	\$34,588	\$38,127	\$42,263	\$46,896
Office Supply	\$1,960	\$1,896	\$4,200	\$200
Communications	\$1,794	\$1,216	\$1,516	\$1,465
Travel	\$597	\$222	\$300	\$200
Repair & Maintenance	\$190	\$6,115	\$500	\$500
Miscellaneous	\$75	\$75	\$10	\$100
Capital Outlay	\$111	\$0	\$0	\$0
<u>Staff Development</u>	<u>\$50</u>	<u>\$0</u>	<u>\$400</u>	<u>\$2,000</u>
Total	\$146,496	\$158,137	\$161,797	\$163,875

¹ Please see the salary plan in the appendix for the detail of salaries and benefits per department.

OBJECT NARRATIVE

Salaries

This account provides for the majority of the salary costs for the Information Technology Manager and Specialist. Prior to 2009, these salaries were included in the Administration Department.

Benefits

This account provides for the benefits costs for the Information Technology Department employees including health insurance, retirement, salary insurance, state disability insurance and FICA.

Office Supply

This account provides for those items used by the Information Technology Department which are necessary for the operation of the department which include antivirus software.

Communications

This account provides for the telephone and mailing expenses for this department.

Travel

This account provides for transportation, lodging, and meals for the Information Technology Department to attend meetings, professional development seminars and conferences.

Miscellaneous

This account provides for professional memberships for department staff and other miscellaneous expenditures.

Staff Development

This account provides the Information Technology Department with funds for registration fees for meetings, professional development seminars and conferences to further advance the department's knowledge and skills for the benefit of the City.

POSITION LIST - FTE

Position	2009	2010	2011	2011
IT Manager	0.70	0.70	0.70	0.70
IT Specialist	0.70	0.70	0.70	0.70
TOTAL	1.4	1.4	1.4	1.4

City of Lake Stevens 2012 Budget



Finance

CITY OF LAKE STEVENS

Proposed Budget 2012

Department: FINANCE
Fund: General Fund

PURPOSE

The purpose of the Finance Department is to provide administrative support and information services to the public and City departments, maintain financial information in accordance with general accounting principles, and to ensure compliance to legal and prudent fiscal requirements in all financial and procedural operations. The Finance Department includes the Finance Director/Treasurer and the Accountant.

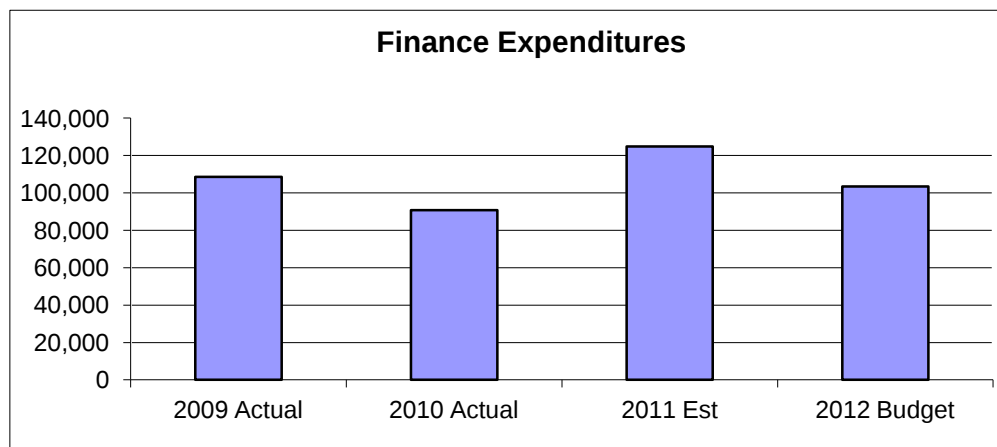
PROGRAM FUNCTION NARRATIVE

The Finance Department has many different areas of responsibility. The following gives a brief description of each:

- * Administration: To provide planning, organization, and control over the Finance Department functions and overall City financial matters.
- * Treasury: Responsible for cashiering and cash control, investment of City funds, and debt service payment processing. Financing services include issuance of bonds, interfund loans, etc.
- * Budget Accounting and Reporting: Provides for financial record keeping including budgeting, accounting, reporting, audit assistance, grant accounting, ongoing balancing, and control.
- * Personnel Services: Responsible for payroll processing, federal and State reporting of taxes, retirement, insurance, and other deductions.
- * Purchasing: Provides coordination of purchasing by the departments, processes vendor payments, handles insurance claims, assists in obtaining competitive bids for best prices.
- * Data Processing: Responsible for financial systems data processing including budgeting, accounting and payroll.

BUDGET DATA BY PROGRAM/FUNCTION

<u>Account Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Finance Department	<u>\$108,586</u>	<u>\$90,857</u>	<u>\$124,857</u>	<u>\$103,500</u>



BUDGET DATA BY OBJECT

<u>Account Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Salaries ¹	\$57,741	\$65,584	\$69,268	\$72,556
Benefits ¹	\$16,380	\$18,044	\$18,539	\$23,124
Office Supply	\$2,211	\$1,635	\$1,700	\$1,800
Prof. Services	\$26,481	\$0	\$30,000	\$0
Communications	\$386	\$214	\$228	\$234
Travel	\$522	\$1,014	\$500	\$700
Advertising	\$30	\$0	\$0	\$400
Insurance	\$80	\$111	\$122	\$136
Miscellaneous	\$457	\$279	\$450	\$500
Software Maint.	\$3,938	\$3,500	\$3,500	\$3,550
Staff Development	<u>\$360</u>	<u>\$475</u>	<u>\$500</u>	<u>\$500</u>
Total	<u>\$108,586</u>	<u>\$90,857</u>	<u>\$124,857</u>	<u>\$103,500</u>

¹ Please see the salary plan in the appendix for the detail of salary and benefits per department.

OBJECT NARRATIVE

Salaries

To provide for a portion of the salaries of the Finance Director/Treasurer, Accountant, Office Assistant and Receptionist

Benefits

City paid benefits for employees include health insurance, FICA, salary insurance, retirement and state disability insurance.

Office Supplies

This includes the costs of receipts, purchase orders, computer supplies, and other miscellaneous supplies.

Professional Services

This account represents the cost of the State Auditor's Office for performing the financial and accountability audits. The City is audited on a bi-annual basis therefore decreasing overall audit expenses for the department..

Communications

This account provides for the telephone and mailing expenses for this department.

Travel

This is used for travel, transportation and lodging for staff training, seminars, and professional conferences.

Insurance

This provides for the Finance Director/Treasurer and Accountant's Fidelity Bonds.

Miscellaneous

This provides for professional association dues, subscriptions, all of the City's legal recordings.

Financial Software Maintenance

This represents half the cost of maintaining financial software purchased in 1999 including upgrades and support.

Staff Development

All conference and seminar costs, as well as any educational items are paid from this account.

POSITION LIST - FTE

Position	2009	2010	2011	2012
Finance Director	0.4	0.4	0.4	0.4
Deputy Treasurer/ Accountant	0.5	0.5	0.5	0.5
Receptionist/ Office Assistant	0.08	0.08	0.04	0.04
TOTAL	0.98	0.98	0.94	0.94

City of Lake Stevens 2012 Budget



Planning & Community Development

CITY OF LAKE STEVENS

Proposed Budget 2012

Department: PLANNING AND COMMUNITY DEVELOPMENT

Fund: General

PURPOSE

The Goal of the Department of Planning and Community Development (DPCD) is to efficiently provide effective and fair administration of land use planning, development permitting, park and recreation services, and building and fire services.

PROGRAM FUNCTION NARRATIVE

The DPCD has many different areas of responsibility. The following is a brief description of each.

Planning

Administration—Manage all Department functions including Planning (long range and development review), Building, Parks Planning and Recreation, Fire Marshal services and Hearing Examiner services. Prepare annual budget. Provide staff support to Mayor and City Council. The Director is also the primary long-range planner.

Long Range Planning—Provide comprehensive planning services including administering, maintaining and updating Comprehensive Plan and Land Use Code; preparing local and regional facility plans; conducting interlocal agreement negotiations; coordinating annexations, and providing strategies for economic development. Write grants as appropriate. Develop and maintain the City's Geographic Information System (GIS) and Permit Tracking software. Review and comment on State, Federal and Snohomish County regulation changes and land use permit applications in the Lake Stevens Urban Growth Area. Coordinate legal issues with the City Attorney. Coordinate with and represent the City at various groups including the Lake Stevens Downtown Association, Snohomish County Tomorrow' Planning Advisory Committee, and the AWC Planning Director's Association.

Development Review—Administer the land use code, coordinate review on all land use applications, review business licenses, conduct pre-application conferences, monitor fees and deposits. Implement the City's permit tracking system. Write grants as appropriate. Assist in the administration of the comprehensive plan. Manage the City's Land Use, Subdivision, SEPA, Shorelines, and Critical Areas codes and processes. Provide staff support for the Hearing Examiner, Planning Commission, Zoning Board and Design Review Board.

Code Enforcement—Assist in code enforcement activities, particularly as related to the Land Use, Building and Fire Codes.

Support Functions—Provide staff support for City Council, Planning Commission, Park Board, Snohomish County Tomorrow, Lake Stevens Downtown Association, and various *ad hoc* committees.

Building - Review building permit applications, issue building permits, conduct plan review, and administer the Uniform Building Code, Uniform Plumbing Code, Uniform Mechanical Code, etc. Monitor building permit fees, perform inspections, perform code enforcement activities,

particularly with regard to the building code enforcement activities, particularly with regard to the building code.

Parks and Recreation - Shared responsibility between DPCD and Public Works. The DPCD is responsible for park planning and development, as well as recreation programming (teen/youth recreation services). Represent the City's interests in regional park development and recreation programming. Seek funding for parks through grants and other sources. Coordinate with Snohomish County on Regional parks planning. Public Works is responsible for park maintenance and physical park development, buoy maintenance, and responding to acts of vandalism at park facilities. Public Works also performs landscaping activities in the public right-of-way.

BUDGET DATA BY PROGRAM/FUNCTIONS

<u>ACCOUNT DESCRIPTION</u>	<u>2009 ACTUAL</u>	<u>2010 ACTUAL</u>	<u>2011 EST.</u>	<u>2012 BUDGET</u>
Planning	\$672,822	\$644,122	\$732,283	\$845,189
Building	\$169,520	\$194,276	\$188,195	\$201,137
<u>Parks/Recreation</u>	<u>\$257,182</u>	<u>\$235,498</u>	<u>\$166,874</u>	<u>\$206,515</u>
<u>Total</u>	<u>\$1,099,524</u>	<u>\$1,073,896</u>	<u>\$1,087,352</u>	<u>\$1,252,841</u>

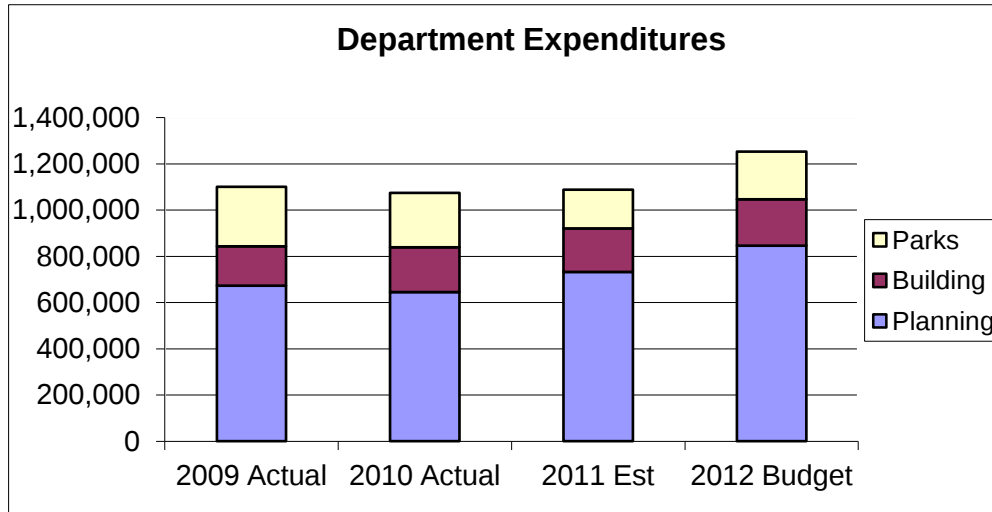
BUDGET DATA BY OBJECT

<u>ACCOUNT DESCRIPTION</u>	<u>2009 ACTUAL</u>	<u>2010 ACTUAL</u>	<u>2011 EST.</u>	<u>2012 BUDGET</u>
LONG-RANGE AND CURRENT PLANNING PROGRAM				
Salaries ¹	\$327,671	\$311,000	\$303,361	\$325,625
Benefits ¹	\$94,863	\$93,938	\$96,105	\$124,475
Office Supplies	\$4,756	\$4,130	\$3,000	\$3,500
Operating Supplies	\$1,649	\$1,209	\$1,500	\$2,500
Tools & Equip	\$0	\$0	\$0	\$900
Hearing Examiner	-\$588	\$0	\$2,500	\$2,500
Professional Services	\$117,788	\$36,396	\$13,282	\$18,500
Communications	\$8,173	\$3,952	\$2,543	\$3,265
Advertising	\$9,214	\$6,096	\$15,000	\$10,000
Travel	\$1,363	\$1,295	\$1,500	\$1,200
Repair and Maint.	\$870	\$1,025	\$600	\$500
Miscellaneous	\$920	\$51	\$125	\$150
Printing and Binding	\$0	\$711	\$750	\$1,000
Economic Development	\$0	\$103,712	\$276,288	\$340,000
Capital	\$0	\$4,967	\$2,386	\$9,774
Staff Development	\$1,213	\$796	\$1,379	\$1,250
Grant Exp	\$104,915	\$45,339	\$11,939	\$0
<u>Planning Comm. - Misc.</u>	<u>\$15</u>	<u>\$36</u>	<u>\$25</u>	<u>\$100</u>

<u>ACCOUNT DESCRIPTION</u>	<u>2009 ACTUAL</u>	<u>2010 ACTUAL</u>	<u>2011 EST.</u>	<u>2012 BUDGET</u>
Subtotal	\$672,822	\$644,122	\$732,283	\$845,189
PARKS AND RECREATION PROGRAM				
Salaries ¹	\$128,355	\$113,068	\$46,519	\$47,810
Benefits ¹	\$56,732	\$50,218	\$19,500	\$22,957
Clothing	\$876	\$980	\$3,000	\$2,900
Seasonal Workers	\$0	\$0	\$15,896	\$35,000
Operating Supplies	\$4,997	\$3,689	\$5,000	\$7,500
Eagle Ridge Park/Soper Hill	\$4,673	\$547	\$1,000	\$2,500
Lundeen Park	\$5,785	\$9,280	\$5,000	\$5,000
North Cove/Swim Beach	\$0	\$0	\$2,000	\$700
Boat Launch Expenses	\$0	\$0	\$0	\$500
Fuel	\$2,817	\$1,346	\$2,870	\$2,732
Professional Services	\$802	\$467	\$250	\$500
Communications	\$2,707	\$2,849	\$2,168	\$2,125
Travel	\$111	\$264	\$0	\$0
Equipment Rental	\$6,668	\$6,052	\$6,000	\$6,000
Insurance	\$5,932	\$6,436	\$7,166	\$3,225
Utilities	\$8,360	\$9,338	\$9,615	\$9,884
Storm Drainage	\$0	\$0	\$2,432	\$2,432
Repair and Maintenance	\$9,165	\$7,616	\$7,616	\$7,500
R&M Lundeen	\$0	\$0	\$767	\$500
Miscellaneous	\$99	\$259	\$0	\$250
Staff Development	\$533	\$45	\$600	\$500
Capital Outlay	\$18,570	\$12,693	\$29,087	\$47,200
Park Grant Exp	\$0	\$10,350	\$504	\$0
Park Board - Miscellaneous	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$300</u>
Subtotal	\$257,182	\$235,498	\$166,874	\$206,515
BUILDING PROGRAM				
Salaries ¹	\$120,148	\$121,498	\$130,545	\$134,068
Benefits ¹	\$42,569	\$43,036	\$51,674	\$60,364
Office Supplies	\$678	\$85	\$476	\$500
Operating Supplies	\$1,042	\$2,011	\$2,000	\$1,650
Professional Services	\$2,757	\$25,381	\$2,000	\$3,000
Communications	\$1,241	\$479	\$442	\$455
Advertising	\$0	\$649	\$0	\$0
Travel	\$0	\$208	\$265	\$250
Miscellaneous	\$75	\$120	\$150	\$150
Staff Development	\$145	\$810	\$100	\$700
Capital Outlay	<u>\$0</u>	<u>\$0</u>	<u>\$543</u>	<u>\$0</u>
Subtotal	<u>\$169,520</u>	<u>\$194,276</u>	<u>\$188,195</u>	<u>\$201,137</u>

<u>ACCOUNT DESCRIPTION</u>	<u>2009 ACTUAL</u>	<u>2010 ACTUAL</u>	<u>2011 EST.</u>	<u>2012 BUDGET</u>
<u>TOTAL</u>	<u>\$1,099,524</u>	<u>\$1,073,896</u>	<u>\$1,087,352</u>	<u>\$1,252,841</u>

¹ Please see the salary plan in the appendix for the detail of salary and benefits per department.



OBJECT NARRATIVE BY PROGRAM

PLANNING

Planning - Salaries

This account provides for a portion of the salary costs for the Planning Director, Senior Planners, Permit Specialists, Community Programs Planner and Receptionists.

Planning - Benefits

This account provides for the benefits for the DPCD employees including health insurance, retirement, salary insurance, state disability insurance, and FICA.

Planning - Office Supplies

Office supplies include materials needed for the daily or routine operation of the department including pens, paper, notebooks, etc.

Planning - Tools and Equipment

Tools and equipment include items such as furniture, drafting materials, etc.

Planning - Professional Services

These are funds used for various professional services, which are needed to accomplish a certain project or task such as legal services. These services are used to provide staff support for tasks that require special technical expertise or because of staff's commitment to other high priority tasks. The 2008, 2009, and 2010 budgets included costs related to multiple annexations.

Planning -Professional Services - Hearing Examiner

These funds are used to transfer developer paid fees to the City's Hearing Examiner. The Hearing Examiner would continue to provide objective professional review of formal plats, appeals, and other quasi-judicial land use decisions. The Hearing Examiner system also allows the City Council and Planning Commission to devote more time to the development of policy and monitoring the comprehensive plan in accordance with growth management legislation, and monitoring the effectiveness of the land use code. This is basically a pass-through account, as permit applicants reimburse all expenses.

Planning - Communications

These are funds used telephone and postage costs which include mailings related to annexations and land use actions.

Planning – Advertising

These funds are used to pay for staff recruitment advertising and legal notices relating to annexation and land use.

Planning - Travel

This fund is used for a number of travel related expenses including reimbursing staff for use of personal vehicles when needed.

Planning - Miscellaneous

This fund includes items such as title reports, publications, and other expenditures that may be difficult to predict while preparing the budget.

Planning - Printing and Binding

These dollars are used for printing plans, maps and brochures for public distribution.

Planning - Staff Development

This is an on-going departmental program to maintain a high level professional preparation and education.

Planning Commission - Miscellaneous

Planning Commission development dollars are used for meeting registration fees, professional meetings, seminars, and conferences which further advance the department's knowledge and skills for the benefit of the City.

PARKS AND RECREATION

Parks - Salaries

This account provides salary costs for staff working on the parks program of the City including lawn maintenance and other related activities.

Parks- Benefits

This account provides for the benefits for employees including health insurance, retirement, salary insurance, state disability insurance, and FICA.

Parks - Professional Services

This account provides support for specialized activities such as legal costs related to parks and grant writing.

Parks – Boat Launch Expenses

This account provides for routine expenses such as the purchase of envelopes and such for the continued operations of the boat launch.

Parks - Operating Supplies

This account provides operating supplies that need to be replaced or purchased annually for our various parks and programs. Such items include, but are not limited to, buoys and rope for the swimming beach, equipment for the Adopt-a-Street/Park Program, etc.

Parks – Eagle Ridge /Soper Hill Park

This account provides for maintenance of this Eagle Ridge and Soper Hill Parks.

Parks – Lundeen Park

This provides maintenance for Lundeen Park, which was annexed into the City in 2006.

Parks – North Cove/ Swim Beach

This account provides for maintenance of this North Cove Park and the City Swim Beach.

Parks - Equipment Rental

Equipment rental dollars are used for park maintenance equipment that is more economical to rent than to purchase like chain saws, heavy equipment, forms, etc. It also includes the perpetual rental of sanicans for various parks.

Parks - Insurance

This provides liability coverage for City parks.

Parks - Utilities

This provides power and water to City parks.

Parks - Repair and Maintenance

This includes repair and maintenance costs for our parks, such as boat launch repairs, and park signage, sanican rental, hiring the Department of Corrections crew, city limit flowers and miscellaneous repair and maintenance supplies.

Parks - Miscellaneous

Miscellaneous covers unanticipated park needs like plantings, vandalism, maintenance, etc.

Parks - Capital Outlay

This line item is to separate capital expenditure from other types of expenditures out of the operating supplies and miscellaneous categories.

Park Board - Travel

Travel includes transportation, lodging, and meals for the Park Board to attend professional meetings, seminars, and conferences.

Park Board - Development

Park Board development dollars are used for meeting registration fees, professional meetings, seminars, and conferences which further advance the Park Board's knowledge and skills for the benefit of the City.

BUILDING/FIRE

Building – Salaries

This account provides salary costs for the Building Inspector/Plans Examiner along with a portion of the City Clerk, Office Assistant, and Planning Director's salaries.

Building - Benefits

This account provides for the benefits for the building division including health insurance, retirement, salary insurance, state disability insurance, and FICA.

Building - Office Supplies

Office Supplies include materials needed for the daily or routine operations of the Division including general office supplies, stamps, forms, and books.

Building - Operating Supplies

Operating Supplies includes inspection vehicle fuel, rain gear, books and reference manuals, etc.

Building - Advertising

This line item covers the cost of recruiting and hiring building inspector and building official.

Building - Professional Services

These funds are used to provide support for building inspector services and structural plan review.

Building-Communications

These funds are used for staff telephone service.

Building - Travel

The division is active in both State and National Code organizations working to insure reasonable regulations. The Building Official needs to attend training sessions on a regular basis, few of which are offered in Washington State. Travel includes transportation, lodging, and meals for the department to attend professional meetings, seminars, and conferences.

Building - Repair and Maintenance

These funds are used for repairs to the Building Official's vehicle.

Building - Miscellaneous

These funds are for professional dues and publications. The division is a member of ICBO, WABO and NW ICBO, and subscribes to a number of construction related publications necessary to keep up with current construction and liability issues.

Building - Staff Development

Staff Development dollars are used for meeting registration fees, professional meetings, seminars, and conferences, which further advance the department's knowledge and skills for the benefit of the City.

Building - Fire Marshal

These funds are used to pay for part-time contract services through the Lake Stevens Fire District to administer and enforce the Uniform Fire Code (UFC) for all development projects as well as providing other fire inspection related services. Beginning in 2009, these funds are budgeted for in General Government programs.

POSITION LIST FTE:**PLANNING:**

Position	2009	2010	2011	2012
Planning Director	0.53	0.53	0.53	0.53
Receptionist/ Office Asst.	0.2	0.2	0.1	0.1
Senior Planner	2	2	1	1
Principal Planner	1	1	1	1
Associate Planner	0	0	0	1
Permit Specialists	0.5	0.5	0.75	0.5
Community Programs Planner	0.49	0.49	0.49	0
Planning Coordinator	0	0	0	0.25
TOTAL	4.72	4.72	3.87	4.38

BUILDING:

Position	2009	2010	2011	2012
Planning Director	0.12	0.12	0.12	0.12
Building Official	0.9	0.9	0.9	0.9
Public Works Director	0	0	0	0
Planning Coordinator	0	0	0	0.25
Permit Specialists	0.5	0.5	0.75	0.5
Community Programs Planner	0.16	0.16	0.16	0
City Clerk/Receptionist Off. Asst.	0.1	0.1	0.1	0.1
TOTAL	1.78	1.78	2.03	1.87

PARKS:

Position	2009	2010	2011	2012
Public Works Director	0.08	0.08	0.08	0.08
Planning Director	0.05	0.05	0.05	0.05
Building Official	0.05	0.05	0.05	0.05
Engineering Tech	0	0	0	0
PW Coordinator	0	0	0	0
Parks Workers	1.2	1.2	0.1	0
PW Superintendent	0	0	0.1	0.1
PW Crew Leader	0.1	0.1	0	0
PW Crew workers/Temps.	0.93	0.93	0.4	0.4
TOTAL	2.41	2.41	0.78	0.68

City of Lake Stevens 2012 Budget



Police

CITY OF LAKE STEVENS

Proposed Budget 2012

Department: POLICE
Fund: General

PROGRAM FUNCTION NARRATIVE

The Police Department's mission statement is: "The Police Department is committed to a professional partnership with our community, providing excellence in service, safety and education."

The Police Department is an accredited full service law enforcement agency, providing a full range of community police services. The city enjoys a low violent crime rate because of the partnership between the residents, the police services staff, and the City Council.

The Police Department is divided into the following areas of responsibilities:

Administration

The Police Chief is responsible for planning, organizing and leading the Police Department. The Chief is the daytime patrol supervisor and serves as a city staff director and the police liaison with other agencies, regional service providers, and community groups.

Supervision (Sergeants and Police Administrative Supervisor)

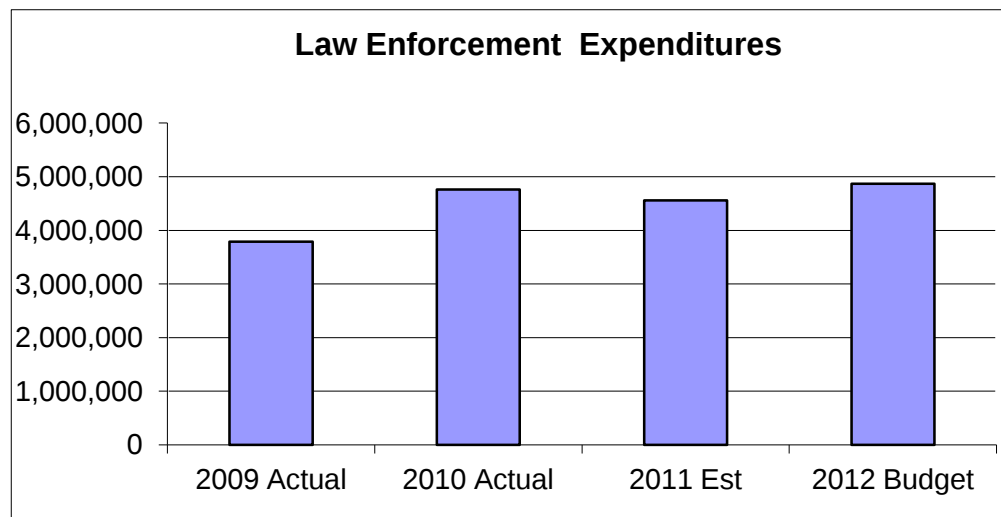
These employees provide day to day supervision of patrol officers and station operations. In addition, the sergeants supervise special groups of volunteers such as the Part-Time Reserve Officers and Explorer Scouts. Sergeants take the lead in special department operations like Aquafest and the boat patrol program. Sergeants also serve as on-duty patrol officer during the peak call load times. The Police Administrative Supervisor supervises the Police Records Clerk, Code Enforcement Officer, office volunteers and college interns. In addition, this person oversees the sex offender monitoring program, provides routine information to the media, and coordinates the department's public education efforts

Police Officers

Police officers provide public safety services that include education, responding to community needs; investigating criminal activity; traffic safety services that include education, enforcement and investigation to prevent accidents; boating safety services that include education, enforcement and boater assistance; and crime prevention. They work with persons and neighborhoods to solve and prevent problems. Officers work cases together and continually develop expertise in a variety of areas. Part-time officers supplement the full-time staff in providing additional patrol services during peak activity times.

BUDGET DATA BY PROGRAM/FUNCTION

<u>Account Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Police Department	\$3,791,080	\$4,759,531	\$4,560,333	\$4,869,929



BUDGET DATA BY OBJECT

<u>Account Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
POLICE DEPARTMENT				
Salaries ¹	\$1,821,464	\$2,133,731	\$2,153,678	\$2,230,594
Holiday Pay Out	\$0	\$50,000	\$50,000	\$50,000
Salaries Off-Duty	\$12,785	\$14,623	\$13,509	\$15,000
Benefits ¹	\$623,999	\$849,522	\$866,971	\$917,175
Overtime ¹	\$162,482	\$472,419	\$300,000	\$300,000
P/T Officer's Salaries ²	\$39,924	\$16,723	\$0	\$0
P/T Offi. Equip. & Clothing	\$3,567	\$870	\$0	\$0
Clothing	\$44,629	\$64,151	\$45,876	\$37,000
Office Supplies	\$22,850	\$28,602	\$27,100	\$25,000
Operating & Equip	\$36,937	\$26,962	\$35,000	\$25,000
Ops/Equip (New Empl)	\$0	\$26,585	\$0	\$0

<u>Account Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Weapons/Safe Buyback	\$1,335	\$4,456	\$1,473	\$2,500
Fuel	\$48,604	\$84,516	\$97,160	\$103,500
Prof. Services & New Hires	\$23,276	\$25,738	\$25,000	\$22,000
Prof. Services – Lexipool	\$5,950	\$2,450	\$2,450	\$2,450
Communication	\$20,801	\$19,733	\$20,500	\$28,490
Travel	\$11,166	\$12,799	\$10,000	\$10,000
Insurance	\$103,657	\$115,646	\$111,870	\$155,145
Utilities	\$12,309	\$8,591	\$10,135	\$10,777
Repair & Maint.	\$73,897	\$114,168	\$109,680	\$110,000
Miscellaneous	\$2,462	\$2,879	\$3,000	\$2,000
Staff Devlp.	\$15,327	\$9,199	\$8,550	\$7,500
Drug Task Force	\$3,425	\$6,152	\$7,500	\$7,500
Drug Investigations	\$0	\$0	\$0	\$1,000
Grant Expenditures	\$4,545	\$3,818	\$6,000	\$4,000
Alarm Costs	\$2,588	\$624	\$1,395	\$2,000
SNOPAC Dispatch/SERS	\$241,932	\$237,686	\$234,209	\$351,273
Boating Safety	\$25,646	\$0	\$0	\$0
Boating Salaries	\$0	\$50,645	\$39,394	\$32,000
Boating Benefits	\$0	\$9,122	\$10,196	\$6,300
Boating Clothing	\$0	\$80	\$500	\$500
Boating Op Supplies	\$0	\$3,036	\$2,324	\$1,000
Boating R&M	\$0	\$7,011	\$5,000	\$5,000
Capital Outlay	\$4,343	\$2,702	\$753	\$16,300
Capital Outlay (New World)	\$0	\$0	\$23,500	\$25,925
Seizure & Forfeiture Remit.	\$0	\$72	\$0	\$0
Prof. Services-Code Enf.	\$13,897	\$23,633	\$35,535	\$35,000
<u>Code Enf. Misc.</u>	<u>\$0</u>	<u>\$35</u>	<u>\$0</u>	<u>\$0</u>
<u>Police Department</u>	<u>\$3,791,080</u>	<u>\$4,759,531</u>	<u>\$4,560,333</u>	<u>\$4869,929</u>

¹ Please see the salary plan in the appendix for the detail of salary and benefits per department

SUBJECT NARRATIVE

Salaries

This includes all regular full-time and part-time employees. The 2011 salaries reflect the continued hiring of police personnel relating to recent annexations into the City. Salary schedule is either set by city ordinance or union contract. This includes two positions that are partially funded by the Lake Stevens school district.

Salaries Off-Duty

This line item reflects payment of off duty officers reimbursed by contracted outside organizations such as Lake Stevens A.S.B and other non-profit groups. There is an associated revenue line item for payments received.

Reserve Officer Equipment and Clothing

This budget item provides weapons, clothing and equipment to part-time officers.

Benefits

The increase is due to the proportional increase in salaries.

Overtime

This item is used to replace patrol officers who are sick, on vacation, training or reassignment to a special duty.

Clothing

This is used to equip all full time officers and staff with, uniforms and equipment. Officers are equipped in accordance with the collective bargaining agreement. This item also includes uniform cleaning expenses.

Office Supplies

This is used to provide the support materials to operate the police station. This item supports investigations, more partnerships, and a greater emphasis on crime prevention and communicating with the neighborhoods and business district.

Operating fuel

This item pays for the fuel to operate the vehicle fleet.

Weapons/Safe Buy Back

The police officers collective bargaining agreement allows officers to purchase weapons or a weapon safe and pay for it by payroll deduction.

Operating Non-fuel

This item supports the day to day operations and expenses of the police department, patrol officers, and support functions. Examples are traffic enforcement materials, investigation supplies, crime prevention programs, janitorial services and support items for technology.

Boating Safety

These items are used exclusively for operating, maintaining, and training personnel for the state approved boating safety program.

Professional Services

This account provides for background investigations, hiring instructors, temporary staff assistance and technical consultants. This account also includes costs related to animal code enforcement and animal shelter fees.

Communication

Funding for phone, cellular phone service and mailing costs.

Travel

This item is used to travel, lodging and meal expenses. A majority of this item is related to training expenses in conjunction with the staff development.

Insurance

This is the Police Department's share in the city's participation in the Washington Cities Insurance Authority.

Utilities

This pays the electric, water and gas bills to operate the Police Station.

Repair and Maintenance

This item ensures the vehicle fleet is properly maintained with all the current safety and professional equipment, the repair and maintenance of all department equipment and the maintenance and repair of the police department facility.

Miscellaneous

This account pays for subscriptions; professional memberships and items not accounted for elsewhere.

Drug Task Force

This is the City's portion of the cost for the Snohomish County Regional Drug Task Force.

Snopac Dispatch

This is the city's cost of participating in a regional 911-dispatch center and records management operation. This is slightly higher due to rising costs and increase in calls of service.

Capital Outlay

This provides for new or replacement equipment. A detail of expenses can be found in the Capital Expenditure section in the budget document appendix.

Drug Investigation

This fund is used for buying specialized supplies, equipment and training for narcotics investigations.

Staff Development

This is used to pay tuition and training fees in order to keep the staff current with professional standards and practices.

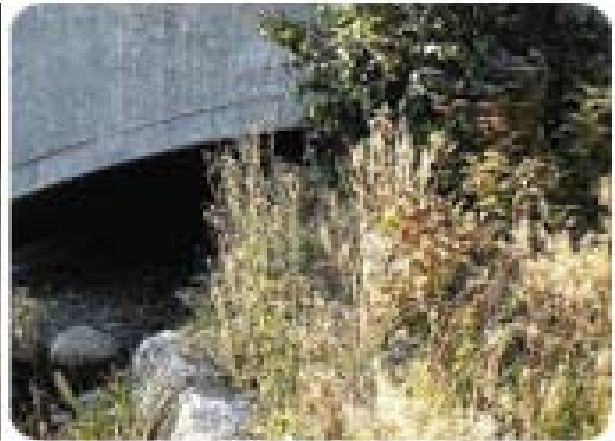
Evidence Alarm

This provides for monitoring of an alarm system to the evidence alarm.

POSITION LIST FTE:

Position	2009	2010	2011	2012
Police Chief	1	1	1	1
Police Commander	1	1	1	1
Receptionist/ Office Asst.	0.32	0.32	0.16	0.16
Accountant	0.1	0.1	0.1	0.1
Sergeants	5	5	5	5
Detectives	2	2	2	2
Traffic Officers	2	1	1	0
School Resource Officer	1	1	2	2
Police Officers	10	10	16	16
Code Enforcement Officer	1	1	1	1
Cadets	0	1	0	0
Police Reserves	1	1	0	0
Admin. Coordinator	1	1	1	1
Records Clerk	3	3	3	3
Leave Buy Out/OT	0	1	1	1
TOTAL	28.42	29.42	34.26	33.26

**City of Lake Stevens
2012 Budget**



**Non-Departmental/
General Government**

CITY OF LAKE STEVENS Proposed Budget 2012

Non-Department: GENERAL GOVERNMENT & MISCELLANEOUS
Fund: General Fund

PURPOSE

The purpose of General Government and Miscellaneous accounts in the General Fund are to provide for those items that are used or expended for the benefit of multiple departments but not directly chargeable to one specific department. The General Government and Miscellaneous accounts represent less than one staff position, and the supervision and management of these accounts are primarily shared between the Administration Department and Finance Department.

PROGRAM FUNCTION NARRATIVE

The General Government and Miscellaneous accounts represent many different areas of cost. The following gives a brief description of each:

General Government: To provide for the general operation and maintenance of City Hall including insurance, elections, utilities, computer network, telephones and so forth.

Legal: Provides for general and prosecuting legal services which includes: providing legal advice to the Mayor/City Council and City Staff in conforming to State and Federal law in all municipal matters; developing actions to defend or attain the City's best interest by agreement or court actions; and, prosecuting violations of City ordinances.

Civil Service: Provides for the operation of the Civil Service Commission.

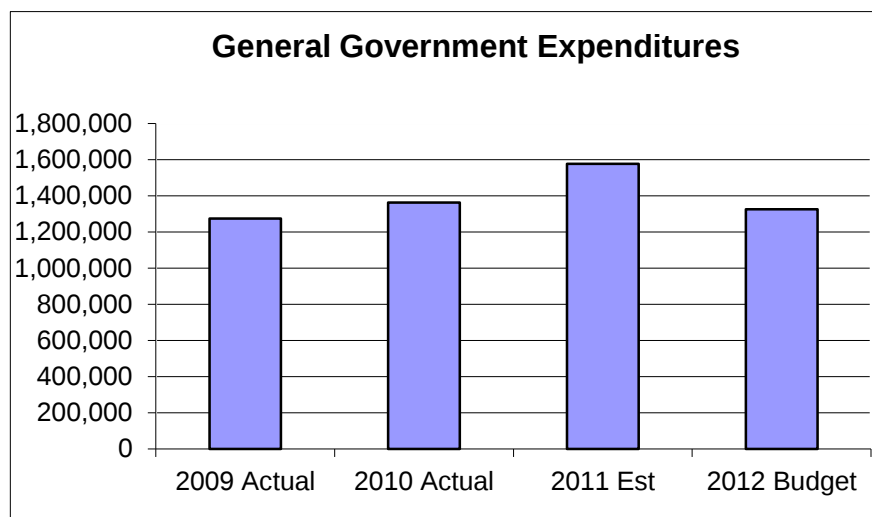
Library/Museum: Provides for maintaining and housing the Lake Stevens Library and the Lake Stevens Historical Society. The actual operating costs of the library are provided by contract between the City and Sno-Isle Library District.

Miscellaneous: Responsible for miscellaneous interfund payments or loans and contributions.

Human Services: Provides for expenditures and facilities, which benefit the residents of the City.

BUDGET DATA BY PROGRAM/FUNCTION

<u>Account Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
General Govt.	\$485,517	\$491,561	\$569,746	\$566,498
Legal	\$45,282	\$41,951	\$60,000	\$65,000
Civil Service	\$800	\$2,080	\$2,100	\$2,100
Community	\$28,405	\$13,300	\$27,474	\$15,091
Library	\$10,782	\$6,511	\$12,462	\$11,179
Non-Exp/Trans	<u>\$703,657</u>	<u>\$806,437</u>	<u>\$904,665</u>	<u>\$665,004</u>
Total	<u>\$1,274,443</u>	<u>\$1,361,839</u>	<u>\$1,576,448</u>	<u>\$1,324,873</u>



GENERAL GOVERNMENT - BUDGET DATA BY OBJECT

<u>Account Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Salaries	\$17,337	\$13,437	\$2,000	\$2,325
Benefits	\$8,018	\$6,158	\$700	\$791
Voters Reg.	\$26,195	\$22,725	\$38,839	\$40,000
Election Costs	\$4,686	\$0	\$10,000	\$10,000
Municipal Court fees	\$112,496	\$135,914	\$150,000	\$175,000
Court Appointed Atty.	\$63,000	\$65,480	\$67,806	\$70,000
Advertising	\$16,457	\$596	\$596	\$500
Prosecutor Fees	\$69,891	\$81,900	\$85,995	\$88,403
Fire Marshall	\$2,473	\$644	\$1,000	\$3,598
Pub. Rec. Req. (Print)	\$0	\$311	\$50	\$200
PSRC	\$4,977	\$7,123	\$8,565	\$11,308
Oper. Supply	\$14,448	\$10,970	\$9,000	\$11,000
Fuel	\$427	\$480	\$300	\$200
Prof. Service	\$664	\$4,593	\$5,978	\$6,000
Communication	\$5,895	\$7,210	\$6,800	\$7,474
Equipment Rental	\$2,260	\$2,260	\$2,235	\$2,300
Eqpt Rental Reimb.	\$992	\$3,252	\$2,812	\$2,890
Insurance	\$46,978	\$52,011	\$51,181	\$15,570
Utilities	\$11,909	\$11,943	\$15,146	\$15,570
Storm Drainage	\$0	\$0	\$2,778	\$2,778
Rep & Maint.	\$7,770	\$7,409	\$6,000	\$7,500
Miscellaneous	\$3,460	\$2,668	\$1,000	\$2,500
Economic Develop.	\$3,000	\$3,000	\$3,000	\$4,000
Visitor Center.	\$700	\$735	\$735	\$700
AWC	\$8,957	\$8,957	\$18,042	\$19,084
Snoh. Co. Tom.	\$3,732	\$2,464	\$4,397	\$5,000

<u>Account Description</u>	2009 <u>Actual</u>	2010 <u>Actual</u>	2011 <u>Est.</u>	2012 <u>Budget</u>
Misc. Excise Tax	\$1,823	\$1,519	\$1,542	\$1,585
Capital Expend.	\$16,158	\$7,056	\$27,173	\$0
Code Enforcement Action	\$0	\$818	\$500	\$1,000
Emergency Service	\$15,259	\$15,629	\$28,248	\$30,506
Earth Clean-Up Day	\$2,824	\$182	\$1,754	\$2,000
Aqua Fest	\$1,200	\$1,358	\$1,273	\$2,000
Air Pollution	\$7,186	\$7,436	\$7,562	\$12,000
<u>Liquor Board</u>	<u>\$4,345</u>	<u>\$5,322</u>	<u>\$7,000</u>	<u>\$6,800</u>
Subtotal	\$485,517	\$491,561	\$569,746	\$566,498

LEGAL

<u>Prof. Service</u>	<u>\$45,282</u>	<u>\$41,951</u>	<u>\$60,000</u>	<u>\$65,000</u>
Subtotal	\$45,282	\$41,951	\$60,000	\$65,000

CIVIL SERVICE

Prof. Service	\$650	\$1,000	\$1,700	\$1,700
Travel	\$150	\$0	\$0	\$0
Supplies	\$0	\$1,080	\$400	\$400
<u>Advertising/Misc.</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Subtotal	\$800	\$2,080	\$2,100	\$2,100

COMMUNITY

Historical Museum	\$5,238	\$950	\$700	\$1,000
Human Services	\$10,000	\$0	\$15,000	\$0
Grimm House Electrical	\$334	\$316	\$250	\$500
New Senior Center	\$252	\$2,144	\$1,200	\$1,500
Community Ctr. Cleaning	\$813	\$1,012	\$1,164	\$1,200
Community Ctr. Op/R&M.	\$2,356	\$1,251	\$2,000	\$4,000
Community Ctr. Comm.	\$885	\$479	\$442	\$455
Community Ctr. Utilities	\$4,508	\$3,890	\$4,000	\$4,437

<u>Account Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
<u>Arts Commission</u>	<u>\$4,019</u>	<u>\$3,258</u>	<u>\$2,718</u>	<u>\$2,000</u>
Subtotal	\$28,405	\$13,300	\$27,474	\$15,091

LIBRARY

Off. & Operating	\$1,272	\$706	\$1,200	\$794
Prof Services	\$3,404	\$185	\$200	\$206
Utilities	\$4,916	\$5,263	\$5,500	\$6,617
Storm Drainage	\$0	\$0	\$562	\$563
Repair & Maintenance	\$1,190	\$357	\$5,000	\$2,000
<u>Capital</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$1,000</u>
Subtotal	\$10,782	\$6,511	\$12,462	\$11,179

MISCELLANEOUS

Refunds	\$161	\$4,223	\$60	\$200
Contrib. to Pol. (Cap Eq)	\$111,043	\$206,631	\$74,000	\$100,000
Contrib. Unemploy. Fund	\$2,705	\$16,918	\$39,650	\$22,089
Interfund Loans	\$21,000	\$22,950	\$0	\$0
Interfund Loans Repay	\$0	\$0	\$0	\$0
Interfund Transfer	\$20,074	\$0	\$255,155	\$0
Trans. Of Library Annex Funds	\$500,000	\$500,000	\$500,000	\$500,000
Contribution to Equipment replacement	\$30,418	\$39,568	\$30,800	\$32,715
<u>Trans. To 633</u>	<u>\$18,256</u>	<u>\$16,147</u>	<u>\$5,000</u>	<u>\$10,000</u>
<u>Subtotal</u>	<u>\$703,657</u>	<u>\$806,437</u>	<u>\$904,665</u>	<u>\$665,004</u>
Total	<u>\$1,274,443</u>	<u>\$1,361,839</u>	<u>\$1,576,448</u>	<u>\$1,324,873</u>

OBJECT NARRATIVE

General Government

Salaries

This account provides salary costs for staff working on City projects not specifically related to any other program.

Benefits

This account provides for the benefits for employees including health insurance, retirement, salary insurance, state disability insurance, and FICA.

Voters Registration

This cost represents those charges to the City by Snohomish County for maintaining the records for the City's registered voters.

Operating Supplies

These costs represent items purchased for every day operation of City Hall. These charges are typically for the general benefit of all departments.

Professional Service

Costs associated with use of outside professional help such as cleaning services and consultants.

Communications

This represents communications costs associated with operating City Hall. Such items include postage, mail machines, voice mail, local and long distance phone service, and special bulk mailings.

Insurance

The premiums for providing both liability and property insurance coverage for all departments within the General Fund are charged here.

Utilities

The cost of heat, lights and water for City Hall are charged to this account.

Repair & Maintenance

This provides for the repair and maintenance of the equipment and systems used by all departments in City Hall. Included here are the maintenance contracts for the copier, mail machine and fax machine, general building and computer repairs, city staff car, fire extinguisher servicing and HVAC repairs.

Miscellaneous

Items such as city memberships, miscellaneous publications, and unexpected expenditures can be found charged to this account.

Capital Expenditures

This provides for the purchase of capital-type items. Types of items seen purchased include copier payments, computer equipment, staff vehicles, furniture, and miscellaneous office machines.

Earth Clean-up Day

This line shows the disposal fees associated with the Earth day clean-up sponsored by the City.

Computer Hardware

Typically future purchases are budgeted through the Computer Equipment Replacement Fund (510) with the General Fund's contribution budgeted as a contribution to that fund.

PSRC

This represents the City's annual membership assessment for the Puget Sound Regional Council.

Visitor Center

The dues for supporting the Snohomish County Visitor Center are recorded in this account.

Economic Development

Our shareholder dues for the Economic Development Council are provided in this account.

AWC

The City has been a long-standing member of the Association of Washington Cities. AWC is a non-profit, non-partisan organization funded primarily through service fees from its members. AWC offers assistance in personnel and labor relations, transportation, planning, legal, wellness, and community relations.

Emergency Management Center

This line item is for supplies other items needed to maintain the Emergency Operations Center through the Police Department.

Snohomish. Co. Tomorrow

In support of the Snohomish County Tomorrow organization, annual membership dues are paid from this account.

Air Pollution

This account reflects charges for the City's annual proportionate share to support the Puget Sound Air Pollution Control Board.

Fire Marshal

These funds are used to pay for part-time contract services through the Lake Stevens Fire District to administer and enforce the Uniform Fire Code (UFC) for all development projects as well as providing other fire inspection related services. Until 2009, these funds were budgeted for in the Building program.

Legal

Professional Services

The City contracts with a legal firm to provide legal services. A portion of the contractual payments are represented in this account.

Travel

Occasionally our contracted legal representative is required to travel or attend meetings for the City and those costs are charged here.

Civil Service

Professional Service

This account provides for police officer tests developed by the International Personnel Management Association (IPMA) during occasions when the Civil Service Commission is establishing eligibility registers for police officers.

Advertising

This account provides for any advertisement costs associated with required public notices.

Human Services

Human Services

This item represents the City's granting funding to contract with local non-profit organizations to provide services, which directly benefit the residents of Lake Stevens. No contributions are budgeted for 2012.

Alcoholism

As mandated by state law, two percent of the City's Liquor Excise and Profits revenue is sent to the Snohomish County Health District to help provide for alcoholism treatment programs.

Community -Operating Supplies

In operating the Community Center certain items such as light bulbs, bathroom supplies, etc., are needed.

Community Center-Cleaning

To provide a clean and sanitary location both for City meetings as well as citizen group functions, the City contracts with a cleaning service to have professional cleaning services performed.

Community Center-Utilities

The utilities costs such as light, heat, water and phone service are paid for by the City in this account.

C/SC-Repair and Maintenance

In order to continue meeting and utilizing this building, it is important to continue to maintain this structure. General upkeep and repair costs are accumulated here.

Library

Office and Operating

This provides for light bulbs, paper products, and other miscellaneous costs associated with the operation of the library.

Professional Service

This item provides for the weekly cleaning of the library as well as special annual cleaning projects.

Utilities

The City covers the cost of utilities, which includes water, heat, lights and sewer.

Regional Services

The City contracted with the Sno-Isle Regional Library District, which provided the Lake Stevens Library with the books and staff prior to the City annexing into the Library District.

Museum

The City is responsible for the maintenance and upkeep of the building in which the Historical Society operates the Lake Stevens Museum.

Arts Commission

To support the activities of the newly created arts commission, a new line item was created. The amount budgeted to this line item remains consistent each year, and funds not expended at year end are carried forward to the next year's budget.

Miscellaneous

Refunds

In the event that an individual overpaid a land use permit fee or deposit, the refund is recorded here.

Interfund Loans

This line item represents money loaned to other funds to help cover possible deficits due to shortfalls or cashflow situations. This money is to be paid back to the General Fund with interest at some point in the future.

Contribution to Police (Cap Eq.) Fund

Based upon a Police vehicle purchase plan, a lump sum of money is contributed annually to the fund to provide for the purchase of a police patrol vehicles. The 2012 Budget reflects the replacement of two police vehicles.

Contribution to Unemployment Fund

As the City is on a reimbursement basis for unemployment taxes, a lump sum of money is contributed annually to continue to provide resources for this fund in the event an unemployment claim is filed.

Contribution to Fund 510 – Equipment Replacement Fund

This contribution represents the General Funds portion of monies set aside to fund the future replacement of computer and office equipment.

Contributions to Fund 633

Annually the City contributes money to Fund 633 (Treasurer's Trust Fund) to help cover any costs that remain in transit.

POSITION LIST - FTE

Position	2009	2010	2011	2012
P.W. Crew Workers	0.26	0.26	0.0	0.0
P.W. Director	0.0	0.0	0.02	0.02
TOTAL	0.26	0.26	0.02	0.02

CITY OF LAKE STEVENS Proposed Budget 2012

Fund: 002 - CONTINGENCY RESERVE FUND

PURPOSE

The purpose of this fund is to provide a reserve or safety net for the General Fund in the event of an abnormal budget or catastrophe event which would require emergency resources. Additionally, uncashed checks are accounted for in this fund after being reported to the Department of Revenue.

RESOURCES DATA

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Beginning Fund Balance	\$94,170	\$88,708	\$89,150	\$845,195
Unclaimed checks	\$0	\$150	\$40	\$50
Investment Interest	\$594	\$292	\$850	\$850
<u>Transfer In</u>	<u>\$0</u>	<u>\$0</u>	<u>\$755,155</u>	<u>\$0</u>
<u>Total Resources</u>	<u>\$94,764</u>	<u>\$89,150</u>	<u>\$845,195</u>	<u>\$846,095</u>

EXPENDITURE DATA

The majority of the expenditures in this fund are due to claims made against previously unclaimed checks.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Unclaimed checks paid	\$6,056	\$0	\$0	\$100
<u>Transfer Out</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Total Expenditures</u>	<u>\$6,056</u>	<u>\$0</u>	<u>\$0</u>	<u>\$100</u>

**City of Lake Stevens
2012 Budget**

**Special Revenue Funds
(100s)**

*Purpose of Funds: To account for the
Proceeds of specific revenue sources that are
legally restricted to expenditure for specified purposes.*

CITY OF LAKE STEVENS

Proposed Budget 2012

Department: PUBLIC WORKS
Fund: Street Fund 101

PURPOSE

The purpose of the Public Works Department's Street Fund is to provide for the maintenance and operation of the City's network of streets, avenues, cul-de-sacs, alleys, pedestrian, bikeway and related facilities. This includes: street striping, traffic control devices, overlays, patches, mowing of shoulders, shoulder maintenance, and the necessary vehicles and equipment to accomplish the required work. Work that has a major impact on water quality, such as ditch maintenance, street and bikeway sweeping, are shared with the Storm and Surface Water Fund 410. The Street Fund pays portions of the salaries of the City staff involved with the operation of the streets, street system, administration, and related activities.

PROGRAM FUNCTION NARRATIVE

The Street Fund has several areas of responsibility.

Administration

This includes salaries, benefits, overtime, office supplies and insurance.

Street Maintenance

This includes filling of potholes, shoulder repair, overlays, curb and sidewalk repair. Special seasonal tasks include mowing of shoulder areas and control of ice and snow. Maintenance, fuel and operation costs of street equipment are also included. Prior to 1998, ditch cleaning, street sweeping, catch basin maintenance and storm drainage were also included in this item. From 1998 on these tasks are functions of the Storm and Surface Water Fund.

Engineering/Design

Professional services of consultants working on projects for the City, and costs of right-of-way acquisition.

Street Lighting

Payment to Snohomish County PUD for installation of streetlights and the electricity to operate them. Includes costs of maintenance performed by PUD.

Capital Projects

The Street Fund includes many capital types of projects both construction such as new sidewalks and streets and maintenance such as overlays.

BUDGET EXPENDITURE DATA BY PROGRAM/FUNCTION

<u>Account Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
<u>Street Fund</u>	<u>\$1,830,014</u>	<u>\$4,407,882</u>	<u>\$2,129,000</u>	<u>\$1,871,911</u>

PERFORMANCE MEASUREMENTS

The goals of the Street Department are twofold: construction of new facilities, and the maintenance of existing facilities. To this end, the department has established the following performance measurements:

- * Completion of construction work on time and within budget.
- * Known or identified road surface traffic hazards (potholes, fallen trees) to be corrected immediately (within 4 hours) of being identified as a traffic hazard, within 2 working days if a traffic nuisance, within 2 weeks if minor. Minor problems may not be fixed until they become larger if they are too small to expect a good result.
- * Damaged "STOP" signs and "ONE WAY - DO NOT ENTER" signs to be replaced immediately. Other traffic control signs to be repaired as promptly as possible, with emphasis given to yield, cross walk, one way and speed limit signs.
- * Mow shoulders six times per year (in season).
- * Achieve 80-85% of identified objectives.

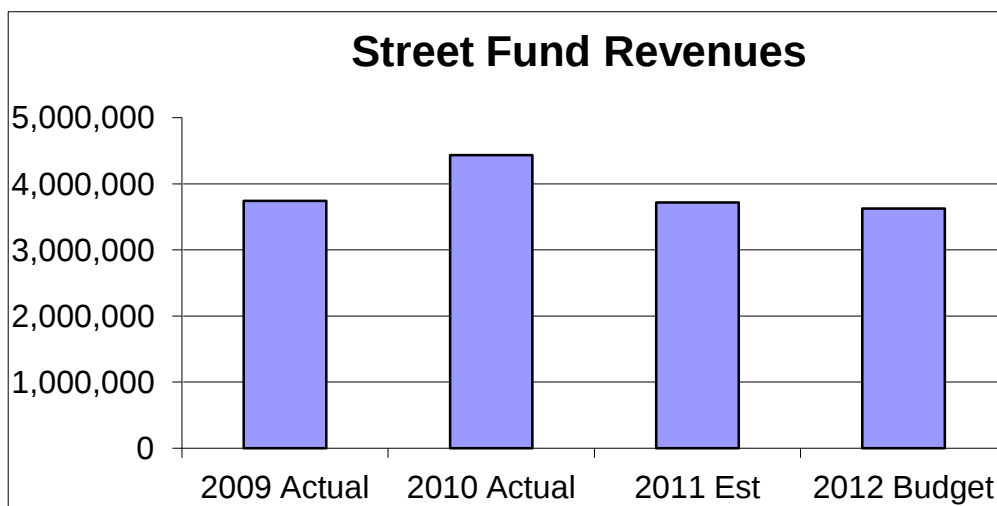
REVENUE

To accomplish the many tasks of the Street Fund, revenue is derived from a number of sources. They are: county road tax (received in-lieu of property tax in the newly annexed area for the first year), property tax, business and occupational utility tax, local vehicle license fees, gas tax, and real estate excise tax (REET). The 2012 Budget includes reducing the Street Fund's share of property tax received to 21%.

Following is the detail of revenues received from 2008 through 2010 and the projected revenues to be received in 2011.

<u>Revenue Source</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
	<u>Actual</u>	<u>Actual</u>	<u>Est.</u>	<u>Budget</u>
Beginning Fund Balance	\$1,140,656	\$1,913,690	\$1,938,711	\$1589,683
County Road Tax	\$0	\$1,251,828	\$0	\$0
Real and Personal Property Tax	\$579,739	\$758,516	\$862,143	\$1,015,602
B & O Electric	\$200,602	\$259,639	\$329,563	\$366,333

ROW Permits	\$0	\$0	\$18,000	\$15,000
Street Fuel Tax	\$316,747	\$500,207	\$581,040	\$566,833
FEMA Grant	\$38,393	\$30,319	\$0	\$0
FHWA Grant	\$33,916	\$0	\$0	\$0
ARRA Grant	\$0	\$453,431	\$0	\$0
Intergovernmental – Reimb.	\$4,024	\$0	\$0	\$0
PW Services – Reimb.	\$1,210	\$2,560	\$3,209	\$2,000
Miscellaneous Revenue	\$8,920	\$73,991	\$2,857	\$3,178
Insurance Recoveries	\$11,034	\$133,760	\$1,159	\$500
Transfer from Library Annex	\$500,000	\$500,000	\$0	\$0
Transfer from Debt Proceeds	\$0	\$467,679	\$0	\$68,255
Transfer from REET	\$500,000	\$0	\$0	\$0
<u>Oper. Trans. From Fund 301</u>	<u>\$407,941</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total Resources	\$3,743,182	\$4,431,930	\$3,718,682	\$3,627,383



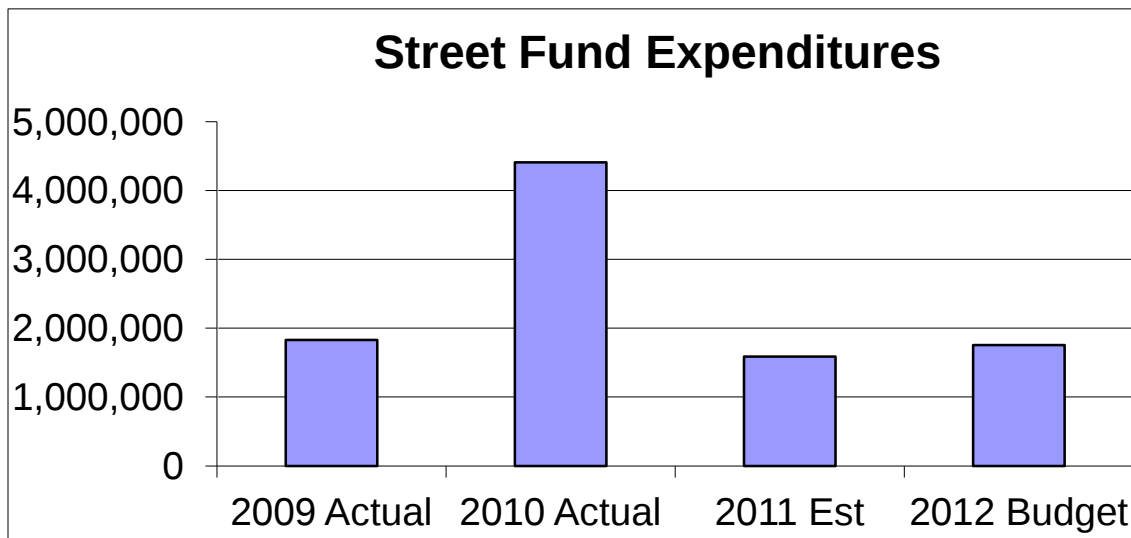
BUDGET DATA BY OBJECT

<u>Account Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Salaries ¹	\$578,962	\$682,689	\$487,968	\$540,510
Benefits ¹	\$205,105	\$265,048	\$217,468	\$247,475
Overtime	\$14,878	\$20,099	\$30,348	\$25,000
Clothing	\$4,244	\$5,182	\$5,000	\$5,520
Office Supplies	\$1,415	\$1,670	\$2,259	\$2,320
Operating Supplies	\$4,791	\$8,168	\$11,504	\$10,000

Fuel	\$9,626	\$21,928	\$25,000	\$32,000
Safety program	\$1,705	\$2,482	\$2,353	\$2,355
Staff Development	\$964	\$1,567	\$750	\$2,000
Professional Services	\$71,668	\$34,490	\$28,167	\$40,000
20 th Street SE Traffic Study	\$0	\$0	\$34,000	\$33,000
Street Sweeping	\$16,832	\$28,353	\$22,000	\$22,615
GMA Traffic Mitigation Plan	\$0	\$0	\$0	\$40,000
Hwy 9/204 Feasibility Study	\$0	\$0	\$25,000	\$0
Landscaping	\$0	\$0	\$9,000	\$3,000
Computer Software	\$8,866	\$0	\$0	\$910
Communications	\$5,924	\$4,680	\$4,180	\$4,100
Travel	\$998	\$945	\$832	\$855
Advertising	\$1,827	\$886	\$440	\$250
Rentals/Leases	\$1,765	\$3,010	\$1,000	\$2,465
Insurance	\$25,183	\$28,124	\$28,484	\$32,295
Utilities	\$2,236	\$3,863	\$4,457	\$4,580
Repair and Maintenance	\$60,478	\$114,677	\$122,314	\$112,870
Miscellaneous	\$134	\$358	\$379	\$390
Storm Drainage	\$1,802	\$2,928	\$850	\$850
Overlays	\$108,143	\$0	\$58,986	\$342,075
Sidewalk Repair	\$3,823	\$0	\$0	\$5,000
Street Lighting	\$101,839	\$148,493	\$134,516	\$132,760
Traffic Control Devices	\$30,855	\$48,886	\$55,000	\$56,540
Snow & Ice Control	\$3,084	\$8,510	\$14,500	\$14,910
Shoulders	\$2,029	\$0	\$4,000	\$4,000
Rentals/Leases (PW Lot)	\$0	\$990	\$0	\$0
R&M Facilities	\$0	\$133,944	\$66,080	\$5,000
Contrib. to Municipal Arts Fund	\$0	\$10,700	\$10,700	\$0
Transfer to PWTF- Debt Service	\$0	\$0	\$239	\$1,000
Transfer to Sidewalk Cap Fund	\$0	\$0	\$590,738	\$0
Transfer Out	\$0	\$0	\$39,785	\$0
Contrib. to Unemployment Fund	\$3,500	\$11,781	\$29,450	\$3,721
Contrib. to Equipment Fund	\$25,000	\$135,505	\$39,900	\$41,097
Contrib. to Computer Equipt Fund	<u>\$10,000</u>	<u>\$11,050</u>	<u>\$11,260</u>	<u>\$11,600</u>
OperatingTotals	<u>\$1,199,533</u>	<u>\$1,741,005</u>	<u>\$2,109,116</u>	<u>\$1,783,063</u>
Misc Capital Expenditures	\$106,308	\$901,076	\$11,883	\$0
Roundabouts	\$265,737	\$1,538,675	\$0	\$26,000
Sidewalks	\$150,293	\$227,126	\$0	\$0
<u>36th Street Bridge Repair</u>	<u>\$0</u>	<u>\$0</u>	<u>\$8,000</u>	<u>\$62,848</u>

Totals **\$1,830,014** **\$4,407,882** **\$1,589,683** **\$1,755,472**

¹ Please see the salary plan in the appendix for the detail of salaries and benefits per department.



OBJECT NARRATIVE

Salaries

This account provides for a portion of the salary costs for the Public Works Director, Public Works Crew Leader, Public Works Crew Workers, Public Works Clerk along with other City staff which have an occasional role in transportation including the Finance Director and Planning department.

Benefits

This account provides for a portion of the benefit costs for the Public Works Department including health insurance, retirement, salary insurance, state disability, and FICA.

Overtime

This account provides for a portion of the overtime costs for all employees within the Public Works Department.

Clothing

The costs for new or replacement work clothes (i.e., boots, rain gear, gloves, etc.) that have been damaged or worn out as a result of Public Works activities are included in this account.

Office Supplies

This account identifies a share of the office supplies utilized by Public Works.

Operating Supplies

Materials required for the correct operation of equipment for the street department are included in this item. Includes tools, paint, cleaners and hand tools.

Fuel

This is the street fund's share of fuel costs to run the public works equipment.

Professional Services

This account covers the cost of consultants for design, traffic studies, a portion of the attorney's contract, computer technical support, janitorial and other similar expenses related to the street network.

Communications

This account covers a portion of the costs for operation and/or rental of the cellular phones, pagers, radios and other communication equipment.

Travel

This account is used for reimbursements for the use of personal vehicles, registration for seminars and workshops, and lodging when required.

Advertising

This account is intended for the costs of legal notices for street related hearings, meetings, announcements or other notices.

Rentals/Leases

This account is intended to cover any equipment which must be rented or leased for work on the streets.

Insurance

This account covers the cost of insurance required for liability and vehicles related to the Public Works Department.

Repair and Maintenance

This account is for the materials required to keep the streets in repair. This includes gravel, patching asphalt, cold mix, petroleum products, or other materials as required.

Miscellaneous

This account covers other expenses not specifically identified with another account.

Storm Drainage

This account has in the past covered repairs and work on storm facilities, including catch basins, detention facilities, pipes and ditches. Beginning in 1998, this function was taken on by the Surface and Storm Water Fund.

Street Lighting

This account covers the charges from Snohomish County PUD for the operation of the streetlights in the City.

Traffic Control Devices

This account covers the expense of purchasing, installing and maintaining all manner of traffic control devices, including signs, posts, brackets, striping and reflective pavement markers (RPMS).

Snow and Ice Control

This account is for any expenses incurred in dealing with snow and ice on the roadways. This includes the purchase of sand every fall in anticipation of sanding streets, and any other materials which may be required during the snow and ice season. This item can vary widely depending upon the severity of the winter.

Shoulders

This account is for any expenses incurred in repairing, maintaining, replacing or adding to shoulders. This minimal amount includes gravel, hauling, spreading, scraping and grading as required.

Staff Development

This accounts for meetings, conferences, seminars and workshops regarding street repair, traffic control and planning, and related issued. Public Works continues to encourage greater participation in conferences and workshops by all public works employees.

Contribution to Unemployment Fund

This expense is a portion of the unemployment insurance paid by the City.

Contribution to Equipment Fund

This payment goes to the Capital Equipment Fund for the purchase of Public Works equipment. A detail listing of the 2012 Budget items is listed in the Capital Equipment section of the appendix.

Contribution to Computer Equipment Fund

This payment represents the Street Fund's share of the cost of future replacement of computer and office equipment.

Capital Projects

This account is for expenses for constructing permanent or interim facilities for streets, walkways or bikeways. The projects budgeted for 2011 include sidewalks, 36th Street Bridge emergency repair, guardrail repairs, 20th Street traffic study, and the Highway 9/204 feasibility study.

POSITION LIST - FTE

<u>Position</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Public Works Director	0.52	0.45	0.45	0.45
City Administrator	0.26	0.26	0.26	0.26
Planning Director	0.14	0.14	0.14	0.14
Finance Director	0.12	0.12	0.12	0.12
Accountant	0.2	0.2	0.2	0.2
City Clerk	0.12	0.12	0.12	0.12
Receptionist	0.24	0.12	0.12	0.12
HR Manager	0.21	0.21	0.21	0.21
IT Manager	0.15	0.15	0.15	0.15
IT Specialist	0.15	0.15	0.15	0.15
Engineering Technician	1	0.8	0.8	0.8
Building Official	0.05	0.05	0.05	0.05
Community Program Planner	0.20	0.20	0.20	0
PW/Planning Coordinator	0	0	0	0.25
Permit Specialist	0.50	0.25	0.25	0
PW Crew Leader	0.60	1	1	1
PW Superintendent	0.0	0.5	0.5	0.5
PW Crew Workers incl. O/T	5.73	4.47	4.47	4.47
Total	10.19	9.19	9.19	8.99

CITY OF LAKE STEVENS Proposed Budget 2012

Fund: 103 -STREET RESERVE FUND

PURPOSE

The purpose of this fund is to provide a reserve or “safety net” for the Street Fund in the event of an abnormal budget event or catastrophe which would require emergency resources.

RESOURCES DATA

Typically, this fund's sole source of revenue is the interest earned each year on the cash balance of the fund.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Beginning Fund Balance	\$460,368	\$520,612	\$1,515	\$1,518
Investment Interest	\$3,744	\$837	\$3	\$3
Transfer In	\$60,000	\$0	\$0	\$0
<u>Total Resources</u>	<u>\$524,112</u>	<u>\$521,249</u>	<u>\$1,518</u>	<u>\$1,521</u>

EXPENDITURE DATA

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
PW Building	\$3,500	\$519,934	\$0	\$0
<u>Emergency Repairs</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Total Expenditures</u>	<u>\$3,500</u>	<u>\$519,934</u>	<u>\$0</u>	<u>\$0</u>

CITY OF LAKE STEVENS

Proposed Budget 2012

Fund: 110 – REPAIR AND DEMOLITION FUND

PURPOSE

The purpose of the fund is to keep an itemized account of all expenses incurred in the abatement process. The establishment of this fund is pursuant to the Uniform Code for the Abatement of Dangerous Buildings.

RESOURCES DATA

Typically, this fund's revenue comes from interfund transactions from the general fund and subsequent collections from the property owner.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Beginning Fund Balance	\$0	\$1,333	\$28,029	\$0
Investment Interest	\$1	\$2	\$0	\$0
Special Assessment Revenue	\$0	\$0	\$0	\$0
Interfund Loan Receipts	\$5,000	\$22,950	\$0	\$0
<u>Total Resources</u>	<u>\$5,001</u>	<u>\$24,285</u>	<u>\$28,029</u>	<u>\$0</u>

EXPENDITURE DATA

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Administration	\$2,188	\$1,495	\$0	\$0
Supplies	\$475	\$50	\$0	\$0
Professional Services	\$1,005	\$22,668	\$0	\$0
<u>Interfund Loan Repay</u>	<u>\$0</u>	<u>\$0</u>	<u>\$28,029</u>	<u>\$0</u>
<u>Total Expenditures</u>	<u>\$3,668</u>	<u>\$24,203</u>	<u>\$28,029</u>	<u>\$0</u>

CITY OF LAKE STEVENS

Proposed Budget 2012

Fund: 111 – DRUG SEIZURE AND FORFEITURE FUND

PURPOSE

The purpose of this fund is to account for the proceeds of items forfeited in accordance with RCW 69.50.505 Seizure and Forfeiture. The net proceeds of forfeited property will be deposited and receipted into this fund. State remittance payments and expenditures related to controlled substances law enforcement activity will be made from this fund according to applicable laws and regulations.

RESOURCES DATA

This fund's resources are the proceeds of forfeited property.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Beginning Fund Balance	\$0	\$1,293	\$1,769	\$2,562
Investment Interest	\$0	\$5	\$3	\$5
Confiscated & Forfeited Prop	\$1,292	\$471	\$790	\$1,800
State Remittance Portion	\$144	\$52	\$100	\$200
<u>Total Resources</u>	<u>\$1,436</u>	<u>\$1,821</u>	<u>\$2,662</u>	<u>\$3,774</u>

EXPENDITURE DATA

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Operating Supplies	\$0	\$0	\$0	\$200
Miscellaneous	\$0	\$0	\$0	\$0
Capital Outlay	\$0	\$0	\$0	\$800
<u>Disbursement to State</u>	<u>\$144</u>	<u>\$52</u>	<u>\$100</u>	<u>\$200</u>
<u>Total Expenditures</u>	<u>\$144</u>	<u>\$52</u>	<u>\$100</u>	<u>\$1,200</u>

CITY OF LAKE STEVENS

Proposed Budget 2012

Fund: 112 – MUNICIPAL ARTS FUND

PURPOSE

The City recognizes its responsibility to foster culture and the arts and has an interest in the viable development of the arts. This fund is designated a reserve fund for arts purposes.

RESOURCES DATA

This fund's resources are a percentage allocation from municipal construction projects. In addition, the fund may receive transfers from the General Fund if budgeted by Council. The fund is also eligible for grants and donations.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Beginning Fund Balance	\$0	\$0	\$10,722	\$1,318
Investment Interest	\$0	\$22	\$10	\$5
Transfer in – Const. Contr.	\$0	\$10,700	\$0	\$0
<u>Total Resources</u>	<u>\$0</u>	<u>\$10,722</u>	<u>\$10,732</u>	<u>\$1,323</u>

EXPENDITURE DATA

Appropriations from the fund may only be made by the City Council based upon recommendations made by the Arts Commission to the Mayor. Appropriations from the fund shall include all costs for works of art, including installation, maintenance, design and construction for arts-related projects.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
<u>Art – Public Art Acquisition</u>	<u>\$0</u>	<u>\$0</u>	<u>\$9,414</u>	<u>\$0</u>
<u>Total Expenditures</u>	<u>\$0</u>	<u>\$0</u>	<u>\$9,414</u>	<u>\$0</u>

**City of Lake Stevens
2012 Budget**

**Debt Service Funds
(200s)**

*Purpose of Funds: To account for the
Accumulation of resources for, and the
payment of, long term debt principal and interest.*

CITY OF LAKE STEVENS

Proposed Budget 2012

Fund: 205 – PUBLIC WORKS TRUST FUND 2002

PURPOSE

This fund is to account for the 2002 public works trust fund loan for Sewer improvements.

RESOURCES DATA

This fund's resources are the interest received on the unspent balance and the payments from the Sewer District to cover the debt service on the loan.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Beginning Fund Balance	\$0	\$0	\$0	\$0
Investment Interest	\$0	\$0	\$0	\$0
Trnf from Sewer Operating	\$0	\$0	\$0	\$0
Trnf from Sewer District	\$91,690	\$91,261	\$90,833	\$90,405
<u>Loan Proceeds</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Total Resources</u>	<u>\$91,690</u>	<u>\$91,261</u>	<u>\$90,833</u>	<u>\$90,405</u>

EXPENDITURE DATA

The expenditures for this fund are transfer of the loan proceeds to the Sewer District where the capital project costs are expended, and the debt service payments on the loan.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Transfer to Sewer Capital	\$0	\$0	\$0	\$0
Transfer to Sewer District	\$0	\$0	\$0	\$0
Debt Service - Principal	\$85,691	\$85,691	\$85,691	\$85,692
Debt Service – Interest	\$5,999	\$5,570	\$5,142	\$4,713
<u>Total Expenditures</u>	<u>\$91,690</u>	<u>\$91,261</u>	<u>\$90,833</u>	<u>\$90,405</u>

CITY OF LAKE STEVENS Proposed Budget 2012

Fund: 206 – POLICE STATION LTGO 2004

PURPOSE

This fund accounts for the loan proceeds and debt service on the bond issue.

RESOURCES DATA

This fund's resources are the transfers in from REET.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Beginning Fund Balance	\$0	\$0	\$0	\$0
Transfer from REET Fund 303	\$102,060	\$105,272	\$103,219	\$105,969
Investment Interest	\$0	\$0	\$0	\$0
<u>Loan Proceeds</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Total Resources</u>	<u>\$102,060</u>	<u>\$105,272</u>	<u>\$103,219</u>	<u>\$105,969</u>

EXPENDITURE DATA

The expenditures for this fund are for principal and interest payments on the bonds.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Debt Service - Principal	\$55,000	\$60,000	\$60,000	\$65,000
Debt Service - Interest	\$46,756	\$44,969	\$42,869	\$40,619
Debt Service - Fees	\$304	\$303	\$350	\$350
<u>Total Expenditures</u>	<u>\$102,060</u>	<u>\$105,272</u>	<u>\$103,219</u>	<u>\$105,969</u>

CITY OF LAKE STEVENS

Proposed Budget 2012

Fund: 207 – PUBLIC WORKS TRUST FUND LOAN FUND 2006

PURPOSE

This fund is to account for the 2006 public works trust fund loan for Sewer improvements.

RESOURCES DATA

This fund's resources are loan proceeds requested, the interest received on the unspent balance and payments received from the Sewer District to cover the debt service on the loan. The Sewer District payments are deposited in the Sewer fund and transferred out of the Sewer fund into fund 207.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Beginning Fund Balance	\$0	\$0	\$0	\$0
Investment Interest	\$0	\$0	\$0	\$0
Transfer from Sewer	\$180,711	\$179,882	\$413,286	\$413,380
<u>Loan Proceeds</u>	<u>\$0</u>	<u>\$3,500,000</u>	<u>\$0</u>	<u>\$0</u>
<u>Total Resources</u>	<u>\$180,711</u>	<u>\$3,679,882</u>	<u>\$413,286</u>	<u>\$413,380</u>

EXPENDITURE DATA

The expenditures for this fund are transfer of the loan proceeds to the Sewer District where the capital project costs are expended, and the debt service payments on the loan.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Transfer to Sewer Capital	\$0	\$0	\$0	\$0
Transfer to Sewer District	\$0	\$3,500,000	\$0	\$0
Debt Service - Principal	\$165,790	\$165,790	\$384,540	\$384,540
Debt Service - Interest	\$14,921	\$14,092	\$28,746	\$28,840
<u>Total Expenditures</u>	<u>\$180,711</u>	<u>\$3,679,882</u>	<u>\$413,286</u>	<u>\$413,380</u>

CITY OF LAKE STEVENS Proposed Budget 2012

Fund: 208 – PUBLIC WORKS TRUST FUND LOAN FUND 2005

PURPOSE

This fund is to account for the 2005 public works trust fund loan for Sewer improvements.

RESOURCES DATA

This fund's resources are the loan proceeds requested and the payments from the Sewer District to cover the debt service on the loan, which are deposited into the sewer fund and transferred to fund 208.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Beginning Fund Balance	\$0	\$0	\$0	\$0
Investment Interest	\$0	\$0	\$0	\$0
Payment from Sewer	\$70,526	\$69,474	\$68,422	\$67,369
<u>Loan Proceeds</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Total Resources</u>	<u>\$70,526</u>	<u>\$69,474</u>	<u>\$68,422</u>	<u>\$67,369</u>

EXPENDITURE DATA

The expenditures for this fund are transfer of the loan proceeds to the Sewer District where the capital project costs are expended, and the debt service payments on the loan.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Transfer to Sewer Capital	\$0	\$0	\$0	\$0
Transfer to Sewer District	\$0	\$0	\$0	\$0
Debt Service - Principal	\$52,632	\$52,632	\$52,632	\$52,632
Debt Service - Interest	\$17,895	\$16,842	\$15,790	\$14,437
<u>Total Expenditures</u>	<u>\$70,527</u>	<u>\$69,474</u>	<u>\$68,422</u>	<u>\$67,369</u>

CITY OF LAKE STEVENS Proposed Budget 2012

Fund: 209 – PUBLIC WORKS TRUST FUND LOAN FUND 2008

PURPOSE

This fund is to account for the 2008 public works trust fund loan for Sewer improvements.

RESOURCES DATA

This fund's resources are loan proceeds requested.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Beginning Fund Balance	\$0	\$0	\$0	\$0
Investment Interest	\$0	\$0	\$0	\$0
Payment from Sewer District	\$2,861	\$115,263	\$563,001	\$566,294
<u>Loan Proceeds</u>	<u>\$2,000,000</u>	<u>\$7,500,000</u>	<u>\$0</u>	<u>\$0</u>
<u>Total Resources</u>	<u>\$2,002,861</u>	<u>\$7,615,263</u>	<u>\$563,001</u>	<u>\$566,294</u>

EXPENDITURE DATA

The expenditures for this fund are transfers to the Sewer District where the project costs are expended.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Transfer to Sewer Capital	\$0	\$0	\$0	\$0
Transfer to Sewer District	\$2,000,000	\$7,500,000	\$0	\$0
Debt Service - Principal	\$0	\$105,263	\$521,930	\$521,930
Debt Service - Interest	\$2,861	\$10,000	\$41,071	\$44,364
<u>Total Expenditures</u>	<u>\$2,002,861</u>	<u>\$7,615,263</u>	<u>\$563,001</u>	<u>\$566,294</u>

CITY OF LAKE STEVENS Proposed Budget 2012

Fund: 210 – 2008 BONDS

PURPOSE

This fund is to account for the 2008- A and 2008- B bonds. A portion of the bonds were used to refund the 1997 bonds, and a portion of these bonds were used to fund the purchase of property for the future civic center. In July of 2010, the City refunded the 2008-B bonds. Those bonds are now the 2010-B Bonds and are accounted for with all associated fees in fund 212.

The Lake Stevens Sewer District reimburses the city for its portion of the refunded 1997 bonds.

RESOURCES DATA

This fund's resources are loan proceeds requested.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Beginning Fund Balance	\$0	\$0	\$0	\$0
Investment Interest	\$0	\$9	\$0	\$0
Transfer In	\$0	\$2,766	\$0	\$0
Transfer from REET	\$239,124	\$227,999	\$217,003	\$218,345
Payment from Sewer District	\$132,104	\$134,791	\$132,334	\$129,654
<u>Loan Proceeds</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Total Resources</u>	<u>\$371,228</u>	<u>\$365,565</u>	<u>\$349,337</u>	<u>\$347,999</u>

EXPENDITURE DATA

The expenditures for this fund are transfers to the Sewer District where the project costs are expended.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Transfer to Sewer Capital	\$0	\$0	\$0	\$0
Transfer to Sewer District	\$0	\$0	\$0	\$0
Debt Service - Principal	\$185,000	\$195,000	\$195,000	\$200,000
Debt Service - Interest	\$185,626	\$169,956	\$153,987	\$147,649
Debt Service - Fees	\$602	\$602	\$350	\$350
<u>Total Expenditures</u>	<u>\$371,228</u>	<u>\$365,558</u>	<u>\$349,337</u>	<u>\$347,999</u>

CITY OF LAKE STEVENS Proposed Budget 2012

Fund: 211 – PUBLIC WORKS TRUST FUND LOAN FUND 2010

PURPOSE

This fund is to account for the 2010 public works trust fund loan for emergency street repairs.

RESOURCES DATA

This fund's resources are loan proceeds requested and transfers for debt service payments.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Beginning Fund Balance	\$0	\$0	\$0	\$0
Transfer from Street fund	\$0	\$0	\$239	\$996
<u>Loan Proceeds</u>	<u>\$0</u>	<u>\$12,045</u>	<u>\$0</u>	<u>\$68,255</u>
<u>Total Resources</u>	<u>\$0</u>	<u>\$12,045</u>	<u>\$239</u>	<u>\$69,251</u>

EXPENDITURE DATA

The expenditures for this fund are transfers to the Street fund where the project costs are expended.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Transfer to Street fund	\$0	\$12,045	\$0	\$68,255
Debt Service - Principal	\$0	\$0	\$0	\$634
<u>Debt Service - Interest</u>	<u>\$0</u>	<u>\$0</u>	<u>\$239</u>	<u>\$362</u>
<u>Total Expenditures</u>	<u>\$0</u>	<u>\$12,045</u>	<u>\$239</u>	<u>\$69,251</u>

CITY OF LAKE STEVENS

Proposed Budget 2012

Fund: 212 – 2010 BONDS

PURPOSE

This fund is to account for the 2010- A and 2010- B bonds. A portion of the bonds were used to refund the 2008-B bonds, and a portion of these bonds were used to fund the purchase of the City Shop.

RESOURCES DATA

This fund's resources are loan proceeds requested and transfers for debt service payments.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Beginning Fund Balance	\$0	\$0	\$0	\$0
Investment Interest	\$0	\$30	\$0	\$0
Transfer from REET	\$0	\$0	\$95,613	\$95,613
Refunding Bond Proceeds	<u>\$0</u>	<u>\$455,000</u>	<u>\$0</u>	<u>\$0</u>
<u>Loan Proceeds</u>	<u>\$0</u>	<u>\$511,000</u>	<u>\$0</u>	<u>\$0</u>
<u>Total Resources</u>	<u>\$0</u>	<u>\$966,030</u>	<u>\$95,613</u>	<u>\$95,613</u>

EXPENDITURE DATA

The expenditures for this fund are transfers to the funds where the project costs are expended.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Debt Service – Principal	\$0	\$30,674	\$57,855	\$59,897
Debt Service - Interest	\$0	\$13,843	\$37,058	\$35,016
Debt Service – Issuance Cost	\$0	\$20,810	\$0	\$0
Debt Service - Fees	\$0	\$600	\$700	\$700
Refunding Debt - Principal	\$0	\$440,000	\$0	\$0
Refunding Debt - Interest	\$0	\$4,439	\$0	\$0
<u>Transfer Out</u>	<u>\$0</u>	<u>\$455,634</u>	<u>\$0</u>	<u>\$0</u>
<u>Total Expenditures</u>	<u>\$0</u>	<u>\$965,400</u>	<u>\$95,613</u>	<u>\$95,613</u>

**City of Lake Stevens
2012 Budget**

**Capital Projects Funds
(300s)**

*Purpose of Funds: To account for
Financial resources to be used for the
acquisition or construction of major capital facilities.*

CITY OF LAKE STEVENS

Proposed Budget 2012

Fund: 301 -CAPITAL PROJECTS - DEVELOPER CONTRIBUTIONS FUND

PURPOSE

The purpose of this fund is collect and distribute the funds collected through mitigation impact fees assessed to developers when a piece of property is developed. The impact fees may be assessed for such things as traffic or parks. The fees are kept in this fund until a project is started which matches the purpose of the donated funds and are then transferred to help fund that project.

RESOURCES DATA

This fund collects the mitigation impact fees assessed to the developers of property. The money is held until which time it is needed to fund that specific project for which the money was collected. No funds are typically budgeted to be collected as it is difficult to project the timing and impact of each development project.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Beginning Fund Balance	\$1,719,638	\$1,688,997	\$1,189,014	\$1,285,045
Investment Interest	\$11,069	\$4,113	\$2,126	\$2,000
Impact Fees	\$391,302	\$6,443	\$54,120	\$60,000
Interfund Transfer	<u>\$0</u>	<u>\$0</u>	<u>\$39,785</u>	<u>\$0</u>
<u>Total Resources</u>	<u>\$2,122,009</u>	<u>\$1,699,553</u>	<u>\$1,285,045</u>	<u>\$1,347,045</u>

EXPENDITURE DATA

The only expenditures for this fund are when the projects for which the impact fee was collected is initiated and the money is then transferred to help pay for the project. The 2009 budget includes spending impact funds for traffic mitigation projects.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Interfund Loan	\$0	\$0	\$0	\$0
Park Mitigation Funds Expended	\$25,068	\$510,540	\$0	\$0
Transfer of Impact Dollars	<u>\$407,941</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Total Expenditures</u>	<u>\$433,009</u>	<u>\$510,540</u>	<u>\$0</u>	<u>\$0</u>

CITY OF LAKE STEVENS Proposed Budget 2012

Fund: 303 – CAPITAL IMPROVEMENTS-REET I Fund

PURPOSE

The purpose of this fund is to collect the proceeds from the first ¼ of one percent real estate excise tax and to expend the resources on capital improvement projects as specified by the RCWs. Typical expenditures from this fund have included lake restoration activities, park purchases, street and sidewalk projects.

RESOURCES DATA

The fund receives primarily all of its funding from the real estate excise tax with the balance of revenue coming from investment interest. The excise tax revenues in this fund have exceeded the budget consistently due to the high level of home sales, both new and existing.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Beginning Fund Balance	\$1,076,288	\$919,497	\$916,902	\$707,965
Investment Income	\$7,095	\$3,151	\$1,648	\$1,600
Real Estate Excise Tax	\$225,920	\$352,891	\$227,370	\$225,000
<u>Total Resources</u>	<u>\$1,309,303</u>	<u>\$1,275,539</u>	<u>\$1,145,920</u>	<u>\$934,565</u>

EXPENDITURE DATA

This fund's expenditures have been used to fund many different capital projects in the past years. Some of the beneficial uses have been for bridge construction projects, lake restoration activities and park purchases.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Transf. to Police Station 2004	\$102,060	\$105,272	\$103,179	\$105,969
Transf. to 95 GO bond fund	\$21,005	\$7,002	\$0	\$0
800 MHz Capital costs	\$22,618	\$22,618	\$22,618	\$22,618
Transfer to 2008 Bond fund	\$239,124	\$227,999	\$217,256	\$218,346
Transfer to 2010 Bond Fund	\$0	\$0	\$94,902	\$95,613
Transfer to 308	\$4,999	\$0	\$0	\$0
<u>Total Expenditures</u>	<u>\$389,806</u>	<u>\$362,891</u>	<u>\$437,955</u>	<u>\$442,546</u>

CITY OF LAKE STEVENS Proposed Budget 2012

Fund: 304 - CAPITAL IMPROVEMENT FUND – REET II

PURPOSE

The purpose of this fund is to collect the proceeds from the second $\frac{1}{4}$ of one percent real estate excise tax and to expend the resources on capital improvement projects as specified by the RCWs. Typical expenditures from this fund have included lake restoration activities, park purchases, street and sidewalk projects.

RESOURCES DATA

The fund receives primarily all of its funding from the real estate excise tax with balance coming from investment interest. The excise tax revenues in this fund have exceeded the budget consistently due to the high level of home sales, both new and existing.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Beginning Fund Balance	\$1,171,663	\$906,032	\$761,456	\$990,357
Real Estate Excise Tax	\$225,131	\$352,891	\$227,370	\$225,000
Grade Road Basin Charge	\$1,080	\$0	\$0	\$0
Investment Interest	\$8,159	\$2,534	\$1,531	\$1,500
<u>Interfund Loan Repayment</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Total Resources</u>	<u>\$1,406,033</u>	<u>\$1,261,456</u>	<u>\$990,357</u>	<u>\$1,216,857</u>

EXPENDITURE DATA

This fund's expenditures have been used to fund many different capital projects in the past years. Some of the beneficial uses have been for lake restoration activities and park purchases.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Transfer Out	\$500,000	\$0	\$0	\$0
Lundeen Creek Reroute	\$0	\$0	\$0	\$0
Capital improvement Projects	\$0	\$500,000	\$0	\$0
Interfund Loan	\$0	\$0	\$0	\$0
<u>Total Expenditures</u>	<u>\$500,000</u>	<u>\$500,000</u>	<u>\$0</u>	<u>\$0</u>

CITY OF LAKE STEVENS Proposed Budget 2012

Fund: 305 – DOWNTOWN REDEVELOPMENT FUND

PURPOSE

The purpose of this fund is to provide for design and relocation expenses related to construction of civic center facilities.

RESOURCES DATA

The fund receives primarily all of its funding from a transfer of real estate excise tax revenues.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Beginning Fund Balance	\$6,100	\$1,621	\$1,631	\$1,636
Investment Income	\$15	\$10	\$5	\$3
<u>Transfer from REET -Fund 303</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Total Resources</u>	<u>\$6,115</u>	<u>\$1,631</u>	<u>\$1,636</u>	<u>\$1,639</u>

EXPENDITURE DATA

Recent fund expenditures consisted of costs associated with a feasibility study for the construction of a new joint library/City Hall facility and the land acquisition costs related to a new police station.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Budget</u>
Property Acquisition Costs	\$4,494	\$0	\$0	\$0
<u>Civic Center Design</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Total Expenditures</u>	<u>\$4,494</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

CITY OF LAKE STEVENS

Proposed Budget 2012

Fund: 309 – SIDEWALK CAPITAL PROJECT FUND

PURPOSE

The purpose of this fund is to provide for the accumulation of resources that are restricted, committed, or assigned for expenditure for sidewalk capital outlays. This fund was created in 2011 with a transfer of Street funds intended for sidewalk construction.

RESOURCES DATA

The fund receives primarily all of its funding from a transfer of real estate excise tax revenues.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Beginning Fund Balance	\$0	\$0	\$0	\$591,762
Investment Income	\$0	\$0	\$1,024	\$1,000
<u>Transfer in</u>	<u>\$0</u>	<u>\$0</u>	<u>\$590,738</u>	<u>\$0</u>
<u>Total Resources</u>	<u>\$0</u>	<u>\$</u>	<u>\$591,762</u>	<u>\$592,762</u>

EXPENDITURE DATA

There have been no expenditures to date in this fund. Expenditures from this fund will be used for the construction of sidewalks and walkways.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Budget</u>
Property Acquisition Costs	\$0	\$0	\$0	\$0
<u>Civic Center Design</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Total Expenditures</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**City of Lake Stevens
2012 Budget**

**Enterprise Funds
(400s)**

*Purpose of Funds: To account for
operations that are normally financed and
operated in a manner similar to private business enterprises.*

CITY OF LAKE STEVENS Proposed Budget 2012

Department: PUBLIC WORKS
Fund: Sewer Fund 401

PURPOSE

Prior to 2005 the City maintained its own sewer system. During 2005 the City and the Lake Stevens Sewer District combined their respective sewer funds to reduce any duplication of services in order to most effectively fund the construction of a new waste water treatment plant. The City's role and expenditures are related to the City providing customer service support and involvement in jointly planning for the expansion of the system including the new treatment plant. The City also makes debt service payments for sewer related debt which is repaid by the Sewer District.

RESOURCE DATA

The City collects a monthly operating fee from the District for the City's continued role in customer service and joint planning of the system. The City will also receive transfers from the District to cover outstanding bond debt payments related to the City's sewer improvements.

<u>Revenue Source</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Beginning Fund Balance	\$275,333	\$310,222	\$308,057	\$315,776
Operating Fee- Sewer Dist.	\$137,475	\$100,815	\$119,145	\$109,980
Investment Interest	\$1,974	\$954	\$556	\$624
Miscellaneous Revenue	\$0	\$30	\$10	\$10
<u>Reimb. from Sewer Dist.</u>	<u>\$477,891</u>	<u>\$590,671</u>	<u>\$1,267,874</u>	<u>\$1,267,100</u>
Total	<u>\$892,673</u>	<u>\$1,002,691</u>	<u>\$1,695,641</u>	<u>\$1,693,490</u>

EXPENDITURE BUDGET DATA BY OBJECT

<u>Account Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Salaries	\$77,928	\$78,790	\$82,162	\$81,390
Benefits	\$22,709	\$25,213	\$26,681	\$30,022
Overtime	\$103	\$0	\$0	\$0
Professional Services	\$3,750	\$4,359	\$736	\$0
Storm Drainage	\$0	\$0	\$2,342	\$2,342
Repair & Maintenance	\$0	\$0	\$0	\$0
Miscellaneous	\$0	\$0	\$0	\$0
Contrib. to Unemploy. Fund	\$70	\$70	\$70	\$605
Transfer to Capacity Fund	\$0	\$0	\$0	\$0
Trn to 2008 Debt Serv.	\$132,104	\$134,791	\$132,334	\$129,654
<u>Transf to PWTF Debt</u>	<u>\$345,788</u>	<u>\$455,880</u>	<u>\$1,135,540</u>	<u>\$1,137,446</u>
<u>Total</u>	<u>\$582,451</u>	<u>\$699,103</u>	<u>\$1,379,865</u>	<u>\$1,384,522</u>

OBJECT NARRATIVE

Salaries

This account provides for a portion of the salary costs for the Public Works Director, Finance Director, City Administrator, City Clerk, Receptionists and Planning Director to continue support to the Sewer District for customer service and joint planning.

Benefits

This account provides for a portion of the benefit costs for the above employees including health insurance, retirement, salary insurance, state disability insurance, and FICA.

Overtime

There is no overtime in the 2012 Budget as the Sewer District is responsible to respond to call outs while off duty.

Professional Services

This account covered the cost of sample testing, general engineering support, a portion of the City Attorney's contract, computer technical support contract, and sewer bill processing and mailing. The 2012 Budget reflects the Sewer District performing the operations and maintenance of the sewer system and therefore no expenses are budgeted in 2011.

Travel

This account is used for reimbursements for the use of personal vehicles, registration for

seminars and workshops, and lodging when required. The 2012 Budget reflects the Sewer District performing the operations and maintenance of the sewer system and therefore no expenses are budgeted in 2011.

Repair and Maintenance

This account is for materials and expenses required to keep the sewer in repair. Specific overruns due to damage caused by others is recovered and included in the revenue figures for this fund whenever possible. The 2012 Budget reflects the Sewer District performing the operations and maintenance of the sewer system and therefore no expenses are budgeted in 2011.

Miscellaneous

This account covers other expenses not specifically identified with another account, or which are unanticipated.

Contribution to Unemployment Fund

This expense is a portion of the unemployment insurance paid by the City. The 2012 Budget reflects the Sewer District performing the majority of operations and maintenance of the sewer system and therefore minimal expenses are budgeted in 2011.

Debt Redemption

This represents funds used for the redemption of long term debt. Beginning in 2006, funds were transferred from the Sewer District to cover these obligations.

POSITION LIST – FTE

<u>Position</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Public Works Director	0.15	0.15	0.15	0.15
City Administrator	0.20	0.20	0.20	0.20
Planning Director	0.11	0.11	0.11	0.11
Finance Director	0.15	0.15	0.15	0.15
City Clerk.	0.06	0.06	0.06	0.06
Receptionist	0.40	0.20	0.20	0.20
PW Crew Leader	0.05	0	0	0
<u>PW Superintendent</u>	<u>0</u>	<u>0.05</u>	<u>0.05</u>	<u>0.05</u>
Total	1.12	0.92	0.92	1.47

CITY OF LAKE STEVENS Proposed Budget 2012

Fund: SEWER RESERVE FUND - 406

PURPOSE

This fund was established to provide a source of emergency or catastrophe resources for the Sewer System along with accounting for major construction projects related to the sewer system. With the unification of the City of Lake Stevens and the Lake Stevens Sewer District sewer systems in June 2005 there have been no expenditures in this fund other than those related to finishing projects that began prior to the unification and outstanding debt service.

RESOURCES DATA

The fund accumulates interest on the balance.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Beginning Fund Balance	\$187,766	\$195,257	\$195,917	\$196,275
Grade Rd Frontage Charge	\$6,280	\$0	\$0	\$0
Investment Interest	\$1,210	\$660	\$358	\$360
Transf. from Sewer Operating	\$0	\$0	\$0	\$0
<u>Total Resources</u>	<u>\$195,256</u>	<u>\$195,917</u>	<u>\$196,275</u>	<u>\$196,635</u>

EXPENDITURE DATA

The debt service for the 1997 bonds was included in this fund through the first part of 2008. Those bonds were refunded and replaced with 2008 bonds. The debt service payments for the 2008 bonds are included in Sewer Fund - 401 beginning in the second half of 2008. No expenses are budgeted from this fund in 2011.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Budget</u>
Bond Redemption	\$0	\$0	\$0	\$0
<u>Construction Projects</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Total Expenditures</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

CITY OF LAKE STEVENS

Proposed Budget 2012

Department: PUBLIC WORKS

Fund: Storm and Surface Water Fund 410

PURPOSE

The Storm and Surface Water Fund is an enterprise fund under the Department of Public Works. The role of the department with respect to this fund is to provide for the maintenance and operation of the City's storm drainage system, lake and stream maintenance and restoration, and street runoff, roadside ditch and culvert maintenance. This includes the Lake Stevens restoration projects, such as the hypolimnetic aerator, non-point stream improvements, and related educational activities, as well as detention pond, underground vaults, stream bank and ditch maintenance. This fund does not provide erosion control and enforcement or inspection services for new development. Those services are funded by development fees and charged to the General Fund which collects the development fees.

PROGRAM FUNCTION NARRATIVE

The Storm and Surface Water Fund has several areas of responsibility.

Administration

This includes some salary costs, office supply and insurance, coordination, and budgeting.

Stream, Ditch, Aerator Maintenance

This fund covers the aerator operation and maintenance charges, as well as ditch and storm water maintenance services.

PERFORMANCE MEASUREMENTS AND STANDARDS OF SERVICE

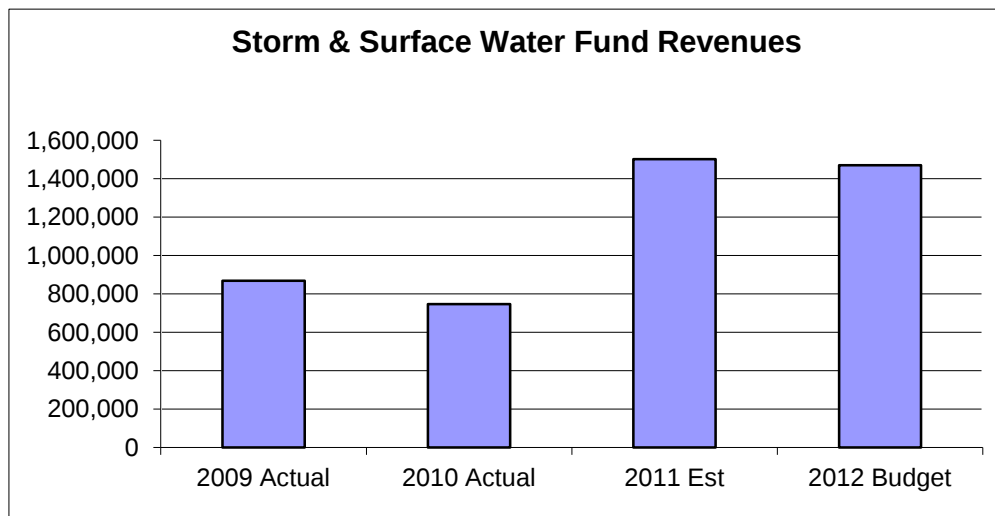
The goals of the Storm and Surface Water Utility include protecting the quality of our lake and streams, and working to control the quality and quantity of storm runoff. This generally involves construction of new public facilities, review of developer designs and construction related directly to storm facilities, and the maintenance of existing facilities. To this end, the department proposes to pursue the following performance measurements:

- * Completion of construction work on time and within budget.
- * Improvement and maintenance of the quality of the storm water in Lake Stevens
- * Reducing or preventing damage to the property of City residents from flood conditions
- * Protection and enhancement of significant streams and wetlands within the City
- * Coordination with similarly vested agencies (Snohomish County Public Works Department Surface Water Management Division, Drainage Improvement District No. 8)
- * Sweep downtown streets 2-4 times per month as necessary.
- * Maintenance and repair of roadside ditches
- * Vacuum storm drainage system 2-3 times per year

- * Complete storm drainage inventory
- * Meet NPDES milestones for water quality

REVENUE

Revenue for the Storm and Surface Water Fund is generated by the Storm and Surface Water Utility charge that is assessed to all properties within the City. The 2012 Budget includes an annual surface water management charge of \$104 for residential customers. Currently the City contracts with Snohomish County to bill the storm water fee using the property tax statement to bill the storm water fee the amount showing as a separate item on the property tax statement.



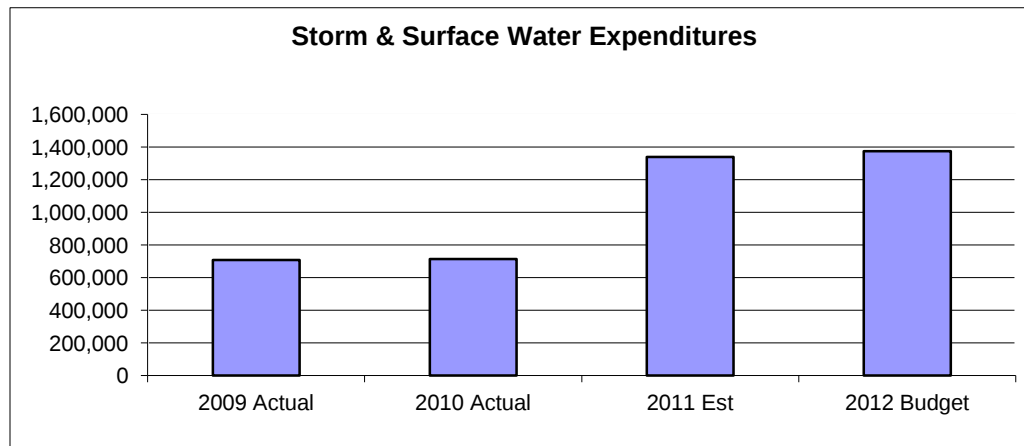
REVENUE BUDGET DATA

<u>Revenue Source</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Beginning Fund Balance	\$139,095	\$299,743	\$332,103	\$492,482
Storm Service Assessment	\$780,943	\$734,486	\$1,295,011	\$1,307,961
County – Aerator O & M	\$10,004	\$9,812	\$9,862	\$5,500
DOE grant	\$76,524	\$215	\$175,000	\$154,000
Country Contr. Milfoil	\$0	\$0	\$20,000	\$0
Miscellaneous Income	\$0	\$1,062	\$0	\$0
Investment Interest	\$564	\$881	\$671	\$1,098
<u>Interfund Loan from 001</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total Resources	<u>\$1,007,130</u>	<u>\$1,046,200</u>	<u>\$1,832,647</u>	<u>\$1,961,041</u>

BUDGET BY DATA BY OBJECT

<u>Account Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Salaries	\$300,321	\$292,815	\$483,098	\$534,924
Benefits	\$107,198	\$107,829	\$185,351	\$231,431
Overtime	\$0	\$414	\$1,288	\$2,500
Clothing	\$2,445	\$2,159	\$4,122	\$4,238
Office Supplies	\$1,304	\$998	\$714	\$2,000
Operating Supplies	\$3,274	\$1,780	\$4,095	\$3,500
Tools	\$0	\$0	\$223	\$2,000
DOE Annual Permit	\$6,444	\$6,556	\$11,000	\$11,000
Fuel	\$8,973	\$6,899	\$9,973	\$9,392
Decant Facility	\$0	\$0	\$0	\$0
Safety Program	\$1,584	\$1,779	\$1,700	\$1,700
Professional Services	\$23,447	\$11,169	\$9,475	\$9,740
Street Sweeping	\$0	\$0	\$22,000	\$22,000
Software	\$0	\$0	\$1,120	\$1,151
Communications	\$5,678	\$4,752	\$3,825	\$4,192
Travel	\$248	\$6	\$500	\$514
Advertising	\$1,343	\$698	\$670	\$689
Equipment Rental	\$884	(\$40)	\$2,500	\$2,500
Rental/Leases	\$0	\$990	\$0	\$500
Insurance (WCIA)	\$11,142	\$12,527	\$13,931	\$31,969
Utilities	\$1,407	\$3,503	\$4,059	\$4,173
Repair & Maintenance	\$11,721	\$10,715	\$29,995	\$2,000
Excise Tax	\$5,638	\$24,483	\$24,400	\$25,000
Staff Development	\$1,003	\$217	\$640	\$650
Miscellaneous	\$0	\$0	\$100	\$100
DOE Grant	\$67,801	\$68,373	\$127,254	\$154,000
Storm Drainage	\$0	\$0	\$849	\$850
Billing Costs to the County	\$17,955	\$19,185	\$28,435	\$29,000
Aerator Utilities	\$34,386	\$30,711	\$25,000	\$25,700
Aerator O & M	\$19,456	\$10,251	\$8,000	\$8,000
Aerator Monitoring	\$0	\$0	\$14,710	\$15,121
Aerator Salaries	\$0	\$0	\$2,955	\$5,000
Aerator Benefits	\$0	\$0	\$1,223	\$1,700
Aerator Repair	\$3,136	\$3,636	\$12,778	\$12,000
Aerator Equip. Replacement Fund	\$24,000	\$25,160	\$37,200	\$37,200
Capital Projects	\$12,249	\$11,582	\$203,125	\$101,600
Diking District Contribution	\$17,074	\$8,537	\$19,956	\$19,956
Contribution to Unemploy Fund	\$275	\$6,418	\$26,900	\$3,585

Contribution to Computer Equip	\$5,000	\$5,000	\$5,000	\$7,500
Contribution to Equip Fund	\$12,000	\$12,000	\$12,000	\$45,700
Repayment of Gen Fund Loan	\$0	\$22,995	\$0	\$0
Refunds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$100</u>
<u>Totals</u>	<u>\$707,386</u>	<u>\$714,097</u>	<u>\$1,340,165</u>	<u>\$1,374,876</u>



OBJECT NARRATIVE

Salaries

This account provides for a portion of the salary costs for the Public Works employees, and other City staff that have a role in storm and surface water management.

Benefits

This account provides for a portion of the benefit costs for the Public Works Department including health insurance, retirement, salary insurance, state disability, and FICA.

Overtime

This account provides for the overtime costs for the Public Works employees involved in delivering emergency storm and surface water control. Overtime applies to all employees within the Public Works Department

Clothing

Some of the costs for new or replacement work clothes (i.e., boots, rain gear, gloves, etc.) that have been damaged or worn out as a result of Public Works activities were included in this item.

Office Supplies

This item includes a share of the office supplies utilized by Public Works.

Operating Supplies

This item includes materials required for the correct operation of equipment for the storm and

surface water activity of the Public Works Department.

Tools

This item will include purchase of new and replacement hand tools and parts.

Professional Services

This item includes the Surface Water Fund's share of legal services, janitorial and other professional services.

Computer Support

This item covers a portion of the costs of maintaining the information and data processing.

Communications

This item includes a portion of the costs for operation and/or rental of the cellular phones, pagers, radios and other communication equipment of the Public Works Department.

Travel

This item includes reimbursements for the use of personal vehicles, registration for seminars and workshops, and lodging when required.

Advertising

This item includes the cost of legal notices for storm and surface water related hearings, meetings, announcements, staff recruitment or other notices.

Equipment Rental

This account is intended to cover any equipment which must be rented or leased for work on the storm and surface water system. This can include trucks, pumps, signs and barricades.

Insurance

This item includes a portion of the cost of insurance required for liability and vehicles related to the Public Works Department.

Repair and Maintenance

This account is for the materials required to keep the storm and surface water system in repair. This includes new and replacement catch basins and culvert piping, contracting for services too large for the City to provide, and repair work on detention ponds and vaults and biofiltration swales.

Miscellaneous

This item includes expenses not specifically identified with another account, or which are unanticipated.

Staff Development

This item includes meetings, conferences, workshops regarding surface and storm water related issues.

Aerator Operation & Maintenance

The Lake Stevens hypolimnetic aerator is jointly operated by the City, County and Drainage Improvement District, with primary responsibility for its coordination given to the City. Prior to 2007 the City billed the County and District for a portion of the costs of the operation and maintenance based upon records of expenses of the previous year. With the suspension of the Drainage Improvement District, the City and County have negotiated a two way interlocal agreement which shares the responsibility of the aerator between the two agencies.

Contribution to Equipment Fund

This payment goes to the Capital Equipment Fund for the purchase of Public Works equipment. A detail listing of the 2012 Budget items is listed in the Capital Equipment section of the appendix.

Contribution to Unemployment Fund

This expense is a portion of the unemployment insurance paid by the City.

POSITION LIST - FTE

<u>Position</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Public Works Director	0.25	0.25	0.30	0.30
City Administrator	0.20	0.20	0.20	0.20
City Clerk	0.11	0.11	0.11	0.11
Receptionist	0.20	0.20	0.10	0.10
Planning Director	0.05	0.05	0.05	0.05
Finance Director	0.12	0.12	0.12	0.12
Accountant	0.20	0.20	0.20	0.20
HR Manager	0.21	0.21	0.21	0.21
IT Manager	0.15	0.15	0.15	0.15
IT Specialist	0.15	0.15	0.15	0.15
Engineering Technician	1	1	1.20	1.20
Community Program Planner	0.15	0.15	0.15	0
PW Coordinator	0	0	0	0
Permit Specialist	0.50	0.50	0.25	0.25
PW Crew Leader	0.25	0.25	1	1
PW Superintendent	0	0	0.35	0.35
<u>PW Crew Workers/OT</u>	<u>1.81</u>	<u>1.81</u>	<u>4.13</u>	<u>4.13</u>
Total	5.35	5.35	8.67	8.52

City of Lake Stevens 2012 Budget

Internal Service Funds (500s)

*Purpose of Funds: To account for
The financing of goods or services provided by one department or
agency to other departments or agencies of the governmental unit.*

CITY OF LAKE STEVENS

Proposed Budget 2012

Fund: 501 - UNEMPLOYMENT FUND

PURPOSE

The purpose of this fund is to provide for the payment of unemployment claims should an ex-employee claim unemployment benefits. The City does not contribute monthly like a private employer would as government jurisdictions are on a reimbursement basis. We contribute only when there is a claim but in order to protect against any large unexpected claims, money is contributed from the General, Street and Storm water funds annually to set up this reserve from which to draw from should a claim be filed.

RESOURCES DATA

The resources needed to meet the unemployment claims are provided by the City by means of annual interfund transfers from the General, Street, and Sewer funds. This fund also receives investment interest, which helps increase the balance of available funds.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Beginning Fund Balance	\$88,311	\$62,022	\$182	\$89,606
Investment Interest	\$572	\$134	\$134	\$179
<u>Interfund Contribution</u>	<u>\$6,550</u>	<u>\$35,188</u>	<u>\$96,070</u>	<u>\$30,000</u>
<u>Total Resources</u>	<u>\$95,433</u>	<u>\$97,343</u>	<u>\$96,204</u>	<u>\$30,179</u>

EXPENDITURE DATA

The only expenditures for this fund are the occasional unemployment claims made by former employees.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
<u>Payments To Claimants</u>	<u>\$33,411</u>	<u>\$97,161</u>	<u>\$6,780</u>	<u>\$35,000</u>
<u>Total Expenditures</u>	<u>\$33,411</u>	<u>\$97,161</u>	<u>\$6,780</u>	<u>\$35,000</u>

CITY OF LAKE STEVENS

Proposed Budget 2012

Fund: 510 - CAPITAL EQUIPMENT FUND

PURPOSE

This is for the replacement of computer equipment citywide.

RESOURCES DATA

The resources to pay for the purchase of replacement computer equipment is traditionally provided by transfers from the General, Street, and Surface Water Management funds. This fund also receives some investment interest to help fund and maintain a balance in the fund.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Beginning Fund Balance	\$5,640	\$32,055	\$60,952	\$75,353
Investment Income	\$330	\$66	\$122	\$151
Sale of Equipment	\$480	\$245	\$100	\$0
Intergovernmental Contr.	\$0	\$0	\$6,007	\$0
<u>Contributed Capital –Computer</u>	<u>\$45,418</u>	<u>\$55,618</u>	<u>\$47,060</u>	<u>\$51,815</u>
<u>Total Resources</u>	<u>\$46,521</u>	<u>\$87,984</u>	<u>\$114,241</u>	<u>\$127,319</u>

EXPENDITURE DATA

This fund's expenditures are used only for the replacement of computer equipment authorized by the City Council during the budget process or through budget amendments. The detail of equipment purchases can be found in the capital expenditure section in the appendix.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
<u>Capital Equip.-Computer</u>	<u>\$19,813</u>	<u>\$27,031</u>	<u>\$38,888</u>	<u>\$46,920</u>
<u>Total Expenditures</u>	<u>\$19,813</u>	<u>\$27,031</u>	<u>\$38,888</u>	<u>\$46,920</u>

CITY OF LAKE STEVENS Proposed Budget 2012

Fund: 520 - CAPITAL EQUIPMENT (POLICE) FUND

PURPOSE

The purpose of this fund is to provide for the periodic purchase of a new police vehicle. This schedule allows the Police Department to use a vehicle for four years and then surplus it.

RESOURCES DATA

The resources to pay for the purchase of a new vehicle are provided by the transferring of funds from the General Fund. This fund also receives some investment interest to help fund the vehicle and maintain a balance in the fund.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Beginning Fund Balance	\$30,654	\$37,252	\$75,589	\$149,789
Sale of Surplus Equipment	\$15,075	\$0	\$0	\$200
Grant Revenues	\$79,581	\$0	\$0	\$0
Investment Income	\$118	\$147	\$200	\$300
<u>Contributed Capital</u>	<u>\$111,043</u>	<u>\$206,631</u>	<u>\$74,000</u>	<u>\$100,000</u>
<u>Total Resources</u>	<u>\$236,471</u>	<u>\$244,030</u>	<u>\$149,789</u>	<u>\$250,289</u>

EXPENDITURE DATA

This fund's expenditures have been used for the purchase of a new vehicle based upon a vehicle replacement schedule and vehicle leases.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Transfer Out	\$15,075	\$0	\$0	\$0
Grant Expenditures	\$91,387	\$4,649	\$0	\$0
Cap. Equip Purchase	\$39,126	\$113,660	\$0	\$80,000
Cap. Equip. Lease - Interest	\$5,855	\$3,020	\$0	\$0
<u>Cap. Equip. Lease - Principal</u>	<u>\$47,775</u>	<u>\$47,112</u>	<u>\$0</u>	<u>\$0</u>
<u>Total Expenditures</u>	<u>\$199,218</u>	<u>\$168,441</u>	<u>\$0</u>	<u>\$80,000</u>

CITY OF LAKE STEVENS Proposed Budget 2012

Fund: 530 - CAPITAL EQUIPMENT (PUBLIC WORKS) FUND

PURPOSE

The purpose of this fund is to provide a means of building up capital from annual contributions from Street and Sewer Funds to periodically purchase equipment for the operation of the Public Works Department.

RESOURCES DATA

This fund receives contributions from the Street Fund and Sewer fund annually to help build and maintain a pool of resources in which to occasionally buy new equipment.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Beginning Fund Balance	\$62,976	\$8,265	\$158,666	\$134,218
Investment Interest	\$114	\$396	\$285	\$225
Contributed Capital	\$37,000	\$147,505	\$51,900	\$86,797
Refund/Surplus Equip.	<u>\$1,831</u>	<u>\$2,500</u>	<u>\$20,000</u>	<u>\$0</u>
<u>Total Resources</u>	<u>\$99,050</u>	<u>\$158,666</u>	<u>\$231,351</u>	<u>\$221,240</u>

EXPENDITURE DATA

The expenditures for this fund consist of the purchasing of new or used equipment to supplement or replace current equipment.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Purchase of Cap. Equipment	\$33,656	\$0	\$97,132	\$26,700
<u>Transfer to Street Reserve</u>	<u>\$60,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Total Expenditures</u>	<u>\$93,656</u>	<u>\$0</u>	<u>\$97,132</u>	<u>\$26,700</u>

CITY OF LAKE STEVENS Proposed Budget 2012

Fund: 540 – AERATOR EQUIPMENT REPLACEMENT FUND

PURPOSE

This is for the replacement of equipment related to the aerator.

RESOURCES DATA

The resources to pay for the purchase of replacement equipment is contributed by Snohomish County, the City of Lake Stevens and Drainage Improvement District #8 per an interlocal agreement. This fund also receives some investment interest to help fund and maintain a balance in the fund.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Beginning Fund Balance	\$56,697	\$97,556	\$37,784	\$53,404
Investment Income	\$859	\$257	\$140	\$120
<u>Contributed Capital</u>	<u>\$40,000</u>	<u>\$40,000</u>	<u>\$41,480</u>	<u>\$38,520</u>
<u>Total Resources</u>	<u>\$97,556</u>	<u>\$137,813</u>	<u>\$79,404</u>	<u>\$92,044</u>

EXPENDITURE DATA

This fund's expenditures are used only for the replacement of aerator equipment authorized by the joint aerator management team.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
<u>Purchase of Capital Equip.-</u>	<u>\$0</u>	<u>\$100,029</u>	<u>\$26,000</u>	<u>\$0</u>
<u>Total Expenditures</u>	<u>\$0</u>	<u>\$100,029</u>	<u>\$26,000</u>	<u>\$0</u>

**City of Lake Stevens
2012 Budget**

**Fiduciary Funds
(600s)**

*Purpose of Funds: To account for
Assets held by a
Governmental unit in a trustee capacity or as an agent for individuals,
Private organizations, other governmental units, and/or other funds.*

CITY OF LAKE STEVENS

Proposed Budget 2012

Fund: 621 -REFUNDABLE DEPOSITS FUND

PURPOSE

The purpose of this fund is to collect required deposits made typically by developers or builders as a means of guarantee for certain performance expectations. These deposits are then refunded back to the developer or builder when the work is completed.

RESOURCES DATA

The resources in this fund represent the refundable deposits that have been made by persons performing some type of land development and have been required to put in some money to ensure the completion of required improvements.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Beginning Fund Balance	\$122,797	\$128,061	\$2,927	\$3,400
Retainage Held	\$0	\$71,853	\$3,369	\$500
Investment Income	\$883	\$0	\$0	\$0
Miscellaneous Revenue	\$303	(\$2,181)	\$0	\$0
<u>Contractor's Deposit</u>	<u>\$4,078</u>	<u>\$0</u>	<u>\$0</u>	<u>\$30,000</u>
<u>Total Resources</u>	<u>\$128,061</u>	<u>\$197,734</u>	<u>\$6,296</u>	<u>\$168,581</u>

EXPENDITURE DATA

The expenditures in this fund represent the City refunding the deposits back to the depositors.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
<u>Contractor's Reimbursements</u>	<u>\$0</u>	<u>\$71,506</u>	<u>\$2,896</u>	<u>\$33,900</u>
<u>Total Expenditures</u>	<u>\$0</u>	<u>\$71,506</u>	<u>\$2,896</u>	<u>\$33,900</u>

CITY OF LAKE STEVENS

Proposed Budget 2012

Fund: 633 - TREASURER'S TRUST FUND

PURPOSE

The purpose of this fund is to account for the collection of funds which the City is not entitled to keep but rather are sent to other governmental agencies. The revenues are used to pay for the items for which the money was received. Some of the money collected from the issuance of traffic and criminal citations is collected here and used to pay all court and state required criminal justice expenditures. The city's share of citations is collected in the General Fund-001, effective in 1996. This change was requested by the State Auditor. Also the state required building fees and gun permit fees be collected in this fund and passed on to the state.

RESOURCES DATA

The resources received in this fund include funds from Evergreen District Court for the court's share of the citation revenues, state building fees collected, gun permit fees and contributions from the General Fund when the other resources are not enough to meet the payment of all the expenditures.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Beginning Fund Balance	(\$14,958)	\$96	\$0	\$0
District & Municipal Courts	\$211,335	\$206,640	\$222,000	\$220,000
Violations Bureau	\$26,410	\$47,492	\$55,000	\$55,000
Gun Permit Fees	\$4,049	\$5,705	\$7,000	\$7,000
St. Bldg. Permit Fee	\$1,259	\$986	\$2,000	\$2,000
Fire Dept. Permit Fees	\$12,385	\$7,108	\$6,000	\$6,000
Leasehold Excise Tax	\$0	\$2,699	\$3,000	\$5,000
<u>Trans. from Gen. Fund</u>	<u>\$18,256</u>	<u>\$16,147</u>	<u>\$5,000</u>	<u>\$5,000</u>
<u>Total Resources</u>	<u>\$258,736</u>	<u>\$286,874</u>	<u>\$300,000</u>	<u>\$300,000</u>

EXPENDITURE DATA

The expenditures for this fund consist of items either associated with the courts or state mandated fees.

<u>Line Item Description</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Est.</u>	<u>2012 Budget</u>
Gun Permit	\$4,278	\$5,767	\$7,000	\$7,000
Crime Victims Comp.	\$4,450	\$5,038	\$5,500	\$5,500
Building Code	\$1,259	\$977	\$2,000	\$2,000
Public Safety-St. Assess.('86)	\$110,981	\$124,336	\$130,000	\$128,000
Public Safety-St. Assess.	\$68,901	\$79,688	\$80,000	\$80,000
Public Safety Ed. #3	\$3,085	\$2,864	\$5,000	\$5,000
Trauma Care	\$8,278	\$10,675	\$11,500	\$11,500
Auto theft Prevention	\$9,806	\$12,111	\$13,000	\$13,000
School Zone Safety	\$507	\$2,206	\$2,000	\$2,000
Crime Laboratory Analysis Fee	\$4,501	\$3,422	\$5,000	\$5,000
Judicial Info. System Assess.	\$24,158	\$31,649	\$30,000	\$30,000
Fire Dept. Permit Fees	\$18,435	\$6,575	\$6,000	\$6,000
Leasehold Excise Tax Remit	\$0	\$1,565	\$3,000	\$5,000
<u>Total Expenditures</u>	<u>\$258,639</u>	<u>\$286,874</u>	<u>\$300,000</u>	<u>\$300,000</u>

**City of Lake Stevens
Proposed Budget 2012**

Capital Expenditures/ Projects by Fund

Fund	Department	Project/Item	2012 Budget
General	General Government	City Hall- Roof Sealing	\$ 2,000
General	General Government	Community Center- Roof Sealing	\$ 2,000
General	Human Resources	Fire Proof Safe	\$ 2,500
General	Information Technology	Telephone System Support Contract	\$ 2,700
General	Information Technology	Replacement Computers (4)	\$ 6,000
General	Information Technology	Re-cabling Annex Bldg to Permit Center	\$ 6,050
General	Information Technology	Switch Replacement for Annex & Permit Center	\$ 5,000
General	Information Technology	UPS Power Supplies	\$ 1,200
General	Information Technology	Server Memory Upgrades	\$ 2,048
General	Information Technology	Storage Controller Upgrades	\$ 4,612
General	Information Technology	MS Virtual Machine Manager & Use CAL (2)	\$ 1,237
General	Information Technology	Windows 2008 R2 Data Center	\$ 6,026
General	Information Technology	Windows 2008 Device CAL (100)	\$ 1,835
General	Information Technology	Storage Controller Hard Drive Replacements (2)	\$ 500
General	Planning	Economic Development	\$ 340,000
General	Planning	GIS License	\$ 900
General	Law Enforcement	Ballistic Shield	\$ 3,800
General	Law Enforcement	Patrol Vehicle Video/Audio Recording	\$ 7,500
General	Law Enforcement	E-Cabinet Filing	\$ 5,000
General	Law Enforcement	Patrol Cars (3)	\$ 72,000
General	Law Enforcement	Patrol Car Laptops	\$ 17,625
General	Parks	Demo Eagle Ridge House	\$ 25,000
General	Parks	Reroof Shelters & Restrooms- Lundeen Park	\$ 18,000
General	Parks	Grates for Pedestrian Pier & Railing - North Cove	\$ 4,200
Street	Street	Crack Sealing	\$ 10,000
Street	Street	20th Street Traffic Study - Design Analysis	\$ 33,000
Street	Street	GMA Traffic Mitigation Plan	\$ 40,000
Street	Street	Roundabout Landscape & Weed Control	\$ 3,000
Street	Street	Pavement Overlays	\$ 342,075
Street	Street	Vernon Rd/N Davies RAB/Channelization	\$ 16,000
Street	Street	N Davies/Safeway Exit RAB	\$ 10,000
Street	Street	36th Street Bridge (Reallocation to 2012)	\$ 62,848
Storm	Storm	GIS Site License	\$ 900
Storm	Storm	Culvert Replacement (114th/21st NE)	\$ 18,000
Storm	Storm	Drainage (91st/Market)	\$ 3,000
Storm	Storm	Milfoil Solution	\$ 69,000
Street/Storm	Public Works	Deicer Tank	\$ 12,000
Street/Storm	Public Works	Backhoe Trailer (used)	\$ 12,000
Street/Storm	Public Works	Traffic Counters (2)	\$ 1,000
Street/Storm	Public Works	Table Saw	\$ 800
Street/Storm	Public Works	5 Ton Heavy Jack	\$ 900
TOTAL			\$1,172,256

City of Lake Stevens 2012 Budget



City of Lake Stevens 2012 Budget



Budget Glossary

CITY OF LAKE STEVENS

Budget Glossary

Accounting System: The set of records and procedures which are used to record, classify, and report information on the financial status and operations of an entity.

Accounts Payable: A short-term liability account reflecting amounts owed to private persons or organizations for goods and services received by a government.

Accounts Receivable: An asset account reflecting amounts due from private persons or organizations for goods and services furnished by a government (but not including amounts due from other funds or other governments).

Accrual Basis Accounting: Under this accounting method, transactions are recognized when they occur, regardless of the timing of related cash receipts and disbursements.

Ad Valorem Taxes: Commonly referred to as property taxes, are levied on both real and personal property according to the property's valuation and the tax rate.

Advance Refunding Bonds: Bonds issued to retire an outstanding bond issue prior to the date on which the outstanding bonds become due or callable.

Agency Funds: A fund used to account for assets held by a government on behalf of individuals, private organizations, other governments, or funds.

Allocation: To set aside or designate funds for specific purposes. An allocation does not authorize the expenditure of funds.

Amortization: (1) The portion of the cost of a limited life or intangible asset charged as an expense during a particular period. (2) The reduction of debt by regular payments of principal and interest sufficient to retire the debt by maturity.

Annual Budget: A budget applicable to a single fiscal year.

Appropriation: An authorization made by the City Council that allows expenditures of

governmental resources for specific purposes. Appropriations are typically granted for a one year period.

Assessed Valuation: The estimated value of real and certain personal property used by the Snohomish County Assessor as the basis for levying property taxes.

Assessment Ratio: The ratio at which the tax rate is applied to the tax base.

Asset: Resources owned or held by a government that have monetary value.

Attrition: A method of achieving a reduction in personnel by not refilling the positions vacated through resignation, reassignment, transfer, retirement, or means other than layoffs.

Audit: A systematic examination of resource utilization concluding in a written report. It is a test of management's internal accounting controls and is intended to:

- * ascertain whether financial statements fairly present financial position and result of operations;
- * test whether transactions have been legally performed;
- * identify areas for possible improvements in accounting practices and procedures;
- * ascertain whether transactions have been recorded accurately and consistently; and
- * ascertain the stewardship of officials responsible for governmental resources.

Authorized Positions: Employee positions which are authorized in the proposed budget, to be filled during the year.

BARS: The prescribed "Budgeting Accounting & Reporting System" required for all governmental entities in the State of Washington.

Base Budget: Cost of continuing the existing levels of service in the current budget year.

Basis of Accounting: A term used to refer to when revenues, expenditures, expenses and transfers--and the related assets and liabilities--are recognized in the accounts and reported in the financial statements. Specifically, it relates

to the timing of the measurements made, regardless of the nature of the measurement, on either the cash or accrual method.

Beginning Fund Balance: The amount remaining after accounting for the previous year's revenues less the previous year's expenditures.

Benefits: Benefits provided for employees, such as Social Security, retirement, worker's compensation, life insurance, and medical insurance.

Bond (Debt Instrument): A written promise to pay a specified sum of money (the face amount of the bond) at a specified future date (the maturity date), at a specified interest rate. Bonds are primarily used to finance capital facilities. The City of Lake Stevens typically issues general obligation, revenue, or special assessment bonds.

Bond Refinancing: The payoff and re-issuance of bonds, to obtain better interest rates and/or bond conditions.

Budget Ordinance: The official legal document approved by the City Council authorizing the expenditure of resources.

Budget: A plan of financial activity for the operation of a program or organization for a specified period of time (fiscal year or biennium) indicating all planned revenues and expenses for the budget period.

Budget Calendar: The schedule of key dates or milestones which the City follows in the preparation and adoption of the budget.

Budget Document: The official written statement prepared by the city explaining the proposed budget to the public and City Council.

Budget Message: A written explanation by the Mayor and City Administrator of the proposed budget. The budget message explains the principal budget and policy issues, and presents an overview of the budget recommendations.

Budgetary Basis: This refers to the basis of accounting used to estimate financing sources and uses in the budget. This generally take one of three forms: GAAP, cash, or modified accrual.

Budgetary Control: The control or management

of a government in accordance with the approved budget for the purpose of keeping expenditures within the limitations of available appropriations and resources.

Capital Project: Major construction, acquisition, or renovation activities that add value to a government's physical assets or significantly increase their useful life. Also called capital improvements.

Capital Outlay: Expenditures for furnishings, equipment, vehicles, or machinery that results in the acquisition of assets with a useful life of more than one year. Examples include land, buildings, machinery, equipment, and construction projects.

Capital Improvements Program (CIP): A plan or schedule for capital outlay to be incurred each year over a fixed number of years to meet capital needs arising from the government's long-term needs.

Capital Assets: Assets of significant value and having a useful life of several years. effect of inflation on compensation.

Capital Facilities Plan (CFP): This is a planning document required by the Growth Management Act which addresses capital projects and anticipated sources of funding over a six-year period.

Cash Basis A basis of accounting in which transactions are recognized only when cash is increased or decreased.

Collective Bargaining Agreement A legal contract between the employer and a verified representative of a recognized bargaining unit for specific terms and conditions of employment (e.g., hours, working conditions, salary, benefits, and matters affecting welfare of employees).

Concurrent or Concurrency: The improvements that are in place at the time the impacts of development occur, or that the necessary financial commitments are in place. Public facilities and services shall be adequate to serve the development at the time the development is available for occupancy and use without decreasing current service levels below locally established minimum standards.

Consumer Price Index (CPI): A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living (i.e., economic inflation).

Contingency: A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

Contractual Services: Services rendered to a government by private firms, individuals, or other governmental agencies. Examples include utilities, rent, maintenance agreements, and professional consulting services.

Cost-of-living Adjustment (COLA): An increase in salaries to offset the adverse effect of inflation on compensation.

Costs Allocation: Assignment of applicable costs and charges from one fund to another required by treating each fund as an independent entity.

Councilmanic Bonds: Councilmanic bonds refer to bonds issued solely upon the approval of the Council. Councilmanic bonds may not exceed 1.5% of assessed valuation.

Debt: An obligation resulting from the borrowing of money or from the purchase of goods and services.

Debt Service Fund: A fund established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Debt Service: The annual cost of paying principal and interest on borrowed money (bonded indebtedness) according to a predetermined payment schedule.

Dedicated Tax: A tax levied to support a specific government program or purpose

Deficit: The excess of an entity's liabilities over its assets or the excess of expenditures or expenses over revenues during a single accounting period.

Depreciation: Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence.

Development Activity: Any construction or expansion of a building, structure, or use, any change in use of a building or structure, or any change in the use of land, that creates additional demand and need for public facilities.

Development Related Fees: Those fees and charges generated by building, development and growth in a community. Included are building and street permits, development review fees, and zoning, platting and subdivision fees.

Disbursement: The expenditure of monies from an account.

Distinguished Budget Presentation Awards
A voluntary awards program administered by the Government Finance Officers Association to encourage governments to prepare effective budget documents.

Encumbrance: The commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for a specified future expenditure.

Enterprise Fund: An accounting entity of the City used to record and report transactions for business type activities of the City, e.g., Storm Water Fund.

Entitlements: Payments to which local governmental units are entitled, pursuant to an allocation formula determined by the agency providing the monies, usually the state or the federal government.

Estimated Revenue: The amount of projected revenue to be collected during the fiscal year.

Expenditure: The payment of cash on the transfer of property or services for the purpose of acquiring an asset, service or settling a loss.

Expense: Charges incurred (whether paid immediately or unpaid) for operations, maintenance, interest or other charges.

Fees: A general term for any charge for services levied by government associated with providing a service, permitting an activity, or imposing a fine or penalty. Major types of fees include business licenses, fines, and user charges.

Financial Forecast (Six-Year): Estimates of

future revenues and expenditures to help project the long range financial condition of city funds.

Fiscal Policy: A government's policies with respect to revenues, spending, and debt management as these relate to government services, programs and capital investment. Fiscal policy provides an agreed-upon set of principles for the planning and programming of government budgets and their funding.

Fiscal Year: A twelve-month period designated as the operating year for accounting and budgeting purposes in an organization.

Full-Time Equivalent (FTE): Expresses staffing in terms of full-time (40 hours per week) employment. For example, a person who works 40 hours per week is described as 1.0 FTE. An employee who works 20 hours per week calculates to a 0.5 FTE (20 hours divided by 40 hours).

Full Faith and Credit: A pledge of a government's taxing power to repay debt obligations.

Function: A group of related activities aimed at accomplishing a major service or regulatory program for which a government is responsible (e.g., public safety).

Fund: An independent fiscal and accounting entity with revenues and expenses which are segregated for the purpose of carrying out a specific purpose or activity.

Fund Balance: The excess of a fund's assets over its liabilities.

GAAP: Generally Accepted Accounting Principles are standards used for accounting and reporting used for both private industry and governments. Government GAAP is currently set by the Governmental Accounting Standards Board.

GASB: Governmental Accountant Standards Board established in 1985 is the current standards-setting board for governmental GAAP.

General Obligation (G.O.) Bonds: Bonds for which the full faith and credit of the issuing government have been pledged for repayment.

Grants: A contribution by a government or other organization to support a particular function. Grants may be classified as either operational or capital, depending upon the grantee.

Growth Management Act (GMA): Comprehensive Washington State legislation which requires cities and counties to undergo a prescribed planning process to accommodate projected population growth. Examples of the planning process include defining the levels of service city government will provide to its Citizens, developing a six-year capital facilities plan, and determining how to fund existing capital deficiencies.

Impact Fees: A fee assessed on new development that creates additional demand and need for public facilities.

Improvements: Buildings, structures, or attachments to land such as sidewalks, trees, tunnels, drains, and sewers.

Indirect Cost: A cost necessary for the functioning of the organization as a whole, but cannot be directly assigned to one service.

Infrastructure: The physical assets of a government (e.g., streets, water, sewer, public buildings and parks).

Interfund Payments: Expenditures made to other city funds for services rendered.

Interfund Transfers: The movement of monies between funds of the same governmental entity.

Intergovernmental Revenue: Funds received from federal, state and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes.

Interlocal Agreement: A contract between two government entities whereby one government assumes the lead responsibility of a project that overlaps both jurisdictions.

Internal Control: The system of controls established by the City to protect the assets from misappropriation and ensure accurate reporting of financial transactions.

Internal Service Fund: Funds used to account for the financing of goods or services provided by one department or agency to other

departments or agencies of the city.

Latecomer Fees: Fees paid by developers or future service users for their share of past improvements financed by others.

Lease-Purchase Agreements: Contractual agreements which are termed "leases," but which in substance, amount to purchase contracts.

LEOFF: Law Enforcement Officers and Firefighters retirement system provided for all police officers and firefighters by the State of Washington.

Levy: (Verb) To impose taxes, special assessments, or service charges for the support of governmental activities. (Noun) The total amount of taxes, special assessment or service charges imposed by a government.

Levy Rate: The rate of tax to be imposed on the assessed value of real property for the computation of property tax revenues

Liability: Debt or other legal obligations arising out of transactions in the past which must be liquidated, renewed or refunded at some future date.

Licenses and Permits: Revenue category that includes building permits, business licenses, and any other miscellaneous license.

LID: Local Improvement District or Special Assessments made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

Long-term Debt: Debt with a maturity of more than one year after the date of issuance.

Objective: Something to be accomplished in specific, well defined, and measurable terms and that is achievable within a specific time frame.

Obligations: Amounts which a government may be legally required to meet out of its resources. They include not only actual liabilities, but also encumbrances not yet paid.

Operating Expense: Those costs including expenditures for salaries and wages, benefits, supplies, services, and charges which are

Materials and Supplies: Expendable materials and operating supplies necessary to conduct departmental operations.

Mill: The property tax rate which is based on the valuation of property. A tax rate of one mill produces one dollar of taxes on each \$1,000 of assessed property valuation.

Miscellaneous Revenue: The account that provides for accumulation of revenues not specifically in other accounts.

Modified Accrual Basis: Under this accounting method, revenues are recognized when they become both measurable and available to finance expenditures of the current period. Expenditures for the most part are recognized when the related fund liability is incurred except for prepayment, accumulated employee leave, and long-term debt. All governmental funds and expendable trust funds are accounted for using the modified accrual basis of accounting.

Mitigation Fees: Contributions made by developers toward future improvements of city facilities resulting from the additional demand on the city's facilities generated from the development.

Net Budget: The legally proposed budget less all interfund transfers and interdepartmental charges.

Net Revenue: The revenue of the system less the cost of maintenance and operation of the system.

Object of Expenditure: An expenditure classification, referring to the lowest and most detailed level of classification, such as electricity, office supplies, asphalt, and furniture. necessary to support the primary services of the organization.

Operating Revenue: Funds that the government receives as income to pay for ongoing operations. It includes such items as taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services.

Operating Transfer: Routine or recurring transfers of asset between funds which support the normal operations of the recipient fund.

Other Services and Charges: An expenditure classification which includes professional services, communication, travel, advertising, rentals, leases, insurance, public utility services, and repairs and maintenance.

Pay-as-you-go Basis: A term used to describe a financial policy by which capital outlays are financed from current revenues rather than through borrowing.

Performance Measurements: Data collected to determine how effective or efficient a program is in achieving its objectives.

PERS: Public Employees Retirement System provided by the State of Washington for all city employees except police and fire.

Preliminary Budget: The recommended and unapproved City budget submitted to the City Council and the public.

Prior-Year Encumbrances: Obligations from previous fiscal years in the form of purchase orders, contracts or salary commitments which are chargeable to an appropriation, and for which a part of the appropriation is reserved. They cease to be encumbrances when the obligations are paid or otherwise terminated.

Program: A group of related activities performed by one or more organizational units for the purpose of accomplishing a function for which the government is responsible.

Public Facilities: The capital owned or operated by the city or other governmental entities.

Purpose: A broad statement of the goals, in terms of meeting public service needs, that a department is organized to meet.

R.C.W.: Revised Code of Washington

R.E.E.T.: (Real Estate Excise Tax) A tax upon the sale of real property from one person or company to another.

Reserve: An account used either to set aside budgeted revenues that are not required for expenditure in the current budget year or to earmark revenues for a specific future purpose.

Resolution: A special or temporary order of a

legislative body; an order of a legislative body requiring less legal formality than an ordinance or statute.

Resources: Total dollars available for appropriations including estimated revenues, interfund transfers, and the beginning fund balance.

Revenue Bonds: Bonds issued pledging future revenues (i.e., sewer, or water charges) to cover debt payments.

Revenue: Income received by the city to support community services. This income may be in the form of taxes, fees, user charges, grants, fines, and interest.

Revenue Estimates: A formal estimate of how much revenue will be earned from a specific revenue source for some future period; typically, a fiscal year.

Service Indicator: A unit of work accomplished, without reference to the resources required to do the work (e.g., number of permits issued, number of grants obtained, or number of burglary arrests made). Service indicators do not reflect the effectiveness or efficiency of the work performed.

Source of Revenue: Revenues are classified according to their source or point of origin.

Special Assessment Bonds: Bonds payable from the proceeds of special assessments such as local improvement districts.

Standard Work Year: 2080 hours or 260 working days.

Supplemental Requests: Programs and services which departments have requested (in priority order) over their base budget, or if revenue received is greater than anticipated.

Supplemental Appropriation: An additional appropriation made by the governing body after the initial budget year or biennium has started.

Supplies: An expenditure classification for articles and commodities purchased for consumption or resale. Examples include office and operating supplies, fuel, power, water, gas, inventory, resale items, small tools, and equipment.

Tax: Charge levied by a government to finance services performed for the common benefit.

Unencumbered Balance: The amount of an appropriation that is neither expended nor encumbered. It is essentially the amount of money still available for future purposes.

Unreserved Fund Balance: The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.

User Charges: The payment of a fee for direct receipt of a public service by the party who benefits from the service.

Working Cash: Excess of readily available assets over current liabilities or cash on hand equivalents that may be used to satisfy cash flow needs.

Working Capital: The year-end balance of current assets less current liabilities in the Enterprise and Internal Service Funds. The unencumbered balance at year-end is available for appropriation in the next year's budget.

Note: Not all terms included in the glossary are contained or used within the budget document but are included to provide a better understanding of general budget terms.