



City of Lake Stevens

One Community Around the Lake

2023 Mayor's Proposed Budget 2



# 2023 Budget Calendar

<b>Council Budget Agenda <i>(Subject to Change)</i></b>	<b>Date</b>
Council Budget Discussion	October 25, 2022
Council Budget Discussion (if needed)	November 1, 2022
Public Hearing No. 1 & Property Tax	November 8, 2022
Public Hearing Final & Budget Adoption	November 22, 2022
Public Hearing Final (continuation) & Budget Adoption (if needed)	December 13, 2022



# 2023 Capital Project Budget Summary

• Total Anticipated Capital Projects	\$12,222,745
• Budgeted	\$11,051,563
• Funding	
• General Funds (GF/Pandemic Recovery)	\$1.2M
• Street	\$125,000
• Traffic Mitigation	\$1.5M
• Park Mitigation	\$1.6M
• REET	\$1.3M
• Sidewalk Capital	\$300,000
• Storm Water Capital	\$292,500
• Grants	\$4.9M



# 2023 Capital Project Budget Summary

Capital Project Requests			
Item Description	Total Project Amount	2023	Forecasted 2024
Main Street	\$7,249,920	\$931,600	\$6,318,320
99th/20th U-turn Channelization	\$30,000	\$30,000	
91st Ave NE Commercial Revitalization	\$6,846,800	\$50,000	
<i>91st Ave SE/24th Street SE/S. Lake Stevens Road</i>	\$16,896,052	RF	
<b>South Lake Stevens Multi-Use Path Phase II &amp; III</b>	<b>\$3,050,000</b>	<b>\$3,050,000</b>	
<b>16th Street NE Multi-Use Path</b>	<b>\$1,713,024</b>	<b>\$286,520</b>	\$1,426,504
Mill Spur Downtown Parking Lot	\$160,400	\$160,400	
79th Ave SE/8th St. SE Intersection	\$906,240	\$906,240	
School Zone Improvements	Annual	\$50,000	\$50,000
Traffic Calming	Annual	\$75,000	\$75,000
<i>12th St. SE/87th Ave SE Road Realignment</i>	RF	\$50,000	
<i>79th Ave SE Access Road</i>	RF	\$54,069	
<b>ADA Ramps - Compliance Upgrades</b>	\$400,000	\$400,000	
36th Street Culvert Replacement - Fish Passable	\$762,000	\$60,000	\$702,000
Weir Replacement	\$952,500	\$85,000	\$867,000
Catherine Creek/Hartford Crossing Replacement	\$3,175,000	\$0	\$250,000
Bridge 06 Replacement - 36th Street NE	\$3,175,000	\$0	\$250,000

- Projects listed in red are not currently included in the 2023 budget as grant funding has not yet been secured. Once secured, the project will come back to Council as a budget amendment.
- Italicized projects are budgeted in 2022 and will move forward into 2023



# 2023 Capital Project Budget Summary

Capital Project Requests			
Item Description	Total Project Amount	2023	Forecasted 2024
Frontier Heights Park Phase II	\$1,905,000	\$385,000	\$1,520,000
Sunset Park Dock & Shoreline	\$250,000	\$250,000	
<b>Sunset Park Improvements</b>	<b>\$762,000</b>	<b>\$762,000</b>	
North Cove Guest Moorage	\$134,000	\$134,000	
North Cove Row Dock	\$60,000	\$60,000	
Davies Beach Pier Restoration	\$200,000	\$200,000	
Eagle Ridge Park Phase II	\$984,250	\$974,450	\$0
Cedarwood Recreation Center	\$1,651,000	\$30,000	\$1,521,000
Hartford Depot (concession building)	\$228,600	\$228,600	
20th Street Ballfields and Dog Park (Powerline Trail)	\$1,401,500	\$1,265,000	
Centennial Woods - Pump Track and Climbing	\$1,340,000	\$20,000	\$150,000
Bonneville Ballfields	\$952,500	\$75,000	
<i>North Cove Floating Dock Bulkhead Replacement</i>	RF	\$15,000	
<i>Festival Street Restroom</i>	RF	\$134,689	
<i>Festival Street</i>	RF	\$1,025,001	
<i>Cavelero (Sign)</i>	RF	\$56,000	
Additional PW Shop Building Feasibility/Preliminary Design	\$30,000	\$30,000	
Security Cameras	\$150,000	\$100,000	\$10,000
131st Ave NE Sewer Extension	\$265,176	\$265,176	
Machias Sewer Connection	\$438,912	\$0	\$34,560
Museum	\$2,400,000	\$0	\$2,400,000
Eagle Ridge Storage Building	\$127,000	\$10,000	\$117,000
Lundeen Park Recreation Building Remodel	\$127,000	\$10,000	\$117,000
1819 South Lake Stevens Road - Commercial Building	\$50,800	\$4,000	\$46,800

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# Updated Recommendations

## Position Requests:

- Remove: PT Office Assistant to FT
- Add: Grant Writer
  - Include funding for FTE or Contracted Position

## Item Requests:

- Senior Center Contribution increased by \$10,000 to \$30,000
- Datacenter Hardware Update \$100,000

## Revenue Update:

- Property Tax
  - Approximately 15% Increase Overall
    - 1% Regular Levy Increase \$37,783
    - New Construction \$141,069
    - Annexation \$667,235
- 2021 SE Annexation \$667,235
  - Like "new construction" not included in 1% allowable levy increase
  - Uses 2021 annexation AV times 2022 levy rate
  - Approximately 10% higher than forecasted



# 2023 Recommended Budget Summary

Fund Name	2023 Requested Expenditures	2023 Mayor Expenditures
General Fund	\$ 21,336,703	\$ 19,704,930
Other General Funds	\$ 2,869,914	\$ 2,834,722
Special Revenue Funds	\$ 4,323,545	\$ 3,535,302
Debt Service	\$ 1,379,522	\$ 1,379,522
Capital Projects	\$ 3,460,389	\$ 3,560,389
Other Proprietary	\$ 799,394	\$ 799,394
SWM Funds	\$ 6,584,489	\$ 6,592,055
Equipment Funds	\$ 1,100,680	\$ 1,104,635
Trust Fund	\$ 375,100	\$ 375,100
<b>Totals</b>	<b>\$ 42,229,736</b>	<b>\$ 39,886,048</b>

Request	Requested	Mayor YES	Mayor Y/N
<b>Staffing &amp; Wages</b>	<b>\$2,335,301</b>	<b>\$1,631,020</b>	<b>\$704,282</b>
Interns (4) (Estimated \$88,000 from Salary Savings)	\$88,000	\$0	Yes
Non-Represented Staff COLA 8.6%	\$518,684	\$518,684	Yes
Compensation Study - 60th Percentile Years in Position	\$467,965	\$467,965	Yes
IT Application Analyst	\$115,000	\$115,000	Yes
IT Help Desk	\$100,463		No
Senior Planner (PT to FT)	\$71,523	\$71,523	Yes
Planning Administrative Assistant	\$94,767		No
Principal (Lead) Planner (4th Quarter)	\$5,186	\$5,186	Yes
Police Records Specialist	\$102,621		No
Park Ranger	\$122,081	\$122,081	Yes
Seasonal Park Worker	\$22,000	\$22,000	Yes
Public Works Analyst	\$139,117	\$139,117	Yes
Reclassification of AA to Senior Administrative Assistant	\$19,857		No
Public Works Shop Quartermaster	\$71,464	\$71,464	Yes
Police Officer (Council Directive)	\$149,287		No
Police Officer (Council Directive)	\$149,287		No
Grant Writer (Council Directive) "Pandemic Recovery Funds"	\$98,000	\$98,000	Yes

Updated the Capital Project Budgets



# 2023 Recommended Budget Summary

Item Requests	\$3,112,845	\$1,414,870	\$1,697,976
Request	Requested	Mayor YES	Mayor Y/N
Financial Software Transition (Placeholder)	\$100,000	\$100,000	Yes
Sewer Assumption (Placeholder)	\$300,000	\$300,000	Yes
Community Emergency Response Team Equipment	\$6,320	\$6,320	Yes
<b>Datacenter Hardware Update</b>	<b>\$100,000</b>	<b>\$100,000</b>	<b>Yes</b>
Secondary Firewall (High-Availability)	\$3,500	\$3,500	Yes
ESRI Drone Mapping	\$5,000	\$5,000	Yes
Consultant - Streetscape - 91st Ave SE	\$50,000	\$50,000	Yes
Bridge Mental Health	\$50,000	\$50,000	Yes
Firstwatch Wellness Program	\$15,000		No
Police Take Home Car Program	\$785,261		No
Vehicle Required for 2 Police Officers - Council Directive	\$81,851		No
Parks Equipment (Placeholder)	\$75,000	\$75,000	Yes
Enterprise Fleet Program	\$95,000	\$95,000	Yes
Quartermaster Supplies	\$100,000	\$100,000	Yes
Ventilation for Public Works Shop	\$68,200	\$68,200	Yes
De-icer tank	\$40,522	\$40,522	Yes
Tank and sprayer for de-icer	\$16,147	\$16,147	Yes
Fuel station cover	\$7,590	\$7,590	Yes
Cover for decant	\$137,500	\$137,500	Yes
Thermoplastic applicator (TBD)	\$37,956	\$37,956	Yes
Cover for material bins	\$206,800	\$206,800	Yes
Catch basic camera	\$15,336	\$15,336	Yes
Project scan tool	\$14,773		No
Air Compressor	\$3,190		No
Concrete polisher	\$9,020		No
Roll off truck implement	\$60,500		No
Asphalt saw	\$3,520		No
Bobcat	\$61,588		No
Sanders (4)	\$133,485		No
Scissor lift	\$17,545		No
Equipment cover	\$183,700		No
Asphalt roller	\$20,543		No
Mini excavator	\$143,000		No
Boom lift	\$165,000		No





# Salary Survey – 60<sup>th</sup> Percentile (YIP Method)

## Percentage Increase by Employee

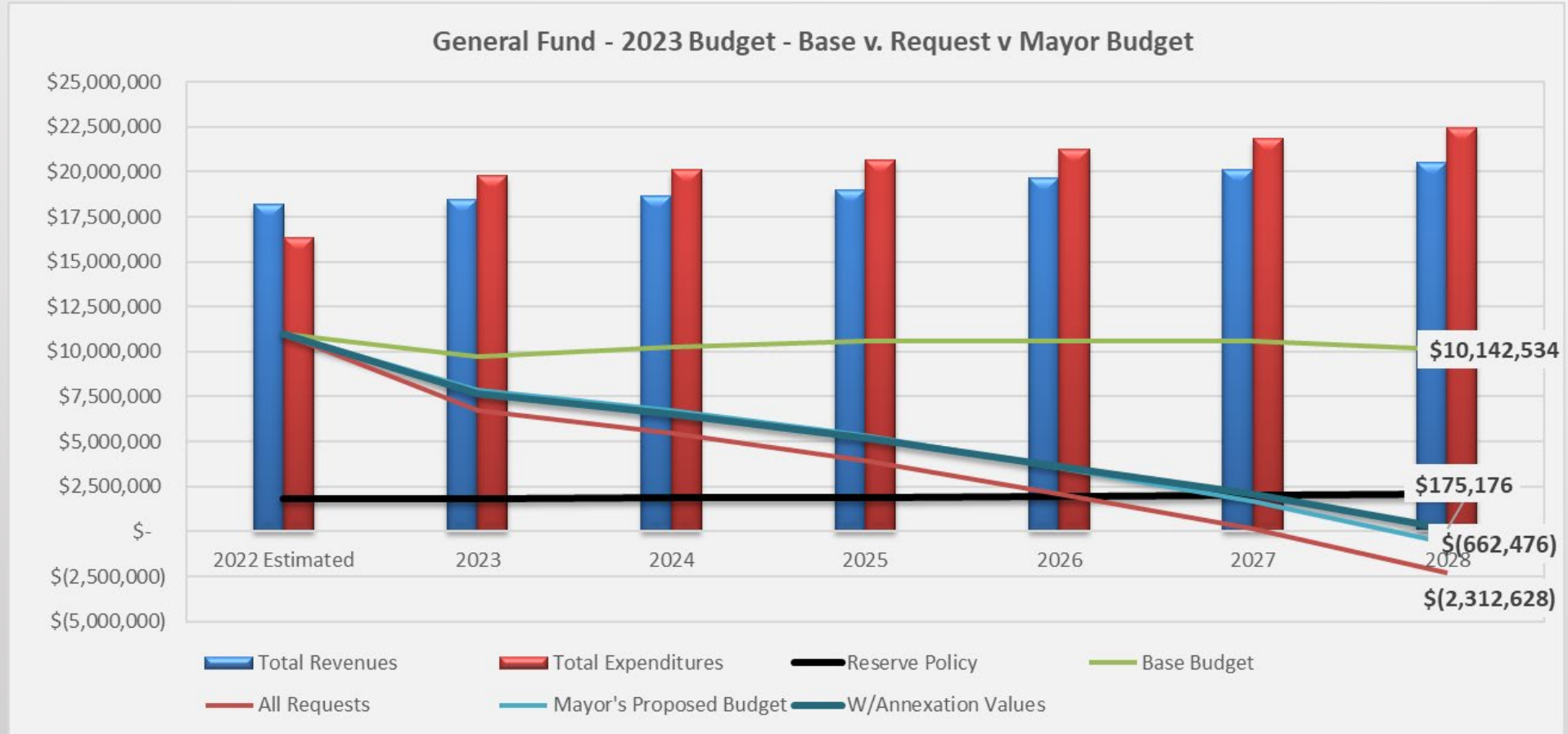
# of EEs	% of Increase
2	0%
12	1%
7	2%
9	3%
6	4%
6	5%
3	7%
2	8%
5	10-20%
52	

## Dollar Amount of Increase by Employee

# of EEs	\$ Range of Increase
11	\$191 - \$1,000
10	\$1,034 - \$2,000
15	\$2,216 - \$4,000
11	\$4,271 - \$10,000
5	\$15,213 - \$26,180
52	



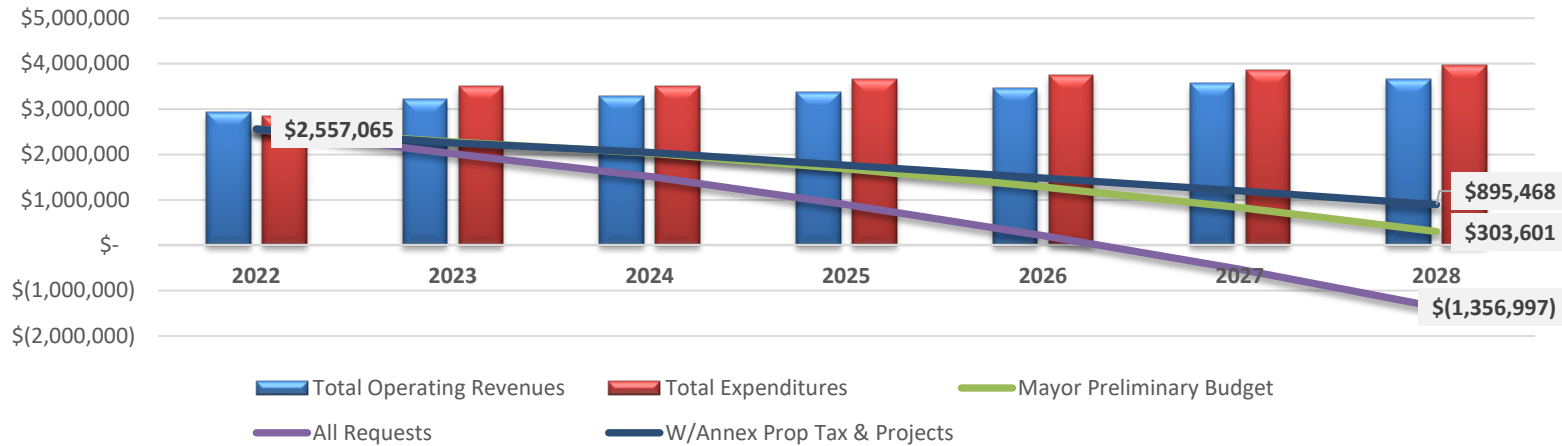
# General Fund Forecasted





# Street & Storm Water Forecasted

## Street Fund - 2023 - All Request v. Mayor's Budget



## Storm Water - 2023 - Base vs. Mayor Budget





# REET Revenues Forecasted

REET I										
Beginning Balance	2022	2023	2024	2025	2026	2027	2028	2029	2030 - 2050	
	\$ 5,671,123	\$ 6,929,304	\$ 7,446,691	\$ 7,581,691	\$ 7,607,911	\$ 7,535,632	\$ 7,460,365	\$ 7,382,816	\$ 193,943,132	
Revenue	2022	2023	2024	2025	2026	2027	2028	2029	2030 - 2050	
Estimated	\$ 2,000,000	\$ 1,500,000	\$ 800,000	\$ 700,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 12,600,000	
Investment Interest	\$ 27,000	\$ 34,647	\$ 22,340	\$ 7,582	\$ 7,608	\$ 7,536	\$ 7,460	\$ 7,383	\$ 193,943	
Eagle Ridge - Grant Retainage										
Debt	2022	2023	2024	2025	2026	2027	2028	2029	2030 - 2050	
2008 Bond - Series A (2028) (SD 2022)	\$ 212,005	\$ 210,305	\$ 213,540	\$ 211,365	\$ 208,985	\$ 211,400	\$ 213,405			
2015 Bond - Refunding (2023) PD	\$ 95,815	\$ 96,938								
2019 A1 - PD Bond	\$ 240,850	\$ 240,850	\$ 240,850	\$ 240,850	\$ 240,850	\$ 240,850	\$ 240,850	\$ 265,850	\$ 8,340,250	
2019 A2 - PD Bond	\$ 219,249	\$ 220,679	\$ 222,050	\$ 218,247	\$ 219,152	\$ 219,652	\$ 219,855	\$ 194,731		
Bond Fees	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 300	\$ 5,700	
Capital	2022	2023	2024	2025	2026	2027	2028	2029	2030 - 2050	
Security Cameras		\$ 100,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000		
PW Shop Prelim Design - Addtl Building		\$ 15,000								
131st Sewer Extension		\$ 132,588.00								
Ending Balance	2022	2023	2024	2025	2026	2027	2028	2029	2030 - 2050	
	\$ 6,929,304	\$ 7,446,691	\$ 7,581,691	\$ 7,607,911	\$ 7,535,632	\$ 7,460,365	\$ 7,382,816	\$ 7,519,318	\$ 198,391,125	

REET II										
Beginning Balance	2022	2023	2024	2025	2026	2027	2028	2029	2030 - 2050	
	\$ 4,529,187	\$ 5,931,798	\$ 4,932,209	\$ 3,509,485	\$ 3,604,745	\$ 3,601,350	\$ 3,594,501	\$ 3,589,646	\$ 101,658,379	
Revenue	2022	2023	2024	2025	2026	2027	2028	2029	2030 - 2050	
Estimated	\$ 2,000,000	\$ 1,500,000	\$ 800,000	\$ 700,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 12,600,000	
Investment Interest	\$ 19,000	\$ 29,659	\$ 14,797	\$ 3,509	\$ 3,605	\$ 3,601	\$ 3,595	\$ 3,590	\$ 101,658	
Retainage		\$ 100,000								
Grant Reimb - Festival Street (Commerce)	\$ 2,000,000									
Grant Reimb - 24th/91st (TIB)	\$ 3,000,000									
Grant Reimb - Eagle Ridge (RCO)	\$ -	\$ 428,210								
Main Street		\$ 190,000	\$ 4,890,000							
Other Grants (unsecured)		\$ 505,000								
Debt	2022	2023	2024	2025	2026	2027	2028	2029	2030 - 2050	
2021A Infrastructure Bond 20YR (<\$10M)	\$ 609,837	\$ 609,450	\$ 608,800	\$ 607,850	\$ 606,600	\$ 610,050	\$ 608,050	\$ 606,650	\$ 6,692,900	
Bond Fees	\$ 300	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 4,400	
Capital	2022	2023	2024	2025	2026	2027	2028	2029	2030 - 2050	
79th Ave SE Access Road	\$ 105,000.00	\$ 54,069.00								
ADA Ramp Upgrades (5300K-309)		\$ 100,000.00								
Sunset Park Improvements (Awtg Grant)		\$ 762,000								
Eagle Ridge	\$ 9,878.00	\$ 515,250.00								
17004 - 24th St SE & 91st Ave - (grant)	\$ 3,000,000									
17005 - 24th St SE & 91st Ave	\$ 844,663									
Festival Street (partial grant)	\$ 1,031,400	\$ 1,025,000								
Festival Street Restrooms (partial grant)	\$ 15,311	\$ 134,689								
Mill Spur DT Parking		\$ 160,000								
Main (other from TIZ1)		\$ 241,600	\$ 6,518,320.00							
91st Ave NE Revitalization		\$ 50,000								
Transfer Out - DT / Retainage		\$ 100,000.00								
Ending Balance	2022	2023	2024	2025	2026	2027	2028	2029	2030 - 2050	
	\$ 5,931,798	\$ 4,932,209	\$ 3,509,485	\$ 3,604,745	\$ 3,601,350	\$ 3,594,501	\$ 3,589,646	\$ 3,586,185	\$ 107,662,738	



# Permit Revenues Forecasted

- Analyzed permit trends
  - 9 Year Average
- Buildable Lands Comparisons
- WA Revenue Economic Forecast Council 2022 Report
  - 5 Year Trends
- 9-Year Average
  - Outperformed 5 out of 9 years
  - Close to 5-Year Forecast
- Sufficient Capacity for Development
  - From Larger to Smaller
  - Commercial
- Anticipated expenditures are not expected to exceed forecast revenues

# 2023 Budget Priorities

- Maintain Public Health & Safety
  - American Public Works Association (APWA) Accreditation
  - Enhance Transportation Program
  - Enhance Park & Recreation Program
  - Complete Capital Projects in Process
- Streamlining Citywide Processes to Increase LOS
- Attract & Retain Highly Qualified Staff



# Next Steps



- Finalize Proposed Budget
- Public Hearings
  - Property Tax
  - Budget Adoption