



City of Lake Stevens

One Community Around the Lake

2023 Mayor's Proposed Budget 2



2023 Budget Calendar

Council Budget Agenda <i>(Subject to Change)</i>	Date
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	
South Lake Stevens Multi-Use Path Phase II & III	\$3,050,000	\$3,050,000	
16th Street NE Multi-Use Path	\$1,713,024	\$286,520	\$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	
ADA Ramps - Compliance Upgrades	\$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	
Sunset Park Improvements	\$762,000	\$762,000	
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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TBD Priority Project List

Sidewalk/Walkway/Trail	Start	End	Cost Estimate
16 th Street NE	Main Street	Machias Cutoff	1,060,544
91 st Ave SE	Fourth St. SE	Market Street	606,528
91 st Ave SE	Eighth St. SE	Fourth St. SE	808,704
117 th Ave NE	20 th St. NE	26 th St. NE	1,224,288
91 st Ave SE	20 th St. SE	12 th St. SE	1,179,360
North Lakeshore Drive	Main Street	123 rd Ave NE	131,976
Soper Hill	Lake Drive	RAB at SR9	1,714,284
113 th Ave NE	32 nd St. NE	36 th St. NE	68,796
20 th St. NE	Main Street	131 st Ave SE	29,484
Grade Road	Hartford Drive	Library	383,292
Hartford Drive	20 th St. NE	21 st St. NE	303,264
123 rd Ave NE	22 nd St. NE	North Lakeshore Drive	421,200
83 rd Ave NE	20 th St. SE	17 th St. SE	477,360
99 th Ave NE	First St. NE	Chapel Hill Road	101,088
North Lakeshore Drive	123 rd Ave NE	North Lakeshore Swim Beach	692,172
99 th Ave NE	Sunnycrest Elem.	30 th St. NE	741,312
99 th Ave SE	20 th St. SE	Eighth St. SE	1,718,496
South Lake Stevens Road	East Lakeshore Drive	123 rd St. SE	2,729,376
20 th St. SE	S. Lake Stevens Road	113 th Drive SE	1,151,280
Fourth St. NE	97 th Drive NE	98 th Drive NE	263,952
Sidewalk and walkway replacement/maintenance, connection of missing links and ADA improvement upgrades, construction of new walkways and trail links			Varies



TBD Priority Project List

Roadways	Start	End	Cost Estimate
Pavement Preservation (annual allocation)			500,000
79 th Ave SE Access Rd.	20 th St. NE	83 rd Ave SE	3,163,500
Main Street	16 th St. NE	20 th St. NE	7,198,720
91 st St. NE	Market Place	SR204	6,748,800
Traffic and Pedestrian Safety Programs: Striping, pavement marker/delineators, and traffic control devices, sight improvements, traffic configuration			Varies



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
Totals	\$ 42,229,736	\$ 39,886,048

Staffing & Wages		\$2,335,301	\$1,631,020	\$704,282
Request	Requested	Mayor YES	Mayor Y/N	
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
Datacenter Hardware Update	\$100,000	\$100,000	Yes
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 – 60th Percentile (YIP Method)

Percentage Increase by Employee

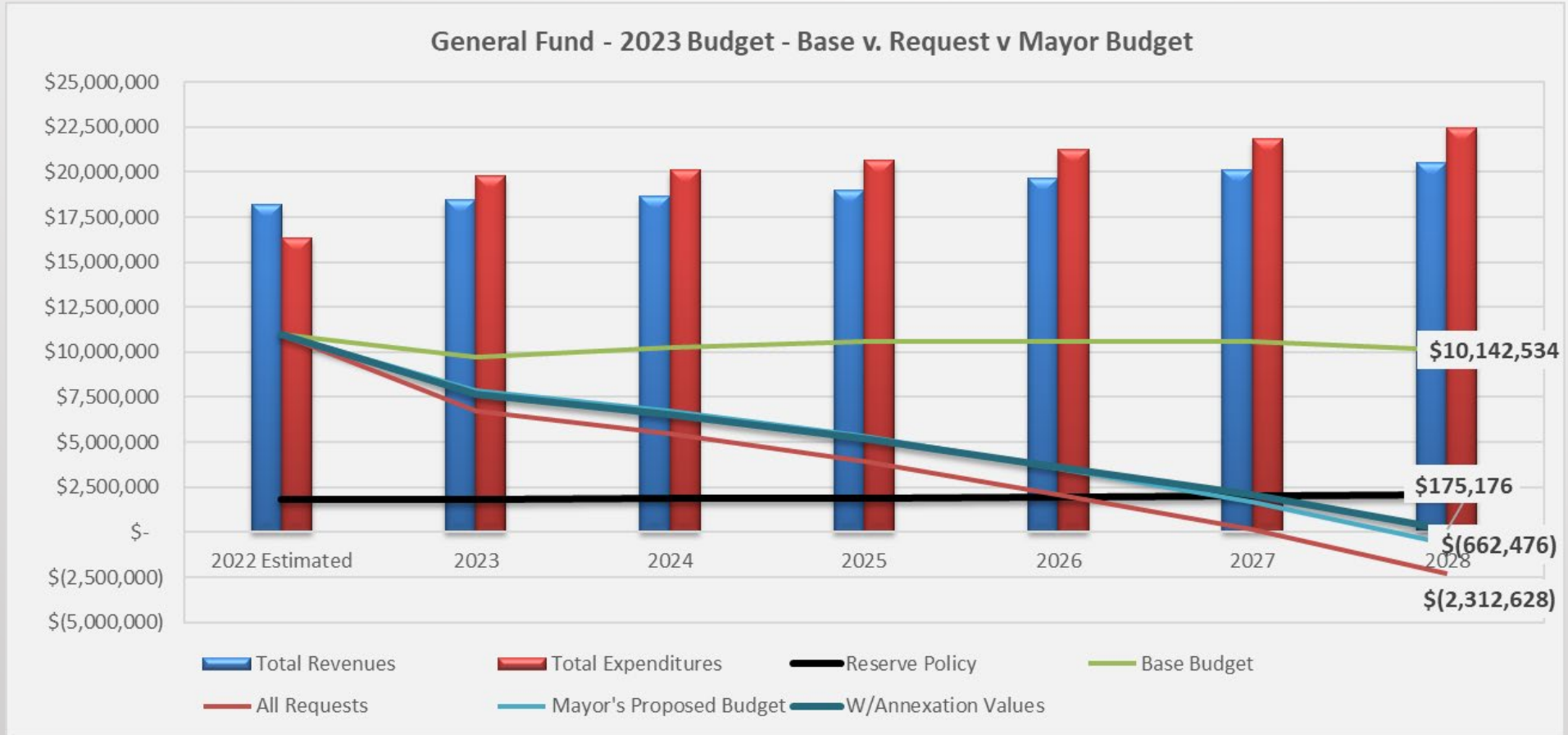
# of EEs	% of Increase
2	0%
12	1%
7	2%
9	3%
6	4%
6	5%
3	7%
2	8%
5	10-20%
52	

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	



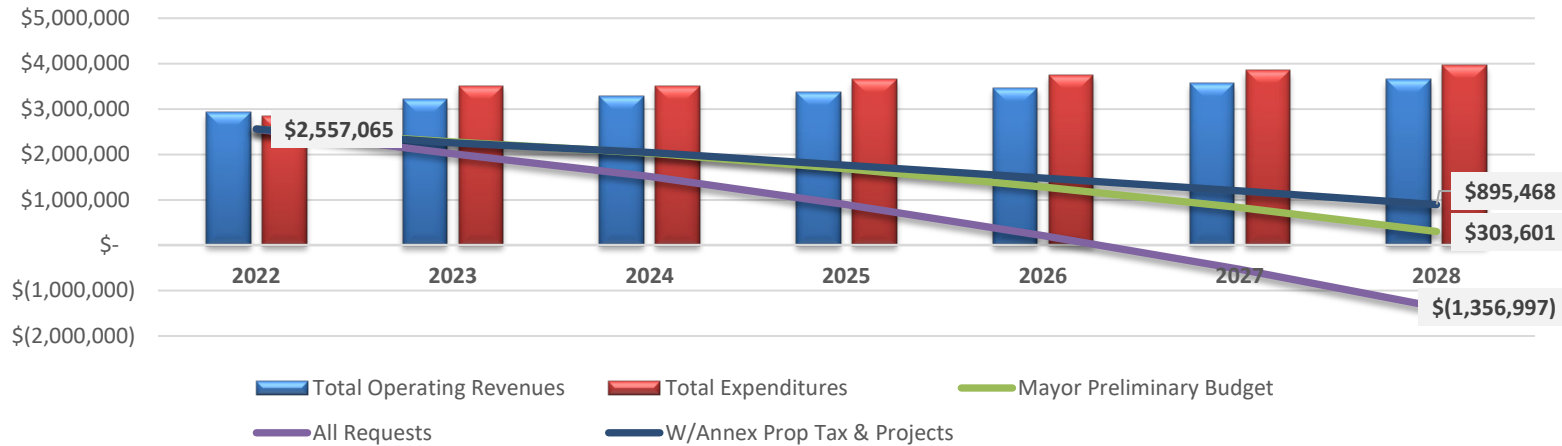
General Fund Forecasted



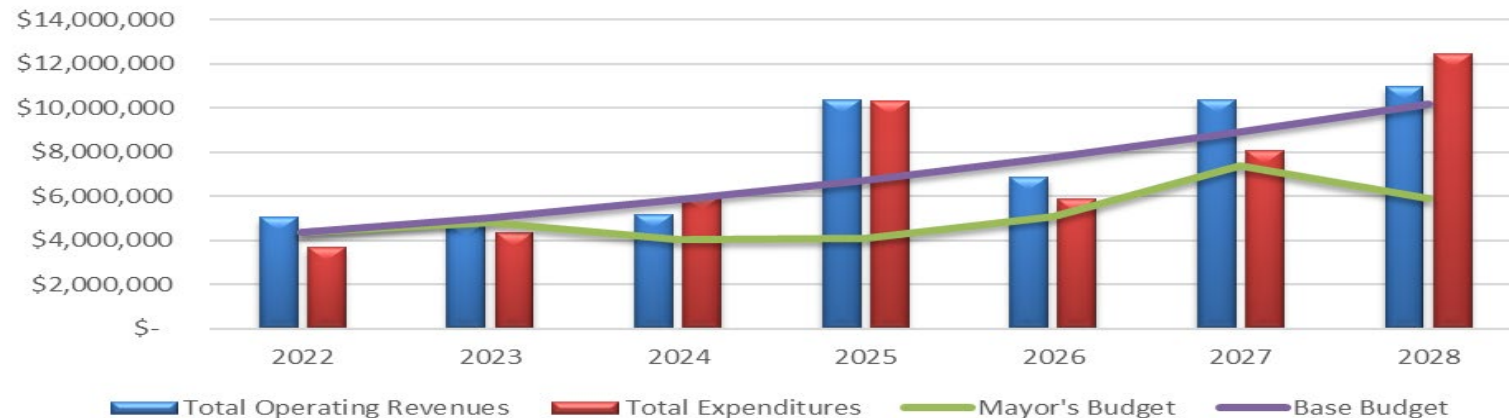


Street & Storm Water Forecasted

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



Storm Water - 2023 - Base vs. Mayor Budget





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



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	\$ 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	\$ 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 (\$300K-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	

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





Cost of Living Adjustment Scenarios

Scenario	Total	General Fund	Street Fund	Storm Water Fund	2023 Est. Savings	6 Year Est. Savings
8.6% COLA	\$510,000	\$380,519	\$52,801	\$85,363		
7% COLA	\$422,185	\$309,725	\$42,978	\$69,482	(\$95,000) (\$71,000) GF	(\$590,000)
6% COLA	\$361,873	\$265,479	\$36,838	\$59,556	(\$156,000) (\$115,000) GF	(\$970,000)