




CITY OF LAKE STEVENS

2016

3rd Quarter Financial Summary



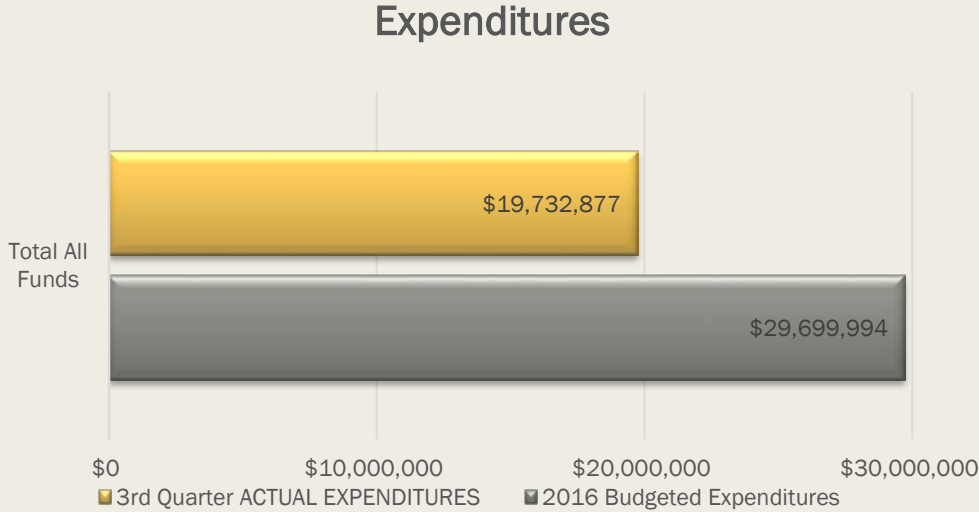
Agenda

- Review of 3rd Quarter Expenditures
 - *Major Funds, Department Breakdown, Highlights*
- Review of 3rd Quarter Revenues
 - *Major Sources, Highlights*

- 2017 Budget Updates
- 2017 Budget Policy Direction

Budget vs. Actual Expenditures

- City Wide Total



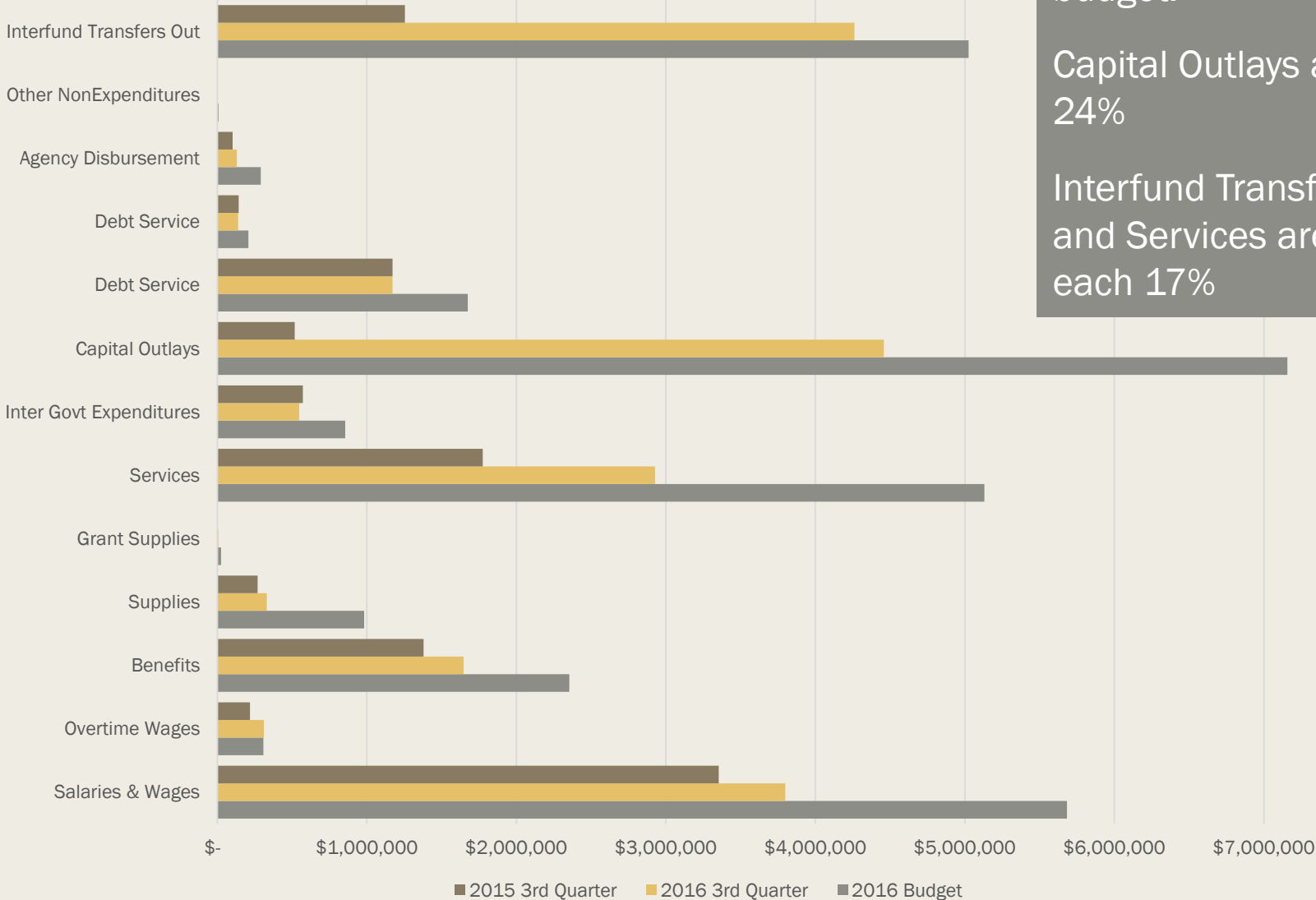
\$19,732,877 total Expenditures (66% of budget)

Expenditures by Type

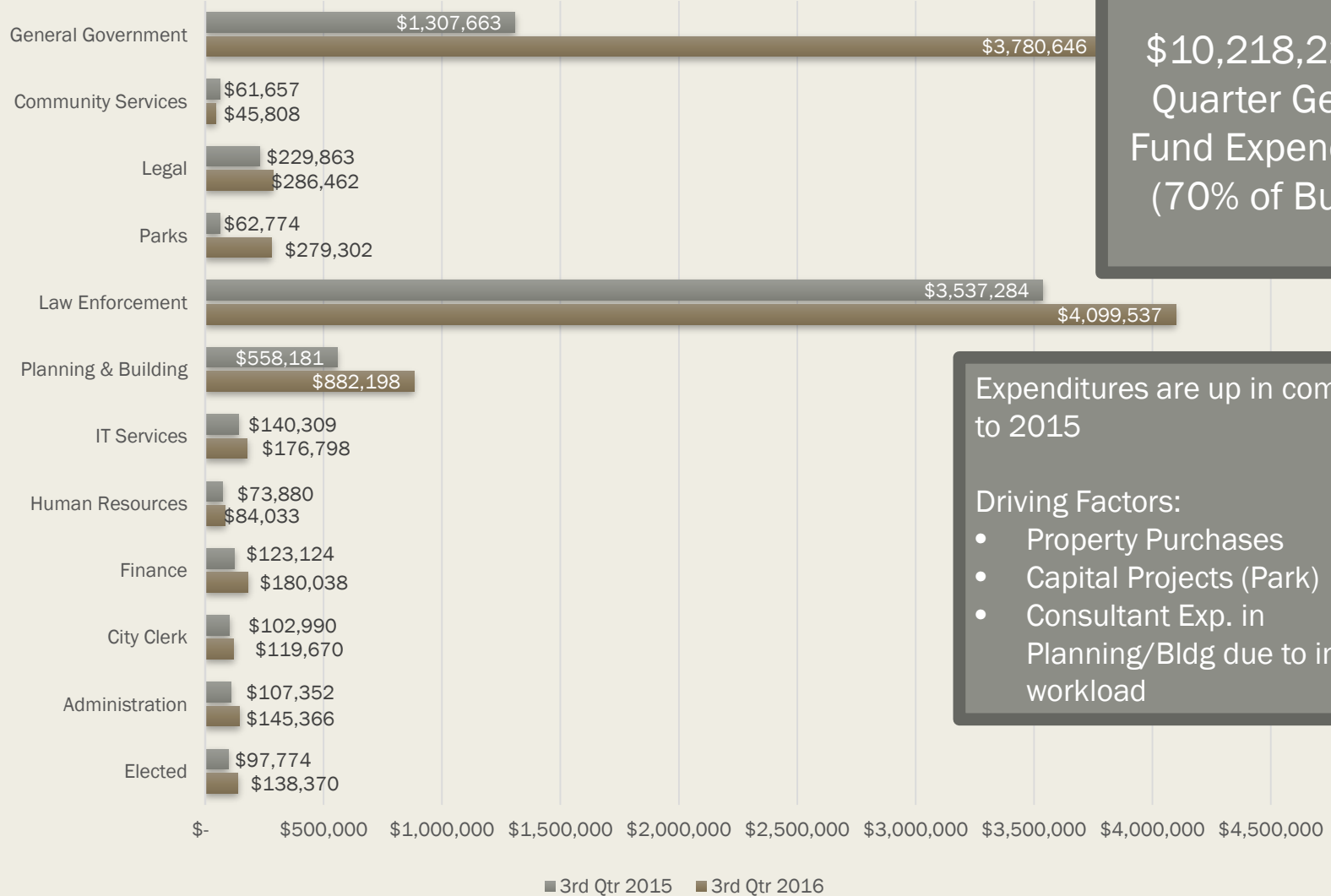
Salaries, Benefits & OT together make up 28% of the total budget.

Capital Outlays are 24%

Interfund Transfers and Services are each 17%



General Fund Expenditures

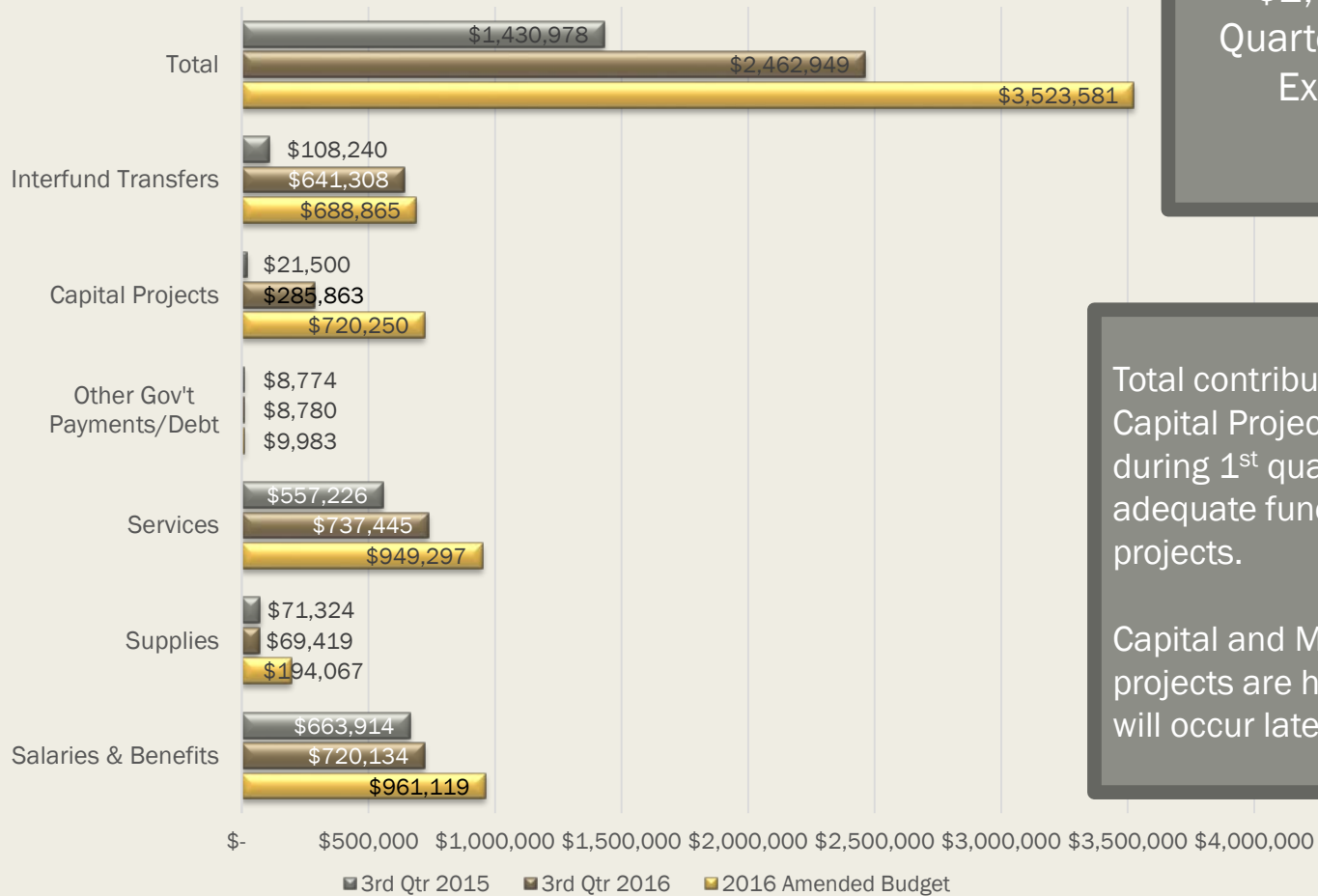


Expenditures are up in comparison to 2015

Driving Factors:

- Property Purchases
- Capital Projects (Park)
- Consultant Exp. in Planning/Bldg due to increased workload

Street Fund Expenditures

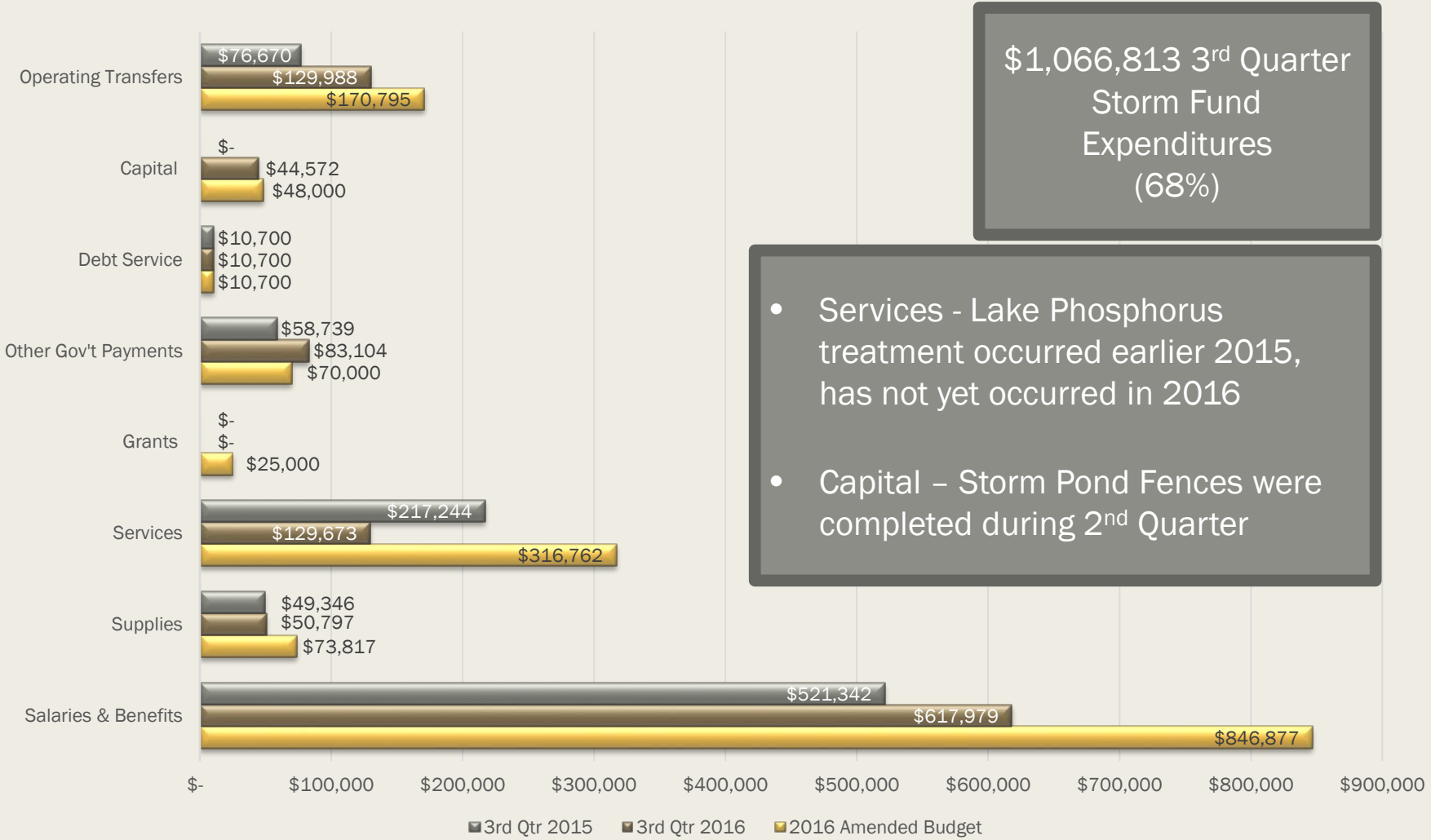


\$2,462,949 3rd Quarter Street Fund Expenditures (70%)

Total contribution to the Sidewalk Capital Project Fund was made during 1st quarter to ensure adequate funding source for projects.

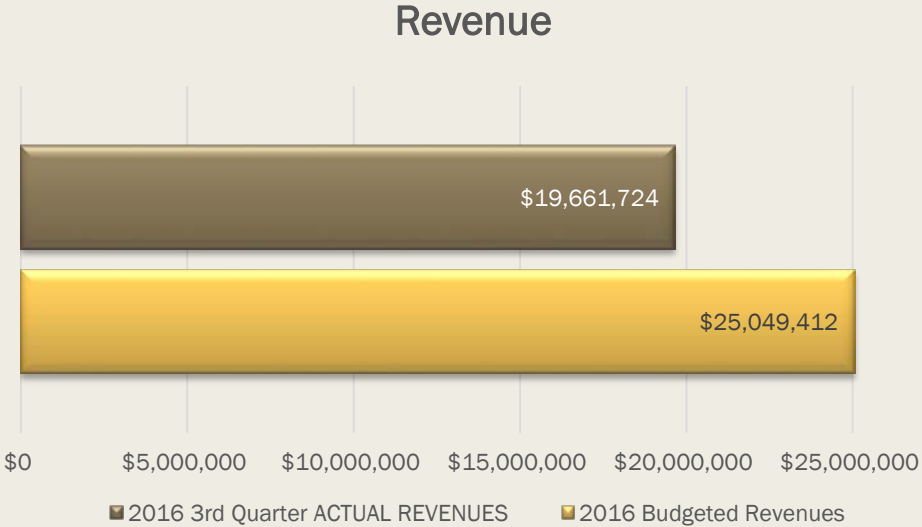
Capital and Maintenance projects are have begun, majority will occur later in the year.

Storm Water Fund Expenditures



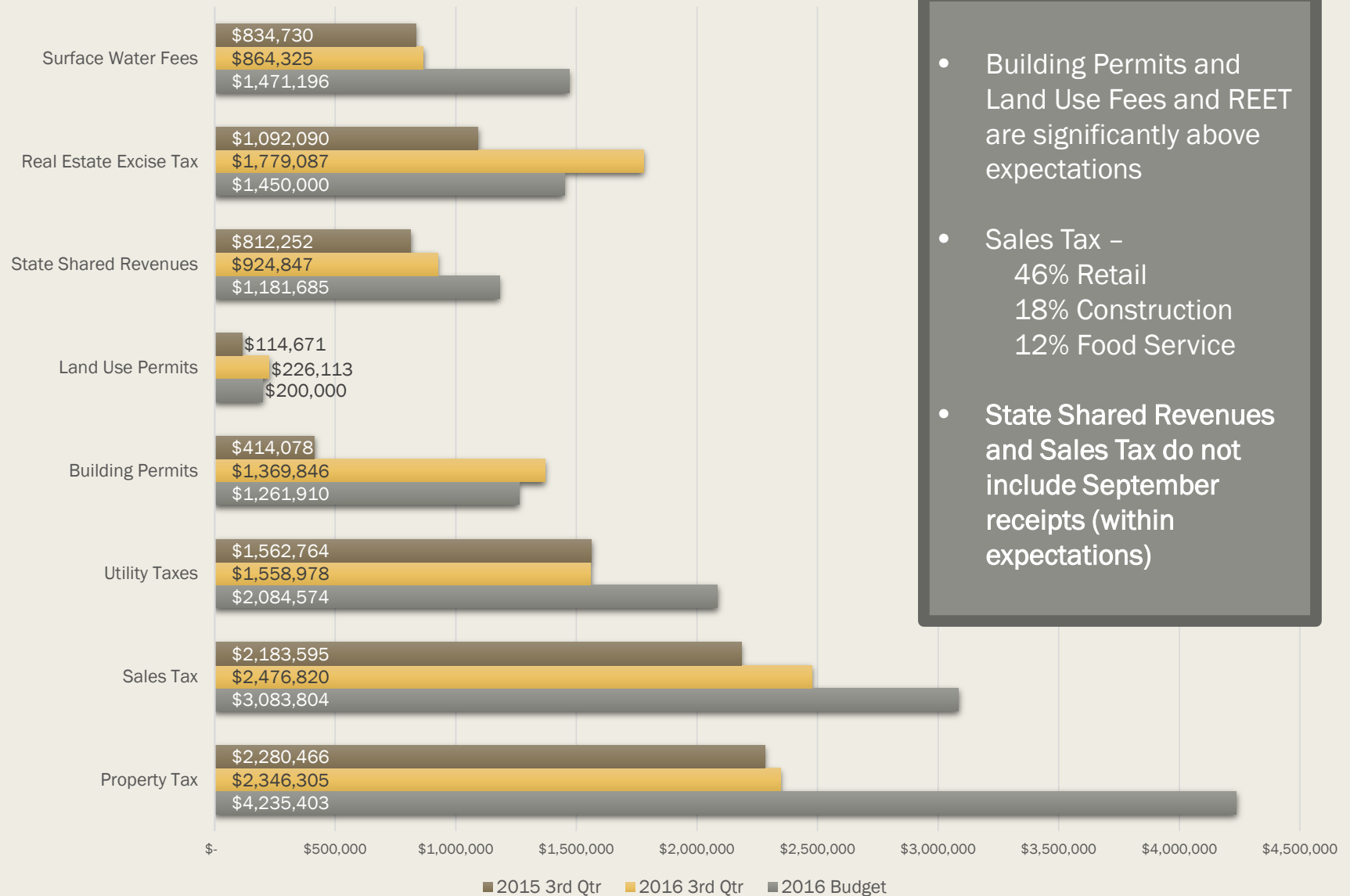
Budget vs. Actual Revenues

- City Wide Total



\$19,661,724
(78% of budget)

Revenues – Major Sources



- Building Permits and Land Use Fees and REET are significantly above expectations
- Sales Tax –
 46% Retail
 18% Construction
 12% Food Service
- State Shared Revenues and Sales Tax do not include September receipts (within expectations)

3rd Quarter Summary All Funds

No.	Fund Name	2016 Beginning Cash Balance	2016 Budgeted Revenues	2016 3rd Quarter ACTUAL REVENUES	2016 Budgeted Expenditures	3rd Quarter ACTUAL EXPENDITURES	2016 Budgeted Ending Cash Balance	3rd Quarter ENDING CASH/INVEST BALANCE
001	General Fund	\$7,922,111	\$13,461,367	\$10,645,687	\$14,665,601	\$10,218,228	\$6,717,877	\$8,349,569
002	Reserve Fund	\$3,407,014	\$814,500	\$686,223	\$2,469,874	\$2,461,824	\$1,751,640	\$1,631,413
101	Street	\$3,811,559	\$2,298,013	\$1,500,565	\$3,523,581	\$2,462,949	\$2,585,991	\$2,849,175
103	Street Reserve	\$1,526	\$2	\$5	\$0	\$0	\$1,528	\$1,531
111	Drug Seizure & Forfeiture Fund	\$35,752	\$10,050	\$12,327	\$1,000	\$922	\$44,802	\$47,157
112	Municipal Arts Fund	\$11,349	\$50	\$36	\$11,399	\$0	\$0	\$11,386
210	2008 Bonds	\$0	\$353,268	\$59,409	\$353,268	\$59,409	\$0	\$0
212	2010 LTGO Bonds	\$0	\$74,166	\$37,082	\$74,166	\$37,082	\$0	\$0
213	LTGO Bond 2015	\$0	\$97,600	\$7,150	\$97,600	\$7,150	\$0	\$0
301	Cap. Proj.-Dev. Contrib.	\$4,427,606	\$1,369,152	\$1,363,678	\$2,037,600	\$362,298	\$3,759,158	\$5,428,985
303	Cap. Imp.-REET	\$867,537	\$728,900	\$893,532	\$340,842	\$72,989	\$1,255,595	\$1,688,080
304	Cap. Improvements	\$2,621,153	\$736,000	\$898,296	\$1,067,164	\$613,890	\$2,289,989	\$2,905,559
309	Sidewalk Capital Project	\$417,434	\$1,226,000	\$748,520	\$974,834	\$442,397	\$668,600	\$723,557
401	Sewer	\$274,820	\$1,392,826	\$1,246,747	\$1,393,954	\$1,241,609	\$273,692	\$279,958
410	Storm and Surface Water	\$1,796,590	\$1,518,096	\$875,814	\$1,561,951	\$1,066,813	\$1,752,735	\$1,605,591
501	Unemployment	\$101,482	\$200	\$324	\$30,000	\$2,924	\$71,682	\$98,883
510	Equipment Fund	\$234,960	\$153,317	\$113,355	\$266,065	\$70,284	\$122,212	\$278,032
520	Equipment Fund-Police	\$324,149	\$207,200	\$153,489	\$243,000	\$211,736	\$288,349	\$265,903
530	Equipment Fund-PW	\$222,344	\$337,180	\$255,705	\$299,392	\$271,486	\$260,132	\$206,563
540	Aerator Equipment Replacement	\$119,332	\$10,525	\$10,415	\$0	\$0	\$129,857	\$129,747
621	Refundable Deposits	\$20,073	\$61,000	\$17,866	\$81,073	\$23,397	\$0	\$14,542
633	Treasurer's Trust	\$7,630	\$200,000	\$135,799	\$207,630	\$105,791	\$0	\$37,638
Total All Funds		\$26,624,423	\$25,049,412	\$19,662,024	\$29,699,994	\$19,733,177	\$21,973,841	\$26,553,270

2017 Proposed Budget All Funds

No.	Fund Name	2017			
		2016 Ending/ 2017 Beginning Balance	Proposed Budgeted Revenues	Proposed Budgeted Expenditures	Proposed Budgeted Ending Balance
001	General Fund	\$8,169,544	\$14,996,111	\$16,760,830	\$6,404,825
002	Reserve Fund	\$1,760,154	\$807,600	\$8,050	\$2,559,704
101	Street	\$3,066,028	\$2,162,104	\$2,951,633	\$2,276,499
103	Street Reserve	\$1,531	\$5	\$0	\$1,536
111	Drug Seizure & Forfeiture Fund	\$47,079	\$10,120	\$41,000	\$16,199
112	Municipal Arts Fund	\$11,385	\$20	\$0	\$11,405
210	2008 Bonds	\$0	\$354,395	\$354,395	\$0
212	2010 LTGO Bonds	\$0	\$74,165	\$74,165	\$0
213	2015 LTGO Bonds	\$0	\$93,908	\$93,908	\$0
301	Cap. Proj.-Dev. Contrib.	\$4,083,218	\$1,616,580	\$100,000	\$5,599,798
303	Cap. Imp.-REET	\$1,718,073	\$602,500	\$416,178	\$1,904,395
304	Cap. Improvements	\$2,751,717	\$607,000	\$1,239,415	\$2,119,302
309	Sidewalk Capital Project	\$1,009,888	\$251,500	\$350,000	\$911,388
401	Sewer	\$288,138	\$1,336,782	\$1,334,857	\$290,063
410	Storm and Surface Water	\$1,789,332	\$1,514,820	\$2,076,354	\$1,227,798
501	Unemployment	\$96,915	\$300	\$30,000	\$67,215
510	Equipment Fund	\$122,252	\$152,817	\$114,250	\$160,819
520	Equipment Fund-Police	\$283,135	\$196,700	\$296,000	\$183,835
530	Equipment Fund-PW	\$264,014	\$838,200	\$637,500	\$464,714
540	Aerator Equipment Replacement	\$129,871	\$170,143	\$300,000	\$14
621	Refundable Deposits	\$0	\$61,000	\$61,000	\$0
633	Treasurer's Trust	\$0	\$200,000	\$200,000	\$0
Total All Funds		\$ 25,592,273	\$26,046,770	\$27,439,534	\$24,199,509

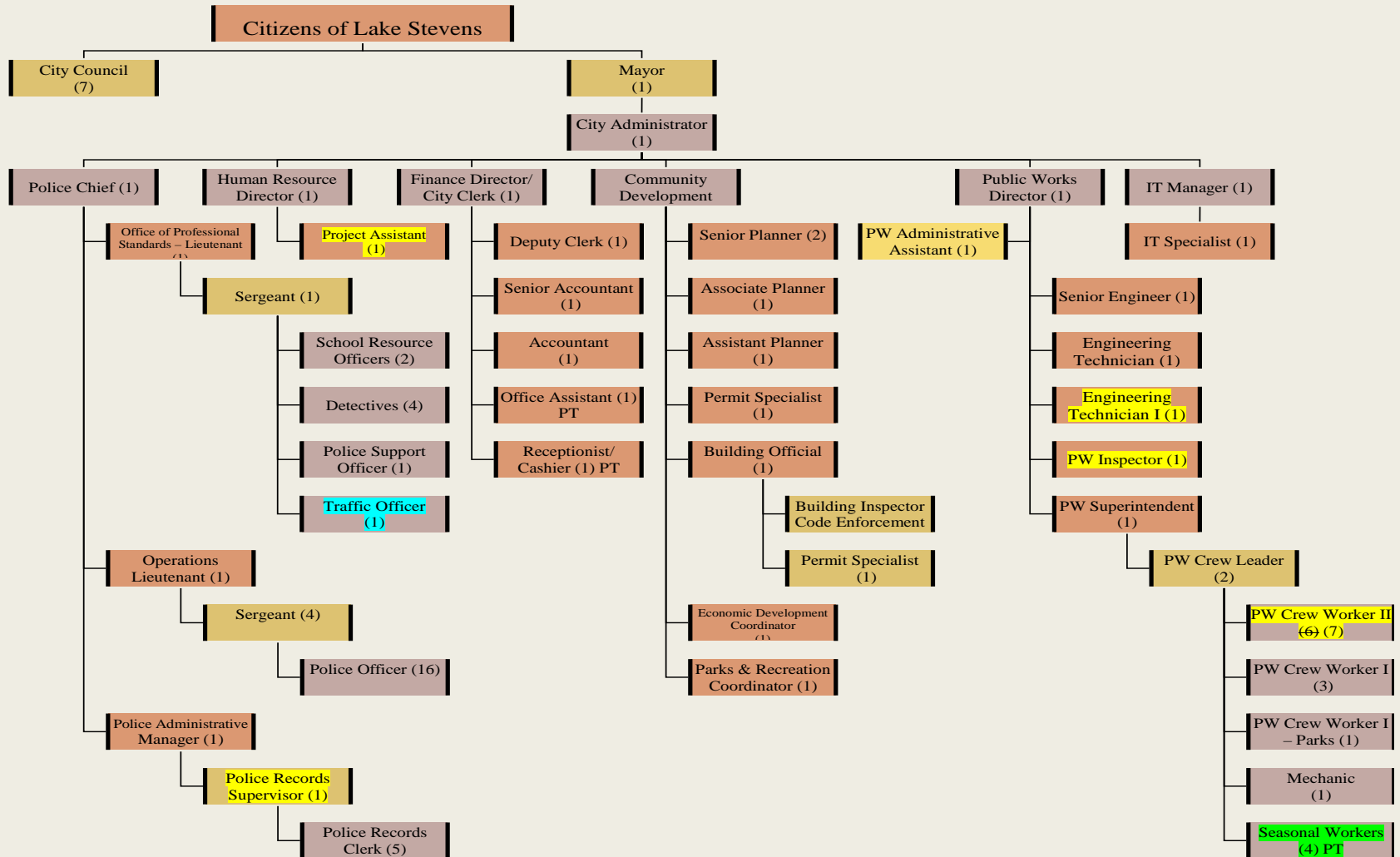
2017 Proposed Budget

- *Changes Since Previous Presentation*
- *Policy Direction*
 - Property Tax – Substantial Need
 - Health District Contribution
 - Senior Center Funding
 - Transportation Benefit District
- *Next Steps*
 - Public Hearing No. 1 & Property Tax Levy Ordinance (11/8/16)
 - Public Hearing No. 2 & Budget Ordinance Adoption (12/13/16)

2017 Proposed Budget – Updates

- All Funds Updates
 - *Updated Estimated 2017 Beginning Balances increased - \$588,000*
 - *Revenues – increased \$3,432,000*
 - \$3,590,000 Property purchase/sale (nets to zero against expense)
 - Minor changes in estimated 2017 revenues
 - *Expenditures – increased \$4,896,802*
 - \$3,590,000 Property purchase/sale (nets to zero against revenue)
 - \$1,000,000 – Temporary City Hall/Planning Facilities
 - Staffing - \$236,000
 - *Added (1) Traffic Officer (includes vehicle/equip)*
 - Computer Replacement – increased \$12,000 per Council request
 - Health District Contribution - \$60,000
- Transfer of Construction Sales Tax– Budgeted up to \$300,000
 - *Completed transfer up to maximum of \$300,000 by August*
 - *Total Projected to be Earned in 2017*

2017 Proposed Budget - Updated - Organizational Chart



2017 Proposed Budget – Policy Direction – Property Tax

- Property Tax –
 - Levy Increase 0.953% = \$41,119
 - Levy Increase with Substantial Need Ordinance 1% = \$43,147
 - Difference = \$2,028
- Minimal Change per Taxpayer = \$0.10 per \$100,000 AV
- Compounding Effect to Future Tax Years

Regular Property Tax Levy Considerations						
	A	B		C	D	
% Levy Increase	2016 Levy (Highest Lawful)	Revenue Increase over 2016 Levy	Levy Rate	New construction	Refunds	Tax Revenue (A + B + C+D)
0.0%	4,314,668	0	1.338	125,759	8,116	4,448,542
0.953%	4,314,668	41,119	1.350	125,759	8,116	4,489,661
1.0%	4,314,668	43,147	1.351	125,759	8,116	4,491,689

2017 Proposed Budget – Policy Direction – Health District

- Snohomish Health District–
 - *\$2.00 per capita request = \$60,000*
 - *North County Mayor's have agreed to \$1.00 per capita contribution (pending City Council approval) = \$30,000*
 - *Ranked 34th of 35 counties in WA for public health funding*
 - *Plans to offer programs tailored to each contributing city*

2017 Proposed Budget – Policy Direction – Senior Center

- Senior Center Request for Funding–
 - *\$20,000 request*
 - *Toward Self Sufficiency*

 - *No paid Executive Director*
 - Do not qualify for additional County Funding

 - *Human Services Funding has been granted in past budget cycles – 2011*

2017 Proposed Budget – Policy Direction – TBD

- Transportation Benefit District–
 - *Used for Transportation*
 - Includes Maintenance of Projects, and Debt Service
 - *Boundary Determination (entire city or specific areas)*
 - *Project Determination*

 - *6 Month Implementation Timeframe*
 - *\$20 vehicle tab (maximum 1st 2 years)*
 - No Vote Needed
 - \$435,000 annually (\$217,000 1st year)
 - *0.1% Sales Tax (up to 0.2%)*
 - Vote of the people required
 - \$400,000 annually (dependent on retail sales)