City of Mountlake Terrace
City Finances 101
City Council Adopted Goals

• Protect and enhance the City’s Financial Health and Stability while maintaining appropriate and essential Public Services in a cost effective manner

• Generate Economic Development throughout the Community

• Implement the Downtown “Main Street” Revitalization Project

• Review, prioritize and implement Capital Infrastructure Projects to include the development of a strategy to address the City’s aging Public Facilities

• Implement Civic Center plan to include financing options for voter consideration

• Develop and Implement effective Communication and Outreach with the Community
Challenges

- Change and uncertainty of economic conditions
- Legislative changes & initiatives
- Rising employee health care & pension costs
- Growing demand for services
- Underdeveloped/underutilized commercial areas
- Age of City’s physical infrastructure (30-50 years old)
- Unfunded capital improvement needs
City of Mountlake Terrace
General Government Funds
Impact of Great Recession

**Operating Revenue "Reset"**
- 2009 Forecast vs 2008 Forecast: ($7.0 mil)
- 2010 Forecast vs 2009 Forecast: ($9.2 mil)
- 2011 Forecast vs 2010 Forecast: ($3.2 mil)
- 2012 Forecast vs 2011 Forecast: ($8.7 mil)
- **Total**: ($28.1 mil)
## Budget Summary and Highlights

<table>
<thead>
<tr>
<th></th>
<th>2013 Adopted</th>
<th>2014 Adopted</th>
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</thead>
<tbody>
<tr>
<td>General Government Funds</td>
<td>$24.0 million</td>
<td>$24.2 million</td>
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<tr>
<td>Utility Funds</td>
<td>15.9 million</td>
<td>18.1 million</td>
</tr>
<tr>
<td>Capital Improvement Funds</td>
<td>9.2 million</td>
<td>5.7 million</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$49.1 million</strong></td>
<td><strong>$48.0 million</strong></td>
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Legal Restraints Specific to City Finances

- **General Fund**
  - General operating fund of the City and accounts for all activities not required to be accounted for in some other fund. Primary expenditures in the General Fund are made for police and fire protection, building development and planning, parks, and City Council.

- **Utility Fund**
  - Self-supporting through user rates and charges.
    - Storm Water Utility maintains, operates and administers the City’s natural and developed storm and surface water conveyance system.
    - Sewer Utility provides uninterrupted sewer service to the Community.
    - Water Utility provides potable water to the Community that meets or exceeds all State and EPA standards.

- **Capital Improvement Fund**
  - Account for the acquisition or construction of major capital facilities except those financed by proprietary funds and trust funds. Also establish and cover multi-year expenditures of major capital projects and expenditures for all General Government programs.
General Government Funds:  
Operating Revenue = $17.7 million

Where do we get the funds?

- Property Tax
- Utility, Gambling and Admission Tax
- Recreation Fees
- License Fees, Interest, Fines and Forfeitures, State-Shared Revenue such as Motor Fuel Tax, Liquor Taxes and Criminal Justice Funds
- Building, Planning and Engineering Fees, Cable and Solid Waste Franchise Fees and Transport Fees
- Sales Tax
CITY OF MOUNTLAKE TERRACE
2013 Average Property Tax Levy Amount
$2,078

Edmonds School District
$896

State School
Fund $438
City-Regular Levy Rate $350
County $195

Snohomish County
City-EMS Levy Rate $90
Sno-Isle Library $90
Swedish Hospital $20

City services funded with $350 or 21% share of total property tax bill.
2013 Typical Home Property Tax Bill

DID YOU KNOW?
The average annual property tax bill decreased $257 or $21.42 per month since 2011.
General Government Funds 2013

Legally Restricted 80.4%
- Utilities
- Capital Program
- Restricted Revenue

Legal Mandates 3.0%

Public Safety Contracts 3.6%

Asset Management 3.2%

Unrestricted 9.9%
- Police
- Code Enforcement
- Domestic Violence
- Animal Control
- Citizen's Academy
- Parks Services
- Community Outreach
- Code Compliance
General Government Funds
2014

Legally Restricted 80%
- Utilities
- Capital Program
- Restricted Revenue

Legal Mandates 2.9%

Public Safety Contracts 3.7%

Asset Management 3.3%

Unrestricted 10.0%
- Police
- Code Enforcement
- Domestic Violence
- Animal Control
- Citizen's Academy
- Parks Services
- Community Outreach
- Code Compliance
What does it pay for?

- Public Safety
  - Police
  - Fire
  - EMS
  - Jail
  - Court
  - Emergency Operations

- Street Maintenance
- Recreation and Parks
- Debt Service
- Community Outreach and Information
- Development Services, Land Use and Zoning
- Finance, Information Technology and Human Resources

Public safety, (police, fire, EMS, jail and municipal court services) comprise the largest component of the operating budget, representing 49% of total operating expenditures.
Utility Funds:

Where do we get the funds?

- User fees collected for storm water, sewer and water
- Revenue bonds and grants

- Storm Water: 21%
- Sewer: 41%
- Water: 38%
Utility Funds:

What does it pay for?

– System Maintenance and Operations
  » Water - $3.3 million
    • water distribution costs
    • water supply
  » Sewer - $3.0 million
    • sewage collection system
    • sewage treatment
  » Storm Water – $1.8 million
    • storm water collection system
    • street sweeping
    • regulatory compliance

– Construction Projects - $9.0 million
  » system rehabilitation
  » system expansion
Capital Improvement Funds:

Where do we get the funds?

– One time general government funds
– Real Estate Excise Tax (REET) funds and investment interest
– Arterial Motor Vehicle Fuel Tax
– State and Federal grants in support of street, sidewalk, traffic and park improvements
– Transportation and Park Impact Fees
– Bonds (voter approved)
Capital Improvement Funds:

What does it pay for?

– Street Overlay Program
– Street Reconstruction
– Sidewalks
– Property Management and Public Facilities
– Chip Seal Program
– Park Improvements
– Traffic and Signal Control Program
City of Mountlake Terrace
Financial Forecast

Capital Improvement and Utility Construction Projects: $100.5 million
2006-2018

Utilities (water, sewer, storm water): $39,080,269
Overlay & Chip Seal Program: $7,489,311
Street Reconstr/Sidewalks/Traffic Calming/Bicycle Routes: $30,014,069
Transfer Out: $6,955,169
Capital-Police, Prop Mgmt, IT: $7,558,847
Traffic & Signal Control Program: $2,495,501
Engineering Services: $3,670,050
Designated/Reserved for Park Impact Fees: $805,543
Designated/Reserved for Trans Impact Fees: $680,026
Park & Recreation Improvements: $934,060
Interurban Trail Link: $166,776
Designated/Reserved for CIP: $683,832

Major Road Improvement Projects (2012-2018):
- Cedar Way & 228th (12/13): $1.2 mil
- Downtown "Main Street" Revitalization (12-15): $12.0 mil
- Gateway Boulevard (15-16): $4.8 mil
- 244th St SW, 56th to Cedar Way (17-18): $5.6 mil
- 220th & SR 99 Right Hand Turn Lane (17-18): $646,000

2012 - 2018: $70.3 million
Major Construction Projects

- Automatic Water Meter Reading (AMR) System
- East Side Water System Improvements
- Town Center Storm Water Detention Facility Improvement Project
- McAlleer Creek Culvert & Stream Bank Enhancement Project
- Downtown “Main Street” Revitalization Project (& Gateway Connection)
- 228<sup>th</sup> Street & Cedar Way Street Overlay and Reconstruction Project
- 236<sup>th</sup> St SW Pedestrian Accessibility Improvements between 48<sup>th</sup> Ave W to 56<sup>th</sup> Ave W
- Energy Efficiency Development District
- Chip Seal Program
- Sidewalk Projects
- Lakeview Trail
- Decant Facility
- Emergency Operations Center
Priority Projects to Seek Funding

• Street Overlay Projects $3.8 million
  – 66th Avenue West (216th – 220th) and 216th Street SW (200 feet east of 66th)
  – 44th Avenue W from Hawk Way to 227th

• Emergency Services Equipment $500,000

• Safe Routes to School/Sidewalks $250,000

• Lake Ballinger/McAleer Creek Watershed $1.4 million

• Town Center $5.5 million
  – Downtown “Main Street” Revitalization Project
## Unfunded Capital Projects

<table>
<thead>
<tr>
<th>Projects</th>
<th>Tier 1 Priorities</th>
<th>Tier 2 Priorities</th>
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<tbody>
<tr>
<td><strong>New Facilities</strong></td>
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<tr>
<td>Civic Center</td>
<td>25,000,000</td>
<td></td>
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<tr>
<td>Recreation Pavilion - Business Plan</td>
<td>150,000</td>
<td></td>
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<tr>
<td>Recreation Pavilion - New</td>
<td></td>
<td>38,531,600</td>
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<tr>
<td><strong>Subtotal New Facilities</strong></td>
<td>$ 25,150,000</td>
<td>$ 38,531,600</td>
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<tr>
<td><strong>Parks and Open Space</strong></td>
<td>$ 1,940,000</td>
<td>$ 1,880,000</td>
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<tr>
<td><strong>Citywide Equipment</strong></td>
<td></td>
<td></td>
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<tr>
<td>Police Equipment (part of legislative agenda)</td>
<td>188,500</td>
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<tr>
<td>Public Works (Street Lighting Retrofits)</td>
<td>150,000</td>
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<tr>
<td><strong>Subtotal Citywide Equipment</strong></td>
<td>$ 338,500</td>
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<tr>
<td><strong>Property Management &amp; Facilities</strong></td>
<td>$ 250,000</td>
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<tr>
<td><strong>Street and Sidewalk Improvements</strong></td>
<td>$ 11,784,000</td>
<td>$ 360,000</td>
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<td><strong>Grand Total</strong></td>
<td>$ 39,462,500</td>
<td>$ 40,621,600</td>
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Get important information faster!

Coffee with the City

You’re Invited!
Town Hall Meetings

What’s the story?

MOUNTLAKE TERRACE

Police Open House

"LIKE" us on Facebook at City of Mountlake Terrace

"FOLLOW" us on Twitter at CityofMLT

NOTICE OF PUBLIC HEARINGS

Find links at www.cityofmlt.com
Questions?

Recreation Pavilion

Police Station

Interim City Hall (rented)

Operations Facility