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# City of Mountlake Terrace

## 6-Year Financial Forecast

### 2007-2012



September 13, 2007



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# Purpose of Financial Forecast

- Identifies Financial Issues and Opportunities
- Background for Financial Policies
- Examines Financial Trends
- Provides a Basis to Discuss and Identify Feasible Solutions
- Produces a Financial Forecast



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# Assumptions

## City Council Goals for 2006-2008

- Protect and Enhance the City’s Financial Health and Stability
- Generate Economic Development throughout the Community
- Review and prioritize Capital Infrastructure Needs and Implement Projects
- Develop and Implement more effective Communication and Outreach with the Community
- Maintain appropriate and essential Public Services in a cost effective manner



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# General Government Funds (9)

- General (1)
- Special Revenue (6)
  - Street Operating
  - Strategic Reserve
  - Hotel/Motel Tax
  - Solid Waste Service Board
  - Recreation
  - Accumulated Leave Reserve
- Debt Service (1)
- Internal Service (1)
  - Equipment Reserve & Replacement

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# Summary: General Government Funds

- Sound underlying financial assumptions – consistent with adopted financial policies
- Operating surplus through 2012
  - Not using one-time funds for ongoing operations
- Expenditures growing faster than revenues – conservative assumptions
- Strong contingencies & reserves
  - 2% contingency
  - 5% general fund reserve
  - Strategic Reserve
  - Equipment reserve
  - Accumulated Leave Reserve
- Effective management of debt – 6.5% of operating revenue by 2012
- Average more than \$1.1 mil annually from General Fund invested to streets
- 84% Recreation cost recovery
- Ability to increase services in police (code enforcement), parks maintenance and street ROW maintenance



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# Challenges

- Reliance on Gambling Taxes
  - Represents 10.5% of General Fund Revenues and 9% of total operating revenues
- Legislative Changes
- Rising Health Care Costs
  - Current employees
  - LEOFF 1 retirees
- Slowing of housing market nationally
- Growing demand for services
- Age of City’s physical infrastructure (30-50 years old)



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# Annual Growth Assumptions

- Property Tax
  - 2.0%
    - 1.0% (I-747)
    - 1.0% new construction
- Sales Tax
  - 3.0% + \$150,000 for SST
- Utility Tax/Franchise Fees
  - 4.0%
- Admissions Tax
  - 1.0%
- Gambling Tax
  - 90% of 2005 plus 4.0%
- Business & Animal Lic
  - 4.0%
- Development Svcs Fees
  - 3 yr avg plus 2.0%
- Liquor Excise & Profits
  - 2.0%
- Motor Veh Fuel Tax
  - 3.0%



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# Annual Growth Assumptions (cont'd)

- PUD Privilege Tax
  - 1.0%
- Edmonds School District & Sno-Isle
  - 2.0%
- Golf Course Lease
  - per contract
- Transport Fees
  - 2.0%
- Solid Waste Fees
  - 3.0%
- Passport Fees
  - Flat beginning in 2009
- Other fees and charges
  - 2.0%
- Investment Income
  - 4.0%
- Recreation Fees
  - 3.5%

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# Annual Growth Assumptions (cont'd)

- Solid Waste Rd Impact Fee
  - 3.0%
- Equipment Replacement & Reserves
  - 2008 budget plus 3.5%
- Real Estate Excise Tax
  - 3 yr avg plus 4.0%
- Sewer, Water & Storm Drainage Fees
  - 2007 - 2012 rate adjustment
- General Fund (GF)
  - Contingency Reserve
    - 2% of GF operating exp
  - General Fund reserve
    - 5% of GF operating exp
- Strategic Reserve
  - minimum of 5% of GF operating expenditures



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## Annual Growth Assumptions (cont'd)

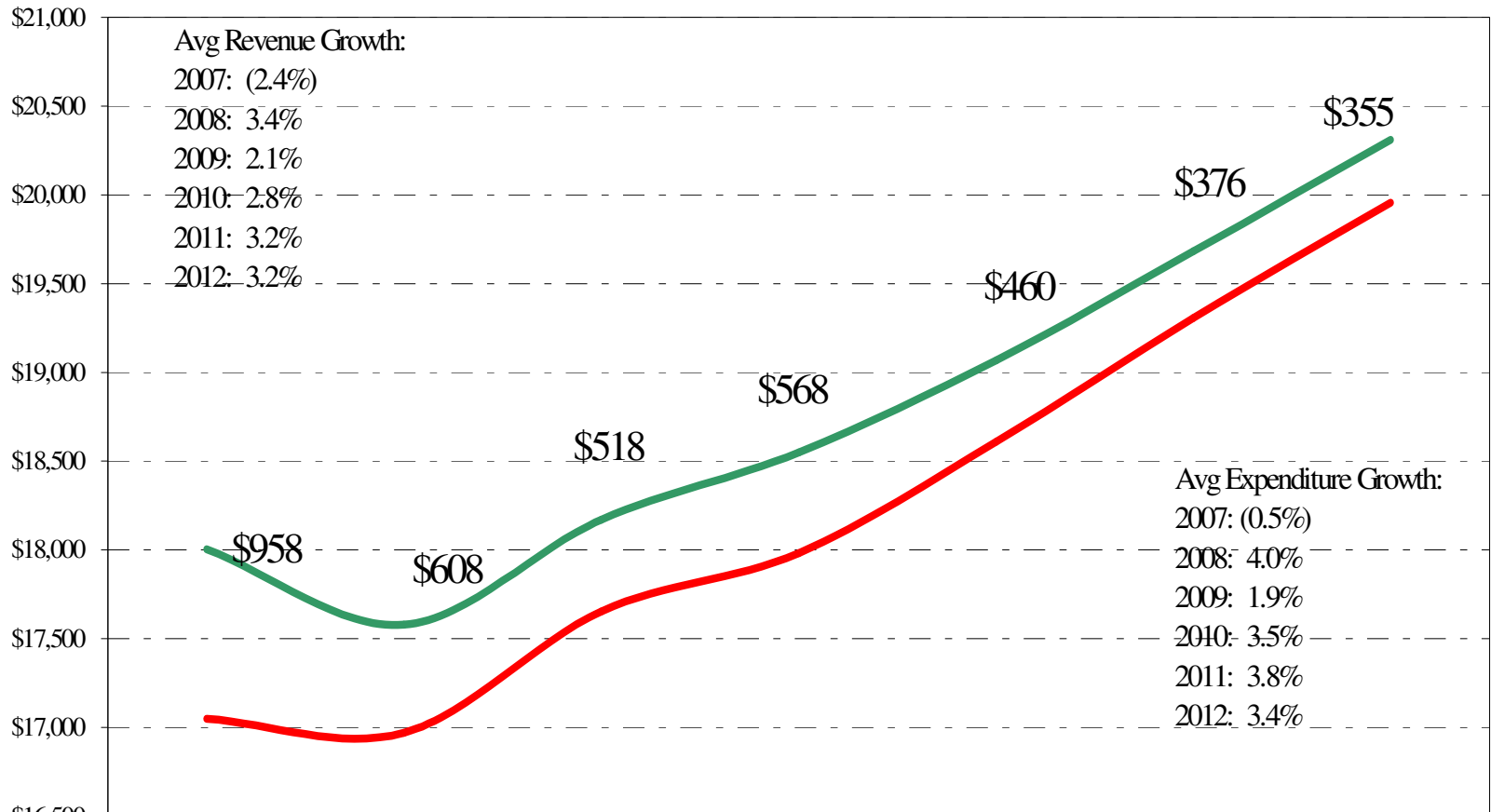
- Sewer, Water & Storm Drainage Operating Reserve
  - 15% of utility operating expenditures
- Annual Debt Service
  - based on repayment schedule
- Operating Expenditures
  - 3.5% annually

# General Government Funds

<i>(in thousands)</i>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Beginning Fund Balances	\$ 9,462	\$ <b>9,317</b>	\$ <b>6,916</b>	\$ 6,764	\$ 6,001	\$ 5,465	\$ 5,481
Operating Revenues	18,004	<b>17,579</b>	<b>18,170</b>	18,550	19,069	19,683	20,310
Operating Expenditures	17,049	<b>16,971</b>	<b>17,653</b>	17,982	18,610	19,308	19,956
<i>Operating Surplus (Deficit)</i>	955	<b>608</b>	<b>517</b>	568	459	375	354
Other Financing Sources	3,096	<b>2,456</b>	<b>2,791</b>	3,278	3,362	3,478	3,548
Other Financing Uses	4,197	<b>5,465</b>	<b>3,461</b>	4,610	4,356	3,837	3,869
<b>Fund Balances</b>							
Contingency (2% of GF Oper Exp)	278	<b>322</b>	<b>277</b>	292	302	314	325
Reserves (5% of GF Oper Exp)	695	<b>672</b>	<b>711</b>	730	756	785	812
Strategic Reserve (5% of GF Oper Exp)	916	<b>953</b>	<b>991</b>	1,031	1,072	1,115	1,159
<b>Designated/Reserved</b>							
Streets, Recreation & Debt Svc	225	-	<b>15</b>	-	-	-	-
Equipment Replacement & Reserve	2,295	<b>2,351</b>	<b>2,538</b>	2,695	2,351	2,546	2,928
Hotel/Motel-Tourism	36	<b>33</b>	<b>1</b>	-	-	-	-
Solid Waste-Billing Exemptions	58	<b>45</b>	<b>36</b>	27	18	9	-
Accumulated Leave Reserve	762	<b>282</b>	<b>293</b>	305	317	329	192
Subtotal Designated/Reserved	3,376	<b>2,711</b>	<b>2,883</b>	3,027	2,686	2,884	3,120
Undesignated/Unreserved (one-time)	4,051	<b>2,258</b>	<b>1,901</b>	920	650	383	<b>99</b>
Total Ending Fund Balances	\$ 9,317	\$ <b>6,916</b>	\$ <b>6,764</b>	\$ 6,001	\$ 5,465	\$ 5,481	\$ 5,514

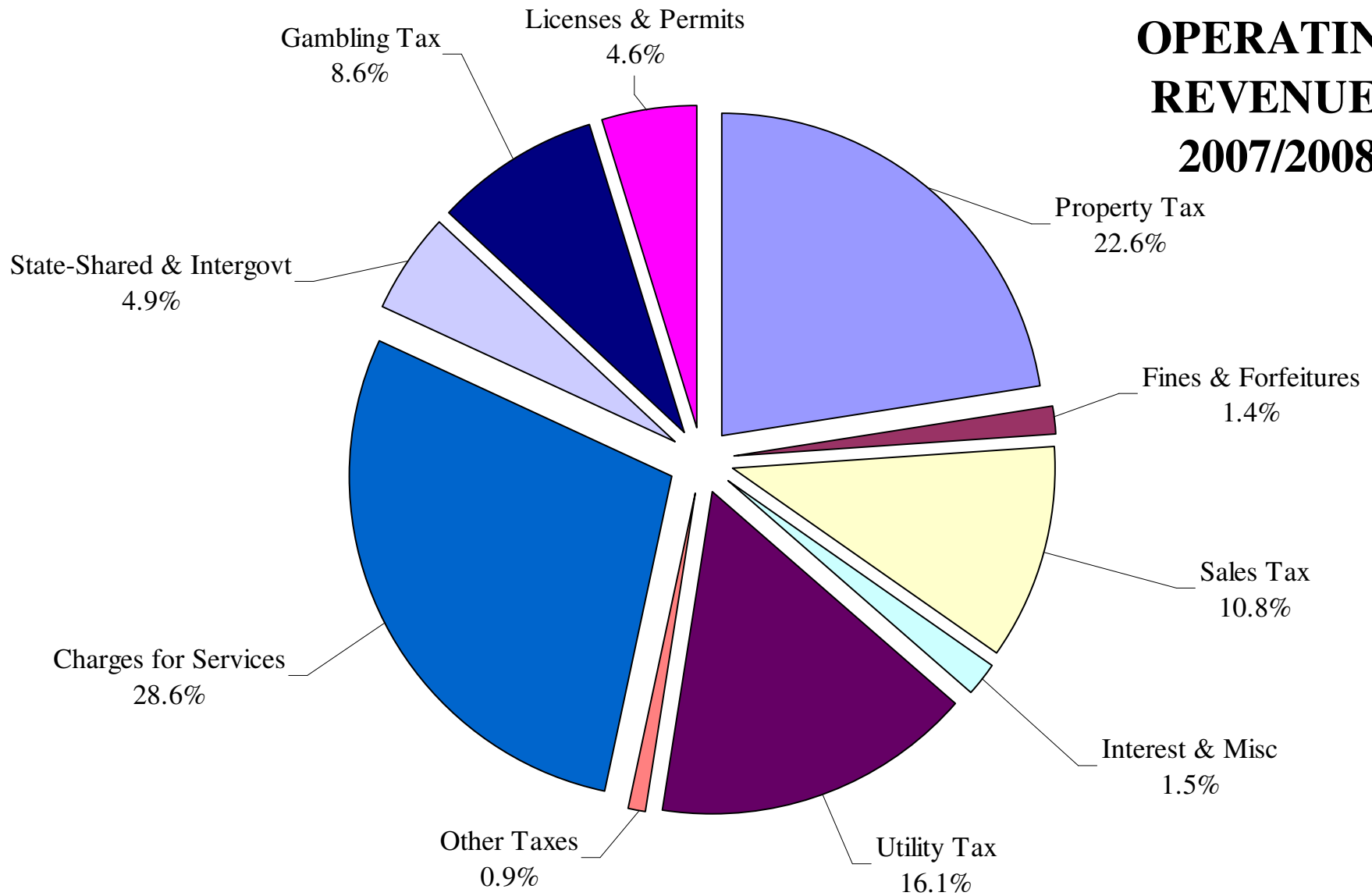
## City of Mountlake Terrace 6-Year Financial Forecast General Government Funds 2007-2012

(in thousands)

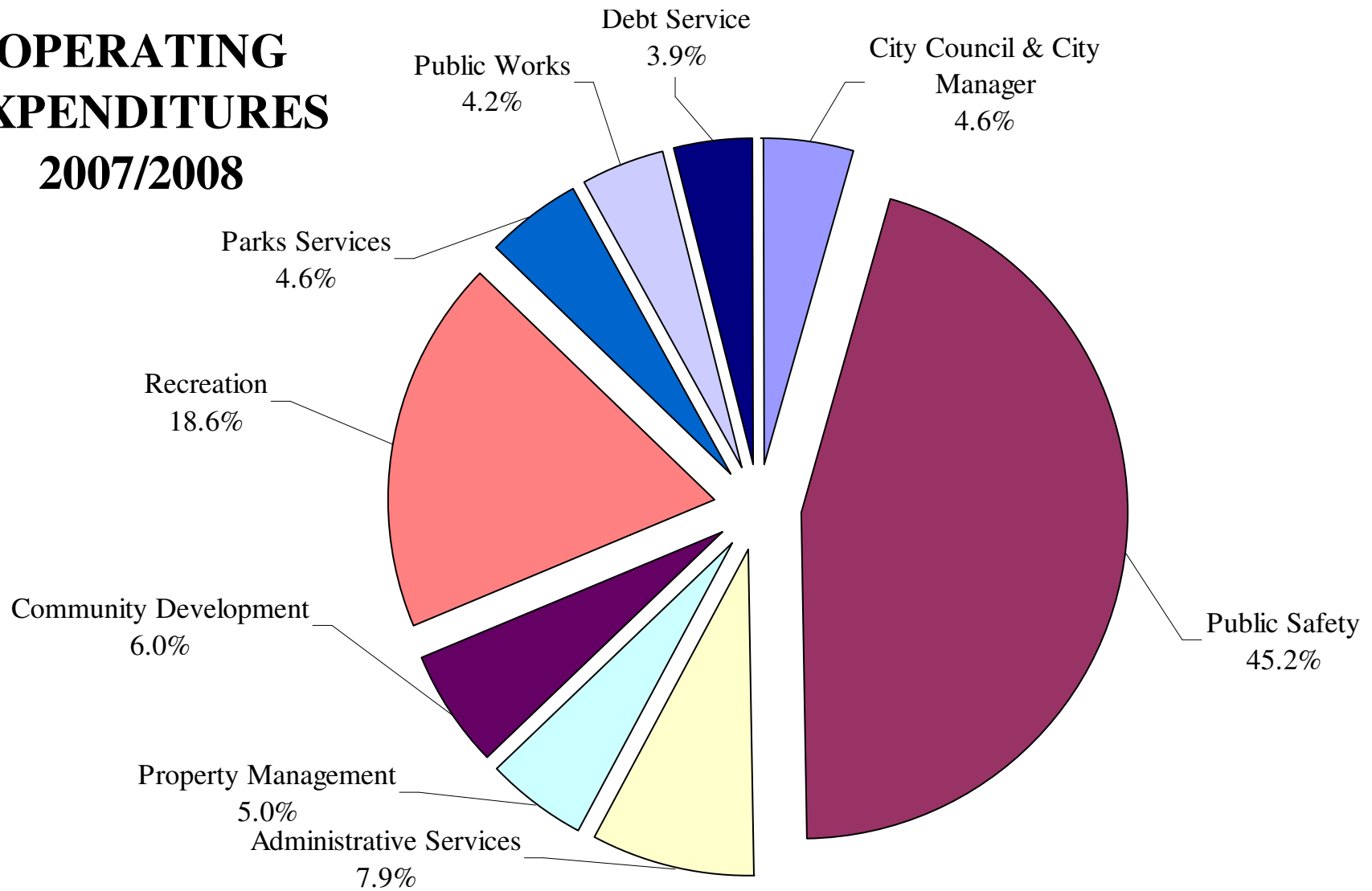


	2006	2007	2008	2009	2010	2011	2012
Operating Revenue	\$18,004	\$17,579	\$18,170	\$18,550	\$19,069	\$19,683	\$20,310
Operating Expenditures	\$17,049	\$16,971	\$17,653	\$17,982	\$18,610	\$19,308	\$19,956

# OPERATING REVENUES 2007/2008

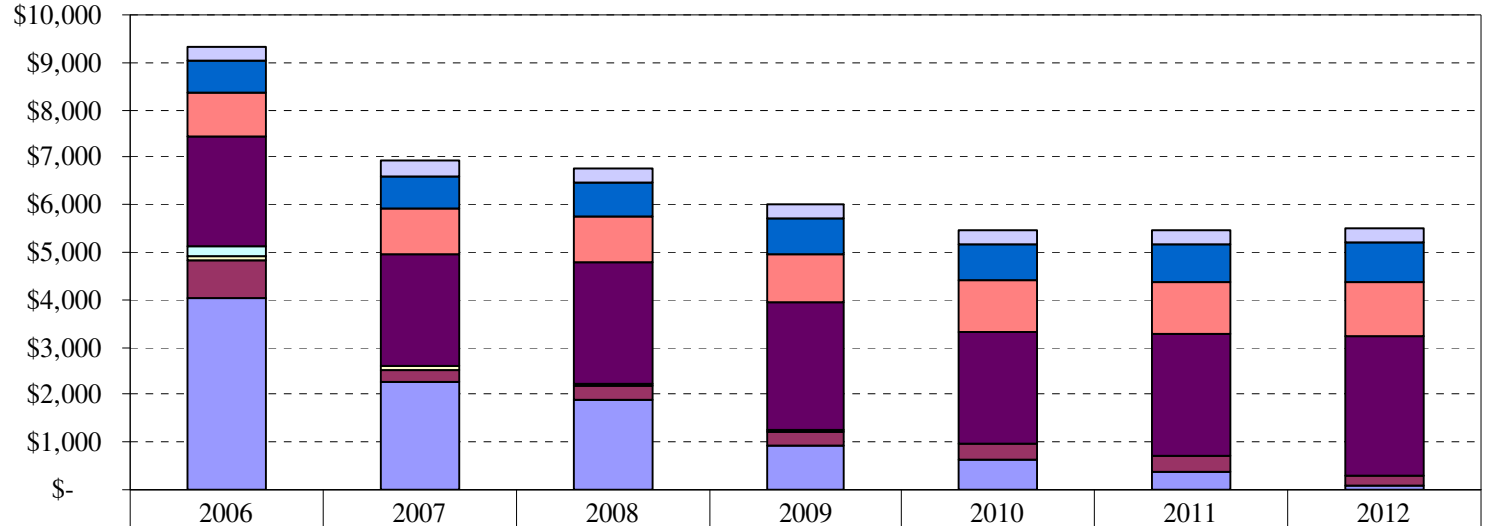


# OPERATING EXPENDITURES 2007/2008



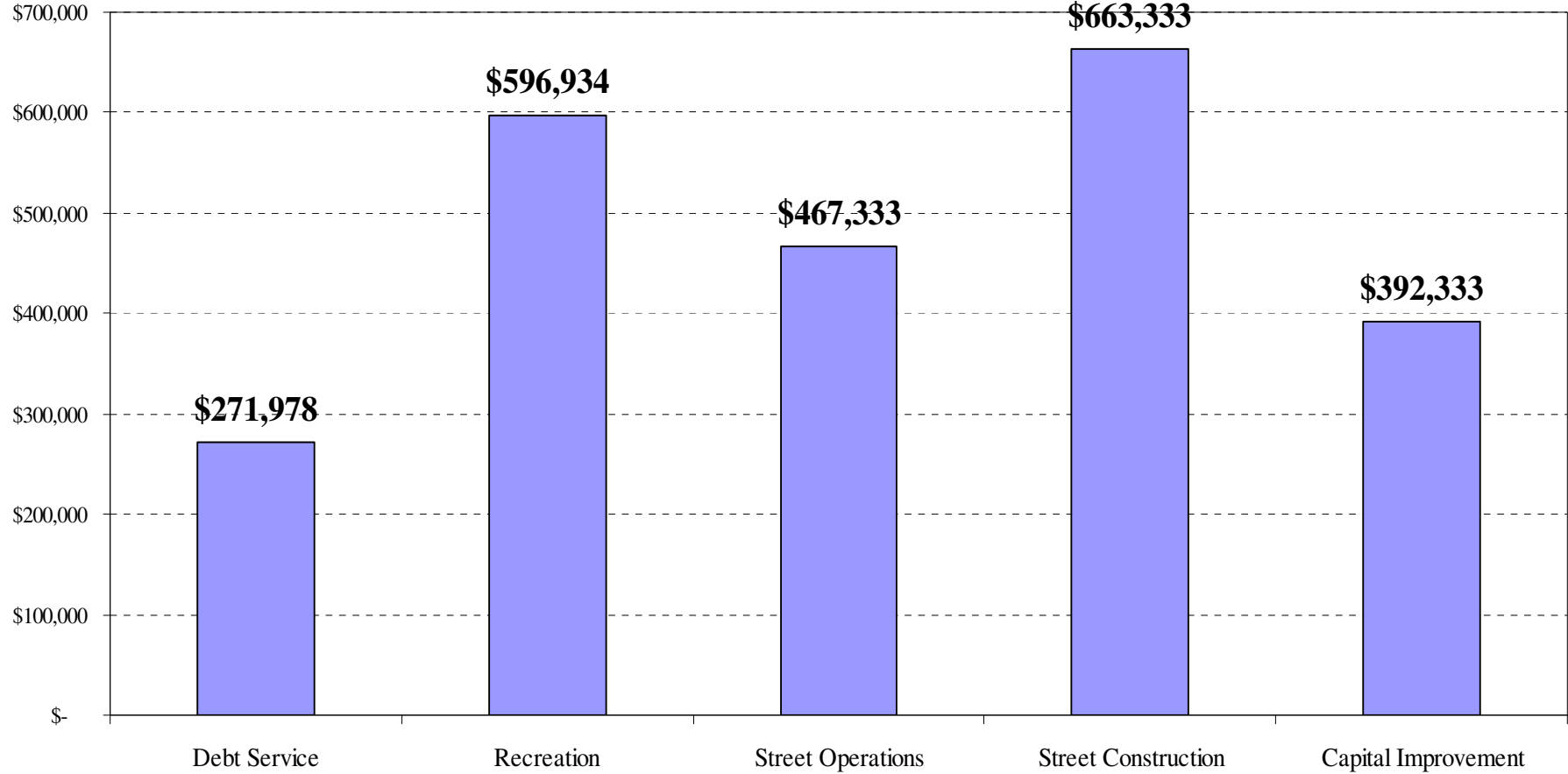
**City of Mountlake Terrace  
6-Year Financial Forecast  
General Government Fund Balances  
2007-2012**

(in thousands)



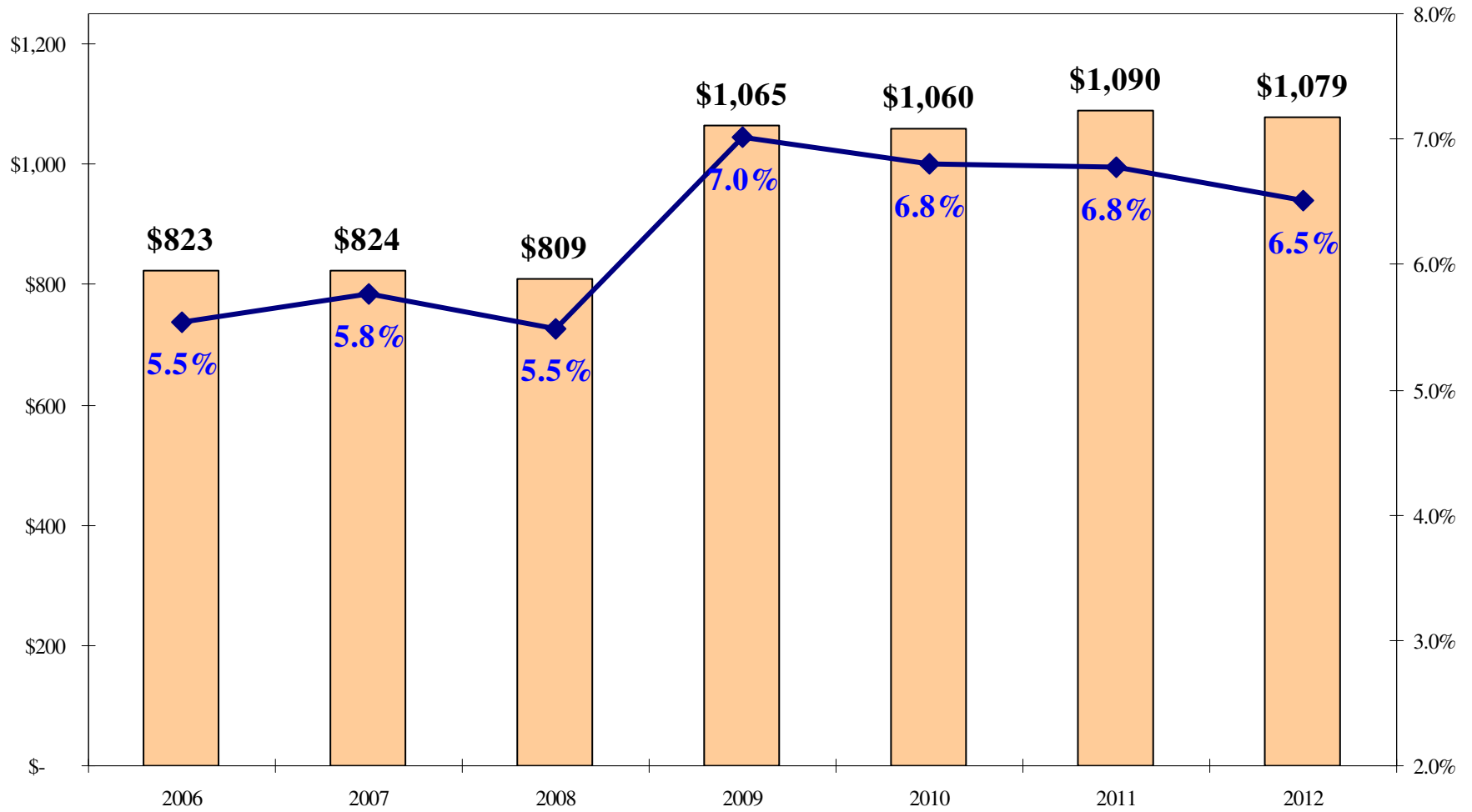
	2006	2007	2008	2009	2010	2011	2012
Contingency (2% of GF Oper Exp)	\$278	\$322	\$277	\$292	\$302	\$314	\$325
Reserves (5% of GF Oper Exp)	\$695	\$672	\$711	\$730	\$756	\$785	\$812
Strategic Reserve (5% of GF Oper Exp)	\$916	\$953	\$991	\$1,031	\$1,072	\$1,115	\$1,159
Equipment Replacement & Reserve	\$2,295	\$2,351	\$2,538	\$2,695	\$2,351	\$2,546	\$2,928
Streets, Recreation & Debt Svc	\$225	\$-	\$15	\$-	\$-	\$-	\$-
Billing Exemp & Tourism	\$94	\$78	\$37	\$27	\$18	\$9	\$-
Accumulated Leave Reserve	\$762	\$282	\$293	\$305	\$317	\$329	\$192
Undesignated/Unreserved (one-time)	\$4,051	\$2,258	\$1,901	\$920	\$650	\$383	\$99

**City of Mountlake Terrace  
6-Year Financial Forecast  
General Fund Transfers/Subsidies  
Average: 2007-2012**



**City of Mountlake Terrace  
6-Year Financial Forecast  
Debt Service vs. Debt Service as a Percentage of General Fund Revenues  
2007-2012**

(in thousands)



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## Capital Improvement Funds (3)

- Real Estate Excise Tax (REET)
- Street Construction
- Capital Improvement

# Capital Improvement Funds (pt 1)

## All CIP Funds (3)

(in thousands)

	2006	2007	2008	2009	2010	2011	2012
Beginning Fund Balances	\$ 3,906	\$ 4,905	\$ 2,537	\$ 2,047	\$ 1,681	\$ 1,642	\$ 1,880
Operating Revenues							
Real Estate Excise Tax	967	630	656	682	709	738	767
Motor Vehicle Fuel Tax	150	162	164	167	169	172	175
Comcast PEG Fees	17	17	17	-	-	-	-
Transportation Impact Fees	-	-	260	260	260	260	260
Park Impact Fees	-	-	-	170	170	170	170
Investment Interest	190	180	134	116	91	72	56
Subtotal Operating Revenue	1,324	989	1,231	1,395	1,399	1,412	1,428
Operating Expenditures							
Transfer Out (Debt Service & CIP)	352	2,224	777	709	738	767	798
Subtotal Operating Expenditures	352	2,224	777	709	738	767	798
Operating Surplus (Deficit)	972	(1,235)	454	686	661	645	630

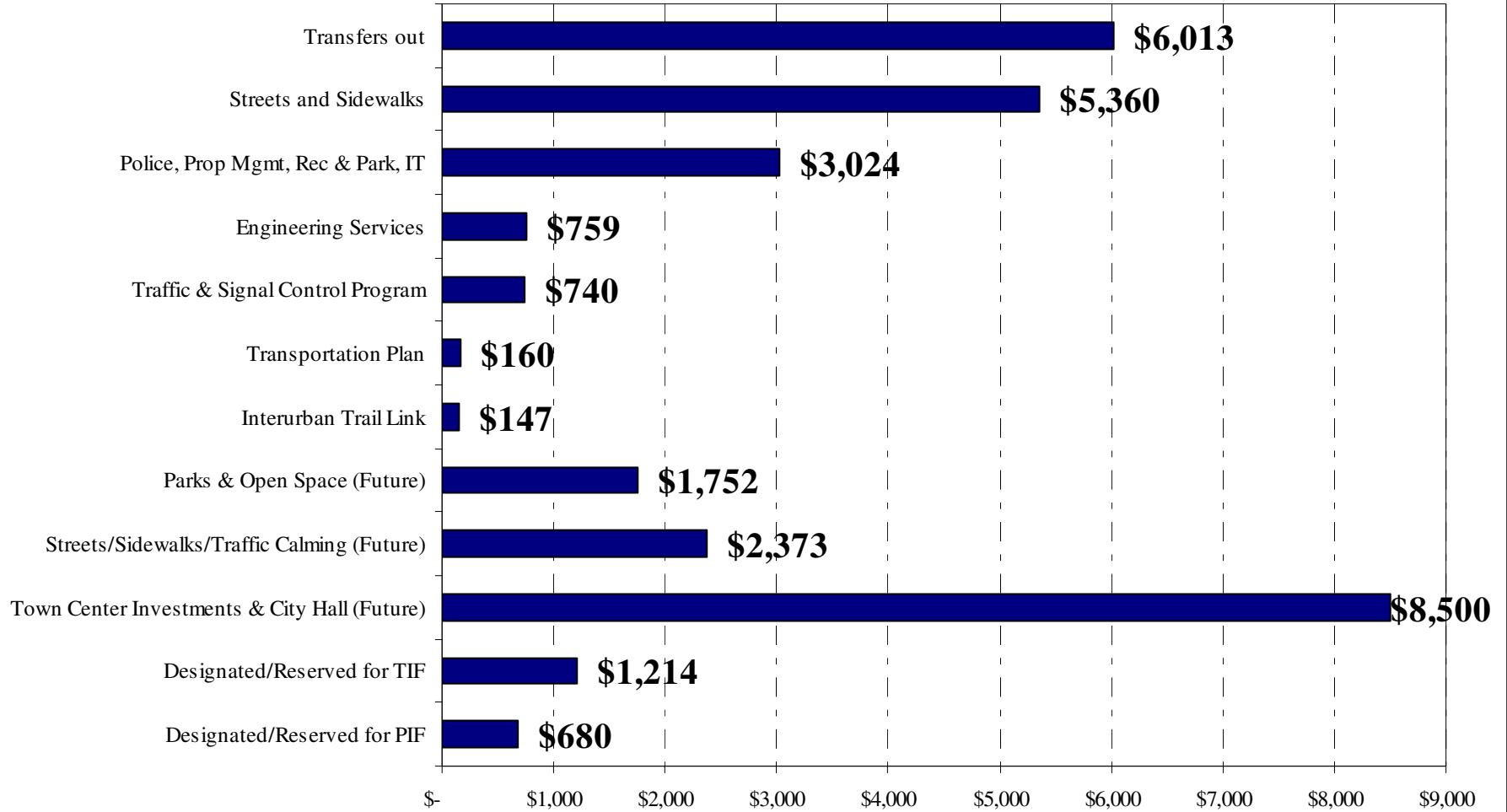
# Capital Improvement Funds (pt 2)

(in thousands)

	2006	2007	2008	2009	2010	2011	2012
<b>Other Financing Sources</b>							
Transfer In: General Fund	1,160	2,126	706	1,535	715	626	626
Transfer In: REET Fund	155	1,776	635	62	90	152	183
Transfer In: Accum Leave	-	500	-	-	-	-	150
Transfer In: Facilities CIP (close out fun	-	306	-	-	-	-	-
GO Bonds	-	-	7,500	-	-	-	-
Grants	398	275	-	-	-	-	-
<b>Subtotal Other Financing Sources</b>	<b>1,713</b>	<b>4,983</b>	<b>8,841</b>	<b>1,597</b>	<b>805</b>	<b>778</b>	<b>959</b>
<b>Other Financing Uses</b>							
Streets and Sidewalks	1,140	1,222	966	946	885	599	742
Traffic & Signal Control Program	183	57	426	40	42	43	132
Interurban Trail Link	-	147	-	-	-	-	-
Street Reconstruction/Sidewalks/Traffic	10	2,293	80	-	-	-	-
Parks & Open Space Future Development	-	-	-	1,117	210	200	225
Town Center Investments & City Hall	-	1,000	7,500	-	-	-	-
Transportation Plan	-	160	-	-	-	-	-
Engineering Services	87	116	121	125	128	133	136
Capital-Police, Prop Mgmt, Rec & Park,	231	1,108	692	421	240	210	340
Capital-Facilities (Transfer Out in 2007)	35	13	-	-	-	-	-
<b>Subtotal Other Financing Uses</b>	<b>1,686</b>	<b>6,116</b>	<b>9,785</b>	<b>2,649</b>	<b>1,505</b>	<b>1,185</b>	<b>1,575</b>
<b>Fund Balances</b>							
Designated/Reserved for TIF	-	-	260	520	780	1,040	1,214
Designated/Reserved for PIF	-	-	-	170	340	510	680
Designated/Reserved for CIP	4,905	2,537	1,787	991	522	330	20
Undesignated/Unreserved	-	-	-	-	-	-	-
<b>Total Ending Fund Balances</b>	<b>\$ 4,905</b>	<b>\$ 2,537</b>	<b>\$ 2,047</b>	<b>\$ 1,681</b>	<b>\$ 1,642</b>	<b>\$ 1,880</b>	<b>\$ 1,894</b>

**City of Mountlake Terrace  
6-Year Financial Forecast  
CIP Funding Uses: \$30.7 million  
2007-2012**

*(in thousands)*





# Next Steps

## CIP Needs Assessment/Prioritization

- Leveraging State, Federal and City Funds
  - Street and Road Improvements (e.g., 230<sup>th</sup> Reconstruction [56<sup>th</sup>-61<sup>st</sup>], 244<sup>th</sup> Reconstruction [48<sup>th</sup> to 55<sup>th</sup>])
  - Acquisition of parks land, open space & trails (e.g., Melody Hill)
  - Town Center Improvements (underground utilities, streetscape improvements, roads, etc.)
- Transportation Master Plan
  - Road & Street Development/Roadway Classifications
  - Sidewalk Placement & Replacement Program
  - Bicycle Lanes & Trails
  - Traffic Calming
  - Public Transit
- Recreation, Parks & Open Space Plan
  - Skatepark opportunities, parkland acquisition, impacts of Frisbee/Disc Golf, reforestation Plan, etc.
- City Hall, Library, Senior Center, Public Safety, Fire Station #18, Parks Maintenance, and Public Works Shop
- Broadband & WiFi opportunities



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# Utility Funds (7)

- Storm Water/Drainage
- Sewer
- Water
- Storm Water/Drainage Construction
- Sewer Construction
- Water Construction
- Water and Sewer Revenue Bond



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# Summary – Utility Funds

- Utility Maintenance & Operating Costs
  - Utility revenue sufficient to support maintenance & operations
  - Operating reserve equal to 15% of operating expenditures in all utilities
  - Stand alone enterprise funds
- Utility Construction
  - \$18.5 million
  - Allows for coordination with Street & Road Improvements
- Storm Water Construction
  - \$3.8 million
  - Includes Storm Water Comprehensive Plan, Lake Ballinger Watershed Partnership Strategy and increased water quality program
  - Decant Station (w/ water and sewer utility)
- Sewer Construction
  - \$6.7 million
- Water Construction
  - \$8.0 million



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# Utility Fund Policies

- Separation of utility accounts to avoid subsidies between utilities.
- Completion of a utility rate study every five years (e.g., 1999, 2004, 2009).
- Minimum operating and maintenance reserves should be maintained for each utility:
  - For each utility the operating reserves will be maintained in the amount equivalent to 15% of total operating and maintenance expenses.
- Rates should be stable over time to avoid dramatic rate adjustments.
- Sufficient funding should be made to provide for the adequate maintenance and/or replacement of capital plant and equipment.



# Utility Funds (pt 1)

## Operating Component

(in thousands)

	2006	2007	2008	2009	2010	2011	2012
Beginning Fund Balances	\$ 7,286	\$ <b>6,955</b>	\$ <b>3,515</b>	\$ 3,814	\$ 4,328	\$ 4,611	\$ 2,707
Operating Revenues							
Storm Water	918	<b>937</b>	<b>978</b>	1,053	1,135	1,195	1,216
Water	2,651	<b>2,544</b>	<b>2,652</b>	2,784	2,917	3,087	3,254
Sewer	2,889	<b>3,027</b>	<b>3,137</b>	3,238	3,359	3,538	3,674
Subtotal Operating Revenues	6,458	<b>6,508</b>	<b>6,767</b>	7,075	7,411	7,820	8,144
Operating Expenditures							
Storm Water	847	<b>932</b>	<b>1,045</b>	1,211	1,251	1,292	1,332
Water	2,327	<b>2,321</b>	<b>2,370</b>	2,589	2,810	2,951	3,053
Sewer	2,318	<b>2,580</b>	<b>2,679</b>	2,775	2,946	3,056	3,169
Water & Sewer Revenue Bond	106	<b>106</b>	<b>105</b>	105	104	104	103
Subtotal Operating Expenditures	5,598	<b>5,939</b>	<b>6,199</b>	6,680	7,111	7,403	7,657
Operating Surplus (Deficit)	860	<b>569</b>	<b>568</b>	395	300	417	487

# Utility Funds (pt 2)

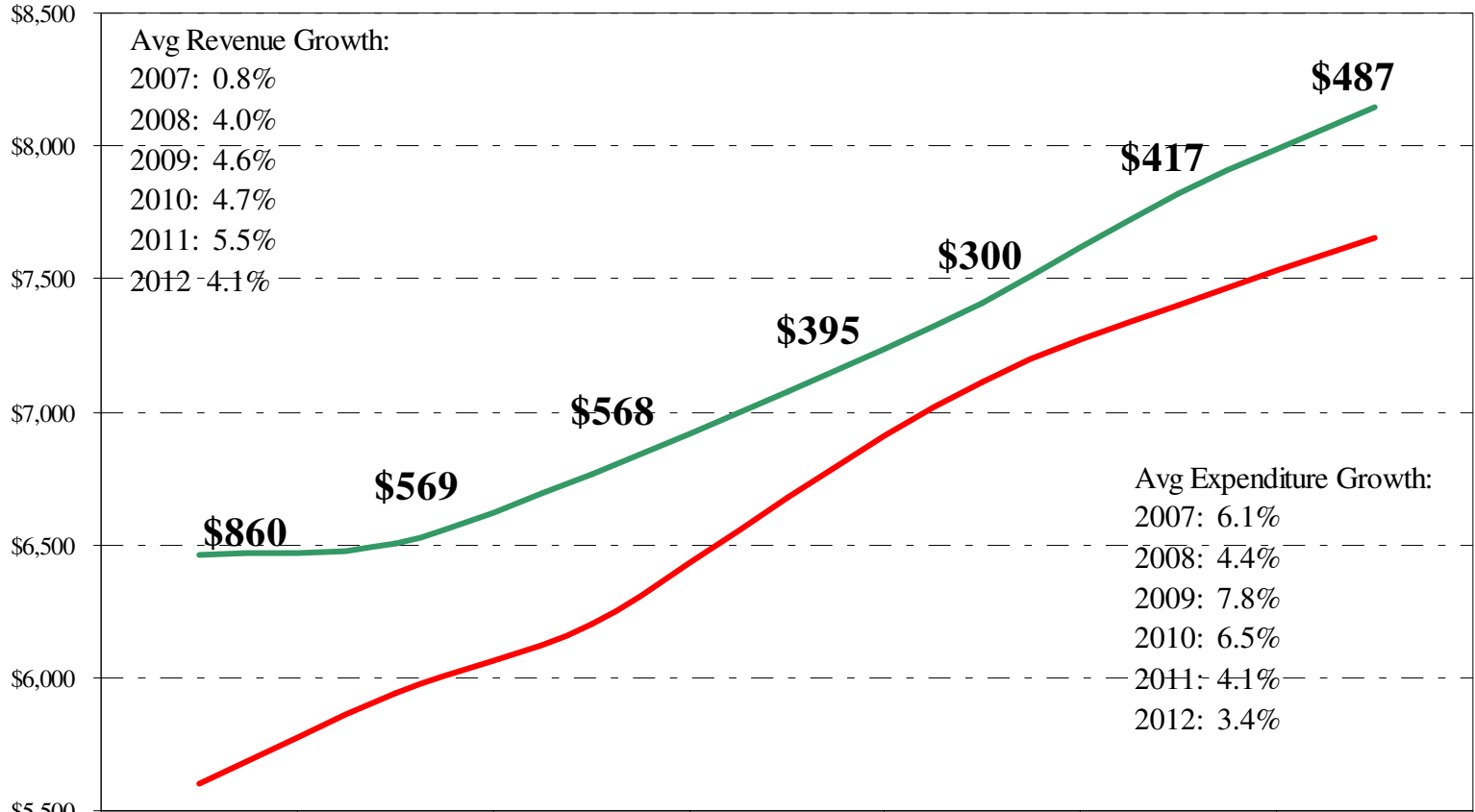
## Construction & Ending Fund Balances

(in thousands)

	2006	2007	2008	2009	2010	2011	2012
<b>Other Financing Sources</b>							
Grants and PWTFL	-	291	-	-	-	-	-
Loan Proceeds	-	-	2,000	3,000	2,300	500	1,220
Transfer from Utility Operating Funds	1,718	3,617	1,252	2,829	3,027	2,250	2,516
<b>Subtotal Other Financing Uses</b>	<b>1,718</b>	<b>3,908</b>	<b>3,252</b>	<b>5,829</b>	<b>5,327</b>	<b>2,750</b>	<b>3,736</b>
<b>Other Financing Uses</b>							
Construction Projects	1,300	4,406	2,374	2,987	2,422	2,921	3,385
Transfer to Construction Funds	1,610	3,511	1,147	2,724	2,923	2,146	2,414
<b>Subtotal Other Financing Uses</b>	<b>2,910</b>	<b>7,917</b>	<b>3,521</b>	<b>5,711</b>	<b>5,345</b>	<b>5,067</b>	<b>5,799</b>
<b>Fund Balances</b>							
Contingency Reserve	250	-	-	-	-	-	-
Reserves (15% of Oper Exp)	933	865	901	986	1,051	1,094	1,131
Designated/Reserved	5,772	2,650	2,912	3,342	3,561	1,612	-
Undesignated/Unreserved	-	-	-	-	-	-	-
<b>Total Ending Fund Balances</b>	<b>\$ 6,955</b>	<b>\$ 3,515</b>	<b>\$ 3,814</b>	<b>\$ 4,328</b>	<b>\$ 4,611</b>	<b>\$ 2,707</b>	<b>\$ 1,131</b>

## City of Mountlake Terrace 6-Year Financial Forecast Utility Funds 2007-2012

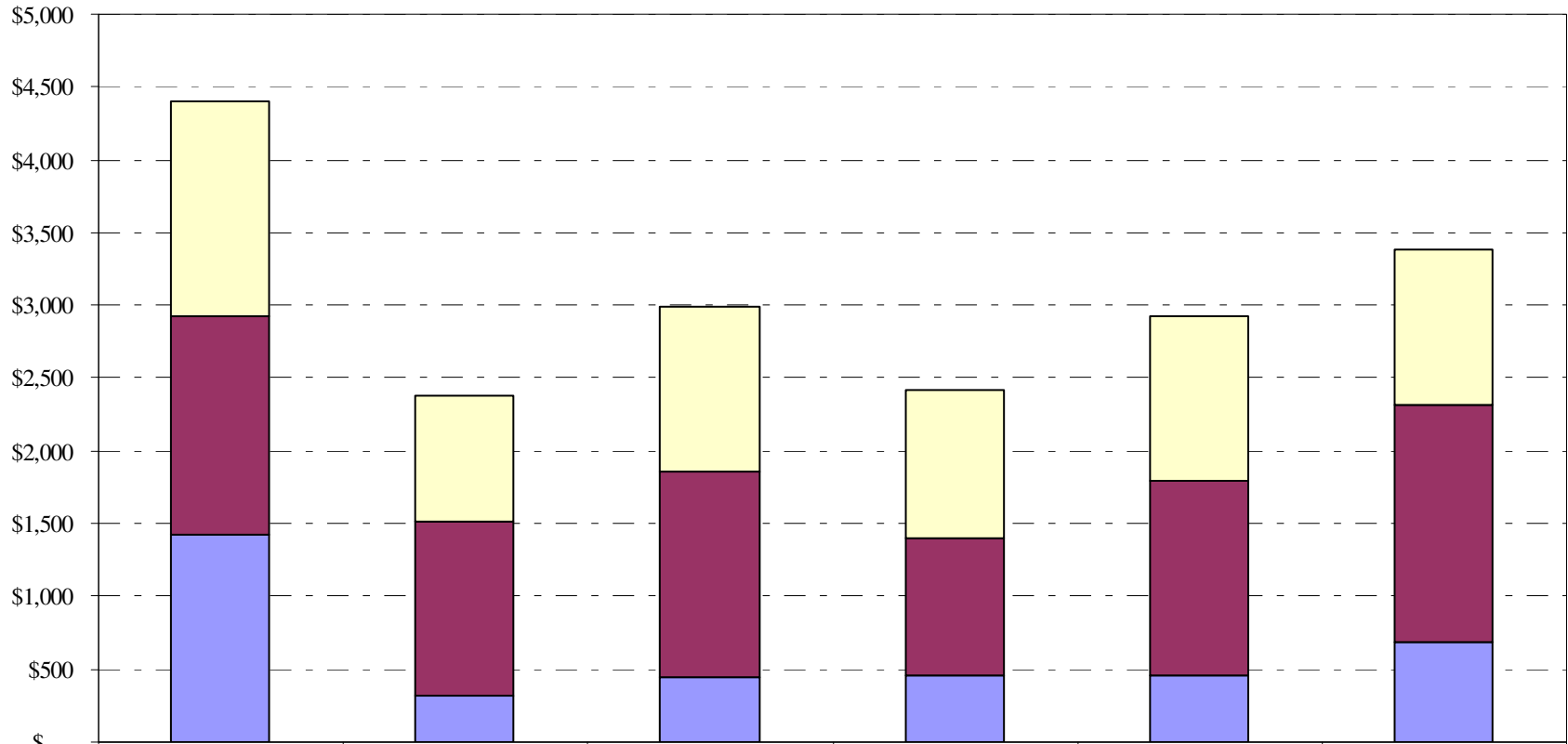
(in thousands)



	2006	2007	2008	2009	2010	2011	2012
Operating Revenues	\$6,458	\$6,508	\$6,767	\$7,075	\$7,411	\$7,820	\$8,144
Operating Expenditures	\$5,598	\$5,939	\$6,199	\$6,680	\$7,111	\$7,403	\$7,657

**City of Mountlake Terrace  
6-Year Financial Forecast  
Utility Construction Projects: \$18.5 million  
2007-2012**

(in thousands)



	2007	2008	2009	2010	2011	2012
□ Sewer	\$1,475	\$857	\$1,133	\$1,024	\$1,133	\$1,066
■ Water	\$1,504	\$1,195	\$1,410	\$940	\$1,330	\$1,631
■ Storm Water	\$1,427	\$322	\$444	\$458	\$458	\$688

# Storm Water Construction

## Projects 2007-2009

- **2007 projects [\$1,426,800]:**
  - Storm Water Comprehensive Plan
  - Lake Ballinger Watershed Partnership Strategy
  - Water Quality Program
  - Install new 8” main in 223<sup>rd</sup> St. SW from 39<sup>th</sup> Ave. W. to 38<sup>th</sup> Ave. W.
  - Replace storm line in the 4600 block between 241<sup>st</sup> St. SW and 243<sup>rd</sup> St. SW
  - Replace storm line in 46<sup>th</sup> Ave. W. between 239<sup>th</sup> St. SW and 240<sup>th</sup> St. SW
  - Reroute storm line at 22306 60<sup>th</sup> Ave. W.
  - Reroute storm line on 238<sup>th</sup> St. SW between 55<sup>th</sup> Ave. W. and 54<sup>th</sup> Ave. W.
  - Repair storm lines as needed for 2007 overlay
- **2008 projects [\$321,331]:**
  - Water Quality Program
  - Replace existing storm outfall to Lyon Creek at 238<sup>th</sup> St. SW
  - Replace existing culvert crossing of Hall Creek at 230<sup>th</sup> St. SW
  - Replace storm line on 228<sup>th</sup> St. SW between 40<sup>th</sup> St. SW and 42<sup>nd</sup> St. SW
  - Repair storm lines as needed for 2008 overlay
  - Construct decant facility (participate with Sewer and Storm Water Funds)
- **2009 Projects [\$444,000]:**
  - Water Quality Program
  - Replace storm line on 56<sup>th</sup> Ave. W. at 244<sup>th</sup> St. SW
  - Replace storm line in the 4600 block between 222<sup>nd</sup> St. SW and 223<sup>rd</sup> Pl. SW
  - Replace storm line on 240<sup>th</sup> St. SW between 45<sup>th</sup> St. SW and 46<sup>th</sup> St. SW
  - Repair storm lines as needed for 2009 overlay

# Storm Water Construction

## Projects 2010-2012

- **2010 Projects [\$458,500]:**
  - Water Quality Program
  - Replace existing culvert on Lyon Creek at 237<sup>th</sup> St. SW
  - Replace storm line on 225<sup>th</sup> St. SW between 67<sup>th</sup> Pl. SW and 68<sup>th</sup> Pl. SW
  - Reroute storm line on 227<sup>th</sup> St. SW between 66<sup>th</sup> St. SW and 64<sup>th</sup> St. SW
  - Reroute storm line on 42<sup>nd</sup> Pl. W. at 221<sup>st</sup> St. SW
  - Repair storm lines as needed for 2010 overlay
- **2011 Projects [\$458,000]:**
  - Water Quality Program
  - Replace culvert outfall to Lyon Creek at 237<sup>th</sup> St. SW
  - Replace storm line in the 23300 block between 56<sup>th</sup> Ave. W. and 58<sup>th</sup> Ave. W.
  - Replace existing storm outfall to Lyon Creek near the Cedar Grove Pump Station in the 3700 block of 225<sup>th</sup> St. SW
  - Repair storm lines as needed for 2011 overlay
- **2012 Projects [\$688,000]:**
  - Water Quality Program
  - Install drainage improvements on 40<sup>th</sup> Ave. W. between 214<sup>th</sup> St. SW and 212<sup>th</sup> St. SW
  - Install new storm line on 218<sup>th</sup> St. SW between 66<sup>th</sup> Ave. W. and 64<sup>th</sup> Ave. W.
  - Replace storm line on 67<sup>th</sup> Pl. W. between 230<sup>th</sup> St. SW and 232<sup>nd</sup> St. SW
  - Replace storm line in the 6600 block between 235<sup>th</sup> St. SW and 236<sup>th</sup> St. SW
  - Repair storm lines as needed for 2011 overlay

# Sewer Construction Projects 2007-2009

- **2007 projects [\$1,475,234]:**
  - Replace 300' of 8" sewer & support piling at City's golf course.
  - Replace 150' feet of 6" sewer near 223<sup>rd</sup> & 37<sup>th</sup>
  - Fill abandoned sewer in 220<sup>th</sup>, west of 70<sup>th</sup>
  - Relocate lateral at 5700 block of 212<sup>th</sup> Street
  - Install manhole east of 48<sup>th</sup>, near 225<sup>th</sup>
  - Replace 400' of 6" & 8" sewer near 64<sup>th</sup> & 235<sup>th</sup>, and
  - Replace 175' of 8" sewer and lateral in 47<sup>th</sup>, north of 232<sup>nd</sup>.
- **2008 projects [\$856,869]:**
  - Replace 75 feet of 8" sewer at 229<sup>th</sup> & Cedar Way, (prior to overlay)
  - Install manhole west of 48<sup>th</sup>, near 225<sup>th</sup>
  - Reline sewer mid-block between 37<sup>th</sup> and 38<sup>th</sup>, from 220<sup>th</sup> to 223<sup>rd</sup>
  - Reline sewer mid-block between 38<sup>th</sup> and 39<sup>th</sup>, from 220<sup>th</sup> to 223<sup>rd</sup>
  - Reline sewer in 220<sup>th</sup> Place from 36<sup>th</sup> to 39<sup>th</sup>, and
  - Reline sewer northeasterly of 44<sup>th</sup> & 228<sup>th</sup>
  - Construct decant facility (participate with Water and Storm Water Funds)
- **2009 Projects [\$1,132,300]:**
  - Replace 125' of 8" sewer west of 42<sup>nd</sup> & 230<sup>th</sup>
  - Jack to install parallel trunk sewer 236<sup>th</sup> to 239<sup>th</sup>, east of 48<sup>th</sup>
  - Jack to install parallel trunk sewer 241<sup>st</sup> to 243<sup>rd</sup>, west of 48<sup>th</sup>

# Sewer Construction Projects 2010-2012

- **2010 Projects [\$1,024,100]:**
  - Replace 50' of 8" sewer from 236<sup>th</sup> at Creekside to Brier trunk line
  - Replace 500' of 8" sewer on 233<sup>rd</sup> alignment between 56<sup>th</sup> & 58<sup>th</sup> (Town Center)
  - Replace 550' of 8" sewer in 228<sup>th</sup>, 44<sup>th</sup> to 46<sup>th</sup>
  - Replace 300' of 8" sewer in 66<sup>th</sup> & easement, south of 220<sup>th</sup>
  - Develop plan & acquire easements to provide access to sewer between 217<sup>th</sup> & 219<sup>th</sup>, west of 48<sup>th</sup>
  - Develop plan & acquire easements to provide access to sewer on 64<sup>th</sup> alignment between 213<sup>th</sup> & 216<sup>th</sup>
- **2011 Projects [\$1,133,469]:**
  - Replace to upsize 700' of 10" sewer in 223<sup>rd</sup>, 44<sup>th</sup> to 45<sup>th</sup> and in 44<sup>th</sup>, 223<sup>rd</sup> to 224<sup>th</sup> (in advance of overlay)
  - Replace to upsize 200' of 10" sewer on 224<sup>th</sup> alignment in Terrace Creek Park
  - Replace & pipe burst to upsize 700' of 15" in Traction R/W, 226<sup>th</sup> to 228<sup>th</sup>, and in 228<sup>th</sup> from Traction R/W to 72<sup>nd</sup>
- **2012 Projects [\$1,066,270]:**
  - Replace 400' of 8" sewer on 50<sup>th</sup> alignment, south of 216<sup>th</sup>
  - Replace 175' of 8" sewer east of 66<sup>th</sup>, north of 235<sup>th</sup>
  - Replace 300' of 8" sewer in 238<sup>th</sup>, east of 46<sup>th</sup>
  - Reline old concrete sewer identified by video inspection

# Water Construction Projects 2007-2012

- **2007 projects [\$1,195,169]:**
  - Install 12” main in 65<sup>th</sup>/66<sup>th</sup>, from 232<sup>nd</sup> to 236<sup>th</sup> (prior to overlay)
  - Install 8” main from 56<sup>th</sup> & 214<sup>th</sup> to Maple Glen Apts.
  - Replace water services in Andora and Lake Side Apts.
- **2008 projects [\$1,195,169]:**
  - Replace 12” steel main in 52<sup>nd</sup>, from 212<sup>th</sup> to 220<sup>th</sup>, (prior to overlay)
  - Construct decant facility (participate with Sewer and Storm Water Funds)
- **2009 Projects [\$1,410,400]:**
  - Replace 12” steel main in 228<sup>th</sup>, from 39<sup>th</sup> to 44<sup>th</sup>, (prior to overlay)
  - Install 12” main Cedar Way, from 228<sup>th</sup> to 234<sup>th</sup>, (prior to overlay)
- **2010 Projects [\$940,300]:**
  - Install 8” main in 219<sup>th</sup>/48<sup>th</sup>/222<sup>nd</sup> from 49<sup>th</sup> to 222<sup>nd</sup>, (prior to overlay)
  - Install 12” main in 230<sup>th</sup>, from 56<sup>th</sup> to 61<sup>st</sup>,
  - Install 8” main in Village Apts., west of 50<sup>th</sup>, south of 212<sup>th</sup>
- **2011 Projects [\$1,330,431]:**
  - Recoat 2.5 MG Reservoir
  - Install “vulnerability improvements” (lighting, locks, generator)
- **2012 Projects [\$1,631,400]:**
  - Replace steel main in 219<sup>th</sup>, west of 58<sup>th</sup>
  - Replace steel main in 54<sup>th</sup>/216<sup>th</sup>, from 56<sup>th</sup> to Maple Glen Apts.
  - Replace steel main in 67<sup>th</sup>, north of 232<sup>nd</sup>
  - Replace steel main in 232<sup>nd</sup> from 66<sup>th</sup> to 67<sup>th</sup>

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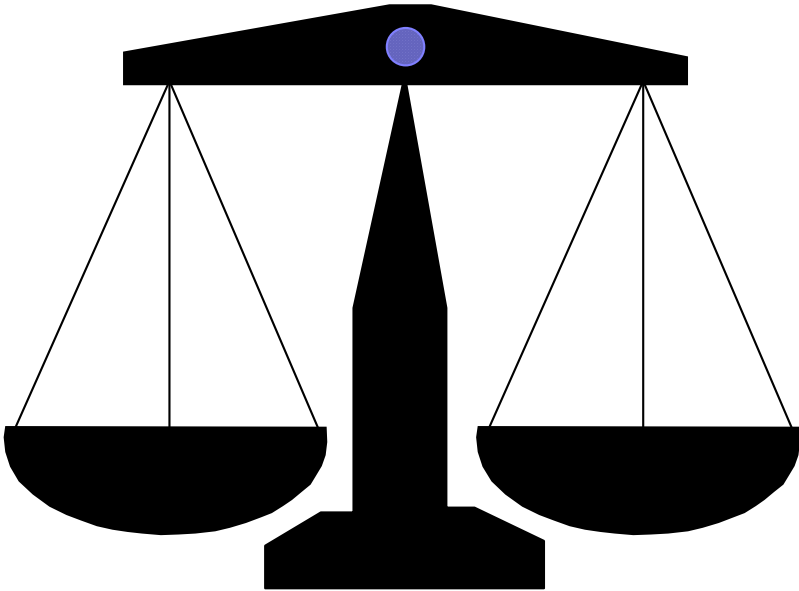
# Conclusion

- **Balanced budget**
- **Aggressive and Proactive Capital Improvement Plan**
  - \$30.7 mil: General Government (Streets, Parks, Recreation, IT, Police, etc)
  - \$18.5 mil: Utility Construction (Storm Water, Sewer & Water)
- **Strong Reserves**
  - 2% contingency
  - 5% general fund reserve
  - Strategic Reserve
  - Equipment reserve
  - Accumulated Leave Reserve
  - Operating reserve equal to 15% of operating expenditures in all utilities



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# Q & A



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