



**CITY OF STANWOOD  
2017-2018 BUDGET**

# **City of Stanwood 2017-2018 Budget Summary**





**CITY OF STANWOOD  
2017-2018 BUDGET**

# **City of Stanwood Washington**

## **2017-2018 ADOPTED ANNUAL BUDGET**

**Prepared By:  
Administration & Finance Departments**

### **Elected Officials**

<b>Leonard Kelley</b>	<b>Mayor</b>
<b>Rob Johnson</b>	<b>Councilmember</b>
<b>Arne Wennerberg</b>	<b>Councilmember</b>
<b>Elizabeth Callaghan</b>	<b>Councilmember</b>
<b>Tim Pearce</b>	<b>Councilmember</b>
<b>Larry Sather</b>	<b>Councilmember</b>
<b>Conrad Ryer</b>	<b>Councilmember</b>
<b>Dottie Gorsuch</b>	<b>Councilmember</b>

### **Administration**

<b>Deborah Knight</b>	<b>City Administrator</b>
<b>David A. Hammond, CPA</b>	<b>Finance Director</b>
<b>Kevin Hushagen</b>	<b>Public Works Director</b>
<b>Ryan Larsen</b>	<b>Community Development Director</b>
<b>Norm Link</b>	<b>Contract Police Chief</b>
<b>John Cermak</b>	<b>Contract Fire Chief</b>
<b>Grant Weed</b>	<b>Contract City Attorney</b>

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# City of Stanwood

## 2017-2018 Budget

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**CITY OF STANWOOD  
Stanwood, Washington**

**ORDINANCE 1428**

**AN ORDINANCE ADOPTING A BUDGET FOR THE CITY OF STANWOOD, WASHINGTON, FOR THE YEARS 2017 AND 2018, AND SETTING FORTH IN SUMMARY FORM THE TOTALS OF ESTIMATED REVENUES AND APPROPRIATIONS FOR EACH SEPARATE FUND AND THE AGGREGATE TOTALS FOR ALL SUCH FUNDS COMBINED.**

**WHEREAS**, State Law, Chapter 35A.34 RCW has provided that the legislative body of any city of the first and second classes and all towns may by ordinance elect to have a two-year fiscal biennium budget in lieu of the annual budget which is otherwise provided for; and

**WHEREAS**, State Law, Chapter 35A.11.020 RCW has provided that the legislative body of each code city shall have all powers possible for a city or town to have under the Constitution of this state, and not specifically denied to code cities by law; and

**WHEREAS**, pursuant to State Law, Chapter 35A.34 RCW, the City of Stanwood, as a code city, is authorized to adopt a two year biennium budget; and

**WHEREAS**, on July 25, 2013 the City Council adopted Ordinance 1348 establishing a two-year biennium budget for the City of Stanwood for the 2 year budget period beginning January 1, 2015.

**WHEREAS**, State law requires that the City adopt a biennial budget before the end of the preceding calendar year; and

**WHEREAS**, the Mayor has recommended a budget as provided by law; and

**WHEREAS**, the City Council has held public workshops in preparation of the budget for the years 2017 and 2018; and

**WHEREAS**, as required by law, on November 21, 2016, the City Council has held public hearings and provided opportunity for public testimony on the budget for 2017 and 2018;

**NOW THEREFORE**, the City Council of the City of Stanwood, Washington do ordain as follows:

Section 1. In accordance with the provisions of Chapter 35A.34 RCW the budget of the City of Stanwood for the year 2017 in the aggregate amount of \$16,216,351 is hereby adopted.

Section 2. In accordance with the provisions of Chapter 35A.34 RCW the budget of the City of Stanwood for the year 2018 in the aggregate amount of \$16,213,255 is hereby adopted.

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Section 3. The totals of budgeted revenues and appropriations for each separate fund are set forth in summary form for 2017 as follows:

		2017 Est	2017	2017	2017 Est
		Beginning	Estimated	Proposed	Ending
Fund	Fund Title	Fund Balance	Revenues	Expenditures	Fund Balance
001	General	\$ 2,124,036	\$ 5,715,772	\$ 5,882,537	\$ 1,957,271
101	Street	\$ 154,264	\$ 382,796	\$ 365,155	\$ 171,905
102	Street Impact Fees	\$ 618,785	\$ 70,960	\$ 350,000	\$ 339,745
103	Street Construction	\$ 182,727	\$ 2,230,695	\$ 2,280,595	\$ 132,827
104	Park Improvement	\$ 120,496	\$ 156,250	\$ 260,000	\$ 16,746
105	Fire Impact Fees	\$ 62,280	\$ 4,000	\$ -	\$ 66,280
106	Park Impact Fees	\$ 29,500	\$ 12,916	\$ -	\$ 42,416
107	Equipment Reserve	\$ 7,699	\$ 100	\$ 6,000	\$ 1,799
108	Transportation Sales Tax	\$ 507,677	\$ 293,900	\$ 184,777	\$ 616,800
109	Contingency	\$ 271,712	\$ 11,500	\$ -	\$ 283,212
110	Building Improvement	\$ 321,057	\$ 302,000	\$ 475,000	\$ 148,057
120	REET 1 - Capital	\$ 213,404	\$ 60,500	\$ -	\$ 273,904
121	REET 2 - Growth	\$ 641,750	\$ 60,500	\$ 150,000	\$ 552,250
203	LID Guarantee	\$ -	\$ -	\$ -	\$ -
205	Debt Service	\$ 55,828	\$ 199,000	\$ 199,000	\$ 55,828
207	LID 92-1 DSF	\$ -	\$ -	\$ -	\$ -
305	Construction Fund	\$ -	\$ -	\$ -	\$ -
401	Sewer	\$ 889,230	\$ 1,759,206	\$ 1,668,441	\$ 979,995
403	Sewer Construction	\$ 2,388,892	\$ 112,140	\$ 1,090,000	\$ 1,411,032
405	Sewer Plant Invest Fees	\$ 716,256	\$ 129,770	\$ 97,140	\$ 748,886
410	Drainage	\$ 171,902	\$ 450,700	\$ 391,980	\$ 230,622
411	Drainage Construction	\$ 184,576	\$ 524,250	\$ 505,000	\$ 203,826
412	Drainage Plant Invest Fees	\$ 29,028	\$ 16,140	\$ 30,000	\$ 15,168
421	Water	\$ 404,072	\$ 1,768,067	\$ 1,742,346	\$ 429,793
422	Water Construction	\$ 250,000	\$ 117,850	\$ 160,000	\$ 207,850
423	Cedarhome Plant Invest Fe	\$ 69,798	\$ 10,580	\$ 10,580	\$ 69,798
424	Water Plant Invest Fees	\$ 61,376	\$ 106,100	\$ 105,600	\$ 61,876
435	Utility Deposits	\$ -	\$ -	\$ -	\$ -
451	Water Bond Reserve	\$ 222,713	\$ 214,200	\$ 212,200	\$ 224,713
452	Sewer Bond Reserve	\$ 471,684	\$ 1,000	\$ -	\$ 472,684
457	Sewer Equipment Reserve	\$ 239,790	\$ 21,000	\$ 40,000	\$ 220,790
458	Drainage Equipment Reser	\$ 95,297	\$ 10,200	\$ 10,000	\$ 95,497
459	Water Equipment Reserve	\$ 60,701	\$ 5,100	\$ -	\$ 65,801
630	Suspense	\$ 6,184	\$ -	\$ -	\$ 6,184
660	Cash Accounts	\$ 500	\$ -	\$ -	\$ 500
	Totals	\$ 11,573,214	\$ 14,747,192	\$ 16,216,351	\$ 10,104,055

Section 4. The totals of budgeted revenues and appropriations for each separate fund are set forth in summary form for 2018 as follows:

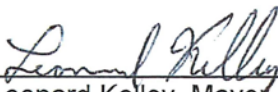
Fund	Fund Title	2018 Est Beginning Fund Balance	2018 Estimated Revenues	2018 Proposed Expenditures	2018 Est Ending Fund Balance
001	General	\$ 1,957,271	\$ 5,860,236	\$ 6,183,078	\$ 1,634,429
101	Street	\$ 171,905	\$ 392,249	\$ 374,420	\$ 189,734
102	Street Impact Fees	\$ 339,745	\$ 78,006	\$ 125,000	\$ 292,751
103	Street Construction	\$ 132,827	\$ 625,100	\$ 725,000	\$ 32,927
104	Park Improvement	\$ 16,746	\$ 2,355,250	\$ 2,330,000	\$ 41,996
105	Fire Impact Fees	\$ 66,280	\$ 4,400	\$ -	\$ 70,680
106	Park Impact Fees	\$ 42,416	\$ 14,248	\$ -	\$ 56,664
107	Equipment Reserve	\$ 1,799	\$ 100	\$ -	\$ 1,899
108	Transportation Sales tax	\$ 616,800	\$ 293,900	\$ 19,215	\$ 891,485
109	Contingency	\$ 283,212	\$ 11,500	\$ -	\$ 294,712
110	Building Improvement	\$ 148,057	\$ 2,000	\$ -	\$ 150,057
120	REET 1 - Capital	\$ 273,904	\$ 60,500	\$ 250,000	\$ 84,404
121	REET 2 - Growth	\$ 552,250	\$ 60,500	\$ 255,000	\$ 357,750
203	LID Guarantee	\$ -	\$ -	\$ -	\$ -
205	Debt Service	\$ 55,828	\$ 195,700	\$ 198,450	\$ 53,078
207	LID 92-1 DSF	\$ -	\$ -	\$ -	\$ -
305	Construction Fund	\$ -	\$ -	\$ -	\$ -
401	Sewer	\$ 979,995	\$ 1,794,411	\$ 1,722,598	\$ 1,051,808
403	Sewer Construction	\$ 1,411,032	\$ 158,472	\$ 915,000	\$ 654,504
405	Sewer Plant Invest Fees	\$ 748,886	\$ 142,722	\$ 142,472	\$ 749,136
410	Drainage	\$ 230,622	\$ 450,700	\$ 401,925	\$ 279,397
411	Drainage Construction	\$ 203,826	\$ 274,650	\$ 315,000	\$ 163,476
412	Drainage Plant Invest Fees	\$ 15,168	\$ 17,744	\$ 20,000	\$ 12,912
421	Water	\$ 429,793	\$ 1,850,230	\$ 1,731,957	\$ 548,066
422	Water Construction	\$ 207,850	\$ 129,610	\$ 115,000	\$ 222,460
423	Cedarhome Plant Invest Fe	\$ 69,798	\$ 10,580	\$ 10,580	\$ 69,798
424	Water Plant Invest Fees	\$ 61,876	\$ 116,660	\$ 116,160	\$ 62,376
435	Utility Deposits	\$ -	\$ -	\$ -	\$ -
451	Water Bond Reserve	\$ 224,713	\$ 211,200	\$ 212,200	\$ 223,713
452	Sewer Bond Reserve	\$ 472,684	\$ 1,000	\$ -	\$ 473,684
457	Sewer Equipment Reserve	\$ 220,790	\$ 41,000	\$ 40,000	\$ 221,790
458	Drainage Equipment Reser	\$ 95,497	\$ 10,200	\$ 10,200	\$ 95,497
459	Water Equipment Reserve	\$ 65,801	\$ 5,100	\$ -	\$ 70,901
630	Suspense	\$ 6,184	\$ -	\$ -	\$ 6,184
660	Cash Accounts	\$ 500	\$ -	\$ -	\$ 500

Section 5. Following adoption of this ordinance a copy shall be transmitted to the Office of the State Auditor, the Association of Washington Cities and the Municipal Research Services Center.

Section 6. Effective Date. This ordinance shall take effect and be in force January 1, 2017.

**ADOPTED** by the City Council and **APPROVED** by the Mayor this 8th day of December, 2016.

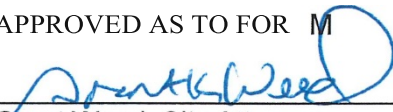
CITY OF STANWOOD

  
\_\_\_\_\_  
Leonard Kelley, Mayor

ATTEST:

  
\_\_\_\_\_  
Deborah Knight, Interim City Clerk

APPROVED AS TO FORM

  
\_\_\_\_\_  
Grant Weed, City Attorney

Publication Date: December 12, 2016

Effective Date: January 1, 2017

# **A Message from the Mayor**







I am pleased to submit the 2017-2018 Biennial Budget. The biennial budget supports the work the community has done over the past two years to improve the city’s park and trail system, grow the local economy, draw visitors from around the region, and maintains taxpayer owned assets. I am looking forward to working with the city council, city staff, residents and business owners to continue building Stanwood as a great place to live, work and play.

*Leonard Kelley*

## What does this budget accomplish?

This budget has a particular focus on investments and improvements to attract and retain young families. We have a great start with the opening of the new YMCA in September of this year. The city played a supporting role in bringing the YMCA to Stanwood. In 2015, the city agreed to waive up to \$50,000 in permit fees for the facility. In return, the YMCA agreed to organize adult softball and other sports leagues at Heritage Park for five years beginning in 2017. The new adult leagues are scheduled to begin next spring. The agreement also opens the YMCA pool to non-members several times per year.

This is just one example of the partnerships the city is forming with businesses and non-profits to make Stanwood a great place to live. Below are some key issues we will be working on in 2017 and 2018.

**Vision**  
 CREATE A FAMILY-ORIENTED COMMUNITY WITH GREAT PARKS AND RECREATION ACTIVITIES, FUN YEAR-ROUND EVENTS FOR RESIDENTS AND VISITORS AND A DIVERSE ECONOMY

**Parks and Trail Improvements.** In 2014, the city purchased Ovenell Park and Hamilton Landing to provide community access to the Stillaguamish River, Port Susan Bay and Skagit Bay. The city spent the last two years gathering data about the properties including condition of the structures, wetlands and critical areas, and access alternatives.

In 2015, the city hired local consultant, Theresa Metzger to facilitate meetings with community members to develop conceptual plans for the parks. The conceptual plans for Hamilton and Ovenell were adopted in mid-2016. The next phase of city’s park plan is to prioritize improvements at all city parks and evaluate funding options in 2017. The city council approved forming a Parks and Trails Advisory Committee to assist in this effort. The goal is to craft a plan to fund needed park and trail improvements. Ideally, we will have a funding plan in place by the end of 2017 that will lead to visible changes to our park and trail systems in 2018 and beyond.

The Parks and Trails Committee is also charged with recommending bike, sidewalk and trail priorities. The city completed and adopted its first Non-motorized Trail Plan in 2016. There is funding in the 2017 and 2018 budgets to install signs to identify existing trails and close gaps in the city’s trail and sidewalk system. The city’s first bike lanes may be created along 271<sup>st</sup> Street in 2017. The next phase will hopefully improve connections between the neighborhoods in East Stanwood and downtown.

**Economic Development.** There have been significant commercial investments in Stanwood in 2016 – the Grocery Outlet and Petco building opened in June. The YMCA cut the ribbon on its new facility in September. Each of these developments was 10-years in the making. We are planning the next 10 years today. The effort begins with the city’s 20-year plan and zoning code. There are some changes planned to help make Stanwood an attractive place to build quality housing, open a new business or expand an existing enterprise. At city hall we are focused on helping business owners be successful while building a city we can be proud of. Key initiatives in 2017 and 2018 include:

- Completing the hotel/motel study in partnership with the Stanwood Chamber of Commerce.
- Review uses within each zoning district and update the Traditional Neighborhood Zone to attract new housing and commercial development to Stanwood.
- Constructing Viking Way to connect 88<sup>th</sup> Ave NW to 94<sup>th</sup> Ave NW to encourage new development between Rite Aid and QFC.
- Building a bike and pedestrian berm on SR532 and preserving farmland to protect the city from flooding and the potential for sea-level rise.

**Tourism Promotion and Marketing.** The city’s 2010 Economic Development Plan recommended promoting Stanwood as a tourist destination. In 2014, the city led an effort to create a regional brand, “Discover Port Susan” encompassing Silvana, Kayak Point, Warm Beach, Stanwood, Camano Island and Conway. The city published the first 15,000 copies of the “Discover Port Susan” magazine in 2014. That same year I started the city’s first summer concert series designed to bring world-class entertainment to downtown Stanwood on Saturday afternoons throughout the summer. Since then we’ve added several family events including Touch-a-Truck in the spring, Movies at Church Creek Park during the summer and our annual holiday events in November and December. This year we launched our visitor information website - [discoverportsusan.com](http://discoverportsusan.com). In 2017 and 2018, the city has earmarked \$50,500 to continue to publish the *Discover Port Susan* Magazine, bring more visitors to our area, and grow our popular family-friendly activities.

**Financial sustainability.** The city council is always looking for new ways to ensure the city’s finances are secure and sustainable. In 2015, Stanwood residents voted in favor of a levy lid lift to support police and fire services. The levy lid lift is expected to raise an additional \$105,329 in property tax revenue in 2017 and \$114,330 in 2018. Even with the lid lift, property taxes and sales taxes are not covering public safety costs. The 2017 and 2018 budgets are using \$160,000 in beginning fund balances (money in “savings”) to pay for police, fire, and Emergency Medical Services. The city council is committed to evaluating the public safety contracts and look for ways to bring costs into alignment with available revenues.

Since I became Mayor in 2014, we have leveraged limited tax dollars to repave and repair numerous roadways. The Street Fund is finally healthy. The budget dedicates \$401,495 in property taxes over two-years for street maintenance. We continue to aggressively pursue grant money. The 2017 budget includes \$2.9 million in secured grants. The 2018 budget anticipates \$8.9 million in grants for street and park projects. We are working to use city staff to save money by doing more small construction and repair projects in-house. We are continuing our efforts to maintain taxpayer owned assets. Since 2012 we have made much needed repairs to City Hall, the Stanwood Library, Police Station and Fire Station 99. In 2017 the city will paint the interior and exterior of the fire station. The building is 10 years old. Scheduled maintenance is important to ensure the building will last well into the future.

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## **Budget Themes**

The biennial budget is a time for the city to consider how to align proposed expenditures with the city council adopted budget themes and initiatives. In July, the city council adopted five budget themes. The Budget Themes will guide the city's overall investments for the next 2-4 years.

1. **Public Safety** – continue to evaluate contracts for police and fire services. Invest in emergency preparedness. Use technology to increase public safety by leveraging limited tax dollars.
2. **Economic Development** – Invest in public infrastructure to spur private development. Ensure that building and zoning codes align with desired use to attract new development. Support a marketing campaign to attract new businesses and residents to Stanwood.
3. **Park and Recreation Assets** – Continue public and private investment in park and recreation facilities. Improve recreation facilities to support economic development. Develop parks, trails and opens spaces that connect Stanwood's neighborhoods. Increase public access to the water. Preserve natural resources and protect farmland surrounding the city.
4. **Municipal Facilities** – Maintain taxpayer owned assets. Seek opportunities to remodel and/or reuse existing facilities to efficiently serve customers. Evaluate alternatives to flood proof or relocate essential public facilities in the floodplain.
5. **Financial Stability** – Match one-time revenues with one-time expenses. Look for opportunities to reduce expenditures. Ensure rates for services and impact fees cover an appropriate portion of service costs.

## **What policies have changed?**

The city council considered several policy questions during budget discussions:

1. Approved increasing drainage utility rates for commercial and multi-family properties to fund operations and capital improvements effective January 1, 2017. The last drainage utility rate increase was approved in 2008.
  2. Approved charging utility customers the State Public Utility Tax and State Business and Occupation tax for water, sewer and drainage services to fund capital improvements effective January 1, 2017.
  3. Reduced transfers from water, sewer and drainage utilities to equipment replacement to fund capital projects.
  4. Approved allocating \$6,635 (\$1/capita) in 2017 to help fund the Snohomish Health District
  5. Disapproved allocating \$50,000 to install air conditioning at city hall.
-

## Budget by the Numbers

The 2-year budget has a beginning fund balance (all funds) of \$11,573,214 in 2017. The city anticipates collecting approximately \$14.7 million in revenue and spending \$16.2 million in 2017. This includes grant funding and beginning balances in revenue funds such as Real Estate Excise Tax and Impact Fee accounts. In 2018, the beginning fund balance is \$10,104,055. The city anticipates receiving \$15.1 million in revenue and spending \$16.2 million. The ending fund balance is \$9,058,768.

Table 1 – 2017-2018 Budget Overview (all funds)

	2017	2018
Est. Beginning Balance	\$11,573,214	\$10,104,055
Estimated Revenues	\$14,747,192	\$15,167,968
Proposed Expenditures	\$16,216,351	\$16,213,255
Ending Fund Balance	\$10,104,055	\$9,058,768

## General Fund

The General Fund collects property tax, sales tax, and permit fees for general governmental services including community development, parks, and public safety. In 2015, the voters approved a levy lid lift for public safety. This raised the levy or “mil” rate for 2017 to \$3.10/\$1,000 of assessed value – the maximum allowed by state law. The money will be used to fund the city’s police and fire service contracts.

Charges for Service include zoning and building permit revenues. Permit revenues are the most volatile and least predictable revenue source in the General Fund. The General Fund is built on the assumption the city will process 20 single family residential permits in 2017 and 22 residential permits in 2018. No commercial permits are expected in either year. Permit revenue is used to off-set expenses to process permits.

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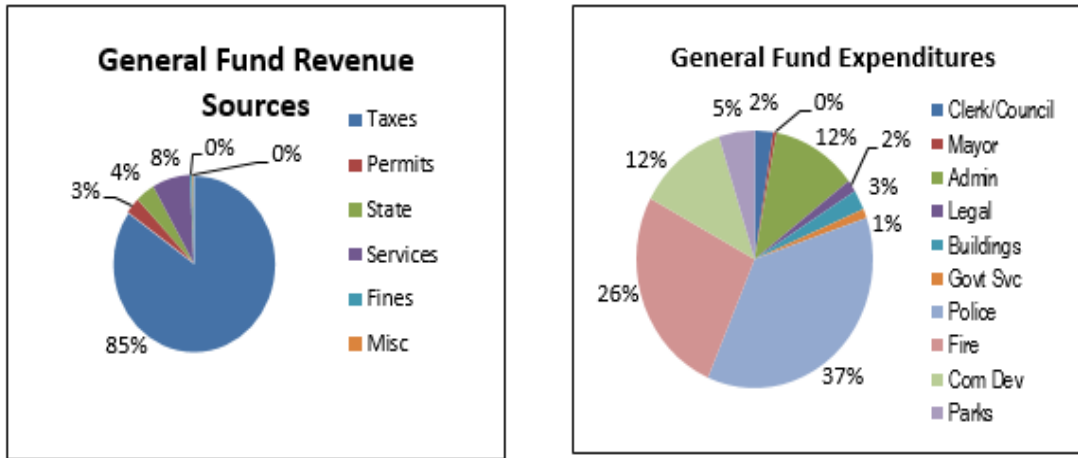
**Table 2 – General Fund Revenues**

	2015	2016	2017	2018
	Actual	Budget	Budget	Budget
Beginning Balance	\$ 1,704,200	\$ 2,077,495	\$ 2,124,036	\$ 1,957,271
Taxes	\$ 4,711,513	\$ 4,599,600	\$ 4,849,497	\$ 4,994,686
Licenses and permits	\$ 232,272	\$ 178,000	\$ 167,025	\$ 171,504
State Shared Revenue	\$ 205,540	\$ 214,900	\$ 223,400	\$ 225,280
Charges for Service	\$ 662,403	\$ 524,042	\$ 435,300	\$ 428,100
Fines and Forfeitures	\$ 26,442	\$ 34,650	\$ 30,500	\$ 30,500
Misc Revenues	\$ 25,560	\$ 9,300	\$ 10,050	\$ 10,065
Non Revenues	\$ 1,469	\$ -	\$ -	\$ -
Other Revenues	\$ 425	\$ -	\$ -	\$ 100
<b>Total</b>	<b>\$ 7,569,824</b>	<b>\$ 7,637,987</b>	<b>\$ 7,839,808</b>	<b>\$ 7,817,506</b>

**Table 3 – General Fund Expenses**

	2015	2016	2017	2018
	Actual	Budget	Budget	Budget
Clerk/Council	\$ 126,224	\$ 159,416	\$ 151,580	\$ 168,610
Court/Public Defense	\$ 28,297	\$ 39,000	\$ 39,000	\$ 39,000
Mayor	\$ 21,023	\$ 28,700	\$ 26,120	\$ 26,640
Finance	\$ 571,191	\$ 650,109	\$ 663,118	\$ 719,205
Legal Services	\$ 75,838	\$ 85,000	\$ 86,820	\$ 88,690
Building and Grounds	\$ 103,928	\$ 162,775	\$ 148,710	\$ 147,045
General Government	\$ 60,847	\$ 62,400	\$ 65,787	\$ 68,803
Law Enforcement	\$ 1,871,643	\$ 1,987,555	\$ 2,004,535	\$ 2,064,278
Fire	\$ 1,293,602	\$ 1,289,400	\$ 1,498,479	\$ 1,679,600
Jail	\$ 48,036	\$ 86,000	\$ 86,000	\$ 86,000
Emergency Services	\$ 7,537	\$ 7,920	\$ 8,145	\$ 8,370
Tourism Promotion	\$ 1,609	\$ -	\$ 50,500	\$ 50,500
Community Developmnet	\$ 632,599	\$ 649,939	\$ 649,710	\$ 640,370
Liquor Board Tax	\$ 1,495	\$ 1,400	\$ 1,500	\$ 1,510
Library	\$ 325,314	\$ 12,000	\$ 14,000	\$ 14,000
Parks	\$ 179,400	\$ 251,781	\$ 278,195	\$ 270,120
Machinery/Equipment	\$ 25,409	\$ -	\$ -	\$ -
Transfers to Streets/ Contingency and Water Fund	\$ 118,337	\$ 110,337	\$ 110,337	\$ 110,337
<b>Total Expenditures</b>	<b>\$ 5,492,329</b>	<b>\$ 5,583,732</b>	<b>\$ 5,882,536</b>	<b>\$ 6,183,078</b>

Figure 1 2017-2018 General Fund Sources of Revenue and Expenditures



## Enterprise Funds

The city manages three utilities or “enterprise funds” – water, sewer and drainage. Revenue collected from rate payers must be sufficient to fund personnel, operations and capital improvements. The city council approved several changes to utility rates for 2017 and 2018. First, the city council has previously adopted annual rate increases in water (5%) and sewer (3.5%) effective 2014-2019.

Next year’s water, sewer and drainage rates will also include new charges for the State Public Utility Tax for water (5.029%) and sewerage collection (3.852%) and a 1.5% Business and Occupation (B&O) Tax for drainage. The money raised by the state public utility and B&O tax will be used to repair and replace aging water and sewer infrastructure.

Table 4 – Drainage Rates Effective January 1, 2017

Drainage Utility Rate Class Per Unit	Monthly Rates 2008-2016	Monthly Rates Effective 2017
Residential	\$12.25	\$12.25
Multi-family, per unit	\$6.10	\$9.45
Businesses < 2 units	\$18.30	\$25.40
Businesses > 2 units per unit	\$6.10	\$8.45
Improved Land, per 20,000 SF	\$12.25	\$25.40
<b>Revenue from Rates</b>	<b>\$415,317</b>	<b>\$480,142</b>

The city council also passed the first Drainage Utility rate increase since 2008. The rate increase is based on the original study done by HDR Engineering in 2006. The new rates were one of two options presented to the city council. One of the goals of the new rates is to ensure that commercial and multi-family properties are covering their share of the total cost of operating the Drainage Utility.

Rate studies for water, sewer and drainage are included in the 2018 budget.

**Table 5 -- 2017-2018 Water and Sewer Funds**

<b>Water Revenues</b>	<b>2017</b>	<b>2018</b>
Beginning Balance	\$404,072	\$429,793
Rates	\$1,650,250	\$1,732,413
Miscellaneous	\$41,900	\$41,900
Transfers	\$75,917	\$75,917
<b>Total Rev</b>	<b>\$1,768,067</b>	<b>\$1,850,230</b>
Expenditures		
Salaries/Benefits	\$569,720	\$592,875
Operations	\$603,625	\$574,192
Bond Payments	\$326,801	\$325,242
Equipment	\$25,000	\$25,000
Transfers	\$217,200	\$214,200
<b>Total Expenditures</b>	<b>\$1,742,346</b>	<b>\$1,731,957</b>
Single Family Residential Water Rates	\$25.59	\$26.87

<b>Sewer Revenues</b>	<b>2017</b>	<b>2018</b>
Beginning Balance	\$889,230	\$979,995
Rates	\$1,753,360	\$1,788,507
Miscellaneous	\$5,845	\$5,904
<b>Total Revenues</b>	<b>\$1,759,206</b>	<b>\$1,794,411</b>
Expenditures		
Salaries/Benefits	\$482,680	\$501,585
Operations	\$95,750	\$407,090
Interfund Payments	\$67,718	\$172,162
Bond Payments	\$577,296	\$576,761
Equipment	\$25,000	\$25,000
Transfers	\$20,000	\$40,000
<b>Total Expenditures</b>	<b>\$1,668,441</b>	<b>\$1,722,598</b>
Single Family Residential Sewer Rates	\$41.18	\$42.63

## Capital Budgets

### Capital Improvements

The city's capital improvement plan is intended to maintain and improve taxpayer owned assets. Investments include city facilities, parks, streets, sidewalks, water, sewer and drainage utility infrastructure.

**Table 6 – Capital Expenditures**

	Total Cost	2017	2018
<b>Facilities</b>	\$475,000	\$475,000	\$0
<b>Parks</b>	\$2,590,000	\$260,000	\$2,330,000
<b>Streets</b>	\$3,005,595	\$2,280,595	\$725,000
<b>Sewer</b>	\$2,005,000	\$1,090,000	\$915,000
<b>Drainage</b>	\$820,000	\$505,000	\$315,000
<b>Water</b>	\$275,000	\$160,000	\$115,000
<b>Total</b>	<b>\$9,170,595</b>	<b>\$4,770,595</b>	<b>\$4,400,000</b>

The city council has a goal of leveraging limited city revenues with grant funding. Since 2012, the city has received over \$6,500,000 in grant funding. Grant funded projects include:

- 68<sup>th</sup> Ave Safe Routes to Schools
- Design and Right-of-Way Acquisition for 90<sup>th</sup> Ave NW and Viking Way extension
- Permitting for the SR532 Berm
- Acquisition of Ovenell Park and Hamilton Landing
- Overlay of Pioneer Highway and 272<sup>nd</sup> Ave NW/72<sup>nd</sup> Ave -82<sup>nd</sup> Ave NW

**Table 7 - 2017 Grant Revenues**

Source of Funding	2017 Grant Revenues	Project
WSDOT Safe Routes to Schools	\$157,750	68 <sup>th</sup> Ave SRTS
Dept of Commerce Safe Routes to Schools	\$316,370	68 <sup>th</sup> Ave SRTS
PSRC – Rural Towns Corridors	\$350,000	Viking Way/90 <sup>th</sup> -88 <sup>th</sup> Ave NW
CHAP – Pioneer Hwy	\$300,823	Pioneer Hwy/SR532-south city limits
TIB	\$186,747	88 <sup>th</sup> Ave/SR532-Florence Rd Overlay
TIB	\$222,088	271 <sup>st</sup> Street/94 <sup>th</sup> -SR532Overlay
TIB	\$181,255	Pioneer Hwy/72 <sup>nd</sup> -City Limits
Dept of Commerce Legislative Proviso	\$85,000	SR532 Berm and Ped Path
Dept of Commerce Legislative Proviso	\$300,000	City Hall
Dept of Commerce Legislative Proviso	\$485,000	Irvine Slough Stormwater Separation Pump Station Design
<b>2017 Total Revenues</b>	<b>\$2,585,033</b>	

**Table 8 - 2018 Grant Revenues**

Source of Funding	2018 Grant Revenues (Requested)	Project
Washington Wildlife Recreation Program (WWRP)	\$1,250,242	Hamilton Phase I
Aquatic Lands Enhancement Account (ALEA)	\$500,000	Hamilton Phase I
Floodplains by Design	\$1,600,000	Johnson Acquisition Floodplain/Farmland protection
Rural Towns Corridors (RTCC)	\$1,849,600	Viking Way/90 <sup>th</sup> -88 <sup>th</sup> Ave NW
WSDOT Legislative Proviso	\$2,700,000	Ovenell Access
WSDOT Legislative Proviso	\$300,000	Hamilton Access
TIB	\$225,000	102 <sup>nd</sup> St NW/SR532-No. City Limits Overlay
Floodplains by Design	\$504,000	Irvine Slough Stormwater Separation West Stanwood conveyance system
<b>2018 Total Revenues</b>	<b>\$8,928,842</b>	



**2017-2018**

**Budget Themes & Initiatives**

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## 2017-2018 Budget Themes and Initiatives

The city has five budget themes to guide financial and staff resource investments for the next four years – Public Safety; Economic Development; Park and Recreation assets; Municipal Facilities and Financial Sustainability.

Budget themes are the concepts used to prioritize the Council's investment in personnel and infrastructure to solve the key issues.

1. Public Safety – Continue evaluation of contracts for police and fire services. Invest in emergency preparedness. Using technology to increase public safety by leveraging limited tax dollars. Areas of focus include:
    - Proactively address School Safety
    - Reduce health based risks for vulnerable residents
    - Leverage community partnerships with businesses, non-profits and volunteers
    - Prevent gang activity, drug use and homelessness in Stanwood
    - Improve disaster Prevention and Preparedness
  2. Economic Development – Invest in public infrastructure to spur private development. Ensure that building and zoning codes align with desired use to attract and retain businesses. Implement incentives to attract desirable private development to the city. Assist property owners seeking to develop and redevelop in the floodplain. Evaluate the city's fee structure to ensure fees for services align with Council policies. Work with community partners to support a marketing campaign to attract new residents, businesses and visitors to Stanwood.
  3. Park and Recreation Assets – Continue public and private investment in park and recreation facilities to improve the quality of life for Stanwood residents. Improve the City's recreation facilities to support economic development. Develop parks, trails and open spaces that connect Stanwood's neighborhoods to the business districts and surrounding communities. Increase public access to the water. Preserve natural resources and protect farmland surrounding the city.
  4. Municipal Facilities – Maintain taxpayer owned assets. Seek opportunities to remodel and/or reuse existing facilities efficiently to serve customers. Evaluate alternatives to flood proof or relocate essential public facilities in the floodplain. Assess whether to surplus or redevelop city owned properties.
  5. Financial Sustainability –Rebuild fund balances. Match one-time revenues with one-time expenses and ongoing revenues with ongoing expenses. Look for opportunities to reduce expenditures. Ensure rates for services and impact fees cover an appropriate portion of service costs, fund reserves and capital costs. Review current service levels for all programs to ensure they adequately reflect the council's budget themes and initiatives.
-

## **2017-2018 Key Initiatives**

Key initiatives are the action themes that implement the budget themes on an annual basis. The 2017-2018 Budget includes the following key initiatives.

### **Police & Fire (Public Safety)**

- Provide city residents, businesses and employees with disaster preparedness and prevention training
- Work with community partners to deter vandalism in city parks and open spaces
- Sustain block watch programs and national night out event
- Evaluate community based paramedic programs

### **Community Development/Building (Economic Development)**

- Evaluate on-line permit tracking to allow applicants to track and monitor permit applications and approvals.
- Create materials that explain the development process, mitigation requirements, techniques and resources for floodplain development.
- Join the FEMA CRS program to lower the cost to own and develop in the floodplain
- Economic development
  - Work with volunteers, business owners and non-profits to promote and support special events, tourism promotion, civic engagement, and economic development
  - Support business owner efforts to organize a “Main Street” program
  - Look for opportunities to use the city’s municipal parking lots to advance economic development in east and west Stanwood.
  - Evaluate incentives for new development and redevelopment that fills in the gaps between east and west Stanwood.
  - Amend zoning code regulations to encourage additional residential development. Support the school districts bond measure to build a new high school

### **Public Works (Park & Recreation Assets / Municipal Facilities)**

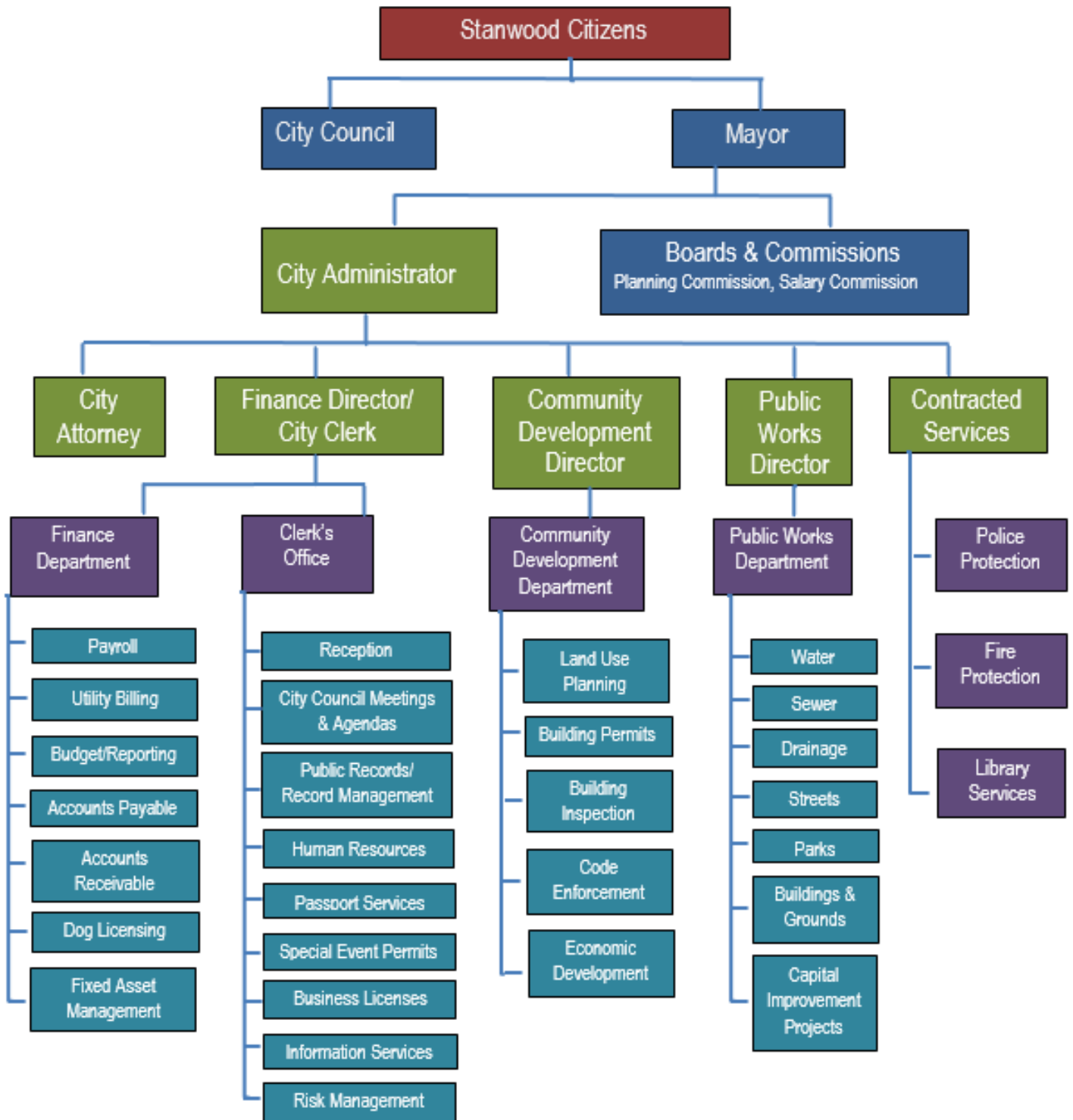
- Expand the city’s volunteer program. Identify potential volunteer captains to improve the city’s streets, parks and public spaces.
  - Parks and Trails
    - Implement the non-motorized trail system plan to connect neighborhoods to the business district and to surrounding communities.
    - Implement the Ovenell Farm and Hamilton Landing master plan. Invest in improvements that allow public access to the property as quickly as possible.
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- Work with the railroad to access the railroad right of way from East Stanwood to the Ovenell property for a non-motorized trail
- Secure funding partners to develop the fourth baseball field, concession stand and complete the walking trail at Heritage Park.
- Encourage year around use of city recreation facilities such as adult softball leagues and tournament play.
- Look for property and funding to develop a downtown park in East Stanwood
- Continue renovations at Church Creek Park – replace the restrooms, purchase and install new play equipment, reestablish walking trails.
- Work with property owners to secure farmland development rights or negotiate fee simple purchase and sale agreements of key parcels surrounding Stanwood
- Evaluate property for a community park in north east Stanwood
- Streets and Sidewalk
  - Finish design and secure funding for Viking Way and 90<sup>th</sup> Street grid roads to give the public access to the interior of large parcels between 88<sup>th</sup> and 92<sup>nd</sup> Ave NW.
  - Construct the SR532 berm/bike pedestrian path
  - Design and construct the 68<sup>th</sup> Street safe routes to schools sidewalk
  - Use funding from the transportation sales tax to increase the functional life of city streets
  - Invest in street and sidewalk repairs that improve safety and attract non-motorized traffic between Stanwood Station, business districts and residential neighborhoods
- Water, Sewer and Drainage
  - Work with the Water Utility Coordinating Committee and other water purveyors to develop alternative sources of water.
  - Design and construct Irvine Slough stormwater conveyance system
  - Seek funding to separate stormwater from flood water in downtown Stanwood.

### **Administrative/Finance (Financial Sustainability)**

- Rebuild fund balances to adopted minimum standards
  - Move essential public facilities out of the floodplain
  - Inventory and develop a schedule to annually fund and replace worn tax-payer owned assets including the city's fleet, facilities, furniture and fixtures.
  - Ensure rates for services and impact fees cover an appropriate portion of service, fund reserves and capital costs
  - Evaluate a voter approved park bond and maintenance and operations levy
  - Promote and support special events for families including touch-a-truck, summer concert series, movies-in-the-park, national night out, and light-up-your-holidays
  - Support the Farmer's Market
  - Engage young residents and families in shaping Stanwood's future.
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# Organizational Chart



# City of Stanwood

## Councils, Boards, and Commissions

### Council/Mayor

On September 1, 1971 the City of Stanwood filed to become an Optional Municipal Code City under the Title 35A Revised Code of Washington and operates a Mayor – Council form of Government in which the council has legislative authority and the Mayor has executive authority.

Number of Members: 8 members

Current Members:

Leonard Kelley,	Mayor
Rob Johnson,	Position 1
Arne Wennerberg,	Position 2
Elizabeth Callaghan,	Position 3
Tim Pearce,	Position 4
Larry Sather,	Position 5
Conrad Ryer,	Position 6
Dottie Gorsuch,	Position 7

Meeting Information: Meets the second and fourth Thursday of each month at 7:00 p.m. at the Stanwood Camano School District Board Room, 26920 Pioneer Highway, Stanwood, Washington.

### Planning Commission

The Planning Commission advises the City Council in matters concerning comprehensive land use and development of the City.

Number of Members: 7 members

Current Members:

Linda Utgard,	Position 1 (Chair)
Kelly McGill,	Position 2
Randy Heagle,	Position 3
Dianne White,	Position 4 (Vice Chair)
Mark Ramaley,	Position 5
Susan Ronken,	Position 6
Judy Williams,	Position 7

Meeting Information: Meets the second and fourth Monday of each month at 6:30 p.m. at the Stanwood Fire Station, Stanwood, Washington.

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## City of Stanwood Services

### Water Utility

The City of Stanwood operates a Group 2 Water Treatment Plant with a capacity of 2,200 gallons per minute. In 2016, the plant produced 211,600,000 gallons of water.

Total Water Accounts	2,652
Water Storage (2.15 million gallons of storage)	5 reservoirs
Water Mains	66 miles
Current Water Source	Bryant Well #1 Bryant Well #3 Cedarhome Well
Additional Water Facilities Inventory	Hatt Slough Springs <i>Inactive</i> Bryant Well #2 <i>Inactive and disconnected from system</i> Fure Well <i>Inactive and disconnected from system</i> Sill Well <i>Inactive and disconnected from system</i>

### Sewer Utility

The City of Stanwood operates a Group 3 Wastewater Treatment Plant with a capacity of 1.5 million gallons per day.

Total Sewer Accounts	2092
Pump Stations	7
Sewer gravity and force mains	27 miles

### Stormwater Utility

Total Stormwater Accounts	2167
Pipe	27 miles
Detention/Retention Ponds (11.48 acres)	17

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## ECONOMIC AND DEMOGRAPHIC INFORMATION

### Historical Population

Year	Snohomish County	Stanwood
2016	772,501	6,635
2015	757,600	6,779
2014	759,417	6,530
2013	746,008	6,340
2012	733,036	6,300
2011	723,186	6,220
2010	713,335	6,231
2009	705,895	6,073
2008	699,334	5,885
2007	689,318	5,593

Source: Washington State Office of Financial Management

### Largest Employers-Snohomish County

Major Private Employers		Major Public Employers	
Employer	Employment	Employer	Employment
The Boeing Company	38,000	Naval Station Everett	6,500
Providence Regional Med	3,500	Washington State	5,400
Tulalip Tribes Enterprises	3,200	Snohomish County Government	2,700
Premera Blue Cross	2,400	Everett School District	2,025
Everett Clinic	2,150	Edmonds School District	1,865
Walmart	2,056	Marysville School District	1,693
Swedish Edmonds Hospital	1,850	City of Everett	1,327
Philips Medical Systems	1,800	Monroe Correctional Complex	1,000

Source: Economic Development Council, Snohomish County, January 2017

### Stanwood Major Employers

Employer	Employment
Stanwood Camano School District	550
Josephine Sunset Home	303

Source: Economic Development Council, Snohomish County, January 2017





## **Our Commitment**

The City of Stanwood is responsible for furnishing cost-effective services and well-maintained facilities, safeguarding the public and property, enhancing the community's favorable quality of life, protecting Stanwood's natural environment and sustaining a healthy, growing economy.

## **Facts about Stanwood**

- Incorporated in 1903
  - Population of 6,635
  - Northernmost city in Snohomish County
  - Mayor-Council form of government
  - Twenty eight (28) full-time equivalent employees
  - Contracted with Snohomish County Sheriff for police protection
  - Contracted with North County Regional Fire Authority for fire and emergency services
  - Contracted with Sno-Isle Library District for library services
  - Owns and operates its own water, sewer, and storm drainage utilities
  - Primarily residential, with the majority of residents commuting for employment opportunities (Boeing is the largest regional employer)
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# **Budget At-A-Glance**



## BUDGET GUIDE

The City of Stanwood budget includes the financial planning and legal authority to obligate public funds. Additionally, the budget provides significant policy direction by the City Council to the staff and community. As a result, the City Council, staff and public are involved in establishing the budget. The budget document provides four functions:

1. Policy Document – The budget functions as a policy document in that the decisions made within the budget will reflect the general principles or plans that guide the actions taken in the future. As a policy document, the budget makes specific attempts to link desired goals and policy direction to the actual day-to-day activities of City staff.
2. Operational Guide – The budget of the City reflects its operations. Activities of each City function and organization have been planned, discussed, formalized and described in the following sections. The process will help to maintain an understanding of the various operations of the City and how they relate to each other and to the attainment of the policy issues and goals of the City Council.
3. Link with the General Public – The budget provides a unique opportunity to allow and encourage public review of City operations. The budget describes the activities of the City, the reason or cause for those activities, future implications, and their direct relationship to the citizenry.
4. Legally Required Financial Planning Tool – The budget as a financial planning tool has been its most traditional use. Preparing and adopting a budget is a State law requirement of all cities as stated in Title 35A of the Revised Code of Washington (RCW). The budget must be adopted as a balanced budget and must be in place prior to the beginning of the City's fiscal year. The budget is the legal authority to expend public monies and control those expenditures by limiting the amount of the appropriation at the fund level. The revenues of the City are estimated, along with the available cash carry-forward, to indicate funds available.

## BUDGET PROCESS

The City of Stanwood operates on a biennial basis. It utilizes an incremental budgeting approach that assumes, for most functions of government, that the current biennium's budget is indicative of the base required for the following biennium. Any increases are incremental and are either based on need, emerging issues, Council goals, and available resources.

The budget process begins in late spring of even-numbered years with departments preparing requests for new staff, programs, or significant increases to their current budget that will address emerging issues and other operational needs. The city administrator and finance director conduct an analysis of the departmental base budgets and revenue outlook for the coming year to determine the availability of funds for any new initiatives. During the summer the departments also prepare their base budgets. These budget requests are submitted to the finance director for review. By late summer the Mayor reviews each department's budget request and develops a preliminary budget recommendation.

As mandated by RCW 35A.33.135, the first requirement is that the Mayor submit estimated revenues and expenditures to the City Council on or before the first Monday in October. The preliminary budget is presented to the City Council in early October. Public hearings are held to obtain taxpayer's comments, and Council budget workshops are held throughout the fall. The Council makes its adjustments to the preliminary budget and adopts by ordinance a final balanced

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budget no later than December 31<sup>st</sup>. The final operating budget as adopted is published, distributed, and made available to the public during the first quarter of the following year.

After the budget is adopted, the City enters a budget implementation and monitoring stage. Throughout the year, the expenditures are monitored by the finance director and department directors to ensure that funds are within the approved budget. The finance director provides financial updates to the City Council to keep them current with the City's financial condition. Any budget amendments made during the biennium are adopted by City Council ordinance. These amendments allow for necessary adjustments to the budget that could not have been planned for during the normal budgeting process. Typical amendments include administrative adjustments, carry forward appropriations resulting from projects that were not completed at biennium end, and new grant revenues awarded after budget adoption.

The Mayor is authorized to transfer budgeted amounts within a fund; however, any revisions that alter the total expenditures of a fund, or that affect the number of authorized employee positions, salary ranges, or other conditions of employment must be approved by the City Council.

## **BASIS OF ACCOUNTING AND BUDGETING**

### **Basis of Presentation-Fund Accounting**

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The City uses twenty-nine separate funds. Each fund has a specific role and responsibility. Each fund is accounted for with a separate set of single-entry accounts that comprises its cash, investments, revenues and expenditures, as appropriate. Revenues and expenditures within each fund are closely monitored to ensure accuracy, accountability, and efficiency. The City's resources are allocated to and accounted for in individual funds depending on their intended purpose. The following are the fund types used by the City of Stanwood.

### **Governmental Fund Types**

Governmental funds are used to account for activities typically associated with state and local government operations. There are four governmental fund types used by the City of Stanwood.

#### **General Fund**

This fund is the primary fund of the City of Stanwood. It accounts for all financial resources except those required or elected to be accounted for in another fund. It is used to meet the basic services that your local government provides. The general fund covers police, fire, EMS, parks, administration, engineering, planning, community development, finance, legal, and legislative services. Major revenue sources include taxes, fees, licenses and permits, and intergovernmental revenues (federal, state and county).

#### **Special Revenues Funds**

These funds account for revenues that are legally restricted or designated to finance particular activities. The street fund is one example of a special revenue fund. Gas taxes are collected into the street fund and must be used for the maintenance of our arterial streets, sidewalks, and trails.

#### **Debt Service Funds**

These funds account for financial resources which are designated for the retirement of debt. The City's debt service funds account for annual service requirements of general obligation fund debt. The general obligation

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bonds were voter approved bonds used to refund pre-existing general obligation debt for previous parks, police and fire capital projects. The general obligation bonds will be paid off in 2020.

### Capital Project Fund

This fund accounts for financial resources that are designated for acquisition or construction of general government capital projects. A portion of the revenues received into these funds (such as real estate excise taxes or REET) are restricted by law generally to be used for capital improvements. Similarly, impact fees received for streets, fire, and parks are maintained in separate capital projects funds and are used for capital improvements as restricted by law.

### **Proprietary Fund Types**

Proprietary funds are used for services to the general public where all or most of the costs, including depreciation, are to be financed or recovered from users of such services. There are two generic fund types in this category.

### Enterprise Funds

These funds account for operations that provide goods or services to the general public and are funded primarily by user charges. The water utility fund, the sewer utility fund, and the storm drainage fund are enterprise funds.

### Internal Service Fund

These funds account for operations that provide goods and services to other departments or funds of the City on a cost-reimbursement basis. The utility equipment replacement funds are internal service funds. The utility equipment reserve fund collects annual user fees from the individual utility operations with vehicles and major equipment. These fees are used to replace vehicles or equipment based on a predetermined schedule.

With the exception of the general fund, money within each fund cannot be used in other funds. Many of the revenues received in each fund are restricted in use by law and/or legislative action. Funds may make interfund loans to other funds. However, any interfund loan must be paid back based on a predetermined schedule and must pay prevailing interest rates (usually the interest rate earned through the Local Government Investment Pool). The general fund can make transfers to other funds if money is available.

### **Basis of Accounting**

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. The City of Stanwood uses the cash basis of accounting. Revenues are recognized only when cash is received and expenditures are recognized when paid, including those properly chargeable against the same year as budget appropriations as required by state law.

Purchases of capital assets are expensed during the year of acquisition. There is no capitalization of assets, nor allocation of depreciation expense. Inventory is expensed when purchased.

### **Budgets and Budgetary Accounting**

Annual appropriated budgets are adopted for all funds. These funds are budgeted on the cash basis of accounting. The financial statements include budgetary comparisons for all funds.

Budgets are adopted at the fund level that constitutes the legal authority for expenditures. Annual appropriations for all funds lapse at the fiscal period end.

With the exception of Fund No. 630, Suspense Fund, all funds that are included in the City's audited financial reports are also included in this budget document.

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## CITY REVENUES

Each of the twenty-nine funds detailed within the 2017-2018 budget have a specific purpose and responsibility. The funds act much like the separate checking accounts maintained by family members. Each fund accounts for all revenues and all expenditures/expenses transactions that occur throughout the year. This allows the City to accurately record revenues and authorize and monitor expenditures as to source and purpose for greater accountability and improved efficiency.

Most traditional local government functions, including police, fire, parks, finance, administration, planning, community development, engineering, legal, building inspection, and legislative services are budgeted within the general fund. Following is a listing of many of the funding sources for the City. This list is not meant to be all-inclusive, but rather to assist in understanding how and where much of the money comes from in the support of general services of the City.

## TAX REVENUES

General Fund tax revenues in 2017 (\$4,849,497) are projected to increase by \$249,897 or 5.4% more than the 2016 budgeted amount (\$4,599,600). Council approved a 1% increase in property taxes, and property taxes due to new construction increased by \$55,085. In addition, sales tax increased about 19% in 2016 due in large part to sales tax generated by construction. Sales tax for 2017 has been projected conservatively at \$1,200,000 due to its volatility.

### Property Tax

Property taxes are the largest source of revenue in the general fund. All real and personal property (except where exempt by law) is assessed by the Snohomish County Assessor at 100 percent of the property's fair market values. Assessed values are adjusted each year based on market value.

Although property taxes represent a major source of funding for City services, the portion of each property owner's total tax bill allocated to the City is relatively small. In 2016, the typical total property tax rate for Stanwood was \$10.91 per \$1,000 of assessed valuation. Of that total, about 35 percent, or \$3.86 per \$1,000 assessed value went to the City. This included the general levy and the EMS levy.

Initiative 747, which passed in November of 2001, limits the annual increase in the regular property tax levy to the lesser of one percent or the implicit price deflator. Previously, the cap was six percent. The City can only exceed the limitation with the approval of the voters. I-747 does not affect special levies that are approved by voters. The initiative does not affect property values and has no impact on the annual valuation of property that is done by the County Assessor. It does not cap the value of your property or your total property tax bill.

In 2007, the Washington State Supreme Court ruled Initiative 747 unconstitutional. The Governor convened a special session of the legislature to address the issue and a bill was passed to reinstate the one percent cap on annual property tax increases by taxing districts. The legislature also approved a measure that allows home owners earning less than the median state income to defer up to half of their property taxes. Although they will have to pay taxes with interest upon the sale of the house, these policies have resulted in lower property tax revenue for local taxing districts.

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The City is also provided an allowance for new construction, which entitles the City to the property tax revenue generated by newly constructed business and homes. The new construction levy does not increase the overall tax rate paid by property owners. The City's total rate cannot be more than 3.10 per \$1,000 of assessed valuation.

The annual tax impact on a property owner is usually different than the percent increase of the levy, since it depends on several factors such as changes in the assessed valuation of the property, growth in the City's overall assessed valuation, and the levy increases by other taxing districts. The property tax rate is determined by dividing the levy amount by the assessed valuation per \$1,000.

Stanwood voters approved a six-year EMS levy renewal during 2010 which went into effect in 2011. The funds must be used for EMS purposes. Based on the limit of \$0.50 per \$1,000 assessed valuation, the City expects to receive about \$385,000 in 2017 and \$389,456 in 2018 from the EMS levy to help fund EMS services.

### **Retail Sales and Use Tax**

Sales tax is levied on the sale of consumer goods (except most food products and some services) and construction. The amount of revenue generated by sales tax fluctuates from year to year due to changes in the economy, buying habits of consumers, and the level of construction taking place in the City.

The general sales tax rate within the City of Stanwood is 9.1 percent. Of the 9.1 percent, one percent (less 0.15 percent that goes to Snohomish County and 0.01 percent that goes to the State) is returned to the City of Stanwood, and the remainder is distributed to the State and other public agencies. The City's effective rate is 0.84 percent.

In February 2013, the voters approved a 0.2% sales tax for the Stanwood Transportation Benefit District (TBD). In 2015, the City assumed the TBD and effective January 01, 2016 all Transportation Sales Tax is accounted for separately in a new fund 108. This tax generated \$347,631 in 2016, and is used to support street construction and repair projects.

### **Criminal Justice Sales Tax**

Under the authority granted by the State and approved by voters, Snohomish County levies an additional 0.1 percent sales tax to support criminal justice programs. The State collects this optional tax and retains 1.5 percent for administration. Of the amount remaining, 10 percent is distributed to the county and 90 percent is distributed to the cities based on population. This revenue must be used exclusively for criminal justice purposes and cannot replace existing funds designated for these purposes.

### **Utility Taxes**

Utility taxes are levied on the gross operating revenues that public and private utilities earn from operations within the boundaries of the City. This applies to electric, natural gas, water, sewer, surface water, solid waste, and telephone. Legislation passed in 1982 limits the tax rates on electric, gas, steam, and telephone utilities to six percent. There are no restrictions on the tax rates for water, sewer, surface water, and solid waste utilities. Currently the utility tax rate applies to both residential and commercial customers of the utilities which the City imposes a utility tax on. Six percent is charged on electric, telephone utilities, gas, and sewer utilities. 10.7 percent is charged on water utilities.

### **Leasehold Excise Tax**

Leasehold excise taxes are collected on property owned by state or local governments and leased to private parties. Leasehold taxes are paid in lieu of property taxes. The state rate is 12.4 percent, of which 4 percent is returned to the City.

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### **Real Estate Excise Tax (REET)**

The Real Estate Excise Tax is levied on all sales of real estate, measured by the full selling price, including the amount of any liens, mortgages, and other debts given to secure the purchase. The State levies this tax at a rate of 1.28 percent. Cities are also authorized to impose a local tax of 0.50 percent. The first 0.25 percent of local tax must be used primarily for local capital improvements identified under the capital facilities plan element of the City's Comprehensive Plan. The second 0.25 percent, which is also optional, must also be used solely on capital projects.

Capital projects are defined as those public works projects of the local government for the planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, bridges, domestic water systems, storm and sanitary sewer systems, and parks. The acquisition of land for parks is not a permitted use of the second quarter percent funds.

### **LICENSES AND PERMITS**

#### **Building Related Permits**

This category consists primarily of revenue collected by the Community Development Department. Included in this category is building permits, plumbing permits, grading permits and mechanical permits. Fees imposed for permits are subject to a base charge determined by the type of permit, plus additional fees determined by either the dollar value or size (square foot or number of units) of the project.

#### **Business Licenses and Permits**

This category includes the issuance of business licenses, and permits for fire alarms, fire sprinkler systems, animal licenses, and other miscellaneous items. The fee structure for business permits is typically an annual fee or one-time charge depending on the particular type of license or permit. The City of Stanwood also requires businesses with no physical presence in Stanwood that are doing business in the City (e.g., contractors) to obtain a business license.

#### **Franchise Fees**

Franchise fees are charges levied on private utilities for the right to use city streets, alleys, and other public properties. Cable TV franchise fees are governed by federal rather than state law and may be levied at a rate of five percent of gross revenues, regardless of the cost of managing the franchise process. The Federal Communications Commission ruled in 2002 that cable companies do not have to pay franchise fees on cable modem services.

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# **Mayor and Council**

# MAYOR AND CITY COUNCIL

## MISSION:

To provide excellent representative government; opportunity for citizen participation and service; and superior professional management of operations.

## DESCRIPTION:

The City of Stanwood operates under the mayor-council form of government with a strong mayor.

The mayor-council form of government consists of two separate and coequal power centers, each directly elected by the people: the mayor as chief executive, and the council as the municipal legislature.

The mayor-council form of government makes a virtue of the ideal of divided and shared power. Neither mayor nor council has the absolute last word in all instances.

Under this form the independently-elected mayor has powers of appointment and removal of subordinates, administrative control over departments, and the power to veto council legislation.

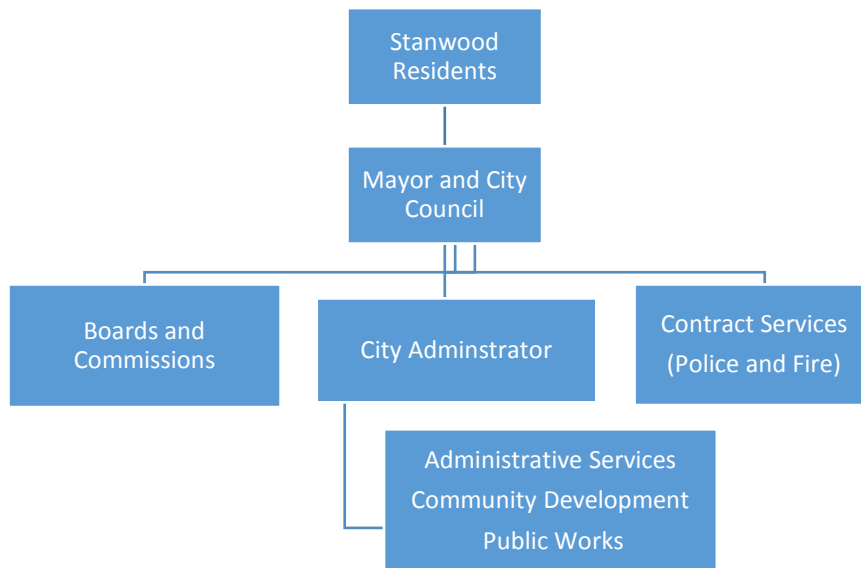
The resulting government structure limits the council's role to policy making and oversight, and reserves administrative power and responsibility for the mayor.

The system requires constant consultation between the mayor and the council; sometimes cooperating, sometimes competing and conflicting; always acting as a check and balance on the other.

## Roles and Responsibilities

- Determine the general direction for the operations of the City of Stanwood
  - Enacting ordinances (laws)
  - Establishing budgetary (taxing and spending) policies
  - Adopting the comprehensive plan and other guiding documents
  - Adopting the annual budget
  - Awarding contracts
  - Fiscal oversight of expenditures
  - Appointing members to the planning commission and board of library trustees
-

## 2017-2018 Mayor and Council Organization Chart



### 2017-2018 MAJOR GOALS:

#### Police and Fire (Public Safety)

- Provide city residents, businesses, and employees with disaster preparedness and prevention training
- Work with community partners to deter vandalism in city parks and open spaces
- Sustain block watch programs and national night out event
- Develop programs to reduce collisions on SR532 and improve safety
- Evaluate community based paramedic programs

#### Community Development/Building (Economic Development)

- Evaluate on-line permit tracking to allow applicants to track and monitor permit applications and approvals
  - Create materials that explain the development process, mitigation requirements, techniques, and resources for floodplain development
  - Join the FEMA CRS program to lower the cost of owning and developing in the floodplain
  - Economic development
    - Work with volunteers, business owners, and non-profits to promote and support special events, tourism promotion, civic engagement, and economic development
    - Support business owner efforts to organize a “Main Street” program
    - Look for opportunities to use the city’s municipal parking lots to advance economic development in east and west Stanwood.
    - Evaluate incentives for new development and redevelopment that fills in the gaps between east and west Stanwood.
-

- Amend zoning code regulations to encourage additional residential development; support school district bond measure to build a new high school

## **Public Works (Park and Recreation Assets / Municipal Facilities)**

- Expand the city's volunteer program; identify potential volunteer captains to improve the city's streets, parks, and public spaces.
- Parks and Trails
  - Implement the non-motorized trail system plan to connect neighborhoods to the business district and surrounding communities
  - Implement the Ovenell Farm and Hamilton Landing master plan; invest in improvements that allow public access to the property as quickly as possible
  - Work with the railroad to access the railroad right of way from East Stanwood to the Ovenell property for a non-motorized trail
  - Secure funding partners to develop the fourth baseball field, concession stand, and complete the walking trail at Heritage Park
  - Encourage year-round use of city recreation facilities such as adult softball leagues and tournament play
  - Look for property and funding to develop a downtown park in East Stanwood
  - Continue renovations at Church Creek Park, replacing restrooms, purchasing and installing new play equipment, reestablishing walking trails.
  - Work with property owners to secure farmland development rights or negotiate fee simple purchase and sale agreements of key parcels surrounding Stanwood
  - Evaluate property for a community park in northeast Stanwood
- Streets and Sidewalk
  - Finish design and secure funding for Viking Way and 90<sup>th</sup> Street grid roads to give the public access to the interior of large parcels between 88<sup>th</sup> Avenue and 92<sup>nd</sup> Avenue NW
  - Construct the SR532 berm/bike pedestrian path
  - Design and construct the 68<sup>th</sup> Street safe routes to schools sidewalk
  - Use funding from the transportation benefit district to increase the functional life of city streets
  - Invest in street and sidewalk repairs that improve safety and attract non-motorized traffic between Stanwood Station, business districts and residential neighborhoods
- Water, Sewer, and Drainage
  - Work with the Water Utility Coordinating Committee and other water purveyors to develop alternative sources of water.
  - Design and construct Irvine Slough stormwater conveyance system
  - Seek funding to separate stormwater from flood water in downtown Stanwood

## **Administrative/Finance (Financial Sustainability)**

- Rebuild fund balances to adopted minimum standards
  - Move essential public facilities out of the floodplain
  - Inventory and develop a schedule to annually fund and replace worn tax-payer owned assets including the city's fleet, facilities, furniture and fixtures.
  - Ensure rates for services and impact fees cover an appropriate portion of service, fund reserves and capital costs
  - Consider a voter approved park bond and maintenance and operations levy
-

## **2015-2016 ACCOMPLISHMENTS:**

- Install new HVAC at Stanwood Library
- Adopt Hazard Mitigation Plan
- Approve Indigent defense contract
- Adopt franchise agreement with Wave Cable
- Complete Irvine Slough mitigation
- Adopt two-year Labor Agreement with Teamsters Local 231
- Hire city engineer
- Paymode and Express pay contracts
- Publish Stanwood/Camano Visitors Guide
- Replace the city's aging phone system at city facilities
- Approve janitorial contract
- Adopt 2015 Comprehensive Plan Update
- Adopt General Sewer Plan, Water System Plan and Stormwater Plan
- Fund study and design of Irvine Slough Stormwater Separation project
- Update SMC Chapter 12 utilities
- City hall relocation – feasibility study
- Update park and transportation impact fees
- Update drainage facility charge
- Replace Church Creek Park restrooms
- Purchase land for a downtown park
- Update Maintenance and performance bonds
- Annex the Ovenell property into the city limits
- Fund a Hotel/Motel Study in partnership with Stanwood and Camano Island Chamber

## **2017-2018 Work Plan Tasks**

1. Approve legislative advocacy priorities for 2017-2018
  2. Review public safety contracts for police and fire
  3. Explore long-term options to fund parks and trails
  4. Develop an adopt-a-park program (Friends of Stanwood Area Parks and Trails)
  5. Create and fund annual volunteer appreciation program
  6. Adopt a travel policy to allow food at city events
  7. Evaluate increasing park impact fees
  8. Evaluate amending the Traditional Neighborhood zone regulations
  9. Evaluate fee structure for planning and building permits
  10. Evaluate proposal to relocate city hall
  11. Evaluate whether to construct Viking Way/90<sup>th</sup> Ave extension projects
-

**Council/Clerk  
2017-2018 Budget**

Table 3 –Council/Clerk Budget

City Council/Clerk	2015 Actual	2016 Actual	2017 Budget	2018 Proposed
Salaries & Wages	\$ 79,733	\$ 92,330	\$ 98,475	\$ 102,415
Overtime	\$ 688	\$ 1,500	\$ 500	\$ 510
Social Security	\$ 6,037	\$ 7,176	\$ 7,530	\$ 7,710
Retirement	\$ 5,420	\$ 6,965	\$ 7,200	\$ 7,510
Medical Benefits	\$ 9,235	\$ 10,385	\$ 10,850	\$ 11,285
L & I	\$ 158	\$ 295	\$ 300	\$ 315
Unemployment Insurance	\$ 460	\$ 1,065	\$ 1,065	\$ 1,065
Supplies	\$ 1,410	\$ 1,200	\$ 1,200	\$ 1,200
Fuel	\$ -	\$ 250	\$ 250	\$ 250
Small Equipment	\$ -	\$ 6,400	\$ -	\$ -
Professional Services	\$ 6,274	\$ 10,000	\$ 5,000	\$ 5,000
Communications	\$ -	\$ 750	\$ 750	\$ 750
Advertising	\$ 2,718	\$ 4,000	\$ 4,000	\$ 4,000
Operating Rentals	\$ -	\$ 350	\$ -	\$ 350
Repair/maintenance	\$ -	\$ 500	\$ -	\$ 500
Miscellaneous	\$ -	\$ 500	\$ 500	\$ 500
Meetings, Training & Travel	\$ 2,960	\$ 3,000	\$ 3,000	\$ 3,000
Credit Card Bank Fees-Clerk	\$ 322	\$ -	\$ -	\$ -
Dues	\$ 485	\$ 500	\$ 500	\$ 500
Wellness Program	\$ 941	\$ 750	\$ 750	\$ 750
Election Services	\$ 1,535	\$ 2,500	\$ 1,310	\$ 12,000
Voter Registration	\$ 7,848	\$ 9,000	\$ 8,400	\$ 9,000
<b>Total</b>	<b>\$ 126,224</b>	<b>\$ 159,416</b>	<b>\$ 151,580</b>	<b>\$ 168,610</b>

**Mayor**  
**2017-2018 Budget**

Table 4 – Mayor Budget

	2015	2016	2017	2018
	Actual	Budget	Budget	Proposed
Salaries & Wages	\$ 13,200	\$ 14,400	\$ 15,600	\$ 15,600
Social Security	\$ 584	\$ 1,102	\$ 1,200	\$ 1,200
Medical Benefits	\$ 4,139	\$ 4,806	\$ 500	\$ 520
L & I	\$ 31	\$ 52	\$ 55	\$ 55
Supplies	\$ 1,324	\$ 100	\$ 500	\$ 500
Professional Services	\$ -	\$ 500	\$ -	\$ 500
Communications	\$ 589	\$ 640	\$ 640	\$ 640
Mayor's Newsletter	\$ -	\$ 4,100	\$ 4,050	\$ 4,050
Meetings, Training & Travel	\$ 1,156	\$ 3,000	\$ 3,000	\$ 3,000
Volunteer Appreciation	\$ -	\$ -	\$ 575	\$ 575
Total	\$ 21,023	\$ 28,700	\$ 26,120	\$ 26,640

# **Administration Department**

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## **AMINISTRATION - SUMMARY**

The administration budget includes city administrator and finance department expenditures.



## **FINANCE DEPARTMENT**

### **MISSION:**

The Finance Department's goal is to provide the city council, mayor, city departments, boards and commissions, and the citizens of the City of Stanwood accurate, meaningful, and timely financial data demonstrating sound fiscal policy and full disclosure.

### **DESCRIPTION:**

The main responsibilities within the finance department are accounts payable, accounts receivable, annual audit, payroll, insurance/risk management, utility billing, and treasury functions. The finance department establishes and maintains internal controls to protect City assets from loss and ensure accounting data compiled for financial statements are prepared in conformity with generally accepted accounting principles

### **2017-2018 MAJOR GOALS:**

- Investments – achieve a minimum average rate of return equal to the two year average of 2-year treasuries (currently 0.3%) in accordance with adopted financial policy
- Explore BIAS system's automated system options including time-tracking (time-cards) and accounts payable processing for city staff and make recommendations
- Write detailed procedures for managing grant expenditures; set up all grants in accounting software system (BIAS) so that annual federal and state reports (schedule 16) can be processed automatically at year end
- Initiate electronic records management system
- Develop a schedule to annually fund and replace assets including city's fleet, facilities, furniture, and equipment.

### **2015-2016 ACCOMPLISHMENTS:**

- Coordinated and completed remodel of city hall and police station
  - Create and adopt two-year budget for 2017/2018
-

- Worked with Snohomish County Information Services to facilitate new phone system install with wireless connectors to improve internet speeds
- Worked with Snohomish County Information Services and Wave Cable to install fiber optic cable at all city facilities
- Prepared 2014 and 2015 annual financial statements and submit on-line to State Auditor
- Prepared quarterly financial statements
- Cross-trained staff
  - Payroll
  - Accounts payable
  - Cash receipting
  - Utility Billing

**2015-2016 KEY PERFORMANCE MEASUREMENTS:**

- The department is heading towards another record year for processing passports with 875 passports issued in 2015 and 832 issued through the end of August, 2016.
- In 2015, 15,439 utility bills, 3,296 late notices, and 210 shut offs incurred for delinquent payment were processed with 10,395 utility bills issued, 2,387 late notices, and 54 customers turned off for nonpayment.
- There were 70 contracts and agreements issued in 2015 for services and projects; 55 contracts have been issued as of August 2016.

**2017 Administration Organization Chart**

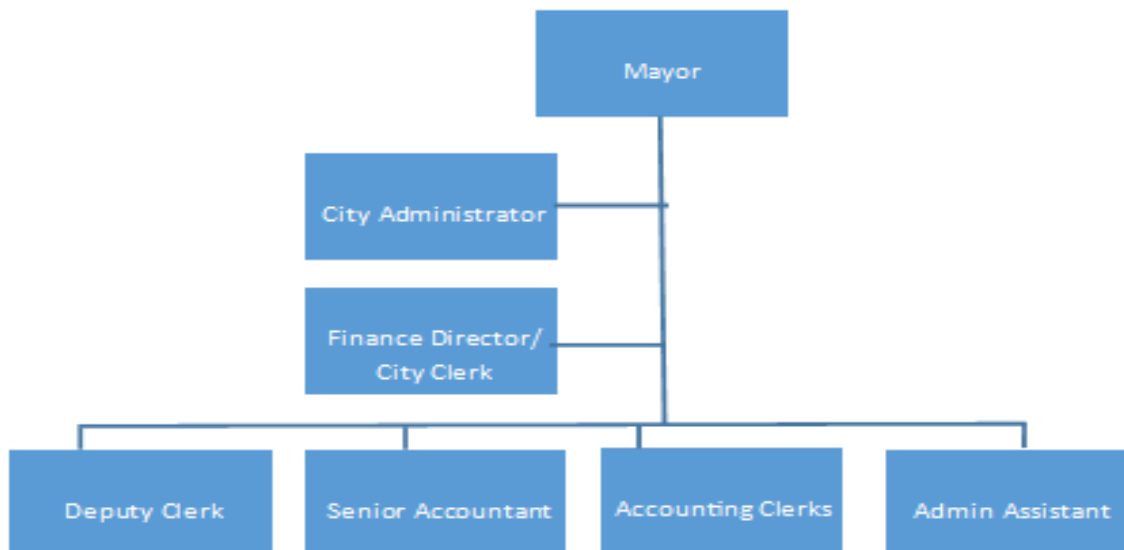


Table 5 – 2017-2018 Administration Budget

	2015	2016	2017	2018
	Actual	Budget	Budget	Budget
Salaries & Wages	\$ 332,860	\$ 371,900	\$ 392,625	\$ 408,330
Overtime	\$ 660	\$ 1,503	\$ 1,503	\$ 1,080
Social Security	\$ 25,578	\$ 28,500	\$ 30,035	\$ 31,320
Retirement	\$ 32,248	\$ 40,400	\$ 42,945	\$ 44,665
Medical Benefits	\$ 61,067	\$ 68,700	\$ 87,740	\$ 91,250
L & I	\$ 708	\$ 1,106	\$ 1,215	\$ 1,265
Awc Retro Program	\$ 1,520	\$ 2,500	\$ 1,655	\$ 1,720
Unemployment Insurance	\$ 2,604	\$ 4,300	\$ 2,400	\$ 2,450
Supplies	\$ 3,329	\$ 6,000	\$ 4,000	\$ 4,000
Fuel	\$ 63	\$ 100	\$ 100	\$ 100
Small Equipment	\$ 2,327	\$ 500	\$ 500	\$ 500
Professional Services	\$ 65,336	\$ 62,000	\$ 62,000	\$ 62,000
CPG Grant - Clean Up Day	\$ 1,405	\$ -	\$ -	\$ -
Communications	\$ 2,405	\$ 3,600	\$ 3,600	\$ 3,600
Advertising	\$ 155	\$ 500	\$ 500	\$ 500
Operating Rentals	\$ 10,670	\$ 10,200	\$ 16,500	\$ 16,500
Repair/maintenance	\$ 10,128	\$ 8,000	\$ 8,000	\$ 8,000
Miscellaneous	\$ 92	\$ -	\$ -	\$ -
Meetings, Training & Travel	\$ 5,999	\$ 5,500	\$ 5,500	\$ 5,500
Credit Card Fees	\$ 197	\$ 1,200	\$ 1,200	\$ 1,200
Dues	\$ 1,071	\$ 1,100	\$ 1,100	\$ 1,100
State Audit	\$ 10,769	\$ 32,500	\$ -	\$ 34,125
Total	\$ 571,191	\$ 650,109	\$ 663,118	\$ 719,205

# Law Enforcement

# Law Enforcement

## MISSION:

Provide safe communities through dedication and professional service.

## DESCRIPTION:

Law Enforcement Services within the City of Stanwood are provided in partnership with the Snohomish County Sheriff's Office. This service is provided as part of a stand-alone law enforcement contract. With a stand-alone contract, the city is able to maintain its own police department identity. This arrangement allows the city to benefit from a friendly, small-town police atmosphere backed up by the vast resources of the largest law enforcement agency in the county.

## 2017-2018 MAJOR GOALS:

- Promote safe and secure communities by reducing crime
    - Identify and target crimes, criminals, and conditions that cause the most harm
    - Pursue partnerships with the community to prevent crime (Neighborhood and Business Watch; continue Neighborhood and Business Watch Program)
    - Increase DUI enforcement
    - Continue Most Harmful Criminal, Crimes, and Conditions (MHC) program
    - Continue school safety programs including safe routes to school, emergency response, and traffic enforcement
    - Maintain current contracts with drug task force, corrections, prosecution, defense, communications (SERS), and animal control
  - Deliver exceptional service
    - Train and mentor personnel for success
    - Full police services (24/7) within the City of Stanwood
    - Start nuisance property enforcement program in conjunction with city code officer
    - Work closely with City, Chamber of Commerce and SAMA to promote and support economic development
    - Promote and build upon National Night Out Against Crime summer event
    - Keep and maintain Facebook, department website, and add other social media accounts such as Twitter and Instagram to connect with community
-

- Manage resources effectively and efficiently
  - Manage business well
  - Develop and improve better processes to communicate with the public through community events and technology service
  - Improve employee safety and security of police department with video surveillance system
  - Equip Department with necessary law enforcement tools including bolt cutters, new ballistic shield, halogen bar
  - Increase transient monitoring and assist transients with placement/resources using SCSO Office of Neighborhoods

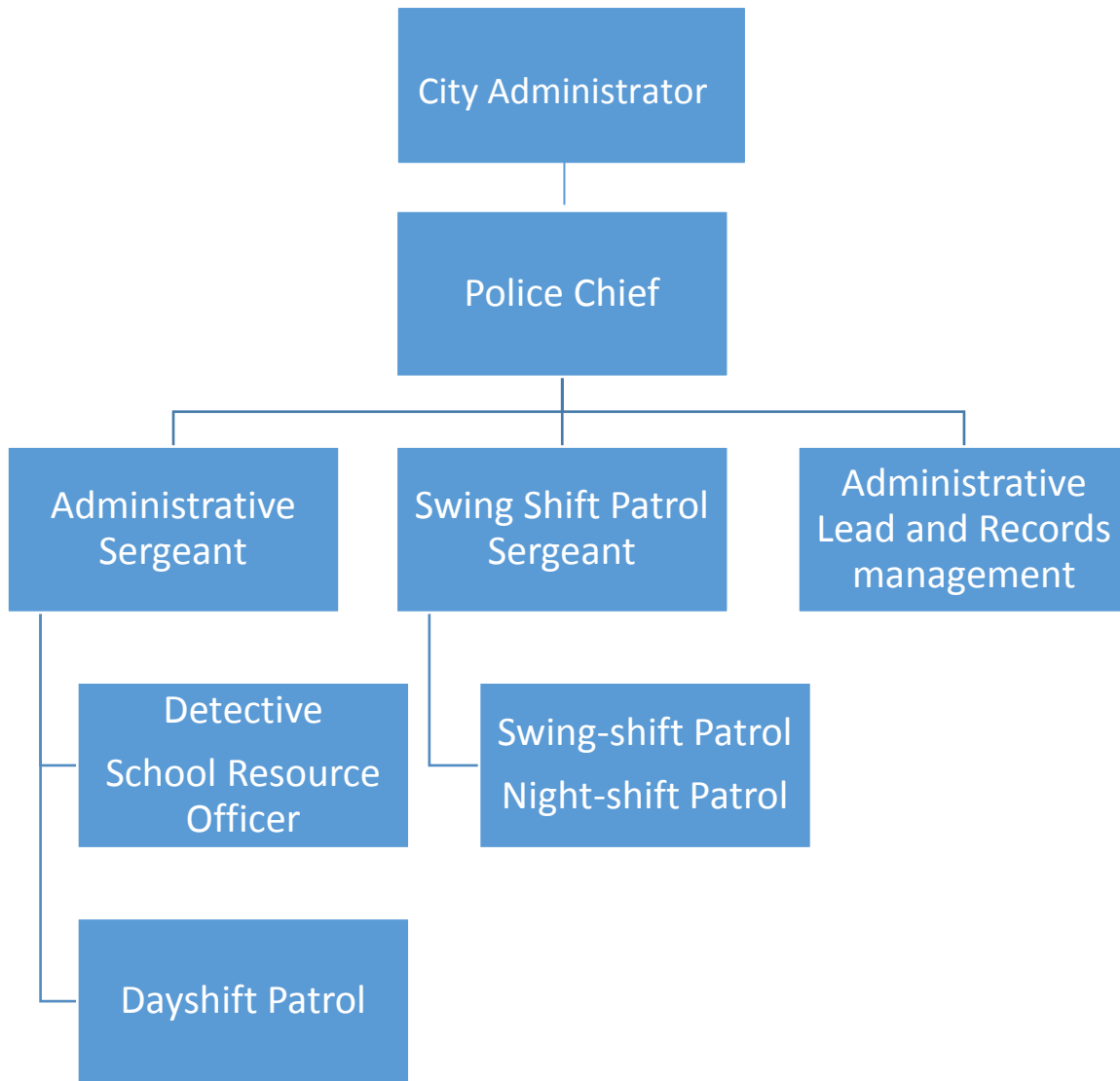
## **2015-2016 ACCOMPLISHMENTS:**

- Continued Neighborhood Watch program; attended and assisted the Candle Ridge Development in implementing a Neighborhood Watch program
- Business Watch included continued robbery prevention with local banks, retail theft prevention presentation to local retail businesses
- Continuation of the Most Harmful Criminal, Crimes and Conditions program; Stanwood Police continued to identify individuals, crimes, and or conditions which cause the most harm; conducted investigations into the delivery of controlled substances in partnership with the Snohomish County Drug and Gang Task Force identifying and arresting several individuals
- Reduced calls for service by 19%.
- Police Station remodel
- Assisted Stanwood schools plan and implement RAVE911 (this grant program assists police respond faster and more efficiently to 911 calls, both cell and hard line, generated from school facilities)
- Member of the Chamber of Commerce Board
- Member of the Stanwood YMCA Board
- Sponsored, planned, and held two National Night Out Against Crime Events
- Facebook updates

## **2015-2016 KEY PERFORMANCE MEASUREMENTS:**

- Handled 7,288 Call for service through the end of December 2016
  - Records personnel processed 424 records requests, 577 concealed license permits and logged over 106 hours providing fingerprint services through the end of December 2016 (although this is a significant increase over 2015, the police department was remodeled in 2015 for three months so some of this work was done at the courthouse making it difficult to determine what the true increase was)
-

**DEPARTMENT ORGANIZATIONAL CHART:**



## **2017 / 2018 Budget Request:**

The 2017 / 2018 law enforcement budget consists primarily of all costs associated with the Snohomish County Sheriff's Office contract agreement which includes full police services. The budget also includes other contract costs to include dispatch services (SNOPAC), Snohomish County Radio system (SERS), Regional Drug & Gang Task Force, Public Defense, Prosecution, Court costs and Animal Control. The primary increase is due to the first of three steps in the five year law enforcement contract. In 2013, the Council decided to defer the contract increases over three years of a five year contract period.

The 2017 / 2018 budget supports a full service police department within the City of Stanwood. The budget also supports our goals of a community oriented policing program. The Neighborhood Watch program has been introduced to several neighborhoods within the city this year. We expect the program to continue to grow into a larger city-wide program over the next several years. It is believed that these types of partnerships will help build positive working relationships between police and the community we serve.

The police budget will show increases in some line items. The National Night Out Against Crime event has grown into a significant and popular community event. We have increased that budget from \$1,500 to \$3,500 to accommodate the growing expenses. This event is necessary to continue to build the relationship between the city government and our community. We have mostly achieved that increase by decreasing other line item expenses, namely the advertising budget. Other increases in expenses will be seen in the SNOPAC and SERS line items as the cost of those services will continue to increase. The interlocal agreement between the SRDGTF and the police department shows an approximately \$400 increase, however, this is due to an extension of an extra quarter in the yearly billing cycle. In summary, this is a fiscally responsible budget that allows the department to meet its public safety obligations to the city residents.

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## Criminal Justice Budget Table

Account	2015	2016	2017	2018
	Actual	Budget	Proposed	Proposed
521 10 10 00 Salaries & Wages	\$ 117,509	\$ 128,974	\$ 133,965	\$ 139,324
521 10 20 00 Social Security	\$ 8,724	\$ 9,865	\$ 10,250	\$ 10,660
521 10 21 00 Retirement	\$ 11,339	\$ 13,959	\$ 13,525	\$ 14,065
521 10 22 00 Medical Benefits	\$ 44,269	\$ 48,960	\$ 39,220	\$ 40,790
521 10 23 00 L & I	\$ 262	\$ 434	\$ 500	\$ 520
521 10 24 00 Unemployment Ins	\$ 918	\$ 1,460	\$ 1,000	\$ 1,040
521 10 31 00 Supplies	\$ 2,315	\$ 1,800	\$ 1,800	\$ 1,800
521 10 31 01 Supplies – NNO	\$ 340	\$ 1,500	\$ 3,500	\$ 3,500
521 10 31 02 Training Supplies	\$ 85	\$ 275	\$ 275	\$ 275
521 10 32 00 Fuel	-	\$ 175	\$ 175	\$ 175
521 10 33 50 Small Equipment		\$ -	-	-
521 10 35 01 Uniforms	-	\$ 450	\$ 450	\$ 450
521 10 41 00 L.E. – Profess. Svcs	\$ 291	\$ -	\$ 400	\$ 400
521 10 44 00 Advertising	\$ 136	\$ 1,500	\$ 500	\$ 500
521 10 45 00 Rentals & Leases	\$ 45	\$ 1,000	\$ 500	\$ 500
521 10 47 00 Utilities	\$ 7,946	\$ 10,000	\$ 10,000	\$ 10,000
521 10 48 03 Repair & Maint.	\$ 1,534	\$ 1,000	\$ 1,000	\$ 1,000
521 10 49 00 Miscellaneous	\$ 623	\$ 1,000	\$ 1,000	\$ 1,000
521 10 49 02 Dues	\$ 150	\$ 700	\$ 700	\$ 700
521 10 49 03 Meeting, Train, Travel	\$ 578	\$ 1,000	\$ 1,500	\$ 1,500
521 10 49 05 Credit Card Bank Fees	\$ 187	\$ 100	\$ 100	-
521 10 51 01 Narcotics Task Force	\$ 1,724	\$ 1,700	\$ 2,190	\$ 2,680
521 10 51 02 Intergovt'l Agreements	\$ 1,567,042	\$ 1,656,503	\$ 1,666,371	\$ 1,717,688
521 10 51 03 Sno Pac Dispatch	\$ 82,607	\$ 82,000	\$ 88,075	\$ 90,540
521 10 51 04 SERS Maint & Operation	\$ 20,588	\$ 21,200	\$ 22,540	\$ 23,170
515 31 51 00 Prosecuting Attorney	\$ 8,270	\$ 10,000	\$ 10,000	\$ 10,000
515 91 51 00 Public Defense	\$ 17,129	\$ 24,000	\$ 24,000	\$ 24,000
523 50 51 00 County Jail	\$ 48,036	\$ 86,000	\$ 86,000	\$ 86,000
512 50 50 00 Cascade Court	\$ 11,168	\$ 15,000	\$ 15,000	\$ 15,000
521 10 51 05 Animal Control	\$ 2,432	\$ 2,000	\$ 2,000	\$ 2,000
<b>TOTAL EXPENDITURES:</b>	<b>\$ 1,953,310</b>	<b>\$ 2,121,555</b>	<b>\$ 2,136,436</b>	<b>\$ 2,199,275</b>

**FIRE DEPARTMENT (NCRFA Fire and EMS)**

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## **FIRE DEPARTMENT (NCRFA Fire and EMS)**

### **MISSION:**

To provide quality emergency medical services and fire protection to our community

### **DESCRIPTION:**

The Fire Chief works under the direction of the Board of Fire Commissioners, and acts as the chief administrative officer and administrative supervisor of the fire department. The Fire Chief is responsible for overseeing all fire stations, programs, and activities. The Fire Department includes the department's administration, fire suppression, emergency medical services, fire prevention, public education, fire training, and fire inspection.

Under the direction and authority of the Board of Commissioners, the Fire Chief:

- Supervises, administers and coordinates the functions of the fire department.
- Directs and controls the overall operations of the fire department to assure optimum services to the community.
- Directs the fire departments financial and budget activities to fund operations, maximize investments, and increase efficiency.
- Appoints supervisors and assigns or delegates responsibilities to them.
- Confers with board members, city and county officials, or staff members to discuss issues, coordinate activity or resolve problems.

### **2017-2018 MAJOR GOALS:**

- To provide quality emergency medical services and fire protection to our community
  - Complete the purchase of all Stanwood Rolling Stock and Equipment per the Stanwood Interlocal Agreement for Fire/EMS Services
  - Continue building and improving our public education program within the Stanwood/Camano School District.
  - Provide City residents, businesses, and employees with disaster preparedness and prevention training.
  - Research and introduce Community Based Paramedicine as part of a Community Risk Reduction effort
  - Develop a recruitment and retention program to address the hiring impacts caused by expanding communities
  - Implement the WEBEOC electronic tracking program and train City Staff
  - Continue to be an active partner in the Stanwood and surrounding communities.
  - Remount an EMS aid car.
  - Implement staffing grants through Staffing for Adequate Fire and Emergency Response (SAFER); train new personnel associated with the SAFER grant.
  - Continue to enhance and build our officer development program.
  - Replace outdated SCBA's and Life Packs that are at the end of their service life.
-

## 2015-2016 ACCOMPLISHMENTS:

### *Operations*

In calendar year 2016, North County Regional Fire Authority has responded to 6,906 calls.

SUPPRESSION	1st QTR	2nd QTR	3rd QTR	4th QTR	2016 YTD
Fire Calls	22	14	41	58	135
Good Intent	90	69	206	162	527
Hazardous Conditions	11	13	6	8	38
Service calls	64	44	63	42	213
Other	19	3	4	1	27
<b>FIRE Total</b>	<b>20</b>	<b>143</b>	<b>279</b>	<b>271</b>	<b>899</b>
EMS	1st QTR	2nd QTR	3rd QTR	4th QTR	2016 YTD
City Medical	348	363	373	406	1490
NCRFA Medical	314	328	368	387	1397
<b>TOTAL MEDICAL</b>	<b>662</b>	<b>697</b>	<b>741</b>	<b>793</b>	<b>2887</b>
BLS Calls	343	410	491	514	1758
ALS Calls	314	300	255	292	1161
Miscellaneous Medical Calls	52	25	51	73	201
<b>TOTAL MEDICAL</b>	<b>709</b>	<b>735</b>	<b>797</b>	<b>879</b>	<b>3120</b>

### *Human Resources*

- Hired a new Fire Chief
- Hired a Finance Manager
- Hired a Human Resources/Executive Assistant/District Secretary
- Hired one Firefighter PM to replace one that retired.
- Hired a 40 Hour/Week Battalion Chief of Training

### *Legislative*

- Passed a Permanent EMS Levy
- Passed legislation allowing to dissolve Fire Districts 14 and 18

### *Administrative*

- Transitioned to BIAS Software
- Completed the Collective Bargaining process with Local 4118
- Continued exploring merger and acquisitions with neighboring agencies
- Completed the Stanwood Snohomish County Hazard Mitigation Plan with the city committee

### *Finance*

- Secured a grant for new Defibrillators from the Stillaguamish Tribe
  - Completed State Audit
  - Remounted two aid units
  - Secured a SAFER Grant to hire three additional FTE Firefighters and six PTE Firefighters.
-

### ***Community Risk Reduction/Outreach***

- Participated in numerous community events through-out the year (Stanwood Camano Fair, Warm Beach Summer Fest, Twin City Idlers Car Show, Pilchuck Glass School Open House, Relay for Life, Fourth of July Parade, Warm Beach Lights of Christmas, Christmas Toy Drive, Friday Night Football-Standby, Santa Run Food Drives, Stanwood Camano Rotary Parade, and many more).
- Offered CPR and First Aid Classes throughout the year.
- Continued to enhance our Public Education Program in the Stanwood/Camano School District.
- Participated in National Night Out.
- Completed the WSRB Ratings process

### ***Training***

- Developed and are implementing a new officer development program.

## **Fire Department Budget**

In March 2012, City of Stanwood and North County Regional Fire Authority signed the inter-local agreement for fire protection services. Station 99 is staffed with a Fire Officer, a Firefighter/Paramedic, and three firefighters as well as a 40 hour/week Training Battalion Chief that responds after hours to larger incidents beginning August 2016.

All general maintenance of Station 99, including apparatus and the cost of utilities is paid for by North County Regional Fire Authority.

	2015	2016	2017	2018
	Actual	Budget	Budget	Budget
Fire Services Contract and EMS	\$ 1,279,393	\$ 1,279,393	\$ 1,493,479	\$ 1,674,600
Repair and Maintenance		\$ 10,000	\$ 5,000	\$ 5,000
Total	\$ 1,279,393	\$ 1,289,393	\$ 1,498,479	\$ 1,679,600

# **Community Development Department**

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# Community Development Department

## MISSION:

The Community Development Department is dedicated to carrying out the community's vision through consistent, courteous and personalized customer service, supporting economic vitality, protecting the environment and ensuring a great quality of life.

## DESCRIPTION:

The department currently has 3 full time employees (director, building official /code compliance officer, and administrative assistant), one half time planner, one ¾ time permit technician, and, if needed, contracted building inspections.

These services are augmented by consultants including:

- City consultant services for on-call:
  - Review of street and utility standards for private development
  - Review of landscape plans and street tree issues
  - Review of wetland reports
  - Plan review and inspections

## 2017-2018 MAJOR GOALS:

The Community Development Department work goals fit into all of the budget themes: public safety, economic development, park and recreation assets, municipal facilities, and financial sustainability.

### 1. Public Safety Goals

Although public safety is usually thought of as police and fire services, the fundamental zoning authority of the city also resides under the legal umbrella of public health, safety and welfare, or as it is often called “the police power”. Code compliance, implementation of zoning regulations including topics such as use regulations, critical areas regulations, floodplain regulations, sign regulations, and nuisance are in this category. The 2017/2018 goal is to continue to provide equitable implementation of city codes that provide for the general public safety and welfare.

- Continue quality code compliance (estimated 20 to 40 cases per year)
  - Resolve code enforcement violations within 10 working days
  - Provide information about building in the floodplain
-

## **2. Economic Development Goals**

The 2017/2018 goal is to improve the economic development investment climate.

- Evaluate zoning codes for potential attraction of families into the community.
- Evaluate fee structure for both planning and building permits.
- Continue to evaluate the need for economic development incentives and a strategy to implement incentives if warranted.
- Provide support for marketing campaign to attract new residents.
- Provide accurate and timely information about development.
- Partner with prospective businesses and property owners to assist them through the permitting process.

## **3. Parks and Recreation Assets Goals**

The 2017/2018 goal is to provide recreational opportunities for residents and visitors within the City of Stanwood.

- Support the permitting of both the Hamilton and Ovenell properties.
- Continue to pursue leasing of the BNSF corridor.
- Evaluate the opportunities to partner with others for wetland mitigation at the Ovenell property.

## **4. Municipal Facilities**

The 2017/2018 goal is to assist the City in maintaining taxpayer owned assets.

- Provide assistance in finding solutions for existing City Hall if necessary
- Provide supporting information for a potential new Police Station/City Hall location.

## **5. Financial Stability Goals**

The Community Development Department in 2017/2018 will contribute to the financial stability of the city by providing a group of services to allow conversion of land from underutilized uses or vacant acreage to a higher use assessed at a higher tax rate. Plats, in particular, create additional property tax value. The building and current planning services of the department support this goal.

- Continue working with property owners to approve residential plats, multifamily projects, and commercial projects that improve the city's property tax base
- Continue doing engineering review and construction management in house
- Continue to do residential and commercial plan review in house
- Determine other opportunities for cost saving

## **Projects started in 2015/16 carrying over into 2017/18**

1. Continue work with FEMA on the proposal to address impacts on fish/FEMA Bi-Op Regulations (on going)
  2. BNSF Lease for use of railroad corridor
  3. Proposed changes to the Traditional Neighborhood zoning
  4. WSDOT Trail Lease and permitting
-



**2015-2016 ACCOMPLISHMENTS:**

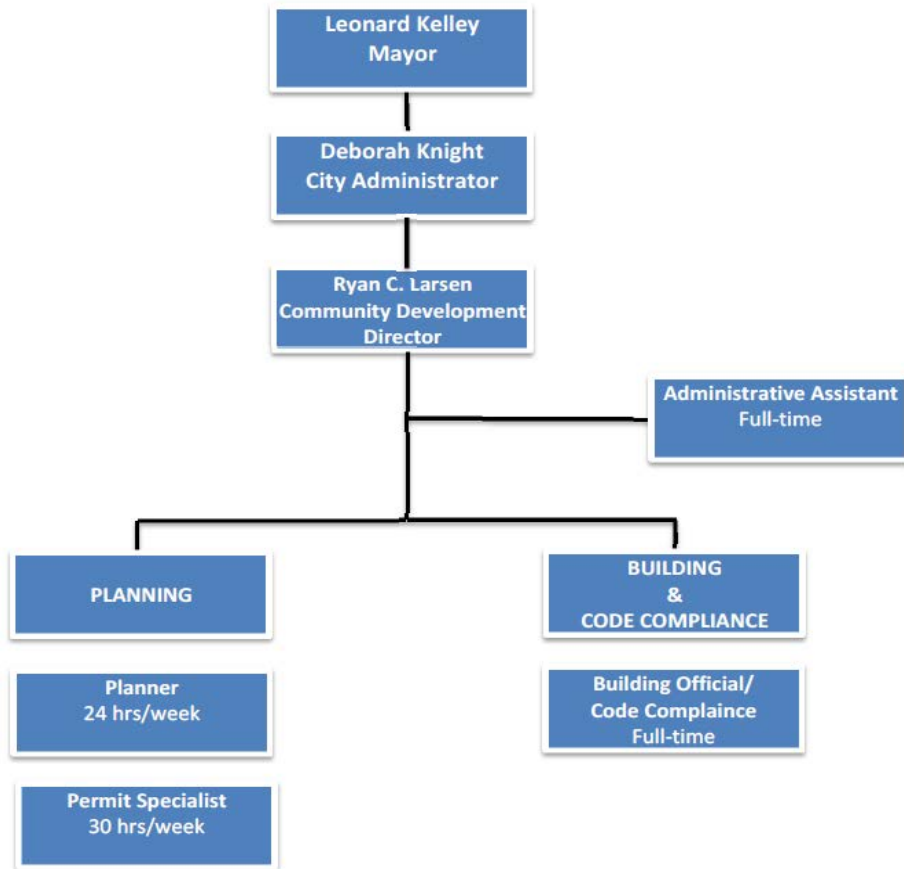
- Engineering/construction plan review for projects in house as a cost saving mechanism
- Residential and commercial building permits plan review completed in house
- Construction projects completed in house as a cost saving mechanism (YMCA, Port Susan Market Place, Pioneer Highway waterline project)
- Ensured the YMCA and Port Susan Market Place inspections were completed on-time so projects could maintain opening date schedule
- Completed the following ordinances
  - Ordinance 1398 – multiple miscellaneous changes to Title 17
  - Ordinance 1419 – created processes for land use application
  - Ordinance 1418 – multiple miscellaneous change to Title 17
  - Ordinance 1420 and 1421 – Wireless Communications Ordinance
  - Ordinance 1410 – Updating Comp Plan maps.
  - Ordinance 1396 – Adopted Periodic Comprehensive Plan Update
- Completed community presentations on project updates and potential Police Station/City Hall relocation with the Chamber of Commerce, Kiwanis, Rotary, Historical Society and Lions Club
- Hired a full-time building official
- Completed the Ovenell annexation
- Acquired ortho-imagery of entire city through King County at reduced cost
- Facilitation of the City Hall / PD updates/renovations
- Re-wrote special events permit process and streamlined
- Began the Business Spotlight featuring local businesses

**2015-2016 KEY PERFORMANCE MEASUREMENTS:**

	2015	2016 (through August 31st)
Total Permits	433	302
Single-Family Home Permits	24	25
Commercial Building Permits	29	22
Total Revenue (every category of permits)	\$ 795,943	*\$ 876,026
Code Enforcement Cases	46	26
Customers Served at Counter (Approx.)	520	445
Planning Commission Total Hours	21 Hours	11 Hours
Planning Commission Total Meetings Held	13	11

\*(updated through 9/24/16)

**DEPARTMENT ORGANIZATIONAL CHART:**



On call consultants as needed.

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## Community Development Department Budget

	2015	2016	2017	2018
Community Development	Actual	Budget	Adopted	Adopted
Salaries and Wages	\$ 288,690	\$ 338,670	\$ 351,400	\$ 365,455
Taxes and Benefits	\$ 115,236	\$ 135,669	\$ 139,160	\$ 144,765
Operating Supplies	\$ 1,441	\$ 800	\$ 3,600	\$ 800
Fuel	\$ 374	\$ 650	\$ 650	\$ 650
Small Equipment	\$ 971	\$ 1,000	\$ 2,700	\$ 1,500
Professional Services	\$ 181,858	\$ 120,000	\$ 125,000	\$ 105,000
Economic Development	\$ 31,018	\$ 37,000	\$ 9,000	\$ 4,000
Tourism Promotion & Marketing	\$ -	\$ -	\$ 50,500	\$ 50,500
Communications	\$ 3,943	\$ 2,000	\$ 2,000	\$ 2,000
Advertising	\$ 713	\$ 2,500	\$ 2,500	\$ 2,500
Repairs & Maintenance	\$ 346	\$ 350	\$ 400	\$ 400
Training & Travel	\$ 3,061	\$ 3,000	\$ 5,000	\$ 5,000
Dues	\$ 3,824	\$ 4,000	\$ 4,000	\$ 4,000
Printing	\$ 23	\$ 800	\$ 800	\$ 800
Credit Card Fees	\$ 691	\$ 1,000	\$ 1,000	\$ 1,000
Intergovernment Services	\$ 404	\$ 2,500	\$ 2,500	\$ 2,500
Total Community Development	\$ 632,599	\$ 649,939	\$ 649,710	\$ 640,371

# **Public Works Buildings and Grounds**

## **Public Works Buildings and Grounds**

### **MISSION:**

The Mission of the City of Stanwood's Public Works Department is to provide high quality maintenance of the City's public works infrastructure in an economic and environmentally responsible manner while preserving and enhancing quality of life and public safety.

### **DESCRIPTION:**

Buildings and Grounds is one of the two public works divisions that are part of the general fund budget. The City of Stanwood owns, operates and maintains a variety of buildings housing government and non-profit services. City facilities include city hall, public works shop, wastewater treatment plant (WWTP), water treatment plant (WTP), parks maintenance shop, sewer lift stations, well houses, library, police station, fire station and community conference center.

### **2017-2018 MAJOR GOALS:**

- Air conditioning for City Hall
- Look for and secure new site for City Hall and Police Station
- Paint Fire Station, interior and exterior

### **2015-2016 ACCOMPLISHMENTS:**

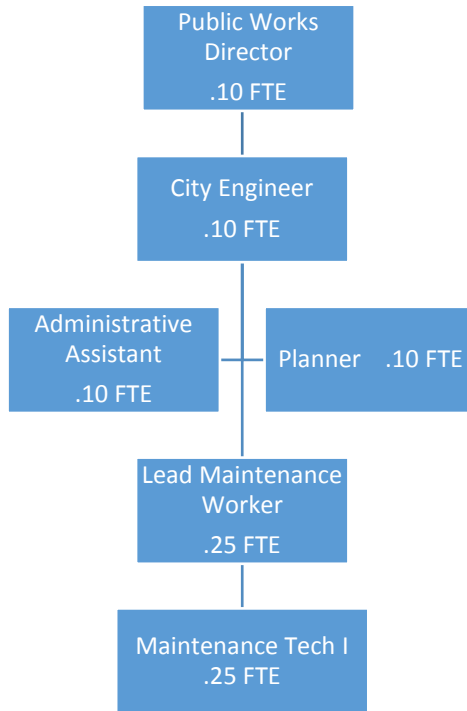
- Remodel City Hall
- Remodel Police Station
- New windows and exterior paint at the library
- Paint awning at Police Station and Annex
- Paint kitchen and bathrooms at City Hall
- New air conditioning and heating at Annex
- New air conditioning at Police Station

### **2015-2016 KEY PERFORMANCE MEASUREMENTS:**

- The Council approved a contract with RMC Architects for design work to remodel both the City Hall and police station. Due to floodplain and substantial improvement dollar requirements the projects were scaled back.
  - The City is looking at potential sites for a new city hall/police station.
-

**DEPARTMENT ORGANIZATIONAL CHART:**

The 2017-18 budget includes minimal staffing to maintain Stanwood’s building and grounds with approximately .90 full-time equivalent (FTE) appropriated staff to this department.



## Building and Grounds 2017-18 Budget Request

As city facilities age there is a need to budget more money for repair and maintenance of the buildings.

Building and Grounds	2015	2016	2017	2018
	Actual	Adopted	Adopted	Adopted
Salaries and Wages	\$ 40,812	\$ 74,320	\$ 64,500	\$ 67,080
Overtime	\$ 394	\$ 193	\$ 500	\$ 500
Benefits	\$ 21,989	\$ 41,962	\$ 33,775	\$ 35,165
Operating Supplies	\$ 5,764	\$ 5,000	\$ 5,000	\$ 5,500
Uniforms	\$ 480	\$ 1,000	\$ 500	\$ 1,000
Fuel	\$ 1,308	\$ 4,500	\$ 2,000	\$ 2,000
Small tools	\$ 938	\$ 300	\$ 300	\$ 300
Professional Services	\$ 12,242	\$ 15,000	\$ 15,000	\$ 15,000
Communication	\$ 1,289	\$ 400	\$ 400	\$ 400
Advertising	\$ 216	\$ -	\$ -	\$ -
Utilities	\$ 10,143	\$ 12,000	\$ 12,000	\$ 12,000
Rentals	\$ 57	\$ 300	\$ 300	\$ 300
Repair and maintenance	\$ 6,141	\$ 7,500	\$ 7,500	\$ 7,500
Meetings training and travel	\$ 655	\$ 300	\$ 300	\$ 300
OMWWBE Dues	\$ 400	\$ -	\$ -	\$ -
<b>Total Building and Grounds</b>	<b>\$ 103,928</b>	<b>\$ 162,775</b>	<b>\$ 142,075</b>	<b>\$ 147,045</b>

# **Public Works Parks**





## **Public Works Parks**

### **MISSION:**

The Mission of the City of Stanwood's Public Works Department is to provide high quality maintenance of the City's public works infrastructure in an economic and environmentally responsible manner while preserving and enhancing quality of life and public safety.

### **DESCRIPTION:**

The Public Works Parks division is part of the general fund budget. The public works department maintains the city's parks, open spaces and trails with over 63 acres of active parks and open spaces, 3 miles of multi-use trails, and 12 acres of future parks.

The challenge in the coming years will be to operate and maintain existing park properties while acquiring land for a future neighborhood park. There is a strong community preference for adding a neighborhood park with sports fields to serve young families and their children. Also, there is a strong desire to build onto the existing trail system to create connectivity from one end of Stanwood to the other.

Maintaining the grounds of Ovenell Park and Hamilton Park, while design and development occurs over the next several years, will put additional burden on the minimally staffed parks department.

### **2017-2018 MAJOR GOALS:**

- Rebuild/repair restrooms at Church Creek Park
  - Look for property and funding to develop a community park in north east Stanwood to serve new development
  - Look for property and funding to develop a downtown park in east Stanwood
  - Purchase and install security cameras at Church Creek Park
  - Alarm at Heritage Park
  - Remove hazard trees at Church Creek Park
  - Demolish buildings at Ovenell Park
  - Explore Park Bond and Maintenance and Operations Levy
  - Support Friends of Stanwood Parks Association
  - Install power for Movies in the Park at Church Creek Park
-

## **2015-2016 ACCOMPLISHMENTS:**

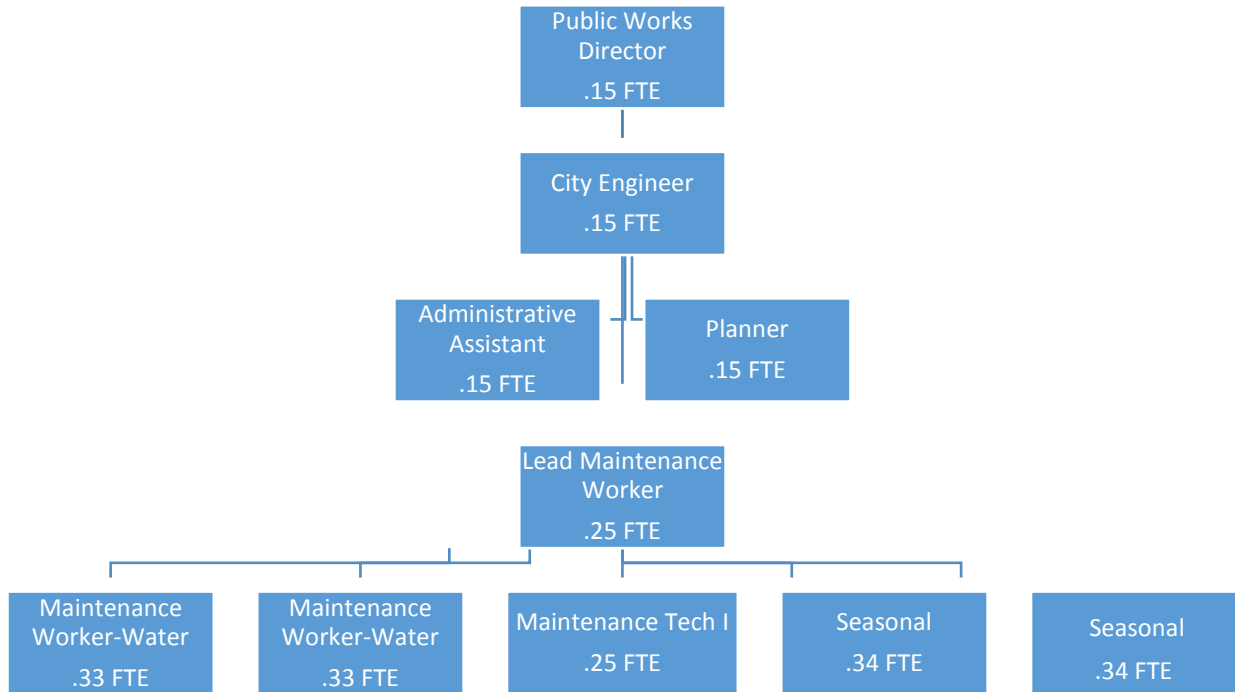
- Replace fencing at Church Creek Park ballfield
- Restore trails at Church Creek Park
- Work on installation of a disc golf course at Church Creek Park
- Masterplan Ovenell, Heritage and other downtown parks for future grant funding
- Work with property owners to secure farmland development rights or negotiate fee simple purchase of key parcels surrounding Stanwood
- Cleaned up debris at Ovenell Park
- Cleared/Mowed Ovenell Park
- Opened Ovenell Park to the Public one day per month during summer
- Work with consultant to address drainage issues at Heritage Park
- Work on developing a citywide trail system

## **2015-2016 KEY PERFORMANCE MEASUREMENTS:**

- Parks are mowed weekly during spring, summer; two crew members work two full days to mow the city's three parks
  - Trimming trees, repairing equipment and facilities are completed during the winter; crew also works in the street department street sweeping and working during snow and flood events.
  - Working to attract a core group of individuals and service organizations to assist with maintaining and improving city parks
-

## DEPARTMENT ORGANIZATIONAL CHART:

The 2017-18 budget includes minimal staffing to maintain Stanwood's parks; there are approximately 1.76 full-time equivalent employees (FTE) appropriated for parks operation/maintenance staff from October to April. During the spring, summer and early fall (May-October), the city adds additional staff time (.68) for mowing parks and streetscapes.



## 2017-18 Budget Request

<b>Parks Budget</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
	<b>Actual</b>	<b>Adopted</b>	<b>Adopted</b>	<b>Adopted</b>
Salaries and Wages	\$ 90,502	\$ 136,200	\$ 131,725	\$ 136,995
Overtime	\$ 1,198	\$ 1,066	\$ 2,000	\$ 2,000
Benefits	\$ 41,527	\$ 69,615	\$ 62,370	\$ 65,025
Supplies	\$ 7,335	\$ 10,000	\$ 10,000	\$ 10,000
Fuel	\$ 3,101	\$ 4,500	\$ 4,500	\$ 4,500
Small equipment	\$ 1,259	\$ 400	\$ 1,000	\$ 1,000
Uniforms	\$ 583	\$ 1,000	\$ 1,000	\$ 1,000
Professional Services	\$ 977	\$ 1,000	\$ 16,000	\$ -
Summer Concert Series	\$ 892	\$ 1,300	\$ 1,150	\$ 1,150
Movies In The Park	\$ 2,024	\$ 3,200	\$ 3,700	\$ 3,700
Light Up Your Holidays	\$ 3,333	\$ 3,400	\$ 3,800	\$ 3,800
CPG Grant – Cleanup Day	-	-	\$ 5,000	\$ 5,000
Touch A Truck	-	-	\$ 1,650	\$ 1,650
Snow Goose/Glass Quest	-	-	\$ 2,500	\$ 2,500
Haunted Halloween Ovenell	-	-	\$ 1,500	\$ 1,500
Communication	\$ 559	\$ 600	\$ 600	\$ 600
Rentals	-	-	\$ 200	\$ 200
Utilities	\$ 14,830	\$ 14,000	\$ 14,000	\$ 14,000
Repair and maintenance	\$ 4,295	\$ 4,000	\$ 4,000	\$ 4,000
Field Maint – User Fees	\$ 3,460	-	\$ 10,000	\$ 10,000
Meeting, training and travel	\$ 1,626	\$ 1,300	\$ 1,300	\$ 1,300
Credit Card Bank Fees-PW	\$ 162	\$ 200	\$ 200	\$ 200
<b>Total</b>	<b>\$ 179,400</b>	<b>\$ 251,781</b>	<b>\$ 278,195</b>	<b>\$ 270,120</b>

# **Public Works Streets**

## Public Works Streets

### **MISSION:**

The Mission of the City of Stanwood's Public Works Department is to provide high quality maintenance of the City's public works infrastructure in an economic and environmentally responsible manner while preserving and enhancing quality of life and public safety.

### **DESCRIPTION:**

The street department is funding closely related to the general fund. The general fund and street fund typically share revenue sources including property taxes, sales taxes, and utility taxes. The only exception is the gas tax. In accordance with RCW47.24.040, all funds distributed to cities from the state motor vehicle fund ("gas tax") must be placed in a fund designated as the "city street fund."

The moneys from this fund are to be used for salaries and wages, materials, supplies, equipment, purchase or condemnation of right of way, engineering or any other proper highway or street purpose in connection with the construction, alteration, repair, improvement, or maintenance of any city street or bridge, or viaduct or under passage along, upon or across such streets.

Also, in conjunction with the voter approved sales tax increase in February 2013, the City Council established a Transportation Benefit District (TBD) for managing the increased tax revenue. The TBD board specifically requested that these revenues be spent on street improvement projects. In 2015, the City assumed the TBD, and effective January 1, 2016 the 0.2% Transportation Sales Tax is accounted for in Fund 108, Transportation Sales Tax. Annual Transportation Sales Tax revenue is estimated to exceed \$300,000 in 2016. Due to its volatility this revenue is conservatively estimated at \$292,000 per year in 2017 and 2018.

The street fund supports snow removal, pothole patching, as well as bike path and trail repairs as needed. There are 4 members of the public works crew who, along with working in the parks, drainage, buildings and grounds are responsible for the maintenance of Stanwood streets and public rights of way. Each year the city contracts with Snohomish County to re-stripe pavement markings along city streets using Street Fund revenues. This funding also provides for concrete curb and gutter work, asphalt patching and localized repair and engineering studies.

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## **2017-2018 MAJOR GOALS:**

- Federally classify 92<sup>nd</sup> Avenue from SR 532 to 102<sup>nd</sup> Avenue
- Work to fund and construct berm/trail on SR532
- Install sidewalks for 68<sup>th</sup> Avenue “Safe Routes to School” project
- Repave 271<sup>st</sup> Street from 94<sup>th</sup> Drive to SR 532
- Repave 88<sup>th</sup> Avenue from SR 532 to Florence Road
- Repave Pioneer Hwy from SR 532 south to city limits
- Design and construct 90<sup>th</sup> Avenue and Viking Way
- Implement the Non-Motorized Transportation Plan by filling in sidewalk and walkway missing sections
- Evaluate replacing guardrail at Church Creek
- Viaduct flower bed design
- Pave shoulder of 85<sup>th</sup> Avenue and Pioneer Hwy to 276<sup>th</sup> Street
- Re-grade alleys

## **2015-2016 ACCOMPLISHMENTS**

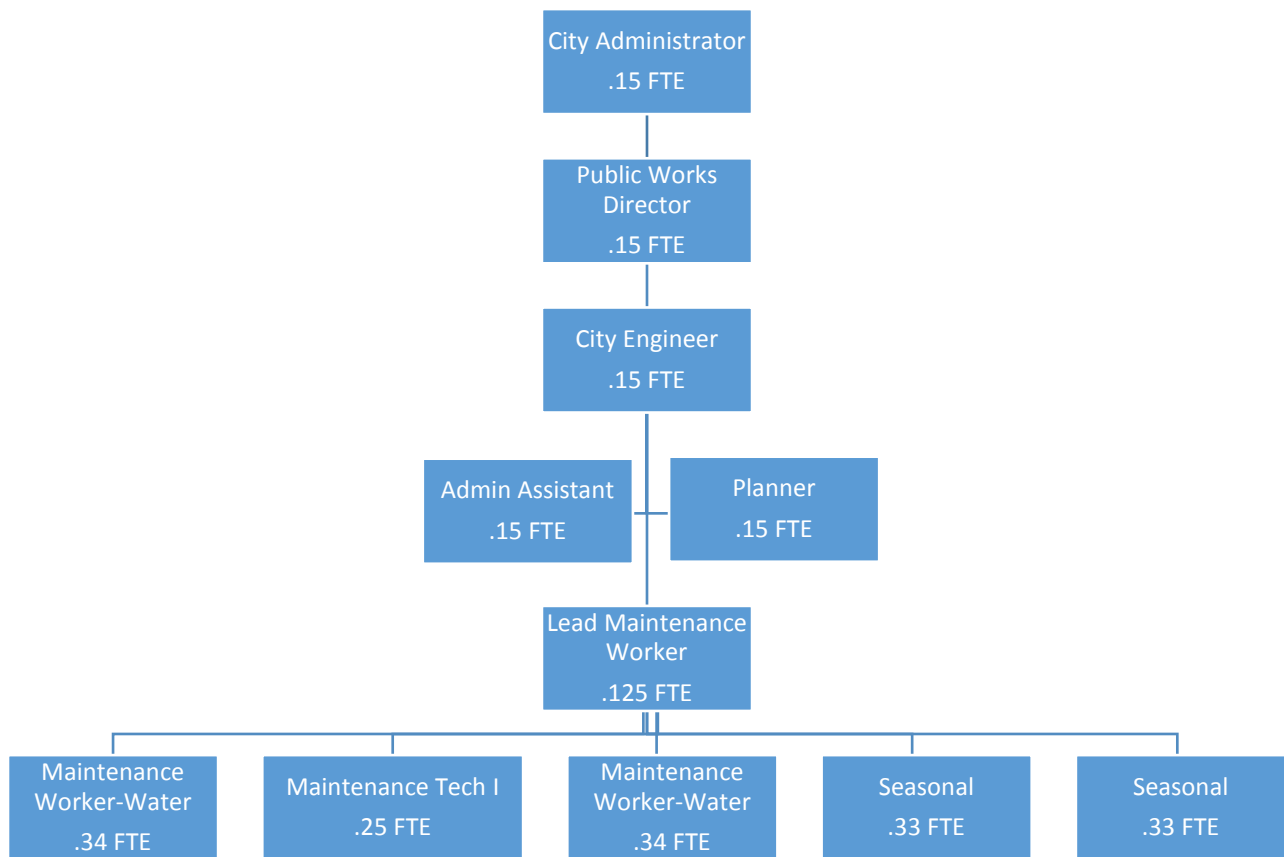
- Design sidewalks for 68<sup>th</sup> Avenue Safe routes to school” project
- Repair failed sidewalks in Cedarhome Ridge
- Sweep arterial and neighborhood streets monthly
- Install and remove holiday and seasonal banners as requested
- Identify and maintain city owned rights-of-way
- Contract with Snohomish County to stripe arterial streets
- Repave 270<sup>th</sup> from Florence Road to 88<sup>th</sup>
- Develop and adopt a non-motorized trail plan
- Repave Pioneer Hwy from SR 532 north to city limits
- Repave 272<sup>nd</sup> Street from 72<sup>nd</sup> Avenue to 81<sup>st</sup> Drive
- 60% Design for Viking Way/90<sup>th</sup> Avenue

## **2015-2016 KEY PERFORMANCE MEASUREMENTS:**

- Streets are swept weekly
  - CHAP funding was secured to repave Pioneer Highway
  - TIB funding was secured to repave 272<sup>nd</sup>
-

**DEPARTMENT ORGANIZATIONAL CHART:**

The 2017-18 budget includes minimal staffing to maintain Stanwood’s streets: there are approximately 1.81 full-time equivalent (FTE) appropriated staff to this department, and 0.66 FTE of seasonal help in the summer months. The staff in this department maintains streets, sidewalks and associated right of ways.





## 2017-18 Streets Budget Request

Streets	2,015	2,016	2,017	2,018
	Actual	Adopted	Adopted	Adopted
Salaries and Wages	\$ 103,510	\$ 148,415	\$ 143,660	\$ 149,405
Overtime	\$ 1,219	\$ 900	\$ 1,200	\$ 1,500
Benefits	\$ 44,222	\$ 71,607	\$ 64,040	\$ 66,715
Operating Supplies	\$ 20,697	\$ 20,000	\$ 20,000	\$ 20,000
Uniforms	\$ 590	\$ 1,000	\$ 1,000	\$ 1,000
Fuel	\$ 3,154	\$ 6,000	\$ 6,000	\$ 6,000
Small tools	\$ 5,368	\$ 400	\$ 400	\$ 400
Adopt a Sign	\$ 839	\$ -	\$ -	\$ -
Professional Services	\$ 12,454	\$ 15,000	\$ 15,000	\$ 15,000
Communication	\$ 2,589	\$ 3,000	\$ 3,000	\$ 3,000
Insurance	\$ 16,758	\$ 18,865	\$ 19,055	\$ 19,600
Advertising	\$ -	\$ -	\$ -	\$ -
Rentals	\$ 263	\$ 500	\$ 500	\$ 500
Utilities	\$ 58,941	\$ 60,000	\$ 60,000	\$ 60,000
Repair and maintenance	\$ 12,389	\$ 15,000	\$ 15,000	\$ 15,000
Miscellaneous	\$ 166	\$ 200	\$ 200	\$ 200
Meetings training and travel	\$ 770	\$ 1,000	\$ 1,000	\$ 1,000
Dues	\$ 226	\$ 100	\$ 100	\$ 100
Machinery and Equipment	\$ 6,297	\$ -	\$ -	\$ -
SnoCo street striping	\$ 13,574	\$ 15,000	\$ 15,000	\$ 15,000
<b>Total Streets</b>	<b>\$ 304,028</b>	<b>\$ 376,987</b>	<b>\$ 365,155</b>	<b>\$ 374,420</b>

# Enterprise Funds

# Public Works Enterprise Budget Summary

## **SEWER SUMMARY**

The City of Stanwood owns, operates and maintains the wastewater collection system as well as a 1.5 MGD wastewater treatment plant. The collection system consists of approximately 27 miles of sewer mains, 674 manholes and 7 sewer lift stations. The City WWTP also houses a State accredited lab in which we perform tests consistent with requirements in our NPDES permit.

In past years staffing has been an issue in the sewer department. In 2015-16, the staffing ranged between 2 and 4 full time employees. The department recently hired 2 technicians that will once again fully staff the department. The proposed 2017-2018 budget for sewer would maintain this current level of full-time equivalents (FTEs).

## **2017-2018 SEWER OPERATING REVENUES**

The City completed an in-house sewer rate study in 2013. Based on the study, the finance committee recommended annual 3.5% sewer rate increases for six consecutive years on each January 1<sup>st</sup>, January 2014 through 2019. On October 10, 2013 the city council adopted Ordinance Number 1353 which adopted these sewer rate increases. The 2017-2018 budget projects that the city will receive \$1,753,360 in service charges in 2017. The annual sewer rate increases of 3.5% were adopted to achieve the following long term goals:

- Maintain minimum cash reserves of \$270,628 for 2017 and \$276,322 for 2018, per the city's financial policy
  - Make capital improvements averaging \$635,000 per year over the next six years
  - Fully staff sewer operations with 5.0 FTE
  - Self-fund sewer utility capital projects over the next six years via modest rate increases and spending down capital reserves before additional borrowing is considered
-

*Sewer Utility Revenues*

	2015	2016	2017	2018
Description	Actual	Budget	Adopted	Adopted
Beginning Balance	\$ 759,615	\$ 912,057	\$ 889,230	\$ 979,995
Revenues				
Charges for Services	\$ 1,697,109	\$ 1,718,000	\$ 1,753,360	\$ 1,787,407
Misc. Revenues	\$ 3,333	\$ 6,000	\$ 5,846	\$ 5,904
<b>Total Revenues</b>	<b>\$ 1,700,442</b>	<b>\$ 1,724,000</b>	<b>\$ 1,759,206</b>	<b>\$ 1,794,411</b>

**2017-2018 SEWER OPERATING BUDGET**

The sewer operating budget is part of the city's enterprise fund budget. Revenues collected for this utility fund the maintenance and operation as well as the personnel to perform these duties.

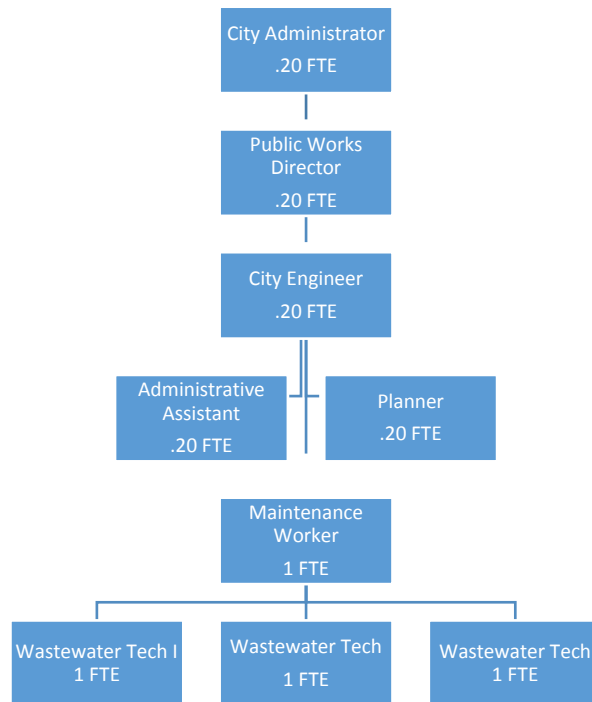
The total 2017-18 proposed sewer operating budget, including non-operating expenditures such as debt service and machinery and equipment, is \$1,653,088 in 2017 and \$1,7068,812 in 2018, which allows for a projected ending cash balance of \$979,995 in 2017 and \$1,051,808 in 2018.

*Sewer Utility Expenditures*

	2015	2016	2017	2018
Description	Actual	Budget	Adopted	Adopted
Operating Expenditures				
Salaries & Wages	\$ 239,443	\$ 301,365	\$ 305,465	\$ 317,685
Overtime	\$ 2,583	\$ 3,186	\$ 10,000	\$ 10,000
Social Security	\$ 17,938	\$ 23,300	\$ 23,365	\$ 24,300
Retirement	\$ 23,649	\$ 34,025	\$ 34,060	\$ 35,420
Medical Benefits	\$ 69,728	\$ 87,675	\$ 100,755	\$ 104,785
L & I	\$ 3,788	\$ 5,975	\$ 7,435	\$ 7,730
Unemployment Insurance	\$ 1,996	\$ 3,450	\$ 1,600	\$ 1,665
Supplies	\$ 18,993	\$ 20,000	\$ 20,000	\$ 30,000
Uniforms	\$ 2,251	\$ 4,000	\$ 4,000	\$ 4,000
Fuel	\$ 5,834	\$ 7,500	\$ 7,500	\$ 7,500
Small Equipment	\$ 2,097	\$ 2,500	\$ 2,500	\$ 2,500
Professional Services	\$ 42,364	\$ 60,000	\$ 60,000	\$ 60,000
Communications	\$ 18,225	\$ 20,000	\$ 20,000	\$ 20,000
Advertising	\$ 1,658	\$ 500	\$ 500	\$ 500
Rentals	\$ -	\$ 500	\$ 2,000	\$ 2,000
Insurance	\$ 22,343	\$ 25,250	\$ 30,000	\$ 30,840
Utilities	\$ 106,042	\$ 110,000	\$ 160,000	\$ 160,000
Repair/maintenance	\$ 22,895	\$ 25,000	\$ 40,000	\$ 40,000
B & O Tax	\$ 35,806	\$ 37,000	\$ 37,000	\$ 37,000
Meetings, Training & Travel	\$ 4,694	\$ 4,500	\$ 8,000	\$ 9,000
Credit Card Bank Fees	\$ 3,008	\$ 3,250	\$ 3,250	\$ 3,250
Dues	\$ 818	\$ 500	\$ 1,000	\$ 500
Interfund Payment For Servic	\$ 159,995	\$ 139,457	\$ 143,362	\$ 147,376
Permits	\$ 6,398	\$ 6,500	\$ 9,000	\$ 9,000
SRF Principal - Treatment Plan	\$ 465,029	\$ 465,029	\$ 465,029	\$ 465,029
PWTF Principal - 271st Trunk	\$ 106,921	\$ 106,921	\$ 106,921	\$ 106,921
PWTF Int. - 271st Trunk	\$ 5,881	\$ 5,881	\$ 5,346	\$ 4,811
Machinery & Equipment	\$ 2,596	\$ 25,000	\$ 25,000	\$ 25,000
Tranf. To Equipment Replacemen	\$ 40,000	\$ 40,000	\$ 20,000	\$ 40,000
Tranf. To Sewer Constr. Fund 403	\$ 115,027	\$ 172	\$ -	\$ -
Total Expenditures	\$ 1,548,000	\$ 1,740,630	\$ 1,653,088	\$ 1,706,812

## 2017-18 Sewer Staffing Levels

The 2017-18 budget includes approximately 5 full-time equivalent (FTE) dedicated staff to this department. This is still minimal staffing to maintain Stanwood's sewer system. The staff in this department maintains the treatment plant, the pump stations and the collection system.



## 2015-16 Sewer Accomplishments

- Certification of entire crew to Wastewater Operator Group 1 or higher
  - Updated Sewer Comprehensive Plan
  - Completed Biosolids Management Plan
  - Purchased CCTV equipment to inspect collection system
  - Purchased additional flow modules for collection system evaluation
  - Cleaning of approximately 1/3 of sewer collection system
  - Installation of new impellers on all 3 pumps at Main Pump Station to provide for redundancy in high flow situations
  - Replaced directional valves for clarifier #1 and clarifier #2
  - Rebuilt mechanical fine screen at WWTP
  - Application for Biosolids General Permit
  - Application for NPDES Waste Discharge Permit
  - New sewer main on 270<sup>th</sup> Street 94<sup>th</sup> – 96<sup>th</sup>
  - Received 9<sup>th</sup> Outstanding Performance Award for Waste Water Treatment Plant from the Department of Ecology.
-

## **2017-2018 Sewer Goals**

- Biosolids removal and utilization for stabilization ponds
- Continue sewer line cleaning and televising
- Install new sewer main on 271<sup>st</sup> between 94<sup>th</sup> and 99<sup>th</sup>
- Complete telemetry system upgrade
- Coordination of collection of data for Infiltration and Inflow Evaluation
- Operations and Maintenance Manual update for WWTP
- Pioneer Highway Conveyance replacement 77<sup>th</sup> – 267<sup>th</sup>
- Stabilization Pond improvements – Aerators and Liner repair
- Viking Way Conveyance improvements
- Purchase a van for the CCTV equipment.
- Replace sleeves, bulbs, panel and wiper system for the UV system

## **WATER SUMMARY**

The City owns, operates and maintains the entire water system to include source, treatment and distribution. The system consists of approximately 65 miles of water main, 5 reservoirs, 7 pressure zones, 11 pressure reducing stations, 2 booster pump stations, 2 well sites, spring source and the water treatment plant. We currently have 4 employees assigned to full time duties within the department.

City staff will request maintaining the current staffing level, which includes 1,000 hours of seasonal help.

## **2017-2018 WATER OPERATING REVENUE**

The City completed an in-house water rate study in 2013. Based on the study, the finance committee recommended annual 5% water rate increases for six consecutive years on each January 1<sup>st</sup>, 2014 through 2019. On October 10, 2013 the city council adopted Ordinance Number 1354 which adopted these water rate increases. The 2017-2018 budget projects that the city will receive \$1,650,250 in service charges in 2017 and \$1,732,413 in 2018. The annual water rate increases of 5% were adopted to achieve the following long term goals:

- Maintain minimum cash reserves of \$250,074 per the city's financial policy
  - Make capital improvements averaging \$778,000 per year over the next six years
  - Fully staff water operations with 6.25 FTEs
  - Self-fund water utility capital projects over the next six years via modest rate increases and spending down capital reserves before additional borrowing is considered
-

*Table 17 – Water Utility Revenues*

	2015	2016	2017	2018
Description	Actual	Budget	Adopted	Adopted
Beginning Balance	\$ 618,956	\$ 543,961	\$ 404,072	\$ 429,793
Revenues				
Charges for Services	\$ 1,577,247	\$ 1,577,600	\$ 1,650,250	\$ 1,732,413
Misc. Revenues	\$ 50,816	\$ 40,800	\$ 41,900	\$ 41,900
Interfund Transfers	\$ 202,570	\$ 158,696	\$ 75,917	\$ 75,917
<b>Total Revenues</b>	<b>\$ 1,830,633</b>	<b>\$ 1,777,096</b>	<b>\$ 1,768,067</b>	<b>\$ 1,850,230</b>

**2017-2018 WATER OPERATING BUDGET:**

The water operating budget is part of the city’s enterprise fund budget. Revenues collected for this utility fund the maintenance and operation as well as the personnel to perform these duties.

The total 2017-18 proposed water operating budget, including non-operating expenditures such as debt service and machinery and equipment, is \$1,742,346 in 2017 and \$1,731,957 in 2018, which allows for a projected ending cash balance of \$429,793 in 2017 and \$548,066 in 2018.

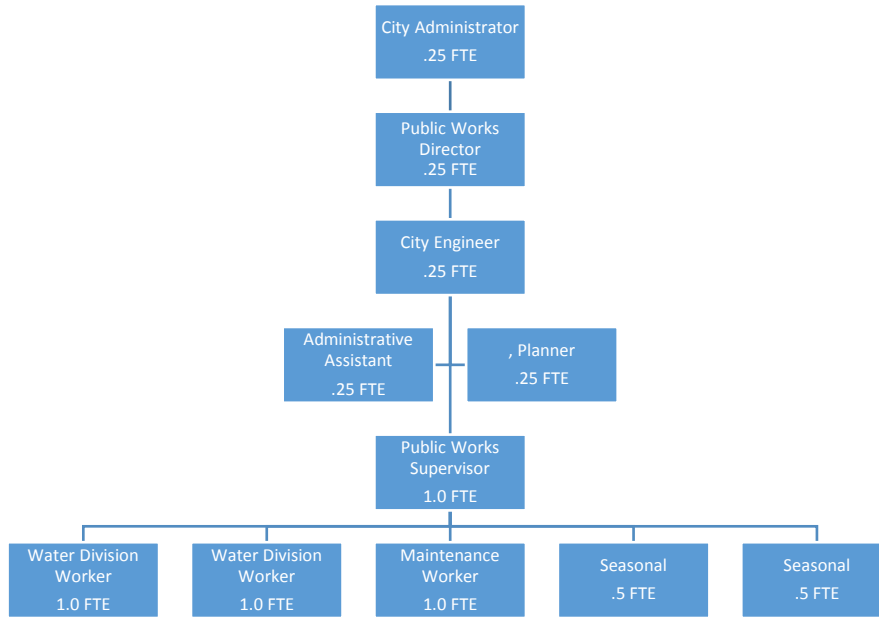


*Water Utility Expenditures*

Description	2015	2016	2017	2018
Operating Expenditures	Actual	Budget	Adopted	Adopted
Salaries & Wages	\$ 279,550	\$ 371,035	\$ 376,365	\$ 391,420
Overtime	\$ 4,542	\$ 4,400	\$ 10,000	\$ 10,000
Social Security	\$ 21,378	\$ 28,715	\$ 28,790	\$ 30,710
Retirement	\$ 27,677	\$ 39,660	\$ 39,630	\$ 41,215
Medical Benefits	\$ 78,754	\$ 86,760	\$ 105,685	\$ 109,910
L & I	\$ 3,593	\$ 6,920	\$ 7,000	\$ 7,728
Unemployment Insurance	\$ 2,183	\$ 4,250	\$ 2,250	\$ 2,340
Supplies	\$ 39,889	\$ 36,000	\$ 40,000	\$ 40,000
Uniforms	\$ 3,928	\$ 4,500	\$ 4,500	\$ 4,626
Chemicals	\$ 6,112	\$ 10,000	\$ 10,000	\$ 10,280
Fuel	\$ 9,521	\$ 12,000	\$ 12,000	\$ 12,336
Small Equipment	\$ 7,827	\$ 8,000	\$ 8,000	\$ 8,224
Meters/Installs	\$ 42,249	\$ 50,000	\$ 50,000	\$ 10,000
Professional Services	\$ 46,629	\$ 70,000	\$ 50,000	\$ 50,000
Communications	\$ 11,240	\$ 10,000	\$ 10,000	\$ 10,280
Advertising	\$ 407	\$ 500	\$ 500	\$ 514
Rentals	\$ -	\$ 300	\$ 500	\$ 500
Insurance	\$ 22,343	\$ 25,150	\$ 30,000	\$ 30,840
Utilities	\$ 76,312	\$ 80,000	\$ 80,000	\$ 82,240
Repair/maintenance	\$ 23,114	\$ 25,000	\$ 40,000	\$ 40,000
B & O Tax	\$ 81,903	\$ 90,000	\$ 90,000	\$ 92,520
Credit Card Bank Fees	\$ 3,008	\$ 4,000	\$ 4,000	\$ 4,112
Dues	\$ 702	\$ 1,000	\$ 1,000	\$ 1,028
Meetings, Training & Travel	\$ 6,379	\$ 6,500	\$ 6,500	\$ 6,682
Testing	\$ -	\$ 500	\$ 500	\$ 514
Operating Permits	\$ 3,854	\$ 6,000	\$ 160,125	\$ 6,168
Interfund Payment For Servic	\$ 153,275	\$ 181,749	\$ 181,749	\$ 163,328
PWTF Principal - Cedarhome Rsr	\$ 139,519	\$ 139,519	\$ 139,519	\$ 139,519
PWTF Principal Water Trtmnt Plan	\$ 172,385	\$ 172,385	\$ 172,385	\$ 172,385
PWTF Interest - Cedarhome Rsrv	\$ 7,034	\$ 6,976	\$ 6,278	\$ 5,581
PWTF Interest Water Trtmnt Plan	\$ 9,481	\$ 9,481	\$ 8,619	\$ 7,757
Machinery & Equipment	\$ 15,931	\$ 25,000	\$ 25,000	\$ 25,000
Trnsf for System Replace -422	\$ 268,709	\$ 397,604	\$ -	\$ -
Trnsf to Water Equip Reserve	\$ 125,000	\$ 10,000	\$ 5,000	\$ 5,000
Transfer to WS Bond Res 451	\$ 211,200	\$ 211,800	\$ 212,200	\$ 209,200
Total Operating Expenditures	\$ 1,905,628	\$ 2,135,704	\$ 1,918,095	\$ 1,731,957

## 2017-18 Water Staffing Levels

The 2017-18 budget includes the addition of the City Engineer/Assistant Public Works Director. This is still minimal staffing to maintain Stanwood's water system. There are approximately 6.25 full-time equivalent (FTE) dedicated staff to this department. The staff in this department maintains all source, disinfection and distribution system.



## 2015-2016 Water Accomplishments

- Put new Bryant Well on line.
- New water main on 92<sup>nd</sup> Ave.
- Water main replacement on Pioneer Hwy
- New water main on 270<sup>th</sup> St., 88<sup>th</sup> Ave to Florence Rd.
- New water main on 270<sup>th</sup> St., 94<sup>th</sup> Ave. to 96<sup>th</sup> Ave.
- Water main replacement on 272<sup>nd</sup> St., 99<sup>th</sup> Ave to 101<sup>st</sup> Ave.

## 2017-2018 Water Goals

- 81st Dr. - Tie services over to 10" & abandon 2"
  - Water main replacement on 88th Ave.- 610' of 12" PVC (Rite Aid to 271st)
  - Water main replacement on 103rd Dr. – 840' of 8" PVC (271st to 273rd)
  - Water main replacement on Boe Rd. - 900' of 4" PVC (Bodle Bridge to Barn)
  - Decommission Fure Well
  - Decommission Bryant Well 2
  - Water main replacement on 288th St. – 2050' 8" PVC (68th to 64th)
  - Water main replacement on 101st Ave. – 730' 8" PVC (272nd Pl. to 274th)
  - Upgrade telemetry
  - New PRV at Pioneer Highway near SR 532
-

## **DRAINAGE SUMMARY**

The City owns, operates and maintains the entire storm drainage system to include piping, approximately 1,554 catch basin, detention ponds, ditches, Irvine Slough and the Irvine Slough pump station.

The City's practice of maintaining all detention ponds was called into question when an ownership search revealed 7 ponds were actually privately owned through HOA's or plat assessment. A subsequent meeting was set up with the people affected by this discovery and a plan is in the works to determine how and by whom maintenance will now be accomplished on these privately owned facilities.

### **Purpose of Drainage Utility**

The purpose of the drainage utility operating fund is to promote quality of storm water in the city. The fund is used to maintain the City's storm water conveyance and treatment facilities and construct storm water capital projects.

A drainage utility is essentially a special assessment district set up to generate funding specifically for surface water management. Users within the district pay a drainage utility fee, and the revenue generated directly supports maintenance and upgrade of existing storm drainage systems; development of drainage plans, flood control measures, and the water-quality programs; administrative costs; and sometimes construction of major capital improvements. Unlike a surface water program that draws on the general tax fund or uses property taxes for revenue, the people who benefit are the ones who pay.

Surface water management within the City is governed by federal, state, regional, county and city laws including the Clean Water Act, Endangered Species Act, the Growth Management Act, Shoreline Management Act, State Environmental Policy Act, Stormwater Management Performance Standards and Puget Sound Water Quality Action Plan.

There are a number of state statutes that pertain either directly or indirectly to the City's authority to form a drainage utility. One of the more broad based statutes pertains to municipal utilities in general and states that a code city may provide utility service within and outside its city limits and this includes the exercise of all the powers to the extent authorized by law (RCW 35A.80.010).

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## **2017-2018 DRAINAGE OPERATING REVENUES**

The drainage utility fee is based on the relative contribution of increased surface and storm water runoff from a given parcel to the storm water system. The amount of impervious surfaces on the parcel is used to indicate the relative contribution of increased surface and storm water runoff from the parcel to the storm water system. The relative contribution of increased storm water runoff from each parcel will determine that parcel's share of the drainage utility fee revenue needs. The drainage utility fee revenue needs of the utility are based upon all or any part, as determined by the Council, of the cost of storm water services or to pay or secure the payment of all or any portion of any issue of general obligation or revenue bonds issued for such purpose.

*Table 19 – Drainage Utility Revenues*

	2015	2016	2017	2018
Description	Actual	Budget	Proposed	Proposed
Beginning Balance	\$ 334,473	\$ 271,025	\$ 171,902	\$ 230,622
Revenues				
Charges for Services	\$ 453,689	\$ 450,000	\$ 450,200	\$ 450,200
Misc. Revenues	\$ 2,590	\$ 1,500	\$ 500	\$ 500
<b>Total Revenues</b>	<b>\$ 456,279</b>	<b>\$ 451,500</b>	<b>\$ 450,700</b>	<b>\$ 450,700</b>

## **2017-2018 DRAINAGE OPERATING BUDGET**

Detention pond maintenance has been difficult to accomplish. The City has a combination of regular and seasonal employees to maintain the ponds during the summer months. The workload exceeds staffing levels. The 2017-18 budget includes funding for a part time seasonal employee.

The total 2017-18 proposed drainage operating budget, including non-operating expenditures such as machinery and equipment, is \$391,980 for 2017 and \$401,926 for 2018 which allows for a projected ending cash balance of \$230,622 in 2017 and \$279,396 in 2018.

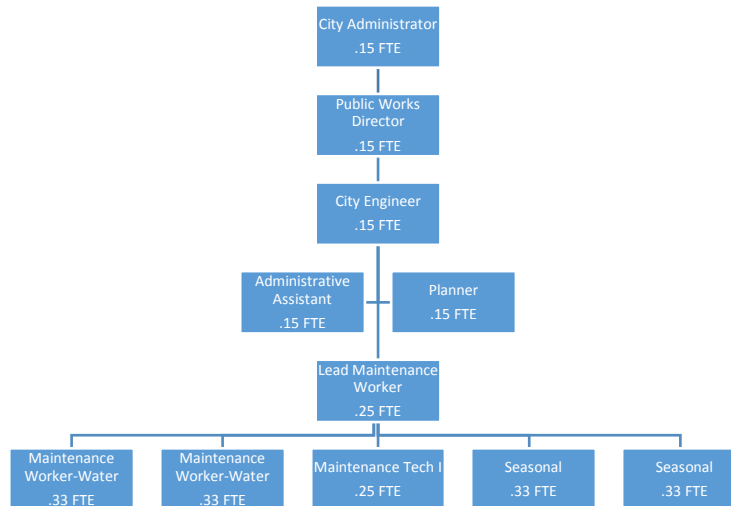
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Table 20 – Drainage Utility Expenditures

	2015	2016	2017	2018
Description	Actual	Budget	Adopted	Adopted
Operating Expenditures				
Salaries & Wages	\$ 110,386	\$ 155,970	\$ 152,140	\$ 158,226
Overtime	\$ 1,198	\$ 625	\$ 2,000	\$ 2,080
Social Security	\$ 8,131	\$ 12,000	\$ 11,640	\$ 12,106
Retirement	\$ 10,000	\$ 16,205	\$ 15,730	\$ 16,360
Medical Benefits	\$ 27,711	\$ 43,025	\$ 37,880	\$ 39,395
L & I	\$ 1,655	\$ 3,210	\$ 3,500	\$ 3,640
Unemployment Insurance	\$ 889	\$ 1,775	\$ 750	\$ 780
Supplies	\$ 3,243	\$ 4,500	\$ 4,500	\$ 4,500
Uniforms	\$ 583	\$ 1,200	\$ 1,000	\$ 1,000
Fuel	\$ 3,101	\$ 3,400	\$ 5,000	\$ 5,000
Small Equipment	\$ 1,304	\$ 1,500	\$ 1,500	\$ 1,500
Professional Services	\$ 29,445	\$ 40,000	\$ 40,000	\$ 40,000
Communications	\$ 3,706	\$ 3,000	\$ 3,000	\$ 3,000
Rentals	\$ -	\$ 500	\$ 500	\$ 500
Insurance	\$ 22,343	\$ 25,151	\$ 25,855	\$ 25,855
Utilities	\$ 7,373	\$ 8,500	\$ 8,500	\$ 8,500
Repair/maintenance	\$ 3,578	\$ 4,000	\$ 4,000	\$ 5,000
B & O Tax	\$ 7,096	\$ 7,200	\$ 7,200	\$ 7,200
Meetings, Training & Travel	\$ 807	\$ 750	\$ 750	\$ 750
Credit Card Bank Fees	\$ 1,504	\$ 1,500	\$ 1,500	\$ 1,500
Interfund Payment For Servic	\$ 64,504	\$ 66,386	\$ 54,435	\$ 54,435
State Operating Permits	\$ -	\$ 600	\$ 600	\$ 600
Machinery & Equipment	\$ 22,916	\$ 25,000	\$ -	\$ -
Transfer To DCF (411)	\$ 178,256	\$ 146,234	\$ -	\$ -
Trsfr To 458 Equip Repl	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Total Expenditures	\$ 519,728	\$ 582,231	\$ 391,980	\$ 401,926

## 2017-18 Drainage Staffing Levels

The 2017-18 budget includes the addition of the City Engineer/Assistant Public Works Director. There are approximately 2.57 full-time equivalent (FTE) dedicated staff to this department.



## 2015-16 Drainage Accomplishments

- Clean all roadside ditches
- Fix drainage on 270<sup>th</sup>, 84<sup>th</sup> Avenue to 88<sup>th</sup> Avenue
- Replaced 7 tubes with 4 larger tubes
- Electrical upgrade at Irvine Slough pump station
- Continue working with home owners on pond maintenance and ownership
- Cleaned/Dredged Irvine Slough
- Hired Site Development Associates for Irvine Slough Stormwater Separation Design

## 2017-18 Drainage Goals

- Fix drainage on 85<sup>th</sup>
  - Continue work to install berm on SR 532
  - Complete Irvine Slough Stormwater Separation (IS4) Phase 2
  - Clean Lindstrom detention pond
  - Vector all downtown catch basins
  - Clean all ditches city wide
  - Fix drainage problem on 94<sup>th</sup> Drive, 271<sup>st</sup> Street to SR 532
  - Fix control structure at Pioneer Hills Pond
-

# FINANCIAL POLICIES

## Background

The City's financial policies address revenue, expenditures, operating budget, capital management, accounting, debt, cash management, investments, and reserves. Written, adopted financial policies have many benefits, such as assisting the elected officials and staff in the financial management of the City, saving time and energy when discussing financial matters, engendering public confidence, and providing continuity over time as elected officials and staff members change. While these policies will be amended periodically, they will provide the basic framework for many of the issues and decisions facing the City. They promote sound financial management and assist in the City's stability, efficiency, and effectiveness.

The City's financial goals seek to ensure the financial integrity of the City, manage the financial assets in a sound and prudent manner, improve financial information for decision makers at all levels; maintain and further develop programs to ensure the long-term ability to pay all costs necessary to provide the level of service required by citizens; and maintain a spirit of openness and transparency while being fully accountable to the public for the City's fiscal activities.

## Reserve Policy

The city will maintain General Operating Reserves at a level equal to at least two (2) months (16.67%) of the total General Fund budgeted revenue, excluding the beginning fund balance, development review revenue, and any significant one-time revenue. A separate reserve shall be established for development review services. These reserves shall be created and maintained to:

1. Provide sufficient cash flow to meet daily financial needs.
2. Sustain city services in the event of a catastrophic event such as a natural/manmade disaster (e.g. earthquake, windstorm, flood, terrorist attack) or a major downturn in the economy.

In general, the city shall endeavor to support ongoing operations with the ongoing revenues and maintain General Operating Reserves of at least 16.67% of the total General Fund budgeted revenue, as set forth above. The city may allow reserves to fall below this minimum on a one-time basis to support city operations. If this occurs, the city will begin to replenish these reserves within two years of a withdrawal.

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