



# **City of Monroe 2021 Recommended Budget**

**October 20, 2020**

# Overview

**Budget is built around the City's Strategic Program Priorities:**

- **Safe and Secure**
- **Economic Development**
- **Manage Growth**
- **Utilities and Transportation**
- **Community Culture**
- **Good Government**

**(Mayor's Message p. 4 and 6 Year Strategic Priorities p. 9)**

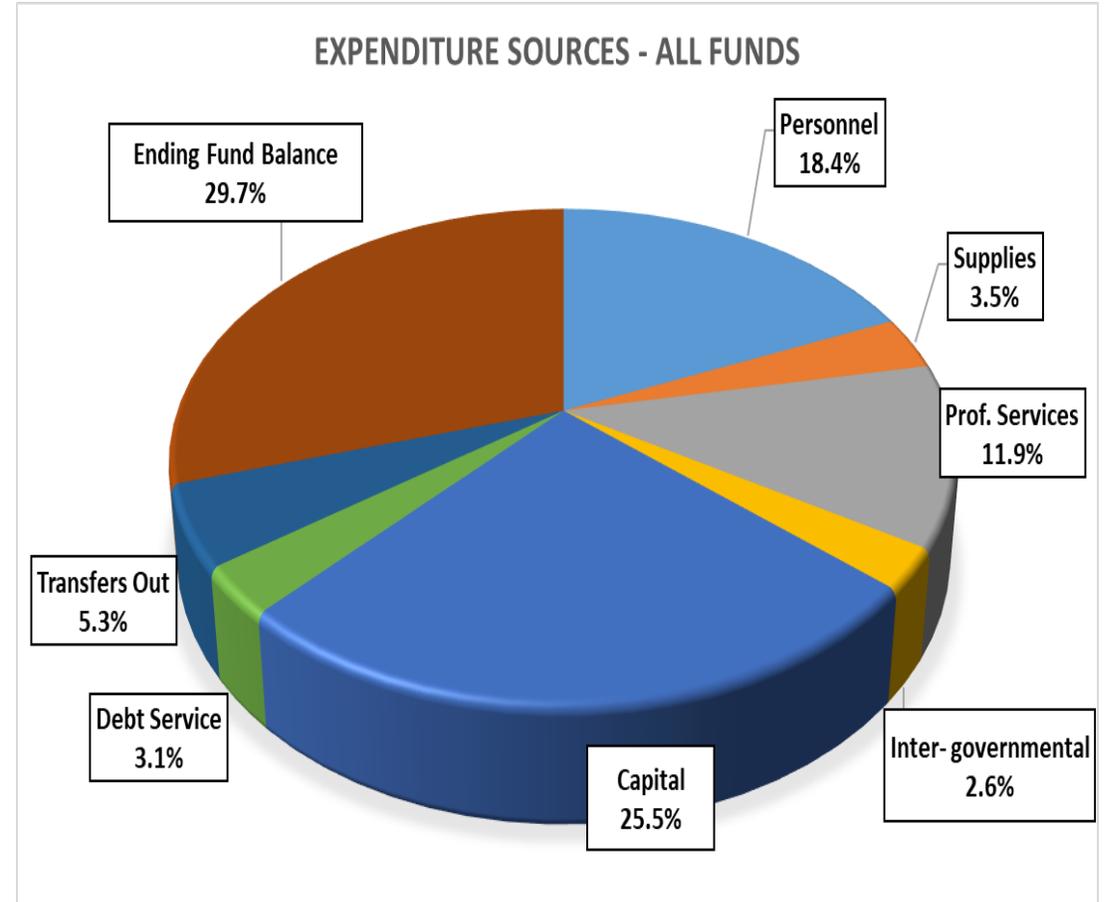
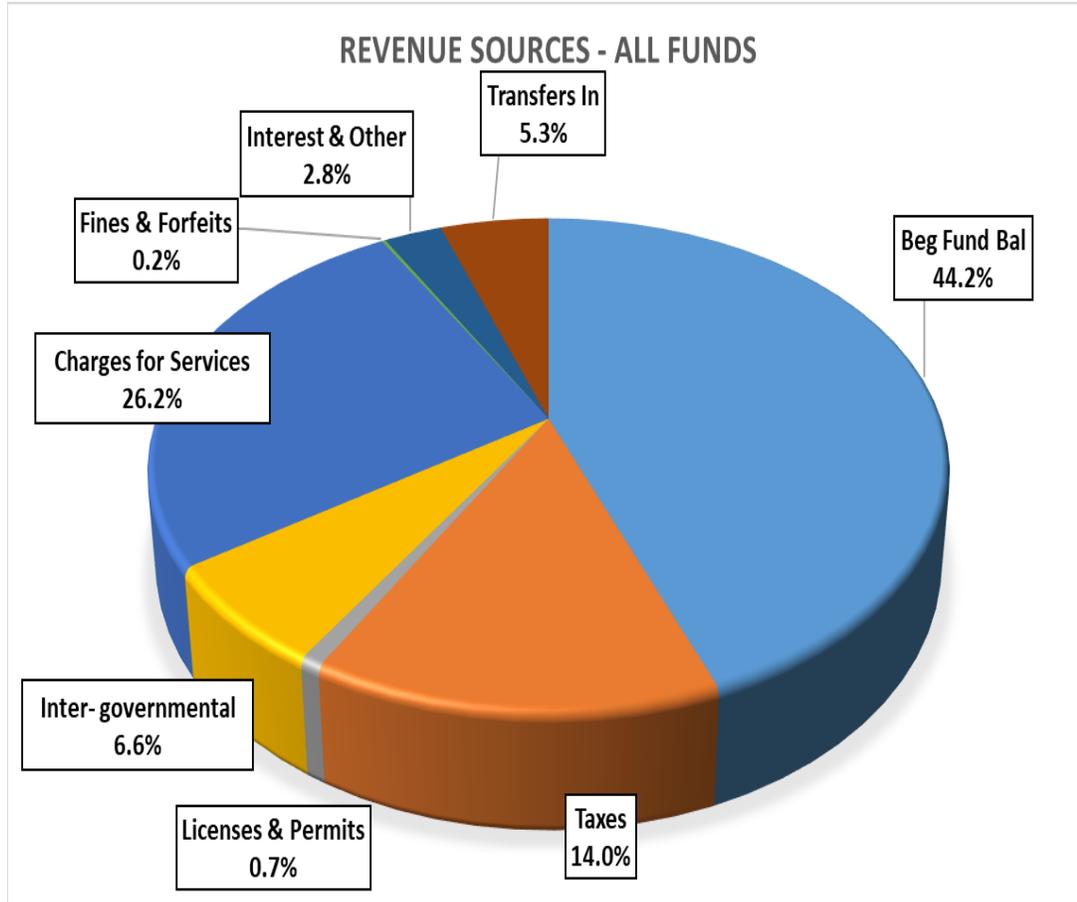
# Partnerships

- **\$12 annual rent - Monroe Boys & Girls Club**
- **\$1 annual rent - Monroe Food Bank**
- **\$1 annual rent - Monroe Community Senior Center**
- **\$71,560 - Embedded Social Worker (Snohomish Co)**
- **\$1,040,397 – State of Washington, Snohomish County and Monroe Boys & Girls Club (building improvements and ECAEP funding)**
- **SR522 Coalition**

# Partnerships

- **\$15,000 - Senior Bus (Monroe Senior Center)**
- **Approximately \$25,000 for the School Resource Officer (Monroe School District pays 75% of the officer's salary and benefits for the 9 month school year)**
- **\$5,000 – Snohomish Valley Transit Duvall-Monroe Shuttle (connector)**

# Total Budget - \$95,749,340 (p. 16)



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Revenues All Funds		Percent	Expenditures All Funds		Percent
Beg Fund Balance	\$ 42,289,498	44.2%	Personnel	\$ 17,638,554	18.4%
Taxes	\$ 13,402,232	14.0%	Supplies	\$ 3,326,612	3.5%
Licenses & Permits	\$ 707,700	0.7%	Prof. Services	\$ 11,351,086	11.9%
Intergovernmental	\$ 6,336,588	6.6%	Intergovernmental	\$ 2,535,009	2.6%
Charges for Services	\$ 25,118,805	26.2%	Capital	\$ 24,435,709	25.5%
Fines & Forfeits	\$ 166,643	0.2%	Debt Service	\$ 2,988,017	3.1%
Interest & Other	\$ 2,684,896	2.8%	Transfers Out	\$ 5,042,978	5.3%
Transfer In	\$ 5,042,978	5.3%	End Fund Balance	\$ 28,431,375	29.7%
Total	\$ 95,749,340	100.0%	Total	\$ 95,749,340	100.0%

# **Highlights** (Mayor's Message pp.1 - 5)

- **Grows and strengthens partnerships with our diverse communities through honest and open engagement**
- **Advocates for those in need and for tools to help residents and employers navigate through uncertain times**
- **Invests in our community's streets, parks, trails, and other infrastructure to maintain and enhance the great quality of life that makes Monroe a valued place to live, recreate, visit, and work**

# Highlights (Mayor's Message pp.1 - 5)

- **Funds our police, invests in human services, and improves our justice system to both advance community security all while improving outcomes, especially for people frequently contacted by law enforcement. This is done by providing budget support for the creation of a community resource center managed by local non-profit service providers**
- **Engages with our city workforce to build a stronger and deeper understanding of people and communities with different life experiences and to adjust our relationships and service deliveries to be more equitable and inclusive to residents and employers within our diverse community**
- **Creates a resilient organization by investing in technology that increases efficiency, supports collaboration, and serves customers 24/7**

# Highlights

## Park Capital Improvements

Description	Budget	Page
North Hill park land acquisition completion	\$1,360,000	89
Lake Tye All Weather Fields completion	4,200,000	89
Wayfinding/Gateway signage	84,500	89
Snohomish River Interpretive Signs	25,000	89
Neighborhood Park Improvements	225,000	89
<b>Total</b>	<b>\$5,894,500</b>	<b>89</b>

# Highlights Streets Capital Improvements

Description	Budget	Page
Phase IIA Chain Lake Road Multi-purpose Path	\$2,286,100	91
179 <sup>th</sup> /147 <sup>th</sup> Signal	33,761	91
Road Preservation/Overlays	1,303,486	91
179 <sup>th</sup> Sidewalk Improvements	180,900	91
Wayfinding/South Gateway SR203	78,400	91
Wayfinding/Western Gateway Sign	136,600	91
North Madison Improvements	207,343	91
ADA Transition Plan	100,000	91
Train Reduced Noise Area	117,240	91
US Hwy 2 Non-motorized Shared Path	50,000	91
<b>Total</b>	<b>\$4,493,830</b>	<b>91</b>

# Highlights

## Public Works Capital Improvements

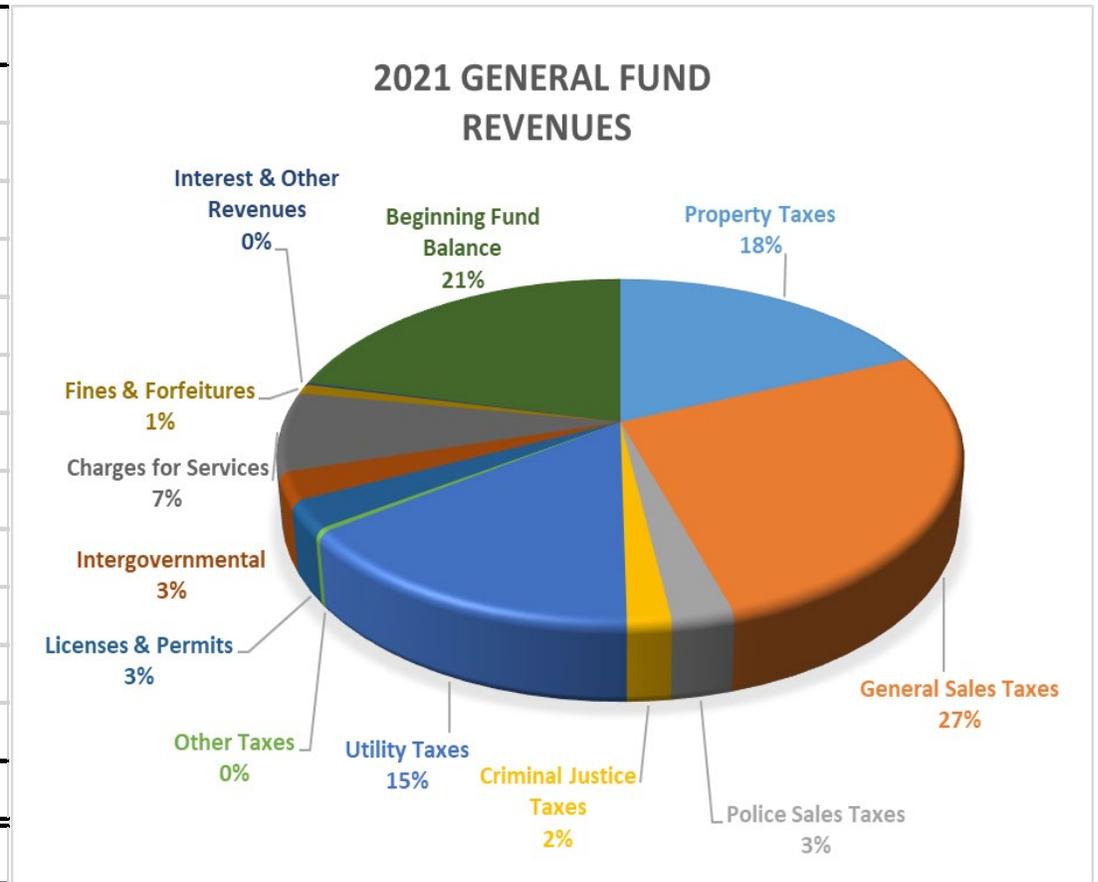
Description	Budget	Page
Water Improvement Projects (details p. 123)	\$5,084,409	102
Sewer Improvement Projects (details p. 124)	4,460,273	104 & 106
Stormwater Improvement Projects (details p. 124)	3,016,219	110
Fleet & Equipment replacement	405,047	117
Municipal Campus Roll Up Doors	34,431	119
Community Messaging/Information Office	25,000	95
Monroe Boys & Girls Club Bldg Improvements completion	1,022,000	87
<b>Total</b>	<b>\$14,047,379</b>	<b>various</b>

# Assumptions

- **Population increase factor of 2.85%**
- **CPI – 0.9%**
- **IPD – 0.6015%**
- **100 new housing starts – in City**
- **62 new sewer connections – outside City**
- **Water rate adjustment 3.0%**
- **Stormwater rate adjustment 12.5**
- **Sewer rate – no adjustment**
- **Preliminary assessed value for new construction - \$56.6 Million**
- **Gas tax decrease 5.0%**

# General Fund Revenues p. 24

General Fund - Revenues						
	Actual	Actual	Actual	Budget	Projected	Proposed
	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2020</u>	<u>2021</u>
Taxes	\$10,922,890	\$11,187,505	\$13,018,694	\$11,713,376	\$12,000,668	\$12,062,232
Licenses & Permits	806,563	943,596	792,171	554,700	559,625	487,700
Intergovernmental	616,418	584,359	566,945	1,142,052	1,096,768	483,208
Charges for Services	1,095,781	1,439,399	1,617,822	1,462,711	1,439,997	1,380,949
Fines & Forfeitures	283,176	238,974	240,706	134,516	135,416	166,643
Interest & Other Rev	77,170	104,561	144,619	98,592	100,156	36,009
Transfers In	446,953	122,351	-	40,209	40,209	-
Beginning Fund Balance	3,383,932	4,548,625	4,422,551	4,632,998	4,632,998	3,886,207
<b>Total</b>	<b>\$17,632,883</b>	<b>\$19,169,371</b>	<b>\$20,803,508</b>	<b>\$19,779,154</b>	<b>\$20,005,837</b>	<b>\$18,502,948</b>

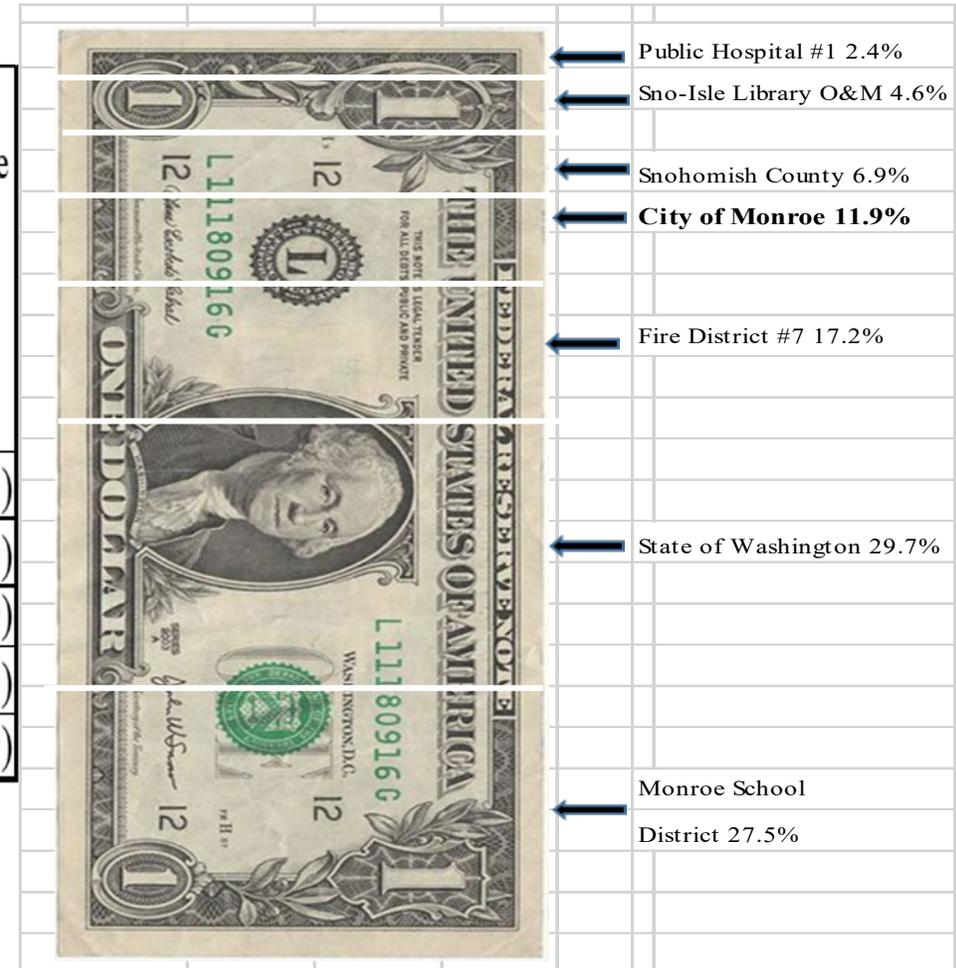


# Property Taxes p. 25

Historical City Assessed Valuation, General Property Tax Levied, and City Property Tax Rate						
<b>**2021 rates are preliminary estimates/may be affected by new construction</b>						
	Year	Assessed Value	Revenue	per \$1,000		
	2021**	\$ 3,062,557,708	\$ 3,392,805	\$ 1.08		
	2020	\$ 2,885,062,587	\$ 3,275,000	\$ 1.14		
	2019	\$ 2,600,459,852	\$ 3,201,628	\$ 1.23		
	2018	\$ 2,255,923,097	\$ 2,674,640	\$ 1.19		
	2017	\$ 1,991,598,893	\$ 2,577,719	\$ 1.29		
	2016	\$ 1,773,873,208	\$ 2,047,724	\$ 1.15		
	2015	\$ 1,631,751,335	\$ 2,013,295	\$ 1.23		
	2014	\$ 1,464,883,201	\$ 1,991,453	\$ 1.36		
	2013	\$ 1,349,715,977	\$ 1,969,615	\$ 1.46		

# Property Taxes p. 26

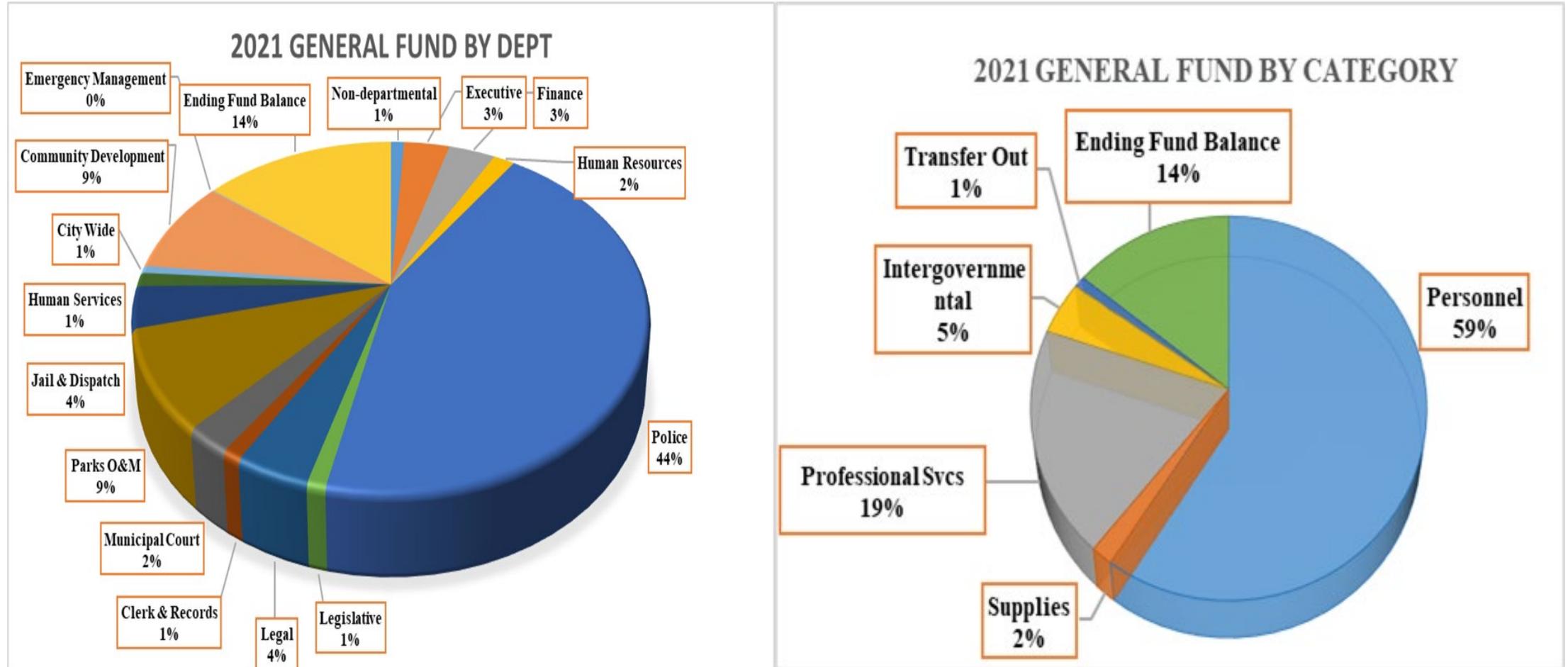
2020 Home Value	2021 Estimated Home Value 6.17% Increase	2020 City Tax Rate	2020 City Tax	2021 Estimated City Tax Rate	2021 Estimated City Tax	Difference Year over Year
\$ 250,000	\$ 265,425	\$ 1.15	\$287.50	\$ 1.08	\$287.43	\$ (0)
\$ 300,000	\$ 318,510	\$ 1.15	\$345.00	\$ 1.08	\$344.91	\$ (0)
\$ 400,000	\$ 424,680	\$ 1.15	\$460.00	\$ 1.08	\$459.89	\$ (0)
\$ 500,000	\$ 530,850	\$ 1.15	\$575.00	\$ 1.08	\$574.86	\$ (0)
\$ 600,000	\$ 637,020	\$ 1.15	\$690.00	\$ 1.08	\$689.83	\$ (0)



# General Fund Expenditures p. 33

General Fund						
	Actual	Actual	Actual	Budget	Projected	Proposed
	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2020</u>	<u>2021</u>
Non-departmental	\$ 259,292	\$ 1,123,739	\$ 1,923,848	\$ 545,450	\$ 545,450	\$ 180,000
Executive (formerly Admin)	526,421	571,743	664,714	661,761	627,726	633,561
Finance	568,025	524,931	546,121	630,721	606,682	647,514
Human Resources	152,414	194,917	204,808	264,745	252,179	292,394
Police	7,004,650	7,276,020	7,416,730	7,737,537	7,640,537	8,125,643
Legislative	187,380	158,209	149,918	232,236	208,582	186,122
Legal	528,602	614,057	798,911	738,000	675,000	738,000
Clerk & Records	134,672	149,284	184,955	178,405	186,335	187,637
Municipal Court	343,494	367,499	399,528	483,900	471,069	453,794
Parks O&M	1,319,057	1,368,704	1,588,130	1,656,534	1,656,312	1,687,199
Jail & Dispatch	734,096	777,360	718,653	698,184	665,000	717,657
Human Services				248,560	243,560	231,711
City Wide	123,023	128,528	100,364	127,009	123,556	127,584
Community Development	1,185,932	1,449,576	1,457,273	1,722,732	1,594,221	1,615,666
Emergency Management	15,945	17,505	20,127	20,384	16,308	24,739
CARES Act				607,116	607,116	-
Ending Fund Balance	4,549,880	4,447,297	4,629,428	3,225,880	3,886,206	2,653,727
<b>Total</b>	<b>\$ 17,632,883</b>	<b>\$ 19,169,371</b>	<b>\$ 20,803,508</b>	<b>\$ 19,779,154</b>	<b>\$ 20,005,837</b>	<b>\$ 18,502,948</b>

# General Fund Expenditures



# **Non-Departmental** p. 34

- **Transfer \$86,000 to Fund 002 – Contingency Fund to fully fund the contingency based on the City’s projected 2021 assessed value.**
- **Transfer \$94,000 to Fund 510 – Information Technology for City wide software updates and to contract for IT specialist assistance.**

# Executive p. 36

- **Update the City's Vision, Mission, and Core Values Statement**
- **Install first phase of wayfinding and gateway signage.**
- **Work with court to enact a local probation program managed by Municipal Court.**
- **Complete Phase 1 of Municipal Campus Capital Plan – Design of Public Safety/Criminal Justice Center.**
- **Continue working with the Human Services Technical Advisory Committee and Community Human Services Advisory Board to develop and implement wrap around services for our most vulnerable populations.**
- **Work with legislature and Park and Recreation Association to pass sales tax option for park operations and maintenance.**
- **Lobby State Legislature to fund construction to #Finish522 and design US 2 by-pass.**
- **Develop and implement business recruitment strategy.**
- **Continue to market and sell the North Kelsey properties.**

# Finance p. 38

- **Review, and if needed, update the City's reserve policy and credit card policy.**
- **Develop a formal Six Year Capital Improvement Program document to include identification of appropriate revenue sources.**
- **Develop a six year strategic projection for the Real Estate Excise Taxes and Streets and Parks Capital Funds.**
- **Assist the Information Technology department with the Springbrook upgrade from version 7.16 to version 7.18.**

# Human Resources p. 40

- **Implement Employee Self Service including electronic timesheets (Springbrook upgrade)**
- **Review Performance Management System**
- **Continue Intern Program**

# Police p. 42

- **Re-introduce all community outreach programs to include: Citizen's Academy, National Night Out, Walk Your Kids to School, Shop with a Cop, and a new partnership with YMCA soccer program**
- **Fully staff vacant positions and prepare for additional retirements in 2021**
- **Fully examine all LEMAP and MATRIX recommendations and make appropriate changes.**
- **Continue to work towards State Accreditation, meeting "best practice" standards in policing**
- **Critical Incident Stress Management (CISM) response team and peer support training and development**
- **Replace officers' duty side arms**

# **Legislative (Council) p. 44**

- **Approve purchase and sale agreement for N. Kelsey property**
- **Update the City's vision, mission and core values**
- **Update the City's Reserves Policy**
- **Implement recommendations from municipal court strategic plan**
- **Implement recommendations from the IT strategic plan**
- **Adopt new International Building Code**
- **Award contract to replace or remodel city hall, police and municipal court facilities**
- **Secure Right of Way for Tjerne Place Phase III**
- **Award construction contract for Chain Lake Road**

# **City Clerk & Records** p. 48

- **Continue to identify and, where appropriate, digitize City contracts into the central digital library.**
- **Facilitate development of a contract routing process for City wide use.**
- **Assist with development of a file structure to be used for Microsoft 365 and Laserfiche.**
- **Implement and begin using iCompass Software for agenda packet development, review, and publication.**
- **Restart and facilitate migrating City records onto Laserfiche.**
- **Complete IIMC Clerk's certification.**

# **Municipal Court** p. 50

- **Continue to review court assessment recommendations for implementation**
- **Create online payment option on webpage**
- **Continue to explore jail alternatives and community court**
- **Increase the court's visibility and impact with kids and in the community through the "Judges in the Classroom" program and speaking engagements**

Jessica K Ness  
Judge  
Monroe Municipal Court

# **Parks O&M p. 52 And Parks CIP p. 89**

- **Complete Parks, Recreation & Open Space Plan Update 11/21**
- **Lake Tye All-Weather Lighted Fields Project – Complete Construction 9/21**
- **North Hill Park Land Acquisition – Close Sale on 5-Acre Future Park Property**
- **Install East Main Street Gateway & Sky River Park Entry Signs**
- **Purchase & Install River Water Safety/Wayfinding Signage at Public Water Access along Skykomish River Through Awarded \$20,000 Forterra Grant**
- **Negotiate Cadman Property Transfer to City**
- **Renovate/Upgrade Playground in Coordination with Planned Storm Water Facility Upgrade Project at Blueberry Park**
- **COVID-19 Safe Start Re-Opening Phases for Monroe Recreational Activities & Events**

# Human Services p. 56

- **Facilitate CHSAB meetings to develop 6 year implementation plan and funding strategy for Homelessness Policy Advisory Committee (HPAC) recommendations**
- **Complete human services needs assessment and asset mapping**

# **Community Development** p. 60

- **Adopt new State Building Codes with any local amendments**
- **Update existing code enforcement chapter including proposing the adoption of the International Property Maintenance Code**
- **Annex around 170 acres of the City's Urban Growth Area in three phases**
- **Work with Snohomish Co. in preparation for the 2021 buildable lands update**
- **Complete housing analysis and implement associated recommendations**
- **Develop a public communications plan for long range planning**
- **Participate in a University of Washington lead analysis of the Growth Management Act**
- **General code cleanup to ensure consistency across chapters**
- **Refine the permit review process to maximize efficiencies**
- **Continue developing the code enforcement process and roles among departments**

# **Emergency Management**

**pgs. 62, 100, 102, & 104**

- **Program spans four funds:**
  - **General Fund 001**
  - **Water O&M Fund 411**
  - **Sewer O&M Fund 421**
  - **Stormwater Fund 431**
- **Adopt 2021-2025 Hazard Mitigation Plan**
- **Complete Continuity of Operations and Continuity of Government Plans**
- **Provide training to employees on emergency operations**
- **Prepare for 2022 Cascadia earthquake drill**

# Other General Fund Cost Centers

## **Legal p. 46**

- **Houses all legal costs associated with various City programs**
- **Includes general, land use counsel, court prosecution, and indigent counsel**
- **All legal costs housed in one cost center**

## **Jail & Dispatch p. 54**

- **Houses jail costs associated with our Police and Court programs**
- **Accounts for emergency services dispatch**

## **City Wide Costs p. 58**

- **Houses dues/subscriptions/other general costs that do not benefit a specific department or fund**

# **Contingency Fund p. 70**

City Hall

Police

CITY OF

MONROE

- **Target balance increase to \$1,170,038 from \$1,081,899**
  - **Based on preliminary City assessed valuation**
  - **Determined by Snohomish County**
- **Target balance is capped by RCW 35A.33.145**

# **Donations p. 72**

**Holds private donations to City programs such as:**

- **Community Egg Hunt**
- **Flower basket program**
- **Police K-9 operations**
- **Movies Under the Moon**
- **Cribs for Kids**
- **JVM Memorial Garden**

**If you are interested in making a donation to the City, feel free to contact City Hall at 360-794-7400 and contact your tax advisor as your donation may be tax deductible.**

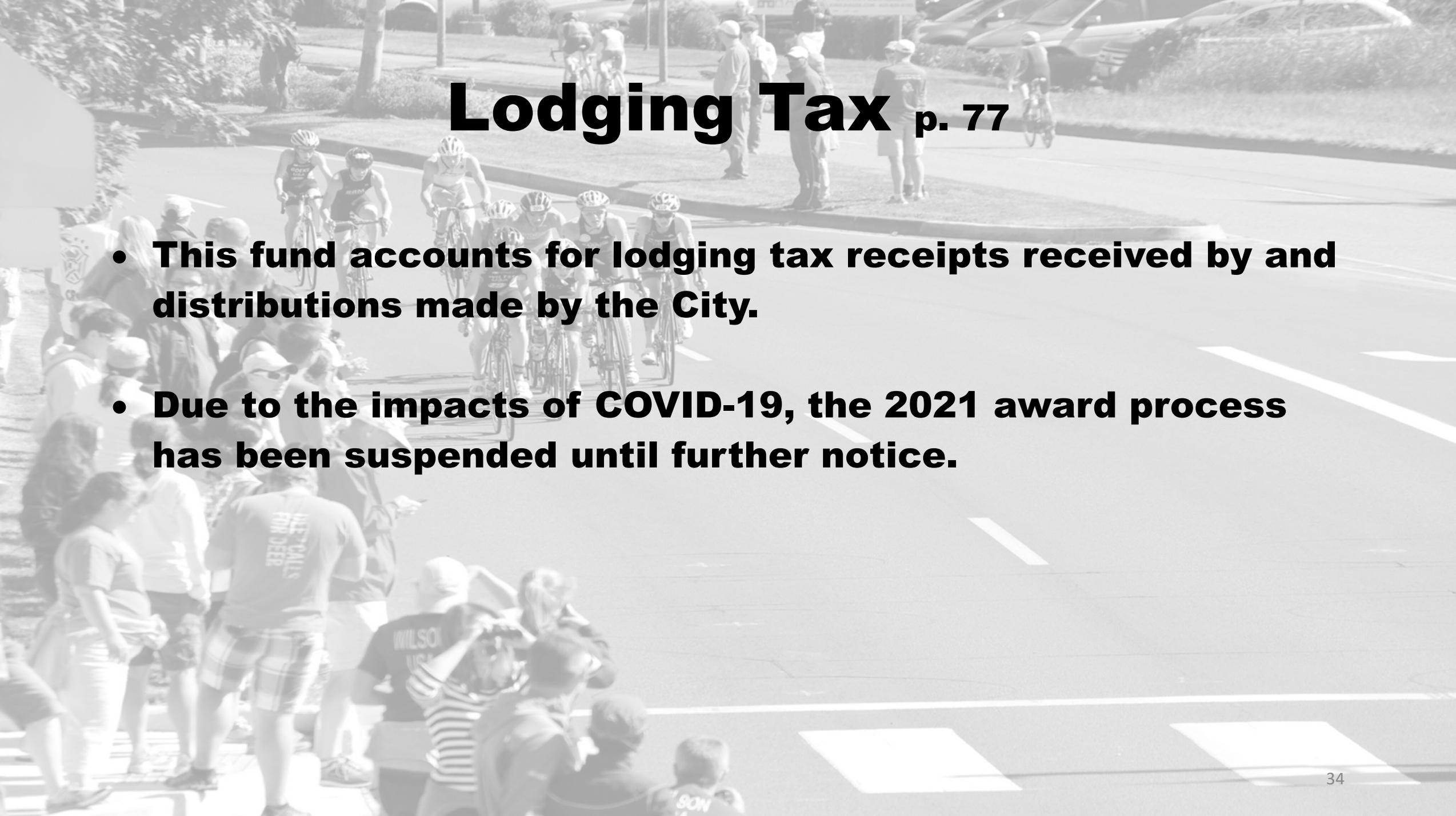
# Streets

## **Fund 105 O&M p. 75**

- **Pothole repairs & patching**
- **Sidewalk repairs**
- **Pavement & Crosswalk markings**
- **Asphalt repair & patching**

## **Fund 318 Capital p. 91**

- **Improve truck access to Village Way from municipal campus south exit**
- **Construct the Chain Lake Road Shared Path from Rainier View Rd to Brown Rd**
- **Begin design efforts on widening Chain Lake Rd from the roundabout to 197th Ave SE**
- **Continue progress toward establishment of a train horn Quiet Zone in Monroe**
- **Complete the design a new sidewalk along US2 and the Monroe Fairgrounds**
  - **Complete the design of the new signal at 147<sup>th</sup> Street SE and 179<sup>th</sup> Avenue SE**
  - **Implement the City's ADA Transition Plan**
  - **Perform approximately \$1.3M in street preservation work as part of the City's Annual Road Maintenance CIP**
- **Install new way-finding signs**
- **Reconstruct N. Madison Street from Main Street to Elizabeth Street**
- **Design new sidewalk segment along 179<sup>th</sup> Ave SE (west side) from 157<sup>th</sup> Street SE to 154<sup>th</sup> Street SE**



# Lodging Tax p. 77

- **This fund accounts for lodging tax receipts received by and distributions made by the City.**
- **Due to the impacts of COVID-19, the 2021 award process has been suspended until further notice.**

# **Narcotics** p. 79

- **Revenues derived from drug enforcement efforts**
- **Restricted to drug enforcement program and support**

# **Real Estate Excise Taxes** p. 81

- **City collects both quarter percents as allowed by law**
- **Used for capital projects and capital related debt service**
  - **\$137,836 transfer to Debt Service p. 84**
  - **\$ 31,500 transfer to Parks CIP Fund p. 89**
  - **\$395,900 transfer to Streets CIP Fund p. 91**
  - **\$567,000 transfer to new Building Capital Fund p. 95**
  - **\$ 34,431 transfer to Facilities Fund p. 119**

# **Debt Service** p. 84

- **Long term debt associated with general fund type capital projects (tax supported)**
- **One debt service bond**
  - **\$137,836 General Fund portion of the Public Works Shop project (remainder paid from utility revenues)**

# **General CIP** p. 87

- **Accounts for capital not associated with parks, streets, North Kelsey, City operated buildings, and utilities**
- **Currently one capital project – Monroe Boys & Girls club improvements \$1,022,000**

# **North Kelsey** p. 93

- **Accounts for costs associated with City owned property on North Kelsey**
- **Costs include marketing and development of parcels**

# City Buildings/Facilities

## Fund 330 CIP p. 96

- **New fund in 2021**
- **Also serve as reserve for future city owned and operated building needs**
- **For 2021 – begin design of Municipal Campus**
- **For 2021 – Construct Community Messaging/ Information Office**

## Fund 530 O&M p. 119

- **Improve municipal campus Building F adding roll-up doors and security**

# **Utility Rates Overview** p. 98

- **Sewer rates proposed to remain unchanged from 2020 level**
- **Low income discount remains at 40%**
- **Water rate adjustment remains 3.0%**
- **Stormwater rate adjustment remains 12.5%**
- **Utility rate adjustments were adopted by Resolution 022/2019 on November 12, 2019**

# Water Utility

## **Fund 411 O&M p. 100**

- **Routine operations and maintenance of water system**
  - **Maintain or exceed compliance with W**
- **Revenues over expenses above reserve transferred to capital**
  - **\$1,101,563 in 2021 for future capital projects**

## **Fund 412 CIP p. 102**

- **Water main replacements/other capital**

**Total: \$5,084,409**

# Sewer Utility

## **Fund 421 O&M p. 104**

- **Routine operations and maintenance of sewer system**
  - **Resolve 100% of reported customer back-ups within 24 hours**
  - **Operate WWTP within the regulatory requirements of NPDES**
- **Revenues over expenses above reserves transferred to capital**
  - **\$2,285,531 for 2021**

## **Fund 422 CIP p. 106**

- |                                  |              |                    |
|----------------------------------|--------------|--------------------|
| • <b>sewer capital/equipment</b> | <b>Total</b> | <b>\$4,460,273</b> |
|----------------------------------|--------------|--------------------|

# Stormwater Utility

## **Fund 431 O&M p. 108**

- **Routine operations and maintenance of stormwater system:**
  - **Maintain compliance with NPDES stormwater discharge permit**
  - **Clean downtown area porous concrete minimum 3 times**
- **Revenues over expenses above reserves transferred to capital**
  - **\$307,446 for 2021**

## **Fund 432 CIP p. 110**

- **Capital Projects/equipment**

**Total: \$3,016,219**

# Revenue Bond Reserve p. 112

- **Required by various revenue bond covenants**
- **Holds 1.25 times our annual revenue debt service needs**
- **For 2021, reserve is \$2,823,711**

# **Information Technology** p. 115

- **Springbrook upgrade and cloud migration**
- **Continue implementing IT strategic plan**
- **Utilize contract services to provide additional assistance per the IT strategic plan in anticipation of a future IT position**

# **Fleet & Equipment** p. 117

- **Complete ordinary maintenance and repair for over 100 pieces of fleet vehicles and equipment.**
- **Place 11 new units into service, remove 11 units from service, and sell them as surplus.**

# Remaining Budget Schedule

- **October 27, 2020**
  - **Final Budget Public Hearing**
  - **First Reading 2021 Property Tax Ordinance**
  - **First Reading 2021 Budget Ordinance**
- **November 10, 2020**
  - **Adopt 2021 Property Tax Ordinance**
  - **Adopt 2021 Budget Ordinance**

**Question: contact Becky Hasart at  
[bhasart@monroewa.gov](mailto:bhasart@monroewa.gov)**