

**City of Monroe
2020 Recommended
Budget**

October 15, 2019

Overview

Budget is built around the City's Strategic Priorities:

- **Good government**
- **Safe and secure**
- **Building community**
- **Managing growth**
- **Economic Development**
- **Utilities and transportation**

(Mayor's Message page 1)

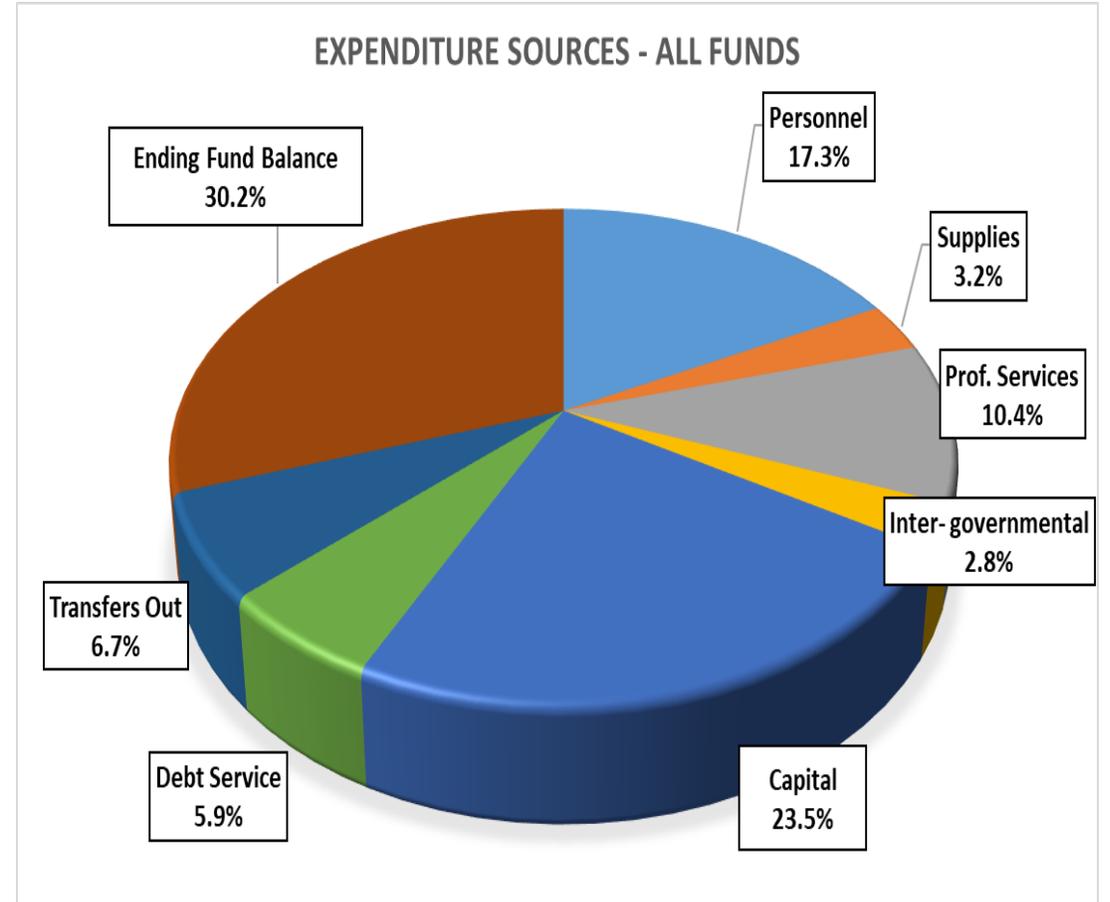
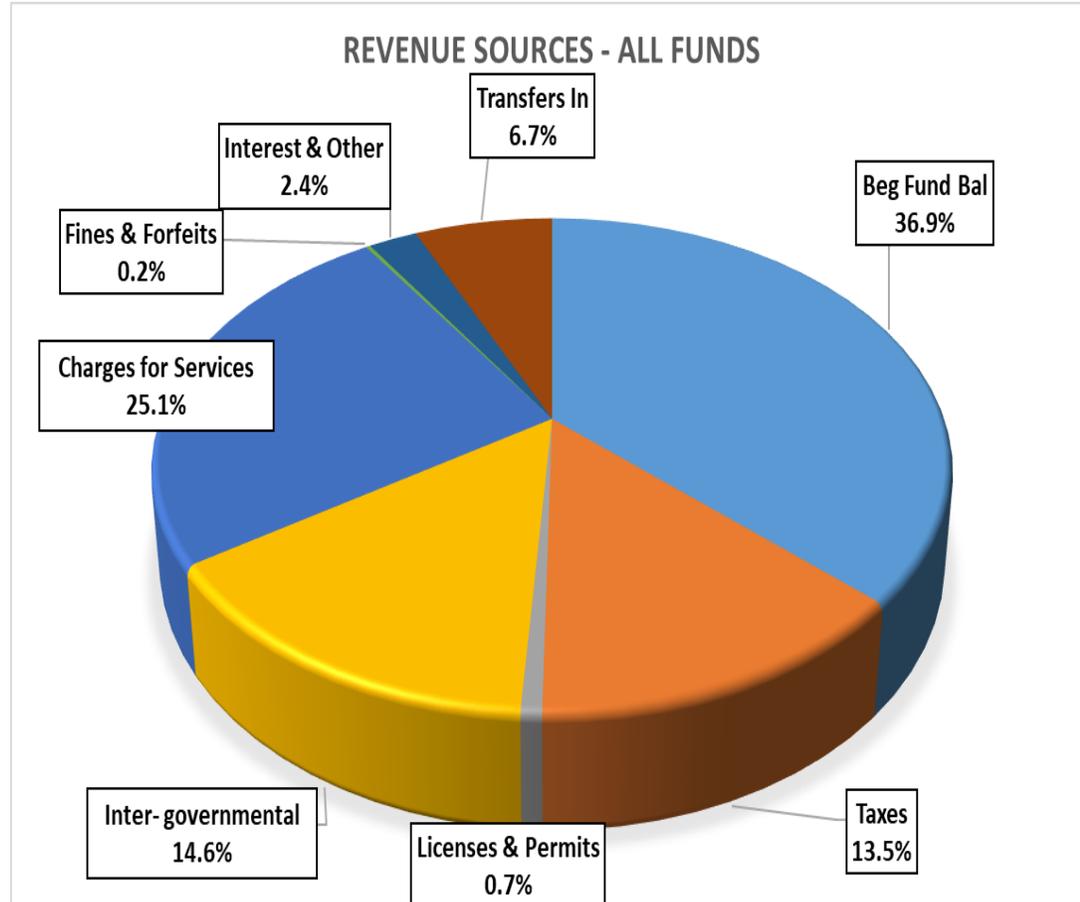
Partnerships

- **\$12 annual rent - Monroe Boys & Girls Club**
- **\$1 annual rent - Monroe Food Bank**
- **\$1 annual rent - Monroe Community Senior Center**
- **\$25,000 - Downtown Monroe Association (DMA)**
- **\$2,325 – Monroe Historical Society (LTAX) operations**
- **\$3,000 – Sky Performing Arts (LTAX) operations**
- **\$71,845 - Embedded Social Worker (Snohomish Co)**
- **\$1,574,720 – State of Washington, Snohomish County and Monroe Boys & Girls Club (building improvements and ECAP funding)**
- **SR522 Coalition**

Partnerships

- **\$70,223 - Monroe Chamber of Commerce (LTAX)**
- **\$50,000 - YMCA**
- **\$15,000 - Senior Bus (Monroe Senior Center)**
- **\$3,000 to Sky Valley Trout Unlimited (LTAX)**
- **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)**
- **Western WA University Sustainable Communities**
- **East County Parks & Recreation District**
- **\$5,000 – Snohomish Valley Transit Duvall-Monroe Shuttle (connector)**

Total Budget - \$100,086,615 (p. 23)



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Revenues All Funds		Percent	Expenditures All Funds		Percent
Beg Fund Balance	\$ 36,898,005	36.9%	Personnel	\$ 17,297,184	17.3%
Taxes	\$ 13,471,630	13.5%	Supplies	\$ 3,221,909	3.2%
Licenses & Permits	\$ 720,850	0.7%	Prof. Services	\$ 10,421,653	10.4%
Intergovernmental	\$ 14,611,036	14.6%	Intergovernmental	\$ 2,802,258	2.8%
Charges for Services	\$ 25,107,544	25.1%	Capital	\$ 23,496,093	23.5%
Fines & Forfeits	\$ 213,400	0.2%	Debt Service	\$ 5,895,990	5.9%
Interest & Other	\$ 2,366,365	2.4%	Transfers Out	\$ 6,697,785	6.7%
Transfer In	\$ 6,697,785	6.7%	End Fund Balance	\$ 30,253,743	30.2%
Total	\$ 100,086,615	100.0%	Total	\$ 100,086,615	100.0%

Highlights

- **Recommends no increase to property tax rate (any increase in revenue from new construction only)**
- **Funds three new Public Works positions**
- **Funds a Code Enforcement position**
- **Funds a Human Resources/Finance Analyst**
- **Reinstates full time Police Admin position**
- **Maintains all other existing programs and levels of service**
- **Fully funds all reserves per the City's reserve policy**
- **Pays off the \$2.9 million 2020 North Kelsey debt**

Highlights

- **Includes \$100,000 for Homelessness Policy Advisory Committee recommendations**
- **No rate adjustment to sewer rates**
- **Decreases the scheduled water rate adjustment of 7.5% to 3.0%**
- **Increases the scheduled stormwater rate adjustment from 4% to 12.5%**

(For most households in Monroe, the aggregate change to the rate adjustments should be 5 cents less than the originally scheduled adjustments.)

Highlights

Park Capital Improvements

Description	Budget	Page
Synthetic Turf Groomer	\$ 15,000	90
Trails Planning and Repair	38,000	90
North Hill park land acquisition	1,307,000	90
Lake Tye All Weather Fields	4,200,000	90
Wayfinding/gateway signage	95,000	90
Skykomish River Interpretive Signs	25,000	90
Rotary Field improvements	34,000	90
Neighborhood Park Improvements	1,500,000	90
Total	\$7.214.000	90

Highlights Streets Capital Improvements

Description	Budget	Page
Phase IIA Chain Lake Road multi-purpose path	\$3,241,350	92
Phase IIB Chain Lake Road	347,288	92
Road Preservation/Overlays	1,241,415	92
Annual Sidewalk Improvements	440,063	92
North Madison	25,000	92
Railroad Quiet Zone	100,000	92
US Hwy 2 Non-motorized Shared Path	150,781	92
ADA Transition Plan	68,153	92
Less in house salaries and benefits	(231,869)	92
Total	\$5,382,181	92

Highlights

Public Works Capital Improvements

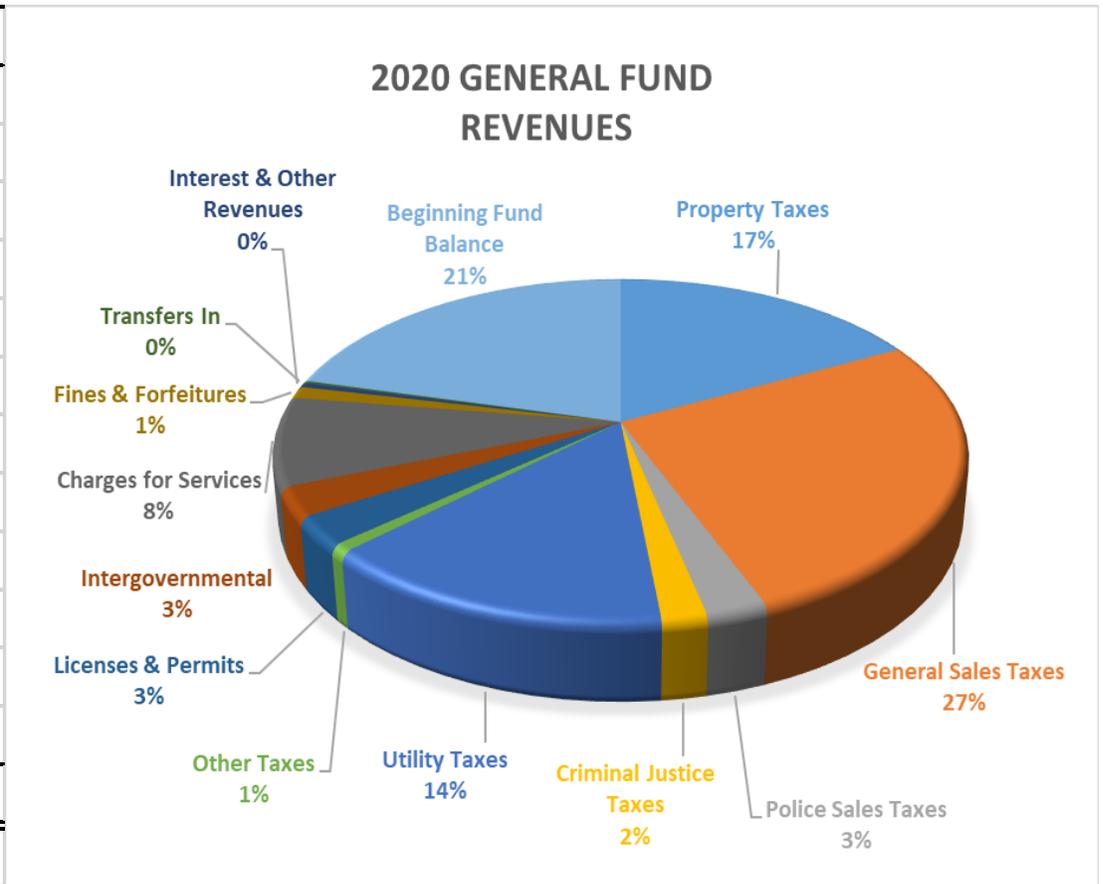
Description	Budget	Page
Water Improvement Projects (details p. 122)	\$4,527,668	99 & 101
Sewer Improvement Projects (details p. 123)	430,399	103 & 105
Stormwater Improvement Projects (details p. 123)	3,224,992	107 & 109
Fleet & Equipment replacement	1,034,751	116
Municipal Campus Fence/Gate repair	10,000	118
Municipal Campus Card Key readers	50,000	118
Police Station locker room upgrades	40,000	118
Monroe Boys & Girls Club	1,574,720	88
Unmanned Aerial Vehicle (\$18,500 total-also in utilities)	7,382	49 & 59

Assumptions

- **Population increase factor of 1.26%**
- **CPI – 2.3% and 3.0%**
- **IPD – 1.396%**
- **110 new housing starts**
- **Water rate adjustment 3.0% versus scheduled 7.5%**
- **Stormwater rate adjustment 12.5% versus scheduled 4%**
- **Sewer rate – no adjustment**
- **Preliminary assessed value for new construction - \$100 Million**

General Fund Revenues p. 31

General Fund - Revenues						
	Actual	Actual	Actual	Budget	Projected	Proposed
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2019</u>	<u>2020</u>
Taxes	\$ 9,374,990	\$ 10,922,890	\$ 11,187,505	\$ 12,400,214	\$ 12,797,176	\$ 12,091,630
Licenses & Permits	837,034	806,563	943,596	631,183	726,500	520,850
Intergovernmental	622,953	616,418	584,359	520,815	543,331	522,856
Charges for Services	1,349,768	1,095,781	1,439,399	1,570,810	1,575,374	1,591,696
Fines & Forfeitures	295,620	283,176	238,974	240,624	219,587	213,400
Interest & Other Rev	57,609	77,170	104,561	70,571	99,499	81,147
Transfers In	100,000	446,953	122,351	-	-	40,209
Beginning Fund Balance	2,943,177	3,383,932	4,548,625	4,422,551	4,422,551	3,966,802
Total	\$ 15,581,152	\$ 17,632,883	\$ 19,169,371	\$ 19,856,768	\$ 20,384,018	\$ 19,028,590

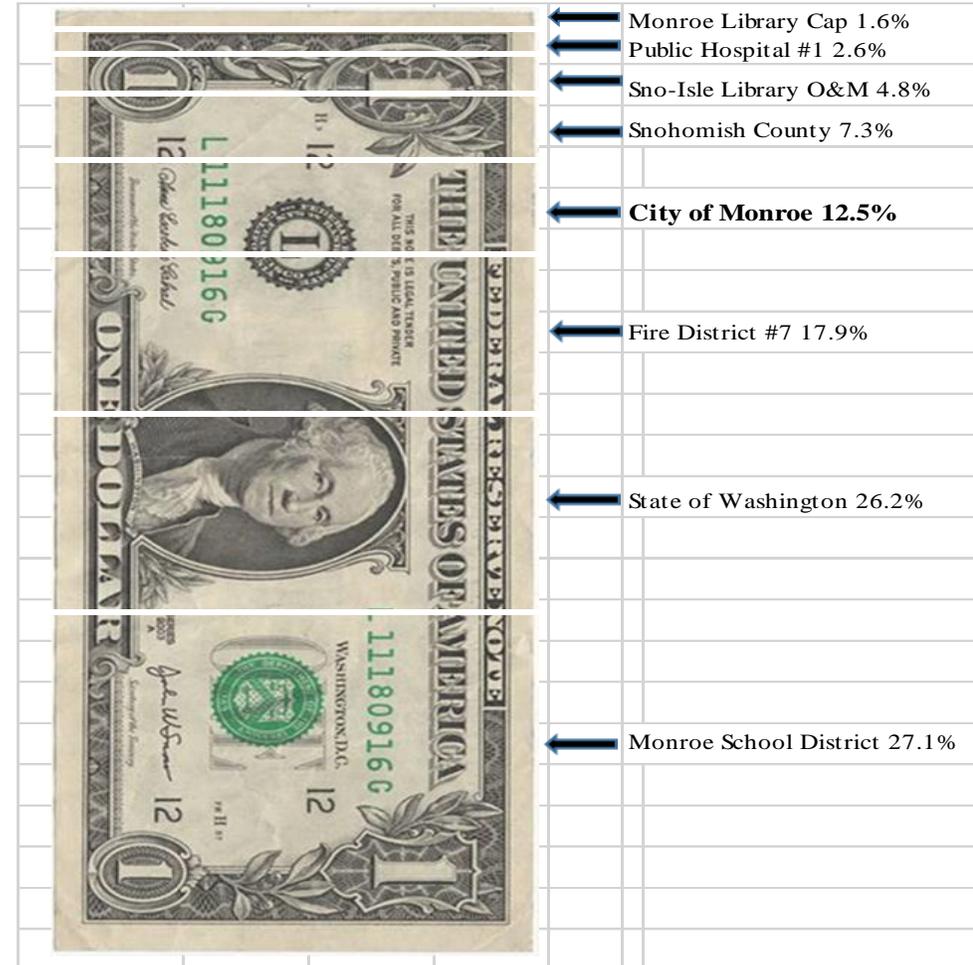


Property Taxes p. 32

Historical City Assessed Valuation, General Property Tax Levied, and City Property Tax Rate					
**2020 rates are preliminary estimates					
	Year	Assessed Value	Revenue	per \$1,000	
	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. 33

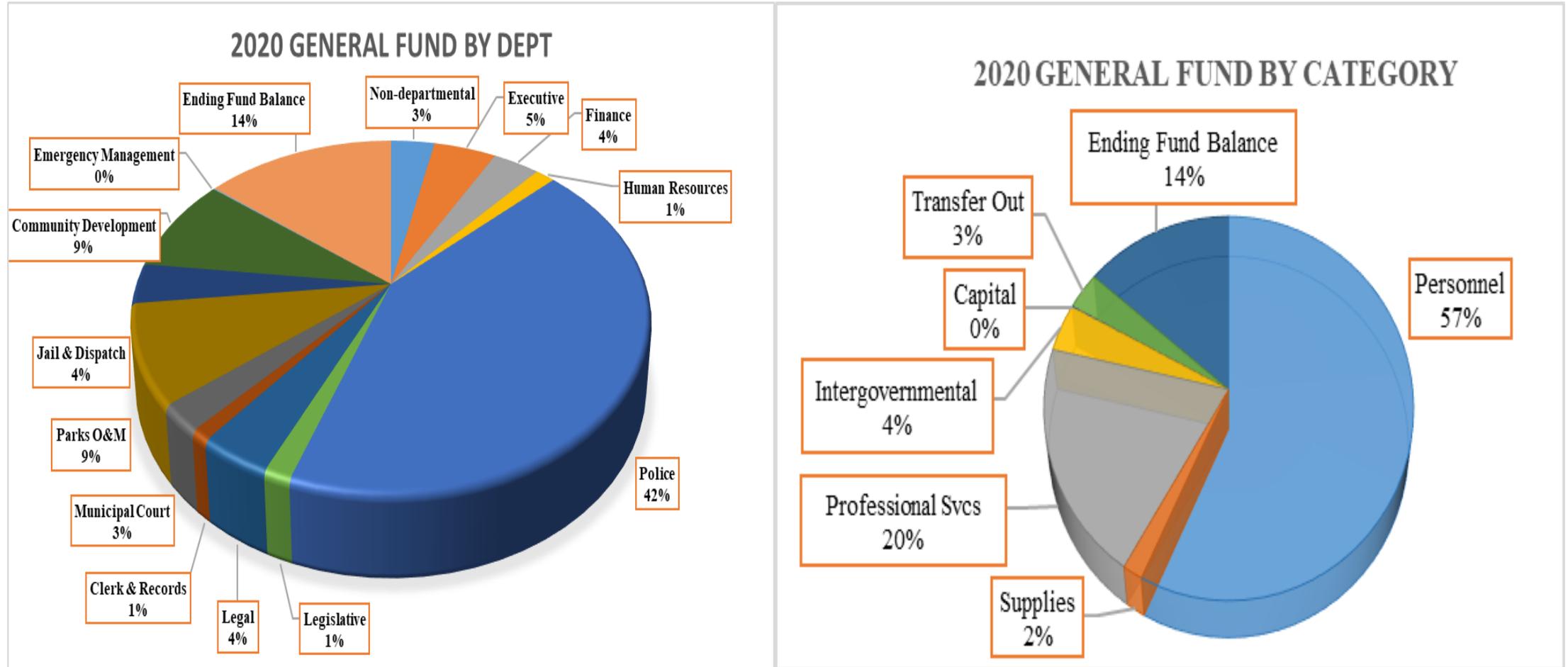
2019 Home Value	2020 Estimated Home Value 8.18% Increase	2019 City Tax Rate	2019 City Tax	2020 Estimated City Tax Rate	2020 Estimated City Tax	Difference Year of Year
\$ 250,000	\$ 270,450	\$ 1.23	\$ 307.79	\$ 1.14	\$ 307.77	\$ (0)
\$ 300,000	\$ 324,540	\$ 1.23	\$ 369.35	\$ 1.14	\$ 369.33	\$ (0)
\$ 400,000	\$ 432,720	\$ 1.23	\$ 492.47	\$ 1.14	\$ 492.44	\$ (0)
\$ 500,000	\$ 540,900	\$ 1.23	\$ 615.59	\$ 1.14	\$ 615.54	\$ (0)
\$ 600,000	\$ 649,080	\$ 1.23	\$ 738.71	\$ 1.14	\$ 738.65	\$ (0)



General Fund Expenditures p. 39

General Fund						
	Actual	Actual	Actual	Budget	Projected	Proposed
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2019</u>	<u>2020</u>
Non-departmental	\$ 154,956	\$ 259,292	\$ 1,123,739	\$ 1,979,405	\$ 1,923,848	\$ 620,450
Executive (formerly Admin)	469,070	649,443	691,523	794,655	754,662	886,613
Finance	527,389	568,025	524,931	567,917	563,255	662,262
Human Resources	147,637	152,414	194,917	218,762	215,979	275,245
Police	6,747,024	7,004,650	7,276,020	7,887,945	7,537,030	8,083,382
Legislative	190,552	187,380	158,209	276,757	216,261	276,622
Legal	578,593	528,602	614,057	728,000	683,000	738,000
Clerk & Records	210,673	134,672	149,284	174,941	193,960	194,469
Municipal Court	326,001	343,494	367,499	414,783	418,147	474,813
Parks O&M	1,129,368	1,319,057	1,368,704	1,773,793	1,656,281	1,722,741
Jail & Dispatch	721,123	734,096	777,360	771,000	673,862	698,184
Community Development	981,948	1,185,932	1,458,324	1,509,673	1,559,281	1,677,732
Emergency Management	22,400	15,945	17,505	26,870	21,651	20,384
Ending Fund Balance	3,383,932	4,549,880	4,447,297	2,732,267	3,966,803	2,697,693
Total	\$ 15,590,666	\$ 17,632,883	\$ 19,169,371	\$ 19,856,768	\$ 20,384,018	\$ 19,028,590

General Fund Expenditures



Non-Departmental p. 41

- **Transfer \$95,450 to Fund 002 – Contingency Fund to fully fund the contingency based on the City’s projected 2020 assessed value.**
- **Transfer \$60,000 to Fund 510 Information Technology to fund upgrading the City’s Springbrook general ledger software program to the most recent version.**
- **Transfer \$15,000 to Fund 510 Information Technology to fund the continued City wide Electronic Document Management System program.**
- **Transfer \$50,000 to Fund 520 Facilities to upgrade the City’s key card entry system to current technology to improve City campus security.**
- **Transfer \$400,000 to Fund 319 North Kelsey to reserve funds for the 2020 North Kelsey debt payment (\$2,908,728)**

Executive p. 43

- **Complete the development of a City vision, mission, and core values.**
- **Complete the design and develop a funding strategy for the Municipal Campus improvements.**
- **Establish the process to begin developing a bi-annual City budget, to begin for fiscal years 2021-2022.**
- **Implement Homelessness/Addiction Strategic Plan.**
- **Install Gateway Signs.**
- **Payoff North Kelsey debt.**
- **Implement IT Strategic Plan.**
- **Implement Economic Development Advisory Board Recommendations.**
- **Update Economic Development website.**
- **Evaluate staffing needs.**

Finance p. 45

- **Review, and if needed, update the City's reserve policy, travel 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.**
- **Establish the process to begin developing a bi-annual City budget, to begin for fiscal years 2021-2022.**

Human Resources p. 47

- **Implement pre-employment testing**
- **Continue City-wide Intern Program**
- **Implement Employee Self Service (paperless timecards)**



Police p. 49

- **Begin Safe City Program – install two POD camera systems.**
- **Expand Problem Oriented Policing program.**
- **Work towards State Accreditation, meeting “best practice” standards in policing.**
- **Implement policy and training on Citywide Unmanned Aerial Program.**
- **Fully implement PlanIt Scheduling Software – Consolidates complex schedule in to web based system that employees can electronically access from multiple devices.**
- **Youth Academy – biennial program, introduced in 2018, this will be the second, week-long academy that the department has offered.**
- **Explore the need and use of additional volunteer programs in the police department.**
- **Implement recommendations from Police Department assessment.**

Legislative (Council) p. 51

- **Payoff North Kelsey debt**
- **Approve purchase and sale agreement for N. Kelsey property**
- **Update the City's vision, mission and core values**
- **Update the City's travel policies**
- **Update the City's purchasing policies**
- **Update building and land use fees based on adopted recovery policies**
- **Implement recommendations from municipal court strategic plan**
- **Implement recommendations from the IT strategic plan**
- **Implement Homelessness/Addiction Strategic plan**
- **Approve contract to update the city's Park and Recreation Open space Plan**
- **Adopt Property Maintenance Code**
- **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. 55

- **Creation and Adoption of Records Management Policy.**
- **Evaluation of Electronic Signatures Policy and Procedures and potential software purchase.**
- **Contract Routing and Finalization Process Improvement Initiative.**
- **Facilitation of Quality Indigent Defense (QID) Evaluation Recommendations.**
- **Expansion of Public Disclosure Tracking Software Features (Invoice Module Creation & Implementation; Develop SOPs, Templates, & FAQ/website features).**
- **Implementation of Electronic Content Management System – Laserfiche Phase 2 (additional users onboarding and system population) & 3 (public portal).**
- **Request for Proposals Process for Conflict/Back-Up Public Defense Contracts.**
- **Facilitation of City of Monroe Large format Drawings Digital Imaging Project.**
- **Departmental Webpage Update Initiative.**
- **Facilitation of Municipal Code Recodification Project.**



Municipal Court p. 57

- **Work with the other two branches of City government to evaluate feasibility of Homelessness Policy Advisory Committee recommendations and potential Municipal Court involvement.**
- **Continue to expand jail alternatives, both pre-conviction and post-conviction.**
- **Explore electronic storage options for completed case files.**
- **Explore sentencing alternatives for defendants with mental health issues.**
- **Facilitate an external assessment of Municipal Court processes.**

MARA ROZZANO
Judge

Parks O&M p. 59

- **Ongoing participation as active stakeholder in East County Park & Recreation District, Snohomish County Regional Water Trail Coalition (including wayfinding & interpretive signage sub-group) and Sky Valley Recreation Group, and advocate for connecting Centennial & Snoqualmie Regional Trails to Monroe**
- **Purchase and install river water safety/wayfinding signage at public water access along Skykomish River through awarded \$20,000 Forterra grant**
- **Install East Main Street gateway sign**
- **Purchase and install cameras for park security**
- **Purchase parks facility reservation software to improve user access and staff efficiencies**

Parks CIP p. 90

- **Park Planning-Cadman site restoration/property transfer.**
- **Playground renovation – Currie View Park.**
- **Rotary Field enhancements – outfield netting protection, ADA automatic restroom doors assist**
- **Trail system repairs/design estimate for US2 bypass trail corridor**
- **Construct lighted, synthetic turf multi-purpose fields at Lake Tye Park**
- **Acquire parkland for new neighborhood park in growing North Hill area**
- **Update Parks, Recreation & Open Space Plan (PROS)**

Community Development p. 63

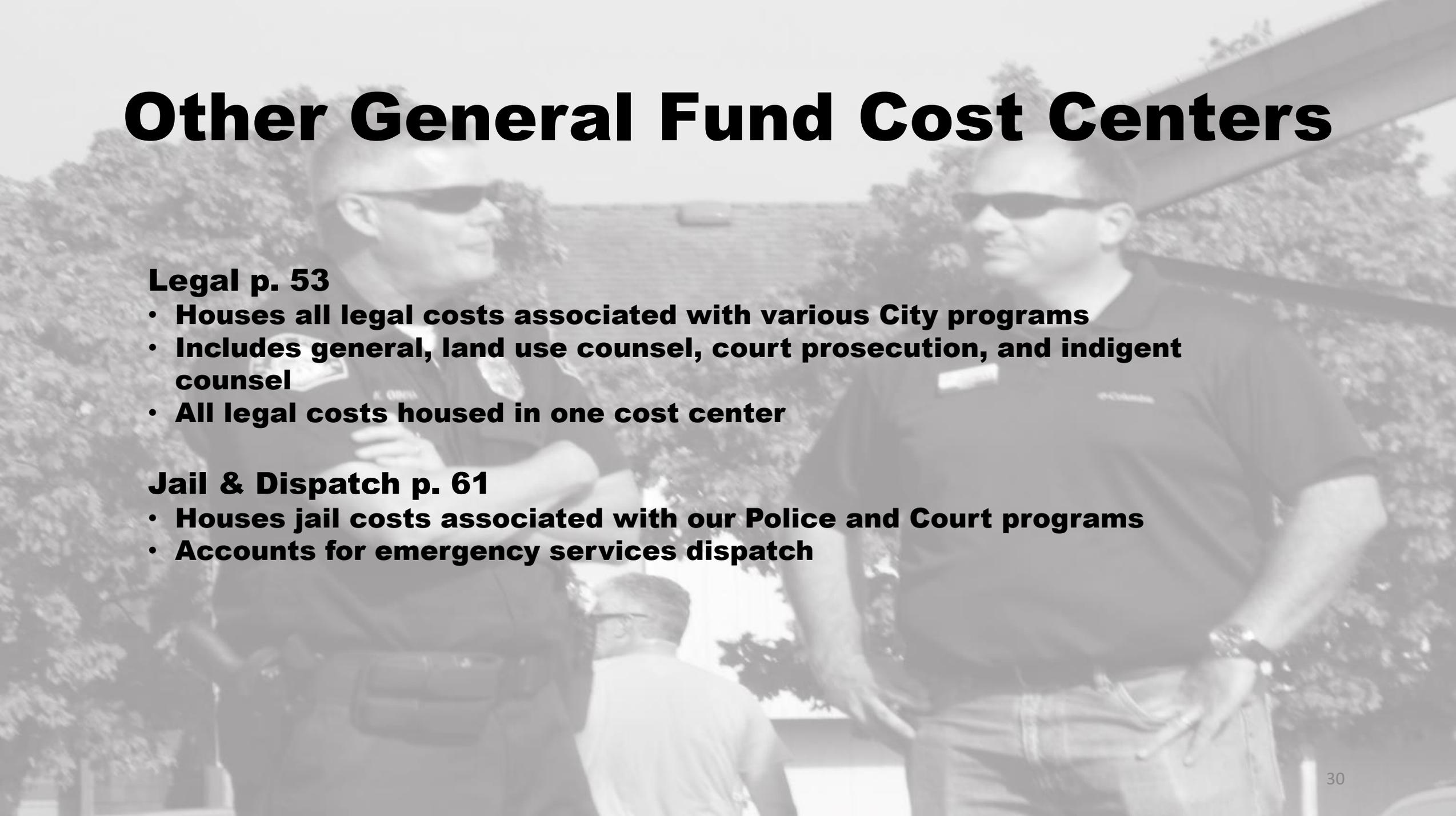
- **Complete re-write of code enforcement chapter and adopt IPMC (potential 2019)**
- **Complete development fee analysis and present finding to Council**
- **Adopt new State Building Codes with any local amendments**
- **Continue to improve the electronic permit process with the potential of joining Mybuildingpermit.com**
- **Develop customer handouts to streamline permitting process**
- **Analyze potential benefits of bringing electrical permitting under City authority**
- **Annex approximately 170 acres of the City's Urban Growth Area**
- **Working with Snohomish County in preparation for the 2021 buildable lands update**
- **Complete the update to the North Kelsey Design and environmental review**
- **Implement HPAC recommendations for affordable housing.**

Emergency Management

pgs. 65, 99, 103, & 107

- **Program spans four funds:**
 - **General Fund 001**
 - **Water O&M Fund 411**
 - **Sewer O&M Fund 421**
 - **Stormwater Fund 431**
- **Update Hazard Mitigation Plan with Snohomish County**
- **Update Comprehensive Emergency Management Plan**
- **Develop Evacuation and Shelter-in-Place Plan**

Other General Fund Cost Centers



Legal p. 53

- **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. 61

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

Contingency Fund p. 71

City Hall

Police

CITY OF

MONROE

- **Target balance increase to \$1,081,899 from \$975,760**
 - **Based on preliminary City assessed valuation**
 - **Determined by Snohomish County**
- **Target balance is capped by RCW 35A.33.145**

Donations p. 73

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. 76

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

Fund 318 Capital p. 92

- **Complete the ADA Transition Plan**
- **Construct the Chain Lake Trail from Rainier View Rd to Brown Rd**
- **Begin design efforts on widening Chain Lake Rd from the roundabout to 197th Ave SE**
- **Work toward creating a railroad Quiet Zone throughout Monroe**
- **Design a new sidewalk along US2 and the Monroe Fairgrounds**
- **Design a new sidewalk extension along 179th Ave SE north of 154th St**
- **Perform approximately \$1.3M in street preservation work as part of the City's Annual Road Maintenance CIP**

Lodging Tax p. 78

- **Work with the Lodging Tax Advisory Board to develop scoring criteria for rating applications.**
- **Continue the outreach program related to the Lodging Tax application process.**
- **Award \$70,223 to Monroe Chamber of Commerce for:**
 - **Tourism Promotion**
 - **www.ChooseMonroe.com**
 - **Monroe Fair Days Parade**
 - **Music in the Park**
- **Award \$2,325 to Monroe Historical Society for marketing and promotion.**
- **Award \$3,000 to Sky Valley Trout Unlimited for Kid's Fishing Day at Lake Tye.**
- **Award \$3,000 to Sky Performing Arts event costs for two performances.**
- **Award \$5,000 to Sky Valley YMCA for Corks and Kegs.**
- **Award \$15,500 to City of Monroe Parks & Recreation Department for:**
 - **Destination Event Brochure**
 - **Nautique WWA National Wakeboard**
 - **USA Triathlon TriMonroe**
- **Award \$20,500 to City of Monroe Administration for:**
 - **Choose Monroe Magazine**
 - **Tourism Print Advertising**

Narcotics p. 80

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

Real Estate Excise Taxes p. 82

- **City collects both quarter percents as allowed by law**
- **Used for capital projects and capital related debt service**
 - **\$138,380 transfer to Debt Service p. 85**
 - **\$129,000 transfer to Parks CIP Fund p. 90**
 - **\$ 40,000 transfer to Facilities Fund p. 118**

Debt Service p. 85

- **Long term debt associated with general fund type capital projects (tax supported)**
- **Two debt service bonds**
 - **\$2,908,728 North Kelsey bond final payment**
 - **\$138,380 General Fund portion of the Public Works Shop project (remainder paid from utility revenues)**

General CIP p. 88

- **Accounts for capital not associated with parks, streets, North Kelsey, or utilities**
- **Currently one capital project – Monroe Boys & Girls club improvements \$1,574,720**

North Kelsey p. 88

- **Accounts for costs associated with City owned property on North Kelsey**
- **Costs include marketing, development, and debt service transferred to the debt service fund**
 - **\$78,836 for professional services associated with development of North Kelsey**
 - **\$2,908,728 final bond payment**

Utility Rates Overview p. 97

- **Sewer rates proposed to remain unchanged from 2019 level**
- **Low income discount remains at 40%**
- **Water rate adjustment decreased from 7.5% to 3.0%**
- **Stormwater rate adjustment increased from 4.0% to 12.5%**
- **Aggregate rate adjustment for a residential user using the base water allowance is \$0.05 less than current rate adjustment schedule**

Water Utility

Fund 411 O&M p. 99

- **Routine operations and maintenance of water system**
 - **Operate 90% of isolation valves and fire hydrants**
 - **Flush clean 90% of water mains**
 - **Replace 5 obsolescent fire hydrants**
- **Revenues over expenses above reserve transferred to capital**
 - **\$1,312,738 in 2020 for future capital projects**

Fund 412 CIP p. 101

- **Water main replacements/other capital** **Total: \$4,523,977**

Sewer Utility

Fund 421 O&M p. 103

- **Routine operations and maintenance of sewer system**
 - **60.6 miles of sewer main**
 - **1163 manholes**
- **Revenues over expenses above reserves transferred to capital**
 - **\$1,493,589 for 2020**

Fund 422 CIP p. 105

- **sewer capital/equipment** **Total** **\$ 342,064**

Stormwater Utility

Fund 431 O&M p. 107

- **Routine operations and maintenance of stormwater system:**
 - **1912 catch basins,**
 - **63.5 miles of storm mains,**
 - **water quality filters,**
 - **flow control structures, culverts, ponds, biological treatment installations, and open ditches**

Fund 432 CIP p. 109

- **Capital Projects/equipment**

Total: \$3,138,657

Revenue Bond Reserve p. 111

- **Required by various revenue bond covenants**
- **Holds 1.25 times our annual revenue debt service needs**
- **For 2020, reserve is \$2,819,445**

Information Technology p. 114

- **Manage the Springbrook upgrade in cooperation with the Finance Department.**
- **Assist parks with implementation of Recreation Facility software.**
- **Finish IT Strategic Plan.**
- **Assist City Clerk with expansion of Electronic Content Management System.**
- **Upgrade physical and virtual servers.**
- **Replace firewalls.**
- **Replace switches.**
- **Continue workstation upgrades.**

Fleet & Equipment p. 116

- **Complete ordinary maintenance and repair for over 140 pieces of fleet vehicles and equipment.**
- **Fabricate custom metal boxes for Lake Tye water quality monitoring device and Wastewater Treatment Plant.**

Facilities p. 118

- **Begin architectural and civil design process for Municipal Campus facilities.**
- **Replace obsolete campus security card reader system.**
- **Update Police Station locker room.**