



**THE ADVENTURE
STARTS HERE!**

GENERAL FUND

General Fund Overview

INTRODUCTION

The General Fund is the principal governmental fund of the City. It accounts for the revenues and expenditures which are not accounted for in any other fund and supports services for the greater good that are more general in nature. These services traditionally do not have a dedicated revenue stream to fully support its program and include police, parks, community and economic development, municipal court, records and legal services, and administrative services.

REVENUES

The majority of the General Fund revenues are taxes. For the 2019 Budget, tax revenue represents 65.19% of the overall anticipated revenue into the General Fund. This includes property taxes, sales taxes, utility taxes, leasehold excise taxes, admissions taxes, and gambling taxes. Without consideration of the beginning fund balance, the second largest category of revenue is Charges for Services at 8.12% of the General Fund. These charges include plan review fees, appropriate policing reimbursement fees, field usage fees in our parks, and overhead recovery fees for our administrative services. The chart below outlines the various revenue categories anticipated in 2019 for the General Fund.

General Fund - Revenues						
	Actual <u>2015</u>	Actual <u>2016</u>	Actual <u>2017</u>	Budget <u>2018</u>	Projected <u>2018</u>	Approved <u>2019</u>
Taxes	\$ 8,963,607	\$ 9,374,990	\$10,922,890	\$10,749,769	\$11,097,788	\$12,436,765
Licenses & Permits	481,275	837,034	806,563	680,200	681,033	581,183
Intergovernmental	560,852	622,953	616,418	641,885	578,968	494,143
Charges for Services	961,614	1,349,352	1,095,781	1,274,186	1,306,347	1,549,810
Fines & Forfeitures	273,849	295,620	283,176	287,500	240,876	240,624
Interest & Other Rev	58,811	52,025	77,170	49,379	80,991	82,243
Transfers In	289,328	100,000	446,953	122,351	125,731	-
Beginning Fund Balance	2,933,802	2,943,177	3,383,932	4,548,625	4,548,625	3,692,539
Total	\$14,523,138	\$15,575,152	\$17,632,883	\$18,353,895	\$18,660,358	\$19,077,307

Total anticipated revenues for 2019 in the General Fund, without consideration of the beginning fund balance, is an increase of 11.44% from the 2018 Budget. The majority of this increase is attributable to the use of \$450,000 of banked property tax capacity (discussed beginning on the next page) and an estimated \$999,133 in new sewer utility tax revenue (page 95). These new revenues will help support the two new positions in the Parks Department, the Economic Development Advisory Board's recommendations, and reserve money toward the 2020 \$2.9 million North Kelsey debt payment.

General Fund Overview

Property Taxes

The City's property tax is levied based on the assessed value from the previous year, as determined by the Snohomish County Assessor. Annually, the City Council sets the property tax levy as part of the annual budget process. This levy is then legally required to be certified to the County by the end of November. The Council may increase its property tax revenues by either one percent or by the Implicit Price Deflator published in September each year, whichever is lower. If the Council does not increase the property tax by the amount allowed, the City then "banks" the amount for potential future use.

The City has traditionally foregone its statutorily allowed increase each year and "banked" the taxing authority, with the exception of fiscal year 2017. For 2017, the City used \$484,312 of its banked capacity to help restore specific positions/services within the General Fund, such as a parks supervisor, part time permit tech/code enforcement, and a city accountant (still to be filled). The 2018 Approved Budget did not increase the property taxes over 2017 collections, leaving approximately \$671,000 in banked tax capacity. (A detailed discussion regarding property taxes, banked capacity, impacts of the McCleary case, and impacts to individual homeowners was presented to the City Council on August 21, 2018. The full agenda bill with attachments may be found in the appendix of this document on page 128.)

The 2019 Budget utilizes \$450,000 of the City's banked capacity. This money will be used to fund two new Parks and Recreation Department positions, fund the Economic Development Advisory Board recommendations, and set aside money toward the 2020 North Kelsey debt payment.

The following chart details the historical rate per thousand assessed for City taxes and illustrates the impact of assessing the \$450,000 of banked property tax capacity on the 2019 rate per thousand, a two and one half cent increase.

Historical City Assessed Valuation, General Property Tax Levied, and City Property Tax Rate
****2019 rates are preliminary estimates**

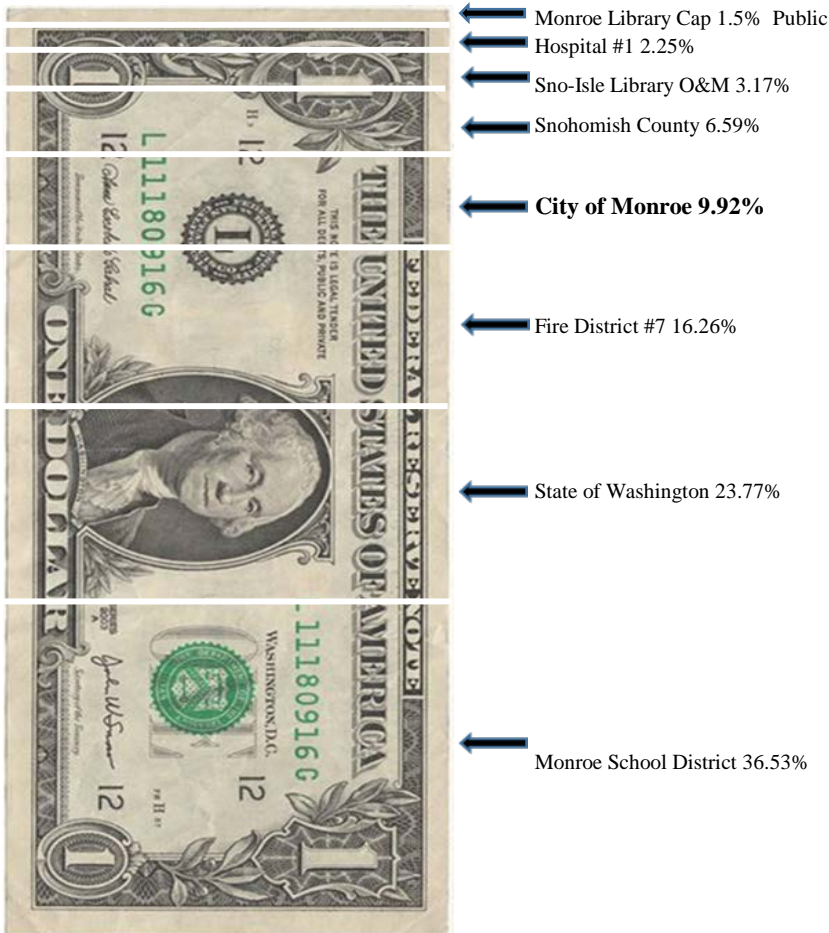
Year	Assessed Value	Revenue	per \$1,000
2019**	\$ 2,602,026,240	\$ 3,148,353	\$ 1.21
2018	\$ 2,255,923,097	\$ 2,674,640	\$ 1.19
2017	\$ 1,991,598,893	\$ 2,577,719	\$ 1.29
2016	\$ 1,773,873,208	\$ 2,047,724	\$ 1.15
2015	\$ 1,631,751,335	\$ 2,013,295	\$ 1.23
2014	\$ 1,464,883,201	\$ 1,991,453	\$ 1.36
2013	\$ 1,349,715,977	\$ 1,969,615	\$ 1.46

General Fund Overview

Property Taxes continued:

For a \$500,000 home, an approximate 2 1/2 cent per thousand increase would be a \$12.20 per year increase to the City's portion of your total property tax bill:

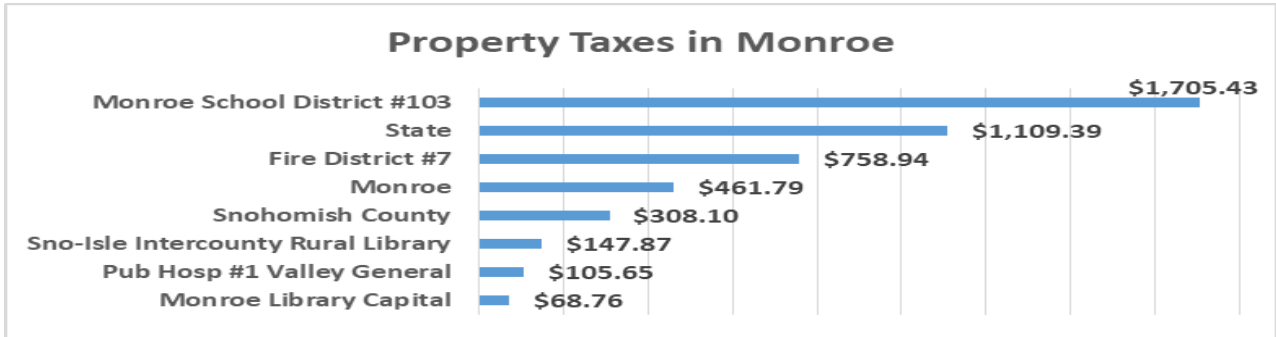
Home Value	2018 City tax	2019 est. City tax	Difference per year
\$ 250,000	\$ 296.40	\$ 302.50	\$ 6.10
\$ 300,000	\$ 355.68	\$ 363.00	\$ 7.32
\$ 400,000	\$ 474.24	\$ 484.00	\$ 9.76
\$ 500,000	\$ 592.80	\$ 605.00	\$ 12.20
\$ 650,000	\$ 770.65	\$ 786.50	\$ 15.85



The property tax rates illustrated above are for the City of Monroe's portion only of your overall tax bill. For the majority of our residents, your property tax bill also includes taxes to the state, Fire District #7, the library, schools, hospital, and county. For 2018, the City of Monroe's portion represented just 9.92% of the total bill. The total property tax bill on a house with an assessed value of \$389,500 in 2018 is \$4,666, of which only \$462 went to the City of Monroe to support its general services (\$1.19 of the \$11.99 total 2018 tax levy).

General Fund Overview

Property taxes continued:

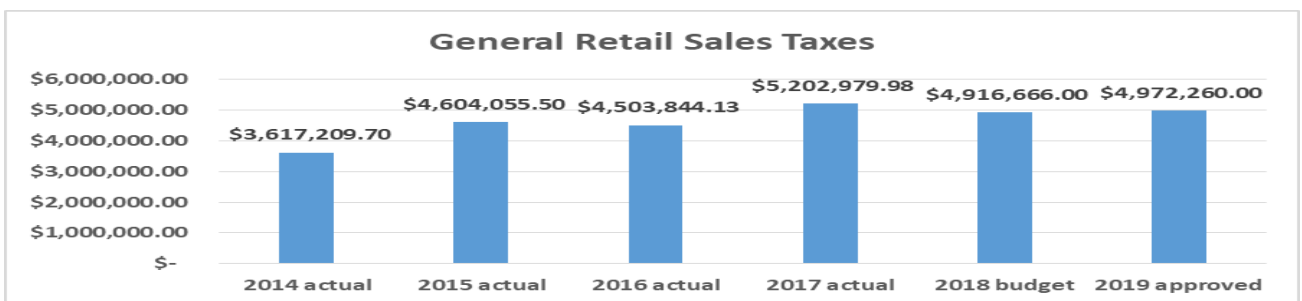


While all taxes represent 65.19% of the 2019 General Fund budget, property taxes alone represent just 16.50% of the anticipated General Fund revenues (\$3,148,353 of the \$19,077,307 anticipated revenue). The largest source of anticipated taxes to the 2019 General Fund is sales taxes.

Sales Taxes

Sales taxes are the taxes paid on retail sales in the City of Monroe. Monroe's sales tax rate is 9.2%. Of this rate, 6.5% goes to the state, 1.4% to other agencies, and the remaining 1.3% stays here locally. For 2019, the anticipated Monroe portion of general sales taxes represent 26.06% of the overall General Fund budget (\$4,972,260 of the \$19,077,307 anticipated revenue). These taxes may be used for any general purpose program for the City, such as parks, community development, police, etc.

As illustrated in the chart below, general sales taxes for Monroe continue to improve year over year. These increases are attributable to an improving economy, more sales generated within our City limits by an increasing population, and steady construction activity on residential development.



Along with the general sales taxes, the City also assesses an additional 0.1% sales tax (part of the 9.2%) for public safety purposes. This restricted tax, as approved by the voters, may only be used for public safety purposes. The anticipated receipts from this 0.1% sales tax is \$477,195, which is 2.50% of the overall anticipated General Fund budget. This \$477,195 represents 6.06% of the Police department 2019 proposed expenditure budget.

Remaining 2019 anticipated sales taxes are the state shared taxes for Criminal Justice at 1.79% or \$342,473 of the overall anticipated General Fund revenues. This again is restricted resources for public safety, and represents 4.35% of the Police department's 2019 expenditure budget.

General Fund Overview

Utility Taxes

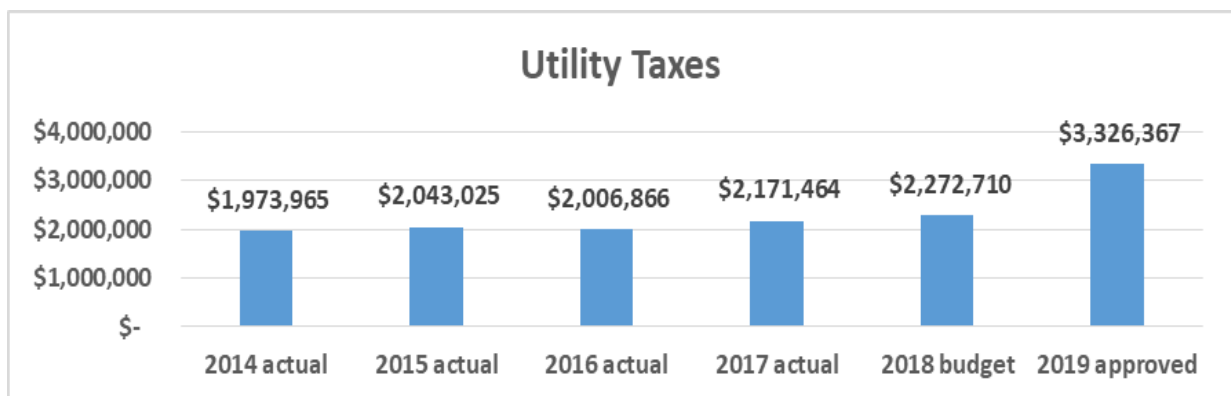
Utility taxes are taxes levied on the gross operating revenues earned by both public and private utilities operating within the City of Monroe. A utility tax is not a pass through tax but a tax on the "business" itself. Through 2018, utilities paying a tax to the General Fund included electric, natural gas, phone, and water. It did not include sewer, stormwater, or garbage. (Garbage utilities pay a franchise fee to the City, which we receipt into Fund 105-Street Fund.)

The 2019 Budget includes implementing a 10% utility tax on our sewer utility, similar to what is assessed on our water utility. This new tax is estimated to generate \$999,133 of new money to the General Fund, of which \$750,000 will be set in reserve for the 2020 North Kelsey debt payment, with the remaining money to fund the recommendations developed by the Economic Development Advisory Board.

Because the utility tax is a tax on operations and not a pass through tax similar to sales taxes, the tax does not effect the ratepayers but is absorbed as a cost of doing business for the utility. Along with the 10% utility tax recommended on sewer operations, the 2019 Budget also recommends **decreasing** sewer rates by 2.5%. Information on the impacts of these changes to the sewer fund may be found on page 95.

Utility taxes are our third largest revenue source to the General Fund, behind sales and property taxes but exclusive of beginning fund balance. 2019 anticipated utility taxes represent 17.43% of the General Fund anticipated revenues (\$3,326,367 of the \$19,077,307 total).

With the exception of 2016 actual receipts, the utility taxes have grown at a slow but steady pace, due mostly to our population growth. In 2016, taxes assessed against natural gas decreased over prior years but has begun to grow again. Overall, 2019 utility taxes are anticipated to increase over 2018 budget by 46.36%, mostly due to the proposed sewer utility tax. Our official population increased by 2.77% over 2018. The remaining increase to the utility taxes is attributable to population increase and rate adjustments.



General Fund Overview

Other Taxes

The remaining 2019 taxes are derived from Admissions Taxes, Leasehold Excise Taxes, and Gambling Taxes. These taxes represent 0.89% or \$170,117 of the overall 2019 General Fund revenues. The largest portion of these remaining taxes is the admissions tax (\$115,000), which had been declining in recent years but has started to slowly grow again.

Licenses & Permits

The City of Monroe assesses fees to license businesses and animals. In addition, Monroe realizes revenue from cable franchise fees and building permits. Building permits are the largest revenue stream within this category, \$406,000 of the \$581,183 total expected. These are the fees assessed against new housing starts. The City is estimating a conservative 140 new housing permits for 2019.

Intergovernmental Revenues

Intergovernmental revenues consist of state shared revenues, grants, and reimbursements from other governmental agencies. State collected revenues that are shared with all cities are allocated on a per capita basis. Population figures, determined annually as of April 1 by the State demographer in the Office of Fiscal Management, are used as the basis for the per capita distributions. For 2019, Monroe's official population is 18,860. This is a 2.77% increase over the 2018 figure of 18,350. Intergovernmental revenues represent 2.59% of the total anticipated General Fund revenue (\$494,143 of the \$19,077,307). This is a 23.01% decrease from 2018 Budget. This decrease is attributable to the discontinuation of the state's streamlined sales tax mitigation payments.

Charges for Services

The City of Monroe offers a variety of services to its citizens and customers including passport applications, parks and field usage, fingerprinting, plan reviews, etc. In addition, our police department works with the local school district to staff a School Resource Officer. Fees associated with these services comprise the Charges for Services category for the General Fund.

The 2019 anticipated charges for services revenues make up 8.12% of the General Fund anticipated revenues. The majority of the fees in this category are generated by planning services and plan review fees. 2019's anticipated revenues (\$1,549,810) are a 21.63% increase over 2018 budget.

General Fund Overview

Fines & Forfeitures

Fines and forfeitures represent traffic citations and other fines imposed through enforcement of local ordinances and state statutes. 2019's projected revenue is a decrease from 2018 budget by \$46,876 or 16.30%. These revenues are hard to anticipate as they are dependent on specific enforcement actions and human nature.

Interest and Other Revenues

Interest and other revenues represents the interest earned on the City's investments and other misc. revenues such as leases, rental income, insurance recoveries, etc. The City determines each month its immediate cash needs and invests any excess cash into the State's Local Government Investment Pool (LGIP) to maximize its interest earnings. Money invested in the LGIP has no risk to the principal and is available within 24 hours if needed. There are no transaction fees associated with these investments. For longer term monies (money associated with future capital projects), the City invests in federal bonds, which are allowable by law. These investments mature anywhere from one to five years from the date of purchase and allows the City to realize a higher rate of return than our short term LGIP investments. While the City does not budget for miscellaneous revenues each year, this category is anticipated to increase by \$32,864 over 2018 budget, mostly due to rising interest rates on our investments.

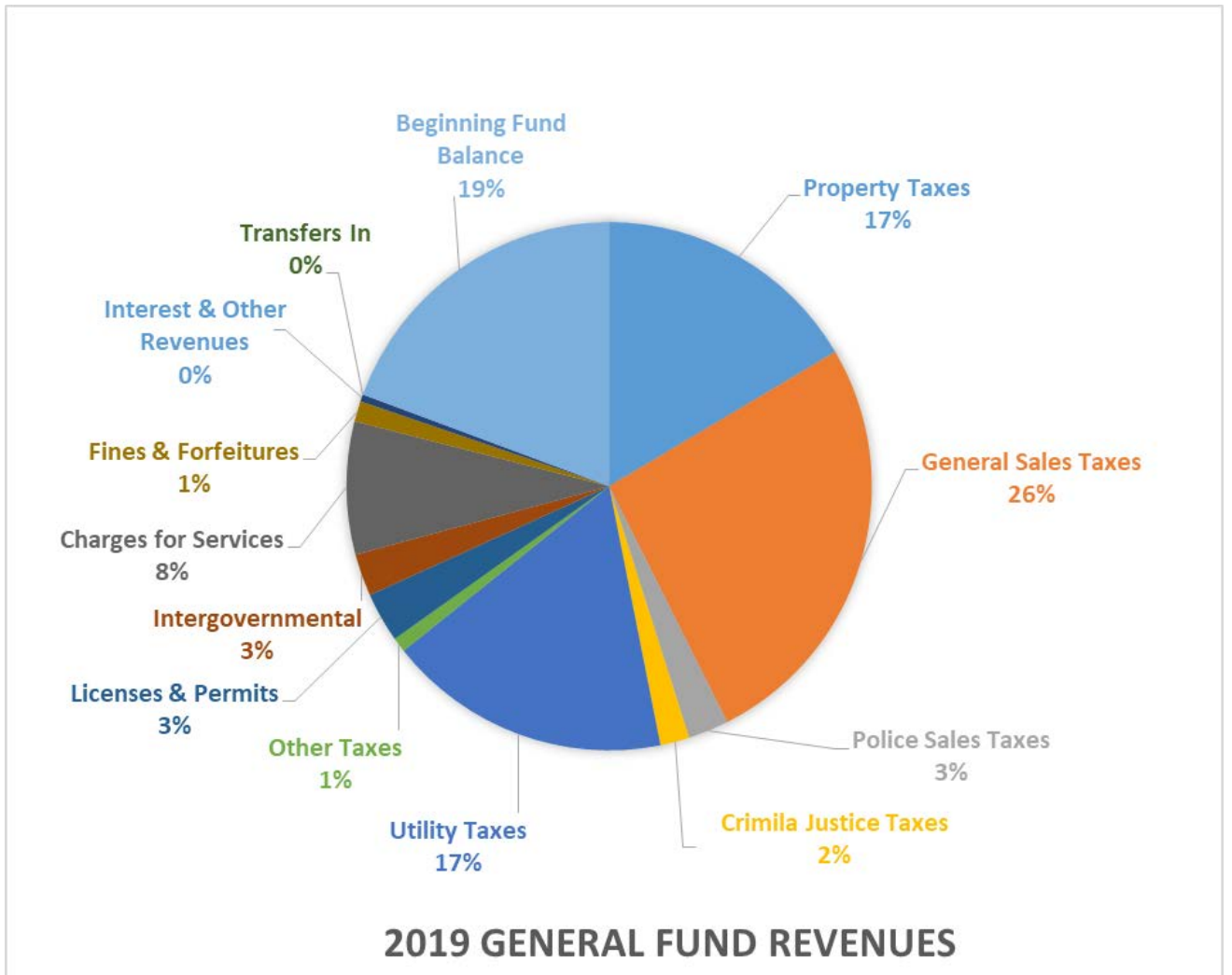
Transfers In

Transfers In represent intermittent moneys that are moved into the General Fund from other funds for special projects. These transfers can fluctuate greatly year to year. There are no transfers in anticipated as part of the 2019 Budget.

Beginning Fund Balance

The beginning fund balance represents the cash remaining at the end of the prior fiscal year that is available for use by the city. The beginning fund balance has been growing steadily each year as departments are cost conscious when spending on their programs and revenues can sometimes come in higher than anticipated. The City's practice is to reserve 17% of our anticipated expenditures from the beginning fund balance to insure we have a proper reserve for cash flow purposes and other unanticipated needs.

General Fund Overview



General Fund Overview

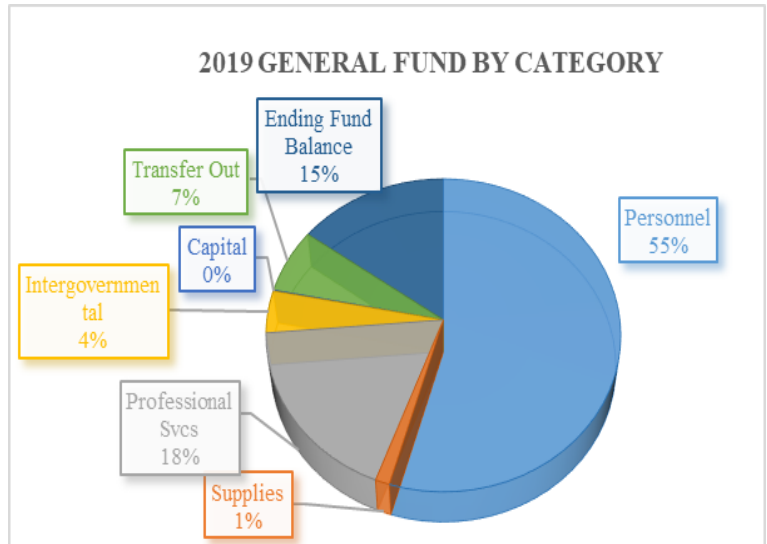
EXPENDITURES

Total 2019 budgeted General Fund expenditures are \$19,077,307. This is in balance with total anticipated General Fund revenues. Without ending fund balance, General Fund expenditures total \$16,202,224. This is a 4.96% increase over 2018 budget. The majority of this increase is attributable to personnel costs. The 2019 Budget includes contracted increases for our exceptional staff as well as market increases to our health benefits. The budget also includes the addition of two new positions in the Parks Department to expand services for our community.

Personnel costs (salaries and benefits) are the largest category of costs to the General Fund at 54.48% of the budget inclusive of ending fund balance (\$10,393,425). Without consideration of ending fund balance, personnel costs represent 64.15% of the approved budget. Professional services, at 18.00% or \$3,434,541 is the second largest category of costs. Without consideration of ending fund balance, professional services is 21.20% of budget.

2019 General Fund by Category

Personnel	\$10,393,425	54.48%
Supplies	\$ 225,880	1.18%
Professional Svcs	\$ 3,434,541	18.00%
Intergovernmental	\$ 835,973	4.38%
Capital	\$ 20,000	0.10%
Transfers Out	\$ 1,292,405	6.77%
Ending Fund Balance	\$ 2,875,083	15.07%
Total	\$19,077,307	100%



The following General Fund budget pages provide cost breakdowns for each department along with the department's 2018 accomplishments and 2019 budget goals.

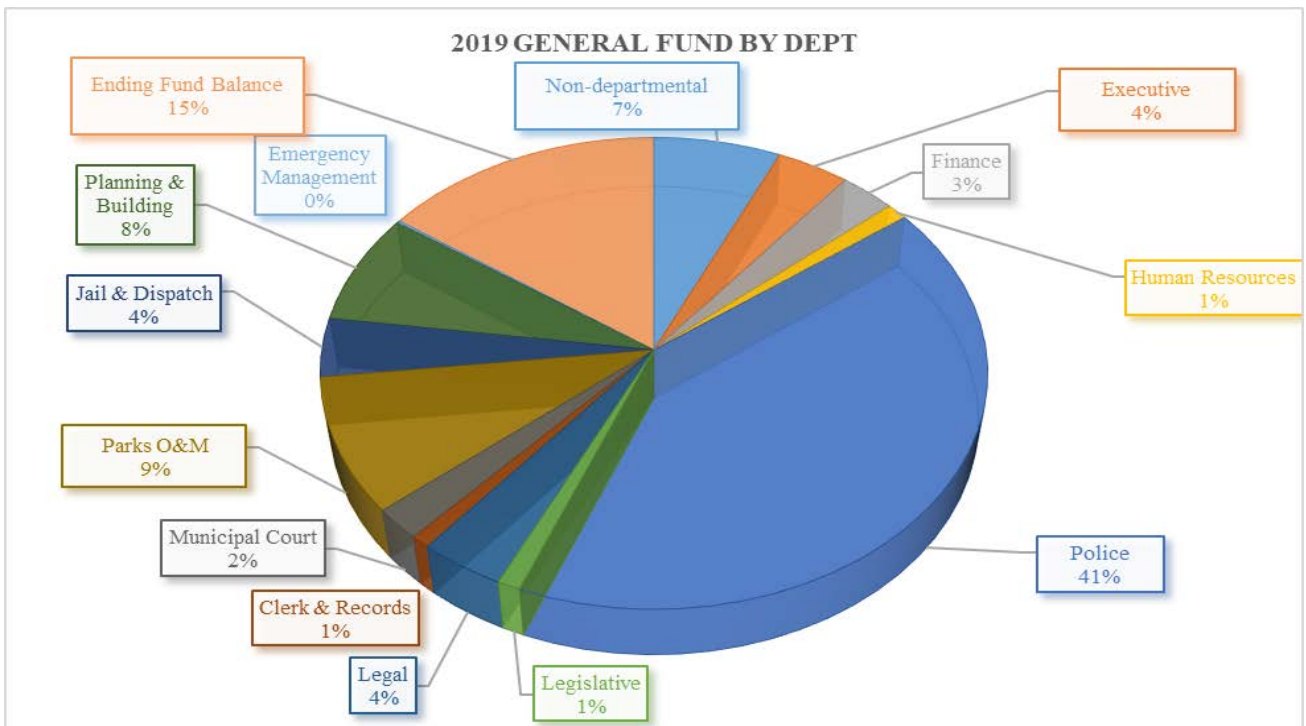
As you review individual costs center histories within the General Fund, you will notice that some expenditures have moved from one cost center to another. For example, legal costs associated with prosecution were formerly charged to Jail & Dispatch and legal costs associated with land use issues were formerly charged to Planning & Building. All legal costs can now be found within the Legal cost center. This allows the City to better understand its overall legal costs. The Mayor's compensation and associated costs have been moved from Legislative to Executive to better reflect the separate branches of government, and other various costs, such as credit card fees and bank fees, are now reflected in the correct cost centers. All these costs are General Fund costs so these moves do not change the General Fund's bottom line. These changes are intended to help better reflect the costs of the City's various programs.

General Fund Overview

EXPENDITURES cont.

General Fund

	Actual <u>2015</u>	Actual <u>2016</u>	Actual <u>2017</u>	Budget <u>2018</u>	Projected <u>2018</u>	Approved <u>2019</u>
Non-departmental	\$ 284,669	\$ 154,956	\$ 259,292	\$ 1,123,739	\$ 1,123,739	\$ 1,292,405
Executive (formerly Admin)	438,863	469,070	621,943	711,311	680,277	739,355
Finance	481,129	527,389	568,025	563,448	533,713	564,101
Human Resources	136,816	147,637	152,414	203,448	192,099	213,762
Police	6,291,627	6,747,024	7,004,650	7,617,762	7,496,476	7,874,145
Legislative	119,609	193,052	189,880	169,576	158,705	194,957
Legal	163,980	191,733	190,391	558,000	614,000	728,000
Clerk & Records	375,380	395,163	319,547	157,624	150,916	164,941
Municipal Court	309,342	326,001	343,494	376,003	369,301	414,783
Parks O&M	1,023,227	1,129,368	1,319,057	1,469,750	1,400,035	1,771,787
Jail & Dispatch	634,165	841,198	866,940	776,651	756,651	771,000
Planning & Building	1,199,678	1,064,243	1,231,424	1,689,614	1,474,378	1,446,118
Emergency Management	94,535	22,400	15,945	18,210	17,527	26,870
Ending Fund Balance	2,943,177	3,383,932	4,549,880	2,918,759	3,692,539	2,875,083
Total	\$14,496,197	\$15,593,166	\$17,632,883	\$18,353,895	\$18,660,358	\$19,077,307



000 - Non Departmental

This cost center accounts for the budgeted transfers the general fund makes to other funds of the City. The three budgeted transfers for 2019 include \$102,562 to Fund 002 Contingency Fund to increase this fund based on the City's estimated assessed value, \$111,115 to the Sick Leave Reserve Fund, and \$1,078,728 to Fund 319 North Kelsey.

000 - Non-Departmental

	Actual <u>2015</u>	Actual <u>2016</u>	Actual <u>2017</u>	Budget <u>2018</u>	Projected <u>2018</u>	Approved <u>2019</u>
Salaries (10)	\$ -					
Benefits (20)	-					
Supplies (30)	-					
Professional Svcs (40)	-					
Intergovernmental (50)	-	-	-	-		
Capital (60)	-	-	-	-		
Debt Service (70-80)	-	-	-	-		
Other (90)	284,669	154,956	259,292	1,123,739	1,123,739	1,292,405
Total	\$ 284,669	\$ 154,956	\$ 259,292	\$ 1,123,739	\$ 1,123,739	\$ 1,292,405

Full Time Equivalent History

This cost center does not have assigned staff.

000 – Non Departmental

2018 Accomplishments

- **Increased the transfer to the North Kelsey Fund from \$170,000 to \$1,015,000 to reserve funds for the 2020 Debt Service payment (\$2,908,728). Estimated reserves for this payment at the end of 2018 is \$805,000.**

2019 Major Goals and Objectives

- **Transfer \$102,562 to Fund 002 – Contingency Fund to fully fund the contingency based on the City's projected 2019 assessed value.**
- **Transfer \$111,115 to Fund 621 Sick Leave Reserve to fund the sick leave reserve per the City's Reserve Policy.**
- **Transfer \$68,728 to the Fund 319 – North Kelsey to fund the 2019 interest only payment associated with the North Kelsey debt.**
- **Transfer \$60,000 to Fund 319 – North Kelsey to assist with marketing efforts regarding the City owned properties.**
- **Transfer \$950,000 to Fund 319 – North Kelsey to reserve funds for the 2020 North Kelsey debt payment (\$2,908,728). Projected end of year 2019 reserve for the 2020 payment is \$1,771,389.**

001 - Executive

The City of Monroe operates under the “strong mayor” form of government. The Mayor is elected by the citizens of Monroe to serve a four year term. The Executive Department is directed by the Mayor, who is the administrative head of the city government. The Executive Department coordinates and directs the overall administration of all city departments. The Mayor is directly supported by the City Administrator who oversees the day-to-day operations of the city, and the Executive Assistant, who provides support to the Mayor and City Administrator.

001 - Executive						
	Actual <u>2015</u>	Actual <u>2016</u>	Actual <u>2017</u>	Budget <u>2018</u>	Projected <u>2018</u>	Approved <u>2019</u>
Salaries (10)	\$ 136,870	\$ 155,690	\$ 125,639	\$ 267,934	\$ 267,528	\$ 283,021
Benefits (20)	46,238	50,613	58,159	102,728	98,393	112,905
Supplies (30)	7,730	5,925	6,858	5,750	6,973	7,500
Professional Svcs (40)	229,072	233,643	391,926	297,734	285,691	292,885
Intergovernmental (50)	18,952	23,200	39,361	22,165	21,692	23,044
Capital (60)	-	-	-	15,000	-	20,000
Debt Service (70-80)	-	-	-	-	-	-
Other (90)	-	-	-	-	-	-
Total	\$ 438,863	\$ 469,070	\$ 621,943	\$ 711,311	\$ 680,277	\$ 739,355

Full Time Equivalents History						
	Actual <u>2015</u>	Actual <u>2016</u>	Actual <u>2017</u>	Budget <u>2018</u>	Projected <u>2018</u>	Approved <u>2019</u>
Mayor	0.00	0.00	0.00	1.00	1.00	1.00
City Administrator	1.00	1.00	1.00	1.00	1.00	1.00
Admin Support	0.00	0.00	1.00	1.00	1.00	1.00
Total	1.00	1.00	2.00	3.00	3.00	3.00

001 – Executive

2018 Accomplishments

- **Creation of the Economic Development Advisory Board (EDAB)**
- **EDAB recommendations**
- **Choose Monroe Visitors Guide**
- **Hiring a consultant for business recruitment and retention**
- **New firms to assist with marketing and sale of North Kelsey properties**
- **Adoption of Wheeled All-Terrain Vehicles in Monroe**
- **Partner in Snoqualmie Valley Transportation Monroe-Duvall Connector**
- **Hiring of a new Police Chief**
- **SR 522 Coalition**
- **Development of a City wide Six Year Strategic Plan for operations**
- **Identified a funding strategy to foster financial sustainability for the City's Parks and Recreation Department.**
- **Secured two \$500,000 grants for East Monroe (\$500,000 from Snohomish County Conservation Futures and \$500,000 from State RCO Land & Water Conservation Futures)**

2019 Major Goals and Objectives

- **Sell North Kelsey properties**
- **SR 522 capacity improvements**
- **Update website content**
- **Obtain additional grant funding for East Monroe**
- **Promote Monroe as a tourist destination**
- **Support work with the Chamber on visitor website upgrade**
- **Build stakeholder coalition for SR 522 and US 2 capacity improvements**
- **Develop Vision 2050 statement**
- **Support process improvement efforts**
 - **MBP.com (Master Building Permit)**
 - **Permit Process**
 - **Contract Tracking**
 - **Code Enforcement**
- **Work with Parks & EDAB to design wayfinding signs**
- **Work with East County Parks & Recreation District on bond and levy measure**
- **Develop sustainable funding strategy for Street Operations & Maintenance Fund**
- **Recommend City Hall and Police Department facility improvements**

002 - Finance

The City of Monroe Finance Department is both an internal service department and an external customer service department. For our citizen customers, the Finance Department provides utility billing and customer service for our water, sewer, and stormwater utilities. We also provide passport services for those applying for their first passport. For many, we are the first point of contact for walk in and phone customers. For our internal customers, the Finance Department provides payroll, accounts payable, accounts receivable, cashiering, accounting, and budgeting services. We manage the city's fixed asset, debt, and investment portfolios. We also serve as the City's liaison with the Washington State Auditor's office. We are the stewards of the public funds and we believe in better stewardship through knowledge and transparency.

002 - Finance

	Actual <u>2015</u>	Actual <u>2016</u>	Actual <u>2017</u>	Budget <u>2018</u>	Projected <u>2018</u>	Approved <u>2019</u>
Salaries (10)	\$ 276,481	\$ 283,823	\$ 315,453	\$ 304,217	\$ 300,045	\$ 308,553
Benefits (20)	121,515	125,641	136,931	139,438	135,743	142,140
Supplies (30)	2,994	5,512	8,599	6,250	8,537	5,500
Professional Svcs (40)	80,140	112,413	107,042	113,543	89,388	107,908
Intergovernmental (50)	-	-	-	-		
Capital (60)	-	-	-	-		
Debt Service (70-80)	-	-	-	-		
Other (90)	-	-	-	-		
Total	\$ 481,129	\$ 527,389	\$ 568,025	\$ 563,448	\$ 533,713	\$ 564,101

Full Time Equivalents History

	Actual <u>2015</u>	Actual <u>2016</u>	Actual <u>2017</u>	Budget <u>2018</u>	Projected <u>2018</u>	Approved <u>2019</u>
Director	1.00	1.00	1.00	1.00	1.00	1.00
Admin Tech Lead	1.00	1.00	1.00	1.00	1.00	1.00
Admin Support	2.35	2.35	2.35	1.29	1.29	1.29
Total	4.35	4.35	4.35	3.29	3.29	3.29

002 – Finance

2018 Accomplishments

- Updated the City's Procurement Policies and Procedures to include new federal uniform purchasing guidelines and specifying appropriate delegation authorities to streamline City purchasing. (Last updated in 2012.)
- Worked with the Finance and Human Resources Committee to adopt a formal City of Monroe Debt Policy.
- Expanded the City's budget document to include six year projections for the General Fund and expanded information regarding the use of property taxes.
- Developed a "Budget 101" presentation. Provided this information to the Economic Development Advisory Board, the Parks Advisory Board, the City's supervisors' group, and the Police Sergeants.
- Identified a funding strategy to reserve appropriate resources for the 2020 North Kelsey debt payment (\$2.9 million) for Mayor and Council consideration.
- Identified a funding strategy to foster financial sustainability for the City's Parks and Recreation Department for Mayor and Council consideration.
- Began six year projections on the sewer utility which identifies an opportunity to decrease residential sewer rates in 2019 while maintaining the system's financial sustainability.
- Renegotiated with the City's bank to decrease the City's credit card fees by approximately \$120,000 per year.

2019 Major Goals and Objectives

- Develop six year projections for the water and stormwater funds to identify appropriate funding levels for rates and capital needs, while maintaining the systems' financial sustainability.
- Identify a funding strategy to foster financial sustainability for the City's street operations and maintenance programs.
- Review and, if needed, update the City's reserve policy and the City's travel policy.
- Develop a formal 6 Year Capital Improvement Program document to include identification of appropriate revenue sources.
- Continue the "Budget 101" presentations with City staff. Extend an offer to present to external organizations, such as the Chamber of Commerce and the Downtown Monroe Association.

003 - Human Resources

Human Resources is responsible for planning, developing, implementing, administering, and evaluating a comprehensive range of Human Resource programs to meet the City's present and future needs. Professional and technical work includes recruitment, classification and pay administration, contract negotiation, benefits administration, performance management, workers' compensation administration, employee and labor relations, risk management and Civil Service, and Salary Commission assistance and administration.

003 - Human Resources

	Actual <u>2015</u>	Actual <u>2016</u>	Actual <u>2017</u>	Budget <u>2018</u>	Projected <u>2018</u>	Approved <u>2019</u>
Salaries (10)	\$ 87,175	\$ 95,165	\$ 99,984	\$ 106,983	\$ 106,454	\$ 113,906
Benefits (20)	33,267	36,173	37,723	41,577	40,018	43,786
Supplies (30)	89	-	-	1,500	2,300	2,300
Professional Svcs (40)	16,286	16,299	14,706	53,388	43,326	53,770
Intergovernmental (50)	-	-	-	-	-	-
Capital (60)	-	-	-	-	-	-
Debt Service (70-80)	-	-	-	-	-	-
Other (90)	-	-	-	-	-	-
Total	\$ 136,816	\$ 147,637	\$ 152,414	\$ 203,448	\$ 192,099	\$ 213,762

Full Time Equivalents History

	Actual <u>2015</u>	Actual <u>2016</u>	Actual <u>2017</u>	Budget <u>2018</u>	Projected <u>2018</u>	Approved <u>2019</u>
Director	1.00	0.95	0.80	0.80	0.80	0.80
Total	1.00	0.95	0.80	0.80	0.80	0.80

003 – Human Resources

2018 Accomplishments

- **Police Chief recruitment including vendor selection and interview process.**
- **Over 540 applications received for open positions to date.**
- **Implemented new sick leave policy.**
- **Worked with Finance/Payroll to begin twice a month payroll.**

2019 Major Goals and Objectives

- **Complete comprehensive compensation study.**
- **Start collective bargaining with Teamsters Local 763 (4 bargaining units).**
- **Work on implementing Paid Family & Medical Leave. Premiums starting in 2019, benefits start in 2020.**
- **Create and implement Internship program.**

004 - Police

The Monroe Police Department is dedicated to the pursuit of excellence in providing professional law enforcement services to the City of Monroe. The department consists of the Patrol Division, the Pro-Active Enforcement Team, the School Resource Officer, the Investigations Division, and the Administrative Services Division, which supports police functions with case management, evidence tracking, administrative bookings, compiling statistical data, crime mapping and the purchase of equipment, uniforms and supplies. Other specialties include regional SWAT team members, K-9 officers, firearms and tactic instructors, traffic/motorcycle officers, and drug recognition experts.

004 - Police

	Actual <u>2015</u>	Actual <u>2016</u>	Actual <u>2017</u>	Budget <u>2018</u>	Projected <u>2018</u>	Approved <u>2019</u>
Salaries (10)	\$ 3,891,587	\$ 4,123,618	\$ 4,223,319	\$ 4,589,833	\$ 4,407,320	\$ 4,622,563
Benefits (20)	1,443,573	1,500,231	1,567,816	1,751,006	1,625,399	1,810,070
Supplies (30)	67,416	58,462	74,665	74,221	118,891	99,405
Professional Svcs (40)	865,473	1,038,085	1,080,277	1,122,828	1,255,124	1,318,928
Intergovernmental (50)	21,623	22,070	15,361	24,276	22,175	23,179
Capital (60)	1,955	4,558	43,213	55,598	67,568	-
Debt Service (70-80)	-	-	-	-	-	-
Other (90)	-	-	-	-	-	-
Total	\$ 6,291,627	\$ 6,747,024	\$ 7,004,650	\$ 7,617,762	\$ 7,496,476	\$ 7,874,145

Full Time Equivalents History

	Actual <u>2015</u>	Actual <u>2016</u>	Actual <u>2017</u>	Budget <u>2018</u>	Projected <u>2018</u>	Approved <u>2019</u>
Chief	1.00	1.00	1.00	1.00	1.00	1.00
Deputy Chief	1.00	1.00	1.00	1.00	1.00	1.00
Admin Service Director	1.00	1.00	1.00	1.00	1.00	1.00
Sergeants	6.00	6.00	6.00	7.00	6.00	7.00
Police Officers	25.00	25.00	25.00	25.00	25.00	25.00
Admin Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Admin Support	7.00	8.00	8.00	8.00	7.00	8.25
Total	42.00	43.00	43.00	44.00	42.00	44.25

004 – Police

2018 Accomplishments

- **Enforcement – Significant increase in DUI arrests, second year of reduced number of property crimes – vehicle prowls, burglaries and vehicle theft, arrest after a two year investigation into retail theft and pawn shops by the ProAct team, School Resource Officer changed to a five day week work schedule.**
- **Personnel – Retirements of the Chief, Deputy Chief, Evidence Technician and Executive Assistant in the department and subsequent Interim Chiefs along with a promotion and new hire, graduation of five officers from the academy, four are or will be on their own by the end of the year.**
- **Community Outreach - Completion of Community Outreach Team pilot program, first ever week long Youth Academy, Walk/Bike patrols around downtown businesses, Citizen’s Academy, Active Shooter Response Training for Community.**
- **Community Events - Coffee with a Cop, National Night Out Against Crime, Monroe Police Officer Association sponsored - Quarterly Take the Next Step Dinners and Shop With A Cop, Walk Your Kids to School, Goin’ Fishin’ – in support of Behind the Badge Foundation kids who have lost family in the line of duty, Tip A Cop and Wings and Wheels events benefitting Special Olympics.**
- **Administration - Transition of public records tracking to Next Request, conducted full inventory of the evidence room, replaced bulletproof protective helmets and shields, acquired a smart board for the training room, research and planning for new less lethal weapon program, replacing eight patrol vehicles.**

2019 Major Goals and Objectives

- **Department wide assessment using ICMA, LEMAP, or other accreditation process.**
- **Continuation of the Community Outreach Team service.**
- **Expand training and ongoing certification opportunities for all department personnel.**
- **Continue all Community Outreach programs and Community Events.**
- **Fully deploy Less Lethal Weapons program.**
- **Relocate the Evidence Room and implement evidence impound area created as part of the 2018 Public Works Campus construction project.**
- **Explore the need and use of volunteer programs within the Police Department.**

005 - Legislative

The City of Monroe is an optional municipal code city exercising the rights and powers as set forth by the Revised Code of Washington (RCW) Chapter 35A. The legislative branch of the City is comprised of seven councilmembers elected by Monroe's citizens. Duties for the councilmembers include establishing goals, priorities and policies, adopting ordinances and resolutions, adopting the fiscal budget, and exercising the rights and powers set forth in RCW 35A.

In prior years, this cost center included costs associated with the Mayor's office. In 2018, the Mayor's compensation and associated costs were moved to the executive cost center to better reflect the important but separate roles each branch of government exercises in the governance for the City of Monroe.

005 - Legislative

	Actual <u>2015</u>	Actual <u>2016</u>	Actual <u>2017</u>	Budget <u>2018</u>	Projected <u>2018</u>	Approved <u>2019</u>
Salaries (10)	\$ 94,400	\$ 110,400	\$ 110,400	\$ 67,200	\$ 67,200	\$ 67,200
Benefits (20)	7,734	8,952	8,942	5,436	5,396	14,057
Supplies (30)	-	-	-	-	350	500
Professional Svcs (40)	1,726	54,735	54,029	61,940	68,287	94,700
Intergovernmental (50)	15,749	18,965	16,510	35,000	17,472	18,500
Capital (60)	-	-	-	-	-	-
Debt Service (70-80)	-	-	-	-	-	-
Other (90)	-	-	-	-	-	-
Total	\$ 119,609	\$ 193,052	\$ 189,880	\$ 169,576	\$ 158,705	\$ 194,957

Full Time Equivalents History

	Actual <u>2015</u>	Actual <u>2016</u>	Actual <u>2017</u>	Budget <u>2018</u>	Projected <u>2018</u>	Approved <u>2019</u>
Mayor	1.00	1.00	1.00	0.00	0.00	0.00
Councilmembers	7.00	7.00	7.00	7.00	7.00	7.00
Total	8.00	8.00	8.00	7.00	7.00	7.00

005 – Legislative

2018 Accomplishments

- Supported the formation of an Economic Development Advisory Board.
- Worked with administration to update the City's Procurement Policy and adopt a City Debt Policy.
- Worked with administration to develop a city wide Six Year Strategic Plan for City operations.
- Transitioned the first and third Council meetings into a study session format, allowing for more in depth policy discussions.

2019 Major Goals and Objectives

- Establishment of City's Vision 2050.
- Continue the reservation of resources needed to pay the 2020 \$2.9 million North Kelsey debt obligation.
- Fund \$5000 for demographer services in compliance with the Voting Rights Act.

006 - Legal

This cost center accounts for all legal activities associated with various City programs. This includes general and land use legal counsel, court prosecution, and court indigent counsel services. Prior to 2018, legal costs were distributed among many different cost centers in the City's budget. Having all legal costs in one cost center allows the City to better understand its overall legal program.

The legal cost center does not have assigned staff. All legal services are contracted out.

006 - Legal

	Actual <u>2015</u>	Actual <u>2016</u>	Actual <u>2017</u>	Budget <u>2018</u>	Projected <u>2018</u>	Approved <u>2019</u>
Salaries (10)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits (20)	-	-	-	-	-	-
Supplies (30)	-	-	-	-	-	-
Professional Svcs (40)	163,980	191,733	190,391	558,000	614,000	728,000
Intergovernmental (50)	-	-	-	-	-	-
Capital (60)	-	-	-	-	-	-
Debt Service (70-80)	-	-	-	-	-	-
Other (90)	-	-	-	-	-	-
Total	\$ 163,980	\$ 191,733	\$ 190,391	\$ 558,000	\$ 614,000	\$ 728,000

Full Time Equivalents History

This cost center does not have assigned staff.

006 – Legal

2018 Accomplishments

- Non-applicable to this cost center.

2019 Major Goals and Objectives

- Non-applicable to this cost center.

007 - Clerk and Records

The mission of the Monroe City Clerk's Office is to provide a linkage between the citizens and the City of Monroe by facilitating direct communication, transparent information sharing, and public participation. The Clerk's Office performs a variety of services and administrative support to the City Administrator, City Council, City Departments, and members of the public. In addition, the City Clerk is the City of Monroe's Public Records Officer (for all departments other than Police and the Municipal Court). Activities of this office include: legal noticing, authentication of records, facilitation of city-wide records management and public disclosure programs, contract administration (public defense, legal newspaper, etc.), municipal code updates, and boards and commissions vacancies.

007 - Clerk and Records

	Actual <u>2015</u>	Actual <u>2016</u>	Actual <u>2017</u>	Budget <u>2018</u>	Projected <u>2018</u>	Approved <u>2019</u>
Salaries (10)	\$ 103,530	\$ 137,184	\$ 85,056	\$ 91,010	\$ 90,240	\$ 96,557
Benefits (20)	49,889	66,649	37,425	41,164	39,271	42,734
Supplies (30)	313	196	174	1,000	500	1,000
Professional Svcs (40)	221,648	191,133	196,892	24,450	20,905	24,650
Intergovernmental (50)	-	-	-	-	-	-
Capital (60)	-	-	-	-	-	-
Debt Service (70-80)	-	-	-	-	-	-
Other (90)	-	-	-	-	-	-
Total	\$ 375,380	\$ 395,163	\$ 319,547	\$ 157,624	\$ 150,916	\$ 164,941

Full Time Equivalents History

	Actual <u>2015</u>	Actual <u>2016</u>	Actual <u>2017</u>	Budget <u>2018</u>	Projected <u>2018</u>	Approved <u>2019</u>
City Clerk	1.00	1.00	1.00	1.00	1.00	1.00
Admin Support	0.00	1.00	0.00	0.00	0.00	0.00
Total	1.00	2.00	1.00	1.00	1.00	1.00

007 – Clerk and Records

2018 Accomplishments

- Facilitation of Open Public Meetings Act, Public Records Act, and Records Retention training (staff/appointed/elected).
- Public Records Disposition/Relocation (to PW Shop) Project Facilitation.
- Adoption of Imaging and Destruction of Paper Records (Scan/Toss) Policy.
- Purchase and implementation of public disclosure tracking software - Next Request.
- Facilitation of City Values Workshops with the Senior Leadership Team and Supervisors Group.
- Submission of inaugural annual JLARC public disclosure request reporting.
- Submission of WSA Document Imaging Grant Applications.
- Assistance with Council/Court Chamber Remodel project (design, selection, implementation); and Council Chambers audio/visual upgrades.
- Submission of Washington State Office of Public Defense Quality Indigent Defense (QID) Pilot Project Assessments Application.
- Purchase of Electronic Content Management System.
- Facilitation of RFP/selection process for indigent defense services provider.
- Implementation of Cross Departmental Collaboration Teams: Records Management Liaisons; Public Disclosure Liaisons; and Public Records Officers Non-applicable to this cost center.

2019 Major Goals and Objectives

- Public Records Disposition/Relocation (to PW Shop) Project Facilitation (continuation).
- Implementation of Electronic Content Management System.
- Creation and Adoption of Records Management Policy.
- Amendment and Adoption of Updated Public Records Disclosure Policy.
- Contract Routing and Finalization Process Improvement Initiative.
- Internship Program for Boards and Commissions Code Consolidation Project.
- Continuation of Council Chambers audio/visual upgrades – purchase and implementation of video equipment and software for posting online and potential live web streaming.
- Facilitation of Indigent Defense Services Contract Evaluation.

009 - Municipal Court

The mission of the Monroe Municipal Court is to contribute to the quality of life in our community by advancing the causes of justice fairly and impartially by efficiently administering justice in a matter that preserves the dignity and rights of defendants as well as citizens of Monroe. Monroe Municipal Court is a court of limited jurisdiction. The Monroe Municipal Court judge is authorized by Washington State statute to preside over criminal misdemeanor and gross misdemeanor cases and traffic infractions committed within the city limits of Monroe and other City of Monroe code violations. The Municipal Court serves a vital role in deterring crime and infractions in the community by balancing accountability and working with people to change their lives by getting them to turn away from wrongful behavior.

009 - Municipal Court						
	Actual 2015	Actual 2016	Actual 2017	Budget 2018	Projected 2018	Approved 2019
Salaries (10)	\$ 145,885	\$ 158,052	\$ 171,141	\$ 179,868	\$ 182,722	\$ 195,467
Benefits (20)	62,718	69,716	73,549	80,628	77,721	84,445
Supplies (30)	2,296	3,279	1,163	2,400	2,069	2,700
Professional Svcs (40)	85,438	94,953	97,641	113,107	106,789	132,171
Intergovernmental (50)	-	-	-	-	-	-
Capital (60)	13,005	-	-	-	-	-
Debt Service (70-80)	-	-	-	-	-	-
Other (90)	-	-	-	-	-	-
Total	\$ 309,342	\$ 326,001	\$ 343,494	\$ 376,003	\$ 369,301	\$ 414,783

Full Time Equivalent History						
	Actual 2015	Actual 2016	Actual 2017	Budget 2018	Projected 2018	Approved 2019
Court Administrator	1.00	1.00	1.00	1.00	1.00	1.00
Court Clerk	1.00	1.00	1.00	1.00	1.00	1.00
Court Security	0.20	0.20	0.20	0.20	0.20	0.20
Total	2.20	2.20	2.20	2.20	2.20	2.20

009 – Municipal Court

2018 Accomplishments

- Travelled to Spokane to observe their successful community court in action. Spoke with their Judge, law enforcement, prosecutor, and public defender to learn how they started the court, what they have learned, and to get ideas for how a community court could function in Monroe.
- Scheduled to attend a Snohomish County sponsored training on September 17th, offered by the Center for Court Innovation, on establishing a community court.
- As of August 31, 2018, court has arraigned 475 misdemeanor cases - a 47.5 % increase from 2017.
- Worked with the law enforcement social worker to transfer defendants from corrections to impatient treatment.
- Cooperated with the City on implementation of a public records request portal.

2019 Major Goals and Objectives

- Select an entity to assist with and complete a six year strategic plan for the Court including potential implementation of a community court.
- Investigate the pros and cons of a warrant amnesty program.
- Develop a community service program.

010 - Parks Operations & Maintenance

The role of the Parks and Recreation Department is to manage parks, provide recreation services, implement and maintain trails, greenways, and streetscapes, and to be an integral part of open space planning and public resource management of the community. The mission is to:

- Protect and enhance the natural beauty of Monroe through the development of a vibrant
- system of parks, open space, and trails;
- Provide citizens of all ages positive recreational opportunities in clean, safe, and accessible recreation facilities; and
- Enhance health, quality living, and the natural environment for future generations.

010 - Parks Operations & Maintenance

	Actual <u>2015</u>	Actual <u>2016</u>	Actual <u>2017</u>	Budget <u>2018</u>	Projected <u>2018</u>	Approved <u>2019</u>
Salaries (10)	\$ 504,245	\$ 511,478	\$ 572,066	\$ 656,844	\$ 611,499	\$ 913,900
Benefits (20)	241,331	247,731	281,701	330,050	315,642	341,752
Supplies (30)	30,198	47,847	36,191	43,800	68,270	95,750
Professional Svcs (40)	246,959	321,960	428,903	438,556	404,474	420,135
Intergovernmental (50)	494	352	196	500	150	250
Capital (60)	-	-	-	-	-	-
Debt Service (70-80)	-	-	-	-	-	-
Other (90)	-	-	-	-	-	-
Total	\$ 1,023,227	\$ 1,129,368	\$ 1,319,057	\$ 1,469,750	\$ 1,400,035	\$ 1,771,787

Full Time Equivalents History

	Actual <u>2015</u>	Actual <u>2016</u>	Actual <u>2017</u>	Budget <u>2018</u>	Projected <u>2018</u>	Approved <u>2019</u>
Director	0.70	0.65	0.65	0.65	0.65	0.65
Planner	0.00	0.00	0.00	0.00	0.00	1.00
Admin Support	1.00	1.00	1.00	1.00	1.00	2.00
Supervisor	0.67	0.65	0.65	0.80	0.80	0.80
O&M Employees	4.87	4.60	4.60	5.52	5.52	5.52
Total	7.24	6.90	6.90	7.97	7.97	9.97

010 – Parks Operations & Maintenance

2018 Accomplishments

- Maintained/improved 200+ acres of parks, athletic facilities, trails and streetscapes.
- Scheduled and prepared athletic fields to accommodate over 1250 practice hours and 350 games for local and regional use; added paddleboard/kayak concessions service for Lake Tye.
- Processed 170 park shelter reservations and 52 special event applications including hosting the World Wake Board Association's National Wake Championships and USA Olympic Distance TriMonroe Triathlon at Lake Tye Park.
- Conducted weekly maintenance monitoring emphasis on unmarked trails in city parks to identify and resolve, in cooperation with our Police Department, any unlawful encampments.
- Initiated Adopt-A-Park Agreements with Monroe Rotary Club (Lake Tye Park) and Monroe Kiwanis (Blueberry Children's Park).
- Conducted 1st Annual Arbor Day tree planting, established Heritage Tree recognition, and living Christmas tree planting programs.
- Initiated outreach with East County Park & Recreation District, Snohomish County to identify & address long-range park & recreation level of service delivery challenges.
- Expanded design, print, and distribution of destination event brochures to promote Monroe tourism.
- Implemented new use policy and support services for mobile stage to enhance events/tourism.
- Partnered with Fire District 7 to promote water safety and installed buoy line at Lake Tye.

2019 Major Goals and Objectives

- Continue to maintain and improve over 200 acres of parks, athletic facilities trails, and streetscapes.
- Partner with Snohomish County Tourism and Sports Commission, Monroe Chamber of Commerce, Downtown Monroe Association, Monroe Arts Council in planning and hosting events that draw tourism to Monroe.
- Administer process to select and install public art (\$20,000).
- 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.
- Convert all park facilities to energy-efficient LED lights; realize immediate \$3,200 rebate savings.
- Reorganize Department to professionally address key planning and events/tourism functions to generate unrealized additional revenues, build accountability and fulfill key Level of Service objective in adopted Park Plan.

011 - Jail and Dispatch

This cost center accounts for the jail costs associated with our police and municipal court programs. This cost center also houses our police and emergency services dispatch expenditures. In prior budgets, the prosecuting attorney costs were also in this cost center. In 2018, prosecution was moved to the Legal cost center to better track the City's overall legal costs.

As a support function for the City, Jail & Dispatch does not have staff or goals associated with its budget request.

011 - Jail and Dispatch						
	Actual <u>2015</u>	Actual <u>2016</u>	Actual <u>2017</u>	Budget <u>2018</u>	Projected <u>2018</u>	Approved <u>2019</u>
Salaries (10)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits (20)	-	-	-	-	-	-
Supplies (30)	-	-	-	-	-	-
Professional Svcs (40)	99,600	120,075	132,844	-	-	-
Intergovernmental (50)	534,565	721,123	734,096	776,651	756,651	771,000
Capital (60)	-	-	-	-	-	-
Debt Service (70-80)	-	-	-	-	-	-
Other (90)	-	-	-	-	-	-
Total	\$ 634,165	\$ 841,198	\$ 866,940	\$ 776,651	\$ 756,651	\$ 771,000

Full Time Equivalents History

This cost center does not have assigned staff.

011 – Jail and Dispatch

2018 Accomplishments

- Non-applicable to this cost center.

2019 Major Goals and Objectives

- Non-applicable to this cost center.

110 - Community Development

Under the Mayor's direction, the Community Development Department strives to enhance the quality of life of Monroe's citizens by employing land use planning, building services, and code enforcement to soundly, responsibly, and efficiently regulate development in the City, encourage new economic opportunities, retain existing businesses, and assist the City Council in guiding and coordinating growth.

110 - Community Development						
	Actual <u>2015</u>	Actual <u>2016</u>	Actual <u>2017</u>	Budget <u>2018</u>	Projected <u>2018</u>	Approved <u>2019</u>
Salaries (10)	\$ 534,128	\$ 594,853	\$ 680,126	\$ 801,723	\$ 775,655	\$ 819,186
Benefits (20)	241,153	247,213	300,613	359,152	342,544	370,152
Supplies (30)	6,124	7,889	5,073	5,900	6,211	6,700
Professional Svcs (40)	418,273	214,288	245,613	522,839	349,969	250,080
Intergovernmental (50)	-	-	-	-	-	-
Capital (60)	-	-	-	-	-	-
Debt Service (70-80)	-	-	-	-	-	-
Other (90)	-	-	-	-	-	-
Total	\$ 1,199,678	\$ 1,064,243	\$ 1,231,424	\$ 1,689,614	\$ 1,474,378	\$ 1,446,118

Full Time Equivalent History						
	Actual <u>2015</u>	Actual <u>2016</u>	Actual <u>2017</u>	Budget <u>2018</u>	Projected <u>2018</u>	Approved <u>2019</u>
Director	1.00	1.00	1.00	1.00	1.00	1.00
Building Official	1.00	1.00	1.00	1.00	1.00	1.00
Planners/Bldg Inspection	4.05	4.00	4.00	5.00	5.00	5.00
Admin Support	1.95	1.96	1.96	1.80	1.80	1.80
Total	8.00	7.96	7.96	8.80	8.80	8.80

110 – Community Development

2018 Accomplishments

- Issued 108 single family building permits with 170 total single family building permits anticipated by end of year.
- Issued a total of 330 building permits with 480 total building permits anticipated by end of year.
- Conducted 1,507 building inspections with 2,260 total building inspections anticipated by end of year.
- Conducted 26 pre-application meetings with 32 pre-application meetings anticipated by end of year.
- Completed approximately 80-percent of the update to the City's development regulations (UDR update).
- Initiated records management project and began archiving 20 years of permit files
- Successfully launched and implemented paperless permit process (electronic plan review).
- Addressed longstanding code enforcement issues in the City.
- Coordinated the creation of the Monroe to Duvall Shuttle.
- Initiated the state-mandated update to the City's Shoreline Master Program.
- Prepared, supported, and attended 22 Planning Commission meetings with 12 additional meetings anticipated by end of year.

2019 Major Goals and Objectives

- Continue processing building and land use permits.
- Focus internally on the permit process and organization:
 - Review City permit process using LEAN methods;
 - Reorganize physical and electronic filing system;
 - Provide additional employee training focused on professional growth; and
 - Develop standardized operating procedures, templates, and forms to ensure consistency in permit processing and review.
- Focus externally on engaging the public, businesses, and government organization through:
 - Increasing staff attendance at local civic functions held by Chamber of Commerce, Rotary Club, and similar organizations; and
 - Expanding staff involvement in government groups such as PSRC, Snohomish County and State.
- Aggressively pursue annexation of City's Urban Growth Area.
- Continue establishing a sustainable records management and archiving system.
- Work with other departments to create a citywide code enforcement strategy.
- Adopt new Unified Development Regulations and Shoreline Master Program.
- Begin work on updating the affordable housing code and Downtown Master Plan.
- Continue to refine the process for the electronic permit review process.
- Maintain an online presence through the City's webpage.
- Continue to assist the Mayor and City Administrator in encouraging Monroe's economic development.

190 - Emergency Management

The City of Monroe is required by law to provide emergency management services for its citizens. These include preparing for emergencies, mitigating potential hazards, and responding to disasters. The City works closely with the Snohomish County Department of Emergency Management to develop plans, provide training, and conduct exercises to ensure that the City of Monroe and its citizens can prepare for, respond to, and recover from disasters. Costs associated with this program are split four ways with the General Fund 001, Water O&M Fund 411, Sewer O&M Fund 421, and the Stormwater O&M Fund 431, with each contributing 25 percent.

190 - Emergency Management

	Actual <u>2015</u>	Actual <u>2016</u>	Actual <u>2017</u>	Budget <u>2018</u>	Projected <u>2018</u>	Approved <u>2019</u>
Salaries (10)	\$ 12,437	\$ 3,386	\$ 3,533	\$ 3,752	\$ 3,620	\$ 7,744
Benefits (20)	4,305	1,161	1,210	1,357	1,300	3,287
Supplies (30)	24,732	5,219	5,645	2,000	2,770	4,525
Professional Svcs (40)	51,774	12,590	5,557	10,351	9,837	11,314
Intergovernmental (50)	-	-	-	-	-	-
Capital (60)	1,288	44	-	750	-	-
Debt Service (70-80)	-	-	-	-	-	-
Other (90)	-	-	-	-	-	-
Total	\$ 94,535	\$ 22,400	\$ 15,945	\$ 18,210	\$ 17,527	\$ 26,870

Full Time Equivalents History

	Actual <u>2015</u>	Actual <u>2016</u>	Actual <u>2017</u>	Budget <u>2018</u>	Projected <u>2018</u>	Approved <u>2019</u>
Public Works Director	0.10	0.03	0.03	0.03	0.03	0.03
Total	0.10	0.03	0.03	0.03	0.03	0.03

190 – Emergency Management

2018 Accomplishments

- Updated Comprehensive Emergency Management Plan.
- Established standard operating guidelines for coordination center activation.
- Provided training and participated in exercises leading to the 2019 South Whidbey Island Fault functional exercise.
- Outfitted and placed into service the Incident Support Center.
- City Hall active shooter training.

2019 Major Goals and Objectives

- Outfit new Monroe Coordination Center.
- Prepare continuity of operations plan.
- Prepare continuity of government plan.
- Provide training and participate in the 2019 South Whidbey Island Fault functional exercise.
- Develop evacuation and shelter in place plan.
- Begin preparations for the 2022 Cascadia Earthquake exercise.

Six Year General Fund Forecast

Prudent fiscal planning, strategic budgeting, and best financial practices suggest that an organization create and maintain a long range budget forecast for its General Fund. These forecasts are useful when making policy decisions in that they can illustrate the potential multi-year impact specific policy/monetary decisions can have on an organization's resources. By identifying the longer term impact of a fiscal decision, an organization gains time to make adjustments, if needed, should the fiscal decision show a potential negative effect beyond what is expected in the out years. *Conversely, if current budget decisions show a more than robust fiscal position in out years, an organization might wish to explore the possibility that it is not using its current resources to their full potential.*

Long range budget forecasts are most useful when they are developed collaboratively between policy makers and administration as the forecasts are only as good as the agreed upon assumptions which populate the model. At the January 30, 2018 Council Meeting, the City Council discussed and gave direction regarding the assumptions to use in developing a six-year General Fund forecast. These assumptions include:

Population growth	1.26 percent
CPI Index	3 percent
Benefit Costs	10 percent

Additional assumptions used in the forecast(s) include:

Property tax growth (from new construction only)	1.5 percent
Adjustment to ongoing sales taxes for recent Supreme Court decision	Various yearly flat amounts
Salaries increases	3 percent CPI plus 2 percent average merit impact
140 new housing starts for FY 2019, 120 for FY 2020, tapering off each year after	Flat amount decreases each year
Utility tax revenue adjusted for population and rate increases	2.5 percent
Decrease in construction sales taxes beginning in FY 2019	Flat amount decrease in 2019 and 2020

As you review the following Six Year General Fund Forecast, please keep the following information in mind:

- For revenues, the 2019 Proposed column represents the numbers recommended in the 2019 Mayor's Proposed Budget. This includes the use of \$450,000 of the \$671,000 banked property tax available to the City (discussed on page 26) and a projected \$999,133 in new sewer utility taxes (discussed on page 95).
- For expenditures, the 2019 Proposed column includes two new positions in the Parks and Recreation department, General Fund associated items identified in year 2019 on the Six Year Strategic Plan (page 11), the recommendations for

Six Year General Fund Forecast cont.

2019 from the Economic Development Advisory Board (pages 6-10), and \$950,000 to be transferred toward the reserve for the 2020 North Kelsey debt payment of \$2.9 million.

- All other numbers are estimates meant to be used in a broad sense for high level policy discussion. If more specific information for years other than the current year become available, that information is included where appropriate.
- Numbers for years two through six can change as the 2019 Proposed Budget is developed and discussed. Again, numbers in the forecast model are intended for general policy discussion only and are not meant to be an operations guide.
- Future years in a long term General Fund forecast are expected to be in the negative for fund balance, usually by the third year. *This does not mean the City will run out of money.* The negative fund balances in future years illustrate the path the City could realize if no adjustments are made during the first two years. As each fiscal year is completed, the forecast will be updated accordingly on a rolling six year basis. Again, numbers in the forecast, including the future potential negative fund balances, are intended for general policy discussion only.

Six Year General Fund Forecast

Revenue/Resources	2019 Proposed	2020	2021	2022	2023	2024
Beginning Fund Balance	\$3,692,539	\$2,875,083	\$1,911,264	\$804,206	(\$782,973)	(\$3,260,602)
Ongoing Revenues	\$14,934,813	\$15,131,091	\$15,261,897	\$15,387,498	\$15,508,846	\$15,609,325
Subtotal Revenues	\$18,627,352	\$18,006,174	\$17,173,161	\$16,191,704	\$14,725,873	\$12,348,723
Less Ongoing Expenditures	\$14,476,793	\$15,310,534	\$16,165,320	\$17,076,856	\$18,049,540	\$19,088,148
Subtotal rev over/under exp	\$4,150,559	\$2,695,640	\$1,007,841	(\$885,152)	(\$3,323,667)	(\$6,739,425)
One time revenue	\$449,955	\$455,624	\$461,365	\$467,179	\$473,065	\$479,026
One time expenditures	\$1,725,431	\$1,240,000	\$665,000	\$365,000	\$410,000	\$320,000
Subtotal one time resources	(\$1,275,476)	(\$784,376)	(\$203,635)	\$102,179	\$63,065	\$159,026
Ending Fund Balance	\$2,875,083	\$1,911,264	\$804,206	(\$782,973)	(\$3,260,602)	(\$6,580,399)