

# 2019-2020 Proposed Biennial Budget

- Public Hearings
  - Property Tax & Revenue Sources
  - Biennium Budget and 2019-20 CIP

# Budget & CIP Review Schedule

- ✓ September 17 Preliminary View of the 2019-2020 Biennial Budget and the 2019-2024 Capital Improvement Plan
- ✓ October 15 Transmittal of 2019-2020 Proposed Biennial Budget and Proposed 2019-2024 CIP
- ✓ October 22 Review of Department Budgets
- ✓ October 29 Continued Review of Department Budgets, Utility Budgets and 2019-2024 CIP
- ➔ November 5 Public Hearings on Property Tax Levy & Revenue Sources and Proposed 2019-2020 Biennial Budget and 2019-2024 CIP
- November 19 Public Hearing on Proposed 2019-2020 Biennial Budget and 2019-2024 CIP; Final Discussion; Adoption of 2019-2020 Biennial Budget, Fee Schedule, 2019-2020 CIP, and Adoption of 2019 & 2020 Property Tax Levies

# Budget Information

- The Biennium Budget is be available on-line at the City of Shoreline Website at:

<http://www.shorelinewa.gov>

Click on Budget & CIP Policies under the Government tab

- Budget Books Available for Review at:
  - Shoreline Library, Richmond Beach Library, City Hall
- Budget Books on CD Available for purchase at City Hall

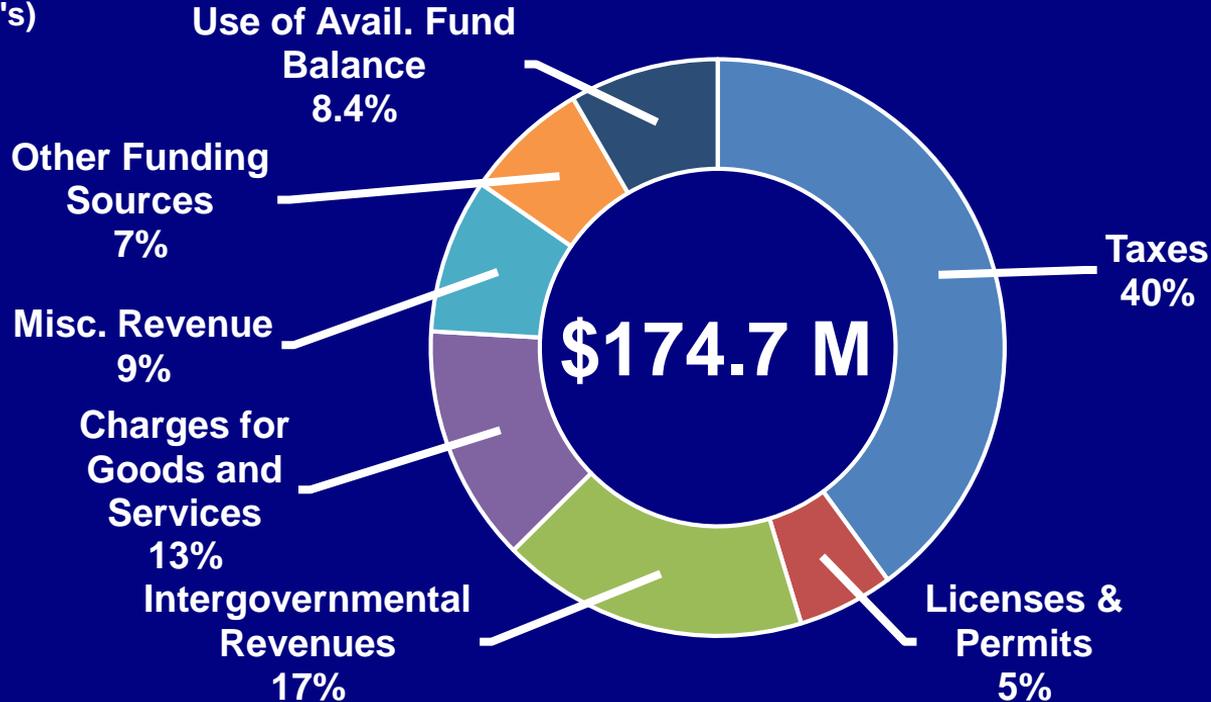


# 2019-2020 Proposed Biennial Budget

- Public Hearing
  - Property Tax & Revenue Sources

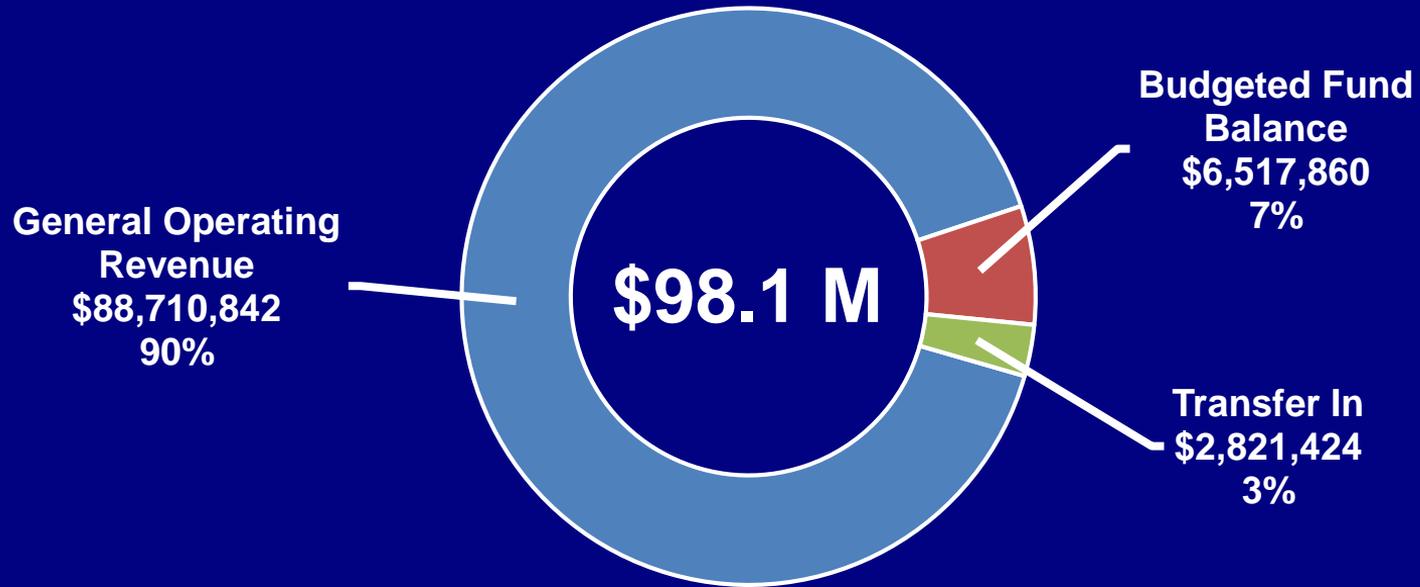
# Where Will the Money Come From?

(\$ in '000's)



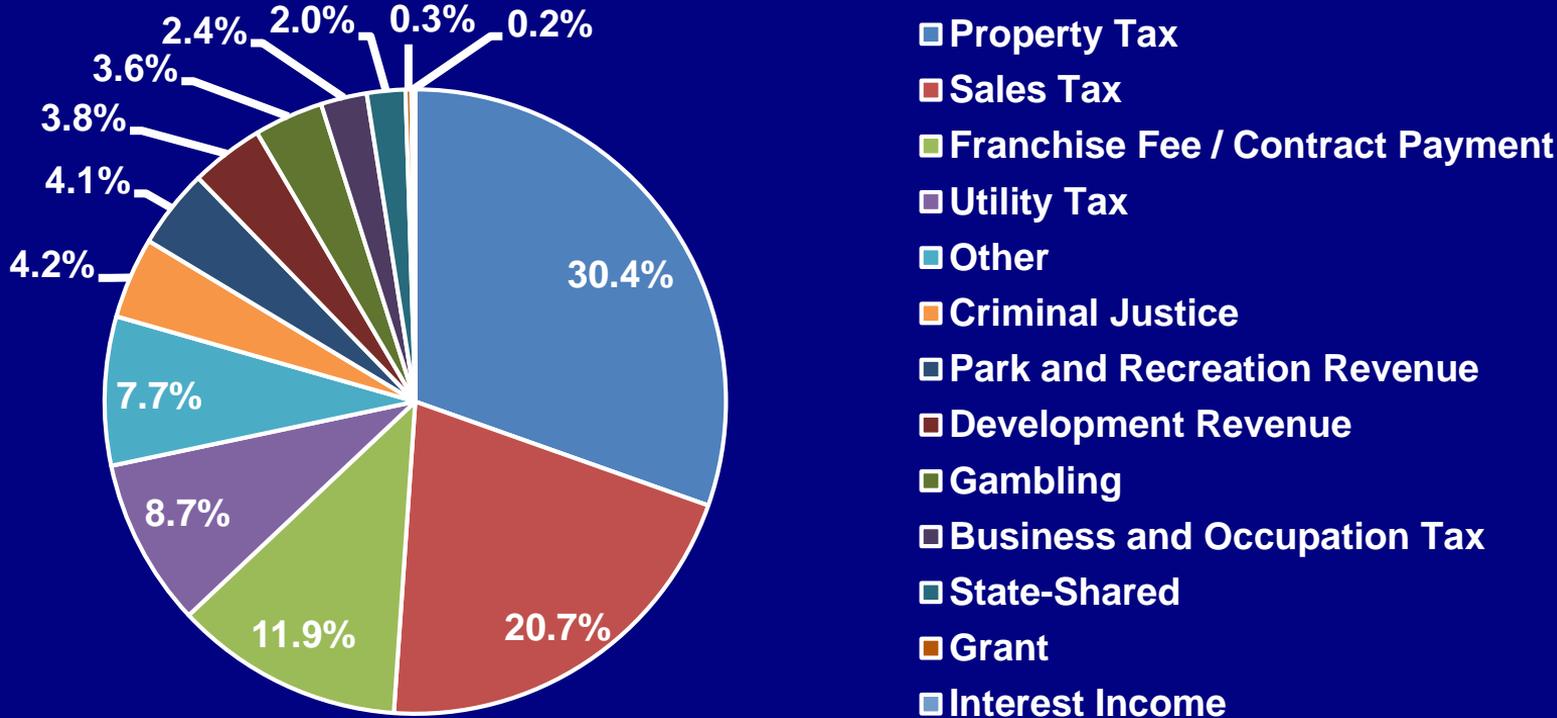
# General Fund

# General Fund Operating Resources



# General Fund Operating Revenue

## \$88.7 Million

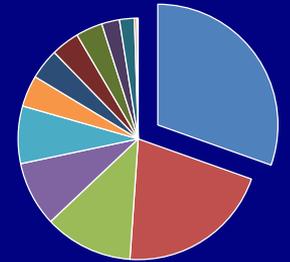


# Property Tax – Regular Levy

Resource Category:  
Property Tax

- Proposed Ordinance No. 842  
– 2019 Levy: \$13.3 M

**30.4% of Operating Revenues**

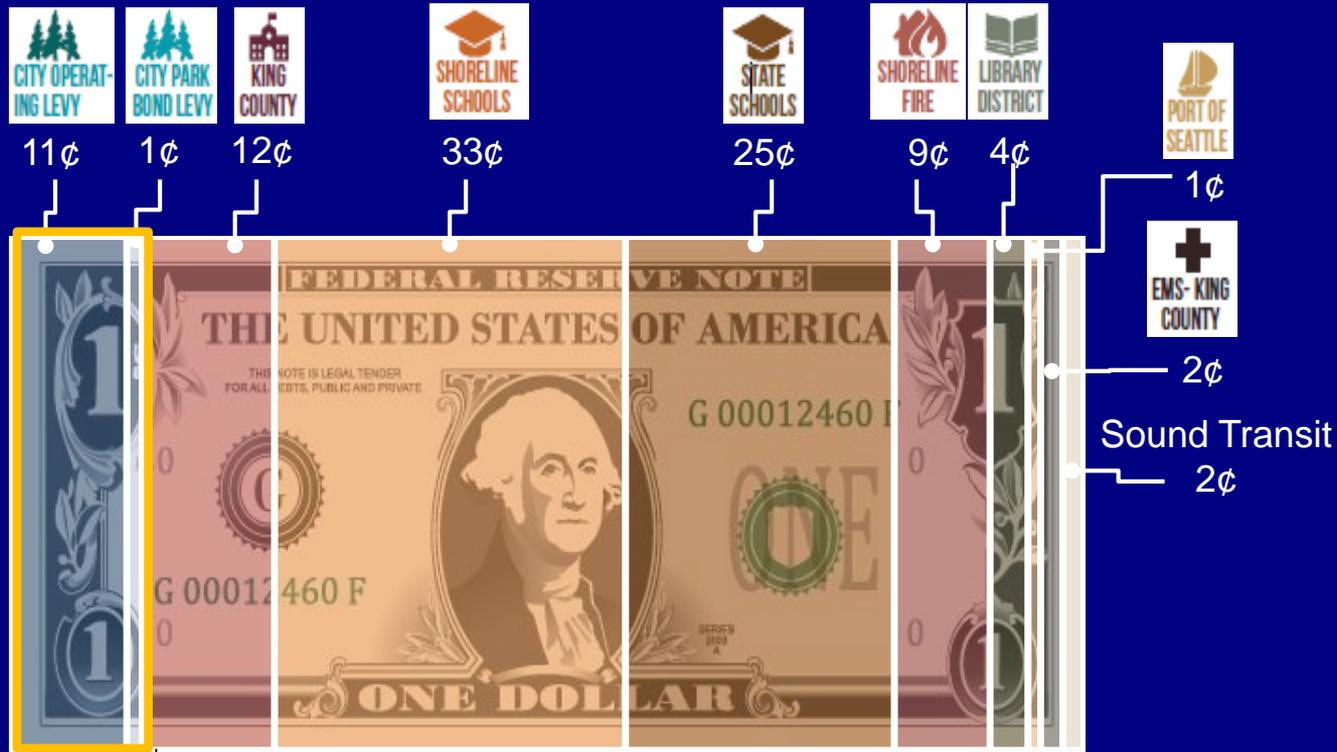


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pp. 67, 80-81

## REGULAR PROPERTY TAX RATE PER \$1,000 VALUATION



# 2018 Property Tax Levy Allocation



City share = 12¢

# Property Tax – Regular Levy

Simple  
Example  
for 3 Houses

	Home 1	Home 2	Home 3
2018 Assessed Value (AV)	\$444,000	\$444,000	\$444,000
Times the Levy Rate (LR)	\$1.26752	\$1.26752	\$1.26752
2018 Tax Levy (AV*LR/1000)	\$563	\$563	\$563
2019 AV Increase	5.3%	5.0%	15.0%
For 2019 - City can increase the total levy by 3.6% from \$1,689 to \$1,668			
2019 Assessed Value( AV)	\$467,532	\$466,200	\$510,600
Times the Levy Rate (LR)	\$1.24694	\$1.24694	\$1.24694
2019 Tax Levy (AV*LR/1000)	\$583	\$581	\$637
Change in tax paid:	\$20, +3.6%	\$18, +3.2%	\$74, +13.1%

# Sales Tax

1. For each \$10 Spent
2. \$1 of Sales Tax generated
3. Shoreline gets 8.5¢ of that Sales Tax

1. \$10 Spent



2. Sales Tax Collected

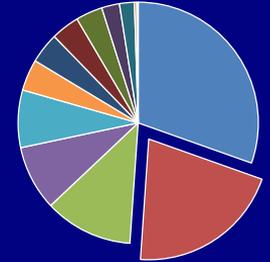


3. Shoreline's Share



Resource Category:  
Sales Tax

20.7% of Operating  
Revenues



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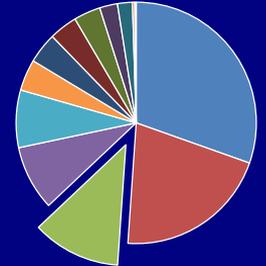
# Franchise Fee/Contract Payments:

Resource Category:  
Franchise Fee /  
Contract Payments

11.9% of Operating  
Revenues

## Franchise Fees:

- Water & Sewer Providers pay 6.0% fee
- Cable TV providers pay 5.0% fee



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## Utility Contract Fees:

- Seattle City Light pays 6% Contract Fee on electrical revenues

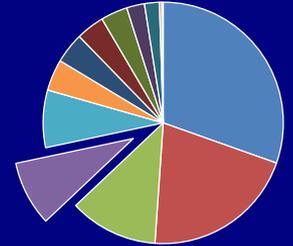
# Utility Taxes

- Natural Gas
- Telephone
- Garbage
- Cable TV
- Storm Drainage

Service providers pay tax of 6%

Resource Category:  
Utility Tax

8.7% of Operating  
Revenues

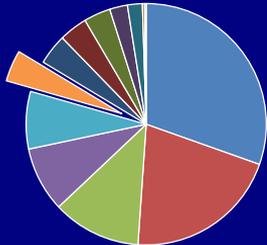


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# State Shared Funding

- Criminal Justice Funding
  - Optional County sales tax of 0.1% and State criminal justice funding
- Liquor Excise Tax, Liquor Profits, Marijuana Excise Tax

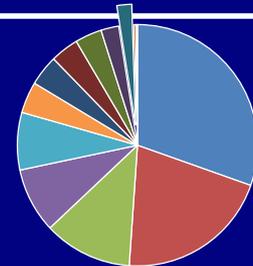
4.2% of Operating Revenues



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2.0% of Operating Revenues



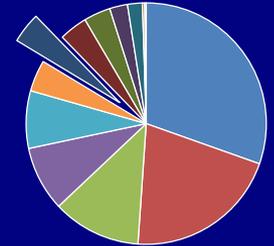
2019-2020 Budget Book  
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# Fees/Licenses/Permits

- Generally increased by June to June change in CPI
- Incorporates Cost Recovery Objectives
  - Recreation Fees
  - Development Fees

Resource Category:  
Park and Recreation  
Revenue

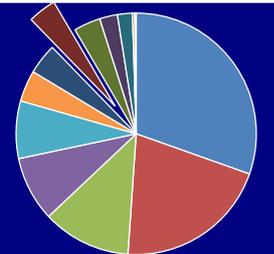
**4.1% of Operating  
Revenues**



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Development Revenue

**3.8% of Operating  
Revenues**



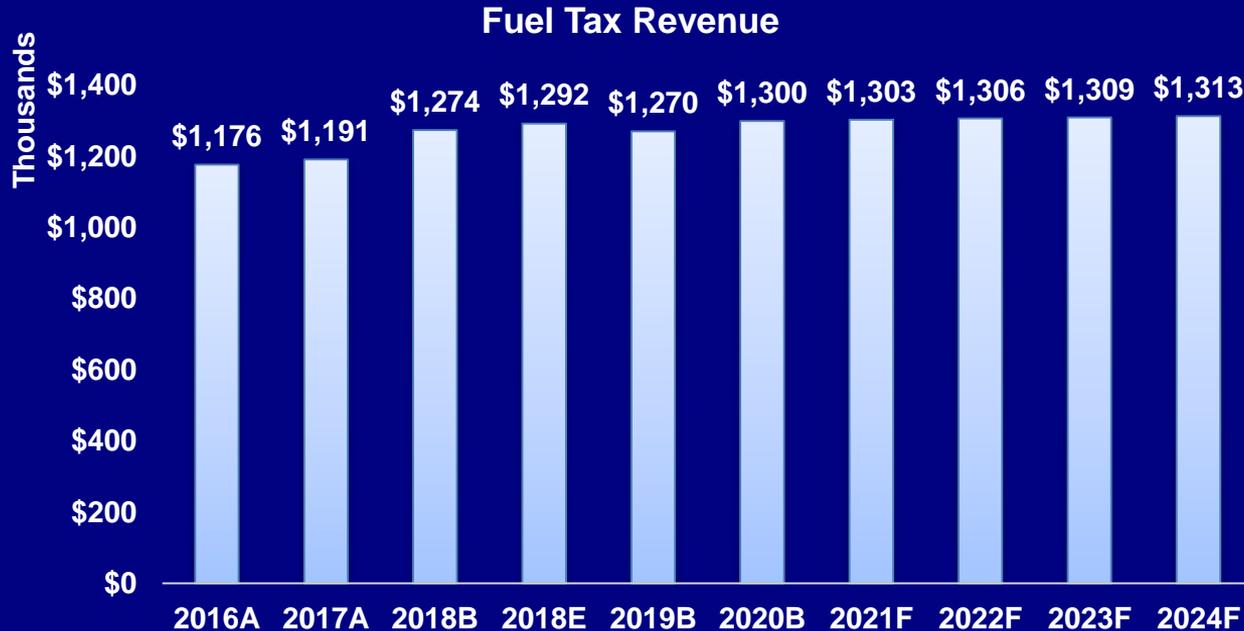
2019-2020 Budget Book  
pp. 90-91

# Street Fund

# Fuel Tax

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- State collected gasoline and diesel fuel tax is shared with cities and towns on a per capita basis



# General Obligation Bond Fund

# Property Tax – Excess Levy

- Proposed Ordinance No. 842
  - 2019 Levy: \$1.7 M

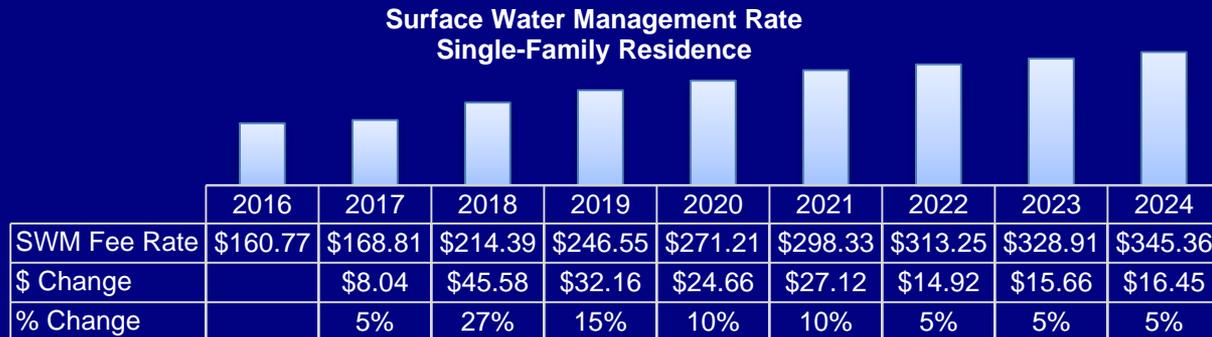
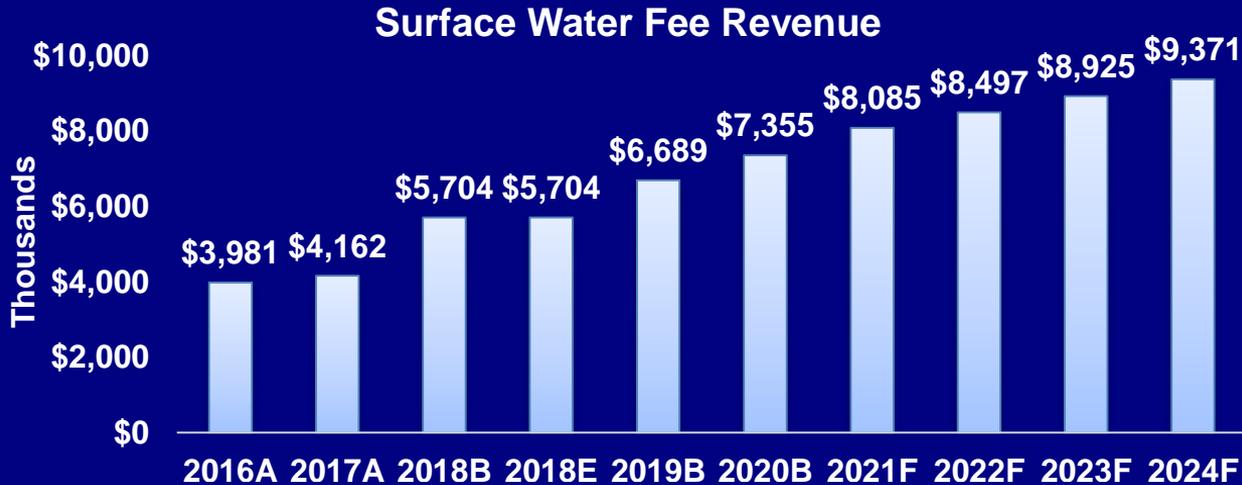
## EXCESS PROPERTY TAX RATE PER \$1,000 VALUATION



# Surface Water Utility Fund

# Surface Water Management Fee

(Pages 69, 93)



# Wastewater Utility Fund

# Wastewater Contract Fee

- Biennial Budget \$4.9 million for:
  - Operation and Maintenance of the sewer utility
- Ronald Wastewater District Board of Commissioners maintains responsibility for:
  - Setting rates
  - Retain all revenues

# Capital Funds

- Vehicle License Fee
- Real Estate Excise Tax (REET)
- Grants

# Vehicle License Fee

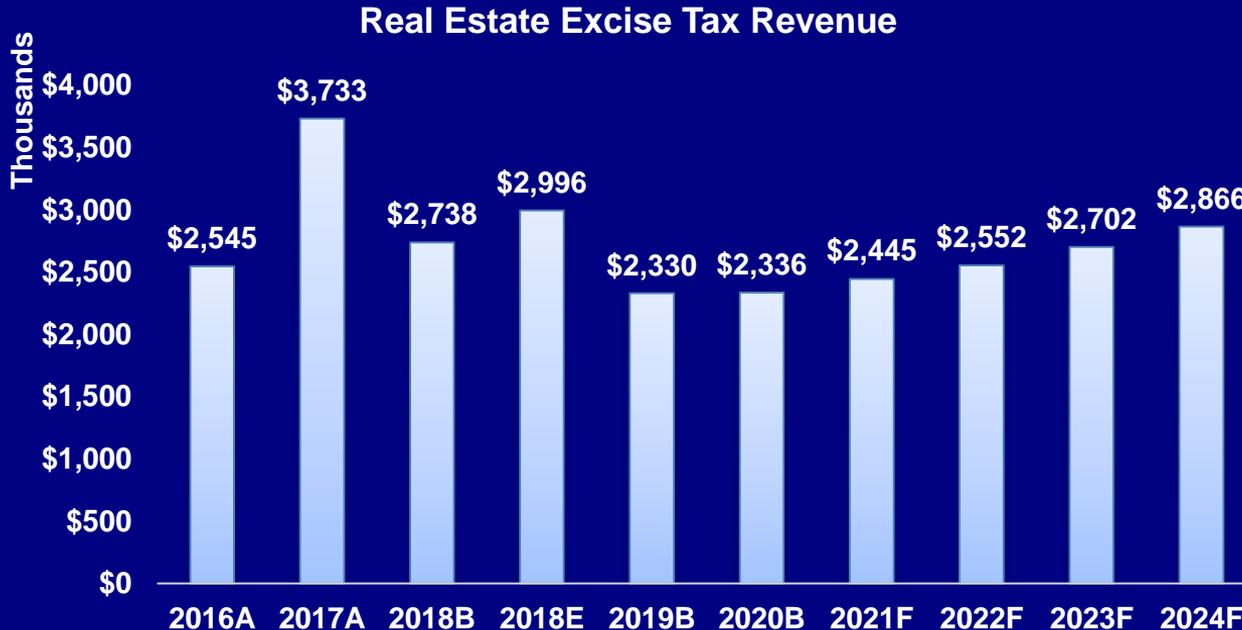
- Currently @ \$20 per year
- Increases to \$40 per year March 1, 2019
- Each \$20 generates \$830K annually



# Real Estate Excise Tax

(Page 94)

- Used for projects in the Comprehensive Plan, specific public works projects, and debt service



# Public Comments

Staff recommends that the City Council conduct the public hearing to take public comment on:

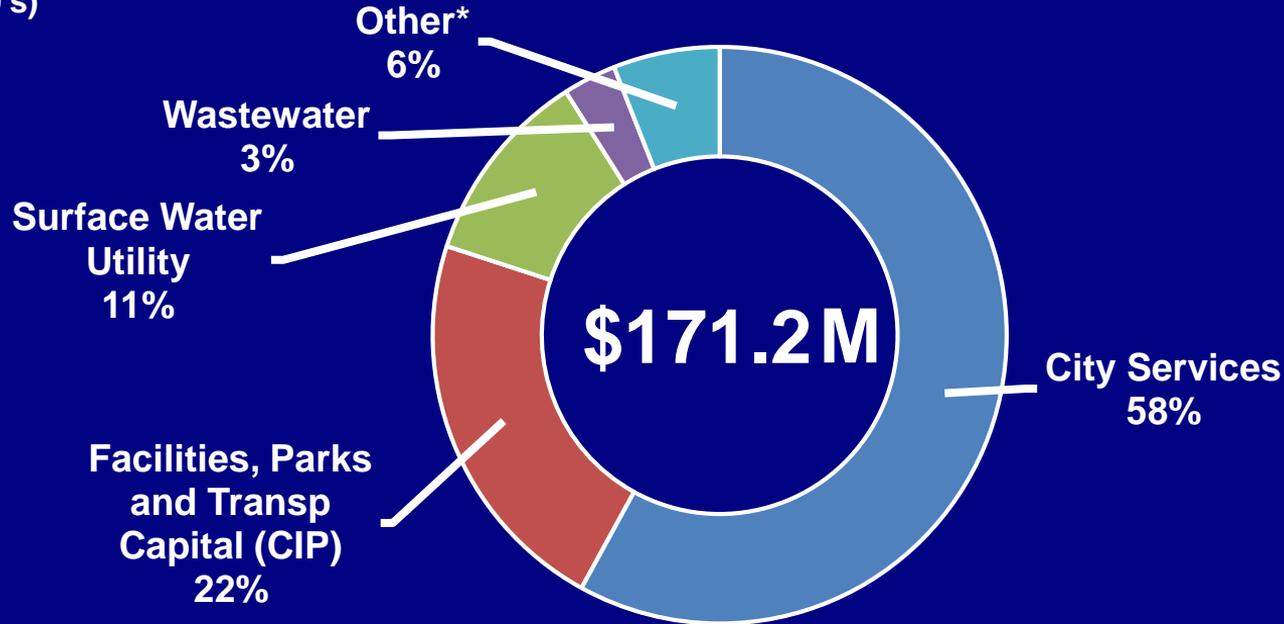
- 2019 Property Tax Levy
- Proposed 2019-2020 Revenues

# 2019-2020 Proposed Biennial Budget

- Public Hearing
  - Biennium Budget and 2019-20 CIP

# Where Will the Money Go?

(\$ in '000's)



# Budgeted Appropriations by Fund

General Fund	\$95,731,855
Street Fund	3,974,166
Code Abatement Fund	200,000
Public Art Fund	134,413
Asset Forfeiture Funds	62,486
<b>Sub-Total Operating Funds</b>	<b>\$100,102,920</b>
<b>Sub-Total Debt Service Funds</b>	<b>8,690,180</b>
<b>Sub-Total Capital Funds</b>	<b>36,844,445</b>
<b>Sub-Total Enterprise Funds</b>	<b>24,010,912</b>
<b>Sub-Total Internal Service Funds</b>	<b>1,506,536</b>
<b>TOTAL</b>	<b>\$171,154,993</b>

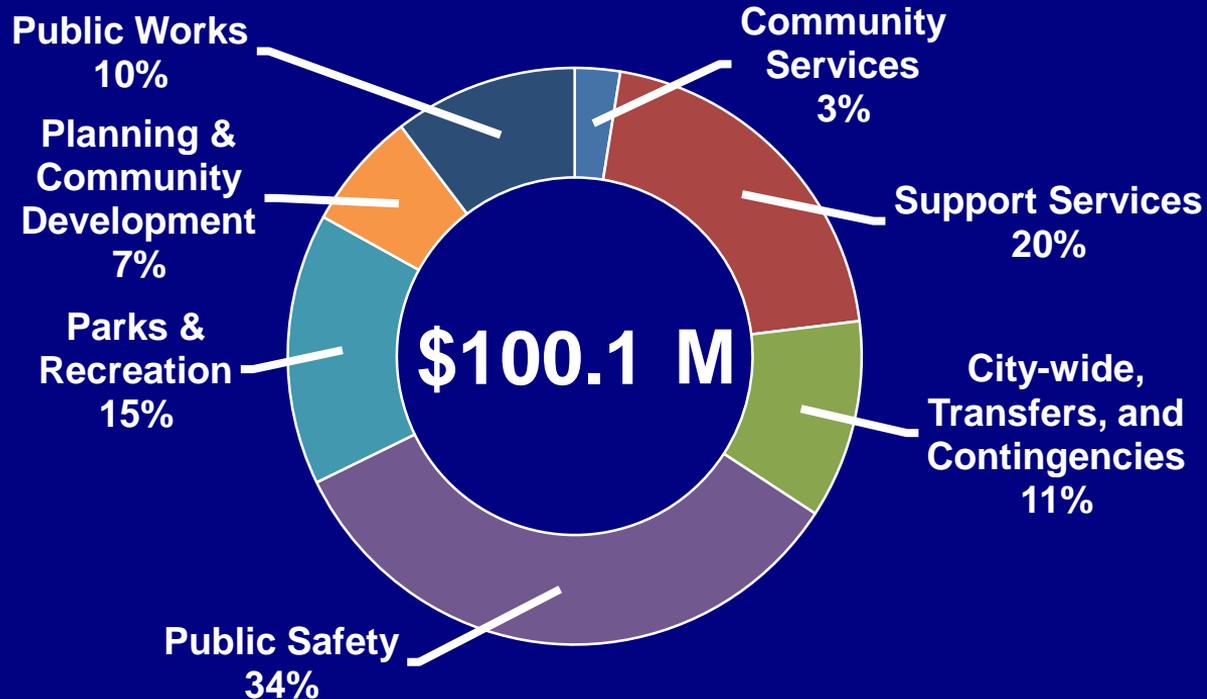
State Drug Enforcement, Federal Drug Enforcement, and Federal Criminal Forfeiture Funds

General Capital, Facilities-Major Maintenance, Roads Capital, and Impact Fee Funds

Surface Water Utility (Operating & Capital)  
Wastewater Utility (Operated for Ronald Wastewater District)

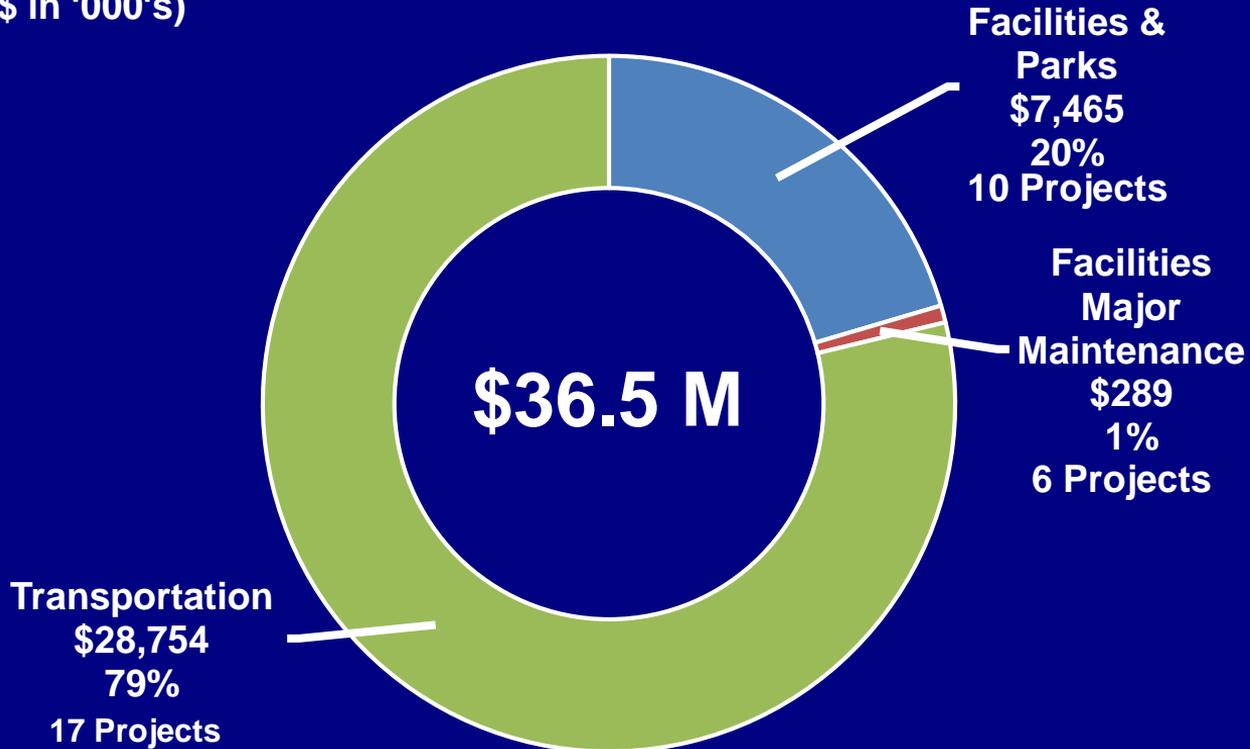
# Operating Budget Expenditures by Function

(\$ in '000's)



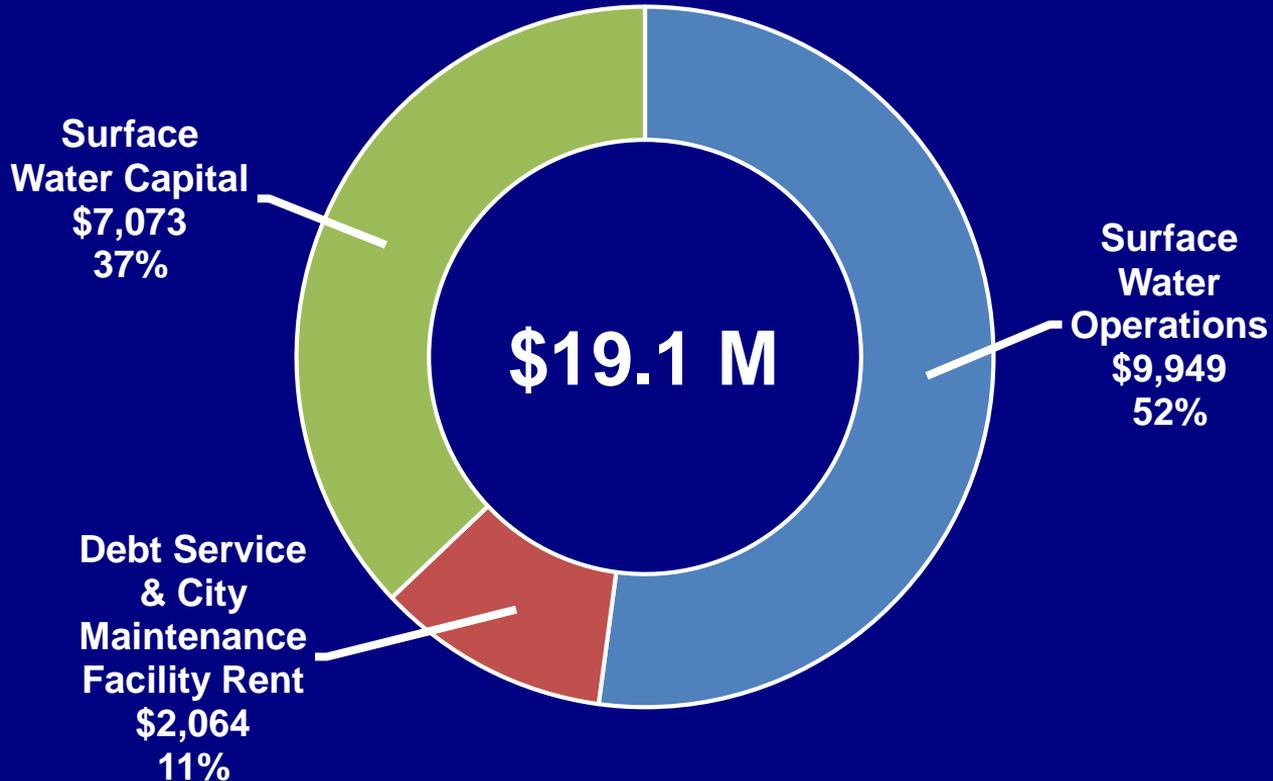
# 2019-2020 Proposed Capital Improvement Plan (Pages 279 - 415)

(\$ in '000's)



# Surface Water Utility

(\$ in '000's)



# Public Comments

Staff recommends that the City Council conduct the public hearing to take public comment on:

- 2019-2020 Proposed Biennial Budget
- 2019-2024 Capital Improvement Plan