



City of
**MOUNT
VERNON**

2017 Preliminary Budget

Mount Vernon, Washington

Prepared by:
Finance Department

CITY OF MOUNT VERNON
2017 PRELIMINARY BUDGET

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November 14, 2016

TO: Mount Vernon City Council and Mount Vernon Community

RE: Mayor's Preliminary 2017 City Budget

I present the 2017 preliminary budget for your consideration. The City of Mount Vernon adopts a highly complex and balanced budget each year in accordance with RCW 35A.33.

When I reflect on the City of Mount Vernon, I believe we have so much to be proud of and thankful for. Our small city has effectively demonstrated how government can take care of services and create transparency while engaging with residents.

Departmental budgets, in many instances, are prepared for vastly different services – some services are 24-hour operations, while other Departments work 6 days a week, are on-call, or have a traditional 40 hour work schedule. Our employees are the City's greatest asset.

The 2017 budget was prepared with the following priorities:

- Provide straightforward recommendations for expenditures essential to ensuring that the mission of the City of Mount Vernon is met.
- Provide recommendations for expenditures to fulfill the goals City Council adopted in the 2015-2017 strategic plan on June 24, 2015:
 - Adequate Infrastructure
 - Healthy Neighborhoods
 - Good Place for Investment
 - Efficient and Professional Operations
- Respect and follow financial management policies adopted by City Council on August 12, 2015.

The 2017 preliminary budget for the City of Mount Vernon is \$55,169,722, representing a 3.2% increase as compared to the 2016 adopted budget. We budget for several unique services through 21 departmental budgets and a total of 31 different funds. The governmental operating fund budgets total \$28,652,184, representing a 5.6% increase compared to the 2016 budget. Governmental operations receive 73% of its funding sources from taxes which primarily only grow in a strong economy, covering expenditures for Police, Fire, Library, Streets, Permitting/Planning, Parks operations and more.

The City staff has devoted themselves in recent years, and continues daily, to examine practices that would increase efficiency and use tax dollars wisely. Shrinking shared revenues from the State of Washington and unfunded mandates from the State and Federal government have greatly impacted our City budget.

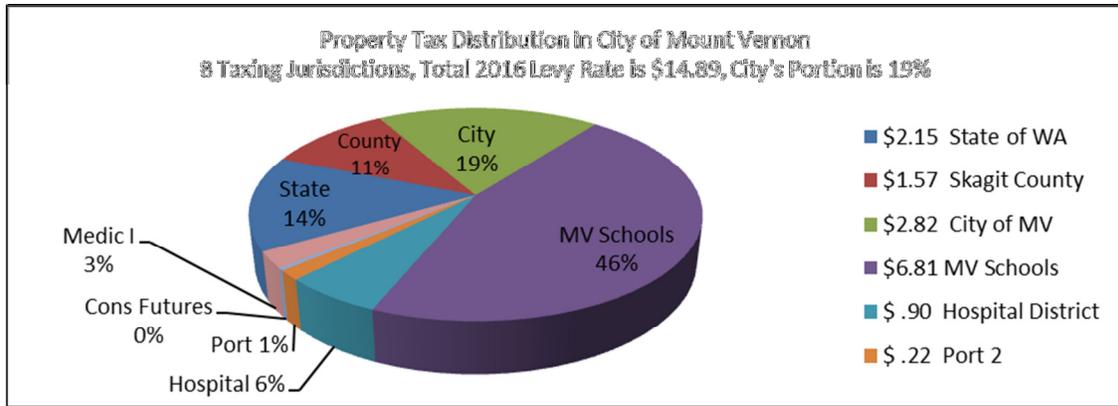
City Functions:	<u>Prelim 2017 Budget</u>		<u>2016 Budget</u>		<u>2015 Budget</u>		<u>2014 Budget</u>	
Govt Operations	28,652,184	52%	27,134,352	51%	26,067,015	50%	23,854,839	50%
Capital Funds	5,994,300	11%	6,442,825	12%	5,697,660	11%	4,713,150	10%
Utilities (Operations)	16,638,979	30%	16,308,317	31%	16,128,473	31%	15,518,632	33%
All other functions	3,884,259	7%	3,563,359	7%	4,335,267	8%	3,274,035	7%
Total City Budget	55,169,722	100%	53,448,853	100%	52,228,415	100%	47,360,656	100%
Govt Operations by Dept:	<u>Prelim 2017 Budget</u>		<u>2016 Budget</u>		<u>2015 Budget</u>		<u>2014 Budget</u>	
Police	9,361,569	32.7%	9,142,899	33.7%	8,879,016	34.1%	7,313,777	30.7%
Fire	5,153,169	18.0%	4,901,024	18.1%	4,729,045	18.1%	4,531,531	19.0%
Streets	1,658,422	5.8%	1,562,772	5.8%	1,332,358	5.1%	1,336,551	5.6%
Parks	1,899,029	6.6%	1,786,262	6.6%	1,722,378	6.6%	1,568,934	6.6%
Library	1,352,355	4.7%	1,232,205	4.5%	1,191,718	4.6%	1,186,849	5.0%
Comm Econ Dev	1,741,233	6.1%	1,378,679	5.1%	1,321,222	5.1%	1,437,033	6.0%
Other City Services	7,486,407	26.1%	7,130,511	26.3%	6,891,278	26.4%	6,480,164	27.2%
Total Govt Operations	28,652,184	100.0%	27,134,352	100.0%	26,067,015	100.0%	23,854,839	100.0%

Notable achievements accomplished in 2016

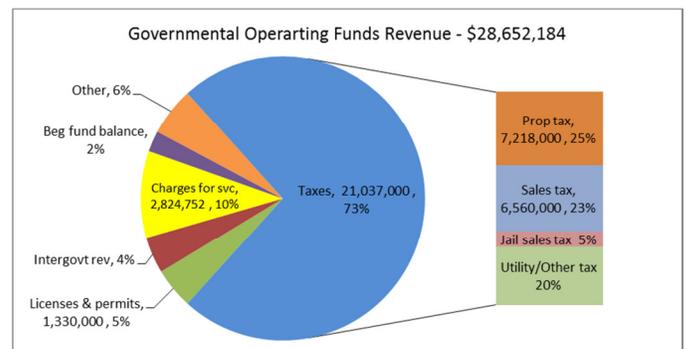
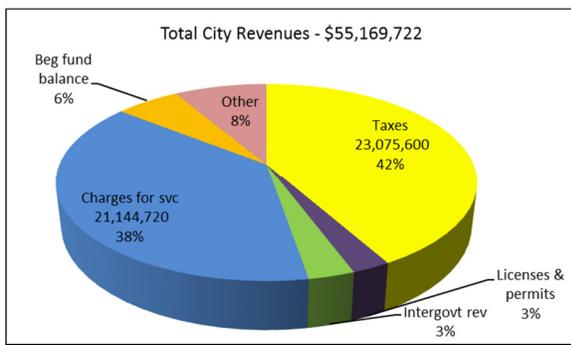
- The Waterfront Revitalization and Flood Protection Project Phase 3 funding was secured and the bid was awarded to complete construction on the final phase of the project, which will be underway in early 2017 and completed before the end of 2017.
- Downtown public restrooms were constructed and opened to the public.
- City had a clean audit and received the 9th consecutive Certificate of Achievement for Excellence in Financial Reporting, and 16th award overall.
- The City's Finance Department was presented with a Stewardship Award from the State Auditor's Office; the award is presented in recognition of outstanding accomplishment in the stewardship of public resources.
- Our Wastewater Treatment Plant employees were recognized by the State of Washington Department of Ecology for outstanding performance. It takes diligent operations and strong management to achieve this high level of compliance. This is the 6th consecutive year of award, and the 13th year of recognition overall.
- The Community Economic Development Department completed the 2016 update of the Comprehensive Plan including a new section focusing on wellness.
- Adopted Ordinance 3674: standards for the delivery of public defender services.
- Partnered with Skagit County government to hire a full time social worker, embedded in the police department, to address street vagrancy and homelessness.

Funding our services: Property tax & other revenue

The City of Mount Vernon is one of 8 taxing jurisdictions that assess taxes on our residents' property tax bills. Each jurisdiction makes decisions on tax rates each year with some taxing jurisdictions requiring voter approval to establish revenue amounts. The combination of these 8 taxing jurisdictions, of which Mount Vernon is one, account for the total property taxes paid by any individual property owner. These rates and percentages are outlined as follows:



The City Council has refrained from taking the lawfully allowed one percent increase in property tax for 11 of the last 12 years. This means that the City has relied solely on increases in sales & utility tax, new construction property tax, building revenue, and grant funding to absorb rising costs of providing services. I advocate for a modest increase in property tax revenues to assist in offsetting rising costs of services instead of decreasing the level of services that our City residents have come to enjoy and expect. As the City has grown and navigated through the Great Recession, our ability to continue the level of services provided has become constrained.



Transportation Benefit District: The City of Mount Vernon formed a Transportation Benefit District (TBD) on May 25, 2016, enabling the City Council to exercise a local option of raising revenue for transportation. On November 8, 2016 a ballot measure was passed by the voters to raise sales tax in the City by .002 to fund transportation. This much needed revenue will allow the Public Works Department to significantly increase the maintenance and preservation of pavements, work towards Federal ADA standards of sidewalks, improve our intersections, and complete capital transportation projects as adopted within the Cities transportation planning.

Priority Capital Projects

The City of Mount Vernon will move forward with exciting capital projects in 2017. The City's capital budget is \$6.0 million or 11% of the total 2017 budget, including wastewater, transportation, parks and general facility projects. Highlighted projects for 2017 include:

- Completion of the Waterfront Revitalization and Flood Protection Project
- Construction and completion of the College Way widening under I-5 (in partnership with WSDOT)

- Increased annual street overlay and maintenance program
- Renovation of public restrooms at Lion’s Park and continued renovations at Hillcrest Lodge
- Roof projects and security enhancements to City buildings

Operations

As I have noted, City staff are the driving force of the services that we provide to our community. 69% of our governmental operating budgets are personnel cost related. Our Police and Fire employees account for 55% of our governmental operating fund employees, while public safety and criminal justice related budgets account for 57% of our overall government budgets.

Five new positions are included in this budget; however each position comes with additional revenue or special circumstances. These positions include:

- Embedded social worker in the Police Department as previously noted,
- Planning coordinator in Community Economic Development (CED) funded with additional building related revenues to address increased demands for service,
- Conversion of a .75 FTE permit technician to full-time in CED,
- Street operator, funding to come from the new TBD sales tax to focus on enhanced maintenance of our transportation system,
- Fiber technician to address to increasing demands of the City’s fiber optic network.

Conclusion

It is a privilege to work for the City of Mount Vernon; we are accountable for our City’s success. Our City is grateful for excellent partnerships that help us achieve quality of life for our region. Specific thank you to Skagit County Public Health for their role in addressing homelessness, WSDOT for partnership in improvements in the College Way (SR538) corridor, and our Innovation Partnership Zone members Skagit Valley College, Port of Skagit, Washington State University, and the Economic Development Alliance of Skagit County for the realization of the value-added agriculture vision of our City.

As Mayor, I sincerely appreciate all of our City staff that have fulfilled our mission this past year. We believe that our example of good government will influence others to join us in an attitude of integrity and vitality. I would like to extend special gratitude to Ms. Alicia Huschka, Finance Director, for her critical professional guidance in the preparation of this budget and for her selfless service to the City since 2001. We wish her well as she moves into another phase of her career.

We hope you will choose to partner with us, as we continue to create a lifetime positive difference for our community. Please participate in our weekly Mayor’s Coffee Hours, sign up for electronic newsletters, and email or call with questions, concerns, or ideas.

Sincerely,



Jill Boudreau, Mayor

mvmayor@mountvernonwa.gov

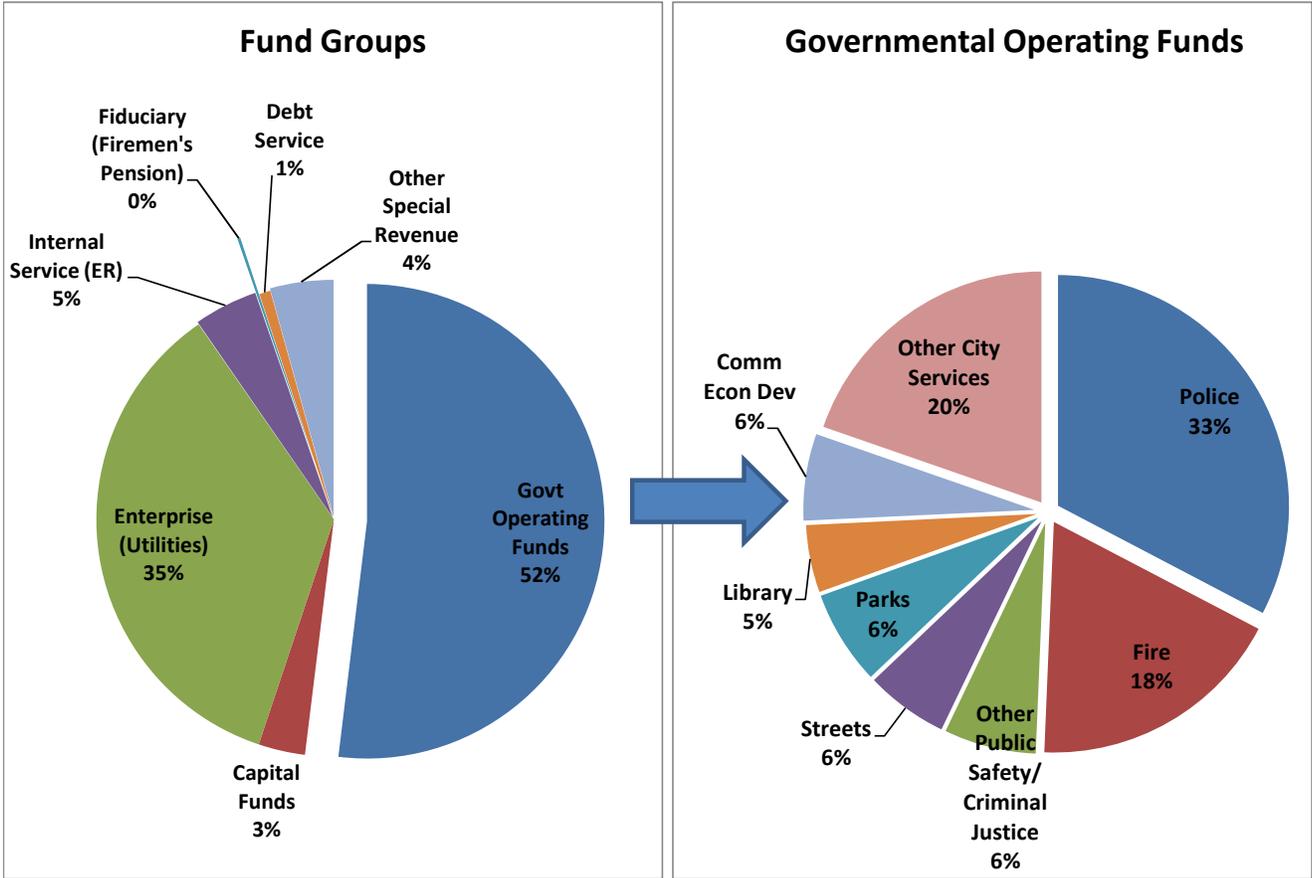
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www.mountvernonwa.gov

**Citywide Budget Summary
2017 Preliminary Budget
City of Mount Vernon**

Fund Dept No.	Fund / Department	2016 Adopted Budget	2017 Mayor Recommended Budget	Increase (Decrease) Compared to 2016	2016-2017 % Change
001	Current Expense Fund				
01	City Council	167,138	169,728	2,590	1.5%
02	Municipal Court	423,919	459,260	35,341	8.3%
03	Mayor	367,146	384,977	17,831	4.9%
04	Finance	793,754	851,669	57,915	7.3%
05	City Attorney	504,944	540,723	35,779	7.1%
06	Human Resources	654,018	612,281	(41,737)	-6.4%
07	General Facilities	679,784	716,739	36,955	5.4%
08	Police Department (a)	9,142,899	9,361,569	218,670	2.4%
09	Fire Department	4,901,024	5,153,169	252,145	5.1%
11	Public Works/Engineering	762,452	807,952	45,500	6.0%
12	Community and Economic Development	1,378,679	1,741,233	362,554	26.3%
18	TV 10 - Public Access Cable	203,498	211,786	8,288	4.1%
97	CDBG Entitlement Grant	525,910	588,957	63,047	12.0%
98	Information Services	673,617	693,824	20,207	3.0%
99	Non-Departmental	1,374,331	1,448,511	74,180	5.4%
	Total Current Expense Fund	22,553,113	23,742,378	1,189,265	5.3%
101	City Street Fund	1,562,772	1,658,422	95,650	6.1%
103	Parks and Recreation Fund	1,786,262	1,899,029	112,767	6.3%
104	Library Fund	1,232,205	1,352,355	120,150	9.8%
	Total Governmental Operating Funds	27,134,352	28,652,184	1,517,832	5.6%
102	Arterial Street Fund	772,000	330,200	(441,800)	-57.2%
105	Paths and Trails Fund	20,000	20,000	0	0.0%
106	Tourism Promotion Fund	250,000	280,000	30,000	12.0%
107	Little Mountain Improvements Reserve	87,000	110,000	23,000	26.4%
109	Crime Prevention Fund	11,600	11,600	0	0.0%
110	Government Access Fund	50,000	50,000	0	0.0%
112	Criminal Justice Assistance Fund	165,000	141,000	(24,000)	-14.5%
115	Parks Capital Improvements Reserve	67,000	375,000	308,000	459.7%
117	TBD Fund	0	600,000	600,000	0.0%
118	Fiber Optic Fund	162,800	326,930	164,130	100.8%
119	Critical Areas Enhancement Fund	46,000	35,000	(11,000)	-23.9%
120	Lincoln Commercial Properties Fund	83,200	102,130	18,930	22.8%
201	2009 UTGO Bond Fund	303,770	304,792	1,022	0.3%
205	2009 LTGO Bond Fund	118,375	119,525	1,150	1.0%
304	Capital Improvements Fund - REET I	466,325	908,400	442,075	94.8%
311	Parks Impact Fees	40,000	70,000	30,000	75.0%
312	Fire Impact Fees	94,000	149,000	55,000	58.5%
313	Transportation Impact Fees	40,000	103,200	63,200	158.0%
314	REET II - Streets Fund	630,000	525,000	(105,000)	-16.7%
401	Wastewater Utility Fund	8,720,378	8,873,458	153,080	1.8%
402	Solid Waste Utility Fund	5,428,500	5,591,615	163,115	3.0%
403	Surfacewater Utility Fund	2,159,439	2,173,906	14,467	0.7%
411	Sewer Facility Expansion Fund	1,845,500	1,328,500	(517,000)	-28.0%
412	Sewer Capital Reserve	2,381,000	1,475,000	(906,000)	-38.1%
501	Equipment Rental Fund	2,230,114	2,362,682	132,568	5.9%
512	Leoff I Long-term Healthcare Reserve	40,000	40,000	0	0.0%
611	Firemen's Pension and Relief Fund	102,500	110,600	8,100	7.9%
	Total All Funds	53,448,853	55,169,722	1,720,869	3.2%

**City of Mount Vernon
Budget Components - 2017 Budget**

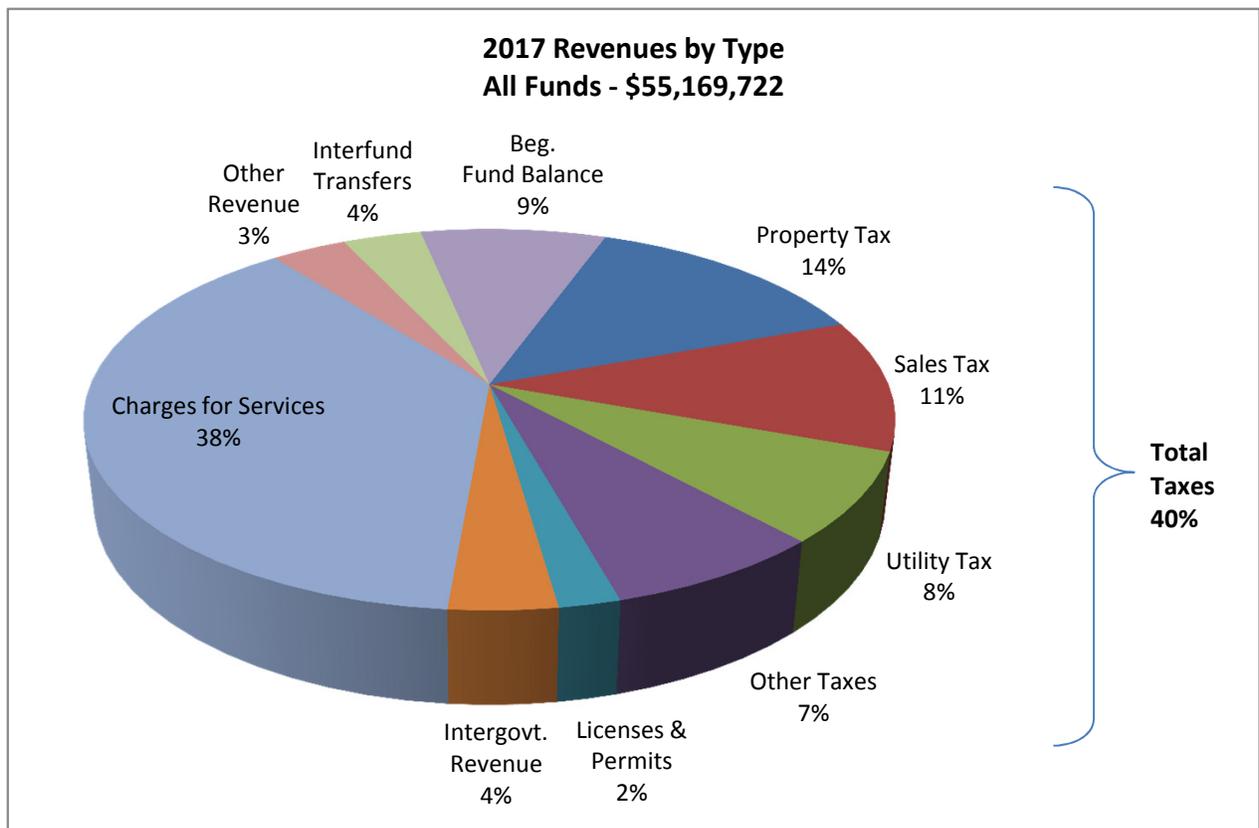


Funds:		
Governmental Operating	28,652,184	52%
Capital Funds	1,755,600	3%
Enterprise (Utilities)	19,442,479	35%
Internal Service (ER)	2,402,682	4%
Fiduciary (Firemen's Pension)	110,600	0%
Debt Service	424,317	1%
Other Special Revenue	2,381,860	4%
Total Budget	55,169,722	100%

Government Operating Funds by Department:		
Police	9,361,569	33%
Fire	5,153,169	18%
Other Public Safety/ Criminal Justice	1,849,181	6%
Streets	1,658,422	6%
Parks	1,899,029	7%
Library	1,352,355	5%
Comm Econ Dev	1,741,233	6%
Other City Services	5,637,226	20%
Total Govt Op Funds	28,652,184	100%

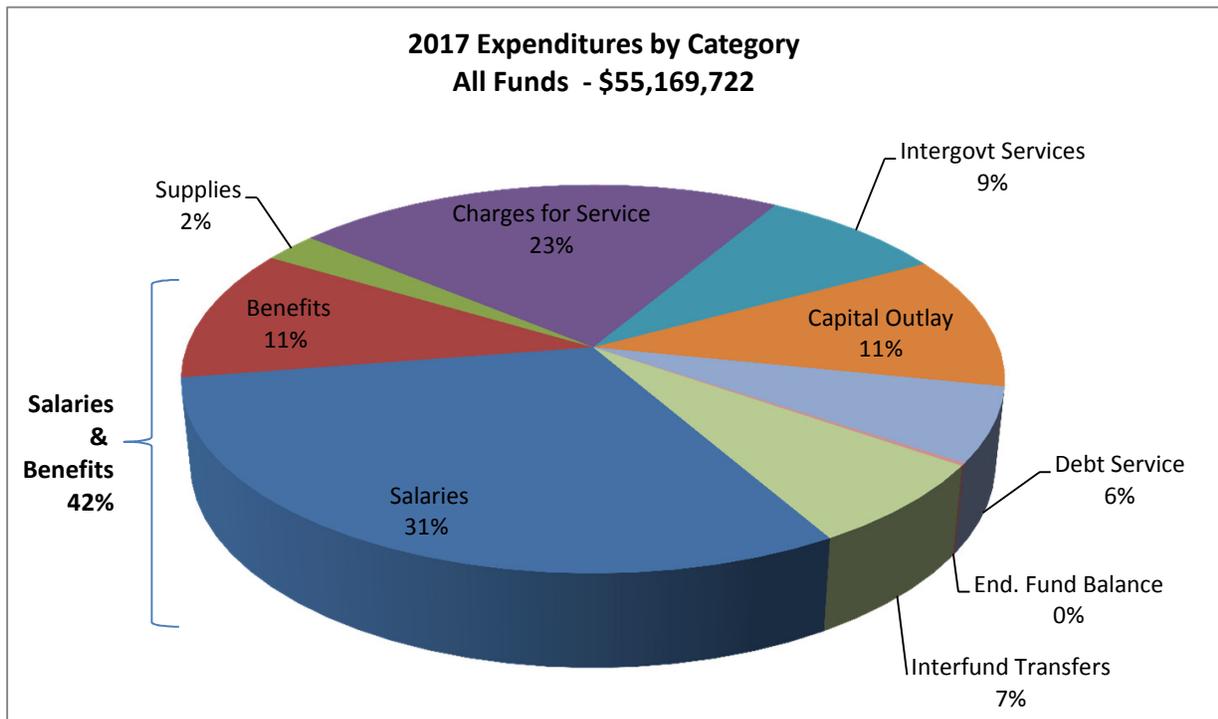
**City of Mount Vernon
Total Preliminary Budget
2017 Revenue Summary: By Revenue Type**

Revenue Source	2015 Budget	2016 Budget	2017 Budget	2016 to 2017 Change	2016 to 2017 % Change
Property Tax	7,270,433	7,383,270	7,518,000	134,730	1.8%
Sales Tax	5,575,000	5,980,000	7,160,000	1,180,000	19.7%
Utility Tax	4,131,500	4,079,000	4,147,000	68,000	1.7%
Other Taxes	3,775,000	3,990,600	4,250,600	260,000	6.5%
Total Taxes	20,751,933	21,432,870	23,075,600	1,642,730	7.7%
Licenses & Permits	1,277,959	1,109,000	1,380,000	271,000	24.4%
Intergovernmental	2,058,388	1,945,834	1,657,440	(288,394)	-14.8%
Charges for Services	19,852,125	20,322,214	21,144,720	822,506	4.0%
Fines & Forfeits	488,800	296,000	300,300	4,300	1.5%
Miscellaneous Revenue	1,432,056	1,627,800	1,817,232	189,432	11.6%
Interfund Transfers	2,090,474	1,996,875	2,570,025	573,150	28.7%
Beginning Fund Balance	4,276,680	4,718,260	3,224,405	(1,493,855)	-31.7%
Total	52,228,415	53,448,853	55,169,722	1,720,869	3.2%



City of Mount Vernon
Total Preliminary Budget
2017 Expenditure Summary: By Category

Expenditure Category	2015 Budget	2016 Budget	2017 Budget	2016 to 2017 Change	2016 to 2017 % Change
Salaries & Wages	15,261,200	15,838,942	16,555,001	716,059	4.5%
Overtime	616,437	646,595	678,627	32,032	5.0%
Personnel Benefits	5,924,385	5,891,116	6,239,481	348,365	5.9%
Supplies	1,359,082	1,316,358	914,286	(402,072)	-30.5%
Professional & Other Services	5,852,108	2,236,681	2,957,994	721,313	32.2%
Communication	234,063	199,454	235,615	36,161	18.1%
Training & Travel	59,175	66,406	167,760	101,354	152.6%
Insurance	540,345	489,791	449,034	(40,757)	-8.3%
Utilities	1,043,500	1,034,200	1,008,900	(25,300)	-2.4%
Repair & Maintenance	757,961	811,677	926,209	114,532	14.1%
Other Services & Charges	3,199,841	5,358,342	7,122,456	1,764,114	32.9%
Intergovernmental	4,194,313	6,409,836	4,691,887	(1,717,949)	-26.8%
Capital	6,813,159	5,939,130	5,837,377	(101,753)	-1.7%
Debt Service	3,335,717	3,305,941	3,114,386	(191,555)	-5.8%
Interfund Transfers	2,751,550	3,782,875	4,252,025	469,150	12.4%
Ending Fund Balance	285,579	121,509	18,684	(102,825)	-84.6%
Total	52,228,415	53,448,853	55,169,722	1,720,869	3.2%

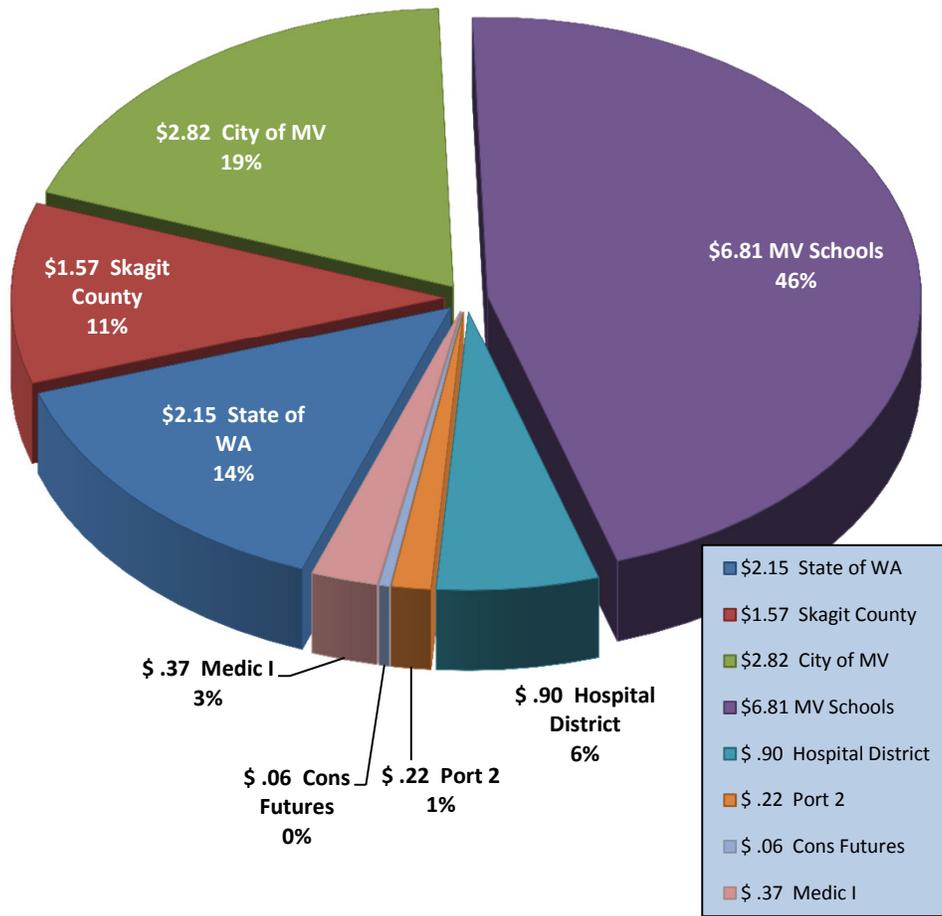


**City of Mount Vernon
Fund Balance Reconciliation
Summary of All Funds**

Fund #	City Fund	Actual	Estimates		Fund Balance Dec 31, 2016	Budget		Estimated	Fund Bal. Budgeted in 2017
		Fund Bal Dec 31, 2015	2016 Revenue	2016 Expenditures		2017 Revenue	2017 Expenditures	Fund Bal Dec 31, 2017	
001	Current Expense	3,624,441	22,099,061	21,722,436	4,001,066	23,165,825	23,742,378	3,424,513	576,553
101	City Street	154,731	1,550,972	1,492,632	213,071	1,611,000	1,658,422	165,649	47,422
103	Parks/Recreation	314,909	1,650,320	1,717,950	247,279	1,841,286	1,899,029	189,536	57,743
104	Library	125,239	1,237,084	1,231,990	130,333	1,352,355	1,352,355	130,333	(0)
102	Arterial Street	69,564	990,190	615,365	444,389	325,200	330,200	439,389	5,000
105	Paths and Trails	83,514	3,600	0	87,114	3,600	20,000	70,714	16,400
106	Tourism Promotion	121,332	238,900	212,000	148,232	235,000	280,000	103,232	45,000
107	Little Mountain Cap Res	122,999	34,300	56,900	100,399	78,300	110,000	68,699	31,700
109	Crime Prevention	23,081	18,700	3,200	38,581	11,600	11,600	38,581	-
110	Government Access TV	202,589	68,000	35,959	234,630	50,000	40,516	244,114	(9,484)
112	Criminal Justice Assistance	18,078	146,892	164,000	970	140,700	141,000	670	300
115	Parks Capital Reserve	110,271	76,849	50,366	136,754	254,000	375,000	15,754	121,000
117	TBD Fund	0	0	0	0	600,000	600,000	0	-
118	Fiber Optics Fund	85,861	120,825	184,900	21,786	317,720	326,930	12,576	9,210
119	Critical Area Enhancement	139,403	0	7,418	131,985	5,000	35,000	101,985	30,000
120	Lincoln Commercial Block	123,055	64,000	64,863	122,192	67,600	102,130	87,662	34,530
201	2009 UTGO Bonds	10,395	303,270	303,752	9,913	300,000	304,792	5,121	4,792
205	2009 LTGO Bonds	1,875	117,875	118,116	1,634	119,025	119,525	1,134	500
304	Capital Improvement-Reet	451,790	621,600	541,487	531,903	485,300	908,400	108,803	423,100
311	Park Impact Fees	35,001	95,000	0	130,001	70,000	69,000	131,001	(1,000)
312	Fire Impact Fees	105,066	45,750	37,682	113,134	102,400	149,000	66,534	46,600
313	Traffic Impact Fees	110,716	494,800	40,000	565,516	103,200	100,000	568,716	(3,200)
314	Reet II - Streets	404,293	616,000	772,000	248,293	451,500	525,000	174,793	73,500
401	Wastewater Utility (WC)	4,953,092	8,758,800	8,472,374	5,239,518	8,873,458	8,873,458	5,239,518	-
402	Solid Waste Utility (WC)	1,903,044	5,512,727	5,373,604	2,042,167	5,537,300	5,591,615	1,987,852	54,315
403	Surface Water Utility (WC)	1,426,244	1,599,980	1,929,536	1,096,688	1,555,800	2,173,906	478,582	618,106
411	Sewer Facility Expansion	2,762,429	1,016,000	1,850,015	1,928,414	915,000	1,328,500	1,514,914	413,500
412	Sewer Capital Reserve	2,807,223	1,068,270	1,337,312	2,538,181	1,015,000	1,475,000	2,078,181	460,000
501	Equipment Rental (WC)	6,075,566	2,143,614	2,230,114	5,989,066	2,307,848	2,362,682	5,934,232	54,834
512	LEOFF I Health Care Res	366,557	22,300	0	388,857	12,300	40,000	361,157	27,700
611	FR&P	528,928	38,732	97,351	470,309	38,000	110,600	397,709	72,600
Totals		27,261,286	50,754,411	50,663,322	27,352,375	51,945,318	55,156,038	24,141,655	3,210,720

2016 Property Tax Distribution in Mount Vernon

A City of Mount Vernon property owner pays property tax to 8 different taxing jurisdictions. The aggregate or total levy rate is \$14.89 per \$1000 of assessed valuation, the City receives 19% of the total

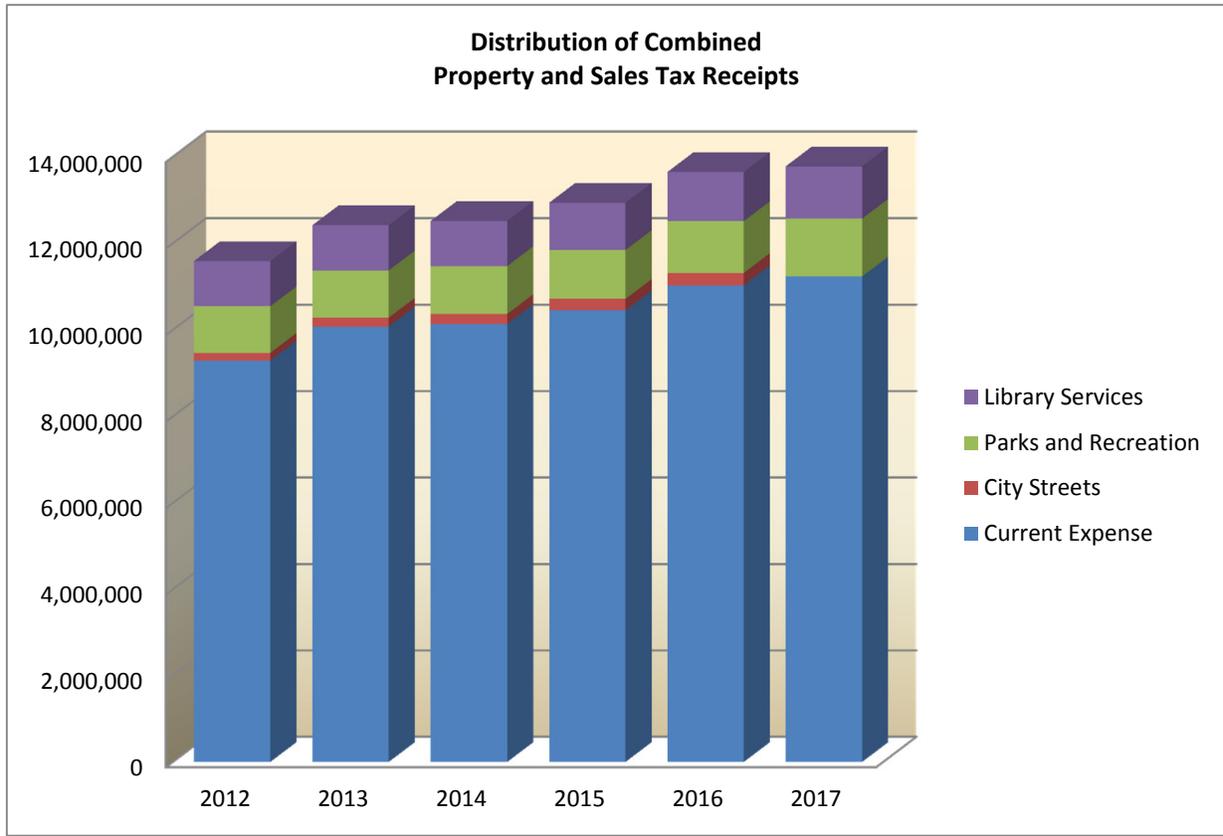


What does a Mount Vernon property owner pay in property tax?

Example using 2016 levy rates:

Assessed value of home:	\$ 100,000	\$200,000	\$300,000
Total property tax bill:	\$1,489	\$2,978	\$4,467
Amount paid to City:	\$282	\$564	\$846
Percent paid to City:	19%	19%	19%

Major Governmental Operating Revenues Property Tax and Sales Tax



Combined Property and Sales Tax Revenue						
Government Function	Actual 2012	Actual 2013	Actual 2014	Actual 2015	Estimate 2016	Projection 2017
Current Expense	9,289,306	10,076,053	10,136,559	10,447,923	11,031,203	11,233,259
City Streets	179,863	206,312	229,732	266,506	283,172	0
Parks and Recreation	1,074,185	1,091,256	1,105,629	1,129,036	1,196,520	1,335,330
Library Services	1,045,062	1,043,062	1,046,509	1,094,418	1,138,105	1,210,855
Totals	11,588,416	12,416,683	12,518,429	12,937,883	13,649,000	13,779,444
Annual Revenue Increase	213,898	828,267	101,746	419,454	711,117	130,444
Annual Growth Rate	1.9%	7.1%	0.8%	3.4%	5.5%	1.0%

Additional Information:

- Property tax and sales tax combined provide 48% of total revenue to support government operations.
- Only growth in property tax revenue for 2005 through 2012, & 2014 to 2016 comes from new construction.
- City has not taken lawfully allowed 1% increase in prop tax for 11 of the last 12 years, except in 2013, took 1.8% or \$120,000. 2017 preliminary budget assumes a 0% increase which would be year 12 with no increase.
- 2017 sales tax estimate assumes 2% growth compared to 2016 excluding any increase generated from the jail construction project.
- Sales tax:** comparing 2007 to 2011, sales tax declined 24% or \$1.5 million over these 4 years; sales tax started to recover in 2012, increasing 4% in 2012, 10% in 2013, 3% in 2014, 5.5% in 2015 and estimated to increase 12% in 2016.
- Sales tax: comparing 2007 to 2016 estimate, sales tax revenues are \$354,000 higher in 2016 compared to 2007.
- Sales tax estimates in 2016 & 2017 include sales tax from the jail construction project (one-time revenue).. Due to jail construction sales tax estimated in 2016 & 2017, the growth rate in 2016 & 2017 are distorted. Projected growth in 2017 excluding jail construction sales tax is \$264,444 for an annual growth rate of 2%.

**City of Mount Vernon
Total Preliminary Budget - All City Funds
2017 Revenues: By Type**

Fund Name	Property Tax	Sales Tax	Other Taxes	License and Permits	Intergovt. Revenue	Charges for Services	Fines and Forfeits	Misc. Revenue	Interfund Transfers	Beg. Fund Balance	Total
Current Expense	4,673,259	6,560,000	6,481,000	1,330,000	1,198,540	2,131,452	272,500	262,074	257,000	576,553	23,742,378
City Streets	-	-	778,000	-	-	420,000	-	-	413,000	47,422	1,658,422
Parks & Recreation	1,333,886	-	-	-	-	232,100	-	210,300	65,000	57,743	1,899,029
Library	1,210,855	-	-	-	-	41,200	27,800	22,500	50,000	-	1,352,355
Arterial Streets	-	-	-	-	270,200	-	-	40,000	15,000	5,000	330,200
Paths and Trails	-	-	3,600	-	-	-	-	-	-	16,400	20,000
Hotel/Motel Tax	-	-	235,000	-	-	-	-	-	-	45,000	280,000
Little Mtn Park Impr.	-	-	-	-	-	-	-	34,300	44,000	31,700	110,000
Crime Prevention	-	-	-	-	-	-	-	11,600	-	-	11,600
Government Access	-	-	-	50,000	-	-	-	-	-	-	50,000
Criminal Justice Assist.	-	-	-	-	140,700	-	-	-	-	300	141,000
Parks Capital Impr.	-	-	-	-	-	-	-	79,000	175,000	121,000	375,000
TBD Fund	-	600,000	-	-	-	-	-	-	-	-	600,000
Fiber Optics	-	-	-	-	-	317,720	-	-	-	9,210	326,930
Critical Area Enhance.	-	-	-	-	-	5,000	-	-	-	30,000	35,000
Lincoln Block	-	-	-	-	-	-	-	67,600	-	34,530	102,130
2009 UTGO Bonds	300,000	-	-	-	-	-	-	-	-	4,792	304,792
2009 LTGO Bonds	-	-	-	-	-	-	-	-	119,025	500	119,525
Capital Impr. (Reet 1)	-	-	450,000	-	-	-	-	6,300	29,000	423,100	908,400
Park Impact Fees	-	-	-	-	-	70,000	-	-	-	-	70,000
Fire Impact Fees	-	-	-	-	-	24,000	-	400	78,000	46,600	149,000
Transport. Impact Fee	-	-	-	-	-	100,000	-	3,200	-	-	103,200
REET II-Streets	-	-	450,000	-	-	-	-	1,500	-	73,500	525,000
Wastewater Utility	-	-	-	-	-	8,460,800	-	97,658	315,000	-	8,873,458
Solid Waste Utility	-	-	-	-	-	5,504,300	-	33,000	-	54,315	5,591,615
Surfacewater Utility	-	-	-	-	-	1,543,300	-	12,500	-	618,106	2,173,906
Wastewater Connectio	-	-	-	-	-	-	-	915,000	-	413,500	1,328,500
Sewer Cap. Reserve	-	-	-	-	-	-	-	15,000	1,000,000	460,000	1,475,000
Equipment Rental	-	-	-	-	13,000	2,294,848	-	-	-	54,834	2,362,682
LEOFF 1 LT Healthcare	-	-	-	-	-	-	-	2,300	10,000	27,700	40,000
Firemen's Pension	-	-	-	-	35,000	-	-	3,000	-	72,600	110,600
Total All Funds	7,518,000	7,160,000	8,397,600	1,380,000	1,657,440	21,144,720	300,300	1,817,232	2,570,025	3,224,405	55,169,722

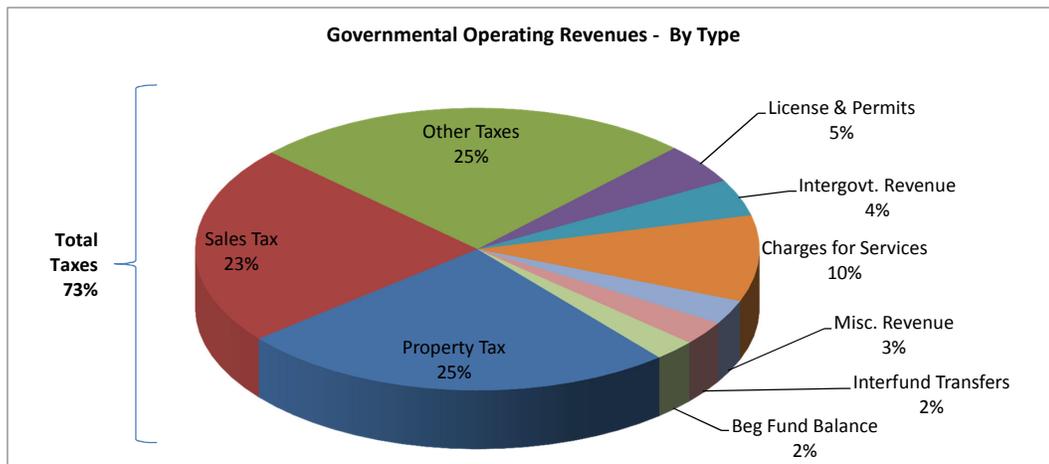
City of Mount Vernon
Total Preliminary Budget - All City Funds
2017 Expenditures: By Category

Fund/Department	Salaries	Benefits	Supplies	Charges for Service	Intergovt Services	Capital Outlay	Debt Service	End. Fund Balance	Interfund Transfers	Total
City Council	50,400	4,192	5,500	47,136	62,500	-	-	-	-	169,728
Municipal Court	-	-	8,000	80,400	370,860	-	-	-	-	459,260
Mayor	258,908	80,921	3,100	15,700	25,848	500	-	-	-	384,977
Finance	549,455	195,164	7,600	96,450	-	3,000	-	-	-	851,669
City Attorney	343,444	126,099	22,000	48,980	-	200	-	-	-	540,723
Human Resources	162,658	403,713	1,450	34,460	-	-	-	-	10,000	612,281
General Facilities	100,462	50,627	25,950	480,700	-	59,000	-	-	-	716,739
Police	5,156,866	1,702,146	110,616	786,394	1,518,000	87,547	-	-	-	9,361,569
Fire	3,546,040	987,255	174,270	436,604	-	9,000	-	-	-	5,153,169
P. Works/Engineering	558,690	192,685	5,000	50,577	-	1,000	-	-	-	807,952
Comm Econ Development	910,627	346,027	11,500	473,079	-	-	-	-	-	1,741,233
TV 10	153,769	52,772	500	4,745	-	-	-	-	-	211,786
CDBG Entitlement Grant	-	-	-	68,729	398,286	-	121,942	-	-	588,957
Information Services	384,872	128,102	1,000	155,500	-	24,350	-	-	-	693,824
Non-Departmental	-	-	800	825,318	495,393	-	-	-	127,000	1,448,511
Total Current Expense	12,176,191	4,269,703	377,286	3,604,772	2,870,887	184,597	121,942	-	137,000	23,742,378
City Street	603,010	251,831	137,900	552,999	35,000	500	77,182	-	-	1,658,422
Parks and Recreation	1,004,298	359,237	76,900	416,594	-	42,000	-	-	-	1,899,029
Library	821,670	241,179	19,500	117,021	-	152,985	-	-	-	1,352,355
Arterial Street	-	-	-	-	-	330,200	-	-	-	330,200
Paths and Trails	-	-	-	-	-	20,000	-	-	-	20,000
Tourism Promotion	-	-	-	265,000	-	15,000	-	-	-	280,000
Little Mtn Improvement	-	-	-	5,000	-	105,000	-	-	-	110,000
Crime Prevention	-	-	11,200	400	-	-	-	-	-	11,600
Government Access	-	-	3,000	2,516	-	30,000	-	14,484	-	50,000
Criminal Justice Assistance	-	-	-	-	-	-	-	-	141,000	141,000
Parks Capital Improvements	-	-	-	-	-	375,000	-	-	-	375,000
TBD Fund	-	-	-	-	-	-	-	-	600,000	600,000
Fiber Optics	77,400	32,530	-	40,000	-	157,000	-	-	20,000	326,930
Critical Areas Enhancement	-	-	5,000	25,000	-	5,000	-	-	-	35,000
Lincoln Commercial Bldg	-	-	-	27,130	-	65,000	-	-	10,000	102,130
2009 UTGO Bond Fund	-	-	-	-	-	-	304,792	-	-	304,792
2009 LTGO Bond Fund	-	-	-	-	-	-	119,525	-	-	119,525
REET I - Cap Improvements	-	-	-	-	-	268,500	117,875	-	522,025	908,400
Park Impact Fees	-	-	-	-	-	15,000	-	1,000	54,000	70,000
Fire Impact Fees	-	-	-	-	-	120,000	-	-	29,000	149,000
Transportation Impact Fees	-	-	-	-	-	-	-	3,200	100,000	103,200
REET II - Streets	-	-	-	-	-	450,000	-	-	75,000	525,000
Wastewater Utility	1,288,648	500,072	211,800	3,370,968	36,000	92,900	2,373,070	-	1,000,000	8,873,458
Solid Waste Utility	894,088	368,941	22,050	2,463,536	1,750,000	93,000	-	-	-	5,591,615
Surfacewater Utility	147,115	68,196	22,350	1,362,745	-	573,500	-	-	-	2,173,906
Wastewater Connection Fees	-	-	-	13,500	-	-	-	-	1,315,000	1,328,500
Sewer Capital Reserve	-	-	-	-	-	1,310,000	-	-	165,000	1,475,000
Equipment Rental	221,208	92,392	27,300	589,587	-	1,432,195	-	-	-	2,362,682
LEOFF 1 LT Healthcare Res	-	40,000	-	-	-	-	-	-	-	40,000
Firemen's Pension	-	15,400	-	11,200	-	-	-	-	84,000	110,600
Total All Funds	17,233,628	6,239,481	914,286	12,867,968	4,691,887	5,837,377	3,114,386	18,684	4,252,025	55,169,722

**City of Mount Vernon
Governmental Operating Funds Only
2017 Revenues and Expenditures, Preliminary Budget**

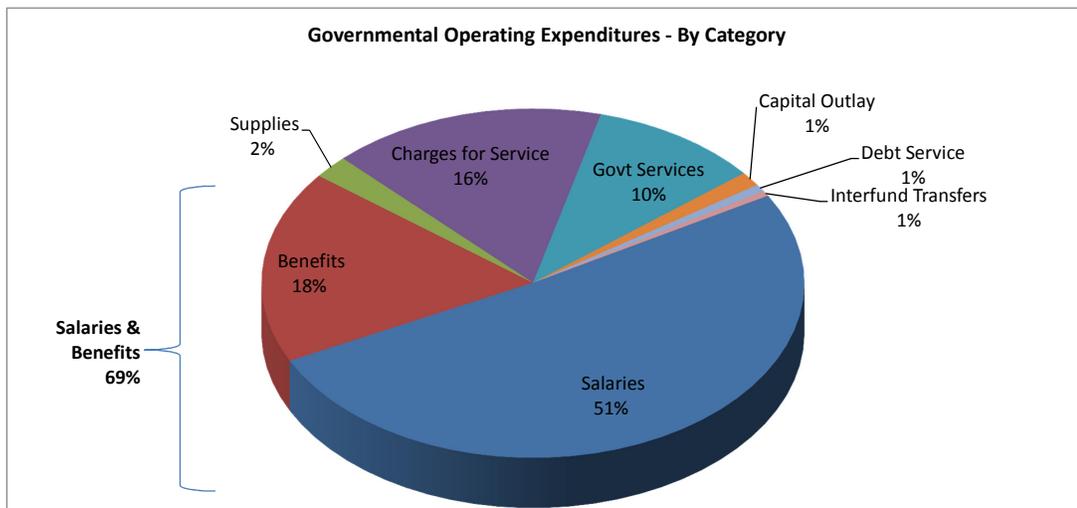
Revenues

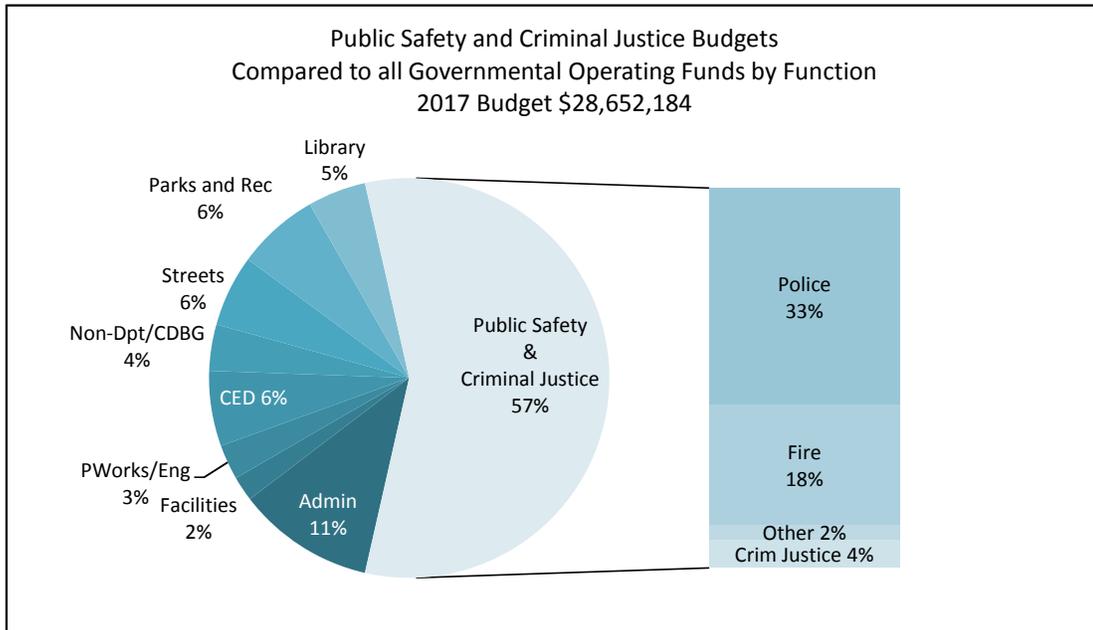
Fund	Property Tax	Sales Tax	Other Taxes	License and Permits	Intergovt. Revenue	Charges for Services	Misc. Revenue	Interfund Transfers	Beginning Fund Balance	Total
Current Expense	4,673,259	6,560,000	6,481,000	1,330,000	1,198,540	2,131,452	534,574	257,000	576,553	23,742,378
City Streets	-	-	778,000	-	-	420,000	-	413,000	47,422	1,658,422
Parks and Recreation	1,333,886	-	-	-	-	232,100	210,300	65,000	57,743	1,899,029
Library	1,210,855	-	-	-	-	41,200	50,300	50,000	-	1,352,355
Total	7,218,000	6,560,000	7,259,000	1,330,000	1,198,540	2,824,752	795,174	785,000	681,718	28,652,184



Expenditures

Fund	Salaries	Benefits	Supplies	Charges for Service	Govt Services	Capital Outlay	Debt Service	Interfund Transfers	Total
Current Expense	12,176,191	4,269,703	377,286	3,604,772	2,870,887	184,597	121,942	137,000	23,742,378
City Street	603,010	251,831	137,900	552,999	35,000	500	77,182	-	1,658,422
Parks and Recreation	1,004,298	359,237	76,900	416,594	-	42,000	-	-	1,899,029
Library	821,670	241,179	19,500	117,021	-	152,985	-	-	1,352,355
Total	14,605,169	5,121,950	611,586	4,691,386	2,905,887	380,082	199,124	137,000	28,652,184





<u>Summary of Public Safety & Criminal Justice Budgets:</u>		<u>Amount</u>	<u>%</u>
Police Department		9,361,569	33%
Fire Department		5,153,169	18%
Other Public Safety:			
Police/Fire Leoff 1 retirees medical	81,879		
Leoff 1 retirees LT care reserve	10,000		
Police and Fire general facilities	134,200		
Skagit County Dept of Emergency Mgmt	71,000		
Skagit 911 Dispatch	<u>350,893</u>		
		647,972	2%
Criminal Justice:			
Municipal Court	459,260		
Public Defense	541,800		
Prosecution	<u>200,149</u>		
		1,201,209	4%
Total Public Safety and Criminal Justice Budgets		16,363,919	57%

<u>FTE's by Function in 2017 Budget</u>	<u>FTE</u>	<u>% of Total</u>
Police	58	28%
Fire	37	18%
Total FTE's for Public Safety	95	46%
Administrative Functions	23	11%
Facilities	2	1%
Public Works/Engineering	6	3%
Community Economic Development	12	6%
Streets Operations	10	5%
Parks & Recreation	13	6%
Library	10	5%
Total for all Governmental Operations	171	83%
Utilities (Wastewater, Solid Waste, Surfacewater)	31	15%
Equipmental Rental & Replacement	3	1%
Total FTE's for the City	205	100%

City of Mount Vernon Ratio of Staff to City Population

Fiscal Year	Budgeted Full-Time Employees	City Population (in hundreds)	Ratio of FTE's to Population (in 100's)
2005	209	282	0.741
2006	207	287	0.721
2007	207	294	0.704
2008	210	302	0.697
2009	202	308	0.656
2010	197	317	0.621
2011	190	319	0.596
2012	191	323	0.591
2013	192	327	0.587
2014	194	332	0.584
2015	198	335	0.591
2016	200	337	0.593

Population & Staffing Comparisions



Full-time Employee Information - Citywide

Department	Employee History													
	2017		2016		2015		2014		2013		2012		2011	2010
	Full-time Prelim	Part-time Prelim	Full-time Actual	Part-time Actual	FTE Actual	FTE Actual								
Current Expense														
Mayor	3	0	3	0	3	0	3	0	3	0	3	0	3	3
Municipal Court	0	0	0	0	0	0	0	0	0	0	0	0	0	3
Finance	7	3	7	3	7	3	7	3	7	3	7	2	7	7
City Attorney	4	1	4	1	4	1	4	0	4	0	3	0	3	3
Human Resources	2	0	2	0	2	0	2	0	1	2	1	1	1	1
General Facilities Maintenance	2	0	2	0	2	0	2	0	2	0	2	0	2	2
Police	58	1	57	1	57	1	57	0	56	0	56	0	56	58
Fire	37	1	37	1	37	1	37	1	37	0	37	0	37	38
Public Works/Engineering	6.25	0	6.25	0	6.25	1	6.25	0	6.25	0	6.25	0	6.5	6.5
Commun. Econ. Development	12	2	10	3	10	3	10	3	10	2	10	1	10	11.5
TV-10	2	2	2	3	1	3	1	2	1	2	1	2	1	1
Information Services	5	1	4	1	4	1	4	0	4	0	4	0	3	3
Total Current Expense	138.25	11	134.25	13	133.25	14	133.25	9	131.25	9	130.25	6	129.5	137
City Street	10	1	9	1	8	1	8	1	8	1	8	1	8	8
Parks/Recreation	13	16	13	15	13	15	11	17	11	17	12	16	12	12
Library	10	16	10	16	10	16	10	17	10	17	9	16	9	9
Wastewater Utility	16	4	16	4	16	4	15	4	15	3	15	2	15	15
Solid Waste Utility	13	4	13	3	13	3	13	3	13	3	13	3	13	13
Surfacewater Utility	1.75	1	1.75	1	1.75	1	0.75	2	0.75	2	0.75	1	0.5	0.5
Equipment Rental	3	0	3	0	3	0	3	0	3	0	3	0	3	3
Total-All Funds	205	53	200	53	198	54	194	53	192	52	191	45	190	197.5

