



Final Proposed 2025-2026 Budget

November 19, 2024



2025-2026 Summary



Budget Summary By Fund

Fund	Fund Name	2023-2024 Amended Ending Fund Balance	2023-2024 Projected Ending Fund Balance	2025-2026 Proposed Revenue Budget	2025-2026 Proposed Expenditure Budget	2025-2026 Proposed Ending Fund Balance
001	General	\$ 2,380,156	\$ 4,289,778	\$ 28,958,341	\$ 30,134,254	\$ 3,113,865
102	Streets	\$ 0	\$ 528,311	\$ 2,948,000	\$ 3,426,461	\$ 49,850
104	Park Impact Fee	\$ 245,598	\$ 863,530	\$ 1,406,000	\$ 115,000	\$ 2,154,530
107	Visitor Promotion	\$ 79,780	\$ 61,418	\$ 44,000	\$ 40,000	\$ 65,418
108	PBIA	\$ 25,230	\$ 4,824	\$ 40,000	\$ 40,000	\$ 4,824
125	Traffic Impact Fee	\$ 227,164	\$ 368,344	\$ 262,000	\$ 220,000	\$ 410,344
130	Transportation Benefit District	\$ 6,968,422	\$ 7,684,138	\$ 2,740,000	\$ 4,830,034	\$ 5,594,104
140	Snohomish Rescue Plan	\$ 0	\$ 531,769	\$ -	\$ 531,769	\$ (0)
150	Behavioral Health & Housing	\$ 1,394,730	\$ 2,180,446	\$ 1,330,734	\$ 460,281	\$ 3,050,899
205	Debt Service	\$ 21,823	\$ 22,283	\$ 62,630	\$ 62,630	\$ 22,283
305	Real Estate Excise Tax	\$ 185,603	\$ 481,790	\$ 1,801,000	\$ 2,169,708	\$ 113,082
310	Municipal Capital Projects	\$ 472,202	\$ 638,013	\$ 1,167,476	\$ 1,553,871	\$ 251,618
311	Street Capital Projects	\$ 1,349,741	\$ 1,595,413	\$ 25,752,368	\$ 23,448,274	\$ 3,899,507
401	Water Utility	\$ 1,887,924	\$ 5,395,755	\$ 8,400,093	\$ 12,672,768	\$ 1,123,081
402	Wastewater Utility	\$ 1,708,534	\$ 10,698,075	\$ 13,295,934	\$ 22,321,090	\$ 1,672,919
403	Solid Waste	\$ 178,508	\$ 162,500	\$ -	\$ 60,000	\$ 102,500
404	Stormwater Utility	\$ 3,377,292	\$ 6,130,309	\$ 4,525,749	\$ 6,612,800	\$ 4,043,257
501	Facilities	\$ 550,079	\$ 443,564	\$ 1,750,411	\$ 2,109,182	\$ 84,793
502	Information Services	\$ 607,360	\$ 693,334	\$ 2,250,713	\$ 2,739,561	\$ 204,486
503	Self-insurance	\$ 894	\$ 356	\$ -	\$ -	\$ 356
505	Equipment Replacement	\$ 290,558	\$ 1,714,014	\$ 700,002	\$ 1,686,240	\$ 727,776
506	Fleet Maintenance & Operations	\$ 28	\$ 263,989	\$ 1,700,610	\$ 1,713,852	\$ 250,747
	Fund Totals	\$ 21,951,624	\$ 44,751,954	\$ 99,136,061	\$ 116,947,775	\$ 26,940,240

2025-2026 Overall Budget Reductions

- Centralized services for better accountability and efficiency=\$78k
 - All general software and support costs under Information Services Fund
 - Supplies and uniforms centralized under Finance for City Hall and Fleet M&O for public works
- Removed placeholder miscellaneous budgets from all departments=\$30k-\$40k
- Reduced professional services budgets in multiple departments
- Budgeted based on actual spend trends and anticipated needs for 2025-2026, not based on prior year budget dollars



Change in Prelim vs Final Proposed Budget

- 2025-2026 Ending Fund Balance of \$26.94M is \$461k higher ↑ than preliminary budget ending fund balance of \$26.48M due to:
 - **2025-2026** Revenues are \$958k higher ↑
 - \$500k Equipment Reserve Funding
 - \$150k Streets Revenue (interfund transfer)
 - \$325k Facilities Funding
 - **2025-2026** Expenditures are \$1M higher ↑
 - \$500k Equipment Reserve addition for future purchases
 - \$500k in PUD and City Utility Billing charges not included in preliminary budget
 - 2023-2024 Forecasted Ending Fund Balance is \$575k higher ↑
 - \$838k decrease to General Fund forecasted expenditures, resulting in higher 2024 ending fund balance
 - \$39k increase in Visitor Promotions expenditures, resulting in a lower 2024 ending fund balance
 - \$49k reduction to Municipal Capital expenditures, resulting in a higher 2024 ending fund balance
 - \$92k increase in Water expenditures, resulting in lower 2024 ending fund balance
 - \$92k increase in Wastewater expenditures, resulting in lower 2024 ending fund balance
 - \$92k increase in Stormwater expenditures, resulting in lower 2024 ending fund balance



General Fund Forecast

GENERAL FUND FORECAST MODEL FOR 2025 - 2026 Budget

ITEM	2021 Actual	2022 Actual	2023 Actual	2024 Estimate	2025 Budget	2026 Budget	2027 Outlook	2028 Outlook
Beginning Fund Balance	4,192,846	5,980,015	6,552,265	5,674,937	4,289,778	3,863,792	3,113,866	2,672,826
Revenue								
Taxes	8,335,652	8,781,385	8,591,546	8,868,776	8,799,077	8,829,077	8,924,077	9,029,077
Licenses & Permits	316,850	265,612	405,114	735,834	806,050	656,050	460,000	460,000
Grants	2,000	1,715	325,007	269,068			500,000	500,000
State Shared	253,072	254,026	188,633	282,506	242,700	242,700	253,240	260,837
Cost Allocations	1,216,680	1,378,437	1,625,101	1,765,220	3,978,277	3,977,308	4,096,627	4,219,526
Charges For Services	302,208	80,644	311,024	176,591	489,161	368,161	379,206	390,582
Fines & Forfeitures	41,677	25,656	23,212	37,622	23,405	23,405	25,000	25,000
Interest & Miscellaneous	375,874	169,278	336,194	460,181	247,900	275,070	150,000	150,000
Total Revenues	10,844,012	10,956,754	11,805,833	12,595,797	14,586,570	14,371,771	14,788,150	15,035,022
Revenue Growth / (Decline)	5.7%	1.0%	7.7%	6.7%	15.8%	-1.5%	2.9%	1.7%
Expenditures								
Salaries	2,256,906	2,817,450	3,158,656	3,014,025	3,869,628	4,037,497	4,077,872	4,118,651
Benefits	840,329	928,759	1,126,035	1,169,373	1,417,029	1,439,760	1,482,953	1,527,442
Supplies	56,537	62,171	83,492	67,501	96,100	97,419	100,000	103,000
Services	4,546,454	4,968,626	4,788,549	6,611,181	6,826,693	6,886,290	6,955,153	7,024,705
Capital	76,214	78,640	71,347	69,256	-	-	-	-
Transfers	511,974	733,455	2,496,929	1,420,524	1,373,630	1,261,000	1,273,610	1,273,610
Interfund Services	768,430	795,404	958,152	1,629,096	1,798,880	1,792,680	1,810,607	1,828,713
Total Expenditures	9,056,844	10,384,504	12,683,160	13,980,956	15,381,960	15,514,647	15,700,195	15,876,120
Expense Growth / (Decline)	-11.5%	9.9%	22.1%	10.2%	10.0%	0.9%	1.2%	1.1%
Anticipated Under - Expenditure					(\$369,404)	(\$392,949)	(\$471,006)	(\$476,284)
Ending Fund Balance	5,980,015	6,552,265	5,674,937	4,289,778	3,863,792	3,113,866	2,672,826	2,308,012



General Funds: Increases 2025-2026

- WCIA Insurance: 89% increase from 2023-2024 Biennium Costs

Year	2019	2020	2021	2022	2023	2024	2025*	2026*
Costs	\$238,014	\$257,846	\$275,514	\$307,020	\$380,003	\$554,671	\$773,433	\$996,791
% Inc YOY	4%	8%	7%	11%	24%	46%	39%	29%

*Budgeted Dollars

Fund	Account	2023	2024	2025*	2026*
General	001-180-518-90-46-00-000	143,972	207,441	283,432	365,284
Streets	102-150-542-90-46-00-000	81,616	128,381	174,733	225,194
Water	401-110-534-10-46-00-000	42,131	57,651	81,657	105,238
Wastewater	402-120-535-10-46-00-000	72,039	99,227	146,660	189,013
Stormwater	404-140-531-31-46-00-000	9,300	12,641	15,923	20,521
Facilities	501-160-518-30-46-00-000	3,130	4,625	11,985	15,446
Info Services	502-170-518-81-46-00-000	4,318	-	7,745	9,981
Equipment	505-170-518-81-46-00-000	23,497	34,705	51,299	66,114
	Total	380,003	544,671	773,433	996,791

*Budgeted Dollars



General Funds: Increases 2025-2026

- Public Safety: 15% increase from 2023-2024 Biennium Budget

Year	2021	2022	2023	2024*	2025*	2026*
Costs	\$3,307,008	\$3,931,404	\$3,646,338	\$5,628,269	\$5,167,890	\$5,462,357
% Inc YOY		19%	-7%	54%	-8%	6%

*Budgeted Dollars

- Costs included in Public Safety:
 - Law enforcement
 - District court fees
 - Jail bookings and corrections
 - Prosecuting attorney and public defender
 - 911 dispatch
 - Animal control



Motion: Adopt Ordinance 2503

Budget Summary By Fund

Fund	Fund Name	Projected Beginning Fund Balance	2025-2026 Revenue Proposed Budget	2025-2026 Expenditure Proposed Budget	Projected Ending Fund Balance
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102	Streets	\$ 528,311	\$ 2,948,000	\$ 3,426,461	\$ 49,850
104	Park Impact Fee	\$ 863,530	\$ 1,406,000	\$ 115,000	\$ 2,154,530
107	Visitor Promotion	\$ 61,418	\$ 44,000	\$ 40,000	\$ 65,418
108	PBIA	\$ 4,824	\$ 40,000	\$ 40,000	\$ 4,824
125	Traffic Impact Fee	\$ 368,344	\$ 262,000	\$ 220,000	\$ 410,344
130	Transportation Benefit District	\$ 7,684,138	\$ 2,740,000	\$ 4,830,034	\$ 5,594,104
140	Snohomish Rescue Plan	\$ 531,769	\$ -	\$ 531,769	\$ (0)
150	Behavioral Health & Housing	\$ 2,180,446	\$ 1,330,734	\$ 460,281	\$ 3,050,899
205	Debt Service	\$ 22,283	\$ 62,630	\$ 62,630	\$ 22,283
305	Real Estate Excise Tax	\$ 481,790	\$ 1,801,000	\$ 2,169,708	\$ 113,082
310	Municipal Capital Projects	\$ 638,013	\$ 1,167,476	\$ 1,553,871	\$ 251,618
311	Street Capital Projects	\$ 1,595,413	\$ 25,752,368	\$ 23,448,274	\$ 3,899,507
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402	Wastewater Utility	\$ 10,698,075	\$ 13,295,934	\$ 22,321,090	\$ 1,672,919
403	Solid Waste	\$ 162,500	\$ -	\$ 60,000	\$ 102,500
404	Stormwater Utility	\$ 6,130,309	\$ 4,525,749	\$ 6,612,800	\$ 4,043,257
501	Facilities	\$ 443,564	\$ 1,750,411	\$ 2,109,182	\$ 84,793
502	Information Services	\$ 693,334	\$ 2,250,713	\$ 2,739,561	\$ 204,486
503	Self-insurance	\$ 356	\$ -	\$ -	\$ 356
505	Equipment Replacement	\$ 1,714,014	\$ 700,002	\$ 1,686,240	\$ 727,776
506	Fleet Maintenance & Operations	\$ 263,989	\$ 1,700,610	\$ 1,713,852	\$ 250,747
	Fund Totals	\$ 44,751,954	\$ 99,136,061	\$ 116,947,775	\$ 26,940,240





Questions





Proposed Council Amendments to 2025-2026 Budget

November 19, 2024



Proposed Council Amendment #1

Brief Title for Amendment: Adjust budget to reflect seriousness of our sidewalk liabilities and safety.

Fund: Sidewalk and Street Tree Fund **Category/Department:** Sidewalks/Safety/Public works

Requested Change: add monies to start the process of repairing and improving the cities current sidewalk safety issues and liabilities. Does not come out of capitol projects.

Justification for Change: The city is impacted by the liabilities our disrepair of sidewalks created. This is a HIGH safety concern for the city

Net Budget Impacts:

INCREASE

Total Value \$_500,000.00_ Per Year

Ongoing

If adding spend, identify proposed revenue source to pay for expenditure:

TLT assistant position removal

2.5 % overall budget adjustment = 2.75 million

- not to be removed from any capitol project fund or priority

Relevant Council Goals: All below

- Public Safety**
- City Infrastructure**
- Economic Vitality**
- Housing**
- Equity Inclusion**



Proposed Council Amendment #2

Brief Title for Amendment: Add City campus bonding budget to equal 37 million.

Fund: City Campus **Category/Department:** Capitol projects/City infrastructure

Requested Change: ADD annual budget monies to cover bonding costs for 37 million bond. Estimated at 2.24 million per year.

Justification for Change: we want a campus we need to budget for it.

Net Budget Impacts:

INCREASE

Total Value \$2,240,000.00 Per Year

Ongoing

If adding spend, identify proposed revenue source to pay for expenditure:

TLT HR assistant position removal

2.5 % overall budget adjustment = 2.75 million

- not to be removed from any capitol project fund or priority

Relevant Council Goals: All below

- City Infrastructure
- Economic Vitality
- Equity Inclusion
- Transparency in Tax funded spending
- Public Safety



Proposed Council Amendment #3

Brief Title for Amendment: Allow TLT positions to expire as designated by admin and approved by council

Fund: from appropriate fund

Category/Department: from appropriate fund

Requested Change: Remove the temp position that is expiring

Justification for Change: this is a temp positions and was approved as a temp position

Net Budget Impacts:

Decrease

Total Value Current position cost, benefits and any other related positional costs

Ongoing

If adding spend, identify proposed revenue source to pay for expenditure:

Relevant Council Goals: All below

- Economic Vitality
- Equity Inclusion
- Transparency in Tax funded spending



Proposed Council Amendment #4 (Not in Packet)

COUNCIL REQUESTED 2025-2026 BUDGET AMENDMENT

Proposed by: David Flynn

Brief Title for Amendment: [overall budget reduction](#)

Fund: [overall, no capitol projects](#)

Category/Department: [overall, no capitol projects](#)

Requested Change: [amend/reduce proposed budget by 2.240,000.00 per year](#)

Justification for Change: [There is no city campus in this budget and if proposed in 2025, we will need this funding to even consider the cost of moving forward.](#)

Net Budget Impacts:

[DECREASE](#)

Total Value [Deduction \\$ 2.240,000.00](#) [Per Year](#)

[Ongoing](#)

If adding spend, identify proposed revenue source to pay for expenditure:

Relevant Council Goals: *All below*

- [City Infrastructure](#)
- [Economic Vitality](#)
- [Equity Inclusion](#)
- [Transparency in Tax funded spending](#)
- [Public Safety](#)



Civic Campus Projections (Scenario)

Assumptions: Project estimate of \$37M funded by bonds @ 25-year payments estimated at \$2.33M / year:

Expenditures:

- General Fund: \$583k per year, \$1.166M per biennium
- Water Fund: \$583k per year, \$1.166M per biennium
- Wastewater Fund: \$583k per year, \$1.166M per biennium
- Stormwater Fund: \$583k per year, \$1.166M per biennium
- Municipal Capital Fund: \$37M in 2026-2028

Revenues:

- Municipal Capital Fund: \$37M bond revenue
- Water Fund: \$600K in 2026 for sale of water treatment plant
- General Fund: for sale of properties
 - \$600k in 2026 for Sale of Visitor Information Center
 - \$2M in 2028 for City Hall
 - \$600K in 2028 for Engineering building



Civic Campus Projections (Scenario)

Fund	Fund Name	Projected Beginning Fund Balance	2025-2026 Revenue Proposed Budget	2025-2026 Expenditure Proposed Budget	Projected Ending Fund Balance
001	General	\$ 4,289,778	\$ 29,558,341	\$ 30,717,498	\$ 3,130,621
102	Streets	\$ 528,311	\$ 2,948,000	\$ 3,426,461	\$ 49,850
104	Park Impact Fee	\$ 863,530	\$ 1,406,000	\$ 115,000	\$ 2,154,530
107	Visitor Promotion	\$ 61,418	\$ 44,000	\$ 40,000	\$ 65,418
108	PBIA	\$ 4,824	\$ 40,000	\$ 40,000	\$ 4,824
125	Traffic Impact Fee	\$ 368,344	\$ 262,000	\$ 220,000	\$ 410,344
130	Transportation Benefit District	\$ 7,684,138	\$ 2,740,000	\$ 4,830,034	\$ 5,594,104
140	Snohomish Rescue Plan	\$ 531,769	\$ -	\$ 531,769	\$ (0)
150	Behavioral Health & Housing	\$ 2,180,446	\$ 1,330,734	\$ 460,281	\$ 3,050,899
205	Debt Service	\$ 22,283	\$ 62,630	\$ 62,630	\$ 22,283
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310	Municipal Capital Projects	\$ 638,013	\$ 38,167,476	\$ 38,553,871	\$ 251,618
311	Street Capital Projects	\$ 1,595,413	\$ 25,752,368	\$ 23,448,274	\$ 3,899,507
401	Water Utility	\$ 5,395,755	\$ 9,400,093	\$ 13,256,012	\$ 1,539,837
402	Wastewater Utility	\$ 10,698,075	\$ 13,295,934	\$ 22,904,334	\$ 1,089,675
403	Solid Waste	\$ 162,500	\$ -	\$ 643,244	\$ (480,744)
404	Stormwater Utility	\$ 6,130,309	\$ 4,525,749	\$ 6,612,800	\$ 4,043,257
501	Facilities	\$ 443,564	\$ 1,750,411	\$ 2,109,182	\$ 84,793
502	Information Services	\$ 693,334	\$ 2,250,713	\$ 2,739,561	\$ 204,486
503	Self-insurance	\$ 356	\$ -	\$ -	\$ 356
505	Equipment Replacement	\$ 1,714,014	\$ 700,002	\$ 1,686,240	\$ 727,776
506	Fleet Maintenance & Operations	\$ 263,989	\$ 1,700,610	\$ 1,713,852	\$ 250,747
	Fund Totals	\$ 44,751,954	\$ 137,736,061	\$ 156,280,751	\$ 26,207,264



Civic Campus Projections (Scenario)

GENERAL FUND FORECAST MODEL FOR 2025 - 2026 Budget

ITEM	2021 Actual	2022 Actual	2023 Actual	2024 Estimate	2025 Budget	2026 Budget	2027 Outlook	2028 Outlook
Beginning Fund Balance	4,192,846	5,980,015	6,552,265	5,674,937	4,289,778	3,863,792	3,130,622	2,131,815
Revenue								
Taxes	8,335,652	8,781,385	8,591,546	8,868,776	8,799,077	8,829,077	8,924,077	9,029,077
Licenses & Permits	316,850	265,612	405,114	735,834	806,050	656,050	460,000	460,000
Grants	2,000	1,715	325,007	269,068			500,000	500,000
State Shared	253,072	254,026	188,633	282,506	242,700	242,700	253,240	260,837
Cost Allocations	1,216,680	1,378,437	1,625,101	1,765,220	3,978,277	3,977,308	4,096,627	4,219,526
Charges For Services	302,208	80,644	311,024	176,591	489,161	368,161	379,206	390,582
Fines & Forfeitures	41,677	25,656	23,212	37,622	23,405	23,405	25,000	25,000
Interest & Miscellaneous	375,874	169,278	336,194	460,181	247,900	275,070	150,000	150,000
Sale of Capital Assets	-	-	-	-	-	600,000	-	2,600,000
Total Revenues	10,844,012	10,956,754	11,805,833	12,595,797	14,586,570	14,971,771	14,788,150	17,635,022
Revenue Growth / (Decline)	5.7%	1.0%	7.7%	6.7%	15.8%	2.6%	-1.2%	19.3%
Expenditures								
Salaries	2,256,906	2,817,450	3,158,656	3,014,025	3,869,628	4,037,497	4,077,872	4,118,651
Benefits	840,329	928,759	1,126,035	1,169,373	1,417,029	1,439,760	1,482,953	1,527,442
Supplies	56,537	62,171	83,492	67,501	96,100	97,419	100,000	103,000
Services	4,546,454	4,968,626	4,788,549	6,611,181	6,826,693	6,886,290	6,955,153	7,024,705
Capital	76,214	78,640	71,347	69,256	-	583,244	583,244	583,244
Transfers	511,974	733,455	2,496,929	1,420,524	1,373,630	1,261,000	1,273,610	1,273,610
Interfund Services	768,430	795,404	958,152	1,629,096	1,798,880	1,792,680	1,810,607	1,828,713
Total Expenditures	9,056,844	10,384,504	12,683,160	13,980,956	15,381,960	16,097,891	16,283,439	16,459,364
Expense Growth / (Decline)	-11.5%	9.9%	22.1%	10.2%	10.0%	4.7%	1.2%	1.1%
Anticipated Under - Expenditure					(\$369,404)	(\$392,949)	(\$496,482)	(\$501,846)
Ending Fund Balance	5,980,015	6,552,265	5,674,937	4,289,778	3,863,792	3,130,622	2,131,815	3,809,319





Questions

