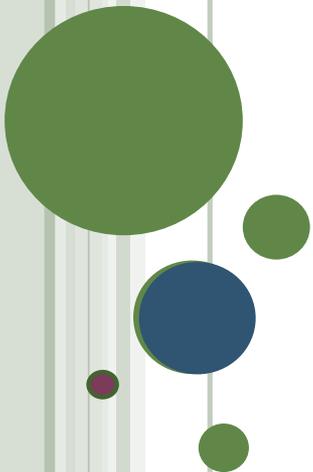




# **2017 – 2018 BUDGET PRESENTATION**

**October 4, 2016:  
Introduction & Revenue Forecasting**



# BUDGET DEFINITION

- The budget is an economic plan that focuses the entity's financial & human resources on the accomplishment of specific goals & objectives established by the policy makers.
  - Financial Resources
  - Human Resources
  - Goals
  - Objectives



# CITY OF MILL CREEK GUIDING PRINCIPLES



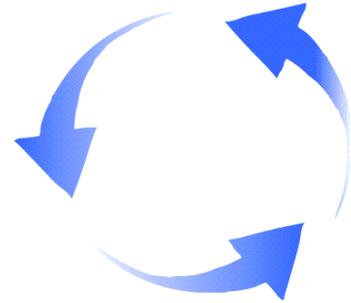
# WHY HAVE BUDGETS?

- ❑ Legally Required
- ❑ Accountability
- ❑ Management Tool
- ❑ Planning Document



# ROLES OF THE BUDGET MAKERS

- ❑ Policy makers (Council) – make policy!
  - Provide policy guidance at the beginning.
  - Confirms budget meets direction by adoption.
  - Monitors for conformity and result.
- ❑ City Managers
  - Propose policy at the beginning.
  - Develops organization strategy to implement policy.
- ❑ Departments
  - Develop operational strategy
  - Provide service (departments can be passionate about this!)
  - Accountable for “day-to-day.”
- ❑ Public – “stakeholders”
  - Observe results and “counsel” policy makers.

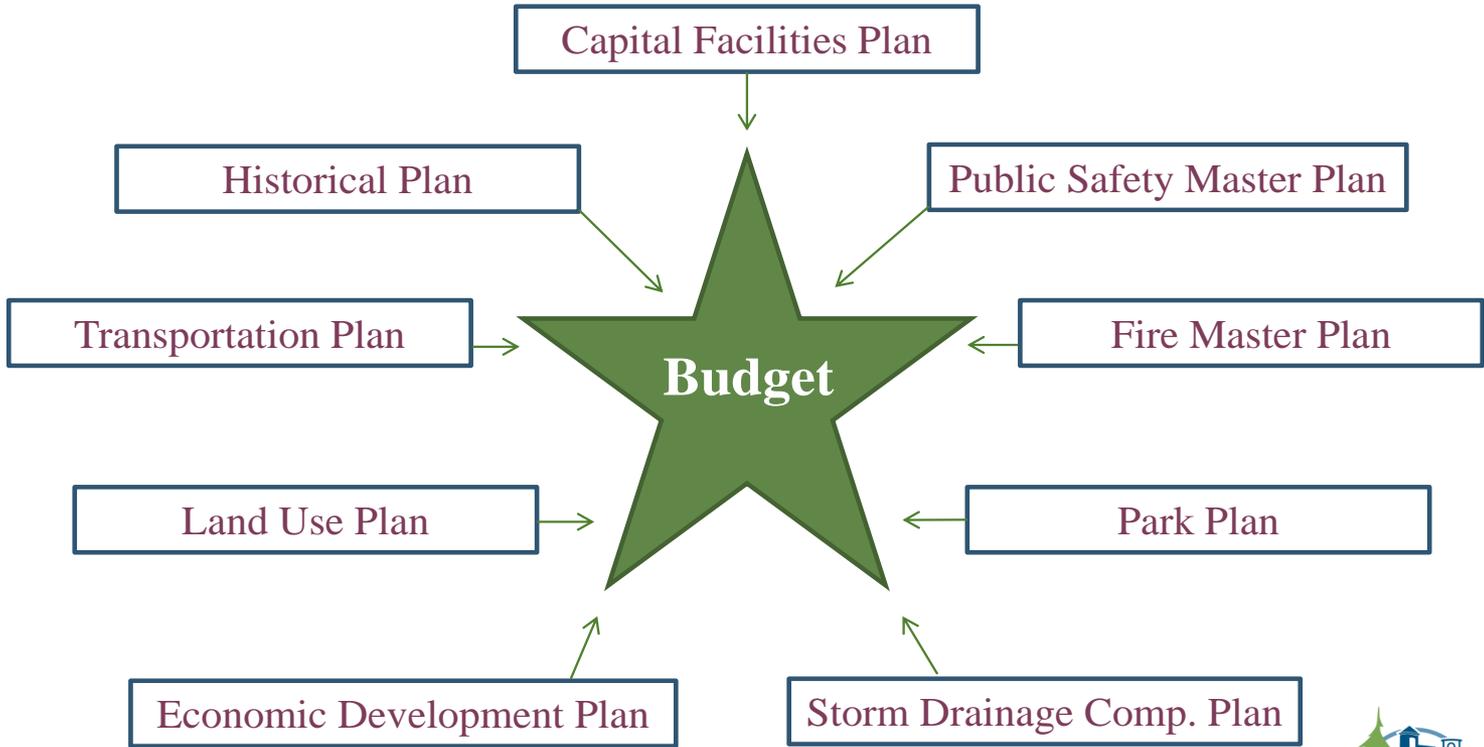


# ROLES AND RELATED TOOLS

## Reporting Pyramid



# INFLUENCES ON THE BUDGET



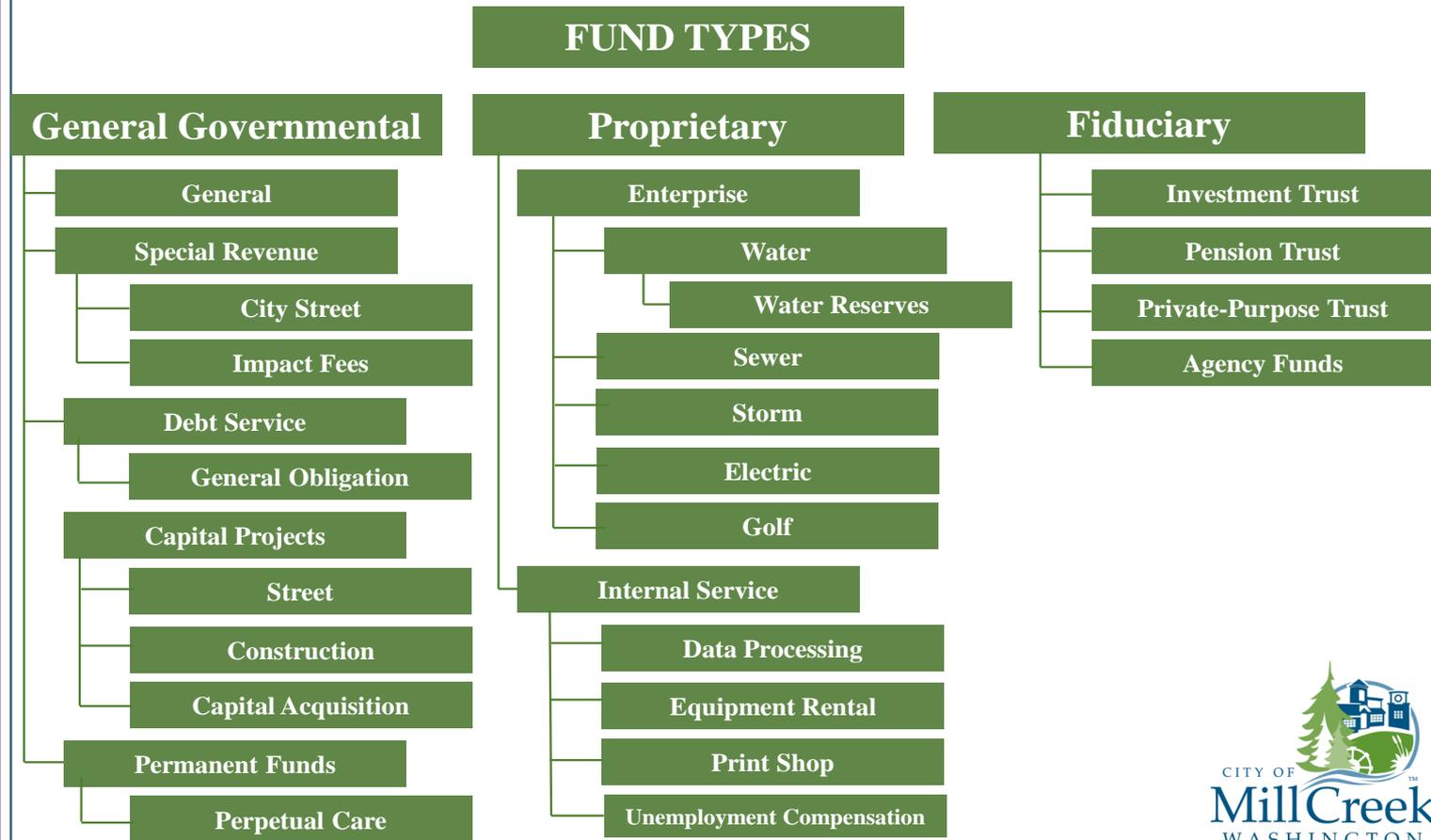
# BASICS OF BUDGETING – WHAT YOU ARE BUDGETING AND WHY?

## FUND STRUCTURE

- ❑ Accounting rules and regulations will set the types of funds that local government uses.
- ❑ The type of fund will determine budget focus.
- ❑ Differences in fund types are often set to meet the financial objectives of the City.
- ❑ Understanding the fund types and their intended purpose will assist in budget development.
  - Not all fund types require a budget appropriation.

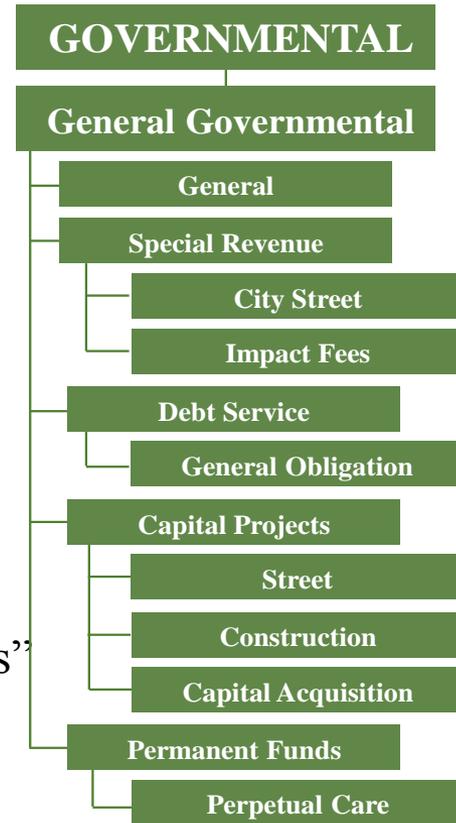


# FUND STRUCTURE – 3 DIFFERENT FUND TYPES



# GOVERNMENTAL FUND TYPES

- **General Fund**
  - Chief operating fund of local government.
    - Used to account for all financial resources except those required to be accounted for in another fund.
- **Special Revenue Funds**
  - Used to account for the proceeds of resources that are restricted or committed for purposes other than debt service or capital projects.
  - Accounting regulations shifted the focus of special revenue funds from activities to resources received. Emphasis is on “restrictions” and/or “commitments.”
    - Examples:
      - Hotel/Motel Tax
      - Criminal Justice Tax



# OTHER GOVERNMENTAL FUND TYPES

- ❑ Debt Service
  - To account for the accumulation of resources for, and the payment of, general long-term debt (principal and interest) for Governmental Funds.
    - General Obligation debt only (debt backed by taxes).
- ❑ Capital Projects
  - To account for financial resources to be used for the acquisition or construction of major capital facilities of governmental fund types.
    - Not to be used for proprietary funds and trust funds.
- ❑ Permanent Funds
  - Used to account for resources that are legally restricted to the extent that only earnings, and not principal, may be used for programs or activities that is for the benefit of the government or its citizens.
    - Example: Perpetual Care funds for Cemetery.



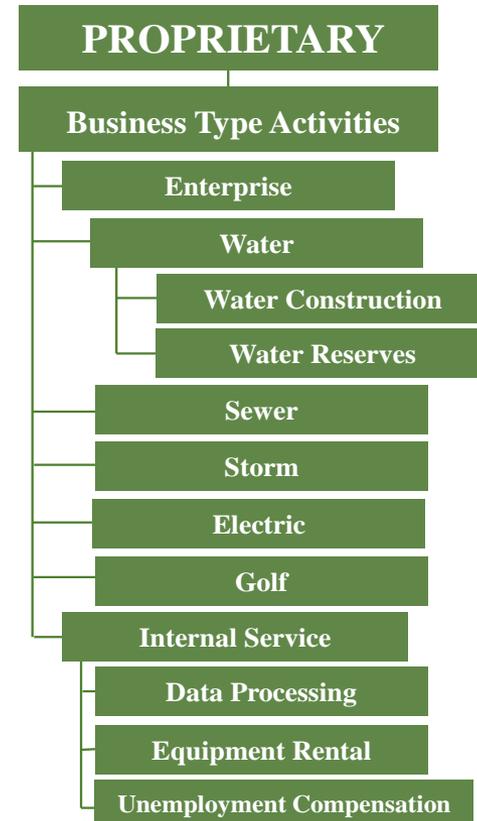
# PROPRIETARY FUND TYPES

## ❑ Enterprise Funds

- Accounts for operations that the primary source of revenues is user fees or charges for services.
- Operated and financed similar to private business, where intent of governing body is cost recovery.

## ❑ Internal Service Funds

- Used to finance goods or services provided by one department/agency to other departments of the government.
- Used to allocate the cost of providing services to other funds.





# PROPOSED FUND RESTRUCTURING

# FUNDS RECOMMENDED FOR CONSOLIDATION

Funds	Fund Balance	Consolidate With
<b>Special Revenue Funds:</b>		
Council Contingency	\$ 69,735	General Fund
Municipal Arts	38,369	General Fund
Drug Buy Fund	62,236	General Fund
Beautification Fund	7,822	General Fund
35th Reserve	-	General Fund
<b>Enterprise Funds:</b>		
Equipment Replacement	1,474,245	General Fund
Unemployment Self-Insurance	-	General Fund



# INFLUENCES ON THE BUDGET: FINANCIAL POLICIES

- ❑ Fund Balance
  - Reserves
- ❑ Contingency Planning
- ❑ Balancing the Operating Budget
- ❑ Use of One-Time Revenues
- ❑ Use of Fluctuating Revenues
- ❑ Fees & Charges
- ❑ Debt Level & Capacity



# PROPOSED FINANCIAL POLICIES



# ISSUES IN REVENUE FORECASTING

- ❑ Establish base year.
- ❑ Focus on major revenues.
- ❑ Assess revenue growth trends.
- ❑ Specify underlying assumptions.
- ❑ Select appropriate forecasting method.
- ❑ Validate forecasts – is it reasonable?
- ❑ Monitor revenue forecasts.
- ❑ Update forecasts as needed.



# PROBLEMS IN FORECASTING

- ❑ Promote realistic estimates.
- ❑ Outliers – correct for known defects.
- ❑ Compounding of growth factors.
- ❑ One-time revenues / expenditures.
- ❑ Timing factors.
- ❑ Weakness of CPI / IPD factors.
- ❑ Knowing the future!



# GENERAL FUND REVENUE FORECAST



# GENERAL FUND REVENUE ASSUMPTIONS

## Taxes

- Regular Property Tax
  - Rate of inflation (IPD rate) is .953% for 2017.
  - Substantial Need Ordinance/Resolution required for full increase to 1%. Difference for 2017 ~ \$2,800.
  - Construction AV for 2017 and 2018 of \$14,627,000 and \$20,000,000 assumed.
- Sales Tax
  - Based on the average of past three years.
  - Includes an increase of 4% growth based on State forecast.
  - Construction sales tax assumed for Vintage of \$180k excluded from the General Fund as we adopt new financial policy.
  - Criminal Justice and Public Safety Tax assumed in proportionate percentage to Retail Sales Tax.



# GENERAL FUND REVENUE ASSUMPTIONS

- Licenses and Permits
  - Waste Management will decline due to one-time fee and overpayment in previous biennium along with the reduction in contracted amounts charged to consumers.
  - Building fees and the variable revenue stream, technology fees are assumed to decline by 25%.
  
- Intergovernmental
  - Shared revenues as projected by MRSC are expected to increase 8.5%.



# GENERAL FUND REVENUE ASSUMPTIONS

- Grants
  - Grants currently anticipated in the general fund are \$80k lower than the projected amounts for the previous biennium.
  
- Charges for Services
  - Revenue related to development/building are projected to decline by \$280k or 60% over 2015-2016.
  - Passport fees are budgeted conservatively at \$450k which represents a \$115k decrease over the previous biennium.



# GENERAL FUND REVENUE ASSUMPTIONS

- Fines and Penalties
  - Revenue related to civil infractions is projected to increase 80k over the previous period.
  
- Miscellaneous Revenues
  - A decrease of \$48k is projected related to investment interest and one time amounts received in the previous biennium.



# City of Mill Creek Guiding Principles



## VISION

Mill Creek will be a City where everyone works together to foster an exceptional community experience - a place where people are safe, the natural beauty is preserved, neighborhoods flourish, businesses thrive and recreational opportunities abound.

## MISSION

Mill Creek's mission is to set the standard of excellence for local government. Through dynamic and innovative strategies, we provide outstanding public services in a fiscally responsible manner to promote a safe, active and vibrant City.



## STAR VALUES

### SERVICE

Through continuous improvement, innovation, creativity, professional competence and hard work, we enthusiastically provide outstanding service to all customers, internal and external.

### TEAMWORK

In order to support our shared goals and successes, we teach, learn from, collaborate and cooperate with others, while being flexible, adaptable and inclusive.

### ACCOUNTABILITY

We are responsible for our actions and decisions, and always portray honesty, integrity, transparency and leadership in our contributions.

### RESPECT

We take pride in our work and accomplishments, and in the work and accomplishments of others. We support an environment that honors the value and dignity of all individuals.

## GOALS

### FISCAL RESPONSIBILITY

To responsibly manage the City's financial resources to provide quality public services, cultivate economic prosperity, and maintain a sustainable budget.

### COMMUNITY PRESERVATION

To support the development, maintenance and revitalization of public and private property to ensure the continuation of Mill Creek as a safe, clean and well maintained community.

### CIVIC PRIDE

To achieve strong community spirit by promoting active civic participation, public-private partnerships and transparency in government.

### CUSTOMER SERVICE

To provide excellent service to all who interact with the City by recruiting, training and retaining a skilled, innovative and dynamic workforce.

### RECREATIONAL OPPORTUNITIES

To facilitate diverse recreational opportunities for people of all ages.

### PUBLIC SAFETY

To protect the life, health and property of residents, visitors and businesses through the delivery of community focused public safety services.

### ECONOMIC PROSPERITY

To engage in proactive economic development efforts that result in a robust local economy and position the City as a destination of choice.

### LEADERSHIP

To influence regional, state and national matters impacting our community through the engagement of staff and elected officials.

### LONG TERM PLANNING

To maintain the City's special community character by carefully evaluating future opportunities for short and long term benefits in order to protect land use, infrastructure, economic development and service delivery standards.

# FISCAL POLICY CITY OF MILL CREEK, WASHINGTON

## **1. General Financial Goals**

- a. To provide a financial base sufficient to sustain municipal services and maintain the social and physical conditions of the City.
- b. To be able to withstand local and regional economic downturns, to adjust to changes in service requirements, and to respond to other changes as they affect the community.
- c. To maintain an excellent credit rating in the financial community and assure taxpayers that the City of Mill Creek is maintained in sound fiscal condition.

## **2. Operating Budget Policies**

- a. The base operating budget is the City's comprehensive two-year financial plan which provides for the desired level of City services as defined by the City's priorities.
- b. The goals of the budgeting process are:
  - Align the budget with citizen priorities.
  - Measure progress towards priorities.
  - Get the best value for each tax dollar.
  - Foster continuous learning in the City.
  - Build regional cooperation.
- c. Revenues and expenditures for the General Fund, and all operating funds, shall be projected for the ensuing biennium.



FISCAL POLICY

- d. Biennial operating budgets should provide for design, construction, maintenance and replacement of the City's capital and equipment consistent with the Capital Improvement Plan, including the related costs for operating such new facilities.
- e. The City will maintain all of its assets at a level such that it protects the City's capital investment and minimizes future maintenance and replacement costs.
- f. The City will develop an equipment replacement and maintenance needs analysis for the life cycle of the equipment and will update this projection every two years consistent with budget development.
- g. All general government current operating expenditures will be paid from current revenues and cash carried over from the prior biennium.
- h. Reports on revenues and expenditures will be prepared monthly and reviewed quarterly by the City Council during the year.
- i. The City will avoid budgetary and accounting procedures which balance the current budget at the expense of future budgets.
- j. The City of Mill Creek defines a balanced budget as current biennium revenues (including fund balances) are equal to or greater than current biennium budgeted expenditures.
- k. The City will attempt to utilize beginning balances and other one-time revenues only for onetime/non-recurring expenditures.

All supplemental appropriations for programs (appropriations requested after the original budget is adopted) will be considered as a result of the availability of new revenues (such as unanticipated grants). All supplemental appropriations will conform to these operating budget policies.

**3. Revenue Policies**

- a. The City will strive to maintain a diversified and stable revenue system to shelter it from short-run fluctuations in any one revenue source. The revenue mix should combine elastic and inelastic revenue sources to minimize the effect of an economic downturn.



FISCAL POLICY

- b. Because revenues, especially those of the General Fund, are sensitive to both local and regional economic activities, revenue estimates provided to the City Council shall be conservative.
- c. The City will estimate its biennial revenues by an objective, analytical process using best practices as defined by the Government Finance Officers Association.
- d. The City will project revenues for the next six years and will update this projection biennially. The City Manager will biennially review and make available to the City Council an analysis of each potential major revenue source.
- e. The City will establish all user charges at a level related to the cost of providing the service and within policy parameters established by the City Council.
- f. In each odd numbered year, the City will review user fees to adjust for the effects of inflation and other factors as appropriate. The City will set fees for user activities, such as recreational services, at a level to support the direct and indirect costs of the activity in accordance with cost recovery policies adopted by the City Council.
- g. The City will set fees and user charges for each enterprise fund at a level that fully supports the total direct and indirect cost of the activity including the cost of annual depreciation of capital assets. Additionally, for analysis and rate modeling purposes, the proposed rates shall also take into account debt service coverage commitments made by the City of 1.2 times annual debt service.

**4. Expenditure Policies**

- a. The City budget will provide for a sustainable level of service as defined in the context of the operating budget policies.
- b. The City's operating budget will not use one-time revenues to support ongoing expenditures.
- c. The City will maintain expenditure categories according to state statute and administrative regulation.
- d. The City will structure service levels in the context of financial sustainability.

FISCAL POLICY

- e. The City will forecast its General Fund expenditures biennially for the next six years. The drivers and assumptions used in the forecast will be described.
- f. A cost allocation plan will be developed and incorporated into the City budget. The cost allocation plan will be the basis for distribution of general government costs to other funds or capital projects (also known as indirect costs).

**5. Capital Investment Budget Policies**

- a. The City will make capital improvements in accordance with an adopted Capital Improvement Program.
- b. The Capital Improvement Program and the base operating budget will be reviewed at the same time to ensure that the City's capital and operating needs are balanced with each other and that the Capital Improvement Program is aligned with the City's other long-range plans.
- c. The City will develop a six-year plan for capital improvements including operations and maintenance costs and update it every biennium. Capital expenditures will be forecasted taking into account changes in population, changes in real estate development, or changes in the relevant economic condition of the City and the region.
- d. The City will identify the estimated costs and potential funding sources for each capital project proposal before it is submitted to Council for approval. The City will use intergovernmental assistance and other outside resources whenever possible.
- e. The City will determine the least costly financing method for all new projects.
- f. The City will transfer, annually, General Fund one-time revenues to the Capital Improvement Program.

**6. Short-Term Debt Policies**

- a. Short-term debt is defined as a period of three years or less.
- b. The City may use short-term debt to cover temporary cash flow shortages, which may be caused by a delay in receipting tax revenues or issuing long-term debt. The City will not use short-term debt for current operations.

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**FISCAL POLICY**

- c. The City may issue interfund loans rather than outside debt instruments to meet short-term cash flow needs. Interfund loans will be permitted only if an analysis of the affected fund indicates excess funds are available and the use of these funds will not impact the fund's current operations. All interfund short-term borrowing will be subject to Council approval by ordinance or resolution and will bear interest based upon prevailing rates.

**7. Long-Term Debt Policies**

- a. Long-term debt is that debt which exceeds three years.
- b. The City will utilize long-term borrowing for capital improvements that cannot reasonably be financed on a pay-as-you-go basis from anticipated cash flows.
- c. Acceptable uses of bond proceeds are items which can be capitalized and depreciated. Refunding bond issues designed to restructure currently outstanding debt is also an acceptable use of bond proceeds provided that the net present value (NPV) of savings is at least four percent (4%).
- d. The City will determine whether self-supporting bonds (such as special assessment improvement district bonds) are in the City's best interest when planning to incur debt to finance capital improvements.
- e. The City will not use long-term debt for current operations.
- f. The City will maintain good communications with bond rating agencies about its financial condition. The City will follow a policy of full disclosure on every financial report and bond prospectus including proactive compliance with disclosure to the secondary market.
- g. General Obligation Bond Policy
  1. Every project proposed for financing through general obligation debt shall be accompanied by a full analysis of the future operating and maintenance costs associated with the project.
  2. Bonds cannot be issued for a longer maturity schedule than a conservative estimate of the useful life of the asset to be financed.
- h. Financing of Lease Purchases
  1. Under Washington State law, the public may vote to approve bond issues for general government purposes in an amount not to exceed



FISCAL POLICY

2.5% of assessed valuation. Within the 2.5% limit, the Mill Creek City Council may approve bond issues and/or lease purchases up to 1.5% of the City's total assessed value. In addition, state law provides for an additional 2.5% of assessed valuation for parks and open space purposes with a vote of the public.

2. Lease purchase financing may be used when the cost of borrowing or other factors make it in the City's best interest.

**8. Reserve Fund Policies**

- a. The City will maintain General Operating Reserves at a level equal to at least 15% of the total General Fund budgeted annual revenue, excluding the beginning fund balance and any significant one-time revenue. These reserves shall be created and maintained to:
  1. Provide sufficient cash flow to meet daily financial needs.
  2. Sustain City services in the event of a catastrophic event such as a natural/manmade disaster (e.g. earthquake, windstorm, flood, terrorist attack) or a major downturn in the economy.
- b. Biennium surpluses in the General Fund will be used to fund one-time operations, capital expenditures, or dedicated to the Capital Improvement Program if:
  1. There are surplus balances remaining after all current expenditure obligations and reserve requirements are met.
  2. The City has made a determination that revenues for the ensuing biennium are sufficient to support budgeted General Fund operations.
- c. A surplus is defined as the difference between the actual beginning fund balance and the budgeted beginning fund balance. It consists of under-expenditures and excess revenues over and above the amounts included in the biennial budget.
- d. The City will maintain operating reserves in the following funds:
  1. Surface Water Fund: 5%
  2. Annex Fund: 5%



FISCAL POLICY

- e. The City shall additionally maintain the following Equipment Replacement Reserve Funds:
  - 1. Fleet Maintenance Reserve; and
  - 2. Capital Equipment Reserve for general asset replacement.

The Equipment Reserve Funds will be maintained at a level sufficient to meet scheduled equipment replacement so as to sustain an acceptable level of municipal services and prevent a physical deterioration of City assets.

- f. The City shall also maintain Reserve Funds as follows:
  - 1. All statutorily required reserve funds to guarantee debt service; and
  - 2. A vacation accrual reserve.

No reserve shall be established for sick leave. One-fourth of accrued sick leave is payable only upon retirement and is not considered material.

**9. Investment Policies**

The City Manager will biennially submit an investment policy to the City Council for review.

**10. Special Revenue Policies**

- a. The City will establish and maintain Special Revenue Funds which will be used to account for the proceeds of specific revenue sources to finance specified activities which are required by statute, ordinance, resolution, or executive order.
- b. Special Revenue Funds having biennial operating budgets will be reviewed by the City during the budget process.

**11. Accounting, Auditing and Financial Reporting Policies**

- a. The City will establish and maintain a high standard of internal controls and accounting practices. The City accounts for revenues and expenditures on a cash basis.



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FISCAL POLICY

- b. The accounting system will maintain records on a basis consistent with accepted standards for local government accounting and the State of Washington Budgeting, Accounting, and Reporting Systems.
- c. Regular quarterly and annual financial reports will present a summary of financial activity by major types of funds. Such reports will be available via the City's website ([www.cityofmillcreek.com](http://www.cityofmillcreek.com)).
- d. A fixed asset system will be maintained to identify all City assets, their location, and their condition.
- e. The City will ensure that City records are audited annually and which will result in the issuance of a financial opinion. The results of such audit are to be available to the public via the City's website.

**12. Budget Calendar**

- a. In order to facilitate and implement the budget process, the City Manager will propose a biennial budget calendar at the first regular Council meeting in March in every even year.
- b. The calendar will be comprehensive in nature and generally provide for a process that resembles the Best Practices as published by the Government Finance Officers Association.

City of Mill Creek  
 Biennial Revenue - General Fund; \$ Change  
 For the periods ending,

Description	Change in \$'s Biennium over Biennium					
	Actual 2007-2008	Actual 2009-2010	Actual 2011-2012	Actual 2013-2014	Projected 2015-2016	Projected 2017-2018
Regular Property Tax	1,731,638	483,617	572,430	524,505	771,492	555,866
EMS Property Tax Levy	185,915	53,438	1,229,556	(139,205)	349,977	827,111
Local Retail Sales and Use Tax	618,031	(711,879)	87,220	603,994	309,196	(160,600)
"Public Safety" Sales Tax	-	-	-	352,365	103,202	233
Criminal Justice Sales Tax	140,489	(95,075)	5,402	67,012	43,044	(22,517)
Punch Boards/Pull Tab Excise	(4,971)	(4,563)	3,363	(8,611)	-	-
Interest-Real & Property Taxes	963	(14,321)	(1,777)	375	-	-
<b>TAXES</b>	<b>2,672,065</b>	<b>(288,783)</b>	<b>1,896,194</b>	<b>1,400,435</b>	<b>1,576,911</b>	<b>1,200,093</b>
Prof. & Occ. Business Licenses	3,823	(3,837)	(1,963)	5,638	4,562	2,800
Franchise Fees - Cable & Fiber	133,702	76,026	50,779	53,033	41,514	24,959
Franchise Fees - Waste Mgmt.	46,297	25,959	3,602	1,691	46,957	(57,506)
Building/Structure Permits	(8,620)	(333,922)	87,969	367,616	(219,398)	(126,992)
Technology fee	-	-	-	34,122	(759)	(16,413)
Animal Licenses	(490)	(1,190)	(166)	218	337	(218)
Penalties on Non-Business Lic.	8,719	(9,499)	(115)	(25)	-	-
Other Permits or Licenses	(18,061)	18,162	(4,539)	70	(3,669)	1,271
<b>LICENSES &amp; PERMITS</b>	<b>165,370</b>	<b>(228,301.50)</b>	<b>135,567.00</b>	<b>462,363.00</b>	<b>(130,456.49)</b>	<b>(172,099.09)</b>
PUD Privilege Tax	26,497	11,016	33	5,840	10,529	8,759
MVET- Violent Crimes/Pop	1,666	927	146	1,027	1,219	2,139
Crim Justice-Spec Programs	5,995	2,977	267	3,288	3,996	3,767
DUI/Criminal Justice Assist	2,407	2,162	(2,123)	(603)	(775)	(5,926)
Liquor Excise Tax	43,320	15,480	(23,504)	(110,403)	92,656	49,844
Liquor Control Board Profits	47,963	25,312	36,350	20,710	3,800	664
Evr School Dist-School Officer	(13,280)	20,875	(9,483)	15,836	24,633	19,421
Marijuana Testing Fees	(25)	(500)	175	(275)	-	-
Sno-Isle Library	30,214	7,093	(2,935)	(55,497)	-	-
<b>INTERGOVERNMENTAL</b>	<b>144,757</b>	<b>85,342</b>	<b>(1,074)</b>	<b>(120,077)</b>	<b>136,059</b>	<b>78,667</b>
Bulletproof Vest Fed Grant	-	-	1,761	1,316	3,087	(3,764)
Grants-WASPC/Live Scan Finger P	2,902	(5,895)	(945)	-	18,000	(18,000)
State Grant Military Dept	-	-	-	-	2,659	(2,659)
Grants-Traffic Safety Comm	(1,470)	(3,088)	2,855	4,822	(9,865)	2,000
Local Grants	-	-	-	-	67,864	(57,864)
<b>GRANTS</b>	<b>1,432</b>	<b>(8,983)</b>	<b>3,671</b>	<b>6,138</b>	<b>81,746</b>	<b>(80,288)</b>
Sale of Maps & Publications	(523)	(184)	(28)	(66)	(12)	(36)
Copies, Fingerprinting, Tape	4,229	5,548	(3,373)	1,218	(1,179)	(763)
Engineering Plan Check Fees	(111,351)	8,136	25,113	25,437	55,395	(94,063)
Candidate Filing Fees	(60)	(360)	240	360	(4,142)	4,142
Passport Fees	142,429	(256,793)	(65,675)	46,409	150,653	(113,767)
Law Enforcement Services	(30)	7,393	8,272	(9,049)	(631)	3,925
Zoning & Subdivision Fees	(22,940)	(7,750)	400	8,915	13,410	(22,855)
Plan Check Fees	(8,252)	(160,672)	5,813	206,123	(98,624)	(154,738)
Design Review Board Fees	16,750	(19,000)	(500)	6,068	(2,318)	(2,500)
Other Development Fees	1,800	997	3,603	250	5,575	(5,825)
<b>CHARGES FOR SERVICES</b>	<b>22,052</b>	<b>(422,685)</b>	<b>(26,135)</b>	<b>285,665</b>	<b>118,127</b>	<b>(386,479)</b>

City of Mill Creek  
 Biennial Revenue - General Fund; \$ Change  
 For the periods ending,

Description	Change in \$'s Biennium over Biennium					
	Actual 2007-2008	Actual 2009-2010	Actual 2011-2012	Actual 2013-2014	Projected 2015-2016	Projected 2017-2018
Civil Traffic Infraction	46,232	172,988	135,478	(129,142)	(79,967)	74,018
Dismissed Tickets	3,247	6,526	1,228	(6,297)	(3,812)	373
Code Enforcement Penalties	-	-	-	200	200	(400)
Civil Parking Infractions	5,077	12,141	(11,260)	320	(5,530)	8,274
Permit & License Penalties	-	-	-	-	1,000	(1,000)
<b>FINES &amp; PENALTIES</b>	<b>54,556</b>	<b>191,655</b>	<b>125,446</b>	<b>(134,919)</b>	<b>(88,108)</b>	<b>81,264</b>
Investment Interest	92,020	(349,505)	1,137	(18,996)	(27,354)	(9,754)
Interest on Sales Tax Rec.	5,535	(9,400)	(6,395)	(1,237)	2,297	(3,221)
Interest - Rifle Purchase	333	(71)	158	(605)	-	-
Lease Revenue/Cell Tower Leases	-	-	5,000	17,000	74,000	-
Donations	-	-	-	11,325	(9,275)	(2,050)
DARE Donations/Sales	1,259	(764)	(469)	(23)	2	(5)
ESCA Equity	-	-	-	-	35,604	(35,604)
Cashier's Overage/Shortages	75	8	188	(173)	330	(337)
Other Miscellaneous Revenue	21,256	(21,651)	(7,981)	(1,629)	(10,693)	2,107
DWLS Impound Admin fee	62,495	(75,050)	-	-	-	-
<b>MISCELLANEOUS REVENUES</b>	<b>182,973</b>	<b>(456,433)</b>	<b>(8,362)</b>	<b>5,662</b>	<b>64,911</b>	<b>(48,864)</b>
Proceeds-Sale Capital Assets	3,600	(3,600)	-	-	-	-
Insurance & Restitut Recovery	9,574	(11,456)	12,812	20,052	(34,458)	(667)
Transfer From Annex Bldg.	-	-	400,000	(400,000)	-	-
Transfer From Crimin Justice	1,035	(1,035)	-	-	-	-
Transfer From Drug Buy	-	615	4,368	(8,983)	-	-
Transfer from Beautification	(3,266)	(4,734)	-	-	-	-
Transfer from REET	-	-	-	560,000	80,000	(640,000)
Insurance Recoveries	-	-	-	-	16,189	(16,189)
<b>OTHER FINANCING SOURCES</b>	<b>10,943</b>	<b>(20,210)</b>	<b>417,180</b>	<b>171,069</b>	<b>61,731</b>	<b>(656,856)</b>
<b>GENERAL FUND</b>	<b>3,254,148</b>	<b>(1,148,399)</b>	<b>2,542,487</b>	<b>2,076,336</b>	<b>1,820,920</b>	<b>15,438</b>
<b>Less: Transfers</b>	<b>10,943</b>	<b>(20,210)</b>	<b>417,180</b>	<b>171,069</b>	<b>61,731</b>	<b>(656,856)</b>
<b>Gen Fund Revenues Only</b>	<b>3,243,205</b>	<b>(1,128,189)</b>	<b>2,125,307</b>	<b>1,905,267</b>	<b>1,759,189</b>	<b>672,294</b>

City of Mill Creek  
Biennial Revenue - General Fund  
For the periods ending,

Description	Actual 2005-2006	Actual 2007-2008	Actual 2009-2010	Actual 2011-2012	Actual 2013-2014	Projected 2015-2016	Projected 2017-2018
Regular Property Tax	7,680,122	9,411,760	9,895,377	10,467,807	10,992,312	11,763,804	12,319,670
EMS Property Tax Levy	807,894	993,809	1,047,247	2,276,803	2,137,598	2,487,575	3,314,686
Local Retail Sales and Use Tax	3,812,038	4,430,069	3,718,190	3,805,410	4,409,404	4,718,600	4,558,000
"Public Safety" Sales Tax	-	-	-	-	352,365	455,567	455,800
Criminal Justice Sales Tax	431,395	571,884	476,809	482,211	549,223	592,267	569,750
Punch Boards/Pull Tab Excise	14,782	9,811	5,248	8,611	-	-	-
Interest-Real & Property Taxes	14,760	15,723	1,402	(375)	-	-	-
<b>TAXES</b>	<b>12,760,991</b>	<b>15,433,056</b>	<b>15,144,273</b>	<b>17,040,467</b>	<b>18,440,902</b>	<b>20,017,813</b>	<b>21,217,906</b>
Prof. & Occ. Business Licenses	88,978	92,800	88,963	87,000	92,638	97,200	100,000
Franchise Fees - Cable & Fiber	329,987	463,689	539,715	590,494	643,527	685,041	710,000
Franchise Fees - Waste Mgmt.	-	46,297	72,256	75,858	77,549	124,506	67,000
Building/Structure Permits	648,347	639,727	305,805	393,774	761,390	541,992	415,000
Technology fee	-	-	-	-	34,122	33,363	16,950
Animal Licenses	2,809	2,319	1,129	963	1,181	1,518	1,300
Penalties on Non-Business Lic.	920	9,639	140	25	-	-	-
Other Permits or Licenses	14,766	(3,295)	14,867	10,328	10,398	6,729	8,000
<b>LICENSES &amp; PERMITS</b>	<b>1,085,806</b>	<b>1,251,177</b>	<b>1,022,875</b>	<b>1,158,442</b>	<b>1,620,805</b>	<b>1,490,349</b>	<b>1,318,249</b>
PUD Privilege Tax	109,991	136,488	147,504	147,537	153,377	163,906	172,665
MVET- Violent Crimes/Pop	5,476	7,142	8,069	8,215	9,242	10,461	12,600
Crim Justice-Spec Programs	21,710	27,705	30,682	30,949	34,237	38,233	42,000
DUI/Criminal Justice Assist	4,858	7,265	9,427	7,304	6,701	5,926	-
Liquor Excise Tax	122,418	165,738	181,218	157,714	47,311	139,967	189,810
Liquor Control Board Profits	200,780	248,743	274,055	310,405	331,115	334,915	335,580
Evr School Dist-School Officer	109,498	96,218	117,093	107,610	123,446	148,079	167,500
Marijuana Testing Fees	625	600	100	275	-	-	-
Sno-Isle Library	21,125	51,339	58,432	55,497	-	-	-
<b>INTERGOVERNMENTAL</b>	<b>596,481</b>	<b>741,238</b>	<b>826,580</b>	<b>825,506</b>	<b>705,429</b>	<b>841,488</b>	<b>920,154</b>
Bulletproof Vest Fed Grant	-	-	-	1,761	3,077	6,164	2,400
Grants-WASPC/Live Scan Finger Prin	3,938	6,840	945	-	-	18,000	-
State Grant Military Dept	-	-	-	-	-	2,659	-
Grants-Traffic Safety Comm	6,746	5,276	2,188	5,043	9,865	-	2,000
Local Grants	-	-	-	-	-	67,864	10,000
<b>GRANTS</b>	<b>10,684</b>	<b>12,116</b>	<b>3,133</b>	<b>6,804</b>	<b>12,942</b>	<b>94,688</b>	<b>14,400</b>
Sale of Maps & Publications	849	326	142	114	48	36	-
Copies, Fingerprinting, Tape	6,320	10,549	16,097	12,724	13,942	12,763	12,000
Engineering Plan Check Fees	114,033	2,682	10,818	35,931	61,368	116,763	22,700
Candidate Filing Fees	420	360	-	240	600	(3,542)	600
Passport Fees	546,744	689,173	432,380	366,705	413,114	563,767	450,000
Law Enforcement Services	120	90	7,483	15,755	6,706	6,075	10,000
Zoning & Subdivision Fees	53,740	30,800	23,050	23,450	32,365	45,775	22,920
Plan Check Fees	338,749	330,497	169,825	175,638	381,761	283,137	128,400
Design Review Board Fees	6,500	23,250	4,250	3,750	9,818	7,500	5,000
Other Development Fees	3,600	5,400	6,397	10,000	10,250	15,825	10,000
<b>CHARGES FOR SERVICES</b>	<b>1,071,075</b>	<b>1,093,127</b>	<b>670,442</b>	<b>644,307</b>	<b>929,972</b>	<b>1,048,099</b>	<b>661,620</b>

City of Mill Creek  
Biennial Revenue - General Fund  
For the periods ending,

Description	Actual 2005-2006	Actual 2007-2008	Actual 2009-2010	Actual 2011-2012	Actual 2013-2014	Projected 2015-2016	Projected 2017-2018
Civil Traffic Infraction	95,393	141,625	314,613	450,091	320,949	240,982	315,000
Dismissed Tickets	4,735	7,982	14,508	15,736	9,439	5,628	6,000
Code Enforcement Penalties	-	-	-	-	200	400	-
Civil Parking Infractions	19,978	25,055	37,196	25,936	26,256	20,726	29,000
Permit & License Penalties	-	-	-	-	-	1,000	-
<b>FINES &amp; PENALTIES</b>	<b>120,106</b>	<b>174,662</b>	<b>366,317</b>	<b>491,763</b>	<b>356,844</b>	<b>268,736</b>	<b>350,000</b>
Investment Interest	347,452	439,472	89,967	91,104	72,108	44,754	35,000
Interest on Sales Tax Rec.	12,421	17,956	8,556	2,161	924	3,221	-
Interest - Rifle Purchase	185	518	447	605	-	-	-
Lease Revenue/Cell Tower Leases	-	-	-	5,000	22,000	96,000	96,000
Donations	-	-	-	-	11,325	2,050	-
DARE Donations/Sales	-	1,259	495	26	3	5	-
ESCA Equity	-	-	-	-	-	35,604	-
Cashier's Overage/Shortages	(91)	(16)	(8)	180	7	337	-
Other Miscellaneous Revenue	27,591	48,847	27,196	19,215	17,586	6,893	9,000
DWLS Impound Admin fee	12,555	75,050	-	-	-	-	-
<b>MISCELLANEOUS REVENUES</b>	<b>400,113</b>	<b>583,086</b>	<b>126,653</b>	<b>118,291</b>	<b>123,953</b>	<b>188,864</b>	<b>140,000</b>
Proceeds-Sale Capital Assets	-	3,600	-	-	-	-	-
Insurance & Restitut Recovery	4,143	13,717	2,261	15,073	35,125	667	-
Transfer From Annex Bldg.	-	-	-	400,000	-	-	-
Transfer From Crimin Justice	-	1,035	-	-	-	-	-
Transfer From Drug Buy	4,000	4,000	4,615	8,983	-	-	-
Transfer from Beautification	8,000	4,734	-	-	-	-	-
Transfer from REET	-	-	-	-	560,000	640,000	-
Insurance Recoveries	-	-	-	-	-	16,189	-
<b>OTHER FINANCING SOURCES</b>	<b>16,143</b>	<b>27,086</b>	<b>6,876</b>	<b>424,056</b>	<b>595,125</b>	<b>656,856</b>	<b>-</b>
<b>GENERAL FUND</b>	<b>16,061,399</b>	<b>19,315,548</b>	<b>18,167,149</b>	<b>20,709,636</b>	<b>22,785,972</b>	<b>24,606,892</b>	<b>24,622,330</b>
Less: Transfers	(16,143)	(27,086)	(6,876)	(424,056)	(595,125)	(656,856)	-
<b>Gen Fund Revenues Only</b>	<b>16,045,256</b>	<b>19,288,462</b>	<b>18,160,273</b>	<b>20,285,580</b>	<b>22,190,847</b>	<b>23,950,036</b>	<b>24,622,330</b>

City of Mill Creek  
Revenue-General Fund  
For the years ending,

Description	Actual 2005	Actual 2006	Actual 2007	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Actual 2012	Actual 2013	Actual 2014	Actual 2015	Projected 2016	Projected 2017	Projected 2018
Regular Property Tax	3,786,454	3,893,668	4,620,300	4,791,460	4,943,888	4,951,489	5,151,397	5,316,410	5,414,271	5,578,041	5,743,951	6,019,853	6,112,180	6,207,490
EMS Property Tax Levy	396,868	411,026	487,783	506,026	521,825	525,422	1,189,891	1,086,912	1,050,512	1,087,086	1,227,177	1,260,398	1,649,095	1,665,590
Local Retail Sales and Use Tax	1,731,116	2,080,922	2,199,865	2,230,204	1,865,298	1,852,892	1,876,562	1,928,848	2,102,220	2,307,184	2,371,134	2,347,466	2,233,380	2,324,620
"Public Safety" Sales Tax	-	-	-	-	-	-	-	-	126,023	226,342	232,229	223,338	223,338	232,462
Criminal Justice Sales Tax	176,989	254,406	299,078	272,806	237,365	239,444	235,717	246,494	266,476	282,747	298,834	293,433	279,173	290,577
Punch Boards/Pull Tab Excise	6,536	8,246	5,407	4,404	2,399	2,849	5,146	3,465	-	-	-	-	-	-
Interest-Real & Property Taxes	5,583	9,177	10,377	5,346	1,532	(130)	(302)	(73)	-	-	-	-	-	-
<b>TAXES</b>	<b>6,103,546</b>	<b>6,657,445</b>	<b>7,622,810</b>	<b>7,810,246</b>	<b>7,572,307</b>	<b>7,571,966</b>	<b>8,458,411</b>	<b>8,582,056</b>	<b>8,959,502</b>	<b>9,481,400</b>	<b>9,873,325</b>	<b>10,144,488</b>	<b>10,497,167</b>	<b>10,720,739</b>
Prof. & Occ. Business Licenses	40,528	48,450	50,435	42,365	45,213	43,750	43,675	43,325	44,638	48,000	49,600	47,600	50,000	50,000
Franchise Fees - Cable & Fiber	153,363	176,624	221,267	242,422	260,727	278,988	293,091	297,403	311,793	331,734	336,973	348,068	351,680	358,320
Franchise Fees - Waste Mgmt.	-	-	14,041	32,256	34,100	38,156	37,483	38,375	38,668	38,881	68,237	56,269	33,000	34,000
Building/Structure Permits	314,854	333,493	406,931	232,796	124,784	181,021	194,781	198,993	280,302	481,088	220,086	321,906	243,912	171,088
Technology fee	-	-	-	-	-	-	-	-	11,513	22,609	12,972	20,391	10,272	6,678
Animal Licenses	1,347	1,462	1,707	612	550	579	483	480	586	595	804	714	650	650
Penalties on Non-Business Lic.	320	600	-	9,639	-	140	-	25	-	-	-	-	-	-
Other Permits or Licenses	7,617	7,149	6,344	(9,639)	9,129	5,738	4,857	5,471	6,006	4,392	4,307	2,422	4,000	4,000
<b>LICENSES &amp; PERMITS</b>	<b>518,028</b>	<b>567,778</b>	<b>700,725</b>	<b>550,452</b>	<b>474,503</b>	<b>548,372</b>	<b>574,370</b>	<b>584,072</b>	<b>693,506</b>	<b>927,299</b>	<b>692,979</b>	<b>797,370</b>	<b>693,514</b>	<b>624,735</b>
PUD Privilege Tax	54,006	55,985	65,695	70,793	72,276	75,228	73,175	74,362	75,620	77,757	80,057	83,849	85,494	87,171
MVET- Violent Crimes/Pop	2,362	3,114	3,446	3,696	3,957	4,112	4,075	4,140	4,437	4,805	5,018	5,443	6,169	6,431
Crim Justice-Spec Programs	9,418	12,292	13,454	14,251	15,105	15,577	15,384	15,565	16,516	17,721	18,387	19,846	20,696	21,304
DUI/Criminal Justice Assist	2,145	2,713	4,029	3,236	6,001	3,426	3,870	3,434	3,352	3,349	2,845	3,081	-	-
Liquor Excise Tax	52,209	70,209	79,546	86,192	89,647	91,571	90,054	67,660	12,360	34,951	51,129	88,838	92,933	96,877
Liquor Control Board Profits	90,502	110,278	127,725	121,018	126,232	147,823	127,163	183,242	165,847	165,268	164,556	170,359	167,425	168,155
Evr School Dist-School Officer	51,898	57,600	59,530	36,688	54,056	63,037	64,560	43,050	65,908	57,538	77,169	70,910	79,500	88,000
Marijuana Testing Fees	375	250	550	50	100	-	125	150	-	-	-	-	-	-
Sno-Isle Library	-	21,125	-	51,339	29,076	29,356	30,785	24,712	-	-	-	-	-	-
<b>INTERGOVERNMENTAL</b>	<b>262,915</b>	<b>333,566</b>	<b>353,975</b>	<b>387,263</b>	<b>396,450</b>	<b>430,130</b>	<b>409,191</b>	<b>416,315</b>	<b>344,040</b>	<b>361,389</b>	<b>399,161</b>	<b>442,327</b>	<b>452,217</b>	<b>467,938</b>
Bulletproof Vest Fed Grant	-	-	-	-	-	-	-	1,761	2,149	928	4,988	1,176	1,200	1,200
Grants-WASPC/Live Scan Finger Print	3,438	500	3,000	3,840	945	-	-	-	-	-	-	18,000	-	-
State Grant Military Dept	-	-	-	-	-	-	-	-	-	-	-	2,659	-	-
Grants-Traffic Safety Comm	5,680	1,066	1,341	3,935	1,661	527	2,998	2,045	2,915	6,950	-	-	1,000	1,000
Grants-Other	-	-	-	-	-	-	-	-	-	-	9,864	58,000	10,000	-
<b>GRANTS</b>	<b>9,118</b>	<b>1,566</b>	<b>4,341</b>	<b>7,775</b>	<b>2,606</b>	<b>527</b>	<b>2,998</b>	<b>3,806</b>	<b>5,064</b>	<b>7,878</b>	<b>14,852</b>	<b>79,836</b>	<b>12,200</b>	<b>2,200</b>
Sale of Maps & Publications	518	331	226	100	112	30	46	68	30	18	18	18	-	-
Copies, Fingerprinting, Tape	2,395	3,925	5,454	5,095	8,149	7,948	7,481	5,243	6,178	7,764	6,763	6,000	6,000	6,000
Engineering Plan Check Fees	97,674	16,359	100	2,582	-	10,818	444	35,487	115,378	(54,010)	26,022	90,741	17,700	5,000
Candidate Filing Fees	-	420	-	360	-	-	240	-	600	-	300	(3,842)	-	600
Passport Fees	253,764	292,980	437,021	252,152	231,780	200,600	178,433	188,272	199,178	213,936	250,960	312,807	225,000	225,000
Law Enforcement Services	30	90	90	-	90	7,393	7,501	8,254	1,398	5,308	4,562	1,513	5,000	5,000
Zoning & Subdivision Fees	27,830	25,910	14,300	16,500	6,400	16,650	5,250	18,200	16,482	15,883	30,355	15,420	10,420	12,500
Plan Check Fees	180,111	158,638	204,099	126,398	51,790	118,035	71,634	104,004	138,184	243,577	116,250	166,887	88,085	40,315
Design Review Board Fees	3,000	3,500	3,250	20,000	-	4,250	2,750	1,000	4,810	5,008	5,000	2,500	2,500	2,500
Other Development Fees	-	3,600	4,000	1,400	4,897	1,500	3,500	6,500	5,500	4,750	9,981	5,844	5,000	5,000
<b>CHARGES FOR SERVICES</b>	<b>565,322</b>	<b>505,753</b>	<b>668,540</b>	<b>424,587</b>	<b>303,218</b>	<b>367,224</b>	<b>277,279</b>	<b>367,028</b>	<b>487,738</b>	<b>442,234</b>	<b>450,211</b>	<b>597,888</b>	<b>359,705</b>	<b>301,915</b>

City of Mill Creek  
 Revenue-General Fund  
 For the years ending,

Description	Actual 2005	Actual 2006	Actual 2007	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Actual 2012	Actual 2013	Actual 2014	Actual 2015	Projected 2016	Projected 2017	Projected 2018
Civil Traffic Infraction	40,626	54,767	60,236	81,389	153,949	160,664	221,351	228,740	177,074	143,875	109,289	131,693	150,000	165,000
Dismissed Tickets	-	4,735	2,873	5,109	6,624	7,884	7,017	8,719	5,501	3,938	2,342	3,286	3,000	3,000
Code Enforcement Penalties	-	-	-	-	-	-	-	-	100	100	-	400	-	-
Civil Parking Infractions	9,746	10,232	9,595	15,460	16,166	21,030	12,802	13,134	14,959	11,297	7,490	13,236	14,000	15,000
Permit & License Penalties	-	-	-	-	-	-	-	-	-	-	-	1,000	-	-
<b>FINES &amp; PENALTIES</b>	<b>50,372</b>	<b>69,734</b>	<b>72,704</b>	<b>101,958</b>	<b>176,739</b>	<b>189,578</b>	<b>241,170</b>	<b>250,593</b>	<b>197,634</b>	<b>159,210</b>	<b>119,121</b>	<b>149,615</b>	<b>167,000</b>	<b>183,000</b>
Investment Interest	120,191	227,261	231,276	208,196	66,857	23,110	69,952	21,152	32,343	39,765	14,754	30,000	20,000	15,000
Interest on Sales Tax Rec.	4,124	8,297	10,002	7,954	5,580	2,976	1,379	782	418	506	1,396	1,825	-	-
Interest - Rifle Purchase	83	102	295	223	61	386	440	165	-	-	-	-	-	-
Lease Revenue/Cell Tower Leases	-	-	-	-	-	-	-	5,000	2,000	20,000	48,000	48,000	48,000	48,000
Donations	-	-	-	-	-	-	-	-	11,200	125	1,000	1,050	-	-
DARE Donations/Sales	-	-	753	506	387	108	1	25	-	3	5	-	-	-
ESCA Equity	-	-	-	-	-	-	-	-	-	-	-	35,604	-	-
Cashier's Overage/Shortages	(8)	(83)	5	(21)	1	(9)	90	90	6	1	2	335	-	-
Other Miscellaneous Revenue	7,353	20,238	10,597	38,250	19,508	7,688	7,829	11,386	11,700	5,886	4,037	2,856	4,500	4,500
DWLS Impound Admin fee	4,350	8,205	38,450	36,600	-	-	-	-	-	-	-	-	-	-
<b>MISCELLANEOUS REVENUES</b>	<b>136,093</b>	<b>264,020</b>	<b>291,378</b>	<b>291,708</b>	<b>92,394</b>	<b>34,259</b>	<b>79,691</b>	<b>38,600</b>	<b>57,667</b>	<b>66,286</b>	<b>69,194</b>	<b>119,670</b>	<b>72,500</b>	<b>67,500</b>
Proceeds-Sale Capital Assets	-	-	-	3,600	-	-	-	-	-	-	-	-	-	-
Insurance & Restitut Recovery	1,570	2,573	6,429	7,288	1,977	284	-	15,073	33,634	1,491	657	10	-	-
Transfer From Annex Bldg.	-	-	-	-	-	-	200,000	200,000	-	-	-	-	-	-
Transfer From Crimin Justice	-	-	1,035	-	-	-	-	-	-	-	-	-	-	-
Transfer From Drug Buy	-	4,000	-	4,000	2,500	2,115	4,500	4,483	-	-	-	-	-	-
Transfer from Beautification	8,000	-	2,367	2,367	-	-	-	-	-	-	-	-	-	-
Transfer from REET	-	-	-	-	-	-	-	-	320,000	240,000	160,000	480,000	-	-
Insurance Recoveries	-	-	-	-	-	-	-	-	-	-	6,898	9,291	-	-
<b>OTHER FINANCING SOURCES</b>	<b>9,570</b>	<b>6,573</b>	<b>9,831</b>	<b>17,255</b>	<b>4,477</b>	<b>2,399</b>	<b>204,500</b>	<b>219,556</b>	<b>353,634</b>	<b>241,491</b>	<b>167,555</b>	<b>489,301</b>	<b>-</b>	<b>-</b>
<b>GENERAL FUND</b>	<b>7,654,964</b>	<b>8,406,435</b>	<b>9,724,304</b>	<b>9,591,244</b>	<b>9,022,694</b>	<b>9,144,455</b>	<b>10,247,610</b>	<b>10,462,026</b>	<b>11,098,785</b>	<b>11,687,187</b>	<b>11,786,398</b>	<b>12,820,495</b>	<b>12,254,303</b>	<b>12,368,027</b>
Less: Transfers	9,570	6,573	9,831	17,255	4,477	2,399	204,500	219,556	353,634	241,491	167,555	489,301	-	-
<b>Gen Fund Revenues Only</b>	<b>7,645,394</b>	<b>8,399,862</b>	<b>9,714,473</b>	<b>9,573,989</b>	<b>9,018,217</b>	<b>9,142,056</b>	<b>10,043,110</b>	<b>10,242,470</b>	<b>10,745,151</b>	<b>11,445,696</b>	<b>11,618,843</b>	<b>12,331,194</b>	<b>12,254,303</b>	<b>12,368,027</b>