

2021/2022 REVENUE

OCTOBER 20, 2022 PUBLIC HEARING

AGENDA

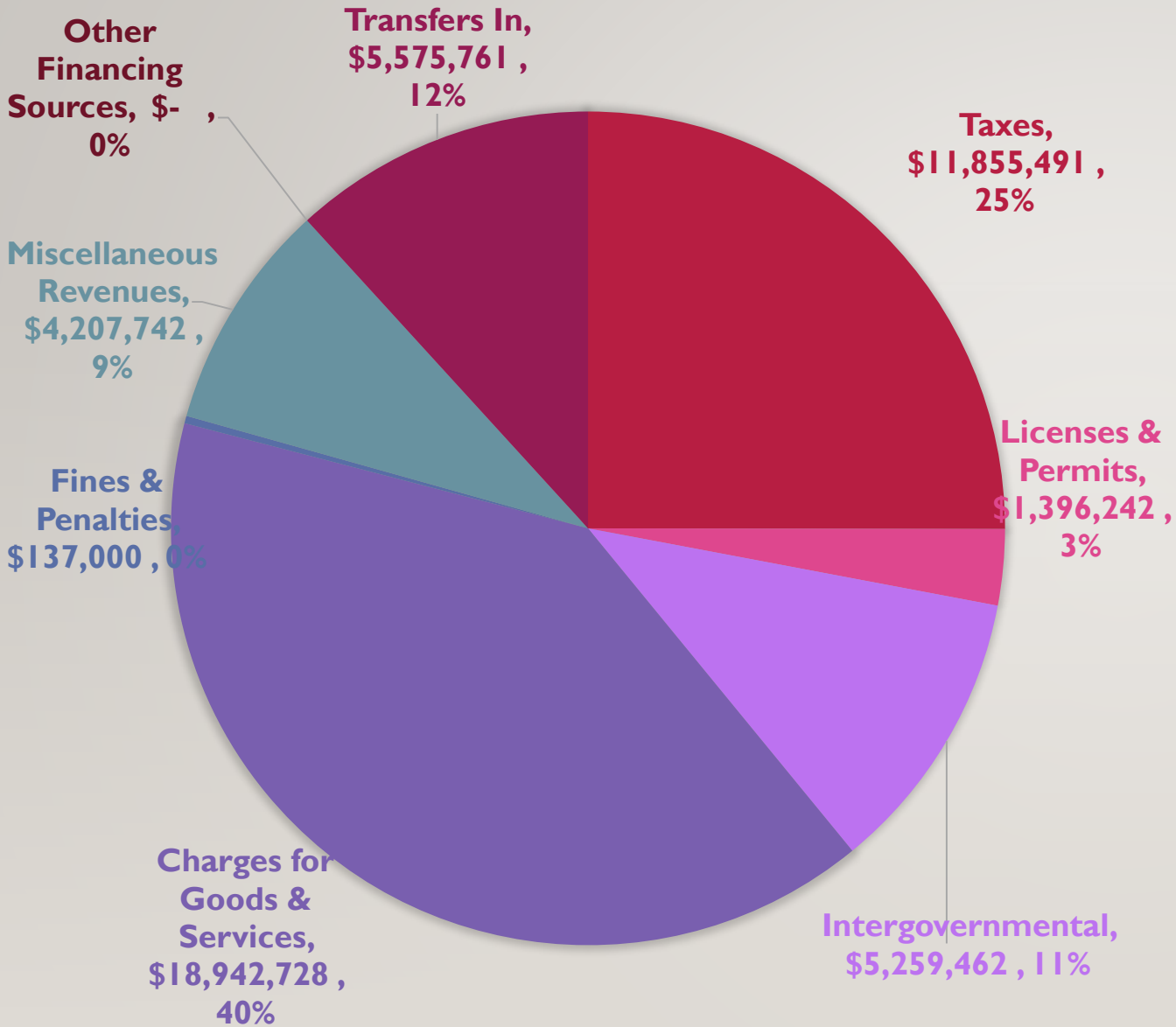
- Economic Outlook
- Revenue Big Picture
- Operating Revenues
- Building and Permit
- Utility Fund Revenues
- Restricted Revenues
- Other Notable Revenues
- Next Steps

KING COUNTY/CITY ECONOMIC NEWS

- King County* –
 - 2018 unemployment rate – 3.2%
 - 2019 unemployment rate – 2.8%
 - 2020 forecasted unemployment rate – 7.7%
 - 2021 forecasted unemployment rate – 5.5%
- City – Average property sales are up
 - 2018 average sale - \$527,534**
 - 2019 average sale - \$485,837**
 - 2020 through September average sale - \$740,035**
- City sales tax revenues continue to be strong despite the economic downturn

Source: *August 2020 King County Economic and Revenue Forecast.
** City REET data

PROPOSED 2021/2022 BIENNIAL BUDGET REVENUE BY CATEGORY



REVENUE BIG PICTURE

- Budgeted revenues: \$47,374,426
- 44%, or \$14,370,180, higher than prior biennium mainly due to:
 - Charges for services
 - Transfers In
 - Intergovernmental Services
 - Taxes

REVENUE INCREASES

Charges for Services \$5,240,684

- School Impact Fees NEW- \$2,422,000
- Utility billings - +\$1,447,672
- Street Impact Fees- +\$581,017
- Internal Service Funds - +\$490,960

Transfers In - \$3,411,863

- Transfers to CIP Funds for projects - \$4,010,000

Intergovernmental Services - \$3,168,096

- Grant revenue for CIP - \$4,280,000

Taxes - \$2,100,281

- TBD Sales Tax - \$589,044
- Sales Tax - \$453,489
- REET - \$453,031
- Property Tax - \$459,656

OPERATING REVENUES – BIG THREE

- Property tax revenues – General and Street Fund
- Sales tax – General Fund
- Utility tax – General Fund

PROPERTY TAX

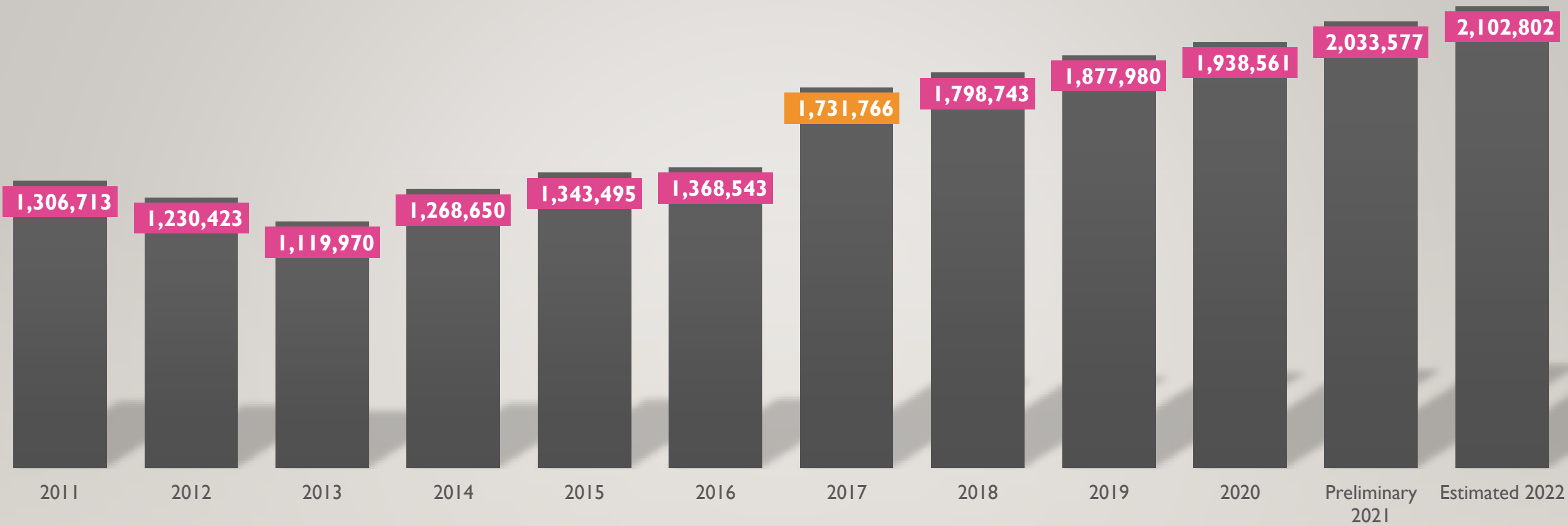
2021

2021 Regular Levy	\$2,053,577
Less 2020 Levy	\$1,938,566
Less New Construction	\$73,803
Less Releived Refunds	\$3,312
Less: Estimated Adjustments to New Construction and State Utilities	\$20,000
Total Regular Levy Increase	\$17,896

Year	New Construction	Assessed Value	Total Property Tax	City Levy
2011	6,454,132	816,701,375	1,306,713	1.60000
2012	11,841,076	769,014,184	1,230,423	1.60000
2013	19,661,927	699,937,308	1,119,970	1.60000
2014	21,063,744	793,970,366	1,268,650	1.60000
2015	14,612,524	969,374,013	1,343,495	1.38563
2016	8,034,281	977,248,539	1,368,543	1.40068
2017	7,228,898	1,044,091,565	1,731,766	1.65864
2018	29,838,862	1,185,873,122	1,798,743	1.49727
2019	39,238,426	1,305,245,996	1,877,980	1.42086
2020	30,939,751	1,453,477,102	1,938,561	1.32191
2021	55,830,641	1,532,521,920	2,033,577	1.32691
2022 Estimate	50,000,000	1,605,738,305	2,102,802	1.30955

PROPERTY TAX 2011 – 2020 ACTUAL, 2021 - 2022 ESTIMATE



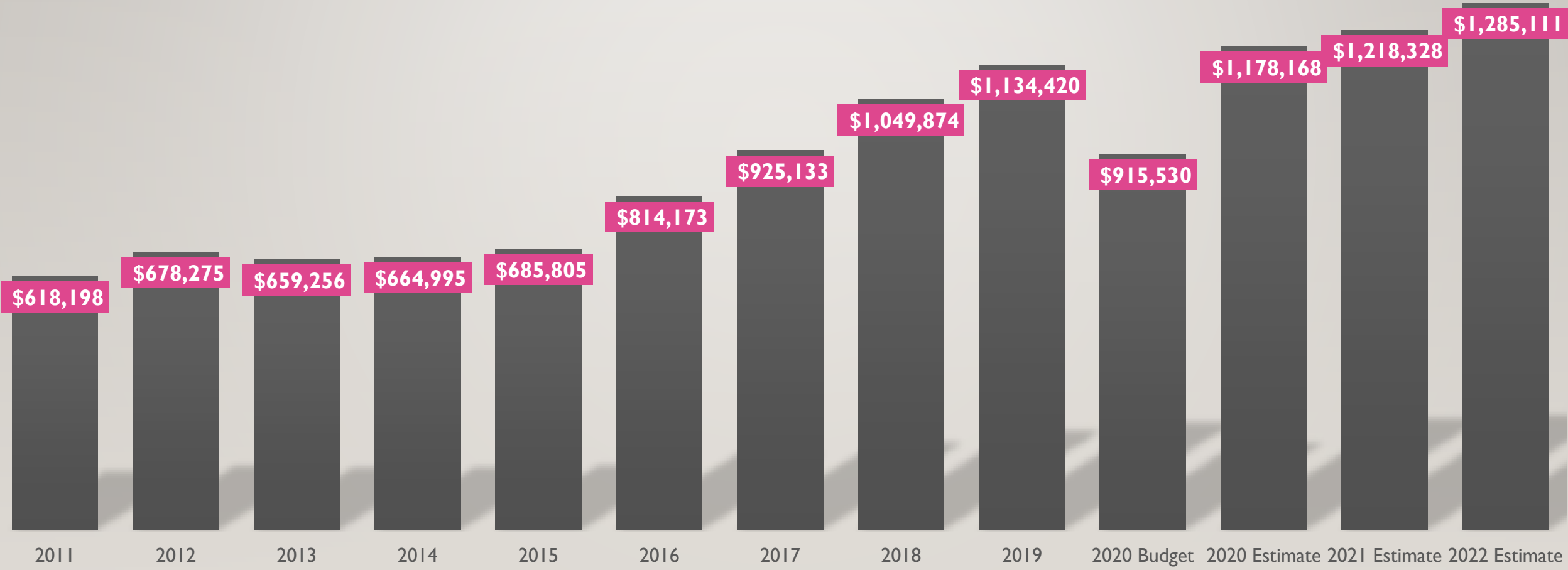


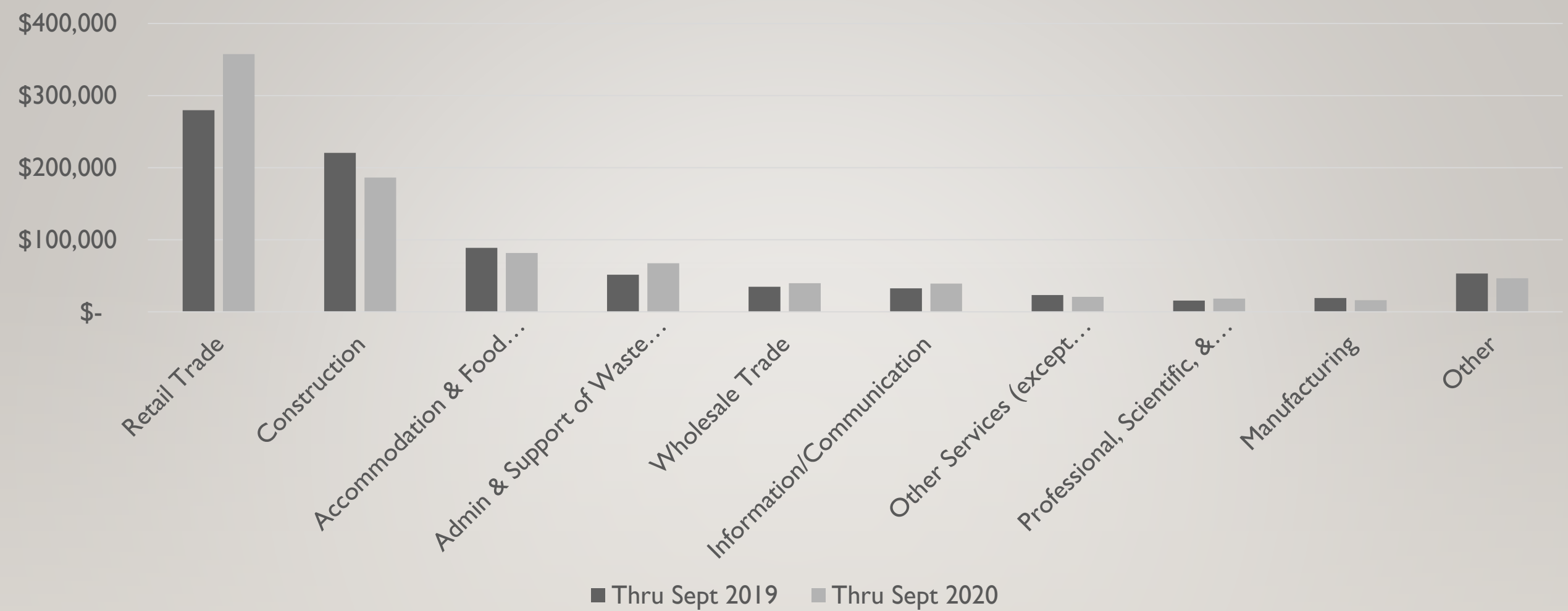
PROPERTY TAX 2011 – 2020 ACTUAL, 2021 – 2022 ESTIMATE



SALES TAX REVENUE

2011 – 2019 ACTUAL, 2020 - 2022 ESTIMATES



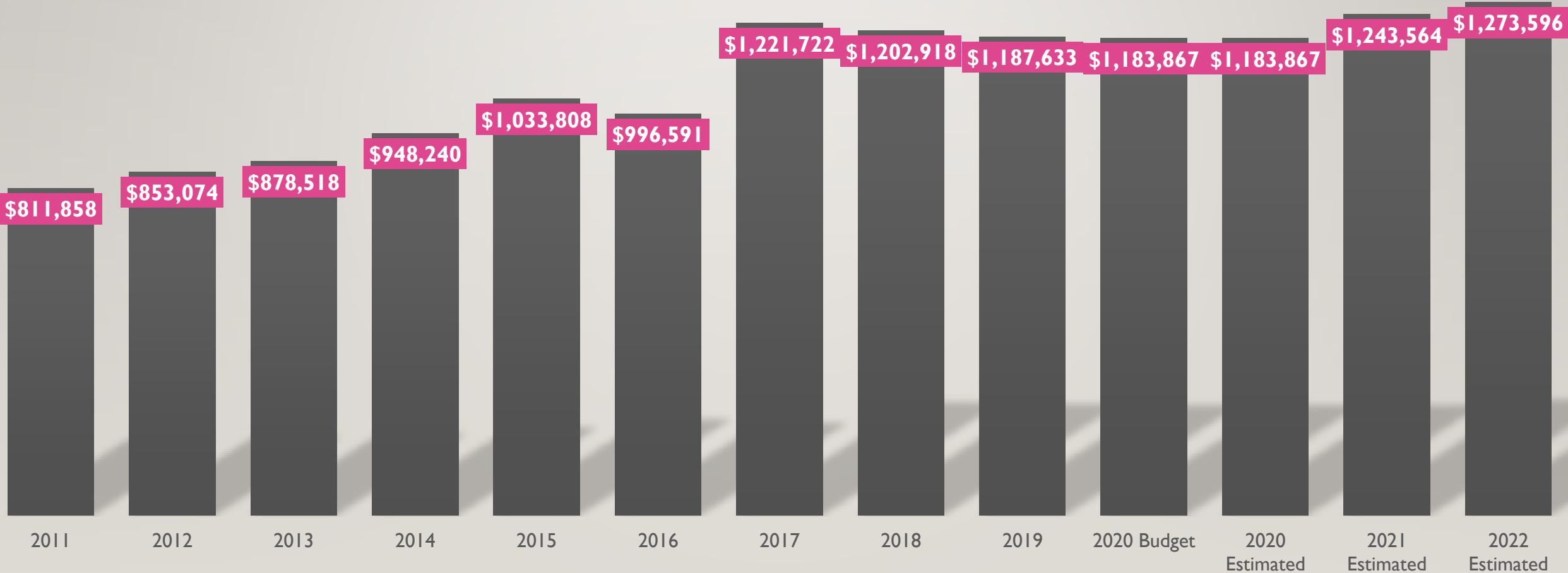


**SALES TAX REVENUE
YTD SEPT 2019 TO YTD SEPT 2020 COMPARISON**

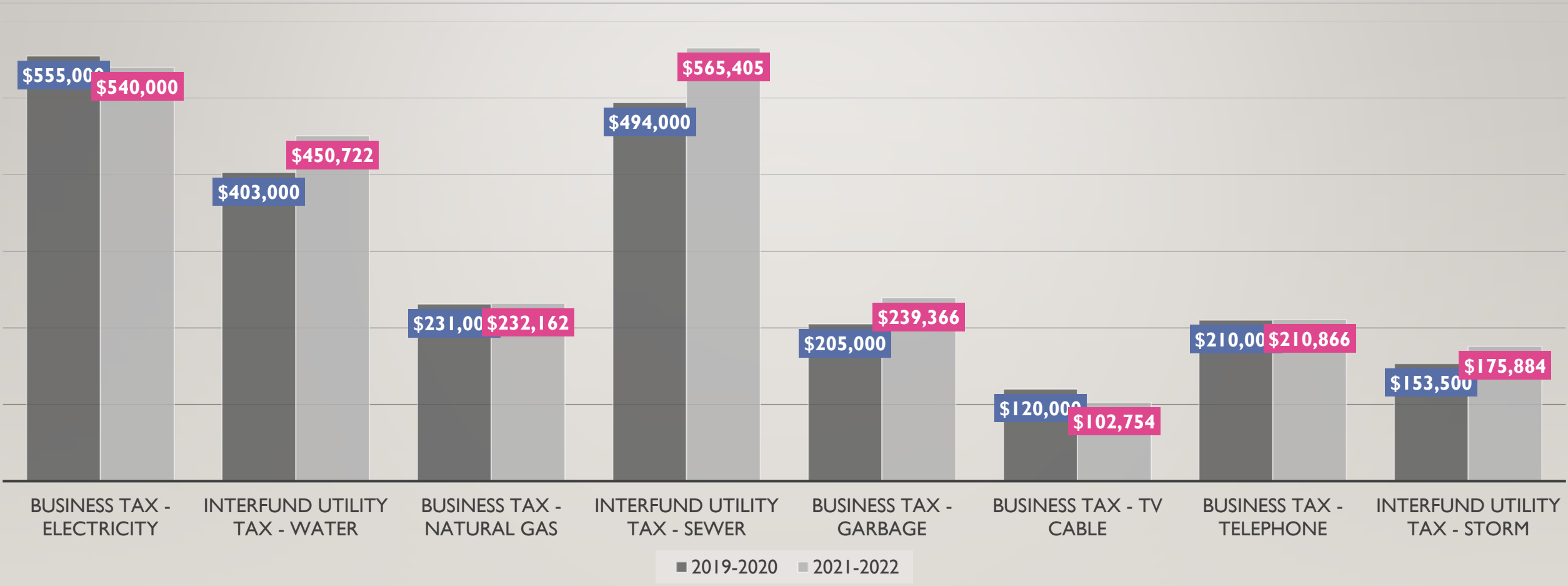


UTILITY TAX REVENUE

2011 – 2019 ACTUAL, 2020 – 2022 ESTIMATE



UTILITY TAX REVENUE BY CATEGORY 2019/2020 TO 2021/2022 COMPARISON



OTHER OPERATING REVENUE SOURCES

- General Fund (GF)
 - Gambling Tax
 - Intergovernmental – state shared revenues
 - Fines & Forfeitures
 - Miscellaneous (interest and investment earnings)

BUILDING AND PERMITS FUND

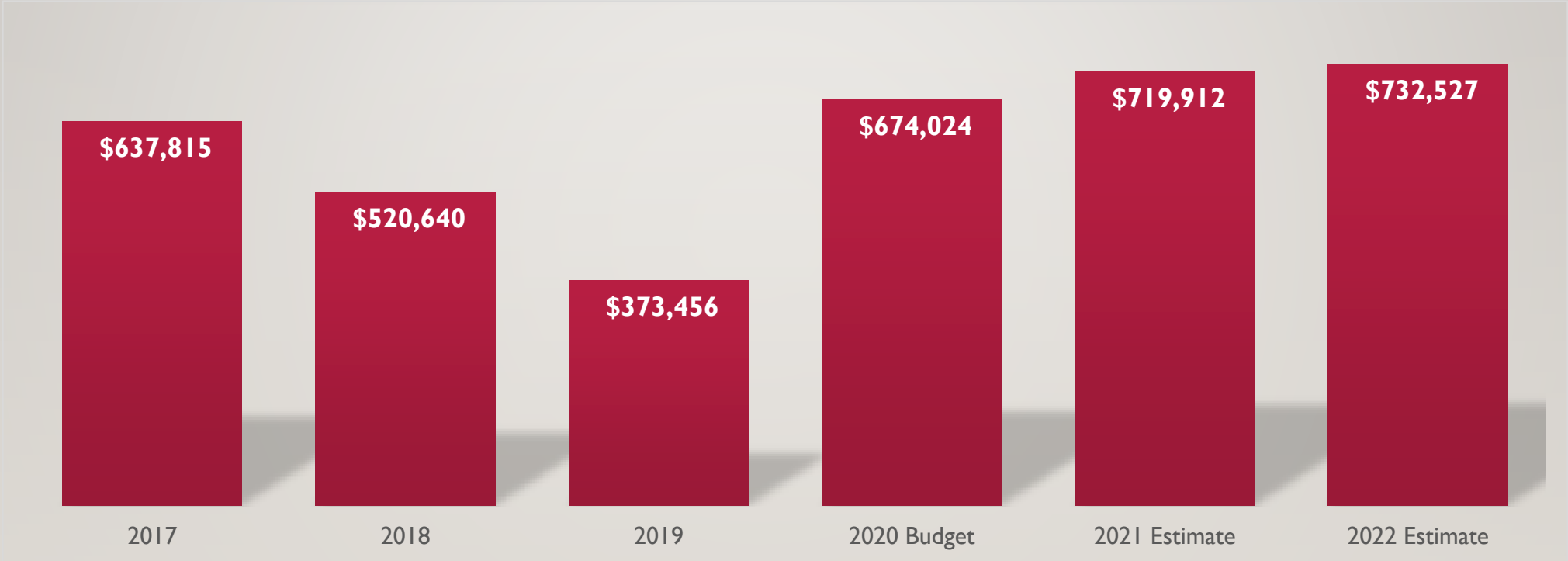
NEW!

BUILDING AND PERMITS

2017 – 2019 ACTUAL; 2020 - 2022 FORECAST



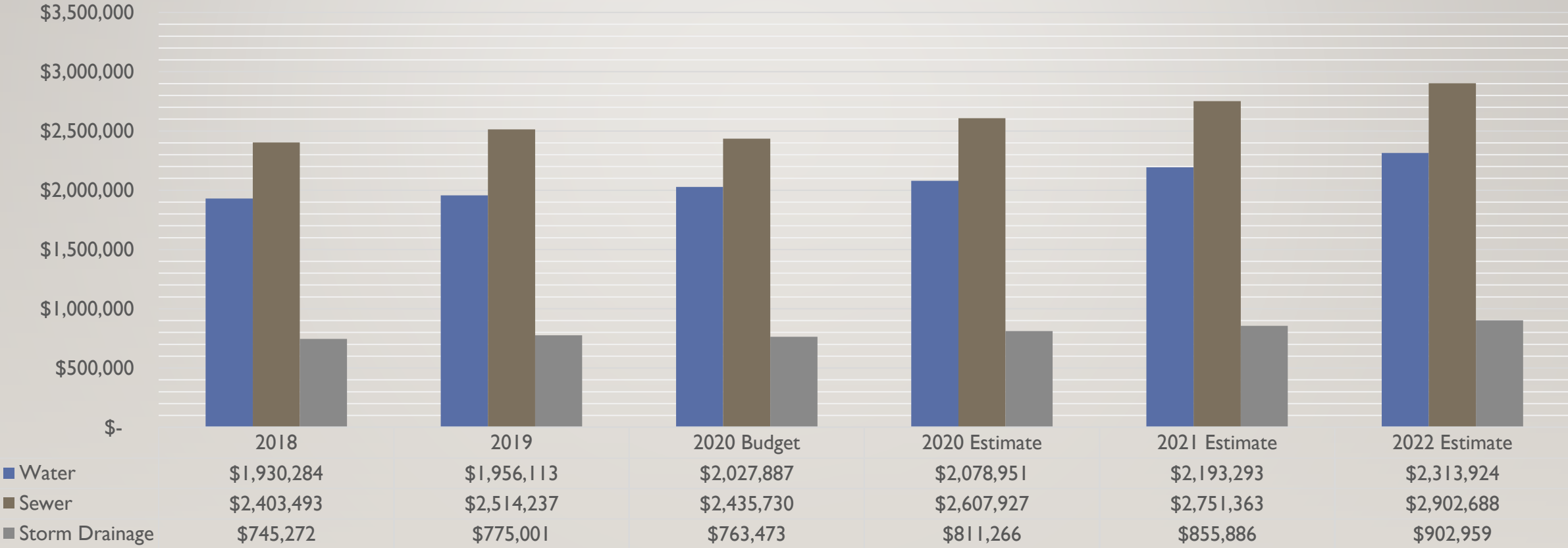
BUILDING AND PERMITS 2017 – 2019 ACTUAL; 2020 - 2022 FORECAST WITHOUT IMPACT FEES



UTILITY FUNDS

WATER, SEWER, AND STORM DRAINAGE

UTILITY CHARGES TREND ANALYSIS

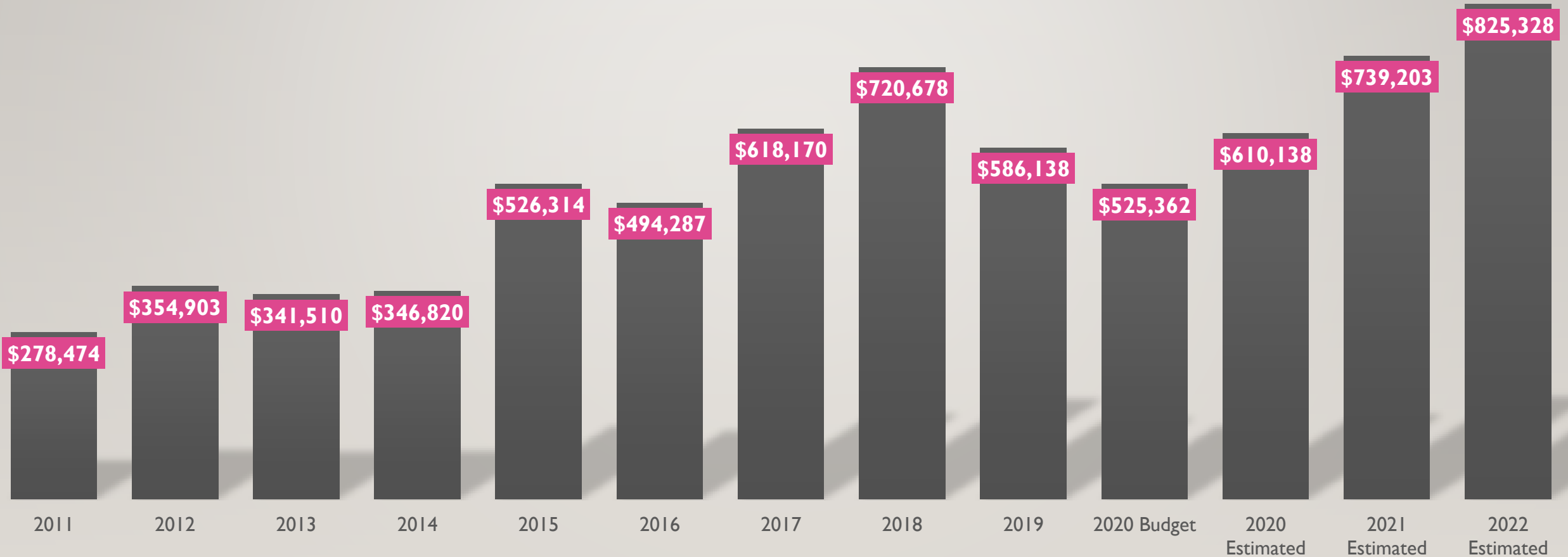


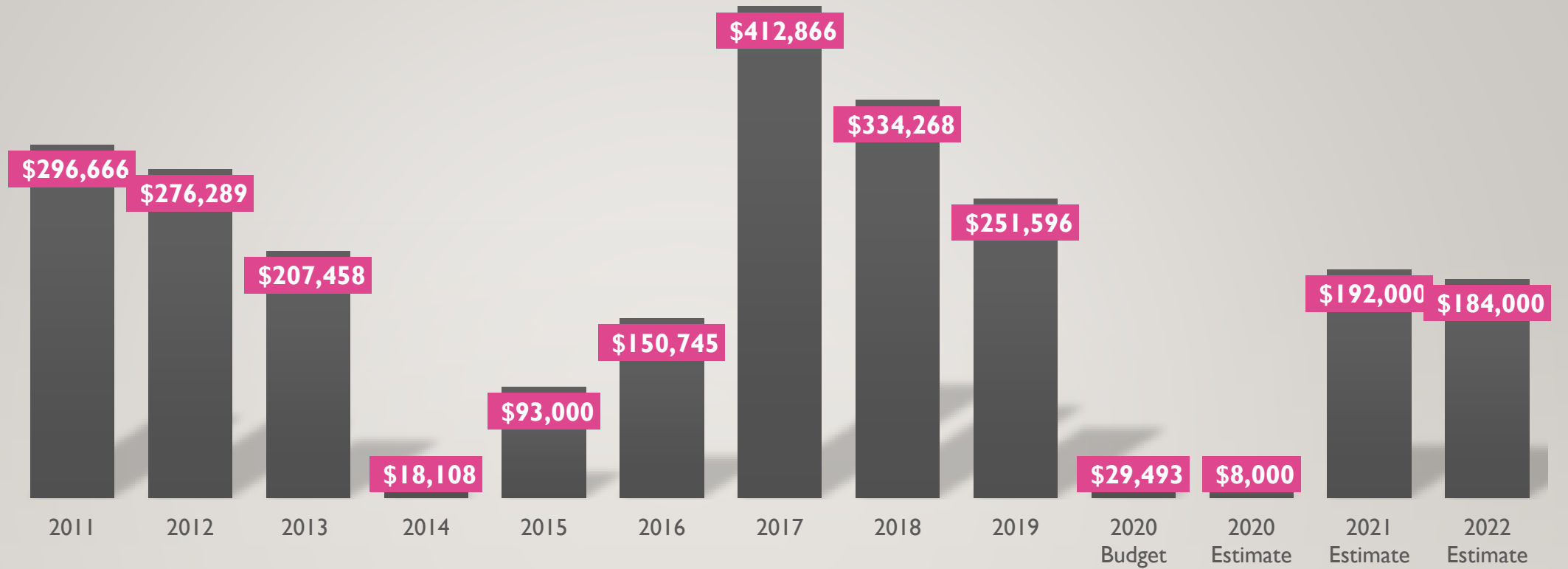
RESTRICTED REVENUES

Capital Improvement Revenue

REAL ESTATE EXCISE TAX (REET) I & II

EACH 1/4% 2011 - 2019 ACTUAL, 2020 - 2022 FORECAST





PARK IMPACT FEES 2011 - 2019 ACTUAL; 2020 - 2022 FORECAST

STREET IMPACT FEES 2011 - 2019 ACTUAL; 2020 - 2022 FORECAST



OTHER NOTABLE REVENUE PART I

- Big Rock Activity Fees – 25% in 2021, down \$70,000 for the biennium - \$35,000 estimated for 2020
- Transportation Benefit District - \$589,044 budgeted for the biennium - \$150,000 estimated for 2020
- State Shared Revenues – increasing slightly despite downturn
- Grant Revenue
 - \$4,000,000 TIB grant for 3rd Ave NE Roadway and Sidewalk Improvements
 - \$280,000 CDBG for 142nd Sidewalk Extension

OTHER NOTABLE REVENUE PART I

- Internal Service Fund Charges for Services –
 - Equipment Replacement - \$351,428 more than prior biennium
 - Information Technology - \$190,259 more than prior biennium
 - Building Maintenance - \$50,728 less than prior biennium
- General Facility Charges
 - Water - \$381,719 more than prior biennium
 - Sewer - \$598,491 more than prior biennium
 - Storm Drainage - \$40,277 less than prior biennium

WHAT IS NEXT?

- Preliminary budget hearing #1 & 2 meetings in November
- Property Tax Ordinance (before November 30)
- Budget adoption December 1, or if needed, December 15
 - Salaries and Benefits Ordinance?
- End of the biennium amendments to the 2019/2020 Biennial Budget at Nov. 17 meeting

QUESTIONS?

