

City of Everett

Revenue & Expenditure Workshop

September 16, 2020



Order of Presentation

- 2020 Budget Update
 - Preliminary results through August
- 2021 Proposed Budget
 - City wide revenues
 - City wide expenditures
 - General Government revenues
 - General Government expenditures
 - General Government 5-year forecast

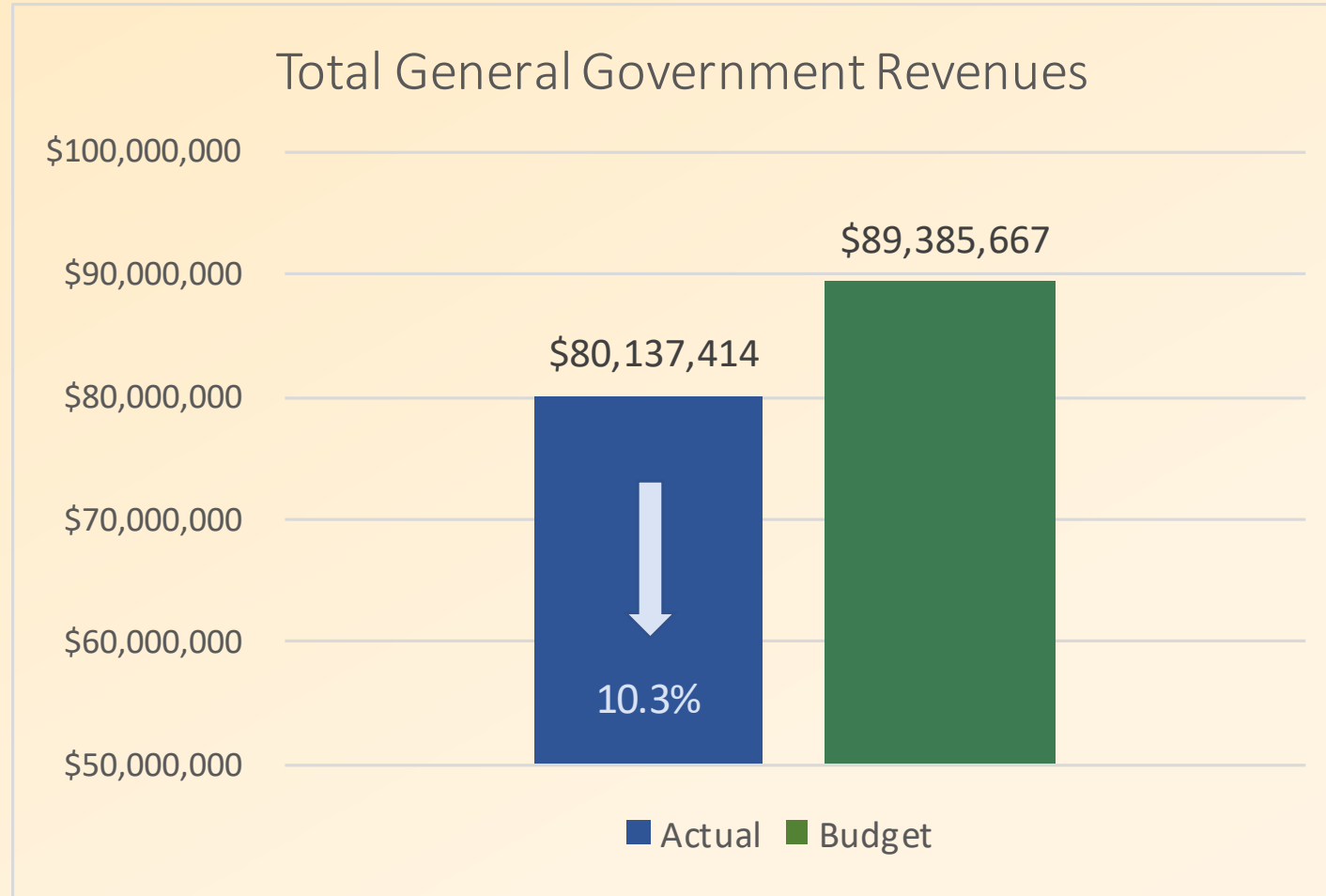


2020 BUDGET: PRELIMINARY RESULTS THROUGH AUGUST



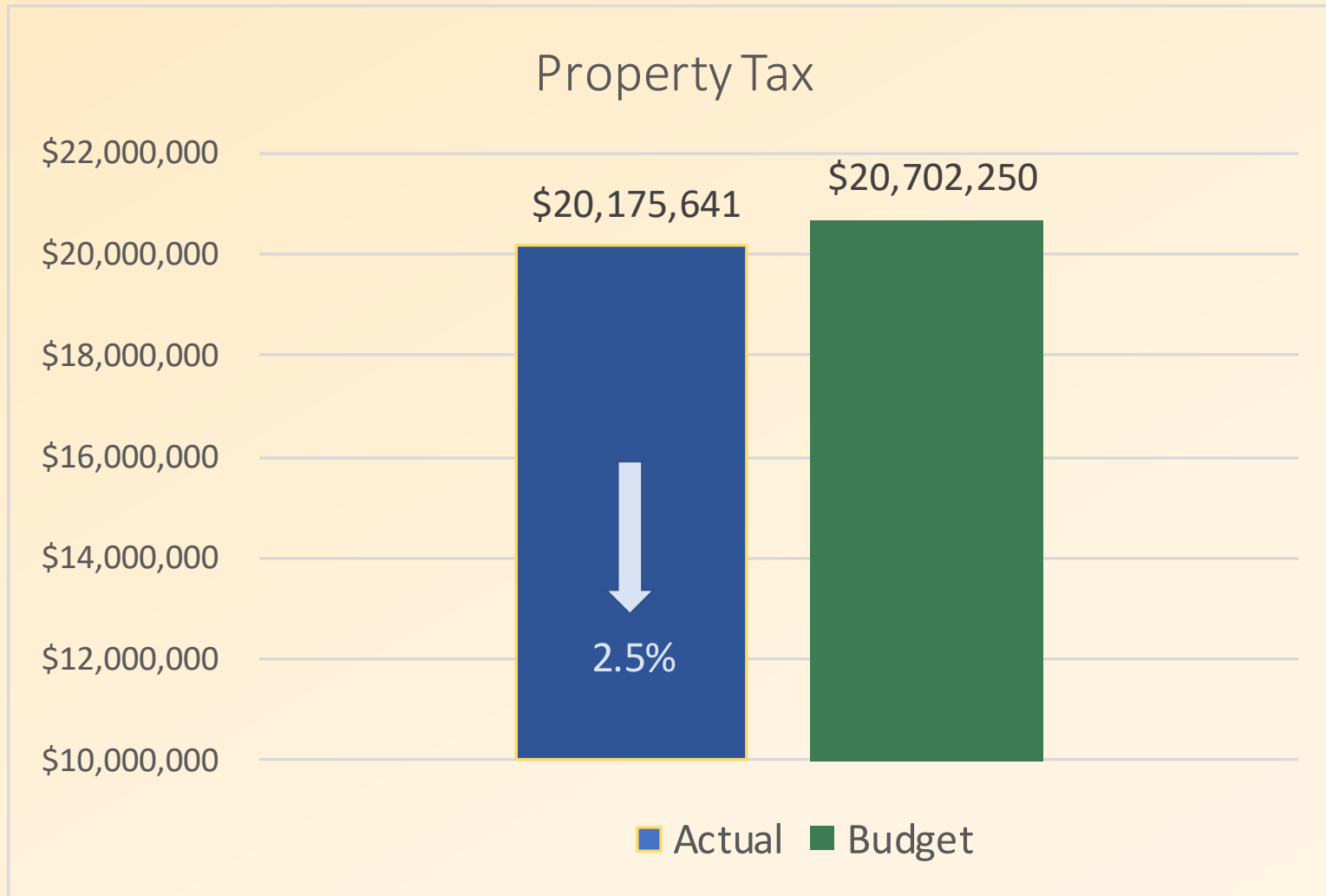
Total General Government Revenues

Preliminary Actual to Budget Update as of August 31, 2020



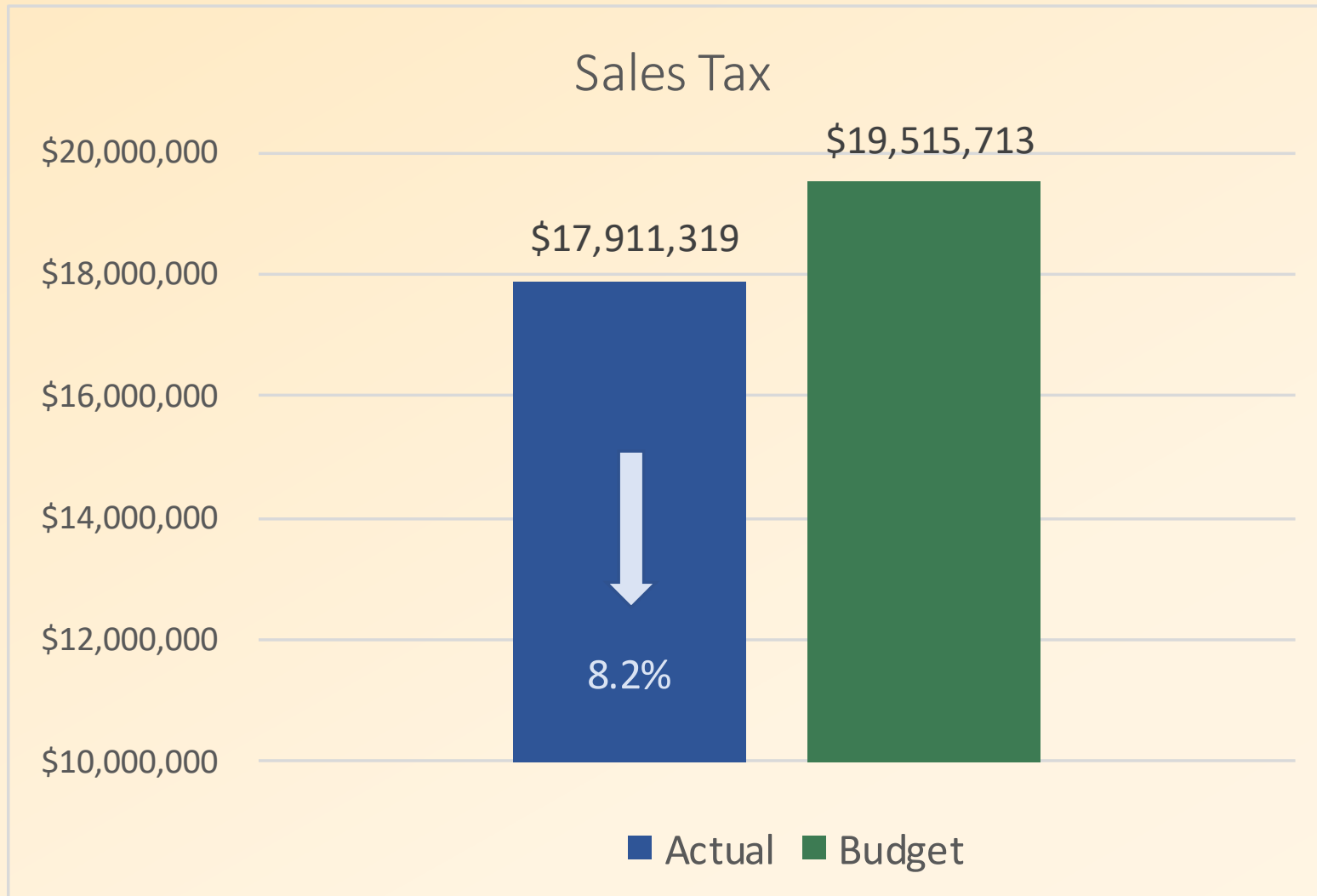
Property Tax

Preliminary Budget to Actual Update as of August 31, 2020



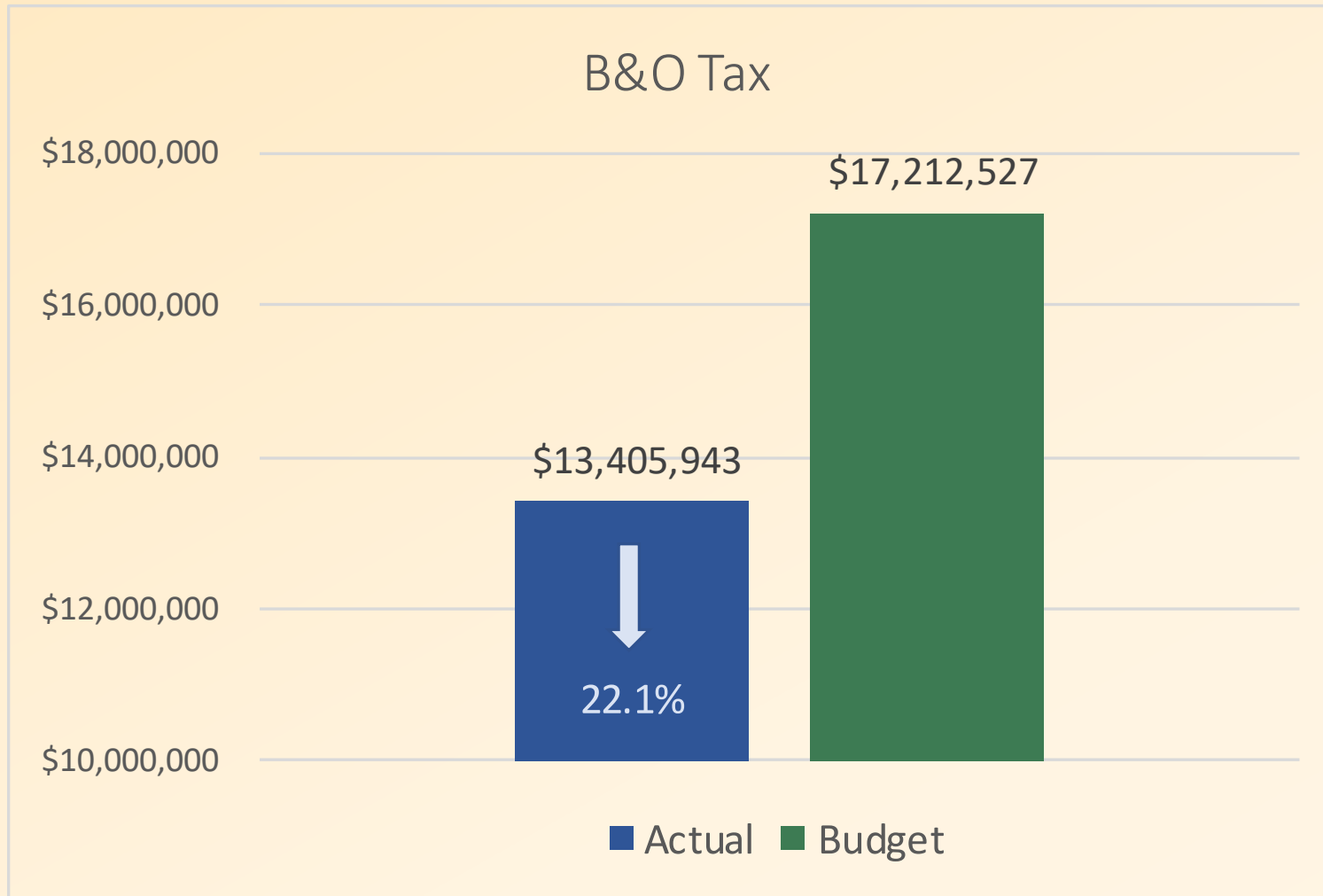
Sales Tax

Preliminary Budget to Actual Update as of August 31, 2020



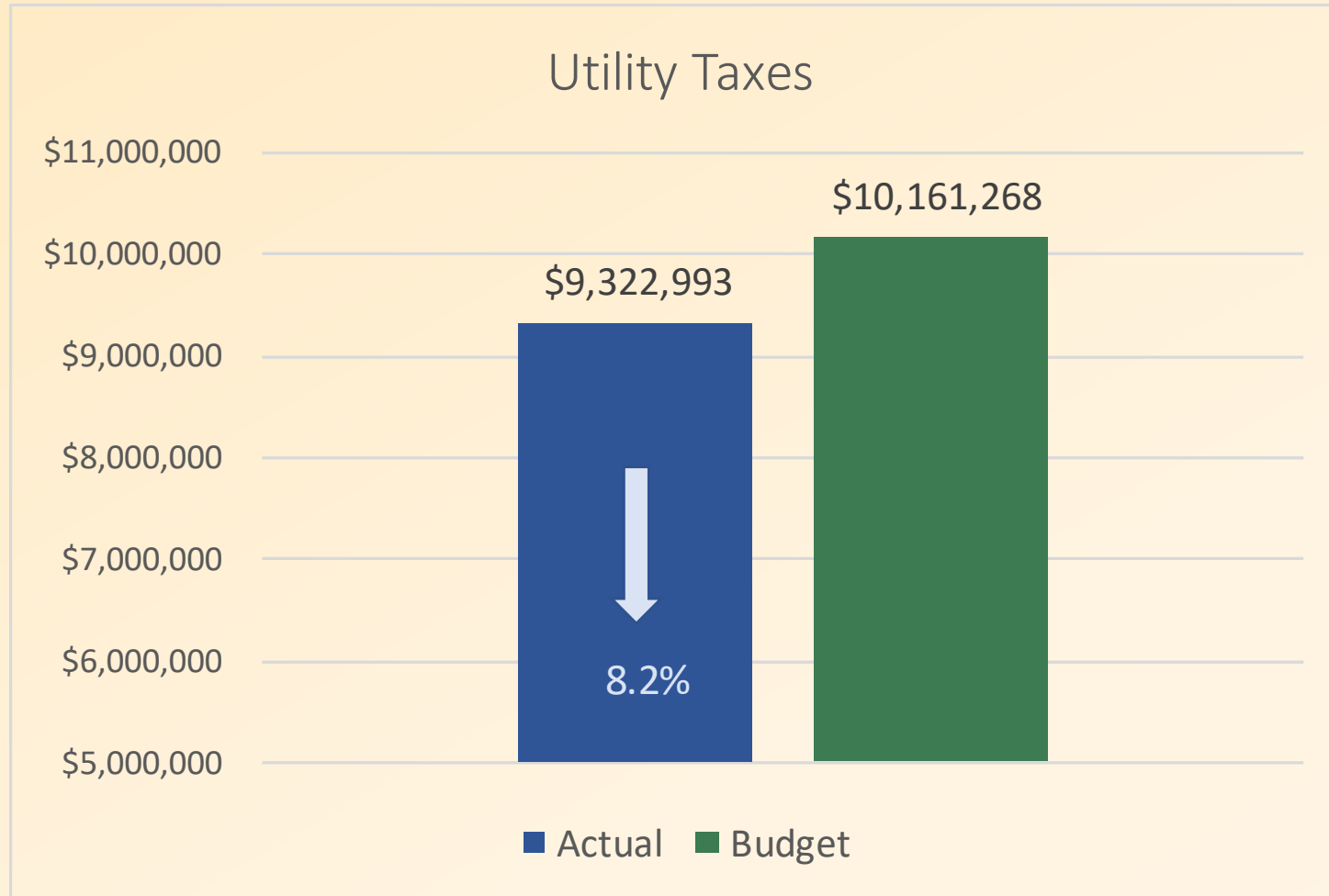
B&O Tax

Preliminary Budget to Actual Update as of August 31, 2020



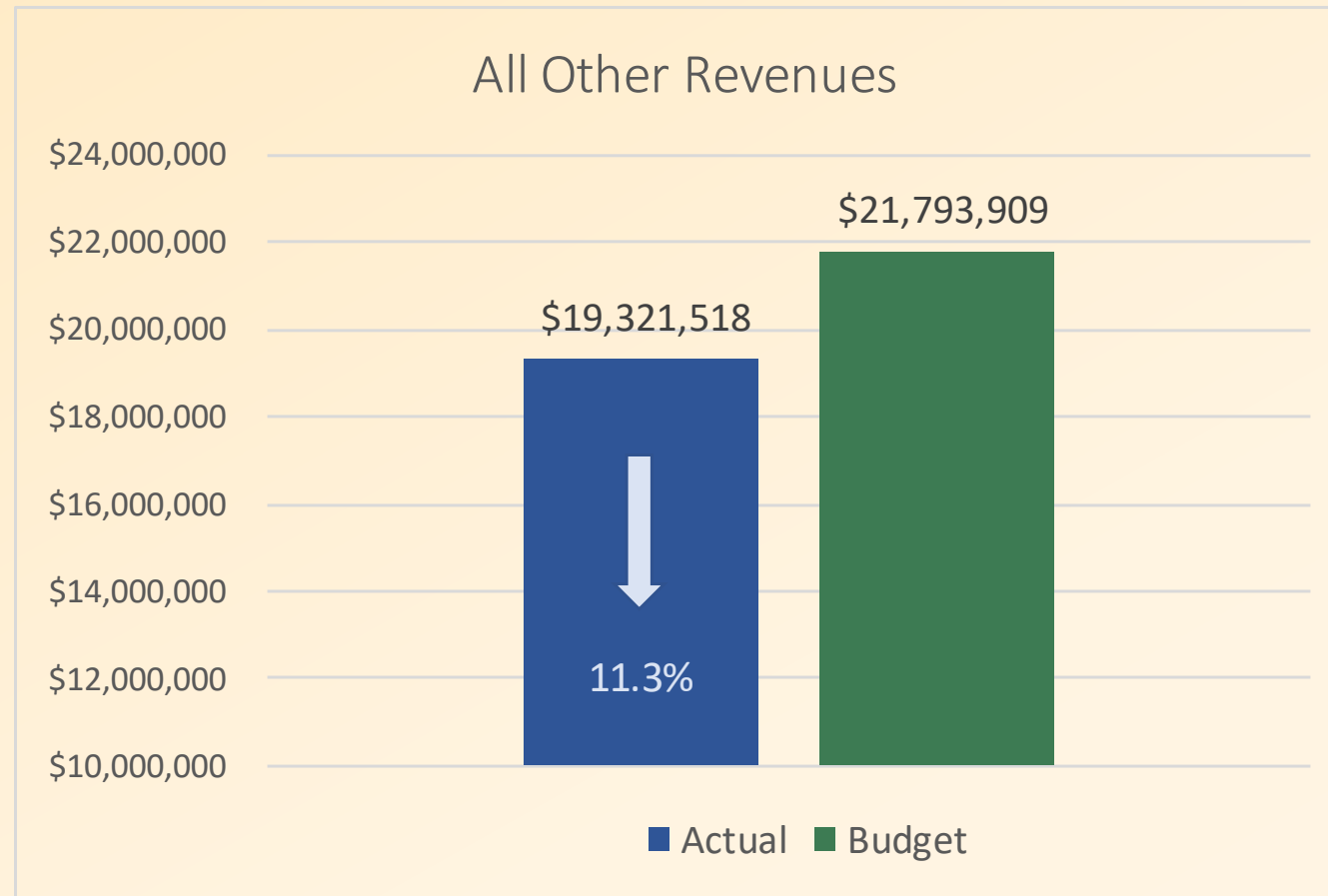
Utility Taxes

Preliminary Budget to Actual Update as of August 31, 2020



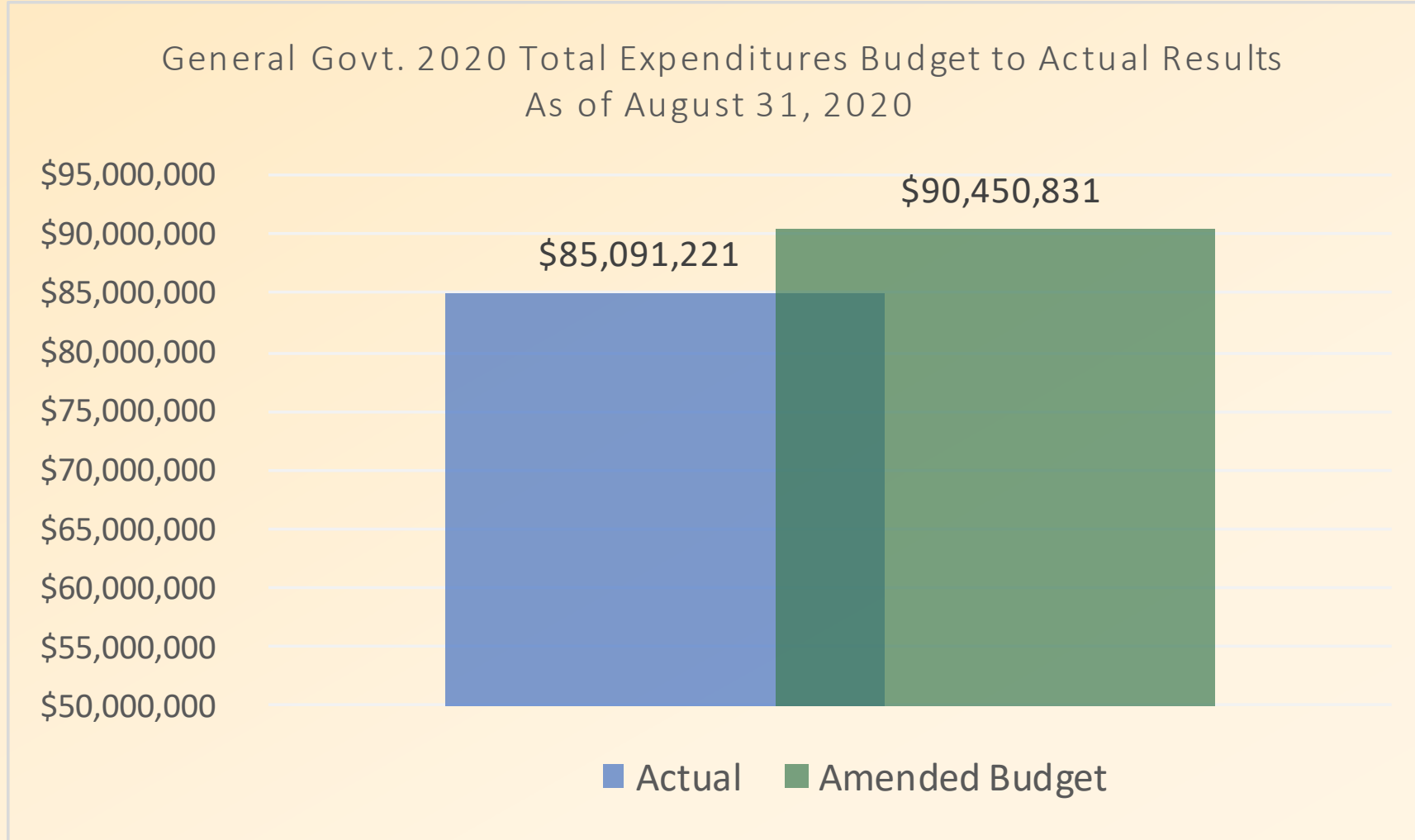
All Other General Government Revenue

Preliminary Budget to Actual Update as of August 31, 2020



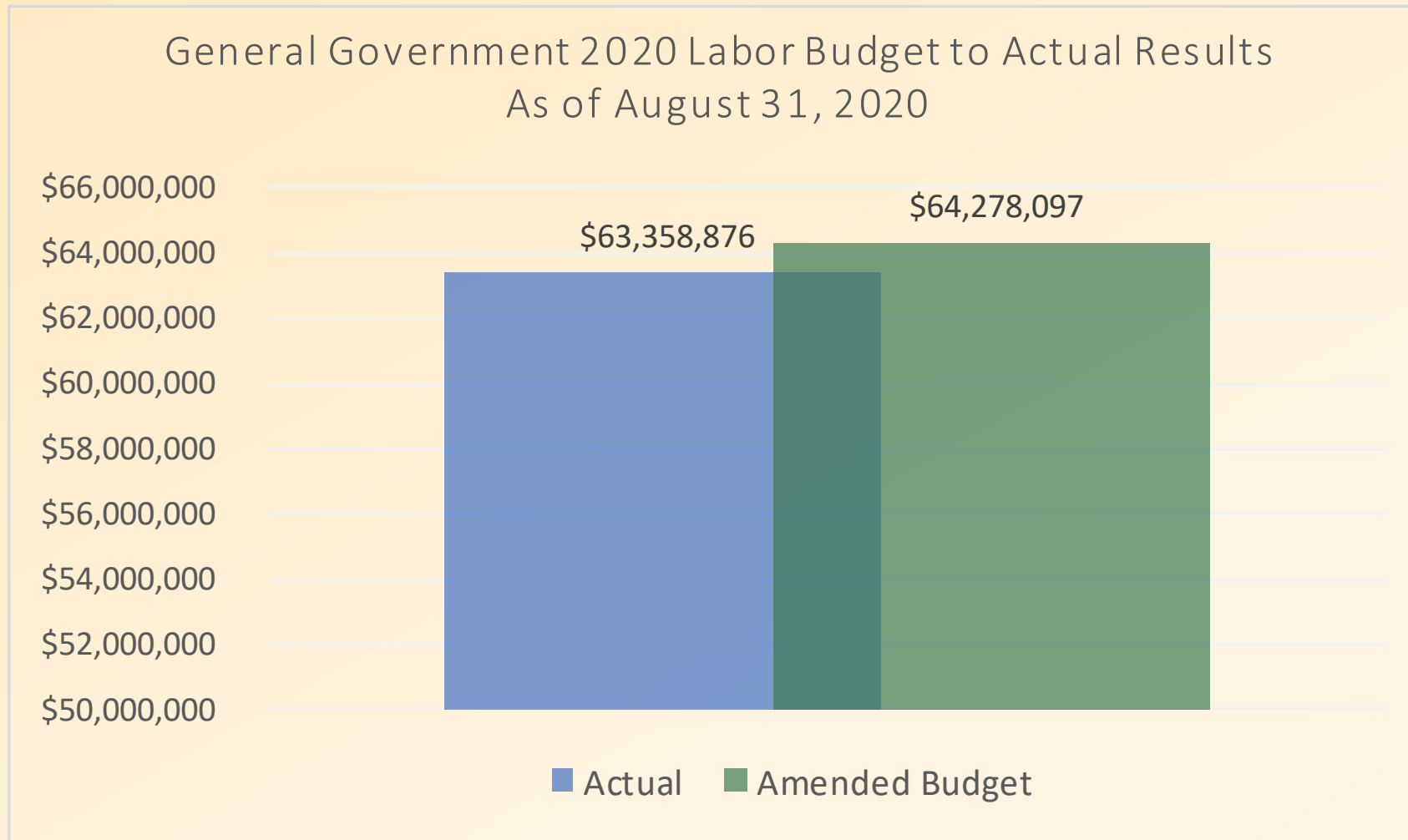
Total 2020 General Government Expenditures

Preliminary Budget to Actual Update as of August 31, 2020



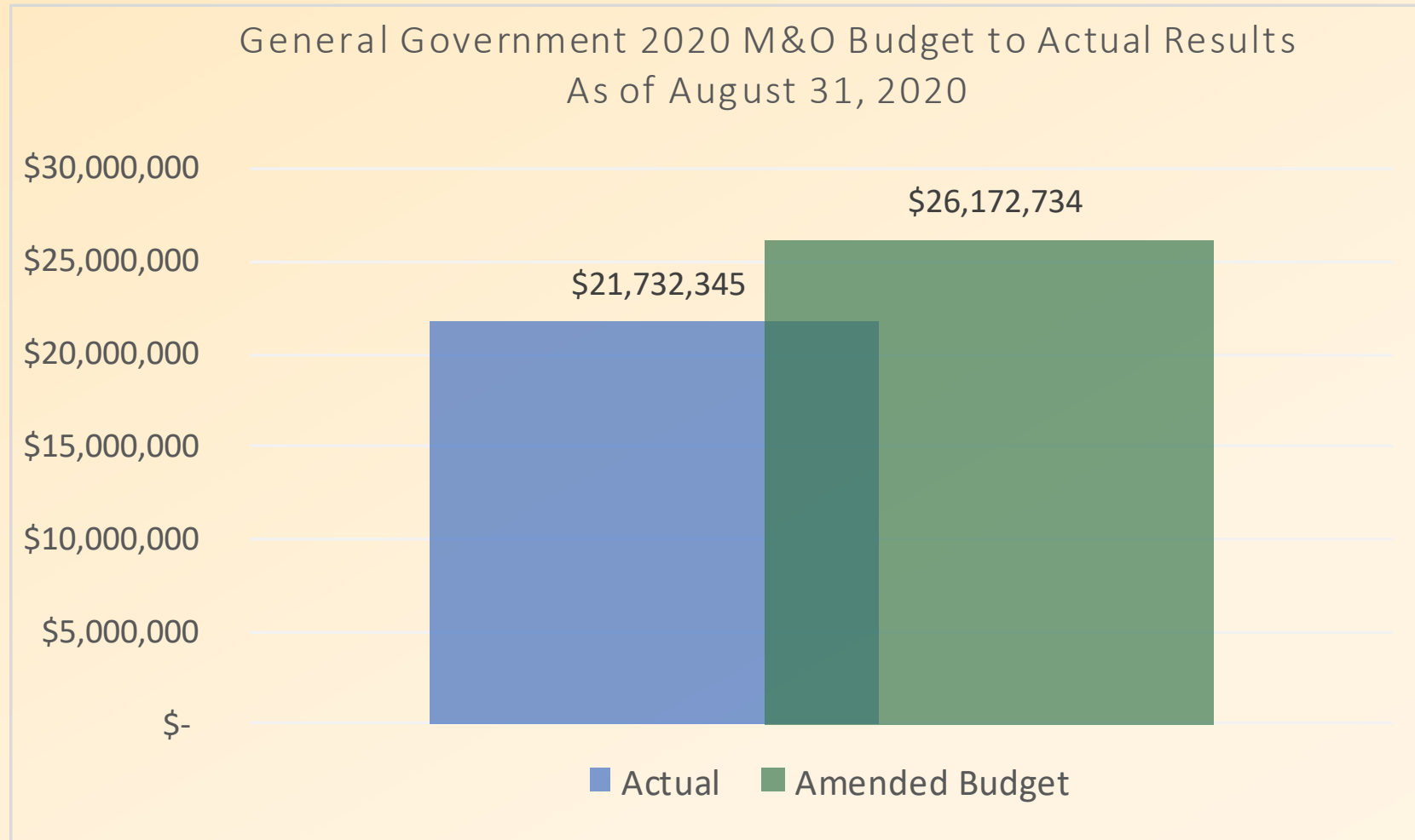
General Government Labor Expenditures

Preliminary Budget to Actual Update as of August 31, 2020



General Government M&O Expenditures

Preliminary Budget to Actual Update as of August 31, 2020



General Government

Preliminary 2020 Budget Variance Estimate

Resources	2020
2020 Amended Budget	\$ 142,533,336
Estimated COVID Impact	(14,000,000)
Subtotal	\$ 128,533,336
2019 Budget Variance	5,000,000
Cares Grant Funding	2,200,000
Total Resources	\$ 135,733,336

Expenditures	2020
2020 Amended Budget	\$ 144,835,531
Underexpenditure Estimate	(9,100,000)
2021 Reappropriate Estimate	2,000,000
Total Expenditures	\$ 137,735,531
Net Budget Variance	\$ (2,002,195)

Summary

Total Resources	\$ 135,733,336
Total Expenditures	\$ 137,735,531
Net Budget Variance	\$ (2,002,195)

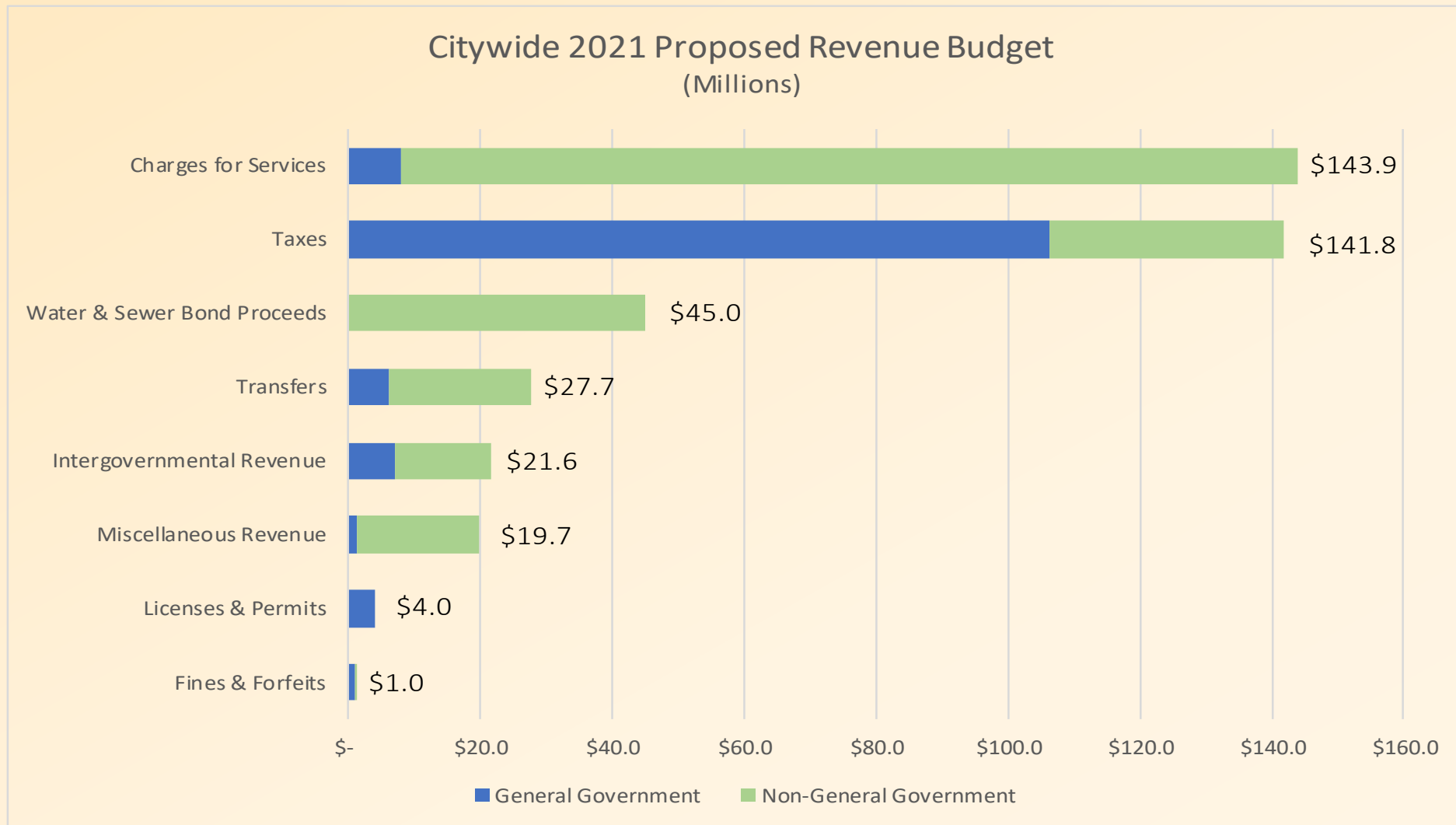


2021 PROPOSED CITYWIDE BUDGET



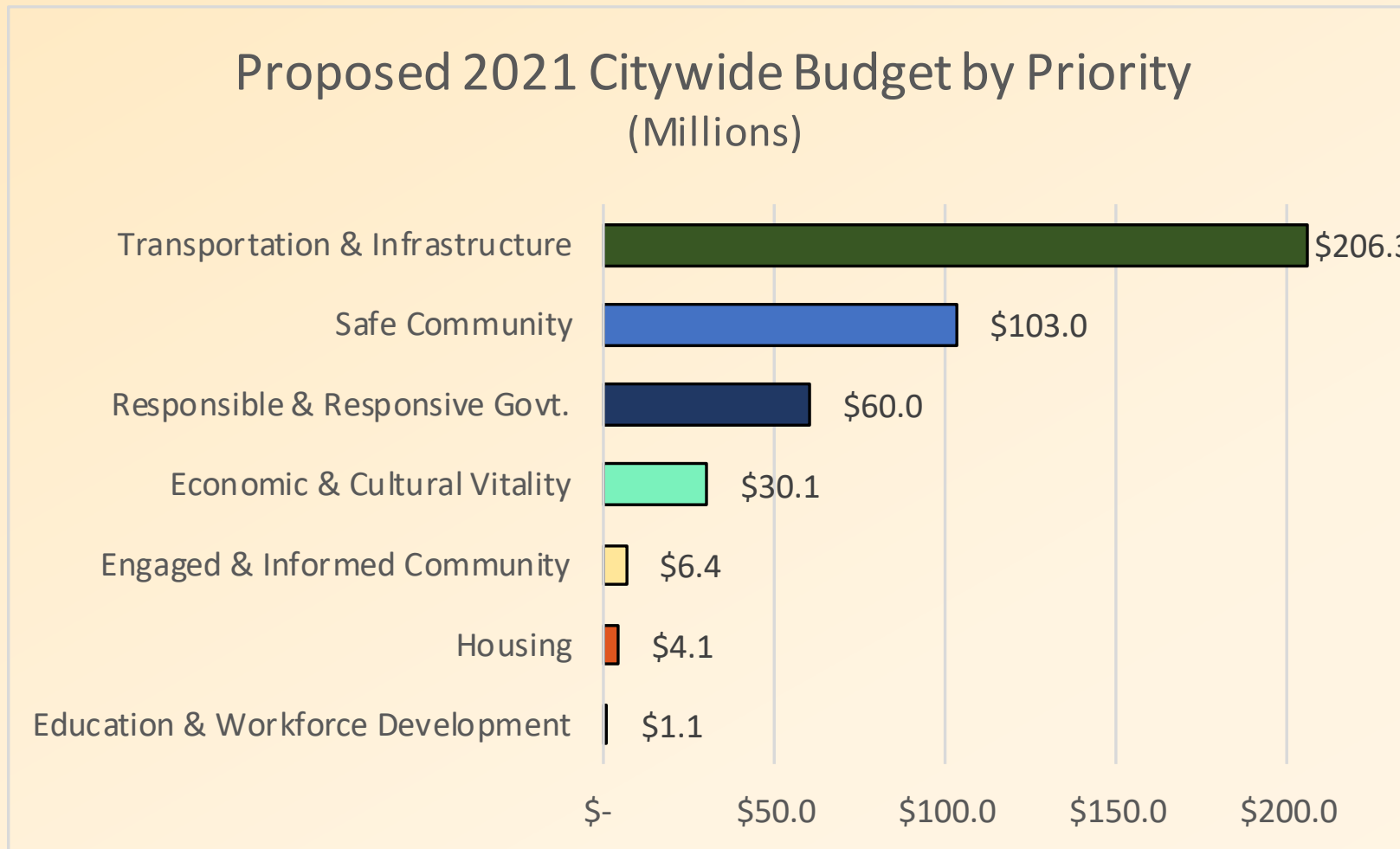
Citywide Proposed 2021 Revenue Budget

Total: \$404.6 Million



Citywide Proposed 2021 Expenditure Budget

Total: \$411.0 Million

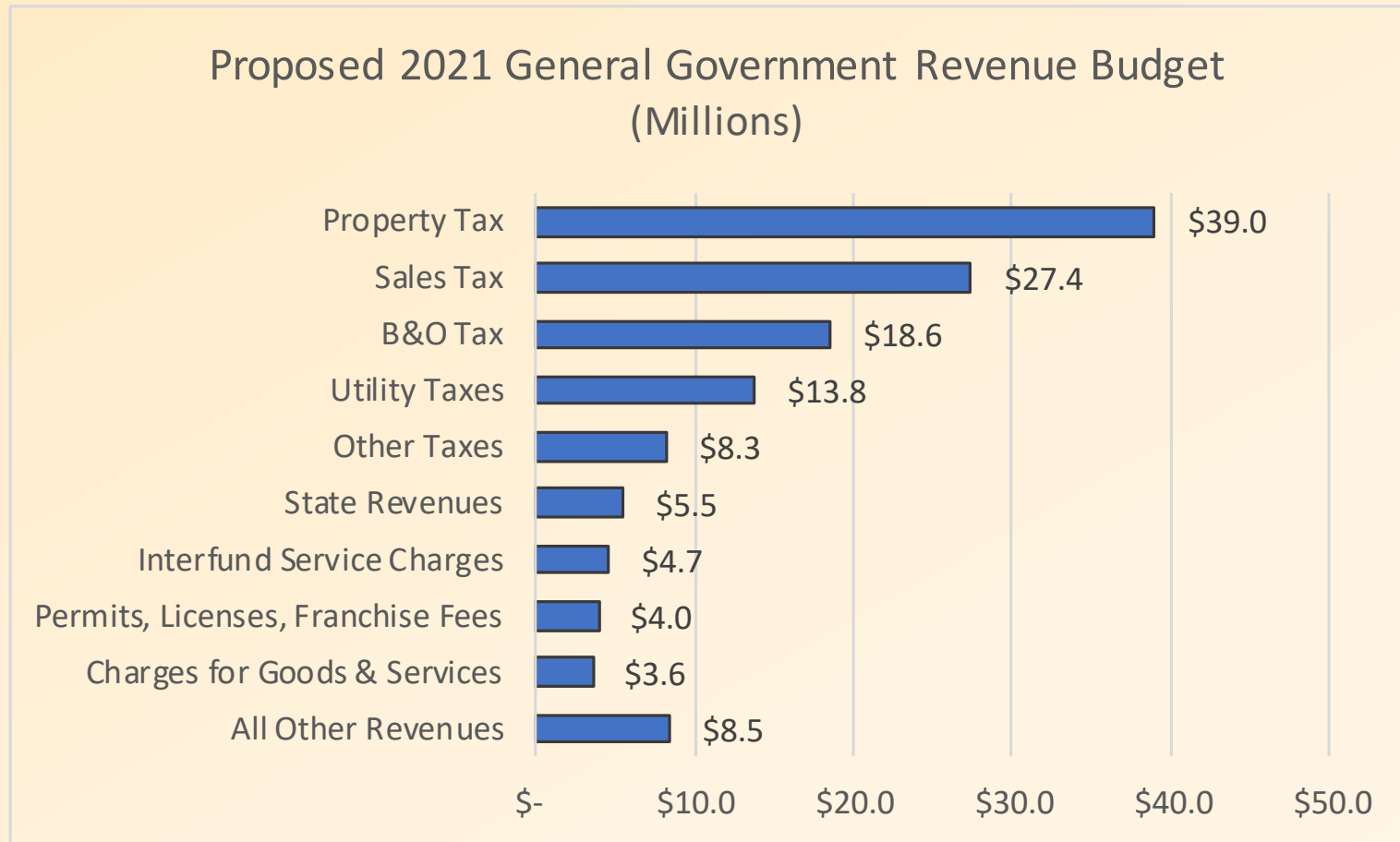


2021 PROPOSED GENERAL GOVERNMENT BUDGET



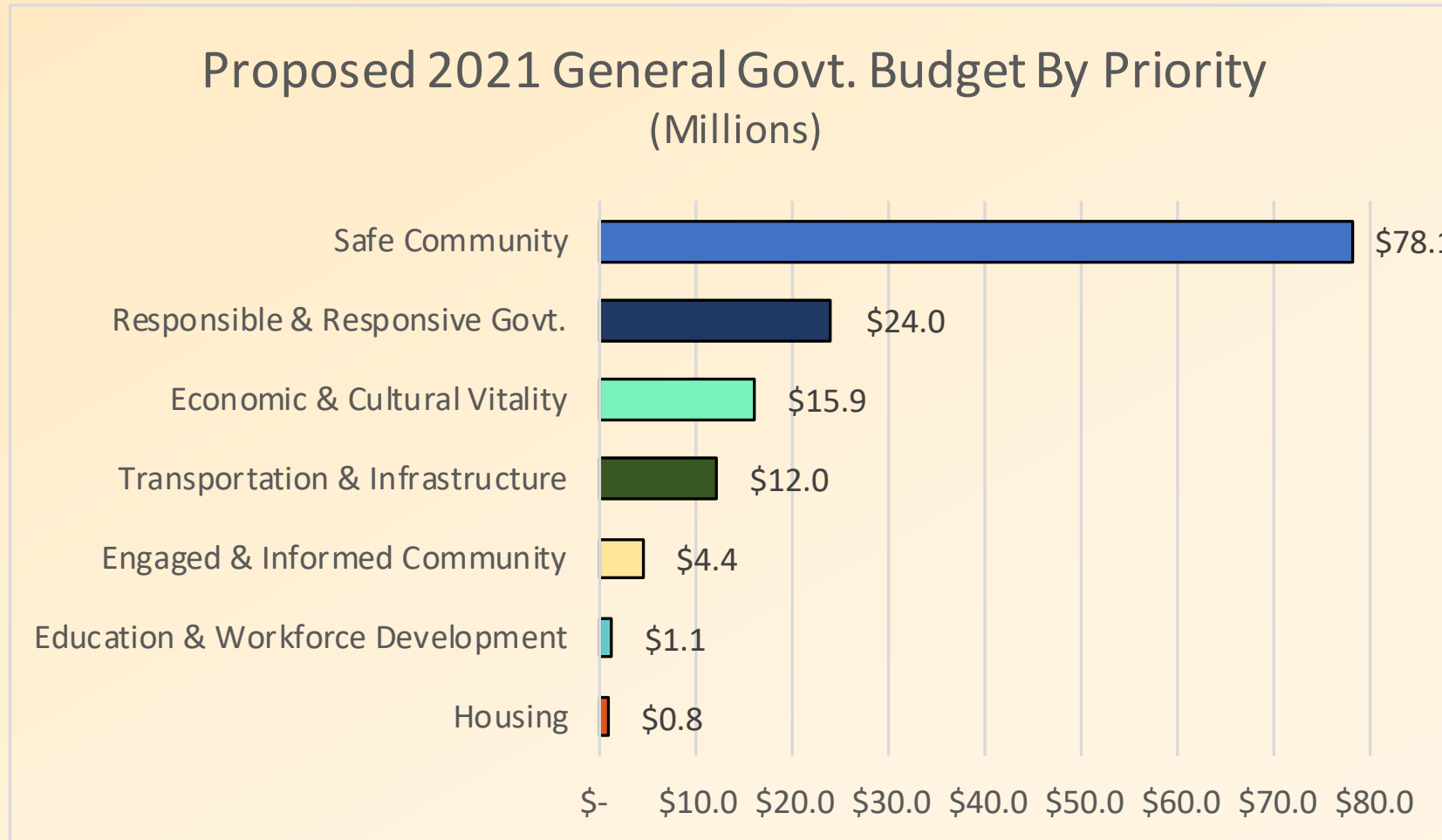
General Government Proposed 2021 Revenue Budget

Total: \$133.2 Million



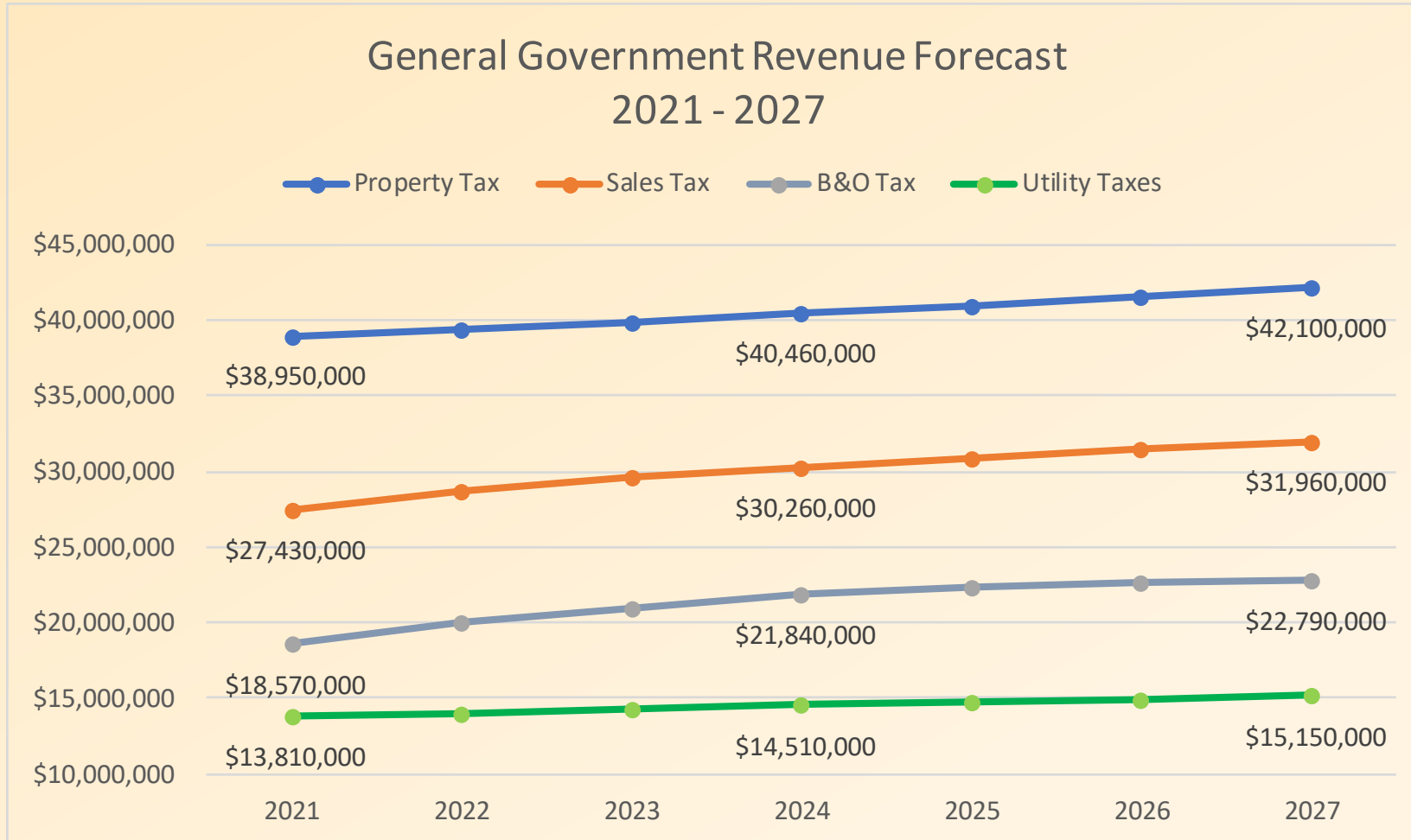
General Government Proposed 2021 Expenditure Budget

Total: \$136.2 Million



General Government Revenue Forecast

Property Tax, Sales Tax, B&O Tax, Utility Tax



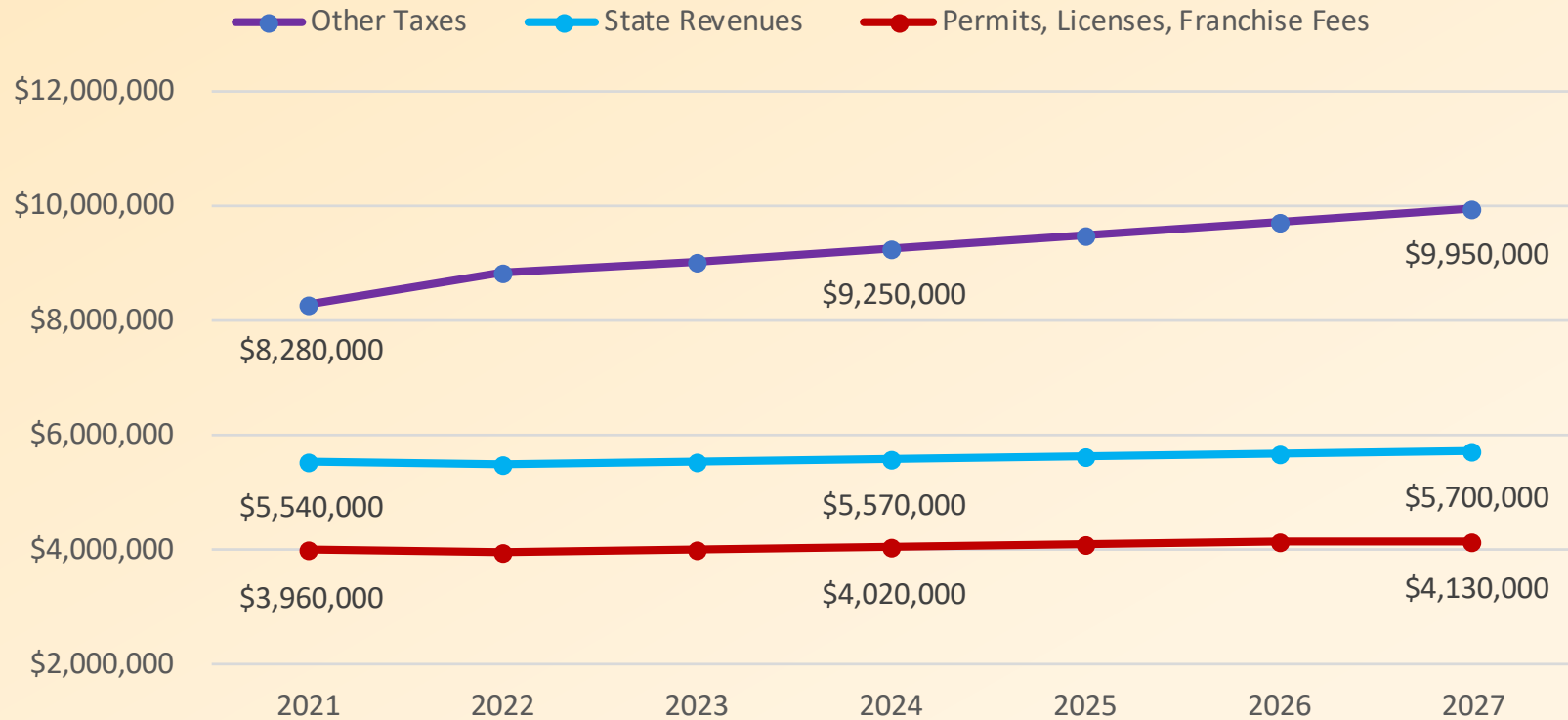
Average Growth Rate Forecast	
Total General Govt. Revenues	2.0%
Property Tax	1.3%
Sales Tax	2.6%
B&O Tax	3.5%
Utility Taxes	1.6%



General Government Revenue Forecast

Other Taxes; Permits, Licenses, & Franchise Fees; State Revenues

General Government Revenue Forecast
2021 - 2027



Average Growth Rate Forecast

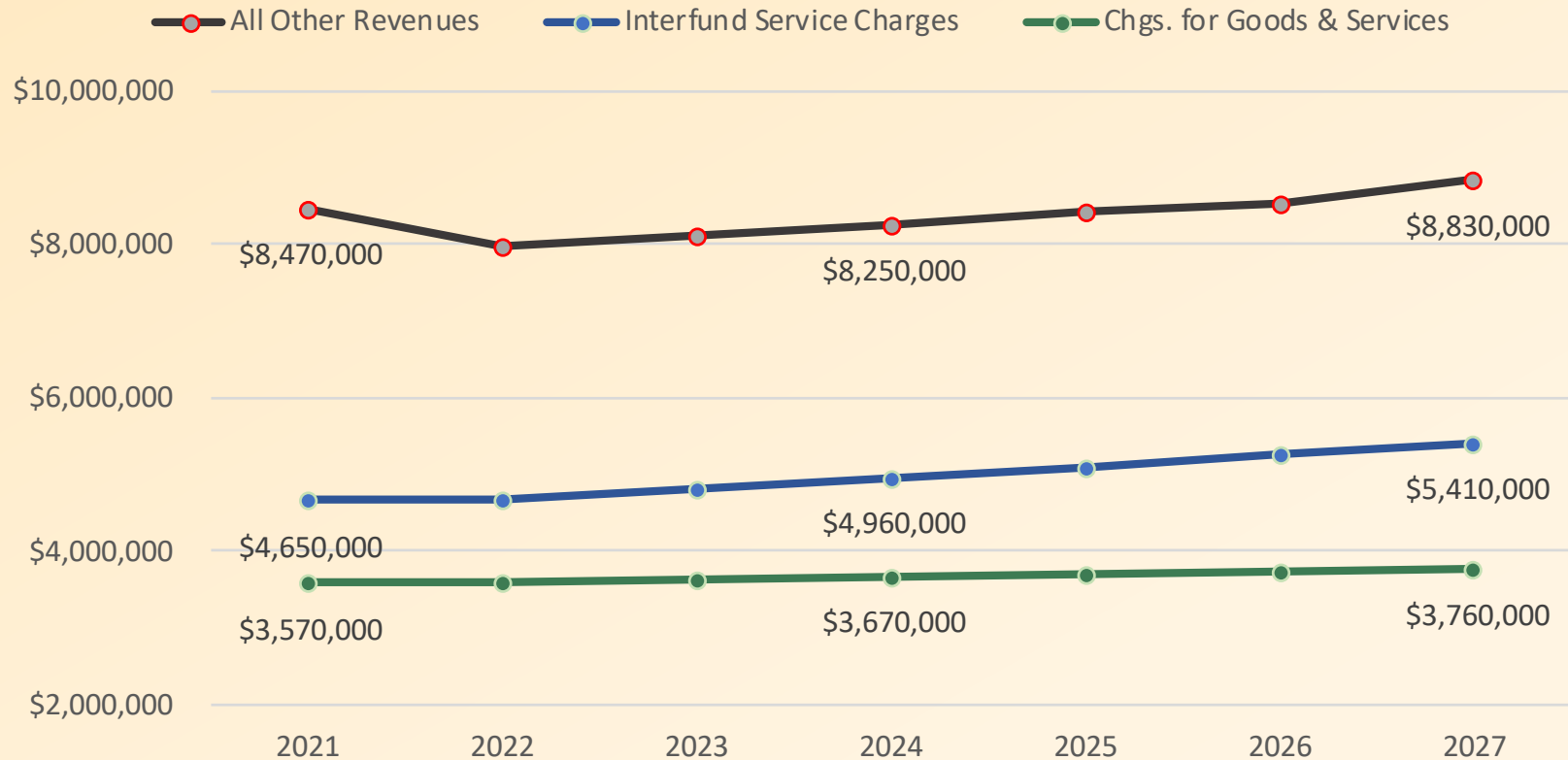
Other Taxes	3.1%
State Revenues	0.5%
Permits, Licenses, Franchise Fees	0.7%



General Government Revenue Forecast

All Other Revenues, Interfund Svc. Charges, Charges for Goods & Svcs.

General Government Revenue Forecast
2021 - 2027

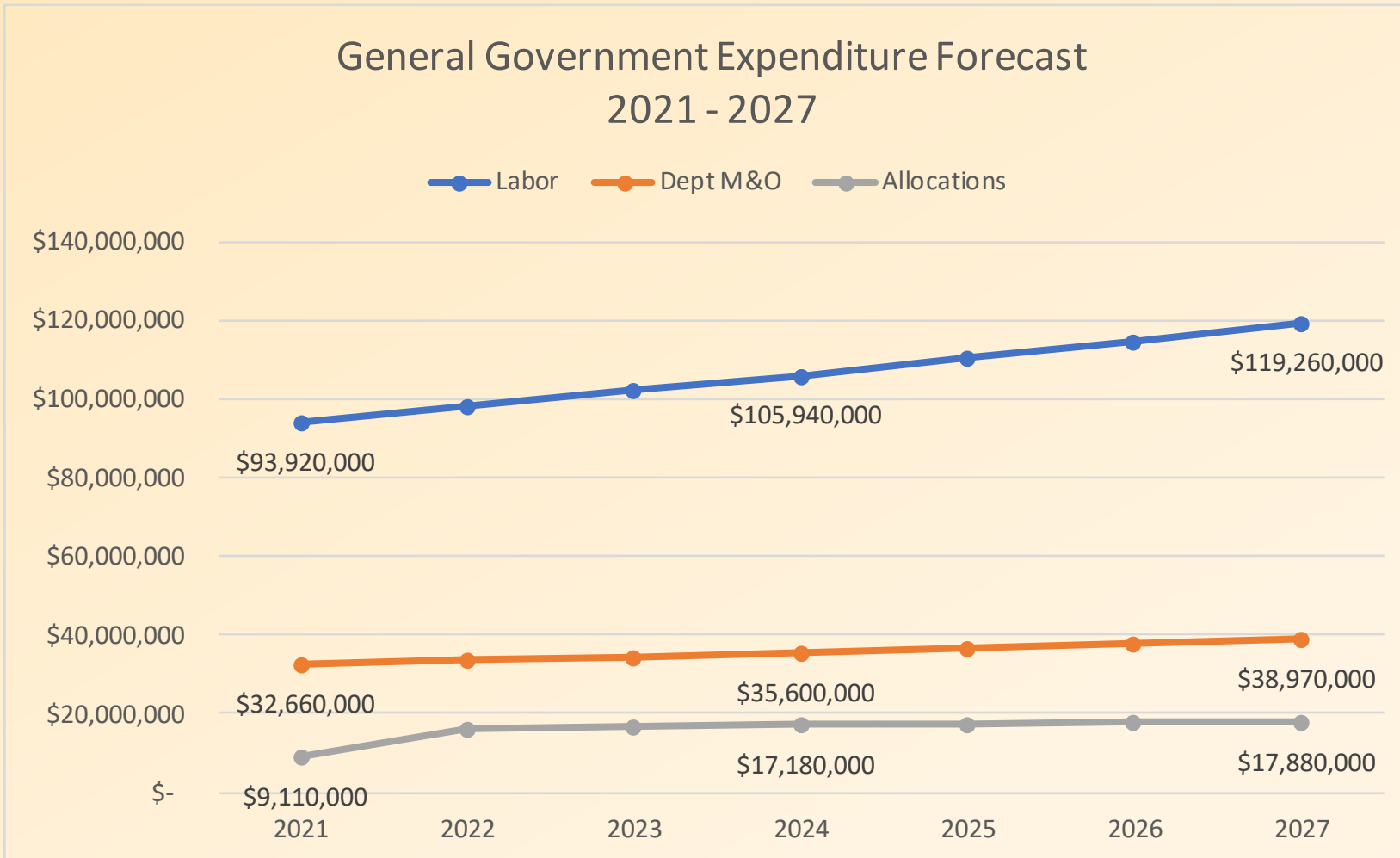


Average Growth Rate Forecast

All other Revenues	0.7%
Interfund Svc. Charges	2.6%
Chgs. For Goods & Svcs.	0.9%



General Government Expenditure Forecast



Average Growth Rate Forecast	
Total	4.5%
Labor	4.1%
Dept M&O	3.0%
Allocations	14.7%



GENERAL GOVERNMENT 5-YEAR FORECAST



General Government Five-Year Forecast Update Summary

2021 General Government Proposed Budget Balancing List						
As of 9/16/20						
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
ANNUAL BALANCE as of 12/12/19	\$ (12,870,264)	\$ (16,551,142)	\$ (19,068,246)	\$ (22,470,155)	\$ (26,523,526)	\$ (30,744,205)
2019 Budget variance available for budget balancing	2,800,000					
Revised Annual Balance	\$ (10,070,264)	\$ (16,551,142)	\$ (19,068,246)	\$ (22,470,155)	\$ (26,523,526)	\$ (30,744,205)
Proposed Budget Revisions						
Revenue Forecast Update	\$ (8,471,577)	\$ (6,462,260)	\$ (6,561,412)	\$ (6,170,621)	\$ (5,727,085)	\$ (5,454,733)
Expenditure Update - No Direct Service Impacts	\$ 7,768,819	\$ 5,127,887	\$ 5,537,363	\$ 5,914,586	\$ 5,811,945	\$ 6,305,268
Revised Annual Balance	\$ (10,773,022)	\$ (17,885,515)	\$ (20,092,294)	\$ (22,726,190)	\$ (26,438,665)	\$ (29,893,670)
Expenditure Update - Direct Service Impacts	\$ 10,773,022	\$ 6,508,238	\$ 6,551,608	\$ 6,790,564	\$ 7,038,764	\$ 7,296,016
Revised Annual Balance	\$ 0	\$ (11,377,277)	\$ (13,540,686)	\$ (15,935,626)	\$ (19,399,901)	\$ (22,597,654)



General Government Five-Year Forecast Update

Expenditure Update - Service Impacts

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Police Organizational & Operations Study	\$ (125,000)	\$ -	\$ -	\$ -	\$ -	\$ -
City Council M&O reductions	28,300	3,366	3,433	3,502	3,572	3,643
Administration labor & M&O reductions	676,044	693,894	720,761	748,684	777,707	807,871
Communications labor reductions	171,289	178,140	185,266	192,677	200,384	208,399
Facilities labor reductions	254,057	264,220	274,789	285,780	297,211	309,100
Finance labor reduction	19,303	19,978	20,678	21,401	22,150	22,926
Municipal Court M&O reduction	10,000	10,200	10,404	10,612	10,824	11,041
Information Technology labor reduction	109,750	113,042	116,433	119,926	123,524	127,230
Engineering labor reductions	186,200	192,007	198,013	204,226	210,653	217,302



General Government Five-Year Forecast Update

Expenditure Update - Service Impacts

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Streets labor & M&O reductions	\$ 532,484	\$ 551,783	\$ 571,815	\$ 592,606	\$ 614,188	\$ 636,591
Legal labor reductions	330,494	341,731	353,359	365,390	377,839	390,722
Community, Planning, & Econ. Dev. Labor & M&O reductions	455,777	419,973	241,080	249,527	258,278	267,344
Reduce uniformed Fire position	102,050	107,241	111,777	116,414	121,533	126,612
Eliminate Safe Streets Work Crew Program	112,750	118,388	124,307	130,522	137,048	143,901
Police Reorgnization and civilian labor reduction	162,166	167,048	172,094	177,309	182,699	188,271
Reduce Jail budget	600,000	-	-	-	-	-
Add Social Worker to COET Team	(116,014)	(117,763)	(122,387)	(127,195)	(132,194)	(137,391)
Suspend LEOFF 1 Pension prefunding	3,886,000	-	-	-	-	-



General Government Five-Year Forecast Update

Expenditure Update – Service Impacts

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Library reorganization/labor, M&O, prg. reductions	\$ 911,818	\$ 883,890	\$ 908,433	\$ 933,717	\$ 959,769	\$ 986,610
Cultural Arts labor & events funding reduction	272,664	280,198	289,027	298,163	307,615	317,397
Recreation prg. eliminations (classes, day camps, etc.)	615,500	641,814	669,190	697,668	727,294	758,111
Eliminate General Fund support for Jetty Island	184,098	188,874	193,783	198,829	204,018	209,353
Forest Park Swim Center closure	490,026	514,143	539,283	565,488	592,799	621,263
Annual Flower program elimination	347,636	359,053	370,855	383,055	395,666	408,702
Senior Center transition to Non-City funding operating model	555,630	577,017	599,217	622,263	646,186	671,020
Subtotal Additional Expenditure Changes	\$ 10,773,022	\$ 6,508,238	\$ 6,551,608	\$ 6,790,564	\$ 7,038,764	\$ 7,296,016
REVISED ANNUAL BALANCE (As of 9/16/20)	\$ 0	\$ (11,377,277)	\$ (13,540,686)	\$ (15,935,626)	\$ (19,399,901)	\$ (22,597,654)



DISCUSSION

