



City of Lake Stevens 2026 Annual Budget



Proposed Version - 10/29/2025



TABLE OF CONTENTS

| | |
|----------------------------------|------------|
| Introduction | 4 |
| Transmittal Letter | 5 |
| Mission, Vision & Values | 8 |
| Elected Officials | 9 |
| History of City | 19 |
| Demographics | 20 |
| Organization Chart | 24 |
| Fund Structure | 25 |
| Basis of Budgeting | 26 |
| Budget Process | 27 |
| Budget Overview | 28 |
| Personnel Changes | 29 |
| Salary Tables | 30 |
| Approved Requests | 33 |
| Capital Project Budget | 34 |
| Fund Summaries | 35 |
| All Funds - Citywide | 36 |
| General Fund | 46 |
| Street Fund | 55 |
| Transportation Benefit Fund | 60 |
| Municipal Arts Fund | 64 |
| Drug Seizure and Forfeiture Fund | 66 |
| Debt Service Funds | 69 |
| LTGO 2008A Bond | 73 |
| 2019A LTGO Bond | 76 |
| 2021A LTGO Bond | 79 |
| 2024A LTGO Bond | 82 |
| Capital Project Funds | 85 |
| Real Estate Excise Taxes | 92 |
| REET 1 | 94 |
| REET 2 | 97 |
| Traffic Mitigation Fund | 103 |
| Park Mitigation Fund | 108 |
| Facility Capital Project Fund | 113 |
| Sidewalk Capital Project Fund | 115 |
| Sewer Fund | 117 |
| Storm Water Funds | 120 |
| Internal Service Funds | 128 |
| Treasurer Trust Fund | 135 |
| Funding Sources | 137 |
| Taxes | 138 |
| Property Taxes | 142 |
| Sales Tax | 144 |



| | |
|-----------------------------------|------------|
| Utility Taxes | 145 |
| Real Estate Excise Tax | 148 |
| State Shared Revenues | 151 |
| Grants | 154 |
| Departments | 159 |
| Legislative and Executive | 160 |
| Administration | 163 |
| Municipal Services Division | 167 |
| Finance | 171 |
| Human Resources | 176 |
| Information Technology | 180 |
| Community Development | 184 |
| Law Enforcement | 189 |
| Parks & Recreation | 194 |
| Public Works | 198 |
| General Government | 203 |
| Appendix | 209 |
| Glossary | 210 |

INTRODUCTION



Mayor's Message

Brett Gailey, Mayor

October 30, 2025

Honorable City Council and Residents of Lake Stevens,

The 2026 Budget represents another step forward in strengthening how we serve our community and protect the quality of life that defines Lake Stevens. Over the past decade, our city has grown from a small town around the lake into one of Snohomish County's fastest-growing communities. With that growth comes the responsibility to deliver reliable services, maintain safe and efficient infrastructure, and invest in the systems that keep our organization resilient and responsive.

This budget builds on the progress of the past several years—from achieving American Public Works Association (APWA) accreditation to advancing major transportation and park investments—while sharpening our focus on three key priorities for the year ahead: **Public Safety, Information Technology, and Maintaining Infrastructure & Programs.**

Public Safety

The safety of our residents remains our highest priority. In 2026, we are implementing the **Traffic Safety Camera Program** to enhance road safety and reduce preventable collisions at key intersections and school zones. This initiative supports our Police Department's ongoing efforts to improve enforcement efficiency, promote compliance, and provide data-driven insights to guide future roadway improvements.

Public safety is not limited to enforcement—it is about prevention, preparedness, and partnership. Our continued investment in first-responder readiness, emergency management coordination, and community engagement ensures that Lake Stevens remains a safe place to live, work, and raise a family.

Information Technology

The city's ability to deliver reliable, secure, and efficient public services depends on the strength of its technology infrastructure. The 2026 budget expands our **cybersecurity and data-protection measures** to safeguard critical systems and sensitive information from increasing digital threats.

We are prioritizing **critical system support** to maintain the continuity of essential operations, from permitting and financial management to communications and emergency response. In addition, the City is making strategic **investments in Artificial Intelligence (AI) tools** that enhance staff efficiency and service delivery. These responsible AI solutions are being deployed to automate routine tasks, streamline workflows, and improve information access—freeing up staff time for higher-value public service work.

These technology initiatives protect taxpayer resources, strengthen organizational resilience, and position Lake Stevens as a forward-thinking leader in local government innovation.

Maintaining Infrastructure & Programs

Growth and success bring new demands on our infrastructure, facilities, and community programs. The 2026 budget maintains our **current levels of service** while supporting long-term maintenance and replacement needs across the city.

We continue to fund core services such as streets, parks, stormwater management, and facilities upkeep to ensure residents experience the high standard of reliability they expect. Alongside these commitments, we are encouraging **innovative process improvement** within departments, empowering staff to modernize workflows, streamline permitting and communications, and identify efficiencies that reduce costs without compromising quality.

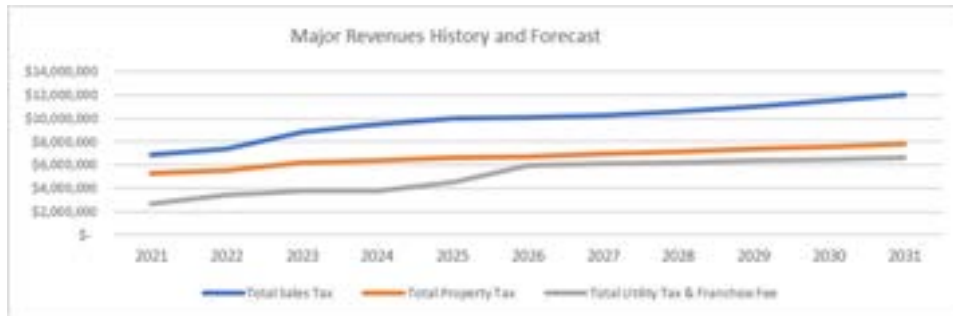
These efforts reflect our shared commitment to responsible stewardship of public funds and to continuous improvement in how we serve the community.

Revenues

Lake Stevens has seen revenue growth over the past seven years and can expect some sources to continue to grow, while others flatten out. Using reasonable assumptions, we foresee overall growth of 2% per year for all combined revenue.



Lake Stevens voters approved the 0.2% Transportation Benefit funding enacted in 2023. The revenues created by this funding are estimated at \$1,632,000 per year to be used on the approved list of roads, sidewalks, and trails. The first \$500,000 per year is intended for pavement preservation and to maintain and enhance the city's existing roadway infrastructure.



The assumptions used to make these projections are:

- Sales Tax increases an average of 4% per year through 2031. Although retail sales are forecasted to increase 5% per year, sales related to construction will decrease.
- Property Tax increase of 1% plus estimated new construction and annexation assessments. In 2026 the allocation to the Street fund will decrease to 14%.
- Utility Tax increase of 31% in 2026 due partially to a tax on sewer assigned to the Street fund for road repair and maintenance and the proposed tax on stormwater. The increase in future years is estimated at 2% per year.



Lake Stevens continues to see new retail and redevelopment which signals a strong economy and reinforces the city's revenue projections.

The city continues to allocate \$300,000 of construction sales tax revenue into the general fund for operating purposes. Any remaining construction sales tax is allocated to our reserves for future infrastructure needs and to balance structural deficits.

Proposed Operating Budget

Our proposed budget is structured to fund the highest priority needs for city residents while maintaining adequate reserves. The city looks toward the future with continued economic development citywide. In the meantime, the 2026 budget strategically funds department needs that are a priority for residents while reducing the structural deficit in the General Fund.

The proposed staffing budget includes:

1. Add IT Application/Data Analyst to provide additional data security, mandatory ADA updates and critical system support.
2. Add Traffic Engineer to develop and implement the traffic safety camera program and traffic calming program.
3. Allow for Intern positions to be departmentally funded with budget savings
4. Cost of Living Adjustment for Non-Represented Staff (represented staff receive adjustments based on contract agreements)

Summary



The 2026 Budget is balanced, sustainable, and forward-looking. It supports our essential services, invests in technology and safety, and maintains the infrastructure that connects and defines our city. As always, we continue to plan prudently, manage resources carefully, and maintain healthy reserves to ensure long-term stability. I want to thank our City Council, staff, and residents for their collaboration and commitment. Your input and engagement make our city stronger and help shape a vision that unites us as *One Community Around the Lake*. Together, we are building a safer, smarter, and more resilient Lake Stevens. Respectfully,

Brett Gailey, Mayor



Mission, Vision, & Strategic Plan

Mission Statement:

Provide a safe and desirable community with open communication and dedicated public service.

Vision Statement:

We are a thriving community that promotes a vibrant economy, preserves natural beauty, and supports an exceptional quality of life **for all**.

Strategic Planning:

The City of Lake Stevens' strategic priorities will not only preserve the natural beauty that attracts so many of its citizens, but enhance and harmonize with the environment to accommodate new people who desire to live here. Through shared, active participation among citizens, Mayor, Council, and City Staff, we commit ourselves to quality living for this and future generations. Growth in our community is inevitable. The City will pursue an active plan on how, when, and where it will occur to properly plan for needed services, ensure public safety, and maintain the unique ambiance that is Lake Stevens.

City-Wide 5-Year Strategic Plan DRAFT 2024-2029

| Strategic Priority - What categories of work will drive our focus? | Goals - The "What" - What do we need to create, expand, develop, enhance, stabilize, or be capable of to progress toward our Vision and Mission? |
|--|--|
| Community Vitality | <ul style="list-style-type: none">• Sustain and promote public safety• Draw people to the community• Promote a positive business environment/community through efficient City processes• Engage community groups and individuals to expand and improve services |
| Accessible and Optimal Infrastructure | <ul style="list-style-type: none">• Design thoughtful, forward-thinking, and creative infrastructure while balancing cost and efficiency• Proactively maintain existing infrastructure while balancing the needs of new projects• Provide infrastructure to areas with the greatest public benefit• Continue to maintain and build out safe and accessible sidewalks, shared roadways, and connected trails |
| Financial Stewardship and Economic Success | <ul style="list-style-type: none">• Promote diverse jobs and industries leading to a balanced economy• Promote open communication and encourage financial collaboration with our community• Continue investment in infrastructure to support industrial and commercial growth• Encourage to be fiscally responsible by balancing financial decisions |
| Operational Innovation and Excellence | <ul style="list-style-type: none">• Promote exceptional service as the top priority• Build governmental excellence through internal and external relationships• Invest in employee professional development• Promote creative problem-solving and thoughtful improvement of processes |
| Environmental Stewardship | <ul style="list-style-type: none">• Protect natural habitats• Make conscious decisions in all departments and operations for climate and sustainability• Maintain/increase public access• Maintain/improve lake clarity and quality |

Elected Officials

The City of Lake Stevens operates under the mayor-council system. The city's motto, "One Community Around the Lake", embodies its quality of life, top-ranked school district, and the City Council's commitment to providing excellent services and amenities for its citizens. Here you can find answers to your questions about leadership and upcoming projects, and discover how our government departments work together to maintain this beautiful city and provide the services on which we rely.

Through shared, active participation among residents, the Mayor, City Council, and City staff, we commit ourselves to quality living for this and future generations.

Mayor Brett Gailey

Brett Gailey is a long-time resident of Lake Stevens. He retired from the Everett Police Department in May 2020 after 21 years in law enforcement.

He is a Lieutenant Colonel branched Military Intelligence in the US Army Reserves, with a Bachelor's degree in Spanish from Boise State University and a Masters in Business Administration from the American Military University.

He is married to Micah and between the two of them have seven children, who attend or attended Lake Stevens schools. Family is important to Brett; as Mayor of Lake Stevens, he enjoys the opportunity to help build this great community, with his focus on parks and maintaining a small-town quality of life.

He is a member of the Snohomish County Tomorrow Executive Committee, the Lake Stevens Art and Parks Foundation, and the Lake Stevens Rotary Club. Brett enjoys music from the '80s, running, hiking nearby peaks, making contacts with his amateur radio, and crawling things with his Jeep.



Councilmember Kim Daughtry, Position #1

Biography

Originally from Puyallup, Kim Daughtry and his wife, Debbie, moved to Lake Stevens in 2000 after retiring with 25 years in the US Navy. They have been married for 34 years and have two grown sons, one living in Bellevue and the other in South Carolina with the US Air Force.

Following the Navy he was recruited by the Strategy and Technology Consulting Firm, Booz Allen Hamilton to further facilitate the process improvement and perform cost benefit analysis for several entities including the San Diego School District, the California Space Consortium, the California State Department of Finance, San Diego County Waste Management Board, and the US Navy.

Kim next became the Chief Information Officer for Teligistics, a telecommunications cost analysis firm where he designed and implemented a database and cost analysis system that analyzed business phone bills and recommended improvements for cutting a client's telecommunications costs and recovering overcharges by their suppliers. After Teligistics, Kim started his own business as a home restoration and rehabilitation specialist in and around Lake Stevens and also has a business designing and maintaining websites for small businesses and non-profit groups.

For relaxation Kim enjoys woodworking and working around their pond and yard.

Special Projects

Serves on the board of the Snohomish Health District.

Council liaison to:

- Lake Stevens School District
- Community Transit Board of Directors
- Lake Stevens Family Center
- Puget Sound Regional Transportation Board
- Snohomish County Cities
- Member of the Lake Stevens Chamber of Commerce



Councilmember Gary Petershagen, Position #2

Biography

Gary has been a lifelong resident of the Everett/Lake Stevens area, settling full-time in Lake Stevens since 1995. Gary is married to his wife Jeanne, and together they have two children, both proud graduates of Lake Stevens Schools.

Having been involved in various aspects of the real estate industry in the past 38+ years, his experiences include banking, land entitlement/development and 12 years in homebuilding. Currently, Gary is the principal owner of Alexander Reed, LLC, specializing in land development and CD21S, LLC, which provides the construction industry with inspection services and due diligence. Gary is also a licensed Real Estate Broker in the State of Washington.

With past business activities primarily in the Marysville area, Gary was involved in Marysville Noon Rotary Club for 18 years, earning a Paul Harris Award for Community Service. He also served as the Chairman of the Board in '04-'05 for the Marysville Tulalip Chamber of Commerce. Other activities involved the Economic Development Council of Snohomish County along with his service of 6 years on the Lake Stevens Planning Commission.

Having served on the City Council since January 2017, Gary was re-elected in 2021 to serve another 4-year term.



Councilmember Ryan Donoghue, Position #3

Biography

Originally from Stanwood, WA, Ryan Donoghue moved to Lake Stevens in 2016 with his wife, Michelle. Ryan and Michelle have been married since 2015 and have a young son and daughter with whom they love experiencing all Lake Stevens has to offer. When Ryan and his family aren't at North Cove Park for the Farmer's Market or the playground, they can be found enjoying pizza at Contos' or practicing the art of self-control at the Lake Stevens Costco.

Ryan received his JD/MBA from the Seattle University School of Law and the Seattle University Albers School of Business. After graduating, Ryan worked briefly as a Snohomish County Deputy Prosecutor before joining the strategic advisory group of an intellectual property (IP) law firm in Seattle. Ryan currently works as a consultant for a large global services company where he leads teams of IP and data analytics professionals in advising companies on risk mitigation strategies related to their IP portfolios.

For relaxation, Ryan enjoys spending time with his family; hanging out at the dog park with his dog, Fynn; and watching Formula 1.



Councilmember Kymm Shipman, Position #4

Biography

Kymm Shipman

Kymm was born and raised in Everett, WA, and moved east of the trestle in 1992; settling in Lake Stevens in 1999. Kymm was drawn to Lake Stevens because of its hometown feel and strong school district. Both of her children attended/graduated from the Lake Stevens School District. Her oldest in 2013 and her youngest is in the Class of 2024. She enjoyed volunteering in their classroom throughout their elementary school years, being Team Mom, and helping out where needed.



In 2009, Kymm opened Kids Way Child Care and Early Learning Center in Old Town Lake Stevens and expanded to include school-age children in 2016. As a Lake Stevens business owner and resident/parent, Kymm has strong roots and appreciation for Lake Stevens and all it has to offer.

In her spare time, Kymm enjoys spending time with her family, walking her dog, doing projects around the house, attending Lake Stevens festivals, venturing to the Whidbey Island beaches, day hikes in the beautiful PNW, and she is an avid skier.

Councilmember Anji Jorstad, Position #5

Biography

Anji Jorstad is a Pacific Northwest native. Born in Washington and raised in Eastern Oregon, she was drawn to the natural beauty of Snohomish County in 1993 to pursue her career in community mental health. Anji and her husband Jesse moved to Lake Stevens in 2011, excited to raise their family in a tight-knit, friendly community with a distinguished school district. Their children attend Lake Stevens High School and Mount Pilchuck Elementary.



Anji is a graduate of Pacific University in Forest Grove, Oregon with a double major in Psychology/Social Work. She earned her Master's Degree in Social Work from Eastern Washington University and is a Licensed Social Worker with experience in both the public and non-profit sectors. Anji currently works for Snohomish County as a Behavioral Health supervisor in the Human Services Department, overseeing innovative programs that bring law enforcement, corrections, behavioral health and housing systems together to address service gaps throughout Snohomish County.

Anji leverages over 25 years of experience in community organizing, project development, and budget oversight to the work of the Council. She is committed to creating opportunities to bring the ideas in our community to City Hall, where open dialogue and transparency are necessary to move us forward.

Anji spends her free time with her husband and family cooking delicious meals and discovering new restaurants, playing card and board games, and finding new ways to enjoy Lake Stevens and the Pacific Northwest.

Councilmember Steve Ewing, Position #6

Biography

Washington natives Steve and his wife Athena, have been happily married since 2000, and have been in Lake Stevens since 2005. They were won over by the excellent schools coupled with its proximity to recreational and employment opportunities. Each of their five children are/have been blessed to have received their education within the Lake Stevens School District.

Steve graduated from college and began his career with the State of Washington in 2002. He has worked as a Mental Health Counselor, Community Corrections Officer, and has served many years as an Administrative Hearings Officer in both the prison and community settings. Steve finds his service oriented professional work both rewarding and challenging.

Serving his community and others has long been part of Steve's life. He served a two-year mission for his church to Milan, Italy, and has served in many church leadership positions since. He has also served many years as the President of his 136 member Homeowners Association. Prior to joining the City Council in 2019, Steve served on the City's Planning Commission for two years. Steve is a regular blood donor and is proud to have his 8 gallon pin!

In his free time Steve loves to garden, and hikes in the gorgeous mountains that surround us. He is proud of his fig trees and other garden produce that he and his family enjoy every season.



Councilmember Marcus Tagent, Position #7

Biography

Marcus Tagent grew up in Lake Stevens and graduated from the Lake Stevens School District. After graduation Marcus joined the United States Marines where he fought in the Persian Gulf War. After serving in the Marines he attended college at Washington State University. He then relocated back to Lake Stevens.

Marcus owned and operated Task Properties / Impact Property Management in the Lake Stevens community for the past 12 years. His companies manage Condominium Associations, Home Owner Associations, residential properties and commercial properties in Snohomish and King counties. Working and living in the Lake Stevens community he established great working relationships with many community members.

Marcus belonged to, and volunteered in, many community groups such as the Lake Stevens Kiwanis, the Greater Lake Stevens Chamber of Commerce, and the American Legion.

It was important to give back to the community in which he lived and worked.

Thank you for your service Marcus, you will be missed.



Councilmember Kurt Hilt, Position 7

Kurt is honored to return to the City Council for this brief appointment. Born in Seattle, he was raised in Everett and attended Seattle Pacific University, where he met his wife, Robin. Kurt has previously served on the City Council as a member and as president. In his previous term representing the residents of Lake Stevens, he championed community health, affordability, transportation improvements, and veteran services.

Kurt has been employed by South County Fire for 27 years and is a Captain in its Central Battalion (Lynnwood/Mountlake Terrace). During his time with South County, he filled the roles of firefighter, paramedic, hazardous materials technician, and emergency manager. For 15 of those years, he also worked for the National Disaster Medical System responding to emergencies throughout the United States and its Territories.

He is committed to our community and the hard work of providing quality essential city services without taxing ourselves into the poor house.



City Council-Mayor-City Administrator



One Community Around the Lake



Since settling in 1886, Lake Stevens has been home to families who set their sights on pioneering a better way of life for western Washington and beyond. Encompassing approximately nine miles of Snohomish County, and surrounding one of the region's most coveted recreational lakes, the City of Lake Stevens has emerged as one of the most desirable places in the state to call home.

Just 10 minutes east of Everett, and 34 minutes from downtown Seattle, Lake Stevens is home to hardworking families and retirees. Our growth is outpacing the rest of Snohomish County. In 2022, the city had more than 35,000 residents and forecasts that by 2035 Lake Stevens will experience 40% growth to exceed a population of 40,000.

The City was incorporated in 1960 and operates with a mayor-council form of government. The City is a general-purpose governmental entity that provides services to its residents including health and social services, public safety, street improvement, parks and recreation, and general administrative services.

Fire service is provided by Snohomish County Regional Fire & Rescue. Sewage collection and treatment service is provided by Lake Stevens Sewer District under a Unified Sewer Agreement.

Population Overview



TOTAL POPULATION

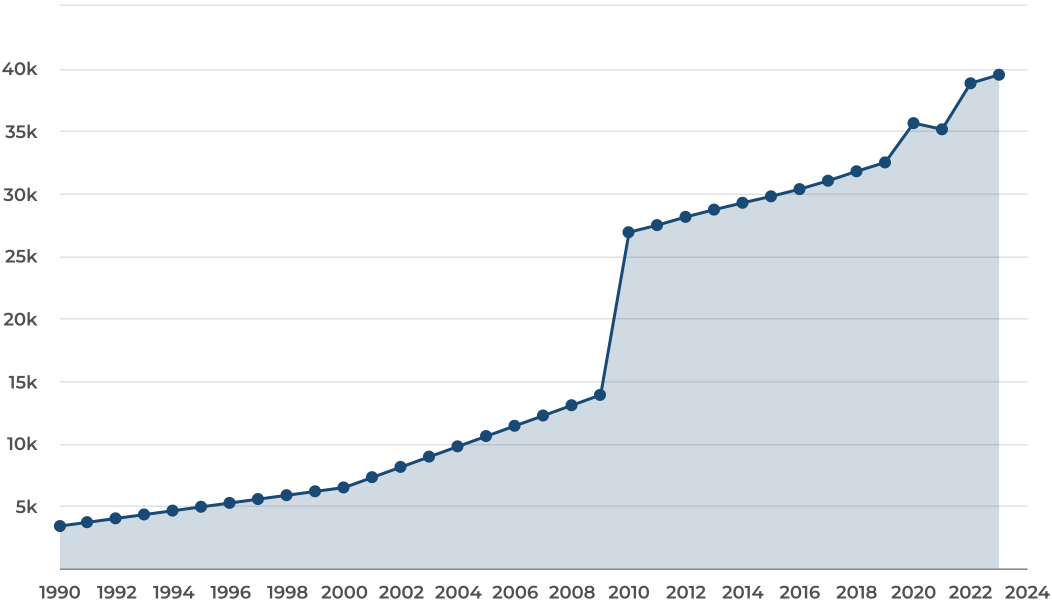
39,500

▲ 1.8%
vs. 2022

GROWTH RANK

83 out of 289

Municipalities in Washington



* Data Source: U.S. Census Bureau American Community Survey 5-year Data and the 2020, 2010, 2000, and 1990 Decennial Censuses



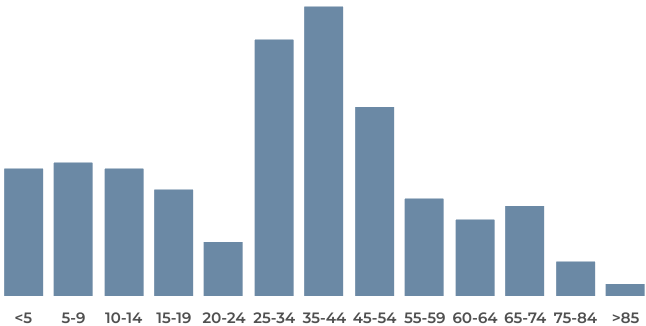
DAYTIME POPULATION

29,541

Daytime population represents the effect of persons coming into or leaving a community for work, entertainment, shopping, etc. during the typical workday. An increased daytime population puts greater demand on host community services which directly impacts operational costs.

* Data Source: American Community Survey 5-year estimates

POPULATION BY AGE GROUP



Aging affects the needs and lifestyle choices of residents. Municipalities must adjust and plan services accordingly.

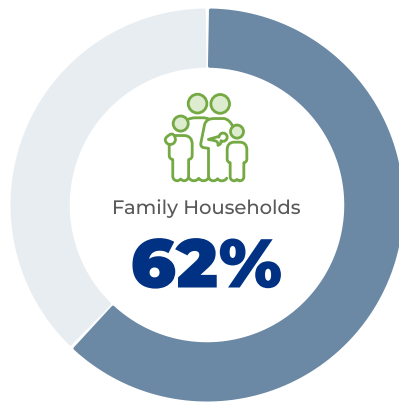
* Data Source: American Community Survey 5-year estimates

Household Analysis

TOTAL HOUSEHOLDS

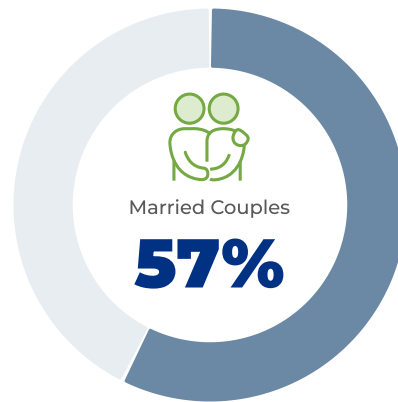
13,414

It is important to consider the dynamics of household types to plan for and provide services effectively. Household type also has a general correlation to income levels which affect the tax base.



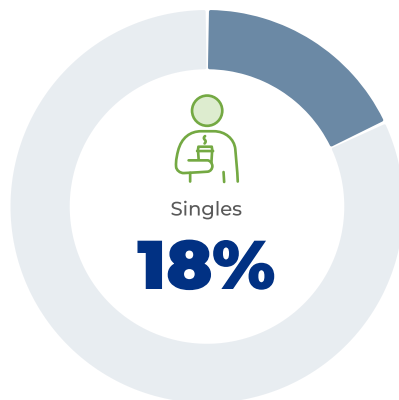
▲ 26%

higher than state average



▲ 14%

higher than state average



▼ 34%

lower than state average



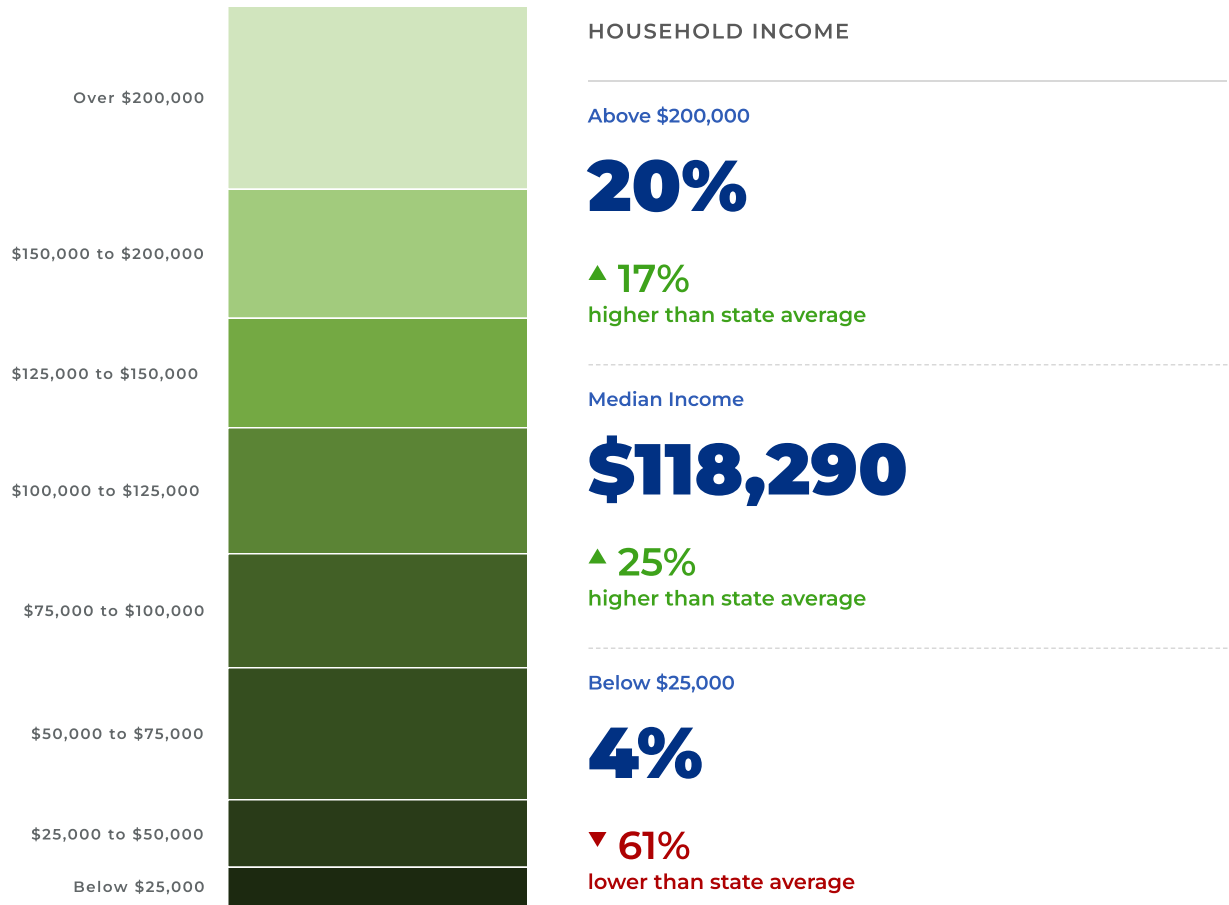
▼ 49%

lower than state average

** Data Source: American Community Survey 5-year estimates*

Economic Analysis

Household income is a key data point in evaluating a community's wealth and spending power. Pay levels and earnings typically vary by geographic regions and should be looked at in context of the overall cost of living.



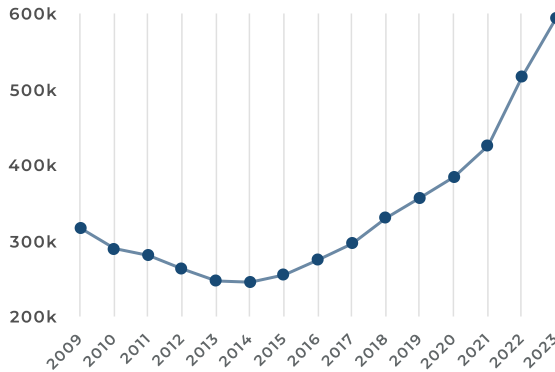
** Data Source: American Community Survey 5-year estimates*

Housing Overview



2023 MEDIAN HOME VALUE

\$593,900



* Data Source: 2023 US Census Bureau (<http://www.census.gov/data/developers/data-sets.html>), American Community Survey. Home value data includes all types of owner-occupied housing.

HOME OWNERS VS RENTERS

Lake Stevens

State Avg.

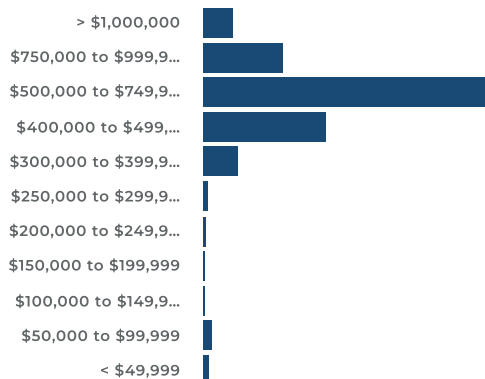
25%
Rent

36%
Rent

75%
Own

64%
Own

HOME VALUE DISTRIBUTION



* Data Source: 2023 US Census Bureau (<http://www.census.gov/data/developers/data-sets.html>), American Community Survey. Home value data includes all types of owner-occupied housing.

* Data Source: 2023 US Census Bureau (<http://www.census.gov/data/developers/data-sets.html>), American Community Survey. Home value data includes all types of owner-occupied housing.

Organization Chart

This citywide organizational chart is color coded to highlight the changes to city staffing for 2026. New positions may be scheduled to be hired in the first quarter of the year, while others may be held until later in the year to conserve budget. Some temporary positions are unfunded and may be hired if budget savings are realized in that department or fund.

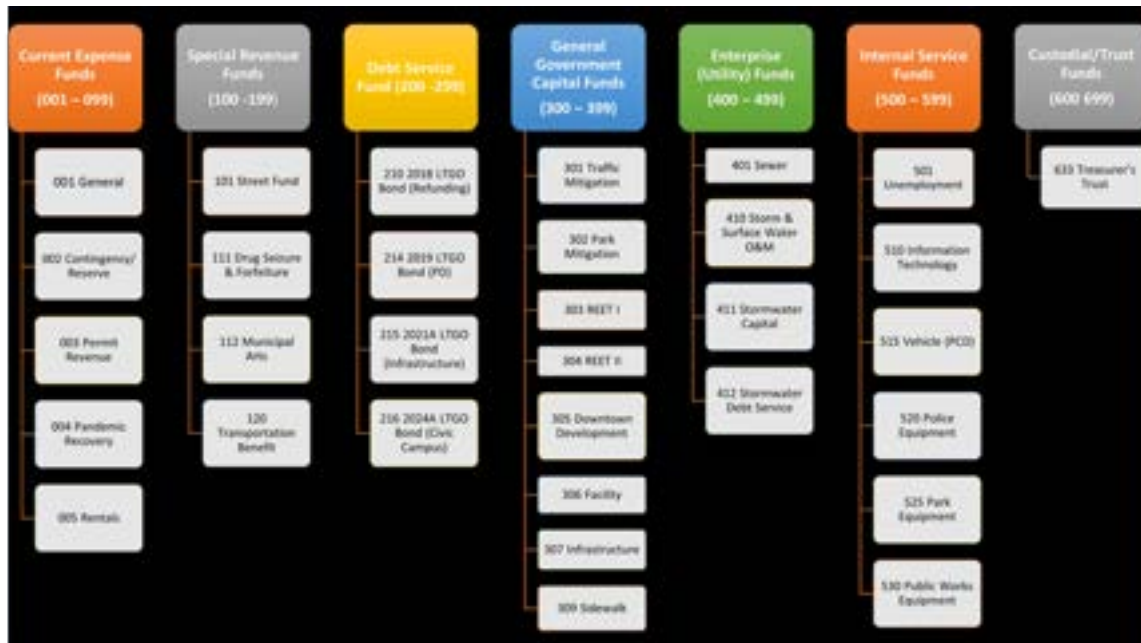


Fund Structure

Fund Structure

Funds are classified based on their function as follows:

- Current Expense Funds – General Fund
 - There may only be one General Fund for reporting purposes, but managerial funds are allowed for the purpose of tracking transactions assigned to a specific use. Most revenues in the current expense fund are unrestricted.
- Special Revenue Funds – Street Fund and Transportation Benefit Program
 - Uses are restricted for a specific purpose.
- Debt Service Funds – Used to pay outstanding debt service
- General Government Capital Project Funds – Mitigation, REET, Project Specific
 - These funds are used to track and report revenues and expenditures related to capital projects. Revenues are generally restricted to use on capital projects listed in the Comprehensive/Capital Improvement Plan (CIP). Additional restrictions apply to certain revenue sources.
- Enterprise (Utility) Funds – Sewer and Storm & Surface Water Funds
 - The Sewer fund is used to receipt and pay debt service on loans held by the City on behalf of the Sewer District. The City invoices the District prior to paying the debt invoices.
 - The Storm & Surface Water Funds are self-sustained, meaning fees are charged to cover their expenses, and those revenues must not be commingled with other funds or pay for any expenses not related to the function of the fund. Allocations of expenses such as administrative and overhead are allowed but must be justified and reasonable.
- Internal Service Fund – Unemployment, IT, and Equipment
 - These funds receive allocated contributions from the General, Street, and Storm Water funds to build a reserve for future purchases and replacements.
 - The City uses a “pay-as-you-go” method for unemployment rather than taking part in an insurance-type program. As such, funds are allocated based on policy and paid from this fund when claims are made.
- Custodial/Trust Fund – Treasurer’s Trust Fund
 - Funds are held in trust until passed through to the final recipient. Money does not belong to the City. Revenue sources include court fees, state share of taxes, and fire fees.



Cash Basis Budgeting

Cash basis budgeting is a simple method for managing finances, recording revenues and expenses only when cash is actually received or paid. This method is used for its clear reflection of an organization's cash flow, as transactions are recorded at the moment cash changes hands. This provides a transparent and real-time view of the cash position, making it easier to track and manage funds.

The City of Lake Stevens adopts cash basis budgeting and accounting in its financial reports to ensure consistency and transparency. With this method, only actual cash receipts and payments are recorded, excluding any pending obligations or accrued income. This straightforward approach allows for clear and real-time management of cash flow, making it easier to track and manage funds. By employing cash basis budgeting, the city offers a clear snapshot of its financial standing, aiding in both internal budgeting and external audits for all funds.

Cash basis budgeting is particularly beneficial for the City of Lake Stevens as it simplifies financial reporting and aligns closely with the city's fiscal management policies. This method ensures that financial statements are not only easy to understand but also reflective of the actual cash available at any given time. This level of transparency fosters trust among stakeholders and provides a solid foundation for making informed financial decisions.

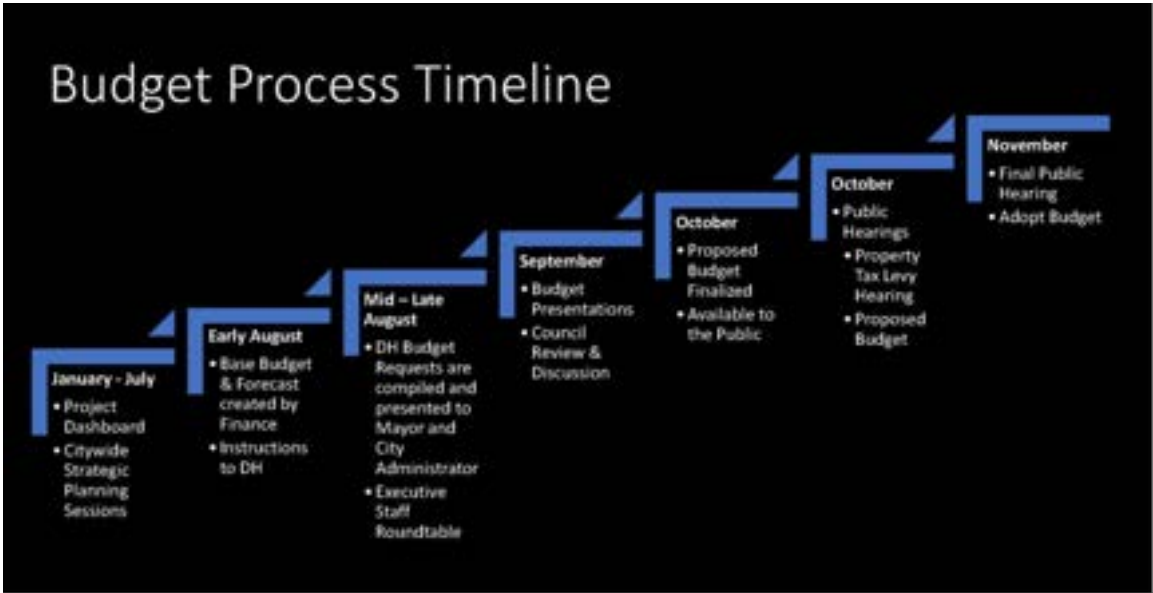
Budget Process

In the City of Lake Stevens, annual budgeting begins with a six-year financial forecast and general direction provided by the City Council. The city budget process serves the function of creating a framework to implement the policies set forth by that body to administer the city organization and deliver the various services to the community.

Under the general guidance of the mayor and city administrator, department directors have primary responsibility for formulating budget proposals in line with the mayor and City Council priorities.

The budget document sets forth the city's financial plan for the upcoming fiscal year.

Sample Budget Process Timeline



BUDGET OVERVIEW

Personnel Changes

IT - Application/Data Analyst

- Data Security, Mandatory ADA Updates, Critical System Support
- Q2 Hire - \$112,000
- 68% General Fund (\$76,000)

Traffic Engineer

- Develop and Implement traffic safety camera program
- Develop and Implement traffic calming program
- Q1 Hire - \$164,000
- Includes vehicle lease costs
- 100% funded by Traffic Safety Camera Program (reimbursed)

There are 2 new positions included in the 2026 proposed budget, including an IT Applications/Data Analyst and a Traffic Engineer. Both positions will further the City's strategic priorities of public safety and secure information infrastructure.

Salary Tables

The City's compensation plan consists of a range and step system for non-exempt and exempt positions; each classification will be assigned to a salary range and each range will have seven (7) steps. There is approximately two and one-half percent (2½%) between the ranges and approximately four percent (4%) between each step.

Periodically, the City may conduct a market salary survey to ensure the city's positions are paid appropriately as evaluated against our comparable cities, economic conditions in the area, prevailing wage rates, and/or recruitment or retention difficulties for certain positions. Market adjustments to positions on the salary schedule shall be subject to budgetary consideration.

General increases for positions in the salary range will be approved by the City Council for each position classification as set forth in the City's annual budget (as amended or supplemented from time to time).

Salary ranges for positions represented by unions are negotiated and approved via contract and not through the budget process. The three bargaining units which represent certain city employees are the Teamsters Union (Public Works & Parks), the Police Guild Commissioned, and the Police Guild Non-Commissioned.

The 2026 budget includes cost of living adjustments as follows:

- Non-Represented - 2.44% (90% of CPI-W)
- Police Guild Commissioned - 3.00% (Contracted)
- Police Guild Non-Commission - 2.44% (Contracted)
- Teamsters - Currently *in negotiations*

Non-Represented Non-Exempt Position Ranges

| Range | Step 1 | Step 2 | Step 3 | Step 4 | Step 5 | Step 6 | Step 7 |
|--------|------------|------------|------------|------------|------------|------------|------------|
| NR13.5 | \$ 29,867 | \$ 31,062 | \$ 32,304 | \$ 33,596 | \$ 34,940 | \$ 36,338 | \$ 37,791 |
| NR8 | \$ 52,794 | \$ 54,906 | \$ 57,102 | \$ 59,386 | \$ 61,762 | \$ 64,232 | \$ 66,802 |
| NR9 | \$ 54,114 | \$ 56,279 | \$ 58,530 | \$ 60,871 | \$ 63,306 | \$ 65,838 | \$ 68,472 |
| NR10 | \$ 55,466 | \$ 57,685 | \$ 59,992 | \$ 62,392 | \$ 64,888 | \$ 67,483 | \$ 70,182 |
| NR11 | \$ 56,855 | \$ 59,129 | \$ 61,494 | \$ 63,954 | \$ 66,512 | \$ 69,172 | \$ 71,939 |
| NR12 | \$ 58,274 | \$ 60,605 | \$ 63,029 | \$ 65,551 | \$ 68,173 | \$ 70,900 | \$ 73,736 |
| NR13 | \$ 59,734 | \$ 62,123 | \$ 64,608 | \$ 67,193 | \$ 69,880 | \$ 72,676 | \$ 75,583 |
| NR14 | \$ 61,226 | \$ 63,675 | \$ 66,222 | \$ 68,871 | \$ 71,626 | \$ 74,491 | \$ 77,471 |
| NR15 | \$ 62,758 | \$ 65,268 | \$ 67,879 | \$ 70,594 | \$ 73,417 | \$ 76,354 | \$ 79,408 |
| NR16 | \$ 64,325 | \$ 66,898 | \$ 69,574 | \$ 72,357 | \$ 75,251 | \$ 78,261 | \$ 81,392 |
| NR17 | \$ 65,935 | \$ 68,572 | \$ 71,315 | \$ 74,168 | \$ 77,135 | \$ 80,220 | \$ 83,429 |
| NR18 | \$ 67,581 | \$ 70,285 | \$ 73,096 | \$ 76,020 | \$ 79,061 | \$ 82,223 | \$ 85,512 |
| NR19 | \$ 69,271 | \$ 72,042 | \$ 74,924 | \$ 77,921 | \$ 81,038 | \$ 84,279 | \$ 87,650 |
| NR20 | \$ 71,003 | \$ 73,843 | \$ 76,797 | \$ 79,869 | \$ 83,063 | \$ 86,386 | \$ 89,841 |
| NR21 | \$ 72,778 | \$ 75,689 | \$ 78,717 | \$ 81,865 | \$ 85,140 | \$ 88,546 | \$ 92,088 |
| NR22 | \$ 74,598 | \$ 77,582 | \$ 80,686 | \$ 83,913 | \$ 87,270 | \$ 90,760 | \$ 94,391 |
| NR23 | \$ 76,463 | \$ 79,521 | \$ 82,702 | \$ 86,010 | \$ 89,450 | \$ 93,028 | \$ 96,750 |
| NR24 | \$ 78,373 | \$ 81,508 | \$ 84,768 | \$ 88,159 | \$ 91,685 | \$ 95,353 | \$ 99,167 |
| NR25 | \$ 80,332 | \$ 83,546 | \$ 86,887 | \$ 90,363 | \$ 93,977 | \$ 97,737 | \$ 101,646 |
| NR26 | \$ 82,340 | \$ 85,634 | \$ 89,059 | \$ 92,622 | \$ 96,327 | \$ 100,180 | \$ 104,187 |
| NR27 | \$ 84,399 | \$ 87,775 | \$ 91,286 | \$ 94,937 | \$ 98,735 | \$ 102,684 | \$ 106,791 |
| NR28 | \$ 86,508 | \$ 89,969 | \$ 93,567 | \$ 97,310 | \$ 101,202 | \$ 105,250 | \$ 109,460 |
| NR29 | \$ 88,672 | \$ 92,218 | \$ 95,907 | \$ 99,743 | \$ 103,733 | \$ 107,883 | \$ 112,198 |
| NR30 | \$ 90,889 | \$ 94,524 | \$ 98,305 | \$ 102,237 | \$ 106,327 | \$ 110,580 | \$ 115,003 |
| NR31 | \$ 93,160 | \$ 96,886 | \$ 100,762 | \$ 104,792 | \$ 108,984 | \$ 113,343 | \$ 117,877 |
| NR32 | \$ 95,490 | \$ 99,309 | \$ 103,282 | \$ 107,413 | \$ 111,709 | \$ 116,178 | \$ 120,825 |
| NR33 | \$ 97,876 | \$ 101,791 | \$ 105,863 | \$ 110,097 | \$ 114,501 | \$ 119,081 | \$ 123,844 |
| NR34 | \$ 100,325 | \$ 104,338 | \$ 108,511 | \$ 112,852 | \$ 117,366 | \$ 122,060 | \$ 126,943 |
| NR35 | \$ 102,832 | \$ 106,946 | \$ 111,223 | \$ 115,672 | \$ 120,299 | \$ 125,111 | \$ 130,116 |
| NR36 | \$ 105,404 | \$ 109,620 | \$ 114,005 | \$ 118,565 | \$ 123,308 | \$ 128,240 | \$ 133,369 |
| NR37 | \$ 108,038 | \$ 112,359 | \$ 116,854 | \$ 121,528 | \$ 126,389 | \$ 131,445 | \$ 136,702 |

Non-Represented Exempt Position Ranges

| Range | Step 1 | Step 2 | Step 3 | Step 4 | Step 5 | Step 6 | Step 7 |
|---------|------------|------------|------------|------------|------------|------------|------------|
| NRE40 | \$ 85,267 | \$ 88,678 | \$ 92,225 | \$ 95,914 | \$ 99,750 | \$ 103,740 | \$ 107,890 |
| NRE41 | \$ 87,399 | \$ 90,895 | \$ 94,531 | \$ 98,312 | \$ 102,244 | \$ 106,334 | \$ 110,587 |
| NRE42 | \$ 89,584 | \$ 93,167 | \$ 96,894 | \$ 100,770 | \$ 104,800 | \$ 108,992 | \$ 113,352 |
| NRE43 | \$ 91,823 | \$ 95,496 | \$ 99,316 | \$ 103,289 | \$ 107,420 | \$ 111,717 | \$ 116,186 |
| NRE44 | \$ 94,119 | \$ 97,884 | \$ 101,799 | \$ 105,871 | \$ 110,106 | \$ 114,510 | \$ 119,090 |
| NRE45 | \$ 96,472 | \$ 100,331 | \$ 104,344 | \$ 108,518 | \$ 112,858 | \$ 117,373 | \$ 122,068 |
| NRE46 | \$ 98,884 | \$ 102,839 | \$ 106,953 | \$ 111,231 | \$ 115,680 | \$ 120,307 | \$ 125,119 |
| NRE46.5 | \$ 49,442 | \$ 51,420 | \$ 53,476 | \$ 55,615 | \$ 57,840 | \$ 60,154 | \$ 62,560 |
| NRE47 | \$ 101,356 | \$ 105,410 | \$ 109,626 | \$ 114,011 | \$ 118,572 | \$ 123,315 | \$ 128,247 |
| NRE48 | \$ 103,890 | \$ 108,045 | \$ 112,367 | \$ 116,862 | \$ 121,536 | \$ 126,398 | \$ 131,454 |
| NRE49 | \$ 106,487 | \$ 110,746 | \$ 115,176 | \$ 119,783 | \$ 124,575 | \$ 129,558 | \$ 134,740 |
| NRE50 | \$ 109,218 | \$ 113,587 | \$ 118,131 | \$ 122,856 | \$ 127,770 | \$ 132,881 | \$ 138,196 |
| NRE51 | \$ 111,947 | \$ 116,425 | \$ 121,082 | \$ 125,926 | \$ 130,963 | \$ 136,201 | \$ 141,649 |
| NRE52 | \$ 114,746 | \$ 119,336 | \$ 124,109 | \$ 129,074 | \$ 134,237 | \$ 139,606 | \$ 145,190 |
| NRE53 | \$ 117,614 | \$ 122,319 | \$ 127,212 | \$ 132,300 | \$ 137,592 | \$ 143,096 | \$ 148,820 |
| NRE54 | \$ 120,554 | \$ 125,376 | \$ 130,391 | \$ 135,607 | \$ 141,031 | \$ 146,672 | \$ 152,539 |
| NRE55 | \$ 123,568 | \$ 128,511 | \$ 133,651 | \$ 138,997 | \$ 144,557 | \$ 150,339 | \$ 156,353 |
| NRE56 | \$ 126,659 | \$ 131,725 | \$ 136,994 | \$ 142,474 | \$ 148,173 | \$ 154,100 | \$ 160,264 |
| NRE57 | \$ 129,823 | \$ 135,016 | \$ 140,417 | \$ 146,034 | \$ 151,875 | \$ 157,950 | \$ 164,268 |
| NRE58 | \$ 133,071 | \$ 138,394 | \$ 143,930 | \$ 149,687 | \$ 155,674 | \$ 161,901 | \$ 168,377 |
| NRE59 | \$ 136,398 | \$ 141,854 | \$ 147,528 | \$ 153,429 | \$ 159,566 | \$ 165,949 | \$ 172,587 |
| NRE60 | \$ 139,809 | \$ 145,401 | \$ 151,217 | \$ 157,266 | \$ 163,557 | \$ 170,099 | \$ 176,903 |
| NRE61 | \$ 143,303 | \$ 149,035 | \$ 154,997 | \$ 161,197 | \$ 167,644 | \$ 174,350 | \$ 181,324 |
| NRE62 | \$ 146,886 | \$ 152,761 | \$ 158,872 | \$ 165,227 | \$ 171,836 | \$ 178,709 | \$ 185,858 |
| NRE63 | \$ 150,557 | \$ 156,579 | \$ 162,843 | \$ 169,356 | \$ 176,130 | \$ 183,176 | \$ 190,503 |
| NRE64 | \$ 154,322 | \$ 160,495 | \$ 166,915 | \$ 173,591 | \$ 180,535 | \$ 187,756 | \$ 195,267 |
| NRE65 | \$ 158,182 | \$ 164,510 | \$ 171,090 | \$ 177,934 | \$ 185,051 | \$ 192,453 | \$ 200,151 |
| NRE66 | \$ 162,138 | \$ 168,623 | \$ 175,368 | \$ 182,383 | \$ 189,678 | \$ 197,265 | \$ 205,156 |
| NRE67 | \$ 166,188 | \$ 172,836 | \$ 179,749 | \$ 186,939 | \$ 194,417 | \$ 202,193 | \$ 210,281 |
| NRE68 | \$ 170,343 | \$ 177,157 | \$ 184,243 | \$ 191,613 | \$ 199,277 | \$ 207,248 | \$ 215,538 |
| NRE69 | \$ 174,603 | \$ 181,587 | \$ 188,850 | \$ 196,404 | \$ 204,260 | \$ 212,431 | \$ 220,928 |
| NRE70 | \$ 178,968 | \$ 186,127 | \$ 193,572 | \$ 201,315 | \$ 209,367 | \$ 217,742 | \$ 226,452 |
| NRE71 | \$ 183,444 | \$ 190,781 | \$ 198,413 | \$ 206,349 | \$ 214,603 | \$ 223,187 | \$ 232,115 |
| NRE72 | \$ 188,030 | \$ 195,551 | \$ 203,373 | \$ 211,508 | \$ 219,969 | \$ 228,767 | \$ 237,918 |
| NRE80 | \$ 255,326 | | | | | | |

Approved Requests

The approved budget items represent a strategic resource allocation that aligns with our goals and operational needs. Each item has been carefully evaluated to enhance efficiency, productivity, and performance. Investing in these requests promises significant returns, including financial gains and improved service delivery. For instance, advanced technology will streamline processes, reduce downtime, and foster innovation. Infrastructure upgrades will ensure operational safety and sustainability. These budget items are strategic investments driving our long-term objectives.

- AED/First Aid Equipment – Risk Management
- Emergency Operation Costs – Risk Management
- Building & Land Use Code Books *(required)* – PCD
- Forensic Investigation Program – Police
- Increased Parks Op Costs *(added parks)* – Park & Recreation
- Contributions to Senior Center & VOA – Human Services
- Pavement Preservation Software – Streets
- Increased Engineering Professional Services – Streets
- Continue EDDS Update *(required)* – Streets/SWM
- SWM Fee Evaluation - SWM
- Alum Treatment – SWM
- Shared Equipment *(added parks)* – PW/Parks & Recreation
- Equipment Attachments for Synthetic Turf Maintenance – Park
- Data Center Upgrade - Computer
- Vehicle Replacement Program – Police Equip

Capital Project Budget

The CIP is created based on a scoring matrix that prioritizes projects based on safety and other factors. Once that scoring is complete and the projects are prioritized, consideration is taken for available resources and potential funding sources. Grants and the requirement dates. When is the grant Secured, when does it have to be Obligated by.

2026 Capital Improvement Plan

| Page | Project | Project Description | Total Project Cost | 2025 Budget | 2025 Obligation | 2025 Funding | 2025 Source | 2025 Status | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 | 2039 | 2040 | 2041 | 2042 | 2043 | 2044 | 2045 | 2046 | 2047 | 2048 | 2049 | 2050 | 2051 | 2052 | 2053 | 2054 | 2055 | 2056 | 2057 | 2058 | 2059 | 2060 | 2061 | 2062 | 2063 | 2064 | 2065 | 2066 | 2067 | 2068 | 2069 | 2070 | 2071 | 2072 | 2073 | 2074 | 2075 | 2076 | 2077 | 2078 | 2079 | 2080 | 2081 | 2082 | 2083 | 2084 | 2085 | 2086 | 2087 | 2088 | 2089 | 2090 | 2091 | 2092 | 2093 | 2094 | 2095 | 2096 | 2097 | 2098 | 2099 | 2100 | 2101 | 2102 | 2103 | 2104 | 2105 | 2106 | 2107 | 2108 | 2109 | 2110 | 2111 | 2112 | 2113 | 2114 | 2115 | 2116 | 2117 | 2118 | 2119 | 2120 | 2121 | 2122 | 2123 | 2124 | 2125 | 2126 | 2127 | 2128 | 2129 | 2130 | 2131 | 2132 | 2133 | 2134 | 2135 | 2136 | 2137 | 2138 | 2139 | 2140 | 2141 | 2142 | 2143 | 2144 | 2145 | 2146 | 2147 | 2148 | 2149 | 2150 | 2151 | 2152 | 2153 | 2154 | 2155 | 2156 | 2157 | 2158 | 2159 | 2160 | 2161 | 2162 | 2163 | 2164 | 2165 | 2166 | 2167 | 2168 | 2169 | 2170 | 2171 | 2172 | 2173 | 2174 | 2175 | 2176 | 2177 | 2178 | 2179 | 2180 | 2181 | 2182 | 2183 | 2184 | 2185 | 2186 | 2187 | 2188 | 2189 | 2190 | 2191 | 2192 | 2193 | 2194 | 2195 | 2196 | 2197 | 2198 | 2199 | 2200 | 2201 | 2202 | 2203 | 2204 | 2205 | 2206 | 2207 | 2208 | 2209 | 2210 | 2211 | 2212 | 2213 | 2214 | 2215 | 2216 | 2217 | 2218 | 2219 | 2220 | 2221 | 2222 | 2223 | 2224 | 2225 | 2226 | 2227 | 2228 | 2229 | 2230 | 2231 | 2232 | 2233 | 2234 | 2235 | 2236 | 2237 | 2238 | 2239 | 2240 | 2241 | 2242 | 2243 | 2244 | 2245 | 2246 | 2247 | 2248 | 2249 | 2250 | 2251 | 2252 | 2253 | 2254 | 2255 | 2256 | 2257 | 2258 | 2259 | 2260 | 2261 | 2262 | 2263 | 2264 | 2265 | 2266 | 2267 | 2268 | 2269 | 2270 | 2271 | 2272 | 2273 | 2274 | 2275 | 2276 | 2277 | 2278 | 2279 | 2280 | 2281 | 2282 | 2283 | 2284 | 2285 | 2286 | 2287 | 2288 | 2289 | 2290 | 2291 | 2292 | 2293 | 2294 | 2295 | 2296 | 2297 | 2298 | 2299 | 2300 | 2301 | 2302 | 2303 | 2304 | 2305 | 2306 | 2307 | 2308 | 2309 | 2310 | 2311 | 2312 | 2313 | 2314 | 2315 | 2316 | 2317 | 2318 | 2319 | 2320 | 2321 | 2322 | 2323 | 2324 | 2325 | 2326 | 2327 | 2328 | 2329 | 2330 | 2331 | 2332 | 2333 | 2334 | 2335 | 2336 | 2337 | 2338 | 2339 | 2340 | 2341 | 2342 | 2343 | 2344 | 2345 | 2346 | 2347 | 2348 | 2349 | 2350 | 2351 | 2352 | 2353 | 2354 | 2355 | 2356 | 2357 | 2358 | 2359 | 2360 | 2361 | 2362 | 2363 | 2364 | 2365 | 2366 | 2367 | 2368 | 2369 | 2370 | 2371 | 2372 | 2373 | 2374 | 2375 | 2376 | 2377 | 2378 | 2379 | 2380 | 2381 | 2382 | 2383 | 2384 | 2385 | 2386 | 2387 | 2388 | 2389 | 2390 | 2391 | 2392 | 2393 | 2394 | 2395 | 2396 | 2397 | 2398 | 2399 | 2400 | 2401 | 2402 | 2403 | 2404 | 2405 | 2406 | 2407 | 2408 | 2409 | 2410 | 2411 | 2412 | 2413 | 2414 | 2415 | 2416 | 2417 | 2418 | 2419 | 2420 | 2421 | 2422 | 2423 | 2424 | 2425 | 2426 | 2427 | 2428 | 2429 | 2430 | 2431 | 2432 | 2433 | 2434 | 2435 | 2436 | 2437 | 2438 | 2439 | 2440 | 2441 | 2442 | 2443 | 2444 | 2445 | 2446 | 2447 | 2448 | 2449 | 2450 | 2451 | 2452 | 2453 | 2454 | 2455 | 2456 | 2457 | 2458 | 2459 | 2460 | 2461 | 2462 | 2463 | 2464 | 2465 | 2466 | 2467 | 2468 | 2469 | 2470 | 2471 | 2472 | 2473 | 2474 | 2475 | 2476 | 2477 | 2478 | 2479 | 2480 | 2481 | 2482 | 2483 | 2484 | 2485 | 2486 | 2487 | 2488 | 2489 | 2490 | 2491 | 2492 | 2493 | 2494 | 2495 | 2496 | 2497 | 2498 | 2499 | 2500 | 2501 | 2502 | 2503 | 2504 | 2505 | 2506 | 2507 | 2508 | 2509 | 2510 | 2511 | 2512 | 2513 | 2514 | 2515 | 2516 | 2517 | 2518 | 2519 | 2520 | 2521 | 2522 | 2523 | 2524 | 2525 | 2526 | 2527 | 2528 | 2529 | 2530 | 2531 | 2532 | 2533 | 2534 | 2535 | 2536 | 2537 | 2538 | 2539 | 2540 | 2541 | 2542 | 2543 | 2544 | 2545 | 2546 | 2547 | 2548 | 2549 | 2550 | 2551 | 2552 | 2553 | 2554 | 2555 | 2556 | 2557 | 2558 | 2559 | 2560 | 2561 | 2562 | 2563 | 2564 | 2565 | 2566 | 2567 | 2568 | 2569 | 2570 | 2571 | 2572 | 2573 | 2574 | 2575 | 2576 | 2577 | 2578 | 2579 | 2580 | 2581 | 2582 | 2583 | 2584 | 2585 | 2586 | 2587 | 2588 | 2589 | 2590 | 2591 | 2592 | 2593 | 2594 | 2595 | 2596 | 2597 | 2598 | 2599 | 2600 | 2601 | 2602 | 2603 | 2604 | 2605 | 2606 | 2607 | 2608 | 2609 | 2610 | 2611 | 2612 | 2613 | 2614 | 2615 | 2616 | 2617 | 2618 | 2619 | 2620 | 2621 | 2622 | 2623 | 2624 | 2625 | 2626 | 2627 | 2628 | 2629 | 2630 | 2631 | 2632 | 2633 | 2634 | 2635 | 2636 | 2637 | 2638 | 2639 | 2640 | 2641 | 2642 | 2643 | 2644 | 2645 | 2646 | 2647 | 2648 | 2649 | 2650 | 2651 | 2652 | 2653 | 2654 | 2655 | 2656 | 2657 | 2658 | 2659 | 2660 | 2661 | 2662 | 2663 | 2664 | 2665 | 2666 | 2667 | 2668 | 2669 | 2670 | 2671 | 2672 | 2673 | 2674 | 2675 | 2676 | 2677 | 2678 | 2679 | 2680 | 2681 | 2682 | 2683 | 2684 | 2685 | 2686 | 2687 | 2688 | 2689 | 2690 | 2691 | 2692 | 2693 | 2694 | 2695 | 2696 | 2697 | 2698 | 2699 | 2700 | 2701 | 2702 | 2703 | 2704 | 2705 | 2706 | 2707 | 2708 | 2709 | 2710 | 2711 | 2712 | 2713 | 2714 | 2715 | 2716 | 2717 | 2718 | 2719 | 2720 | 2721 | 2722 | 2723 | 2724 | 2725 | 2726 | 2727 | 2728 | 2729 | 2730 | 2731 | 2732 | 2733 | 2734 | 2735 | 2736 | 2737 | 2738 | 2739 | 2740 | 2741 | 2742 | 2743 | 2744 | 2745 | 2746 | 2747 | 2748 | 2749 | 2750 | 2751 | 2752 | 2753 | 2754 | 2755 | 2756 | 2757 | 2758 | 2759 | 2760 | 2761 | 2762 | 2763 | 2764 | 2765 | 2766 | 2767 | 2768 | 2769 | 2770 | 2771 | 2772 | 2773 | 2774 | 2775 | 2776 | 2777 | 2778 | 2779 | 2780 | 2781 | 2782 | 2783 | 2784 | 2785 | 2786 | 2787 | 2788 | 2789 | 2790 | 2791 | 2792 | 2793 | 2794 | 2795 | 2796 | 2797 | 2798 | 2799 | 2800 | 2801 | 2802 | 2803 | 2804 | 2805 | 2806 | 2807 | 2808 | 2809 | 2810 | 2811 | 2812 | 2813 | 2814 | 2815 | 2816 | 2817 | 2818 | 2819 | 2820 | 2821 | 2822 | 2823 | 2824 | 2825 | 2826 | 2827 | 2828 | 2829 | 2830 | 2831 | 2832 | 2833 | 2834 | 2835 | 2836 | 2837 | 2838 | 2839 | 2840 | 2841 | 2842 | 2843 | 2844 | 2845 | 2846 | 2847 | 2848 | 2849 | 2850 | 2851 | 2852 | 2853 | 2854 | 2855 | 2856 | 2857 | 2858 | 2859 | 2860 | 2861 | 2862 | 2863 | 2864 | 2865 | 2866 | 2867 | 2868 | 2869 | 2870 | 2871 | 2872 | 2873 | 2874 | 2875 | 2876 | 2877 | 2878 | 2879 | 2880 | 2881 | 2882 | 2883 | 2884 | 2885 | 2886 | 2887 | 2888 | 2889 | 2890 | 2891 | 2892 | 2893 | 2894 | 2895 | 2896 | 2897 | 2898 | 2899 | 2900 | 2901 | 2902 | 2903 | 2904 | 2905 | 2906 | 2907 | 2908 | 2909 | 2910 | 2911 | 2912 | 2913 | 2914 | 2915 | 2916 | 2917 | 2918 | 2919 | 2920 | 2921 | 2922 | 2923 | 2924 | 2925 | 2926 | 2927 | 2928 | 2929 | 2930 | 2931 | 2932 | 2933 | 2934 | 2935 | 2936 | 2937 | 2938 | 2939 | 2940 | 2941 | 2942 | 2943 | 2944 | 2945 | 2946 | 2947 | 2948 | 2949 | 2950 | 2951 | 2952 | 2953 | 2954 | 2955 | 2956 | 2957 | 2958 | 2959 | 2960 | 2961 | 2962 | 2963 | 2964 | 2965 | 2966 | 2967 | 2968 | 2969 | 2970 | 2971 | 2972 | 2973 | 2974 | 2975 | 2976 | 2977 | 2978 | 2979 | 2980 | 2981 | 2982 | 2983 | 2984 | 2985 | 2986 | 2987 | 2988 | 2989 | 2990 | 2991 | 2992 | 2993 | 2994 | 2995 | 2996 | 2997 | 2998 | 2999 | 3000 |
|------|---------|---------------------|--------------------|-------------|-----------------|--------------|-------------|-------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 | 2039 | 2040 | 2041 | 2042 | 2043 | 2044 | 2045 | 2046 | 2047 | 2048 | 2049 | 2050 | 2051 | 2052 | 2053 | 2054 | 2055 | 2056 | 2057 | 2058 | 2059 | 2060 | 2061 | 2062 | 2063 | 2064 | 2065 | 2066 | 2067 | 2068 | 2069 | 2070 | 2071 | 2072 | 2073 | 2074 | 2075 | 2076 | 2077 | 2078 | 2079 | 2080 | 2081 | 2082 | 2083 | 2084 | 2085 | 2086 | 2087 | 2088 | 2089 | 2090 | 2091 | 2092 | 2093 | 2094 | 2095 | 2096 | 2097 | 2098 | 2099 | 2100 | 2101 | 2102 | 2103 | 2104 | 2105 | 2106 | 2107 | 2108 | 2109 | 2110 | 2111 | 2112 | 2113 | 2114 | 2115 | 2116 | 2117 | 2118 | 2119 | 2120 | 2121 | 2122 | 2123 | 2124 | 2125 | 2126 | 2127 | 2128 | 2129 | 2130 | 2131 | 2132 | 2133 | 2134 | 2135 | 2136 | 2137 | 2138 | 2139 | 2140 | 2141 | 2142 | 2143 | 2144 | 2145 | 2146 | 2147 | 2148 | 2149 | 2150 | 2151 | 2152 | 2153 | 2154 | 2155 | 2156 | 2157 | 2158 | 2159 | 2160 | 2161 | 2162 | 2163 | 2164 | 2165 | 2166 | 2167 | 2168 | 2169 | 2170 | 2171 | 2172 | 2173 | 2174 | 2175 | 2176 | 2177 | 2178 | 2179 | 2180 | 2181 | 2182 | 2183 | 2184 | 2185 | 2186 | 2187 | 2188 | 2189 | 2190 | 2191 | 2192 | 2193 | 2194 | 2195 | 2196 | 2197 | 2198 | 2199 | 2200 | 2201 | 2202 | 2203 | 2204 | 2205 | 2206 | 2207 | 2208 | 2209 | 2210 | 2211 | 2212 | 2213 | 2214 | 2215 | 2216 | 2217 | 2218 | 2219 | 2220 | 2221 | 2222 | 2223 | 2224 | 2225 | 2226 | 2227 | 2228 | 2229 | 2230 | 2231 | 2232 | 2233 | 2234 | 2235 | 2236 | 2237 | 2238 | 2239 | 2240 | 2241 | 2242 | 2243 | 2244 | 2245 | 2246 | 2247 | 2248 | 2249 | 2250 | 2251 | 2252 | 2253 | 2254 | 2255 | 2256 | 2257 | 2258 | 2259 | 2260 | 2261 | 2262 | 2263 | 2264 | 2265 | 2266 | 2267 | 2268 | 2269 | 2270 | 2271 | 2272 | 2273 | 2274 | 2275 | 2276 | 2277 | 2278 | 2279 | 2280 | 2281 | 2282 | 2283 | 2284 | 2285 | 2286 | 2287 | 2288 | 2289 | 2290 | 2291 | 2292 | 2293 | 2294 | 2295 | 2296 | 2297 | 2298 | 2299 | 2300 | 2301 | 2302 | 2303 | 2304 | 2305 | 2306 | 2307 | 2308 | 2309 | 2310 | 2311 | 2312 | 2313 | 2314 | 2315 | 2316 | 2317 | 2318 | 2319 | 2320 | 2321 | 2322 | 2323 | 2324 | 2325 | 2326 | 2327 | 2328 | 2329 | 2330 | 2331 | 2332 | 2333 | 2334 | 2335 | 2336 | 2337 | 2338 | 2339 | 2340 | 2341 | 2342 | 2343 | 2344 | 2345 | 2346 | 2347 | 2348 | 2349 | 2350 | 2351 | 2352 | 2353 | 2354 | 2355 | 2356 | 2357 | 2358 | 2359 | 2360 | 2361 | 2362 | 2363 | 2364 | 2365 | 2366 | 2367 | 2368 | 2369 | 2370 | 2371 | 2372 | 2373 | 2374 | 2375 | 2376 | 2377 | 2378 | 2379 | 2380 | 2381 | 2382 | 2383 | 2384 | 2385 | 2386 | 2387 | 2388 | 2389 | 2390 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

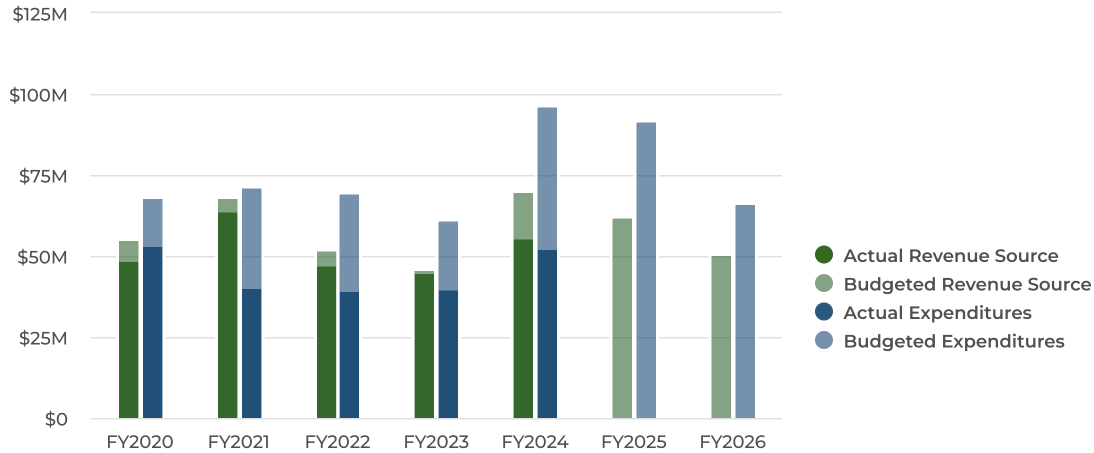
FUND SUMMARIES



All Funds - Citywide

Summary

The City of Lake Stevens is projecting \$51.12M of revenue in FY2026, which represents a 18.3% decrease over the prior year. Budgeted expenditures are projected to decrease by 27.7% or \$25.49M to \$66.5M in FY2026.



All Funds - Citywide Comprehensive Summary

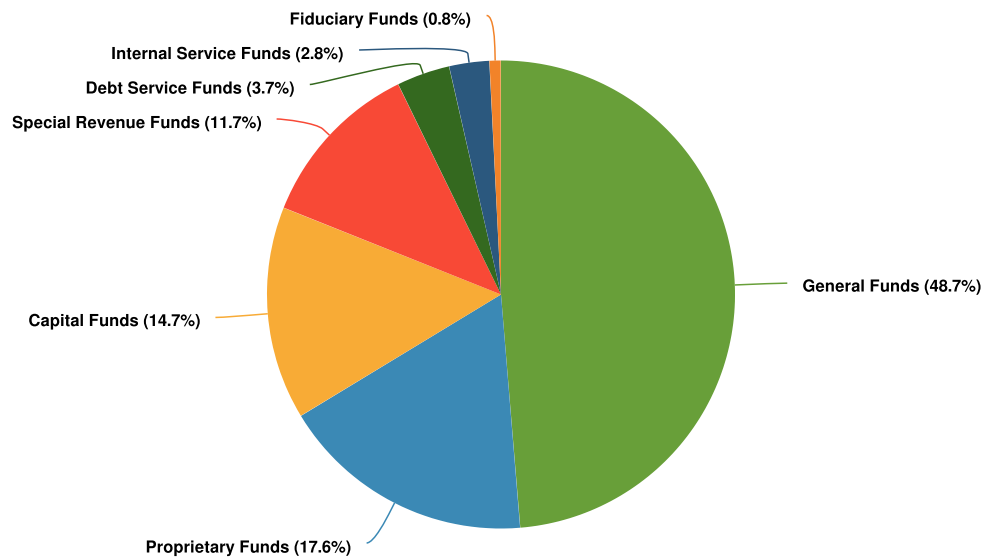
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Actual | FY2025 Budgeted | FY2026 Proposed |
|--------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Beginning Fund Balance: | \$67,312,571 | \$67,312,571 | \$70,925,862 | \$70,925,862 | \$53,994,580 |
| Revenues | | | | | |
| Taxes | \$22,074,858 | \$21,195,915 | \$5,063,606 | \$22,669,469 | \$24,591,704 |
| Licenses and Permits | \$1,509,798 | \$1,814,183 | \$936,305 | \$1,562,842 | \$1,994,308 |
| Intergovernmental | \$3,402,111 | \$11,367,762 | \$2,335,910 | \$12,275,256 | \$7,446,132 |
| Charges for Services | \$7,681,874 | \$10,999,811 | \$4,319,429 | \$11,064,058 | \$8,779,808 |
| Fines and Forfeitures | \$130,091 | \$121,000 | \$66,070 | \$132,000 | \$145,000 |
| Miscellaneous Revenue | \$4,440,581 | \$4,868,653 | \$1,130,326 | \$3,453,720 | \$3,001,310 |
| Other Fund Resources | \$401,818 | \$1,063,900 | \$167,252 | \$1,053,900 | \$791,100 |
| Other Financing Sources | \$16,500,502 | \$18,821,708 | \$2,753,001 | \$10,389,656 | \$4,368,464 |
| Total Revenues: | \$56,141,633 | \$70,252,932 | \$16,771,899 | \$62,600,901 | \$51,117,826 |
| Expenditures | | | | | |
| Non Expenditure | \$6,555,419 | \$6,746,452 | \$2,919,320 | \$7,418,902 | \$5,627,925 |
| Salaries | \$14,509,097 | \$15,428,896 | \$6,215,393 | \$17,002,424 | \$18,148,601 |
| Benefits | \$5,420,354 | \$6,013,138 | \$2,476,593 | \$6,845,705 | \$6,951,367 |
| Supplies | \$1,336,333 | \$1,851,244 | \$500,979 | \$1,932,046 | \$1,395,647 |



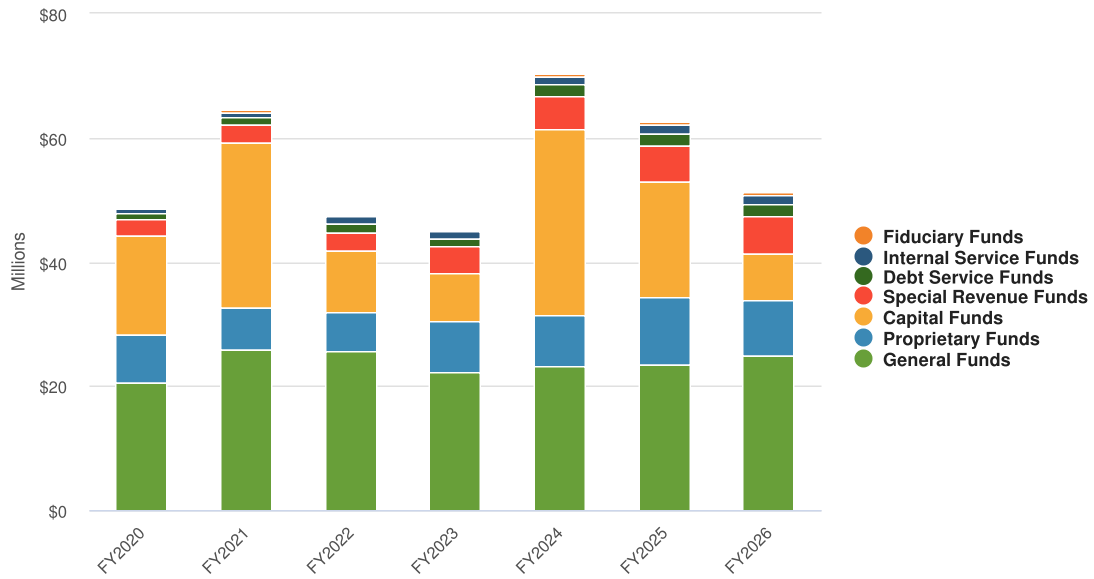
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Actual | FY2025 Budgeted | FY2026 Proposed |
|--|---------------------|----------------------|---------------------|----------------------|----------------------|
| Services | \$9,365,518 | \$10,742,094 | \$3,943,178 | \$11,747,314 | \$11,300,017 |
| Capital | \$12,387,727 | \$52,074,936 | \$1,723,349 | \$43,881,686 | \$19,651,086 |
| Debt Principal | \$2,030,093 | \$2,300,431 | \$274,512 | \$2,169,235 | \$2,468,989 |
| Debt Interest | \$1,038,410 | \$1,412,418 | \$482,448 | \$995,834 | \$955,392 |
| Total Expenditures: | \$52,642,951 | \$96,569,609 | \$18,535,772 | \$91,993,146 | \$66,499,024 |
| Total Revenues Less Expenditures: | \$3,498,682 | -\$26,316,677 | -\$1,763,873 | -\$29,392,245 | -\$15,381,198 |
| Ending Fund Balance: | \$70,811,253 | \$40,995,894 | \$69,161,989 | \$41,533,617 | \$38,613,382 |

Revenue by Fund

2026 Revenue by Fund



Budgeted and Historical 2026 Revenue by Fund

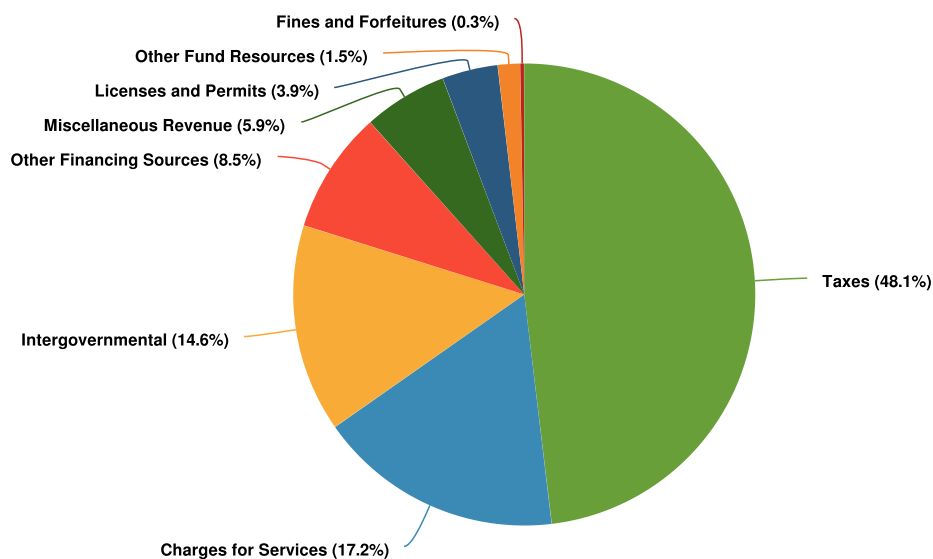


| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|-------------------------------------|---------------------|---------------------|---------------------|---------------------|
| General Funds | | | | |
| General | \$23,157,671 | \$23,104,024 | \$23,564,273 | \$24,896,346 |
| Total General Funds: | \$23,157,671 | \$23,104,024 | \$23,564,273 | \$24,896,346 |
| Special Revenue Funds | | | | |
| Street | \$3,516,768 | \$3,438,448 | \$4,067,007 | \$3,742,969 |
| Drug Seizure and Forfeiture | \$5,082 | \$3,000 | \$3,028 | \$2,260 |
| Municipal Arts | \$31,811 | \$52,150 | \$52,367 | \$33,400 |
| Transportation Benefit | \$1,709,930 | \$1,913,850 | \$1,612,179 | \$2,212,600 |
| Total Special Revenue Funds: | \$5,263,591 | \$5,407,448 | \$5,734,581 | \$5,991,229 |
| Debt Service Funds | | | | |
| LTGO 2008A Bond | \$213,890 | \$213,890 | \$211,865 | \$209,335 |
| 2019A LTGO Bond - PD | \$463,599 | \$463,600 | \$460,097 | \$460,702 |
| 2021A LTGO Bond | \$609,605 | \$609,150 | \$608,350 | \$606,950 |
| 2024A LTGO Bond Fund | \$426,192 | \$578,548 | \$597,200 | \$596,900 |
| Total Debt Service Funds: | \$1,713,286 | \$1,865,188 | \$1,877,512 | \$1,873,887 |
| Capital Funds | | | | |
| Cap Proj-Dev Contrib-Traffic | \$747,736 | \$1,276,650 | \$800,110 | \$806,000 |
| Park Mitigation Fund | \$688,258 | \$4,789,941 | \$4,640,075 | \$3,719,352 |
| Real Estate Excise Tax I | \$1,709,373 | \$1,150,000 | \$1,500,975 | \$1,300,000 |
| Real Estate Excise Tax II | \$1,654,688 | \$4,439,409 | \$4,910,437 | \$1,684,000 |
| Downtown Redevelopment | \$13,432 | \$13,432 | \$0 | \$0 |
| Facility Capital Project Fund | \$10,794,039 | \$14,611,394 | \$3,904,000 | \$0 |
| Sidewalk Capital Project | \$27,172 | \$30,000 | \$15,000 | \$19,000 |

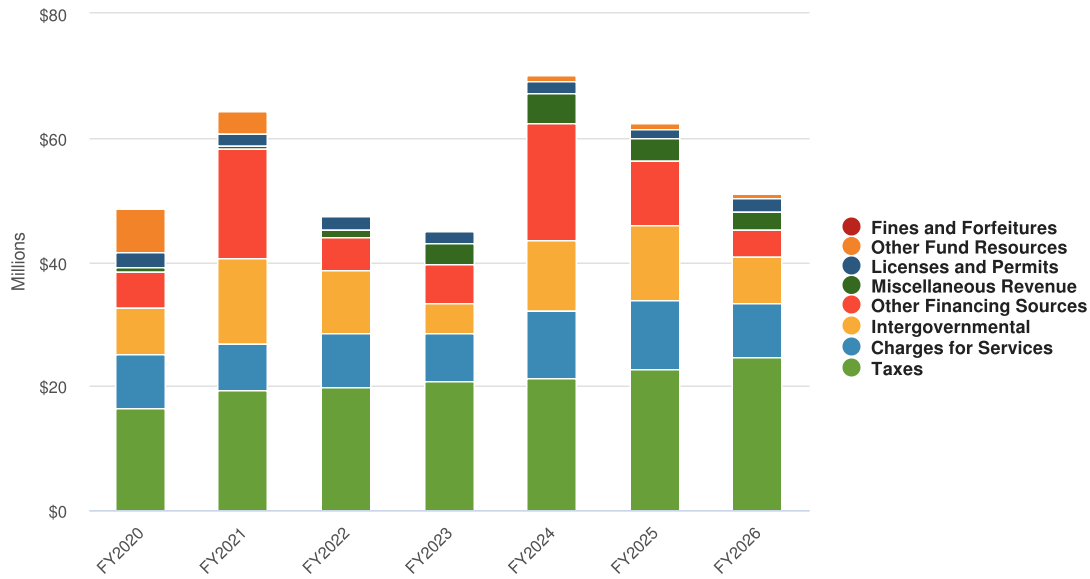
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|--------------------------------------|---------------------|---------------------|---------------------|---------------------|
| Infrastructure Capital Project | \$954,681 | \$3,686,037 | \$2,910,000 | \$0 |
| Total Capital Funds: | \$16,589,379 | \$29,996,863 | \$18,680,597 | \$7,528,352 |
| Proprietary Funds | | | | |
| Sewer | \$818,672 | \$820,285 | \$798,285 | \$1,348,936 |
| Storm and Surface Water | \$5,414,038 | \$5,267,063 | \$6,565,583 | \$5,670,649 |
| Storm Water Capital | \$1,405,936 | \$1,940,975 | \$3,307,569 | \$1,698,000 |
| Storm Water Debt Service | \$167,081 | \$167,082 | \$100,177 | \$290,177 |
| Total Proprietary Funds: | \$7,805,727 | \$8,195,405 | \$10,771,614 | \$9,007,762 |
| Internal Service Funds | | | | |
| Unemployment | \$1,405 | \$1,000 | \$31,000 | \$40,950 |
| Capital Equip - Computer | \$485,832 | \$498,279 | \$832,563 | \$862,700 |
| Capital Equip - Vehicle Replac | \$25,248 | \$24,500 | \$4,068 | \$0 |
| Capital Equip - Police | \$419,012 | \$370,000 | \$379,534 | \$261,000 |
| Capital Equip - Parks | \$0 | \$0 | \$139,000 | \$62,000 |
| Capital Equip - PW | \$410,249 | \$354,325 | \$190,259 | \$188,500 |
| Total Internal Service Funds: | \$1,341,746 | \$1,248,104 | \$1,576,424 | \$1,415,150 |
| Fiduciary Funds | | | | |
| Treasurer's Trust | \$270,233 | \$435,900 | \$395,900 | \$405,100 |
| Total Fiduciary Funds: | \$270,233 | \$435,900 | \$395,900 | \$405,100 |
| Total: | \$56,141,633 | \$70,252,932 | \$62,600,901 | \$51,117,826 |

Revenues by Source

Projected 2026 Revenues by Source



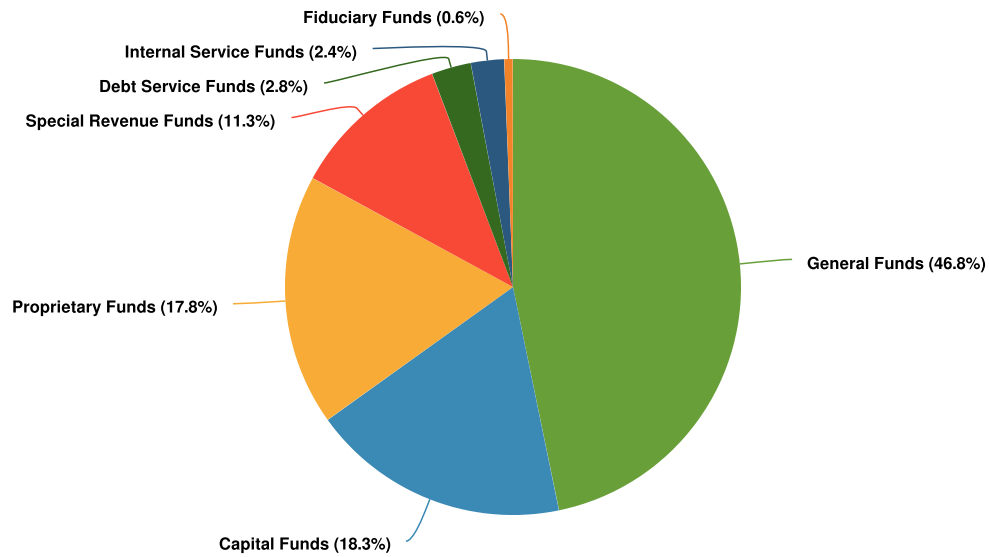
Budgeted and Historical 2026 Revenues by Source



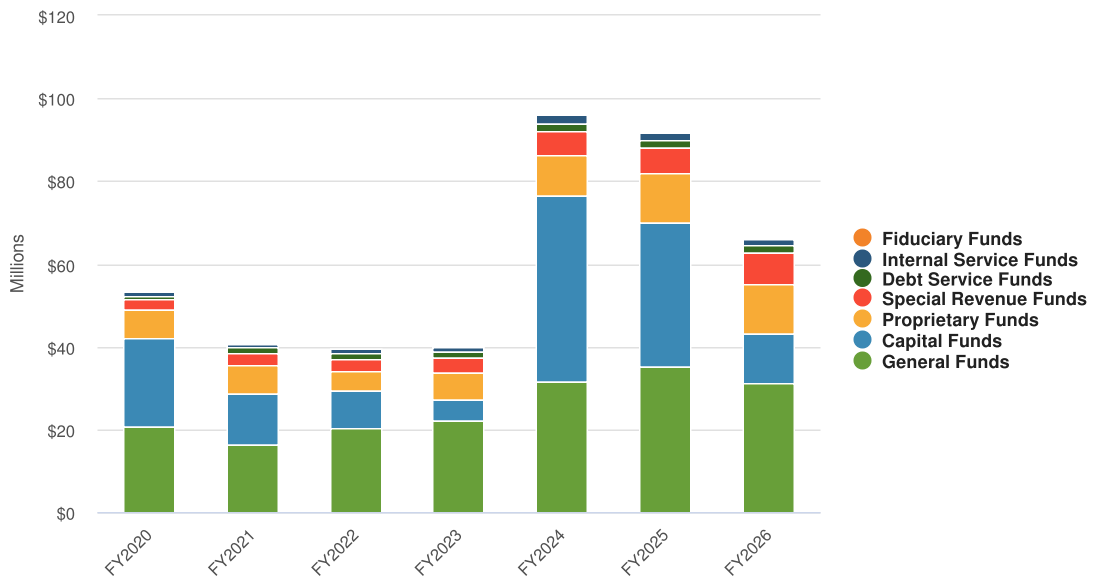
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|------------------------------|---------------------|---------------------|---------------------|---------------------|--|
| Revenue Source | | | | | |
| Taxes | \$22,074,858 | \$21,195,915 | \$22,669,469 | \$24,591,704 | 8.5% |
| Licenses and Permits | \$1,509,798 | \$1,814,183 | \$1,562,842 | \$1,994,308 | 27.6% |
| Intergovernmental | \$3,402,111 | \$11,367,762 | \$12,275,256 | \$7,446,132 | -39.3% |
| Charges for Services | \$7,681,874 | \$10,999,811 | \$11,064,058 | \$8,779,808 | -20.6% |
| Fines and Forfeitures | \$130,091 | \$121,000 | \$132,000 | \$145,000 | 9.8% |
| Miscellaneous Revenue | \$4,440,581 | \$4,868,653 | \$3,453,720 | \$3,001,310 | -13.1% |
| Other Fund Resources | \$401,818 | \$1,063,900 | \$1,053,900 | \$791,100 | -24.9% |
| Other Financing Sources | \$16,500,502 | \$18,821,708 | \$10,389,656 | \$4,368,464 | -58% |
| Total Revenue Source: | \$56,141,633 | \$70,252,932 | \$62,600,901 | \$51,117,826 | -18.3% |

Expenditures by Fund

2026 Expenditures by Fund



Budgeted and Historical 2026 Expenditures by Fund



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|-----------------------------|---------------------|---------------------|---------------------|---------------------|--|
| General Funds | | | | | |
| General | \$24,496,415 | \$31,398,813 | \$35,007,949 | \$31,103,157 | -11.2% |
| Total General Funds: | \$24,496,415 | \$31,398,813 | \$35,007,949 | \$31,103,157 | -11.2% |
| | | | | | |

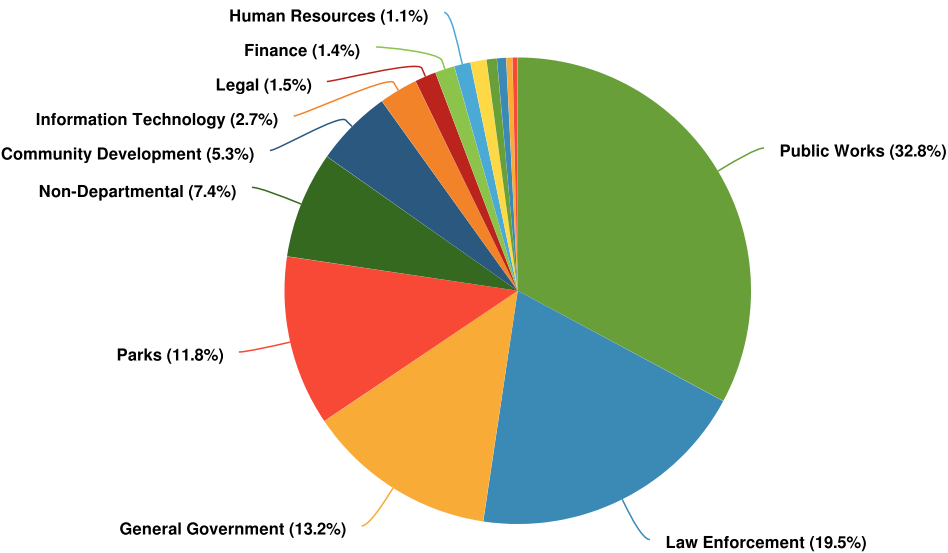
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|--------------------------------------|---------------------|---------------------|---------------------|---------------------|--|
| Special Revenue Funds | | | | | |
| Street | \$3,904,132 | \$4,272,198 | \$4,515,761 | \$4,445,586 | -1.6% |
| Drug Seizure and Forfeiture | \$9,236 | \$36,000 | \$36,000 | \$51,000 | 41.7% |
| Municipal Arts | \$0 | \$25,000 | \$25,000 | \$25,000 | 0% |
| Transportation Benefit | \$1,145,639 | \$1,749,100 | \$1,410,000 | \$2,992,653 | 112.2% |
| Total Special Revenue Funds: | \$5,059,007 | \$6,082,298 | \$5,986,761 | \$7,514,239 | 25.5% |
| | | | | | |
| Debt Service Funds | | | | | |
| LTGO 2008A Bond | \$213,890 | \$213,890 | \$211,865 | \$209,335 | -1.2% |
| 2019A LTGO Bond - PD | \$463,599 | \$463,600 | \$460,097 | \$460,702 | 0.1% |
| 2021A LTGO Bond | \$609,150 | \$609,150 | \$608,350 | \$606,950 | -0.2% |
| 2024A LTGO Bond Fund | \$418,602 | \$418,605 | \$587,200 | \$589,300 | 0.4% |
| Total Debt Service Funds: | \$1,705,241 | \$1,705,245 | \$1,867,512 | \$1,866,287 | -0.1% |
| | | | | | |
| Capital Funds | | | | | |
| Cap Proj-Dev Contrib-Traffic | \$1,166,772 | \$3,879,634 | \$2,434,994 | \$303,000 | -87.6% |
| Park Mitigation Fund | \$710,239 | \$6,071,029 | \$5,942,278 | \$4,261,892 | -28.3% |
| Real Estate Excise Tax I | \$1,172,406 | \$1,251,233 | \$1,159,162 | \$1,233,637 | 6.4% |
| Real Estate Excise Tax II | \$1,625,888 | \$7,546,162 | \$7,204,038 | \$6,198,776 | -14% |
| Downtown Redevelopment | \$540,110 | \$540,461 | \$0 | | N/A |
| Facility Capital Project Fund | \$7,385,760 | \$14,613,443 | \$7,091,122 | \$0 | -100% |
| Sidewalk Capital Project | \$98,019 | \$430,000 | \$218,787 | \$200,000 | -8.6% |
| Infrastructure Capital Project | \$96,172 | \$10,594,555 | \$10,749,189 | \$0 | -100% |
| Total Capital Funds: | \$12,795,366 | \$44,926,517 | \$34,799,570 | \$12,197,305 | -64.9% |
| | | | | | |
| Proprietary Funds | | | | | |
| Sewer | \$801,333 | \$846,239 | \$839,739 | \$1,340,436 | 59.6% |
| Storm and Surface Water | \$5,566,664 | \$6,259,165 | \$7,324,827 | \$6,765,744 | -7.6% |
| Storm Water Capital | \$656,909 | \$2,518,375 | \$3,996,782 | \$3,448,200 | -13.7% |
| Storm Water Debt Service | \$167,079 | \$167,082 | \$100,177 | \$290,177 | 189.7% |
| Total Proprietary Funds: | \$7,191,985 | \$9,790,861 | \$12,261,525 | \$11,844,557 | -3.4% |
| | | | | | |
| Internal Service Funds | | | | | |
| Unemployment | \$14,229 | \$30,000 | \$30,000 | \$35,000 | 16.7% |
| Capital Equip - Computer | \$567,575 | \$711,101 | \$987,846 | \$962,441 | -2.6% |
| Capital Equip - Police | \$159,570 | \$643,717 | \$242,782 | \$300,700 | 23.9% |
| Capital Equip - Parks | \$0 | \$0 | \$80,240 | \$77,835 | -3% |
| Capital Equip - PW | \$408,714 | \$842,045 | \$332,000 | \$191,342 | -42.4% |
| Total Internal Service Funds: | \$1,150,088 | \$2,226,863 | \$1,672,868 | \$1,567,318 | -6.3% |
| | | | | | |
| Fiduciary Funds | | | | | |
| Treasurer's Trust | \$244,849 | \$439,012 | \$396,961 | \$406,161 | 2.3% |
| Total Fiduciary Funds: | \$244,849 | \$439,012 | \$396,961 | \$406,161 | 2.3% |



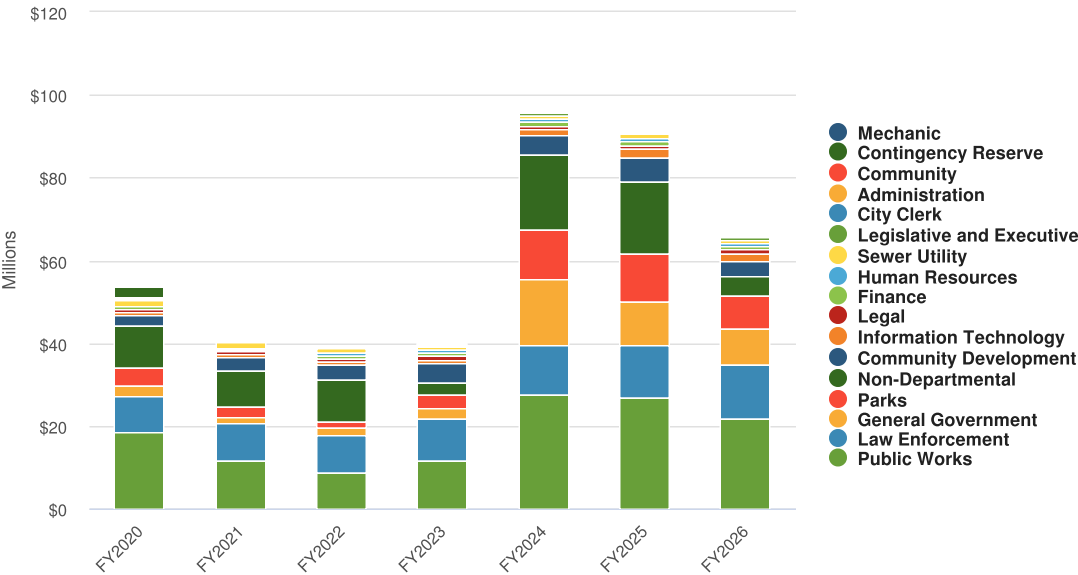
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|--------|---------------|-----------------|-----------------|-----------------|--|
| Total: | \$52,642,951 | \$96,569,609 | \$91,993,146 | \$66,499,024 | -27.7% |

Expenditures by Function

Budgeted Expenditures by Function



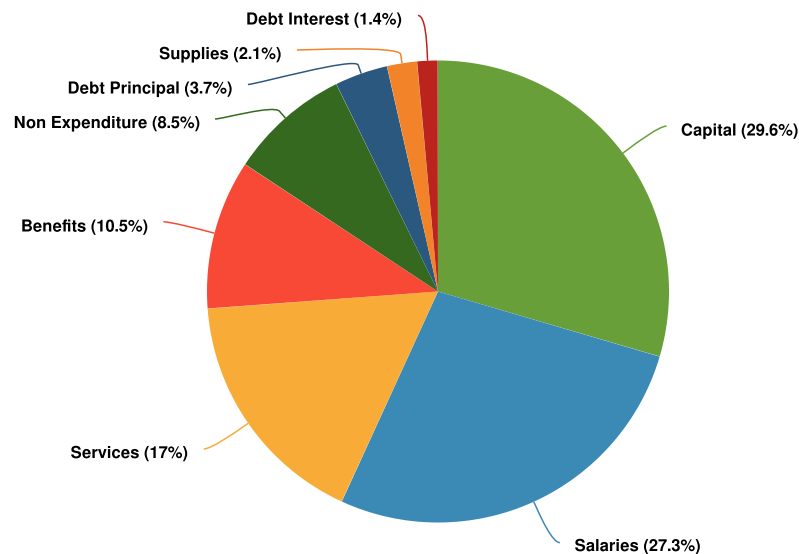
Budgeted and Historical Expenditures by Function



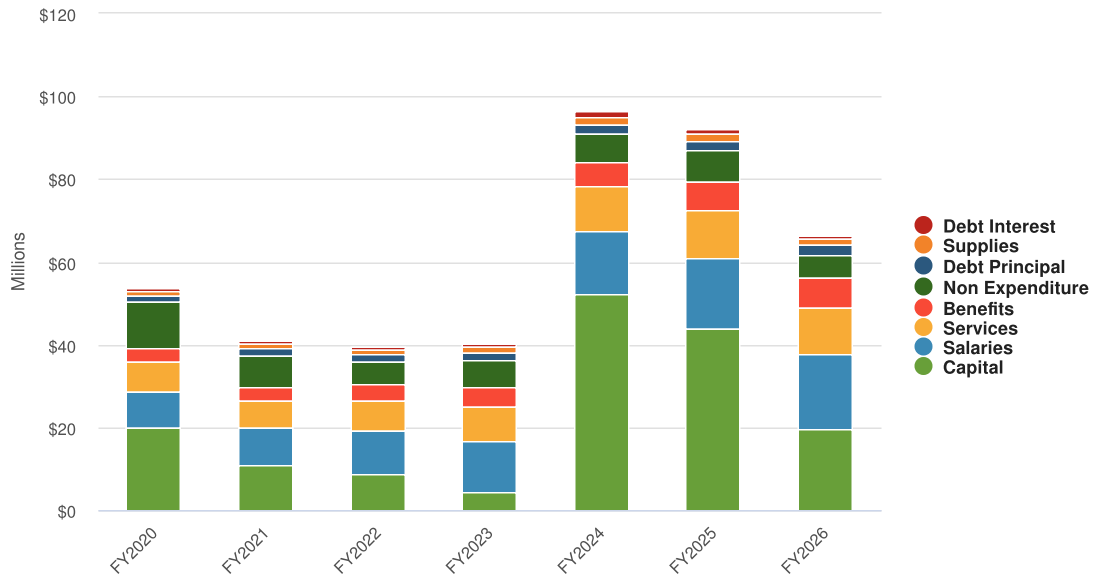
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|----------------------------|---------------------|---------------------|---------------------|---------------------|--|
| Expenditures | | | | | |
| Non-Departmental | \$3,655,844 | \$18,056,312 | \$17,378,085 | \$4,922,242 | -71.7% |
| Legislative and Executive | \$441,235 | \$461,736 | \$487,123 | \$479,482 | -1.6% |
| Administration | \$306,268 | \$310,480 | \$321,586 | \$295,208 | -8.2% |
| City Clerk | \$426,004 | \$503,611 | \$481,022 | \$417,853 | -13.1% |
| Finance | \$744,881 | \$917,738 | \$1,075,795 | \$905,123 | -15.9% |
| Human Resources | \$709,662 | \$802,998 | \$803,198 | \$746,577 | -7% |
| Information Technology | \$1,207,284 | \$1,470,406 | \$1,979,733 | \$1,785,543 | -9.8% |
| Community Development | \$5,119,925 | \$4,601,296 | \$5,864,576 | \$3,552,696 | -39.4% |
| Law Enforcement | \$10,816,741 | \$12,074,068 | \$12,699,223 | \$12,983,897 | 2.2% |
| Parks | \$3,960,150 | \$11,915,206 | \$11,544,911 | \$7,835,826 | -32.1% |
| Legal | \$912,302 | \$926,387 | \$903,134 | \$979,054 | 8.4% |
| Community | \$107,006 | \$218,945 | \$192,711 | \$231,972 | 20.4% |
| General Government | \$9,327,992 | \$16,046,526 | \$10,558,944 | \$8,779,637 | -16.9% |
| Public Works | \$14,106,324 | \$27,459,115 | \$26,904,820 | \$21,843,478 | -18.8% |
| Sewer Utility | \$801,333 | \$804,785 | \$798,285 | \$740,436 | -7.2% |
| Total Expenditures: | \$52,642,951 | \$96,569,609 | \$91,993,146 | \$66,499,024 | -27.7% |

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|--|
| Expense Objects | | | | | |
| Non Expenditure | \$6,555,419 | \$6,746,452 | \$7,418,902 | \$5,627,925 | -24.1% |
| Salaries | \$14,509,097 | \$15,428,896 | \$17,002,424 | \$18,148,601 | 6.7% |
| Benefits | \$5,420,354 | \$6,013,138 | \$6,845,705 | \$6,951,367 | 1.5% |
| Supplies | \$1,336,333 | \$1,851,244 | \$1,932,046 | \$1,395,647 | -27.8% |
| Services | \$9,365,518 | \$10,742,094 | \$11,747,314 | \$11,300,017 | -3.8% |
| Capital | \$12,387,727 | \$52,074,936 | \$43,881,686 | \$19,651,086 | -55.2% |
| Debt Principal | \$2,030,093 | \$2,300,431 | \$2,169,235 | \$2,468,989 | 13.8% |
| Debt Interest | \$1,038,410 | \$1,412,418 | \$995,834 | \$955,392 | -4.1% |
| Total Expense Objects: | \$52,642,951 | \$96,569,609 | \$91,993,146 | \$66,499,024 | -27.7% |

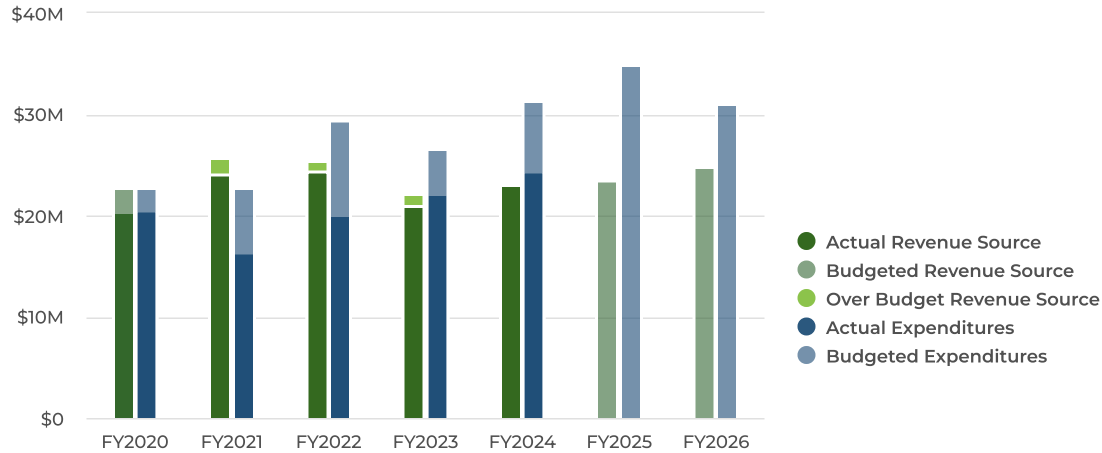


General Fund

This fund is the primary operating fund of the government. It accounts for all financial resources except those required or elected to be accounted for in another fund.

Summary

The City of Lake Stevens is projecting \$24.9M of revenue in FY2026, which represents a 5.7% increase over the prior year. Budgeted expenditures are projected to decrease by 11.2% or \$3.9M to \$31.1M in FY2026.



General Fund Comprehensive Summary

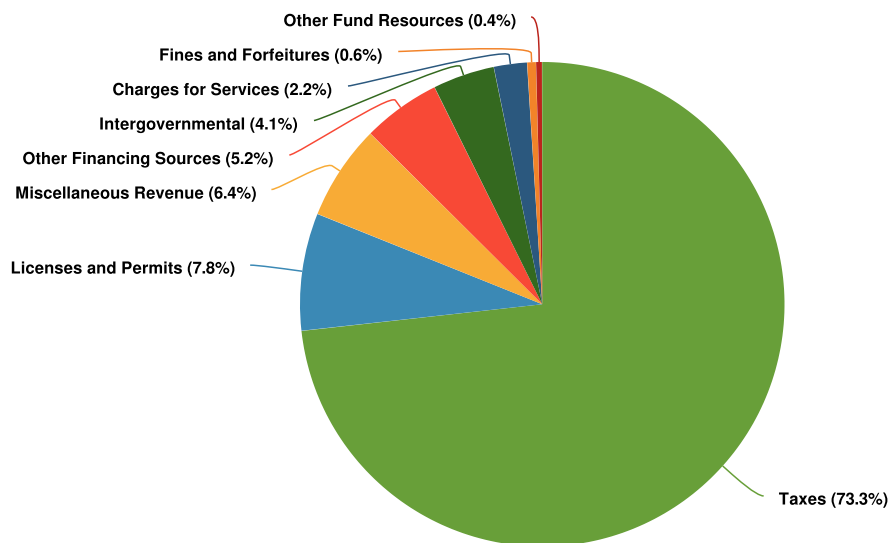
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Actual | FY2025 Budgeted | FY2026 Proposed |
|--------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Beginning Fund Balance: | \$24,958,936 | \$24,958,936 | \$23,691,115 | \$23,691,115 | \$19,340,951 |
| Revenues | | | | | |
| Taxes | \$15,454,210 | \$15,612,205 | \$3,728,773 | \$15,921,533 | \$18,238,849 |
| Licenses and Permits | \$1,466,898 | \$1,769,183 | \$915,855 | \$1,517,842 | \$1,949,308 |
| Intergovernmental | \$1,186,694 | \$1,283,836 | \$248,755 | \$1,203,807 | \$1,024,460 |
| Charges for Services | \$479,528 | \$538,351 | \$234,799 | \$489,026 | \$552,659 |
| Fines and Forfeitures | \$130,091 | \$121,000 | \$66,070 | \$132,000 | \$145,000 |
| Miscellaneous Revenue | \$2,061,155 | \$2,058,989 | \$562,820 | \$1,877,098 | \$1,585,070 |
| Other Fund Resources | \$59,513 | \$78,000 | \$21,998 | \$83,000 | \$101,000 |
| Other Financing Sources | \$2,319,582 | \$1,642,460 | \$703,756 | \$2,339,967 | \$1,300,000 |
| Total Revenues: | \$23,157,671 | \$23,104,024 | \$6,482,826 | \$23,564,273 | \$24,896,346 |
| Expenditures | | | | | |
| Non Expenditure | \$2,534,780 | \$1,976,200 | \$890,482 | \$2,768,302 | \$1,549,000 |
| Salaries | \$10,984,935 | \$11,500,576 | \$4,742,733 | \$12,846,301 | \$13,581,389 |
| Benefits | \$4,046,887 | \$4,356,027 | \$1,865,016 | \$5,075,750 | \$5,201,197 |
| Supplies | \$691,396 | \$1,099,114 | \$221,667 | \$1,254,186 | \$859,247 |



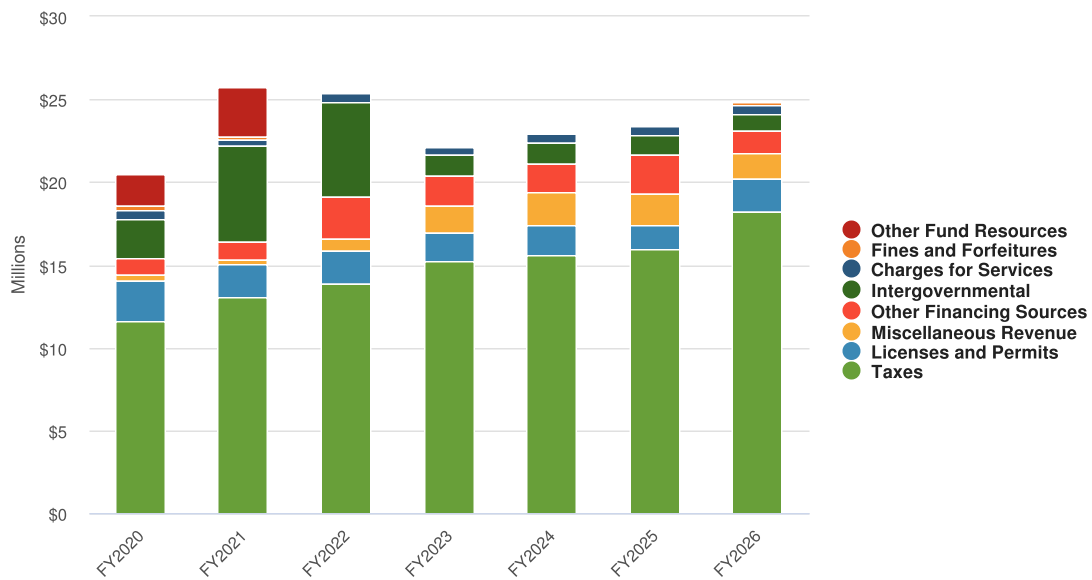
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Actual | FY2025 Budgeted | FY2026 Proposed |
|--|---------------------|---------------------|---------------------|----------------------|---------------------|
| Services | \$5,587,685 | \$6,553,411 | \$2,948,268 | \$7,186,004 | \$6,826,409 |
| Capital | \$576,671 | \$5,836,760 | \$729,718 | \$5,766,681 | \$2,940,715 |
| Debt Principal | \$74,061 | \$76,725 | \$3,242 | \$110,725 | \$145,200 |
| Total Expenditures: | \$24,496,415 | \$31,398,813 | \$11,401,126 | \$35,007,949 | \$31,103,157 |
| Total Revenues Less Expenditures: | -\$1,338,744 | -\$8,294,789 | -\$4,918,300 | -\$11,443,676 | -\$6,206,811 |
| Ending Fund Balance: | \$23,620,192 | \$16,664,147 | \$18,772,815 | \$12,247,439 | \$13,134,140 |

Revenues by Source

Projected 2026 Revenues by Source

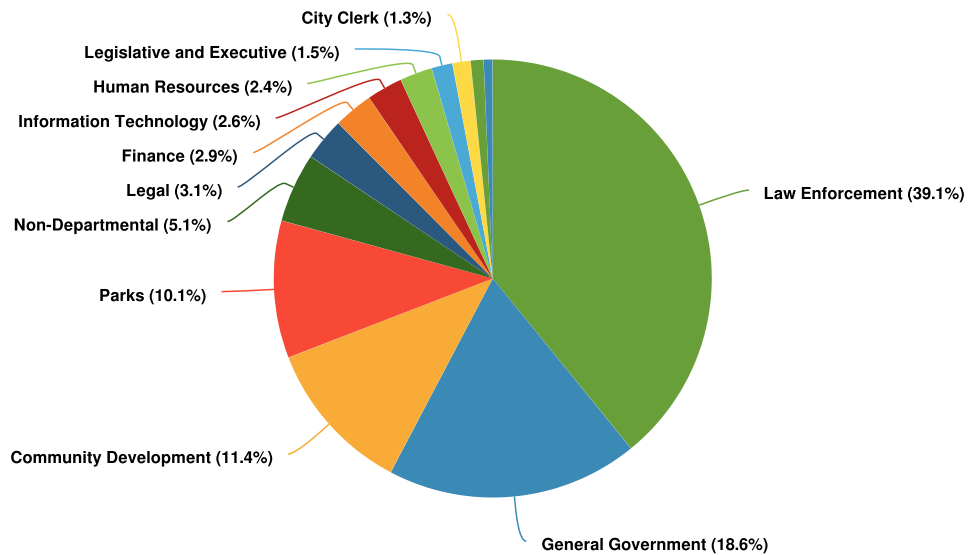


Budgeted and Historical 2026 Revenues by Source

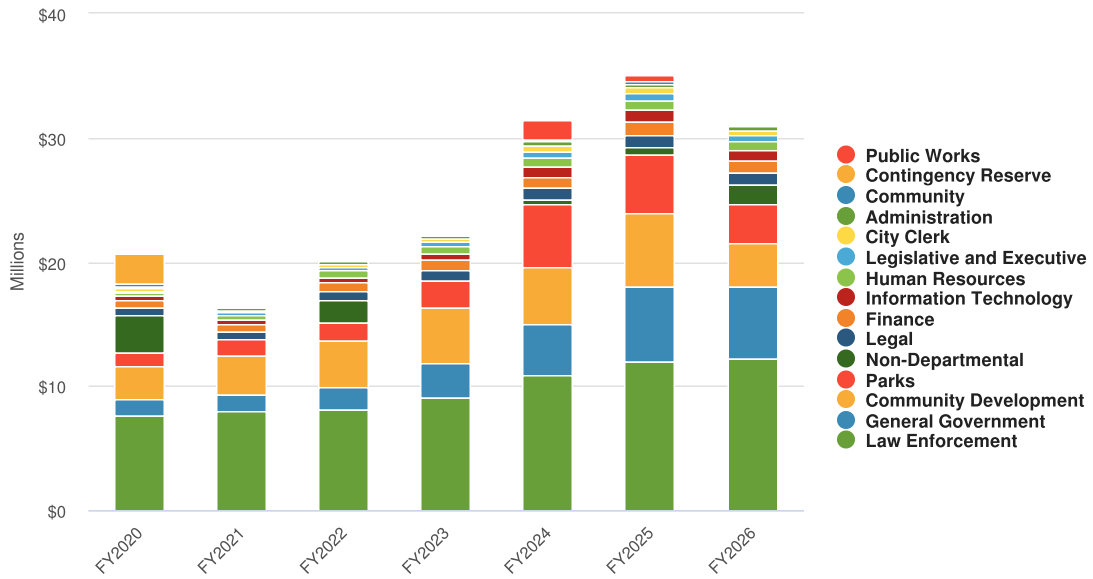


Expenditures by Function

Budgeted Expenditures by Function



Budgeted and Historical Expenditures by Function



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|---|------------------|------------------|------------------|--------------------|--|
| Expenditures | | | | | |
| Non-Departmental | | | | | |
| Non Expenditure | \$6,002 | \$227,000 | \$203,302 | \$1,408,000 | 592.6% |
| Supplies | \$5,570 | \$0 | \$20,000 | \$3,000 | -85% |
| Services | \$95,848 | \$153,100 | \$107,434 | \$83,859 | -21.9% |
| Capital | \$0 | \$40,000 | \$322,000 | \$97,000 | -69.9% |
| Total Non-Departmental: | \$107,420 | \$420,100 | \$652,736 | \$1,591,859 | 143.9% |
| Legislative and Executive | | | | | |
| Salaries | \$223,163 | \$223,650 | \$231,654 | \$234,495 | 1.2% |
| Benefits | \$72,140 | \$69,944 | \$73,944 | \$72,012 | -2.6% |
| Supplies | \$2,284 | \$600 | \$1,350 | \$1,000 | -25.9% |
| Services | \$143,648 | \$167,542 | \$180,175 | \$171,975 | -4.6% |
| Total Legislative and Executive: | \$441,235 | \$461,736 | \$487,123 | \$479,482 | -1.6% |
| Administration | | | | | |
| Salaries | \$213,073 | \$212,560 | \$216,983 | \$204,553 | -5.7% |
| Benefits | \$65,746 | \$67,911 | \$69,423 | \$57,475 | -17.2% |
| Supplies | \$0 | \$800 | \$800 | \$800 | 0% |
| Services | \$27,449 | \$29,209 | \$34,380 | \$32,380 | -5.8% |
| Total Administration: | \$306,268 | \$310,480 | \$321,586 | \$295,208 | -8.2% |
| City Clerk | | | | | |

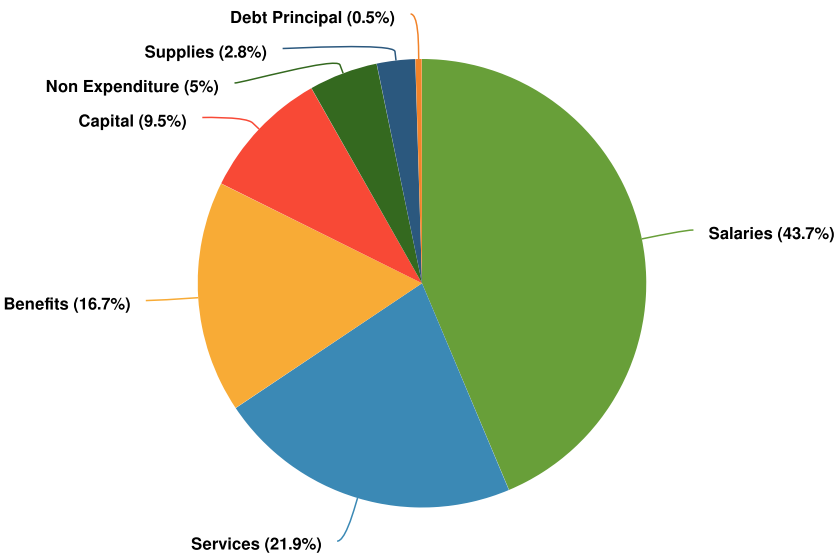
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------|--|
| Salaries | \$301,254 | \$339,930 | \$316,618 | \$286,089 | -9.6% |
| Benefits | \$103,837 | \$129,493 | \$129,404 | \$104,464 | -19.3% |
| Supplies | \$3,677 | \$6,000 | \$6,000 | \$4,000 | -33.3% |
| Services | \$17,236 | \$28,188 | \$29,000 | \$23,300 | -19.7% |
| Total City Clerk: | \$426,004 | \$503,611 | \$481,022 | \$417,853 | -13.1% |
| | | | | | |
| Finance | | | | | |
| Salaries | \$479,758 | \$480,810 | \$565,189 | \$508,073 | -10.1% |
| Benefits | \$158,669 | \$164,928 | \$199,741 | \$169,145 | -15.3% |
| Supplies | \$3,281 | \$5,000 | \$10,000 | \$5,000 | -50% |
| Services | \$101,963 | \$167,000 | \$203,230 | \$122,905 | -39.5% |
| Capital | \$1,210 | \$100,000 | \$97,635 | \$100,000 | 2.4% |
| Total Finance: | \$744,881 | \$917,738 | \$1,075,795 | \$905,123 | -15.9% |
| | | | | | |
| Human Resources | | | | | |
| Salaries | \$481,909 | \$472,132 | \$482,911 | \$480,913 | -0.4% |
| Benefits | \$150,146 | \$156,121 | \$160,290 | \$146,690 | -8.5% |
| Supplies | \$15,091 | \$35,220 | \$30,000 | \$34,000 | 13.3% |
| Services | \$62,516 | \$139,525 | \$129,997 | \$84,974 | -34.6% |
| Total Human Resources: | \$709,662 | \$802,998 | \$803,198 | \$746,577 | -7% |
| | | | | | |
| Information Technology | | | | | |
| Salaries | \$401,468 | \$399,400 | \$534,012 | \$598,164 | 12% |
| Benefits | \$127,903 | \$142,400 | \$189,082 | \$168,188 | -11.1% |
| Supplies | \$12,976 | \$11,500 | \$149,250 | \$15,750 | -89.4% |
| Services | \$97,362 | \$206,005 | \$119,543 | \$41,000 | -65.7% |
| Total Information Technology: | \$639,709 | \$759,305 | \$991,887 | \$823,102 | -17% |
| | | | | | |
| Community Development | | | | | |
| Non Expenditure | \$2,466,530 | \$1,690,000 | \$2,500,000 | \$131,000 | -94.8% |
| Salaries | \$1,687,619 | \$1,709,830 | \$1,977,595 | \$2,283,324 | 15.5% |
| Benefits | \$707,312 | \$714,849 | \$840,850 | \$866,885 | 3.1% |
| Supplies | \$47,232 | \$161,087 | \$161,718 | \$46,272 | -71.4% |
| Services | \$209,632 | \$323,530 | \$371,413 | \$223,215 | -39.9% |
| Debt Principal | \$1,600 | \$2,000 | \$13,000 | \$2,000 | -84.6% |
| Total Community Development: | \$5,119,925 | \$4,601,296 | \$5,864,576 | \$3,552,696 | -39.4% |
| | | | | | |
| Law Enforcement | | | | | |
| Salaries | \$5,497,976 | \$5,817,707 | \$6,455,158 | \$6,761,665 | 4.7% |
| Benefits | \$2,013,052 | \$2,121,141 | \$2,449,400 | \$2,667,404 | 8.9% |
| Supplies | \$356,637 | \$534,577 | \$509,181 | \$330,075 | -35.2% |
| Services | \$2,099,138 | \$2,147,315 | \$2,354,183 | \$2,269,151 | -3.6% |
| Capital | \$146,480 | \$238,286 | \$97,697 | \$0 | -100% |



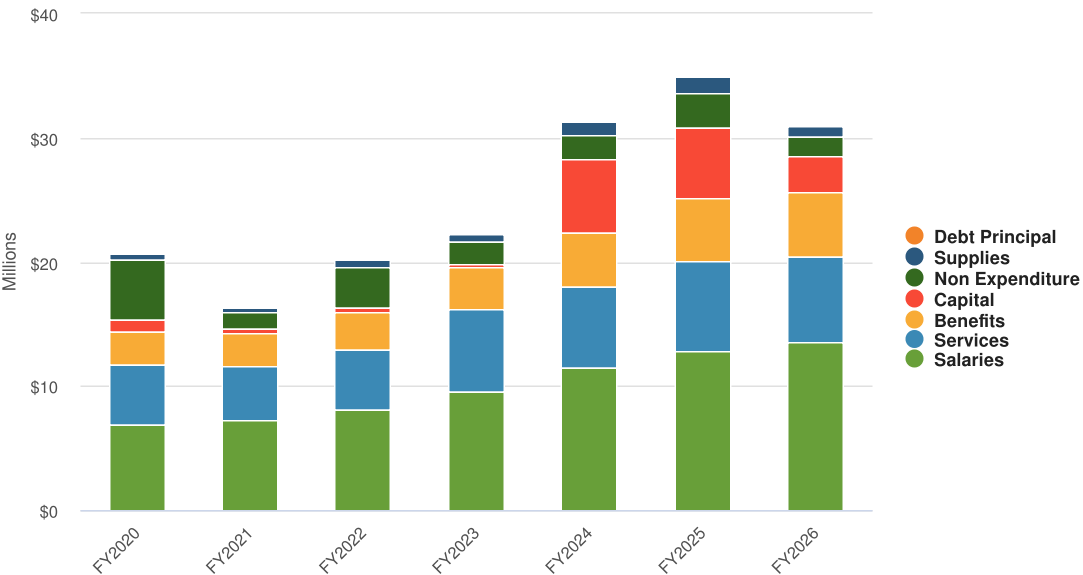
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|----------------------------------|---------------------|---------------------|---------------------|---------------------|--|
| Debt Principal | \$71,053 | \$71,725 | \$94,725 | \$143,200 | 51.2% |
| Total Law Enforcement: | \$10,184,336 | \$10,930,751 | \$11,960,344 | \$12,171,495 | 1.8% |
| | | | | | |
| Parks | | | | | |
| Salaries | \$1,234,203 | \$1,422,230 | \$1,267,653 | \$1,512,416 | 19.3% |
| Benefits | \$458,913 | \$560,677 | \$553,404 | \$665,668 | 20.3% |
| Supplies | \$197,258 | \$286,330 | \$318,387 | \$310,025 | -2.6% |
| Services | \$432,741 | \$542,058 | \$793,639 | \$665,990 | -16.1% |
| Capital | \$425,564 | \$2,199,382 | \$1,815,310 | \$0 | -100% |
| Total Parks: | \$2,748,679 | \$5,010,677 | \$4,748,393 | \$3,154,099 | -33.6% |
| | | | | | |
| Legal | | | | | |
| Services | \$912,302 | \$926,387 | \$903,134 | \$979,054 | 8.4% |
| Total Legal: | \$912,302 | \$926,387 | \$903,134 | \$979,054 | 8.4% |
| | | | | | |
| Community | | | | | |
| Supplies | \$7,149 | \$24,000 | \$19,000 | \$13,500 | -28.9% |
| Services | \$99,857 | \$169,595 | \$148,711 | \$193,472 | 30.1% |
| Total Community: | \$107,006 | \$193,595 | \$167,711 | \$206,972 | 23.4% |
| | | | | | |
| General Government | | | | | |
| Non Expenditure | \$62,248 | \$59,200 | \$65,000 | \$10,000 | -84.6% |
| Salaries | \$464,512 | \$422,327 | \$798,528 | \$711,697 | -10.9% |
| Benefits | \$189,169 | \$228,563 | \$410,212 | \$283,266 | -30.9% |
| Supplies | \$40,241 | \$34,000 | \$28,500 | \$95,825 | 236.2% |
| Services | \$1,287,993 | \$1,553,957 | \$1,811,165 | \$1,935,134 | 6.8% |
| Capital | \$3,417 | \$1,759,092 | \$2,934,039 | \$2,743,715 | -6.5% |
| Debt Principal | \$1,408 | \$3,000 | \$3,000 | \$0 | -100% |
| Total General Government: | \$2,048,988 | \$4,060,139 | \$6,050,444 | \$5,779,637 | -4.5% |
| | | | | | |
| Public Works | | | | | |
| Capital | \$0 | \$1,500,000 | \$500,000 | \$0 | -100% |
| Total Public Works: | \$0 | \$1,500,000 | \$500,000 | \$0 | -100% |
| Total Expenditures: | \$24,496,415 | \$31,398,813 | \$35,007,949 | \$31,103,157 | -11.2% |

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|-----------------|---------------|-----------------|-----------------|-----------------|--|
| Expense Objects | | | | | |
| Non Expenditure | | | | | |



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|--|
| Non-Departmental | \$6,002 | \$227,000 | \$203,302 | \$1,408,000 | 592.6% |
| Community Development | \$2,466,530 | \$1,690,000 | \$2,500,000 | \$131,000 | -94.8% |
| General Government | \$62,248 | \$59,200 | \$65,000 | \$10,000 | -84.6% |
| Total Non Expenditure: | \$2,534,780 | \$1,976,200 | \$2,768,302 | \$1,549,000 | -44% |
| Salaries | | | | | |
| Legislative and Executive | \$223,163 | \$223,650 | \$231,654 | \$234,495 | 1.2% |
| Administration | \$213,073 | \$212,560 | \$216,983 | \$204,553 | -5.7% |
| City Clerk | \$301,254 | \$339,930 | \$316,618 | \$286,089 | -9.6% |
| Finance | \$479,758 | \$480,810 | \$565,189 | \$508,073 | -10.1% |
| Human Resources | \$481,909 | \$472,132 | \$482,911 | \$480,913 | -0.4% |
| Information Technology | \$401,468 | \$399,400 | \$534,012 | \$598,164 | 12% |
| Community Development | \$1,687,619 | \$1,709,830 | \$1,977,595 | \$2,283,324 | 15.5% |
| Law Enforcement | \$5,497,976 | \$5,817,707 | \$6,455,158 | \$6,761,665 | 4.7% |
| Parks | \$1,234,203 | \$1,422,230 | \$1,267,653 | \$1,512,416 | 19.3% |
| General Government | \$464,512 | \$422,327 | \$798,528 | \$711,697 | -10.9% |
| Total Salaries: | \$10,984,935 | \$11,500,576 | \$12,846,301 | \$13,581,389 | 5.7% |
| Benefits | | | | | |
| Legislative and Executive | \$72,140 | \$69,944 | \$73,944 | \$72,012 | -2.6% |
| Administration | \$65,746 | \$67,911 | \$69,423 | \$57,475 | -17.2% |
| City Clerk | \$103,837 | \$129,493 | \$129,404 | \$104,464 | -19.3% |
| Finance | \$158,669 | \$164,928 | \$199,741 | \$169,145 | -15.3% |
| Human Resources | \$150,146 | \$156,121 | \$160,290 | \$146,690 | -8.5% |
| Information Technology | \$127,903 | \$142,400 | \$189,082 | \$168,188 | -11.1% |
| Community Development | \$707,312 | \$714,849 | \$840,850 | \$866,885 | 3.1% |
| Law Enforcement | \$2,013,052 | \$2,121,141 | \$2,449,400 | \$2,667,404 | 8.9% |
| Parks | \$458,913 | \$560,677 | \$553,404 | \$665,668 | 20.3% |
| General Government | \$189,169 | \$228,563 | \$410,212 | \$283,266 | -30.9% |
| Total Benefits: | \$4,046,887 | \$4,356,027 | \$5,075,750 | \$5,201,197 | 2.5% |
| Supplies | | | | | |
| Non-Departmental | \$5,570 | \$0 | \$20,000 | \$3,000 | -85% |
| Legislative and Executive | \$2,284 | \$600 | \$1,350 | \$1,000 | -25.9% |
| Administration | \$0 | \$800 | \$800 | \$800 | 0% |
| City Clerk | \$3,677 | \$6,000 | \$6,000 | \$4,000 | -33.3% |
| Finance | \$3,281 | \$5,000 | \$10,000 | \$5,000 | -50% |
| Human Resources | \$15,091 | \$35,220 | \$30,000 | \$34,000 | 13.3% |
| Information Technology | \$12,976 | \$11,500 | \$149,250 | \$15,750 | -89.4% |
| Community Development | \$47,232 | \$161,087 | \$161,718 | \$46,272 | -71.4% |
| Law Enforcement | \$356,637 | \$534,577 | \$509,181 | \$330,075 | -35.2% |
| Parks | \$197,258 | \$286,330 | \$318,387 | \$310,025 | -2.6% |
| Community | \$7,149 | \$24,000 | \$19,000 | \$13,500 | -28.9% |

| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|--|
| General Government | \$40,241 | \$34,000 | \$28,500 | \$95,825 | 236.2% |
| Total Supplies: | \$691,396 | \$1,099,114 | \$1,254,186 | \$859,247 | -31.5% |
| | | | | | |
| Services | | | | | |
| Non-Departmental | \$95,848 | \$153,100 | \$107,434 | \$83,859 | -21.9% |
| Legislative and Executive | \$143,648 | \$167,542 | \$180,175 | \$171,975 | -4.6% |
| Administration | \$27,449 | \$29,209 | \$34,380 | \$32,380 | -5.8% |
| City Clerk | \$17,236 | \$28,188 | \$29,000 | \$23,300 | -19.7% |
| Finance | \$101,963 | \$167,000 | \$203,230 | \$122,905 | -39.5% |
| Human Resources | \$62,516 | \$139,525 | \$129,997 | \$84,974 | -34.6% |
| Information Technology | \$97,362 | \$206,005 | \$119,543 | \$41,000 | -65.7% |
| Community Development | \$209,632 | \$323,530 | \$371,413 | \$223,215 | -39.9% |
| Law Enforcement | \$2,099,138 | \$2,147,315 | \$2,354,183 | \$2,269,151 | -3.6% |
| Parks | \$432,741 | \$542,058 | \$793,639 | \$665,990 | -16.1% |
| Legal | \$912,302 | \$926,387 | \$903,134 | \$979,054 | 8.4% |
| Community | \$99,857 | \$169,595 | \$148,711 | \$193,472 | 30.1% |
| General Government | \$1,287,993 | \$1,553,957 | \$1,811,165 | \$1,935,134 | 6.8% |
| Total Services: | \$5,587,685 | \$6,553,411 | \$7,186,004 | \$6,826,409 | -5% |
| | | | | | |
| Capital | | | | | |
| Non-Departmental | \$0 | \$40,000 | \$322,000 | \$97,000 | -69.9% |
| Finance | \$1,210 | \$100,000 | \$97,635 | \$100,000 | 2.4% |
| Law Enforcement | \$146,480 | \$238,286 | \$97,697 | \$0 | -100% |
| Parks | \$425,564 | \$2,199,382 | \$1,815,310 | \$0 | -100% |
| General Government | \$3,417 | \$1,759,092 | \$2,934,039 | \$2,743,715 | -6.5% |
| Public Works | \$0 | \$1,500,000 | \$500,000 | \$0 | -100% |
| Total Capital: | \$576,671 | \$5,836,760 | \$5,766,681 | \$2,940,715 | -49% |
| | | | | | |
| Debt Principal | | | | | |
| Community Development | \$1,600 | \$2,000 | \$13,000 | \$2,000 | -84.6% |
| Law Enforcement | \$71,053 | \$71,725 | \$94,725 | \$143,200 | 51.2% |
| General Government | \$1,408 | \$3,000 | \$3,000 | \$0 | -100% |
| Total Debt Principal: | \$74,061 | \$76,725 | \$110,725 | \$145,200 | 31.1% |
| Total Expense Objects: | \$24,496,415 | \$31,398,813 | \$35,007,949 | \$31,103,157 | -11.2% |

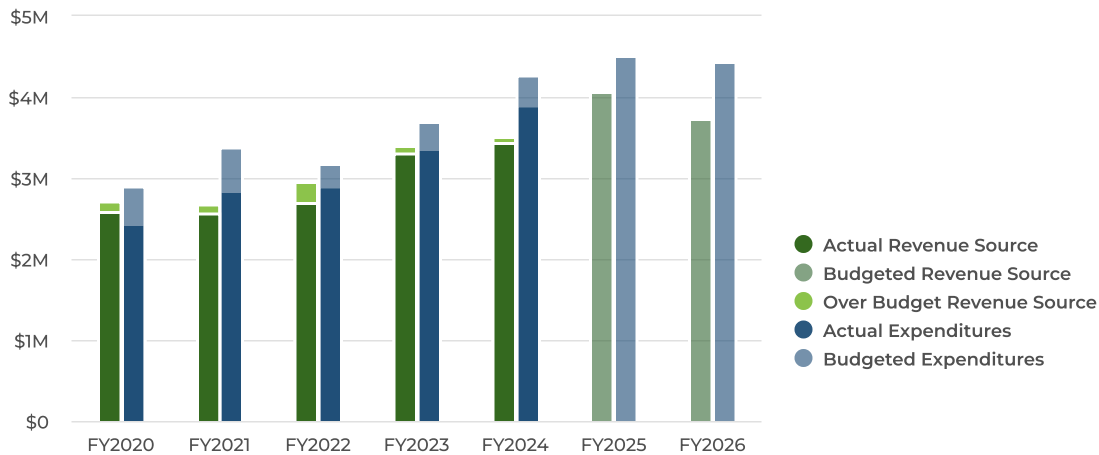


Street Fund

Revenue sources include motor vehicle fuel tax, which is a per gallon tax allocated on a per capita basis, taxes imposed on garbage and sewer utility providers, and a 14% allocated contribution of property taxes. Resources are used to maintain and improve the safety and functionality of city roadways and sidewalks.

Summary

The City of Lake Stevens is projecting \$3.74M of revenue in FY2026, which represents a 8.0% decrease over the prior year. Budgeted expenditures are projected to decrease by 1.6% or \$70.18K to \$4.45M in FY2026.



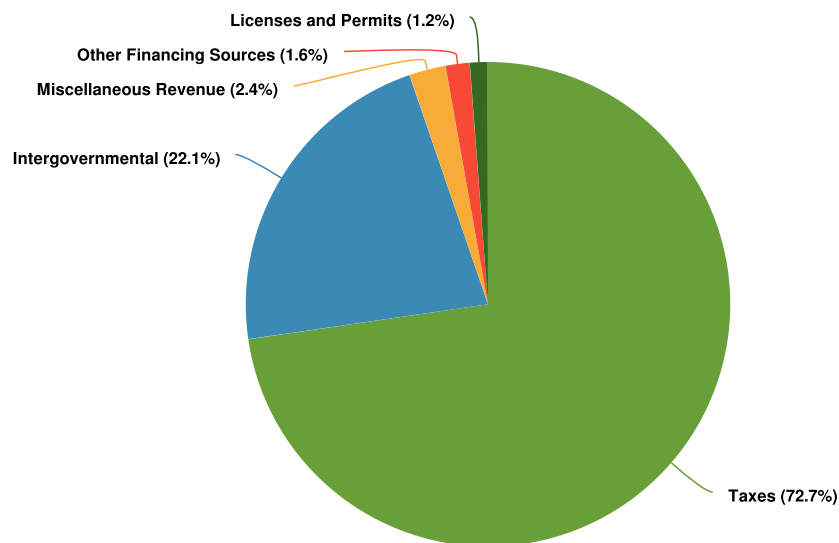
Street Fund Comprehensive Summary

| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|--------------------------------|--------------------|--------------------|--------------------|--------------------|
| Beginning Fund Balance: | \$2,554,047 | \$2,554,047 | \$2,188,933 | \$2,118,044 |
| Revenues | | | | |
| Taxes | \$2,339,110 | \$2,283,710 | \$2,847,936 | \$2,720,855 |
| Licenses and Permits | \$42,900 | \$45,000 | \$45,000 | \$45,000 |
| Intergovernmental | \$783,202 | \$784,438 | \$817,953 | \$825,884 |
| Charges for Services | \$1,253 | \$0 | \$0 | \$0 |
| Miscellaneous Revenue | \$127,686 | \$111,200 | \$121,118 | \$91,230 |
| Other Fund Resources | \$27,463 | \$40,000 | \$0 | \$0 |
| Other Financing Sources | \$195,154 | \$174,100 | \$235,000 | \$60,000 |
| Total Revenues: | \$3,516,768 | \$3,438,448 | \$4,067,007 | \$3,742,969 |
| Expenditures | | | | |
| Non Expenditure | \$17,382 | \$40,000 | \$20,000 | \$0 |
| Salaries | \$1,502,450 | \$1,565,690 | \$1,858,074 | \$1,911,645 |
| Benefits | \$562,751 | \$658,075 | \$808,476 | \$704,204 |
| Supplies | \$315,727 | \$291,814 | \$286,153 | \$258,900 |

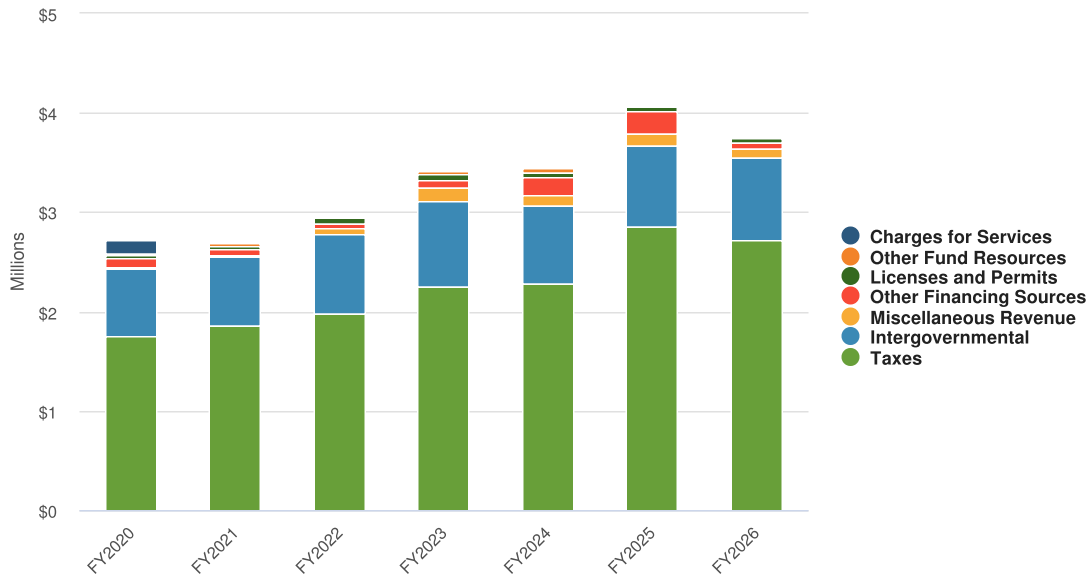
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|--|--------------------|--------------------|--------------------|--------------------|
| Services | \$1,460,096 | \$1,518,810 | \$1,210,058 | \$1,347,837 |
| Capital | \$45,726 | \$194,809 | \$330,000 | \$220,000 |
| Debt Principal | \$0 | \$3,000 | \$3,000 | \$3,000 |
| Total Expenditures: | \$3,904,132 | \$4,272,198 | \$4,515,761 | \$4,445,586 |
| Total Revenues Less Expenditures: | -\$387,364 | -\$833,750 | -\$448,754 | -\$702,617 |
| Ending Fund Balance: | \$2,166,683 | \$1,720,297 | \$1,740,179 | \$1,415,427 |

Revenues by Source

Projected 2026 Revenues by Source



Budgeted and Historical 2026 Revenues by Source

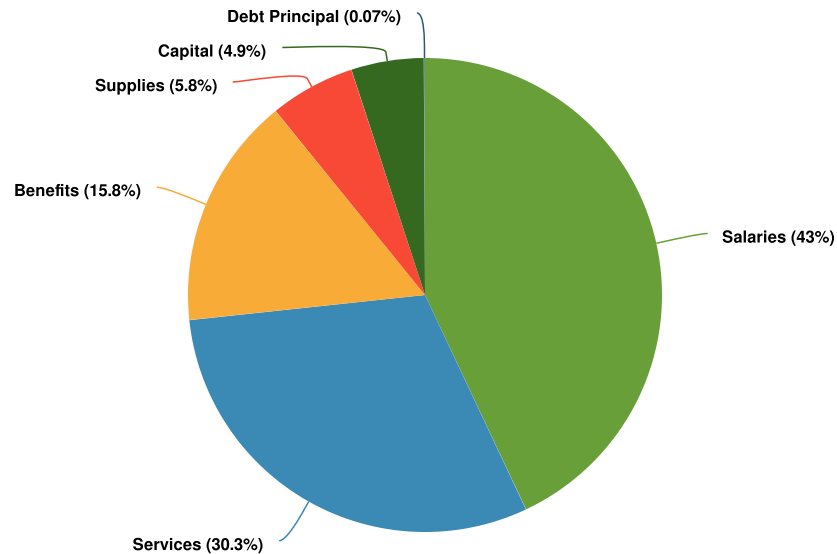


| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|--|
| Revenue Source | | | | | |
| Taxes | | | | | |
| Real & Personal Property Tax | \$1,787,910 | \$1,806,024 | \$1,848,350 | \$944,000 | -48.9% |
| Utility Tax - Garbage | \$551,200 | \$477,686 | \$489,586 | \$576,855 | 17.8% |
| Utility Tax - Sewer | \$0 | \$0 | \$510,000 | \$1,200,000 | 135.3% |
| Total Taxes: | \$2,339,110 | \$2,283,710 | \$2,847,936 | \$2,720,855 | -4.5% |
| Licenses and Permits | | | | | |
| Other Non-Bus. ROW Permits | \$42,900 | \$45,000 | \$45,000 | \$45,000 | 0% |
| Total Licenses and Permits: | \$42,900 | \$45,000 | \$45,000 | \$45,000 | 0% |
| Intergovernmental | | | | | |
| Commerce Grants - State | \$0 | \$10,000 | \$10,000 | \$0 | -100% |
| Multimodal Transportation | \$52,895 | \$52,910 | \$52,756 | \$52,725 | -0.1% |
| MVFT - City Streets | \$730,307 | \$721,528 | \$755,197 | \$773,159 | 2.4% |
| Total Intergovernmental: | \$783,202 | \$784,438 | \$817,953 | \$825,884 | 1% |
| Charges for Services | | | | | |
| Street - PW Charge for Service | \$1,253 | \$0 | \$0 | \$0 | 0% |
| Total Charges for Services: | \$1,253 | \$0 | \$0 | \$0 | 0% |
| Miscellaneous Revenue | | | | | |
| Investment Interest | \$101,750 | \$100,000 | \$84,526 | \$76,230 | -9.8% |
| Street Op Special Assessment | \$22,226 | \$11,200 | \$36,592 | \$15,000 | -59% |

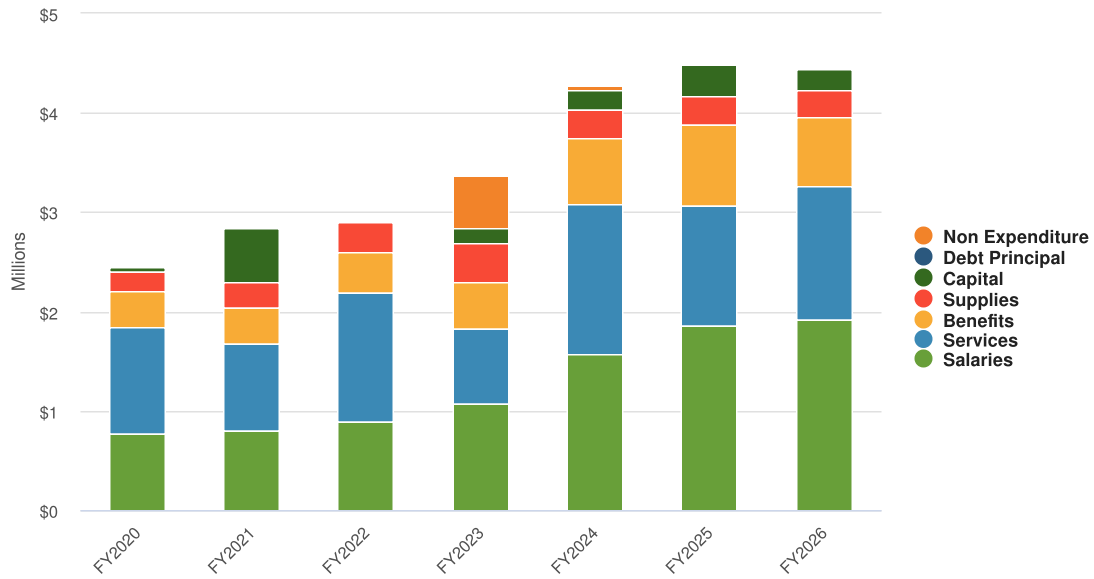
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|---------------------------------------|--------------------|--------------------|--------------------|--------------------|--|
| Miscellaneous Revenue - Other | \$3,710 | \$0 | \$0 | \$0 | 0% |
| Total Miscellaneous Revenue: | \$127,686 | \$111,200 | \$121,118 | \$91,230 | -24.7% |
| | | | | | |
| Other Fund Resources | | | | | |
| PW - Retainage | \$27,463 | \$40,000 | \$0 | \$0 | 0% |
| Total Other Fund Resources: | \$27,463 | \$40,000 | \$0 | \$0 | 0% |
| | | | | | |
| Other Financing Sources | | | | | |
| Insurance Recoveries - Capital | \$6,258 | \$0 | \$0 | \$0 | 0% |
| Interfund Transfer In | \$84,914 | \$25,000 | \$85,000 | \$60,000 | -29.4% |
| Transfer In - TBD Fund 120 | \$94,297 | \$149,100 | \$150,000 | \$0 | -100% |
| Insurance Recoveries - Non Cap | \$9,685 | \$0 | \$0 | \$0 | 0% |
| Total Other Financing Sources: | \$195,154 | \$174,100 | \$235,000 | \$60,000 | -74.5% |
| Total Revenue Source: | \$3,516,768 | \$3,438,448 | \$4,067,007 | \$3,742,969 | -8% |

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|--|
| Expense Objects | | | | | |
| Non Expenditure | \$17,382 | \$40,000 | \$20,000 | \$0 | -100% |
| Salaries | \$1,502,450 | \$1,565,690 | \$1,858,074 | \$1,911,645 | 2.9% |
| Benefits | \$562,751 | \$658,075 | \$808,476 | \$704,204 | -12.9% |
| Supplies | \$315,727 | \$291,814 | \$286,153 | \$258,900 | -9.5% |
| Services | \$1,460,096 | \$1,518,810 | \$1,210,058 | \$1,347,837 | 11.4% |
| Capital | \$45,726 | \$194,809 | \$330,000 | \$220,000 | -33.3% |
| Debt Principal | \$0 | \$3,000 | \$3,000 | \$3,000 | 0% |
| Total Expense Objects: | \$3,904,132 | \$4,272,198 | \$4,515,761 | \$4,445,586 | -1.6% |

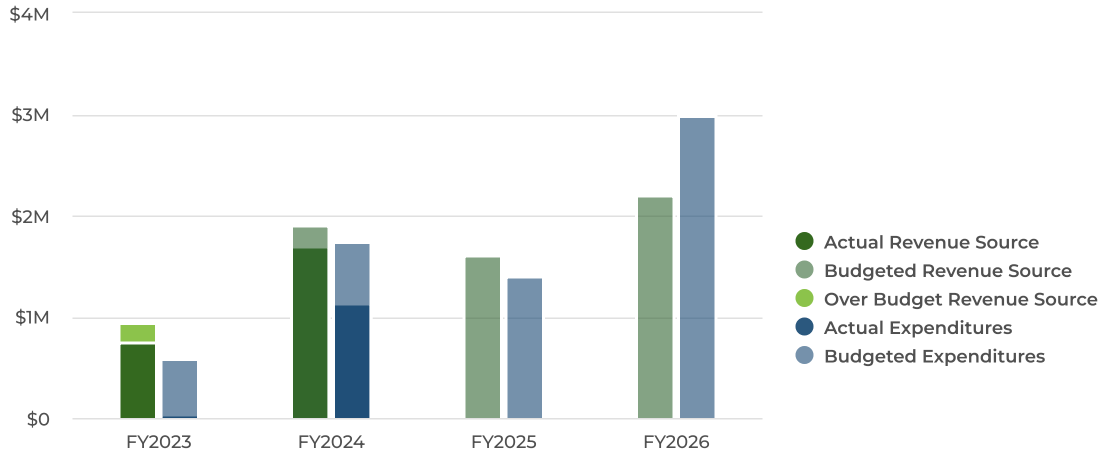


Transportation Benefit Fund

A 0.2% sales tax was approved by a vote of the people to be used for transportation improvements that preserve, maintain, enhance and operate the existing transportation infrastructure of the City, and to construct and reconstruct improvements and capital projects.

Summary

The City of Lake Stevens is projecting \$2.21M of revenue in FY2026, which represents a 37.2% increase over the prior year. Budgeted expenditures are projected to increase by 112.2% or \$1.58M to \$2.99M in FY2026.



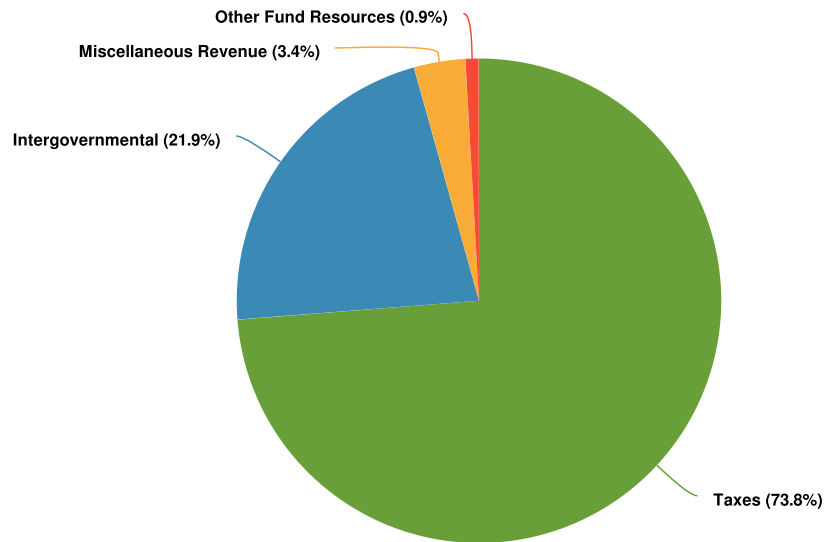
Transportation Benefit Fund Comprehensive Summary

| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|--------------------------------|--------------------|--------------------|--------------------|--------------------|
| Beginning Fund Balance: | \$906,894 | \$906,894 | \$1,471,185 | \$1,947,798 |
| Revenues | | | | |
| Taxes | \$1,617,320 | \$1,700,000 | \$1,500,000 | \$1,632,000 |
| Intergovernmental | \$0 | \$153,850 | \$0 | \$485,000 |
| Miscellaneous Revenue | \$66,489 | \$60,000 | \$52,179 | \$75,600 |
| Other Fund Resources | \$26,121 | \$0 | \$60,000 | \$20,000 |
| Total Revenues: | \$1,709,930 | \$1,913,850 | \$1,612,179 | \$2,212,600 |
| | | | | |
| Expenditures | | | | |
| Non Expenditure | \$94,297 | \$149,100 | \$60,000 | \$20,000 |
| Salaries | \$0 | \$0 | \$100,000 | \$100,000 |
| Benefits | \$0 | \$0 | \$50,000 | \$30,000 |
| Services | \$598,663 | \$600,000 | \$500,000 | \$500,000 |
| Capital | \$452,679 | \$627,500 | \$700,000 | \$2,342,653 |
| Debt Interest | \$0 | \$372,500 | \$0 | \$0 |

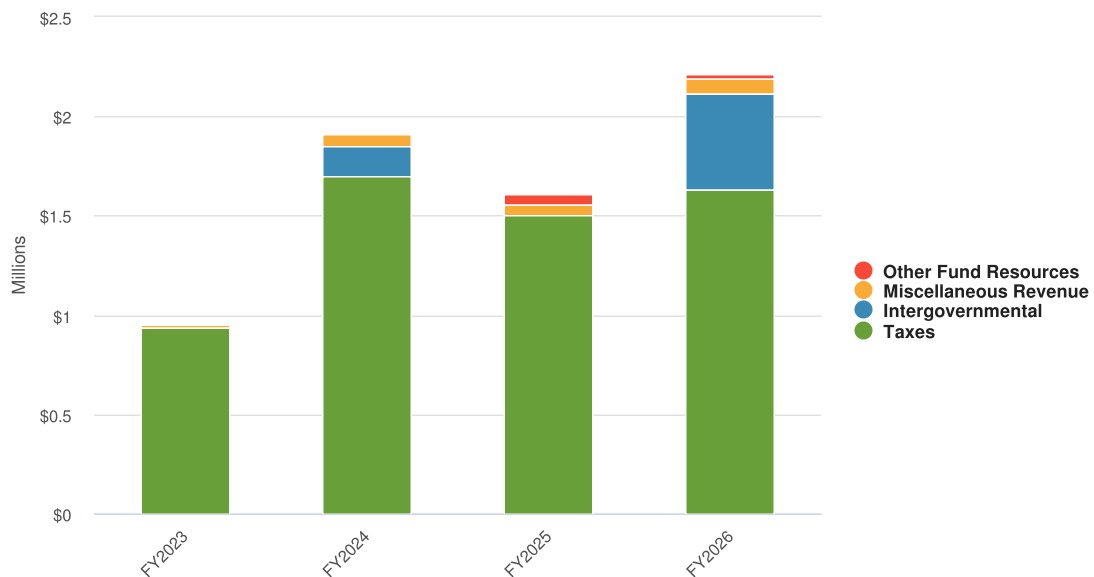
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|-----------------------------------|---------------|-----------------|-----------------|-----------------|
| Total Expenditures: | \$1,145,639 | \$1,749,100 | \$1,410,000 | \$2,992,653 |
| Total Revenues Less Expenditures: | \$564,291 | \$164,750 | \$202,179 | -\$780,053 |
| Ending Fund Balance: | \$1,471,185 | \$1,071,644 | \$1,673,364 | \$1,167,745 |

Revenues by Source

Projected 2026 Revenues by Source



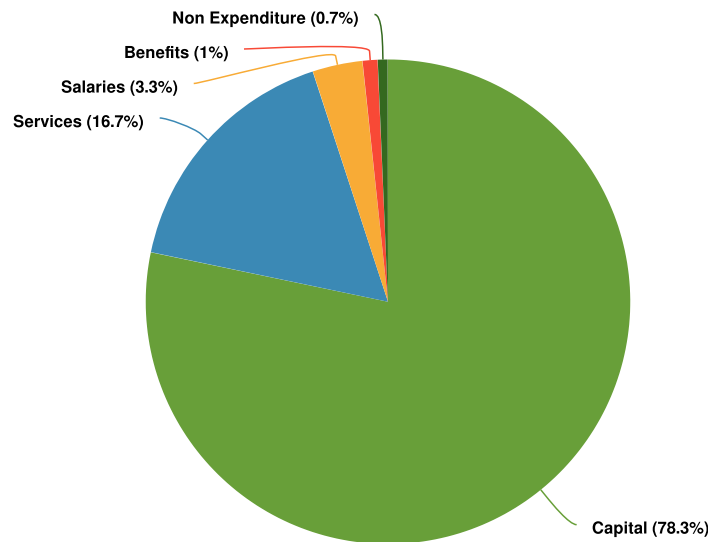
Budgeted and Historical 2026 Revenues by Source



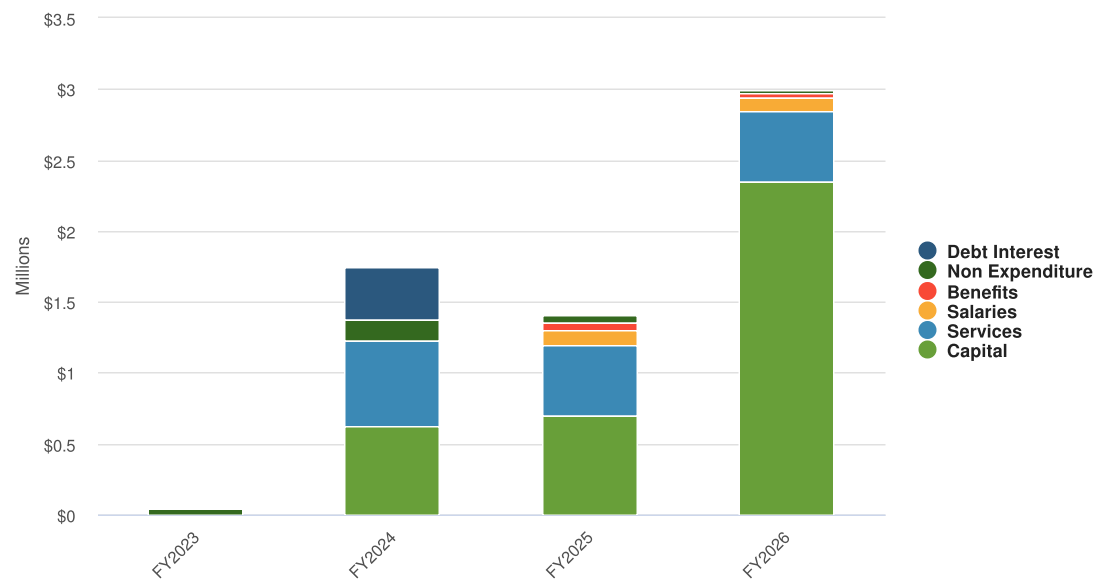
| | |
|--------------------|--|
| Name | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
| No Data To Display | |

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|--------------------------------|--------------------|--------------------|--------------------|--------------------|--|
| Expense Objects | | | | | |
| Non Expenditure | | | | | |
| Transfer Out - Wages | \$94,297 | \$149,100 | \$0 | \$0 | 0% |
| Retainage Release | \$0 | \$0 | \$60,000 | \$20,000 | -66.7% |
| Total Non Expenditure: | \$94,297 | \$149,100 | \$60,000 | \$20,000 | -66.7% |
| | | | | | |
| Salaries | | | | | |
| TBP CP Salaries | \$0 | \$0 | \$100,000 | \$100,000 | 0% |
| Total Salaries: | \$0 | \$0 | \$100,000 | \$100,000 | 0% |
| | | | | | |
| Benefits | | | | | |
| TBP CP Benefits | \$0 | \$0 | \$50,000 | \$30,000 | -40% |
| Total Benefits: | \$0 | \$0 | \$50,000 | \$30,000 | -40% |
| | | | | | |
| Services | | | | | |
| TBP - Pavement Preservation | \$598,663 | \$600,000 | \$500,000 | \$500,000 | 0% |
| Total Services: | \$598,663 | \$600,000 | \$500,000 | \$500,000 | 0% |
| | | | | | |
| Capital | | | | | |
| TBP01 - On Hold | \$179 | \$0 | \$0 | | N/A |
| TBP02: 91st - 4th to Market | \$246,880 | \$246,880 | \$0 | \$0 | 0% |
| TBP03: 91st - 8th to 4th | \$205,620 | \$205,620 | \$0 | \$0 | 0% |
| TBP04: 117th NE - 20th to 26th | \$0 | \$175,000 | \$300,000 | \$974,853 | 225% |
| TBP05: 91st - 20th to 12th | \$0 | \$0 | \$0 | \$757,800 | N/A |
| TBP06: N. Lakeshore - Main-123 | \$0 | \$0 | \$0 | \$40,000 | N/A |
| TBP07: Soper Hill | \$0 | \$0 | \$400,000 | \$570,000 | 42.5% |
| Total Capital: | \$452,679 | \$627,500 | \$700,000 | \$2,342,653 | 234.7% |
| | | | | | |
| Debt Interest | | | | | |
| Transfer Out - Debt Payments | \$0 | \$372,500 | \$0 | | N/A |
| Total Debt Interest: | \$0 | \$372,500 | \$0 | | N/A |
| Total Expense Objects: | \$1,145,639 | \$1,749,100 | \$1,410,000 | \$2,992,653 | 112.2% |



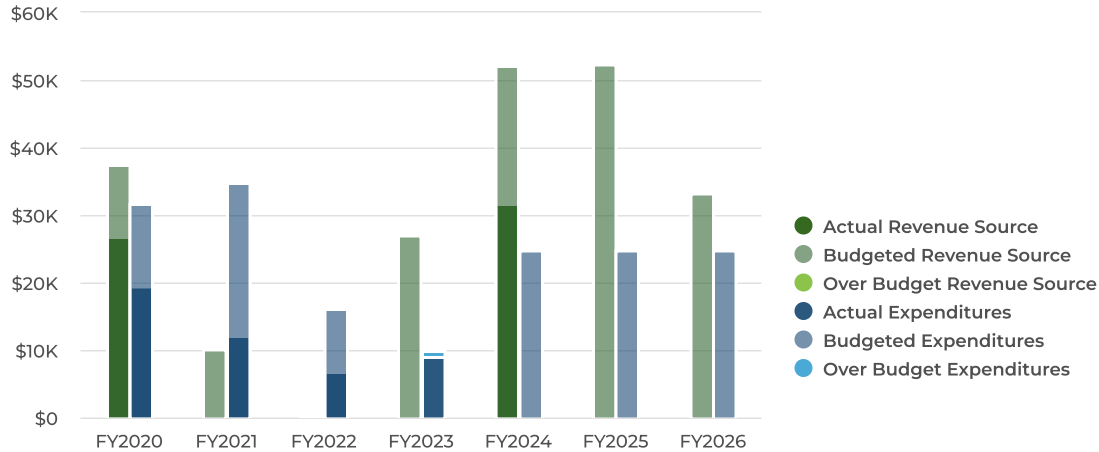


Municipal Arts Fund

To foster culture and a viable development in the arts, a reserve fund for arts purposes was created. Appropriations include installation, maintenance, design and construction for arts-related projects. Resources include a 1% allocation of eligible municipal construction projects. Contributions may also be made from the general fund as approved by the City Council.

Summary

The City of Lake Stevens is projecting \$33.4K of revenue in FY2026, which represents a 36.2% decrease over the prior year. Budgeted expenditures are projected to increase by 0% or \$0 to \$25K in FY2026.

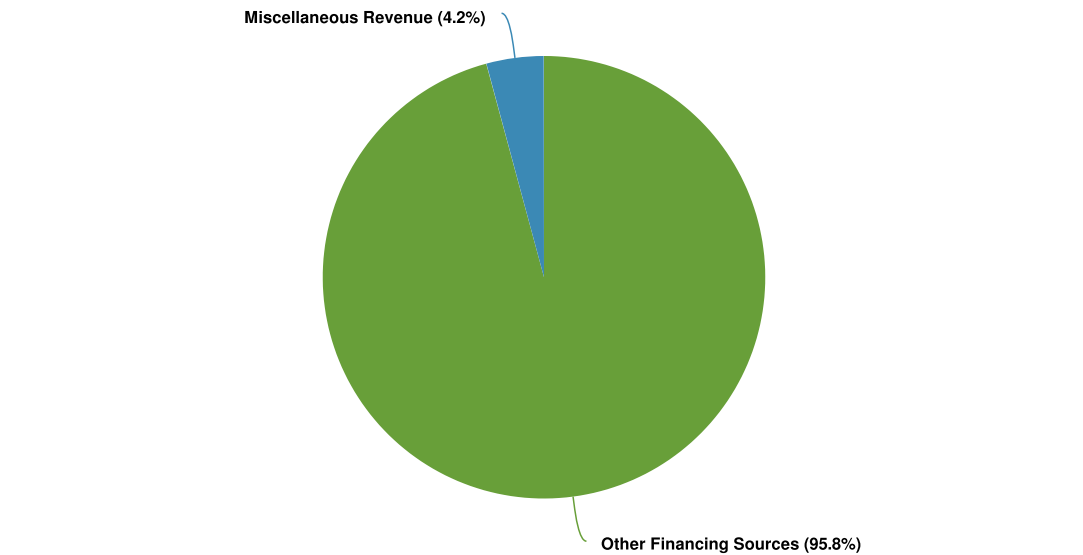


Municipal Arts Fund Comprehensive Summary

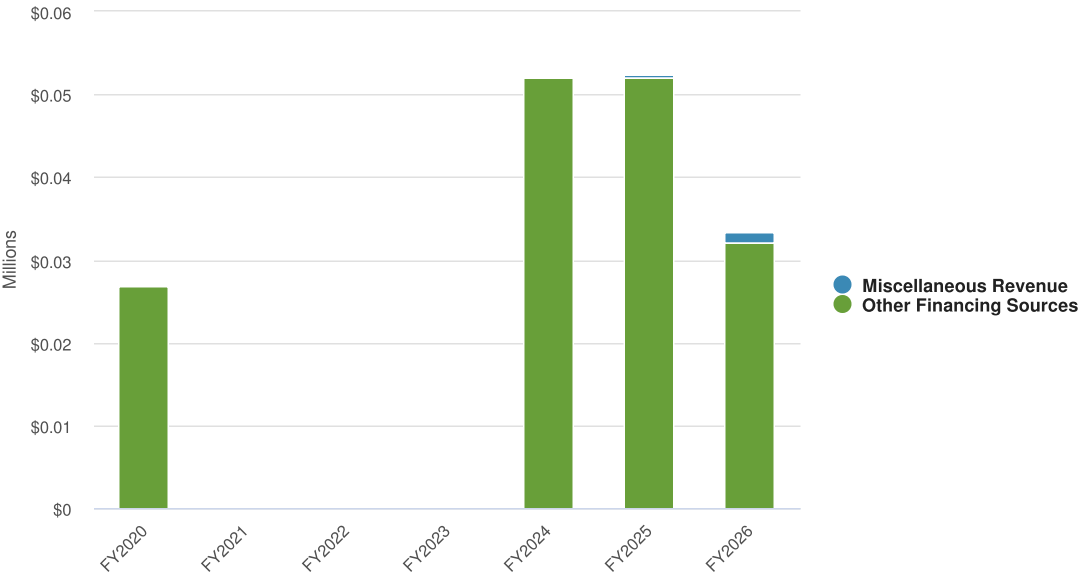
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|--|-----------------|-----------------|-----------------|-----------------|
| Beginning Fund Balance: | N/A | N/A | \$31,812 | \$33,625 |
| Revenues | | | | |
| Miscellaneous Revenue | \$864 | \$150 | \$367 | \$1,400 |
| Other Financing Sources | \$30,947 | \$52,000 | \$52,000 | \$32,000 |
| Total Revenues: | \$31,811 | \$52,150 | \$52,367 | \$33,400 |
| Expenditures | | | | |
| Capital | \$0 | \$25,000 | \$25,000 | \$25,000 |
| Total Expenditures: | \$0 | \$25,000 | \$25,000 | \$25,000 |
| Total Revenues Less Expenditures: | \$31,811 | \$27,150 | \$27,367 | \$8,400 |
| Ending Fund Balance: | N/A | N/A | \$59,179 | \$42,025 |

Revenues by Source

Projected 2026 Revenues by Source



Budgeted and Historical 2026 Revenues by Source



| Name | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|--------------------|--|
| No Data To Display | |



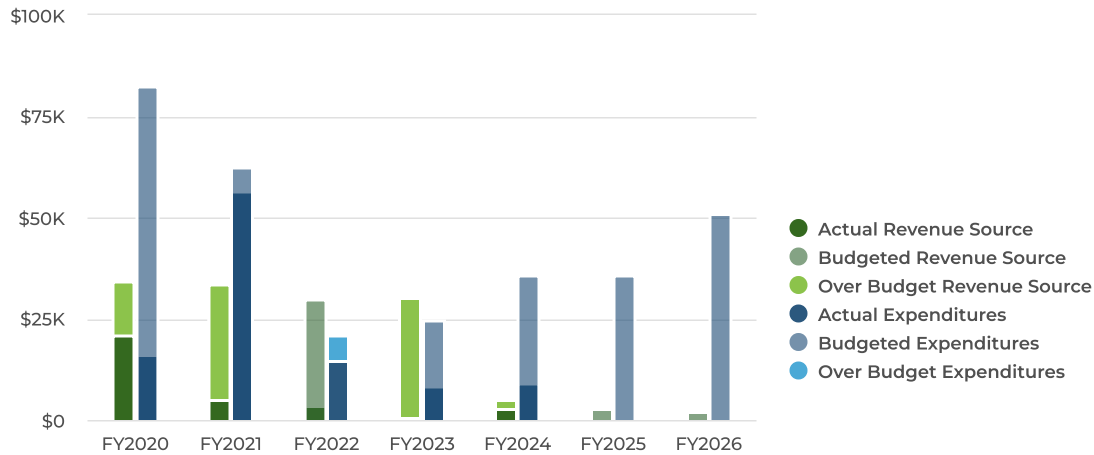


Drug Seizure and Forfeiture Fund

Net proceeds from the seizure and sale of property deemed forfeited will be used exclusively for the expansion and improvement of controlled substances related law enforcement activity.

Summary

The City of Lake Stevens is projecting \$2.26K of revenue in FY2026, which represents a 25.4% decrease over the prior year. Budgeted expenditures are projected to increase by 41.7% or \$15K to \$51K in FY2026.

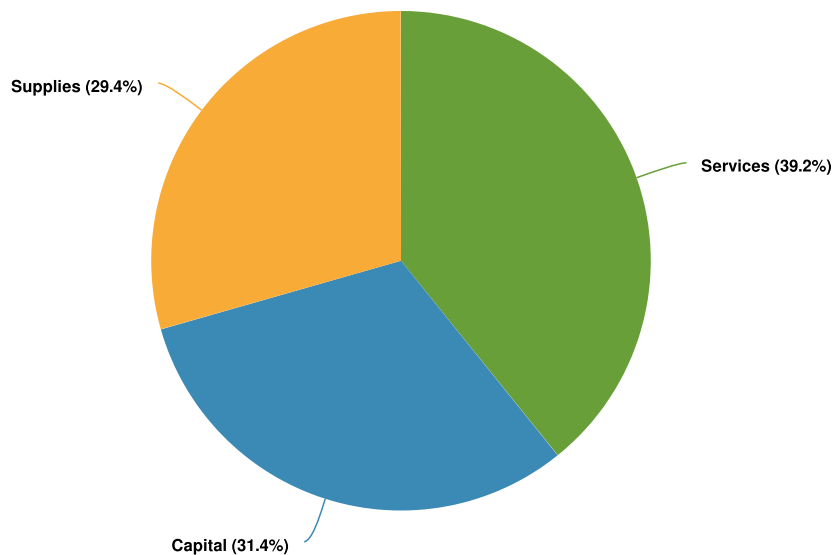


Drug Seizure and Forfeiture Fund Comprehensive Summary

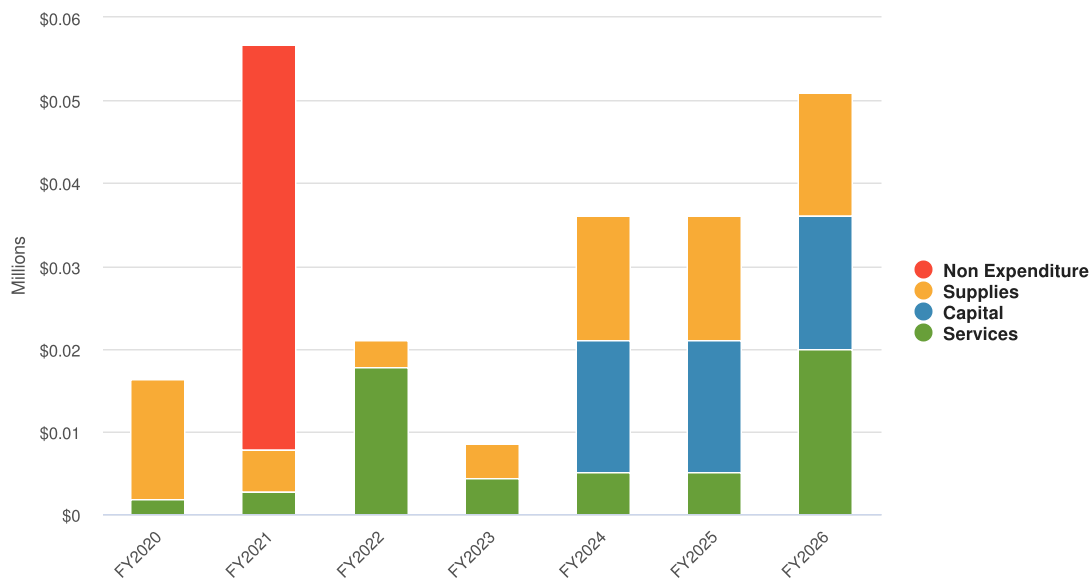
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|--|-----------------|------------------|------------------|------------------|
| Beginning Fund Balance: | \$74,192 | \$74,192 | \$71,037 | \$59,988 |
| Revenues | | | | |
| Miscellaneous Revenue | \$3,580 | \$3,000 | \$3,028 | \$2,260 |
| Other Financing Sources | \$1,502 | \$0 | \$0 | \$0 |
| Total Revenues: | \$5,082 | \$3,000 | \$3,028 | \$2,260 |
| | | | | |
| Expenditures | | | | |
| Supplies | \$2,005 | \$15,000 | \$15,000 | \$15,000 |
| Services | \$7,231 | \$5,000 | \$5,000 | \$20,000 |
| Capital | \$0 | \$16,000 | \$16,000 | \$16,000 |
| Total Expenditures: | \$9,236 | \$36,000 | \$36,000 | \$51,000 |
| Total Revenues Less Expenditures: | -\$4,154 | -\$33,000 | -\$32,972 | -\$48,740 |
| Ending Fund Balance: | \$70,038 | \$41,192 | \$38,065 | \$11,248 |

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|-----------------|---------------|-----------------|-----------------|-----------------|--|
| Expense Objects | | | | | |
| Supplies | \$2,005 | \$15,000 | \$15,000 | \$15,000 | 0% |



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|-------------------------------|----------------|-----------------|-----------------|-----------------|--|
| Services | \$7,231 | \$5,000 | \$5,000 | \$20,000 | 300% |
| Capital | \$0 | \$16,000 | \$16,000 | \$16,000 | 0% |
| Total Expense Objects: | \$9,236 | \$36,000 | \$36,000 | \$51,000 | 41.7% |

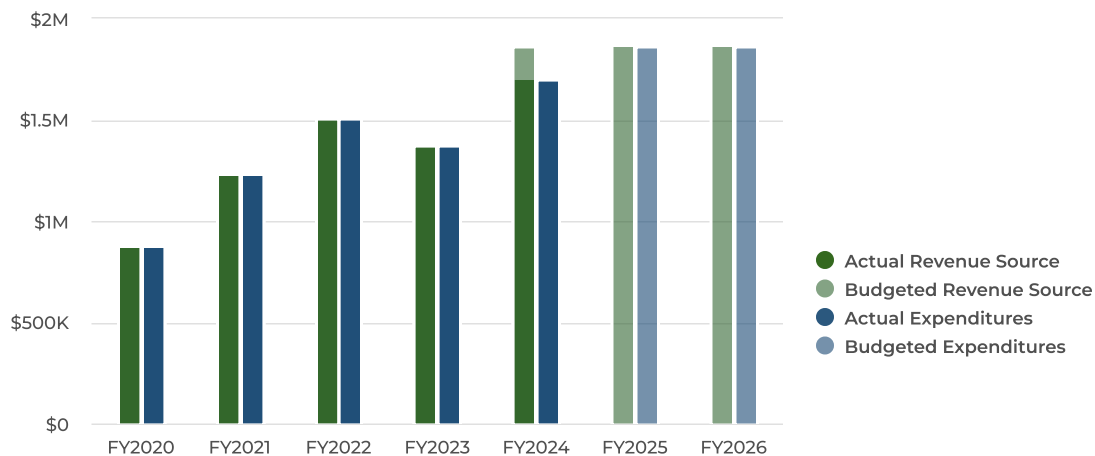


Debt Service Funds

These funds account for the financial resources that are restricted, committed, or assigned to expenditures for principal, interest and related costs on general long-term debt.

Summary

The City of Lake Stevens is projecting \$1.87M of revenue in FY2026, which represents a 0.2% decrease over the prior year. Budgeted expenditures are projected to decrease by 0.1% or \$1.23K to \$1.87M in FY2026.

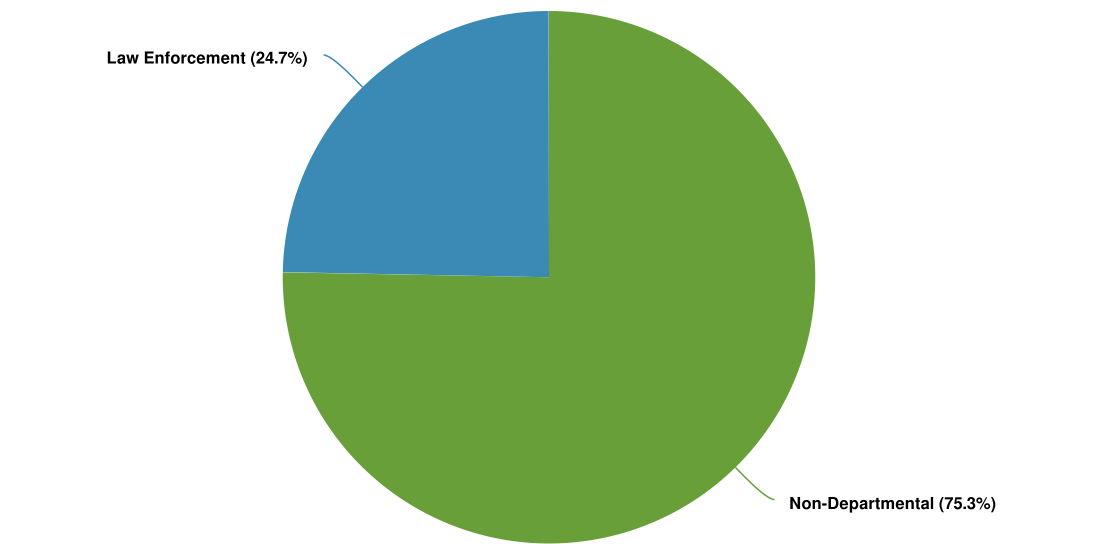


Debt Service Funds Comprehensive Summary

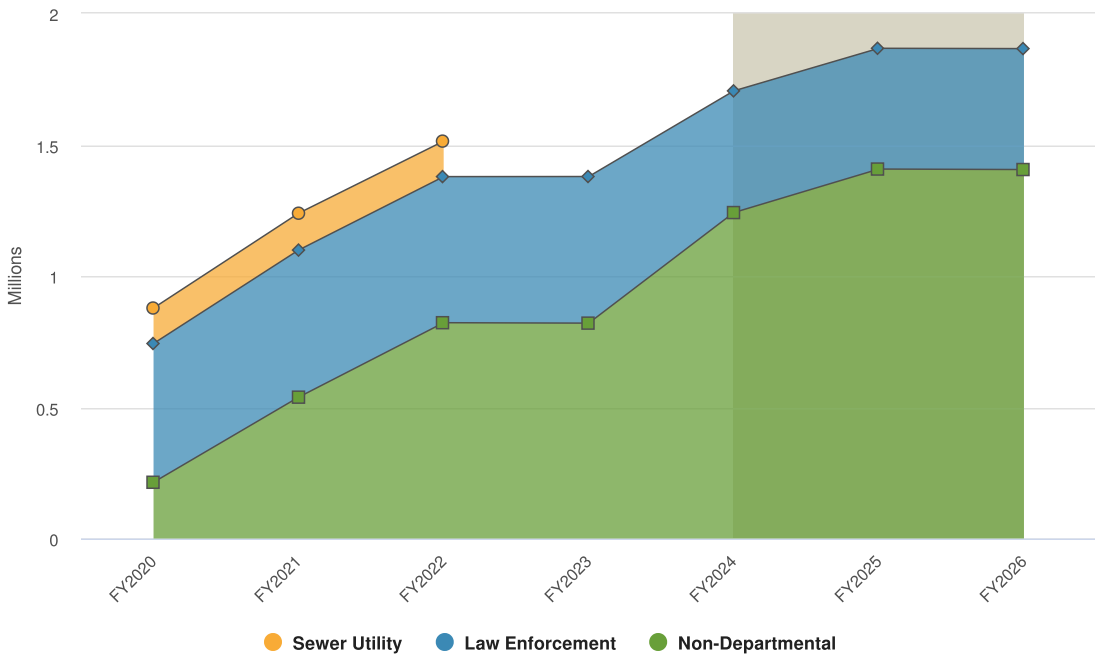
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|--|--------------------|--------------------|--------------------|--------------------|
| Beginning Fund Balance: | N/A | N/A | \$8,046 | \$18,737 |
| Revenues | | | | |
| Miscellaneous Revenue | \$8,045 | \$10,000 | \$10,000 | \$7,600 |
| Other Financing Sources | \$1,705,241 | \$1,855,188 | \$1,867,512 | \$1,866,287 |
| Total Revenues: | \$1,713,286 | \$1,865,188 | \$1,877,512 | \$1,873,887 |
| Expenditures | | | | |
| Debt Principal | \$840,000 | \$840,000 | \$905,000 | \$935,000 |
| Debt Interest | \$865,241 | \$865,245 | \$962,512 | \$931,287 |
| Total Expenditures: | \$1,705,241 | \$1,705,245 | \$1,867,512 | \$1,866,287 |
| Total Revenues Less Expenditures: | \$8,045 | \$159,943 | \$10,000 | \$7,600 |
| Ending Fund Balance: | N/A | N/A | \$18,046 | \$26,337 |

Expenditures by Function

Budgeted Expenditures by Function



Budgeted and Historical Expenditures by Function

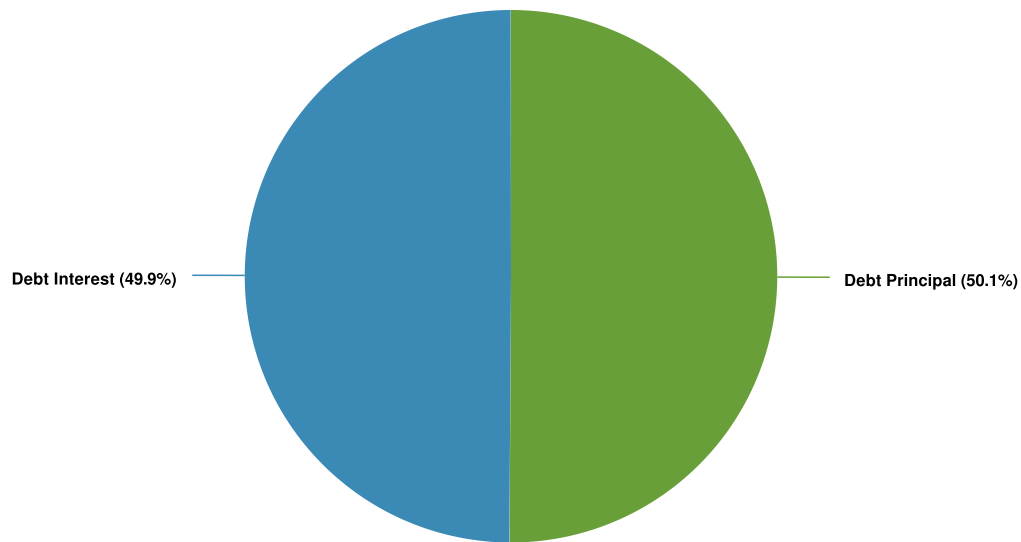


Grey background indicates budgeted figures.

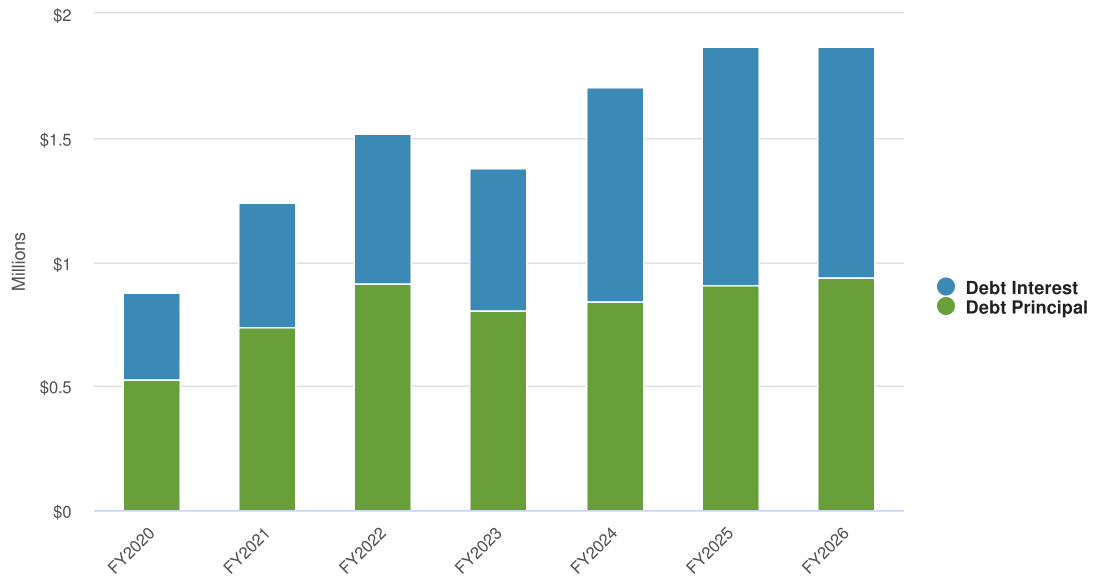
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|----------------------------|--------------------|--------------------|--------------------|--------------------|--|
| Expenditures | | | | | |
| Non-Departmental | \$1,241,642 | \$1,241,645 | \$1,407,415 | \$1,405,585 | -0.1% |
| Law Enforcement | \$463,599 | \$463,600 | \$460,097 | \$460,702 | 0.1% |
| Total Expenditures: | \$1,705,241 | \$1,705,245 | \$1,867,512 | \$1,866,287 | -0.1% |

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|--|
| Expense Objects | | | | | |
| Debt Principal | \$840,000 | \$840,000 | \$905,000 | \$935,000 | 3.3% |
| Debt Interest | \$865,241 | \$865,245 | \$962,512 | \$931,287 | -3.2% |
| Total Expense Objects: | \$1,705,241 | \$1,705,245 | \$1,867,512 | \$1,866,287 | -0.1% |

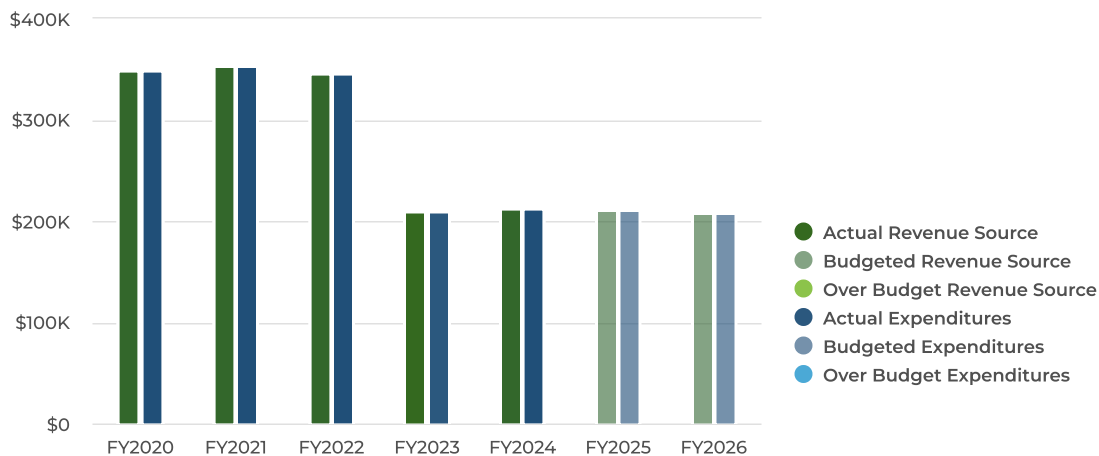


LTGO 2008A Bond

Proceeds were used for the refunding of older debt and the purchase of property for the old police department, currently occupied by the Snoles Library. Debt redemption payments are made through transfers from real estate excise taxes.

Summary

The City of Lake Stevens is projecting \$209.34K of revenue in FY2026, which represents a 1.2% decrease over the prior year. Budgeted expenditures are projected to decrease by 1.2% or \$2.53K to \$209.34K in FY2026.

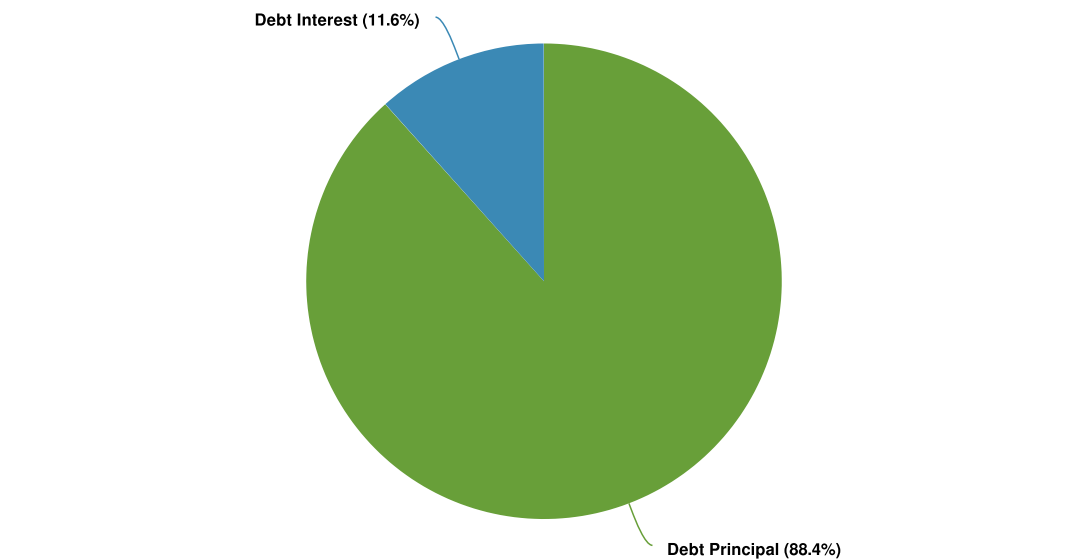


LTGO 2008A Bond Comprehensive Summary

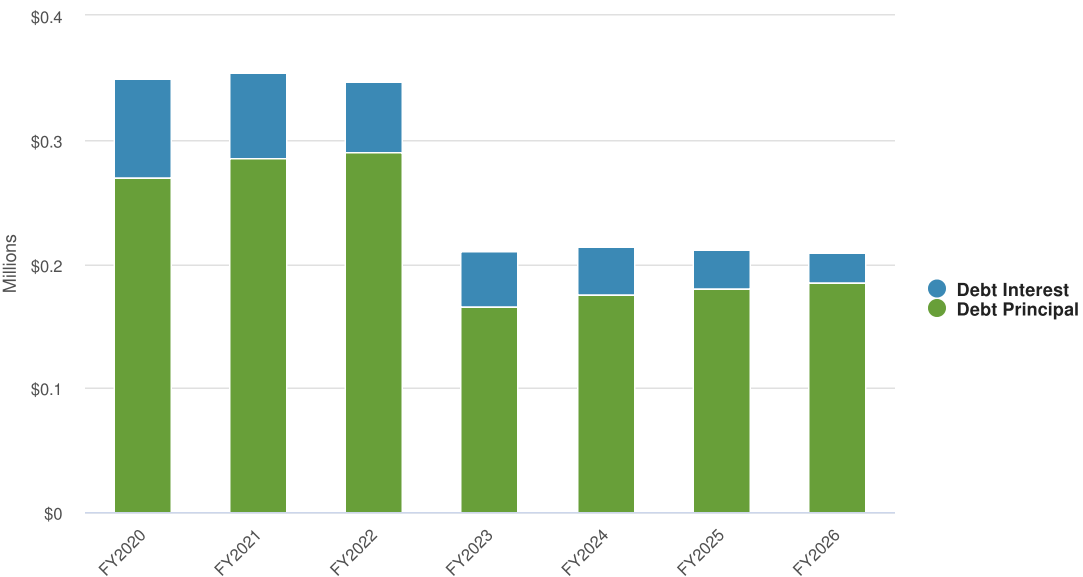
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|-------------------------|---------------|-----------------|-----------------|-----------------|
| Beginning Fund Balance: | N/A | N/A | N/A | N/A |
| Revenues | | | | |
| Other Financing Sources | \$213,890 | \$213,890 | \$211,865 | \$209,335 |
| Total Revenues: | \$213,890 | \$213,890 | \$211,865 | \$209,335 |
| Expenditures | | | | |
| Debt Principal | \$175,000 | \$175,000 | \$180,000 | \$185,000 |
| Debt Interest | \$38,890 | \$38,890 | \$31,865 | \$24,335 |
| Total Expenditures: | \$213,890 | \$213,890 | \$211,865 | \$209,335 |
| Ending Fund Balance: | N/A | N/A | N/A | N/A |

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|-----------------|---------------|-----------------|-----------------|-----------------|--|
| Expense Objects | | | | | |
| Debt Principal | \$175,000 | \$175,000 | \$180,000 | \$185,000 | 2.8% |



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|-------------------------------|------------------|------------------|------------------|------------------|--|
| Debt Interest | \$38,890 | \$38,890 | \$31,865 | \$24,335 | -23.6% |
| Total Expense Objects: | \$213,890 | \$213,890 | \$211,865 | \$209,335 | -1.2% |

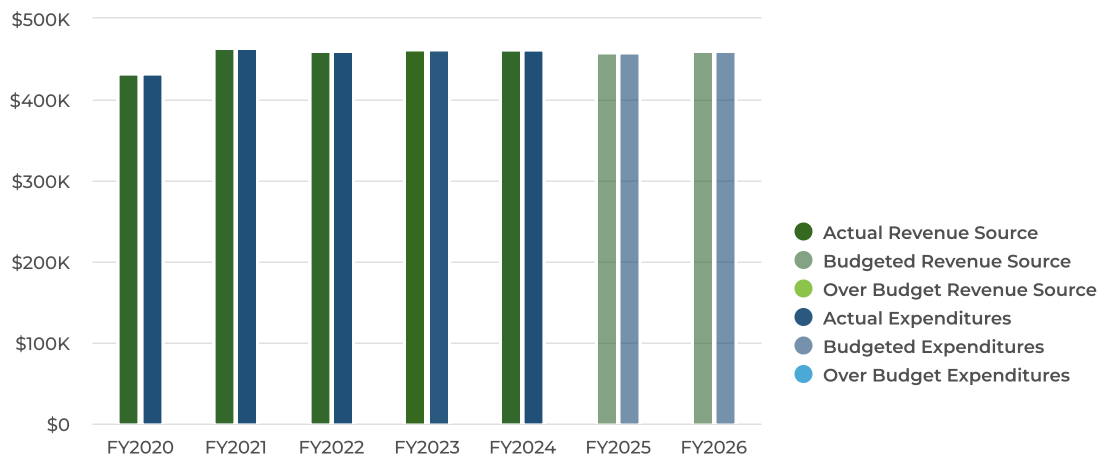


2019A LTGO Bond

Proceeds were used for the purchase and improvement of property for the new police department and future city facilities. Debt redemption payments are made through transfers from real estate excise taxes.

Summary

The City of Lake Stevens is projecting \$460.7K of revenue in FY2026, which represents a 0.1% increase over the prior year. Budgeted expenditures are projected to increase by 0.1% or \$605 to \$460.7K in FY2026.

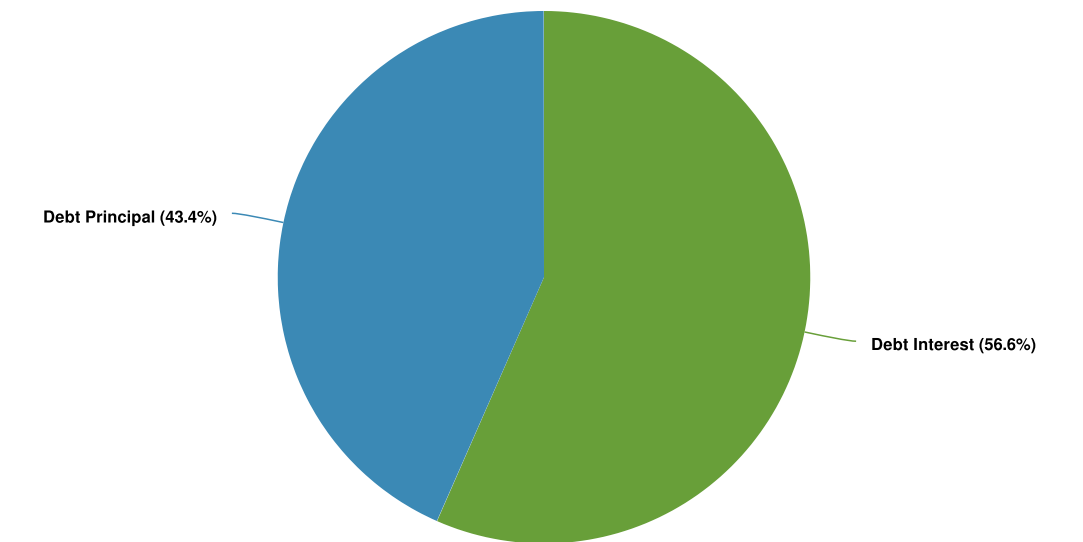


2019A LTGO Bond Comprehensive Summary

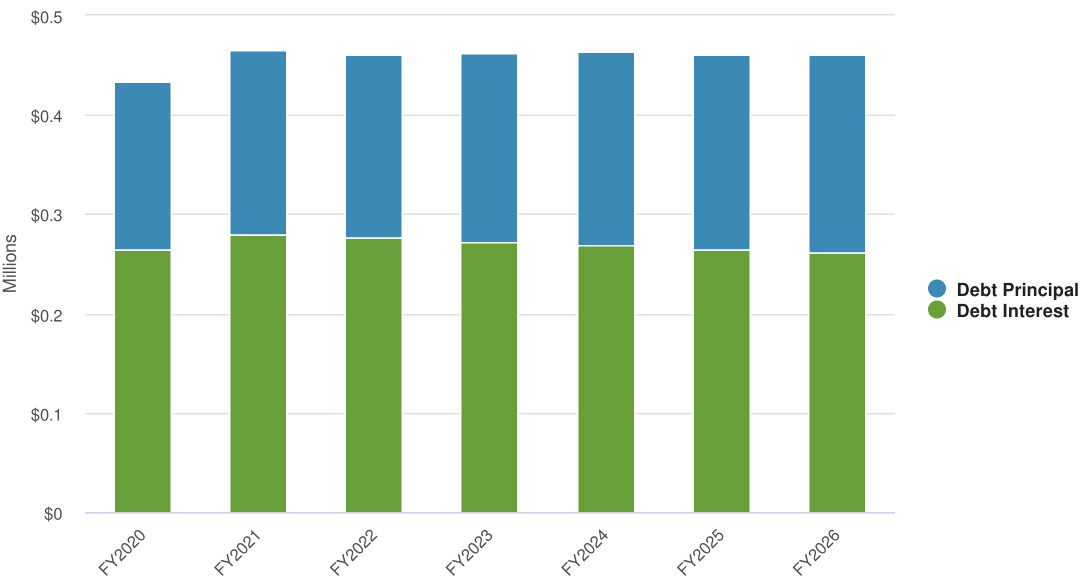
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|--------------------------------|------------------|------------------|------------------|------------------|
| Beginning Fund Balance: | N/A | N/A | N/A | N/A |
| Revenues | | | | |
| Other Financing Sources | \$463,599 | \$463,600 | \$460,097 | \$460,702 |
| Total Revenues: | \$463,599 | \$463,600 | \$460,097 | \$460,702 |
| Expenditures | | | | |
| Debt Principal | \$195,000 | \$195,000 | \$195,000 | \$200,000 |
| Debt Interest | \$268,599 | \$268,600 | \$265,097 | \$260,702 |
| Total Expenditures: | \$463,599 | \$463,600 | \$460,097 | \$460,702 |
| Ending Fund Balance: | N/A | N/A | N/A | N/A |

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|-----------------|---------------|-----------------|-----------------|-----------------|--|
| Expense Objects | | | | | |
| Debt Principal | \$195,000 | \$195,000 | \$195,000 | \$200,000 | 2.6% |



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|-------------------------------|------------------|------------------|------------------|------------------|--|
| Debt Interest | \$268,599 | \$268,600 | \$265,097 | \$260,702 | -1.7% |
| Total Expense Objects: | \$463,599 | \$463,600 | \$460,097 | \$460,702 | 0.1% |

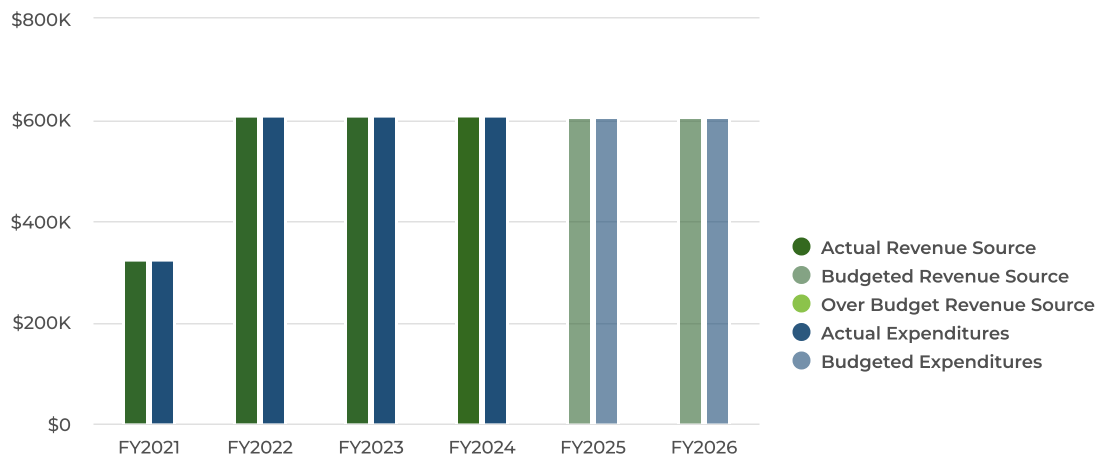


2021A LTGO Bond

Proceeds were used for construction of city infrastructure. Debt redemption payments are made through transfers from real estate excise taxes.

Summary

The City of Lake Stevens is projecting \$606.95K of revenue in FY2026, which represents a 0.2% decrease over the prior year. Budgeted expenditures are projected to decrease by 0.2% or \$1.4K to \$606.95K in FY2026.

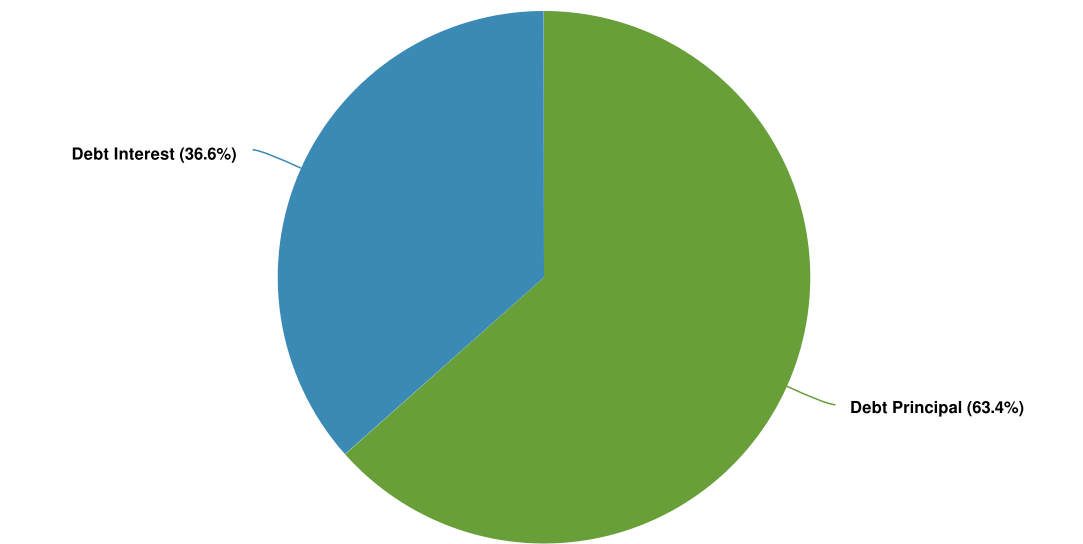


2021A LTGO Bond Comprehensive Summary

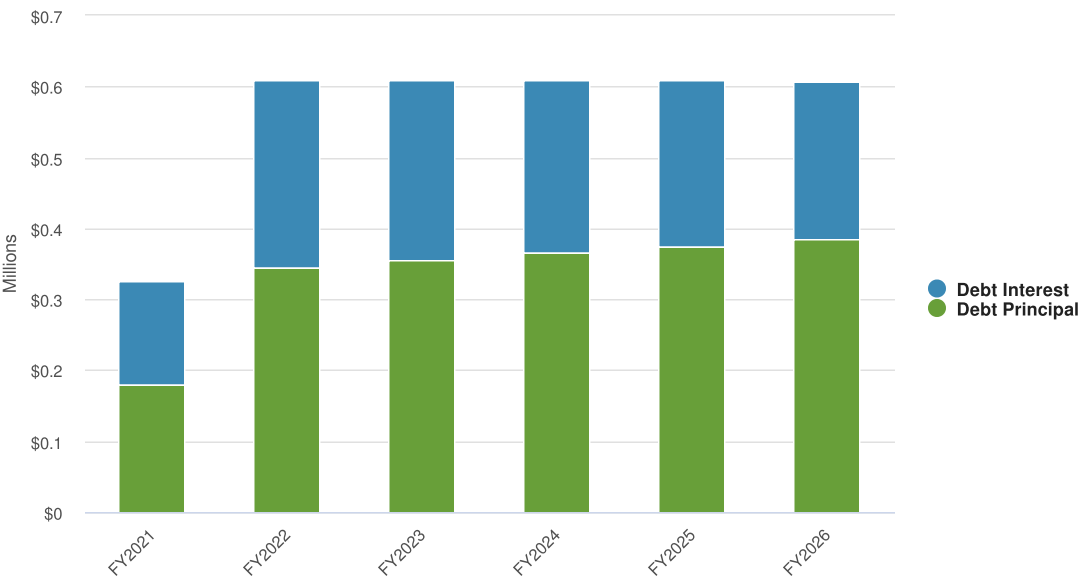
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|--|------------------|------------------|------------------|------------------|
| Beginning Fund Balance: | N/A | N/A | \$456 | \$456 |
| Revenues | | | | |
| Other Financing Sources | \$609,605 | \$609,150 | \$608,350 | \$606,950 |
| Total Revenues: | \$609,605 | \$609,150 | \$608,350 | \$606,950 |
| Expenditures | | | | |
| Debt Principal | \$365,000 | \$365,000 | \$375,000 | \$385,000 |
| Debt Interest | \$244,150 | \$244,150 | \$233,350 | \$221,950 |
| Total Expenditures: | \$609,150 | \$609,150 | \$608,350 | \$606,950 |
| Total Revenues Less Expenditures: | \$455 | \$0 | \$0 | \$0 |
| Ending Fund Balance: | N/A | N/A | \$456 | \$456 |

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|-----------------|---------------|-----------------|-----------------|-----------------|--|
| Expense Objects | | | | | |
| Debt Principal | \$365,000 | \$365,000 | \$375,000 | \$385,000 | 2.7% |



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|-------------------------------|------------------|------------------|------------------|------------------|--|
| Debt Interest | \$244,150 | \$244,150 | \$233,350 | \$221,950 | -4.9% |
| Total Expense Objects: | \$609,150 | \$609,150 | \$608,350 | \$606,950 | -0.2% |

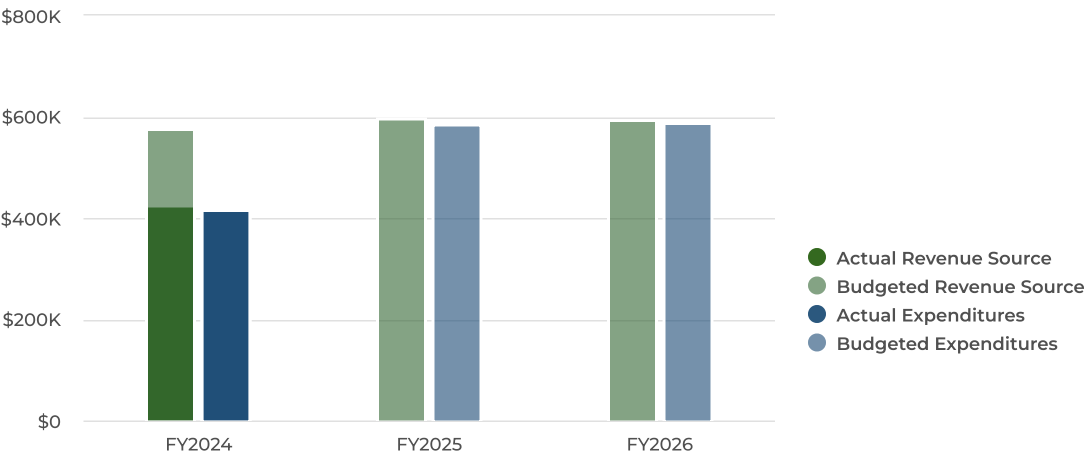


2024A LTGO Bond

Proceeds are allocated to the purchase of property and construction of the Civic Center and Museum. Debt redemption payments are made through real estate excise taxes and general fund resources specifically from commercial lease payments.

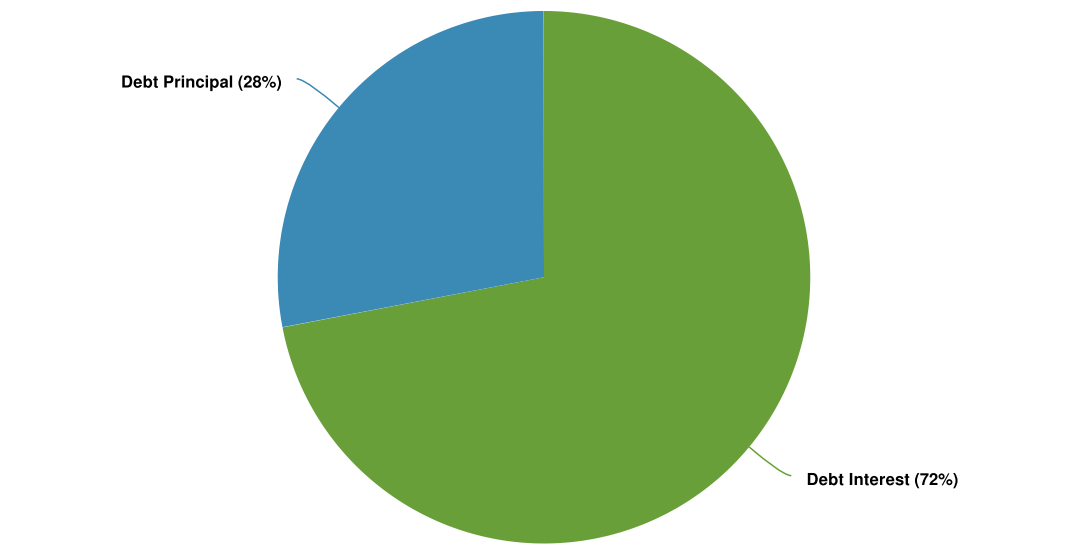
Summary

The City of Lake Stevens is projecting \$596.9K of revenue in FY2026, which represents a 0.1% decrease over the prior year. Budgeted expenditures are projected to increase by 0.4% or \$2.1K to \$589.3K in FY2026.

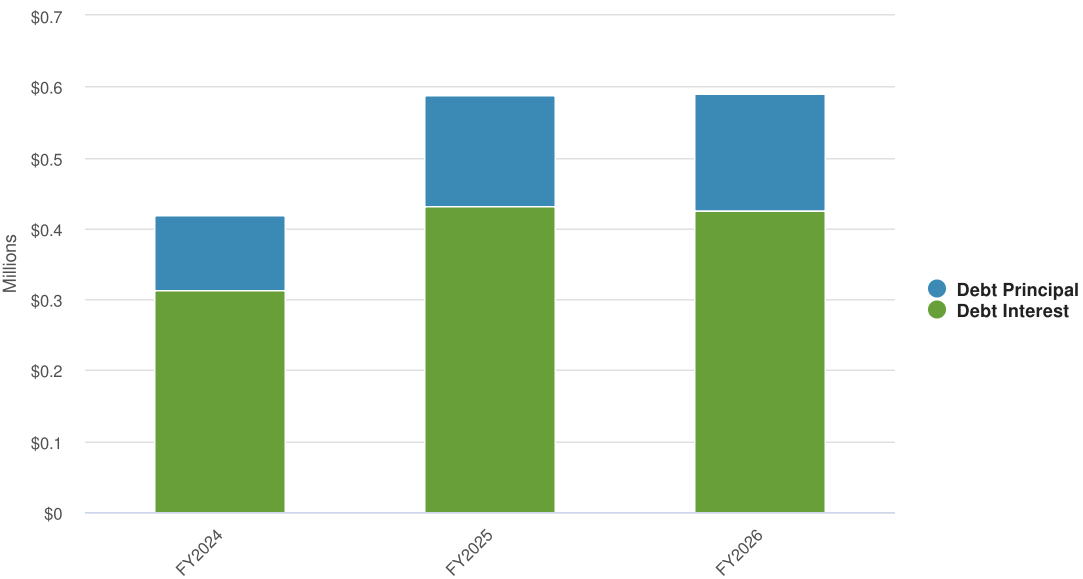


Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|-----------------|---------------|-----------------|-----------------|-----------------|--|
| Expense Objects | | | | | |
| Debt Principal | \$105,000 | \$105,000 | \$155,000 | \$165,000 | 6.5% |



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|-------------------------------|------------------|------------------|------------------|------------------|--|
| Debt Interest | \$313,602 | \$313,605 | \$432,200 | \$424,300 | -1.8% |
| Total Expense Objects: | \$418,602 | \$418,605 | \$587,200 | \$589,300 | 0.4% |



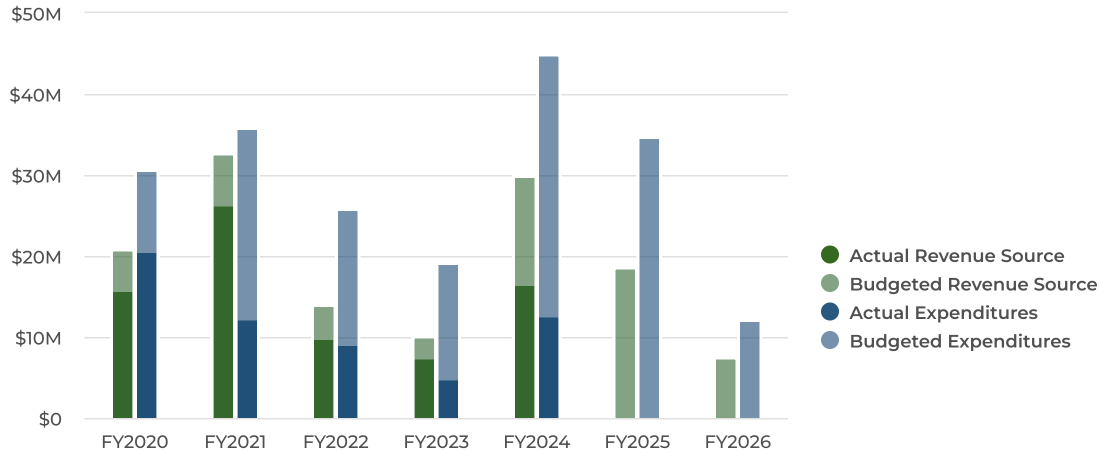


Capital Project Funds

These funds account for financial resources which are restricted, committed, or assigned for the acquisition or construction of capital facilities or other capital assets.

Summary

The City of Lake Stevens is projecting \$7.53M of revenue in FY2026, which represents a 59.7% decrease over the prior year. Budgeted expenditures are projected to decrease by 64.9% or \$22.6M to \$12.2M in FY2026.



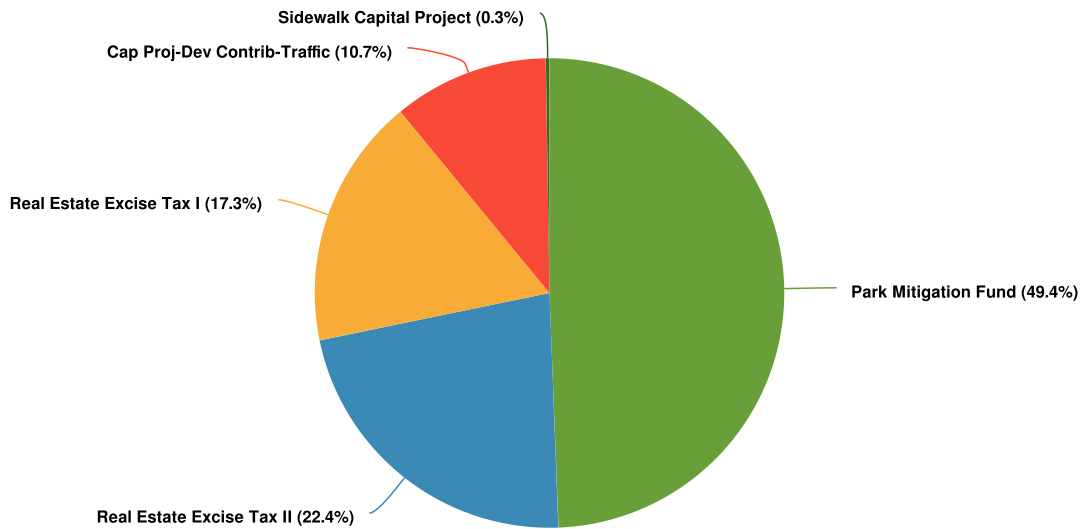
Capital Project Funds Comprehensive Summary

| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|--------------------------------|---------------------|---------------------|---------------------|---------------------|
| Beginning Fund Balance: | \$30,329,975 | \$30,329,975 | \$34,125,309 | \$20,738,284 |
| Revenues | | | | |
| Taxes | \$2,664,218 | \$1,600,000 | \$2,400,000 | \$2,000,000 |
| Intergovernmental | \$596,037 | \$7,734,878 | \$7,965,375 | \$2,975,352 |
| Charges for Services | \$881,782 | \$4,205,000 | \$3,755,000 | \$1,390,000 |
| Miscellaneous Revenue | \$1,756,786 | \$2,267,432 | \$1,060,222 | \$913,000 |
| Other Fund Resources | \$1,006 | \$500,000 | \$500,000 | \$250,000 |
| Other Financing Sources | \$10,689,550 | \$13,689,553 | \$3,000,000 | \$0 |
| Total Revenues: | \$16,589,379 | \$29,996,863 | \$18,680,597 | \$7,528,352 |
| | | | | |
| Expenditures | | | | |
| Non Expenditure | \$2,295,417 | \$2,763,458 | \$2,267,462 | \$2,090,587 |
| Salaries | \$81,665 | \$250,000 | \$155,000 | \$240,000 |
| Benefits | \$28,301 | \$87,600 | \$60,000 | \$83,000 |
| Supplies | \$2,195 | \$75,000 | \$25,000 | \$0 |
| Capital | \$10,253,498 | \$41,614,667 | \$32,292,108 | \$9,783,718 |

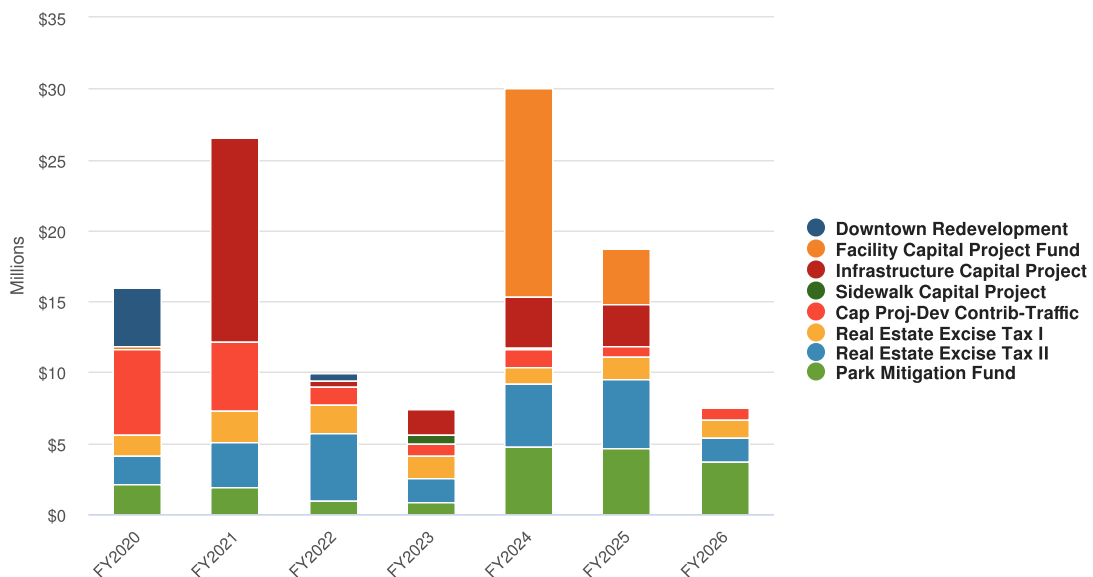
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|--|---------------------|----------------------|----------------------|---------------------|
| Debt Interest | \$134,290 | \$135,792 | \$0 | \$0 |
| Total Expenditures: | \$12,795,366 | \$44,926,517 | \$34,799,570 | \$12,197,305 |
| Total Revenues Less Expenditures: | \$3,794,013 | -\$14,929,654 | -\$16,118,973 | -\$4,668,953 |
| Ending Fund Balance: | \$34,123,988 | \$15,400,321 | \$18,006,336 | \$16,069,331 |

Revenue by Fund

2026 Revenue by Fund



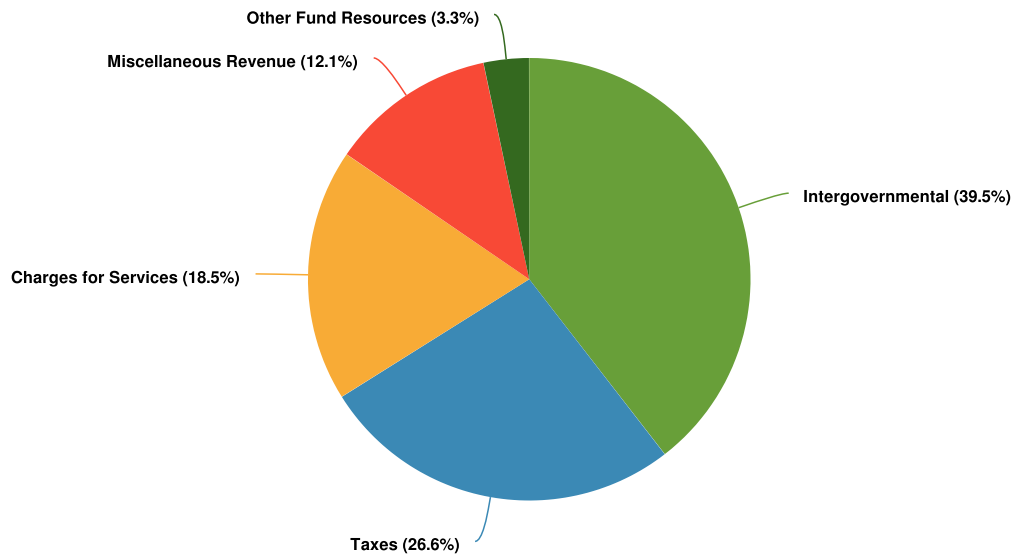
Budgeted and Historical 2026 Revenue by Fund



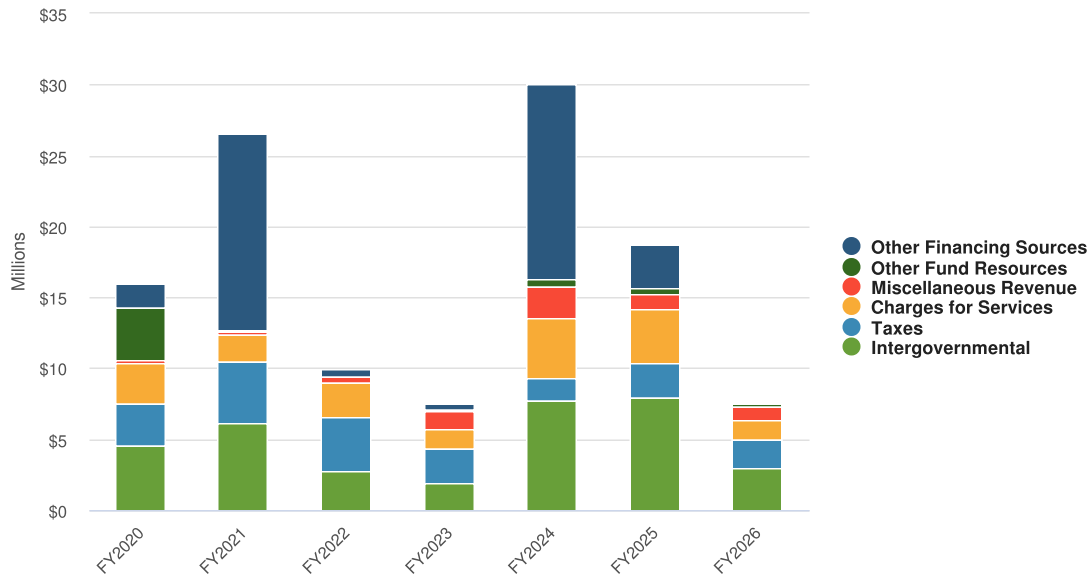
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|--------------------------------|---------------------|---------------------|---------------------|--------------------|--|
| Cap Proj-Dev Contrib-Traffic | \$747,736 | \$1,276,650 | \$800,110 | \$806,000 | 0.7% |
| Park Mitigation Fund | \$688,258 | \$4,789,941 | \$4,640,075 | \$3,719,352 | -19.8% |
| Real Estate Excise Tax I | \$1,709,373 | \$1,150,000 | \$1,500,975 | \$1,300,000 | -13.4% |
| Real Estate Excise Tax II | \$1,654,688 | \$4,439,409 | \$4,910,437 | \$1,684,000 | -65.7% |
| Downtown Redevelopment | \$13,432 | \$13,432 | \$0 | | N/A |
| Facility Capital Project Fund | \$10,794,039 | \$14,611,394 | \$3,904,000 | \$0 | -100% |
| Sidewalk Capital Project | \$27,172 | \$30,000 | \$15,000 | \$19,000 | 26.7% |
| Infrastructure Capital Project | \$954,681 | \$3,686,037 | \$2,910,000 | \$0 | -100% |
| Total: | \$16,589,379 | \$29,996,863 | \$18,680,597 | \$7,528,352 | -59.7% |

Revenues by Source

Projected 2026 Revenues by Source



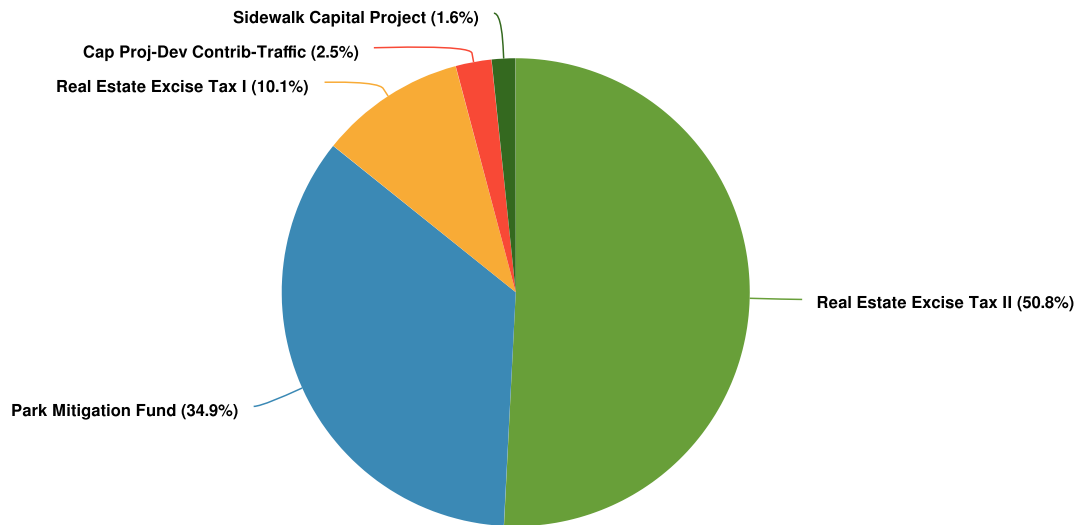
Budgeted and Historical 2026 Revenues by Source



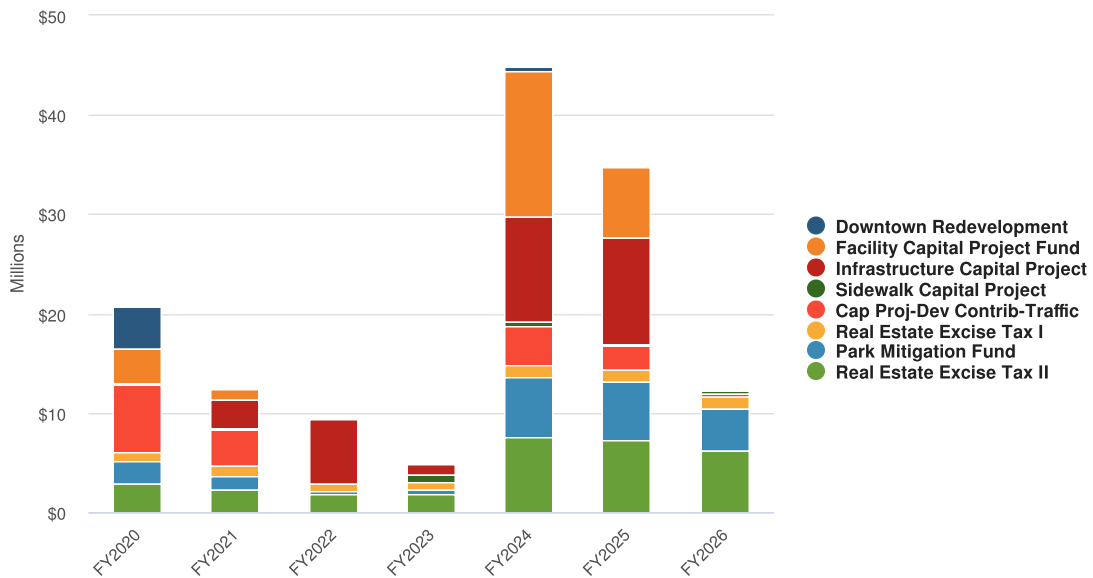
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|------------------------------|---------------------|---------------------|---------------------|--------------------|--|
| Revenue Source | | | | | |
| Taxes | \$2,664,218 | \$1,600,000 | \$2,400,000 | \$2,000,000 | -16.7% |
| Intergovernmental | \$596,037 | \$7,734,878 | \$7,965,375 | \$2,975,352 | -62.6% |
| Charges for Services | \$881,782 | \$4,205,000 | \$3,755,000 | \$1,390,000 | -63% |
| Miscellaneous Revenue | \$1,756,786 | \$2,267,432 | \$1,060,222 | \$913,000 | -13.9% |
| Other Fund Resources | \$1,006 | \$500,000 | \$500,000 | \$250,000 | -50% |
| Other Financing Sources | \$10,689,550 | \$13,689,553 | \$3,000,000 | \$0 | -100% |
| Total Revenue Source: | \$16,589,379 | \$29,996,863 | \$18,680,597 | \$7,528,352 | -59.7% |

Expenditures by Fund

2026 Expenditures by Fund



Budgeted and Historical 2026 Expenditures by Fund

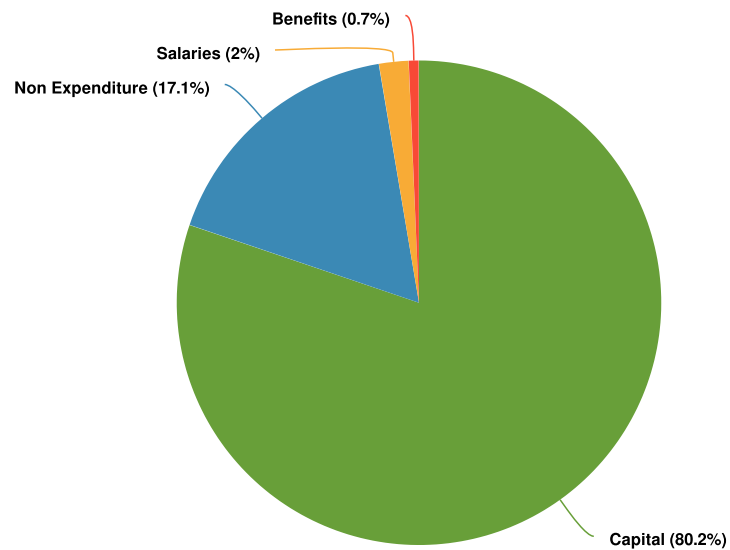


| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|------------------------------|---------------|-----------------|-----------------|-----------------|--|
| Cap Proj-Dev Contrib-Traffic | \$1,166,772 | \$3,879,634 | \$2,434,994 | \$303,000 | -87.6% |
| Park Mitigation Fund | \$710,239 | \$6,071,029 | \$5,942,278 | \$4,261,892 | -28.3% |
| Real Estate Excise Tax I | \$1,172,406 | \$1,251,233 | \$1,159,162 | \$1,233,637 | 6.4% |
| Real Estate Excise Tax II | \$1,625,888 | \$7,546,162 | \$7,204,038 | \$6,198,776 | -14% |

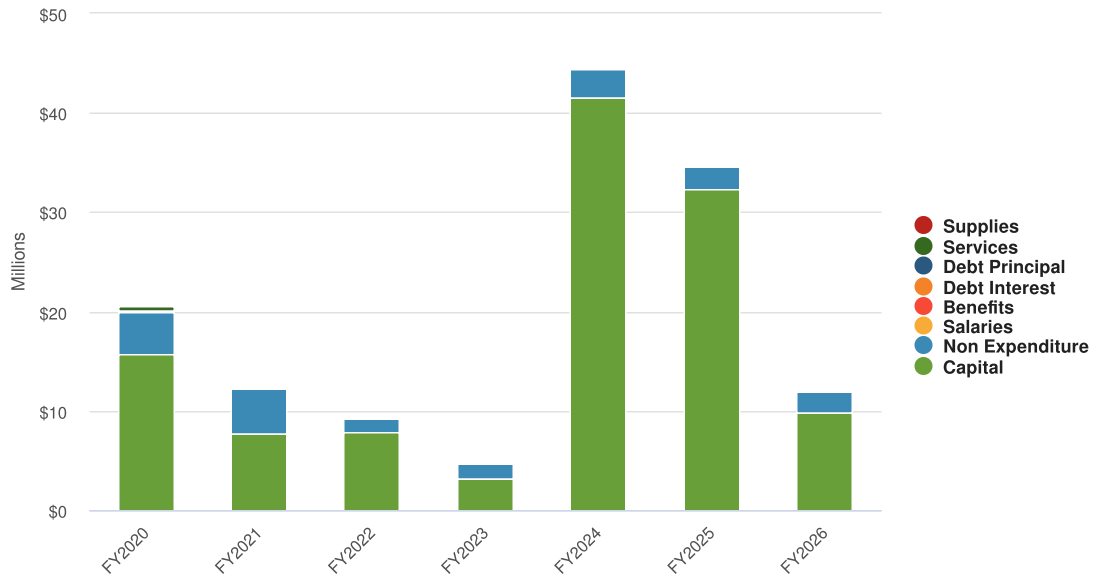
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|--------------------------------|---------------------|---------------------|---------------------|---------------------|--|
| Downtown Redevelopment | \$540,110 | \$540,461 | \$0 | | N/A |
| Facility Capital Project Fund | \$7,385,760 | \$14,613,443 | \$7,091,122 | \$0 | -100% |
| Sidewalk Capital Project | \$98,019 | \$430,000 | \$218,787 | \$200,000 | -8.6% |
| Infrastructure Capital Project | \$96,172 | \$10,594,555 | \$10,749,189 | \$0 | -100% |
| Total: | \$12,795,366 | \$44,926,517 | \$34,799,570 | \$12,197,305 | -64.9% |

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|--|
| Expense Objects | | | | | |
| Non Expenditure | \$2,295,417 | \$2,763,458 | \$2,267,462 | \$2,090,587 | -7.8% |
| Salaries | \$81,665 | \$250,000 | \$155,000 | \$240,000 | 54.8% |
| Benefits | \$28,301 | \$87,600 | \$60,000 | \$83,000 | 38.3% |
| Supplies | \$2,195 | \$75,000 | \$25,000 | \$0 | -100% |
| Capital | \$10,253,498 | \$41,614,667 | \$32,292,108 | \$9,783,718 | -69.7% |
| Debt Interest | \$134,290 | \$135,792 | \$0 | \$0 | 0% |
| Total Expense Objects: | \$12,795,366 | \$44,926,517 | \$34,799,570 | \$12,197,305 | -64.9% |



Real Estate Excise Taxes

The two main REET options for cities and counties are:

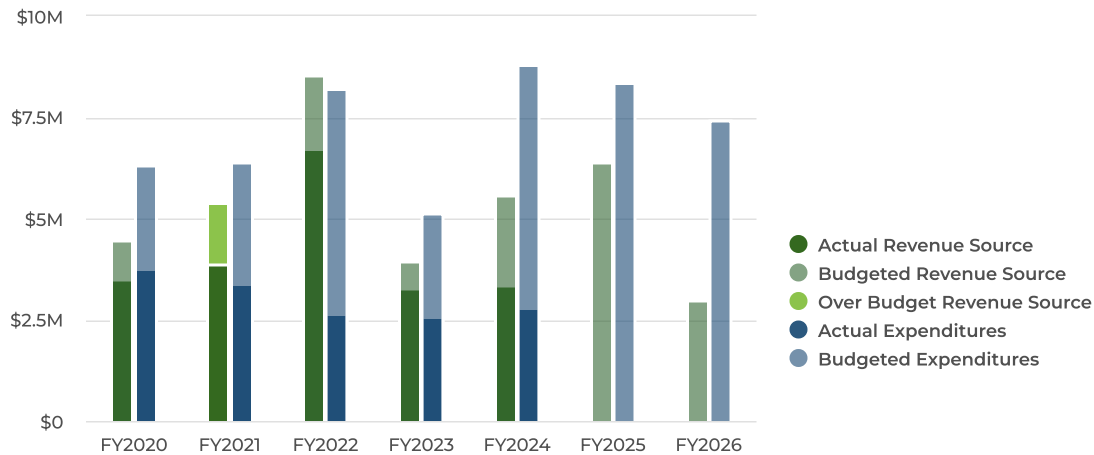
- **REET 1, or the “first quarter percent”** – a 0.25% REET which may be imposed by any city, town, or county primarily for capital projects and limited maintenance;
- **REET 2, or the “second quarter percent”** – an additional 0.25% REET which may be imposed by any city, town, or county fully planning under the Growth Management Act (<https://mrsc.org/Explore-Topics/Planning/gma/Growth-Management-Act>), to be used primarily for capital projects and limited maintenance

New legislation: Effective July 27, 2025:

- HB 1791 (<https://lawfilesexternal.wa.gov/biennium/2025-26/Pdf/Bills/Session%20Laws/House/1791-S.S.L.pdf>) provides significant new flexibility regarding the use of REET revenues, including allowing REET 1 revenues to be used for REET 2 purposes and vice versa, removing the distinctions between GMA and non-GMA jurisdictions for REET 1, removing certain reporting requirements, and amending the use of revenues for homelessness and affordable housing.

Summary

The City of Lake Stevens is projecting \$2.98M of revenue in FY2026, which represents a 53.5% decrease over the prior year. Budgeted expenditures are projected to decrease by 11.1% or \$930.79K to \$7.43M in FY2026.



Real Estate Excise Taxes Comprehensive Summary

| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|--------------------------------|---------------------|---------------------|---------------------|---------------------|
| Beginning Fund Balance: | \$14,138,655 | \$14,138,655 | \$14,704,418 | \$13,134,764 |
| Revenues | | | | |
| Taxes | \$2,664,218 | \$1,600,000 | \$2,400,000 | \$2,000,000 |
| Intergovernmental | \$0 | \$3,207,250 | \$3,354,300 | \$344,000 |
| Miscellaneous Revenue | \$687,685 | \$670,000 | \$557,112 | \$540,000 |
| Other Fund Resources | \$0 | \$100,000 | \$100,000 | \$100,000 |
| Other Financing Sources | \$12,158 | \$12,159 | \$0 | \$0 |
| Total Revenues: | \$3,364,061 | \$5,589,409 | \$6,411,412 | \$2,984,000 |
| | | | | |

| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|--|---------------------|---------------------|---------------------|---------------------|
| Expenditures | | | | |
| Non Expenditure | \$1,727,136 | \$1,805,188 | \$1,867,462 | \$1,940,587 |
| Salaries | \$20,846 | \$50,000 | \$15,000 | \$150,000 |
| Benefits | \$6,299 | \$17,600 | \$5,000 | \$50,000 |
| Capital | \$1,044,013 | \$6,924,607 | \$6,475,738 | \$5,291,826 |
| Total Expenditures: | \$2,798,294 | \$8,797,395 | \$8,363,200 | \$7,432,413 |
| Total Revenues Less Expenditures: | \$565,767 | -\$3,207,986 | -\$1,951,788 | -\$4,448,413 |
| Ending Fund Balance: | \$14,704,422 | \$10,930,669 | \$12,752,630 | \$8,686,351 |



REET 1

Cities and counties that are fully planning under GMA *and* have a population of more than 5,000 must spend their REET 1 revenues on “capital projects” that are listed in the capital facilities plan (CFP) element of their comprehensive plan. RCW 82.46.010 ([\(https://app.leg.wa.gov/rcw/default.aspx?cite=82.46.010\)](https://app.leg.wa.gov/rcw/default.aspx?cite=82.46.010))(6)(b) defines “capital projects” as:

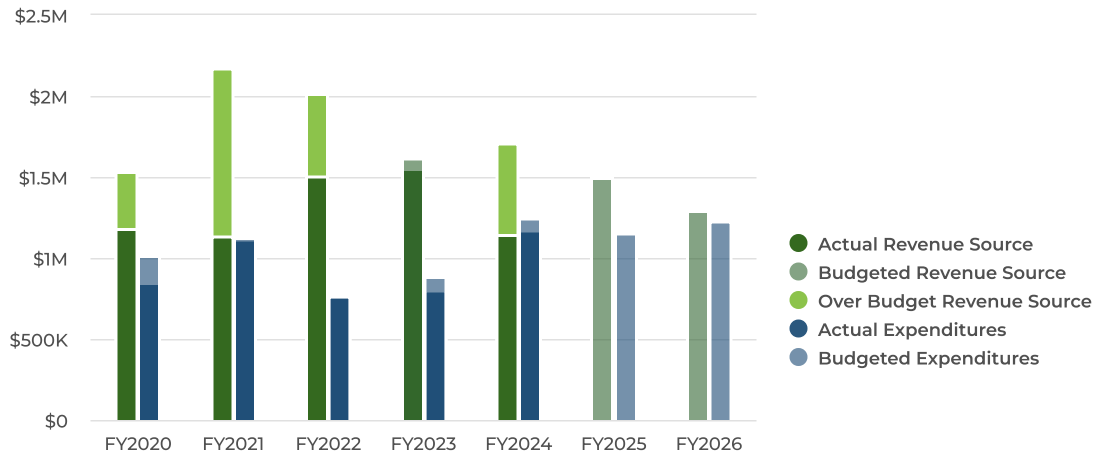
[T]hose public works projects of a local government for planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets; roads; highways; sidewalks; street and road lighting systems; traffic signals; bridges; domestic water systems; storm and sanitary sewer systems; parks; recreational facilities; law enforcement facilities; fire protection facilities; trails; libraries; administrative facilities, judicial facilities, river flood control projects [...] and technology infrastructure that is integral to the capital project.

New legislation: Effective July 27, 2025:

- HB 1791 (<https://lawfilesexternal.wa.gov/biennium/2025-26/Pdf/Bills/Session%20Laws/House/1791-S.SL.pdf>) provides significant new flexibility regarding the use of REET revenues, including allowing REET 1 revenues to be used for REET 2 purposes and vice versa, removing the distinctions between GMA and non-GMA jurisdictions for REET 1, removing certain reporting requirements, and amending the use of revenues for homelessness and affordable housing.

Summary

The City of Lake Stevens is projecting \$1.3M of revenue in FY2026, which represents a 13.4% decrease over the prior year. Budgeted expenditures are projected to increase by 6.4% or \$74.47K to \$1.23M in FY2026.



REET 1 Comprehensive Summary

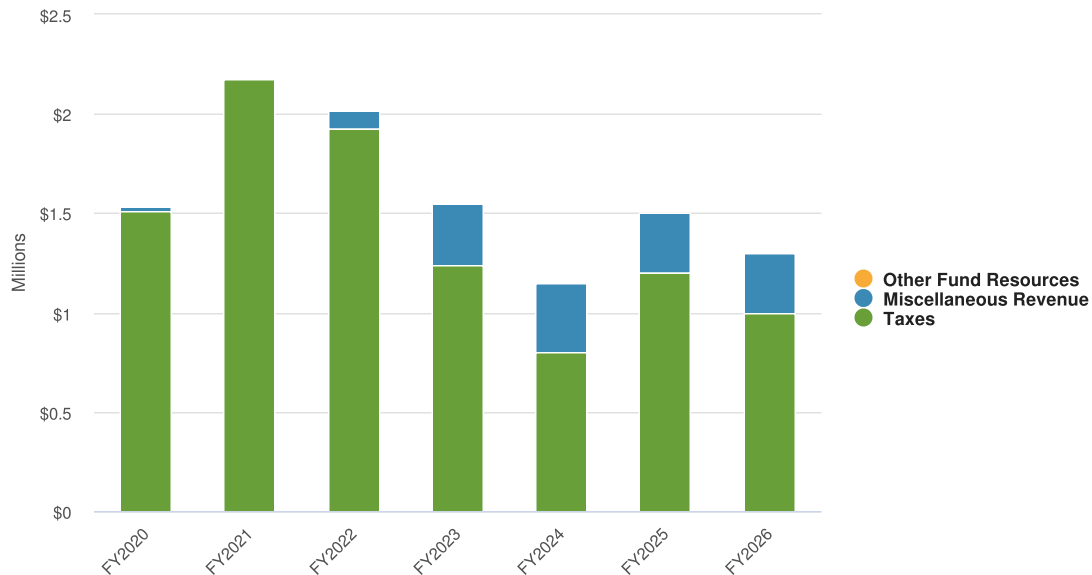
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|--------------------------------|--------------------|--------------------|--------------------|--------------------|
| Beginning Fund Balance: | \$7,659,059 | \$7,659,059 | \$8,196,025 | \$8,458,596 |
| Revenues | | | | |
| Taxes | \$1,335,604 | \$800,000 | \$1,200,000 | \$1,000,000 |
| Miscellaneous Revenue | \$373,769 | \$350,000 | \$300,975 | \$300,000 |



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|--|--------------------|--------------------|--------------------|--------------------|
| Total Revenues: | \$1,709,373 | \$1,150,000 | \$1,500,975 | \$1,300,000 |
| | | | | |
| Expenditures | | | | |
| Non Expenditure | \$1,096,036 | \$1,096,038 | \$1,159,162 | \$1,233,637 |
| Capital | \$76,370 | \$155,195 | \$0 | \$0 |
| Total Expenditures: | \$1,172,406 | \$1,251,233 | \$1,159,162 | \$1,233,637 |
| Total Revenues Less Expenditures: | \$536,967 | -\$101,233 | \$341,813 | \$66,363 |
| Ending Fund Balance: | \$8,196,026 | \$7,557,826 | \$8,537,838 | \$8,524,959 |

Revenues by Source

Budgeted and Historical 2026 Revenues by Source

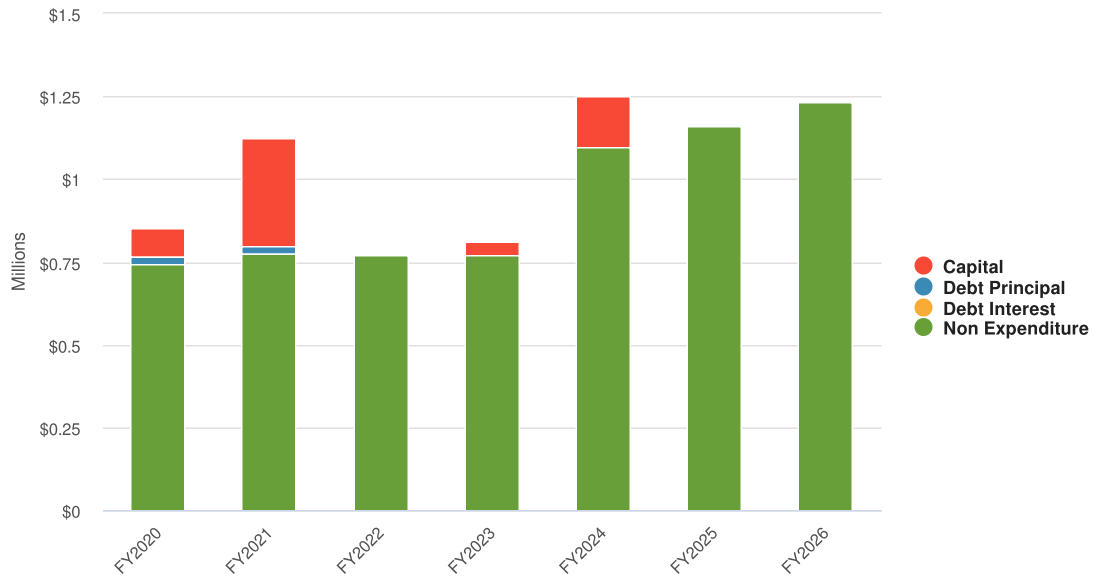


| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|-------------------------------------|--------------------|--------------------|--------------------|--------------------|--|
| Revenue Source | | | | | |
| Taxes | | | | | |
| REET 1-1st Quarter Percent | \$1,335,604 | \$800,000 | \$1,200,000 | \$1,000,000 | -16.7% |
| Total Taxes: | \$1,335,604 | \$800,000 | \$1,200,000 | \$1,000,000 | -16.7% |
| | | | | | |
| Miscellaneous Revenue | | | | | |
| Investment Interest | \$373,769 | \$350,000 | \$300,975 | \$300,000 | -0.3% |
| Total Miscellaneous Revenue: | \$373,769 | \$350,000 | \$300,975 | \$300,000 | -0.3% |
| Total Revenue Source: | \$1,709,373 | \$1,150,000 | \$1,500,975 | \$1,300,000 | -13.4% |

Expenditures by Expense Type

Most expenditures from this fund are transfers to debt funds to pay principal and interest on various outstanding liabilities.

Budgeted and Historical Expenditures by Expense Type



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|--------------------------------|--------------------|--------------------|--------------------|--------------------|--|
| Expense Objects | | | | | |
| Non Expenditure | | | | | |
| transfer to 210 for 2008 bonds | \$213,890 | \$213,890 | \$211,865 | \$209,335 | -1.2% |
| Transfer Out 2019A New PD Bond | \$463,599 | \$463,600 | \$460,097 | \$460,002 | 0% |
| Transfer Out - 2024A Bond Fund | \$418,547 | \$418,548 | \$487,200 | \$564,300 | 15.8% |
| Total Non Expenditure: | \$1,096,036 | \$1,096,038 | \$1,159,162 | \$1,233,637 | 6.4% |
| Capital | | | | | |
| Citywide Security Cameras | \$76,370 | \$140,195 | \$0 | \$0 | 0% |
| PW Shop Feasibility | \$0 | \$15,000 | \$0 | \$0 | 0% |
| Total Capital: | \$76,370 | \$155,195 | \$0 | \$0 | 0% |
| Total Expense Objects: | \$1,172,406 | \$1,251,233 | \$1,159,162 | \$1,233,637 | 6.4% |



REET 2

REET 2 revenues are restricted and may only be used for financing "capital projects" specified in the capital facilities plan element of the city's comprehensive land use plan. **RCW 82.46.035**

(<https://app.leg.wa.gov/rcw/default.aspx?cite=82.46.035>)(5) defines "capital project" as:

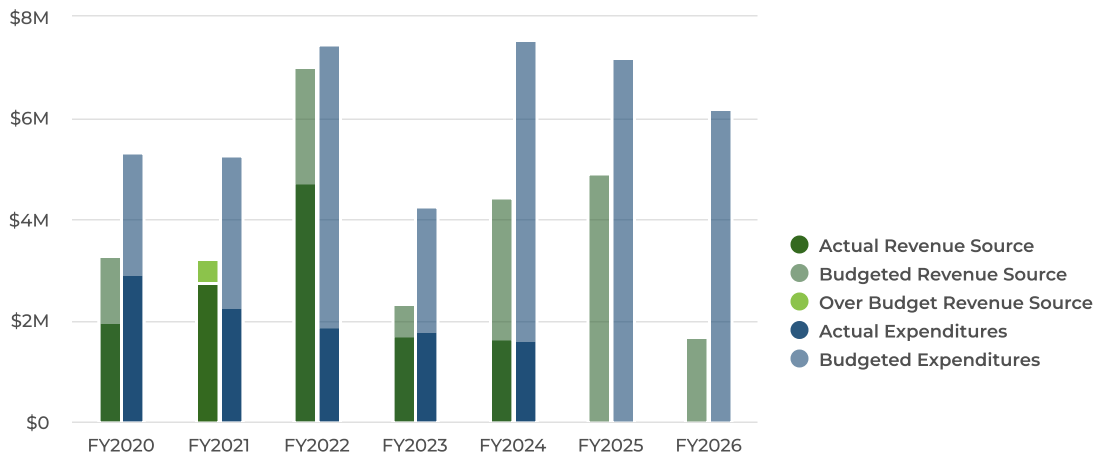
- (a) Planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, bridges, domestic water systems, storm and sanitary sewer systems;
- (b) Planning, construction, reconstruction, repair, rehabilitation, or improvement of parks; and
- (c) Until January 1, 2026, planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of facilities for those experiencing homelessness and affordable housing projects.

New legislation: Effective July 27, 2025:

- HB 1791 (<https://lawfilesexternal.wa.gov/biennium/2025-26/Pdf/Bills/Session%20Laws/House/1791-S.S.L.pdf>) provides significant new flexibility regarding the use of REET revenues, including allowing REET 1 revenues to be used for REET 2 purposes and vice versa, removing the distinctions between GMA and non-GMA jurisdictions for REET 1, removing certain reporting requirements, and amending the use of revenues for homelessness and affordable housing.

Summary

The City of Lake Stevens is projecting \$1.68M of revenue in FY2026, which represents a 65.7% decrease over the prior year. Budgeted expenditures are projected to decrease by 14.0% or \$1.01M to \$6.2M in FY2026.



REET 2 Comprehensive Summary

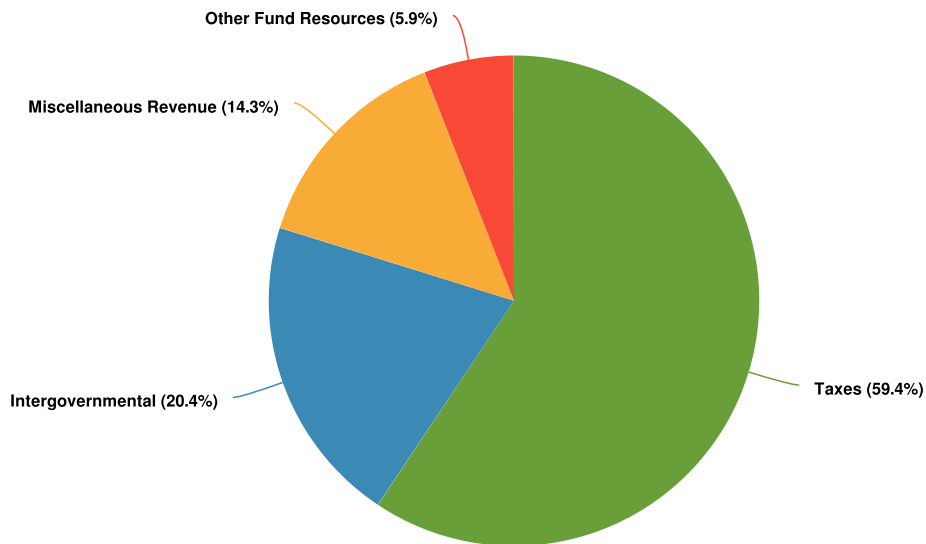
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|-------------------------|---------------|-----------------|-----------------|-----------------|
| Beginning Fund Balance: | \$6,479,596 | \$6,479,596 | \$6,508,393 | \$4,676,168 |
| Revenues | | | | |
| Taxes | \$1,328,614 | \$800,000 | \$1,200,000 | \$1,000,000 |
| Intergovernmental | \$0 | \$3,207,250 | \$3,354,300 | \$344,000 |



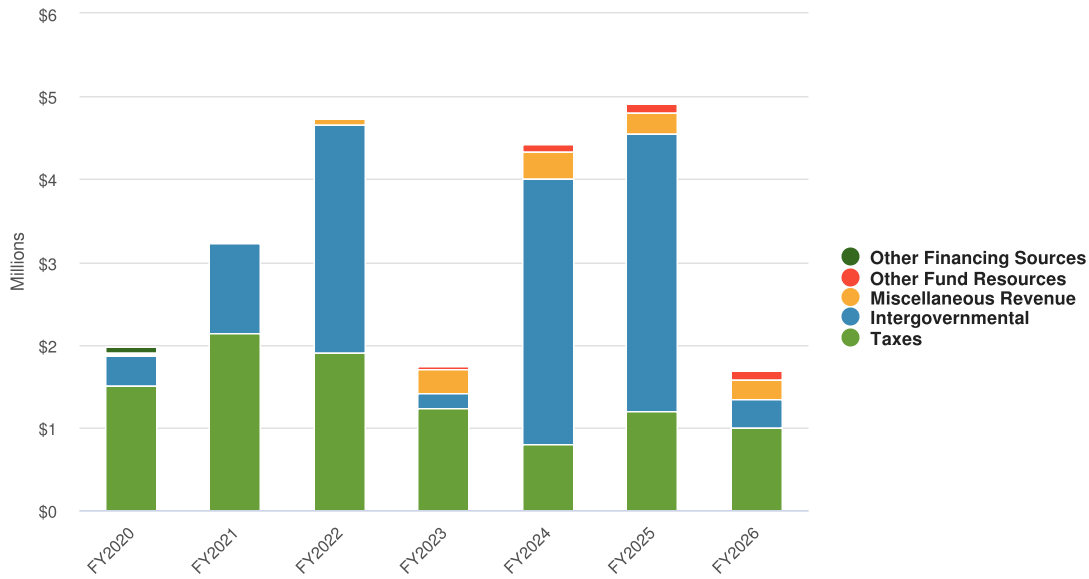
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|--|--------------------|---------------------|---------------------|---------------------|
| Miscellaneous Revenue | \$313,916 | \$320,000 | \$256,137 | \$240,000 |
| Other Fund Resources | \$0 | \$100,000 | \$100,000 | \$100,000 |
| Other Financing Sources | \$12,158 | \$12,159 | \$0 | \$0 |
| Total Revenues: | \$1,654,688 | \$4,439,409 | \$4,910,437 | \$1,684,000 |
| | | | | |
| Expenditures | | | | |
| Non Expenditure | \$631,100 | \$709,150 | \$708,300 | \$706,950 |
| Salaries | \$20,846 | \$50,000 | \$15,000 | \$150,000 |
| Benefits | \$6,299 | \$17,600 | \$5,000 | \$50,000 |
| Capital | \$967,643 | \$6,769,412 | \$6,475,738 | \$5,291,826 |
| Total Expenditures: | \$1,625,888 | \$7,546,162 | \$7,204,038 | \$6,198,776 |
| Total Revenues Less Expenditures: | \$28,800 | -\$3,106,753 | -\$2,293,601 | -\$4,514,776 |
| Ending Fund Balance: | \$6,508,396 | \$3,372,843 | \$4,214,792 | \$161,392 |

Revenues by Source

Projected 2026 Revenues by Source



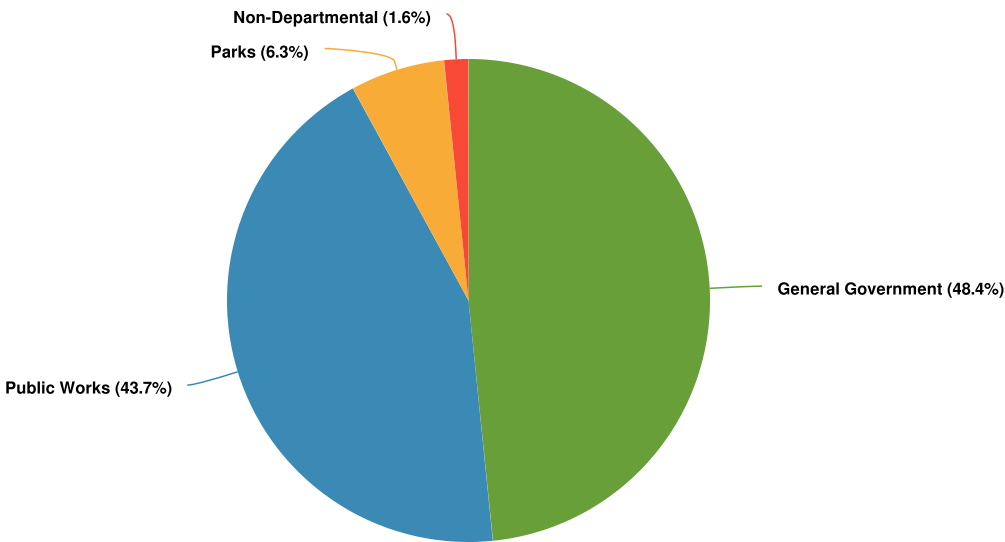
Budgeted and Historical 2026 Revenues by Source



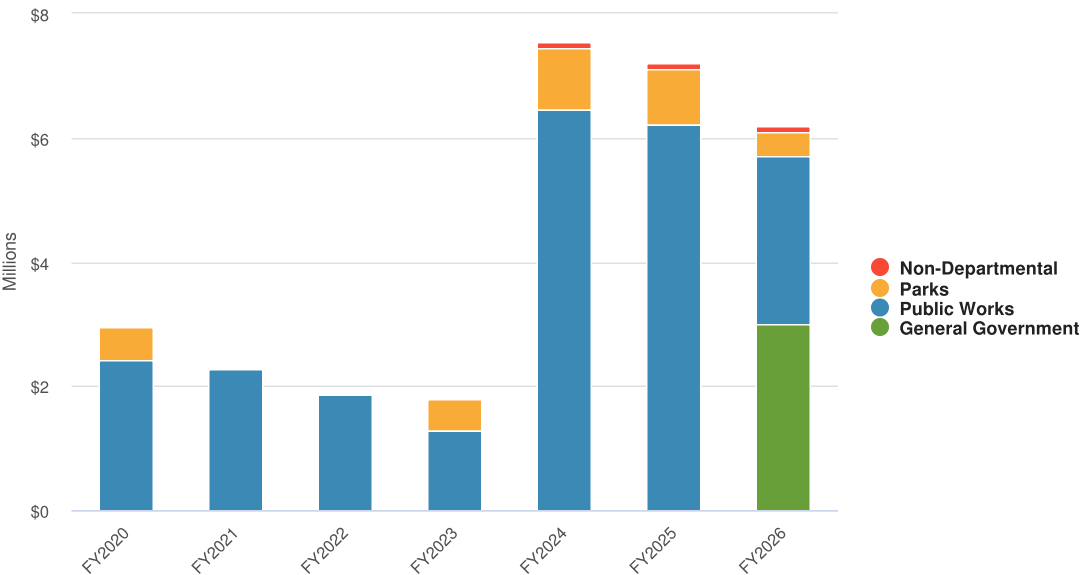
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|---------------------------------------|--------------------|--------------------|--------------------|--------------------|--|
| Revenue Source | | | | | |
| Taxes | | | | | |
| REET 2- 2nd Quarter Percent | \$1,328,614 | \$800,000 | \$1,200,000 | \$1,000,000 | -16.7% |
| Total Taxes: | \$1,328,614 | \$800,000 | \$1,200,000 | \$1,000,000 | -16.7% |
| | | | | | |
| Intergovernmental | | | | | |
| Main Street - FHWA/PSRC | \$0 | \$3,157,250 | \$3,304,300 | \$344,000 | -89.6% |
| CERB - Commerce Grant | \$0 | \$50,000 | \$50,000 | \$0 | -100% |
| Total Intergovernmental: | \$0 | \$3,207,250 | \$3,354,300 | \$344,000 | -89.7% |
| | | | | | |
| Miscellaneous Revenue | | | | | |
| Investment Interest | \$313,916 | \$320,000 | \$256,137 | \$240,000 | -6.3% |
| Total Miscellaneous Revenue: | \$313,916 | \$320,000 | \$256,137 | \$240,000 | -6.3% |
| | | | | | |
| Other Fund Resources | | | | | |
| Retainage | \$0 | \$100,000 | \$100,000 | \$100,000 | 0% |
| Total Other Fund Resources: | \$0 | \$100,000 | \$100,000 | \$100,000 | 0% |
| | | | | | |
| Other Financing Sources | | | | | |
| Transfer in | \$12,158 | \$12,159 | \$0 | \$0 | 0% |
| Total Other Financing Sources: | \$12,158 | \$12,159 | \$0 | \$0 | 0% |
| Total Revenue Source: | \$1,654,688 | \$4,439,409 | \$4,910,437 | \$1,684,000 | -65.7% |

Expenditures by Function

Budgeted Expenditures by Function



Budgeted and Historical Expenditures by Function

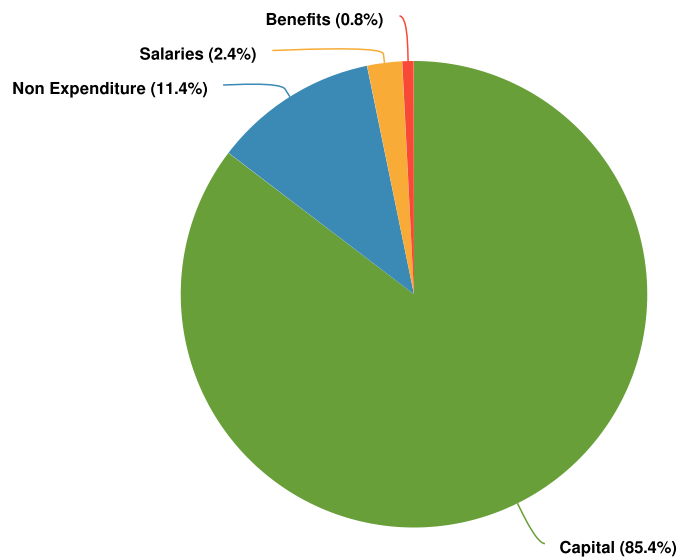


With the increased flexibility in eligible uses, the 2026 budget includes funding for a portion of the Municipal Service Campus and Historical Museum from REET 2 funds.

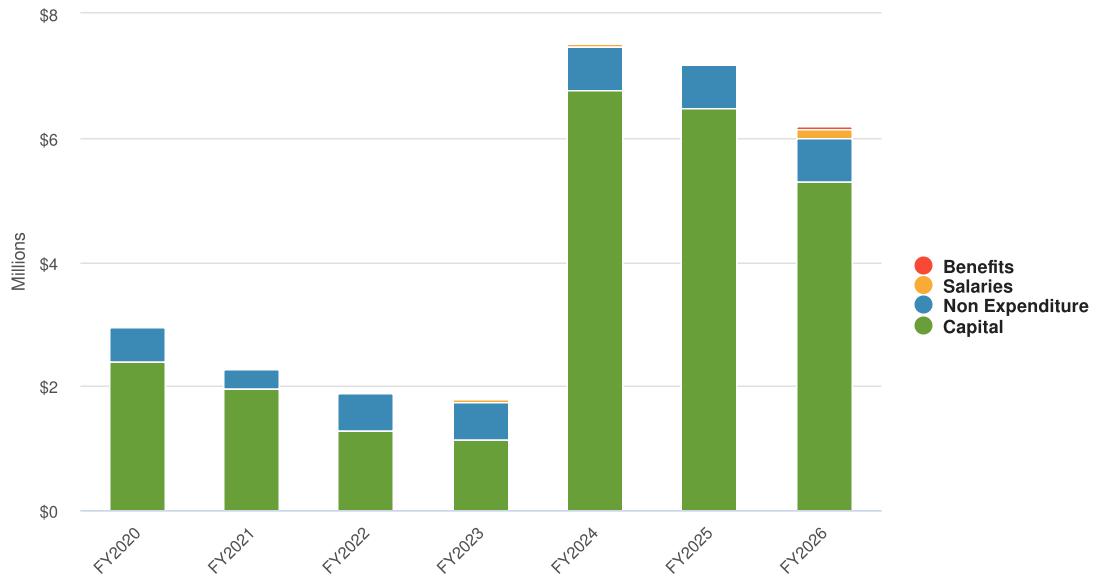
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|----------------------------|--------------------|--------------------|--------------------|--------------------|--|
| Expenditures | | | | | |
| Non-Departmental | \$21,950 | \$100,000 | \$100,000 | \$100,000 | 0% |
| Parks | \$516,751 | \$1,002,000 | \$890,000 | \$392,000 | -56% |
| General Government | | | \$0 | \$3,000,000 | N/A |
| Public Works | \$1,087,187 | \$6,444,162 | \$6,214,038 | \$2,706,776 | -56.4% |
| Total Expenditures: | \$1,625,888 | \$7,546,162 | \$7,204,038 | \$6,198,776 | -14% |

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|--|
| Expense Objects | | | | | |
| Non Expenditure | \$631,100 | \$709,150 | \$708,300 | \$706,950 | -0.2% |
| Salaries | \$20,846 | \$50,000 | \$15,000 | \$150,000 | 900% |
| Benefits | \$6,299 | \$17,600 | \$5,000 | \$50,000 | 900% |
| Capital | \$967,643 | \$6,769,412 | \$6,475,738 | \$5,291,826 | -18.3% |
| Total Expense Objects: | \$1,625,888 | \$7,546,162 | \$7,204,038 | \$6,198,776 | -14% |

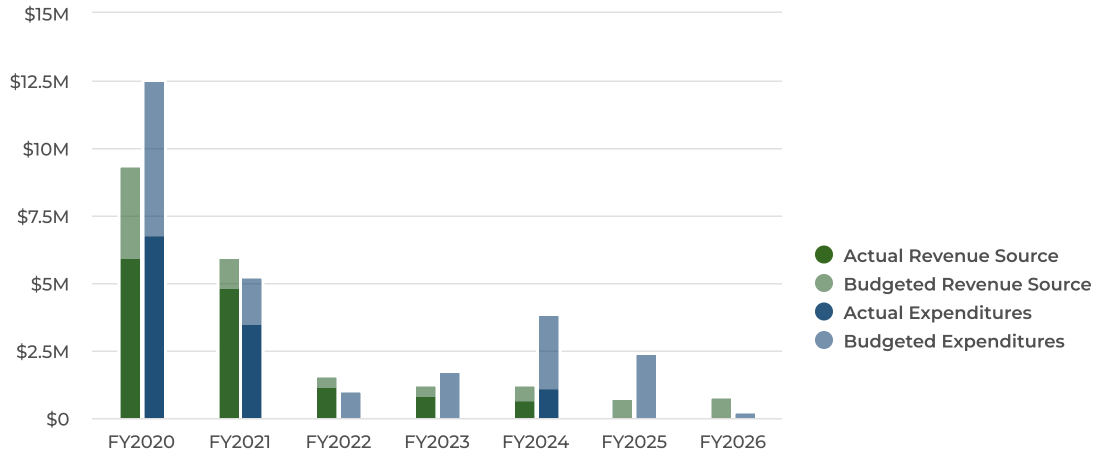


Traffic Mitigation Fund

The fund is used for street related capital project costs that are supported and funded by traffic impact fees and traffic mitigation fees.

Summary

The City of Lake Stevens is projecting \$806K of revenue in FY2026, which represents a 0.7% increase over the prior year. Budgeted expenditures are projected to decrease by 87.6% or \$2.13M to \$303K in FY2026.

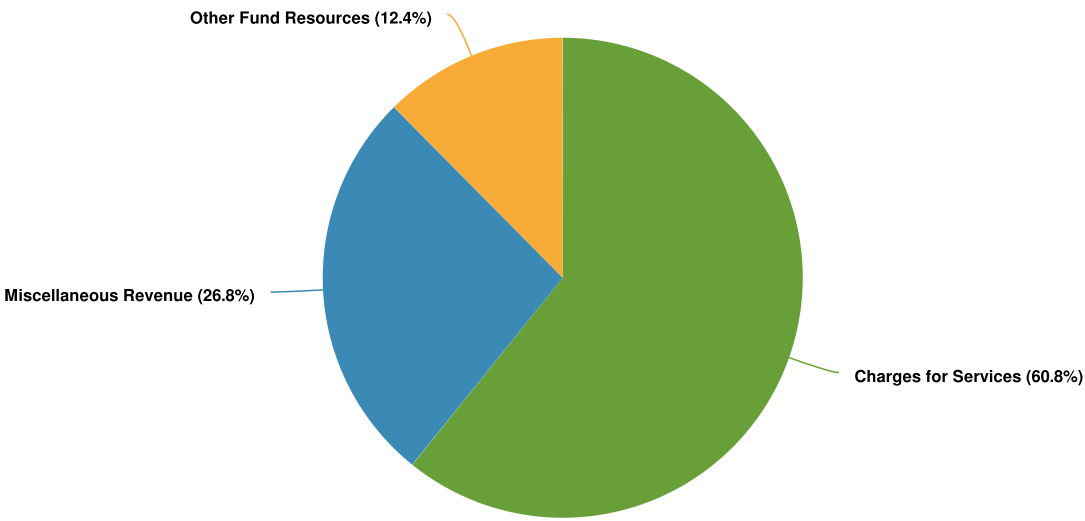


Traffic Mitigation Fund Comprehensive Summary

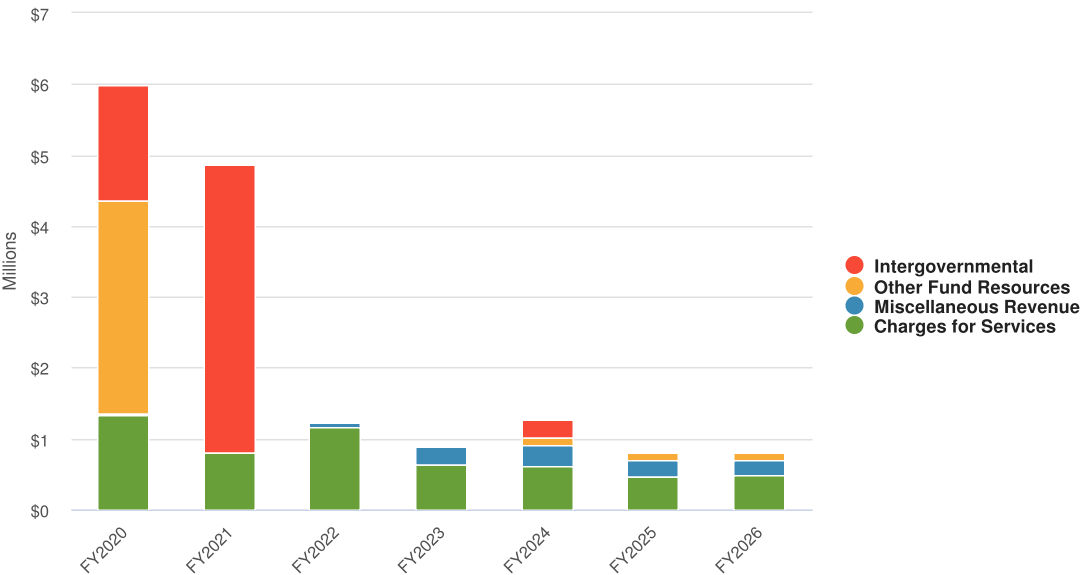
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|--|--------------------|---------------------|---------------------|--------------------|
| Beginning Fund Balance: | \$5,808,069 | \$5,808,069 | \$5,389,031 | \$4,353,886 |
| Revenues | | | | |
| Intergovernmental | \$0 | \$271,650 | \$0 | \$0 |
| Charges for Services | \$454,198 | \$605,000 | \$455,000 | \$490,000 |
| Miscellaneous Revenue | \$292,532 | \$300,000 | \$245,110 | \$216,000 |
| Other Fund Resources | \$1,006 | \$100,000 | \$100,000 | \$100,000 |
| Total Revenues: | \$747,736 | \$1,276,650 | \$800,110 | \$806,000 |
| Expenditures | | | | |
| Non Expenditure | \$0 | \$100,000 | \$100,000 | \$100,000 |
| Salaries | \$14,387 | \$75,000 | \$15,000 | \$15,000 |
| Benefits | \$6,074 | \$25,000 | \$10,000 | \$8,000 |
| Capital | \$1,146,311 | \$3,679,634 | \$2,309,994 | \$180,000 |
| Total Expenditures: | \$1,166,772 | \$3,879,634 | \$2,434,994 | \$303,000 |
| Total Revenues Less Expenditures: | -\$419,036 | -\$2,602,984 | -\$1,634,884 | \$503,000 |
| Ending Fund Balance: | \$5,389,033 | \$3,205,085 | \$3,754,147 | \$4,856,886 |

Revenues by Source

Projected 2026 Revenues by Source



Budgeted and Historical 2026 Revenues by Source



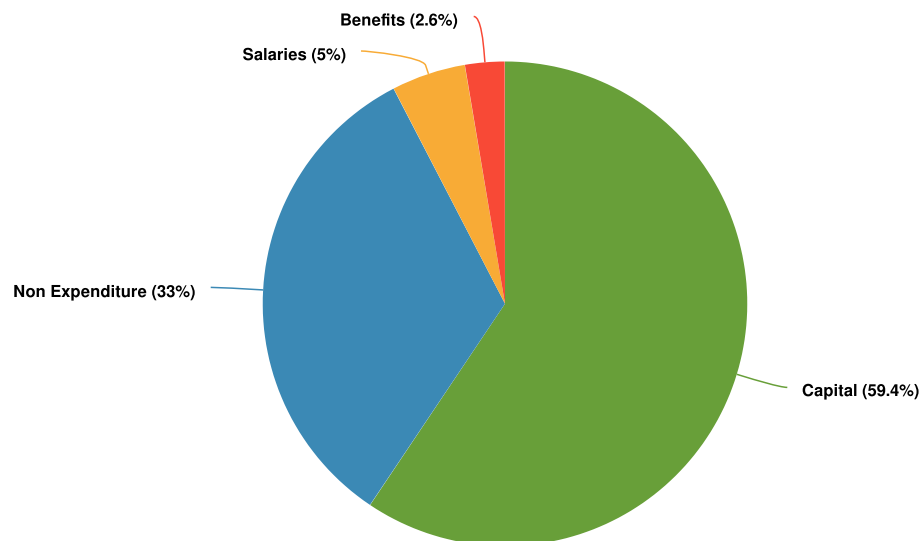
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|-------------------|---------------|-----------------|-----------------|-----------------|--|
| Revenue Source | | | | | |
| Intergovernmental | | | | | |
| TIB - Grant | \$0 | \$271,650 | \$0 | \$0 | 0% |



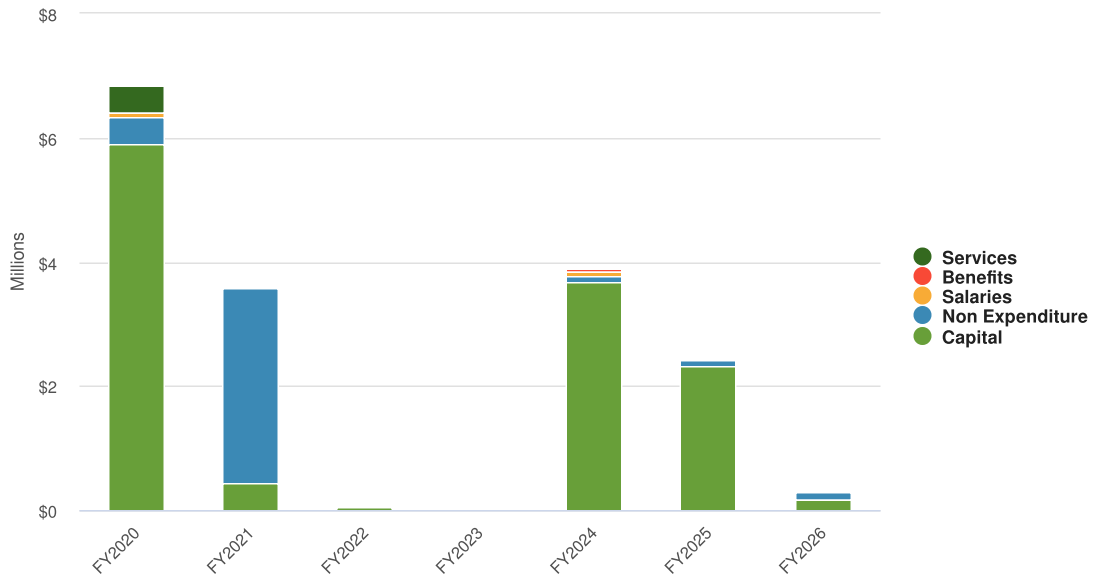
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|-------------------------------------|------------------|--------------------|--------------------|--------------------|--|
| Total Intergovernmental: | \$0 | \$271,650 | \$0 | \$0 | 0% |
| | | | | | |
| Charges for Services | | | | | |
| Local Trans. Act -Impact Fees | \$55,365 | \$5,000 | \$5,000 | \$20,000 | 300% |
| Traffic Mitigation - TIZ 1 | \$167,483 | \$50,000 | \$50,000 | \$20,000 | -60% |
| Traffic Mitigation - TIZ 2 | \$15,750 | \$50,000 | \$50,000 | \$100,000 | 100% |
| Traffic Mitigation - TIZ 3 | \$215,600 | \$500,000 | \$350,000 | \$350,000 | 0% |
| Total Charges for Services: | \$454,198 | \$605,000 | \$455,000 | \$490,000 | 7.7% |
| | | | | | |
| Miscellaneous Revenue | | | | | |
| Investment Interest | \$292,532 | \$300,000 | \$245,110 | \$216,000 | -11.9% |
| Total Miscellaneous Revenue: | \$292,532 | \$300,000 | \$245,110 | \$216,000 | -11.9% |
| | | | | | |
| Other Fund Resources | | | | | |
| PW Retainage Held | \$1,006 | \$100,000 | \$100,000 | \$100,000 | 0% |
| Total Other Fund Resources: | \$1,006 | \$100,000 | \$100,000 | \$100,000 | 0% |
| Total Revenue Source: | \$747,736 | \$1,276,650 | \$800,110 | \$806,000 | 0.7% |

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|--------------------------------|------------------|--------------------|--------------------|--------------------|--|
| Expense Objects | | | | | |
| Non Expenditure | | | | | |
| Non-Departmental | | | | | |
| PW Retainage Release | \$0 | \$100,000 | \$100,000 | \$100,000 | 0% |
| Total Non-Departmental: | \$0 | \$100,000 | \$100,000 | \$100,000 | 0% |
| Total Non Expenditure: | \$0 | \$100,000 | \$100,000 | \$100,000 | 0% |
| | | | | | |
| Salaries | | | | | |
| Public Works | | | | | |
| Roadway CP Salaries | \$14,387 | \$75,000 | \$15,000 | \$15,000 | 0% |
| Total Public Works: | \$14,387 | \$75,000 | \$15,000 | \$15,000 | 0% |
| Total Salaries: | \$14,387 | \$75,000 | \$15,000 | \$15,000 | 0% |
| | | | | | |
| Benefits | | | | | |
| Public Works | | | | | |
| Roadway CP Benefits | \$6,074 | \$25,000 | \$10,000 | \$8,000 | -20% |
| Total Public Works: | \$6,074 | \$25,000 | \$10,000 | \$8,000 | -20% |
| Total Benefits: | \$6,074 | \$25,000 | \$10,000 | \$8,000 | -20% |
| | | | | | |
| Capital | | | | | |
| Public Works | | | | | |
| TZ3-17005- 24th St & 91st Ext | \$0 | \$1,689,634 | \$1,689,634 | \$0 | -100% |
| TZ1 - Main Street | \$58,195 | \$500,000 | \$420,360 | \$80,000 | -81% |
| Fee In Lieu of - Sidewalks | \$0 | \$233,000 | \$100,000 | \$46,000 | -54% |

| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|--|
| TZ3 - 79th/8th Project | \$54,653 | \$85,000 | \$0 | \$0 | 0% |
| TZ3- TBP03 - 91st Av SE Sidwlk | \$510,300 | \$572,000 | \$0 | \$0 | 0% |
| TZ2- TBP02 - 91st Av SE Sidwlk | \$523,163 | \$600,000 | \$0 | \$0 | 0% |
| TZ1 - 131st Ave Infrastructure | \$0 | \$0 | \$100,000 | \$54,000 | -46% |
| Total Public Works: | \$1,146,311 | \$3,679,634 | \$2,309,994 | \$180,000 | -92.2% |
| Total Capital: | \$1,146,311 | \$3,679,634 | \$2,309,994 | \$180,000 | -92.2% |
| Total Expense Objects: | \$1,166,772 | \$3,879,634 | \$2,434,994 | \$303,000 | -87.6% |

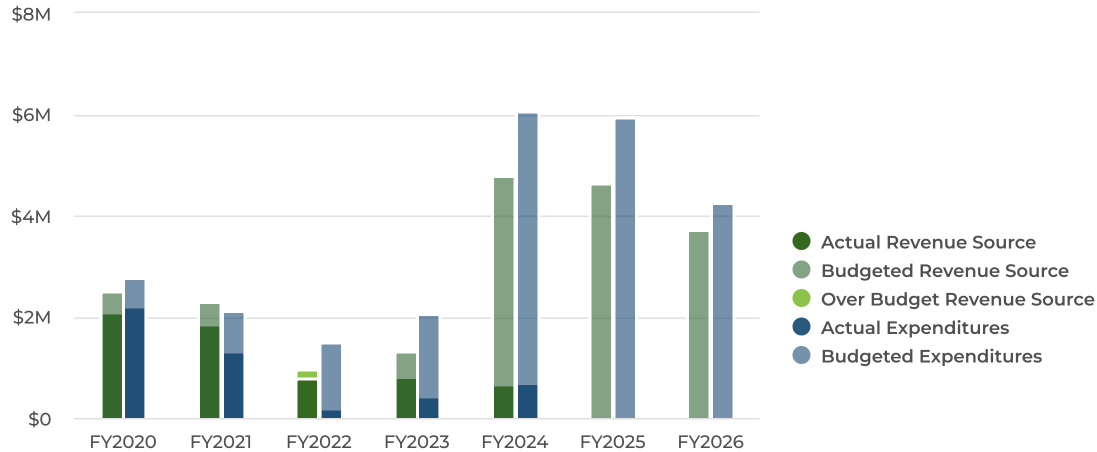


Park Mitigation Fund

The fund is used for park related capital project costs that are supported and funded by Park mitigation fees and Tree Replacement fees.

Summary

The City of Lake Stevens is projecting \$3.72M of revenue in FY2026, which represents a 19.8% decrease over the prior year. Budgeted expenditures are projected to decrease by 28.3% or \$1.68M to \$4.26M in FY2026.



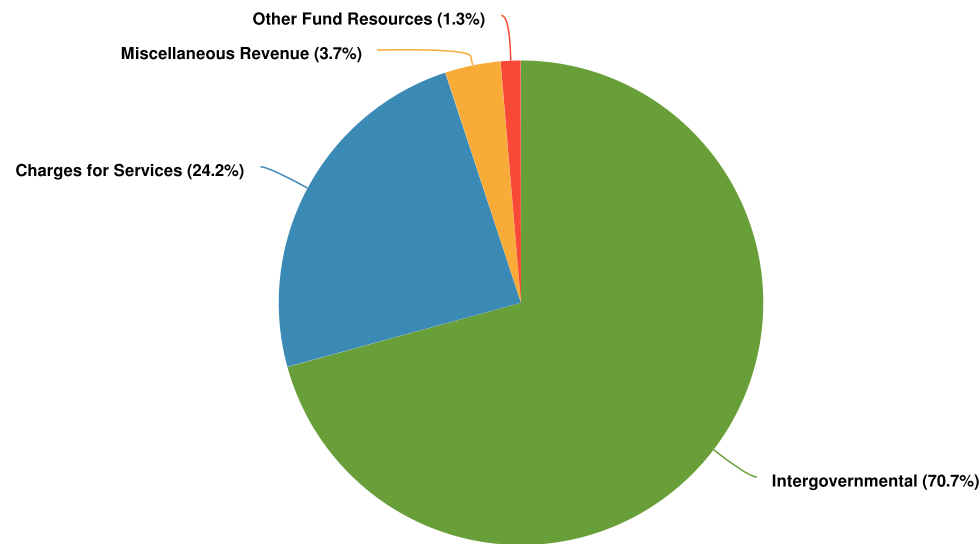
Park Mitigation Fund Comprehensive Summary

| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|--|--------------------|---------------------|---------------------|--------------------|
| Beginning Fund Balance: | \$2,276,884 | \$2,276,884 | \$2,254,901 | \$2,493,705 |
| Revenues | | | | |
| Intergovernmental | \$0 | \$3,659,941 | \$3,847,075 | \$2,631,352 |
| Charges for Services | \$427,584 | \$800,000 | \$500,000 | \$900,000 |
| Miscellaneous Revenue | \$260,674 | \$130,000 | \$93,000 | \$138,000 |
| Other Fund Resources | \$0 | \$200,000 | \$200,000 | \$50,000 |
| Total Revenues: | \$688,258 | \$4,789,941 | \$4,640,075 | \$3,719,352 |
| Expenditures | | | | |
| Non Expenditure | \$16,013 | \$206,000 | \$200,000 | \$50,000 |
| Salaries | \$46,432 | \$75,000 | \$75,000 | \$75,000 |
| Benefits | \$15,928 | \$25,000 | \$25,000 | \$25,000 |
| Supplies | \$2,195 | \$75,000 | \$25,000 | \$0 |
| Capital | \$629,671 | \$5,690,029 | \$5,617,278 | \$4,111,892 |
| Total Expenditures: | \$710,239 | \$6,071,029 | \$5,942,278 | \$4,261,892 |
| Total Revenues Less Expenditures: | -\$21,981 | -\$1,281,088 | -\$1,302,203 | -\$542,540 |

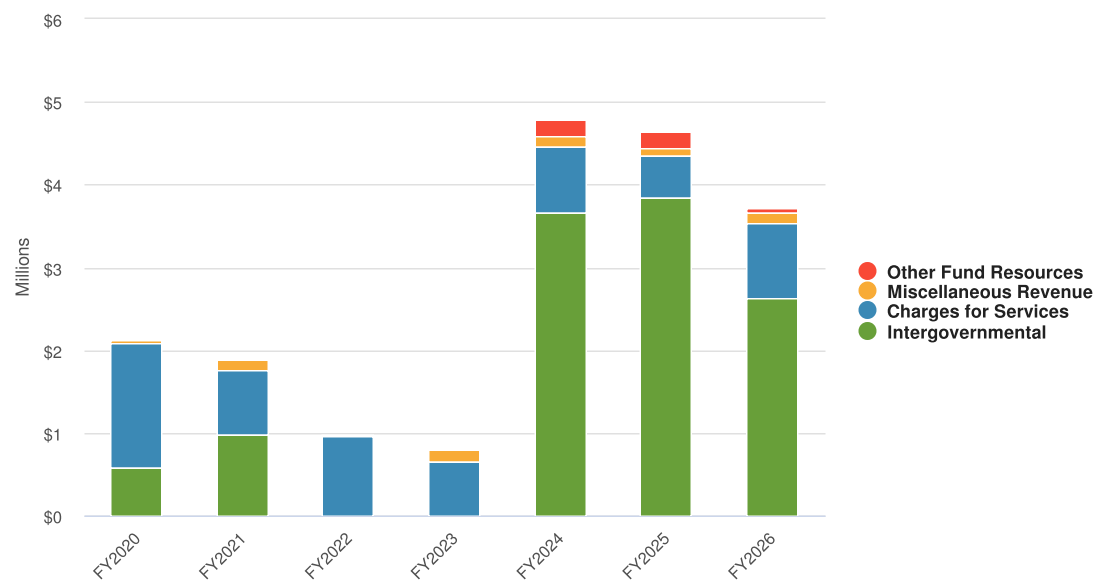
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|----------------------|---------------|-----------------|-----------------|-----------------|
| Ending Fund Balance: | \$2,254,903 | \$995,796 | \$952,698 | \$1,951,165 |

Revenues by Source

Projected 2026 Revenues by Source



Budgeted and Historical 2026 Revenues by Source



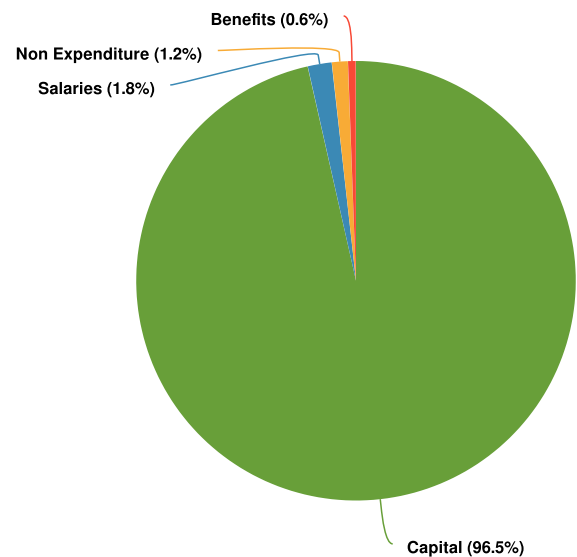
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|----------------|---------------|-----------------|-----------------|-----------------|--|
| Revenue Source | | | | | |



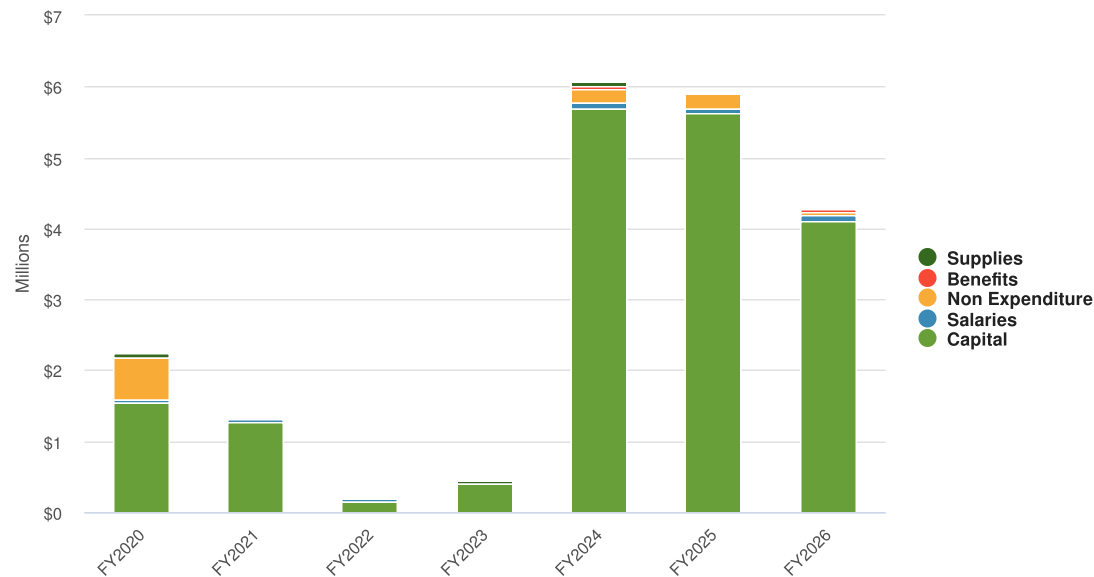
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|-------------------------------------|------------------|--------------------|--------------------|--------------------|--|
| Intergovernmental | | | | | |
| RCO - Frontier Heights Grants | \$0 | \$1,159,352 | \$1,159,352 | \$1,204,352 | 3.9% |
| RCO - NC Marina Grant | | | \$0 | \$327,000 | N/A |
| State Commerce - Cedarwood | \$0 | \$2,455,589 | \$2,455,589 | \$500,000 | -79.6% |
| State Commerce | \$0 | \$0 | \$0 | \$500,000 | N/A |
| SnoCo SCPP Grants - PRI00 | \$0 | \$45,000 | \$232,134 | \$0 | -100% |
| SnoCo SCPP Grants - PRI06 | | | \$0 | \$100,000 | N/A |
| Total Intergovernmental: | \$0 | \$3,659,941 | \$3,847,075 | \$2,631,352 | -31.6% |
| | | | | | |
| Charges for Services | | | | | |
| Park Mitigation | \$427,584 | \$800,000 | \$500,000 | \$900,000 | 80% |
| Total Charges for Services: | \$427,584 | \$800,000 | \$500,000 | \$900,000 | 80% |
| | | | | | |
| Miscellaneous Revenue | | | | | |
| Investment Interest | \$124,104 | \$120,000 | \$78,000 | \$88,000 | 12.8% |
| Tree Replacement Fee | \$136,570 | \$10,000 | \$15,000 | \$50,000 | 233.3% |
| Total Miscellaneous Revenue: | \$260,674 | \$130,000 | \$93,000 | \$138,000 | 48.4% |
| | | | | | |
| Other Fund Resources | | | | | |
| PW Retainage | \$0 | \$200,000 | \$200,000 | \$50,000 | -75% |
| Total Other Fund Resources: | \$0 | \$200,000 | \$200,000 | \$50,000 | -75% |
| Total Revenue Source: | \$688,258 | \$4,789,941 | \$4,640,075 | \$3,719,352 | -19.8% |

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|-----------------|---------------|-----------------|-----------------|-----------------|--|
| Expense Objects | | | | | |
| Non Expenditure | | | | | |



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|----------------------------------|------------------|--------------------|--------------------|--------------------|--|
| Retainage Release | \$16,013 | \$206,000 | \$200,000 | \$50,000 | -75% |
| Total Non Expenditure: | \$16,013 | \$206,000 | \$200,000 | \$50,000 | -75% |
| | | | | | |
| Salaries | | | | | |
| Park Mit CP Salaires | \$46,432 | \$75,000 | \$75,000 | \$75,000 | 0% |
| Total Salaries: | \$46,432 | \$75,000 | \$75,000 | \$75,000 | 0% |
| | | | | | |
| Benefits | | | | | |
| Park Mit CP Benefits | \$15,928 | \$25,000 | \$25,000 | \$25,000 | 0% |
| Total Benefits: | \$15,928 | \$25,000 | \$25,000 | \$25,000 | 0% |
| | | | | | |
| Supplies | | | | | |
| Tree Replacement Expenditures | \$2,195 | \$75,000 | \$25,000 | \$0 | -100% |
| Total Supplies: | \$2,195 | \$75,000 | \$25,000 | \$0 | -100% |
| | | | | | |
| Capital | | | | | |
| PM - Frontier Heights Capital | \$0 | \$1,708,440 | \$1,700,000 | \$1,283,505 | -24.5% |
| PM - North Cove Parking/Rec | \$0 | \$0 | \$0 | \$300,000 | N/A |
| PM - Lundeen Park Capital | \$9,640 | \$10,000 | \$0 | \$0 | 0% |
| PM -LS Bayview Connector - PT | \$616,661 | \$900,000 | \$483,339 | \$1,196,000 | 147.4% |
| PM - Eagle Ridge | \$2,876 | \$10,000 | \$22,850 | \$332,387 | 1,354.6% |
| PM - Davis Beach | \$0 | \$0 | \$100,000 | \$0 | -100% |
| PM - North Cove Light Bollards | \$0 | \$0 | \$150,000 | \$0 | -100% |
| PM - Cedarwood Park | \$494 | \$2,955,589 | \$2,955,089 | \$500,000 | -83.1% |
| PM - NC Marina Feasibility | \$0 | \$106,000 | \$106,000 | \$400,000 | 277.4% |
| PM - Westlake Park | \$0 | \$0 | \$100,000 | \$100,000 | 0% |
| Total Capital: | \$629,671 | \$5,690,029 | \$5,617,278 | \$4,111,892 | -26.8% |
| Total Expense Objects: | \$710,239 | \$6,071,029 | \$5,942,278 | \$4,261,892 | -28.3% |



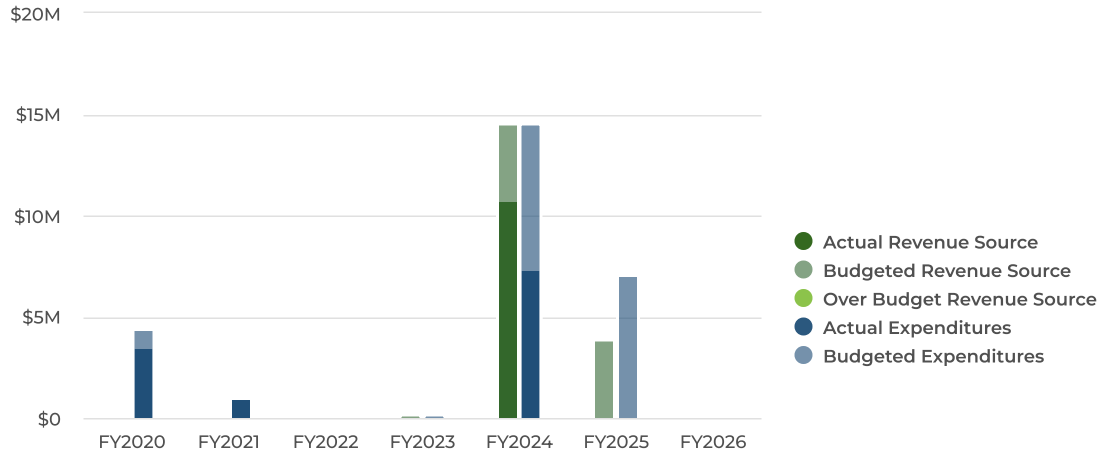


Facility Capital Project Fund

The fund is used for capital project costs related to the City's facilities that are funded by the 2024A LTGO bond proceeds and premiums.

Summary

The City of Lake Stevens is projecting \$0 of revenue in FY2026, which represents a 100% decrease over the prior year. Budgeted expenditures are projected to decrease by 100% or \$7.09M to \$0 in FY2026.



Facility Capital Project Fund Comprehensive Summary

| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|--------------------------------|---------------------|---------------------|--------------------|------------------|
| Beginning Fund Balance: | \$12,160 | \$12,160 | \$3,420,439 | \$437,335 |
| Revenues | | | | |
| WS Historical Society - Museum | \$0 | \$0 | \$764,000 | \$0 |
| Investment Interest | \$116,647 | \$70,000 | \$40,000 | \$0 |
| Misc Revenues | \$0 | \$764,000 | \$0 | \$0 |
| Retainage | \$0 | \$100,000 | \$100,000 | \$0 |
| 2024A - LTGO Bond Proceeds | \$9,610,000 | \$9,610,000 | \$0 | \$0 |
| 2024A - LTGO Bond Premium | \$527,282 | \$527,283 | \$0 | \$0 |
| Sale of Property | \$0 | \$3,000,000 | \$3,000,000 | \$0 |
| Transfer In | \$540,110 | \$540,111 | \$0 | \$0 |
| Total Revenues: | \$10,794,039 | \$14,611,394 | \$3,904,000 | \$0 |
| Expenditures | | | | |
| Retainage Release | \$0 | \$100,000 | \$100,000 | \$0 |
| 2024A - LTGO Bond Issuance Fee | \$134,290 | \$135,792 | \$0 | \$0 |
| Culture Facility Cap - Museum | \$36,678 | \$2,519,300 | \$2,482,622 | \$0 |



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|--|--------------------|---------------------|---------------------|------------------|
| Transfer out | \$12,158 | \$12,159 | \$0 | \$0 |
| Gen Facility CP Salaries | \$0 | \$50,000 | \$50,000 | \$0 |
| Gen Facilities CP Benefits | \$0 | \$20,000 | \$20,000 | \$0 |
| FC - Municipal Campus GG | \$7,202,634 | \$11,776,192 | \$4,000,000 | \$0 |
| FC - Other Capital GG | \$0 | \$0 | \$438,500 | \$0 |
| Total Expenditures: | \$7,385,760 | \$14,613,443 | \$7,091,122 | \$0 |
| Total Revenues Less Expenditures: | \$3,408,279 | -\$2,049 | -\$3,187,122 | \$0 |
| Ending Fund Balance: | \$3,420,439 | \$10,111 | \$233,317 | \$437,335 |

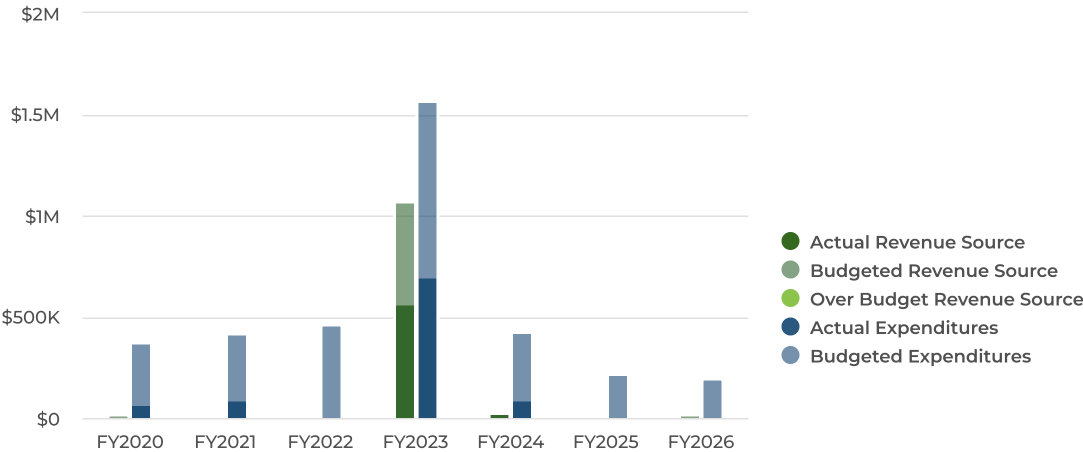


Sidewalk Capital Project Fund

The fund is used for sidewalk capital project costs that are primarily funded through transfers from the Street Fund, grant funding, and interest earnings.

Summary

The City of Lake Stevens is projecting \$19K of revenue in FY2026, which represents a 26.7% increase over the prior year. Budgeted expenditures are projected to decrease by 8.6% or \$18.79K to \$200K in FY2026.



Sidewalk Capital Project Fund Comprehensive Summary

| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|-----------------------------------|---------------|-----------------|-----------------|-----------------|
| Beginning Fund Balance: | \$586,848 | \$586,848 | \$516,001 | \$318,594 |
| Revenues | | | | |
| Miscellaneous Revenue | | | | |
| Investment Interest | \$27,172 | \$30,000 | \$15,000 | \$19,000 |
| Total Miscellaneous Revenue: | \$27,172 | \$30,000 | \$15,000 | \$19,000 |
| Total Revenues: | \$27,172 | \$30,000 | \$15,000 | \$19,000 |
| Expenditures | | | | |
| Capital | | | | |
| SW-TBP02 | \$3,806 | \$180,000 | \$63,000 | \$0 |
| ADA Crosswalk Improvements | \$94,213 | \$150,000 | \$155,787 | \$0 |
| Sidewalk Construction | \$0 | \$100,000 | \$0 | \$200,000 |
| Total Capital: | \$98,019 | \$430,000 | \$218,787 | \$200,000 |
| Total Expenditures: | \$98,019 | \$430,000 | \$218,787 | \$200,000 |
| Total Revenues Less Expenditures: | -\$70,847 | -\$400,000 | -\$203,787 | -\$181,000 |
| Ending Fund Balance: | \$516,001 | \$186,848 | \$312,214 | \$137,594 |







Sewer Fund

This fund is mainly used to account for debt reimbursements from the Lake Stevens Sewer District and debt payments for bonds issued and loans taken on behalf of the District. The fund may also be used to account for reimbursement of costs for coordinated capital projects.

Summary

The City of Lake Stevens is projecting \$1.35M of revenue in FY2026, which represents a 69.0% increase over the prior year. Budgeted expenditures are projected to increase by 59.6% or \$500.7K to \$1.34M in FY2026.

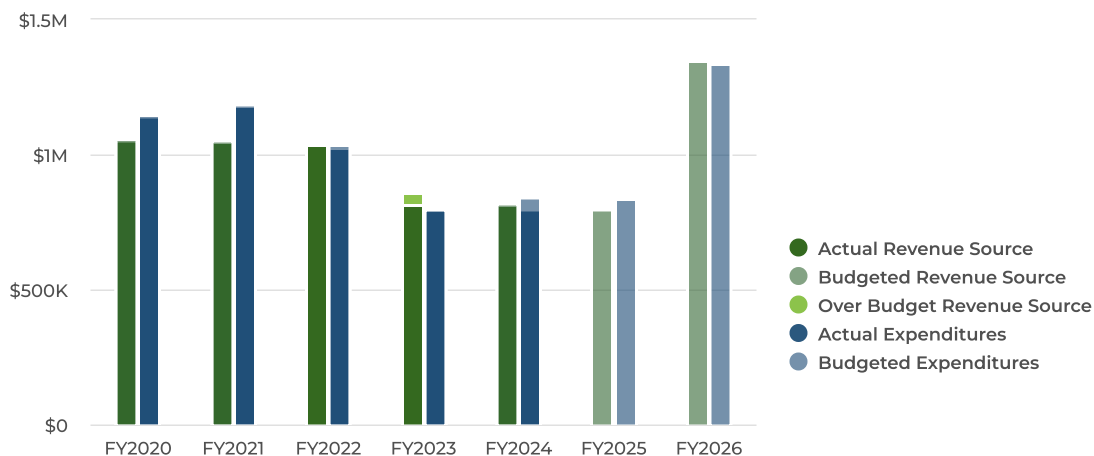
The City of Lake Stevens and the Lake Stevens Sewer District entered into a Unified Sewer Services and Annexation Agreement on the 23rd day of May 2005 that was subsequently implemented January 1, 2006. This agreement called for a transfer of the City System to the District after which the District shall own, operate and maintain the entire wastewater collection, conveyance, treatment and discharge system in the UGA (Urban Growth Area). The agreement also provides for the ultimate transfer of the Unified Sewer System from the District to the City at a future date.

As part of this agreement, the District agreed to transfer to the City all funds necessary for the Public Work Trust Fund Loan No. PW02-691-029 and the City Sewer utility's share of the 1997 General Obligation Bonds which the City has refunded with the 2008 LTGO Bonds. Additionally, the City had acquired three Public Work Trust Fund Loans for the design and construction of the new Treatment Plant. The District agreed to transfer to the City all funds necessary for the payment of the principal and interest of these loans.

Additionally, the Lake Stevens Sewer District requested to have \$6.6 million of a 2008 Public Works Trust Fund Loan (PWTF), held by the City of Lake Stevens, refinanced. The refinancing extended the 2008 PWTF loan maturity from 2028 to 2038, reducing annual debt service payments. The new principal and interest amounts began on July 1st, 2017.

During 2022, the Lake Stevens Sewer District fully paid and satisfied the obligations of the Public Work Trust Fund Loan No. PW02-691-029 and the Sewer District's share of the 2008 LTGO Bonds.

The total future debt service requirements owed to the City by the Sewer District as of December 31, 2024, are approximately \$5,261,599.



Sewer Fund Comprehensive Summary

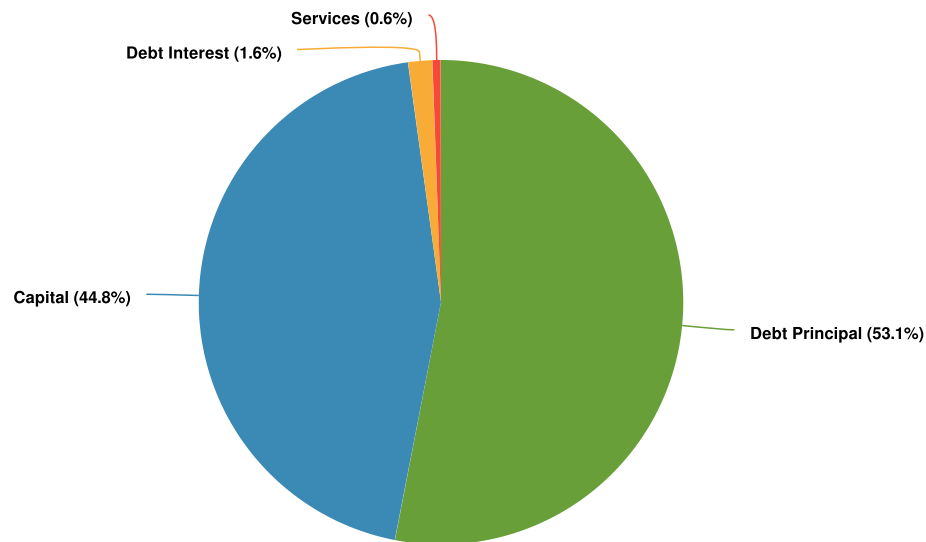
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|-------------------------|---------------|-----------------|-----------------|-----------------|
| Beginning Fund Balance: | \$78,695 | \$78,695 | \$97,261 | \$61,419 |



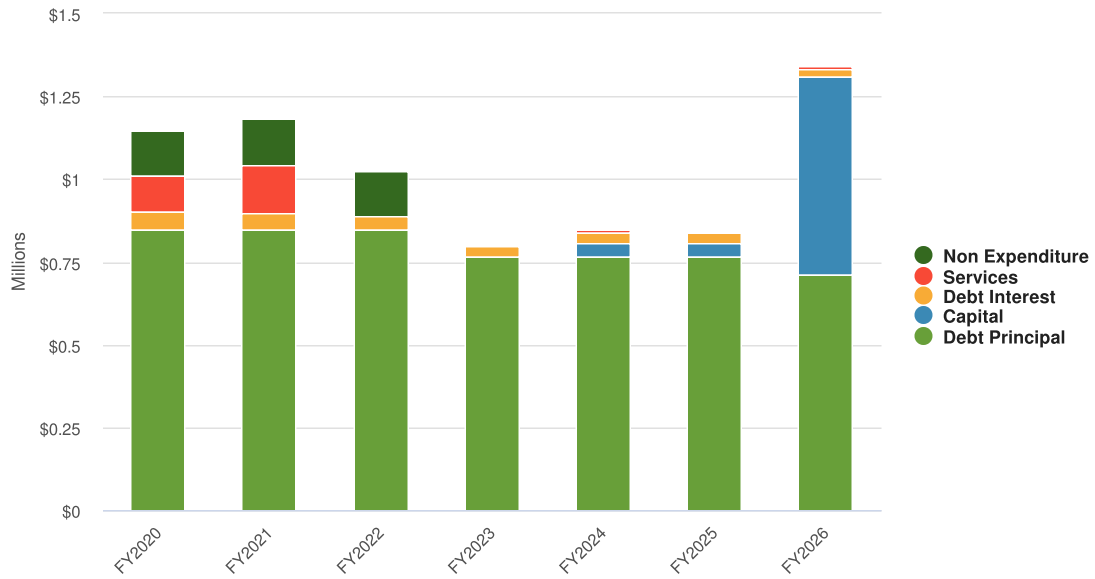
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|--|------------------|------------------|------------------|--------------------|
| Revenues | | | | |
| Intergovernmental | \$797,317 | \$804,785 | \$798,285 | \$1,340,436 |
| Charges for Services | \$13,750 | \$15,000 | \$0 | \$0 |
| Miscellaneous Revenue | \$7,605 | \$500 | \$0 | \$8,500 |
| Total Revenues: | \$818,672 | \$820,285 | \$798,285 | \$1,348,936 |
| | | | | |
| Expenditures | | | | |
| Services | \$6,551 | \$10,000 | \$3,500 | \$7,500 |
| Capital | \$0 | \$41,454 | \$41,454 | \$600,000 |
| Debt Principal | \$763,904 | \$763,907 | \$763,907 | \$711,275 |
| Debt Interest | \$30,878 | \$30,878 | \$30,878 | \$21,661 |
| Total Expenditures: | \$801,333 | \$846,239 | \$839,739 | \$1,340,436 |
| Total Revenues Less Expenditures: | \$17,339 | -\$25,954 | -\$41,454 | \$8,500 |
| Ending Fund Balance: | \$96,034 | \$52,741 | \$55,807 | \$69,919 |

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|-------------------------------|------------------|------------------|------------------|--------------------|--|
| Expense Objects | | | | | |
| Services | \$6,551 | \$10,000 | \$3,500 | \$7,500 | 114.3% |
| Capital | \$0 | \$41,454 | \$41,454 | \$600,000 | 1,347.4% |
| Debt Principal | \$763,904 | \$763,907 | \$763,907 | \$711,275 | -6.9% |
| Debt Interest | \$30,878 | \$30,878 | \$30,878 | \$21,661 | -29.8% |
| Total Expense Objects: | \$801,333 | \$846,239 | \$839,739 | \$1,340,436 | 59.6% |

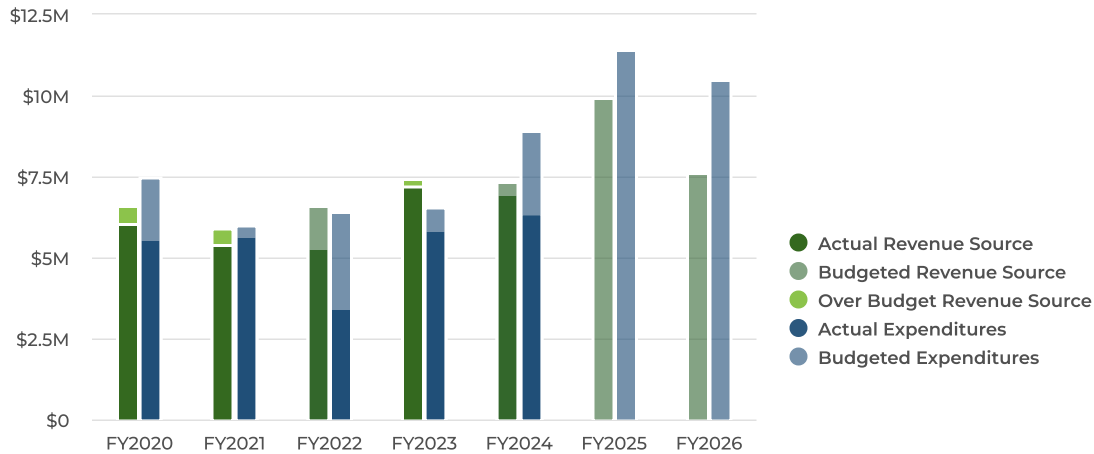


Storm Water Funds

The City provides stormwater management services, lake management, and surface water capital projects. The fund is primarily supported by surface water utility fees and receives grant funding through the State and Federal agencies. There are two managerial funds that roll up into the Stormwater Fund that are used to account for capital projects and debt service.

Summary

The City of Lake Stevens is projecting \$7.66M of revenue in FY2026, which represents a 23.2% decrease over the prior year. Budgeted expenditures are projected to decrease by 8.0% or \$917.67K to \$10.5M in FY2026.



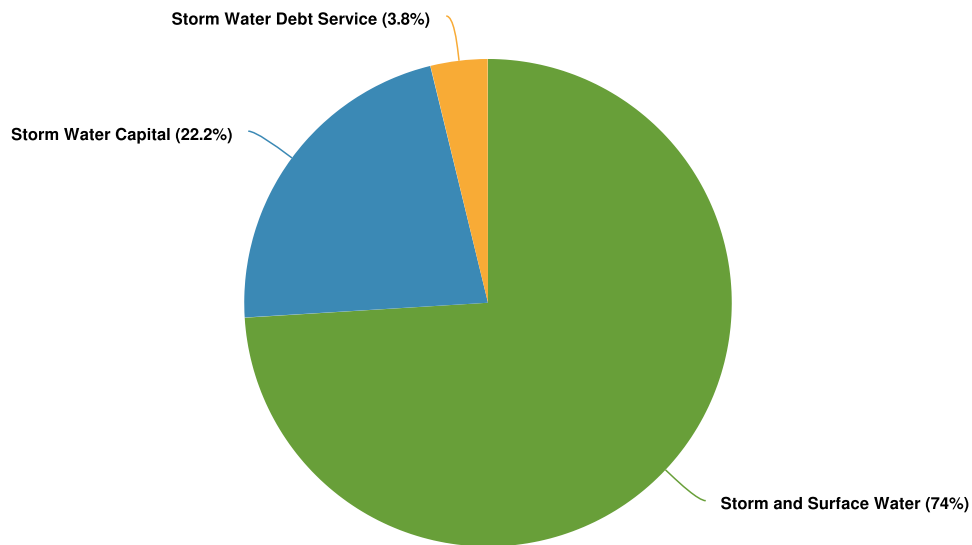
Storm Water Funds Comprehensive Summary

| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|--------------------------------|--------------------|--------------------|--------------------|--------------------|
| Beginning Fund Balance: | \$6,463,306 | \$6,463,306 | \$7,077,612 | \$7,748,301 |
| Revenues | | | | |
| Intergovernmental | \$38,861 | \$605,975 | \$1,489,836 | \$795,000 |
| Charges for Services | \$5,163,103 | \$5,087,681 | \$5,403,921 | \$5,451,649 |
| Miscellaneous Revenue | \$301,892 | \$279,382 | \$253,395 | \$287,000 |
| Other Fund Resources | \$17,482 | \$10,000 | \$15,000 | \$15,000 |
| Other Financing Sources | \$1,465,717 | \$1,392,082 | \$2,811,177 | \$1,110,177 |
| Total Revenues: | \$6,987,055 | \$7,375,120 | \$9,973,329 | \$7,658,826 |
| Expenditures | | | | |
| Non Expenditure | \$1,368,694 | \$1,378,682 | \$1,822,177 | \$1,562,177 |
| Salaries | \$1,940,047 | \$2,112,630 | \$2,043,049 | \$2,315,567 |
| Benefits | \$782,415 | \$911,436 | \$851,479 | \$932,966 |
| Supplies | \$250,147 | \$295,316 | \$261,412 | \$262,500 |
| Services | \$1,218,578 | \$1,583,501 | \$2,207,510 | \$1,740,534 |

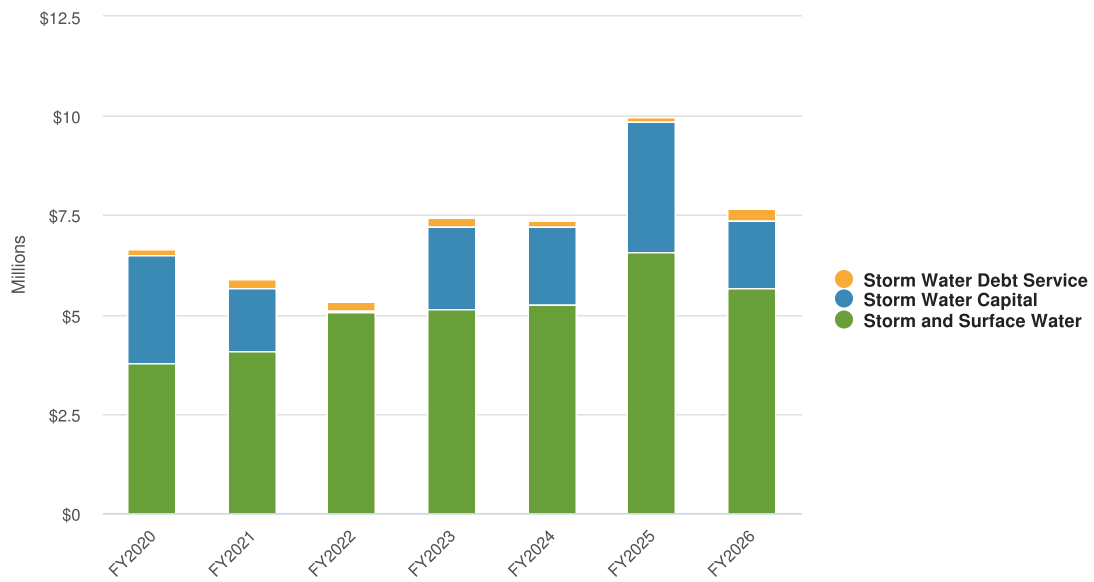
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|--|--------------------|---------------------|---------------------|---------------------|
| Capital | \$663,692 | \$2,493,975 | \$4,133,982 | \$3,398,200 |
| Debt Principal | \$159,078 | \$161,079 | \$99,733 | \$289,733 |
| Debt Interest | \$8,001 | \$8,003 | \$2,444 | \$2,444 |
| Total Expenditures: | \$6,390,652 | \$8,944,622 | \$11,421,786 | \$10,504,121 |
| Total Revenues Less Expenditures: | \$596,403 | -\$1,569,502 | -\$1,448,457 | -\$2,845,295 |
| Ending Fund Balance: | \$7,059,709 | \$4,893,804 | \$5,629,155 | \$4,903,006 |

Revenue by Fund

2026 Revenue by Managerial Fund



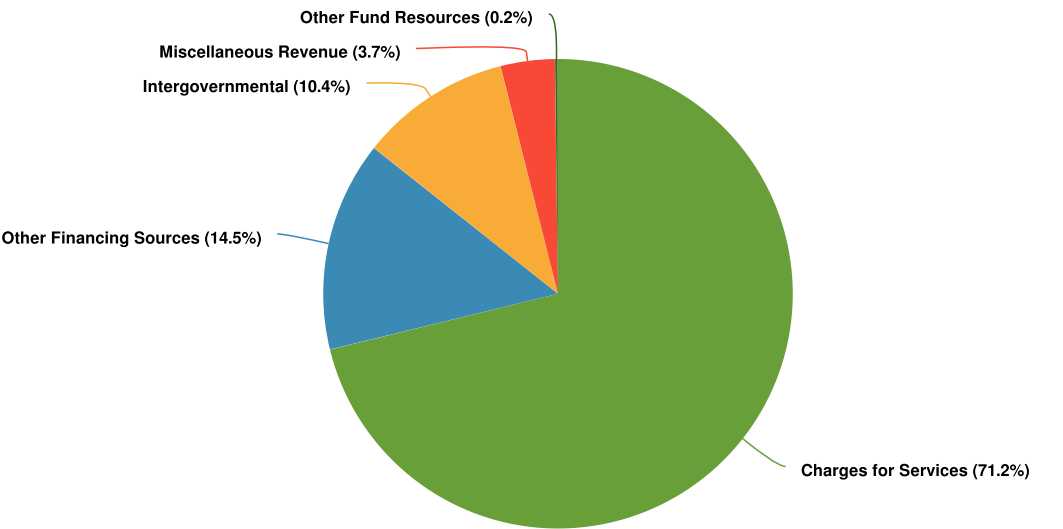
Budgeted and Historical 2026 Revenue by Fund



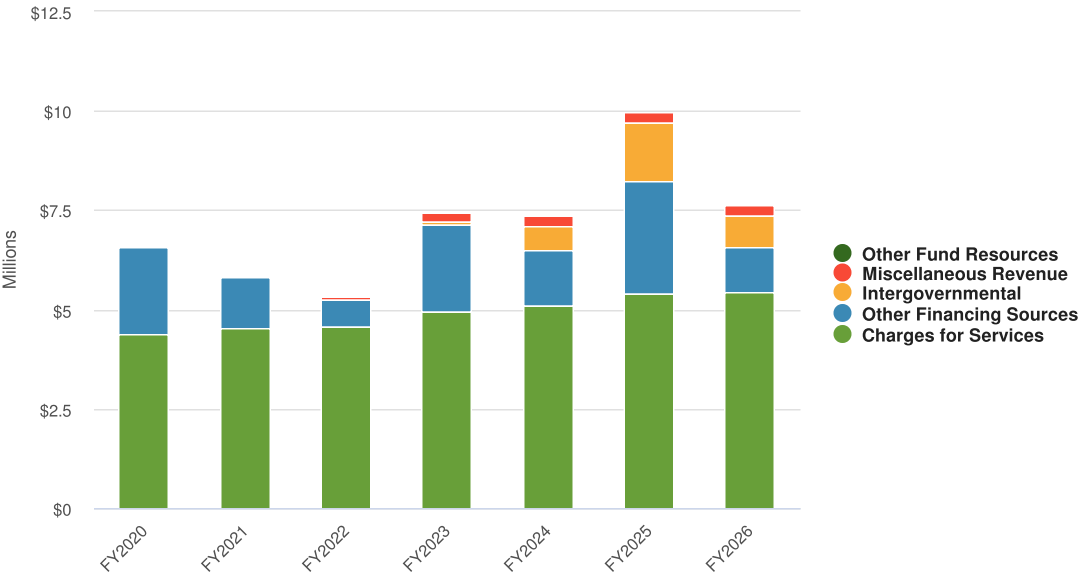
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|--------------------------|--------------------|--------------------|--------------------|--------------------|--|
| Storm and Surface Water | \$5,414,038 | \$5,267,063 | \$6,565,583 | \$5,670,649 | -13.6% |
| Storm Water Capital | \$1,405,936 | \$1,940,975 | \$3,307,569 | \$1,698,000 | -48.7% |
| Storm Water Debt Service | \$167,081 | \$167,082 | \$100,177 | \$290,177 | 189.7% |
| Total: | \$6,987,055 | \$7,375,120 | \$9,973,329 | \$7,658,826 | -23.2% |

Revenues by Source

Projected 2026 Revenues by Source



Budgeted and Historical 2026 Revenues by Source



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|-----------------------|---------------|-----------------|-----------------|-----------------|--|
| Revenue Source | | | | | |
| Intergovernmental | | | | | |
| DOE - Capacity Grants | \$38,861 | \$75,000 | \$70,000 | \$70,000 | 0% |
| DOE - SFAP Grant | \$0 | \$0 | \$658,861 | \$0 | -100% |

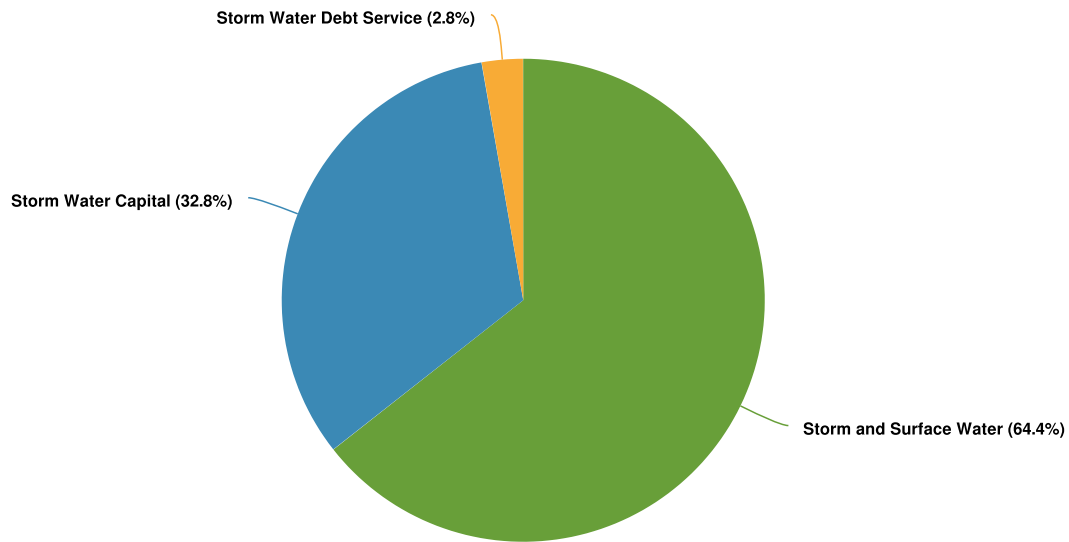


| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|---------------------------------------|--------------------|--------------------|--------------------|--------------------|--|
| Commerce Grant- Salmonoid | \$0 | \$0 | \$247,000 | \$0 | -100% |
| TIB - Grant | \$0 | \$17,000 | \$0 | \$225,000 | N/A |
| SnoCo Conservation Futures Grt | \$0 | \$513,975 | \$513,975 | \$0 | -100% |
| EPA 66.202 LS Outlet Grant | | | \$0 | \$500,000 | N/A |
| Total Intergovernmental: | \$38,861 | \$605,975 | \$1,489,836 | \$795,000 | -46.6% |
| | | | | | |
| Charges for Services | | | | | |
| Storm Drainage Charges | \$5,149,176 | \$5,087,681 | \$5,403,921 | \$5,451,649 | 0.9% |
| SW - Charge for Service | \$13,927 | \$0 | \$0 | \$0 | 0% |
| Total Charges for Services: | \$5,163,103 | \$5,087,681 | \$5,403,921 | \$5,451,649 | 0.9% |
| | | | | | |
| Miscellaneous Revenue | | | | | |
| Investment Interest | \$92,246 | \$79,382 | \$80,801 | \$74,000 | -8.4% |
| Miscellaneous Revenues - Storm | \$3,710 | \$0 | \$0 | \$0 | 0% |
| Investment Interest | \$205,873 | \$200,000 | \$172,594 | \$213,000 | 23.4% |
| Misc Revenue | \$63 | \$0 | \$0 | \$0 | 0% |
| Total Miscellaneous Revenue: | \$301,892 | \$279,382 | \$253,395 | \$287,000 | 13.3% |
| | | | | | |
| Other Fund Resources | | | | | |
| SW-Retainage | \$17,482 | \$0 | \$5,000 | \$5,000 | 0% |
| Retainage | \$0 | \$10,000 | \$10,000 | \$10,000 | 0% |
| Total Other Fund Resources: | \$17,482 | \$10,000 | \$15,000 | \$15,000 | 0% |
| | | | | | |
| Other Financing Sources | | | | | |
| Interfund Transfer In | \$96,497 | \$25,000 | \$100,000 | \$70,000 | -30% |
| SWM - Insurance Recovery | \$2,139 | \$0 | \$0 | \$0 | 0% |
| Transfer In | \$1,200,000 | \$1,200,000 | \$1,700,000 | \$750,000 | -55.9% |
| 2025 PWTF Loan Proceeds | | | \$911,000 | \$0 | -100% |
| Interfund Transfer In | \$167,081 | \$167,082 | \$100,177 | \$290,177 | 189.7% |
| Total Other Financing Sources: | \$1,465,717 | \$1,392,082 | \$2,811,177 | \$1,110,177 | -60.5% |
| Total Revenue Source: | \$6,987,055 | \$7,375,120 | \$9,973,329 | \$7,658,826 | -23.2% |

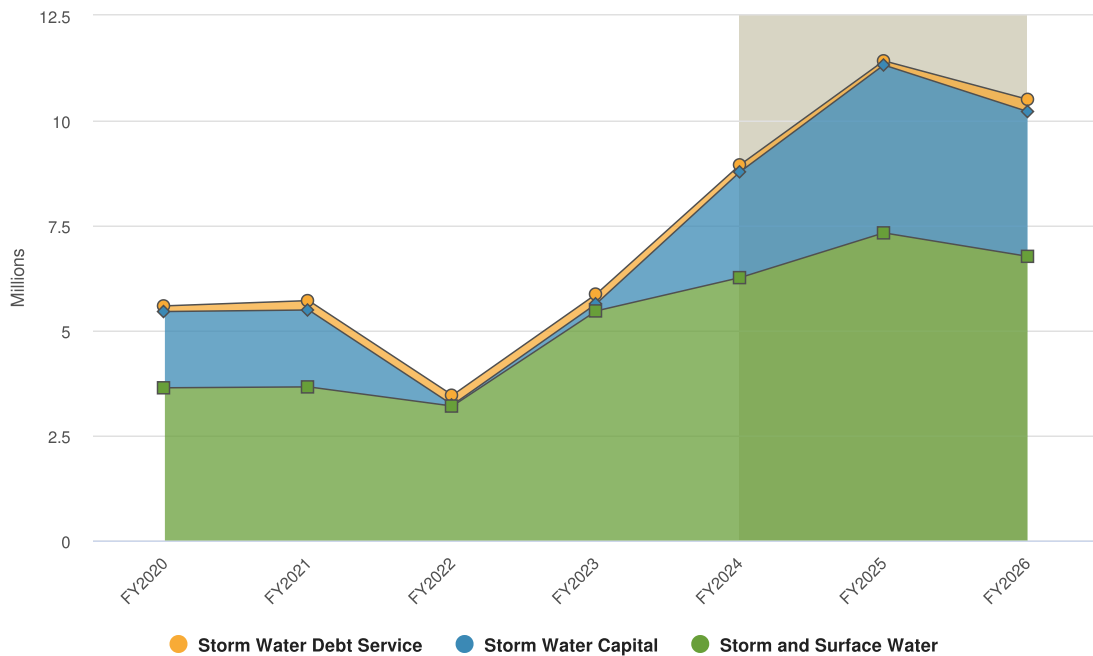


Expenditures by Fund

2026 Expenditures by Fund



Budgeted and Historical 2026 Expenditures by Fund



Grey background indicates budgeted figures.

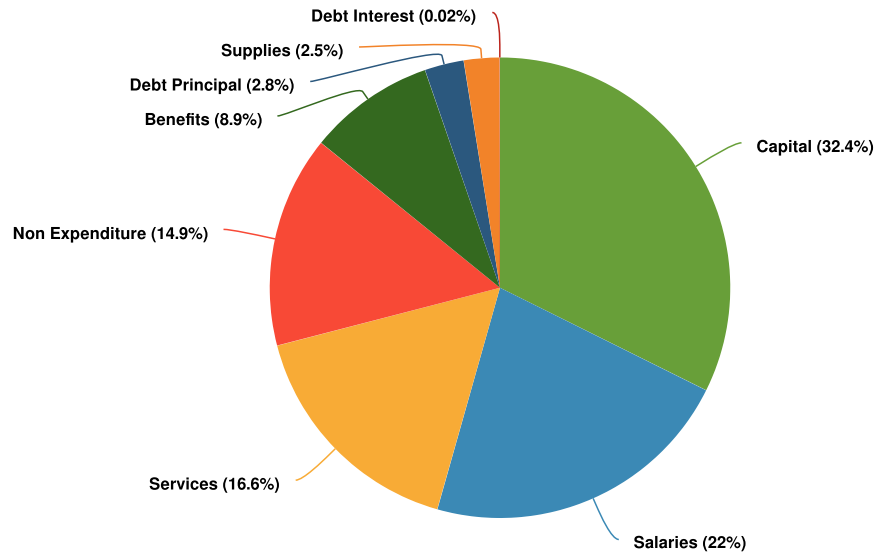
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|-------------------------|---------------|-----------------|-----------------|-----------------|--|
| Storm and Surface Water | \$5,566,664 | \$6,259,165 | \$7,324,827 | \$6,765,744 | -7.6% |



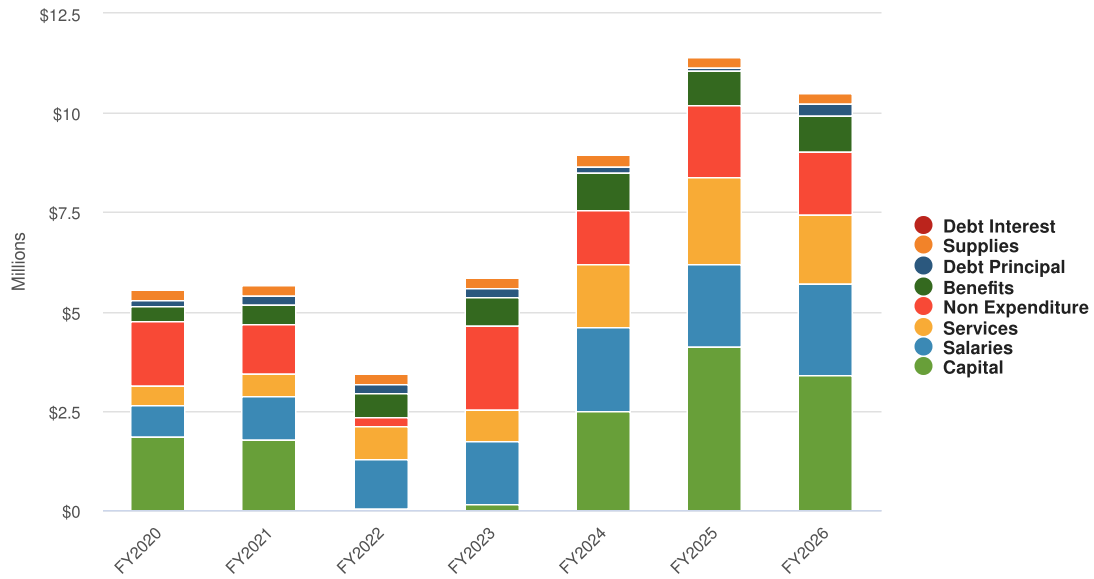
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|--------------------------|--------------------|--------------------|---------------------|---------------------|--|
| Storm Water Capital | \$656,909 | \$2,518,375 | \$3,996,782 | \$3,448,200 | -13.7% |
| Storm Water Debt Service | \$167,079 | \$167,082 | \$100,177 | \$290,177 | 189.7% |
| Total: | \$6,390,652 | \$8,944,622 | \$11,421,786 | \$10,504,121 | -8% |

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|-------------------------------|--------------------|--------------------|---------------------|---------------------|--|
| Expense Objects | | | | | |
| Non Expenditure | \$1,368,694 | \$1,378,682 | \$1,822,177 | \$1,562,177 | -14.3% |
| Salaries | \$1,940,047 | \$2,112,630 | \$2,043,049 | \$2,315,567 | 13.3% |
| Benefits | \$782,415 | \$911,436 | \$851,479 | \$932,966 | 9.6% |
| Supplies | \$250,147 | \$295,316 | \$261,412 | \$262,500 | 0.4% |
| Services | \$1,218,578 | \$1,583,501 | \$2,207,510 | \$1,740,534 | -21.2% |
| Capital | \$663,692 | \$2,493,975 | \$4,133,982 | \$3,398,200 | -17.8% |
| Debt Principal | \$159,078 | \$161,079 | \$99,733 | \$289,733 | 190.5% |
| Debt Interest | \$8,001 | \$8,003 | \$2,444 | \$2,444 | 0% |
| Total Expense Objects: | \$6,390,652 | \$8,944,622 | \$11,421,786 | \$10,504,121 | -8% |



Internal Service Funds

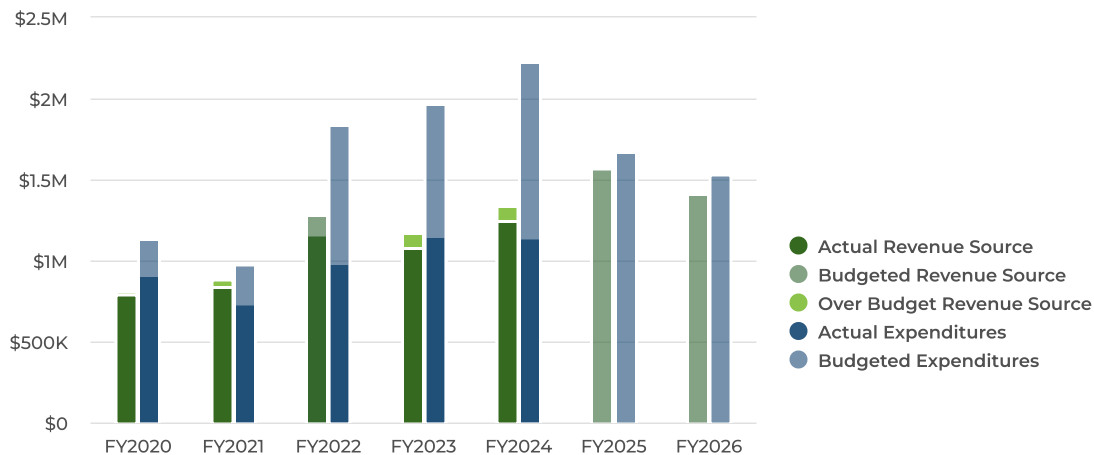
These funds account for operations that provide goods or services to other departments or funds of the government on a cost reimbursement basis.

Summary

The City of Lake Stevens is projecting \$1.42M of revenue in FY2026, which represents a 10.2% decrease over the prior year. Budgeted expenditures are projected to decrease by 8.1% or \$135.55K to \$1.54M in FY2026.

There are 5 separate internal service funds that receive contributions from a combination of funds, including the General Fund, Street Fund, and Stormwater Fund based on usage and function.

- Unemployment – The fund supports the City's unemployment claims against it. An allocation policy determines when and how the fund is replenished.
- Equipment Fund – Computers – This fund is used to purchase the computers and software for the City.
- Equipment Fund – CD Vehicles – This fund is used to purchase or lease vehicles for the Community Development Department.
- Equipment Fund – Police – This fund is to purchase boats, tasers, firearms and vehicle equipment as well as lease vehicles for the City's Police Department.
- Equipment Fund – Public Works – This fund is to purchase equipment and lease vehicles for the Public Works Department.



Internal Service Funds Comprehensive Summary

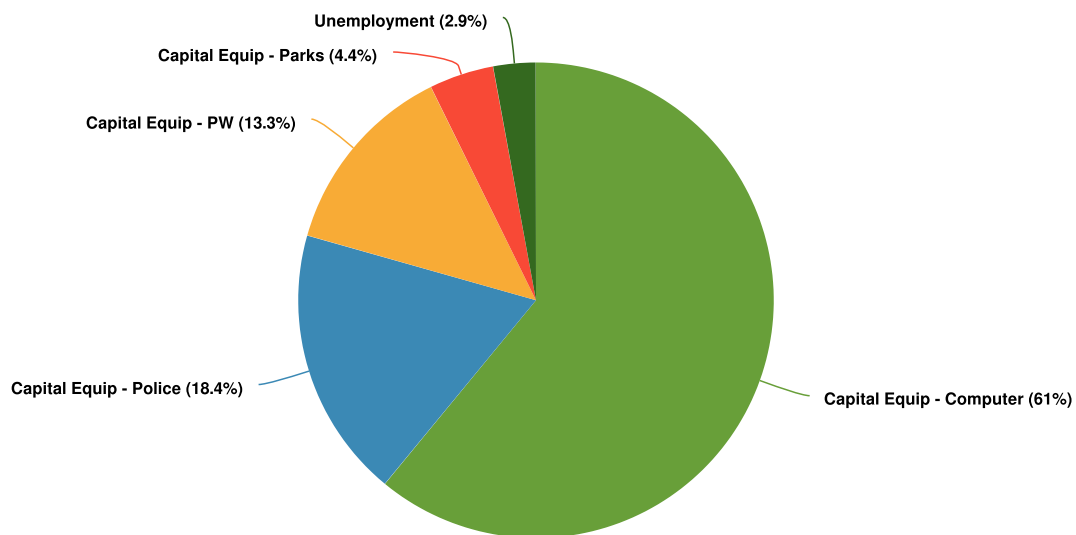
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|--------------------------------|--------------------|--------------------|--------------------|--------------------|
| Beginning Fund Balance: | \$1,943,405 | \$1,943,405 | \$2,135,048 | \$1,892,791 |
| Revenues | | | | |
| Charges for Services | \$1,142,458 | \$1,153,779 | \$1,416,111 | \$1,385,500 |
| Miscellaneous Revenue | \$106,479 | \$78,000 | \$76,313 | \$29,650 |
| Other Financing Sources | \$92,809 | \$16,325 | \$84,000 | \$0 |
| Total Revenues: | \$1,341,746 | \$1,248,104 | \$1,576,424 | \$1,415,150 |
| Expenditures | | | | |
| Non Expenditure | \$0 | \$0 | \$84,000 | \$0 |



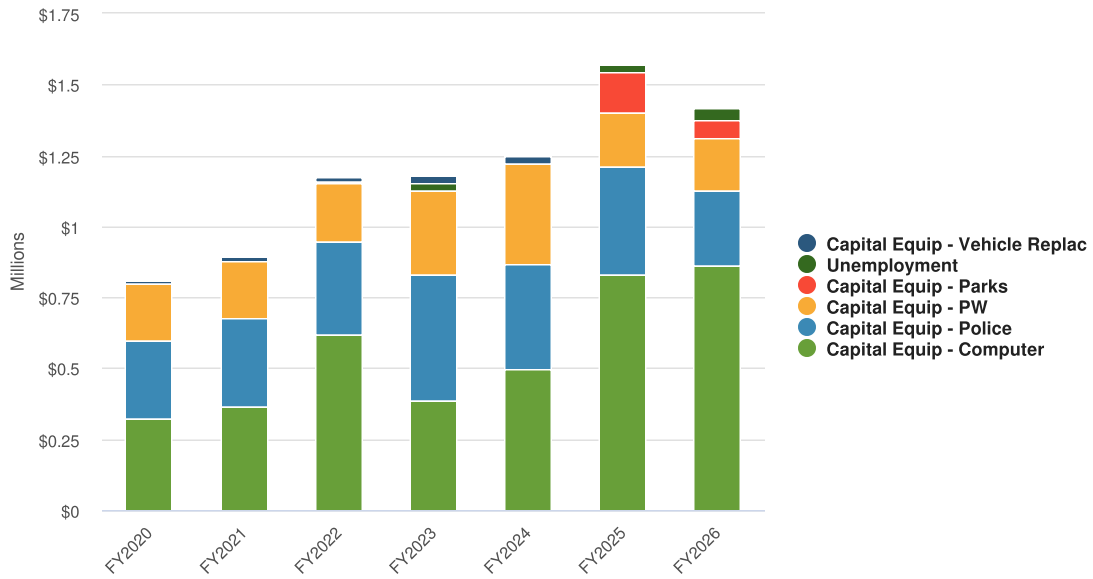
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|--|--------------------|--------------------|--------------------|--------------------|
| Supplies | \$74,863 | \$75,000 | \$90,295 | \$0 |
| Services | \$486,714 | \$471,372 | \$635,242 | \$857,737 |
| Capital | \$395,461 | \$1,224,771 | \$576,461 | \$324,800 |
| Debt Principal | \$193,050 | \$455,720 | \$286,870 | \$384,781 |
| Total Expenditures: | \$1,150,088 | \$2,226,863 | \$1,672,868 | \$1,567,318 |
| Total Revenues Less Expenditures: | \$191,658 | -\$978,759 | -\$96,444 | -\$152,168 |
| Ending Fund Balance: | \$2,135,063 | \$964,646 | \$2,038,604 | \$1,740,623 |

Revenue by Fund

2026 Revenue by Fund



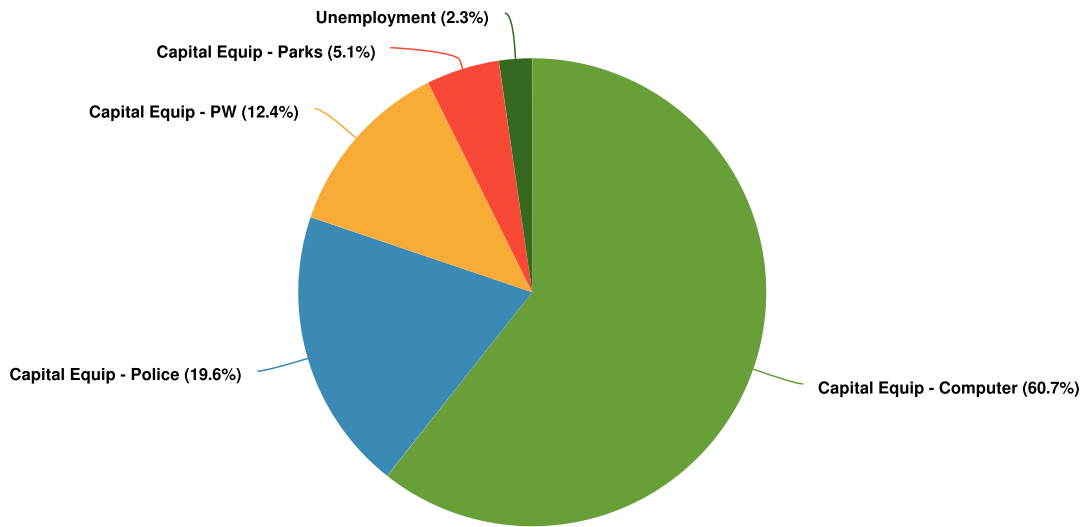
Budgeted and Historical 2026 Revenue by Fund



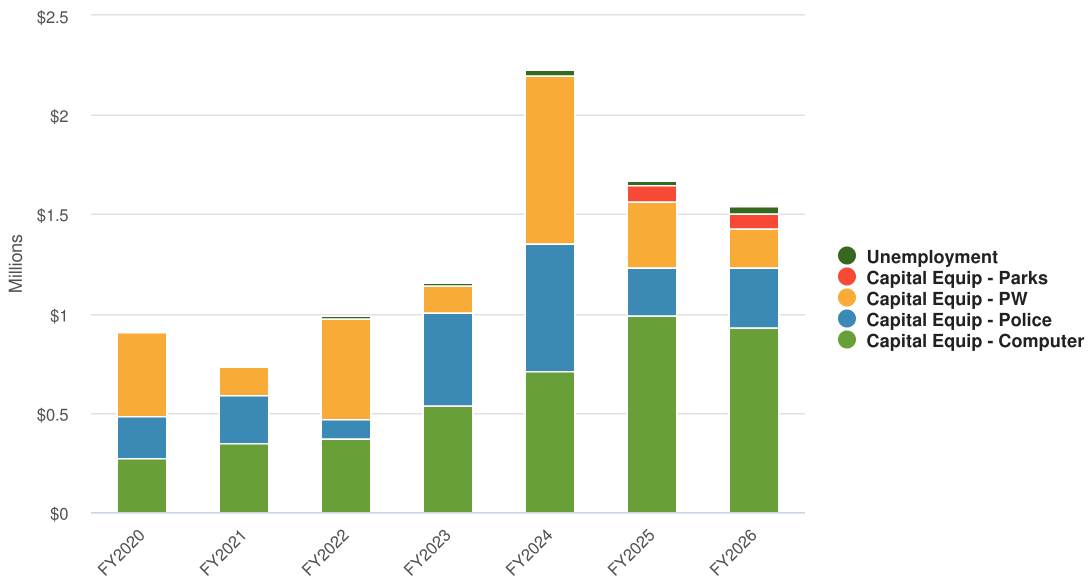
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|--------------------------------|--------------------|--------------------|--------------------|--------------------|--|
| Unemployment | \$1,405 | \$1,000 | \$31,000 | \$40,950 | 32.1% |
| Capital Equip - Computer | \$485,832 | \$498,279 | \$832,563 | \$862,700 | 3.6% |
| Capital Equip - Vehicle Replac | \$25,248 | \$24,500 | \$4,068 | \$0 | -100% |
| Capital Equip - Police | \$419,012 | \$370,000 | \$379,534 | \$261,000 | -31.2% |
| Capital Equip - Parks | \$0 | \$0 | \$139,000 | \$62,000 | -55.4% |
| Capital Equip - PW | \$410,249 | \$354,325 | \$190,259 | \$188,500 | -0.9% |
| Total: | \$1,341,746 | \$1,248,104 | \$1,576,424 | \$1,415,150 | -10.2% |

Expenditures by Fund

2026 Expenditures by Fund



Budgeted and Historical 2026 Expenditures by Fund



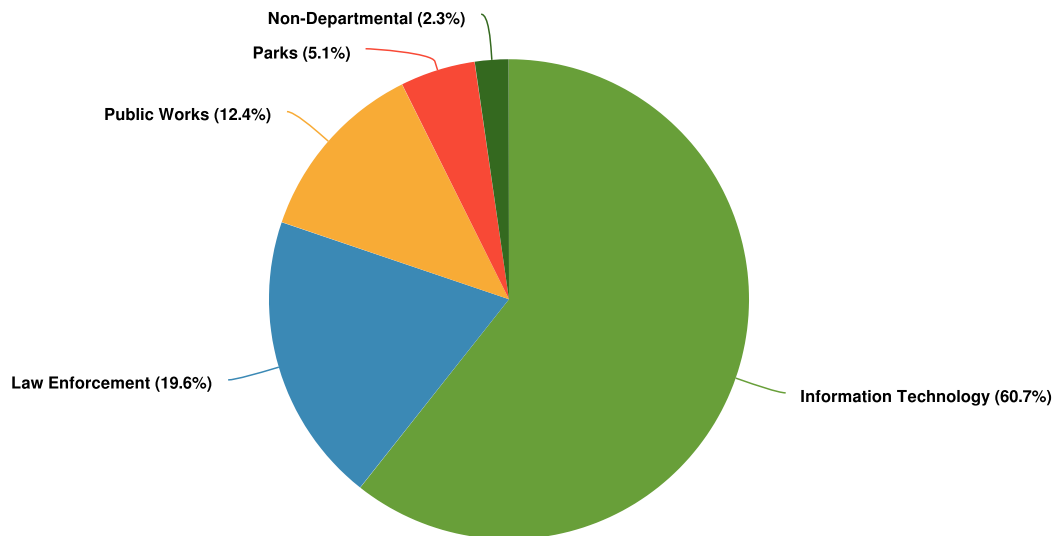
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|--------------------------|---------------|-----------------|-----------------|-----------------|--|
| Unemployment | \$14,229 | \$30,000 | \$30,000 | \$35,000 | 16.7% |
| Capital Equip - Computer | \$567,575 | \$711,101 | \$987,846 | \$962,441 | -5.6% |
| Capital Equip - Police | \$159,570 | \$643,717 | \$242,782 | \$300,700 | 23.9% |
| Capital Equip - Parks | \$0 | \$0 | \$80,240 | \$77,835 | -3% |



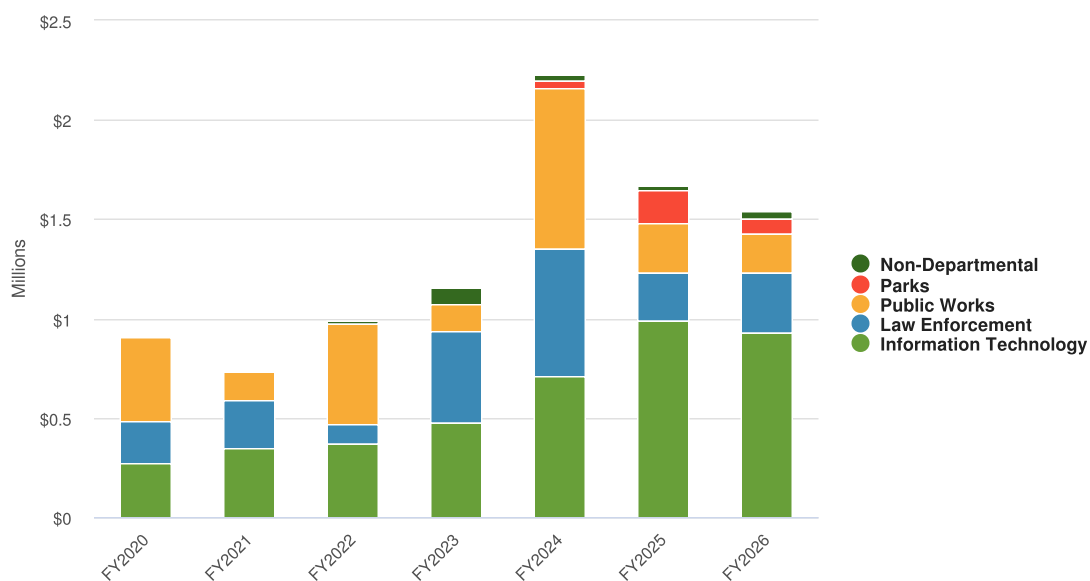
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|--------------------|--------------------|--------------------|--------------------|--------------------|--|
| Capital Equip - PW | \$408,714 | \$842,045 | \$332,000 | \$191,342 | -42.4% |
| Total: | \$1,150,088 | \$2,226,863 | \$1,672,868 | \$1,567,318 | -8.1% |

Expenditures by Function

Budgeted Expenditures by Function



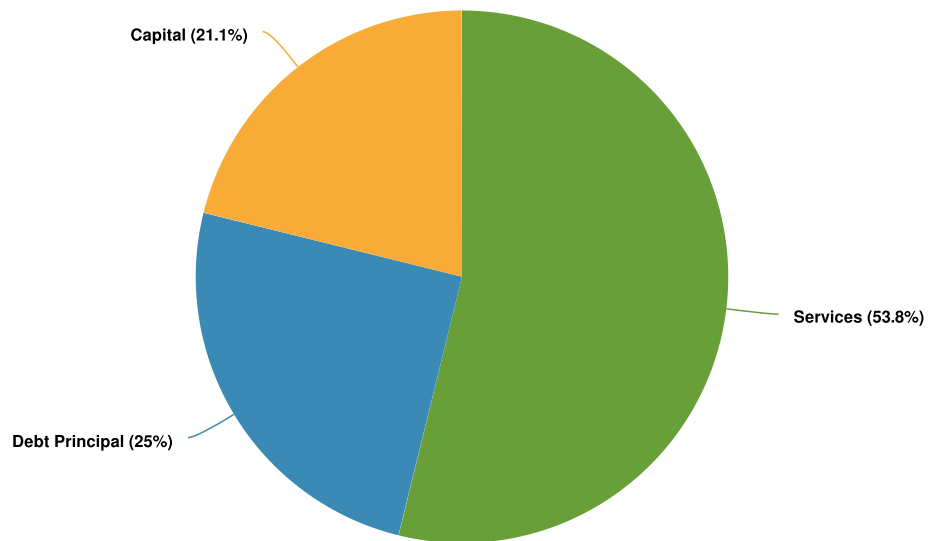
Budgeted and Historical Expenditures by Function



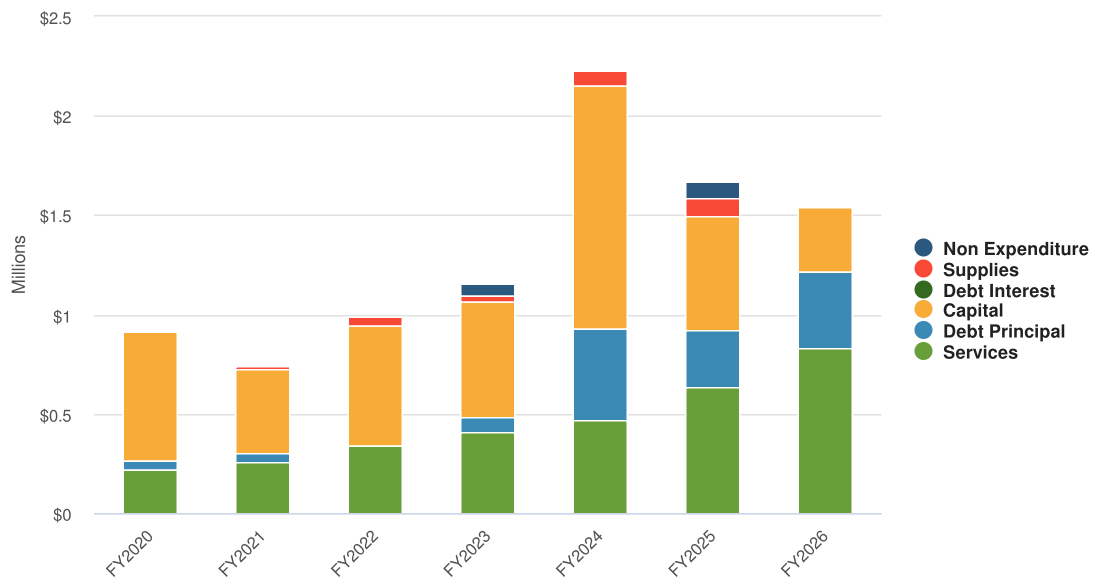
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | FY2025 Budgeted vs. FY2026 Budgeted (% Change) |
|----------------------------|--------------------|--------------------|--------------------|--------------------|--|
| Expenditures | | | | | |
| Non-Departmental | \$14,229 | \$30,000 | \$30,000 | \$35,000 | 16.7% |
| Information Technology | \$567,575 | \$711,101 | \$987,846 | \$962,441 | -5.6% |
| Law Enforcement | \$159,570 | \$643,717 | \$242,782 | \$300,700 | 23.9% |
| Parks | \$494 | \$37,500 | \$164,240 | \$77,835 | -52.6% |
| Public Works | \$408,220 | \$804,545 | \$248,000 | \$191,342 | -22.8% |
| Total Expenditures: | \$1,150,088 | \$2,226,863 | \$1,672,868 | \$1,567,318 | -8.1% |

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



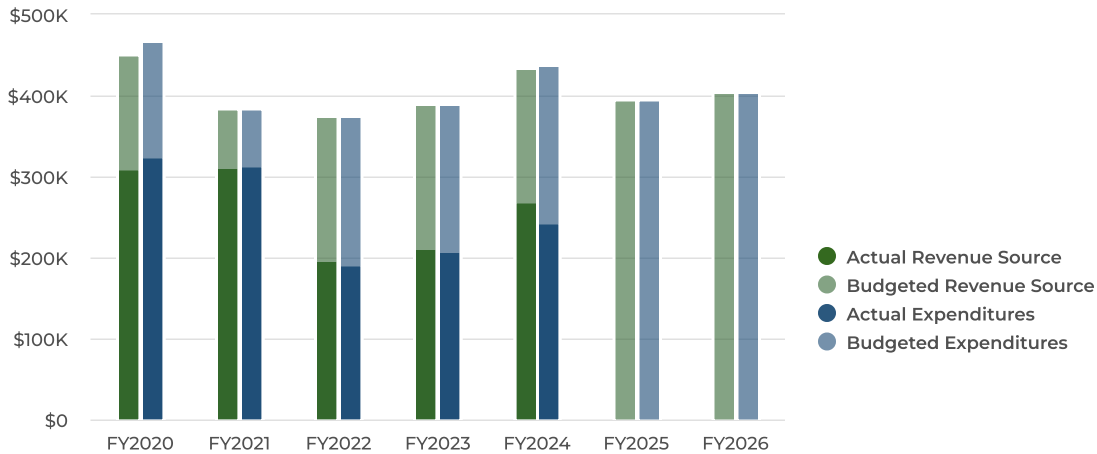


Treasurer Trust Fund

Custodial funds are used to account assets that the government holds on behalf of others in a custodial capacity. This fund is used to hold funds to be remitted to other government agencies which include state court remittances, seizure and forfeit state remittances, leasehold excise taxes, fire district fees and building permit remittances, gun permits, sales tax remittances, and shared grant resources.

Summary

The City of Lake Stevens is projecting \$405.1K of revenue in FY2026, which represents a 2.3% increase over the prior year. Budgeted expenditures are projected to increase by 2.3% or \$9.2K to \$406.16K in FY2026.



Treasurer Trust Fund Comprehensive Summary

| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|--------------------------------|------------------|------------------|------------------|------------------|
| Beginning Fund Balance: | \$3,121 | \$3,121 | \$28,504 | \$34,642 |
| Revenues | | | | |
| District Court - State Portion | \$138,264 | \$300,000 | \$300,000 | \$300,000 |
| District Court - Crime Victims | \$1,973 | \$4,100 | \$4,100 | \$4,100 |
| Gun Permit Fees - DOL | \$8,816 | \$12,000 | \$12,000 | \$12,000 |
| St. Bldg Permit Fee Non-Rev | \$2,614 | \$9,000 | \$9,000 | \$9,000 |
| Leasehold Excise Tax Receipts | \$52,626 | \$54,000 | \$14,000 | \$14,000 |
| Seizure & Forfeit - State REV | \$0 | \$7,000 | \$7,000 | \$7,000 |
| Fire District Fees | \$50,902 | \$35,000 | \$35,000 | \$35,000 |
| Gun Permit Fees - WSP | \$3,160 | \$4,000 | \$4,000 | \$4,000 |
| Sales Tax owed to DOR | \$1,078 | \$0 | \$0 | \$0 |
| OPD Grant - Arlington Portion | \$10,800 | \$10,800 | \$10,800 | \$20,000 |
| Total Revenues: | \$270,233 | \$435,900 | \$395,900 | \$405,100 |
| Expenditures | | | | |

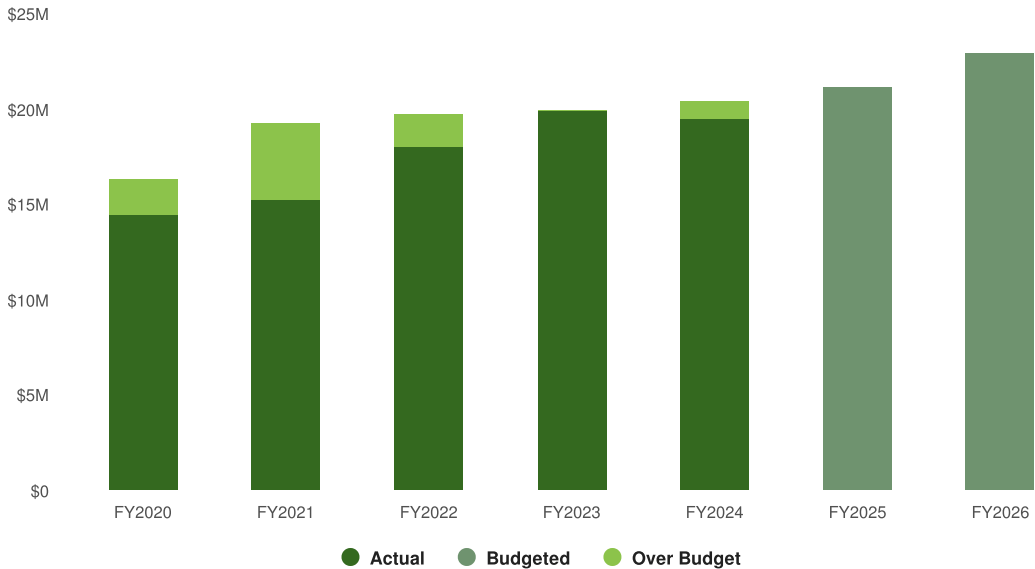
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|--|------------------|------------------|------------------|------------------|
| Non-Departmental | | | | |
| State Court Remit | \$138,264 | \$300,000 | \$300,000 | \$300,000 |
| Crime Victims Comp - SnoCo | \$1,973 | \$4,100 | \$4,100 | \$4,100 |
| Seizure & Forfeit State REMIT | \$3,086 | \$10,087 | \$7,000 | \$7,000 |
| Leasehold Excise Tax Remit | \$38,272 | \$54,000 | \$14,000 | \$14,000 |
| Fire District Fee Remit | \$37,560 | \$35,000 | \$35,000 | \$35,000 |
| State Building Permit Remit | \$2,614 | \$9,000 | \$9,000 | \$9,000 |
| Gun Permit - State DOL | \$7,923 | \$12,000 | \$12,000 | \$12,000 |
| Gun Permit - WSP Remittance | \$3,255 | \$4,000 | \$4,000 | \$4,000 |
| DOR - Sales Tax Remittance | \$1,078 | \$0 | \$1,061 | \$1,061 |
| OPD Grant Exp - Arlington | \$10,824 | \$10,825 | \$10,800 | \$20,000 |
| Total Non-Departmental: | \$244,849 | \$439,012 | \$396,961 | \$406,161 |
| Total Expenditures: | \$244,849 | \$439,012 | \$396,961 | \$406,161 |
| Total Revenues Less Expenditures: | \$25,384 | -\$3,112 | -\$1,061 | -\$1,061 |
| Ending Fund Balance: | \$28,505 | \$9 | \$27,443 | \$33,581 |

FUNDING SOURCES

Taxes Summary

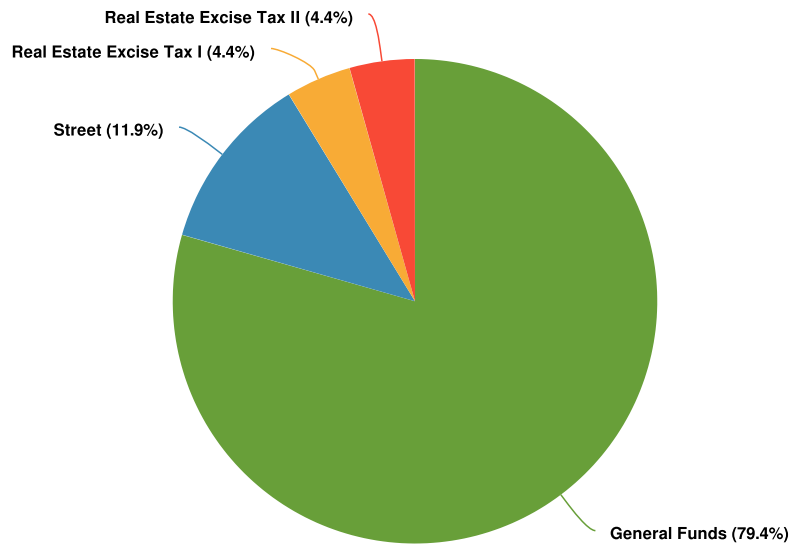
\$22,959,704 **\$1,790,235**
(8.46% vs. prior year)

Taxes Proposed and Historical Budget vs. Actual

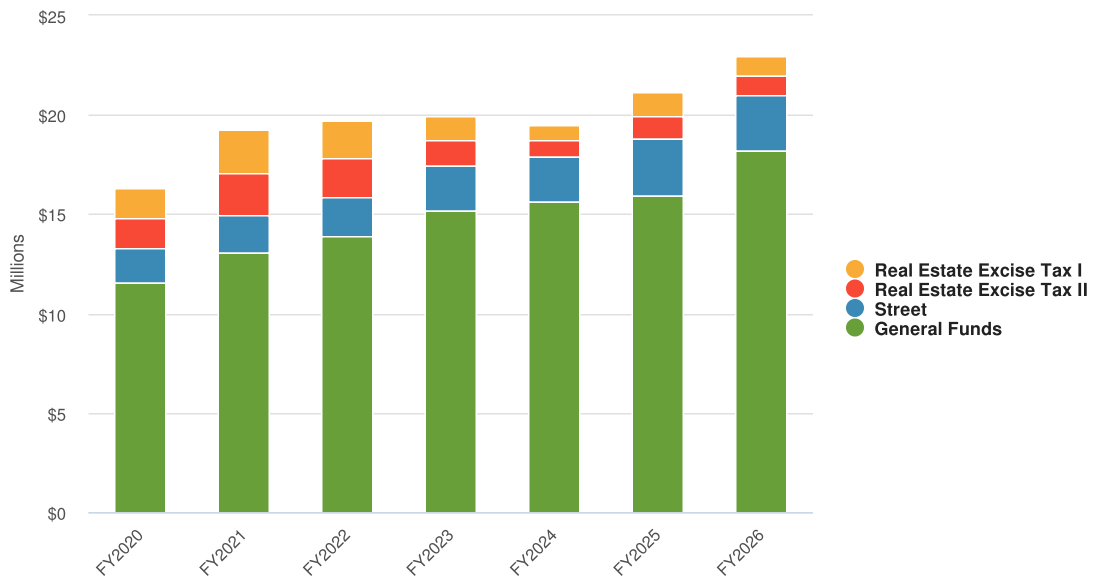


Revenue by Fund

2026 Revenue by Fund



Budgeted and Historical 2026 Revenue by Fund



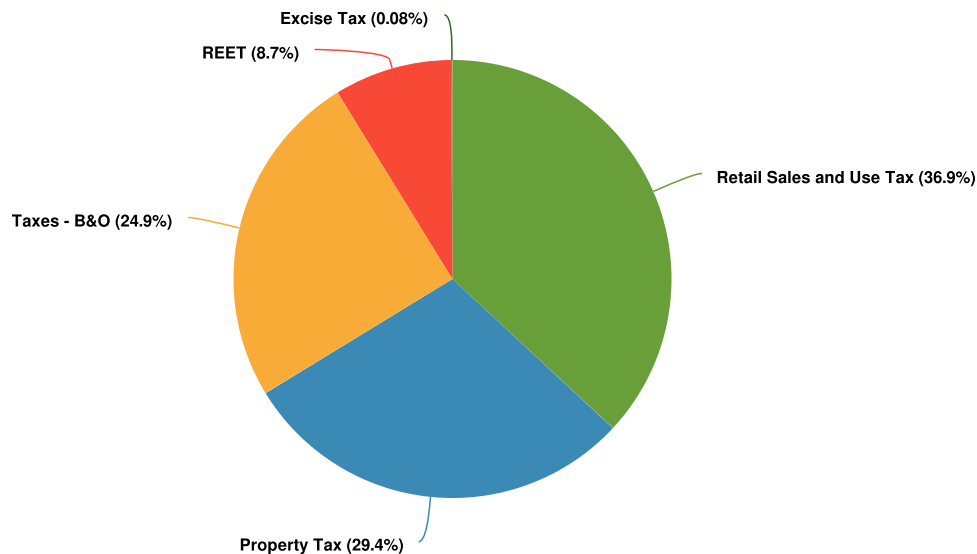
| Name | FY2023 Actual | FY2023 Budgeted | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|--------------------------|---------------|-----------------|---------------|-----------------|-----------------|-----------------|
| General Funds | | | | | | |
| General | | | | | | |
| Property Tax | \$4,498,105 | \$4,513,600 | \$4,597,485 | \$4,644,062 | \$4,752,900 | \$5,798,000 |
| Retail Sales and Use Tax | \$7,894,380 | \$7,735,510 | \$7,932,040 | \$8,086,581 | \$8,201,022 | \$8,475,360 |



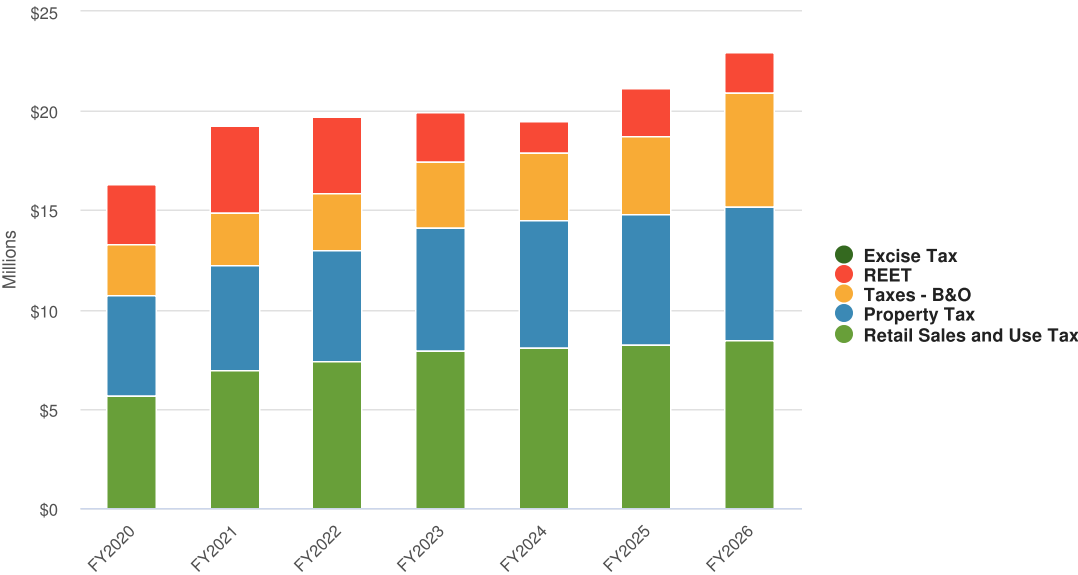
| Name | FY2023 Actual | FY2023 Budgeted | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Taxes - B&O | \$2,816,501 | \$2,465,043 | \$2,907,229 | \$2,869,676 | \$2,952,821 | \$3,946,489 |
| Excise Tax | \$9,556 | \$9,000 | \$17,456 | \$11,886 | \$14,790 | \$19,000 |
| Total General: | \$15,218,542 | \$14,723,153 | \$15,454,210 | \$15,612,205 | \$15,921,533 | \$18,238,849 |
| Total General Funds: | \$15,218,542 | \$14,723,153 | \$15,454,210 | \$15,612,205 | \$15,921,533 | \$18,238,849 |
| Street | | | | | | |
| Property Tax | \$1,749,263 | \$1,755,289 | \$1,787,910 | \$1,806,024 | \$1,848,350 | \$944,000 |
| Taxes - B&O | \$494,339 | \$438,801 | \$551,200 | \$477,686 | \$999,586 | \$1,776,855 |
| Total Street: | \$2,243,602 | \$2,194,090 | \$2,339,110 | \$2,283,710 | \$2,847,936 | \$2,720,855 |
| Real Estate Excise Tax I | | | | | | |
| REET | \$1,238,184 | \$1,500,000 | \$1,335,604 | \$800,000 | \$1,200,000 | \$1,000,000 |
| Total Real Estate Excise Tax I: | \$1,238,184 | \$1,500,000 | \$1,335,604 | \$800,000 | \$1,200,000 | \$1,000,000 |
| Real Estate Excise Tax II | | | | | | |
| REET | \$1,232,212 | \$1,500,000 | \$1,328,614 | \$800,000 | \$1,200,000 | \$1,000,000 |
| Total Real Estate Excise Tax II: | \$1,232,212 | \$1,500,000 | \$1,328,614 | \$800,000 | \$1,200,000 | \$1,000,000 |
| Total: | \$19,932,540 | \$19,917,243 | \$20,457,538 | \$19,495,915 | \$21,169,469 | \$22,959,704 |

Revenues by Source

Projected 2026 Revenues by Source



Budgeted and Historical 2026 Revenues by Source

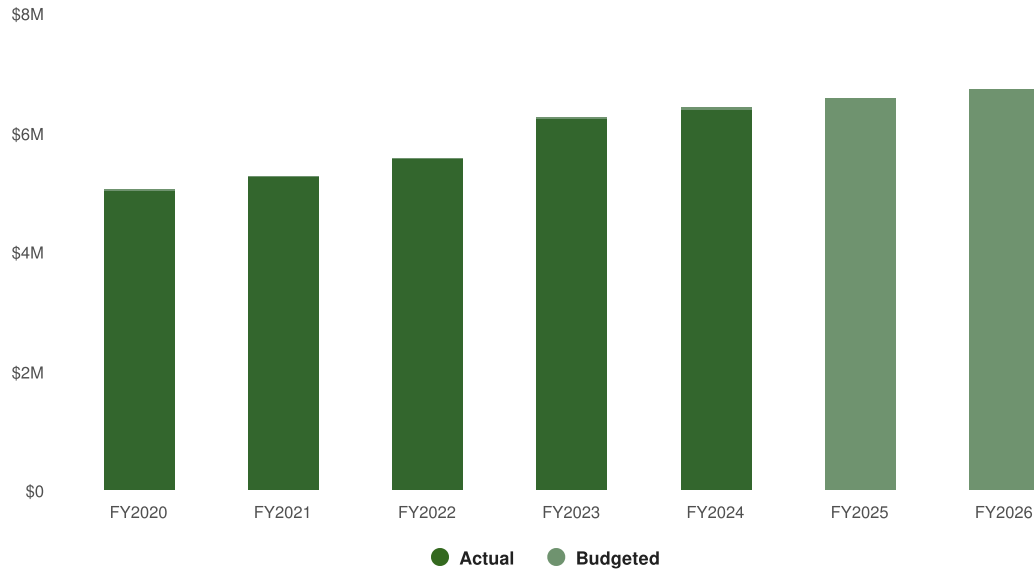


| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|--------------------------|---------------|-----------------|-----------------|-----------------|
| Revenue Source | | | | |
| Taxes | | | | |
| Property Tax | \$6,385,395 | \$6,450,086 | \$6,601,250 | \$6,742,000 |
| Retail Sales and Use Tax | \$7,932,040 | \$8,086,581 | \$8,201,022 | \$8,475,360 |
| Taxes - B&O | \$3,458,429 | \$3,347,362 | \$3,952,407 | \$5,723,344 |
| Excise Tax | \$17,456 | \$11,886 | \$14,790 | \$19,000 |
| REET | \$2,664,218 | \$1,600,000 | \$2,400,000 | \$2,000,000 |
| Total Taxes: | \$20,457,538 | \$19,495,915 | \$21,169,469 | \$22,959,704 |
| Total Revenue Source: | \$20,457,538 | \$19,495,915 | \$21,169,469 | \$22,959,704 |

Property Taxes Summary

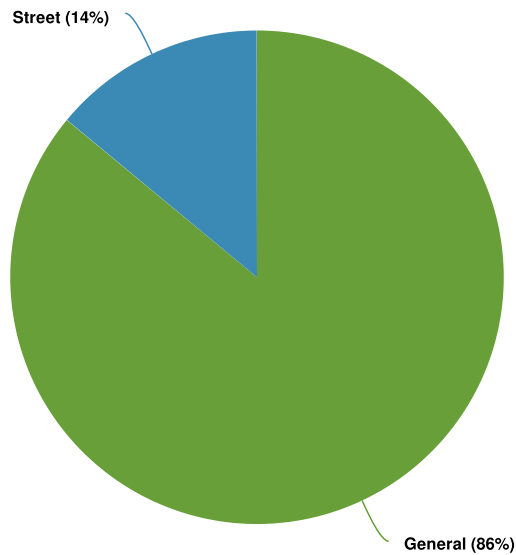
\$6,742,000 **\$140,750**
(2.13% vs. prior year)

Property Taxes Proposed and Historical Budget vs. Actual



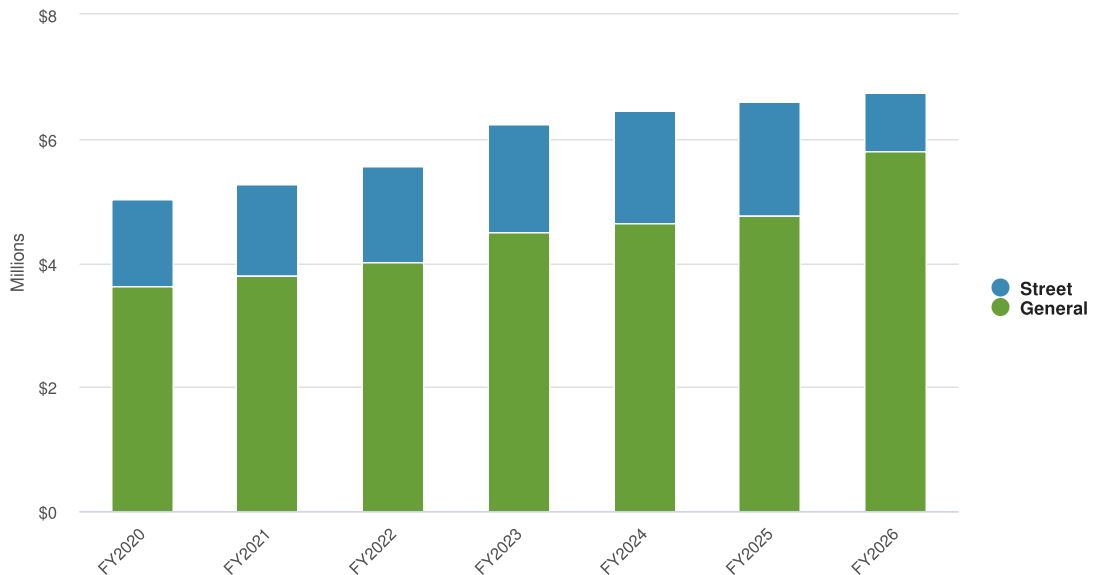
Revenue by Fund

2026 Revenue by Fund



In 2026, the allocation of property tax to the Street Fund was reduced from 28% to 14% based on a redistribution of expenses from Streets to the General Fund. The redistribution was caused by the creation of a Parks & Recreation department, and a Facilities Division separate from the Streets Division.

Budgeted and Historical 2026 Revenue by Fund

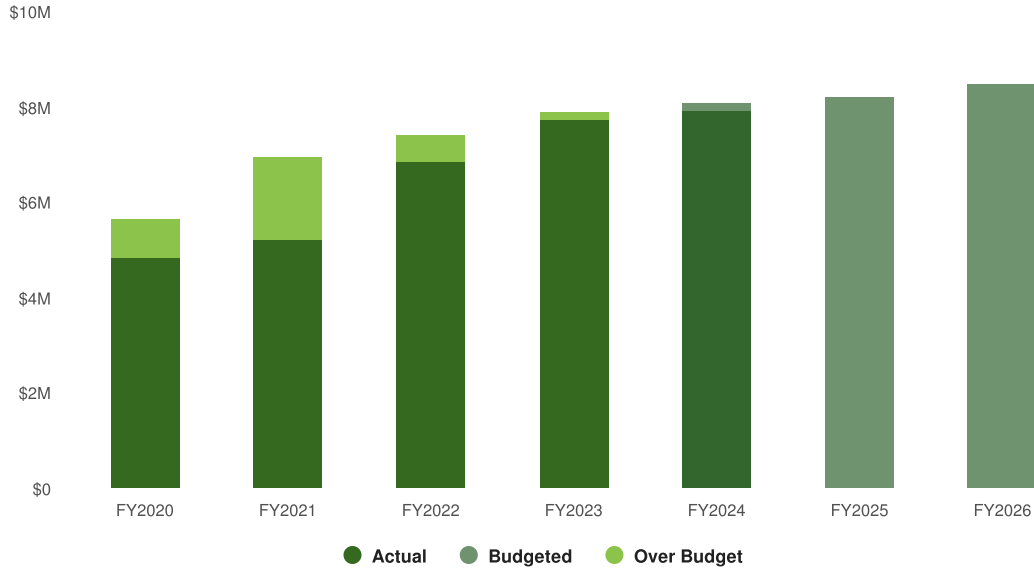


| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|---------------|--------------------|--------------------|--------------------|--------------------|
| General | \$4,597,485 | \$4,644,062 | \$4,752,900 | \$5,798,000 |
| Street | \$1,787,910 | \$1,806,024 | \$1,848,350 | \$944,000 |
| Total: | \$6,385,395 | \$6,450,086 | \$6,601,250 | \$6,742,000 |

Sales Tax Summary

\$8,475,360 **\$274,338**
(3.35% vs. prior year)

Sales Tax Proposed and Historical Budget vs. Actual



Revenues by Source

| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|--|--------------------|--------------------|--------------------|--------------------|
| Revenue Source | | | | |
| Taxes | | | | |
| Retail Sales and Use Tax | | | | |
| Local Retail Sales-Use Tax | \$5,834,263 | \$5,821,310 | \$6,212,586 | \$6,112,000 |
| Construction Sales & Use Tax | \$300,000 | \$300,000 | \$300,000 | \$300,000 |
| Affordable & Sup. Housing | \$35,613 | \$17,435 | \$32,296 | \$36,360 |
| Criminal Justice Sales-Use Tax | \$992,255 | \$1,047,836 | \$1,056,140 | \$1,027,000 |
| Local Construction Sales Tax | \$769,909 | \$900,000 | \$600,000 | \$1,000,000 |
| Total Retail Sales and Use Tax: | \$7,932,040 | \$8,086,581 | \$8,201,022 | \$8,475,360 |
| Total Taxes: | \$7,932,040 | \$8,086,581 | \$8,201,022 | \$8,475,360 |
| Total Revenue Source: | \$7,932,040 | \$8,086,581 | \$8,201,022 | \$8,475,360 |

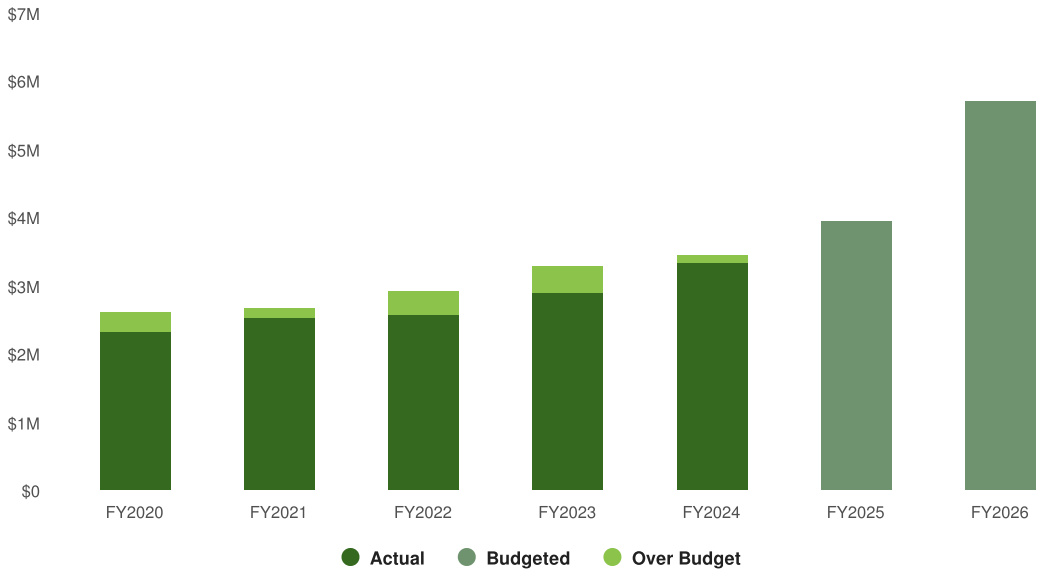
Utility Taxes Summary

Any city or town in Washington may impose a utility business and occupation (B&O) tax – also known as a utility tax – upon the income of public and private utilities providing services within the boundaries of that city. The city/town may also levy taxes on revenues generated by the city’s own utility services provided both inside and outside the city boundaries.

\$5,723,344

\$1,770,937
(44.81% vs. prior year)

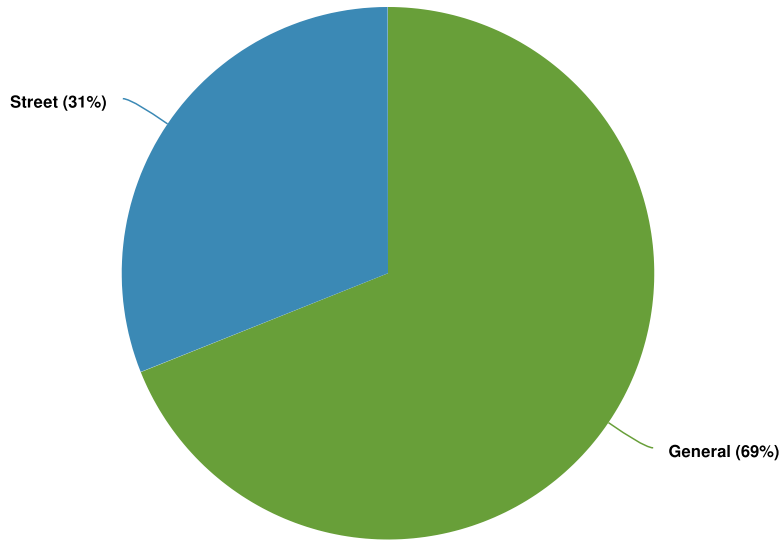
Utility Taxes Proposed and Historical Budget vs. Actual



Revenue by Fund

Utility tax revenues are unrestricted and may be used for any lawful governmental purpose.

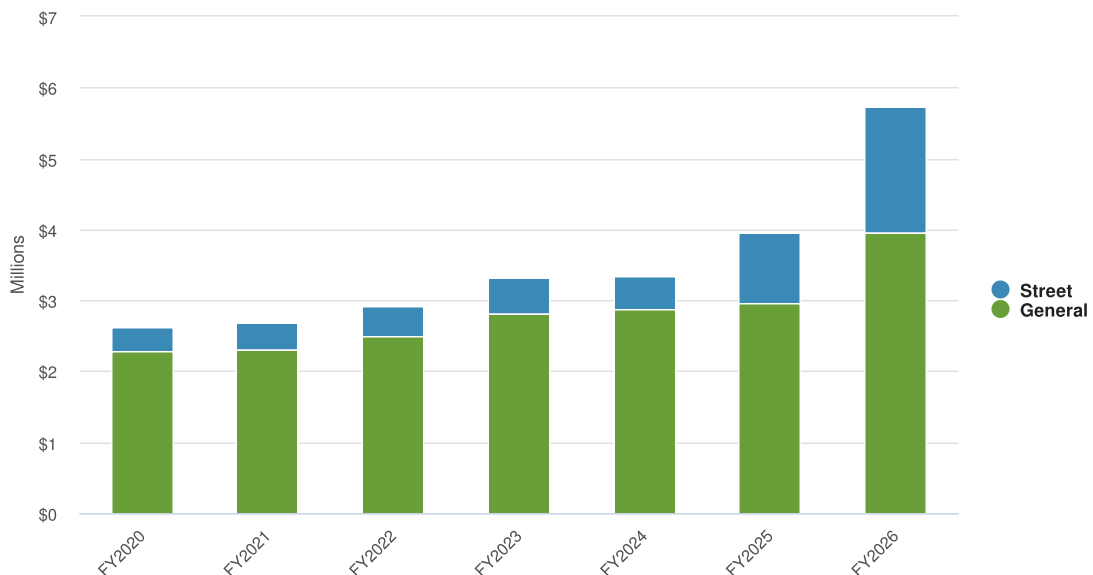
2026 Revenue by Fund



A B&O tax is imposed on the utility providers of Electric, Gas, Phone, Water, and Garbage at a rate of 6%. In 2025, a tax was imposed on the providers of sewer utility in the city at a rate of 3%, with an authorization to increase to 6% on January 1, 2026. The 2026 budget includes a proposal to add a tax on stormwater utility providers.

Revenues received from Electric, Gas, Phone, and Water utilities are used by the General Fund. Garbage and Sewer utility tax receipts are used by the Street Fund.

Budgeted and Historical 2026 Revenue by Fund



| Name | FY2021 Actual | FY2021 Budgeted | FY2024 Actual | FY2024 Budgeted | FY2026 Proposed |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| General | | | | | |
| Taxes - B&O | | | | | |
| Utility Tax - Electric | \$1,118,093 | \$997,000 | \$1,459,535 | \$1,403,780 | \$1,664,170 |
| Utility Tax - Gas | \$486,938 | \$452,000 | \$634,669 | \$721,273 | \$769,219 |
| Utility Tax - Telephone | \$239,271 | \$346,000 | \$247,012 | \$247,215 | \$267,000 |
| Utility Tax - Water | \$447,771 | \$395,000 | \$539,712 | \$473,852 | \$620,000 |
| Utility Tax - SWM | | | | | \$560,000 |
| Gambling Tx - Punch-Pull Tabs | \$22,286 | \$20,000 | \$26,065 | \$23,392 | \$64,000 |
| Gambling Tx - Amuse Games | \$89 | \$125 | \$236 | \$164 | \$2,100 |
| Total Taxes - B&O: | \$2,314,448 | \$2,210,125 | \$2,907,229 | \$2,869,676 | \$3,946,489 |
| Total General: | \$2,314,448 | \$2,210,125 | \$2,907,229 | \$2,869,676 | \$3,946,489 |
| | | | | | |
| Street | | | | | |
| Taxes - B&O | | | | | |
| Utility Tax - Garbage | \$377,591 | \$323,000 | \$551,200 | \$477,686 | \$576,855 |
| Utility Tax - Sewer | | | \$0 | \$0 | \$1,200,000 |
| Total Taxes - B&O: | \$377,591 | \$323,000 | \$551,200 | \$477,686 | \$1,776,855 |
| Total Street: | \$377,591 | \$323,000 | \$551,200 | \$477,686 | \$1,776,855 |
| Total: | \$2,692,039 | \$2,533,125 | \$3,458,429 | \$3,347,362 | \$5,723,344 |

Real Estate Excise Tax Summary

The two main REET options for cities and counties are:

- **REET 1, or the “first quarter percent”** – a 0.25% REET which may be imposed by any city, town, or county primarily for capital projects and limited maintenance;
- **REET 2, or the “second quarter percent”** – an additional 0.25% REET which may be imposed by any city, town, or county fully planning under the Growth Management Act (<https://mrsc.org/Explore-Topics/Planning/gma/Growth-Management-Act>), to be used primarily for capital projects and limited maintenance

Cities and counties that are fully planning under GMA *and* have a population of more than 5,000 must spend their REET 1 revenues on “capital projects” that are listed in the capital facilities plan (CFP) element of their comprehensive plan. RCW 82.46.010 (<https://app.leg.wa.gov/rcw/default.aspx?cite=82.46.010>)(6)(b) defines “capital projects” as:

[T]hose public works projects of a local government for planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets; roads; highways; sidewalks; street and road lighting systems; traffic signals; bridges; domestic water systems; storm and sanitary sewer systems; parks; recreational facilities; law enforcement facilities; fire protection facilities; trails; libraries; administrative facilities, judicial facilities, river flood control projects [...] and technology infrastructure that is integral to the capital project.

REET 2 revenues are restricted and may only be used for financing “capital projects” specified in the capital facilities plan element of the city’s comprehensive land use plan. RCW 82.46.035 (<https://app.leg.wa.gov/rcw/default.aspx?cite=82.46.035>)(5) defines “capital project” as:

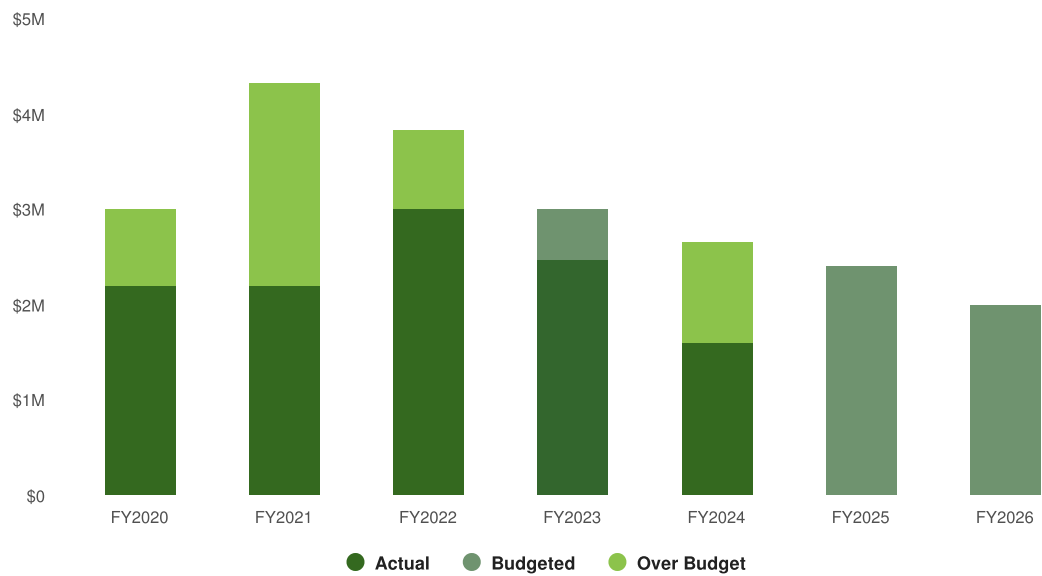
- (a) Planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, bridges, domestic water systems, storm and sanitary sewer systems;
- (b) Planning, construction, reconstruction, repair, rehabilitation, or improvement of parks; and
- (c) Until January 1, 2026, planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of facilities for those experiencing homelessness and affordable housing projects.

New legislation: Effective July 27, 2025:

- HB 1791 (<https://lawfilesexternal.wa.gov/biennium/2025-26/Pdf/Bills/Session%20Laws/House/1791-S.SL.pdf>) provides significant new flexibility regarding the use of REET revenues, including allowing REET 1 revenues to be used for REET 2 purposes and vice versa, removing the distinctions between GMA and non-GMA jurisdictions for REET 1, removing certain reporting requirements, and amending the use of revenues for homelessness and affordable housing.

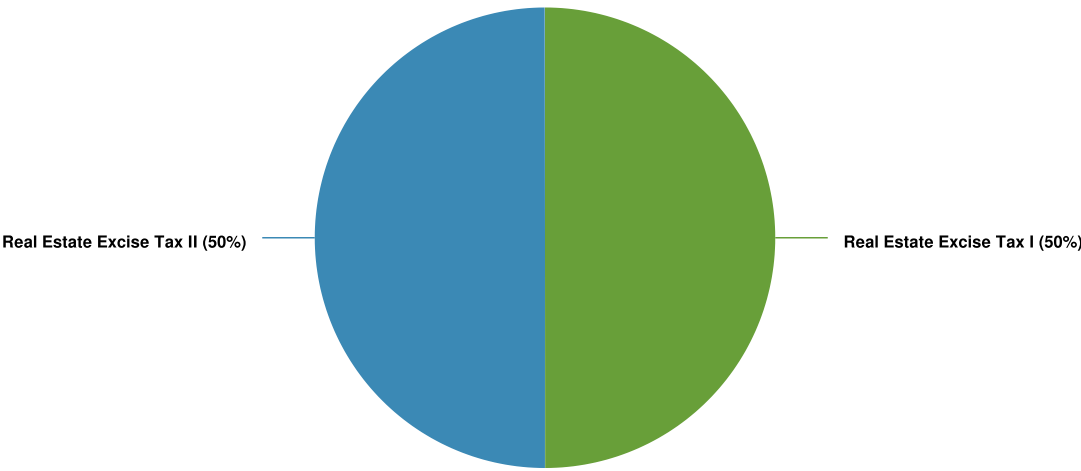
\$2,000,000 **-\$400,000**
(-16.67% vs. prior year)

Real Estate Excise Tax Proposed and Historical Budget vs. Actual

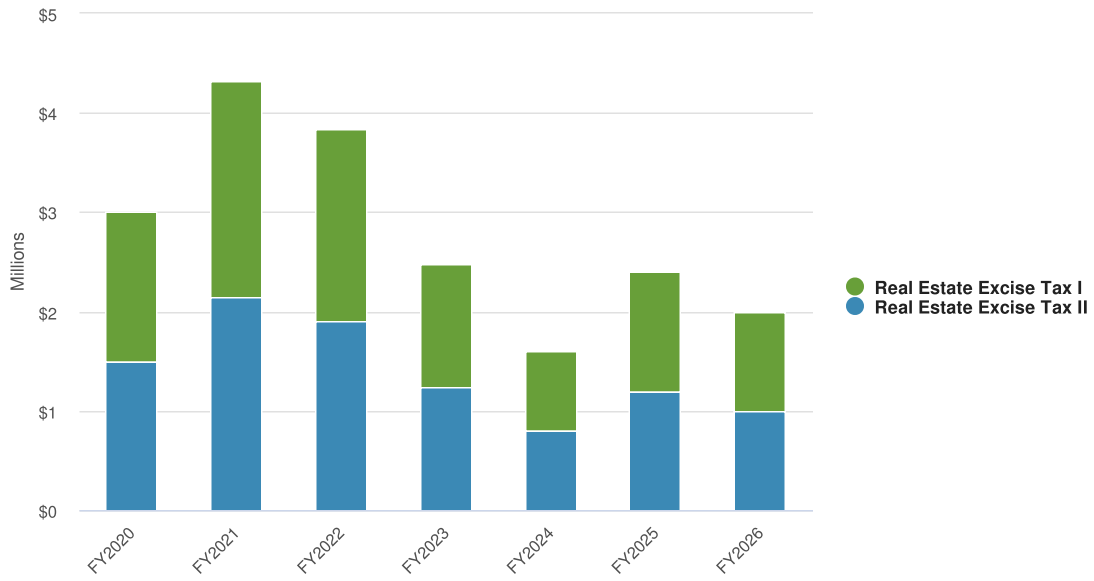


Revenue by Fund

2026 Revenue by Fund



Budgeted and Historical 2026 Revenue by Fund



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|---------------------------|--------------------|--------------------|--------------------|--------------------|
| Real Estate Excise Tax I | \$1,335,604 | \$800,000 | \$1,200,000 | \$1,000,000 |
| Real Estate Excise Tax II | \$1,328,614 | \$800,000 | \$1,200,000 | \$1,000,000 |
| Total: | \$2,664,218 | \$1,600,000 | \$2,400,000 | \$2,000,000 |

State Shared Revenues Summary

The State of Washington distributes a number of “state shared revenues” to cities and towns. Some of these revenues are distributed to all cities and towns on a population (per capita) basis, while others are based on different factors and/or are only distributed to jurisdictions that meet certain criteria.

Criminal Justice Revenues

- Population” revenues are distributed to all cities and towns on a per capita basis, with each city receiving a minimum of \$1,000 per calendar year no matter how small its population.
- Special Programs” revenues are distributed to all cities and towns on a strictly per capita basis to be used for innovative law enforcement strategies, programs to help at-risk children or child abuse victims, and programs to reduce the level of domestic violence or to provide counseling for domestic violence victims. While these funds must be spent in these specific areas, there is no requirement for how much must be spent in each area. The city’s entire distribution could be spent in only one of these areas if the city wishes.

Cannabis (Marijuana) Excise Tax

The state distributes a portion of the cannabis excise taxes to the Liquor and Cannabis Board (LCB) and various state agencies and programs on a quarterly basis. Local governments then receive 5% of the remaining revenues after deductions. The local government revenues are divided as follows: • Retail share: 30% (1.5% of the total distribution after deductions) goes to cities and counties where retailers are physically located. This amount is prorated based on the share of total revenues generated and taxes collected. • Per capita share: 70% (3.5% of the total distribution after deductions) goes to cities and counties that do not prohibit cannabis siting. This amount is distributed on a per capita basis. Cities receive 40% of this revenue while counties receive the remaining 60%.

Liquor Revenues have two separate distributions that are received at different times. There is a state shared distribution from the liquor revolving account for licensing fees (this is referred to by the state and others as “liquor profits”), and there is a distribution from the liquor excise tax account that represents a portion of the excise tax collected on liquor sales. The total distribution from liquor profits is the same each year, while the total distribution for liquor excise taxes varies depending on actual liquor sales.

Transportation Distributions: All cities and towns receive three separate transportation distributions. The first is the motor vehicle fuel tax (MVFT), which is distributed as a percentage of the total fuel taxes collected statewide. The other two, the “increased motor vehicle fuel tax” and “multi-modal” distributions, were created in 2015 and consist of direct transfers from the state transportation fund, so those allocations are not impacted by actual fuel tax collections. MVFT and increased MVFT distributions must be used for highway purposes, while the multi-modal funds may be used for any transportation purpose.

Motor Vehicle Fuel Tax:

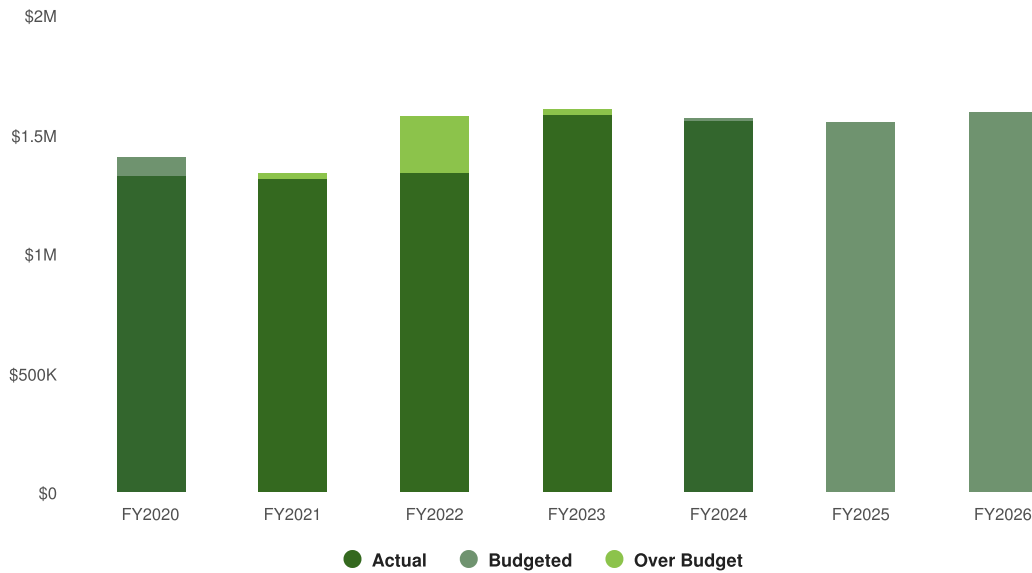
- Cities and towns receive MVFT distributions on a per capita basis.
- Fuel taxes in Washington are assessed as cents per gallon, so motor vehicle fuel tax (MVFT) revenues – and therefore the MVFT distributions to cities and counties – depend on the number of gallons sold, not the dollar value of the sales.

Increased Motor Vehicle Fuel Tax and Multi-Modal Funds

- Cities and towns receive a share of the multi-modal funds and the 2015 increase in fuel tax.
- These revenues are split equally between cities and counties and are not impacted by actual fuel sales. The total distribution amounts remain the same every year unless the legislature were to change them. City distributions are based on population; the per capita ratios will vary slightly each year due to population changes.

\$1,595,605 **\$39,388**
(2.53% vs. prior year)

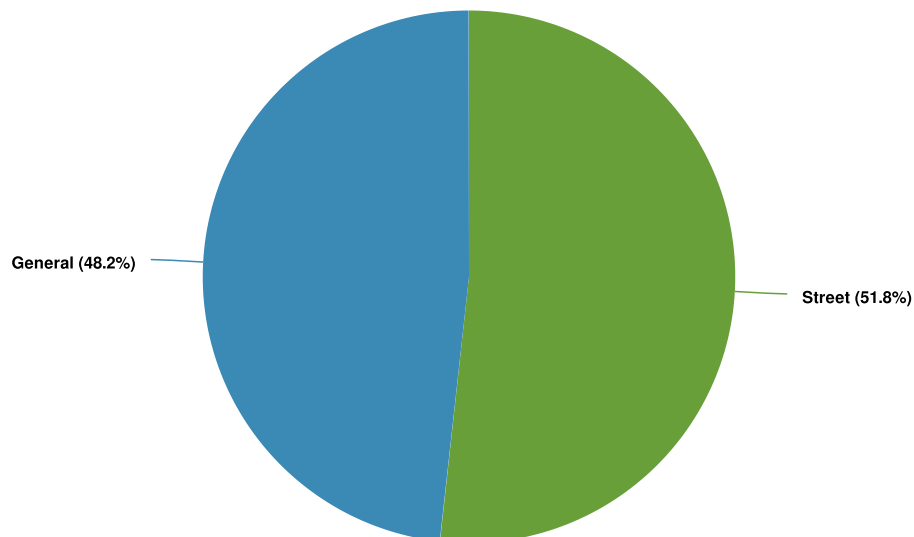
State Shared Revenues Proposed and Historical Budget vs. Actual



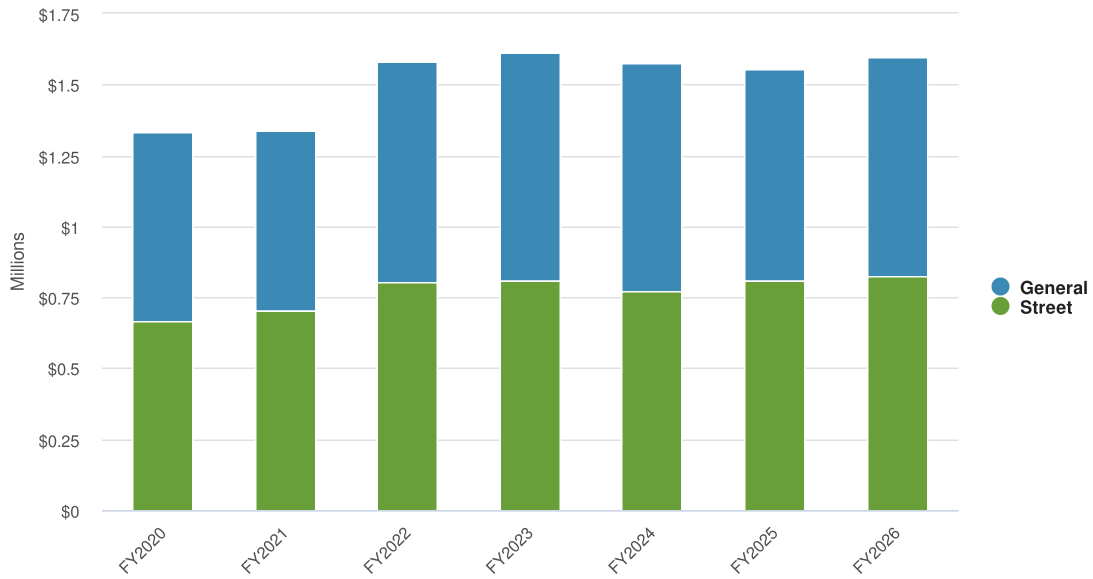
Revenue by Fund

Based on the purpose of the type of shared revenue, all Criminal Justice, Liquor and Marijuana revenues collected are receipted in the General Fund. All transportation revenues are receipted in the Street Fund.

2026 Revenue by Fund



Budgeted and Historical 2026 Revenue by Fund

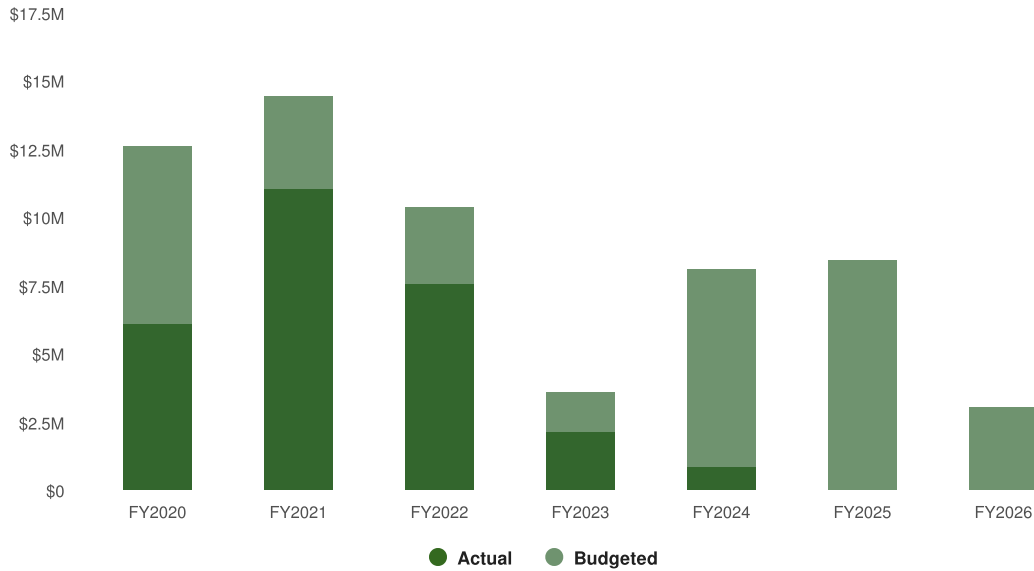


| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|-------------------------------------|--------------------|--------------------|--------------------|--------------------|
| General | | | | |
| State Shared Revenues | | | | |
| Vessel Registration Fees | \$29,115 | \$10,680 | \$15,971 | \$16,131 |
| City-County Assistance | \$0 | \$32,913 | \$0 | \$0 |
| Crim Jus - Violent Crimes-Pop | \$15,769 | \$15,679 | \$16,616 | \$17,716 |
| Crim Jus - Special Programs | \$55,405 | \$55,701 | \$55,156 | \$62,426 |
| Marijuana Excise Tax | \$74,855 | \$72,005 | \$77,334 | \$66,084 |
| DUI & Other Crim Jus Assist | \$4,691 | \$1,963 | \$4,535 | \$3,347 |
| Liquor-Beer Excise Tax | \$285,441 | \$298,310 | \$272,502 | \$294,838 |
| Liquor Control Board Profits | \$311,469 | \$311,355 | \$306,150 | \$309,179 |
| Total State Shared Revenues: | \$776,745 | \$798,606 | \$748,264 | \$769,721 |
| Total General: | \$776,745 | \$798,606 | \$748,264 | \$769,721 |
| Street | | | | |
| State Shared Revenues | | | | |
| Multimodal Transportation | \$52,895 | \$52,910 | \$52,756 | \$52,725 |
| MVFT - City Streets | \$730,307 | \$721,528 | \$755,197 | \$773,159 |
| Total State Shared Revenues: | \$783,202 | \$774,438 | \$807,953 | \$825,884 |
| Total Street: | \$783,202 | \$774,438 | \$807,953 | \$825,884 |
| Total: | \$1,559,947 | \$1,573,044 | \$1,556,217 | \$1,595,605 |

Grants Summary

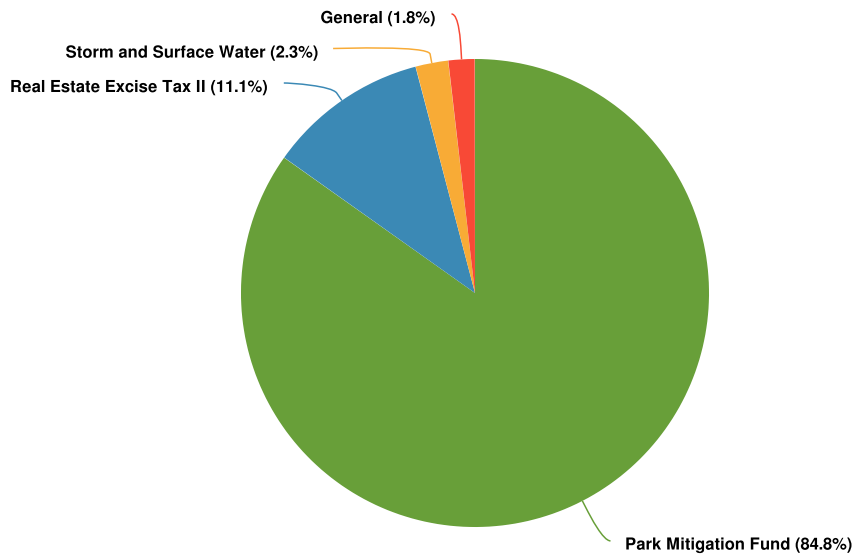
\$3,102,052 **-\$5,369,603**
(-63.38% vs. prior year)

Grants Proposed and Historical Budget vs. Actual

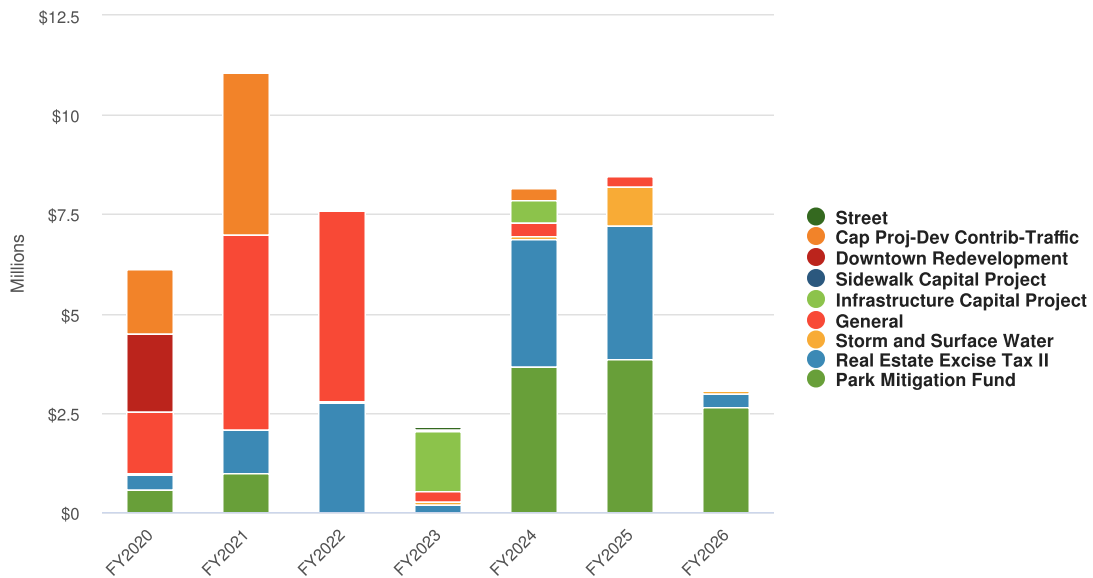


Revenue by Fund

2026 Revenue by Fund



Budgeted and Historical 2026 Revenue by Fund

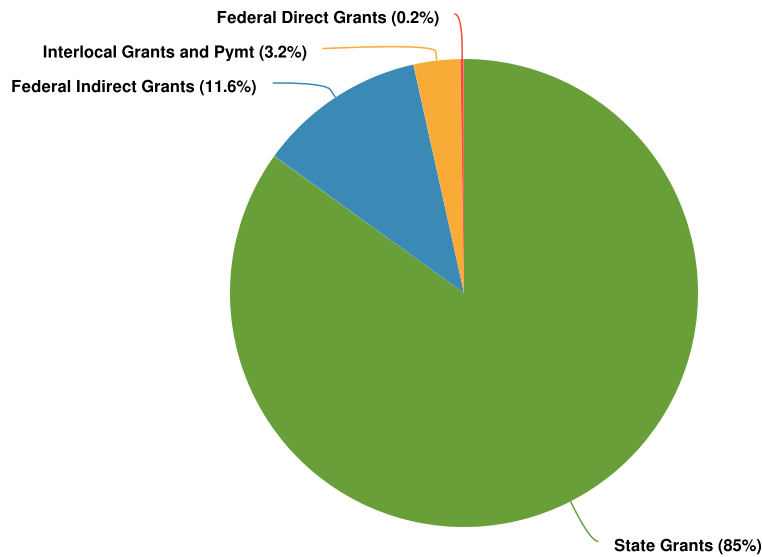


| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|-------------------------|------------------|------------------|------------------|-----------------|
| General | | | | |
| Federal Direct Grants | \$8,425 | \$3,000 | \$9,050 | \$7,500 |
| Federal Indirect Grants | \$13,908 | \$88,278 | \$216,430 | \$15,000 |
| State Grants | \$219,847 | \$241,586 | \$58,939 | \$34,200 |
| Total General: | \$242,180 | \$332,864 | \$284,419 | \$56,700 |
| | | | | |

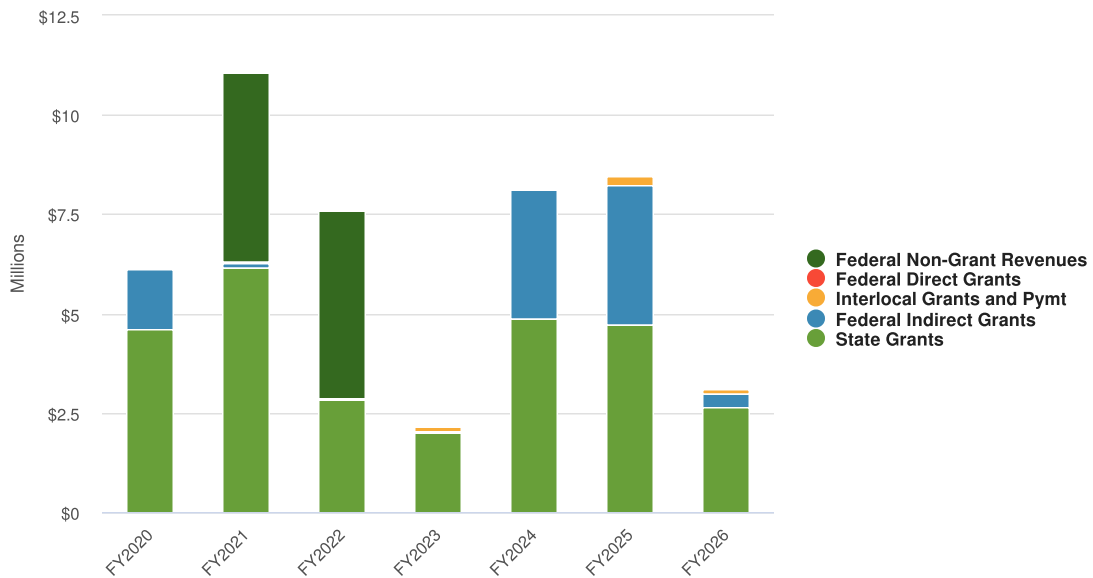
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|--|------------------|--------------------|--------------------|--------------------|
| Street | | | | |
| State Grants | \$0 | \$10,000 | \$10,000 | \$0 |
| Total Street: | \$0 | \$10,000 | \$10,000 | \$0 |
| | | | | |
| Cap Proj-Dev Contrib-Traffic | | | | |
| State Grants | \$0 | \$271,650 | \$0 | \$0 |
| Total Cap Proj-Dev Contrib-Traffic: | \$0 | \$271,650 | \$0 | \$0 |
| | | | | |
| Park Mitigation Fund | | | | |
| State Grants | \$0 | \$3,614,941 | \$3,614,941 | \$2,531,352 |
| Interlocal Grants and Pymt | \$0 | \$45,000 | \$232,134 | \$100,000 |
| Total Park Mitigation Fund: | \$0 | \$3,659,941 | \$3,847,075 | \$2,631,352 |
| | | | | |
| Real Estate Excise Tax II | | | | |
| Federal Indirect Grants | \$0 | \$3,157,250 | \$3,304,300 | \$344,000 |
| State Grants | \$0 | \$50,000 | \$50,000 | \$0 |
| Total Real Estate Excise Tax II: | \$0 | \$3,207,250 | \$3,354,300 | \$344,000 |
| | | | | |
| Infrastructure Capital Project | | | | |
| State Grants | \$596,037 | \$596,037 | \$0 | \$0 |
| Total Infrastructure Capital Project: | \$596,037 | \$596,037 | \$0 | \$0 |
| | | | | |
| Storm and Surface Water | | | | |
| State Grants | \$38,861 | \$75,000 | \$975,861 | \$70,000 |
| Total Storm and Surface Water: | \$38,861 | \$75,000 | \$975,861 | \$70,000 |
| Total: | \$877,078 | \$8,152,742 | \$8,471,655 | \$3,102,052 |

Revenues by Source

Projected 2026 Revenues by Source



Budgeted and Historical 2026 Revenues by Source



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|-------------------------------------|----------------|-----------------|-----------------|-----------------|
| Revenue Source | | | | |
| Intergovernmental | | | | |
| Federal Direct Grants | | | | |
| DOJ Fed Dir 16.607 BPV Grant | \$5,925 | \$3,000 | \$6,550 | \$5,000 |
| Equitable sharing program - DOJ | \$2,500 | \$0 | \$2,500 | \$2,500 |
| Total Federal Direct Grants: | \$8,425 | \$3,000 | \$9,050 | \$7,500 |

| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed |
|--|------------------|--------------------|--------------------|--------------------|
| | | | | |
| Federal Indirect Grants | | | | |
| DOT Fed Ind. 20.616 Hwy Safety | \$1,704 | \$0 | \$0 | \$0 |
| DHS Fed Ind 97.012 Boat Safety | \$12,204 | \$12,148 | \$12,000 | \$15,000 |
| DHS Fed Ind 97.036 FEMA | \$0 | \$0 | \$128,300 | \$0 |
| EECBG - Fed Indirect | \$0 | \$76,130 | \$76,130 | \$0 |
| Main Street - FHWA/PSRC | \$0 | \$3,157,250 | \$3,304,300 | \$344,000 |
| Total Federal Indirect Grants: | \$13,908 | \$3,245,528 | \$3,520,730 | \$359,000 |
| | | | | |
| State Grants | | | | |
| LE - CJTC Grant | \$140,147 | \$181,886 | \$41,739 | \$8,200 |
| WA OPD - Social Worker | \$7,200 | \$7,200 | \$7,200 | \$16,000 |
| State Commerce - Grants | \$62,500 | \$52,500 | \$0 | \$0 |
| LnI Stay at Work Grant | \$10,000 | \$0 | \$10,000 | \$10,000 |
| Commerce Grants - State | \$0 | \$10,000 | \$10,000 | \$0 |
| TIB - Grant | \$0 | \$271,650 | \$0 | \$0 |
| RCO - Frontier Heights Grants | \$0 | \$1,159,352 | \$1,159,352 | \$1,204,352 |
| RCO - NC Marina Grant | | | \$0 | \$327,000 |
| State Commerce - Cedarwood | \$0 | \$2,455,589 | \$2,455,589 | \$500,000 |
| State Commerce | \$0 | \$0 | \$0 | \$500,000 |
| CERB - Commerce Grant | \$0 | \$50,000 | \$50,000 | \$0 |
| TIB - Grant 17005 | \$596,037 | \$596,037 | \$0 | \$0 |
| DOE - Capacity Grants | \$38,861 | \$75,000 | \$70,000 | \$70,000 |
| DOE - SFAP Grant | \$0 | \$0 | \$658,861 | \$0 |
| Commerce Grant- Salmonoid | \$0 | \$0 | \$247,000 | \$0 |
| Total State Grants: | \$854,745 | \$4,859,214 | \$4,709,741 | \$2,635,552 |
| | | | | |
| Interlocal Grants and Pymt | | | | |
| SnoCo SCPP Grants - PR100 | \$0 | \$45,000 | \$232,134 | \$0 |
| SnoCo SCPP Grants - PR106 | | | \$0 | \$100,000 |
| Total Interlocal Grants and Pymt: | \$0 | \$45,000 | \$232,134 | \$100,000 |
| Total Intergovernmental: | \$877,078 | \$8,152,742 | \$8,471,655 | \$3,102,052 |
| Total Revenue Source: | \$877,078 | \$8,152,742 | \$8,471,655 | \$3,102,052 |



DEPARTMENTS

Legislative and Executive

The City's executive, legislative and policy-making body is the City Council, composed of seven Council members who are elected to serve staggered four-year terms. The Mayor is elected at large for a term of four years and serves as full-time chief executive.

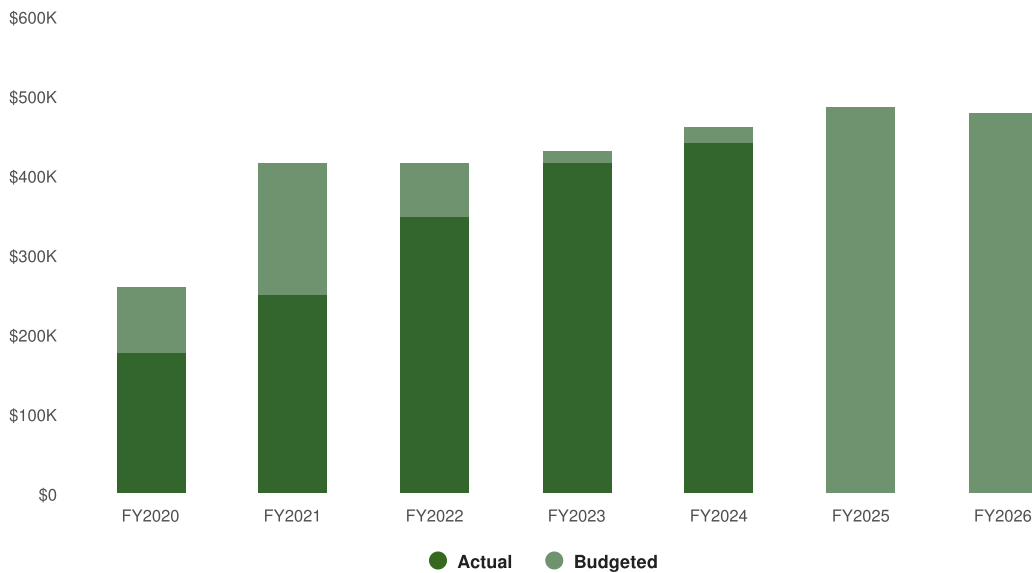
The current City Council members and their terms of office are listed in the following table:

| Elected Official | Position | Term Expires (12/31) |
|------------------|--------------------|-------------------------|
| Brett Gailey | Mayor | 2027 |
| Kim Daughtry | Council Position 1 | 2025 |
| Gary Petershagen | Council Position 2 | 2025 |
| Ryan Donoghue | Council Position 3 | 2027 |
| Kymm Shipman | Council Position 4 | 2027 |
| Anji Jorstad | Council Position 5 | 2027 |
| Steve Ewing | Council Position 6 | 2025 |
| Marcus Tageant | Council Position 7 | 7/2025 |
| Kurt Hilt | Council Position 7 | 2025 |

Expenditures Summary

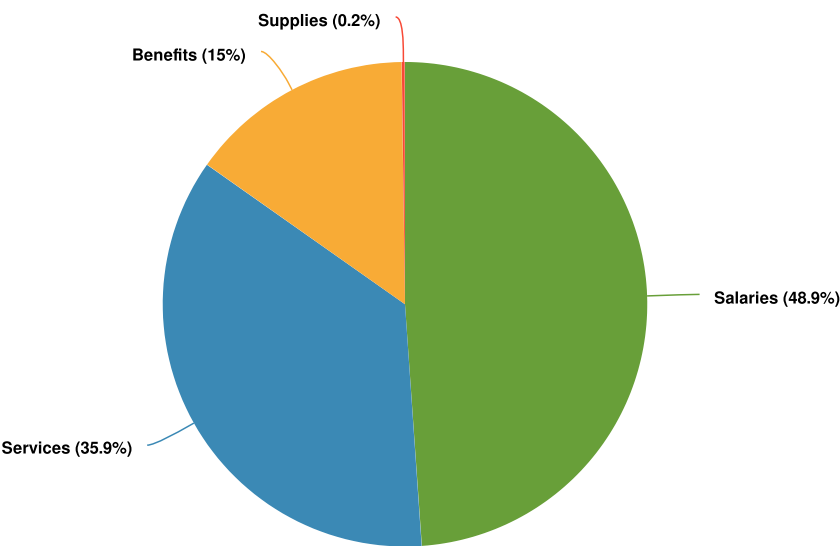
\$479,482 **-\$7,641**
(-1.57% vs. prior year)

Legislative and Executive Proposed and Historical Budget vs. Actual

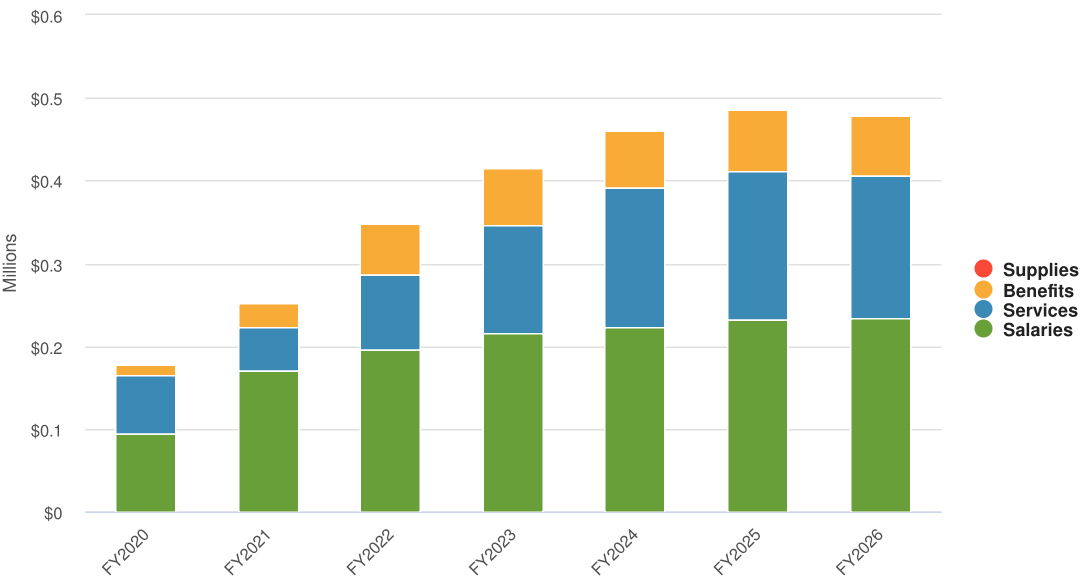


Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | Notes |
|-----------------|---------------|-----------------|-----------------|-----------------|-------|
| Expense Objects | | | | | |
| Salaries | \$223,163 | \$223,650 | \$231,654 | \$234,495 | |
| Benefits | \$72,140 | \$69,944 | \$73,944 | \$72,012 | |



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | Notes |
|-------------------------------|------------------|------------------|------------------|------------------|-------|
| Supplies | \$2,284 | \$600 | \$1,350 | \$1,000 | |
| Services | \$143,648 | \$167,542 | \$180,175 | \$171,975 | |
| Total Expense Objects: | \$441,235 | \$461,736 | \$487,123 | \$479,482 | |

Administration



Gene Brazel
City Administrator

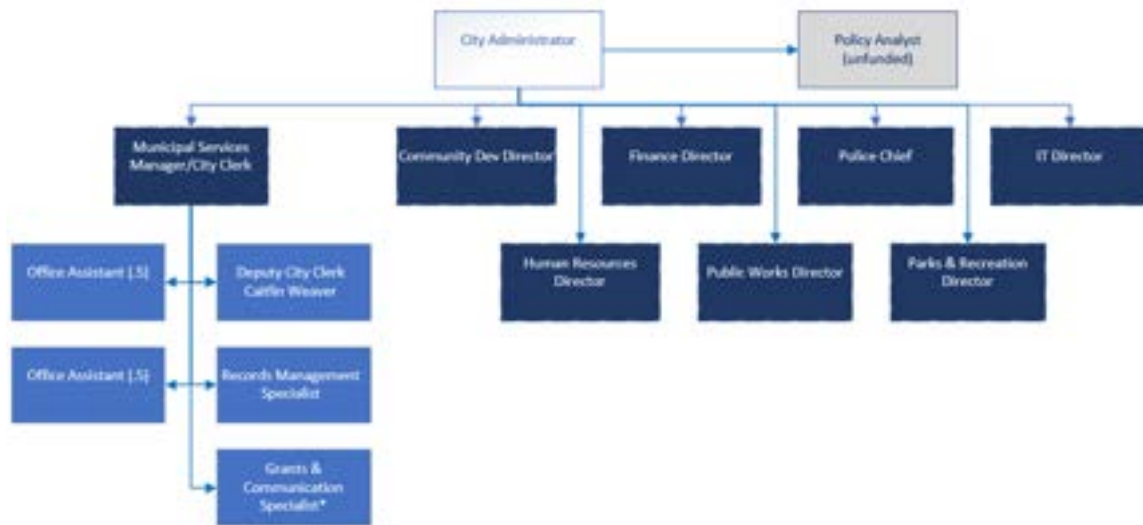
The Administration Department is responsible for assisting in the coordination of activities and services the City provides to its customers and assists in the translation of Mayor/Council goals and policies into action.

The major responsibility of the Administration Department is the coordination and supervision of the work of all other departments. Additional responsibilities include, contract negotiations and management; participation with other departments in the pursuit of grant funds; preparing regular and special management reports; processing citizen inquiries and service requests; and working with other regional governments.

Administration of the City is performed under the direction of the City Administrator. The City Administrator is hired by, is responsible to, and serves at the pleasure of the Mayor as confirmed by the City Council. City officials are appointed by the City Administrator.

Gene Brazel has been the City Administrator of the City of Lake Stevens since January 1, 2017. Prior to being hired by the City, Mr. Brazel had numerous leadership positions at the City of Monroe, Washington, including serving as the City Administrator for 7 years. Mr. Brazel has 32 years of municipal government experience. Mr. Brazel is responsible for coordinating and directing all City operations, projects and programs, and administering all policies and laws adopted by the City Council on behalf of the Mayor.

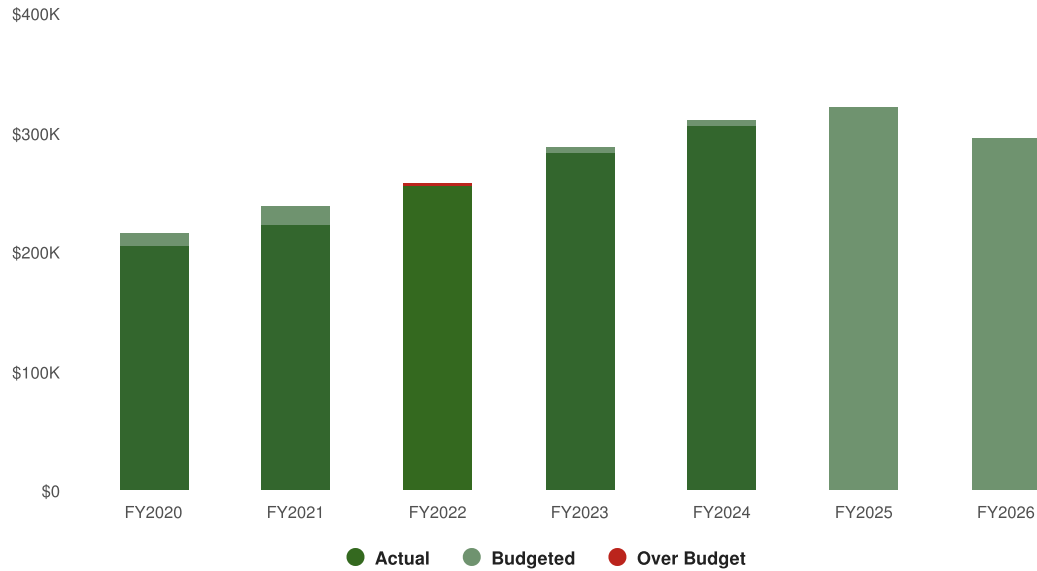
Organizational Chart



Expenditures Summary

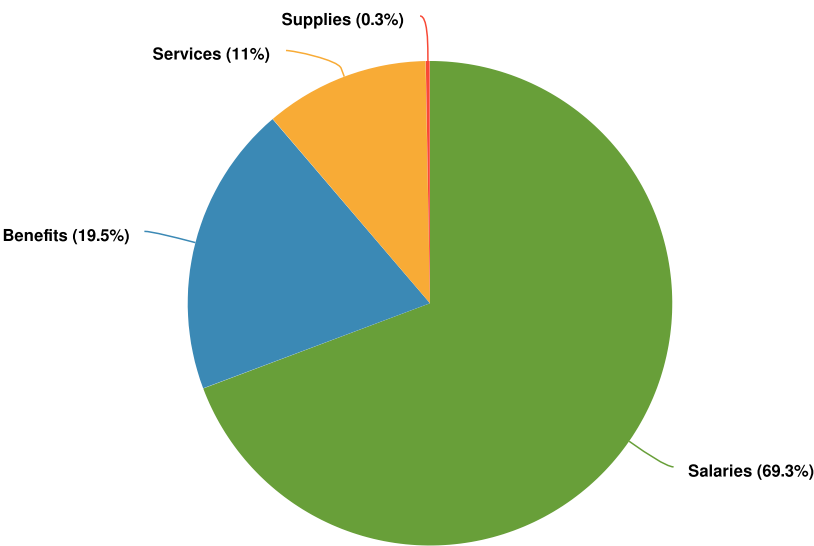
\$295,208 **-\$26,378**
(-8.20% vs. prior year)

Administration Proposed and Historical Budget vs. Actual

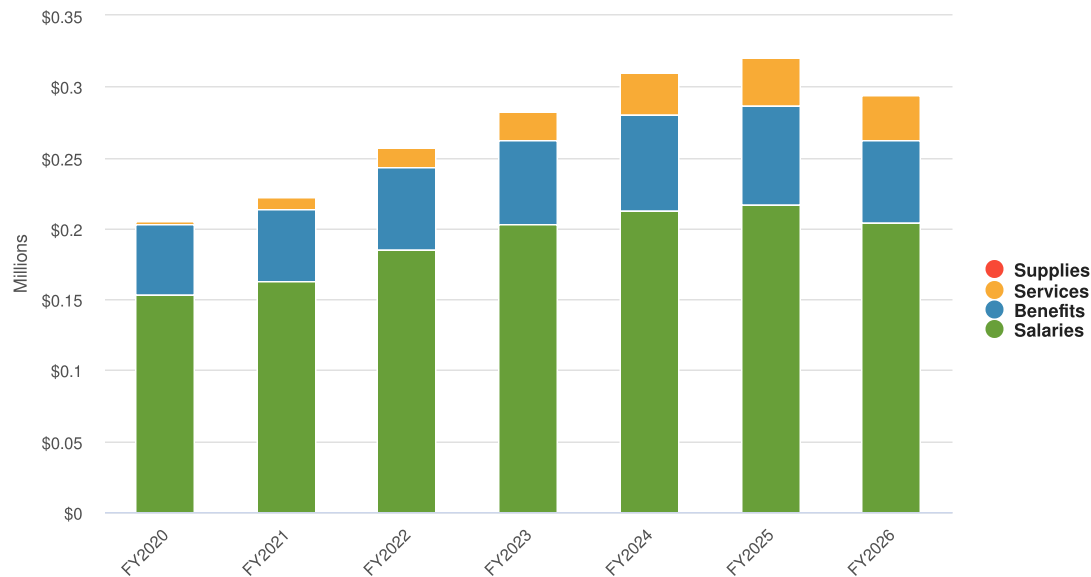


Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | Notes |
|-----------------|---------------|-----------------|-----------------|-----------------|-------|
| Expense Objects | | | | | |
| Salaries | \$213,073 | \$212,560 | \$216,983 | \$204,553 | |
| Benefits | \$65,746 | \$67,911 | \$69,423 | \$57,475 | |
| Supplies | \$0 | \$800 | \$800 | \$800 | |



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | Notes |
|-------------------------------|------------------|------------------|------------------|------------------|-------|
| Services | \$27,449 | \$29,209 | \$34,380 | \$32,380 | |
| Total Expense Objects: | \$306,268 | \$310,480 | \$321,586 | \$295,208 | |

Municipal Services Division



Kelly M. Chelin

Municipal Services Manager/ City Clerk

The Municipal Services Division was created in 2024 to consolidate many dispersed service positions and the City Clerk's Office into one team. This merger has centralized communication and enhanced customer service under the direction of the Municipal Services Manager/City Clerk.

This division of the Department of Administration provides assistance and support to the Mayor, City Council, and City Administrator.

This office is called upon to provide information about the community, maintain the record of ordinances and laws of the city, prepare and distribute City Council agenda materials, and attend City Council meetings and prepare the official minutes of actions taken. The City Clerk's office processes contracts, deeds, and easements. Appointments to volunteer boards and commissions are also coordinated through this office, and staff supports the various boards and commissions by attending meetings and preparing minutes.

The Municipal Services Division oversees city communications. The Grants and Communication Specialist handles both internal and external city communication. This position also provides grant guidance and technical assistance to staff applying for local, state, and federal funding opportunities.

Deputy City Clerk

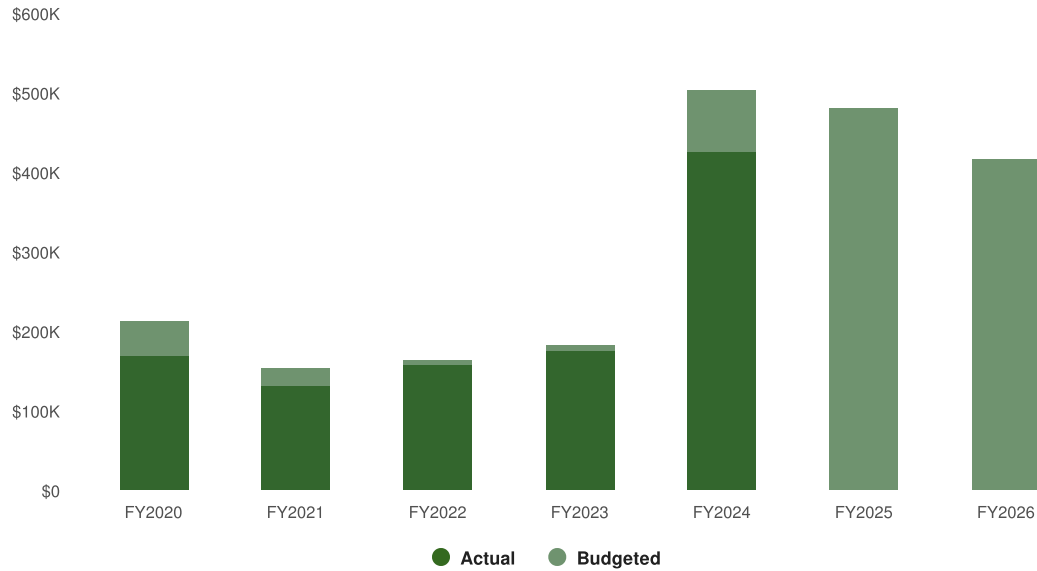
Caitlin Weaver, CMC
Deputy City Clerk/Executive Assistant
to the
Mayor, City Council, and City Administrator



Expenditures Summary

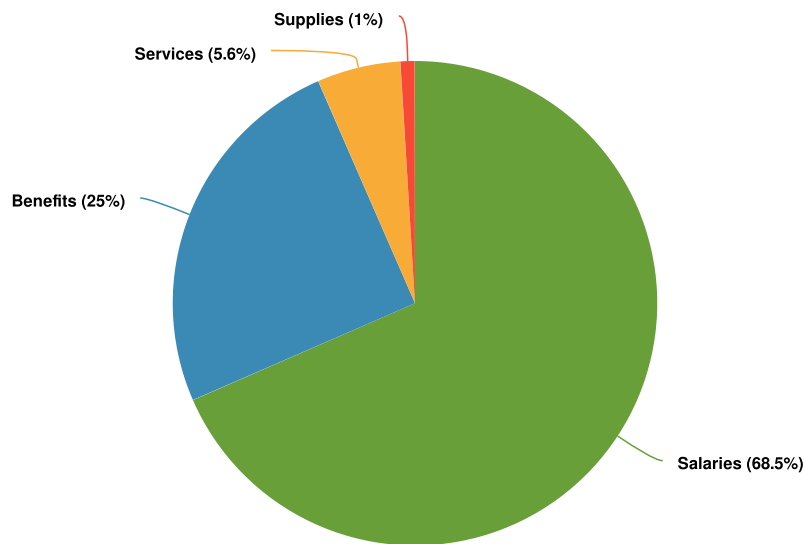
\$417,853 **-\$63,169**
(-13.13% vs. prior year)

Municipal Services Division Proposed and Historical Budget vs. Actual

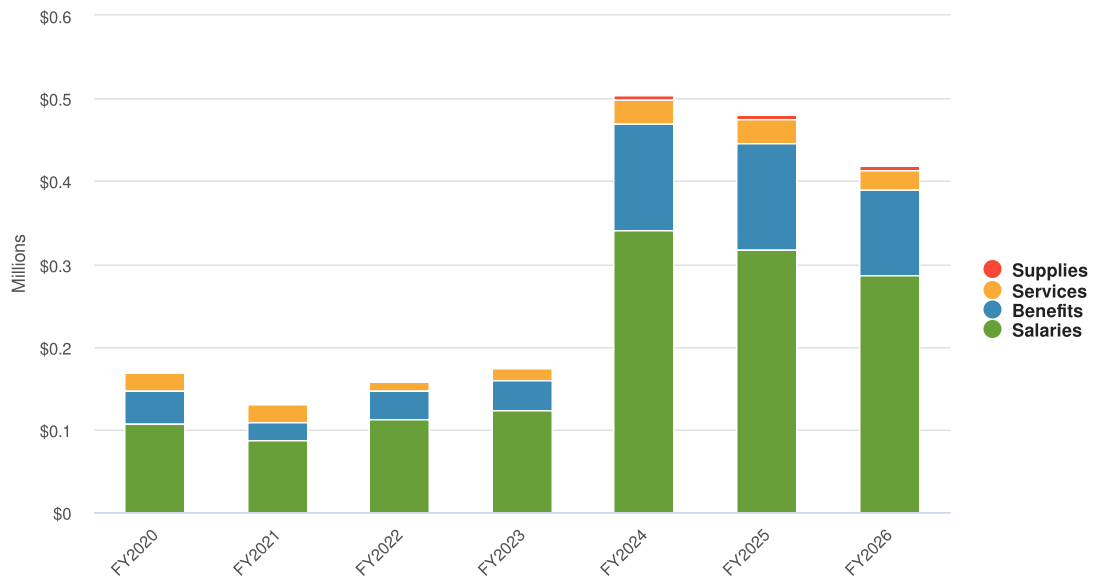


Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | Notes |
|-----------------|---------------|-----------------|-----------------|-----------------|-------|
| Expense Objects | | | | | |
| Salaries | \$301,254 | \$339,930 | \$316,618 | \$286,089 | |
| Benefits | \$103,837 | \$129,493 | \$129,404 | \$104,464 | |
| Supplies | \$3,677 | \$6,000 | \$6,000 | \$4,000 | |

| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | Notes |
|-------------------------------|------------------|------------------|------------------|------------------|-------|
| Services | \$17,236 | \$28,188 | \$29,000 | \$23,300 | |
| Total Expense Objects: | \$426,004 | \$503,611 | \$481,022 | \$417,853 | |

Finance



Barb Stevens
Director

The purpose of the Finance Department is to provide administrative support and information services to the public and City departments, maintain financial information in accordance with general accounting principles, and to ensure compliance to legal and prudent fiscal requirements in all financial and procedural operations.

The Finance Department has many areas of responsibility. The following gives a brief description of each:

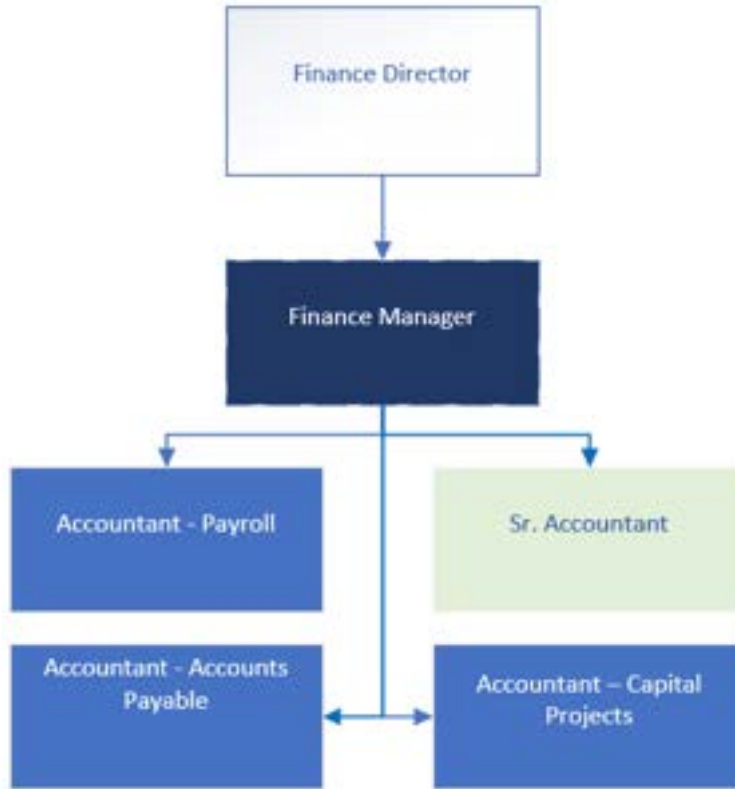
- **Administration:** To provide planning, organization, and control over the Finance Department functions and overall City financial matters.
- **Treasury:** Responsible for cashiering and cash control, investment of City funds, and debt service payment processing. Financing services include issuance of bonds, interfund loans, etc.
- **Budget Accounting and Reporting:** Provides for financial record keeping including budgeting, accounting, reporting, audit assistance, grant accounting, ongoing balancing, and control.
- **Personnel Services:** Responsible for payroll processing, federal and state reporting of taxes, retirement, insurance, and other deductions.
- **Purchasing:** Provides coordination of purchasing by the departments, processes vendor payments, handles insurance claims, assists in obtaining competitive bids for the best prices.
- **Data Processing:** Responsible for financial systems data processing including budgeting, accounting and payroll.

The Finance Director is appointed by the City Administrator and acts as the City Treasurer.

Finance Director

Barb Stevens began her career as Finance Director for the City on February 9, 2009. Prior to joining the City, Ms. Stevens was an Assistant Audit Manager with the Washington State Auditor's Office. As a member of the senior executive team, Ms. Stevens is responsible for controlling the City's finances and establishing strategies for the long-term financial health of the City.

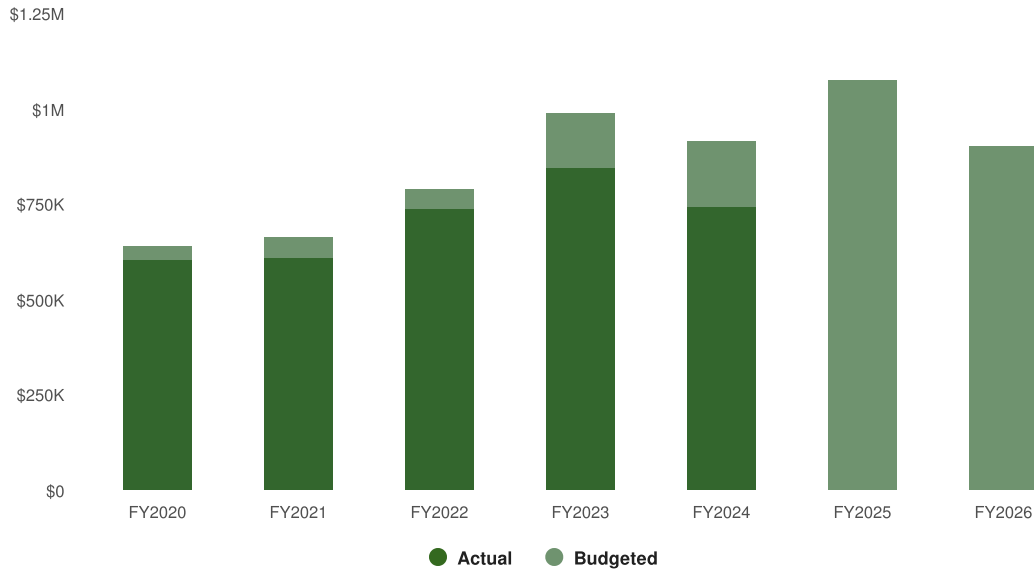
Organizational Chart



Expenditures Summary

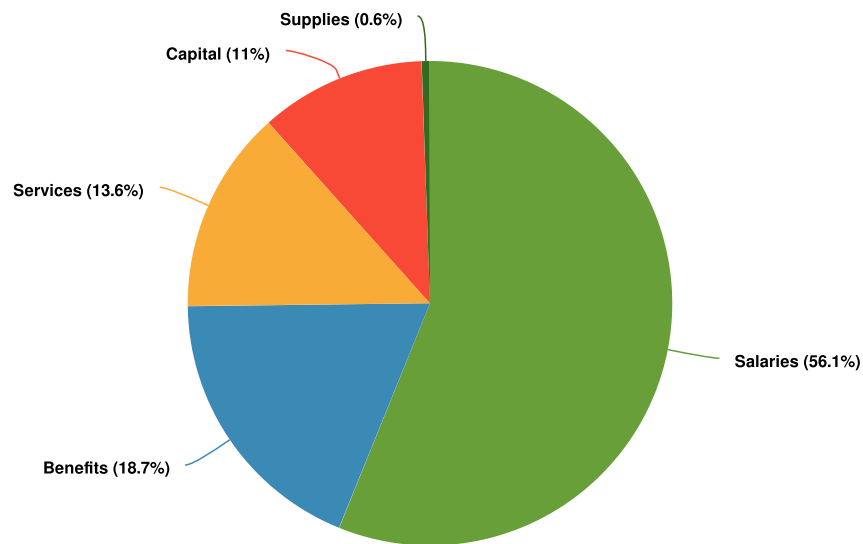
\$905,123 **-\$170,672**
(-15.86% vs. prior year)

Finance Proposed and Historical Budget vs. Actual

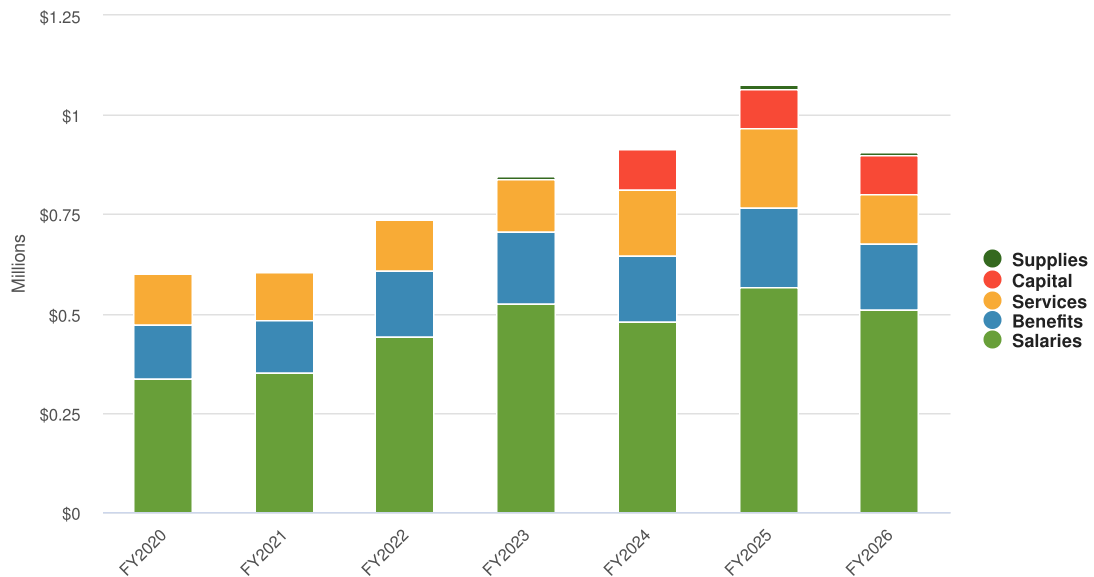


Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | Notes |
|-----------------|---------------|-----------------|-----------------|-----------------|-------|
| Expense Objects | | | | | |
| Salaries | \$479,758 | \$480,810 | \$565,189 | \$508,073 | |
| Benefits | \$158,669 | \$164,928 | \$199,741 | \$169,145 | |
| Supplies | \$3,281 | \$5,000 | \$10,000 | \$5,000 | |

| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | Notes |
|-------------------------------|------------------|------------------|--------------------|------------------|-------|
| Services | \$101,963 | \$167,000 | \$203,230 | \$122,905 | |
| Capital | \$1,210 | \$100,000 | \$97,635 | \$100,000 | |
| Total Expense Objects: | \$744,881 | \$917,738 | \$1,075,795 | \$905,123 | |

Human Resources

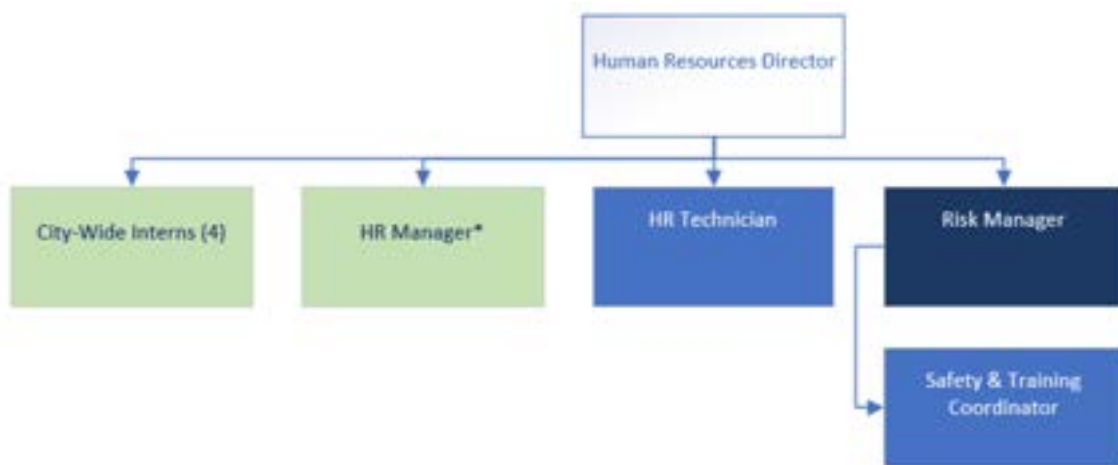


Anya Warrington
Human Resources Director

The Human Resources department is a central hub where all aspects of employee management are overseen. Services include risk and emergency management, occupational safety, organizational development, human resources legal compliance, policy development and application, recruitment and selection, classification and compensation, benefits, labor relations, employee development and training, and employee engagement.

The City of Lake Stevens Human Resources department prides itself on the diversity it brings and educates every city employee on their rights, responsibilities, and benefits as an employee. This department also manages training and development programs to promote constant growth of all employees. As our city employees grow in innovation and wellness, so does our community.

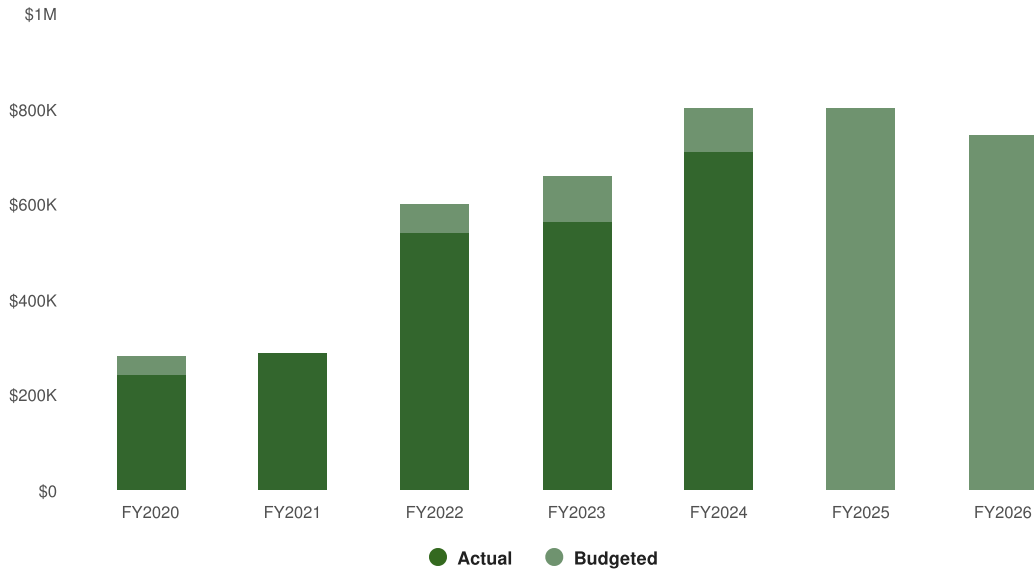
Organizational Chart



Expenditures Summary

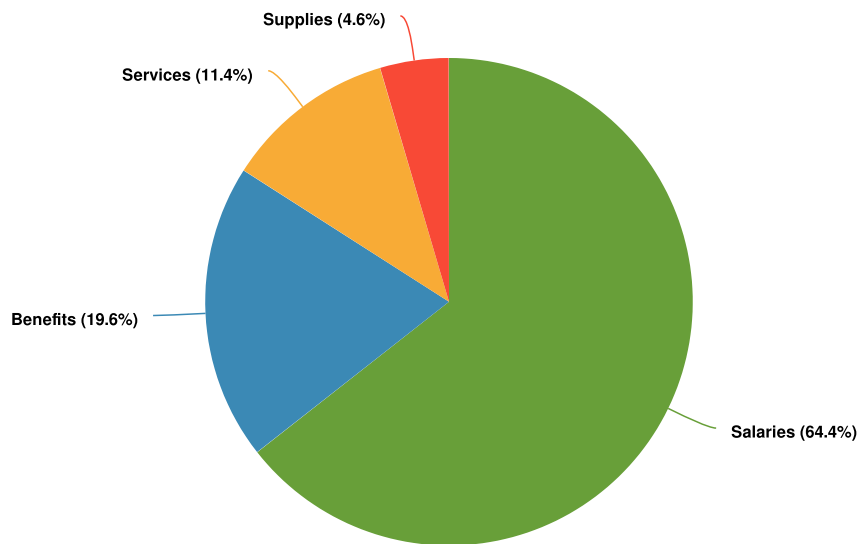
\$746,577 **-\$56,621**
(-7.05% vs. prior year)

Human Resources Proposed and Historical Budget vs. Actual

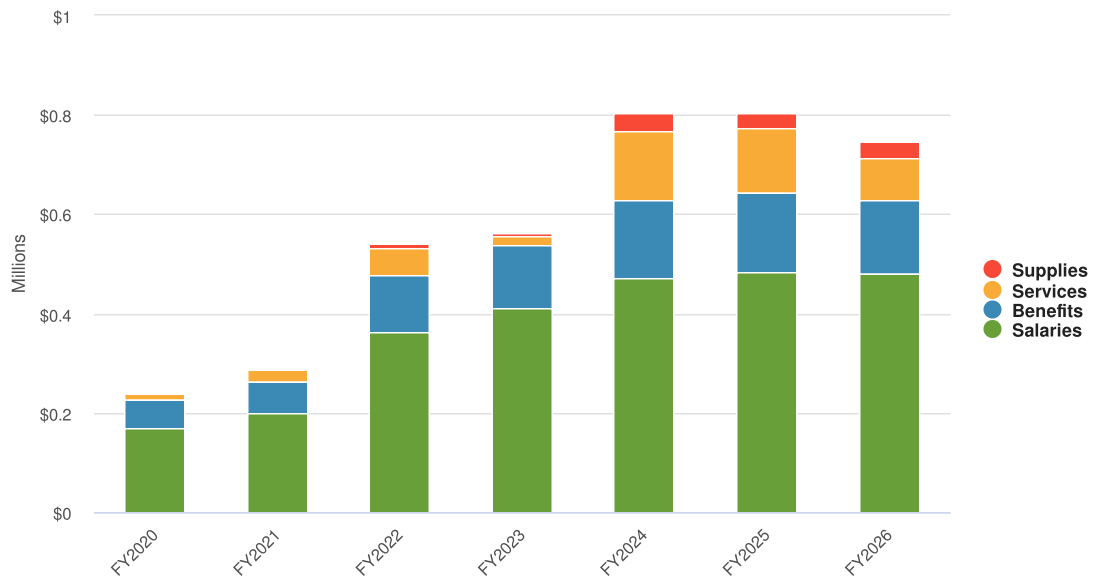


Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | Notes |
|-----------------|---------------|-----------------|-----------------|-----------------|-------|
| Expense Objects | | | | | |
| Salaries | \$481,909 | \$472,132 | \$482,911 | \$480,913 | |
| Benefits | \$150,146 | \$156,121 | \$160,290 | \$146,690 | |
| Supplies | \$15,091 | \$35,220 | \$30,000 | \$34,000 | |

| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | Notes |
|-------------------------------|------------------|------------------|------------------|------------------|-------|
| Services | \$62,516 | \$139,525 | \$129,997 | \$84,974 | |
| Total Expense Objects: | \$709,662 | \$802,998 | \$803,198 | \$746,577 | |

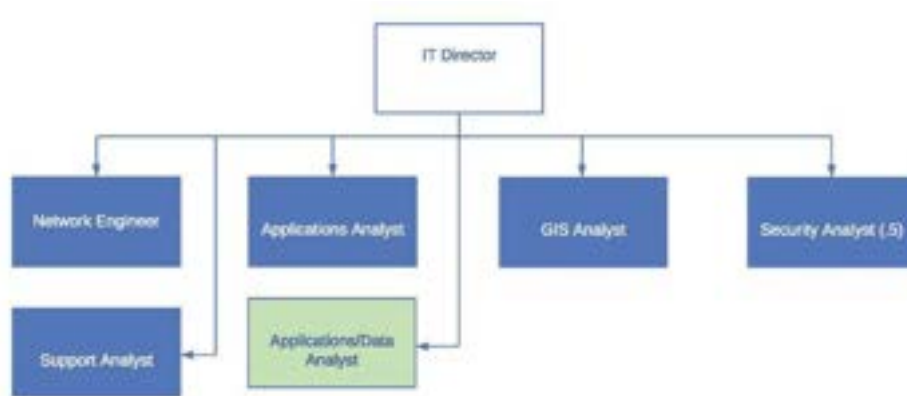
Information Technology



Troy Stevens
IT Director

The Information Technology Department (ITD) provides strategic technology solutions to business units and residents, supporting the city's mission. The department is responsible for procuring all technology used in the city, inventory management, and software license compliance functions. The department consists of a Client Services division responsible for all desktop support functions, an Infrastructure Services division responsible for the server, network, and cybersecurity functions, an Application Services division accountable for supporting enterprise applications and business preprocess, and an Information Security division responsible for assessing cybersecurity risk across all divisions, responding to incidents/alerts, remediation of vulnerability, and continuous monitoring to ensure our systems are secured. The city has partnered with Critical Informatics, which provides 24/7 monitoring of cybersecurity threats and escalates events to our team.

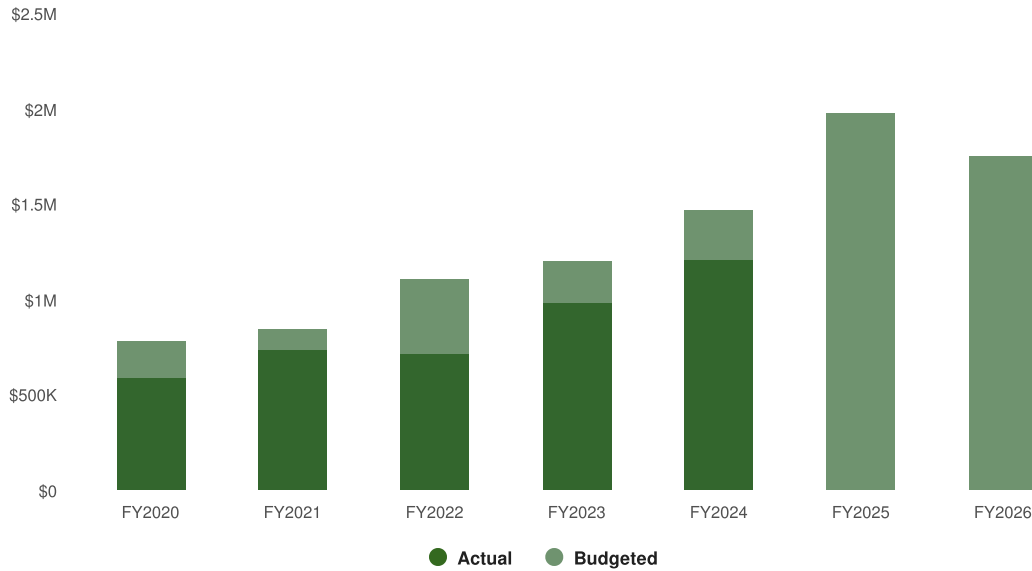
Organizational Chart



Expenditures Summary

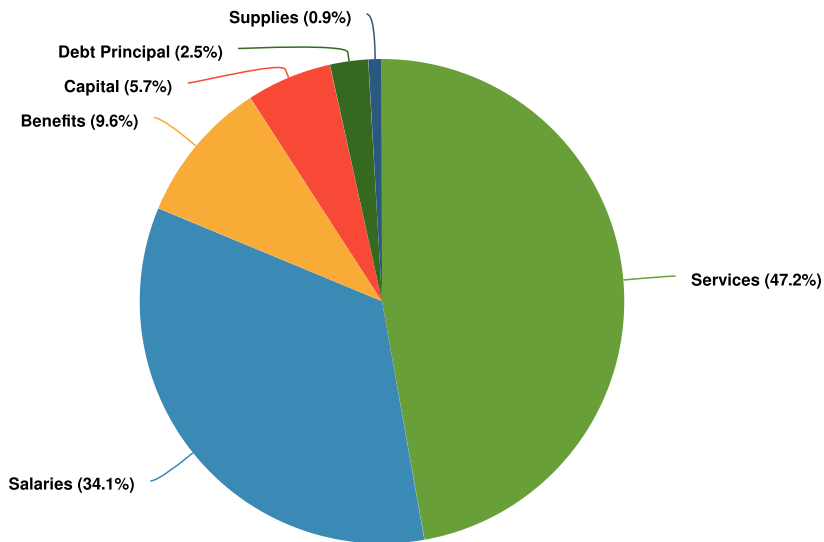
\$1,755,543 **-\$224,190**
(-11.32% vs. prior year)

Information Technology Proposed and Historical Budget vs. Actual

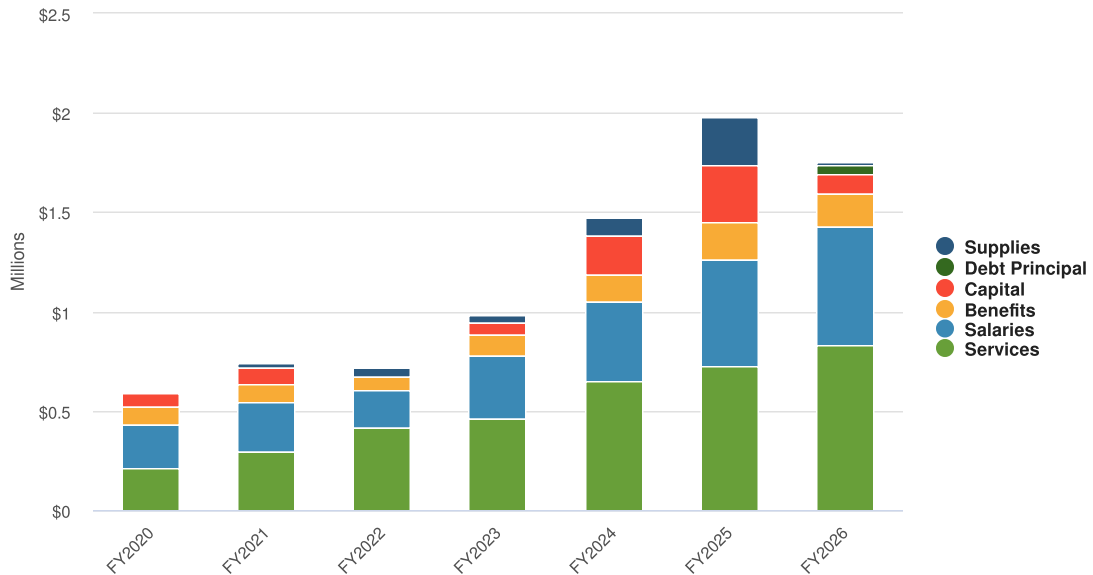


Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | Notes |
|-----------------|---------------|-----------------|-----------------|-----------------|-------|
| Expense Objects | | | | | |
| Salaries | \$401,468 | \$399,400 | \$534,012 | \$598,164 | |
| Benefits | \$127,903 | \$142,400 | \$189,082 | \$168,188 | |
| Supplies | \$87,839 | \$86,500 | \$239,545 | \$15,750 | |

| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | Notes |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|-------|
| Services | \$566,882 | \$647,377 | \$724,785 | \$858,737 | |
| Capital | \$23,192 | \$194,729 | \$292,309 | \$100,000 | |
| Debt Principal | | | \$0 | \$44,704 | |
| Total Expense Objects: | \$1,207,284 | \$1,470,406 | \$1,979,733 | \$1,785,543 | |

Operational Goals

Our Client Services Division is working on operational process improvements related to the hardware and software automated deployment tasks.

Developing better business processes for IT Asset Management tasks, IT Surplus asset recovery cost

Moving towards a DevOps delivery model to automate standard services and business process changes.

The city has several internal multi-department lean six-sigma processes underway. As the new Application Analyst, she will be a key player in gathering current business requirements and procedures to improve operational efficiencies across various information services.

The city is engaged in a data migration and records management improvement project.

Community Development



Russ Wright

Planning and Community Development Director

The goal of the Department of Planning and Community Development (DPCD) is to efficiently provide effective and fair administration of land use planning, development permitting, coordination of economic development, parks and recreation services, and building and fire services.

The DPCD has many different areas of responsibility. The following is a brief description of each:

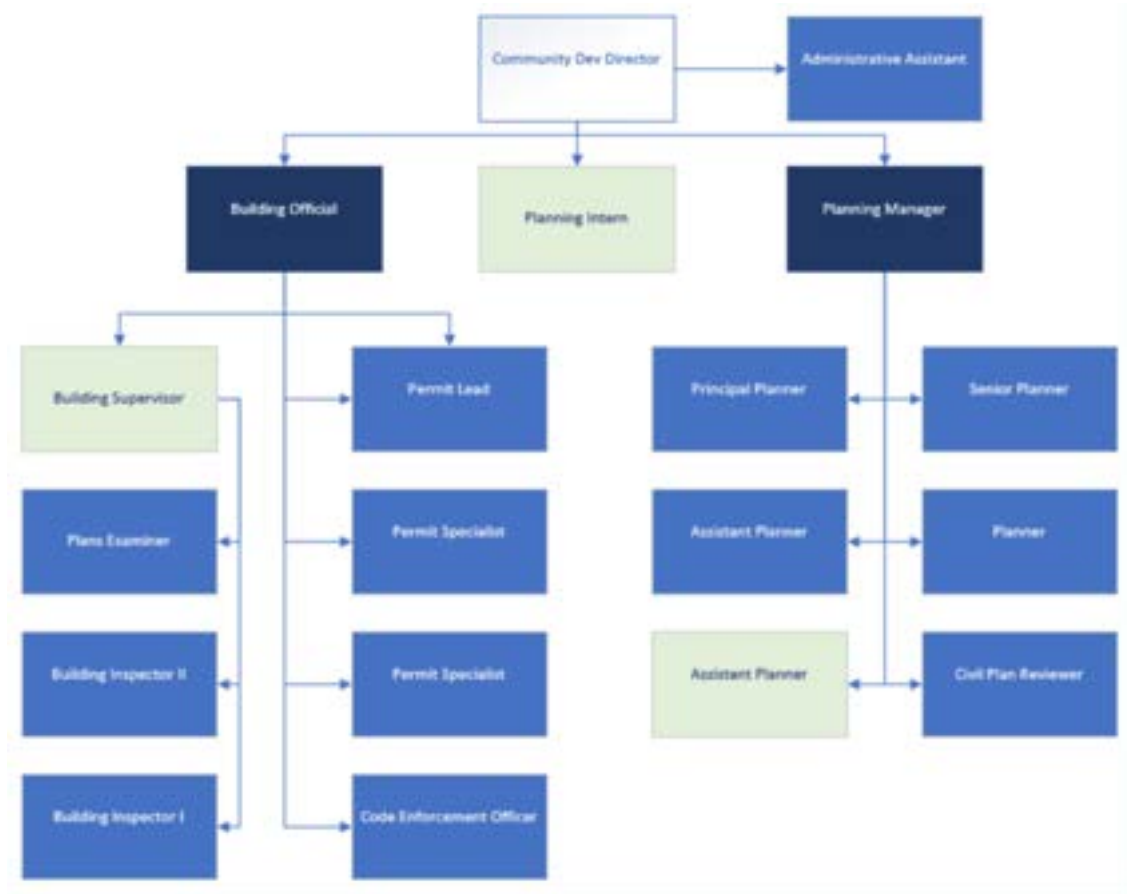
- **Operational Planning and Long Range Planning:** Provide comprehensive planning services including administering, maintaining and updating the Comprehensive Plan and Land Use Code; preparing local and regional facility plans; conducting interlocal agreement negotiations; and coordinating annexations. Write grants as appropriate. Develop and maintain the City's Geographic Information System (GIS) and Permit Tracking software. Review and comment on State, Federal and Snohomish County regulation changes and land use permit applications in the Lake Stevens Urban Growth Area. Coordinate legal issues with the City Attorney. Coordinate with and represent the City at various groups including Snohomish County Tomorrow's Planning Advisory Committee, and the AWC Planning Director's Association.
- **Development Review:** Administer the land use code, coordinate review on all land use applications, review business licenses, conduct pre-application conferences, monitor fees and deposits. Implement the City's permit tracking system. Manage the City's Land Use, Subdivision, SEPA, Shorelines, and Critical Areas codes and other land use processes. Provide staff support for the Hearing Examiner, Planning Commission, Park Board and Design Review Board.
- **Code Enforcement:** Assist in code enforcement activities, particularly as related to the Land Use, Building and Fire Codes.
- **Support Functions:** Provide staff support for City Council, Planning Commission, Park Board, Snohomish County Tomorrow, and various *ad hoc* committees.
- **Building:** Review building permit applications, issue building permits, conduct plan review, and administer the Uniform Building Code, Uniform Plumbing Code, Uniform Mechanical Code, etc. Monitor building permit fees, perform inspections, and perform code enforcement activities, particularly with regard to the building code enforcement activities, particularly with regard to the building code.
- **Economic Development:** The Economic Development Division is responsible for recruiting new businesses into the city in support of the city planning efforts, coordinating with the Chamber of Commerce on business retention and expansion opportunities, and promoting opportunities for tourism and special events. Write grants as appropriate.

The Planning and Community Development Director is appointed by the City Administrator.

Director

Russ Wright has been the Community Development Director for the City since November 2015 and has worked for Lake Stevens since April 2011. Between 2003 and 2011, Mr. Wright worked as a professional planner for the cities of Monroe and Mukilteo in Washington. Prior to that, Mr. Wright worked for the WA Department of Fish and Wildlife for nine years. Mr. Wright is responsible for directing all development, environmental and permitting operations in the city; coordinating with other agencies, departments and interested stakeholders on planning and economic development; ensuring that the City's Comprehensive Plan and Development Regulations comply with the Growth Management Act and other state legislation; and is responsible for the oversight of parks planning and recreation in the community.

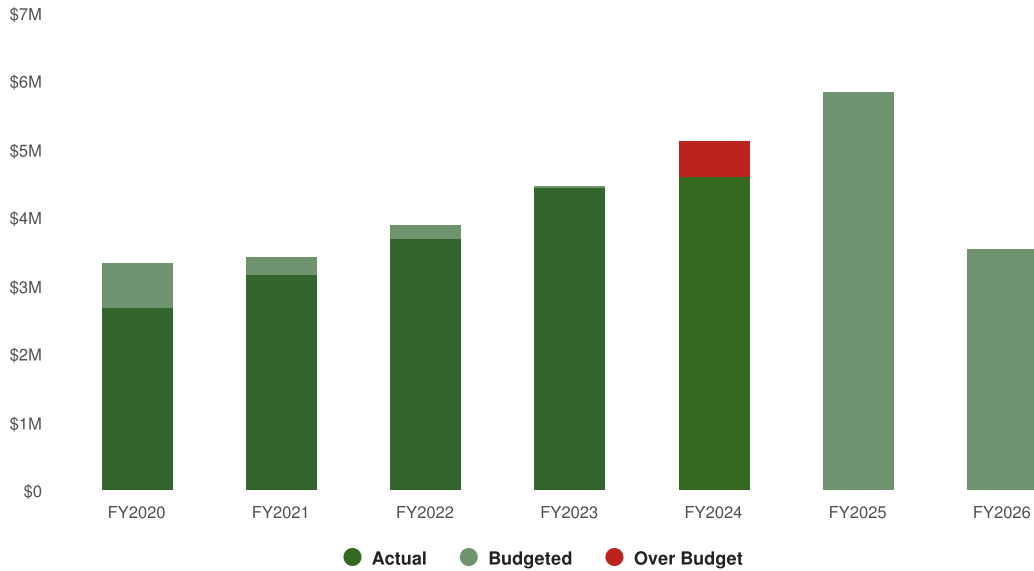
Organizational Chart



Expenditures Summary

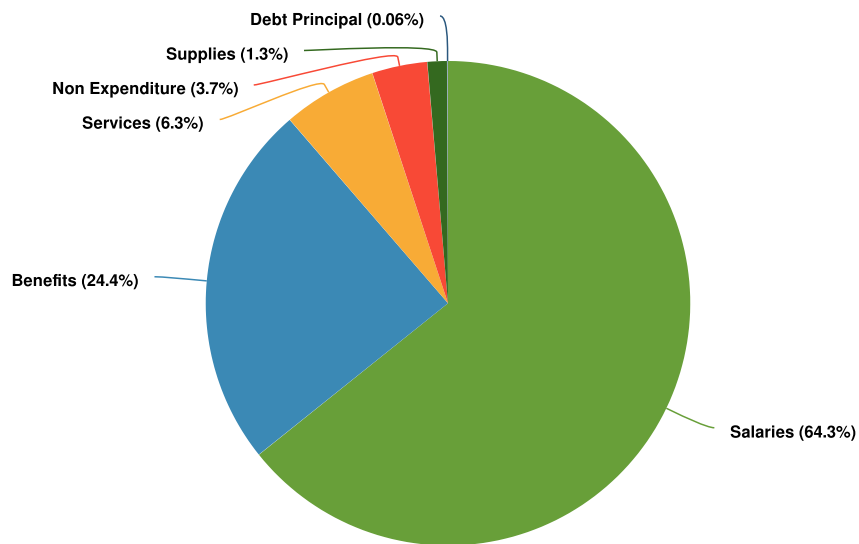
\$3,552,696 **-\$2,311,880**
(-39.42% vs. prior year)

Community Development Proposed and Historical Budget vs. Actual

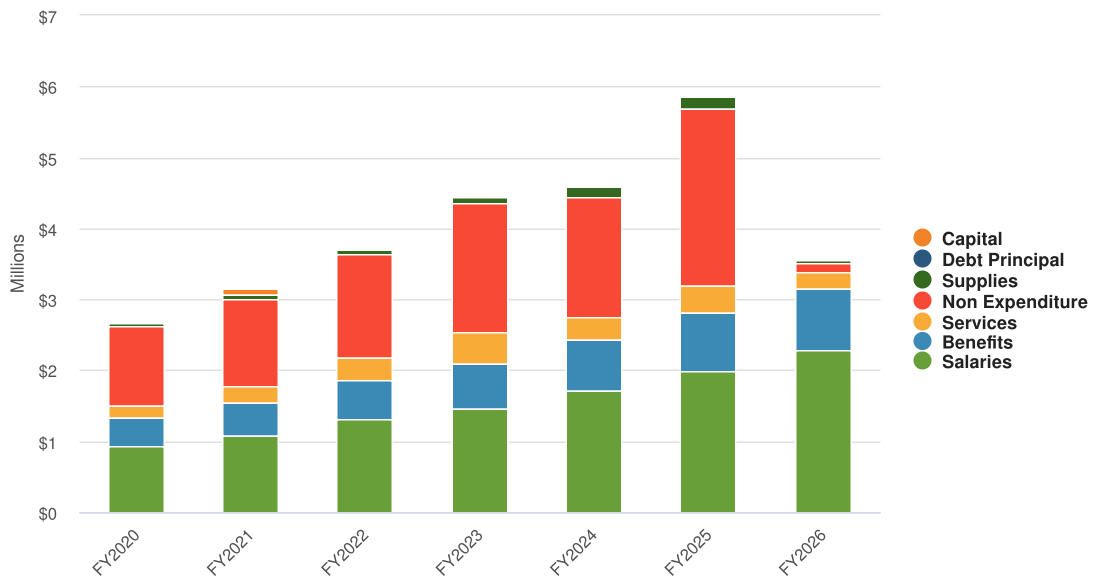


Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | Notes |
|-----------------|---------------|-----------------|-----------------|-----------------|-------|
| Expense Objects | | | | | |
| Non Expenditure | \$2,466,530 | \$1,690,000 | \$2,500,000 | \$131,000 | |
| Salaries | \$1,687,619 | \$1,709,830 | \$1,977,595 | \$2,283,324 | |
| Benefits | \$707,312 | \$714,849 | \$840,850 | \$866,885 | |

| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | Notes |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|-------|
| Supplies | \$47,232 | \$161,087 | \$161,718 | \$46,272 | |
| Services | \$209,632 | \$323,530 | \$371,413 | \$223,215 | |
| Debt Principal | \$1,600 | \$2,000 | \$13,000 | \$2,000 | |
| Total Expense Objects: | \$5,119,925 | \$4,601,296 | \$5,864,576 | \$3,552,696 | |

Law Enforcement



Jeffrey Beazizo
Chief of Police

The Lake Stevens Police Department is a full-service law enforcement agency, providing a full range of community policing services. The City enjoys a low violent crime rate because of our partnerships with the residents, other city departments, other area law enforcement agencies, and the City Council.

The Police Department is divided into four main divisions:

The Office of the Chief

The Chief of Police is responsible for planning, organizing, and leading the Police Department, through working with the Command Team, which is made up of the Chief, Deputy Chief, Administrative Manager, Operations Commander, and Administrative Assistant.

This division directs personnel-related activities, including the organization of functional areas, approval of plans and activities, performance appraisal, counseling and disciplining and the hiring of staff and promotions. The Chief also serves as the police liaison with other agencies, regional service providers, and community groups.

Administration Division

The Police Administrative Manager oversees the Administration Division which includes the Police Records Unit and office volunteers. This division is responsible for the department budget, accreditation, and policy manual, public disclosure, Concealed Pistol License, firearm transfers, Child ID Kits and case management and records retention. The Records Supervisor oversees the day-to-day management of the office. Records Specialists are the face of the department when citizens call our office or enter the lobby.

Operations Division Operations

The Deputy Chief oversees the Operations Division which is managed by the Operations Commander. This division consists of the Patrol Unit. The Patrol function is the most visible service provided by the Police Department. Police officers provide public safety services that include responding to calls for service from the public; investigating criminal activity; responding to community needs; education; traffic safety services; boating safety services; and crime prevention.

Support Services Division

Support Services are overseen by the Deputy Chief. This division is responsible for the multitude of services that are required to support our law enforcement functions. These include all department training, public information, fleet management, community event liaison, IT functions, and administrative investigations. Also included in this division are the departments' traffic functions, evidence management, school safety, marine safety, the Criminal Investigations Unit, and animal control functions. Police Detectives are the main investigations unit in the Police Department. They are highly trained and investigate a wide range of crimes committed in Lake Stevens. They also act as liaisons with other agencies as they investigate crimes that are regional in nature.

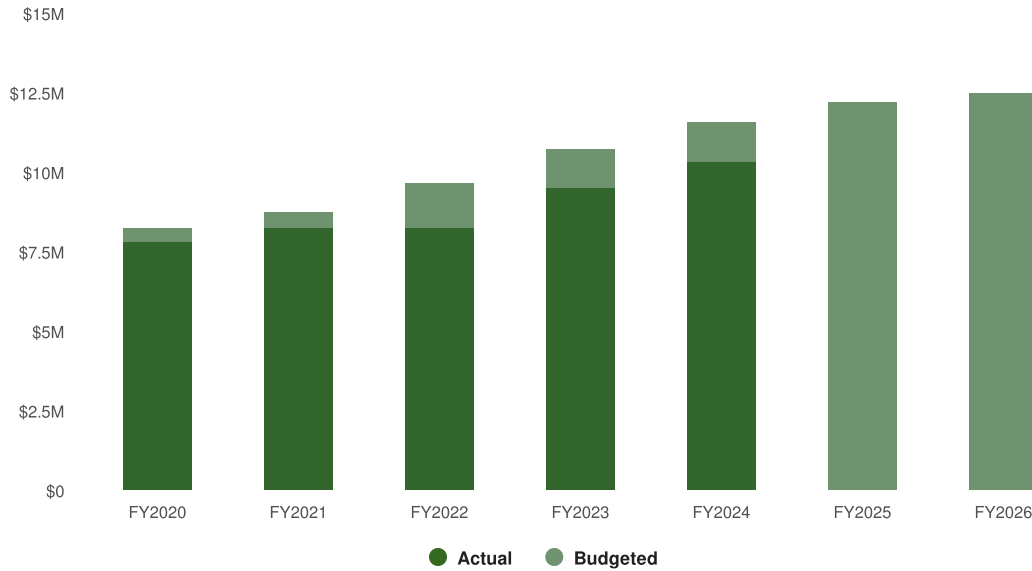
Organizational Chart



Expenditures Summary

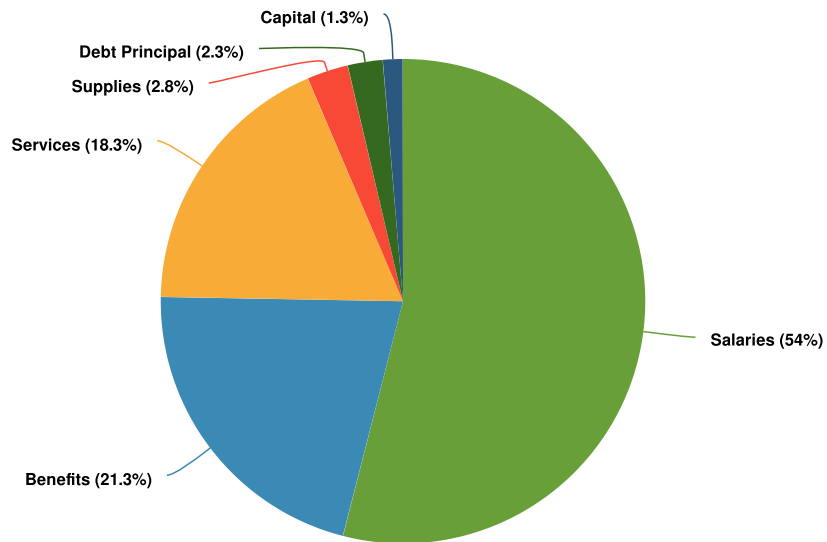
\$12,523,195 **\$284,069**
(2.32% vs. prior year)

Law Enforcement Proposed and Historical Budget vs. Actual

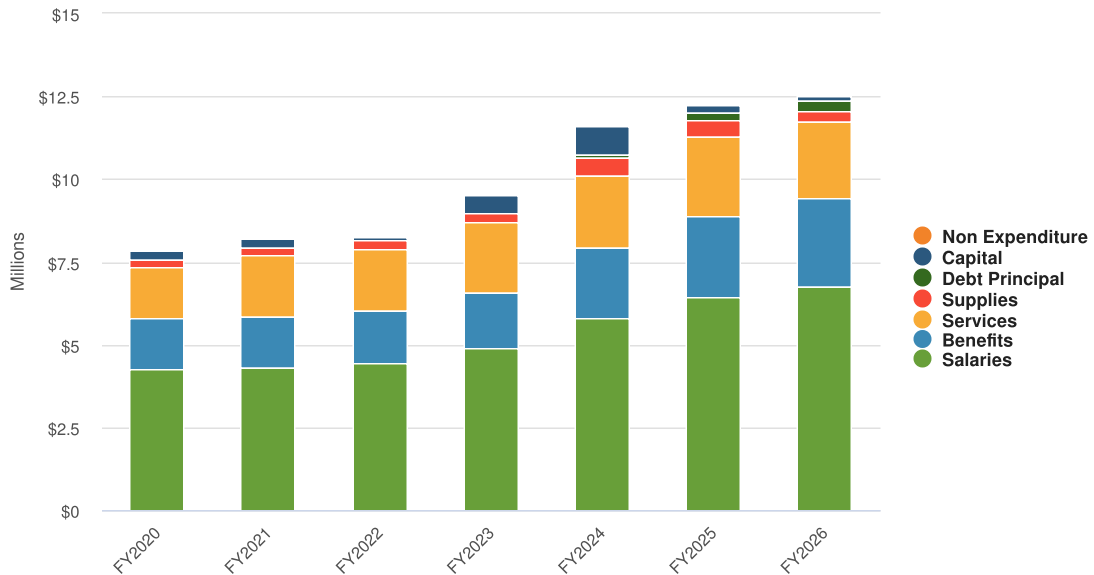


Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | Notes |
|-----------------|---------------|-----------------|-----------------|-----------------|-------|
| Expense Objects | | | | | |
| Salaries | \$5,497,976 | \$5,817,707 | \$6,455,158 | \$6,761,665 | |
| Benefits | \$2,013,052 | \$2,121,141 | \$2,449,400 | \$2,667,404 | |
| Supplies | \$358,642 | \$549,577 | \$524,181 | \$345,075 | |



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | Notes |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|-------|
| Services | \$2,109,334 | \$2,152,315 | \$2,359,183 | \$2,289,151 | |
| Capital | \$252,551 | \$874,365 | \$229,197 | \$166,700 | |
| Debt Principal | \$121,587 | \$95,363 | \$222,007 | \$293,200 | |
| Total Expense Objects: | \$10,353,142 | \$11,610,468 | \$12,239,126 | \$12,523,195 | |

Parks & Recreation



Sarah Garceau

Parks & Recreation Director

The Parks and Recreation Department focuses on providing well maintained parks and recreational opportunities that are desirable, safe, and accessible to the community.

The parks system consists of twenty-two parks managed by the department, with an additional thirteen locations co-managed through agreements. The department has a variety of amenities, including sports courts, picnic shelters, playgrounds, trails, docks, boat ramps, a community garden, and a disc golf course.

The department's goals for the year include:

- Establishing maintenance and operations management standards.
- Identifying classes, events, and recreational needs for the community, and creating additional opportunities to meet these needs.
- Review and update administrative policies and procedures, including park rules and municipal code.
- Improve the department's internet presence and marketing. This will include improving webpages to provide easy to access information for the public, including park information, event and activity calendars, capital project information and volunteer opportunities.

The administrative and recreation staff are responsible for:

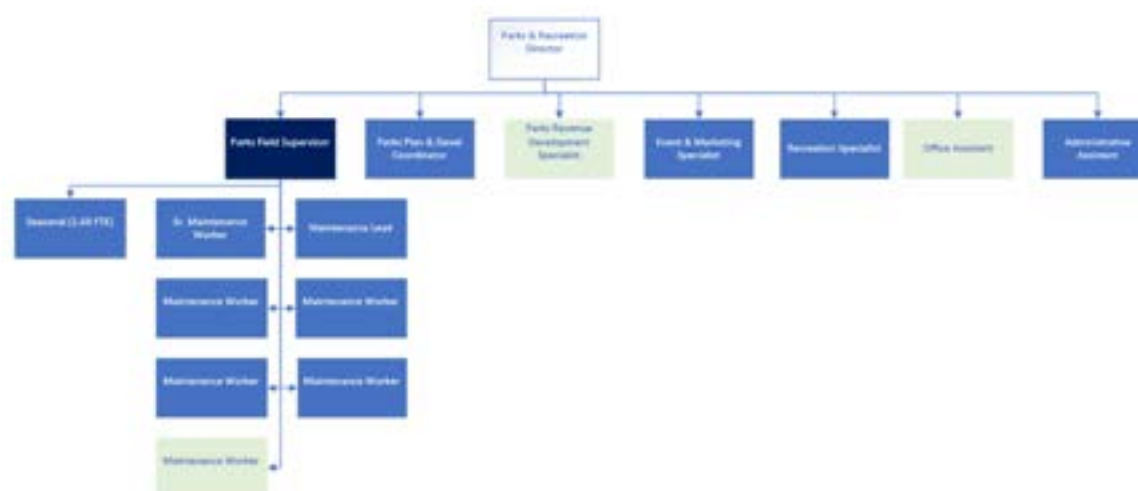
- Recreation programming (teen/youth recreation services).
- Special event coordination (internal and external events).
- Pursues funding for parks through grants and other sources.
- Reservations for facilities (including shelters, open areas, garden beds, and The Mill).
- Marketing and public engagement, including public meetings and surveys.
- Organizing volunteer opportunities, including managing the adopt-a-street and adopt-a-park programs.

The park crew are responsible for:

- Performing facility and ground maintenance, including landscaping, irrigation, trail maintenance and smaller construction projects.
- Inspect and repair facilities, including restrooms, docks and playgrounds.
- Placing buoys, maintaining swim lines and assisting with lake safety.
- Providing events and recreation support.

The Parks and Recreation Department was established in August 2022. Prior to this date, parks and recreational needs were a shared responsibility between the Planning & Community Development and Public Works Departments.

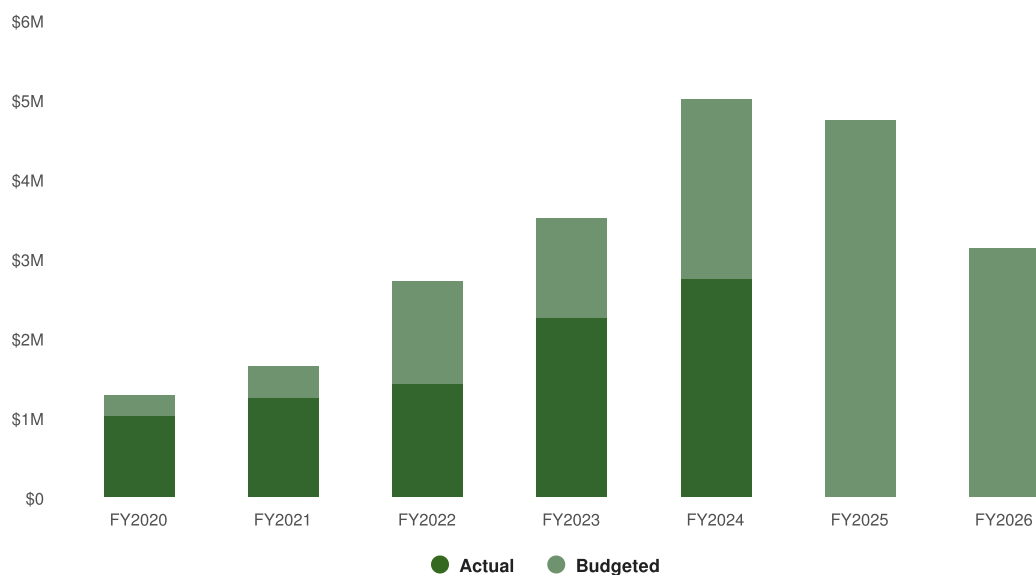
Organizational Chart



Expenditures Summary

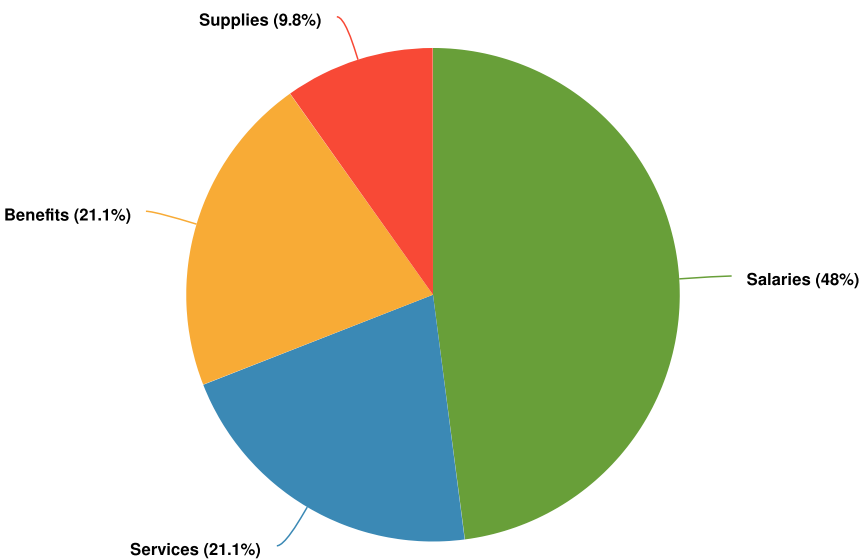
\$3,154,099 **-\$1,594,294**
(-33.58% vs. prior year)

Parks & Recreation Proposed and Historical Budget vs. Actual

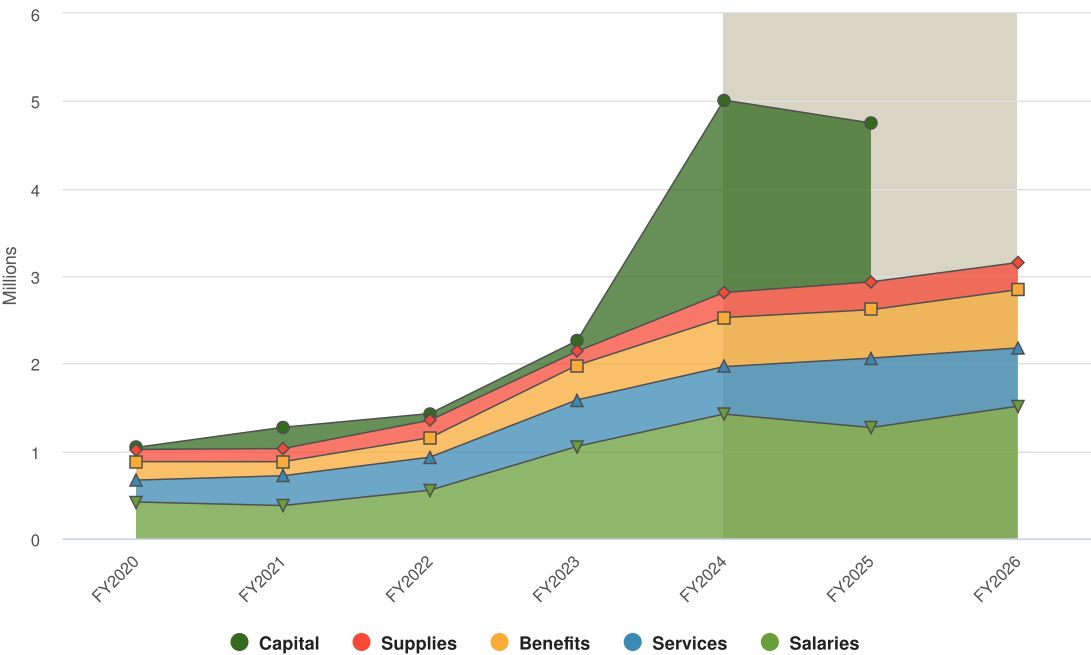


Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Grey background indicates budgeted figures.

| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | Notes |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|-------|
| Expense Objects | | | | | |
| Salaries | \$1,234,203 | \$1,422,230 | \$1,267,653 | \$1,512,416 | |
| Benefits | \$458,913 | \$560,677 | \$553,404 | \$665,668 | |
| Supplies | \$197,258 | \$286,330 | \$318,387 | \$310,025 | |
| Services | \$432,741 | \$542,058 | \$793,639 | \$665,990 | |
| Capital | \$425,564 | \$2,199,382 | \$1,815,310 | \$0 | |
| Total Expense Objects: | \$2,748,679 | \$5,010,677 | \$4,748,393 | \$3,154,099 | |

Public Works



Aaron Halverson
Public Works Director

The Lake Stevens Public Works Department has three divisions; operations, surface water, and engineering. The department operated and maintains:

- 227 miles of roadway
- 114 miles of sidewalks
- 10 facilities (Public Works Shop, Decant Facility, Mill, City Hall, Police Station, Library, Senior Center, Food Bank Building, Visitor Information Center, South Lake Stevens Road Commercial Building)
- 5,500 catchbasins
- 95 stormwater ponds/facilities
- 130 miles of stormwater pipe

The department is also responsible for capital project planning/design/construction, reviewing private developer plans for compliance with design standards and stormwater controls, managing lake health, and implementing the National Pollutant Discharge Elimination Phase II Permit.

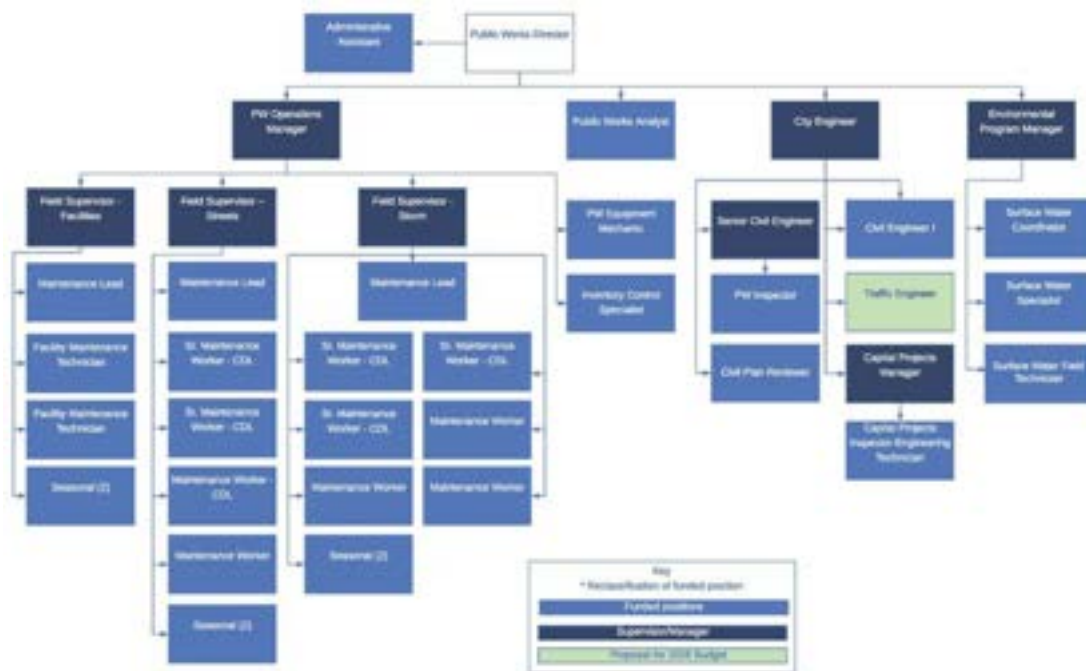
Public Works Organization

OUR MISSION

We serve the Lake Stevens community by providing consistent maintenance and operations for the City through professional public works services, organizational excellence, and community interaction.

OUR VISION

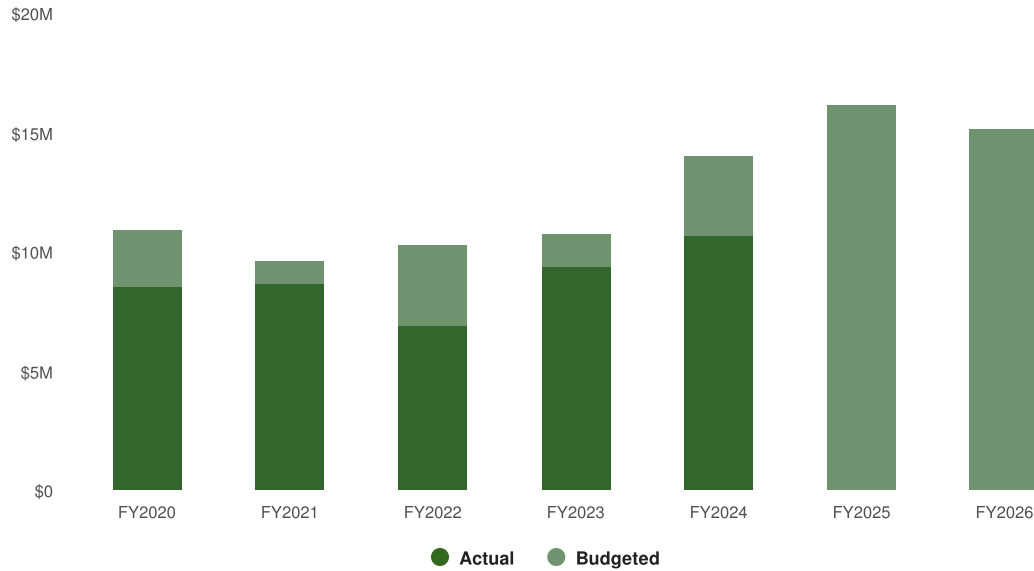
The Lake Stevens Public Works Department is a trusted, safety-minded, and qualified group of dedicated public works professionals. As a team, we work tirelessly to set the standard for public works operations and maintenance.



Expenditures Summary

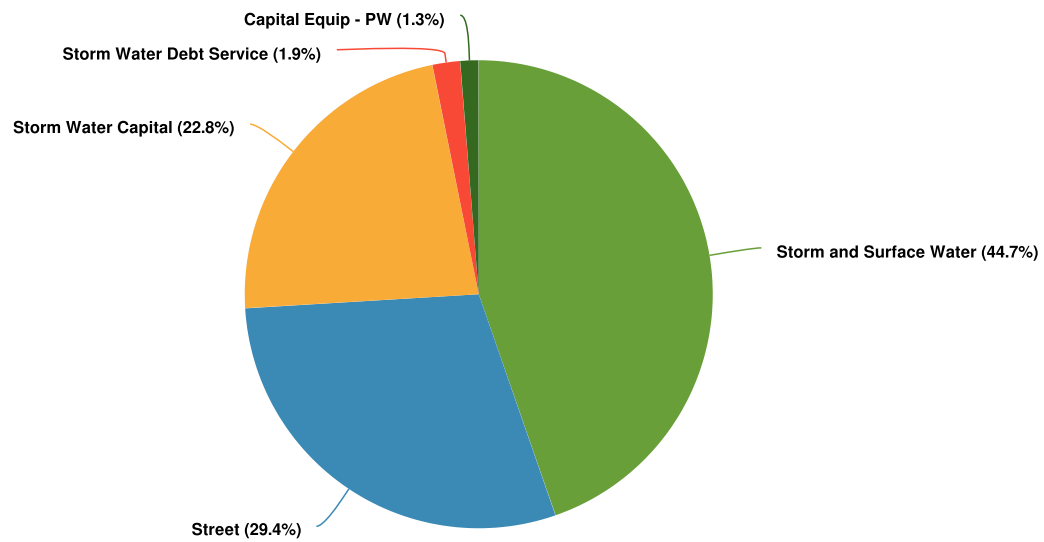
\$15,141,049 **-\$1,044,498**
(-6.45% vs. prior year)

Public Works Proposed and Historical Budget vs. Actual

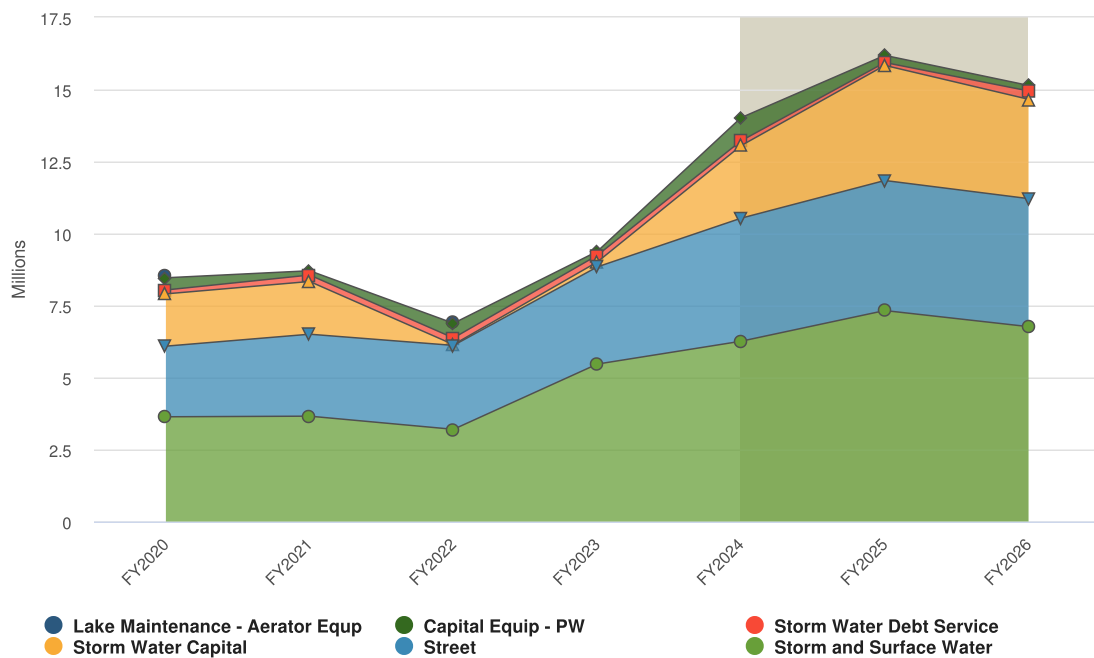


Expenditures by Fund

2026 Expenditures by Fund



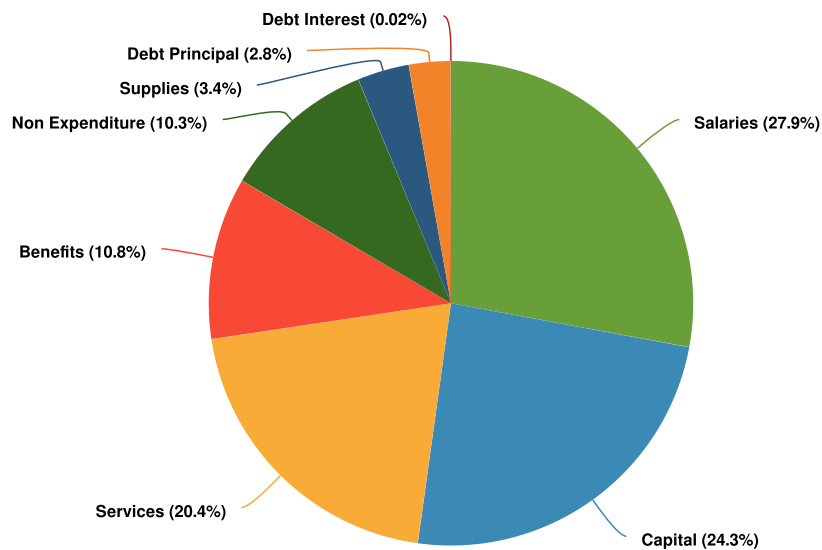
Budgeted and Historical 2026 Expenditures by Fund



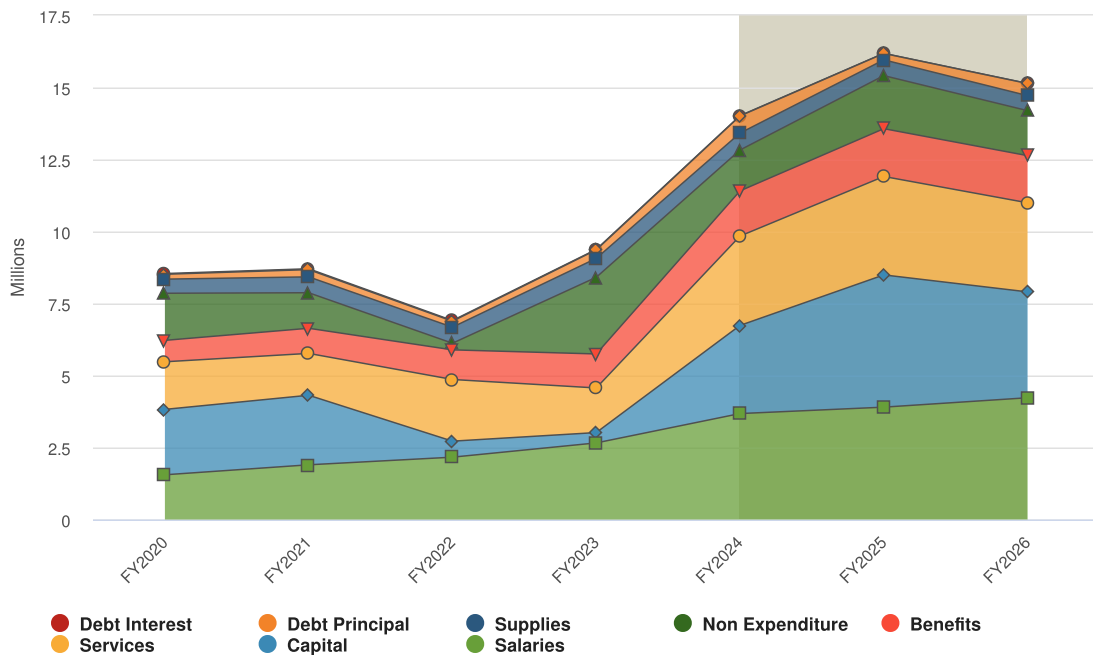
Grey background indicates budgeted figures.

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Grey background indicates budgeted figures.

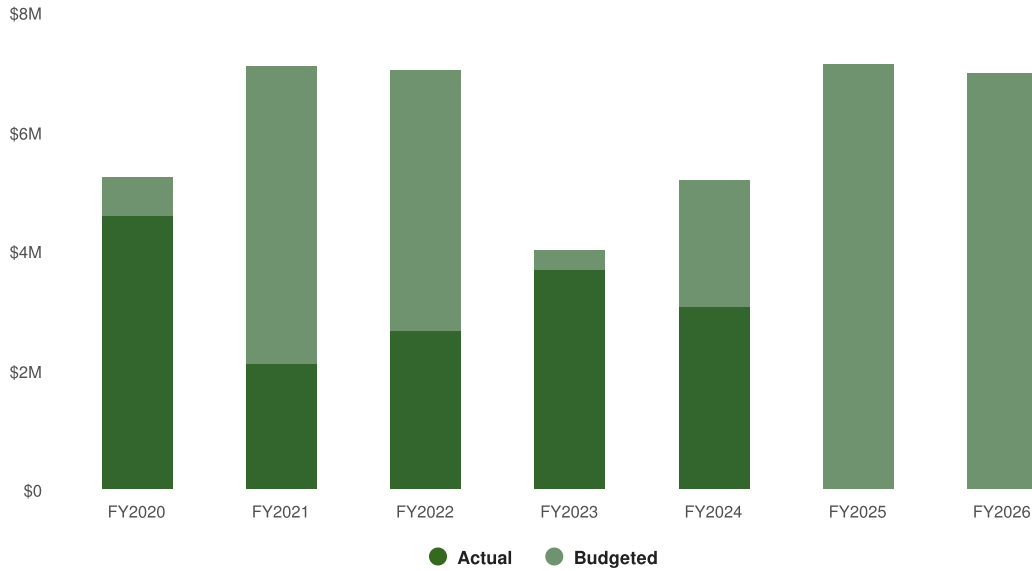
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | Notes |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|-------|
| Expense Objects | | | | | |
| Non Expenditure | \$1,386,076 | \$1,418,682 | \$1,842,177 | \$1,562,177 | |
| Salaries | \$3,442,497 | \$3,678,320 | \$3,901,123 | \$4,227,212 | |
| Benefits | \$1,345,166 | \$1,569,511 | \$1,659,955 | \$1,637,170 | |
| Supplies | \$565,874 | \$587,130 | \$547,565 | \$521,400 | |
| Services | \$2,678,674 | \$3,102,311 | \$3,417,568 | \$3,093,371 | |
| Capital | \$975,122 | \$3,061,247 | \$4,591,982 | \$3,676,200 | |
| Debt Principal | \$301,594 | \$596,161 | \$222,733 | \$421,075 | |
| Debt Interest | \$8,001 | \$8,003 | \$2,444 | \$2,444 | |
| Total Expense Objects: | \$10,703,004 | \$14,021,365 | \$16,185,547 | \$15,141,049 | |

General Government

Expenditures Summary

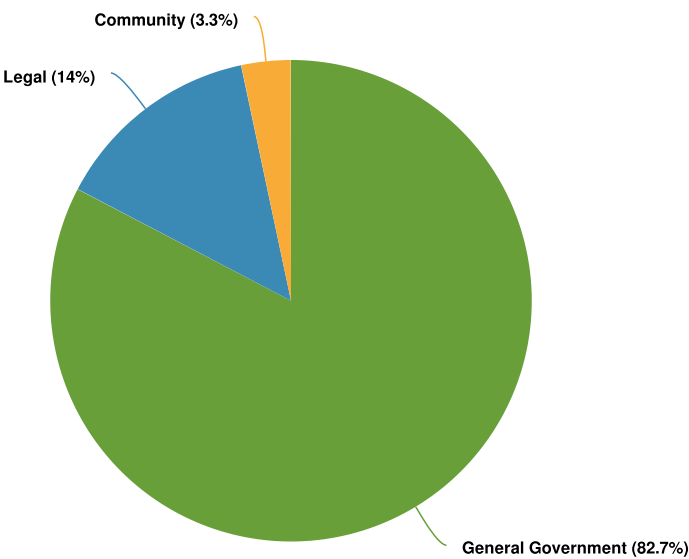
\$6,990,663 **-\$155,626**
(-2.18% vs. prior year)

General Government Proposed and Historical Budget vs. Actual

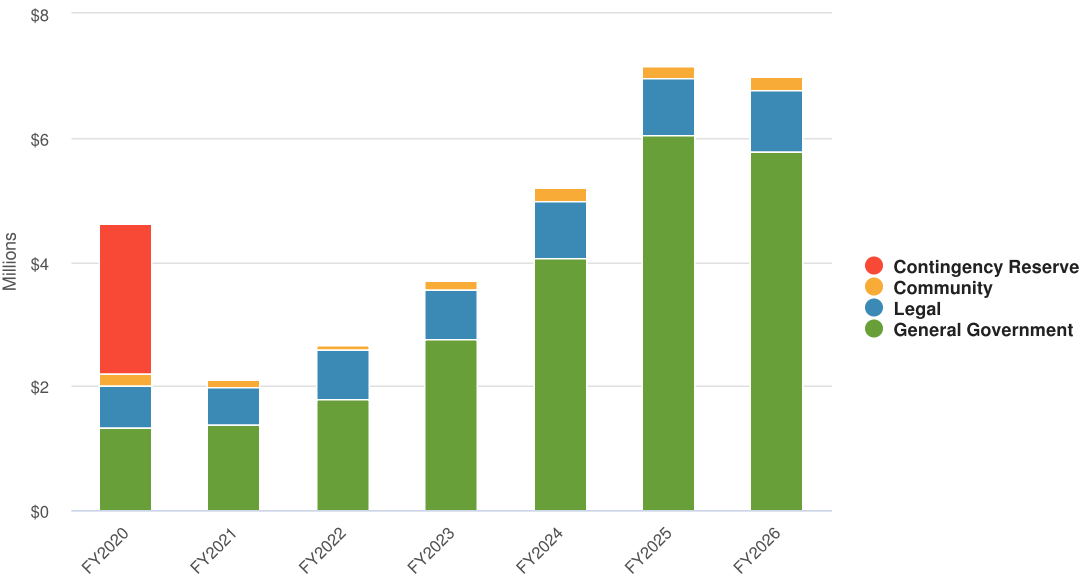


Expenditures by Function

Budgeted Expenditures by Function



Budgeted and Historical Expenditures by Function



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | Notes |
|------------------------------|---------------|-----------------|-----------------|-----------------|-------|
| Expenditures | | | | | |
| Legal | | | | | |
| Ext Consultation - City Atty | \$216,134 | \$250,000 | \$251,101 | \$245,537 | |
| Ext Consult - PRA | \$28,427 | \$18,000 | \$18,950 | \$43,175 | |



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | Notes |
|-------------------------------|------------------|------------------|------------------|------------------|-------|
| Ext Consult - Prosecutor Svs | \$178,389 | \$178,400 | \$200,000 | \$206,822 | |
| Ext Consult - Labor Relations | \$49,305 | \$72,400 | \$86,520 | \$50,000 | |
| Ext Attorney - Sewer | \$10,075 | \$15,000 | \$50,000 | \$12,000 | |
| Ext Litigation - City Atty | \$0 | \$0 | \$25,000 | \$25,000 | |
| Ext Litigation - Sewer | \$242,011 | \$200,000 | \$70,000 | \$0 | |
| LG-General Public Defender | \$175,225 | \$179,850 | \$188,843 | \$375,000 | |
| Social Worker Program (Grant) | \$12,736 | \$12,737 | \$12,720 | \$21,520 | |
| Total Legal: | \$912,302 | \$926,387 | \$903,134 | \$979,054 | |
| | | | | | |
| Community | | | | | |
| CS- Visitor Center | \$0 | \$500 | \$500 | \$500 | |
| CS- VIC Utilities | \$1,758 | \$2,261 | \$2,284 | \$2,330 | |
| CS- VIC Professional Services | \$0 | \$0 | \$0 | \$1,200 | |
| CS- Human Services | \$33,921 | \$95,400 | \$90,000 | \$95,000 | |
| CS- Senior Services-Supplies | \$583 | \$0 | \$0 | \$0 | |
| CS- Senior Services R&M | \$579 | \$1,500 | \$1,500 | \$4,280 | |
| CS- Library-Professional Svc | \$0 | \$0 | \$0 | \$10,000 | |
| CS- Library-Utilities | \$7,829 | \$8,112 | \$8,193 | \$13,300 | |
| CS- Library Storm Drainage | \$2,261 | \$2,262 | \$3,865 | \$4,020 | |
| CS- Library-Repair & Maint | \$747 | \$3,000 | \$3,000 | \$500 | |
| CS- Event Contributions | \$1,822 | \$3,500 | \$8,500 | \$0 | |
| CS - Event Services | \$13,090 | \$0 | \$0 | \$0 | |
| CS- Museum - Operating | \$260 | \$0 | \$0 | \$5,000 | |
| CS-Museum - Services | \$0 | \$0 | \$0 | \$5,000 | |
| CS- Museum - Communications | \$906 | \$1,000 | \$1,000 | \$2,000 | |
| CS- Museum - Utilities | \$6,947 | \$8,941 | \$8,336 | \$15,000 | |
| CS- The Mill- Ops | \$4,376 | \$15,000 | \$10,000 | \$7,500 | |
| CS- The Mill- Communication | \$906 | \$866 | \$935 | \$918 | |
| CS- The Mill- Utilities | \$25,435 | \$36,679 | \$24,867 | \$26,924 | |
| CS- The Mill - R & M | \$1,869 | \$2,000 | \$2,000 | \$8,000 | |
| CS- Grimm House - Operating | \$108 | \$5,000 | \$0 | \$500 | |
| CS-Grimm House - Services | \$1,284 | \$5,000 | \$0 | \$1,500 | |
| CS- Grimm House Utilities | \$2,325 | \$2,574 | \$2,731 | \$3,500 | |
| Art - Public Art Acquisition | \$0 | \$25,000 | \$25,000 | \$25,000 | |
| Total Community: | \$107,006 | \$218,595 | \$192,711 | \$231,972 | |
| | | | | | |
| General Government | | | | | |
| Lobbying Services | \$60,389 | \$65,000 | \$65,000 | \$65,000 | |
| GG-Municipal Court Fees | \$155,301 | \$100,000 | \$168,673 | \$257,285 | |
| LEAN Training - Supplies | \$7,302 | \$5,000 | \$5,000 | \$5,000 | |
| LEAN Training - Prof Dev | \$0 | \$0 | \$5,000 | \$0 | |
| GG-Operating Costs | \$32,939 | \$23,500 | \$23,500 | \$23,500 | |
| GG - Quatermaster Supplies | \$0 | \$5,000 | \$0 | | |
| GG-Fuel | \$0 | \$500 | \$0 | | |



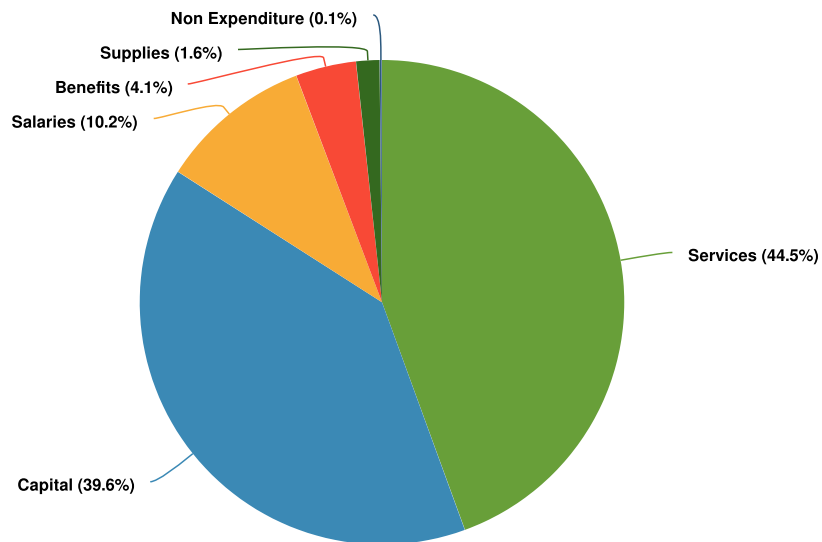
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | Notes |
|-------------------------------|---------------|-----------------|-----------------|-----------------|-------|
| GG-Professional Service | \$145,178 | \$183,710 | \$125,000 | \$125,000 | |
| GG-Communication | \$5,018 | \$6,050 | \$6,655 | \$6,700 | |
| GG-Rental & Services | \$255 | \$1,500 | \$1,500 | \$1,500 | |
| GG-Insurance | \$243,744 | \$243,745 | \$275,824 | \$330,000 | |
| GG-Utilities | \$23,709 | \$28,235 | \$40,000 | \$40,000 | |
| GG-Storm Drainage | \$28,505 | \$28,529 | \$22,575 | \$24,000 | |
| GG-Repair & Maintenance | \$13,663 | \$40,000 | \$25,000 | \$20,000 | |
| GG - R&M - Commercial Bldg | \$36,324 | \$0 | \$0 | | |
| GG-Miscellaneous | \$15,702 | \$5,000 | \$5,000 | \$5,000 | |
| GG-Salaries Regular | \$454,237 | \$408,710 | \$633,812 | \$648,263 | |
| GG-Salaries Overtime | \$10,275 | \$13,617 | \$9,796 | \$10,000 | |
| GG-Benefits | \$104,042 | \$106,940 | \$171,060 | \$152,177 | |
| GG-Social Security | \$35,232 | \$27,450 | \$50,089 | \$45,767 | |
| GG-Retirement | \$40,536 | \$35,100 | \$61,791 | \$33,814 | |
| GG-VEBA & Vacation Cash-out | \$0 | \$46,200 | \$46,200 | \$0 | |
| GG-Workers Comp | \$8,979 | \$12,873 | \$19,878 | \$26,952 | |
| GG-Clothing Cleaning Stipend | \$380 | \$0 | \$1,000 | \$1,000 | |
| GG-Advertising | \$1,649 | \$1,000 | \$1,000 | \$1,000 | |
| GG-Judgements & Settlements | \$0 | \$0 | \$0 | \$10,000 | |
| GG - Contrib to Unemployment | \$0 | \$0 | \$5,910 | \$6,645 | |
| GG - Contrib to Computer | \$315,000 | \$315,000 | \$560,000 | \$560,000 | |
| GG - Contrib to Vehicles | \$39,000 | \$39,000 | \$8,125 | \$15,688 | |
| GG-PSRC | \$14,169 | \$14,420 | \$14,853 | \$18,844 | |
| GG-Chamber of Commerce | \$18,000 | \$18,295 | \$18,295 | \$3,605 | |
| GG-Economic Alliance | \$3,500 | \$3,500 | \$3,500 | \$35,767 | |
| GG-AWC | \$33,491 | \$35,000 | \$35,000 | \$11,699 | |
| GG-SnoCo Tomorrow | \$10,019 | \$10,770 | \$11,021 | \$10,300 | |
| GG-Excise Tax | \$8,894 | \$10,000 | \$10,000 | \$0 | |
| GG-Protectective Insp Enforce | \$0 | \$0 | \$0 | \$67,325 | |
| GG-Emergency | \$56,349 | \$65,364 | \$65,364 | \$34,636 | |
| GG - Air Pollution | \$32,026 | \$27,796 | \$33,627 | \$12,465 | |
| GG - Liquor Tax to SnoCo | \$11,937 | \$12,043 | \$12,102 | \$40,000 | |
| Refund of Deposit | \$37,248 | \$34,200 | \$40,000 | \$0 | |
| Refund of Retainage Deposits | \$0 | \$0 | \$0 | \$3,000 | |
| Lease Agreements | \$1,408 | \$3,000 | \$3,000 | \$0 | |
| GG - Capital Outlays | \$3,417 | \$3,500 | \$0 | \$34,100 | |
| GG-Contrib to Muni Arts Fund | \$25,000 | \$25,000 | \$25,000 | \$5,000 | |
| PR - Sewer Assumption | \$16,171 | \$300,000 | \$283,829 | \$300,000 | |
| PR - Museum | \$0 | \$1,500,000 | \$680,700 | \$800,000 | |
| RR - Capital Purchases | \$0 | \$255,592 | \$443,039 | \$59,615 | |
| PR - Civic Campus | | | \$1,810,300 | \$1,850,000 | |
| RP-Salaries | \$0 | \$0 | \$154,920 | \$51,434 | |
| RP-Overtime | \$0 | \$0 | \$0 | \$2,000 | |
| RP-Benefits | \$0 | \$0 | \$28,893 | \$14,565 | |



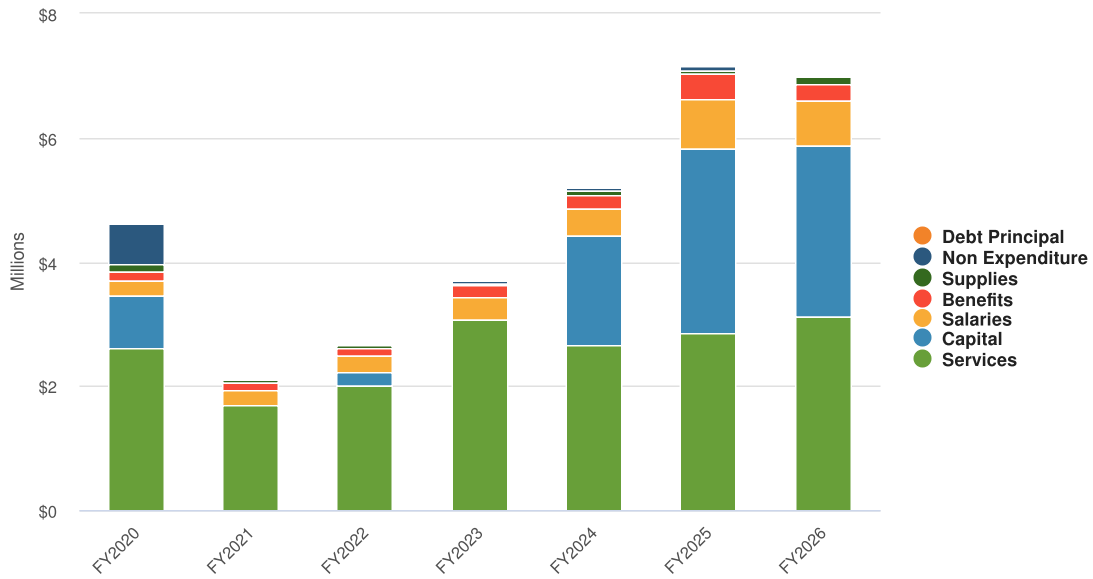
| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | Notes |
|----------------------------------|--------------------|--------------------|--------------------|--------------------|-------|
| RP-Social Security | \$0 | \$0 | \$13,243 | \$3,934 | |
| RP-Retirement | \$0 | \$0 | \$17,456 | \$2,950 | |
| RP-Workers Comp | \$0 | \$0 | \$602 | \$2,059 | |
| RP-Clothing-Cleaning Stipend | \$0 | \$0 | \$0 | \$48 | |
| RP - Settlement | \$0 | \$0 | \$8,312 | \$0 | |
| Refund of Deposit | \$0 | \$0 | \$0 | \$2,000 | |
| Total General Government: | \$2,048,988 | \$4,060,139 | \$6,050,444 | \$5,779,637 | |
| Total Expenditures: | \$3,068,296 | \$5,205,121 | \$7,146,289 | \$6,990,663 | |

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



| Name | FY2024 Actual | FY2024 Budgeted | FY2025 Budgeted | FY2026 Proposed | Notes |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|-------|
| Expense Objects | | | | | |
| Non Expenditure | \$62,248 | \$59,200 | \$65,000 | \$10,000 | |
| Salaries | \$464,512 | \$422,327 | \$798,528 | \$711,697 | |
| Benefits | \$189,169 | \$228,563 | \$410,212 | \$283,266 | |
| Supplies | \$47,390 | \$58,000 | \$47,500 | \$109,325 | |
| Services | \$2,300,152 | \$2,649,939 | \$2,863,010 | \$3,107,660 | |
| Capital | \$3,417 | \$1,784,092 | \$2,959,039 | \$2,768,715 | |
| Debt Principal | \$1,408 | \$3,000 | \$3,000 | \$0 | |
| Total Expense Objects: | \$3,068,296 | \$5,205,121 | \$7,146,289 | \$6,990,663 | |

APPENDIX

Glossary

Abatement: A reduction or elimination of a real or personal property tax, motor vehicle excise, a fee, charge, or special assessment imposed by a governmental unit. Granted only on application of the person seeking the abatement and only by the committing governmental unit.

Accounting System: The total structure of records and procedures that identify record, classify, and report information on the financial position and operations of a governmental unit or any of its funds, account groups, and organizational components.

Accrued Interest: The amount of interest that has accumulated on the debt since the date of the last interest payment, and on the sale of a bond, the amount accrued up to but not including the date of delivery (settlement date). (See Interest)

Amortization: The gradual repayment of an obligation over time and in accordance with a predetermined payment schedule.

Appropriation: A legal authorization from the community's legislative body to expend money and incur obligations for specific public purposes. An appropriation is usually limited in amount and as to the time period within which it may be expended.

Arbitrage: As applied to municipal debt, the investment of tax-exempt bonds or note proceeds in higher yielding, taxable securities. Section 103 of the Internal Revenue Service (IRS) Code restricts this practice and requires (beyond certain limits) that earnings be rebated (paid) to the IRS.

Assessed Valuation: A value assigned to real estate or other property by a government as the basis for levying taxes.

Audit: An examination of a community's financial systems, procedures, and data by a certified public accountant (independent auditor), and a report on the fairness of financial statements and on local compliance with statutes and regulations. The audit serves as a valuable management tool in evaluating the fiscal performance of a community.

Audit Report: Prepared by an independent auditor, an audit report includes: (a) a statement of the scope of the audit; (b) explanatory comments as to application of auditing procedures; (c) findings and opinions. It is almost always accompanied by a management letter which contains supplementary comments and recommendations.

Available Funds: Balances in the various fund types that represent non-recurring revenue sources. As a matter of sound practice, they are frequently appropriated to meet unforeseen expenses, for capital expenditures or other one-time costs.

Balance Sheet: A statement that discloses the assets, liabilities, reserves and equities of a fund or governmental unit at a specified date.

Betterments (Special Assessments): Whenever a specific area of a community receives benefit from a public improvement (e.g., water, sewer, sidewalk, etc.), special property taxes may be assessed to reimburse the governmental entity for all or part of the costs it incurred. Each parcel receiving benefit from the improvement is assessed for its proportionate share of the cost of such improvements. The proportionate share may be paid in full or the property owner may request that the assessors apportion the betterment over 20 years. Over the life of the betterment, one year's apportionment along with one year's committed interest computed from October 1 to October 1 is added to the tax bill until the betterment has been paid.

Bond: A means to raise money through the issuance of debt. A bond issuer/borrower promises in writing to repay a specified sum of money, alternately referred to as face value, par value or bond principal, to the buyer of the bond on a specified future date (maturity date), together with periodic interest at a specified rate. The term of a bond is always greater than one year. (See Note)

Bond and Interest Record: (Bond Register) – The permanent and complete record maintained by a treasurer for each bond issue. It shows the amount of interest and principal coming due each date and all other pertinent information concerning the bond issue.

Bonds Authorized and Unissued: Balance of a bond authorization not yet sold. Upon completion or abandonment of a project, any remaining balance of authorized and unissued bonds may not be used for other purposes, but must be rescinded by the community's legislative body to be removed from community's books.

Bond Issue: Generally, the sale of a certain number of bonds at one time by a governmental unit.



Bond Rating (Municipal): A credit rating assigned to a municipality to help investors assess the future ability, legal obligation, and willingness of the municipality (bond issuer) to make timely debt service payments. Stated otherwise, a rating helps prospective investors determine the level of risk associated with a given fixed-income investment. Rating agencies, such as Moody's and Standard and Poors, use rating systems, which designate a letter or a combination of letters and numerals where AAA is the highest rating and C1 is a very low rating.

Budget: A plan for allocating resources to support particular services, purposes and functions over a specified period of time. (See Performance Budget, Program Budget)

Capital Assets: All real and tangible property used in the operation of government, which is not easily converted into cash, and has an initial useful life extending beyond a single financial reporting period. Capital assets include land and land improvements; infrastructure such as roads, bridges, water and sewer lines; easements; buildings and building improvements; vehicles, machinery and equipment. Communities typically define capital assets in terms of a minimum useful life and a minimum initial cost. (See Fixed Assets)

Capital Budget: An appropriation or spending plan that uses borrowing or direct outlay for capital or fixed asset improvements. Among other information, a capital budget should identify the method of financing each recommended expenditure, i.e., tax levy or rates, and identify those items that were not recommended. (See Capital Assets, Fixed Assets)

Cash: Currency, coin, checks, postal and express money orders and bankers' drafts on hand or on deposit with an official or agent designated as custodian of cash and bank deposits.

Cash Management: The process of monitoring the ebb and flow of money in an out of municipal accounts to ensure cash availability to pay bills and to facilitate decisions on the need for short-term borrowing and investment of idle cash.

Certificate of Deposit (CD): A bank deposit evidenced by a negotiable or non-negotiable instrument, which provides on its face that the amount of such deposit plus a specified interest payable to a bearer or to any specified person on a certain specified date, at the expiration of a certain specified time, or upon notice in writing.

Classification of Real Property: Assessors are required to classify all real property according to use into one of four classes: residential, open space, commercial, and industrial. Having classified its real properties, local officials are permitted to determine locally, within limitations established by statute and the Commissioner of Revenue, what percentage of the tax burden is to be borne by each class of real property and by personal property owners.

Collective Bargaining: The process of negotiating workers' wages, hours, benefits, working conditions, etc., between an employer and some or all of its employees, who are represented by a recognized labor union. regarding wages, hours and working conditions.

Consumer Price Index: The statistical measure of changes, if any, in the overall price level of consumer goods and services. The index is often called the "cost-of-living index."

Cost-Benefit Analysis: A decision-making tool that allows a comparison of options based on the level of benefit derived and the cost to achieve the benefit from different alternatives.

Debt Burden: The amount of debt carried by an issuer usually expressed as a measure of value (i.e., debt as a percentage of assessed value, debt per capita, etc.). Sometimes debt burden refers to debt service costs as a percentage of the total annual budget.

Debt Service: The repayment cost, usually stated in annual terms and based on an amortization schedule, of the principal and interest on any particular bond issue.

Encumbrance: A reservation of funds to cover obligations arising from purchase orders, contracts, or salary commitments that are chargeable to, but not yet paid from, a specific appropriation account.

Enterprise Funds: An enterprise fund is a separate accounting and financial reporting mechanism for municipal services for which a fee is charged in exchange for goods or services. It allows a community to demonstrate to the public the portion of total costs of a service that is recovered through user charges and the portion that is subsidized by the tax levy, if any. With an enterprise fund, all costs of service delivery--direct, indirect, and capital costs—are identified. This allows the community to recover total service costs through user fees if it chooses. Enterprise accounting also enables communities to reserve the "surplus" or net assets unrestricted generated by the operation of the enterprise rather than closing it out to the general fund at year-end. Services that may be treated as enterprises include, but are not limited to, water, sewer, hospital, and airport services.

Equalized Valuations (EQVs): The determination of the full and fair cash value of all property in the community that is subject to local taxation.

Estimated Receipts: A term that typically refers to anticipated local revenues often based on the previous year's receipts and represent funding sources necessary to support a community's annual budget. (See Local Receipts)

Exemptions: A discharge, established by statute, from the obligation to pay all or a portion of a property tax. The exemption is available to particular categories of property or persons upon the timely submission and approval of an application to the assessors. Properties exempt from taxation include hospitals, schools, houses of worship, and cultural institutions. Persons who may qualify for exemptions include disabled veterans, blind individuals, surviving spouses, and seniors.

Expenditure: An outlay of money made by municipalities to provide the programs and services within their approved budget.

Fiduciary Funds: Repository of money held by a municipality in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and other funds. These include pension (and other employee benefit) trust funds, investment trust funds, private- purpose trust funds, and agency funds.

Fixed Assets: Long-lived, assets such as buildings, equipment and land obtained or controlled as a result of past transactions or circumstances.

Fixed Costs: Costs that are legally or contractually mandated such as retirement, FICA/Social Security, insurance, debt service costs or interest on loans.

Float: The difference between the bank balance for a local government's account and its book balance at the end of the day. The primary factor creating float is clearing time on checks and deposits. Delays in receiving deposit and withdrawal information also influence float.

Full Faith and Credit: A pledge of the general taxing powers for the payment of governmental obligations. Bonds carrying such pledges are usually referred to as general obligation or full faith and credit bonds.

Fund: An accounting entity with a self-balancing set of accounts that are segregated for the purpose of carrying on identified activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.

Fund Accounting: Organizing financial records into multiple, segregated locations for money. A fund is a distinct entity within the municipal government in which financial resources and activity (assets, liabilities, fund balances, revenues, and expenditures) are accounted for independently in accordance with specific regulations, restrictions or limitations. Examples of funds include the general fund and enterprise funds. Communities whose accounting records are organized according to the Uniform Municipal Accounting System (UMAS) use multiple funds.

GASB 34: A major pronouncement of the Governmental Accounting Standards Board that establishes new criteria on the form and content of governmental financial statements. GASB 34 requires a report on overall financial health, not just on individual funds. It requires more complete information on the cost of delivering value estimates on public infrastructure assets, such as bridges, road, sewers, etc. It also requires the presentation of a narrative statement the government's financial performance, trends and prospects for the future.

GASB 45: This is another Governmental Accounting Standards Board major pronouncement that each public entity account for and report other postemployment benefits in its accounting statements. Through actuarial analysis, municipalities must identify the true costs of the OPEB earned by employees over their estimated years of actual service.

General Fund: The fund used to account for most financial resources and activities governed by the normal appropriation process.

General Obligation Bonds: Bonds issued by a municipality for purposes allowed by statute that are backed by the full faith and credit of its taxing authority.

Governing Body: A board, committee, commission, or other executive or policymaking body of a municipality or school district.

Indirect Cost: Costs of a service not reflected in the operating budget of the entity providing the service. An example of an indirect cost of providing water service would be the value of time spent by non-water department employees processing water bills. A determination of these costs is necessary to analyze the total cost of service delivery. The matter of indirect costs arises most often in the context of enterprise funds.



Interest: Compensation paid or to be paid for the use of money, including amounts payable at periodic intervals or discounted at the time a loan is made. In the case of municipal bonds, interest payments accrue on a day-to-day basis, but are paid every six months.

Interest Rate: The interest payable, expressed as a percentage of the principal available for use during a specified period of time. It is always expressed in annual terms.

Investments: Securities and real estate held for the production of income in the form of interest, dividends, rentals or lease payments. The term does not include fixed assets used in governmental operations.

Line Item Budget: A budget that separates spending into categories, or greater detail, such as supplies, equipment, maintenance, or salaries, as opposed to a program budget.

Local Aid: Revenue allocated by the state or counties to municipalities and school districts.

Maturity Date: The date that the principal of a bond becomes due and payable in full.

Municipal(s): (As used in the bond trade) "Municipal" refers to any state or subordinate governmental unit. "Municipals" (i.e., municipal bonds) include not only the bonds of all political subdivisions, such as cities, towns, school districts, special districts, counties but also bonds of the state and agencies of the state.

Note: A short-term loan, typically with a maturity date of a year or less.

Objects of Expenditures: A classification of expenditures that is used for coding any department disbursement, such as "personal services," "expenses," or "capital outlay."

Official Statement: A document prepared for potential investors that contains information about a prospective bond or note issue and the issuer. The official statement is typically published with the notice of sale. It is sometimes called an offering circular or prospectus.

Operating Budget: A plan of proposed expenditures for personnel, supplies, and other expenses for the coming fiscal year.

Overlapping Debt: A community's proportionate share of the debt incurred by an overlapping government entity, such as a regional school district, regional transit authority, etc.

Performance Budget: A budget that stresses output both in terms of economy and efficiency.

Principal: The face amount of a bond, exclusive of accrued interest.

Program: A combination of activities to accomplish an end.

Program Budget: A budget that relates expenditures to the programs they fund. The emphasis of a program budget is on output.

Purchased Services: The cost of services that are provided by a vendor.

Refunding of Debt: Transaction where one bond issue is redeemed and replaced by a new bond issue under conditions generally more favorable to the issuer.

Reserve Fund: An amount set aside annually within the budget of a town to provide a funding source for extraordinary or unforeseen expenditures.

Revaluation: The assessors of each community are responsible for developing a reasonable and realistic program to achieve the fair cash valuation of property in accordance with constitutional and statutory requirements. The nature and extent of that program will depend on the assessors' analysis and consideration of many factors, including, but not limited to, the status of the existing valuation system, the results of an in-depth sales ratio study, and the accuracy of existing property record information.

Revenue Anticipation Note (RAN): A short-term loan issued to be paid off by revenues, such as tax collections and state aid. RANs are full faith and credit obligations.



Revenue Bond: A bond payable from and secured solely by specific revenues and thereby not a full faith and credit obligation.

Revolving Fund: Allows a community to raise revenues from a specific service and use those revenues without appropriation to support the service.

Sale of Real Estate Fund: A fund established to account for the proceeds of the sale of municipal real estate other than proceeds acquired through tax title foreclosure.

Stabilization Fund: A fund designed to accumulate amounts for capital and other future spending purposes, although it may be appropriated for any lawful purpose.

Surplus Revenue: The amount by which cash, accounts receivable, and other assets exceed liabilities and reserves.

Tax Rate: The amount of property tax stated in terms of a unit of the municipal tax base; for example, \$14.80 per \$1,000 of assessed valuation of taxable real and personal property.

Tax Title Foreclosure: The procedure initiated by a municipality to obtain legal title to real property already in tax title and on which property taxes are overdue.

Trust Fund: In general, a fund for money donated or transferred to a municipality with specific instructions on its use. As custodian of trust funds, the treasurer invests and expends such funds as stipulated by trust agreements, as directed by the commissioners of trust funds or by the community's legislative body. Both principal and interest may be used if the trust is established as an expendable trust. For nonexpendable trust funds, only interest (not principal) may be expended as directed.

Uncollected Funds: Recently deposited checks included in an account's balance but drawn on other banks and not yet credited by the Federal Reserve Bank or local clearinghouse to the bank cashing the checks. (These funds may not be loaned or used as part of the bank's reserves and they are not available for disbursement.)

Undesignated Fund Balance: Monies in the various government funds as of the end of the fiscal year that are neither encumbered nor reserved, and are therefore available for expenditure once certified as part of free cash.

Unreserved Fund Balance (Surplus Revenue Account): The amount by which cash, accounts receivable, and other assets exceed liabilities and restricted reserves. It is akin to a "stockholders' equity" account on a corporate balance sheet. It is not, however, available for appropriation in full because a portion of the assets listed as "accounts receivable" may be taxes receivable and uncollected. (See Free Cash)

Valuation (100 Percent): The legal requirement that a community's assessed value on property must reflect its market, or full and fair cash value.