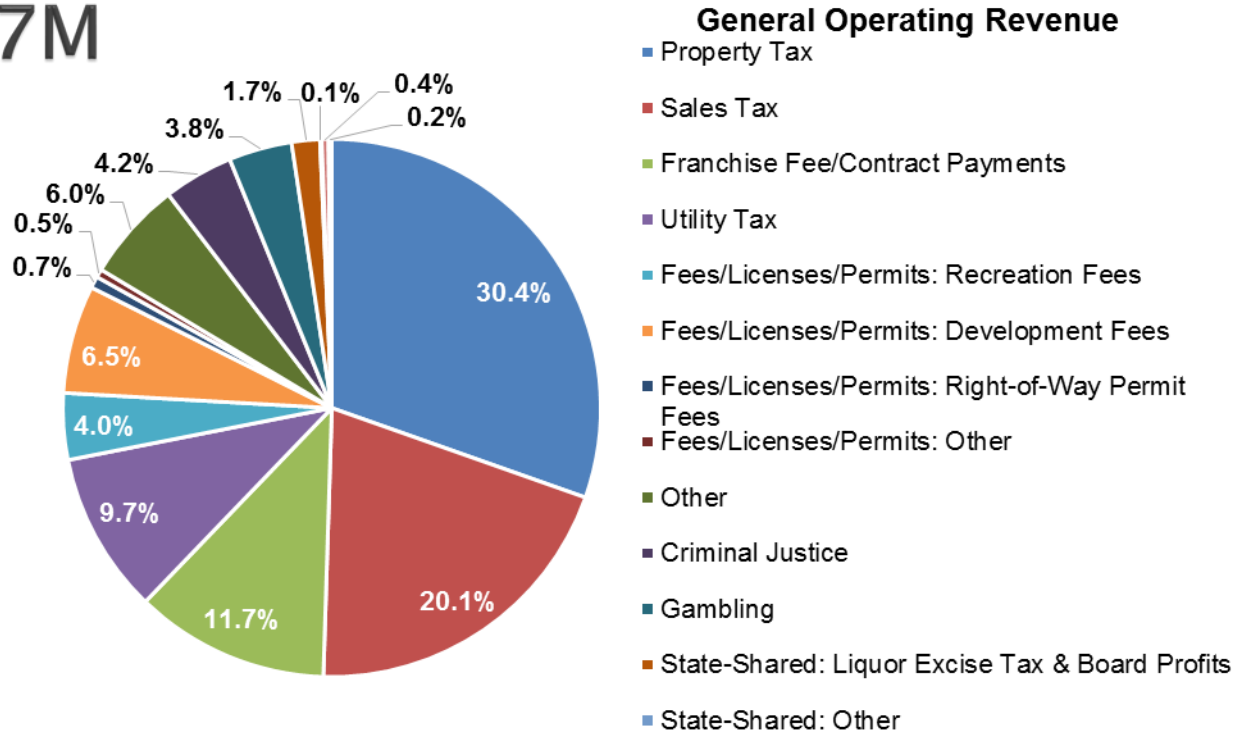


Revenue Sources

How the City's operations are funded



General Fund Revenues: \$41.917M



How the 1% Property Tax Levy Limit Works

- ▶ Limits increases in taxes by individual taxing districts to 1% annually
 - Example:
 - Year 1: City A levies its highest lawful levy at \$1.00 million
 - Year 2: City A can only levy \$1.01 million plus taxes generated by new construction
- ▶ It does not limit property tax increases for individual homes
- ▶ Individual tax bills are based on a number of factors:
 - How much property changes in value
 - Whether voters approve tax increases beyond the 1% levy limit

How the Levy Limit Affects Property Taxes

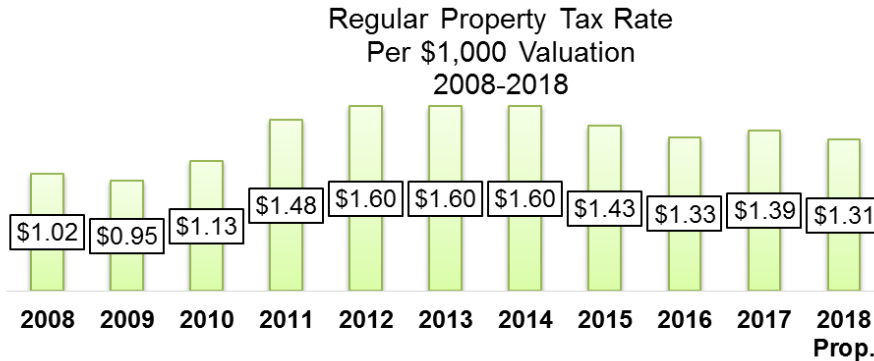
Simple Example With Current Levy of \$600

	Home 1	Home 2	Home 3	Total City
Year 1 Assessed Value (AV)	\$200,000	\$200,000	\$200,000	\$600,000
Times the Levy Rate (LR)	1.00	1.00	1.00	
Year 1 Tax Levy (AV*LR/1000)	\$200	\$200	\$200	\$600
Year 2 AV Increase	10%	20%	15%	15%
For Year 2 – City can increase the total levy by 1% from \$600 to \$606				
Year 2 Assessed Value(AV)	\$220,000	\$240,000	\$230,000	\$690,000
Times the Levy Rate (LR)	0.87826	0.87826	0.87826	
Year 2 Tax Levy (AV*LR/1000)	\$193.22	\$210.78	\$202.00	\$606.00
Change in tax paid:	(\$6.78)	\$10.78	\$2.00	\$6.00

Total Levy Grew 1% from Year 1 Tax Levy

Property Tax: Regular Levy City of Shoreline

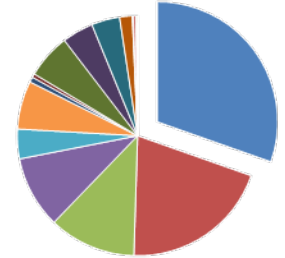
- ▶ Levy Lid Lift allows levy growth by CPI + new construction
 - 2018 Budget Estimated: CPI: 2.99%; AV Growth: 9.8%;
New Construction: \$45.972M
- ▶ 30.4% of Operating Budget Resources



- ▶ Actual Levy: \$12.845M @ Levy Rate of \$1.27/\$1,000 AV

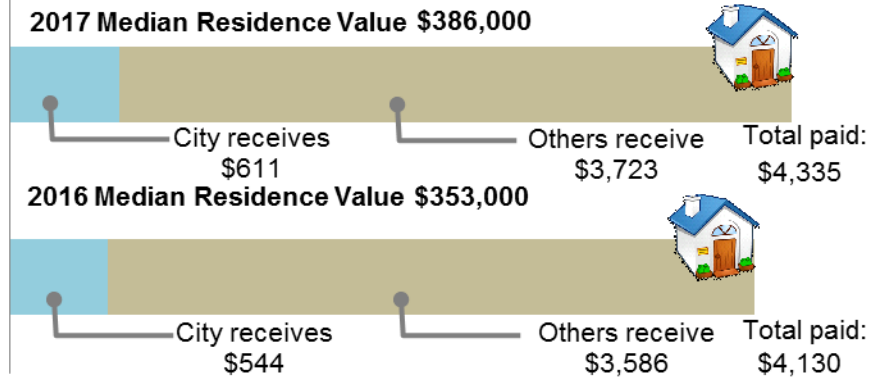
Resource Category:
Property Tax

30.4% of Operating
Fund Revenues



2018 Budget Book
pp. 73-74

Property Tax: How \$1 is Split in 2017



Sales Tax (10.0%* Rate):

\$10 Spent in Shoreline

Generates \$1 of Sales Tax



State

County

Sound Transit *

City



* Note: Sales Tax Rate increases to 10.0% eff. April 1, 2017; add'l 0.5% provides funding for ST3

Criminal Justice Funding:

RESTRICTED

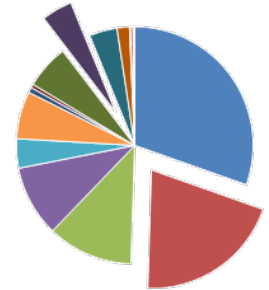
- ▶ Two dedicated sources: optional County sales tax of 0.1% and State criminal justice funding

Resource Category:
Sales Tax

20.1% of Operating
Fund Revenues

Resource Category:
Criminal Justice

4.2% of Operating
Fund Revenues



2018 Budget Book
p. 85 & 87

Utility Taxes

- ▶ Natural Gas, Telephone, Garbage, Cable TV, and Storm Drainage Service providers pay tax of 6%

Franchise Fees: Cable, Sewer, Water

- ▶ Water and Sewer Providers pay fee of 6.0%
- ▶ Cable TV providers pay fee of 5.0%

Contract Payment: Electricity

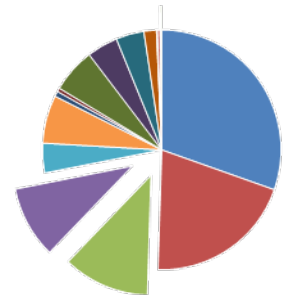
- ▶ Seattle City Light pays 6% Contract Fee on electrical revenues

Resource Category:
Utility Tax

9.7% of Operating
Fund Revenues

Resource Category:
Franchise Fee /
Contract Payment

11.7% of Operating
Fund Revenues

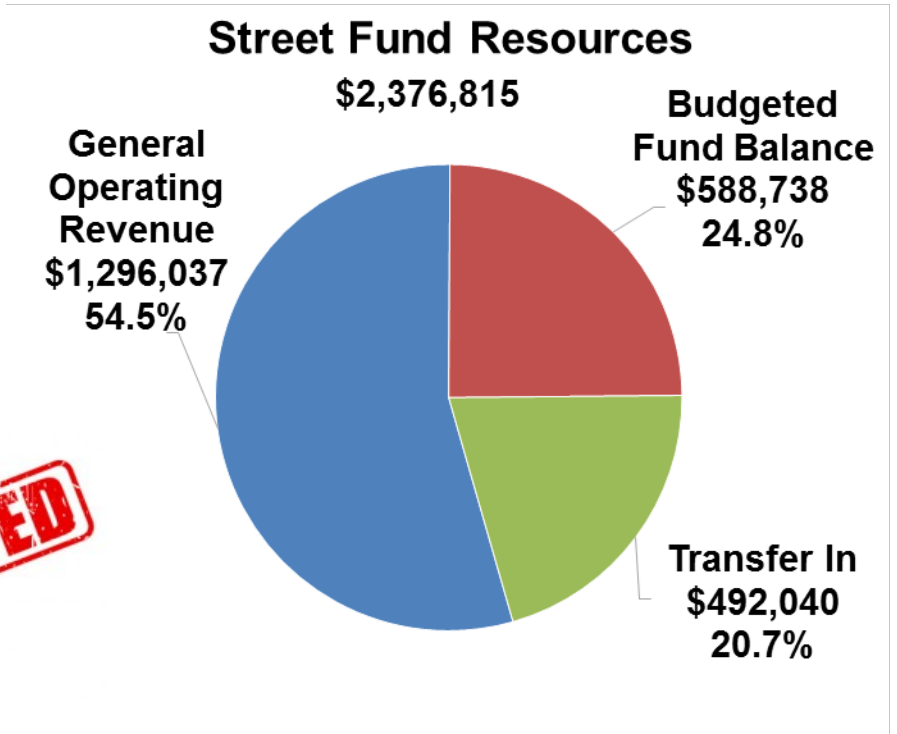


2018 Budget Book
p. 84-85

Street Operations Resources:

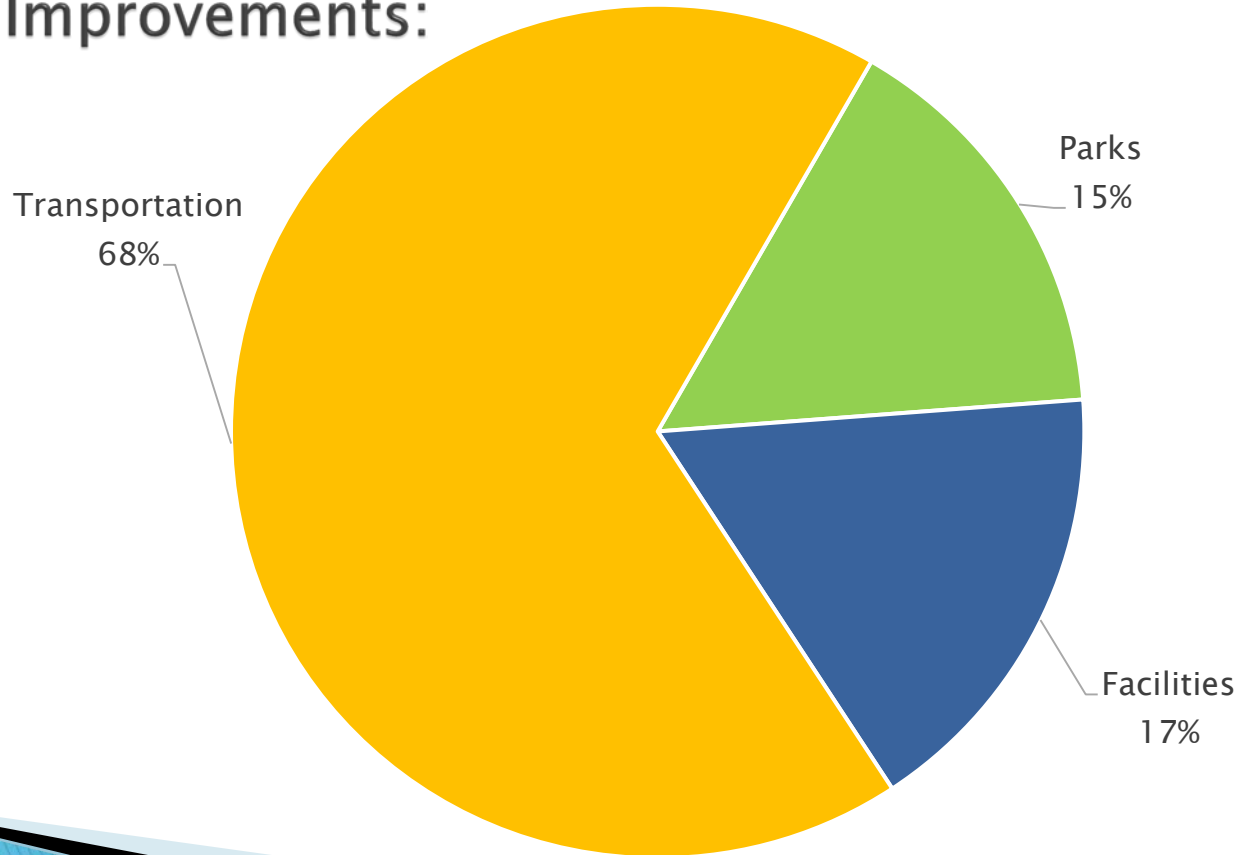
- ▶ State collected gasoline and diesel fuel tax is shared with cities and towns on a per capita basis
- ▶ The General Fund provides some support to the Street Fund

RESTRICTED



RESTRICTED

Capital Improvements:



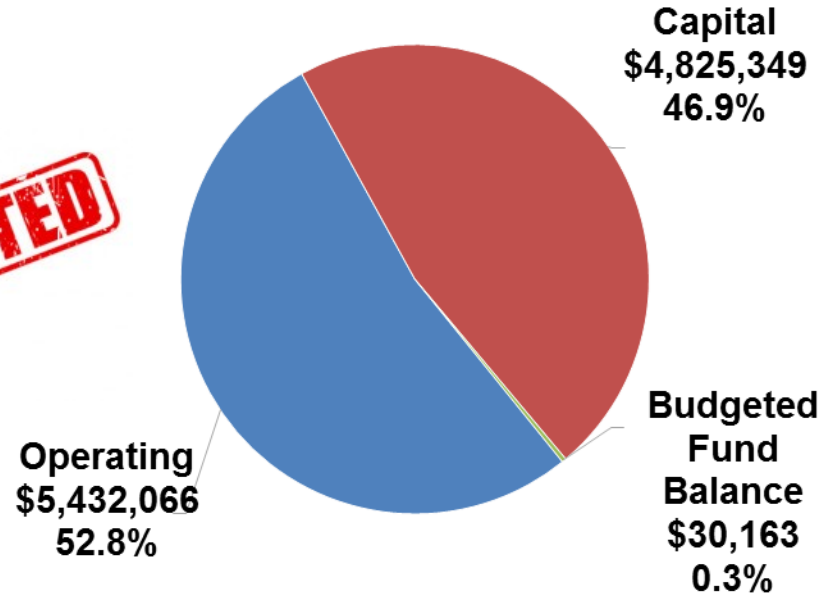
Surface Water Utility Resources:

- ▶ From surface water utility fees, grants and bonds
- ▶ The City contracts with King County to collect utility fees via the annual property tax assessment.

Surface Water Fund Resources

\$10,287,578

RESTRICTED



Wastewater Utility Resources:

- ▶ The City will:
 - Operate and maintain the sewer utility
- ▶ Ronald Wastewater District Board of Commissioners will:
 - Set rates
 - Retain all revenues

Bond to fund park improvements, acquisition

- ▶ Property Acquisition: \$12.37M
- ▶ Park improvements and upgrades: \$7.12M
- ▶ Pedestrian pathways and trails: \$2.85M
- ▶ Bond expires in 2021

Bond to fund park improvements, acquisition

▶ Property Acquisition: \$12.37M

- South Woods: \$7.62M; 12.6 acres (NE150th Street and 25th Avenue NE, adjacent to Shorecrest High School) – Open Space to be preserve as urban forest
- Seattle Public Utilities Property Adjacent to Hamlin Park: \$3.53M; 8.3 acres (Seattle Public Utilities Property Adjacent to Hamlin Park – NE 165th St and 16th Ave. NE) – Open Space to be preserve as urban forest
- Kruckeberg Garden: \$1.22M; 4 acres (20312 15th Ave. NW) – Botanical Garden

Bond to fund park improvements, acquisition

▶ Park improvements and upgrades: \$7.12M

- Cromwell Park Improvements: \$1.08M; 18009 Corliss Ave. – Installed irrigated ball fields, walking paths/trails, play equipment, natural area enhancements, restrooms, signage, landscaping, enhanced parking, picnic facilities, benches and water fountains
- Richmond Beach Saltwater Park: \$2.92M; 2021 NW 190th St. – Improved parking, play area, restrooms and picnic areas, walking paths, interpretive signage, natural area enhancements, landscape, irrigation, erosion control and site furniture
- Twin Ponds Park Soccer Field Improvements: \$1.05M; 15401 First Ave. NE – Installed synthetic turf on the soccer field
- Hamlin Park Improvements: \$1.51M; 16006 15th Ave. NE – Upgraded picnic areas and shelters, ball fields with minor grading alterations, and field lighting. Replaced playground equipment, backstops and wing walls, and trail erosion and vegetation management

Bond to fund park improvements, acquisition

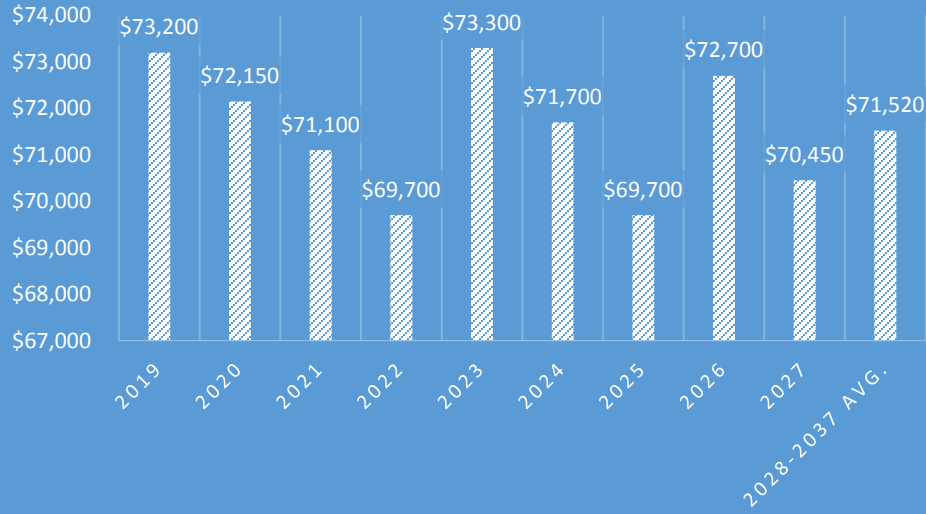
- ▶ Park improvements and upgrades: \$7.12M
 - Baseball and Softball Field Improvements: \$0.24M; Variety of parks including Richmond Highlands Recreation Center. Backstops and dugout repairs and scoreboard and restroom upgrades
 - Off-leash dog park: \$0.16M; Identified location and constructed dog park area
 - Shoreline Center Tennis Court Lighting: \$0.16M; 18560 First Ave. NE – Installed lighting

Bond to fund park improvements, acquisition

- ▶ **Pedestrian pathways and trails: \$2.85M**
 - Boeing Creek–ADA Pathway Improvements: \$0.3M
 - Hamlin Park (ADA Pathway Improvements, Trail Vegetation): \$0.19M
 - South Woods – Pedestrian Path: \$0.3M
 - Cromwell Park Main Pedestrian Pathway: \$0.1M
 - Interurban Trail North Central: \$0.04M
 - Hard Surface Trail Connectors: \$0.21M
 - Soft Surface Trail Connectors: \$0.81M
 - Kruckeberg Garden ADA Trail & Parking & Building Improvements: \$0.6M
 - Pedestrian Bridge Connection to Trail: \$0.02M
 - Trail Corridors (195th Trail & Sunset ADA): \$0.28M

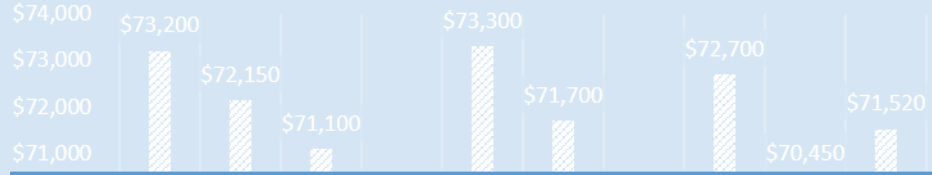
Identified and constructed trail corridors throughout the City for connectivity and recreation purposes. Trails within Shoreline's wooded parks were restored and improved. Directional and interpretive signage was improved. Other improvements accomplished were upgrades to handicapped access, pedestrian access, site furniture, landscape and irrigation.

ANNUAL DEBT SERVICE



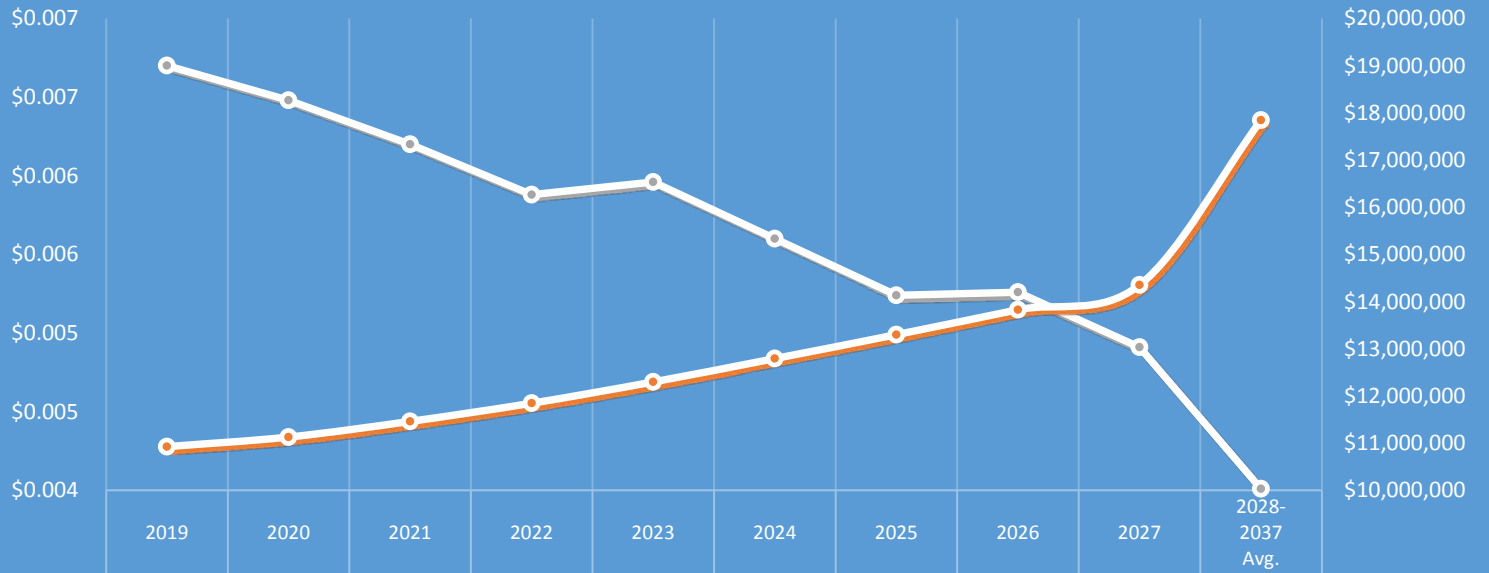
Impacts of \$1.0M Debt (20-Yr Bond Issue)

ANNUAL DEBT SERVICE



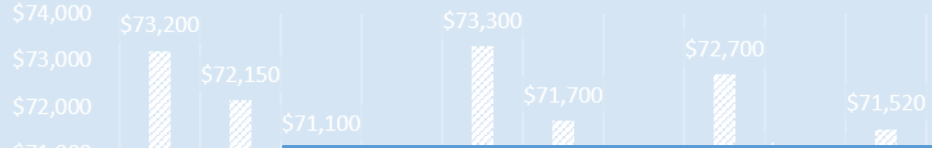
Impacts of \$1.0M Debt (20-Yr Bond Issue)

ASSESSED VALUATION AND LEVY RATE RELATIONSHIP



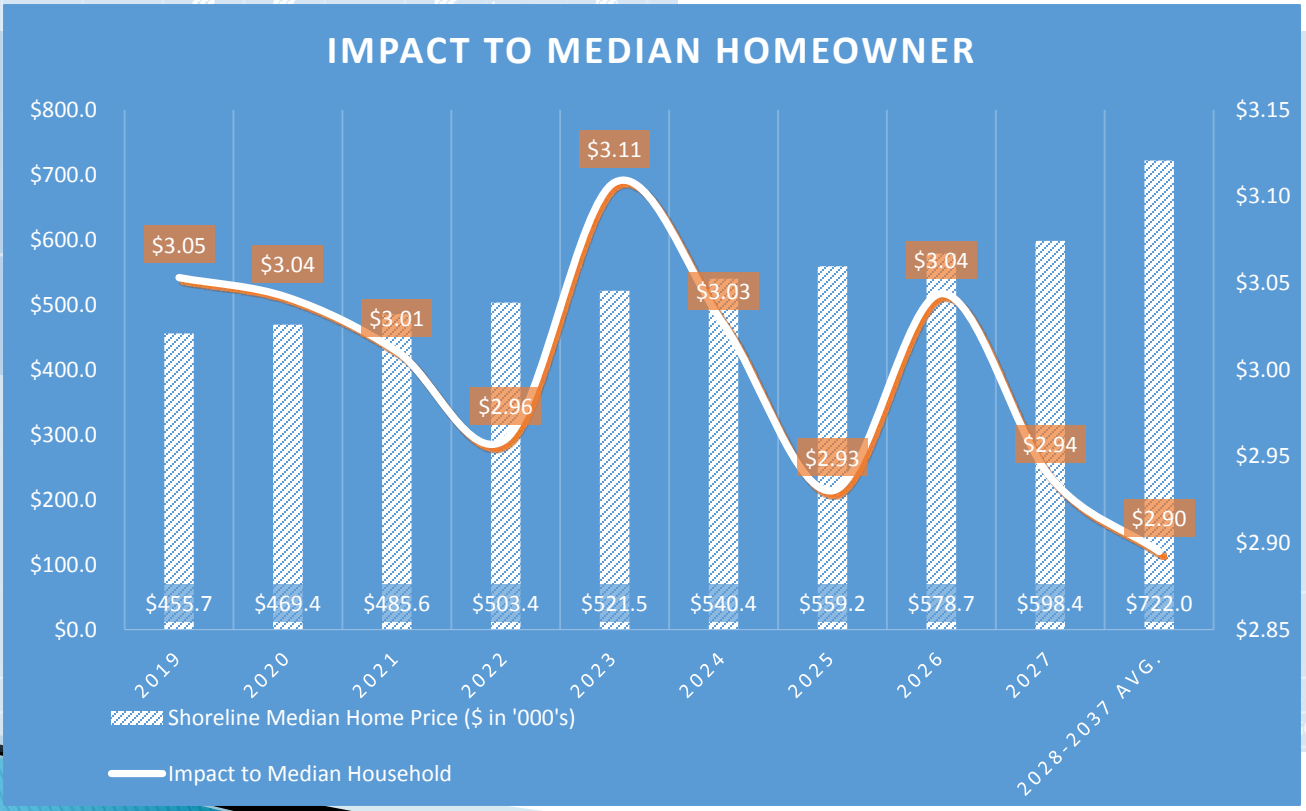
○— Levy Rate	\$0.00670	\$0.00648	\$0.00620	\$0.00588	\$0.00596	\$0.00560	\$0.00524	\$0.00526	\$0.00491	\$0.00401
○— Assessed Valuation (\$ in '000s)	\$10,926,578	\$11,129,353	\$11,461,562	\$11,846,858	\$12,297,972	\$12,792,576	\$13,299,449	\$13,827,112	\$14,351,384	\$17,846,360

ANNUAL DEBT SERVICE



Impacts of \$1.0M Debt (20-Yr Bond Issue)

IMPACT TO MEDIAN HOMEOWNER



Levy Rate
Assessment

Questions?