



Council Budget Roundtable

5-26-20

Robert Hamud, Finance Director

Agenda



- Revised Forecast.
- Level of Service Discussion-Recreation.
- Tax discussion.



Revised Forecast

Current Conditions-May Update



- Last update on revenues 3-23, last two months in stay-at-home order.
- Reopening date uncertain, summer activity will be impacted by restrictions and postponed/cancelled/restricted public events.
- Assume summer business activity will be 50% of normal in June, July, August assuming that gradual reopening continues.
- Construction reopening in late April resumed nearly all projects within the City offsetting some of the revenue loss due to the shutdown.
- Forecast assumes large declines in “brick and mortar” businesses within the City, but increases in online purchases and home delivery of goods and services.
- CONDITIONS ARE STILL UNCERTAIN- Forecast could change multiple times before the end of the year.

Forecast Factors-May Update

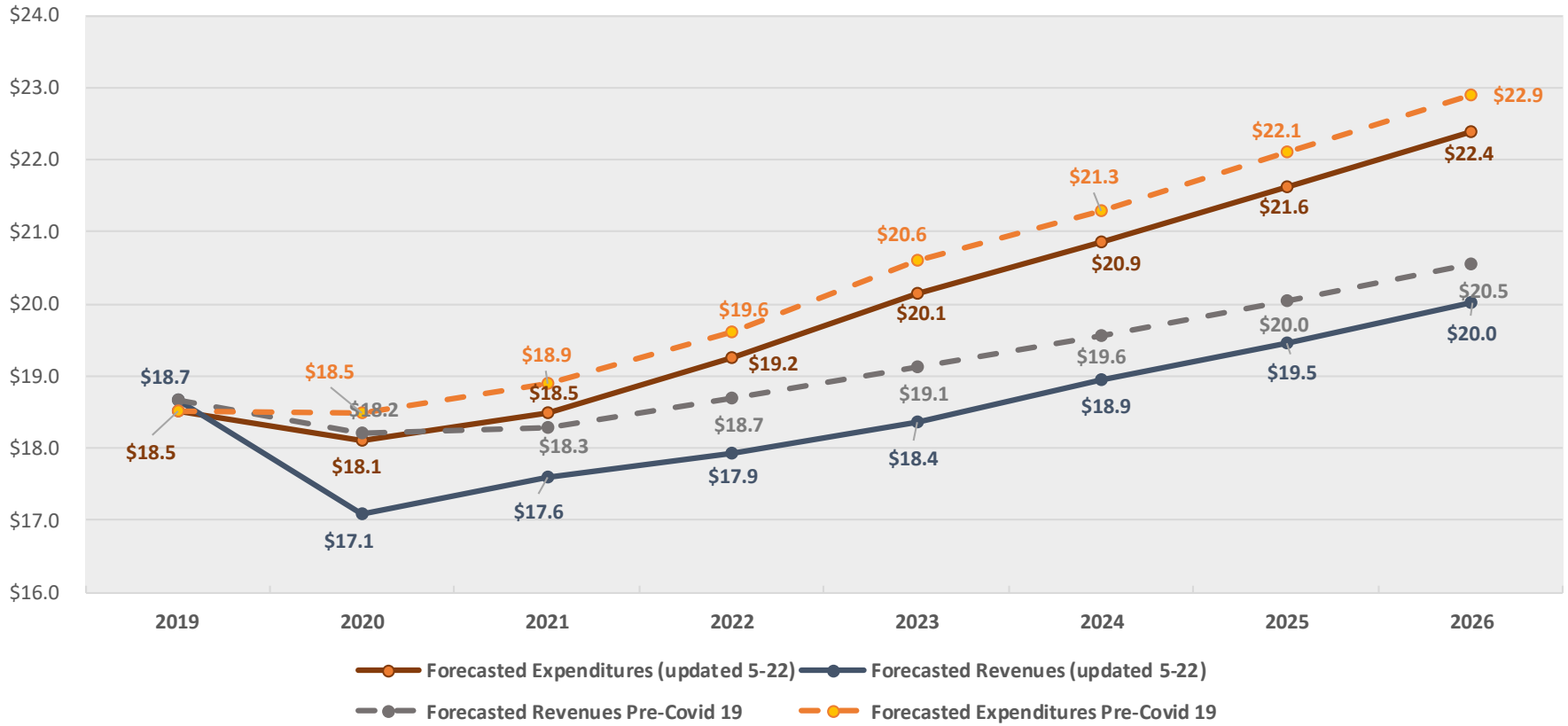


- Non-Covid Change: >\$400K in revenue anticipated from legal fee recovery moved to 2021 forecast.
- Sales tax declines steeper than estimated with extension of shutdown orders:
 - Utility tax revenues seeing slight decrease but no steep declines:
 - Some decrease for late utility payments, however consumption of most utilities showing upward trends.
 - Construction sales tax revenues of \$700K for 2020 and 350K for 2021.
- Community Development revenue decreases:
 - Plan-checking fees and engineering fees reduced for 2020, should rebound in second half of 2021 based on current assumptions.
- Gas tax revenues approx. \$240K in 2020, down approx. \$25K.

Updated Forecast



Updated Revenue and Expenditure Forecast 5-22
in Millions (\$)

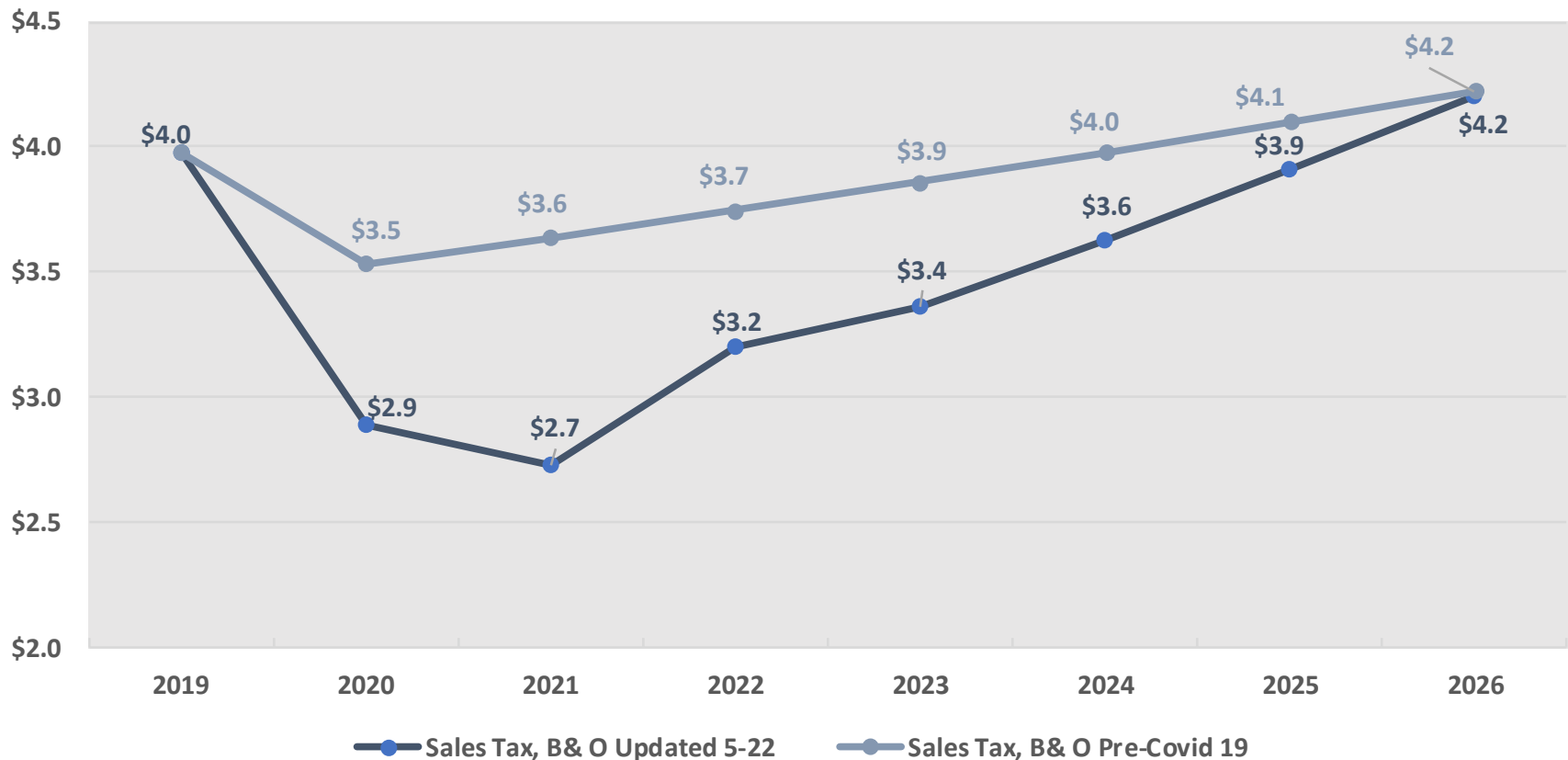


Sales Tax, B&O Revised Forecast



Sales Tax + B&O Updated Forecast 5-22

in Millions (\$)

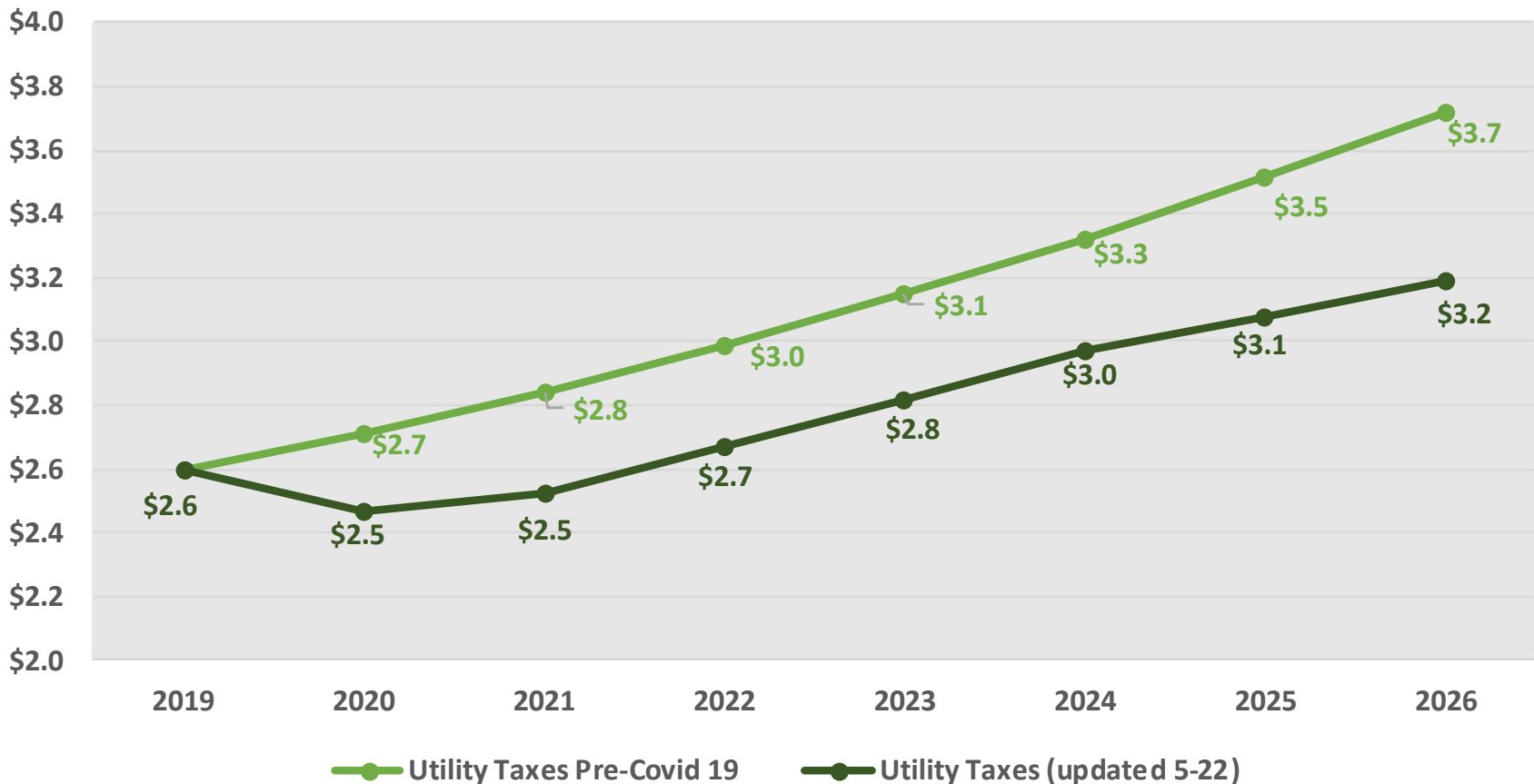


Utility Tax Revised Forecast

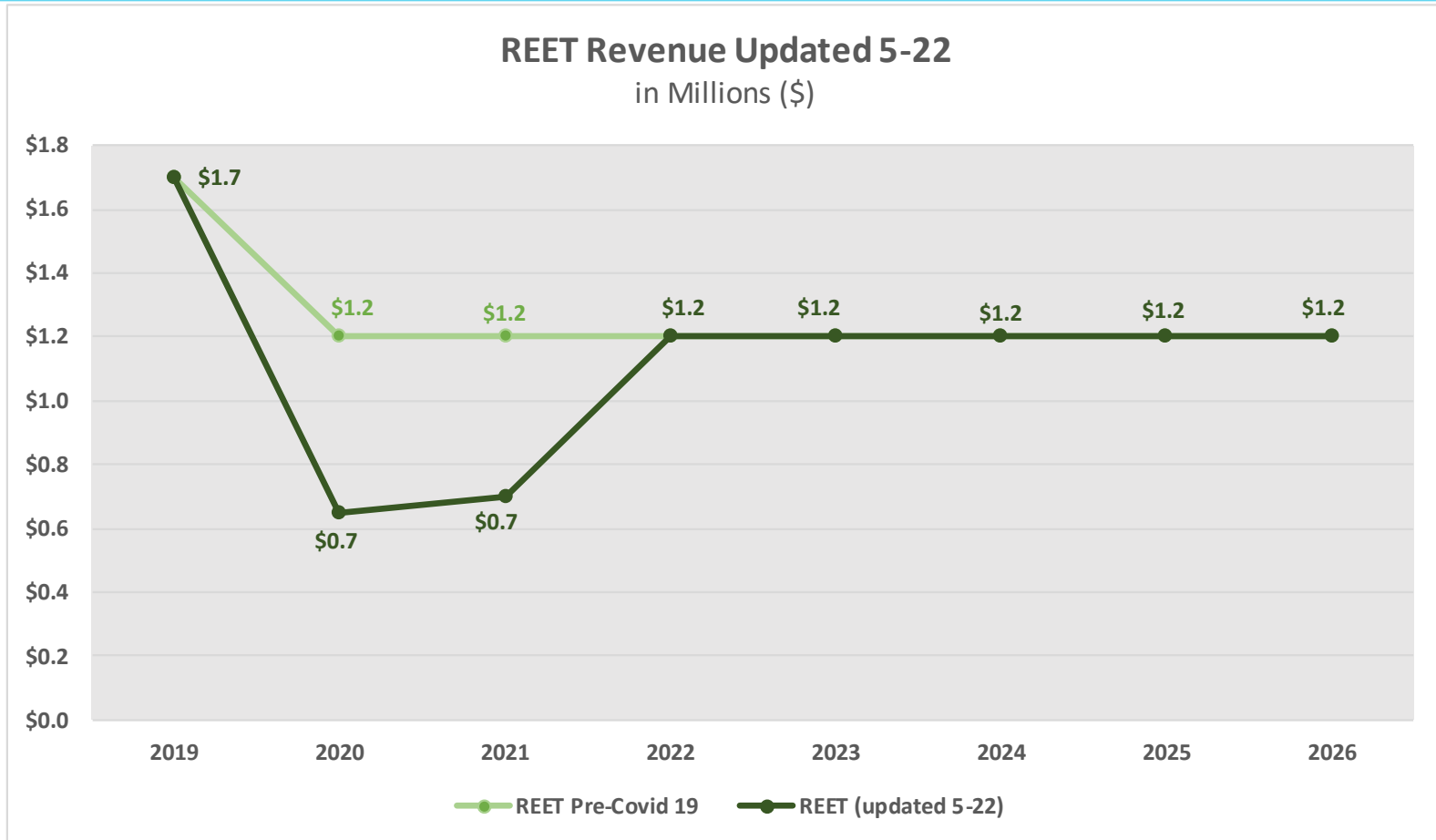


Utility Tax Revenue Forecast

in Millions (\$)



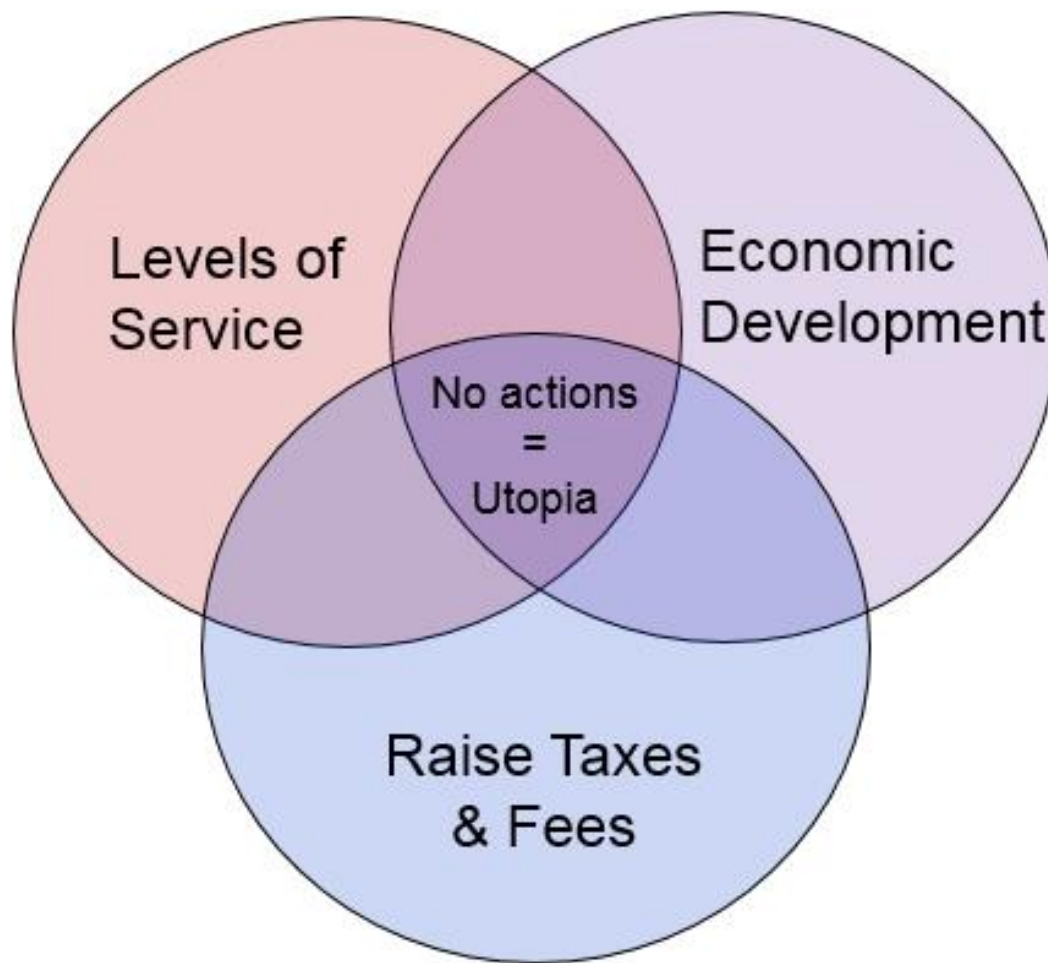
REET Revised Forecast



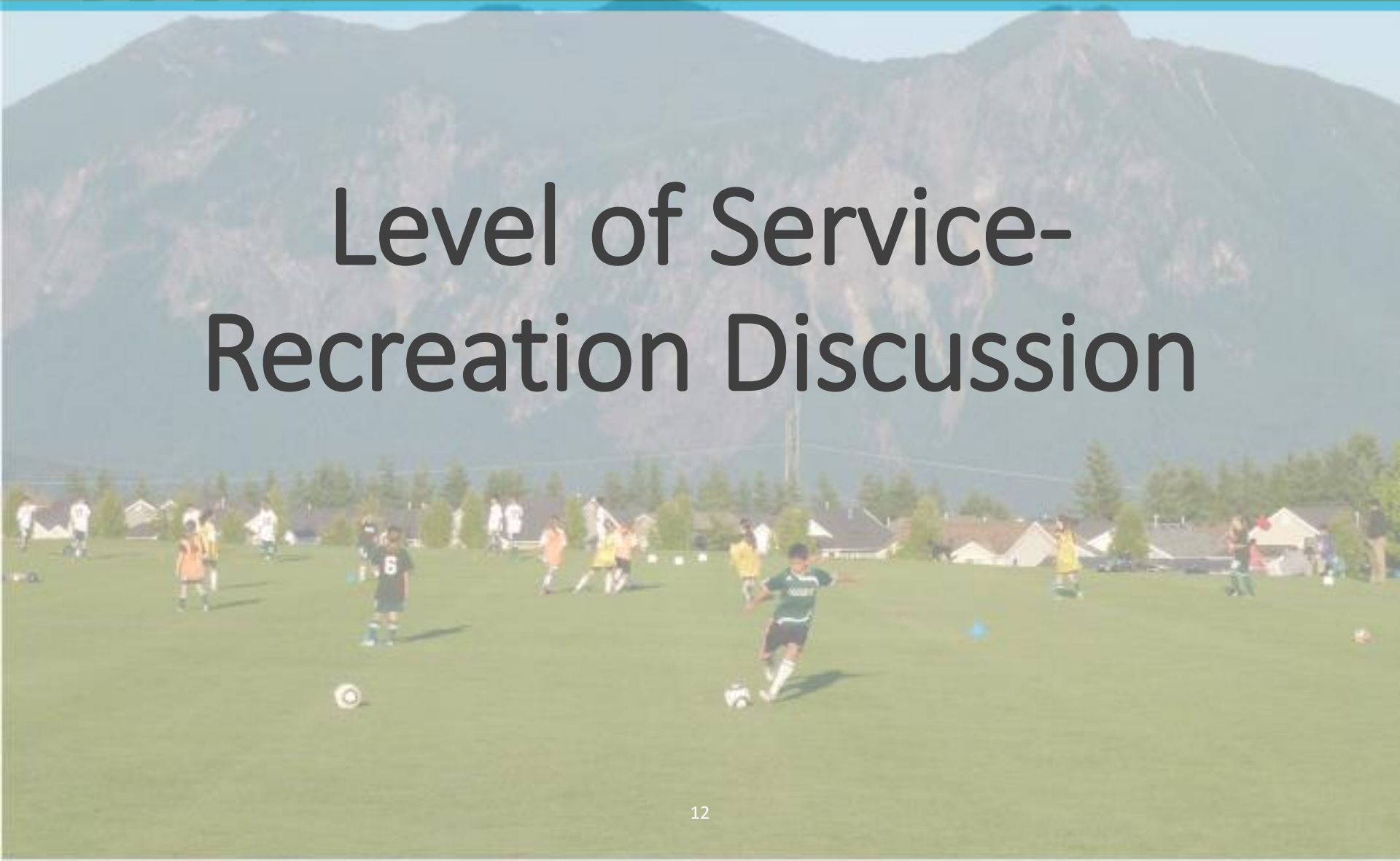
Note: 500K of REET in 2019 was attributable to the Salish Lodge sale.

Questions on Revised Forecast?

Council Toolbox



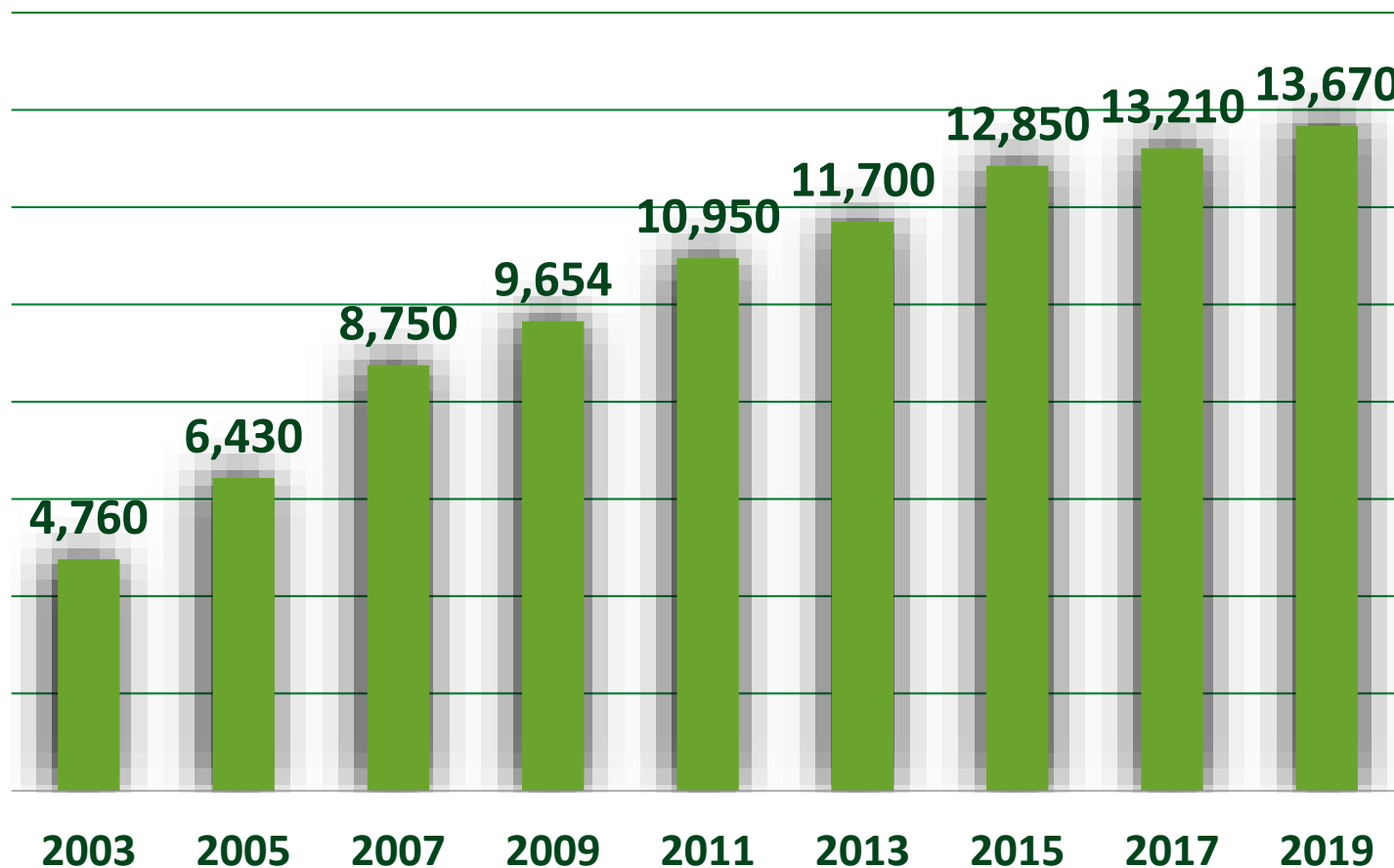
Level of Service- Recreation Discussion



City of Snoqualmie Population Growth



- 35% under the age of 19
- Increased 24% since 2012



Source: WA Department of Commerce.

Recreational Needs



2019	Snoqualmie	Avg. of Mercer Island, Maple Valley, Issaquah & Sammamish
	<i>C+V = Cost + Value</i>	
	<i>C+V Per Household</i>	<i>C+V Per Household</i>
Parks M&O	\$535	\$242
Rec & Events	<u>\$57</u>	\$242
	\$592	\$502
\$ Per Acre	\$3,605	\$6,696
Acres/Home	0.15	0.05
Staff	<i>Per 1000 Homes</i>	<i>Per 1000 Homes</i>
Parks FTE's	0.26	1.13
Rec & Events	<u>0.02</u>	0.96
	0.28	2.09

City Operated Community Center (existing)



2019	Snoqualmie	Avg. of Mercer Island, Maple Valley, Issaquah & Sammamish
	<i>C+V Per Household</i>	<i>C+V Per Household</i>
Parks M&O	\$535	\$242
Rec & Events	<u>\$248</u>	\$242
	\$783	\$502

City Run *Existing* Facility

\$1.8 mil. annual operating cost

- \$1 mil. onsite revenue

= \$800k operating deficit

= \$191 per household

City Operated CC (expanded)



2019	Snoqualmie	Avg. of Mercer Island, Maple Valley, Issaquah & Sammamish
	<i>C+V Per Household</i>	<i>C+V Per Household</i>
Parks M&O	\$535	\$242
Rec & Events	<u>\$439</u>	\$242
	\$974	\$502

City Run Expanded Facility

\$3.6 mil. annual operating cost
 - \$2.0 mil. onsite revenue
 = \$1.6 mil. operating deficit
 = \$382 per household

YMCA Run CC (expanded)



2019	Snoqualmie	Avg. of Mercer Island, Maple Valley, Issaquah & Sammamish
	<i>C+V Per Household</i>	<i>C+V Per Household</i>
Parks M&O	\$535	\$242
Rec & Events	<u>\$177</u>	\$242
	\$712	\$502

YMCA operated Expanded Facility

~\$500k annual, 20 year capital bond
= \$120 per household

- Current facility is 1/3rd of original plan
- Portable now onsite

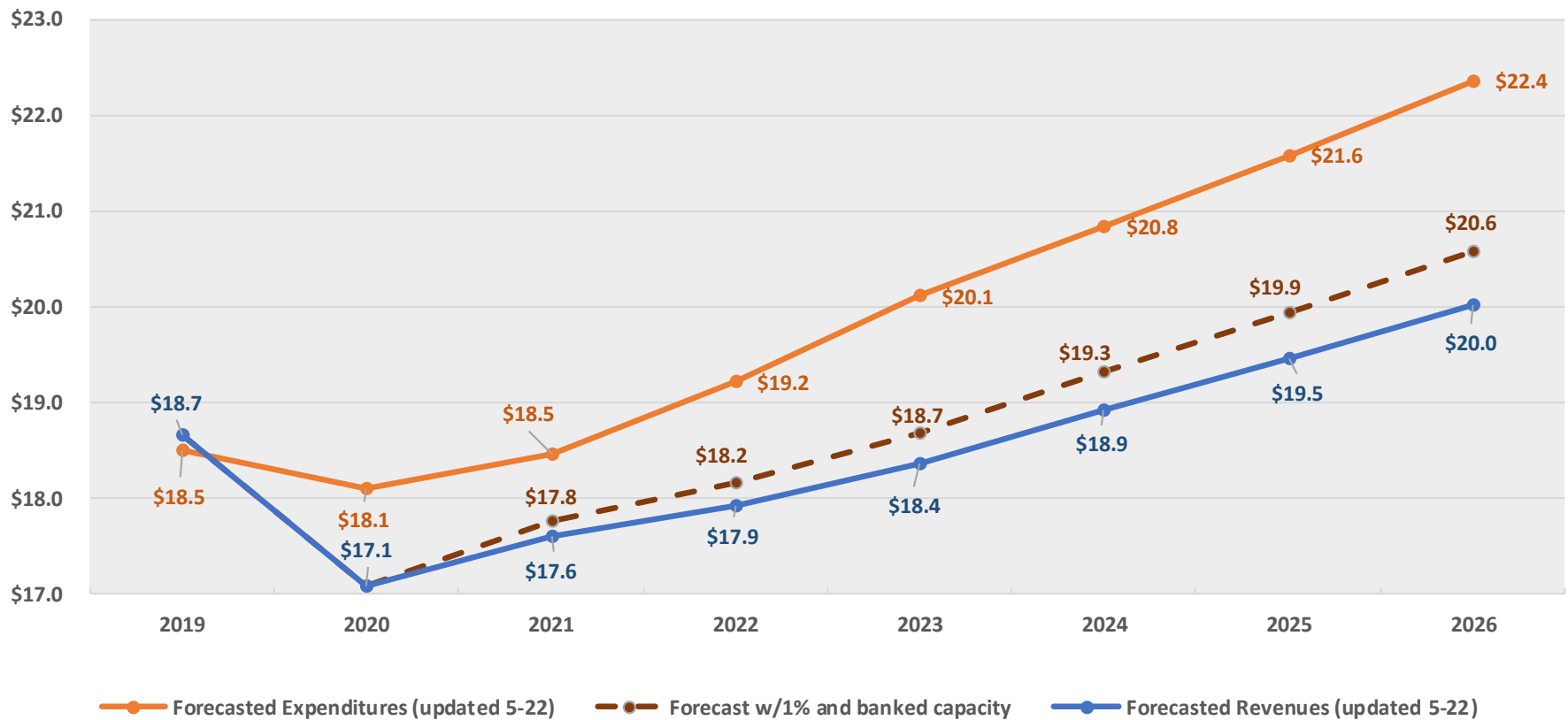
Questions on Recreation Level of Service?

Tax Discussion

Forecast Change w/1% Property Tax



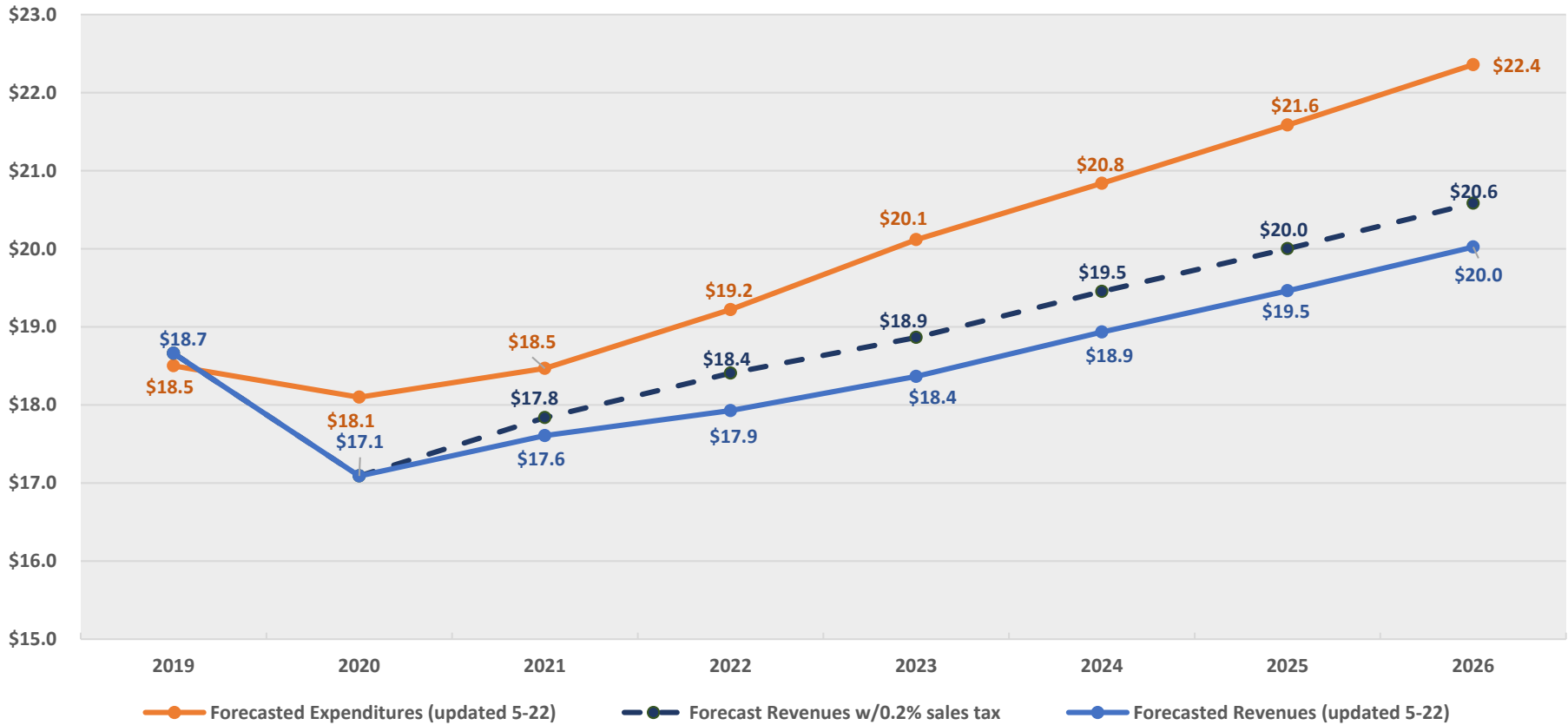
Updated Revenue and Expenditure forecast 5-22-20
in Millions (\$) w/1% Property Tax Increase Inc. Banked Capacity



Forecast Change w/ 0.2% sales tax increase



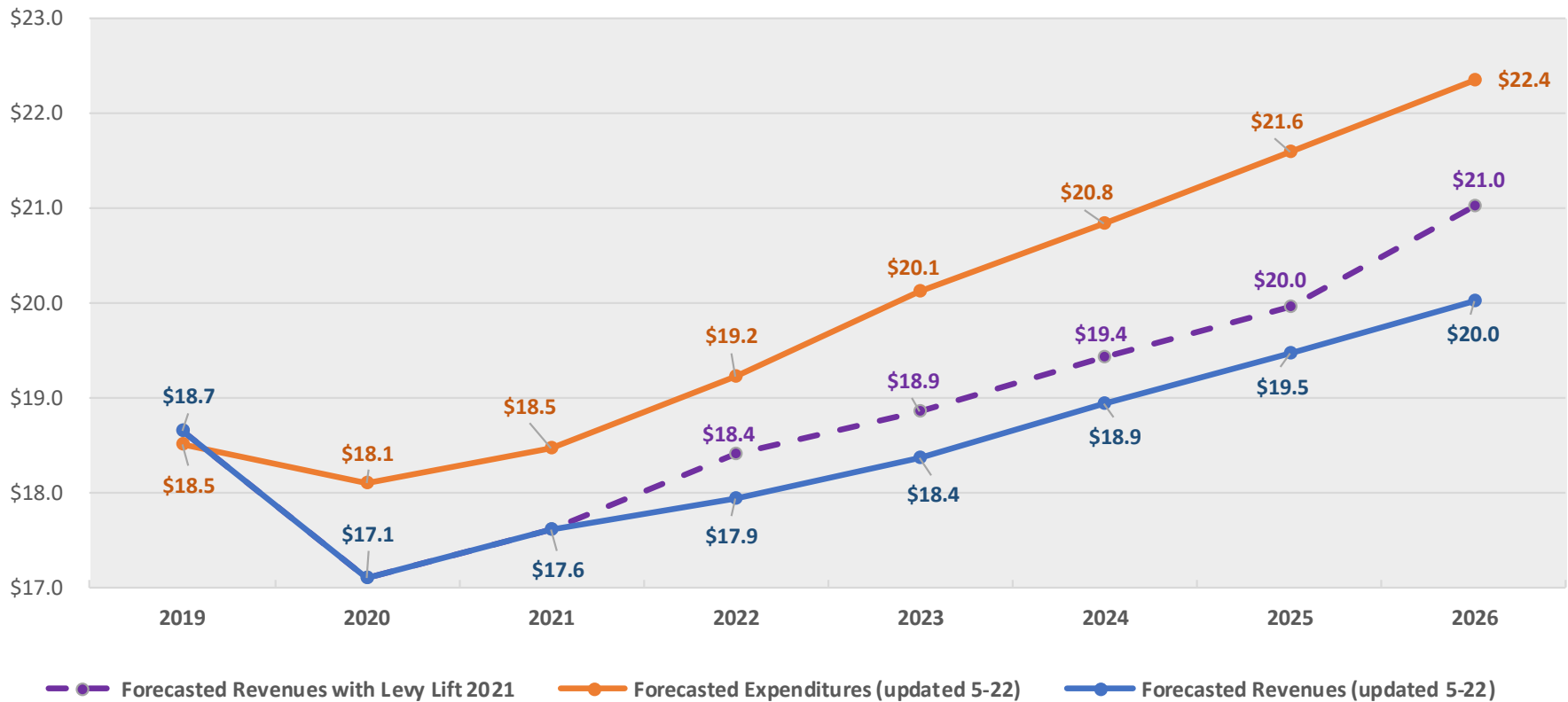
Updated Revenue and Expenditure Forecast 5-22
in Millions (\$) w/0.2% Sales Tax



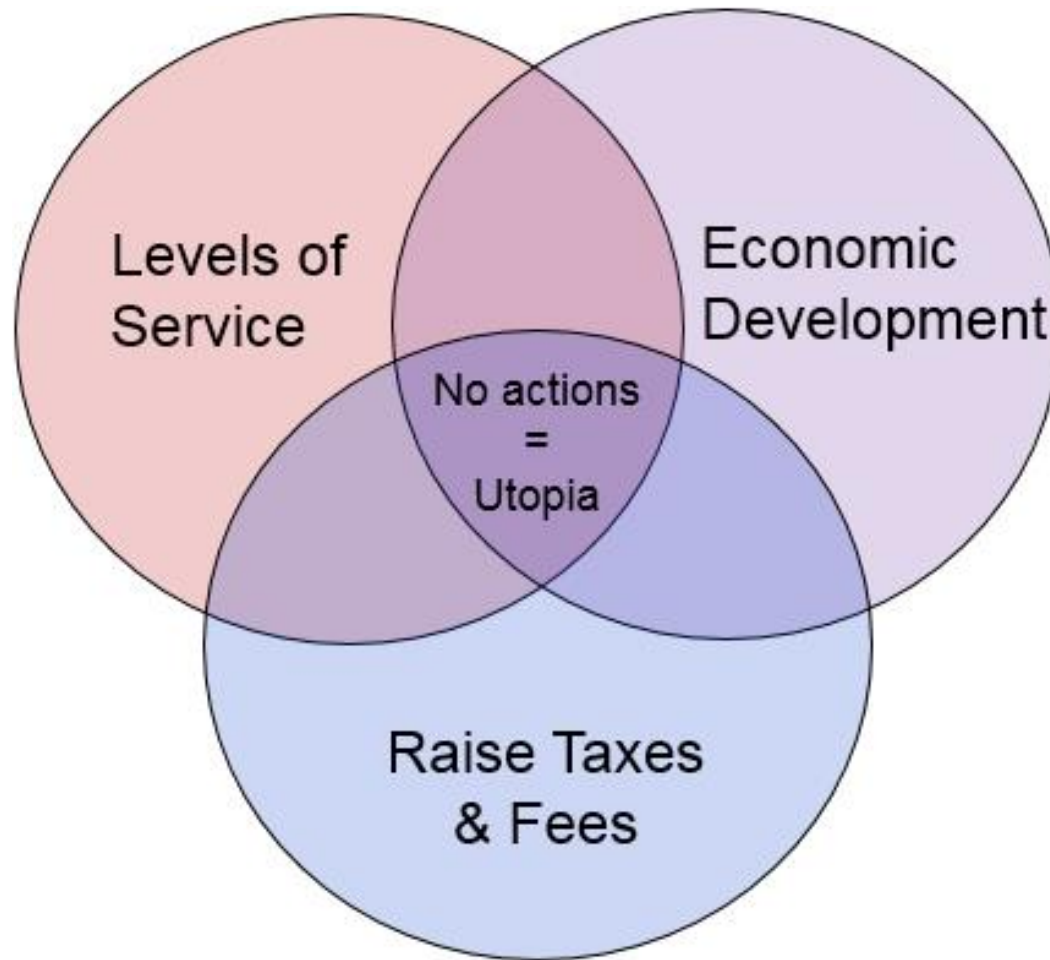
Forecast Change w/ Levy Lid Lift



Updated Revenue and Expenditure forecast 5-22
w/Levy Lid Lift voted 2021, 2025
in Millions (\$)



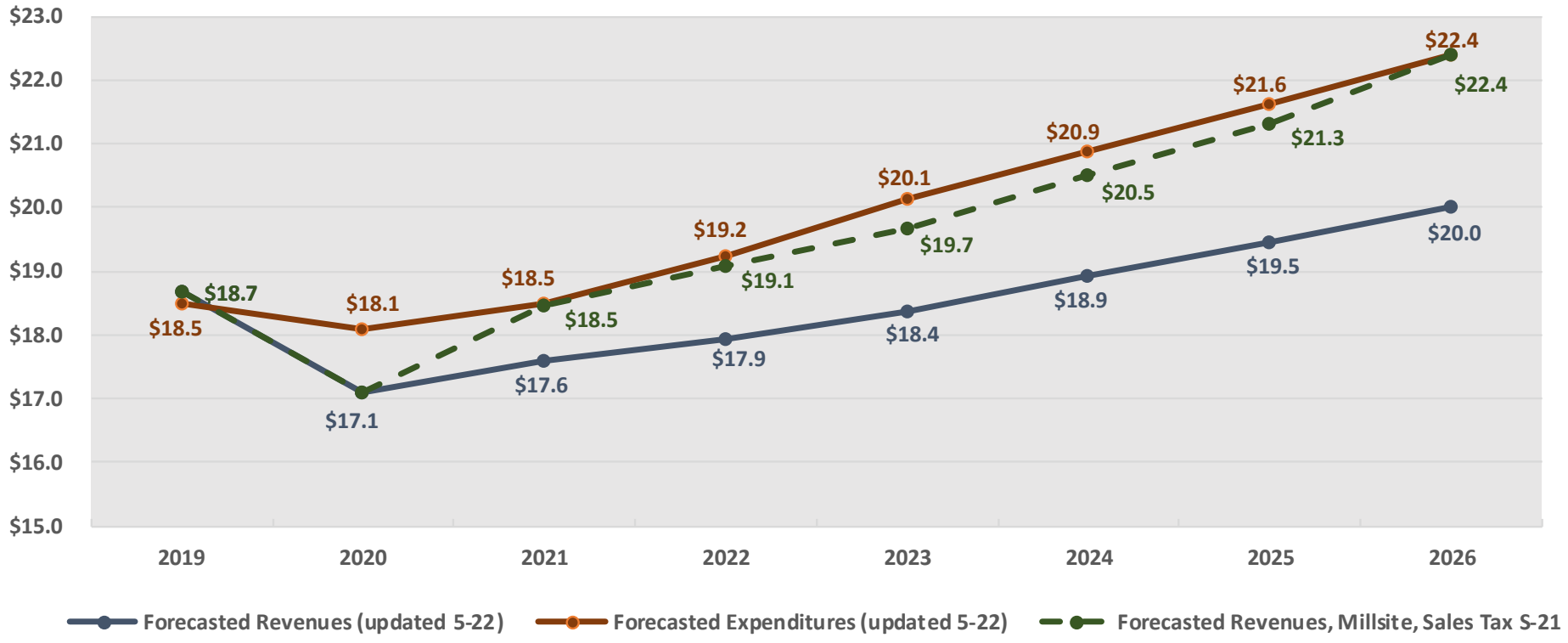
Council Toolbox



Forecast Change with Millsite, S21 1% Annual Property Tax, 0.2% Sales Tax



Scenario "B" Forecast
(Millsite, 1% ptax, .2% sales tax, S-21)
in Millions (\$)



Questions on Tax Slides?