

From: Samuel Crawford
Sent: Monday, November 1, 2021 6:04 PM
BCC: City Council; Department Heads
Subject: Filing of 2022 Preliminary Budget
Attachments: 2022 Budget Message.pdf

Importance: High

Hello Councilmember,

Per Michael's report at the end of tonight's Special City Council meeting, the 2022 preliminary budget has been filed with the City Clerk. It is attached.

Thank you,

[Samuel Crawford, MPA, CMC](#)
[City Clerk/Assistant to the City Manager](#)
[City of Blaine](#)
[435 Martin St., Suite 3000](#)
[Blaine, WA 98230](#)
[360-332-8311 Ext. 3320](#)

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CITY OF BLAINE

CITY MANAGER

435 MARTIN STREET, STE. 3000 • BLAINE, WA • 98230

PHONE: (360) 332-8311 • FAX: (360) 543-9978 • WEBSITE: www.cityofblaine.com

TO: City Council
FROM: City Manager
SUBJECT: Preliminary 2022 Budget

I am pleased to submit for your consideration the 2022 preliminary Annual Budget for the City of Blaine.

Proposed expenditures for the forthcoming budget year are provided in the table at the end of this budget message on a comparative basis with the current year's budget and the previous year's budget. It is a high-level view. We will provide more detail and opportunities for discussion in the following weeks.

The budget as proposed is approximately 18.9% higher than last year's primarily due to increases in proposed expenditures for transportation capital improvement, water, wastewater, and storm water.

Revenues are increasing in virtually all areas from 2021 because the City planned for the worst-case scenario with revenue numbers due to the Coronavirus Pandemic. Business and Occupation tax, property tax, sales tax, and utility taxes are all increasing. The estimated income from retail sales and use taxes is \$1.6 million, only slightly higher than current years anticipated actual revenue. The border reopening in November of 2021 should have a positive impact on this number beyond what we've included in the projections.

Personnel

Personnel changes in the budget include a one lineman decrease in the Electric fund, an additional maintenance technician in both the Sewer and Surface and Stormwater fund, and an engineer technician and a project manager in the Public Works Administration fund. This will help to ensure adequate levels of service in sewer and stormwater infrastructure and in development review.

General

We are expecting strong growth in the housing market and we need to budget and plan for hundreds of new housing units to be built within the City. Many desirable capital improvements such as storm, sewer, street resurfacing and rebuilding, and water projects are included in this budget proposal. New roads, new electric systems, increased water capacity and new sewer pipes

will be constructed. Capital projects are going to be critical the next few years to fix aging sewer pipes and water systems. Rate increases are going to be necessary to pay for the future capital construction.

Please see the budgeted expenses on the following page. The City of Blaine has a bright future ahead and we are excited about the 2022 budget year.

Respectfully,

Michael Jones
City Manager

		2021 Adopted Budget	2022 Preliminary Budget
Governmental Funds			
	(001) General Fund	8,634,689	7,562,946
Special Revenue			
	(101) Street Fund	748,340	936,306
	(102) Traffic Impact Reserve	196,000	208,773
	(103) Park Impace Reserve	100,900	93,000
	(107) General Fund Reserve	640,000	80,000
	(108) Equipment Reserve	930,000	7,147
	(110) Hotel/Motel Fund (BTAC)	271,500	378,953
	(111) Hotel/Motel Reserve (BTAC)	96,500	-
	(118) Transportation Benefit District	1,325,000	1,247,214
Debt Service			
	(200) Debt Service Fund	655,045	482,905
Capital			
	(300) Municipal Capital Improvement (REET 1)	521,800	880,448
	(307) General Government Capital Improvement	350,000	500,000
	(308) Facilities Capital Growth Mangement (REET 2)	561,000	793,216
	(314) Parks Capital Improvement	1,060,000	1,268,034
	(332) Street Preservation	130,000	132,015
	(333) Transportation Capital Improvement	4,102,000	7,646,000
Enterprise			
	(401) Electric Fund	12,067,643	13,660,679
	(402) Electric R.E.D. Revolving Fund	182,000	174,258
	(410) Water Fund	6,344,110	7,390,152
	(420) Wastewater Fund	10,866,897	15,252,544
	(425) Storm Water Fund	1,152,232	2,101,627
Internal Service			
	(503) Public Works Administration	1,254,655	1,371,592
	(505) Advance Travel	9,000	8,500
Agency			
	(622) LEOFF I Medical Reserve	88,683	
Permanent Fund			
	(700) Cemetery Fund	61,400	60,122
Total		52,349,394	62,236,432