



# Continued Budget Discussions

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CITY OF LAKE FOREST PARK  
OCTOBER 24, 2022

# REMAINING BUDGET DISCUSSIONS

- ❖ Property Tax Levy
- ❖ Sewer Rate Increase: King County and City Portions
- ❖ Surface Water Rate Increase
- ❖ Household Example
- ❖ Optional/Additional New Revenue

# REVENUE INCREASES IN MAYOR’S PROPOSED BUDGET

Revenue Source	Increase	New General Fund Revenue	New Sewer Revenue	New Surface Water Revenue
Property Tax Levy	1.0%	\$ 33,826		
2023 Sewer Rate	3%		\$ 31,220	
2024 Sewer Rate	3%		\$ 32,148	
2023 Surface Water Rate	10%			\$ 110,292
2024 Surface Water Rate	10%			\$ 123,732
Annual Total		\$ 33,826	\$ 31,220	\$ 110,292
Biennial Total		\$ 67,652	\$ 63,368	\$ 234,024
Included in Mayor's Proposed Budget				

# REVENUE INCREASES: PROPERTY TAX

Proposed 2023 Property Tax Levy	
2022 Regular Property Tax Levy	3,382,585
Increase Over Prior Year Levy	33,826
Subtotal of Levy Amount	3,416,411

Current Levy Rate for 2022  
**\$0.83814**

Proposed Levy Rate for 2023 (Preliminary 10/6/22)  
**\$0.70430**

## Calculation:

$(\text{Assessed Value} / 1,000) * \text{Levy Rate}$

## Example:

Median Property Value \$ 676,400  
(Mayor's Proposed Budget page 16)

$(\$676,400 / 1,000) * \$0.83814 = \$566.92$

$(\$676,400 / 1,000) * \$0.70430 = \$476.39$

Levy Rate Decrease \$90.53  
Median Value 2022 \$617,000

Assessed Values



Levy Rate will





# SEWER RATE INCREASES

## Monthly Residential Rates

	2022	2023	2024
County	49.27	52.11	55.11
City	20.16	20.77	21.39
	<b>\$ 69.43</b>	<b>\$ 72.88</b>	<b>\$ 76.50</b>
Monthly Increase:	<b>\$ 3.04</b>	<b>\$ 3.45</b>	<b>\$ 3.62</b>
Total Increase	<b>4.6%</b>	<b>5.0%</b>	<b>5.0%</b>
County Portion	<b>4.0%</b>	<b>5.75%</b>	<b>5.75%</b>
City Portion	<b>6%</b>	<b>3.0%</b>	<b>3.0%</b>

## Commercial & Multi-Family (consumption based)

	2022	2023	2024
County	6.22	6.57	6.95
City	4.08	4.20	4.33
	<b>10.30</b>	<b>10.78</b>	<b>11.28</b>
Monthly Increase:	<b>\$ 0.47</b>	<b>\$ 0.48</b>	<b>\$ 0.50</b>
% Increase:	<b>4.8%</b>	<b>5%</b>	<b>5%</b>

Residential bimonthly billing amount  
**\$145.76**

Residential annual amount  
**\$874.56**

# SURFACE WATER RATE INCREASES

Surface Water				
class	class description	2022 rate	2023 rate	Difference
1	single family residential	\$223.85	\$246.24	\$22.39
2	very light (0-10% impervious area)	\$223.85	\$246.24	\$22.39
3	light (10-20% IA)	\$538.05	\$591.86	\$53.81
4	moderate (20-45% IA)	\$1,082.11	\$1,190.32	\$108.21
5	moderately heavy (45-65% IA)	\$2,089.56	\$2,298.52	\$208.96
6	heavy (65-85% IA)	\$2,649.23	\$2,914.15	\$264.92
7	very heavy ( 85-100% IA)	\$3,470.15	\$3,817.17	\$347.02

# HOUSEHOLD EXAMPLE

Lake Forest Park Residential Customer

## 2023 Monthly:

Sewer Rate	\$72.88
Surface Water	<u>\$20.52</u>
<b>Total</b>	<b>\$93.40</b>

## 2022 Monthly:

Sewer Rate	\$69.43
Surface Water	<u>\$18.65</u> (rounded)
<b>Total</b>	<b>\$88.08</b>

## 2023 Annually:

Sewer Rate	\$ 874.56
Surface Water	<u>\$ 246.24</u>
<b>Total</b>	<b>\$1,120.80</b>

## 2022 Annually:

Sewer Rate	\$ 833.16
Surface Water	<u>\$ 223.85</u>
<b>Total</b>	<b>\$1,057.01</b>

## Increase:

Monthly about \$ 5.32  
Annually \$ 63.79

# OPTIONAL / ADDITIONAL REVENUE INCREASES

Revenue Source	Increase	New Transportation Revenue	New General Fund Revenue
TBD VLF	\$10	\$ 109,000	
TBD Sales Tax	0.10%	\$ 150,000	
Sewer Utility Tax	6%		\$ 192,911
Surface Water Utility Tax	6%		\$ 79,194
<b>Annual Total</b>		\$ 259,000	\$ 272,105
<b>Biennial Total</b>		\$ 518,000	\$ 544,210



# HOUSEHOLD EXAMPLE: NEW REVENUE

Lake Forest Park Residential Customer

## 2023 Annually:

2023 (w/rate increases) \$1,120.80

Vehicle Licensing Fee \$ 20.00 (assuming 2 vehicles/household at \$10)

Sales Tax would vary per household

Sewer Utility Tax 6% \$ 52.47 (based on proposed 2023 annual sewer rate of \$874.56)

SW Utility Tax 6% \$ 14.77 (based on proposed 2023 annual surface water rate of \$246.24)

Total \$1,208.04

Annual increase about \$ 87.24