

**City of Mercer Island**  
**Long-term Financial Forecast**  
**2020 to 2024**

Assumptions:

1. Property tax
  - a. 1% council option increase is included
  - b. Assumptions for new construction are conservative
  - c. No levy increase is built into the forecast
2. Sales tax
  - a. Adjusted for 2018 and 2019 actual experience
  - b. Increases forecast sales tax revenues (some)
3. Other taxes
  - a. No rate changes anticipated
  - b. Conservative forecast
4. Econometric
  - a. No recession assumed
5. Expenditures
  - a. Adjusted for actual experience in 2018 and 2019
  - b. No other adjustments made