

Stanwood Transportation Benefit District

2014 Annual Report

Presented to City Council on February 26, 2015

Report Purpose

This report provides information on the status of the Stanwood Transportation Benefit District (“TBD”) and fulfills the requirements of the State of Washington and the TBD for an annual report. Below is an excerpt from the relevant state law.

RCW 36.73.160(2): A district shall issue an annual report, indicating the status of transportation improvement costs, transportation improvement expenditures, revenues, and construction schedules, to the public and to newspapers of record in the district.

Background

Cities and counties are authorized to form transportation benefit districts under state law (Chapter 36.73 RCW) for the purpose of funding transportation projects. A transportation benefit district may cover an entire city; if so, it must be governed by a board comprised of the same members that are on the city council. Funding may be from various sources, including an additional 0.2% sales tax designated for TBD purposes.

In late 2012, the Stanwood City Council adopted Ordinance No. 1328 to establish a transportation benefit district that could fund selected transportation projects.

In February 2013 a ballot measure was passed by the citizens of the City of Stanwood to increase the city’s sales tax by two tenths of one percent (0.2%); the proceeds of the additional sales tax would go to the newly formed TBD for the purpose of constructing and maintaining city streets.

On July 1, 2013 the sales tax increase became effective, and due to the normal two month lag in remittances from the state, the TBD received four months of sales taxes in 2013 totaling \$84,052.

2014 Revenues

In 2014 the transportation benefit district received \$259,855.66, representing its first full year of sales tax proceeds. In addition, the TBD received interest of \$131.14, for total revenues of \$259,986.80.

2014 Operating Expenditures

In 2014 the TBD paid \$30,345.05 in operating expenditures as follows:

Table 1 – Operating Expenditures

Description	Budget	Actual	Difference
Salaries (12.5% of PW-Lead)	\$ 23,423.00	\$ 7,934.75	\$ 15,488.25
Benefits	\$ 11,488.00	\$ 4,602.99	\$ 6,885.01
Professional Services - Legal	\$ 4,000.00	\$ 800.75	\$ 3,199.25
Advertising	\$ -	\$ 140.57	\$ (140.57)
Insurance	\$ 5,100.00	\$ 2,500.00	\$ 2,600.00
Utilities	\$ -	\$ 901.03	\$ (901.03)
Miscellaneous	\$ 1,000.00	\$ -	\$ 1,000.00
Management Fee (to City)	\$ 10,093.00	\$ 10,000.00	\$ 93.00
State Audit	\$ -	\$ 3,464.96	\$ (3,464.96)
Total Operating	\$ 55,104.00	\$ 30,345.05	\$ 24,758.95

2014 Capital Expenditures

The TBD's priority projects for 2014 were 270th Street and 92nd Street, as follows:

1. 270th Street - Drainage, curbs, gutters, sidewalks and overlay (\$100,000)
2. 92nd Street – Overlay (\$48,200)

In 2014 the TBD's paid \$71,849.05 in capital projects as follows:

Table 2 – Capital Project Expenditures

Description	Budget	Actual	Difference
270th Street	\$ 100,000.00	\$ 39,665.30	\$ 60,334.70
92nd Street	\$ 48,200.00	\$ 32,183.75	\$ 16,016.25
Total Operating	\$ 148,200.00	\$ 71,849.05	\$ 76,350.95

Both projects were well underway in 2014 and are expected to be completed in 2015.

Ending Cash Reserves

The TBD ended the year with \$200,180.78 cash reserves to carry forward to the 2015-2016 biennium as follows:

Table 3 – Ending Cash Reserves

Description	Budget	Actual	Difference
Beginning Cash Reserves	\$ 42,388.08	\$ 42,388.08	\$ -
Total Revenues	\$ 200,100.00	\$ 259,986.80	\$ (59,886.80)
Total Cash Available	\$ 242,488.08	\$ 302,374.88	\$ (59,886.80)
Operating Expenditures	\$ 55,104.00	\$ 30,345.05	\$ 24,758.95
Capital Expenditures	\$ 148,200.00	\$ 71,849.05	\$ 76,350.95
Total Expenditures	\$ 203,304.00	\$ 102,194.10	\$ 101,109.90
Ending Cash Reserves	\$ 39,184.08	\$ 200,180.78	\$ (160,996.70)