



2026 Proposed Budget

City of Burlington

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City of Burlington, Washington

2026 Budget Message from the Mayor

October 31, 2025

Dear Residents of Burlington, Members of the City Council, and Our Dedicated City Staff:

After more than two decades of service to this extraordinary community, beginning as a City Council member in 1999 and now coming to the close of my first full year as Mayor, I approach this moment with a deepened sense of responsibility and excitement. Burlington has always been more than a place to me; it is a city alive with potential, where the Skagit Valley's agricultural heritage intersects with modern commerce along Interstate 5, creating a hub that beats with opportunity. My goals for 2026, as outlined in our strategic framework, center on fostering economic vitality, enhancing public safety, and building resilient infrastructure—all while championing sports tourism as a cornerstone of long-term success. This passion stems from witnessing firsthand how events like youth soccer tournaments and regional athletic gatherings not only invigorate our parks and fields but also drive hotel bookings, retail sales, local dining, and family memories, while generating millions for our annual economy.

It is this vision that brings to life the **City of Burlington's 2026 Proposed Budget**: a well thought out financial plan totaling **\$52.8 million in net operating expenditures** across all funds, **\$17.9 million** in the General Fund, representing a controlled 4.4% increase above our 2025 year-end estimates. Developed through a zero-based budgeting process, this document ensures every expenditure is justified anew, aligning with the priorities the Council identified during our **May 2025 City Council Retreat**. There, we surfaced 30+ actionable ideas, ranked by collective wisdom into Must Do, Should Do, and Could Do categories, a great many of which have found their way into the 2026 budget as high-impact initiatives.

Guiding this effort has been the leadership of our Interim City Administrator, **Andy Parks**, with the support of all our department directors. **Sandra Kottke**, our recently promoted Finance Director, spent countless hours gathering the necessary data and providing analysis to fortify our projections and ensure fiscal discipline. Our Enrichment Services team of **Sarah Ward, Jenny Cole, Shelley Johnstone, Aszia Feenstra, Kati Klerekoper** and **Robin Sheasley** as well as **Amber Robinson** masterfully integrated departmental narratives with financial data to produce this cohesive, professionally presented budget document to enhance our transparency and communication to our citizens, leadership and our employees.

In the pages ahead, spanning our economic foundation, the budget's structural integrity, a detailed mapping of retreat priorities with direct funding ties, in-depth departmental profiles, strategic capacity enhancements, forthright discussion of challenges, and a forward-looking commitment to enduring prosperity, this message serves as both a roadmap and reflection. This message underscores my vision: to set Burlington on a trajectory of sustained long-term success, where sports tourism, retail sales and community connectivity propel us toward a future as vibrant as our valley sunrises.

Respectfully submitted, Bill Aslett *Mayor, City of Burlington*

Economic Foundation – Navigating Growth with Strategic Foresight

Burlington's economic story is one of confluence: the enduring rhythm of Skagit County's farmlands, where tulip bulbs and berry crops fuel exports worth millions, meet the steady flow of Interstate 5 commerce, positioning us as a vital link 60 miles north of Seattle. Our retail core, anchored by major retailers, I-5 Auto World and local businesses, generates per capita sales at nearly nine times the state average. Our daytime population swells by 40,000+ people each day. This influx is the essence of our hub status, driving not just transactions but transformations—from quiet evenings to bustling markets that sustain local businesses.

As someone who has served on Council for over 20 years, I have seen this foundation evolve through economic cycles: the post-9/11 recovery that diversified our manufacturing base, the Great Recession's test of resilience, and the Pandemic's pivot to e-commerce that underscored our adaptability. Today, the Washington Office of Financial Management (OFM) provides data estimates; our population stands at **11,102 in 2025**, advancing at a steady 3.47% annual rate to **11,492 in 2026** and projected to reach **12,500 by 2030**. This aligns with Skagit County's medium-range forecast of 14,300 residents by 2045, many drawn to Burlington by our unmatched blend of affordability, accessibility, and amenities. They also look for the small-town charm and community feel that we all cherish.

Labor dynamics reflect measured optimism. Skagit County's unemployment rate eased to **4.6% in 2025**, a decline from 4.8% in 2024, closely tracking Washington's statewide average of 4.4% before a projected uptick to 4.7% in 2026. Moderation of inflation to **2-3%** supports consumer confidence, enabling sustained spending on local goods and experiences. However, challenges persist: the proximity to Seattle's booming job market intensifies competition for talent, contributing to our 2024 employee turnover rate of 10.1%, while national trends have driven health insurance premiums up 12%. These pressures are not abstract; they manifest in the daily efforts of our first responders answering increased calls or our Parks and Streets crews maintaining facilities strained by higher usage.

On the revenue front, our assessed valuation has woven a strong safety net, rising 8.2% to **\$2.58 billion in 2025** and forecasted at **\$2.92 billion in 2026**, providing a solid base for property taxes. Sales tax collections, our largest revenue stream, achieved **\$10.04 million in 2024**—a stagnant 0.7% gain—but are projected to reach an estimated **\$10.3 million in 2025** (2.8% increase) and **\$10.7 million** (3.6% increase) **is forecast in 2026**, (consistent with inflation and limited growth), tempered with economic caution. To counter potential stagnation, this budget incorporates HB 2015's authorized 0.1% sales tax increase, generating **\$700,000 in 2026** and scaling to **\$1.2 million annually thereafter**, dedicated exclusively to public safety. This is coupled with taking the banked capacity for our property tax. With the increase in assessed value due to new construction, there will be a decrease in the mill rate and the tax on a house of the same value from 2025.

My goals for 2026 emphasize building upon these strengths for long-term prosperity, particularly through sports tourism—a sector I have championed throughout my tenure. Events like regional soccer tournaments or ultimate frisbee tournaments can transform our parks into economic multipliers, drawing families who spend on lodging, meals, and merchandise while fostering youth development. This budget invests accordingly, leveraging our location and unique blend of facilities and trail networks that position Burlington as a year-round sports destination, injecting tens of millions annually into our local economy. Fiscal health underpins it all: our ending General Fund balance projects at **16.2% of expenditures in 2026**, well above the Government Finance Officers Association's recommended 10-15% threshold, maintained through cash-basis accounting principles that recognize revenues only when received, and expenditures when paid (in full compliance with the State Auditor's BARS manual). With no reliance on one-time revenues for ongoing operations, our reserves—totaling \$22.8 million across all funds at 2026 year-end (43% of net 2026 expenditures)—serve as a deliberate buffer against volatility, ensuring we can weather downturns while pursuing growth.

In this context, the 2026 budget is a strategic instrument: disciplined yet dynamic, threading economic realities into investments that honor our past while funding our path forward.

Economic Indicators: Trends and Trajectories

	2023 Actual	2024 Actual	2025 Estimate	2026 Projection	Strategic Implication
Population	10,534	10,815	11,102	11,492	Drives the need for impact fee revisions to fund growth.
Assessed Valuation (\$ Billions)	2.31	2.50	2.58	2.92	Supports \$3.545 million in property tax levy, including banked authority.
Sales Tax Revenue (\$ Millions)	9.98	10.04	10.30	10.70	Primary general fund revenue requires intention to grow.
Unemployment Rate (%)	4.9	4.8	4.6	4.5	Informs HR retention strategies for regional competition.
Inflation Rate (%)	3.2	2.8	2.8	2.8	Eases operational cost pressures, enabling capital pay-go.

Budget Structure – Precision in Planning, Excellence in Execution

The architecture of this budget is deliberate, much like the careful planning required for a championship soccer field: every layer—from base to turf—must support the one above. We adopted a zero-based methodology in Q3 2025, requiring departments to review and reconstruct their needs without deference to prior years' allocations. This approach, informed

by departmental narratives on everything from street maintenance efficiencies to library programming impacts, was modeled by Finance and Administration with Sandra and Andy's guidance, yielding total net expenditures of **\$52.8 million** across all funds. The General Fund includes **\$17.9 million** of expenditures (net of transfers), a 4.4% increase from 2025 estimates that reflects controlled growth rather than unchecked expansion.

Revenues are diversified mitigating risk: property taxes account for 8% (\$3.5 million, bolstered by the full levy estimated at a levy rate of \$1.1655 per \$1,000 assessed value inclusive of the 7.0% banked authority totaling \$0.35 million), sales and other taxes 43% (\$19.4 million, including the sales and use tax \$10.7 million (24%) and the HB 2015 0.1% tax requiring Council approval for \$700,000 in 2026 and \$1.2 million plus growth in 2027 and beyond, utility fees and other charges for services 21% (\$9.6 million city-wide, \$6.8 million, 15% from sewer and storm drain enterprise funds), and intergovernmental revenue 22% (\$9.9 million, with targeted pursuits in transportation and park facilities). Total revenue, net of transfers, is \$44.9 million. Total resources, including a beginning balance of \$35.3 million and transfers of \$7.6 million, are **\$87.9 million**.

Expenditures are similarly allocated with intentionality: public safety at 28% (\$15.0 million), infrastructure and public works at 44% (\$23.0 million, with \$14.7 million, 28% investment in capital equipment and infrastructure), and community services at 21% (\$11.3 million), debt service 1%, \$0.5 million, leaving the balance of 6%, \$3.0 million for administration. Additionally, \$4.7 million is allocated for contingencies with a reserved (carryover) fund balance of \$22.8 million for total requirements of **\$87.9 million**.

The budget development process itself was a model of transparency and inclusion, echoing my long-standing commitment to participatory governance. Building on the May 2025 Council Retreat priorities, departments submitted detailed justifications, followed by creation of fund summary and city-wide financial modeling tools that are integrated with finance's accounting records. Cross-departmental reviews to identify synergies—such as aligning capital investment with resources—and finalizing adjustments, such as identifying ongoing replacement revenue where possible, such as a portion of the transportation benefit district revenue to fund street rather than general fund transfers, leaving the need for a 3.5% trim in general fund and Fire/EMS Fund that realized \$1.1 million in spending reductions to balance current year revenue and expenditures. The reductions may have some negligible impact on core service delivery, apart from the Fire/EMS where we expect minimum staffing to occasionally drop below the current seven-person crew but within the contracted six-person crew limit. To maintain seven-person staffing requires considerably more overtime and manpower which has impacted the current and previous budgets. This change has the potential for a service level impact that we will keep a close eye on. This is also a topic for Council discussion in the first half of 2026.

Public engagement occurs throughout the year via our Council meetings with public review of the proposed budget during hearings scheduled November 13th, 18th, 19th, and 20th for public input, and Council deliberations November 20th and November 25th, with final adoption on

November 25th or December 11th. This timeline not only complies with RCW 35A.33 but fosters trust, ensuring the budget reflects Burlington's collective voice.

For governmental funds, we adhere to cash-basis accounting as prescribed by the State Auditor's Budgeting, Accounting, and Reporting System (BARS), recognizing revenues only when cash is received and expenditures when paid—a method that promotes fiscal discipline and audit-ready clarity. Proprietary funds (e.g., utilities) employ modified accruals for precision in rate-setting. The outcome is an all-funds ending balance of **\$22.8 million** (43% of net budgeted expenditures in 2026), including \$4.8 million in unrestricted reserves for the general and Fire/EMS funds—our strategic cushion for economic dips. No new debt is needed this year; our pay-as-you-go policy channels \$18.3 million into capital spending without borrowing, a principle I have advocated since my Council days to reduce risk and preserve intergenerational equity.

This investment is made possible with significant transportation and RCO grants, as well as dedicated funding from utilities and REET dollars. Although we reduce our built-up reserves, we maintain over \$1.0 million in the Parks & Recreation Capital Improvement Fund to leverage future grant requests and retain significant debt capacity as opportunities present themselves.

This structure positions Burlington for sustained success: diversified, accountable, and adaptive, with Q1 and Q2 2026 dedicated to five-year financial forecasting that will refine our course amid variables like sales tax volatility. In essence, it is a framework not for survival, but for strategic ascent—ensuring that as our population grows, so does our capacity to deliver.

Budget Composition: Revenues and Expenditures by Category (\$ Millions)

	2023 Actual	2024 Actual	2025 Estimate	2026 Proposed	Change from 2025
Total Revenues	\$ 52.1	\$ 54.2	\$ 56.5	\$58.2	+3.0%
					+12.5% (stable
Property Taxes	2.9	3.01	3.1	3.5	levy)
Sales Taxes	9.98	10.04	10.3	10.7	+3.6%
Ending General Fund Balance	7.1	6.1	5.1	4.9	0.0% Hold

Priorities in Practice – Translating May 2025 Retreat Goals into Tangible Outcomes

The May 2025 City Council Retreat was a pivotal gathering, where through dot-voting, we distilled community aspirations into a prioritized matrix: 30+ ideas segmented into Must Do, Should Do, and Could Do categories. This exercise, started 4 years ago, surfaced actionable imperatives that directly inform my 2026 goals: bolstering economic vitality through sports

tourism, strengthening public safety, and fortifying infrastructure for enduring resilience. We commit to **many of the Must/Should priorities**, with each allocation linked to measurable outcomes and my emphasis on sports tourism as an economic catalyst—envisioning tournaments that not only engage our youth but also bring in regional daily trips by thousands of people. That attraction extends to state and national events that generate tens of thousands of visitors for multi-day stays.

Must Do Priorities

These foundational goals demand immediate action to secure our trajectory.

- **Revise Impact Fees:** This top-voted imperative is funded to comprehensively update impact fees for sewer, stormwater, parks, transportation, and fire services (in compliance with RCW 82.02.050). The desired outcome is to try to ensure incoming residents and commercial businesses contribute fairly to the infrastructure that serves them—aligning with my goal of economic vitality by tying development to sustainable capacity.
- **Community Indoor Field House (Soccer):** A priority reflecting the unique sports tourism advantage we have. We are working with the Skagit Tourism Bureau on a feasibility study that includes multiple locations within the city limits. Expected results include thousands of annual users by 2028, leveraging grant opportunities and positioning Burlington as a regional sports hub that boosts hotel occupancy and family tourism—directly advancing long-term economic success. We have retained capacity in the Parks & Rec Capital Improvement Fund that can be used to leverage grant opportunities to fund a facility like this.
- **W. Burlington to E. Burlington Bike Path:** Staff have identified opportunities for incremental improvements to enhance east/west bikeability in Burlington. These include upgrading pedestrian crossings at the intersection of Skagit Street/Sharon Avenue and collaborating with the school district to develop a multi-use path along the north side of Rotary Park, connecting Skagit Street to Section Street and beyond.
- **Fairhaven Streetscape/Revitalize/Invest Downtown:** \$75,000 is dedicated to the Fairhaven Streetscape visioning process, incorporating public charrettes with residents and local businesses. This effort will help inform the Council and community of alternatives for this key area, revitalizing our core as an inviting gateway for locals and tourists alike.
- **Improve Website:** Funding for an IT Strategic Roadmap (\$30,000) is included in the Computer Replacement and Repair Fund. The IT Strategic Roadmap will provide a holistic look at the City’s IT infrastructure and services including identification of needed and desired applications and service gaps. Through a collaborative process, an internal administrative structure will emerge that will help guide application acquisition and implementation to maximize efficiency and effectiveness of the City’s IT investment. The City’s CR&R Fund retains sufficient funds to initiate various application upgrades and acquisitions, including enhancements to the website and a 311 application.
- **Revitalize/Incentives Downtown:** The visioning work for the Fairhaven/Downtown area will help provide clarity of what we are seeking to accomplish, together with funding strategies.
- **Revitalize Malls and Adjacent Properties:** With our new City Administrator starting in early 2026 we will increase our intention to this effort, including periodic communication with the Council.

- **Railroad Quiet Zone:** Though not a specific identified outcome of the work anticipated with the Rail Crossing Elimination (RCE) grant, this work can help shape a future quiet zone project. Staff will update the Council in early 2026 on options that are dependent on the outcome of obligating funding from the RCE grant.
- **Flood Control Improvements:** \$2,235,000 in the Storm Drain Capital Reserve funds infrastructure projects, mitigating annual flood risks and preparing applications for federal matching grants—essential for infrastructure durability in our riverine setting.
- **Park Connecting Trails:** The proposed budget includes an allocation of \$200,000 of Transportation Benefit District funding in the Arterial Street Fund toward ADA, walkability and rideability improvements.

Should Do Priorities

These build on Must Dos, offering scalable advancements toward sustained success.

- **Dedicated FTE for Grant Writing:** To enhance the City’s grant funding pursuits, the proposed budget includes a mid-year increase for a part-time to a full-time Administrative Assistant position. This adjustment is intended to facilitate strategic and coordinated pursuit of grants. Grant writing has become increasingly technical, which we believe will lead to the use of experts in specific fields assisting the City’s pursuit of targeted applications, such as an RCO application for sports facilities. We modeled a full-time position; however, given the 3.5% trim noted above, we pursued this alternative. Additionally, funding in contingency accounts is included throughout the funds to allocate to specific grant opportunities as they arise.
- **Ice Rink:** This goal aligns with our efforts to revitalize the malls and seek indoor sports facilities. This may or may not be part of the indoor facility being looked at in the feasibility study.
- **Affordable Housing Plan:** Targeted use of **1590 Fund** resources to develop a comprehensive plan and seed projects for units at or below 80% area median income (leveraging SB 5593 REET flexibility). More than \$2.5 million is budgeted in contingency to fund various opportunities. Community Development will lead the effort to solicit proposals.
- **Support Mental Health Organizations:** Through targeted use of Opioid Settlement dollars, use 75% of current banked dollars to help startup costs of STAR center and development of transitional housing to increase effectiveness of treatment and recovery.
- **Improve Residential Streets (and Green Areas):** \$200,000 is budgeted in the Street Fund for continued efforts to improve our residential streets and green space.
- **Improve Walkability and Bikeability:** \$200,000 is allocated for investments to improve ADA accessibility, walkability and bikeability. Additionally, the Fairhaven Streetscape visioning project, and intersection evaluations such as the Andis intersection and SR20/Anacortes work will lead to future improvements.
- **Improve Gages Slough Drainage:** \$180,000 is budgeted in the Storm Drain Capital Reserve Fund for the Gages Basin 18 outfall tide gate.
- **Maiben House Coffee Shop:** The budget includes completing a \$1.0 upgrade to Maiben Park in 2026. We will explore the options for renovating and operating a coffee shop in this location.

- **Native Plants Beautification:** We have updated our practices to use native plants when replanting landscape areas. The planning commission has recognized the drought resistant benefits of these plants.
- **Promote/Education on Recycling:** We will collaborate with Waste Management to include information to promote and educate our citizens and businesses on recycling programs in our utility bills. Q1 to work through details with implementation in Q2.

Could Do Priorities

These aspirational elements lay groundwork for future cycles, ensuring momentum builds.

- **Andis Traffic Signal:** \$50,000 for alternatives analysis targets crash reduction and increased accessibility for active modes at this high-volume intersection, improving safety for all users. Staff needs to evaluate options as a traffic signal at this location will negatively impact vehicular traffic progression on Burlington Blvd.
- **Electric Charging Station at Skagit River Park and Senior Center:** The Skagit River Park master plan will include evaluation for siting electric charging stations, with pursuit of those opportunities in the future.
- **Nuisance Property Abatement:** With the acquisition and implementation of a 311 application, the City's efforts to address nuisance property issues will be enhanced.
- **Improve Boat Launch:** As staff capacity allows, we will initiate a planning effort to determine the scope of the improvements needed and budget impact.
- **Expand Bathrooms at Skagit River Park:** The master plan for Skagit Park will address the scope and location of bathrooms, including phased development and funding plans.
- **List of City Property Excess:** An initial listing has been completed using AI. A complete listing will require coordination with the Skagit County Assessor's office. This work will be completed as time becomes available, target completion by end of Q3.
- **Burl Blvd Trash Cans:** Facilities staff will collaborate with Waste Management, Parks and Recreation and others to evaluate trash can alternatives to serve the community, bringing alternatives and recommendations to the City Council to select one or more standards for deployment throughout the city. Funds exist within the various budgets to make limited purchases in 2026, with future programming/funding depending on Council decisions.
- **Solar Power for City:** We will seek a Council workshop during Q2, before Council Goal Setting next year, to discuss this issue and identify the next steps. We will also cover the efforts that have already occurred. Brad Johnson will take the lead on this. The new Rotary Park restroom facility will include a solar array designed to offset its annual power consumption.

Handwritten notes from the Retreat—such as ideas for a Community Center and Parks & Recreation Office Building—have been noted for 2027 exploration, ensuring no aspiration is orphaned. Where possible, this budget directly funds the projects/programs identified in the Council's goal setting. Additionally, where direct funding is not allocated, staff resources are allocated to ensure progress is made on these issues so that they may be timely addressed. It is through the collaborative process we can ensure we are consistently making progress to improve our community.

Departmental Profiles – Pillars of Performance and Potential

Each department stands as a pillar in Burlington's structure; their profiles—drawn from zero-based narratives—revealing not just costs, but contributions to our long-term goals.

- **Administration (\$286,000):** As the executive nerve center, this department orchestrates our 182 full-time equivalents with a mid-year conversion of a part-time role to full-time (\$45,000), enhancing oversight for capital delivery. The cornerstone investment is the **\$30,000 IT Strategic Roadmap**, which will lead to an overhaul of our website for greater user engagement, launch a 311/Go Gov style engagement app to handle service requests, update our enterprise resource planning (ERP) system for seamless grant and project management, and upgrade audio-visual capabilities for hybrid Council meetings and enhanced video-conference capabilities. Over my 20+ years, I've seen administration evolve from reactive to proactive, and we will continue to pursue that objective.
- **Human Resources (\$232,000):** The steward of our human capital, HR, ensures our workforce—our most vital asset—remains competitive and cared for. Marking its 13th year as a WellCity, the department's Wellness program will save \$51,000 in healthcare premiums without any funding increase over the past decade. A **\$35,000 non-represented salary survey** will benchmark compensation against regional peers, addressing turnover that has declined from 11.2% in 2023 to a projected 7.5% in 2025, with a 2026 target below 10%. The department processed 250 job applications in 2024, filling vacancies in an average of 40 days, and achieved a milestone by conducting an in-house recruitment for leadership positions, saving \$60,000. This efficiency is crucial for retaining talent in a market pulled by Seattle, directly supporting my public safety and economic vitality goals by sustaining a motivated team ready for growth.
- **Legal (\$905,000):** Operating as the city's safeguard, the Legal Department focuses on compliance, risk mitigation, and support for labor negotiations with the City's bargaining units, efforts critical to maintain stable employee relations. Additionally, the legal budget includes prosecution costs for the municipal court operation (\$178,000) and funding for the City's non-enterprise fund property and liability insurance (\$485,000).
- **Municipal Court (\$720,000):** Delivering accessible justice; the Court manages a steady caseload of 4,500 matters annually, with e-filing initiatives reducing paper usage by 40% and achieving 95% on-time resolutions. This efficiency is tied to public safety by enabling swift enforcement of ordinances, such as nuisance abatements prioritized in the Retreat. Other Court related expenditures are accounted for elsewhere in the budget (Prosecution \$178,000 in Legal and Indigent Defense of \$603,000, resulting in a Court operation with a cost of **\$1.5 million**).
- **Community Development (\$1.0 million):** The vanguard of guided growth; this department administered 120 permits in 2024 with 15% faster processing times. Overseeing the Impact Fee updates, leading efforts to address the investment of 1590 funds for affordable housing and participating in the Fairhaven Streetscape visioning project, providing education and insights to development standards are among the key initiatives in 2026.
- **Finance (\$485,500):** Finance is the budget's backbone, delivering flawless audits and 98% collections efficiency. The **Q1/Q2 five-year financial forecasts** will model scenarios like 2% sales tax stagnation, informing adjustments for sustained balance. The zero-based process

originated here, unearthing efficiencies that underscore our commitment to long-term fiscal health.

- **Facilities (\$1.1 million):** Facilities maintains seven public-facing buildings and their associated grounds, as well as four additional facilities primarily used by City staff ensuring safety, functionality, and a welcoming environment for our employees and the community. In addition to several key equipment replacements/upgrades, a facilities study for the Public Works facility is budgeted to facilitate future investment decisions.
- **Engineering (\$510,000):** Engineering our physical future, this team oversees engineering development review, several million in capital projects and continues to be successful in securing grants (approximately \$4 million in grant funding towards the 2026 work program and several million more in-place for 2027) that fund transformational projects throughout the City of Burlington.
- **Library (\$1.3 million):** The hub of the community, providing a safe, inclusive public space that offers more than just books. BPL serves as a central gathering place that fosters community, provides equitable access to technology and resources, supports lifelong learning, and offers a wide range of services that address social, economic, and civic needs. Hosting 100,000 visits and a 10% programming increase, the library exemplifies resourcefulness.
- **Parks and Recreation (\$2.2 million):** Where my passion for sports tourism takes flight, this department stewards 18 sites with over 173 acres, with a mid-year maintenance position (\$40,000) to sustain them. Key investments include **\$1.0 million for Maiben Park improvements**, funding for the **Skagit Park Master Plan**, all increasing our capacity to host additional events. This will provide amenities for our residents, while supporting our economic engine that draws regional athletes and families. Additionally, they provide free community events for all ages including the Lawnmower Races and Fall Festival. Additionally, the budget for Skagit River Park tournaments previously accounted for in the Lodging Fund is included in the General Fund.
- **Police (\$7.3 million):** Our safety sentinels handle 12,000 calls annually with an average arrival time to calls under 7 minutes, and under 4 minutes on priority calls for service. The new 0.1% Public Safety sales tax will provide funding stability and **support other criminal justice services as public safety aligns** with Council Retreat goals for community well-being.
- **Fire/EMS (\$7.6 million):** Frontline responders, augmented by a mid-year grant-funded non-emergency position (\$200,000) to divert calls and **\$125,000 for training facility upgrades**. Transitioning to contractual 6-person minimum staffing saves \$346,000-\$693,000 in overtime— a necessary adjustment for balance, with ongoing monitoring to maintain response efficacy.
- **Street and Arterial Street (\$1.5 million / \$4.9 million):** Mobility maintainers, repairing sidewalks, fixing streets, and implementing major transportation capital projects. By performing tasks typically outsourced, the division has reduced contractor costs by approximately 33%, enhancing operational efficiency.
- **Cemetery (\$113,000):** Stewards of serenity, utilizing **\$17,000 in endowment earnings** (per RCW 68.44.170) to offset 45% of the \$35,000 operating loss, preserving this vital community asset.

- **Lodging Tax (\$660,000):** An appropriation of \$660,000 is budgeted, pending final approval of funding allocations by the Council.
- **Debt Service (\$496,000):** Exemplifying fiscal restraint, with no new obligations—our pay-go policy intact.
- **Capital Funds (\$3.8 million total):** Completing Maiben Park Improvements, Jason Boerner Park improvements and equipment installation, the restrooms at the Rotary Parks, Remodeling the Police Station, Skagit Park Master Plan, HVAC at the Fire Station, and the needed stormwater improvements to the Fire Training Facility.
- **Sewer (\$4.9 operations, \$5.6 million capital) and Storm Drain (\$1.8 million operations and \$2.2 million capital):** Our utility systems provide the critical infrastructure needed to support urban development. These major systems are infrastructure intensive, with significant regulatory compliance necessary. The capital investment and ongoing maintenance, testing and reporting ensure compliance, capacity, and increasing resilience.
- **Equipment Rental & Repair (\$741,000) and Computer Rental & Replacement (\$248,000):** Stable and sustainable replacement of the City’s vehicles, major equipment and IT equipment and software. Funding methodologies for these assets will be reviewed and updated in 2026.

These profiles illuminate how departments operationalize retreat goals and my priorities, from sports fields that host tournaments to trails that invite exploration—each a step toward the sustained success Burlington deserves.

Departmental Performance Profile

	2023 Actual	2024 Actual	2025 Estimate	2026 Target	Alignment to Goals
Human Resources Turnover Rate (%)	11.2	10.1	7.5	<10	Economic Vitality (Retention)
Administration Strategic Goals Met (%)	NA	NA	NA	90+	Infrastructure Resilience (Oversight)
Parks & Recreation Events Hosted (#)	45	48	50	52	Sports Tourism (Economic Driver)
Police Incidents	11,862	10,473	10,500	10,800	Public Safety (Core Mandate)

Enhancing Capacity – Investments in People and Processes for Perpetual Progress

A \$18.3 million capital program is ambitious by design, but ambition without capacity is folly—a lesson from my Council tenure. This budget fortifies our organizational strengths with targeted personnel and process enhancements, ensuring we deliver without delay or deficit. And even

with the personnel enhancements included, certain capital projects are anticipated to take more than one year to complete.

Personnel investments are precisely budgeted: a mid-year conversion of Administration's part-time role to full-time (\$45,000) to bolster executive oversight; a mid-year Parks maintenance position (\$40,000) to care for 173 acres amid rising usage; and a mid-year Fire/EMS non-emergency administrative role, fully funded by a 2024 grant (\$200,000), to alleviate ambulance strain. These additions elevate our full-time equivalent count to **182**—a modest +1.5 FTE count from 2025, representing just 1.7% of total staff and aligning with Municipal Research and Services Center (MRSC) benchmarks for efficient small-city governance.

Processes receive equal attention: Staff time in Q1/Q2 to complete five-year financial forecasting will model revenue scenarios (e.g., 2% sales tax growth) and stress-test capital execution. Workflow refinements—from project initiation and Council education to contract awards and construction closeout—aim for significant improvement to achieve on-time delivery, drawing on 2024 and 2025 delays due in part to capacity issues in Administration. Sandra Kottke's leadership in Finance has already streamlined grant tracking, while cross-training in HR ensures seamless coverage. These are not stopgaps but systemic upgrades, positioning our 180-strong team to handle 3.5% population growth while advancing sports tourism—imagine grant-funded turf fields operational by 2029, hosting events that sustain economic momentum.

In my next two years as Mayor, these capacity improvements feel essential: they create the capacity that ensures Burlington's long-term success is as much about empowered people as empowered plans.

Addressing Challenges – Balanced Choices for Enduring Stability

No budget is without its tensions, and this one is no exception—reflecting the fiscal discipline required to sustain progress amid constrained resources. The 3.5% trim to department requests realized \$1.2 million in savings, preserving essentials while deferring non-critical items; in Fire/EMS, the shift to contractual 6-person minimum staffing eliminates \$346,000-\$693,000 in overtime for the seventh position—a recalibration that maintains core response capabilities but reduces flexibility, with Q1 community forums planned to monitor impacts and adjust as needed. Revenue strategies bridge the gap: Taking the full banked capacity of 7% brings in \$219,226 to the general fund, and the HB 2015 0.1% sales tax increase (\$700,000 in 2026, recurring at \$1.2 million) dedicated to safety enhancements.

These measures maintain balance in the General Fund and Fire/EMS Fund, with unrestricted reserves at \$4.8 million (meeting the 2-month minimum requirement); a prudent floor given the uncertain national economic forecast. Yet challenges persist in potential sales tax stagnation at 2-3% growth, insurance escalations of double-digits, and the organizational stretch of \$18.3 million in capital without debt. The Q1/Q2 forecasting initiative will illuminate these modeling scenarios to guide mid-year adjustments and shared services explorations. My

goal is clear: these choices are not concessions but calculated steps toward resilience, ensuring sports tourism investments—like partnering with Skagit Valley Tourism Bureau—yield dividends for decades, not deficits.

A Commitment to Sustained Success – Gratitude and the Path Ahead

As I reflect on 26 years of service—transitioning from Council chambers to the mayor's office—this budget embodies the sustained success I seek for Burlington: an economy enlivened by sports tourism's energy, a safe and welcoming community with infrastructure resilient against tomorrow's demands. From May's Retreat dots to this document's dollars, we have advanced most of the Must and Should priorities, seeding field houses that host tournaments, trails that connect communities, and plans that house families affordably. Pay-go's \$18.3 million in capital builds without debt burden, a principle I have championed since 1999.

My deepest thanks go to our department directors for their zero-based dedication, unearthing efficiencies that define excellence. Also, to Andy Parks and Sandra Kottke, for modeling a future-proof fiscal path. Council and residents: This is your blueprint. Review it, refine it, and ratify it. Together, in my two-year term and beyond, we will lead Burlington to a sustainable, attainable future that includes a city we are all proud to call home.

Bill Aslett

Mayor

City of Burlington

ECONOMIC OVERVIEW

Summary

Burlington's economy is driven by retail, services, accommodation, and food service. Historically, this growth has been supported by the City's central location and the availability of developable land along the I-5 corridor. Going forward, supporting continued economic vitality will require targeted investments in infrastructure, urban design, and services.

Economic Conditions

In 2024, Burlington has a population of approximately 10,420 and supported an employment base of 10,562. By 2045, the City's population is expected to increase to 16,930 and the employment is expected to grow by 5,770 jobs, reaching a total of 17,410. Notably, despite Burlington's small size, the projected employment growth represents over 28 percent of countywide employment growth through the year 2045. Along with car and RV sales, retail, food service, entertainment, and services continue to be the City's largest sources of economic growth and tax revenue. Data from the Western Washington University Center for Economic and Business Research shows that approximately one third of Burlington's work force is employed in retail. County-wide, unemployment in 2025

was 4.7, which is comparable to the rate for Washington State at 4.4 percent.

Burlington's economy continues to be dominated by retail and services. The City is home to a large number of national chains and car dealerships. These businesses serve a large geographic area, drawing customers and visitors from across Skagit County, as well as from neighboring counties. As a result, Burlington has long served as a regional center for shopping, services, and entertainment. While this economic composition has supported robust sales tax revenue and local employment, shifting consumer preferences means that sustaining the health of the City's retail and service sectors will require continued attention.

Sports tourism represents a significant growth opportunity for Burlington's economy. Based on data prepared by the Skagit Tourism Bureau, the Skagit River Park sports complex attracted a significant number of visitors and positively impacted the local and regional economy. For example:

- Almost 18 percent of Skagit River Park users were visitors who had traveled more than 50 miles
- More than 66 percent of out-of-town visitors stayed overnight, with many using local hotels

- Tournaments hosted at Skagit River Park have had significant, documented, financial impacts. For example, the Skagit River Tourism Bureau indicates the 2025 Ultimate Frisbee Tournament was associated with over \$991,000 in economic impacts and the annual Firecracker Tournament generated over \$428,000 in local and regional benefits.

Goals

Sustaining Burlington’s tax revenue and improving economic vitality for the City’s households and businesses will require continued attention. Importantly, the City must take actions to sustain and strengthen the retail sector, diversify its economic base, and establish a unique identity. Near-term goals include:

- Pursue investments in sports tourism, including partnering with regional economic development organizations to draw additional tournaments and overnight visitors
- Streetscape and urban design improvements to establish a unique identity and enhance the experience of visitors and shoppers.
- Growing wages by supporting skills development and education
- Increasing disposable income and local spending by containing housing and transportation costs
- Directing population growth to mixed-use areas that support an increased percentage of local spending

Long-term, Burlington’s economic development strategy will be data-driven and closely integrated with other key policy areas, including land use, transportation, and housing. The City will support economic resilience through investments in infrastructure and facilities and workforce development. The City’s housing and transportation policies will contain housing and transportation costs, increasing household disposable income and consumer spending. At the same time, the City will work to attract additional visitors and to maximize visitor spending.

Budget Implications

Sustaining and growing the City’s existing retail economy will require attracting more customers with more money to spend. Achieving this objective will require investments to draw visitors, make the City more attractive and inviting, and improve mobility. Accordingly, the proposed budget supports investments in regional park and sports facilities, streetscape and urban design strategies, and continued implementation of the City’s Active Transportation and Safety plan.

ORGANIZATIONAL STRUCTURE

Summary

The City of Burlington operates under a Mayor-Council form of government, with an elected Mayor and seven elected Council members providing leadership and policy direction. The Mayor serves as the chief executive, supported by an appointed City Administrator who manages daily operations and coordinates departmental activities.

City services are delivered through several core departments. Public Safety encompasses both the Police Department, which ensures law enforcement and community safety, and the Fire Department, which provides emergency response and fire prevention. Public Works is responsible for street maintenance, sewer operations, facilities upkeep, engineering, park & cemetery maintenance, and stormwater management. Parks and Recreation oversee park operations, recreation programs, and cemetery services, while the Municipal Court handles judicial functions related to city ordinances. Additional departments include Finance, which manages budgeting and fiscal oversight; Community Development, which focuses on planning, zoning, and permitting; Human Resources, which supports workforce management; and Library Enrichment Services, which offers educational and engagement programs.

Governance is strengthened by numerous boards, commissions, and advisory committees, such as the Planning

Commission, Audit & Finance Committee, Arts Commission, Historical Preservation Council, and Public Safety and Public Works Committees. These bodies provide specialized oversight and ensure community engagement in city decision-making.

Overview

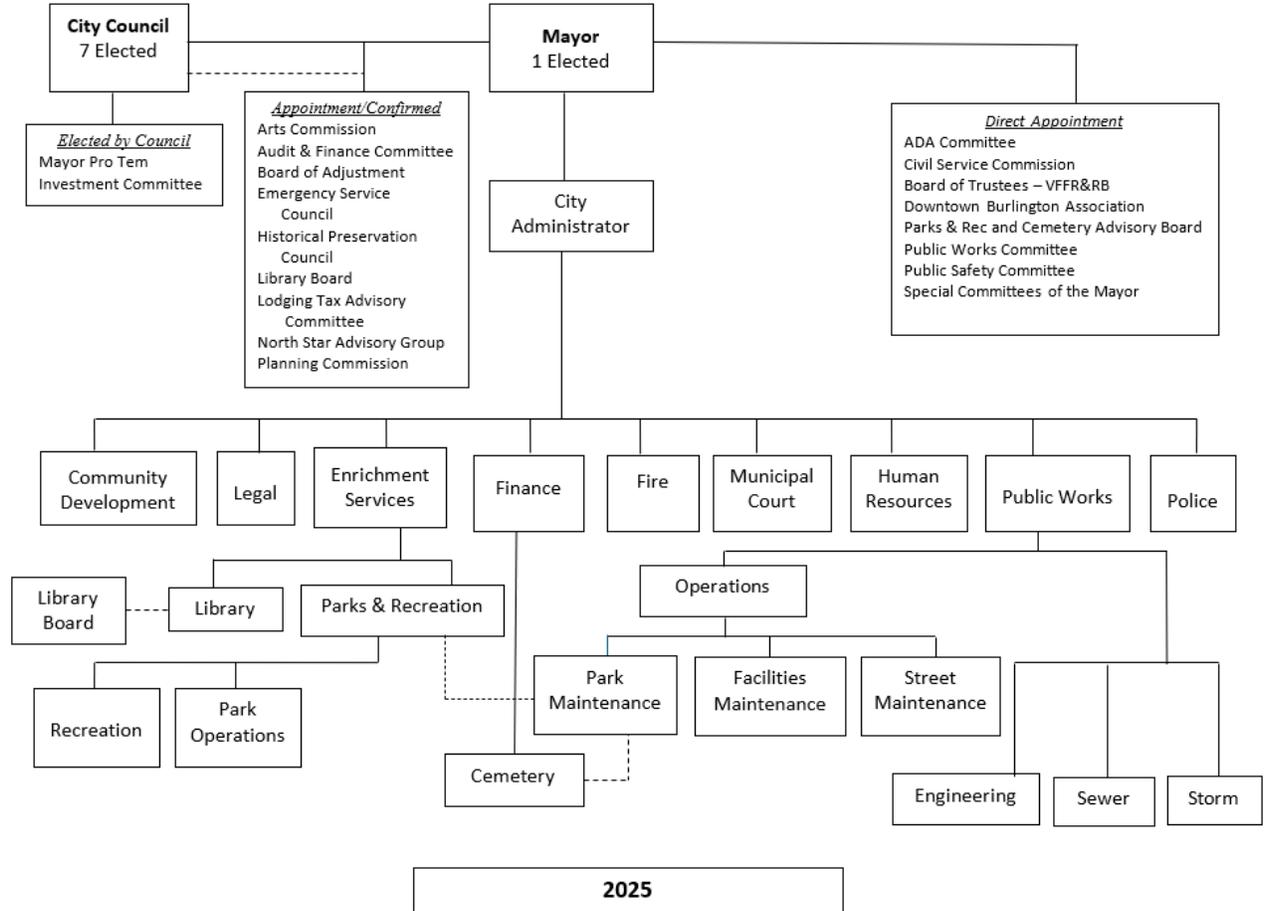
The organizational structure reflects a commitment to efficient service delivery and transparency. Departments work collaboratively under the leadership of the Mayor and City Administrator to achieve strategic goals aligned with community priorities. This structure ensures accountability, fiscal responsibility, and responsiveness to residents' needs.

Schedule of Full-Time Equivalent Positions

Department	FTE's
Executive	1.2
Legislative	0.2
Human Resources	1.3
Finance	5.47
Legal	2
Community Development	6.5
Facilities Maintenance	5.22
Police	37
Library	10.5
Engineering	3.8
Court	3
Parks & Recreation	7.8
Street	6.5
Fire	32
Storm	3
Sewer	12
TOTAL	139.49

Organizational Chart

City of Burlington Organizational Chart



Board & Committee Descriptions

Americans with Disabilities Committee:

The Americans with Disabilities Act Committee assists in the coordination and monitoring of City efforts to comply with the Americans with Disabilities Act regulations.

Art Commission:

The Arts Commission endeavors to support artistic creation, education, participation, innovation, and partnerships that showcase Burlington. The commission consists of 7 voting members residing or working within the Burlington-Edison School District area. Of the 7 voting members, 2 may be students attending the Burlington-Edison School District. Students will serve a 1-year term. All other voting members will serve a 3-year term and are eligible for reappointment by City Council if desired. A City Council member will be appointed annually to the commission to act as a liaison in an ex-officio capacity.

Audit and Finance Committee:

The Audit and Finance Committee meets to review all bills of the City and certify that all are in accordance with state and municipal law. They present the certified claims to City Council requesting approval for payment by motion of the Council. The committee also assists the Finance Director in formulating and recommending financial policies of the City and review and advise

on policies prior to submittal to the full Council for adoption and approval. Special meetings may be called by the chairperson of the committee, Finance Director, or City Administrator.

Board of Trustees of the Volunteer Firefighter's Relief and Compensation Fund:

The board is responsible for the local administration of the Volunteer Firefighters' and Reserve Officers' Relief and Pension Act - Revised Code of Washington (RCW), Chapter 41.24.

Civil Service Commission:

The Civil Service Commission makes suitable rules and regulations regarding examinations, physical fitness tests, appointments, promotions, transfers, reinstatements, demotions, suspensions, and discharges within the Police and Fire departments. Following testing, the Commission certifies the applicants on the eligibility list for the job class. The Commission makes investigations and reports under the provisions of the state civil service statute.

Downtown Burlington Association:

A committee headed by the Burlington Chamber of Commerce to organize, plan and administer a revitalization program for downtown Burlington.

Emergency Service Council:

The Emergency Service Council reviews and recommends for adoption, civil defense, and mutual aid plans and agreements; and

such resolutions, rules, and regulations as are necessary to implement such plans and agreements.

Historical Preservation Board (Commission):

The Historic Preservation Commission consists of nine members and include representatives of the Burlington Parks Board, Burlington Parks Foundation, Burlington City Council, Skagit Valley Genealogical Society, Skagit County Historical Society, two historic resource professionals and two at-large citizens of Burlington. All members shall be appointed by the Mayor with the approval of City Council for a term of three years, with the exception of the Burlington city council representative, which will change annually. The Parks and Recreation Department director shall serve as an ex-officio, non-voting member. The Historical Preservation Commission was established in 2010.

Investment Committee:

The Investment Committee determines the amount of money available in each fund for investments purposes and to make investments of City funds in accordance with City of Burlington Investment Policy.

Land Use:

Dissolved in 2025

Lodging Tax Advisory Committee:

The Lodging Tax Advisory Committee was established by the Burlington City Council, in accordance with Revised Code of Washington (RCW) 67.28 to advise and recommend to the mayor and council how

excise taxes on lodging collected in Burlington should be allocated to best increase tourism in the city.

The committee consists of seven voting members who solicit proposals from those agencies and groups actively engaged in the promotion and enhancement of tourism in the City of Burlington. The committee reviews applications for lodging tax funds, hears oral presentations from applicants, and makes funding recommendations to the mayor and council.

North Star Steering Committee:

The North Star Steering Committee will work with the Leadership team helping guide the Task Force committee's efforts supporting the three pillars of North Star – Housing, Mental Health and Addiction.

Parks & Recreation Board & Cemetery Advisory Board:

The Parks and Recreation & Cemetery Advisory Board was established in 1939 following the designation of City property as "Maiben Park." The board is made up of seven individuals who have an interest in parks and recreation. Of the seven members, four are residents of the City of Burlington. Two of the seven members may be residents living within the city's urban growth area, and one member may be a business owner or an employee representing a business operating within the City of Burlington. In addition, the mayor appoints one to three council members to act as liaisons to the board as ex-officio members.

The Cemetery Board is comprised of the same city council members and citizens that serve on the Parks and Recreation Board.

Planning Commission:

The commission reviews proposed development projects for compliance with ordinances and plans for the physical development of the City. The commission makes recommendations to the council on adopting zoning and subdivision ordinances, and the adoption of a comprehensive plan and amendments to the plan.

Public Safety Committee:

The committee provides monthly updates regarding activities of the Municipal Court and Fire and Police departments. The committee also provides comments and recommendations regarding projects, proposed policies and procedures, and issues presented to the committee.

Public Works Committee:

The committee provides monthly updates regarding activities of the Public Works Department, which includes Engineering, Sewer, Street, and Building and Grounds Maintenance divisions.

SCOG/RTOP/MPO:

The Board of Directors is a governing body of Skagit Council of Governments (SCOG) and provides oversight to SCOG's administrative function and economic development work program. The Board of Directors meets to discuss regional issues and make administrative decisions. All board meetings are open public meetings.

Skagit Transit Board:

The Board of Directors, as the governing body of the agency, establishes policy and legislative direction for the agency. The Board defines the organization's mission, establishes goals, and approves the budget to accomplish the goals. Board members represent the agency's position to the public, in the Legislature, and in the community, working closely with the Executive Director. The board is composed of nine elected officials selected by and serving at the pleasure of the respective governing bodies of the component cities and county within the service area. A state law adopted in 2010 also requires public transportation benefit area corporations to have a non-voting union representative on the board of directors.

Traffic Safety:

Dissolved in 2025

ELECTED OFFICIALS

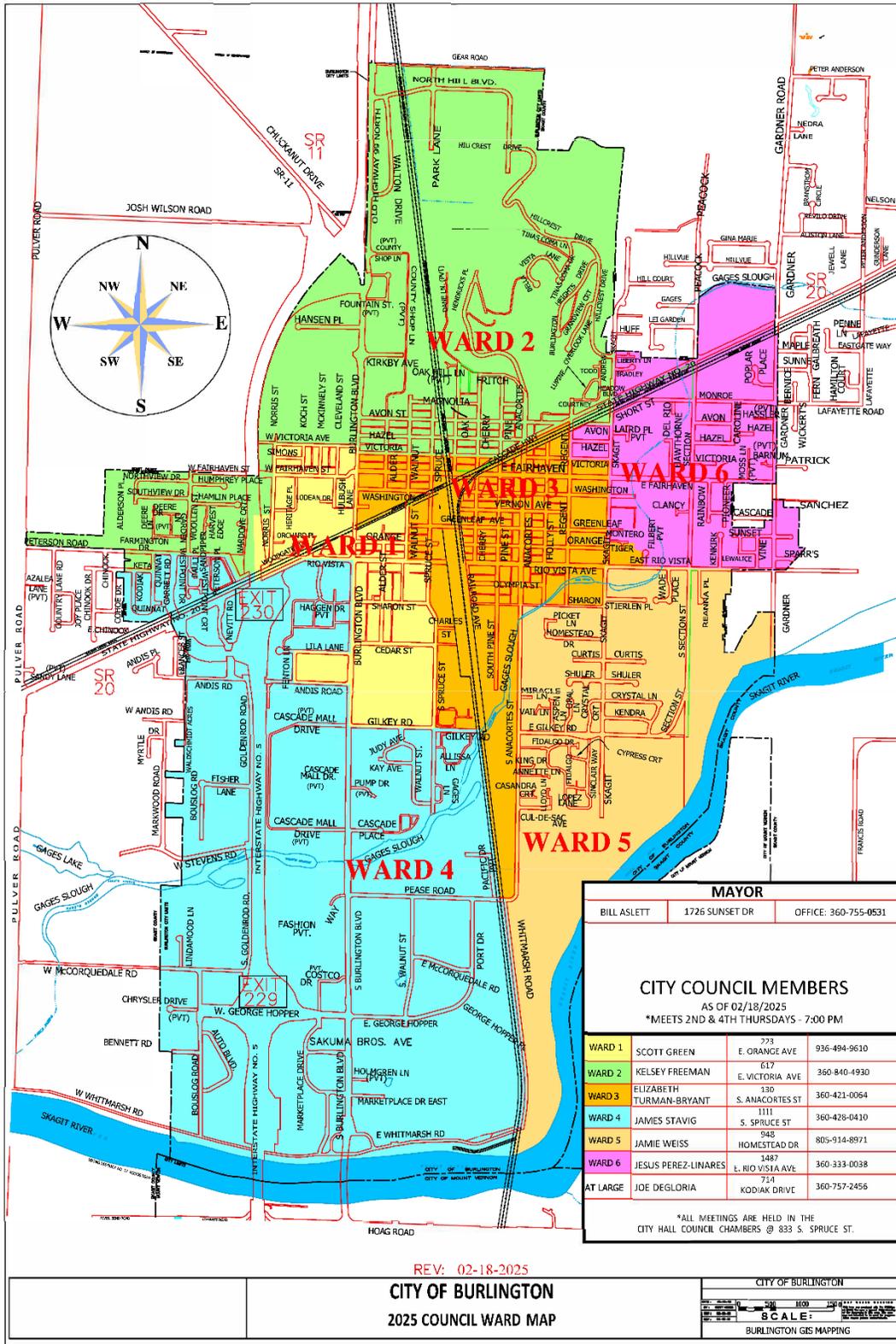
Mayor:

William (Bill) R. Aslett

Council Members:

Ward #1	Scott K. Green
Ward #2	Kelsey Freeman
Ward #3	Elizabeth Turman-Bryant
Ward #4	James Stavig
Ward #5	Jamie Weiss
Ward #6	Jesús Pérez-Linares
At-Large	Joe DeGloria

WARD MAP



DEPARTMENT HEADS

City Administrator, <i>Interim</i>	Andy Parks, CPA
City Attorney	Leif Johnson
Community Development	Brad Johnson
Enrichment Services	Sarah Ward
Finance	Sandra Kottke
Fire	Rob Toth
Human Resources	Kristen Bachhuber
Municipal Court	Marina Martinez
Police	Kevin Turner
Public Works	Tyler Stamey
Public Works Maintenance	Travis Schwetz

PERSONNEL SUMMARY

The City's personnel services budget reflects a balanced approach that honors existing labor commitments, maintains competitive compensation to attract and retain quality employees, and prudently manages taxpayer resources.

For the upcoming fiscal year, the following assumptions have been incorporated into all personnel cost projections:

- **Cost-of-Living Adjustment (COLA):** 2.7% applied to all positions
- **Step Increases:** Scheduled step advancements continue for eligible employees per existing salary schedules
- **Health and Dental Insurance:** Health insurance includes a budgeted 8.7% premium increase and dental insurance 4.3%, along with updated benefit levels for both employee-only and family coverage (particularly for currently vacant positions)
- **PERS Rates:** A favorable 3.5% reduction in employer contribution rates is reflected, providing modest budgetary relief

These assumptions have been consistently applied across all funds and departments to produce the personnel services line items presented in the proposed budget.

From 2018 through the 2026 proposed budget, the City's authorized staffing level will have increased by **11.49 FTEs**, representing an overall growth of **9%** over the eight-year period, or approximately **1.0% per year** on average. During this period the City added 10 paramedic positions in 2019 to absorb the Advanced Life Support (ALS) ambulance services upon the dissolution of the Central Valley Ambulance Authority. Even with this significant expansion of services, during the 2018 – 2026 period the FTE per 1,000 rate is declining from 14.57 to 11.90, an 18% reduction. This measured growth, has led to efficiencies and reduction of services in low-impact areas and allowed the City to keep pace with population increases, expanded service demands (particularly in public safety and development services), and new regulatory requirements while remaining among the leanest staffed full-service cities in the region on a per-capita basis.

Current Labor Agreements

Bargaining Unit	Representing	Contract Expiration Date
IAFF Local 4111	Firefighters and Fire Department personnel	December 31, 2025
Burlington Police Employees Guild	Commissioned Police Officers	December 31, 2026
Burlington Police Employees Guild – Support Personnel	Non-commissioned police support staff	December 31, 2026
Teamsters Local 231 – Public Works	Public Works employees	December 31, 2027
Teamsters Local 231 – Clerical	Clerical and administrative support staff	December 31, 2027

Successor agreement negotiations with IAFF Local 4111 are in progress. The City remains committed to good-faith bargaining that achieves fair compensation and sustainable cost structures for the community.

Overall, the proposed personnel budget includes deliberate staffing growth, added mid-year 2026 after updated financial forecasting confirms sustainability, ensuring the City can continue delivering high-quality public safety, public works, infrastructure maintenance, and administrative services while maintaining fiscal responsibility and honoring its obligations to the dedicated employees who serve Burlington residents every day.

Personnel Schedule

Fund	Department	2018	2025	2026
General	Executive	1.40	1.20	1.70
	Legislative	0.40	0.20	0.20
	Human Resources	1.50	1.30	1.30
	Finance	4.00	5.47	5.47
	Legal	2.60	2.00	2.00
	Community Development	5.50	6.50	6.50
	Facilities	8.10	5.05	5.05
	Information Technology	2.00	Outsourced	Outsourced
	Indigent Defense	0.50	Outsourced	Outsourced
	Police	33.00	37.00	37.00
	Library	11.00	11.00	11.00
	Engineering	4.00	3.80	3.80
	Municipal Court	3.00	3.00	3.00
	Parks and Recreation	11.00	10.14	10.64
Fire/EMS	Fire/EMS	21.00	32.00	31.50
General/Fire/EMS Sub-total		109.00	118.66	119.16
Street	Streets	3.90	3.13	3.13
Stormwater	Stormwater	5.10	5.20	5.20
Sewer	Sewer	10.00	12.00	12.00
Totals		128.00	138.99	139.49
	Population	8,783	11,540	11,725
	FTE per 1,000 population	14.57	12.04	11.90
		100%	83%	82%

Burlington's Budget Process: A Commitment to Transparency and Strategic Alignment

Burlington's budget process is a dynamic, year-round framework designed to align resources with community priorities while ensuring fiscal responsibility and adaptability. Modeled after Government Finance Officers Association (GFOA) best practices, this process emphasizes collaboration, public engagement, and long-term planning. It complies with Washington State's calendar-year statutes under RCW 35A.33 for non-charter code cities, mandating balanced budgets, public hearings, and Council adoption by year-end, with provisions for supplemental adjustments (RCW 35A.33.100 and .120) to address evolving conditions.

Burlington's annual process incorporates mid- and long-term perspectives. This structure balances immediate community needs—such as public safety enhancements and street repairs—with enduring investments in wastewater, stormwater, parks, and facilities. Operations remain flexible for demand shifts, while capital projects demand advance coordination to mitigate costs and ensure generational impact. Our approach fosters resident input through forums, surveys, and live-streamed meetings, promoting transparency via online dashboards and quarterly reports.

Budgeting is not a static event, but an ongoing exercise: adoption initiates execution, yet quarterly monitoring allows real-time adjustments for variances, such as revenue fluctuations from sports tourism or unexpected operational challenges. This mirrors GFOA-recommended elements,

including performance metrics (e.g., emergency response times, economic impact multipliers), conservative revenue forecasting (projecting 3% property tax growth), and contingency reserves (8–12% of expenditures). Zero-based budgeting, applied rigorously, justifies every expenditure anew, tying directly to priorities from the annual Council retreat—eliminating legacy costs and sharpening focus on outcomes.

Key Steps in Burlington's Annual Budget Cycle

Our process unfolds across quarters, with built-in checkpoints for review and refinement. The timeline below, visualized as an infographic, highlights 12 core milestones, ensuring responsiveness to local, regional, and global dynamics.

1. **Q4 Quarterly Report (February):** Present financial and operational results for Q4 and calendar year at the Council's first meeting, tracking progress on initiatives like park projects.
2. **Q1 Quarterly Report (May):** Initial review of revenues, expenditures, service delivery and capital projects, addressing misalignments like cost escalations or staffing impacts to help inform Council Retreat.
3. **Q2 Strategic Direction (May Retreat):** Mayor and Council convene to set priorities, review plans, and incorporate external factors (e.g., growth trends) to ensure goal alignment.

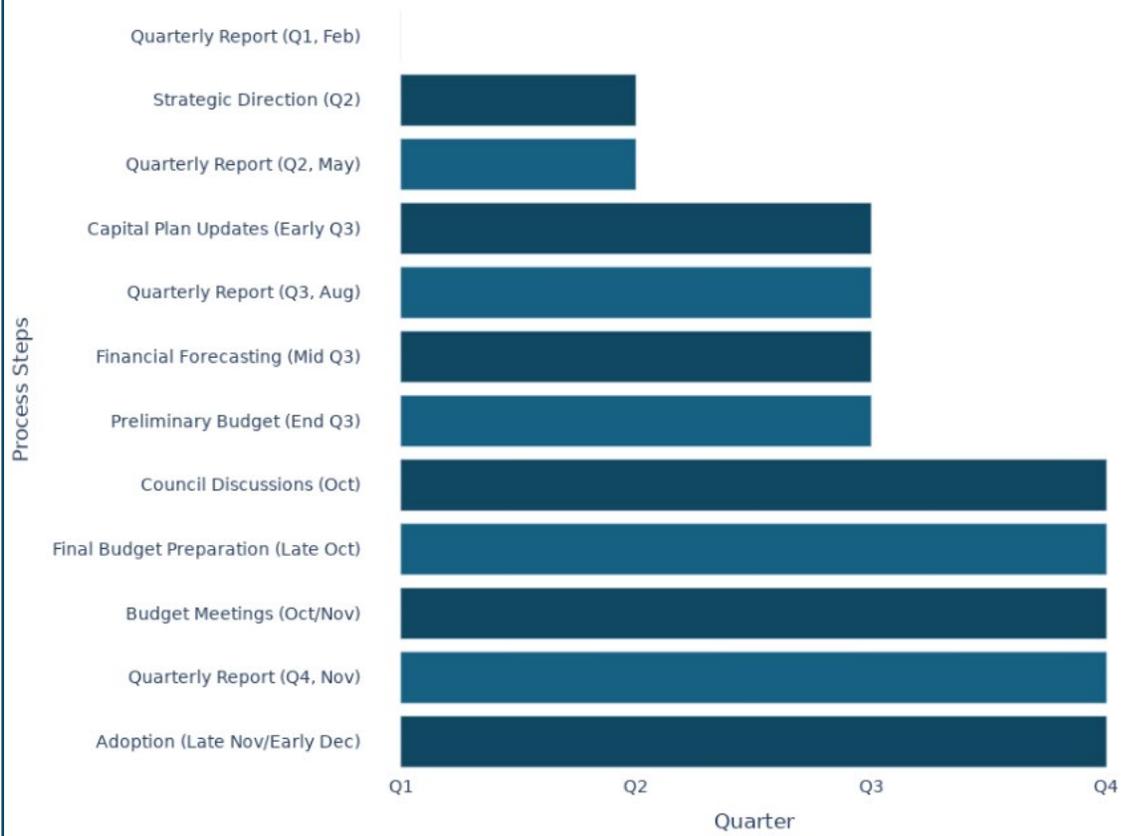
4. **Late Q2/Early Q3 Capital Plan Updates:** Adjust CIP projects based on updated goals, integrating with utility and transportation plans per state Growth Management Act requirements.
5. **Q2 Quarterly Report (August):** Mid-year review of revenue, expenditures, operations and capital projects, addressing misalignments like cost escalations or staffing impacts.
6. **Mid-Q3 Financial Forecasting (August/Early September):** Update 3–5-year projections to identify gaps and alternatives to address.
7. **End-of-Q3 Preliminary Budget:** Draft document highlighting priorities, trade-offs, and zero-based justifications.
8. **October Council Discussions:** Workshops to refine proposals, with public comment—fostering collaboration and ensuring that budgets address priorities.
9. **Late October Final Preparation:** Incorporate feedback for a comprehensive proposal.
10. **October/November Budget Meetings:** Public hearings and deliberations, live-streamed and accessible online, ensuring broad participation.
11. **Q3 Quarterly Report (November):** Pre-adoption review of year-to-date performance, potential year-end budget adjustments and changes to proposed budget.
12. **Late November/Early December Adoption:** Council approves the budget via ordinance, effective January 1.

Continuous Monitoring

Post-adoption, quarterly reports inclusive of budget to actual performance and updates on service delivery and capital projects serve as accountability tools, detailing variances (e.g., sales tax boosts from tournaments) and explaining deviations with action plans—whether reallocating for injury-related costs or pursuing grants for infrastructure. This continuous loop empowers stakeholders through accessible tools: interactive fund summaries, performance dashboards, and economic analyses. In line with GFOA standards for fiscal resilience, we maintain elasticity via mid-year supplements for emergencies, ensuring the budget evolves without disrupting core services.

This process underscores Burlington's dedication to informed, inclusive decision-making: a blueprint for prosperity that adapts to change while honoring our vision of economic vitality, safety, and resilience. For questions or input, visit burlingtonwa.gov/budget or contact the Finance Department.

Budget Process Timeline by Quarter (With Quarterly Reports)



CITY-WIDE FUND SUMMARIES

Executive Summary – City-wide Totals (2026 Proposed Budget)

The 2026 Proposed Budget for the City of Burlington is balanced and financially sustainable, with total **resources of \$87.6 million** supporting **requirements of \$87.6 million** across all funds. This represents a controlled 4.2% increase in operating and capital activity compared to the 2025 adopted budget.

Key city-wide highlights (amounts in thousands):

Resources	2026 Proposed
Beginning balances	\$ 35,288
Taxes (property, sales, utility, etc.)	22,988
Charges for services & fees	10,583
Intergovernmental revenue	9,854
Other revenues & financing sources	1,472
Transfers	<u>7,444</u>
Total Resources	\$87,629

Requirements	2026 Proposed
Personnel services	\$ 21,348
Supplies & services	12,163
Capital outlay & projects	18,708
Debt service & transfers	828
Transfers	7,444
Other decreases	165
Ending balances	<u>26,973</u>
Total Requirements	\$87,629

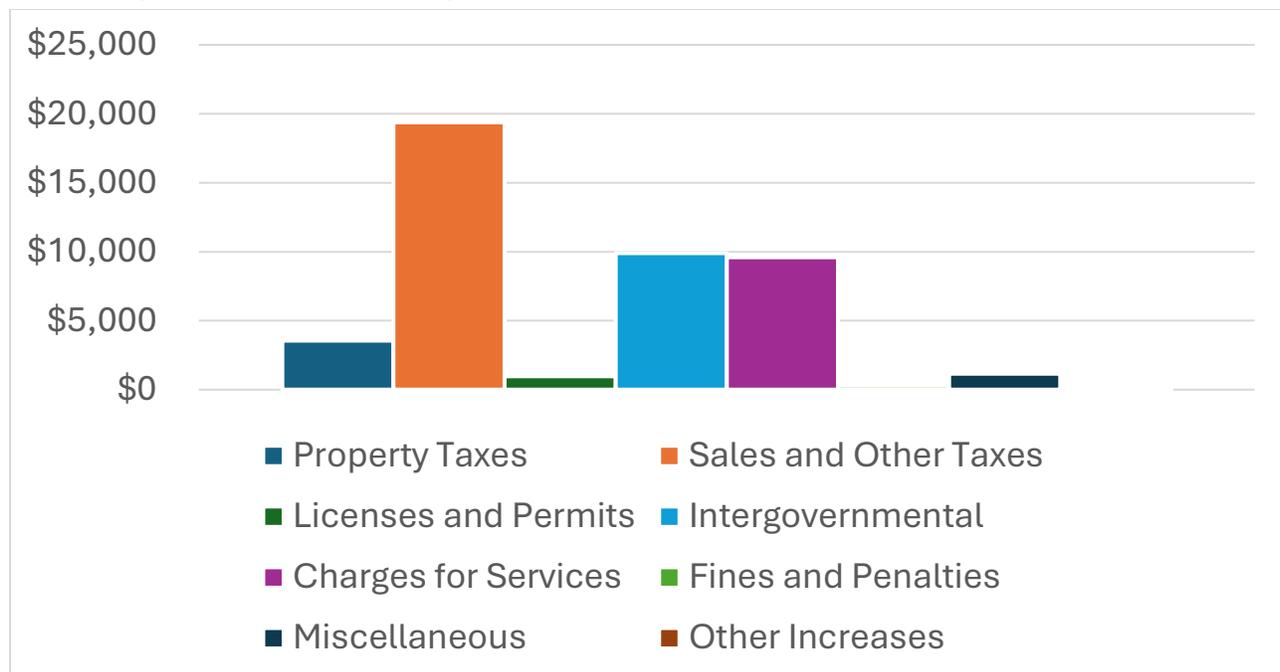
The budget funds essential services, invests \$18.7 million in infrastructure and equipment (streets, parks, utilities, and facilities), and maintains healthy ending fund balances. The proposed budget includes levying property taxes to the full authority including banked capacity of 8.7% and local public safety sales tax (HB 2015), and all enterprise funds remain self-supporting.

City-wide Totals

Resources (amounts in thousands)

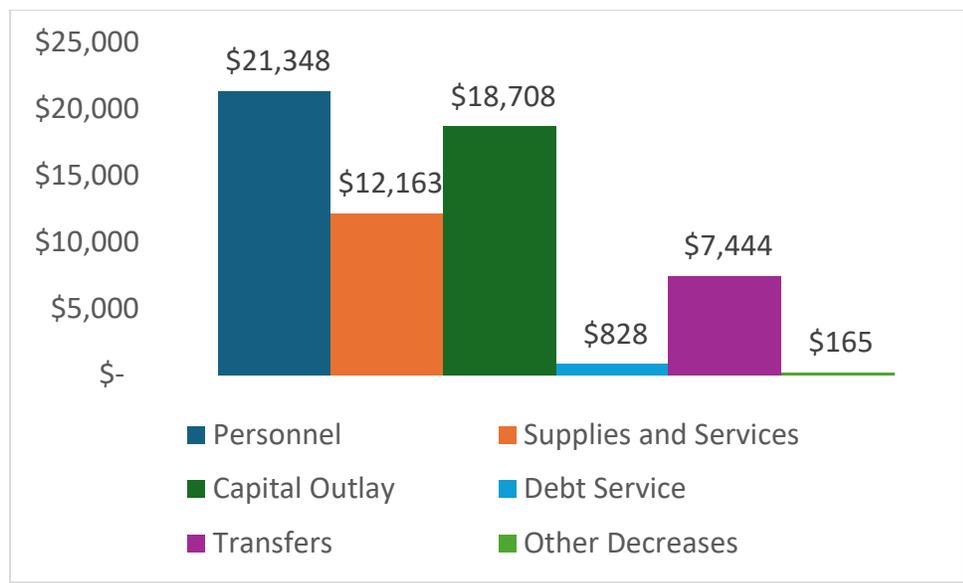
Fund	Beginning Balance	Property Taxes	Sales and Other Taxes	Licenses and Permits	Intergovernmental	Charges for Services	Fines and Penalties	Miscellaneous	Other Increases	Transfers	Total Revenue	Total Resources
General	\$ 6,207	\$ 3,564	\$ 15,611	\$ 896	\$ 1,028	\$ 476	\$ 83	\$ 411	\$ 30	\$ 95	\$ 22,192	\$ 28,399
Street	122	-	-	55	214	2	-	6	-	1,100	1,377	1,499
Arterial Street	263	-	-	-	4,095	200	169	-	-	665	5,129	5,392
First Step Operating	17	-	78	-	-	-	-	-	-	-	78	95
HB 1590	2,016	-	1,200	-	1,396	-	-	64	-	-	2,660	4,676
Fiber	449	-	-	-	-	-	-	108	-	-	108	557
Park Endowment	18	-	-	-	-	-	-	-	-	-	-	18
Public Art	50	-	-	-	-	-	-	1	-	20	21	71
Transportation Benefit District	574	-	1,200	-	-	-	-	10	-	-	1,210	1,784
Cemetery Operating	7	-	-	-	-	63	-	1	-	42	106	113
Substance Abuse	231	-	-	-	-	-	-	40	-	-	40	271
Fire/EMS	44	-	-	-	2,624	306	-	16	-	4,150	7,596	7,640
Lodging Tax	618	-	685	-	-	-	-	19	-	-	704	1,322
Debt Service	569	-	-	-	-	-	-	5	-	50	55	624
General Government Capital F	992	-	-	-	-	25	-	15	-	-	40	1,032
Capital Improvement	270	-	325	-	-	-	-	5	-	-	330	600
First Step Construction	-	-	-	-	-	-	-	-	-	-	-	-
Park & Recreation Capital Imp	2,346	-	325	-	419	50	-	17	-	-	811	3,157
Sewer	3,244	-	-	25	-	5,268	40	61	59	-	5,453	8,697
Sewer Capital Reserve	9,663	-	-	-	-	250	-	121	-	1,200	1,571	11,234
Storm Drain	1,439	-	-	-	80	1,519	-	20	-	-	1,619	3,058
Storm Drain Capital Reserve	2,303	-	-	-	-	-	-	69	-	120	189	2,492
Equipment Replacement & Res	2,737	-	-	-	-	790	-	68	-	-	858	3,595
Computer Replacement & Res	693	-	-	-	-	158	-	17	-	-	175	868
Cemetery Endowment	415	-	-	-	-	-	-	17	-	2	19	434
Total	\$ 35,288	\$ 3,564	\$ 19,424	\$ 976	\$ 9,854	\$ 9,607	\$ 292	\$ 1,091	\$ 89	\$ 7,444	\$ 52,341	\$ 87,629

Revenue (amounts in thousands)



Requirements (amounts in thousands)

Fund	Personnel	Supplies and Services	Capital Outlay	Debt Service	Transfers	Other Decreases	Total Expenditures	Reserved Fund Balance	Total Requirements
General	\$ 11,612	\$ 5,906	\$ 288	\$ 38	\$ 4,495	\$ 20	\$ 22,359	\$ 6,041	\$ 28,399
Street	571	848	-	12	-	-	1,431	68	1,499
Arterial Street	-	-	4,645	-	65	145	4,855	537	5,392
First Step Operating	-	80	-	-	-	-	80	15	95
HB 1590	-	480	1,642	-	-	-	2,122	2,554	4,676
Fiber	15	53	-	-	-	-	68	489	557
Park Endowment	-	3	16	-	-	-	18	-	18
Public Art	-	-	71	-	-	-	71	-	71
Transportation Benefit District	-	-	-	-	1,290	-	1,290	494	1,784
Cemetery Operating	96	15	-	-	2	-	113	1	113
Substance Abuse	-	185	-	-	-	-	185	86	271
Fire/EMS	5,849	1,712	-	3	-	-	7,564	76	7,640
Lodging Tax	-	700	-	-	-	-	700	622	1,322
Debt Service	-	-	-	624	-	-	624	-	624
General Government Capital Improvement	-	-	1,016	-	10	-	1,026	6	1,032
Capital Improvement	-	-	50	148	200	-	398	202	600
First Step Construction	-	-	-	-	-	-	-	-	-
Park & Recreation Capital Improvement	-	-	2,044	-	15	-	2,059	1,098	3,157
Sewer	2,023	1,633	-	2	1,215	-	4,873	3,824	8,697
Sewer Capital Reserve	-	-	5,585	-	-	-	5,585	5,649	11,234
Storm Drain	1,183	519	-	1	135	-	1,838	1,220	3,058
Storm Drain Capital Reserve	-	-	2,393	-	-	-	2,393	99	2,492
Equipment Replacement & Reserve	-	-	741	-	-	-	741	2,854	3,595
Computer Replacement & Reserve	-	30	218	-	-	-	248	620	868
Cemetery Endowment	-	-	-	-	17	-	17	417	434
Total	\$ 21,348	\$ 12,163	\$ 18,708	\$ 828	\$ 7,444	\$ 165	\$ 60,656	\$ 26,973	\$ 87,629



DEBT SUMMARY

Debt Management and Capital Funding

Burlington maintains a conservative approach to debt, guided by a pay-as-you-go (pay-go) capital funding policy that prioritizes current revenue sources—such as impact fees, grants, and fund balances—over borrowing to finance infrastructure and facilities. This strategy minimizes long-term liabilities, reduces interest costs, and preserves fiscal flexibility, aligning with GFOA best practices for sustainable municipal finance. By limiting debt issuance to essential, voter-approved general obligation (GO) bonds and avoiding general fund-backed revenue bonds, the City ensures debt service remains below 10% of General Fund expenditures, fostering economic resilience amid growth from sports tourism and regional development.

As of December 31, 2025, Burlington's outstanding debt totals \$2.3 million, comprising one external loan and one active interfund loan—a 35% decline from \$3.6 million at year-end 2023. This reduction reflects scheduled principal payments and the full payoff of a prior interfund obligation. Per capita debt has similarly trended downward, from \$356 in 2023 to an estimated \$180 in 2026, well below medians for similar-sized cities.

For Washington state cities with 10,000 ± population, per capita debt ranges from \$100 (low, e.g., debt-averse rural municipalities) to \$800 (high, e.g., those with recent infrastructure bonds); nationally, the range is \$300 (low) to \$4,000 (high) for cities in this size class, per 2024 U.S. Census and S&P Global data. Population estimates used: 10,066 (2023), 10,420 (2024), 10,600 (2025), and 10,780 (2026).

Year-End	Total Debt	Per Capita Debt
2023	\$3.0M	\$298
2024	\$2.7M	\$266
2025 (Est.)	\$2.3M	\$217
2026 (Est.)	\$1.9M	\$180

Outstanding Debt Issues

Burlington's debt portfolio is limited and manageable, with no new issuance proposed in the 2026 budget. Obligations include:

- **External Loan: 2008 Banner Bank LTGO (Fund 201)** This \$3.0 million general obligation debt, issued for long-term capital improvements, is the City's sole external debt. Annual debt service (~\$312,000 in 2026) has been funded via transfers from the General Fund and Streets Fund. In 2026, the General Fund transfer is assumed by the Local Capital Improvement Fund. Principal and interest payments total \$303,000 (principal) and \$9,000 (interest) in 2026, reducing the balance to \$303,000 by year-end—fully retiring the loan in 2027 with a final \$303,000 payment.
- **Interfund Loan: General Fund to Local CIP Fund (Fire Station Renovation)** The City completed a \$2.8 million renovation to its Fire Department in 2024 that included \$1.0 million of current funds and a \$1.8 million internal advance from the General Fund to the Local Capital Improvement Fund. The loan terms include 20-year amortization with interest at 5.23%. Annual debt service payments are scheduled at \$147,268. The balance as of December 31, 2026, is scheduled at \$1.632 million.

An option to strengthen the General Fund balance (increase by \$1.632 million) and reduce annual debt service requirements is to repay the loan from the Sewer Capital Improvement Reserve Fund and amortize the loan at current interest rates of approximately 4%.

- 20-year amortization - \$124,267, a reduction of \$22,843 annually
 - 18-year amortization - \$133,575, a reduction of \$13,692 annually
- **Paid-Off Obligation: General Fund to Arterial Street Fund 102 (E-W Connector)** A \$288,000 interfund loan for street improvements was fully repaid in 2025 (\$288,000 principal), resulting in a \$0 balance on December 31, 2025, and eliminating this liability ahead of schedule to redirect resources toward pay-go projects.

The City's lean debt structure—totaling less than 10% of annual General Fund operating revenue, with annual debt service requirements \$477,267, or 1.9% of combined General Fund and Fire/EMS expenditures supports Burlington's pay-go ethos, funding capital needs through cash reserves and fees.

CAPITAL OUTLAY EXECUTIVE SUMMARY

The City of Burlington’s 2026 Proposed Budget includes a robust **city-wide capital investment of \$18.7 million**, one of the most significant single-year commitments in recent history. This program reflects a deliberate strategy to address long-deferred infrastructure needs, enhance community amenities, and position the City for sustained growth while maintaining fiscal discipline.

Key highlights include:

- Several **multi-million-dollar projects** that will span multiple years, with major construction phases beginning in 2026 and continuing into 2027–2029. These projects focus on critical assets such as streets, parks, utilities, and public facilities.
- **Useful life** of the constructed assets (excluding engineering/design costs) ranges from **five to fifty** years, ensuring long-term value for residents and businesses.
- Order of magnitude **ongoing operational and maintenance costs** for new and replaced assets are noted as well as annual replacement costs (straight-line depreciation), allowing Council and staff to plan proactively for future budgets.
- **100% of funding** for the 2026 capital program will come from **existing reserves, dedicated funds, impact fees, and grants**. **No new long-term debt** will be required, preserving the City’s strong financial position and low debt burden.

City-wide Capital Outlay

Fund	Professional Services	Equipment	Vehicles	Buildings	Parks	Art	Transportation	Infrastructure	Housing	Total
General - Police			288,000							288,000
Arterial Street 1590	1,770,000						2,875,000			4,645,000
Parks Endowment					15,518				1,642,000	1,642,000
Public Art						71,000				71,000
General Government Capital Reserve				1,016,000						1,016,000
Capital Improvement				50,000						50,000
Park & Recreation Capital Improvement	180,000	164,000			1,700,000					2,044,000
Sewer Capital Reserve	450,000	335,000					4,800,000			5,585,000
Storm Drain Capital Reserve	445,000	128,000					1,820,000			2,393,000
Equipment Replacement & Reserve		150,000	591,000							741,000
Computer Replacement & Reserve		218,000								218,000
Totals	2,845,000	995,000	879,000	1,066,000	1,715,518	71,000	2,875,000	6,620,000	1,642,000	18,708,518

This strategic, pay-as-you-go approach enables Burlington to deliver transformative projects, such as Maiben Park, Jason Boerner Park, and Rotary Park, and various intersection improvements and sidewalk and bike route improvements that will enhance local amenities for future generations. The 2026 capital program represents responsible stewardship of existing resources while building a stronger, more resilient community for decades to come.

Detailed capital outlay by fund and project is provided in the attached schedules:

Arterial Street Fund

Arterial Street	Estimated Life	Professional Services	R-O-W	Roadway	Traffic Control Devices	Other Traffic and Pedestrian	Total	O & M Impacts	Estimated Annual Replacement Cost
Rail Corridor Study/Undercross	NA	1,000,000						None	NA
Art St Roadway Engineering	NA	100,000						None	NA
Art St TIB E-W Connector	NA	30,000						None	NA
SR20 Intersection Designs	NA	300,000						None	NA
Burlington BLVD Paving - Design	NA	250,000						None	NA
Art St Land Purch EW Connector	NA		25,000					None	none
Art St TIB Overlay	15			850,000				Reduce	56,667
TIB LED Streetlight Conversion	15			50,000				Reduce	3,333
Art St SR20/Skagit St Signals	20				1,100,000			Moderate	55,000
Art St Traffic Safety Program	on-going					50,000		Reduce	50,000
SR20-Non-motorized Safety Project	20					600,000		Reduce	30,000
CIP Andis Signal - alternative analysis	NA	50,000						None	NA
CIP SR20 Anacortes intersection safety planning - ADL	NA	40,000						None	NA
ADA sidewalk, Improve Walkability/bikeability -Counc	20					200,000		Reduce	10,000
		<u>1,770,000</u>	<u>25,000</u>	<u>900,000</u>	<u>1,100,000</u>	<u>850,000</u>	<u>4,645,000</u>		<u>205,000</u>

General Government Capital Reserve

Project	Estimated Life	Buildings	O & M Impacts	Estimated Annual Replacement Cost
Police - Capital Exp	25	645,000	None	25,800
Fire/EMS - Capital	20	282,000	Limited	14,100
City Hall HVAC	20	36,000	Reduce	1,800
Carnegie Hall	20	27,000	None	1,350
Parks & Rec Facility	20	26,000	Reduce	1,300
Total		<u>1,016,000</u>		<u>44,350</u>

Parks & Recreation Capital Improvements

Park & Recreation Capital Improvement	Estimated Life	Professional Services	Equipment	Improvements	Total	O & M Impacts	Estimated Annual Replacement Cost
Skagit River Park Master Plan	NA	150,000				None	NA
Parks PROS Plan	NA	30,000				None	NA
Jason Boerner Park Improvements	25			450,000		Moderate	18,000
Jason Boerner Playground Equipment	12		164,000			Moderate	13,667
Maiben Park Improvements	25			965,000		Moderate	38,600
Rotary Park Restrooms	25			285,000		Considerabl	11,400
Total		<u>180,000</u>	<u>164,000</u>	<u>1,700,000</u>	<u>2,044,000</u>		<u>81,667</u>

Sewer Capital Reserve

Project	Estimated Life	Professional Services	Equipment	Improvements	Total	O & M Impacts	Estimated Annual Replacement Cost
Sewer Capital Engineering	NA	450,000				None	NA
Sewer I & I Mitigation	NA			150,000		Reduce	On-going program
Sewer Capital Improvements							
Influent	50			1,750,000		Reduce	43,750
Effluent	50			1,700,000		Reduce	42,500
Blower Building	50			500,000		Reduce	12,500
Sewer Machinery & Equipment	12		335,000			Reduce	27,917
Sewer Line Replacement	50			700,000		Reduce	17,500
Total		450,000	335,000	4,800,000	5,585,000		144,167

Storm Drain Capital Reserve

Project	Estimated Life	Professional Services	Equipment	Improvements	Total	O & M Impacts	Estimated Annual Replacement Cost
Pump Station - Alder - Walnut	25			1,662,000		Reduce	66,480
Pump Station 3 - Control Monitor	12		128,000			Reduce	10,667
Pervious Concrete Design	NA	25,000				None	NA
Washington Ave Pump Station Design	NA	240,000				None	NA
Storm Gages Slough Outfall	NA	180,000				Reduce	NA
Decant Facility	25			158,000		Reduce	6,320
Total		445,000	128,000	1,820,000	2,393,000		83,467

Equipment Replacement & Reserve

Project	Estimated Life	Equipment	Vehicles	Total	O & M Impacts	Estimated Annual Replacement Cost
Police vehicles	10		216,000		Reduce	21,600
Truck - Engineering	8		50,000		Reduce	6,250
Truck - Fire	8		50,000		Reduce	6,250
Trucks - Street	8		155,000		Reduce	19,375
Backhoe - Street	20	150,000			Reduce	7,500
Light Duty Truck - Facilities	8		30,000		Reduce	3,750
Truck - Parks	8		90,000		Reduce	11,250
Total		150,000	591,000	741,000		75,975

Computer Replacement & Reserve

Project	Estimated Life	Equipment	O & M Impacts	Estimated Annual Replacement Cost
Desktop, Laptop, Mobile Computers	5	100,000	Reduce	20,000
Audio/Visual	10	10,000	Reduce	1,000
IT Infrastructure; Servers, Switches, UPS	8	108,000	Reduce	13,500
Total		<u>218,000</u>		<u>34,500</u>

GENERAL FUND SUMMARY

The General Fund serves as the primary operating fund for the City of Burlington, supporting day-to-day municipal services that enhance community quality of life, economic vitality, and public safety. As the "heartbeat" of city operations, it finances essential functions not covered by enterprise funds (e.g., utilities) or special revenues. In alignment with GFOA best practices, this fund emphasizes balanced budgeting, conservative revenue projections, and performance-driven allocations to ensure fiscal sustainability amid growth from sports tourism and regional development. The 2026 Proposed Budget reflects **\$22.3 million** in revenues (2.4% increase over 2025 adopted) and **\$22.6 million** in expenditures, including \$200,000 in contingency (3.7% increase over 2025 adopted), with a 16% reserve balance (includes Fire/EMS expenditures) for flexibility.

- **Parks and Recreation:** Facilities, events, and tourism (~10% of expenditures).
- **Library:** Resources and programs (~6% of expenditures).
- **Community Development:** Planning and economic initiatives (~5% of expenditures).
- **Facilities:** Building and fleet maintenance (~5% of expenditures).
- **General Government:** Administration, legal, finance, and legislative (~15% of expenditures).
- **Other (Engineering, Court, etc.):** Infrastructure and judicial services (~7% of expenditures).

These services ensure responsive governance, with performance metrics (e.g., response times, event ROI) tracked quarterly.

Departments and Services Funded

The General Fund supports key departments delivering core services to Burlington's residents and visitors. Allocations prioritize public safety and community engagement, reflecting priorities from the May 2025 Council Retreat. Major areas include:

- **Public Safety (Police):** Patrol, investigations, and programs (~32% of expenditures).
- **Non-Departmental (Transfers):** Inter-fund support, e.g., a transfer to Fire/EMS (~20% of expenditures).

Budget

	2023		2024		2025		2025		2026		Change from	
	Actual		Actual		Budget		Projected		Proposed		2025 Budget	
Resources												
Beginning balance	\$	8,554,329	\$	7,112,292	\$	6,553,406	\$	6,101,432	\$	6,207,323	\$	(346,083)
Revenue												
Property Taxes		2,948,191		2,970,311		3,158,371		3,126,000		3,564,000		405,629
Sales and Other Taxes		13,399,205		13,700,990		14,174,600		14,381,200		15,611,000		1,436,400
Licenses & Permits		724,141		1,063,820		1,138,500		705,900		896,000		(242,500)
Intergovernmental Revenues		993,748		942,563		1,606,608		1,360,500		1,026,000		(580,608)
Charges for Services		368,126		663,198		749,067		324,760		476,000		(273,067)
Fines & Penalties		77,433		74,534		78,975		76,050		83,000		4,025
Miscellaneous Revenues		435,039		565,790		421,500		414,675		411,000		(10,500)
Other Increases in Resources		19,215		76,252		444,000		2,044,100		30,000		(414,000)
Other Financing Sources		46,201		2,848		5,000		-		25,000		20,000
Total Revenue		19,011,299		20,060,306		21,776,621		22,433,185		22,122,000		345,379
Total Resources	\$	27,565,628	\$	27,172,598	\$	28,330,027	\$	28,534,617	\$	28,329,323	\$	(704)
		19,011,299		20,060,306		21,776,621		22,433,185		22,122,000		345,379
Expenditures												
Legislative Services	\$	819,707	\$	854,809	\$	821,236	\$	845,484	\$	851,000	\$	29,764
Municipal Court		634,050		649,498		679,341		750,712		720,000		40,659
Indigent Defense		473,428		498,497		587,900		552,000		603,000		15,100
Executive		292,120		277,033		232,242		259,185		286,000		53,758
Human Resources		169,493		145,018		186,401		218,361		232,000		45,599
Financial Services		415,626		419,013		589,669		503,787		485,500		(104,169)
Legal/Risk Management		763,066		875,763		924,682		953,669		905,000		(19,682)
Community Development		1,020,151		1,257,515		1,745,879		1,569,951		1,031,000		(714,879)
Fire Investigation		73,530		87,359		96,641		91,318		103,000		6,359
Facilities		856,225		876,148		962,073		998,325		1,069,000		106,927
Information Technology		236,633		270,642		190,670		236,745		234,000		43,330
Police		5,709,331		6,434,688		6,677,744		6,760,273		7,344,000		666,256
Library		1,130,131		1,259,080		1,313,190		1,254,823		1,258,000		(55,190)
Engineering		300,516		328,429		360,003		351,151		460,000		99,997
Mental Health		30,489		36,138		34,500		48,500		52,000		17,500
Parks & Recreation		1,445,086		1,572,156		1,674,251		1,792,655		2,230,000		555,749
Non-Departmental		6,083,753		5,229,380		4,696,335		5,140,355		4,495,000		(201,335)
Total Expenditures		20,453,336		21,071,166		21,772,756		22,327,295		22,358,500		585,744
Reserved Fund Balance		-		-		6,557,271		-		5,970,823		(586,448)
Total Requirements	\$	20,453,336	\$	21,071,166	\$	28,330,027	\$	22,327,295	\$	28,329,323	\$	(704)

GENERAL FUND REVENUE SOURCES

The General Fund finances Burlington's core operations, including public safety, parks, library, community development, engineering, and general government. The 2026 Proposed Budget projects **\$22.3 million** in revenue, representing a 2.4% increase over the 2025 adopted budget, through diversified sources emphasizing stability and growth from tourism and development. Projections use conservative assumptions per GFOA guidelines, with an 16% contingency reserve (including Fire/EMS expenditures).

Property Taxes

Largest stable source, comprising the city's general levy. Washington limits annual increases to 1% under RCW 84.55 (levy lid), but with banked authority plus the 1.0% allowed, capacity totals 9.7%. The proposed budget uses a 9.7% increase (within capacity), resulting in an estimated mil rate of **\$1.2195 per \$1,000** assessed value (from 2025's \$1.2140).

- **2026 Proposed:** \$3.564 (16% of \$22.3 million total)
- **vs. 2025 Adopted:** +12.4% (+\$.406 million)
- **Historical:** 2023 Actual: \$2.948 million; 2024 Actual: \$2.97 million

Sales and Other Taxes

Includes sales/use tax (1.0% local share of 8.8% total rate) and B&O tax; boosted by sports events (e.g., \$500,000+ incremental in 2025).

- **2026 Proposed:** \$15,611,000 (70% of \$22.3 million total)
- **vs. 2025 Adopted:** +10.1% (+\$1.4 million); **vs. 2025 Est.:** +8.6% (+\$1.2 million)

Licenses and Permits

Business, building, and development fees; projected based on permit activity amid growth.

- **2026 Proposed:** \$896,000 (4% of \$22.3 million total)
- **vs. 2025 Adopted:** -21.3% (-\$242,500); **vs. 2025 Est.** 26.9% (+191,100) due to reduced activity
- **Historical:** 2023 Actual (Col. F): \$724,000; 2024 Actual (Col. G): \$1,064,000

Intergovernmental

State-shared taxes (e.g., liquor excise) and grants (e.g., federal public safety aid).

- **2026 Proposed (Col. M):** \$1,061,000 (5% of \$22.3 million total)
- **vs. 2025 Adopted:** -47.5% (-\$762,608); **vs. 2025 Est.:** -22.0% (-\$299,500)
- **Historical:** 2023 Actual (Col. F): \$994,000; 2024 Actual (Col. G): \$943,000

Charges for Services

User fees for recreation programs and administrative services.

- **2026 Proposed:** \$476,000 (2% of \$22.3 million total)
- **vs. 2025 Adopted:** -36.5% (-273,067); **vs. 2025 Est.:** +46.6% (+151,240)
- **Historical:** 2023 Actual (Col. F): \$368,000; 2024 Actual (Col. G): \$663,000

- **Historical:** 2023 Actual: \$13,399,000;
2024 Actual: \$13,701,000

Miscellaneous Revenues

Interest earnings (2.5% yield),
fines/penalties, and other non-tax sources.

- **2026 Proposed:** \$470,000 (2% of \$22.3 million total)
- **vs. 2025 Adopted:** +11.5% (+\$48,500);
vs. 2025 Est.: +13.3% (+\$55,325)
- **Historical:** 2023 Actual (Col. F):
\$435,000; 2024 Actual (Col. G):
\$566,000

Other Increases and Financing Sources

One-time resource adjustments and inter-fund transfers.

- **2026 Proposed:** \$164,000 (0.7% of \$22.3 million total)
- **vs. 2025 Adopted:** -63.5% (-
\$285,000); **vs. 2025 Est.:** -53.6% (-
\$189,100)
- **Historical:** 2023 Actual (Col. F):
\$65,000; 2024 Actual (Col. G):
\$81,000

GENERAL FUND EXPENDITURES

The General Fund supports Burlington's essential services, including public safety, parks, library, community development, engineering, and general government operations. The 2026 Proposed Budget projects **\$22.6 million** in expenditures—a 3.7% increase over the 2025 adopted budget—prioritizing controlled growth in staffing and infrastructure while incorporating zero-based justifications aligned with Council priorities. Allocations reflect fiscal prudence, with performance metrics tracked quarterly and a \$200,000 contingency (1% of total) for unforeseen needs.

POLICE

Largest category, funding patrol, investigations, and community programs to enhance public safety.

- **2026 Proposed:** \$7,344,000 (32% of \$22.6 million total)
- **vs. 2025 Budget:** +10.0% (+\$666,000); **vs. 2025 Est.:** +8.6% (+\$584,000)
- **Historical:** 2023 Actual: \$5,709,000; 2024 Actual: \$6,435,000
- *Note: \$250,000 of the increase over the 2025 budget is for vehicles not included in the transfer to ER&R in 2025 (3.7%).*

NON-DEPARTMENTAL

Includes inter-fund transfers (e.g., \$4.15 million to Fire/EMS supporting emergency services) and one-time allocations.

- **2026 Proposed:** \$4,495,000 (20% of \$22.6 million total)
- **vs. 2025 Budget:** -4.3% (-\$201,000); **vs. 2025 Est.:** -5.1% (-\$243,000)
- **Historical:** 2023 Actual: \$6,084,000; 2024 Actual: \$5,229,000

PARKS & RECREATION

Maintains facilities, programs, and events driving sports tourism and youth engagement.

- **2026 Proposed:** \$2,230,000 (10% of \$22.6 million total)
- **vs. 2025 Budget:** +33.2% (+\$556,000); **vs. 2025 Est.:** +24.4% (+\$437,000)
- **Historical:** 2023 Actual: \$1,445,000; 2024 Actual: \$1,572,000
- *Note: \$182,000 of the increase over 2025 is related to Skagit River Park costs are in General Fund rather than Lodging Tax Fund (10.9%).*

FACILITIES

Covers maintenance of city buildings, grounds, and fleet operations.

- **2026 Proposed:** \$1,069,000 (5% of \$22.6 million total)
- **vs. 2025 Budget:** +11.1% (+\$107,000); **vs. 2025 Est.:** +7.1% (+\$71,000)
- **Historical:** 2023 Actual: \$856,000; 2024 Actual: \$876,000

LIBRARY

Provides public access to resources, programs, and community events.

- **2026 Proposed:** \$1,258,000 (6% of \$22.6 million total)
- **vs. 2025 Budget:** +0.2% (+\$3,000); **vs. 2025 Est.:** +0.2% (+\$3,000)
- **Historical:** 2023 Actual: \$1,130,000; 2024 Actual: \$1,259,000

COMMUNITY DEVELOPMENT

Oversees planning, zoning, and economic initiatives to support growth.

- **2026 Proposed:** \$1,031,000 (5% of \$22.6 million total)
- **vs. 2025 Budget:** -41.0% (-\$715,000); **vs. 2025 Est.:** -34.3% (-\$539,000)
- **Historical:** 2023 Actual: \$1,020,000; 2024 Actual: \$1,258,000
- Note: Reduction in professional services (\$485,000) and increase in indirect costs recovered from Stormwater, Sewer, Transportation (\$140,000)

ENGINEERING

Manages infrastructure planning, design, and project oversight.

- **2026 Proposed:** \$510,000 (2% of \$22.6 million total)
- **vs. 2025 Budget:** +41.7% (+\$159,000); **vs. 2025 Est.:** +45.3% (+\$159,000)
- **Historical:** 2023 Actual: \$301,000; 2024 Actual: \$328,000
- Note: Professional Services (Fairhaven visioning, \$75,000, 20.8% and medical insurance \$42,000, 11.7%).

LEGAL/RISK MANAGEMENT

Handles legal counsel, contracts, and liability/risk programs.

- **2026 Proposed:** \$905,000 (4% of \$22.6 million total)
- **vs. 2025 Budget:** -2.1% (-\$20,000); **vs. 2025 Est.:** -5.1% (-\$49,000)
- **Historical:** 2023 Actual: \$763,000; 2024 Actual: \$876,000

MUNICIPAL COURT

Supports judicial operations.

- **2026 Proposed:** \$720,000 (3% of \$22.6 million total)
- **vs. 2025 Budget:** +6.0% (+41,000); **vs. 2025 Est.:** -4.1% (-\$31,000)
- **Historical:** 2023 Actual: \$634,000; 2024 Actual: \$649,000

FINANCIAL SERVICES

Manages budgeting, accounting, and treasury functions.

- **2026 Proposed:** \$486,000 (2% of \$22.6 million total)
- **vs. 2025 Budget:** -17.6% (-\$104,000); **vs. 2025 Est.:** -3.6% (-\$18,000)
- **Historical:** 2023 Actual: \$416,000; 2024 Actual: \$419,000

LEGISLATIVE SERVICES

Funds City Council operations, clerk services, and policy support.

- **2026 Proposed:** \$851,000 (4% of \$22.6 million total)
- **vs. 2025 Budget:** +3.6% (+\$30,000); **vs. 2025 Est.:** +0.7% (+\$6,000)
- **Historical:** 2023 Actual: \$820,000; 2024 Actual: \$855,000

OTHER DEPARTMENTS

Smaller areas including Indigent Defense (\$603,000; 3%, +9.2% vs. 2025 Est.), Executive (\$286,000; 1%, +10.4%), Human Resources (\$232,000; 1%, +6.4%), Information Technology (\$234,000; 1%, -1.3%), Fire Investigation (\$103,000; <1%, +13.2%), and Mental Health (\$52,000; <1%, +6.1%).

Contingency and minor variances are rounded; full details are in worksheets.

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GENERAL FUND DEPARTMENTS

COMMUNITY DEVELOPMENT

Department Summary

The Community Development Department has three primary responsibilities:

- Permit Administration: Coordinating the intake, processing, tracking, and review of land use, building, fire, and engineering permits.
- Plan Review, Inspections, and Investigations: Ensuring all buildings are safely constructed and maintained.
- Conducting post-fire investigations
- responding to code violation complaints.
- Long range planning

2026 Budget Highlights

- The budget remains largely consistent with prior years, reflecting only inflationary adjustments.
- Grant revenues have decreased due to the conclusion of one-time state funding that supported the Comprehensive Plan update in 2025.
- Budget includes funding for key projects including impact fee study, Fairhaven streetscape plan, and facilities evaluation totaling \$70,000.
- Permit revenue projections have been lowered to reflect a slowdown in development activity.

Upcoming Major Projects

- Fire and EMS Level of Service and Impact Fee Rate Study and evaluation of stormwater and sewer development charges
- Facilities Evaluation and Long-Range Repair, Maintenance, Replacement Plan
- Technology improvements, including implementation of an online application portal and enhancing permit tracking system
- Fairhaven Streetscape Plan
- Coordinating affordable housing investments amounting to \$2.5+ million for various projects.

Outcomes

- Maintained compliance with state planning laws ensures legal compliance
- Expanded housing options, transportation choices, and public outreach allow the department to meet community needs.
- Technology upgrades improve efficiency of permit processing and inspections.

Performance Measures

	2025 Est.	2026 Est.	Target
Conduct an impact fee rate study for Fire and EMS services.	Select contractor	Complete study	100% complete by June 2026
Develop a subarea plan for the former Cascade Mall property.	N/A	Complete plan	100% complete by December 2026

If Below Target:

- Track milestones quarterly
- Hold progress check-ins with projects leads and stakeholders
- Reallocate staff temporarily from less time-sensitive tasks
- Remove or reconsider project

Key Activity Measures	2023	2024	2025 Est.	2026 Est.
Number of Building Permits Issued	373	412	378	388
Number of Engineering Permits Issued	112	232	134	159
Number of Land Use Permits Issued	44	52	25	145

Budget – Community Development Planning & Inspections

	2023 Actual	2024 Actual	2025 Budget	2025 Projected Year End	2026 Proposed	Change from 2025 Budget
Salaries & Wages	\$678,182	\$823,742	\$822,293	\$749,687	\$646,000	\$(176,293)
Personnel Benefits	221,999	261,865	265,084	240,868	227,000	(38,084)
Supplies & Services	116,182	168,550	658,502	575,396	154,000	(504,502)
Debt Service	3,789	3,358	-	4,000	4,000	4,000
Community Development	\$1,020,151	\$1,257,515	\$1,745,879	\$1,569,951	\$1,031,000	\$(714,879)

Budget – Community Development - Fire Investigation

	2023 Actual	2024 Actual	2025 Budget	2025 Projected Year End	2026 Proposed	Change from 2025 Budget
Salaries & Wages	\$22,047	\$31,651	\$26,235	\$22,267	\$24,000	\$(2,235)
Personnel Benefits	9,592	10,933	11,899	15,551	9,000	(2,899)
Supplies & Services	41,891	44,775	58,507	53,500	70,000	11,493
	\$73,530	\$87,359	\$96,641	\$91,318	\$103,000	\$6,359

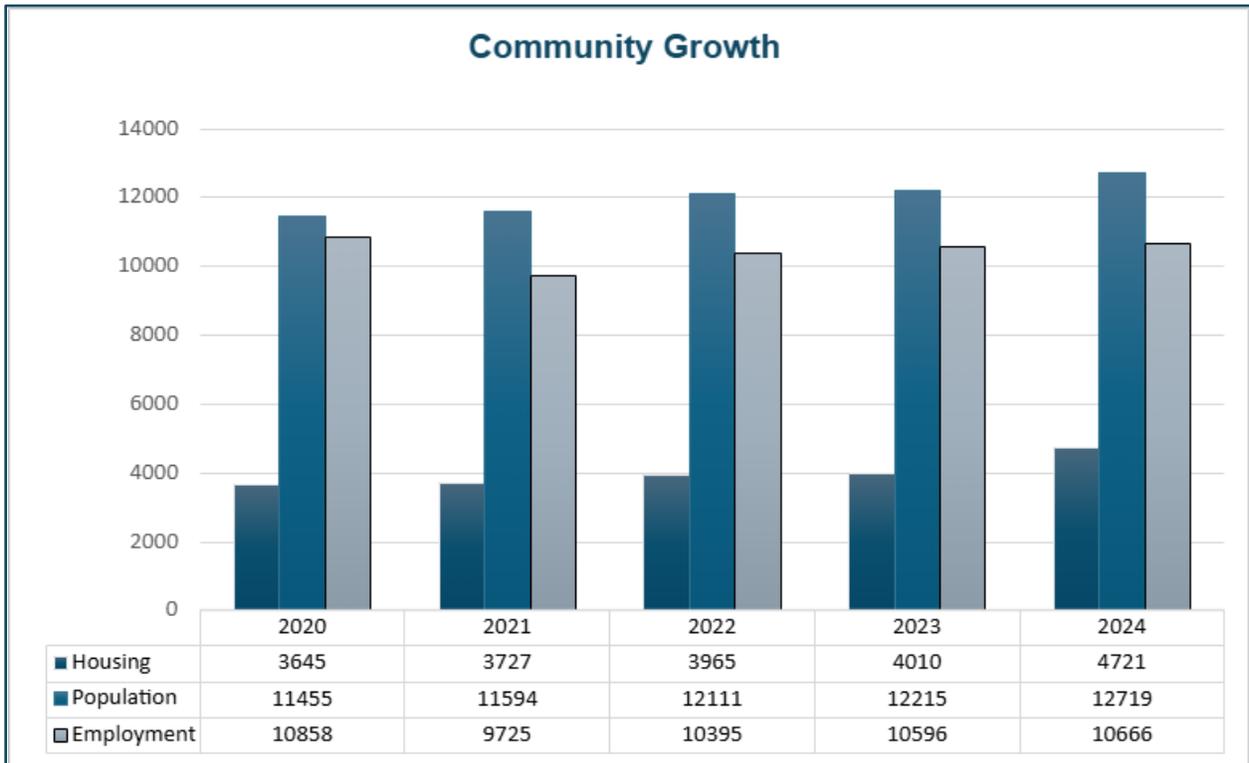
Noteworthy Accomplishments

- By the end of 2025, Community Development is on schedule to complete a required update of the Burlington Comprehensive Plan, including updates to address housing needs, transportation and climate change.
- By the end of 2025, Community Development is on schedule to complete the Active Transportation and Safety Plan. Improving the safety and convenience of the City’s transportation system for pedestrians, cyclists, and transit users has been a long-standing priority of the Planning Commission and City Council.

Did You Know?

- Did you know that according to the “Association of Washington Cities” (AWC), Burlington was the 8th fastest growing City in Washington in 2024?

Trends



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ENGINEERING

Department Summary

The Engineering Department provides oversight for the Street, Sewer, Stormwater, and Buildings & Grounds divisions and delivers technical support across all City departments. Engineering staff review site plans for all development projects in Burlington, including parking lots, street and utility improvements, and other public infrastructure components. All projects in the Arterial Street fund are managed through the Engineering Department. The department also assists with private development and City-financed projects. In addition, the department manages capital facility projects such as:

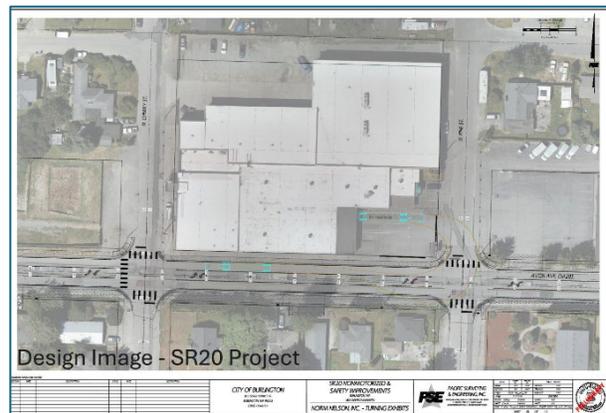
- Street and sidewalk construction
- Sewer and stormwater system improvements
- Pump station upgrades
- Traffic signal installations

2026 Budget Highlights

- Continued pursuit of grant funding to expand infrastructure investment and reduce reliance on local funds.
- Focus on safety, accessibility, and sustainability through upcoming project design and delivery.

Upcoming Major Projects

- Non-Motorized Safety Project: Complete design of the federally funded project to improve pedestrian and bicycle safety.
- Burlington Boulevard Asset Management/Repaving: Authorize federal funding; design anticipated in 2026.
- ADA Transition Plan: Complete citywide accessibility assessment and plan.
- Pine Street Pervious Pavement: Apply for construction funding to support green infrastructure.
- Fairhaven Visioning Project: Through collaboration with residents, neighborhood groups, and the Community Development Department, this effort will guide future redevelopment initiatives and support long-term revitalization of the downtown area.



Outcomes

- Improved infrastructure reliability
- Enhanced project delivery efficiency
- Supported sustainable development

Key Activity Measures

	2023	2024	2025 Est.	2026 Est.
Civil Site Plans Reviewed	22	21	13	20
Permit Plans Reviewed	53	219	107	150

Budget

	2023 Actual	2024 Actual	2025 Budget	2025 Projected Year End	2026 Proposed	Change from 2025 Budget
Salaries & Wages	\$175,383	\$194,604	\$225,168	\$207,337	\$253,000	\$27,832
Personnel Benefits	87,779	94,194	98,500	107,036	144,000	45,500
Supplies & Services	34,108	36,479	34,335	33,779	110,000	75,665
Debt Service	3,246	3,152	2,000	3,000	3,000	1,000
	\$300,516	\$328,429	\$360,003	\$351,151	\$510,000	\$149,997

Noteworthy Accomplishments

- Traffic Safety Improvements:
Upgraded left-turn signals at multiple Burlington Boulevard intersections to improve traffic flow and safety.
- In-house design for Jason Boerner Memorial Park improvements
- Grant Success:
Secured nearly \$5 million in funding for key projects including:
 - Burlington Boulevard paving
 - SR-20 non-motorized construction
- Intersection study and design

Did You Know?

- The Engineering Department supports Police and Fire operations using the City's traffic camera network. While designed for real-time traffic monitoring, these cameras often provide valuable information during emergency responses and public safety incidents.

EXECUTIVE ADMINISTRATION

Department Summary

The City of Burlington is a code city operating under a mayor–council form of government. The City Administrator manages the City’s day-to-day operations on behalf of the mayor and reports directly to them. Personnel records are maintained by the Administration Department. Key responsibilities include:

- Providing city-wide leadership, supervision, communication, and coordination among department heads.
- Facilitating communication with the City Council.
- Provide information to support City Council decision-making and ensure that City services are delivered within approved financial parameters.
- Promote awareness of City fiscal and policy matters among Washington State and federal officials and legislators.
- Implementing the Mayor’s policy direction through effective management of City departments.



- **Improved communication** of City initiatives, priorities, and financial strategies.
- **Comprehensive scope** that aligns budget presentation with strategic goals and operational realities.
- **User-friendly design** to support informed decision-making and community engagement.

2026 Budget Highlights

- **Complete reformatting of the budget document** to improve usability and clarity.
- **Enhanced transparency** for City Council, staff, and the public.

Upcoming Major Projects

- Hiring a City Administrator
- Ensure implementation of the workplan city-wide.
- Continual efforts to develop sustainable budget initiatives.

Performance Measures

	2023	2024	2025 Est.	2026 Est.	Target
Timely communication of quarterly results	NA	NA	NA	100%	100%
Timely responses to City Council requests	NA	NA	NA	100%	100%

If Below Target:

- Timely communication of organizational performance and responses to Council directives or information requests is essential to the City's effectiveness. Delays in these areas can hinder decision-making and may result in adverse impacts on overall organizational performance.

Budget

	2023 Actual	2024 Actual	2025 Budget	2025 Projected Year End	2026 Proposed	Change from 2025 Budget
Salaries & Wages	\$174,344	\$189,287	\$157,362	\$131,504	\$177,000	\$19,638
Personnel Benefits	112,072	82,964	70,978	56,378	101,000	30,022
Supplies & Services	4,159	3,489	2,903	70,103	7,000	4,097
Debt Service	1,546	1,294	1,000	1,200	1,000	-
	\$292,120	\$277,033	\$232,242	\$259,185	\$286,000	\$53,758

Did You Know?

- Timely you know that strategic planning efforts have led to updates to the Comprehensive Plan, transportation initiatives, expanded and enhanced community parks and improvements in Public Safety statistics in the City of Burlington?

FACILITIES

Department Summary

The Facilities Maintenance Department oversees the operation and upkeep of seven public-facing buildings and four staff-use facilities, including their grounds. Responsibilities include:

- Building and infrastructure maintenance and repairs
- Landscaping and groundskeeping
- Vehicle and equipment upkeep
- Custodial services and HVAC monitoring
- Emergency generator maintenance
- In-house construction and installations

2026 Budget Highlights

- Continue cost-efficient maintenance & operations
- Continue HVAC upgrades per critical path
- Upgrade to labor-friendly landscaping
- Purchase select equipment and vehicles as listed in the ER&R schedule
- Utility costs for City buildings increased by 20% from 2024 to 2025, rising \$50,000 to over \$300,000, prompting reductions in other operating expenses in the 2026 budget

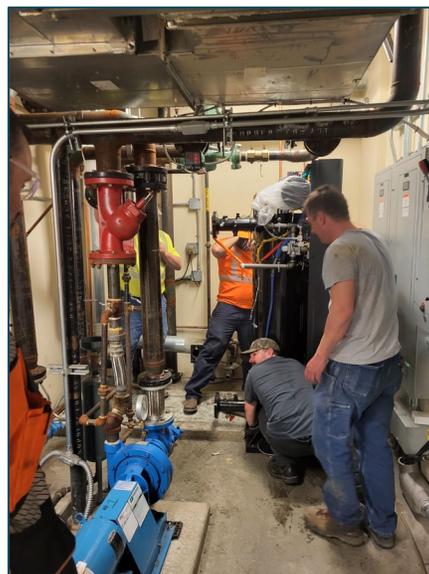
Upcoming Major Projects

- HVAC upgrades to Fire and Police Department buildings
- Installation of ADA door openers at various buildings
- \$50,000 is included in the 301 Capital Improvement Fund to begin a Public Works Building Facility Study to evaluate current conditions in City buildings and identify future space and infrastructure needs



Outcomes

- In-house construction, landscaping, and equipment upgrades improve City facilities while reducing costs by approximately 33% compared to contracted work.
- Proactive maintenance extends the lifespan of essential equipment, while HVAC and lighting upgrades enhance energy efficiency and reduce utility expenses.



Budget

	2023 Actual	2024 Actual	2025 Budget	2025 Projected Year End	2026 Proposed	Change from 2025 Budget
Salaries & Wages	\$288,328	\$298,507	\$336,365	\$320,409	\$352,000	\$15,635
Personnel Benefits	125,661	143,778	159,429	160,892	170,000	10,571
Supplies & Services	442,236	433,863	466,279	517,024	547,000	80,721
	\$856,225	\$876,148	\$962,073	\$998,325	\$1,069,000	\$106,927

Noteworthy Accomplishments

- Fire Department – Training Room audio/visual upgrades
- Landscape remodel – court side entry of the Public Safety Building
- Senior Center – Courtyard grout project
- Library – Meeting Room audio/visual upgrades



Did You Know?

- The four-person Facilities Maintenance team supports more than 150 City employees—excluding Chamber of Commerce and Senior Center/Meals on Wheels staff—as well as the thousands of visitors who use Burlington’s public buildings each year.
- The 7 City of Burlington public buildings add up to approximately 100,000 square ft of floor space and 700,000 square ft of related grounds.
- 152 HVAC units located throughout the City contain 200 filters.
- Two janitors clean 30 bathrooms (including 70 toilets and sinks) daily.

Trends

Figure 1: Between 2024 and 2025, the number of work tickets generated by city staff increased to approximately 250 annually, up from 150 in 2023. This rise is attributed to factors such as the aging condition of city buildings, and limited personnel capacity, which have hindered proactive maintenance efforts.

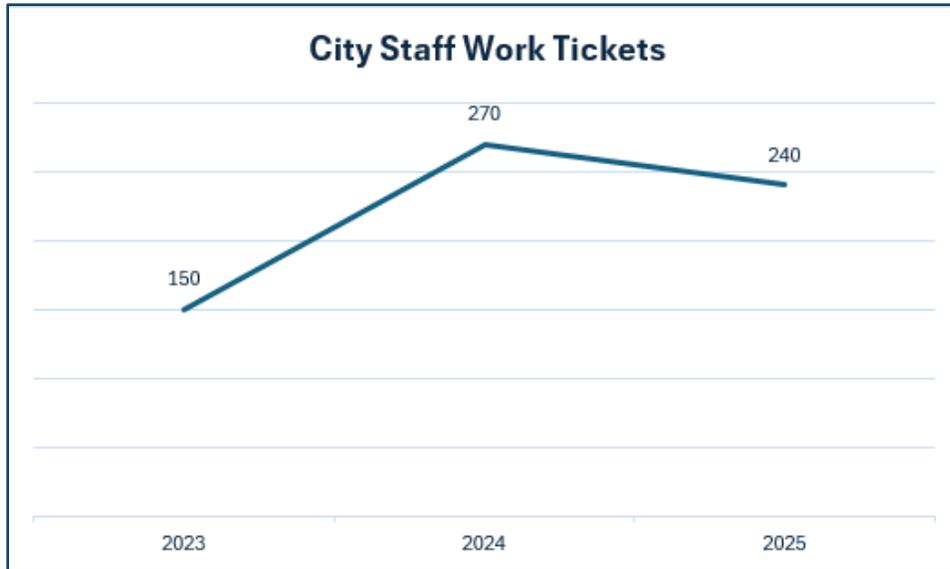
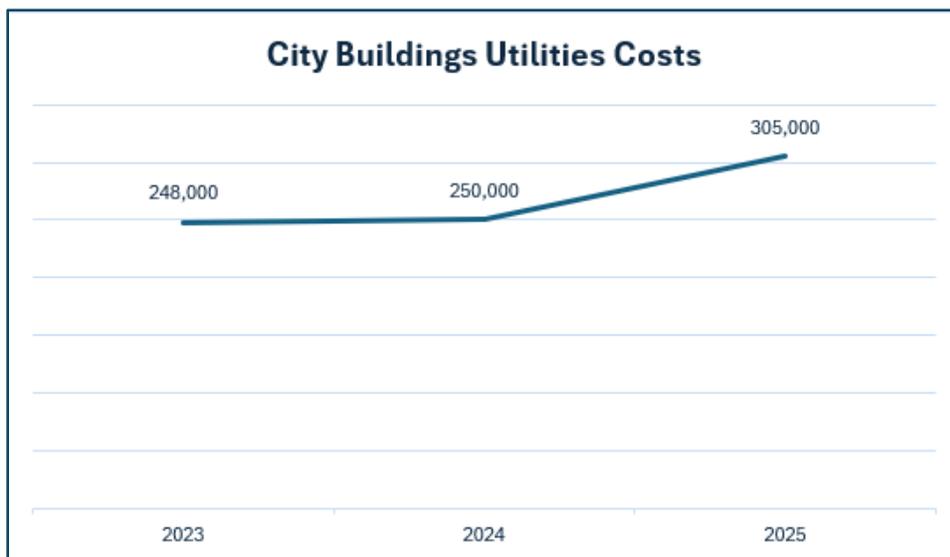


Figure 2: From 2024 to 2025, utility costs for City of Burlington buildings rose by \$50,000—from \$250,000 to over \$300,000—reflecting a 20% increase. This surge is the primary reason for reductions in projected expenditures for other operating supplies and services in the 2026 budget.



FINANCE

Department Summary

The Finance Department provides accurate, timely financial services that support transparency, integrity, and accountability in managing the City's resources. Staff ensure compliance with all municipal, state, and federal regulations while delivering essential services to residents, businesses, and City departments. Key functions include:

- Managing utility billing for approximately 4,200 accounts
- Reconciling around 48,000 total cash receipts City-wide.
- Administering business licenses for roughly 2,700 businesses and collecting local tax revenues.
- Overseeing investments to ensure the safe and responsible management of City funds.
- Processing biweekly payroll for 146–157 employees in accordance with union contracts and labor laws.
- Preparing the annual City budget and filing the annual report with the State Auditor.

2026 Budget Highlights

- The budget includes funding for a potential upgrade to the City's financial software to enhance reporting capabilities and improve the budgeting process.
- The department's overall budget is lower than in 2025, primarily due to reduced payroll costs.

Upcoming Major Projects

- Research moving to a cloud-based system with live information for utility billing and extensive budgeting and reporting capabilities.
- Obtain software to integrate with the Planning Department to generate permits – also allowing for less manual data entry.

Outcomes

- Upgraded software will result in better reporting and efficient processing of the annual budget with online collaboration from department managers.
- Implemented updated processes in payroll leading to quicker processing time and fewer system calculation errors.

Performance Measures

	2023	2024	2025 Est.	2026 Est.	Target
Percentage of payrolls processed by deadline	100%	100%	100%	100%	100% timely processing of payroll

If Below Target:

- Payroll deadlines are strictly met, with employees consistently going above and beyond to ensure timely and accurate processing.

Key Activity Measures

	2023	2024	2025 Est.	2026 Est.
Business Licenses Processed	2,377	2,575	2,668	2,827
Payrolls processed per year	24	24	24	24

Budget

	2023 Actual	2024 Actual	2025 Budget	2025 Projected Year End	2026 Proposed	Change from 2025 Budget
Salaries & Wages	\$158,433	\$180,568	\$238,615	\$183,002	\$171,500	\$(67,115)
Personnel Benefits	187,503	178,420	205,797	146,127	191,000	(14,797)
Supplies & Services	62,796	54,033	137,457	168,658	115,000	(22,457)
Debt Service	6,895	5,992	7,800	6,000	8,000	200
	\$415,626	\$419,013	\$589,669	\$503,787	\$485,500	\$(104,169)

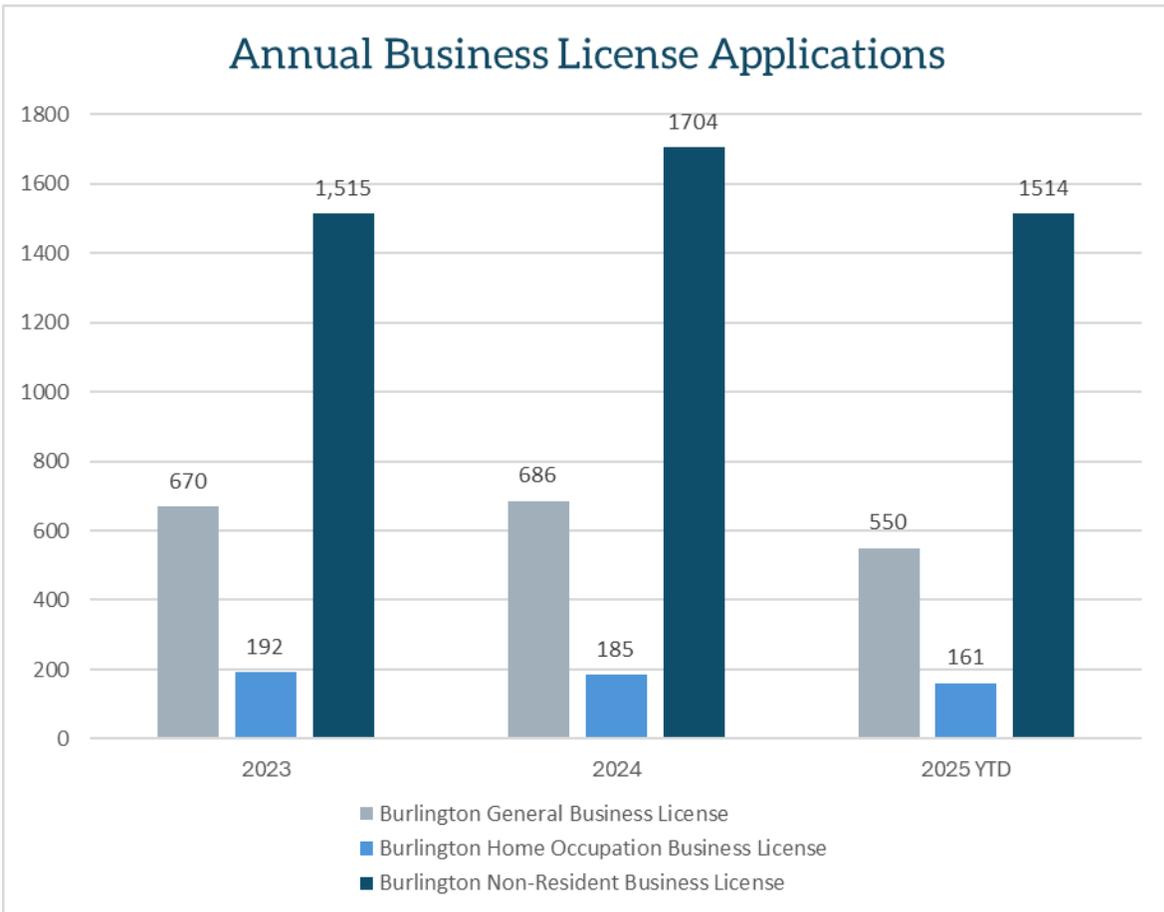
Noteworthy Accomplishments

- Strengthened safeguards with bank to thwart fraud attempts.
- Implemented remote deposit, resulting in fewer and less time-consuming visits to bank branch.

Did You Know?

- Customers can pay their utility bill online through Xpress at www.xpressbillpay.com.
- Senior discounts are available for Waste Management accounts. Account holders must reside within city limits and be 62yrs or older.

Trends



HUMAN RESOURCES

Department Summary

The Human Resources Department manages employee recruitment, benefits, and labor relations to support a skilled and motivated workforce. This department is responsible for:

- Recruiting and onboarding new employees
- Administering benefits and compensation
- Coordinating Labor & Industry claims and workplace related incidents
- Coordinating Risk Console and Drug & Alcohol Consortium compliance
- Managing Personnel Records
- Ensuring compliance with labor laws
- Overseeing labor relations
- Developing and administering policies
- Facilitating the City Wellness program

2026 Budget Highlights

- Provide oversight and administration of the Wellness Committee for thirteen consecutive years, which is projected to save the City over \$51,000.
- Administer the Non-Represented Salary Survey.

Upcoming Major Projects

- With assistance from the Human Resources Department, an outside firm will analyze salary data for employees who are not part of a labor union. The salary schedule study will ensure compensation is fair and competitive with similar organizations, helping to create a market-based compensation program.



- Labor negotiations will occur with two bargaining units: Burlington Police Employees Guild and Burlington Police Employees Guild Support Personnel.

Outcomes

The Human Resources Department supports a skilled, motivated, and compliant workforce by:

- Recruiting and retaining talent to maintain workforce stability and reduce turnover.
- Enhancing employee well-being through competitive benefits, compensation, and wellness programs that boost morale and productivity.
- Ensuring compliance and managing risk through oversight of labor claims, workplace safety, and policy adherence.
- Streamlining operations via effective records management and clear personnel policies.
- Fostering positive labor relations to promote collaboration and resolve workplace issues constructively.

Performance Measures

	2023	2024	2025 Est.	2026 Est.	Target
Employee turnover rate	11.2%	10.1%	6.7%	6%	Less than 10%
Average time to fill vacant positions (in days)	45.5	33.2	44	40	45 days

If Below Target:

- **Address Root Causes:** High turnover and long time-to-fill often feed into each other. For example, a poor work environment increases turnover, which strains recruitment. Use data from exit interviews and hiring metrics to prioritize interventions.
- **Monitor Progress:** Set KPIs (e.g., reduce turnover by 10% in 6 months, cut time-to-fill to 30 days) and review quarterly. Adjust strategies based on what’s working.
- **Invest in Retention to Ease Recruitment:** Retaining employees reduces the need to hire, lowering time-to-fill. For instance, improving culture can decrease turnover, freeing up recruitment resources.

Key Activity Measures

	2023	2024	2025 Est.	2026 Est.
Number of job applications processed	272	243	375	250

Budget

	2023 Actual	2024 Actual	2025 Budget	2025 Projected Year End	2026 Proposed	Change from 2025 Budget
Salaries & Wages	\$82,474	\$60,152	\$84,973	\$69,840	\$79,000	\$(5,973)
Personnel Benefits	39,861	37,082	45,459	47,502	58,000	12,541
Personnel Benefits	-	160	20,000	50,000	35,000	15,000
Supplies & Services	45,645	46,331	34,469	49,519	58,000	23,531
Debt Service	1,513	1,293	1,500	1,500	2,000	500
	\$169,493	\$145,018	\$186,401	\$218,361	\$232,000	\$45,599

Noteworthy Accomplishments

- The City will be in its thirteenth year as a WellCity in 2026. This WellCity status has saved the City approximately \$140,000 in the last three years alone. There has been no increase in the allocated funds for this budget in the last ten years.
- The turnover rate continues to decrease each year.
- The department successfully executed recruitment for a Department Head; all processes were completed in-house.



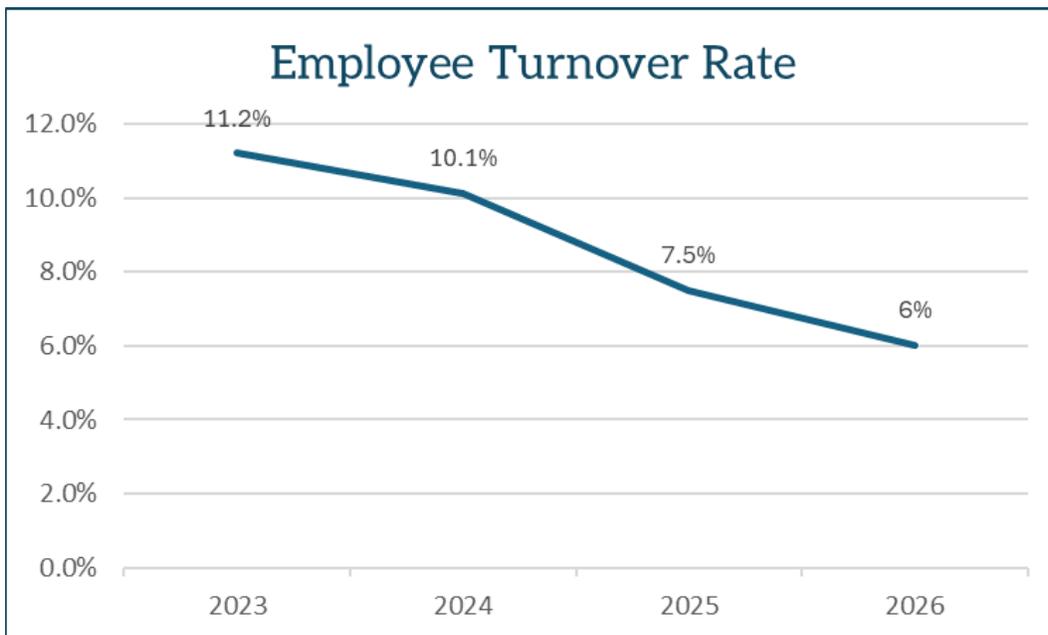
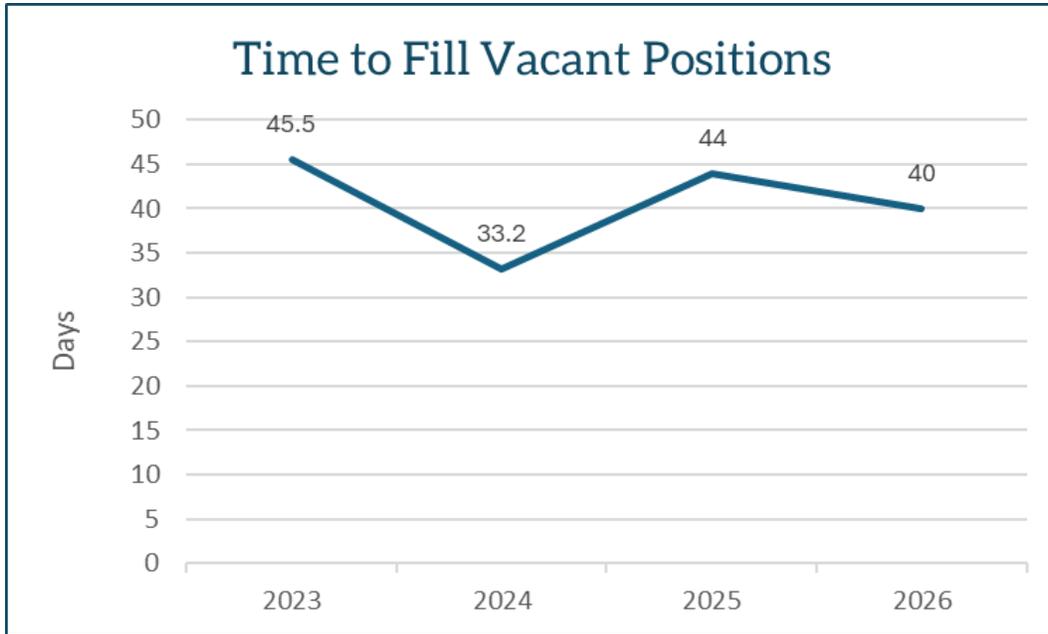
Did You Know?

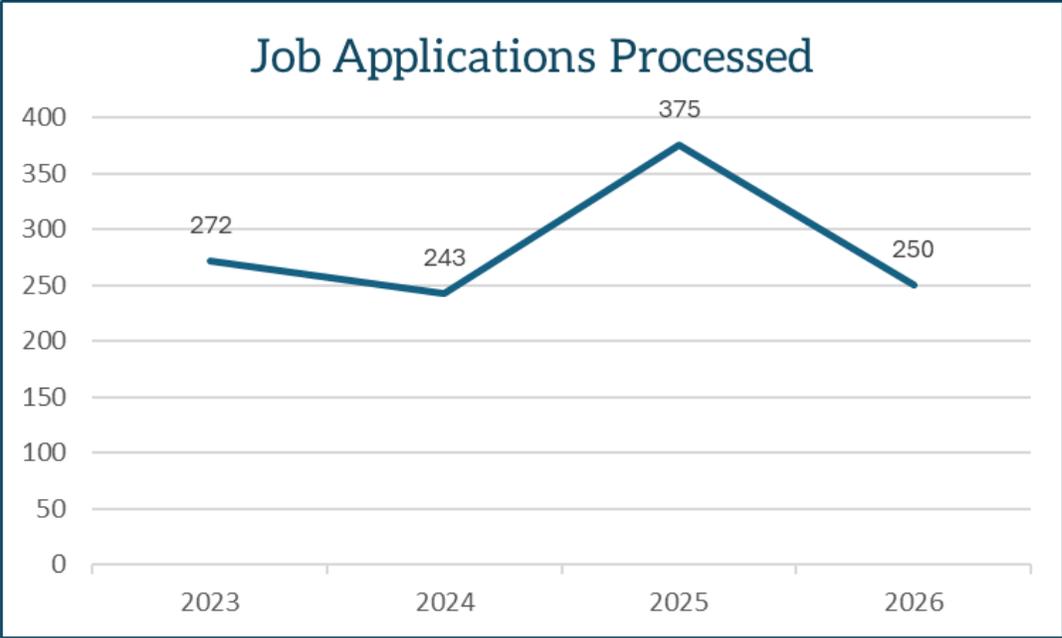
- Ancient Rome had a sophisticated human resources system for its military. The Romans maintained detailed personnel records and established clear job descriptions. Their military HR practices were so advanced that many of their basic principles, such as hierarchical organization and clear chains of command, are still used in modern HR management.
- A 2025 study by SHRM found that more than 80% of workers rated job stability, fair pay, manageable workloads, and meaningful work as very or extremely important.



Trends

Activity Measures





INDIGENT DEFENSE

Summary

This department accounts for all costs associated with providing legal defense counsel and services for indigent persons in criminal, civil, and juvenile matters for which the provision of counsel at public expense is provided by law. Costs to be included are attorney (or contract costs), costs for eligibility screening, conflict counsel fees, expert witnesses, investigators, psychological, other examinations, evidence testing, and translation services, etc.



2026 Budget Highlights

- The City Administrator will manage a professional services contract overseeing the work assigned and performed.
- The City has partnered with Mt. Vernon and Sedro-Woolly for these services. We contract with North County Public Defense, who have an office here in Burlington

Budget

	2023 Actual	2024 Actual	2025 Budget	2025 Projected Year End	2026 Proposed	Change from 2025 Budget
Salaries & Wages	\$17,923	\$29,411	\$-	\$-	\$-	\$-
Personnel Benefits	9,825	10,608	-	-	-	-
Supplies & Services	445,680	458,477	587,900	552,000	603,000	15,100
	\$473,428	\$498,497	\$587,900	\$552,000	\$603,000	\$15,100

INFORMATION TECHNOLOGY

Summary

NW Technology provides the City of Burlington with specialized IT services tailored to meet the unique needs and requirements of municipal operations. Their expertise ensures that city departments can maintain secure, efficient, and compliant technology infrastructures. Costs include professional services, licensing for Microsoft, Adobe and others and related costs.

In addition to the professional services and licensing costs accounted for in this budget, departments transfer funds to the Computer Rent & Repair (CR&R) Fund to maintain computer hardware and departments also pay for specialized software in their respective funds.



2026 Budget Highlights

- Several software modernization/upgrades and potential new applications are in progress that require a cohesive plan to successfully deploy. \$30,000 is budgeted in the CR&R fund to develop an IT Strategic Roadmap to ensure systems are not duplicated, are integrated and are supported and sustainable.

Budget

	2023 Actual	2024 Actual	2025 Budget	2025 Projected Year End	2026 Proposed	Change from 2025 Budget
Salaries & Wages	\$82,009	\$69	\$-	\$-	\$-	\$-
Personnel Benefits	31,785	15	-	-	-	-
Supplies & Services	122,650	270,369	190,670	236,745	234,000	43,330
Debt Service	189	189	-	-	-	-
	\$236,633	\$270,642	\$190,670	\$236,745	\$234,000	\$43,330

LEGAL/RISK MANAGEMENT

Department Summary

The Legal Department provides legal advice, represents the City in litigation, and ensures compliance with laws and regulations. This department:

- Drafts and reviews contracts, ordinances, and resolutions
- Advises councilmembers, the mayor, and city staff on legal matters
- Processes public records requests for the City and assists and advises the police department on public records request processing matters.
- Represents the City in legal proceedings
- Provides requested guidance to Zachor, Stock & Krepps, Inc., P.S., the City's prosecutor.
- Coordinates with the City's risk pool, Washington Cities Insurance Authority (WCIA), regarding claims and lawsuits, as well as processing and requesting training reimbursements
- Provides risk management guidance to the council and City departments.

Upcoming Major Projects

- Revision of City Ordinance for E-bikes and other non-traditional motorized transportation.
- Continuing the refinement of Council Meetings, including format and rules revisions.



2026 Budget Highlights

- Collectively, non-traffic misdemeanors such as theft, assault, trespassing, and controlled substance possession have trended downward approximately 18% from 2024 to 2025.
- DUI/Physical Control charges are estimated to decrease from 47 to 2024 to approximately 30 in 2025 – a 36% decrease.
- Processed 186 City-side public records requests with an average processing time of 11.55 days.

Performance Measures

- 2023: Prior to this year, the Legal Department was staffed with one full-time city attorney, one ¾ time prosecutor, a full-time paralegal/risk manager, and a part-time legal assistant. In February, the City contracted with Zachor, Stock & Krepps, Inc., P.S., to perform prosecution services for the City.
- 2024: Upon the retirement of the City’s full-time paralegal/risk manager, and ZSK performing prosecution, the Legal Department is now staffed with one full-time city attorney and one full-time paralegal/risk management specialist.

Outcomes

- The Legal Department continues to represent the City and resolve various lawsuits and other claims against the City.
- The Legal Department doesn’t anticipate any changes in staffing and endeavors to continue providing exceptional counsel to the City’s departments, mayor and councilmembers.

Key Activity Measures

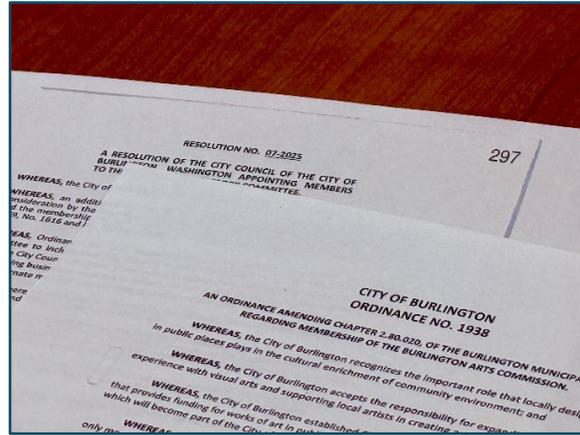
	2023	2024	2025 Est.	2026 Est.
Project files have increased by over 30%	141	162	187	250

Budget

	2023 Actual	2024 Actual	2025 Budget	2025 Projected Year End	2026 Proposed	Change from 2025 Budget
Salaries & Wages	\$151,154	\$125,368	\$144,392	\$136,074	\$144,000	\$(392)
Personnel Benefits	99,765	83,461	74,690	85,297	87,000	12,310
Supplies and Services	510,633	665,641	704,199	731,198	673,000	(31,199)
Debt Service	1,513	1,293	1,400	1,100	1,000	(400)
	\$763,066	\$875,763	\$924,682	\$953,669	\$905,000	\$(19,682)

Noteworthy Accomplishments

- Provides ongoing support during the City's City Administrator hiring process in 2025.
- Authored at least five ordinances and six resolutions to date in 2025.



Did You Know?

The Legal department reviews over 100 contracts annually to protect City interests.

LEGISLATIVE

Summary

The Legislative budget provides for all expenditures associated with operating the Legislative branch of city government. The City Council establishes priorities and policy direction for procedures and annual budgets, and city organization by adopting ordinances and resolutions. The legislative budget supports the functions of the City Council including public notices, City Council member trainings, City Council stipends, and city membership fees. The Public Safety sales taxes passed through Skagit County are budgeted in Legislative (\$600,000) for jail costs. The City receives a rebate of approximately 2/3 of this amount recognized as revenue. We propose moving this activity to non-departmental to more appropriately account for the costs of the City Council.



Upcoming Major Projects

- Enhanced goal-setting processes will better align priorities with measurable outcomes and direct budget allocations.
- Departments and Council members will engage earlier in the capital planning and budgeting process to ensure more strategic, informed decision-making.
- Workflow improvements will be implemented to increase the efficiency and effectiveness of Council meetings, streamlining agenda preparation, discussion, and action.
- Increased training budget to facilitate attendance to AWC workshops and conferences to broaden networking and skill enhancement opportunities.

Outcomes

- A tiered approach to goal setting balances immediate needs with long-term vision and fiscal responsibility.
- Revenue from the TBD supports pavement preservation, safety enhancements, and multimodal improvements, ensuring a sustainable approach to transportation system upkeep and future mobility needs.

Budget

	2023 Actual	2024 Actual	2025 Budget	2025 Projected Year End	2026 Proposed	Change from 2025 Budget
Salaries & Wages	\$67,200	\$66,400	\$67,200	\$67,200	\$67,000	\$(200)
Personnel Benefits	67,242	86,027	92,027	66,784	82,000	(10,027)
Supplies & Services	683,751	701,090	662,010	710,000	700,000	37,991
Debt Service	1,513	1,293	-	1,500	2,000	2,000
	\$819,707	\$854,809	\$821,236	\$845,484	\$851,000	\$29,764

Noteworthy Accomplishments

- During the May 2025 City Council Retreat, elected officials identified more than 30 actionable goals and organized them into Must Do, Should Do, and Could Do categories to guide the 2026 budget.
- Successful implementation of the Transportation Benefit District (TBD) in 2025 provides a dedicated funding mechanism to maintain and improve Burlington’s street infrastructure.



LIBRARY

Department Summary

Burlington Public Library connects community members with access to diverse resources, engaging experiences, and lifelong learning opportunities. The library provides:

- Access to physical and digital resources including books, DVDs, hands-on learning kits, downloadable eBooks and audiobooks, and more.
- Connectivity through public computers, internet access, printing, and technology education.
- Educational programs & events including story times for children, bilingual literacy and learning events for families, and GED classes for adults.
- Reservable spaces for public meetings and community groups.

2026 Budget Highlights

- Improved efficiency and usability of mobile printing services is expected through the acquisition of new equipment and software.
- Estimated to receive \$20,000+ from the Friends of the Burlington Library and Burlington Library Foundation to support public program materials and presenters.

- Skagit County is ending its library allocation program due to budget challenges in 2025.



Upcoming Major Projects

- Library Facility Space Assessment
- City Resident Marketing Campaign
- Patron Satisfaction Survey

Outcomes

- By demonstrating through increased attendance that library programs meet community needs, we ensure alignment with community objectives and connect residents to additional resources that support their educational and recreational interests.
- Greater community engagement results in citizens feeling more connected to local government services and experiencing a greater sense of belonging in Burlington.

Performance Measures

	2023	2024	2025 Est.	2026 Est.	Target
Increase community participation/engagement	12,242	8,392	12,811	13,091	+10% from prior year
Increase number of registered card holders	7,020	10,674	11,173	11,731	+5% from prior year

If Below Target:

- Review possible causes: insufficient program marketing, scheduling conflicts, misalignment with community interests, or staffing limitations.
- Evaluate library card promotion strategies; increase targeted outreach to City residents.

Key Activity Measures

	2023	2024	2025 Est.	2026 Est.
Number of all ages in-person, outreach, and passive programs offered	499	359	391	468
Percentage of on-site programs facilitating library card registration	N/A	N/A	N/A	75%
Percentage of off-site programs facilitating library card registration	N/A	N/A	N/A	75%

Budget

	2023 Actual	2024 Actual	2025 Budget	2025 Projected Year End	2026 Proposed	Change from 2025 Budget
Salaries & Wages	687,795	770,767	789,408	785,857	818,000	28,592
Personnel Benefits	234,981	257,109	301,562	246,432	245,000	(56,562)
Supplies and Services	202,845	226,778	217,700	218,534	190,000	(27,700)
Debt Service	4,509	4,426	4,520	4,000	5,000	480
	\$1,130,131	\$1,259,080	\$1,313,190	\$1,254,823	\$1,258,000	\$(55,190)

Noteworthy Accomplishments

- The library received the Community Partner Award from the Boys & Girls Club of Skagit County to recognize our investment in Burlington youth through monthly site visits.
- The library's annual Summer Reading Challenge engaged 660 participants under the age of 18, accounting for 50% of registrations across three partnering Skagit libraries.



Did You Know?

- The library offers much more than books. The **Library of Things** collection provides tools and resources to explore interests and build new skills. High-interest items include:
 - Telescopes
 - Sports kits
 - Musical instruments
 - Cooking appliances
- The library circulates over 110,000 physical items annually.
- Library programs, developed and coordinated by a team of 5 FTE, engage over 12,000 participants each year.

Trends

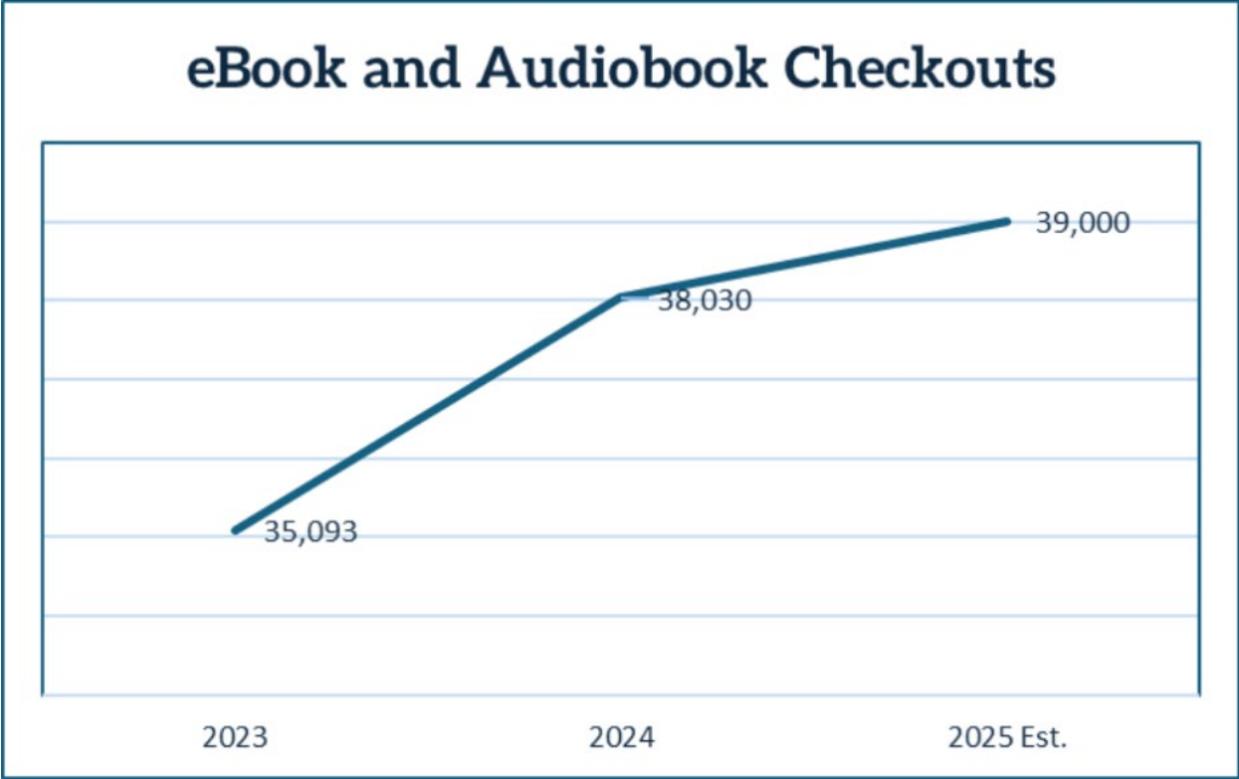


Figure: eBook and eAudiobook checkouts, 2023–2025 YE Estimate. Digital checkouts show consistent year-over-year growth.

MENTAL HEALTH AND SENIOR SERVICES

Summary

The city funds services provided for care, treatment, and control of mental and physical illness. A drug and alcoholism prevention treatment program is provided through contracts with direct service providers and is supported by a portion of city revenues from Liquor Excise Tax and Liquor Board Profits received from the State of Washington.

The city partners with Skagit County to provide a community Senior Center which serves area seniors with camaraderie, good nutrition, and health information.



Budget

	2023 Actual	2024 Actual	2025 Budget	2025 Projected Year End	2026 Proposed	Change from 2025 Budget
Supplies & Services	\$30,489	\$36,138	\$34,500	\$48,500	\$52,000	\$17,500
	\$30,489	\$36,138	\$34,500	\$48,500	\$52,000	\$17,500

MUNICIPAL COURT

Department Summary

The Burlington Municipal Court is responsible for processing citations issued by the Burlington Police Department for violations of City ordinances and applicable State statutes. The Court manages all phases of the judicial process. The Burlington Municipal Court is committed to ensuring accessible, efficient, and impartial justice for all individuals appearing before the Court.

- Conduct proceedings, including arraignments, readiness, trials, probation revocations, community court and other judicial proceedings
- Process citations for criminal traffic, non-traffic criminal cases, traffic infractions, and other ordinance violations
- Provides remote appearances, interpreter services, and public resources for case information and payments
- Provides Language Access Services for clients under Washington State Law (RCW2.42 and 2.43)
- The Burlington Municipal Court is a designated and approved passport acceptance facility.

Upcoming Major Projects

- Courts of limited Jurisdiction case management system, Enterprise Justice. Burlington is going to go live on October 2026.



2026 Budget Highlights

- Increase to Security costs – Start April 2026 Department of Revenue Sales Tax.
- 2025 Increase costs for Certified Court Interpreter

Outcomes

- Preparing to move to the new statewide case management system.
- Continuation of next level customer service for the public.

Performance Measures

	2023	2024	2025 YTD	2026 Est.	Target
Progress toward implementation of Enterprise Justice case management system	N/A	N/A	Planning	Training and data migration	100% implemented by October 2026

If Below Target:

- Coordinate with IT and state partners to resolve technical or data issues and adjust project milestones to stay on track for implementation.

Key Activity Measures

	2023	2024	2025 Est.	2026 Est.
Hearings Held	5,690	5,907	3,777	3,777
Cases Resolved	1,220	1,432	1,000	1,100
Individuals entering Community Court	64	90	56 YTD	75

Budget

	2023 Actual	2024 Actual	2025 Budget	2025 Projected Year End	2026 Proposed	Change from 2025 Budget
Salaries & Wages	\$235,386	\$299,375	\$263,982	\$268,000	\$274,000	\$10,018
Personnel Benefits	96,195	115,381	116,250	126,900	125,000	8,750
Supplies & Services	299,877	232,136	298,109	353,812	318,000	19,891
Debt Service	2,592	2,605	1,000	2,000	3,000	2,000
	\$634,050	\$649,498	\$679,341	\$750,712	\$720,000	\$40,659

Noteworthy Accomplishments

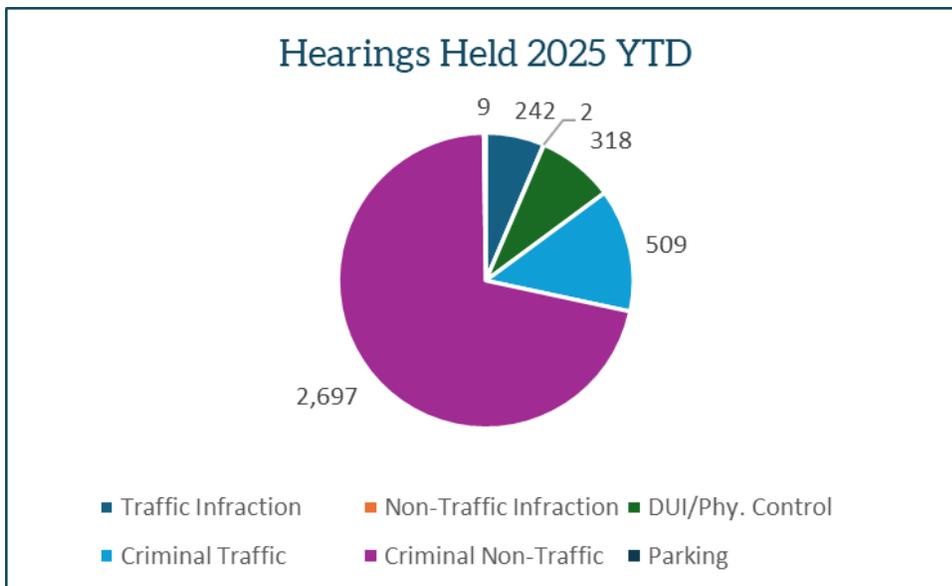
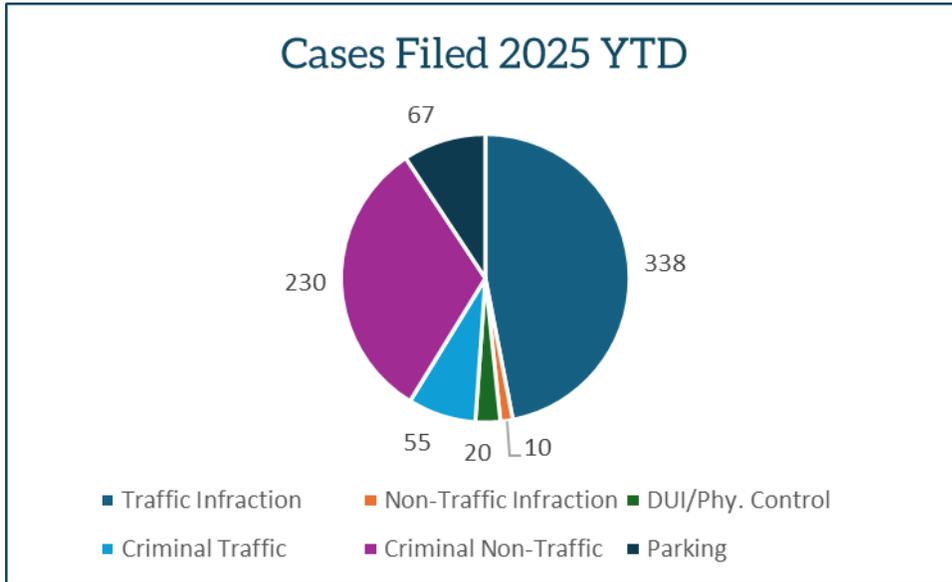
- Passport services have increased since 2024.
- The transition to Laserfiche document management is complete. All files have been scanned and are now paperless, improving efficiency and reducing storage and printing costs.
- Collaboration between court, public defenders, prosecutors and police for continued efficiency and improved customer service.
- The Skagit County Re-Licensing Clinic (RLC) is offering a way to help people in the community get and stay licensed to drive. The Re-Licensing Clinic is designed to help those with complicated matters that prevent them from being licensed.
- The department expanded court services by adding Community Court.
- The Skagit County Community Court promotes safer communities by combining accountability with support for individuals in the justice system. Through early intervention and a collaborative approach, it addresses root causes of offenses, connects participants to resources, and eases public defender caseloads. Its goals are to enhance safety, reduce recidivism and substance abuse, and support successful rehabilitation.

Did You Know?

- Did you know that the Municipal Court handles a variety of cases, including DUIs and traffic infractions, and is a designated and approved passport acceptance facility



Activity Measures



PARKS AND RECREATION

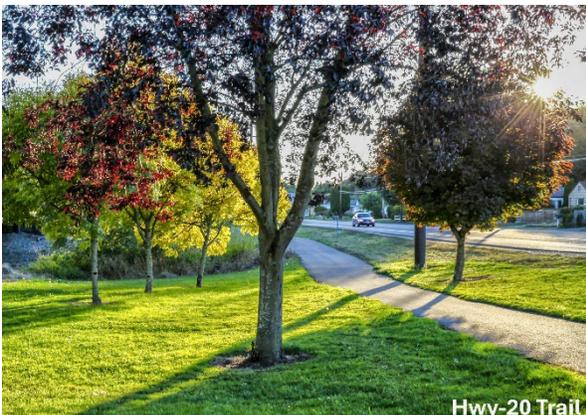
Department Summary

Burlington Parks and Recreation’s department is comprised of three divisions who collaborate closely to make the magic happen: Administration, Recreation, and Parks Maintenance. The City’s Festival Budget is also managed by Parks and Recreation. Our collective ambition is to enhance the community’s quality of life by providing inclusive, accessible, and quality parks, trails, open spaces, and recreational opportunities that connect residents of all ages, cultures, and abilities.

Through the Administration, Recreation, and Festivals divisions, the department strives to:

- Ensure efficient and equitable services,
- Deliver diverse programs and events that reflect the community’s evolving needs,
- Coordinate citywide festivals that not only foster civic pride but strengthen Burlington’s regional identity and generate economic activity.

Parks Maintenance ensures that the city’s outdoor living spaces are top-tier and provide the backbone for all services provided by the department.



Recruitment of regional and national tournaments is a priority, as is retention of annual events such as those offered by Washington Rush and Northwest United.

We rely on Lodging Tax funding to support services at Skagit River Park, offsetting the operational impact of large-scale events which attract hundreds of thousands of visitors annually.



Parks Maintenance maintains 173 acres of public land across 21 park sites, including playfield turf areas, restrooms, playgrounds, and picnic shelters. Responsibilities include daily mowing, cleaning, landscaping, routine park, fleet, and equipment maintenance, turf maintenance, and logistical support for special events.

- At Skagit River Park, Washington’s largest natural turf sports complex, we perform extensive maintenance and irrigation practices to preserve tournament-quality fields and protect city investments.
- The department also completes small construction, renovation, and planting projects to enhance community spaces and ensure safe, well-maintained parks for residents and visitors.

2026 Budget Highlights

P&R Administration

- 2025 welcomed the addition of the Parks Usage Coordinator position to the Admin division. This position's FTE wage will be notable in the 2026 P&R Admin budget and absorbs some of the duties previously performed by the Parks Supervisor position.

Parks Maintenance

- The proposed budget includes a Utility 1 position mid-year to effectively support improvements made in the city's park system between 2000-2025.
- Staff respond to vandalism and homeless encampment cleanups, which create variable operational demands.

Recreation

- An increase of \$14,000 in Recreation's Supplies and Services to account for expected increases in youth soccer program costs, including WSYSA player fees and referee expenses.



Upcoming Major Projects

P&R Administration and Parks Maintenance

- Complete Rotary Park restroom
- Break ground on Boerner Park improvements
- Build of Maiben Park Natural Playground
- Add a perimeter walking trail at Skagit River Park.
- Master Plan Study of Skagit River Park
- Ice Rinks and Indoor Soccer have been identified as key topics for future discussions.



Recreation

- Reestablish the seasonally printed Recreation Guides
- Increase class offerings by contracting with skilled instructors.
- Add more camps and day programs during school breaks.
- Expand Adult and Youth sports leagues as staffing and funding allows.

Outcomes

P&R Administration

- Streamlining departmental processes as efficiently and as simply as possible allows community members to navigate a system that feels less bureaucratic.
- Maintaining clearly written department policies allowing staff to operate transparently, equitably, and consistently.

Recreation

- Creating a third space (a space other than home/work/school) through rec classrooms will encourage lifelong learning and quality of life through connectivity.
- Outreach to community members who haven't previously attended Burlington's programs or events will bring in more visitors and bolster the local economy.

Parks Maintenance

- Continue to provide top-tier local parks and recreational amenities to enhance livability for the residents of Burlington and the greater Skagit Valley community.
- By maintaining Skagit River Park's premier natural turf playing surface, we help build upon Burlington's reputation as a preeminent hub in the Pacific Northwest for youth and adult sporting events.



Duck Decoy Carving Class



Performance Measures

P&R Administration and Recreation

	2023	2024	2025 Est.	2026 Est.	Target
Introduce one new tournament to Skagit River Park's calendar	8	11	12	13	13 tournaments
Increase awareness of City's Co-Sponsorship Grant program for Special Event Organizers	9	7	5	7	7 organizers
Increase recreation program and event attendance	16,110	16,506	17,566	19,322	10% increase
Increase class offerings through partnerships with non-profits, local businesses and private citizens	20	3	12	36	300% increase

If Below Target:

- Work with Skagit Sports Commission to evaluate bid results from new tournament organizers. Explore new advertising avenues.
- Expand marketing campaign throughout 2026 with bigger push 60-days prior to annual application deadline.
- Create list of event types lacking in the Burlington community and consider what potential groups could successfully take on the running of them
- Evaluate programs by assessing their community purpose and alignment with PROS Plan priorities, reviewing marketing strategies employed, and analyzing feedback from post-program surveys.

Key Activity Measures

P&R Administration and Recreation

	2023	2024	2025 Est.	2026 Est.
Create online reservation portal for the city's picnic shelters – available by 03/2026	125 res	146 res	0 res	160 res
Compose protocol and program guidelines for volunteer groups	4 groups	8 groups	8 groups	10 groups
Number of all ages in-person, outreach, and passive programs offered	9	9	10	10
Number of Sponsors / Revenue received for Youth Soccer program	33 / \$9,600	26 / \$8,200	22 / \$8,750	20 / \$9,000
Number of Sponsors / Revenue received for Community Events	12 / \$23,200	20 / \$31,000	17 / \$32,300	20 / \$35,000

Key Activity Measures

Parks Maintenance

	2025 Est.	2026 Est.
Number of restrooms maintained	4	6
Annual restroom maintenance hours	600-800	900-1200
Number of vandalism/encampment incidents	59	88
Annual vandalism and encampment clean-up hours	190	256

Budget

			2025		2026	Change from
	2023 Actual	2024 Actual	2025 Budget	Projected Year End	Proposed	2025 Budget
Parks & Recreation						
Administration						
Salaries & Wages	\$167,027	\$179,077	\$158,373	\$285,731	\$338,000	\$179,627
Personnel Benefits	51,188	57,445	51,320	102,034	110,000	58,680
Supplies and Services	27,751	20,960	30,105	28,819	33,000	2,895
Administration	\$245,965	\$257,482	\$239,798	\$416,583	\$481,000	\$241,202
Recreation						
Salaries & Wages	\$93,667	\$105,482	\$158,037	\$110,567	\$181,000	\$22,963
Personnel Benefits	37,616	39,208	57,025	36,161	89,000	31,975
Supplies and Services	47,513	51,057	65,650	69,644	91,000	25,350
Recreation	\$178,796	\$195,747	\$280,712	\$216,372	\$361,000	\$80,288
Parks						
Salaries & Wages	\$390,456	\$366,431	\$490,940	\$384,000	\$371,000	\$(119,940)
Personnel Benefits	167,901	153,577	227,048	170,000	160,000	(67,048)
Supplies and Services	373,751	502,252	381,115	532,500	780,000	398,885
Other Decreases	21,715	23,425		10,000	20,000	20,000
Debt Service	4,332	4,392	2,000	4,000	4,000	2,000
Capital Outlay						
Parks	\$958,154	\$1,050,076	\$1,101,103	\$1,100,500	\$1,335,000	\$233,897
Festivals						
Salaries & Wages	\$16,774	\$ 31,660	\$3,303	\$25,000	\$23,000	\$19,697
Personnel Benefits	5,576	10,603	2,084	9,000	3,000	916
Supplies and Services	39,821	26,588	47,250	25,200	27,000	(20,250)
Festivals	\$62,170	\$68,851	\$52,637	\$59,200	\$53,000	\$363
Parks & Recreation	\$1,445,086	\$1,572,156	\$1,674,251	\$1,792,655	\$2,230,000	\$555,749

Noteworthy Accomplishments

- We were able to establish an interlocal agreement between the City and the United General District 304 which not only enhances program offerings but also reduces costs.
- Through directed marketing, sponsorship for Community Events has increased 39% from 2023 to 2025.
- Lodging Tax Awards saved the City \$65,500 in 2025 out of its general fund for Community Events.
- Attendance doubled at the multi-generational and multi-cultural Lucha Mania event in 2025 from 250 to 500.
- A successful transition of B'town Fall Fest from Skagit River Park to Maiben Park was accomplished.
- Notable 164% increase in pre-registered runners from 2024 to 2025 for the PupKin Fun Run hosted in October.
- The department supports 10-14 major tournaments and 20-25 local leagues and events annually, attracting visitors from across the country and generating significant economic impact.
- Skagit River Park successfully hosted its first national tournaments with USA Ultimate's D3 and D1 College Championships in May of 2025. The tournaments even garnered a 'play-of-the-day' spotlight on ESPN.
- Hosted Washington's Horseshoe Pitching State Tournament in August 2025
- Completion of Rotary Park Inclusive Playground
- Remodel of Maiben Park Restrooms
- Expanded turf maintenance program to include an additional 11 acres of tournament field space at Dike District Fields.

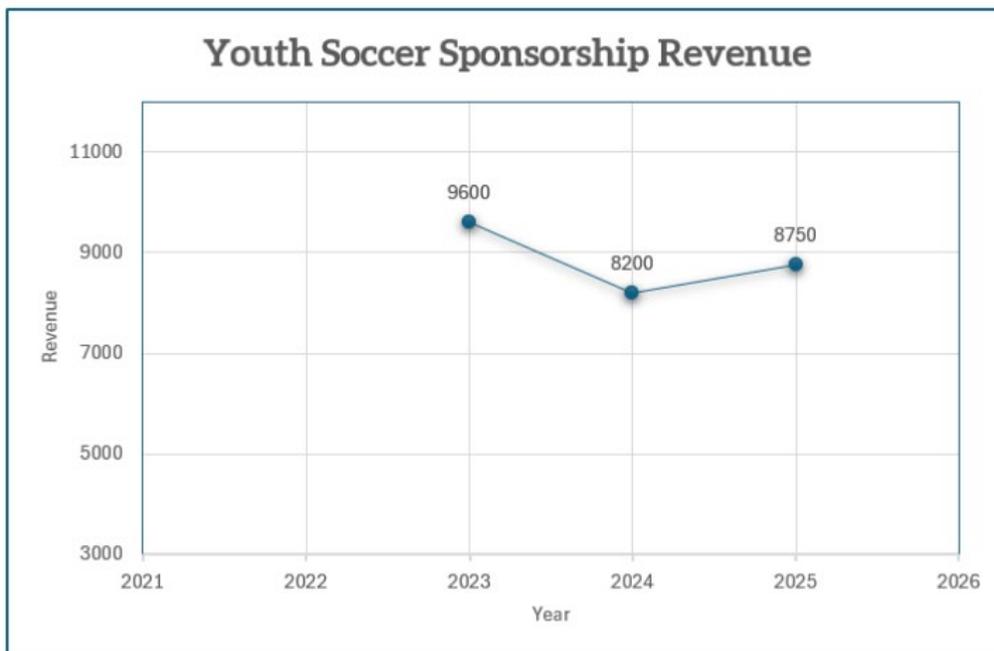
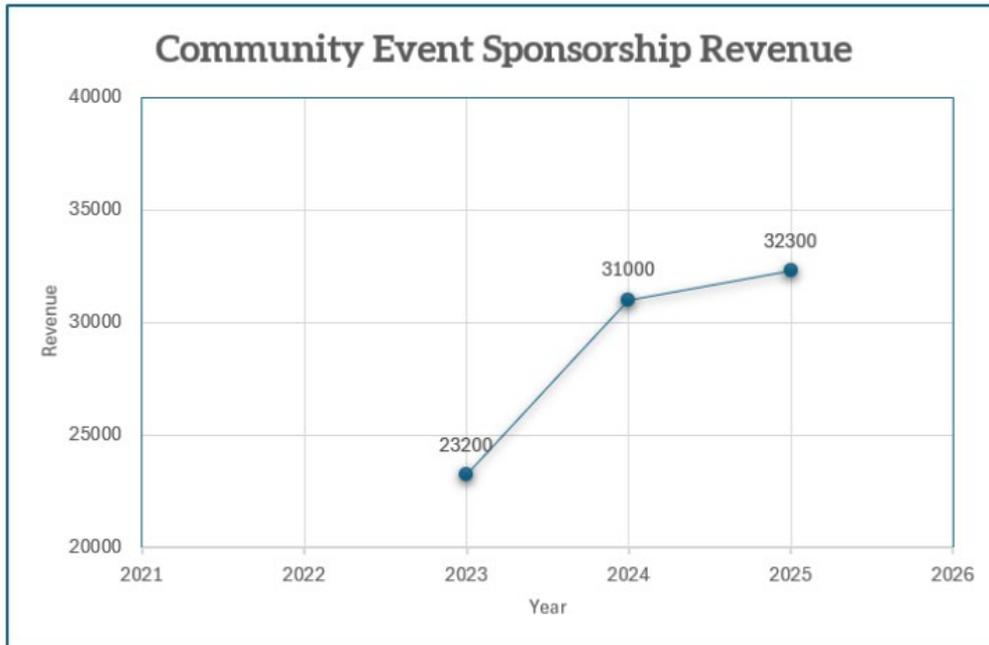


Did You Know?

- Burlington is home to the largest natural grass sports-field complex in Washington state with over 80-acres of multi-use playfields and regularly draws users from across the United States and Canada.
- Did you know that Alpha Park in downtown Burlington was established by The Alpha Club in 1910. This women’s group was responsible for many contributions to the Burlington community, including its first public library – the Carnegie building.
- We are responsible for maintenance & operations of Green Hills Cemetery which includes 50-60 funeral services each year, grave marker settings, Memorial Day preparations, and routine maintenance.
- Did you know that the Recreation Department does all its own marketing: social media (Facebook/Instagram), digital graphics, paper graphics, both regionally and locally. We have 4.6K followers currently with robust engagement.
- The Recreation Department kept busy in 2025 by coordinating 2 youth sports leagues, 26 youth camps, 8 teen/adult classes, and 10 unique, free community events spanning 20 days.



Activity Measures



Figures 1 and 2: Sponsorship Revenue

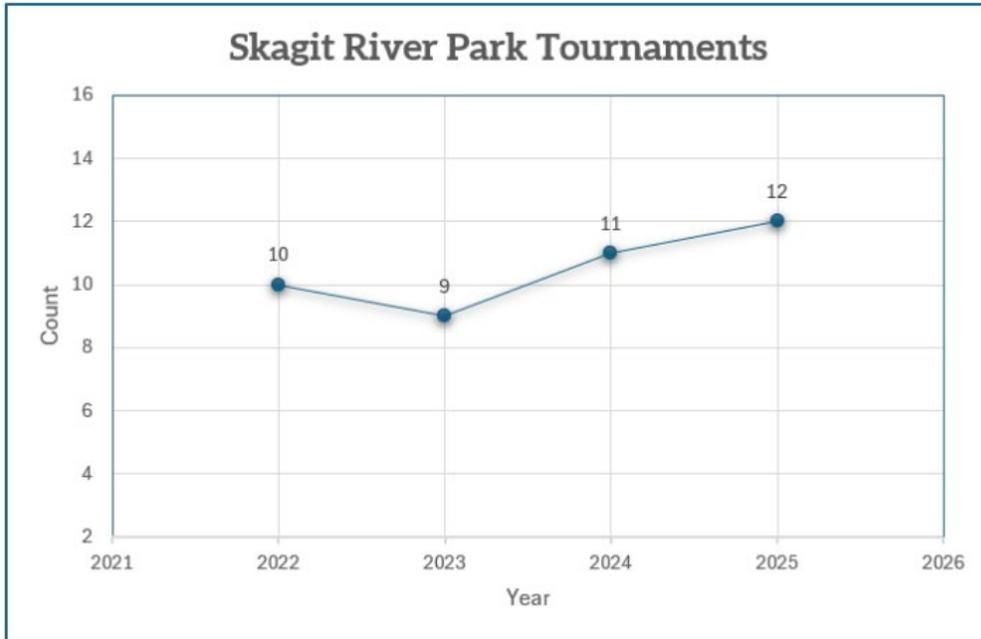


Figure 3. Interest in tournaments rebounded quickly after the Parks & Recreation’s reopening in 2021, post-pandemic, and continues to grow.



Figure 4. Often thought of as a place for tournaments, Skagit River Park also serves as home-field for many local sports clubs annually.

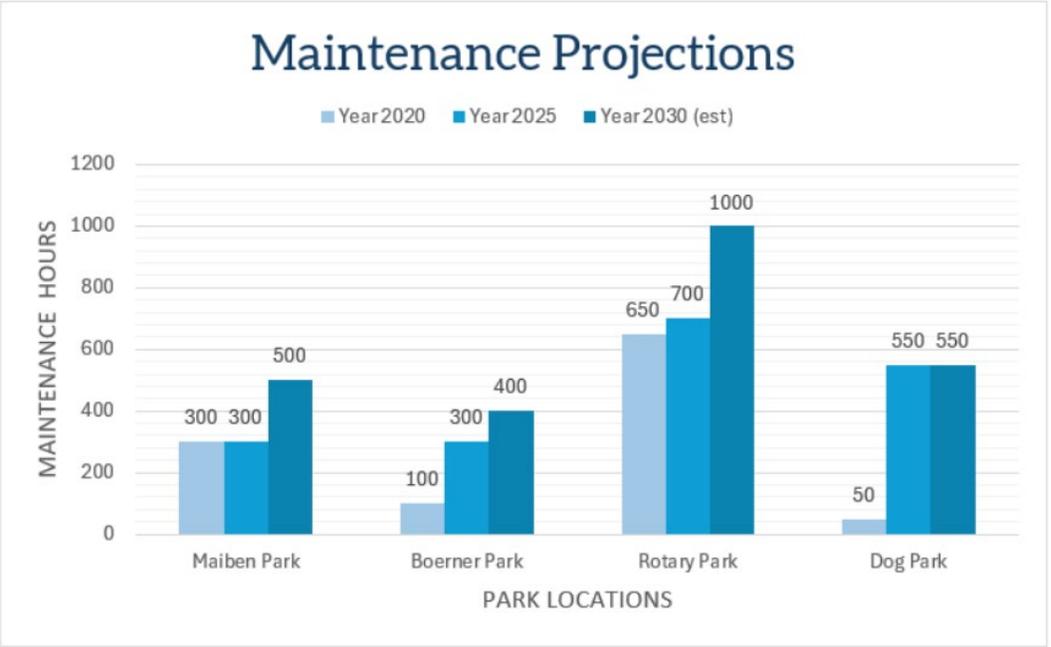


Figure 5. Adding 1 playground to a park results in 200-250 additional maintenance hours to the crew’s annual workload. Adding 1 restroom facility results in 150-200 additional maintenance hours annually. There are currently 2 new restroom projects and 2 new playground projects planned for 2026.

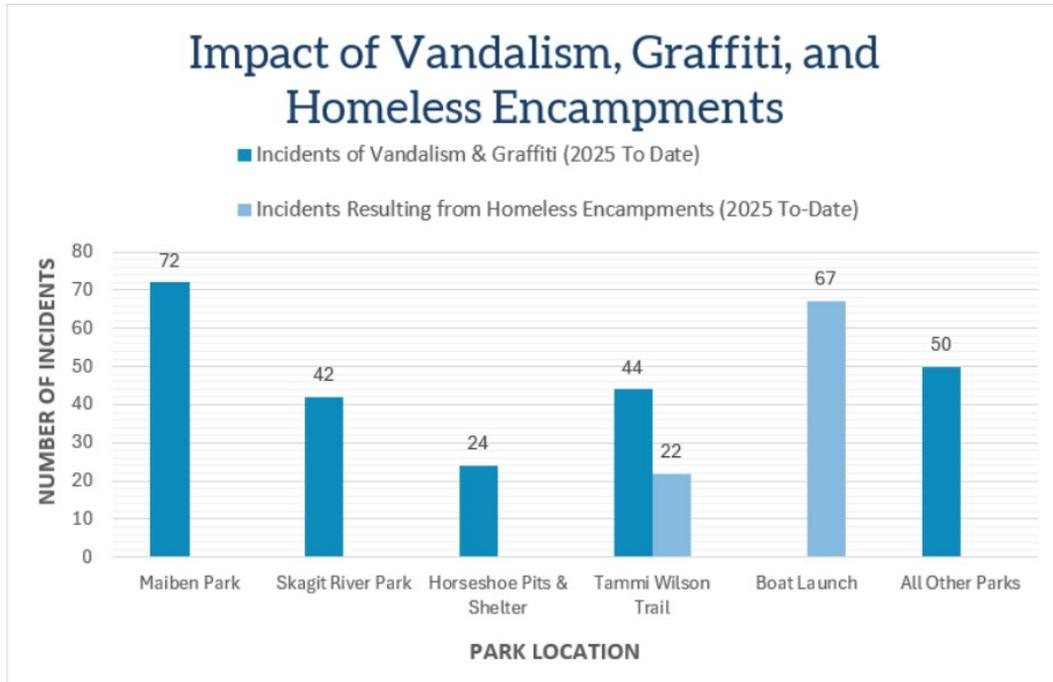


Figure 6. Park locations experiencing the highest rates of vandalism, graffiti, and homeless encampment incidents.



POLICE

Department Summary

The police department is dedicated to ensuring public safety and maintaining law and order through proactive policing and community engagement. Our team provides 24/7 protection, responding to emergencies, investigating crimes, and building trust through community outreach programs. We prioritize transparency, accountability, and collaboration to create a safe and secure environment for all residents.

- Emergency Response
- Criminal Investigations
- Community Engagement

2026 Budget Highlights

- **Vehicles:** 7 vehicles, 3 vehicles purchased with Equipment Rental & Replacement (ER&R) dollars, which fully deplete the police balance in that fund. 4 vehicles are funded by the General Fund. Moving forward, the department will maintain its fleet through a Capital Replacement Plan, purchasing or replacing approximately 4–5 marked and unmarked vehicles per year to ensure operational readiness and cost planning.
- Contract for new Body Worn Cameras.
- Contract for new Electronic Control Devices (Taser).
- 4 new patrol rifles this year. This acquisition will complete rifle issuance to all commissioned officers, with full replacement of the remaining rifles occurring incrementally over the next few years until all 31 units have been updated.



- **Staffing:** 31 commissioned officer positions authorized. To achieve savings as needed, hiring vacancies may be strategically delayed. Additionally, one commissioned position may be designated as a full-time School Resource Officer (SRO), contingent upon the passage of an upcoming school levy. If approved by voters, the levy would provide approximately \$70,000 (prorated) in annual funding to support this position.

Outcomes

- Response time data reflects the department's emergency responses from low to high priority calls for service. A fast but safe response contributes to deterrence, safety, and enhances community confidence and trust in our quality of service.
- Filling open positions and realigning officer resources to peak hours reduces emergency response times and improves operational efficiency.

Upcoming Major Projects

- Department remodel
- Finalize and update the department vehicle fleet and core equipment



Performance Measures

	2023	2024	2025 YTD	2026 Est.	Target
Average response time to calls is <7 minutes	6:52 min	5:50 min	6:12 min	<6:30 min	<7 minutes
Priority 1 response time is <4 minutes	3:13 min	3:10 min	3:12 min	<3:30 min	<4 minutes
Clearance rates of cases by arrest, referral or formal closure (does not include basic cases closed).	45.13%	52.132%	47%	50%	50%+
Incidents plus self-initiated activity	12,416	10,473	11,511	13,000	N/A

If Below Target:

- Response Times: If performance falls below target levels: assess staffing patterns during peak call times to identify potential resource gaps; provide additional training focused on timely and safe response practices; and establish clear performance goals with consistent follow-up to ensure improvement.
- Clearance Rates: If performance falls below target levels: evaluate individual staff caseloads to ensure appropriate workload distribution; review all available avenues for effective case closure; and verify that each case receives a thorough and complete investigation.

Key Activity Measures

	2023	2024	2025 YTD	2026 Est.
Yearly Response Times at or above 90%	50%	100%	80%	90%+
Yearly Response Times for Priority Calls at or above 90%	92%	84%	70%	90%+
Clearance Rates at or above 50%	45%	52%	47%	50%+

Budget

	2023 Actual	2024 Actual	2025 Budget	2025 Projected Year End	2026 Proposed	Change from 2025 Budget
Salaries & Wages	\$3,352,859	\$3,579,754	\$3,920,620	\$4,092,000	\$4,133,000	\$212,380
Personnel Benefits	1,179,903	1,354,261	1,522,524	1,533,000	1,724,000	201,476
Supplies & Services	1,171,535	1,495,805	1,234,600	1,130,273	1,194,000	(40,600)
Debt Service	5,034	4,869	-	5,000	5,000	5,000
Capital Outlay	-	-	-	-	288,000	288,000
	\$5,709,331	\$6,434,688	\$6,677,744	\$6,760,273	\$7,344,000	\$666,256

Noteworthy Accomplishments

- Department staffing has been low for several years. We have 31 commissioned officer positions, and we were down 7 positions toward the end of 2024. We recruited and hired the remaining positions in 2025 and for the first time in over 20 years the department was fully hired.
- Staff met and discussed changing the patrol schedule with goals to increase staffing during peak hours and incorporate training. This was accomplished by adopting a modified Pitman schedule that incorporated a 6-hour training day for all officers once a month, and increased staffing during the peak times from 2-4 officers to 4-8 officers once fully staffed.
- To enhance community engagement, the department focused on our National Night Out event and it was the best attended to date with an estimated 600+ community members coming through. We also participated in this year's Touch-a-truck event and had a great response and engagement.



Did You Know?

In April 1999, the City of Burlington proudly dedicated its police station to City Councilman and former Detective Floyd Louia honoring his many years of service as a police officer and council member. Though Floyd was residing in a convalescent home due to declining health, city officials, family members, and friends gathered around him to honor his service.

During the ceremony, an official proclamation was read aloud, formally naming the new police department building in his honor.

Floyd was a beloved figure in the community—widely known as “a cheerful guy, respected by all.” Those who knew him often said he “would do anything for anybody” and had a remarkable ability to “distinguish between someone who was a troublemaker and someone who just happened to be in trouble.”

We are deeply honored to carry forward Detective Louia’s legacy, commemorated by the dedicatory plaque that stands proudly in front of our building.

(Quotes from Argus Page 10, Wed. April 7th, 1999)

Activity Measures

Offense Overview	2022	2023	2024
Offense Total	2,002	1,336	1,263
# of Cleared Offenses	606	601	644
Percent Cleared	30.3%	45.0%	51.0%

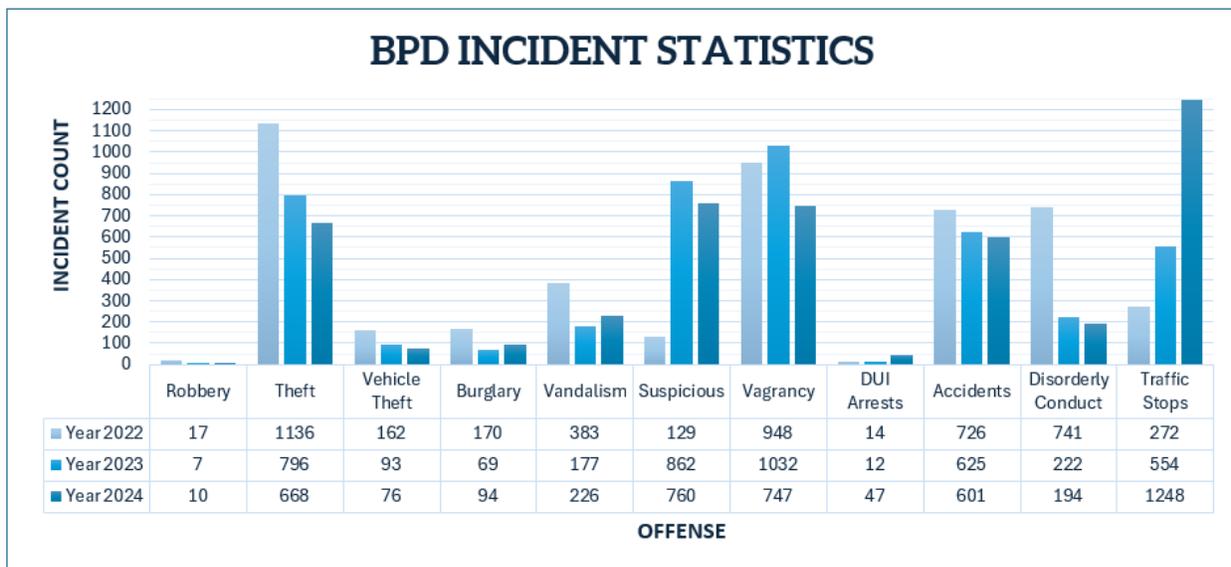


Figure 1.

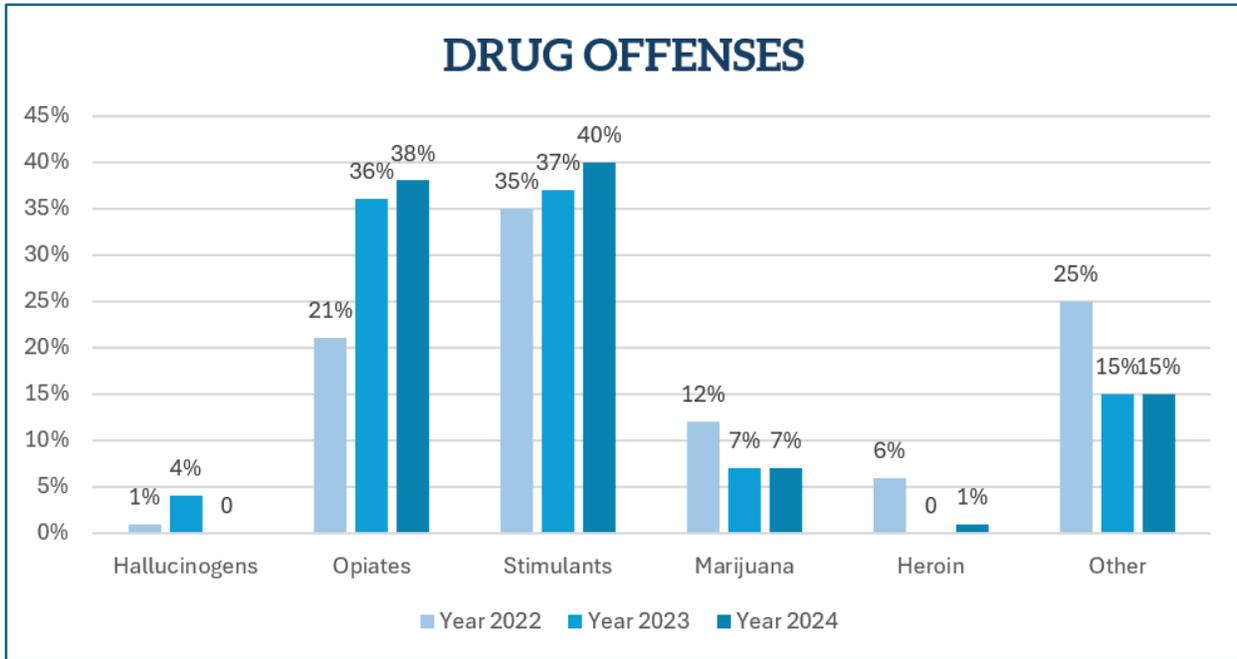


Figure 2.

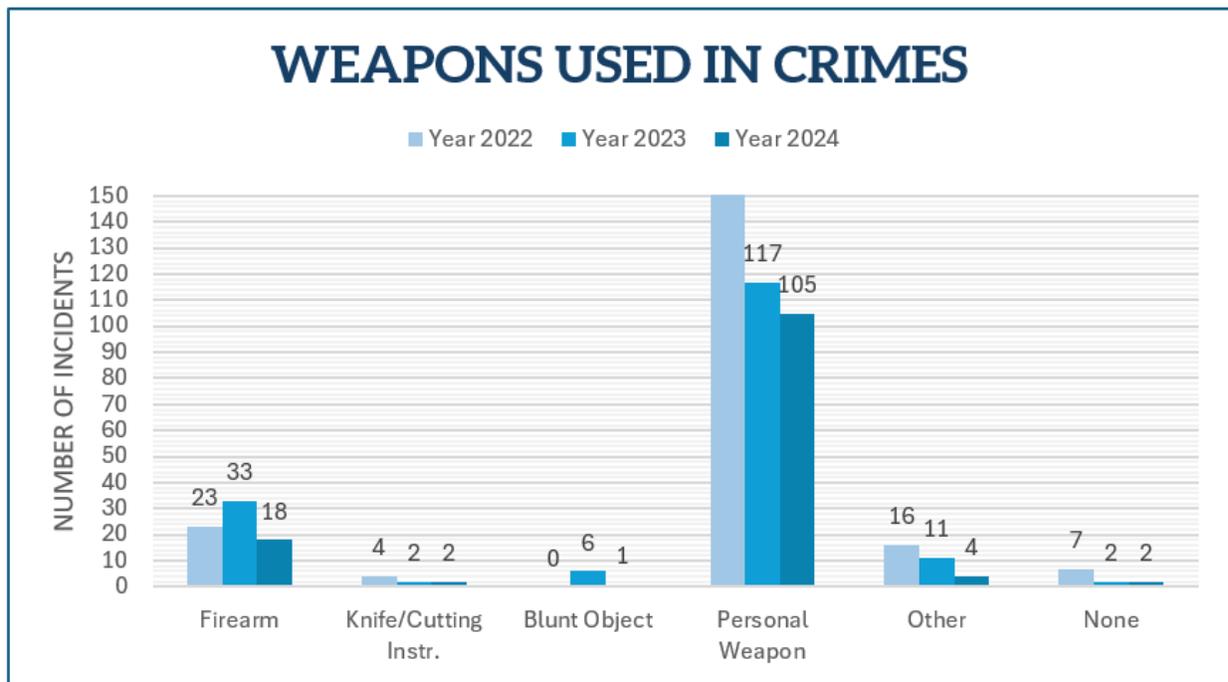


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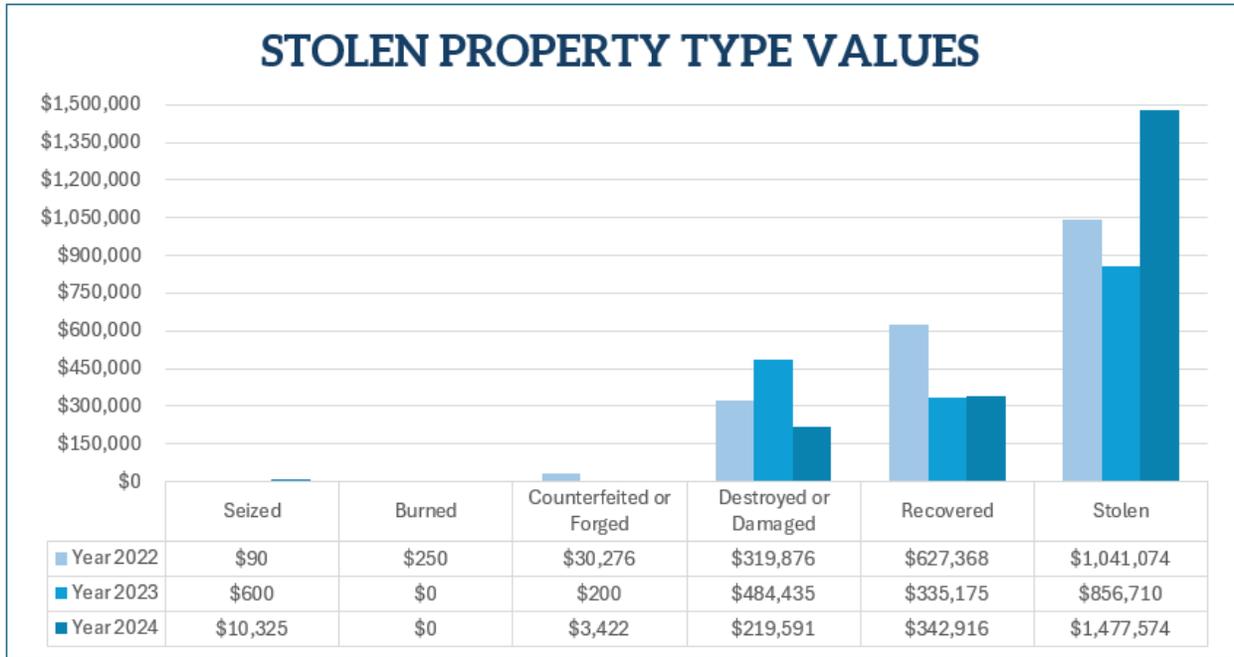


Figure 4.

NON-DEPARTMENTAL

Summary

Non-departmental is used to account for expenses that are not tied to any specific department but still support overall city operations. These can include costs like citywide insurance premiums, debt service payments, intergovernmental transfers, or contributions to shared services. This helps streamline management of expenditures that benefit multiple departments or are administrative in nature. It also provides flexibility for managing city-wide financial obligations without duplicating costs across departmental budgets. This approach supports transparency and efficiency in municipal financial planning.



2026 Budget Highlights

- Reduced transfer to Streets
 - \$300,000 (from \$833,000)
- Discontinue general fund payment of street debt - reduction of \$288,000
- Increased transfer to Fire/EMS Fund
 - \$4,150,000 (from \$3.4 million)
- Reduced transfer to Cemetery Fund
 - \$25,000 (from \$27,000)
- Transfer to Public Arts Fund
 - \$20,000
- Total: \$4,495,000

Budget

Non-Departmental	2023 Actual		2024 Actual		2025 Budget		2025 Projected Year		Change from 2025 Budget
						End	2026 Proposed		
Supplies and Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 142,000	\$ -	\$ -	\$ -
Transfers	6,083,753	5,229,380	4,696,335	4,998,355	4,495,000				(201,335)
Non-Departmental	\$ 6,083,753	\$ 5,229,380	\$ 4,696,335	\$ 5,140,355	\$ 4,495,000				\$ (201,335)

SPECIAL REVENUE FUNDS

1590 FUND

Summary

The 1590 fund was created by ordinance 1919 on March 10, 2022. This fund accounts for a dedicated and restricted sales tax of .1%. Taxes must be used in the following ways:

60% of the funds must be used for constructing or acquiring affordable housing, constructing or acquiring behavioral health-related facilities, acquiring land for those purposes, or funding the operation and maintenance costs of new affordable housing units and facilities within which housing related programs are provided.

Affordable housing and facilities may only be provided to people within specified population groups whose income is 60% or less of the county's median income. For specific eligibility language see RCW 82.14.530(2)(b)

Up to 40% (remainder of funds) may be used for the operation, delivery, or evaluation of mental and behavioral health treatment programs and services or housing-related services.

Uses: Support Martha's Place operations and maintenance, a permanent supportive housing project in Mount Vernon, WA. VOA to construct a development of 42 units of permanent supported housing.



Needs

Under Washington State law and the Skagit County Countywide Planning Policies, Burlington is required to accommodate the housing needs of various income bands. As defined by law, affordable housing is generally limited to households with an income of 60 percent or less of the Area Median Income (AMI). All forms of affordable housing can be expected to require upfront and/or ongoing financial subsidies. The table below illustrates the number of affordable housing units Burlington must plan for over the 20-year period ending in 2045.

Noteworthy Accomplishments

- Volunteers of American (VOA) Affordable Housing – In partnership with VOA, Skagit County and the Washington State Department of Commerce a 42-unit affordable housing complex is under construction. Burlington supported this project with \$1.15 million in 1590 funds, a \$1.4 million infrastructure grant, and waiving permit and impact fees.
- Continued collaboration with North Star group, including organizing two regional housing forums to align funding and investment priorities across Skagit County.

2026 Budget Highlights

Skagit County’s regional response to housing, homelessness, mental health, and addiction issues is coordinated by the North Star group. The North Star group’s guiding principles call for prioritizing public investment to address the greatest needs first. For housing, this means addressing the needs of households in the lowest income bands. These regional priorities are reflected in the goals and policies of the Burlington Comprehensive Plan, which also prioritizes directing housing and supporting services to those with the greatest needs first.

For 2026 the following goals will guide the investment of 1590 funds and related sources of financial support:

- Creating an application and review process for City funding
- Continued collaboration with regional partners through the North Star organization
- Identifying other financial support mechanisms such including grants, public land availability, fee waivers, and tax incentives
- Ensure public resources are used efficiently by pooling resources, coordinating actions regionally, and allocating funding based on adopted priorities.

Housing Allocations by AMI						
0-30% AMI	31-50% AMI	51-80% AMI	81-100% AMI	101-120% AMI	Above 120% AMI	Total
911	584	408	218	194	528	2,843
Support Required			No Support Required			

Budget

	2023	2024	2025	2025	2026	Change from
	Actual	Actual	Budget	Projected	Proposed	2025 Budget
				Year End		
Resources						
Beginning Balance	\$ 932,560	\$ 1,835,757	\$ 3,968,290	\$ 2,719,527	\$ 2,016,217	\$ (1,952,073)
Revenue						
Taxes	1,171,490	1,128,559	1,200,000	1,190,000	1,200,000	-
Intergovernmental Revenues	-	-	-	-	1,396,000	1,396,000
Miscellaneous Revenues	31,708	65,411	35,000	47,000	64,000	29,000
Transfers	-	-	-	-	-	-
Total Revenue	1,203,197	1,193,970	1,235,000	1,237,000	2,660,000	1,425,000
Total Resources	\$ 2,135,757	\$ 3,029,727	\$ 5,203,290	\$ 3,956,527	\$ 4,676,217	\$ (527,073)
Expenditures						
Supplies and Services	\$ 300,000	\$ 310,200	\$ 300,000	\$ 315,473	\$ 480,000	\$ 180,000
Capital Outlay	-	-	900,000	1,624,837	1,642,000	742,000
Total Expenditures	300,000	310,200	1,200,000	1,940,310	2,122,000	922,000
Reserved Balance	-	-	4,003,290	-	2,554,217	(1,449,073)
Total Requirements	\$ 300,000	\$ 310,200	\$ 5,203,290	\$ 1,940,310	\$ 4,676,217	\$ (527,073)

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ARTERIAL STREET

Department Summary

The Arterial Street Fund finances improvements to Burlington’s major thoroughfares and supports many of the City’s largest capital transportation projects. These projects enhance safety, mobility, and infrastructure resilience across the community. These projects are managed through the Engineering Department and are primarily funded through various grant sources.



2026 Budget Highlights

- \$600,000 in grant funding to complete SR 20/Skagit improvements
- \$260,000 in grant funding for intersection evaluation on SR 20 between Burlington Boulevard and Cascade Highway.
- \$250,000 in grant funding for design work on Burlington Boulevard paving, with \$1,956,000 million awarded for construction in 2027.
- Applied for \$835,000 grant from the TIB to fund street pavement overlay.
- Focus on safety, accessibility, and sustainability through upcoming project design and delivery.

Upcoming Major Projects

- Non-Motorized Safety Project: Complete design of the federally funded project to improve pedestrian and bicycle safety.
- Burlington Boulevard Asset Management/Repaving: Authorize federal funding; design anticipated in 2026.
- SR 20 Intersection Evaluations
- Continue coordination with the Federal Railroad Administration (FRA) and BNSF Railway to obligate a grant awarded in 2022, funding evaluation of potential grade separation improvements at one or more at-grade rail crossings in Burlington. Up to \$2,000,000 from FRA, with an additional \$500,000 match from WSDOT.

Outcomes

- Improved infrastructure reliability
- Asset management
- Implementation of major transportation & safety projects

Budget

	2023 Actual	2024 Actual	2025 Budget	2025 Projected Year End	2026 Proposed	Change from 2025 Budget
Resources						
Beginning Balance	\$99,481	\$58,080	\$-	\$316,132	\$263,132	\$263,132
Revenue						
Intergovernmental Revenues	928,284	4,441,358	3,780,000	2,413,000	4,095,000	315,000
Charges for Services	208,640	598,188	700,000	150,000	200,000	(500,000)
Miscellaneous Revenues	26,590	260,618	402,300	32,000	169,000	(233,300)
Transfers	786,250	1,035,000	375,000	375,000	665,000	290,000
Total Revenue	1,949,764	6,335,164	5,257,300	2,970,000	5,129,000	(128,300)
Total Resources	\$2,049,244	\$6,393,24	\$5,257,300	\$3,286,132	\$5,392,132	\$134,832
Expenditures						
Other Decreases	\$29,115	\$34,718	\$288,000	\$288,000	\$145,000	\$(143,000)
Capital Outlay	1,912,050	5,992,393	4,650,000	2,685,000	4,645,000	(5,000)
Transfers	50,000	50,000	50,000	50,000	65,000	15,000
Contingency	-	-	-	-	-	-
Total Expenditures	1,991,164	6,077,111	4,988,000	3,023,000	4,855,000	(133,000)
Reserved Fund Balance	-	-	269,300	-	537,132	267,832
Total Requirements	\$1,991,164	\$6,077,111	\$5,257,300	\$3,023,000	\$5,392,132	\$134,832

Capital Outlay

Project	Amount
Rail Crossing Elimination Evaluation	\$1,000,000.00
Arterial Street Roadway Engineering	\$100,000.00
Arterial Street EW Connector - landscaping	\$30,000.00
Burlington BLVD Paving - Design	\$250,000.00
SR 20 Intersection Evaluations	\$300,000.00
Arterial Street Survey, property finals	\$25,000.00
Arterial Street TIB Overlay	\$850,000.00
TIB Street Light Conversion	\$50,000.00
Arterial Street SR 20 / Skagit Signals	\$1,100,000.00
Arterial Street Traffic Safety Program	\$50,000.00
SR 20 Non Motorized Safety Project	\$600,000.00
CIP Andis Signal Alternatives	\$50,000.00
SR 20 Anacortes Intersection Safety Planning	\$40,000.00
ADA Sidewalk improvements	\$200,000.00
Total Capital Outlay	\$4,645,000.00

Noteworthy Accomplishments

2023 highlights include:

- Bouslog Extension – 300 ft
- Overlay Project – 6,840 ft
- Total: 1.35 miles of new road construction and overlay

2024 highlights include:

- East/West Connector – 1,820 ft
- Overlay Project – 6,350 ft
- Total: 1.55 miles of new road construction and overlay

2025 (YTD / Est.) highlights include:

- Nearing completion of SR20/Skagit Street intersection improvements
- Design of SR 20 Nonmotorized project underway

Did You Know?

- Burlington’s arterial street network carries over 80% of the City’s daily traffic, connecting neighborhoods, schools, and businesses to regional destinations.
- Routine pavement preservation and safety projects extend the life of roadways by up to 15 years, saving taxpayer dollars over time.

CEMETERY FUND

Summary

Green Hills Memorial Cemetery, also known historically as Burlington Cemetery, is located at 11157 Gardner Road. The cemetery spans approximately 15 acres and has served the community for well over a century. In 1924, the Burlington Cemetery Association was incorporated and continued to oversee care and maintenance until the evolving needs of the site prompted a formal transfer of operations to the City of Burlington on August 14, 1954.

Since 2020, Green Hills Memorial Cemetery has coordinated:

- 85 full burials
- 156 urn burials
- 2 disinterments with full relocations



2026 Budget Highlights

- Evaluate operations and alternatives to eliminate General Fund subsidy by 2028
- Initiate transfer from Cemetery Endowment, portion of investment earnings, to fund maintenance (\$17,000)
- Reduce General Fund Transfer (\$25,000)

Budget

	2023 Actual	2024 Actual	2025 Budget	2025 Projected Year End	2026 Proposed	2026 Adopted	Change from 2025 Budget
Resources							
Beginning Balance	\$ 60,777	\$ 57,506	\$ 6,721	\$ 24,446	\$ 6,744	\$ 6,744	\$ 23
Revenue							
Charges for Services	61,551	62,545	83,300	58,333	63,333	63,333	(19,967)
Miscellaneous Revenues	1,230	1,211	1,200	1,000	1,000	1,000	(200)
Transfers	42,842	11,000	27,302	27,000	42,000	42,000	14,699
Total Revenue	105,623	74,756	111,802	86,333	106,333	106,333	(5,469)
Total Resources	\$ 166,400	\$ 132,262	\$ 118,523	\$ 110,779	\$ 113,077	\$ 113,077	\$ (5,446)
Expenditures							
Salaries & Wages	\$ 62,200	\$ 63,082	\$ 64,355	\$ 56,500	\$ 60,500	\$ 60,500	\$ (3,855)
Personnel Benefits	30,219	32,258	32,228	33,000	35,000	35,000	2,772
Supplies and Services	15,294	11,317	15,219	12,535	15,000	15,000	(219)
Transfers	1,086	1,160	-	2,000	2,000	2,000	2,000
Total Expenditures	108,894	107,816	111,802	104,035	112,500	112,500	699
Reserved Fund Balance	-	-	6,721	6,744	577	577	(6,144)
Total Requirements	\$ 108,894	\$ 107,816	\$ 118,523	\$ 110,779	\$ 113,077	\$ 113,077	\$ (5,446)

CEMETERY ENDOWMENT

Summary

The Cemetery Endowment Fund is a permanent fund designed to hold an accumulated fifteen percent of lot sales to provide reasonable care to the plots and grounds in perpetuity. This fund cannot be used for maintenance of the cemetery until there are no more plots left to sell.

- Fund balance: just over \$400,000.
- Purpose: Established from a portion of plot sales (15%) to support long-term care and maintenance.

Legal Authority

- RCW 68.44.170 – Interest earnings may be used for cemetery maintenance.
- RCW 68.44.180 – Burlington is exempt from private cemetery rules but may align with best practices.
- RCW 11.100.020 – Investments managed under Uniform Prudent Investor Act.



2026 Budget Highlights

- Transfer of interest earnings to Cemetery Fund for grounds maintenance.
- Estimated annual earnings: \$16,000–\$20,000 (4–5% yield).
- Principal remains intact; earnings are used only for care-related expenses.

Upcoming Major Projects

- Resolution to authorize transfer.
- Documented per BARS manual for audit compliance.

Budget

	2023 Actual	2024 Actual	2025 Budget	2025 Projected Year End	2026 Proposed	Change from 2025 Budget
Resources						
Beginning Balance	\$382,623	\$391,792	\$401,000	\$403,711	\$414,711	\$13,711
Revenue						
Miscellaneous Revenue	8,083	10,759	10,800	9,000	17,000	6,200
Transfers	1,086	1,160	-	2,000	2,000	2,000
Total Revenue	9,169	11,919	10,800	11,000	19,000	8,200
Total Resources	391,792	403,711	411,800	414,711	433,711	21,911
Expenditures						
Transfers	\$-	\$-	\$-	\$-	\$17,000	\$17,000
Total Expenditures	-	-	-	-	17,000	17,000
Reserved Fund Balance	-	-	411,800	-	416,711	4,911
Total Requirements	\$-	\$-	\$411,800	\$-	\$433,711	\$21,911

FIBER

Summary

The City of Burlington has fiber optic cables installed in various parts of the City. This infrastructure is primarily utilized to connect City facilities and City infrastructure. There are a handful of customers connected to the system currently.

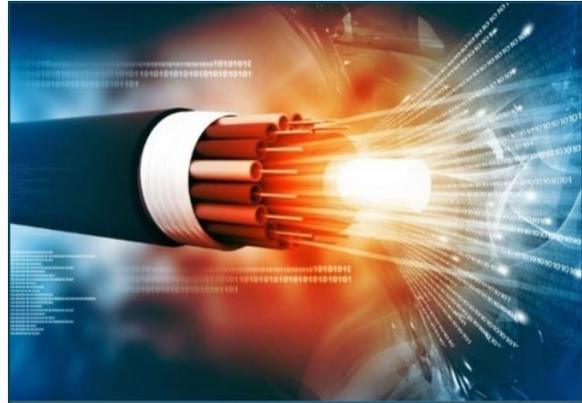
The city's fiber system has 2 basic modes of operations, one is dark fiber leasing and the other is Passive Optical Networking (PON). PON uses fiber splitters which makes the best use of fiber, but also makes the fiber more complex as it is a point to multipoint, much like a tree trunk-tree branch topology.

The city does not provide internet telecommunications services. It partners with Internet Service Providers (ISP's) who provide internet services. The ISP's mainly use their managed equipment PON systems and each ISP is separate from the other. The city does not charge for lease lines for PON fiber use, it charges per end customer. The exception is Summary of charges:

Mode 1a: Dark fiber lease to an ISP to get from one point to another. Not based on speed or type of use.

Mode 1b: Dark fiber lease to a business Not based on speed or type of use.

Mode 1c: Dark fiber lease to an agency or a non-profit to get from one point to another.



PON Mode 2 PON Mode 2: Charge to an end business customer, regardless of what fiber strands are used or quantity of fiber strands required.

The City also charges for equipment rack use.

2026 Budget Highlights

- This operation will be evaluated by staff during Q1/Q2 with alternatives presented to Council prior to Council Goal Setting.

Budget

	2023	2024	2025	2025	2026	2026	Change from
	Actual	Actual	Budget	Projected	Proposed	2026 Adopted	2025 Budget
				Year End			
Resources							
Beginning Balance	\$ 281,060	\$ 315,528	\$ 415,000	\$ 372,406	\$ 449,006	\$ 449,006	\$ 34,006
Revenue							
Intergovernmental Revenues	-	4,590	-	-	-	-	-
Miscellaneous Revenues	78,801	89,524	85,500	84,000	108,000	108,000	22,500
Other Financing Sources	-	-	-	-	-	-	-
Total Revenue	78,801	94,114	85,500	84,000	108,000	108,000	22,500
Total Resources	\$ 359,861	\$ 409,642	\$ 500,500	\$ 456,406	\$ 557,006	\$ 557,006	\$ 56,506
Expenditures							
Fiber Salaries & Wages Indirect Cost	\$ 17,718	\$ -	\$ -	\$ -	\$ 15,000	\$ 15,000	\$ 15,000
Supplies and Services	22,025	37,236	37,200	7,400	53,000	53,000	15,800
Capital Outlay	4,590	-	-	-	-	-	-
Total Expenditures	44,333	37,236	37,200	7,400	68,000	68,000	30,800
Reserved Fund Balance	-	-	463,300	-	489,006	489,006	25,706
Total Requirements	\$ 44,333	\$ 37,236	\$ 500,500	\$ 7,400	\$ 557,006	\$ 557,006	\$ 56,506

FIRE/EMS

Department Summary

The Fire/EMS Fund (150) supports fire suppression, emergency medical services, rescue operations, and prevention activities for the Burlington Fire Department. This fund provides for personnel, training, equipment, and community outreach to ensure a safe and resilient Burlington community. Guided by our mission, vision, and values, we serve with compassion, professionalism, and a commitment to community engagement, delivering progressive, high-quality emergency services that promote safety and team well-being.

Essential services provided include:

- Emergency responses, including fires, medical incidents, rescues, hazardous conditions, service calls, and false alarms.
- Pre-incident planning and public education programs mitigate risks and enhance fire safety readiness.

Upcoming Major Projects

- Community Risk Assessment and Adoption of Level of Service Standards
- Department Strategic Plan
- Fire Training Facility
- Mid-Rise Response Training
- OSHA CFR 1910.156 Compliance (implement updated fire brigade safety requirements)



2026 Budget Highlights

- To address budget constraints, the Fire Department has realigned staffing priorities, deferring additional personnel requests and reducing overtime via daily staff level adjustments. These steps will routinely impact operational capacity and limit Quint availability.
- Update training facility to resolve zoning and mitigation closures.
- Begin portable radio replacement ensuring secure, reliable emergency communications.
- Increase training funding to build specialized skills for local growth trends.
- Hire MIH provider to support responder and community mental health with initial grant funding.
- Finalize and order next ambulance for late 2027 delivery per the vehicle replacement plan.

Outcomes

- Service enhancements contribute to improved insurance ratings and safer outcomes.

Performance Measures

	2023 Avg	2024 Avg	2025 YTD	2026 Est.	Target
Response Time Average Across Zones	5:23	4:36	3:54	<4:00	90% of calls responded to within four minutes
Cardiac Arrest Survival Rate	15.4%	15.8%	12.3%	15.6%	50%+ survival rate (non-trauma)
Fire Incident Containment Rate	27%	10.7%	34.8%	95%	95% contained to the room of origin

If Below Target:

- Address train delays, overlapping incidents, and slower outside agencies.
- Expand CPR/AED education, reinstate public educator elements, enhance MIH integration.
- Improve training, deployment, data tracking, and facility upgrades to enhance containment performance.

Key Activity Measures

	2023	2024	2025 Est.	2026 Est.
Annual Calls for Service	4,458	4,709	4,380	4,600
Transports per Year	1,474	1,609	1,756	1,900

Budget

	2023	2024	2025	2025	2026	Change from
	Actual	Actual	Budget	Projected Year End	Proposed	2025 Budget
Resources						
Beginning balance	\$548,342	\$14,839	\$690,000	\$488,897	\$43,905	\$(646,095)
Revenue						
Intergovernmental						
Revenues	1,988,963	2,472,169	2,694,046	2,676,000	2,624,000	(70,046)
Charges for Services	806,698	981,539	788,200	797,000	806,000	17,800
Miscellaneous Revenues	26,514	17,481	18,000	11,000	16,000	(2,000)
Transfers	2,586,827	3,720,400	3,497,452	3,497,452	4,150,000	652,548
Total Revenue	5,409,002	7,191,589	6,997,698	6,981,452	7,596,000	598,302
Total Resources	\$5,957,344	\$7,206,428	\$7,687,698	\$7,470,349	\$7,639,905	\$(47,793)
Expenditures						
Salaries & Wages	\$3,965,985	\$4,272,697	\$4,157,681	\$4,683,000	\$4,508,000	\$350,319
Personnel Benefits	1,062,296	1,208,895	1,361,067	1,317,244	1,341,000	(20,067)
Supplies & Services	910,694	1,232,641	1,608,950	1,423,400	1,711,700	102,750
Debt Service	3,529	3,298	-	2,800	3,000	3,000
Contingency	-	-	-	-	-	-
Total Expenditures	5,942,505	6,717,531	7,127,698	7,426,444	7,563,700	436,002
Reserved Fund Balance	-	-	560,000	-	76,205	(483,795)
Total Requirements	\$5,942,505	\$6,717,531	\$7,687,698	\$7,426,444	\$7,639,905	\$(47,793)

Noteworthy Accomplishments

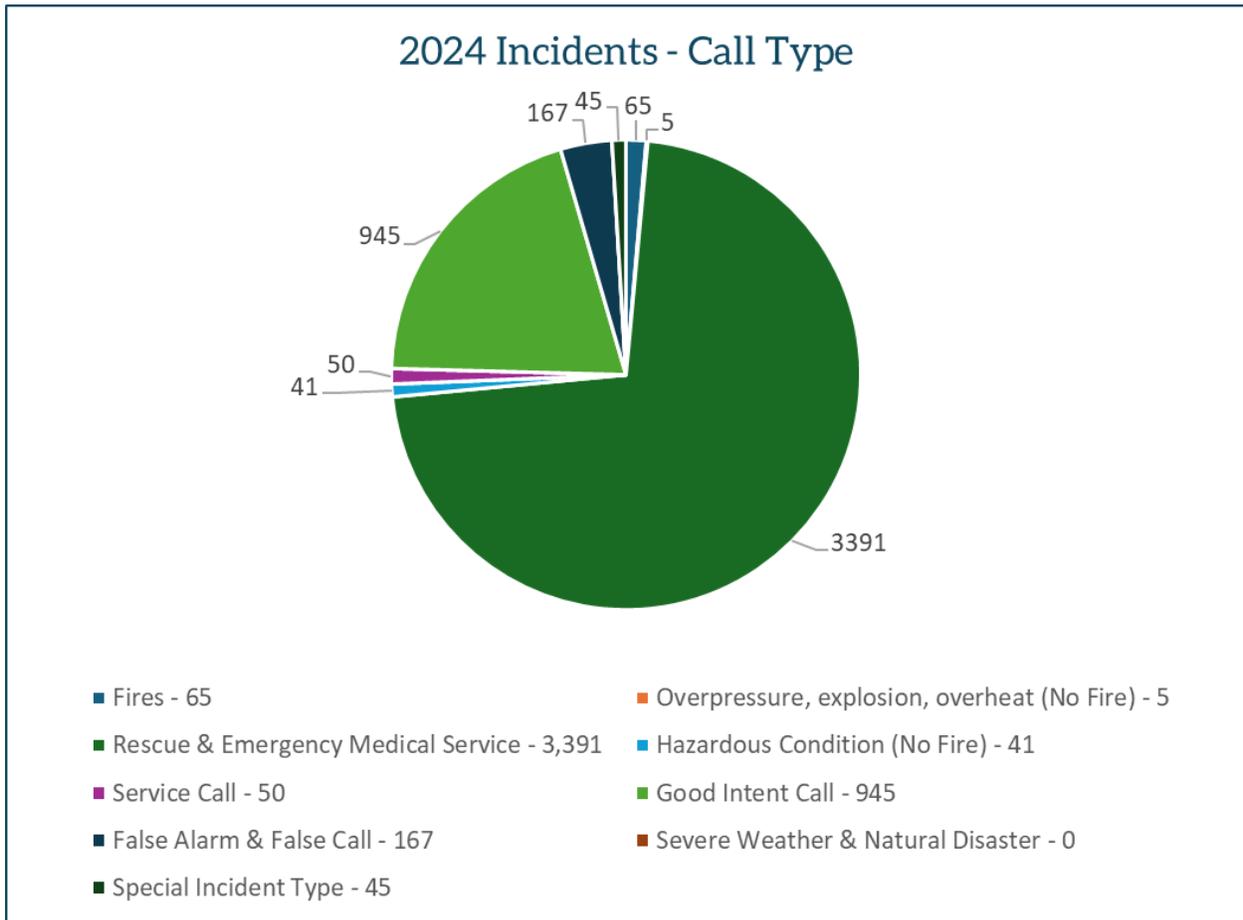
- Implemented ESO data system for inspections and pre-incident planning, improving accuracy.
- Strengthened coordination with Fire Marshal's office.
- Improved WSRB rating from Class 5 to 4 (missed Class 3 by 0.25 points).
- Established Wildland Fire Program in 2024 using grant funding.
- Expanded technical rescue capabilities (water and rope rescue).
- Completed a \$2.7M fire station remodel in 2023 to support staffing and operations.

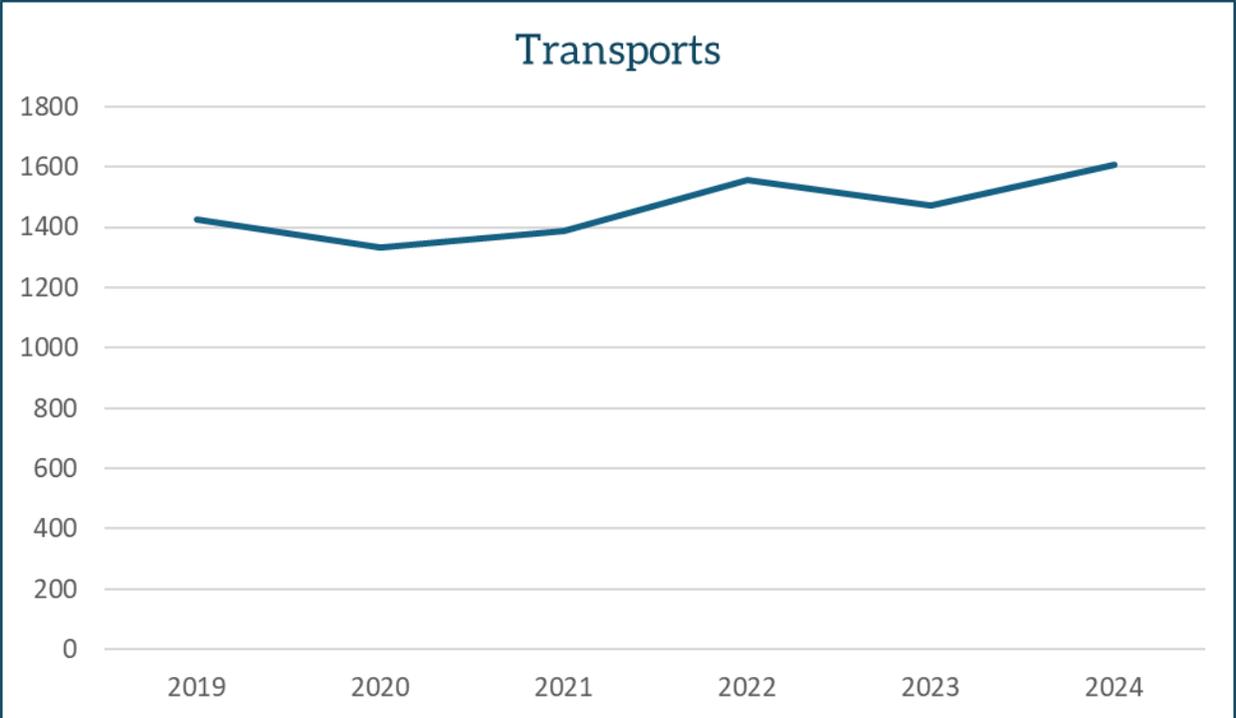
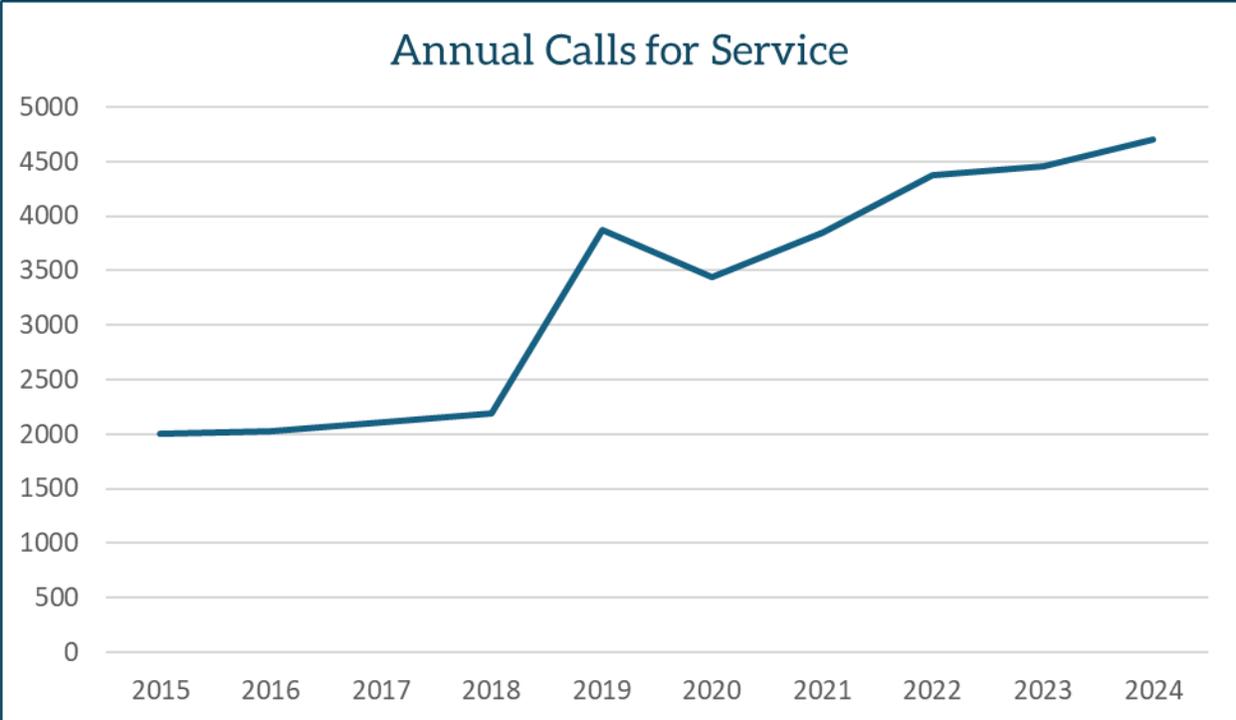


Did You Know?

- Fire/EMS responds to 4,700+ calls annually, including 3,391 medical calls in 2024.
- Prevention programs reached 1,831 residents through 23 community events in 2024.
- Each year the Fire department publishes an annual report that provides a comprehensive overview of the year's operations, achievements, and key performance metrics in service to the community.

Activity Measures





FIRST STEP CENTER OPERATING

Summary

The First Step Center Fund houses the Affordable and Supportive Housing Sales and Use Tax passed by City Council on July 13, 2020, Ordinance number 1889 authorized by SHB 1406. Per the DOR local tax reference guide, the resources are to be used for:

- Acquiring, rehabilitating, or constructing affordable housing which may include new units of affordable housing within an existing structure or facilities providing supportive housing services under RCW 17.24.385.
- Connectivity Funding the operations and maintenance costs of new units of affordable and supportive housing.



2026 Budget Highlights

The product of a partnership between the City of Burlington, Skagit County, and Friendship House, the **Skagit First Step Center** is considered the "first stride in stepping out of homelessness". The Center is a low-barrier shelter located at 465 Pease Road in Burlington, offering 24/7 temporary emergency homeless services. Friendship House oversees the daily management and operations of the Center's services which include:

- Mental Health Support
- Substance Abuse Support
- Employment Services
- Medical Visits
- Meal Services
- Laundry

Budget

	2023	2024	2025	2025	2026	Change from
	Actual	Actual	Budget	Projected	Proposed	2025 Budget
				Year End		
Resources						
Beginning Balance	\$ 58,908	\$ 19,437	\$ 10,000	\$ 20,340	\$ 17,267	\$ 7,267
Revenue						
Taxes	76,198	74,868	80,000	75,373	78,000	(2,000)
Miscellaneous Revenues	494	567	400	200	-	(400)
Transfers	-	-	-	1,354	-	-
Total Revenue	76,692	75,434	80,400	76,927	78,000	(2,400)
Total Resources	\$ 135,600	\$ 94,871	\$ 90,400	\$ 97,267	\$ 95,267	\$ 4,867
Expenditures						
Supplies and Services	\$ 116,163	\$ 74,531	\$ 80,150	\$ 80,000	\$ 80,000	(150)
Total Expenditures	116,163	74,531	80,150	80,000	80,000	(150)
Reserved Fund Balance	-	-	10,250	-	15,267	5,017
Total Requirements	\$ 116,163	\$ 74,531	\$ 90,400	\$ 80,000	\$ 95,267	\$ 4,867

LODGING TAX

Summary

The Lodging Tax Fund supports tourism-related activities that enhance the visitor experience and promote economic development. Revenues are derived from taxes levied on overnight stays at hotels, motels, short-term rentals, and other lodging facilities within city limits. Per RCW 67.28.1816, funds must be used for tourism marketing, special events and festivals, and capital expenditures for tourism-related facilities. Projected lodging tax revenue for FY2026 is conservatively forecast at \$650,000, consistent with the current year estimate.

2026 Budget Highlights

\$660,000 is budgeted for allocations of lodging tax monies to various agencies, including the City, for endeavors that generate overnight stays in Burlington. The City's Lodging Tax Advisory Committee solicits proposals, evaluates the proposals, and makes recommendations to the City Council. Final awards by the Council are pending.



Budget

	2023	2024	2025	2025	2026	Change from
	Actual	Actual	Budget	Projected	Proposed	2025 Budget
				Year End		
Resources						
Beginning Balance	\$ 722,720	\$ 795,619	\$ 1,091,074	\$ 783,858	\$ 618,358	\$ (472,716)
Revenue						
Taxes	641,090	681,814	900,000	650,000	685,000	(215,000)
Miscellaneous Revenues	16,846	23,350	15,000	19,000	19,000	4,000
Total Revenue	657,935	705,164	915,000	669,000	704,000	(211,000)
Total Resources	\$ 1,380,656	\$ 1,500,783	\$ 2,006,074	\$ 1,452,858	\$ 1,322,358	\$ (683,716)
Expenditures						
Salaries & Wages	\$ 13,005	\$ 19,503	\$ -	\$ -	\$ -	\$ -
Personnel Benefits	4,885	3,308	-	-	-	-
Supplies and Services	567,147	694,115	834,500	834,500	700,000	(134,500)
Total Expenditures	585,037	716,926	834,500	834,500	700,000	(134,500)
Reserved Fund Balance			1,171,574	-	622,358	(549,216)
Total Requirements	585,037	716,926	2,006,074	834,500	1,322,358	(683,716)
Resources Over (Under) Expenditur	795,619	783,858	1,171,574	618,358	622,358	(549,216)

PARK ENDOWMENT

Summary

The Parks Endowment Fund exists because of a generous donation from Carrie and Curly Grafton. Grafton Park is now located on the corner of Lila Lane and South Burlington Boulevard. The endowment exists to fund the operation and maintenance of this park. When this fund is exhausted, the Parks Operating Budget will assume these responsibilities.



2026 Budget Highlights

Complete improvements consistent with the donation and close the fund.

Budget

	2023 Actual	2024 Actual	2025 Budget	2025 Projected Year End	2026 Proposed	Change from 2025 Budget
Resources						
Beginning Balance	\$28,766	\$21,320	\$19,069	\$20,018	\$18,018	\$(1,051)
Revenue						
Miscellaneous Revenues	479	573	500	-	-	(500)
Total Revenue	479	573	500	-	-	(500)
Total Resources	\$24,245	\$21,893	\$19,569	\$20,018	\$18,018	\$(1,551)
Expenditures						
Supplies and Services	\$2,925	\$1,874	\$3,050	\$2,000	\$2,500	\$(550)
Capital Outlay	-	-	-	-	15,518	15,518
Contingency	-	-	-	-	-	-
Total Expenditures	2,925	1,874	3,050	2,000	18,018	14,968
Reserved Fund Balance	-	-	-	-	-	-
Total Requirements	\$2,925	\$1,874	\$3,050	\$2,000	\$18,018	\$14,968

PUBLIC ART

Summary

The Public Art Fund supports the creation and installation of public artworks that enhance community spaces, foster civic engagement, and reflect the cultural diversity of our city. Projects funded through this program may include murals, sculptures, and interactive installations. The annual City of Burlington allocation for the Public Art Fund is \$20,000, supporting approximately numerous projects across the city. Funding will be distributed through a competitive selection process managed by the Arts Commission.



2026 Budget Highlights

- \$80,000 is budgeted to facilitate investment in public art projects.

Budget

	2023 Actual	2024 Actual	2025 Budget	2025 Projected Year End	2026 Proposed	Change from 2025 Budget
Resources						
Beginning Balance	\$ -	\$ -	\$ 19,019	\$ 40,774	\$ 49,774	\$ 30,755
Revenue						
Miscellaneous Revenues	-	774	-	1,000	1,000	1,000
Transfers	-	40,000	20,000	20,000	20,000	-
Total Revenue	-	40,774	20,000	21,000	21,000	1,000
Total Resources	\$ -	\$ 40,774	\$ 39,019	\$ 61,774	\$ 70,774	\$ 31,755
Expenditures						
Supplies and Services	\$ -	\$ -	\$ -	\$ 12,000	\$ -	\$ -
Capital Outlay	-	-	-	-	70,774	70,774
Total Expenditures	-	-	-	12,000	70,774	70,774
Reserved Fund Balance	-	-	-	-	-	-
Total Requirements	\$ -	\$ -	\$ -	\$ 12,000	\$ 70,774	\$ 70,774

STREETS

Department Summary

The Streets/Storm Collections Division, staffed by seven employees, manages right-of-way infrastructure repair and maintenance, small in-house construction projects, and departmental equipment upkeep. By performing tasks typically outsourced, the division has reduced contractor costs by approximately 33%, enhancing operational efficiency and enabling timely support for first responders and community needs.



2026 Budget Highlights

- Continue to maintain regular operations and respond to weather/emergencies
- Install traffic and pedestrian safety measures
- Expand sidewalk repair program
- Implement non-arterial street repair rating system to determine which projects to complete based on condition ratings
- Replace select vehicles and equipment as noted in the ER&R schedule



Upcoming Major Projects

- Develop an efficient tracking system to manage department workload.
- Establish a departmental ROW rating system to guide prioritization of future projects
- Develop a plan for an in-house paving program

Outcomes

- Safe, passable, and well-maintained right-of-way infrastructure will ensure Burlington-owned streets, sidewalks, and related infrastructure are clean, safe, and presentable for residents and over 60,000 daily visitors.
- Cost-effective in-house operations demonstrate efficient use of resources and fiscal responsibility.

Budget

	2023 Actual	2024 Actual	2025 Budget	2025 Projected Year End	2026 Proposed	Change from 2025 Budget
Resources						
Beginning Balance	\$ 203,721	\$ 135,209	\$ 244,109	\$ 179,256	\$ 122,256	\$ (121,853)
Revenue						
Licenses & Permits	20,395	68,913	50,000	52,000	55,000	5,000
Intergovernmental Revenues	219,184	188,019	204,254	187,000	214,000	9,746
Charges for Services	898	4,183	2,000	3,000	2,000	-
Miscellaneous Revenues	15,489	15,678	57,500	21,000	6,000	(51,500)
Transfers	729,103	1,020,000	1,033,601	1,034,000	1,100,000	66,399
Total Revenue	985,069	1,296,793	1,347,355	1,297,000	1,377,000	29,645
Total Resources	\$ 1,188,790	\$ 1,432,002	\$ 1,591,464	\$ 1,476,256	\$ 1,499,256	\$ (92,208)
Expenditures						
Salaries & Wages	\$ 295,903	\$ 394,120	\$ 406,308	\$ 411,000	\$ 420,000	\$ 13,692
Personnel Benefits	109,574	136,262	152,284	144,000	151,000	(1,284)
Supplies and Services	636,186	710,546	783,763	787,000	848,000	64,237
Debt Service	11,919	11,818	5,000	12,000	12,000	7,000
Total Expenditure	1,053,581	1,252,746	1,347,355	1,354,000	1,431,000	83,645
Reserved Fund Balance	-	-	244,109	-	68,256	(175,853)
Total Requirements	\$ 1,053,581	\$ 1,252,746	\$ 1,591,464	\$ 1,354,000	\$ 1,499,256	\$ (92,208)

Noteworthy Accomplishments

- North Blvd Light Pole Reinstallation: Completed demolition of the existing base, installed a new base, and assisted electricians with the installation of the light pole.
- Avon & Burlington Blvd Guardrail Replacement: Installed 90 feet of guardrail posts, enhancing roadway safety for vehicles and pedestrians.
- Sidewalk Panel Replacement: Replaced approximately 700 linear feet of sidewalk panels at Woollen, Anacortes, and Burlington Blvd, improving pedestrian safety and accessibility.
- Curb and Gutter Repairs: Completed 200 linear feet of curb and gutter repairs, maintaining safe and passable streets throughout the City.

Did You Know?

- The Street Department responds to emergencies and severe weather events, including urban flooding, wind damage, and Skagit River floods, to keep the City safe and passable.
- Street crews assist first responders by setting perimeters, closing streets, and cleaning up accident scenes, supporting emergency operations citywide.
- The department not only maintains streets but also manages traffic and pedestrian safety improvements, including roadway markings, crosswalks, stop bars, and raised pavement markers (called “turtles”).



Activity Measures

Figure 1: Current number of scheduled work tasks along with progress.

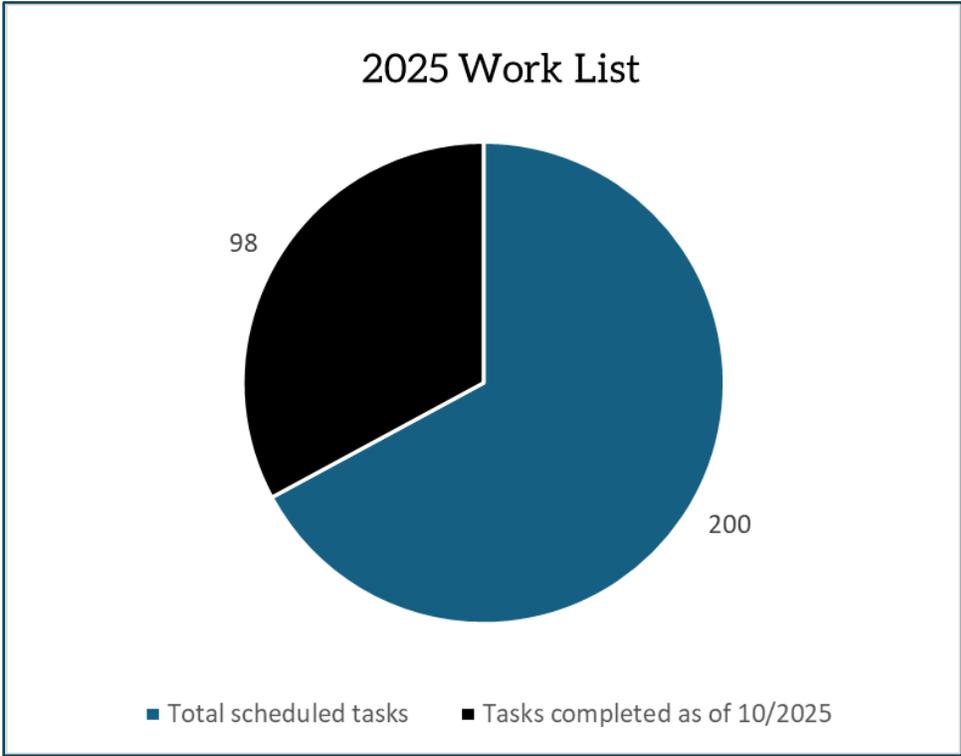
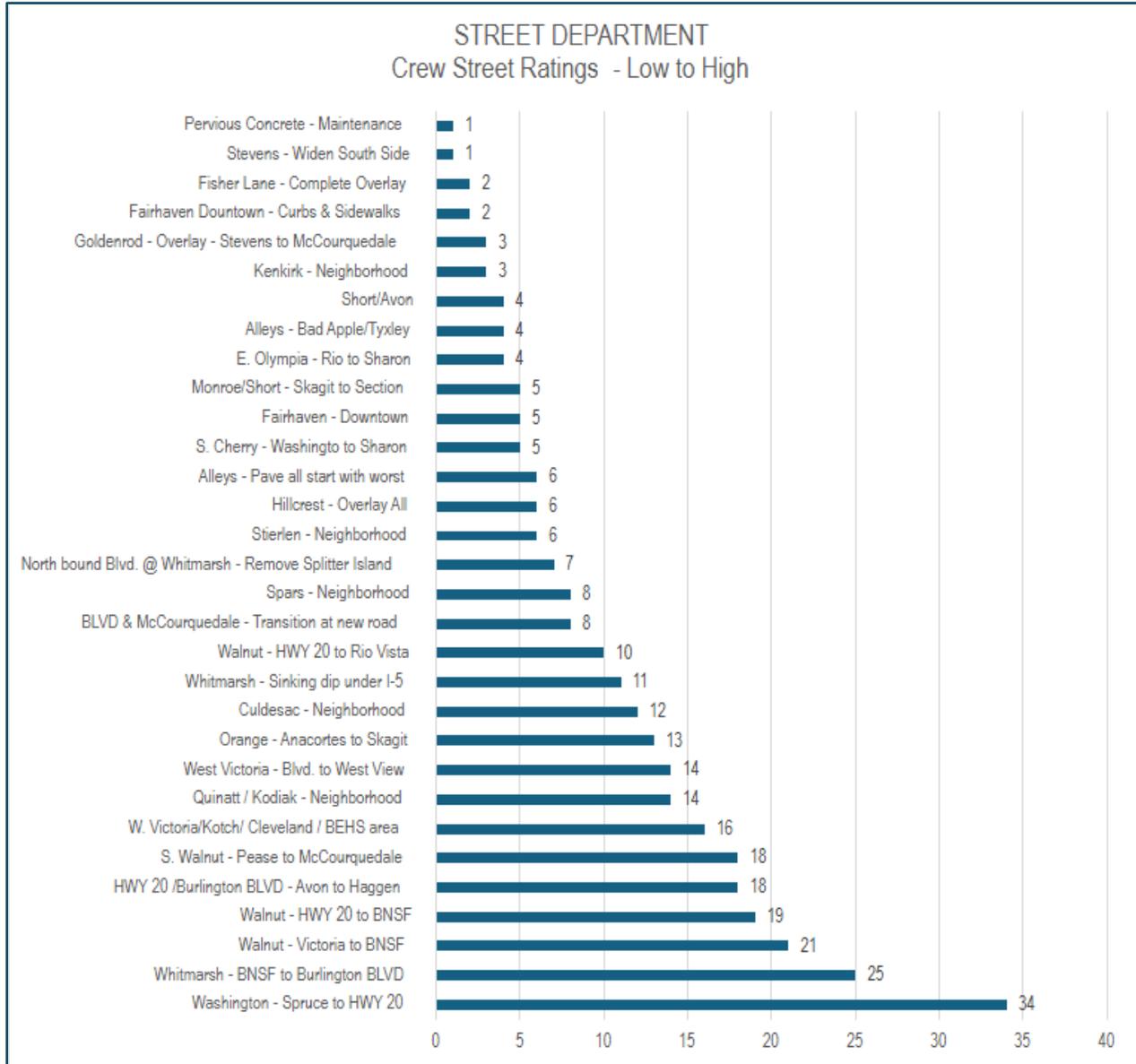


Figure 2: The Street Department conducted an in-house crew-driven rating of some of the worst areas and/or recognized needs for the streets of Burlington. More points = worse rated or greatest need. This tool will be used as part of the overall rating system to determine project order depending on budget and/or time available.



SUBSTANCE ABUSE

Summary

This fund shall be used for the purpose of funding activities intended to prevent or limit substance abuse. The fund may also be used to acquire equipment necessary for the investigation of drug crimes.

The city’s share of the WA state opioid settlement funds is held in this fund. Spending these funds is to be consistent with the state Opioid Response Plan to fight against the opioid epidemic.



2026 Budget Highlights

- Funding consistent with North Star presentations has been provided. \$15,000 is provided in contingency for other qualifying services as desired by Council.

Budget

	2023 Actual	2024 Actual	2025 Budget	2025 Projected Year End	2026 Proposed	Change from 2025 Budget
Resources						
Beginning Balance	\$ 24,975	\$ 50,997	\$ 372,365	\$ 193,686	\$ 230,686	\$ (141,679)
Revenue						
Miscellaneous Revenues	29,947	142,689	52,650	37,000	40,000	(12,650)
Total Revenue	29,947	142,689	52,650	37,000	40,000	(12,650)
Total Resources	\$ 54,922	\$ 193,686	\$ 425,015	\$ 230,686	\$ 270,686	\$ (154,329)
Expenditures						
Supplies and Services	\$ 3,925	\$ -	\$ 10,350	\$ -	\$ 185,000	\$ 174,650
Total Expenditures	3,925	-	10,350	-	185,000	174,650
Reserved Fund Balance	-	-	414,665	-	85,686	(328,979)
Total Requirements	\$ 3,925	\$ -	\$ 425,015	\$ -	\$ 270,686	\$ (154,329)

TRANSPORTATION BENEFIT DISTRICT

Summary

The council passed the creation of the Transportation Benefit District (TBD) fund with ordinance 1946 on August 22, 2024.

The TBD is a separate taxing district administered by the city council that collects monies that can only be used for projects that benefit transportation in all its forms, such as sidewalks, bike lanes, and trails.

2026 Budget Highlights

- Supporting Council Priorities
 - Fairhaven Streetscape
 - ADA improvements
 - Improve Bikeability
 - Safety improvements

Funding for initiatives are made via transfer from the TBD Fund to other funds as follows:

- \$600,000 to the Street Fund
 - Reducing the General Fund transfer
- \$75,000 to the General Fund for Fairhaven Streetscape Visioning



- \$665,000 to the Arterial Street Fund to fund the City's grant requirement, Andis signal analysis, SR20 Anacortes intersection and \$200,000 sidewalk, walkability/bikeability initiatives.

Upcoming Major Projects

- Evaluate options for safe ped crossing at Burlington Blvd & Andis St
- Systematically replace ramps that are not currently ADA compliant

SR 20 & Anacortes intersection safety planning

Outcomes

- Support the safe and efficient maintenance and improvements to our transportation system.

Budget

	2023 Actual	2024 Actual	2025 Budget	2025 Projected Year End	2026 Proposed	Change from 2025 Budget
Resources						
Beginning Balance	\$ -	\$ -	\$ -	\$ -	\$ 574,000	\$ 574,000
Revenue						
Taxes	-	-	1,000,000	947,000	1,200,000	200,000
Miscellaneous Revenues	-	-	-	2,000	10,000	10,000
Total Revenue	-	-	1,000,000	949,000	1,210,000	210,000
Total Resources	\$ -	\$ -	\$ 1,000,000	\$ 949,000	\$ 1,784,000	\$ 784,000
Expenditures						
Transfers	\$ -	\$ -	\$ 375,000	\$ 375,000	\$ 1,290,000	\$ 915,000
Total Expenditures	-	-	375,000	375,000	1,290,000	915,000
Reserved Fund Balance	-	-	625,000	-	494,000	(131,000)
Total Requirements	\$ -	\$ -	\$ 1,000,000	\$ 375,000	\$ 1,784,000	\$ 784,000

Noteworthy Accomplishments

In 2025, TBD funds were used to help fund intersection safety improvements at the intersection of SR 20 & Skagit Street.

DEBT SERVICE FUNDS

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DEBT SERVICE

Summary

The purpose of the Debt Service Fund is to account for the accumulation of resources to pay the principal and interest on a Limited Tax General Obligation Bond (LTGO). The current Bond was issued per Ordinance No. 1647 on January 10th, 2008, in the amount of \$6,950,000. The bond proceeds served to finance street improvements, acquisition of Rights-of-Way, and acquisition of land for parks. The final payment for this bond will be made on December 1, 2027.

2026 Budget Highlights

- The loan matures in 2027.
- Transfers are adjusted in 2026 to match the projected 2027 requirement of approximately \$210,000.
- Beginning in 2027, funding will shift from the General Fund to Fund 301 (REET) to ensure sustainability.
- The 2025 General Fund transfer is reduced due to an overfunded Debt Service balance.

Budget

	2023 Actual	2024 Actual	2025 Budget	2025 Projected Year End	2026 Proposed	Change from 2025 Budget
Resources						
Beginning Balance	\$193,490	\$184,628	\$268,963	\$177,112	\$167,303	\$(101,660)
Revenue						
Miscellaneous Revenues	5,215	6,561	5,000	4,000	5,000	-
Transfers	314,980	314,980	364,980	265,000	210,000	(154,980)
Total Revenue	320,195	321,541	369,980	269,000	215,000	(154,980)
Total Resources	513,685	506,169	638,943	497,303	382,303	(256,640)
Expenditures						
Debt Service	329,057	329,057	339,195	330,000	330,000	(4,195)
Total Expenditures	329,057	329,057	339,195	330,000	330,000	(4,195)
Reserved Fund Balance	-	-	299,748	-	52,303	(252,444)
Total Requirements	\$329,057	\$329,057	\$638,943	\$330,000	\$382,303	\$(256,640)

CAPITAL PROJECT FUNDS

FIRST STEP CENTER CONSTRUCTION

Summary

The First Step Center Construction fund closed in 2025.



Budget

	2023 Actual	2024 Actual	2025 Budget	2025 Projected Year End	2026 Proposed	Change from 2025 Budget
Resources						
Beginning Balance	\$12,048	\$1,630	\$1,668	\$1,354	\$-	\$(1,668)
Revenue						
Interest	321	45	-	-	-	-
Total Revenue	321	45	-	-	-	-
Total Resources	\$12,369	\$1,675	\$1,668	\$1,354	\$-	\$(1,668)
Expenditures						
Supplies and Services	\$1,151	\$-	\$-	\$-	\$-	\$-
Capital Outlay	9,267					
Transfers	-	-	-	1,354	-	-
Total Expenditures	10,418	-	-	1,354	-	-
Reserved Fund Balance	-	-	1,668	-	-	(1,668)
Total Requirements	\$10,418	\$-	\$1,668	\$1,354	\$-	\$(1,668)

GENERAL CAPITAL RESERVE

Summary

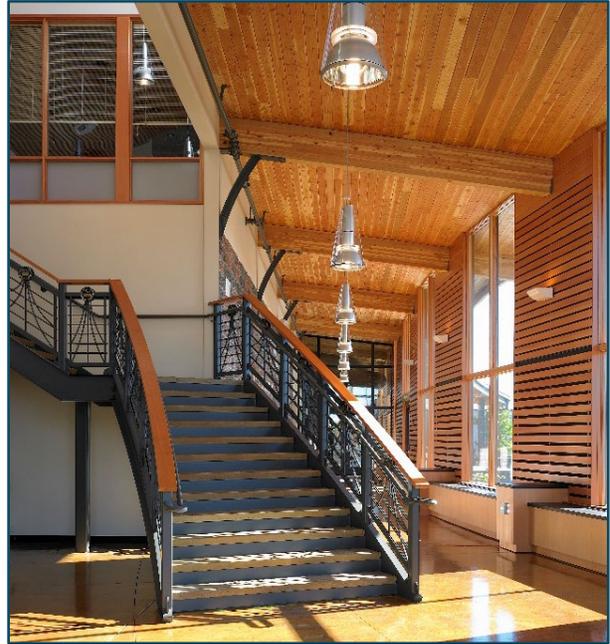
The General Fund Capital Reserve Fund allows the General Fund departments to purchase various capital assets. These expenditures were previously included in the General Fund operating budget and were separated beginning in 2015.

2026 Budget Highlights

- There are no transfers into this fund in 2026.
- Transfer to General Fund \$10,000 for an update to the Fire Impact Fee.

Major Projects

- Police Building Remodel, LED lighting and ADA Doors - \$645,000
- Fire Station HVAC - \$136,000
- Fire Training Facility – stormwater improvements - \$125,000
- City Hall Heating - \$36,000
- Parks & Rec Heating - \$26,000



Budget

	2023	2024	2025	2025	2026	Change from
	Actual	Actual	Budget	Projected	Proposed	2025 Budget
				Year End		
Resources						
Beginning Balance	\$ 668,519	\$ 848,435	\$ 869,665	\$ 976,400	\$ 992,400	\$ 122,735
Revenue						
Intergovernmental Revenues	13,811	-	-	-	-	-
Charges for Services	27,753	124,371	100,000	25,000	25,000	(75,000)
Miscellaneous Revenues	22,527	24,571	20,000	15,000	15,000	(5,000)
Transfers	860,000	-	-	-	-	-
Total Revenue	924,091	148,942	120,000	40,000	40,000	(80,000)
Total Resources	\$ 1,592,610	\$ 997,377	\$ 989,665	\$ 1,016,400	\$ 1,032,400	\$ 42,735
Expenditures						
Capital Outlay	\$ 744,175	\$ 20,977	\$ 210,000	\$ 24,000	\$ 1,016,000	\$ 806,000
Transfers	-	-	-	-	10,000	10,000
Total Expenditures	744,175	20,977	210,000	24,000	1,026,000	816,000
Reserved Fund Balance	-	-	779,665	-	6,400	(773,265)
Total Requirements	\$ 744,175	\$ 20,977	\$ 989,665	\$ 24,000	\$ 1,032,400	\$ 42,735

CAPITAL IMPROVEMENT

Summary

The Capital Improvement Fund is used to account for general government capital improvements. The primary funding source is a portion of Real Estate Excise Taxes.



2026 Budget Highlights

- REET revenue budgeted at \$325,000
- Transfer of \$200,000 to Street Fund
- \$50,000 to fund a public works facility feasibility study
- Internal debt service - \$148,000
- A transfer to the Debt Service Fund - \$160,000, replacing the transfer from the General Fund. Debt matures in 2027.

Budget

	2023	2024	2025	2025	2026	Change from
	Actual	Actual	Budget	Projected	Proposed	2025 Budget
				Year End		
Resources						
Beginning Balance	\$ 1,922,782	\$ 892,687	\$ 802,259	\$ 314,775	\$ 269,775	\$ (532,484)
Revenue						
Taxes	375,015	143,956	300,000	293,000	325,000	25,000
Miscellaneous Revenues	29,573	16,721	14,000	10,000	5,000	(9,000)
Interfund Loans	1,800,000	-	-	-	-	-
Total Revenue	2,204,588	160,677	314,000	303,000	330,000	16,000
Total Resources	\$ 4,127,370	\$ 1,053,364	\$ 1,116,259	\$ 617,775	\$ 599,775	\$ (516,484)
Expenditures						
Debt Service	\$ -	\$ 147,267	\$ 136,000	\$ 148,000	\$ 148,000	\$ 12,000
Capital Outlay	2,248,433	391,323	780,000	-	50,000	(730,000)
Transfers	986,250	200,000	200,000	200,000	200,000	-
Total Expenditures	3,234,683	738,589	1,116,000	348,000	398,000	(718,000)
Reserved Fund Balance	-	-	259	-	201,775	201,516
Total Requirements	\$ 3,234,683	\$ 738,589	\$ 1,116,259	\$ 348,000	\$ 599,775	\$ (516,484)

PARKS AND RECREATION CAPITAL

Summary

The Parks and Recreation Capital Improvement Fund accounts for investments in public park infrastructure and amenities.

Projects are selected based on community priorities and are aligned with Burlington's comprehensive plan and six-year Capital Improvement Program (CIP). Funding sources typically include local taxes, grants, and other public revenues dedicated to enhancing the city's recreational assets

2026 Budget Highlights

- REET income of \$325,000
- Grants totaling \$419,000
- Impact fees - \$50,000

Major Projects

- Complete PROs Plan - \$30,000
- Jason Boerner Playground
 - Improvements - \$450,000
 - Equipment install - \$164,000
- Maiben Park - \$965,000
- Rotary Park Restrooms - \$285,000
- Skagit River Park Master Plan - \$150,000



Outcomes

- Completion of major upgrades to three local parks.
- A plan document needed to pursue grant funding for SRP and guide future development

Budget

	2023 Actual	2024 Actual	2025 Budget	2025 Projected Year End	2026 Proposed	2026 Adopted	Change from 2025 Budget
Resources							
Beginning Balance	\$ 2,554,729	\$ 2,722,920	\$ 1,428,684	\$ 2,265,189	\$ 2,346,189	\$ 2,346,189	\$ 917,505
Revenue							
Taxes	373,028	143,925	300,000	289,000	325,000	325,000	25,000
Intergovernmental Revenues	-	134,039	-	297,000	419,000	419,000	419,000
Charges for Services	70,404	311,812	300,000	10,000	50,000	50,000	(250,000)
Miscellaneous Revenues	55,813	87,994	78,000	40,000	17,000	17,000	(61,000)
Other Increases in Resources	-	28,716	25,000	65,000	-	-	(25,000)
Total Revenue	499,244	706,485	703,000	701,000	811,000	811,000	108,000
Total Resources	\$ 3,053,974	\$ 3,429,405	\$ 2,131,684	\$ 2,966,189	\$ 3,157,189	\$ 3,157,189	\$ 1,025,505
Expenditures							
Supplies and Services	\$ 53,542	\$ 67,150	\$ 63,684	\$ -	\$ -	\$ -	\$ (63,684)
Other Decreases	-	-	-	10,000	-	-	-
Capital Outlay	277,512	1,097,066	1,000,000	610,000	2,044,000	2,044,000	1,044,000
Transfers	-	-	-	-	15,000	15,000	15,000
Total Expenditures	331,054	1,164,216	1,063,684	620,000	2,059,000	2,059,000	995,316
Reserved Fund Balance	-	-	1,068,000	-	1,098,189	1,098,189	30,189
Total Requirements	\$ 331,054	\$ 1,164,216	\$ 2,131,684	\$ 620,000	\$ 3,157,189	\$ 3,157,189	\$ 1,025,505

PROPRIETARY FUNDS

SEWER

Department Summary

The Sewer Department operates a wastewater treatment plant that services the City of Burlington, plus limited areas of Skagit County to the west and north of the City. Under its current discharge permit, the plant has the capabilities of treating 3.79 million gallons of wastewater per day. The wastewater collection system includes approximately 58 miles of gravity sewer pipes varying in size from 4-inch diameter to 21-inch diameter interceptors. Because of the flat terrain in the Burlington area, sewage must be pumped via force mains to the treatment plant. There is a total of 21 pump stations within the system. The physical assets of the system are extensive, and the environment for the equipment is harsh. This translates to a high investment in maintenance and capital projects to keep a critical service for the community fully operational at all times.

2026 Budget Highlights

The Sewer Fund operates as a self-sufficient enterprise, generating its own revenue and reimbursing other City funds for services provided. The City maintains two separate funds:

- City Sewer Fund (Fund 401) – Supports the day-to-day operations and maintenance of the wastewater treatment plant.
- Sewer Capital Improvement Fund – Finances system upgrades and expansions needed to support future growth.



- The Sewer Fund derives revenue from monthly service fees, septage disposal charges, and sewer plan review fees. The Capital Improvement Fund is supported by the General Facility Charge (GFC), a one-time fee assessed on new connections to recover a portion of the cost of additional system capacity required to serve those customers.

Outcomes

- Influent and Effluent Pump Station upgrades include new motor control buildings with modern equipment (VFDs, PLCs, and communication systems), improved ventilation and odor control, a standby generator, and replacement or refurbishment of wet well piping and hardware.
- WWTP Upgrades replaces aging mechanical and electrical systems, including blowers, VFDS, PLCs, MCCs, and grit equipment. Adds new isolation valves, updated surface coatings, and pH monitoring equipment at key treatment stages for real-time process control.

Performance Measures

	2023	2024	2025 Est.	2026 Est.	Target
Maintain D.O.E. regulatory compliance	Yes	Yes	Yes	Yes	100% compliance

Key Activity Measures

	2023	2024	2025 Est.	2026 Est.
Quantity of wastewater processed per year (millions of gallons)	538,935	509,953	524,444	523,665

Budget

	2023 Actual	2024 Actual	2025 Budget	2025 Projected Year End	2026 Proposed	Change from 2025 Budget
Resources						
Beginning Balance	\$ 2,807,054	\$ 3,112,595	\$ 3,462,146	\$ 3,888,447	\$ 3,244,088	\$ (218,058)
Revenue						
Licenses & Permits Revenue	31,883	32,895	25,000	18,000	25,000	-
Charges for Services	4,359,696	4,795,938	4,511,600	5,012,000	5,268,000	756,400
Fines & Penalties	38,733	43,497	40,000	41,000	40,000	-
Miscellaneous Revenues	64,392	92,685	77,000	71,000	61,000	(16,000)
Other Financing Sources	-	-	-	-	59,000	59,000
Total Revenue	4,494,704	4,965,015	4,653,600	5,142,000	5,453,000	799,400
Total Resources	\$ 7,301,757	\$ 8,077,610	\$ 8,115,746	\$ 9,030,447	\$ 8,697,088	\$ 581,342
Expenditures						
Salaries & Wages	\$ 1,166,629	\$ 1,339,642	\$ 1,396,060	\$ 1,422,988	\$ 1,560,500	\$ 164,440
Personnel Benefits	386,401	445,514	434,487	454,171	462,700	28,213
Supplies and Services	1,239,467	1,402,419	1,539,042	1,016,200	1,632,500	93,458
Debt Service	2,040	1,588	-	2,000	2,000	2,000
Transfers	1,200,000	1,000,000	1,200,000	1,200,000	1,215,000	15,000
Loans to Other Funds	-	-	-	1,691,000	-	-
Total Expenditures	3,994,536	4,189,162	4,569,588	5,786,360	4,872,700	303,112
Reserved Fund Balance	-	-	3,546,158	-	3,824,388	278,230
Total Requirements	\$ 3,994,536	\$ 4,189,162	\$ 8,115,746	\$ 5,786,360	\$ 8,697,088	\$ 581,341

Noteworthy Accomplishments

- For 12 consecutive years, we have received the Department of Ecology's Outstanding Performance Award.
- Lowest sewer rates in the area, based on a comparison of bi-monthly sewer rates for water consumption per 2023 website data (as of January 2023).

Did You Know?

- The Burlington Wastewater Treatment Plant can treat up to 3.79 million gallons of wastewater per day, serving the City and surrounding areas of Skagit County.
- Daily flow has been moving downward, contrary to the increase in new sewer connections. The department has been diligent in its efforts to reduce inflow and infiltration into the system. Thereby preserving capacity in the collection system and treatment plant.

SEWER CAPITAL RESERVE

Department Summary

The Sewer Capital Reserve Fund reserves resources for sewer capital projects. The Sewer Department plans projects in accordance with the 2023 Wastewater Comprehensive Plan, which outlines wastewater collection, transmission, treatment, and disposal needs over a 20-year planning period. The plan ensures consistency with population projections and helps prioritize capital improvements.



2026 Budget Highlights

- Capital Engineering services for 2026 capital projects - \$450K
- Infiltration & Inflow Mitigation - \$150K
- Capital Improvements - \$3,950,000
- Machinery & Equipment Replacement - \$335K
- Sewer Line Replacement - \$700K



Major Projects

- Influent & Effluent Pump Station Upgrades include new motor control buildings with modern equipment (VFDs, PLCs, and communication systems), improved ventilation and odor control, a standby generator, and replacement or refurbishment of wet well piping and hardware.
- 2026 WWTP Upgrades replaces aging mechanical and electrical systems, including blowers, VFDs, PLCs, MCCs, and grit equipment. Adds new isolation valves, updated surface coatings, and pH monitoring for real-time process control.

Outcomes

- Keep the system functioning efficiently
- Ensure capacity for future growth is available

Performance Measures

	2023	2024	2025 Est.	2026 Est.	Target
Percent of projects completed	100%	100%	100%	100%	100% successful continuation of multiyear projects
Percent of projects completed within budget or under budget	100%	100%	100%	100%	100% of projects stay within budget

Key Activity Measures

	2023	2024	2025 Est.	2026 Est.
Adequate contributions to reserve funds	Yes	Yes	Yes	Yes
Total value of funded projects in millions	\$1.8	\$4.8	\$3.8	\$5.5

Budget

	2023 Actual	2024 Actual	2025 Budget	2025 Projected Year End	2026 Proposed	Change from 2025 Budget
Resources						
Beginning balance	\$ 6,441,789	\$ 7,126,891	\$ 9,239,947	\$ 8,949,878	\$ 9,662,878	\$ 422,931
Revenue						
Charges for Services	230,322	1,255,606	750,000	250,000	250,000	(500,000)
Miscellaneous Revenues	154,166	231,681	165,000	158,000	121,000	(44,000)
Transfers In	1,200,000	1,000,000	1,200,000	1,200,000	1,200,000	-
Total Revenue	1,584,488	2,487,287	2,115,000	1,608,000	1,571,000	(544,000)
Total Resources	\$ 8,026,277	\$ 9,614,178	\$ 11,354,947	\$ 10,557,878	\$ 11,233,878	\$ (121,069)
Expenditures						
Capital Outlay	\$ 645,404	\$ 652,823	\$ 3,825,000	\$ 895,000	\$ 5,585,000	\$ 1,760,000
Loans to Other Funds/Other	48,831	11,477	-	-	-	-
Total expenditures	694,234	664,300	3,825,000	895,000	5,585,000	1,760,000
Reserved Fund Balance	-	-	7,529,947	-	5,648,878	(1,881,069)
Total Requirements	\$ 694,234	\$ 664,300	\$ 11,354,947	\$ 895,000	\$ 11,233,878	\$ (121,069)

Noteworthy Accomplishments

- The department successfully completed the bid and award process for critical pump station upgrades and advanced the design phase for upcoming wastewater treatment plant (WWTP) improvements.

Did You Know?

- The Burlington Wastewater Treatment Plant can treat up to 3.79 million gallons of wastewater per day, serving the City and surrounding areas of Skagit County.
- The fund has the financial capacity to recover the full cost to construct, operate, maintain, and manage the sewer system on an ongoing basis.

STORM DRAIN

Summary

Established in 1997, the Storm Drain Utility funds stormwater operations, maintenance, and capital projects. It also supports water quality monitoring, spill response, public education, and development review. The utility is funded by a dedicated fee generating about \$1 million annually for operations, improvements, and NPDES compliance.



2026 Budget Highlights

- Complete design for Alder - Walnut Pump Station Construction Project
- Pump Station #3 control panel upgrade

Upcoming Major Projects

- Construction of Alder - Walnut Pump Station – \$1.6 million
- Pine Street Pervious Concrete Project – \$1.4 million (subject to receipt of DOE grant funding).

Outcomes

- Since the 1993 Surface Water Management Plan identified major flooding risks – especially near Pump Station #3 during high river conditions – the City has completed numerous drainage projects improving stormwater collection, conveyance, and pumping capacity. These upgrades have lowered water levels in Gages Slough and reduced citywide flooding.
- The City maintains over 50 miles of storm drain infrastructure, inspecting 2,330 catch basins on a two-year rotation.

Performance Measures	2023	2024	2025 Est.	2026 Est.	Target
Submit Annual NPDES report to DOE	Yes	Yes	Yes	Yes	100% on-time reports
Inspect Outfall structures for MS4 Compliance	Yes	Yes	Yes	Yes	100% compliance

Budget

	2023	Actual	2024	Actual	2025	2025		2026	Proposed	Change from 2025 Budget		
						Budget	Projected Year End					
Resources												
Beginning balance	\$	2,030,782	\$	1,986,811	\$	1,828,828	\$	1,916,311	\$	1,439,311	\$	(389,517)
Revenue												
Intergovernmental Revenues		98,424		149,047		-		84,000		80,000		80,000
Charges for Services		1,365,679		1,598,157		1,463,000		1,419,000		1,519,000		56,000
Miscellaneous Revenues		42,551		52,287		42,000		32,000		20,000		(22,000)
Total Revenue		1,506,654		1,799,491		1,505,000		1,535,000		1,619,000		114,000
Total Resources	\$	3,537,436	\$	3,786,302	\$	3,333,828	\$	3,451,311	\$	3,058,311	\$	(275,517)
Expenditures												
Salaries & Wages	\$	696,968	\$	759,884	\$	782,474	\$	778,000	\$	910,000	\$	127,526
Personnel Benefits		232,144		246,650		269,826		257,000		273,000		3,174
Supplies and Services		370,650		350,895		540,535		536,000		519,000		(21,535)
Debt Service		862		1,100		1,000		1,000		1,000		-
Transfers Out		250,000		511,463		440,000		440,000		135,000		(305,000)
Total expenditures		1,550,625		1,869,991		2,033,835		2,012,000		1,838,000		(195,835)
Reserved fund balance		-		-		1,299,993		-		1,220,311		(79,682)
Total Requirements	\$	1,550,625	\$	1,869,991	\$	3,333,828	\$	2,012,000	\$	3,058,311	\$	(275,517)

Noteworthy Accomplishments

- The department purchased a new street sweeper to improve pollutant removal and support water quality goals.

Did You Know?

The City of Burlington lies within the 100-year floodplain of the Skagit River. This means the Skagit River has a 1% annual chance of flooding Burlington. The last major flood occurred in 1921, which under current conditions would cause widespread flooding and require mass evacuation.



STORM DRAIN CAPITAL RESERVE

Summary

The Storm Drain Capital Reserve Fund (426) receives transfers from the Storm Drain Fund (425) for approved capital projects. The projects identified in the City's stormwater management and capital planning efforts are funded and constructed through this reserve fund.

2026 Budget Highlights

- Pine Street Pervious Concrete Project – Design Completion.
- Gages Basin 18 Outfall Improvement.
- Pump Station Design.

Upcoming Major Projects

- Construction of Alder - Walnut Pump Station – \$1.6 million
- Pine Street Pervious Concrete Project – \$1.4 million (subject to receipt of DOE grant funding).



Storm Drain Capital Reserve Budget

Storm Drain Capital Reserve Fund 2026 Proposed Budget

	2023	2024	2025 Budget	2025 Projected Year End	2026 Proposed	Change from 2025 Budget
Resources						
Beginning balance	\$ 1,845,088	\$ 2,136,849	\$ 2,002,936	\$ 1,947,788	\$ 2,302,788	\$ 299,852
Revenue						
Miscellaneous Revenues	41,761	59,591	50,000	35,000	69,000	19,000
Transfers In	250,000	511,463	440,000	440,000	120,000	(320,000)
Total Revenue	291,761	571,054	490,000	475,000	189,000	(301,000)
Total Resources	\$ 2,136,849	\$ 2,707,903	\$ 2,492,936	\$ 2,422,788	\$ 2,491,788	\$ (1,148)
Expenditures						
Capital Outlay	\$ -	\$ 95,115	\$ 609,400	\$ 120,000	\$ 2,393,000	\$ 1,783,600
Transfers	-	665,000	-	-	-	-
Total Expenditures	-	760,115	609,400	120,000	2,393,000	1,783,600
Reserved Fund Balance	-	-	1,883,536	1,883,536	98,788	(1,626,748)
Total Requirements	\$ -	\$ 760,115	\$ 2,492,936	\$ 2,003,536	\$ 2,491,788	\$ 156,852

Capital Outlay

Project	Amount
Alder Walnut Pump Station	\$ 1,662,000
Pump 3 Control Panel	128,000
Pervious Concrete Design - Pine St	25,000
Washington Ave Pump Station Design	240,000
Gages Basin 18 Outfall Tidegate	180,000
Decant Facility	158,000
Total	\$ 2,393,000

Noteworthy Accomplishments

- Received grant funding for the design of the Pine Street Pervious Concrete Project, covering 85% of the \$235,000 design cost.
- The project will achieve 90% PS&E design and mirror similar successful installations along Hazel Street, Regent Street, and the City-owned parking lot near Spruce Street and the railroad crossing.

Did You Know?

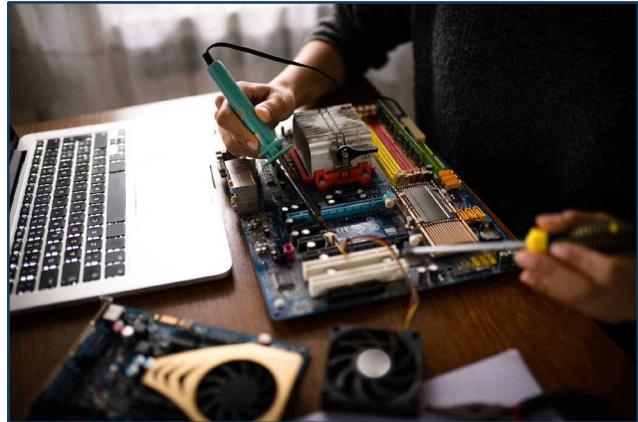
- The average Burlington household pays approximately \$8 per month in storm drain utility fees, supporting critical stormwater management, flood protection, and water quality improvements throughout the city.

INTERNAL SERVICE FUNDS

COMPUTER RENTAL & REPAIR

Summary

The City implemented the use of a CR&R fund by purposeful incremental funding for purchases of replacement computer equipment using funding based on adopted standards and levels of service and expected useful life.



2026 Budget Highlights

- \$100,000 replacement computers
- \$10,000 AV – Room 132
- \$108,000 – Backbone, Storage, Firewall, Switching, UPS
- \$30,000 – IT Strategic Roadmap
- Charges for Services reduced pending comprehensive review and update

Budget

	2023 Actual	2024 Actual	2025 Budget	2025 Projected Year End	2026 Proposed	Change from 2025 Budget
Resources						
Beginning balance	\$ 340,846	\$ 513,021	\$ 864,147	\$ 681,902	\$ 693,175	\$ (170,972)
Revenue						
Charges for Services	200,033	199,777	171,500	190,273	158,000	(13,500)
Miscellaneous Revenues	8,888	16,450	15,000	15,000	17,000	2,000
Total Revenue	208,921	216,228	186,500	205,273	175,000	(11,500)
Total Resources	\$ 549,767	\$ 729,249	\$ 1,050,647	\$ 887,175	\$ 868,175	\$ (182,472)
Expenditures						
Supplies and Services	\$ -	\$ -	\$ -	\$ -	\$ 30,000	\$ 30,000
Capital Outlay	36,745	47,347	276,534	194,000	218,000	(58,534)
Total expenditures	36,745	47,347	276,534	194,000	248,000	(28,534)
Reserved fund balance	-	-	774,113	-	620,175	(153,939)
Total Requirements	\$ 36,745	\$ 47,347	\$ 1,050,647	\$ 194,000	\$ 868,175	\$ (182,472)

EQUIPMENT RENTAL & REPAIR

Summary

The City implemented the use of an ER&R fund by purposeful incremental funding for purchases of replacement capital equipment using funding based on adopted standards and levels of service and expected useful life.



2026 Budget Highlights

- Police vehicles - \$216,000
- Engineering truck - \$50,000
- Fire/EMS truck - \$50,000
- Parks 2 trucks - \$90,000

- Street
 - F250 4x4 - \$45,000
 - F450 4x4 - \$110,000
 - Case Backhoe - \$150,000
- Facilities pickup - \$30,000

A contingency of \$117,000 representing the difference between current year revenues and expenditures is budgeted should other replacements become necessary.

Budget

	2023 Actual	2024 Actual	2025 Budget	2025 Projected Year End	2026 Proposed	2026 Adopted	Change from 2025 Budget
Resources							
Beginning balance	\$ 2,466,195	\$ 2,594,343	\$ 3,210,925	\$ 2,097,697	\$ 2,736,932	\$ 2,736,932	\$ (473,993)
Revenue							
Charges for Services	433,670	771,731	684,570	766,235	790,000	790,000	105,430
Miscellaneous Revenues	51,707	69,568	62,000	45,000	68,000	68,000	6,000
Total Revenue	485,377	841,299	746,570	811,235	858,000	858,000	111,430
Total Resources	\$ 2,951,572	\$ 3,435,642	\$ 3,957,495	\$ 2,908,932	\$ 3,594,932	\$ 3,594,932	\$ (362,563)
Expenditures							
Capital Outlay	\$ 357,229	\$ 1,337,945	\$ 1,487,889	\$ 172,000	\$ 741,000	\$ 741,000	\$ (746,889)
Total Expenditures	357,229	1,337,945	1,487,889	172,000	741,000	741,000	(746,889)
Reserved fund balance	-	-	2,469,606	-	2,853,932	2,853,932	384,326
Total Requirements	\$ 357,229	\$ 1,337,945	\$ 3,957,495	\$ 172,000	\$ 3,594,932	\$ 3,594,932	\$ (362,563)

COMPREHENSIVE FINANCIAL POLICIES

The City of Burlington adopts the following financial policies to guide fiscal decision-making, promote sustainability, and ensure accountability:

Budget Policy

- The budget shall be balanced, with revenues equaling or exceeding expenditures.
- Multi-year budgeting shall be used to forecast long-term needs.
- Performance measures shall be integrated into the budget process.

Reserve Policy

- Maintain a general fund reserve of at least [placeholder] months of operating expenditures for emergencies.
- Establish reserves for specific funds as needed, such as capital reserves.

Debt Policy

- Debt shall be used only for capital projects with a useful life exceeding the debt term.
- Debt service shall not exceed [placeholder]% of annual revenues.
- Maintain strong credit ratings through prudent borrowing.

Investment Policy

- Investments shall prioritize safety, liquidity, and return. · Comply with state laws on allowable investments.

Revenue Policy

- Diversify revenue sources to reduce reliance on any single stream. · User fees shall recover costs where appropriate.

Expenditure Policy

- Expenditures shall align with strategic priorities.
- Competitive bidding shall be used for major purchases.

Accounting and Reporting Policy

- Follow Generally Accepted Accounting Principles (GAAP).
- Produce timely financial reports and audits.

Capital Asset Policy

- Maintain a capital improvement plan updated annually.
- Depreciate assets over their useful lives.

Risk Management Policy

- Identify and mitigate financial risks through insurance and reserves.

GLOSSARY OF TERMS

- **Account:** A fiscal and accounting entity with a self-balancing set of general ledger codes in which cash and other financial resources, together with all related liabilities and residual equities or balances and changes therein, are recorded and segregated to carry on specific activities or to attain certain objectives in accordance with special regulations, restrictions or limitations.
- **Accrual Basis:** The basis of accounting under which revenues are recorded when earned and expenditures (or expenses) are recorded as soon as they result in liabilities for benefits received, notwithstanding that the receipt of cash or the payment of cash may take place in another accounting period.
- **Appropriation:** An authorization made by the legislative body of a government that permits officials to incur obligations against and to make expenditures of governmental resources. Appropriations are usually made for fixed amounts and are granted for a one-year period.
- **Assessed Valuation:** The valuation set upon real estate and certain personal property as a basis for levying property taxes.
- **Assets:** Resources owned or held by a government, which have monetary value.
- **Balanced Budget:** A budget in which planned funds available equal planned expenditures.
- **Bond:** A long-term debt promise to pay specified sums of money. General obligation bonds are backed by the full faith and credit of the government.
- **Budget:** A plan of financial activity for a specified period of time (such as a fiscal year) embodying an estimate of proposed expenditures for given purposes and the proposed means of financing them.
- **Budget Amendment:** A procedure utilized by City staff and City Council to revise a budget appropriation.
- **Budgetary Basis:** This refers to the form of accounting utilized to estimate inflows and outflows generated. This may be cash basis, modified accrual or full accrual.
- **Budgetary Control:** The control or management of a government in accordance with the approved budget for the purpose of keeping expenditures within the limitations of available appropriations and resources.
- **Capital Assets:** Assets of significant value and having a useful life of several years. Capital assets are also called fixed assets.
- **Capital Budget:** The appropriation of bonds or operating revenue for improvements to facilities and other infrastructure.
- **Capital Improvement Program (CIP):** A plan for capital outlay to be incurred each year over a fixed number of years to meet capital needs arising from the government's long-term needs.
- **Capital Project:** Major construction, acquisition, or renovation activities which add value to a government's physical assets or significantly increase their useful life. Also called capital improvements.

- **Cash Basis:** A basis of accounting in which transactions are recognized only when cash is increased or decreased.
- **Debt Service:** The cost of paying principal and interest on borrowed money according to a predetermined payment schedule.
- **Deficit:** The excess of an entity's liabilities over its assets or the excess of expenditures or expenses over revenues during a single accounting period.
- **Depreciation:** Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence.
- **Encumbrance:** The commitment of funds to purchase an item or service. To encumber funds means to set aside or commit funds for a specified future expenditure.
- **Enterprise Fund:** A governmental accounting fund in which the services provided are financed and operated similarly to those of a private business. The rate schedules for these services are established to ensure that revenues are adequate to meet all necessary expenditures.
- **Expenditure/Expense:** This term refers to the outflow of funds paid or to be paid for an asset obtained or goods and services obtained regardless of when the expense is actually paid. This term applies to all funds. Note: An encumbrance is not an expenditure or expense but merely a commitment of funds to be expended.
- **Fiscal Policy:** A government's policy with respect to revenues, spending, and debt management as these relate to government services, programs and capital investment. Fiscal policy provides an agreed-upon set of principles for the planning and programming of government budgets and their funding.
- **Fiscal Year:** A 12-month period designated as the operating year for accounting and budgeting purposes in an organization. The City of Burlington's fiscal year is January 1 through December 31.
- **Full-Time Equivalent (FTE):** A part-time position converted to the decimal equivalent of a full-time position based on 2,080 hours per year.
- **Fund:** An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves, and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives.
- **Fund Balance:** The excess of the assets of a fund over its liabilities, reserves, and carryover.
- Generally Accepted Accounting Principles (GAAP) - Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.
- **General Fund:** The largest fund within the City, the General Fund accounts for most of the financial resources of the government not required to be accounted for in another fund. General Fund revenues include property taxes, licenses and permits, local taxes, service charges, and other types of revenue. This fund usually includes most of the basic operating services, such as fire and police protection, finance, data processing, parks and recreation, libraries, public works and general administration.

- **General Obligation (G.O.) Bond:** This type of bond is backed by the full faith, credit, and taxing power of the government.
- **Goal:** A statement of broad direction, purpose, or intent based on the needs of the community.
- **Infrastructure:** The physical assets of a government (e.g., streets, water, sewer, public buildings, and parks).
- **Interfund Transfers:** The movement of monies between funds of the same governmental entity.
- **Intergovernmental Revenue:** Funds received from federal, state, and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes.
- **Internal Service Charges:** The charges to user departments for internal services provided by another government department, such as data processing or insurance funded from a central pool.
- **Levy:** To impose taxes for the support of government activities.
- **Long-Term Debt:** Debt with a maturity of more than one year after the date of issuance.
- **Modified Accrual Basis:** The basis of accounting under which revenues are recognized when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.
- **Objective:** Something to be accomplished in specific, well-defined, and measurable terms and that is achievable within a specific time frame.
- **Operating Expenses:** The cost for personnel, materials, and equipment required for a department to function.
- **Operating Revenue:** Funds that the government receives as income to pay for ongoing operations. It includes such items as taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services.
- **Property Tax:** Property taxes are levied on both real and personal property according to the property's valuation and the tax rate.
- **Proprietary Funds:** These funds are used to account for activities that are similar to those found in the private sector. The measurement focus is upon determination of net income. Enterprise Funds are an example of proprietary funds.
- **Reserve:** An account used either to set aside budgeted revenues that are not required for expenditure in the current budget year or to earmark revenues for a specific future purpose.
- **Resolution -** A special or temporary order of a legislative body; an order of a legislative body requiring less legal formality than an ordinance or statute.
- **Resources:** Total amounts available for appropriation including estimated revenues, fund transfers, and beginning balances.
- **Revenue:** Funds that the government receives as income. It includes such items as tax payments, fees from specific services, receipts from other governments, fines, forfeitures, grants, shared revenues, and interest income.

- **Special Revenue Fund:** A fund used to account for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are legally restricted to expenditure for specified purposes.
- **Taxes:** Compulsory charges levied by a government for the purpose of financing services performed for the common benefit of the people. This term does not include specific charges made against particular persons or property for current or permanent benefit, such as special assessments.
- **Transfers In/Out:** Amounts transferred from one fund to another to assist in financing the services for the recipient fund.
- **Unreserved Fund Balance:** The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.

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