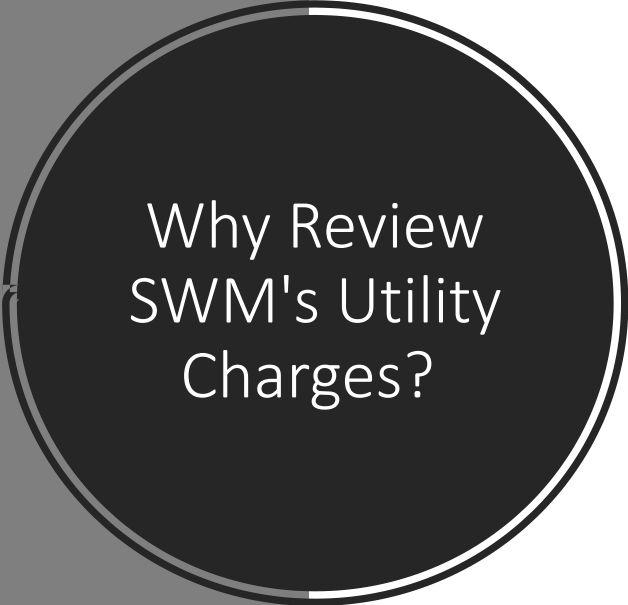


An aerial photograph of a rural landscape in Snohomish County, Washington. A wide, blue river flows from the upper right towards the lower right. To the left of the river is a large, flat wetland area with patches of water and green vegetation. In the background, there are rolling green hills, scattered houses, and a dense line of evergreen trees under a clear sky. The text "Snohomish County Surface Water Utility Service Charge Updates" is overlaid in white on the left side of the image.

Snohomish County Surface Water Utility Service Charge Updates

June 2024



Why Review
SWM's Utility
Charges?

Required by County Code - SCC 25.20.020(3)

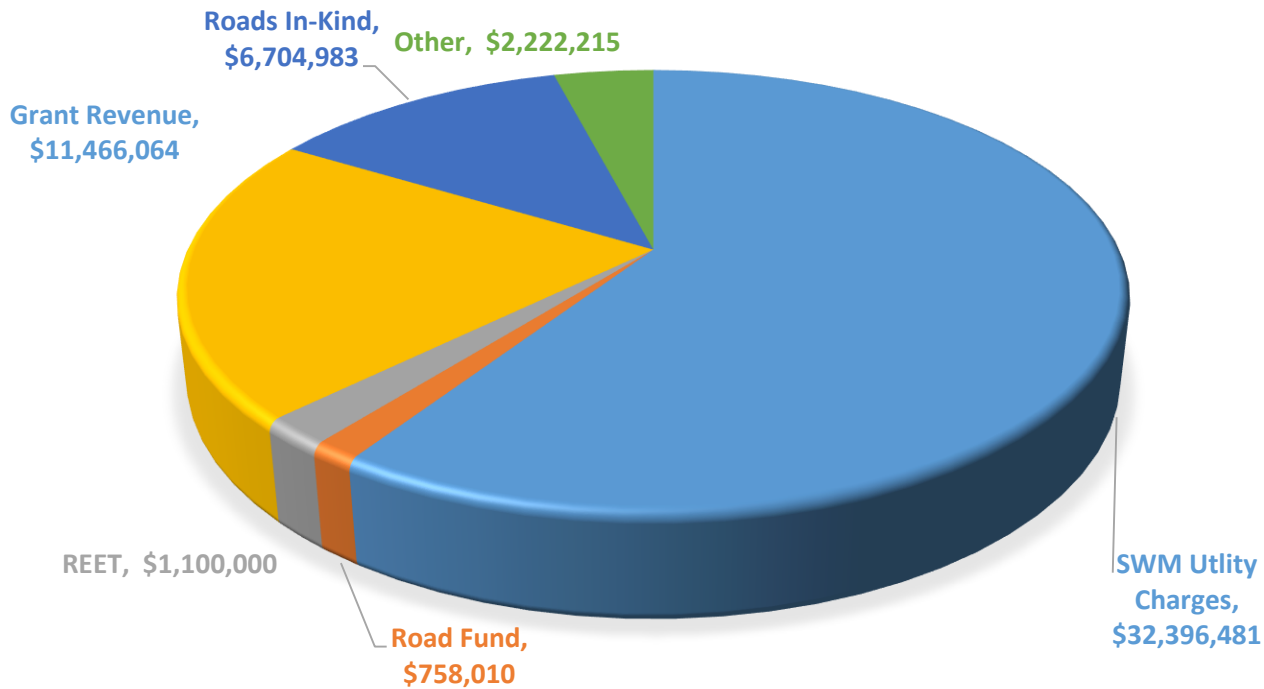
"On or before the end of the second quarter of 2024 and at least every five years thereafter, the director shall provide to the county council a recommendation for future annual service charges with supporting analyses and documentation."

Recent High Inflation

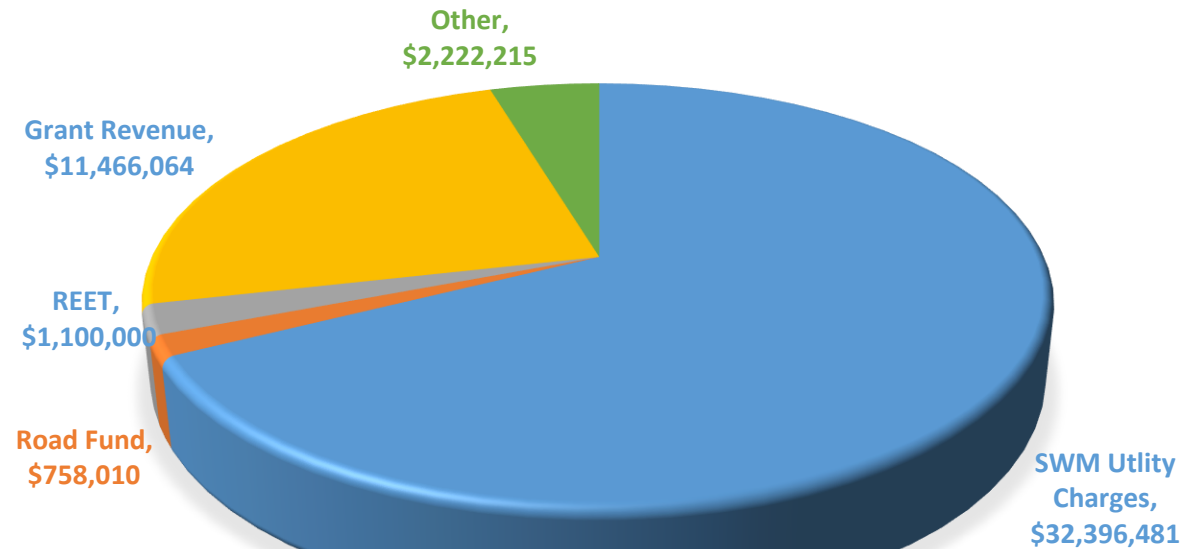
- The 2.8% annual increase in rates is not keeping pace with overall inflation rates

SWM Utility Revenues

2024 REVENUE



2024 REVENUE W/O IN-KIND



- 2024 SWM Utility Charges include \$7.9M of fund balance use
- \$24.4M will be collected in annual charges

SWM Utility Services



Water Quality



Salmon & Marine Habitat



River Flooding



Drainage & Road Flooding

SWM Utility Services

Salmon & Marine Habitat Services

- Habitat Restoration Capital Projects
- Fish Passage Capital Projects
- Habitat Monitoring
- Salmon Recovery Planning & Implementation
- Puget Sound Restoration



Water Quality Services

- Water Quality Capital Projects
- Stewardship, Education, & Outreach
- NPDES Permit Administration & Coordination
- Lake Management
- Maintenance of Stormwater Facilities
- Water Quality Monitoring & Assessment
- Pollution Identification & Elimination



River Flooding Services

- River Gaging, Warning, Flood Response
- Floodplain Planning/Management
- Flood Damage Reduction Grant Program
- Dike and Levee Maintenance
- Flood Mitigation Assistance



Drainage & Road Flooding Services

- Drainage Capital Projects (road flooding, failing pipes)
- Drainage Complaint Investigations
- Master Drainage Planning
- Drainage System Inventory



Current
Surface
Water Rate
Structure

Annual Service Charge for Residential and Farm

Rate Category	Impervious Surface Coverage	Annual Service Charge
Single Family Residential	N/A	\$136.25 per dwelling unit
Condominium	N/A	\$122.62 per dwelling unit
Farm	N/A	\$136.25 per parcel

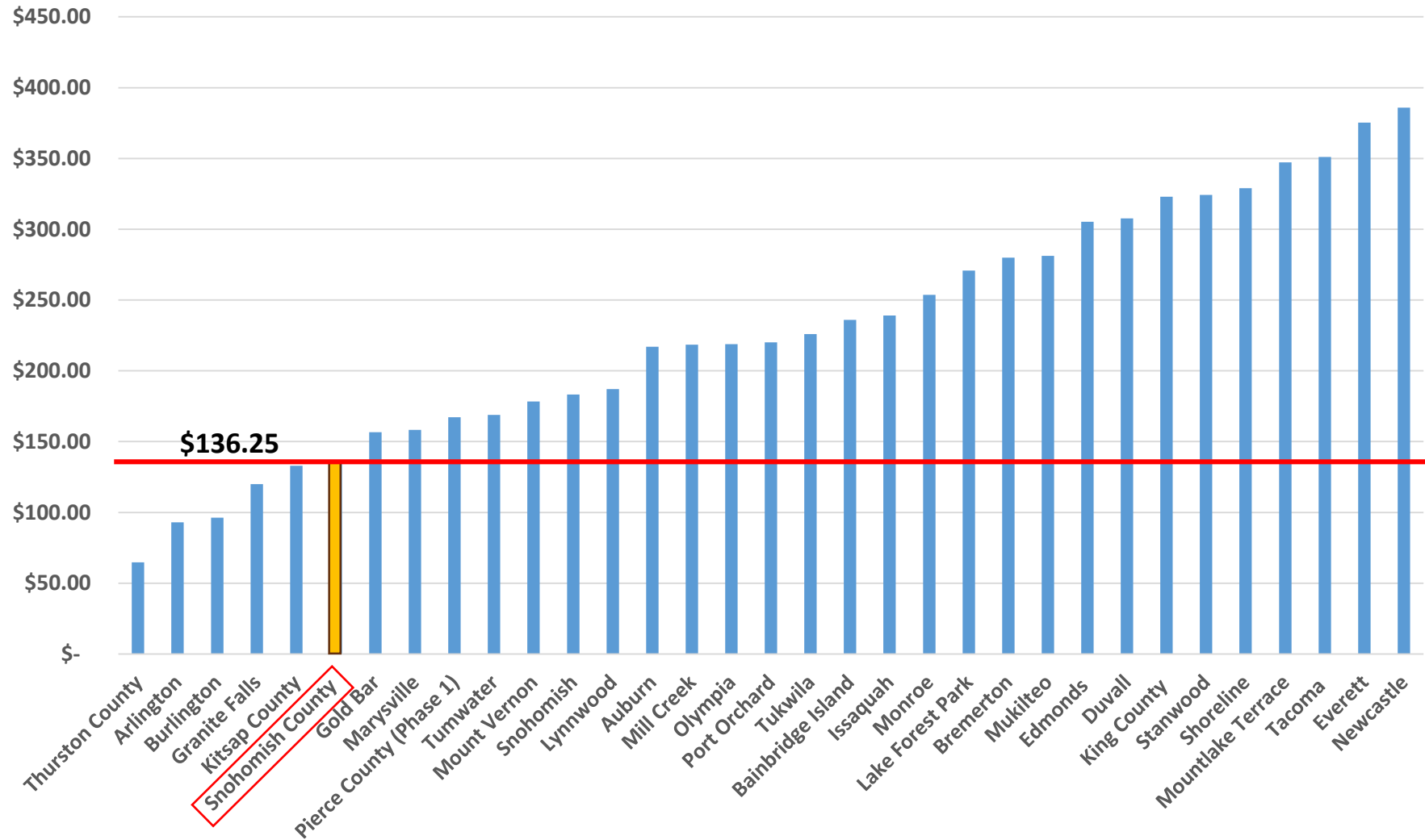
Annual Service Charge for Commercial,
Non-residential and Other Uses

Rate Category	Impervious Surface Coverage	Annual Service Charge
Exempt	Less than 1%	\$0.00
Very Light	1% to 19%	\$40.85 per quarter acre
Light	20% to 39%	\$136.25 per quarter acre
Moderate	40% to 59%	\$227.00 per quarter acre
Heavy	60% to 79%	\$308.78 per quarter acre
Very Heavy	80% to 100%	\$408.70 per quarter acre

Annual rate
adjustment = 2.8%
(in County code)

Surface
Water Utility
Rate
Comparisons

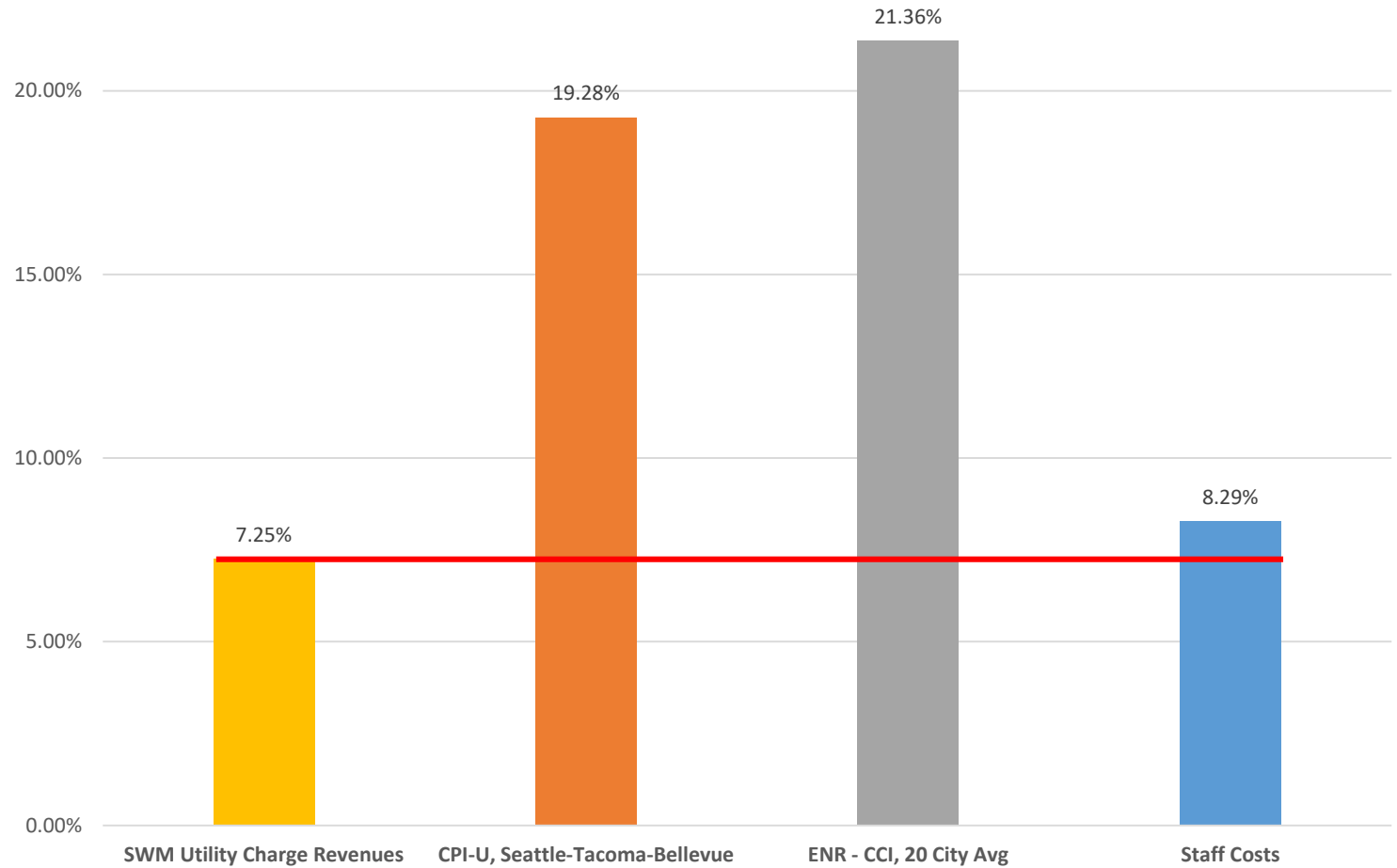
SWM's Rates Among Lowest in Region



2021 to 2023 Inflation Rates

Inflation Outpaced SWM Revenue Increases

- Significant inflation (construction, consultants, etc.)
- Permit requirements also increased construction costs
- 2021 Lake Stevens annexation reduced revenues (\$220K)



SWM's Year End Reserves Projected to Go Below Minimum in Future Years

- Main factors: inflation & expanded capital program

Financial Outlook Based on Current Rate

Reserve vs. 90 Days of Expenses in \$M



	2024	2025	2026	2027	2028	2029
Reserve	\$17.54	\$12.44	\$10.13	\$13.48	\$10.22	\$6.87
90 Days of Expenses	\$11.11	\$12.31	\$13.43	\$11.55	\$11.91	\$12.27

— Reserve — 90 Days of Expenses Linear (Reserve)

Questions

