Meeting Date: February 10, 2026

CITY COUNCIL AGENDA SUMMARY

City of Mill Creek, Washington

AGENDA ITEM: **2026 COUNCIL STRATEGIC RETREAT**

KEY FACTS AND INFORMATION SUMMARY:

The 2026 City Council Strategic Retreat is scheduled for February 10 and February 24, and will be facilitated by Rob Fenty of 1961 Consulting.

This year's retreat will center on evaluating the feasibility of various annexation options and determining how these options align with the Strategic Vision and Strategic Priorities previously adopted by the Council. The annexation discussion will incorporate both financial projections and broader strategic considerations that influence the City's long-term and short-term sustainability. Council approved two major strategic milestones on May 28, 2024: the City's 2040 Vision and the 3–5 Year Strategic Priorities. The final component of 1961 Consulting's contracted scope was to develop a plan and timeline for the City's 3–5 Year Strategic Planning process. This work culminated the City's 3-Year (2025–2027) Strategic Plan, which identifies five Strategic Priorities:

1. Create a Vision and Implementation Plan for the Subarea
2. Approve, Design, and Develop a Multipurpose Community Facility (DRCC)
3. **Develop a Plan for the City's Financial Viability (Short Term and Long Term)**
4. Re-clarify and Meet City Standards for Well-Maintained Outdoor and Public Spaces
5. Increase Community Engagement

The City has been actively advancing Strategic Priority #3, which includes staff work across five key levers that influence the City's financial viability. As noted, the upcoming two-day Strategic Retreat will focus specifically on the annexation lever. The five levers include:

1. **Annexation**
2. New taxes (e.g., new taxing district, utility tax)
3. Attraction of new businesses to Mill Creek (e.g., filling existing and new capacity)
4. Potential new fee-based services
5. Development of South Town Center as a visitor destination (e.g., restaurants, retail, etc.)

To support this work, the City engaged Sarah Emmans of SME Consulting LLC in summer 2025 to prepare an annexation feasibility study focused on fiscal impacts. Sarah presented her analysis of the Municipal Urban Growth Area (MUGA) to the Council at the February 3, 2026 Council meeting.

With this baseline data now available, the City will convene the two-day retreat with 1961 Consulting to explore the broader strategic implications of annexation. The Council will review each area of the MUGA individually to gain a more comprehensive understanding of the opportunities and challenges associated with potential annexation.

Following the retreat, the Council will have a more complete picture of the strategic considerations surrounding annexation. This will help guide staff on whether annexation remains a viable lever in which the City should continue to invest time and resources.

ATTACHMENTS:

2026 Strategic Retreat
Mill Creek 2040 Vision and 3-5 Year Strategic Priorities
City_s Mission, Vision, _ Core Values
City_s 3-Year Strategic Plan
City Council Follow-Up Memo and Information

Respectfully Submitted:

Martin Yamamoto

City Manager

1961 CONSULTING

Overview and Agenda
2026 Strategic Retreat

February 10, 2026

CITY OF Mill Creek WASHINGTON

Overview and Proposed Objectives

The 2026 Strategic Retreat will be held on February 10th and 24th, 2026.

This year's retreat will focus on reviewing and discussing annexation options presented to the Council on February 3, 2026.

Proposed Objectives:

- Discuss and align around the pros and cons of pursuing annexation in context to the stated strategic vision and priorities of the City.
- Align around the "why" of annexation and clarify guiding tenets of how to make the decision regarding whether and when to pursue annexation.
- Review, discuss and prioritize the currently defined four options for potential annexation, based on analysis presented to the Council on 2/3.
- Determine whether the Council wants to pursue any of the four options and agree to specific next steps, identifying what the Council will require to make a final decision. Seek consensus on which we move forward with and which we rule out.

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Summary of Strategic Retreat Agenda

February 10, 2026

- Council Alignment on Strategic Context for Annexation Decision
  - The "why" for annexation—what is the strategic rationale or "why" for annexation? What are the core problem statements or opportunity statements that it solves?
  - Decision Criteria—what are the guiding principles or decision criteria by which the Council will make its decision around annexation?
- Review and discuss the East Mill Creek and South Mill Creek annexation options
  - Ensure understanding, discuss pros and cons, discuss Council perspective on each option

February 24, 2026

- Review and discuss the Larch and Martha Lake annexation options
- Prioritization—
  - Discuss and prioritize the 4 options in context to defined decision criteria
  - Discuss whether the Council is interested in pursuing any of the 4 options (and whether there are any that do not warrant further discussion at this time)
- Next Steps—Define specific next steps for staff, outlining what Council needs to move forward in its decision making.

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Night One (February 3) Preparation Questions

The following questions will guide Councilmembers in doing preparation for the February 10 Strategic Retreat working session.

- What is the "why" for annexation?
  - What are the core "problem statements" and/or "opportunity statements" that annexation must solve?
  - What are Councilmembers' expectations in terms of the financial outcomes?
- What are the guiding principles or "decision rules" that will guide your decision?
  - Are there any "non-negotiable" parameters that will guide your decision making?
  - What are the principles or factors that you will base your decision on?
- East Mill Creek Annexation Option
  - What specific questions do you have around this option?
  - What are the pros and cons around pursuing the East Mill Creek annexation option?
  - Is there critical information missing for you to guide your decision?
  - As of today (based on information you have at hand), are you positive, neutral or negative on pursuing this option further (next steps TBD)?
- South Mill Creek Annexation Option
  - What specific questions do you have around this option?
  - What are the pros and cons around pursuing the East Mill Creek annexation option?
  - Is there critical information missing for you to guide your decision?
  - As of today (based on information you have at hand), are you positive, neutral or negative on pursuing this option further (next steps TBD)?

1961 CONSULTING

CITY OF Mill Creek WASHINGTON 40th ANNIVERSARY

2040 Vision and 3-5 Year Strategic Priorities

July 2024



Mill Creek Strategic Themes & Guiding Principles

Our priorities, decisions and investments should always seek to optimize these three key elements:



Mill Creek's Strategic Vision 2040

In 2040, Mill Creek is a thriving, connected, and safe community characterized by its walkability, well-maintained parks and trails, safe and clean public spaces, and strong community engagement.

Financial Health and Economic Vitality

- Mill Creek has multiple commercial hubs with a vibrant central core, enabling businesses to thrive, creating a destination for dining and shopping and providing a stable economic base for City services.
- Mill Creek proactively funds the services that meet community needs and priorities.
- Mill Creek has enough money in reserves both to strategically invest in the City and to cover unanticipated operating expenses.

Safe and Clean—In Mill Creek, safe and clean go together

- Mill Creek is one of the safest and cleanest cities in Washington.
- Mill Creek's focus on public safety is an integral part of the community, ensuring active police presence and integrating appropriate technologies to keep the community safe.
- The Mill Creek community is engaged and committed to keep parks, trails, streets and public spaces safe and clean.

Engaged and Connected Community

- Mill Creek is a connected community, tied together by trails, walking paths and connecting sidewalks.
- Mill Creek and its residents actively support community events, which bring community members together.
- The City's multipurpose community facility and public spaces bring people together to connect, play, share, and enjoy life in Mill Creek.
- The people of Mill Creek are actively engaged in the community and committed to making it a great place to live.

Well Maintained Outdoors, Public Spaces and Infrastructure

- Mill Creek is recognized as one of the most walkable cities in Washington.
- Mill Creek's parks, trails and public spaces are well maintained and accessible for all community members.
- Mill Creek's infrastructure is well maintained and trusted by community members.

Framework—Aligning Strategic Vision to Implementation

The four guiding themes in the 2040 Vision guide the articulation of 3–5 year priorities

Financial Health/ Economic Vitality

Engaged, Connected Community

Safe & Clean

Well Maintained Outdoors

Council defines 3–5-year priorities aligned to Strategic Vision

3-5 Year Priorities (3-5 Total)

Staff proposes plan, including definition deliverables, staging and timing to meet each priority

Key Deliverables for Each Priority
Staged over 3 years

The plan guides budget development to align execution to the vision and priorities

Operational Plans & Timelines

Biennial Budget

STRATEGIC PLAN

Mill Creek's Draft 3-5 Year Strategic Priorities (2025-2028)

Our Strategic Priorities are made in context to making our 2040 Strategic Vision a reality

Council 3-5 Year Priorities

1. **Create a Vision and Implementation Plan for the Subarea**
2. **Approve, Design and Develop a Multipurpose Community Facility** (DRCC)
3. **Develop a Plan for Financial Viability of the City** (Short Term and Long Term)
4. **Re-clarify and Meet City Standards for Well Maintained Outdoors and Public Spaces**
5. **Increase Community Engagement**

MISSION

Provide outstanding public services in a fiscally responsible manner.

VISION

Provide an exceptional community experience that brings people together. A City where people are safe, natural beauty is preserved, neighborhoods flourish, businesses thrive, and recreational opportunities abound.

CORE VALUES

Integrity

We create trust through honesty and transparency in our working relationships.

Respect

We work in a professional environment that honors the value and dignity of all individuals

Collaboration

We support shared goals through flexible, adaptable, and inclusive actions.

Accountability

We are responsible for our actions and decisions.

Perseverance

We are committed to overcome challenges and achieve successful outcomes.

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CITY OF Mill Creek WASHINGTON



3-Year Strategic Plan
2025-2027

September 2024

Overview and Background:

During October 2023 through May 2024, the City Council engaged a process to develop a 2040 vision for the City of Mill Creek. The intent of the process was to develop both a long-term vision and a set of guiding principles that would guide priorities and decision making for the Council over that time frame.

During that process, the Council engaged an external consultant (1961 Consulting) to engage each Councilmember, integrate staff experience and perspective and engage community input to ensure that the vision reflects the aspirations and priorities of the Mill Creek community. During the process, the Council also reviewed information about eleven comparable cities in the region and toured three neighboring cities (Woodinville, Kenmore and Bothell) to understand and engage in discussion around how other comparable cities have managed their stated visions and priorities into day-to-day reality for their communities.

Our 2040 Vision also provides context as we enter into each planning and budgeting cycle with our community. Our immediate priorities, reflected in our planning and budgeting, should always align to our long-term vision for the City to ensure that we are always focusing and spending our resources on the elements that are most important to the community.

In May 2024, the Council approved the 2024 Vision Statement and Guiding Themes. Based on the 2040 Vision, the Council also approved 3-5 year priorities to provide direction to City staff in planning, budgeting and operational execution.

As we prepare for the 2025-26 biennial budget, Mill Creek City staff have engaged in planning around goals, areas of focus, specific actions and required funding to meet the stated priorities of the City Council. This 3-year plan summarizes the 2040 Vision, the 3-5 Year Priorities set by the Council and initial planning around how to meet those priorities and how to align budget resources in the most effective way possible.

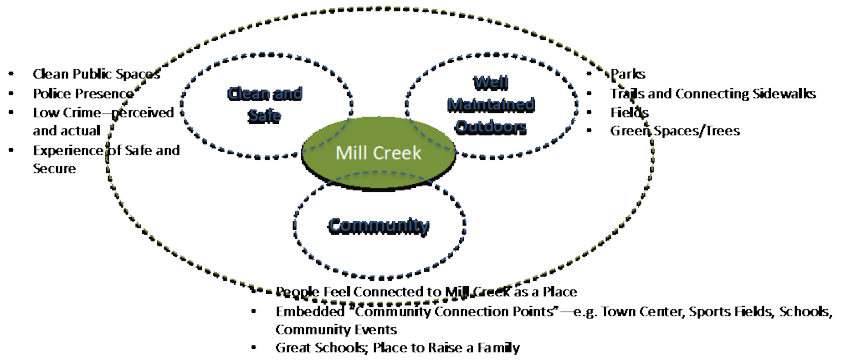
This plan will act as context as the Council considers and approves the proposed 2025-26 biennial budget for the City later this year.

2040 Vision and Guiding Principles:

As a foundation for clarifying a 2040 vision, the City Council agreed upon three key elements that characterize Mill Creek to act as guiding principles in the process:

- Clean and Safe
- Well Maintained Outdoors
- Engaged and Connected Community.

The following diagram summarizes the three key elements to the long-term vision of the City:



Based on these three elements, the Council worked to articulate a 2040 vision which could guide Council priorities and decision making in the years to come. Regardless of who sits on the Council at any given time, the intent is that the Council is always aligned in common pursuit of the long-term vision for our great City. Priorities, decisions and investments should always seek to optimize our ability to reach our 2040 vision.

The 2040 Vision for the City was articulated and approved by the City Council as shown below.

Mill Creek's Strategic Vision 2040

In 2040, Mill Creek is a thriving, connected and safe community, characterized by its walkability, well maintained parks and trails, safe and clean public spaces and strong community engagement.

Financial Health and Economic Vitality

- Mill Creek has multiple commercial hubs with a vibrant central core, enabling businesses to thrive, creating a destination for dining and shopping and providing a stable economic base for City services
- Mill Creek proactively funds the services that meet community needs and priorities
- Mill Creek has enough money in reserves both to strategically invest in the City and to cover unanticipated operating expenses

Safe and Clean—In Mill Creek, safe and clean go together

- Mill Creek is one of the safest and cleanest cities in Washington
- Mill Creek's focus on public safety is an integral part of the community, ensuring active police presence and integrating appropriate technologies to keep the community safe
- The Mill Creek community is engaged and committed to keep parks, trails, streets and public spaces safe and clean

Engaged and Connected Community

- Mill Creek is a connected community, tied together by trails, walking paths and connecting sidewalks
- Mill Creek and its residents actively support community events, which bring community members together
- The City's multipurpose community facility and public spaces bring people together to connect, play, share, and enjoy life in Mill Creek
- The people of Mill Creek are actively engaged in the community and committed to making it a great place to live

Well Maintained Outdoors, Public Spaces and Infrastructure

- Mill Creek is recognized as one of the most walkable cities in Washington
- Mill Creek's parks, trails and public spaces are well maintained and accessible for all community members
- Mill Creek's infrastructure is well maintained and trusted by community members

3-5 Year Priorities:

Based on the guiding elements of the 2040 vision, the City Council engaged discussion around 3-5 year priorities, beginning at the Council's Strategic Retreat in January 2024. The Council engaged in follow up discussions through May 2024, culminating in the articulation and approval of five strategic priorities.

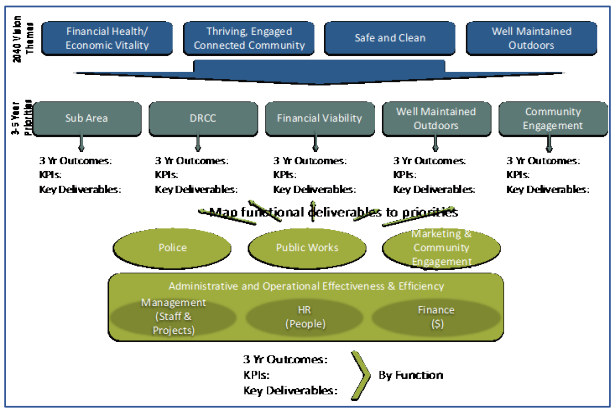
Mill Creek City Council 3-5 Year Priorities:

1. **Create a vision and implementation plan for the SubArea**
2. **Approve, design and develop a Multipurpose Community Facility (DRCC)**
3. **Develop a plan for financial viability of the City (short term and long term)**
4. **Re-clarify and meet City standards for well maintained outdoors and public spaces**
5. **Increase community engagement**

These strategic priorities were provided to staff to guide planning as context for the 2025-26 biennial budget.

3-Year Plan Summary:

Beginning in June 2024, Mill Creek City management and staff started planning in order to meet stated Council priorities. The planning was based on a framework that ties key outcomes, measures of success and deliverables/actions to the 2040 Strategic Vision and defined Council 3-5 year priorities. For each area, staff then defined 3-year outcomes, key performance indicators (KPIs) or measures of success and key deliverables in the three-year period. Within each area, key deliverables were then staged in terms of timing, so that budgeting could align to planning.



Strategic Priority 1: Create a Vision and Implementation Plan for the Subarea

The Council has developed and aligned around a vision for the development of the Mill Creek Boulevard Subarea to become an extension of the Town Center and to act as an inner core of the City, both as a center of community and an economic development engine. Our first priority is centered around creating a vision and implementation plan for the Subarea.

Intended 3-Year Outcomes:

The intended outcome is to be clear and aligned on our plan, with a Master Plan complete and a path to engage developers. Specific outcomes include:

- MCB Subarea Master Plan (Planned Action EIS) complete and ready for developer interest/action.
- Economic Development Plan for Subarea developed and in use to garner property owner support and seek developer interest.
- Public infrastructure in concept and planning stages (transportation, storm water, utilities & public spaces)
- Mill Creek is recognized as an exciting and desirable place to develop and live/work/learn/play.

2025-27 Key Performance Indicators (KPIs):

1. Master Plan complete (with EIS), necessary zoning in place and CIP projects in design
2. Ongoing community measures:
    - Community Survey Measure: Does Mill Creek have multiple commercial hubs that are both competitive and supportive, enabling businesses to thrive?
    - Community Survey Measure: Does the subarea create a new destination for dining and shopping that exceeds community expectations?

Once developed, the intention is to add a KPI regarding the positive economic impact of the MCB Subarea on the long term financial viability of the city.

2025-27 Key Deliverables:

A high-level summary of the plan and staging of key deliverables for the development of the Mill Creek Boulevard Subarea plan is as follows:

Area of Focus	Year 1 Key Deliverables (2025)	Year 2 Key Deliverables (2026)	Year 3 Key Deliverables (2027)
Mill Creek Boulevard (MCB) Subarea Master Plan and Planned EIS	-- MCB Sub Area Master Plan complete. -- Plan for engaging public (as part of EIS) and strategy for engaging developers. -- Guiding principles agreed on housing options (condos, apartments, etc.)	-- Complete EIS of subarea. -- Ongoing engagement with owners and developers.	Amendment of the MCMC 17.0 zoning.
Capital infrastructure planned to prepare for and support private development *(reduce developer uncertainty)*	Potential infrastructure projects in Concept/Scoping stage for Subarea.	CIP for Subarea projects developed, and funding path identified.	-- CIP projects prioritized, design started, and funding plan initiated. -- One or more development projects being planned/funded.

Strategic Priority 2: Approve, Design and Commence Development of a Multipurpose Community Facility (DRCC)

The Council has aligned around a vision to develop a multipurpose community facility(s) on what is known as the DRCC properties (integration of Dobson, Remillard, Church and Cook properties), which the City acquired between 2004-2020. The properties form a total 18.9 acres of land, with an estimated 12-14 acres developable, and are situated adjacent to the Mill Creek Sports Park.

In 2021, the City Council completed a visioning process, which defined guiding principles intended to guide a master planning process. Bruce Dees and Associates (BDA) was engaged in March 2023 to complete Master Planning work, primarily including a site analysis to determine topography, wetlands, tree cover, and other parameters that would affect the developability of the site. Community outreach was also part of that Master Plan, but has not yet commenced. The intention over the next three years is to complete master planning around the multipurpose community facility(s), agree upon core elements of design and function, identify and align funding sources and commence development.

Council's DRCC Guiding Principles:

1. The facility should accommodate multiple types of uses.
2. The project should be primarily designed for use by a broad range of demographics, a large segment (or all!) of Mill Creek residents and should encourage economic vitality.
3. The project should be a significant asset for the Mill Creek community.
4. The project should support, enhance, and not compete with existing businesses in Mill Creek.
5. The City should explore partnerships that could potentially support development and operation of the project.
6. The project should be structured in a way to minimize cost to the City.

Intended 3-Year Outcomes:

- Complete and approve a master plan.
- Narrow options and reach Council alignment on guiding elements of function and design.
- Community engagement.
- Identify and align funding sources, including potential partnerships.
- Commence development.

2025-27 Key Performance Indicators (KPIs), as reflected in the Council guiding principles:

1. Master plan (and planned EIS) complete, financing secured and development commenced
2. Community Survey Measure: Does the multi-purpose community facility create public spaces that bring people to connect, play, share, and enjoy life in Mill Creek?

2025-27 Key Deliverables:

A high-level summary of the plan and staging of key deliverables for the development of a multipurpose community facility is as follows:

Area of Focus	Year 1 Key Deliverables (2025)	Year 2 Key Deliverables (2026)	Year 3 Key Deliverables (2027)
DRCC Master Plan	Complete Master Plan	Significant community outreach and engagement.	Ongoing community outreach and engagement.
Public-Private Partnerships (PPP)	-- Finalize concept options based on community needs/priorities -- Assess potential partners -- Identify and solidify a partner. Reach agreement or MOU.	Partnership agreements executed.	
Internal Funding and External Financing Strategy	Outline financing options to implement DRCC Master Plan	-- Assess and analyze internal funding and external financing options. -- Identify top 1-3 strategies.	Finalize funding and financing strategy.
Design, Development, and Cost Estimates	-- Final concepts for facility. -- Initial Development plan and timeline. -- Initial Cost Estimates.	-- Final design and development plan. -- Final cost estimates.	Commence development.

Strategic Priority 3: Develop a Plan for Financial Viability of the City (short-term & long-term)

The Council is aware that the costs to sustain current operations and to maintain the standards of the City are increasing while City operations are still running lean. In addition, the Council is pursuing significant projects in service to the 2040 vision, including the development of a multipurpose community facility, the development of the Mill Creek Boulevard Subarea and the preservation of the ideals of the community regarding clean, safe and well maintained.

The Council is seeking clarity around how to ensure the short-term and long-term viability of the City in context to both costs and revenue sources as a basis for decision making.

Intended 3-Year Outcomes:

- Fund City operations that deliver the level of services required to meet community needs and council expectations.
- Maintain a balanced budget for the 2025/26 budget and planning for the subsequent biennium.
- Maintain appropriate reserve levels across the 2025/26 budget and subsequent biennium.
- Impact of potential annexations (e.g. West, East, and South) under analysis and consideration.
- Identify and execute a course of action to address the potential 2028 budget deficit.
- Clear guidelines and Public Works processes for tradeoff decisions between contracted services and self-performance to make sound staffing and financial decisions based on data.

2025-27 Key Performance Indicators (KPIs)

1. Community Survey Measure: Do you think Mill Creek has sufficient funding to provide a safe, clean, and well-maintained community?
2. Community Survey Measure: Does the community perceive that growth is planned to ensure Mill Creek proactively funds services that meet community needs and priorities?

2025-27 Key Deliverables:

A high-level summary of the plan and staging of key deliverables to ensure financial viability in the 2025/26 biennium and subsequent biennium is as follows:

Area of Focus	Year 1 Key Deliverables (2025)	Year 2 Key Deliverables (2026)	Year 3 Key Deliverables (2027)
Balanced Budget 2025/26	-- Explore tradeoffs: Contracts vs FTE or PTE. -- Explore tradeoffs: Contracts vs employee tasks and responsibilities.	-- Commence discussions on addressing 2028 potential deficit i.e. revenue. -- Identify options for additional revenues -- Commence discussions on how to utilize (or not) excess reserves.	Potential execution of revenue options.
Planning Area(s) defined and adopted by Council (codify a "Municipal Urban Growth Area" (MUGA) for	-- Annexation Principles updated and adopted -- Assessment of what is feasible/can be approved	MUGA for 3-10 years established; ("Near MUGA"); coordinate planning with County.	MUGA for 2044 established; assume all planning from County.

Strategic Priority 4: Re-clarify and Meet City Standards for Well Maintained Outdoors and Public Spaces

A guiding theme and area of focus in the Mill Creek 2040 vision is the creation and preservation of Well Maintained Outdoor and Public Spaces.

Intended 3-Year Outcomes:

- Clearly defined and agreed upon standards and expectations around the "State of Good Repair" for all city owned infrastructure to fulfill customer expectations, regulatory requirements and excellent financial stewardship. This will entail improving Mill Creek Municipal Codes.
- "Well trained" and "well equipped" staff and equipment for self-performance.
- Well documented (SOPs) processes for maintaining all infrastructure.
- Solid partner relationships for contracted infrastructure maintenance, repair, and rehabilitation, which are continuously evaluated and improved.

2025-27 Key Performance Indicators (KPIs):

We will start with KPIs based on community perception and input. As we build more of a data-based approach, we will integrate KPIs based on the data that we are tracking and using (by year 3).

1. Community Survey Measure: How would you rate the overall quality of services provided by the City of Mill Creek?
2. Community Survey Measure: How would you rate the maintenance and accessibility of City streets, sidewalks, medians, and parks and trails?

2025-27 Key Deliverables:

A high-level summary of the plan and staging of key deliverables to support the City's vision for ensuring the City's private and public spaces are well-maintained as follows:

Area of Focus	Year 1 Key Deliverables (2025)	Year 2 Key Deliverables (2026)	Year 3 Key Deliverables (2027)
Improved use of data in creating well maintained outdoors: *Establish GIS/AM system, integrate date into workload/project planning and establish a tool of choice for all infrastructure related information (public and private infrastructure).*	-GIS/AM systems: Data entry and build out. Ready for reactive issues.	-Ongoing system implementation and integration w/ Springbrook. -Citizen portal established for base data that presently is in CAD maps on website.	
	-Scope work orders system to provide field staff a two-way interface with the data they need to do their job	-System in use for most frequent work orders (reactive and proactive issues).	-Field staff record work performed, with labor and materials data being collected.
Effective, trained staffing (or contactors) for fast and efficient resolution of all regular infrastructure work and emergent issues	-Staff skills identified and development plans for acquiring the proper skill levels and experience. *Relates to contract cost tradeoffs.*	Hiring for increased level of self-performance projects as we grow the crew.	-Leads established where needed for focus areas (e.g., parks, streets, etc.
	-Service standards articulated and agreed upon. -Maintenance worker levels established, training plans for skills needed and certifications required.	-Workforce is all minimally qualified for general equipment (e.g., all CDL). -Specific training for specialized tasks is in progress and in place as needed for increased self-performance of tasks.	-All training is routine and scheduled without need for exceptions.
Process efficiency: *Codify institutional knowledge in written form to improve consistency and efficiency of service.*	-Full policy and procedure documents (SOPs) for all staff processes. Model after APWA certification standards for PW.	-Historical files are readily available and grouped logically and efficiently; no more dreaded G drive searches! -Culture of process documentation becoming the preferred approach.	-All processes are documented and policy/process manuals are well known and used. Continuous process improvement is the norm.

Strategic Priority 5: Increase Community Engagement

The intent of this strategic priority is to engage the community in order to clarify community responsibilities and involvement in creating the 2040 Vision for the City. In addition to the community being actively involved in maintaining the ideals of clean, safe and well maintained, community engagement itself is a key guiding theme and marker of the Mill Creek experience. Our ultimate intent in this priority is to simultaneously support safe, clean and well-maintained resident and business communities and to build pride of ownership of homes and businesses in Mill Creek.

Intended 3-Year Outcomes:

- Increase community engagement and communication with residents, businesses, and community groups.
- Align residents and businesses with City goals as it relates to key projects, public safety and property/street maintenance.
- Develop a community engagement program to support public safety and street/property maintenance and business success.
- Increase community engagement through business and resident partnerships in service to maintaining a Clean, Safe, and Well-maintained City.

2025-27 Key Performance Indicators (KPIs):

1. Community Survey Measure: Overall, the City does a good job engaging the community to get involved and participate in events, volunteer programs and activities?
2. Community Survey Measure: Does the City and its residents actively support community events, which bring people together to connect, play, share and enjoy life in Mill Creek?

2025-27 Key Deliverables:

The proposed plan to improve community engagement in alignment with the 2040 Vision and Council 3-5 year priorities is as follows:

Area of Focus	Year 1 Key Deliverables (2025)	Year 2 Key Deliverables (2026)	Year 3 Key Deliverables (2027)
Residents: Educate private property owners' (i.e homes and apts/condos) responsibilities as it relates to their properties and ROWs.	Educate home property owners on: • Trash, encampments, graffiti, and junk vehicles. • ROW Cleaning. • Storm Drain Maintenance • Required Permitting – Home Improvement. • In-home Businesses. • Other	Ongoing education Code Review and Enforcement: • Related code review and potential changes. • Obtain resident and/or property owner concerns and feedback.	Ongoing education Integrate learnings; iterate any education and code enforcement
Businesses: Educate businesses and commercial property owners on their responsibilities as it relates to their properties and ROWs.	Educate businesses and commercial property owners on: • ROW Cleaning. E.g. trash cans, sidewalks, etc. • Storm Drain Maintenance • Required Permitting – Tenant Improvement. • Other	Ongoing education. Code Review and Enforcement: • Related code review and potential changes. • Obtain business owner and/or property owner concerns and feedback.	Ongoing education Integrate learnings; iterate any education and code enforcement
Develop and Implement a Community Engagement Campaign or Program	Planning w/ Stakeholders: Exec Team (DC Mgr, Mgmt Analyst), Comms/Marketing, PW Teams) Develop and implement Campaign to engage residents, businesses and property owners.	Evaluate program and make adjustments Complete process improvement on processes with potential for efficiencies	Monitor performance survey results/KPIs

Ongoing Support of Safe and Clean: Mill Creek Police

Mill Creek is proud to maintain its own police force and have it integrated within the community. We will continue to focus on ensuring that Mill Creek is clean and safe in line with our 2040 Vision. The City Manager's focus is on police presence while leveraging technology in those areas where officer presence may be deemed higher risk or cost prohibitive.

Intended 3-Year Outcomes:

- Implement appropriate staffing, planning, resourcing and scheduling in order to meet City standards around Crime/Traffic Safety/Quality of Life; Increase staffing to WA State avg.
- Disaster Preparedness—Update the City Emergency Management Plan, with situational readiness achieved and necessary equip./supplies on site at City Hall.
- Achieve WA State Accreditation within 3-years.
- Implement appropriate Law Enforcement Technologies to improve both quality and efficiency of law enforcement and to promote safety within our City.

Key Performance Indicators (KPIs)

1. Reduce Mill Creek crime index by 25%.
2. Maintain community perception of Mill Creek as a safe, walkable and accessible community

2025-27 Key Deliverables:

Area of Focus	Year 1 Key Deliverables (2025)	Year 2 Key Deliverables (2026)	Year 3 Key Deliverables (2027)
Implement effective planning, prioritization and resourcing to meet City service standards for Crime detection/ prevention, Traffic Safety and Quality of Life	Department strategies and organizational chart finalized; evaluation of current resources. Identify resources necessary to address Department Priorities.	Evaluation of resources (staffing and equipment) to accomplish Department/Council priorities.	Reduced Crime Index for City of Mill Creek via Department strategy, priorities, and resourcing.
Disaster Preparedness *Address much needed disaster preparedness shortage in planning and resources.*	Mill Creek EOC materials and location planning workplan.	Mill Creek EOC materials and location planning complete. Emergency Management Plan Approved by City Manager and Snohomish County DEM.	Mill Creek Emergency Management Plan Complete and EOC in service.
Achieve Washington State Accreditation *Become recognized by WASPC as a Dept. utilizing best practices in providing professional law enforcement services, increasing public confidence and credibility..*	Accreditation Team selected and trained.	Department review of Accreditation standards. Proofs and mock accreditation complete.	WASPC review process complete and State Accreditation achieved.
Implement appropriate technologies to increase public safety and officer safety	Flock Safety ALPR implementation complete.	Analysis/assessment of Body Worn Camera hardware/software Potential selection, policies and procedures approved.	If approved, Body Worn Camera agreement with Guild and program implementation.

Ongoing Operational Effectiveness and Efficiency of our City Government: Management, HR and Finance

In addition to meeting the service standards of the City around clean, safe, well maintained and community engagement, the Council is embarking on significant projects to move the City toward its 2040 vision, including the development of a multipurpose community facility, planning and development of the Mill Creek Boulevard Subarea and potential annexations of neighboring communities. Our City staff currently runs efficient and lean compared to other cities of comparable size. While ensuring financial stability, the City is also focusing on an employee strategy that will improve employee development including leadership and management training, employee wellness, and improving on employee performance. Therefore, we need to focus on ensuring that we are optimizing our resources to focus on stated priorities.

Intended 3-Year Outcomes:

- Expand our ability to manage projects that support defined Council priorities.
- Optimize the right balance of staffing levels and overall staff productivity to meet Council and community priorities.
- Strengthen our talent and organizational culture to improve retention and increase productivity.
- Implement planning, budgeting and financial review processes that ensures fiscal responsibility and alignment to stated priorities.
- Implement management training and improve on performance evaluation process.

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2025-27 Key Performance Indicators (KPIs):

1. Complete management training by the end of April 2025.
2. Complete primary PW staff adjustments and additions by the end of 2025. 2026 or the subsequent biennium may require additional PW M&O staffing.
3. Less than 5% turnover across the City in the 2025/26 biennium.

2025-27 Key Deliverables:

Area of Focus	Year 1 Key Deliverables (2025)	Year 2 Key Deliverables (2026)	Year 3 Key Deliverables (2027)
Management--Ensure an effective, accountable organizational structure and proper balance of workloads	Reorganize some roles to ensure accountability and to free up critical expertise for management of MCB-SA and DRCC projects. Hire Community Development Director	Ensure proper staffing for all key projects that meet stated Council priorities	Ensure all roles are operating at top proficiency.
Project Management— Ensure effective and efficient project management to achieve stated priorities	Effective outsourcing where needed to accelerate key projects Codify project management roles and methodology on key projects	Implement process improvements across administrative functions	
Talent and Culture-- *Build our talent and culture to strengthen both retention and performance*	Document workstreams/processes for all key positions Implement supervisor training and peer-based feedback Assess talent and identify areas for improvement.	Update our performance management process and procedures to improve goal alignment, growth and accountability	Research, propose & implement Human Resource Information System (HRIS) to support data-based decision making
Fiscal Management— Ensure alignment of planning and budgeting and effective fiscal review	Implement biennial budget Fiscal review process to ensure departments stay on budget	Ongoing fiscal review process Implement integrated planning/ budgeting process for 2027-28 biennial budget	Ongoing fiscal review

Summary and Link to Biennial Budgeting:

In context to its 2040 Strategic Vision, the City is embarking on an exciting path of both forward progress and the preservation of what's most important and special to our community. There are a few themes that have emerged out of this planning process as we link this plan to the budgeting process.

- We need to properly resource in order to effectively execute on the work required to meet the stated Council priorities. We have set bold goals and priorities in this plan in service to the 2040 Vision. We will need to ensure that we have appropriate levels of staff to execute the breadth and depth of projects that will be required. We will also need to ensure that staff is executing at the highest productivity and efficiency possible.
- Effective Prioritization, Focus and Ongoing process efficiency will be key. In planning, budgeting and execution, we will need to ensure that we are highly focused and not wasting any energy or resources on things that not critical path to our vision and priorities.
- If and where we have tradeoff decisions to make, we should make them in service to the stated 2040 Vision and stated Council priorities.

Staff is currently preparing a 2025-26 Biennial Budget that executes on the elements of this Strategic Plan and allocates resources in the highest, best way possible in service to the stated Council priorities and the City's 2040 vision. The Council will study the proposed budget in

October 2024 with the intention to adopt it in November 2024. This Strategic Plan is intended to provide context and guidance to the budgeting priorities and decisions as part of that process.

MEMORANDUM

TO: City of Mill Creek
FROM: Sarah Emmans and Margaret Raimann
DATE: February 4, 2026
SUBJECT: Mill Creek Annexation Study Technical Appendix

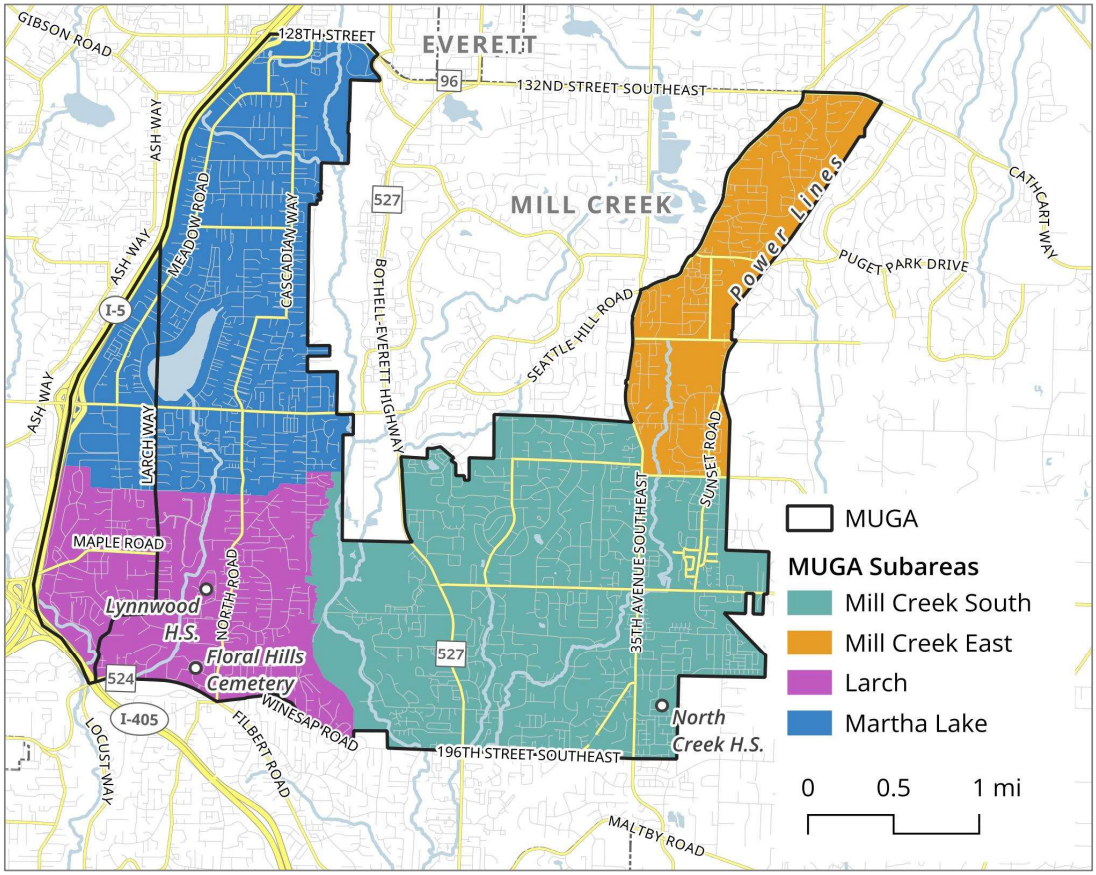
The City of Mill Creek is working with SME Consulting to analyze the feasibility and fiscal implications of the potential annexation of areas in the Municipal Urban Growth Areas (MUGA) surrounding Mill Creek (i.e., the Mill Creek MUGA and Larch Way Overlap MUGA). This memorandum provides an inventory of the spatial data and assets used to define and analyze the subareas used in the study.

Overview

We built the annexation scenarios based on four distinct subareas within the MUGAs surrounding Mill Creek city limits. The four subareas are defined as Martha Lake, Larch, Mill Creek South, and Mill Creek East. The boundaries of these areas are shown on the map in Figure 1, as well as described below:

- **Mill Creek South** is located south of the Mill Creek city limits and 169th Street Southeast, follows the southeastern boundary of the Mill Creek MUGA, north of 196th Street Southeast, and east of the natural areas along North Creek.
- **Mill Creek East** is located south of 132nd Street Southeast (SR 96), west of the power lines (following along the eastern border of the Mill Creek MUGA), north of 169th Street Southeast, and east of the Mill Creek city limits.
- **Larch** is located east of I-5, following the western boundary of the Larch Way MUGA and the southern boundary of the Mill Creek MUGA along SR 524 / Filbert Road to Winesap Road. It is west of the natural areas along North Creek and south of 172nd Street Southwest.
- **Martha Lake** is located north of 172nd Street Southwest, west of the Mill Creek city limits, south of 128th Street Southeast (SR 96) and east of I-5 along the Larch Way and Mill Creek MUGA boundaries.

Figure 1. Annexation Study Subareas



Source: Snohomish County Open Data

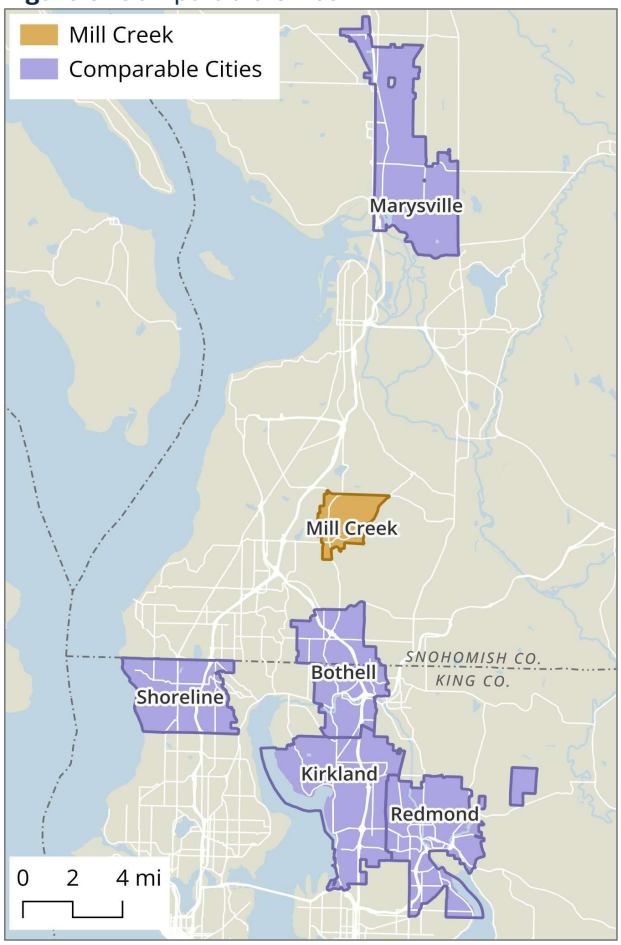
Figure 2 shows the acreage and square mileage of the four subareas both in terms of the parcel area in each subarea and the gross area, including rights-of-way. Acreage for parcels is based on the "TAB_ACRES" field in the parcel dataset from Snohomish County (retrieved on June 18, 2025).

Figure 2. Boundary Acreage and Square Mileage, City of Mill Creek and Annexation Study Subareas

Subarea	Acres	Square Miles	Parcel Acres
City of Mill Creek	2,996	4.68	2,581
Mill Creek South	2,622	4.10	2,265
Mill Creek East	815	1.27	672
Larch	1,258	1.97	1,052
Martha Lake	1,911	2.99	1,553

Figure 3 shows the comparable cities used to support assumptions in the analysis.

Figure 3. Comparable Cities



Source: Snohomish County Open Data, King County

Spatial Data Assets

For each dataset, we completed an intersection with the subarea boundaries to allow for summaries of the assets by subarea. We also calculated geometries—reported in the relevant units of miles, acres, etc.—for each asset. Additionally, the analysis uses data from comparable cities in the region (Bothell, Kirkland, Marysville, Redmond, and Shoreline) to support assumptions about future costs. These comparable data sources are documented in each section, where applicable.

Parks and Trails

The potential annexation subareas include park and trail assets that are currently maintained through Snohomish County Parks and Recreation. Our analysis used the following datasets from the Snohomish County Open Data Portal:

- County Park (retrieved on July 7, 2025)
- Parks County Trails (retrieved on July 7, 2025)

Comparable Cities

We retrieved parks and trails data for each comparable city from the sources listed below. In some cases, the datasets included parks and trails outside the jurisdiction. We filtered the data to only include assets managed by the City, as noted below.

- Bothell Parks and Recreation
  - Retrieved on January 20, 2026
  - Filtered by assets with the value "Bothell" in the field "ManagedBy"
- Kirkland Parks and Community Services
  - Retrieved on January 20, 2026
  - Filtered by assets with the value "PARK" or "PW" in the field "MAINT"
- Marysville Parks, Culture, and Recreation Department
  - Retrieved on January 20, 2026
  - Filtered by assets with the value "Marysville" in the field "MaintBy"
- Redmond Parks and Recreation
  - Retrieved on January 20, 2026
  - Parks data filtered by assets with the value "Comm", "Neigh", "Res", or "Urb" in the field "d_ParkType"
  - Trails data filtered by assets with the value "RED" in the field "d_Manager"
- Shoreline Parks, Recreation, and Community Services
  - Retrieved on January 20, 2026
  - Manually filtered assets by adding a field that indicates whether it is listed as a City park on the website.

Transportation and Roads

For transportation assets, we used two datasets available on the Snohomish County Open Data Portal, listed below. We calculated mileage of streets and acreage of right-of-way. The right-of-way dataset included a field for jurisdiction, which allowed for a high-level understand how the transportation network in the area is managed.

- Streets (retrieved on July 7, 2025)

- Right of Way (retrieved on July 7, 2025)

Comparable Cities

We retrieved transportation network data from each comparable city. Since right-of-way data was not readily available for all cities, we only pulled streets (centerline) data for the comparable cities:

- Bothell Streets (City GIS dataset)
  - Retrieved on January 12, 2026
- Kirkland Streets (King County Transportation Network GIS dataset)
  - Retrieved on January 12, 2026
  - Filtered by assets within Kirkland City Limits
- Marysville (Snohomish County Streets dataset)
  - Retrieved on July 7, 2025
  - Filtered by assets within Marysville City Limits
- Redmond (City GIS dataset)
  - Retrieved on January 12, 2026
- Shoreline (King County Transportation Network GIS dataset)
  - Retrieved on January 12, 2026

Storm and Surface Water

We used several datasets from the Snohomish County Open Data Portal to support assumptions about storm and surface water assets in the potential annexation areas based on conversations with the City of Mill Creek Public Works department.

- The following datasets were retrieved on July 7, 2025
  - Overflow Control
  - Media Filter Structure
  - Culvert
  - Enclosed Pope
  - Open Channel
  - Pond

Police Call Volume

Snohomish County 911 provided data on police call volumes for the three-year period from 2023 to 2025 for both the City of Mill Creek and the potential annexation subareas. The final dataset was provided on December 5, 2025. We filtered the call types in the data provided based on conversations with the Mill Creek Sheriff's Department. The call types include: Alarm Holdup, Alarm Silent, Assault, Assault Priority, Assault Weapon, Burglary, Burglary Priority, Disturbance, Domestic Violence Physical, Domestic Violence Verbal,

Robbery, Robbery Priority, Robbery Weapon, Shoplift, Shots, Theft Priority, Threat, and Weapons.

MEMORANDUM

TO: City of Mill Creek
FROM: Sarah Emmans / SME LLC
DATE: February 6, 2026
SUBJECT: City Council follow-up questions

Thank you for the opportunity to present to the Mill Creek City Council on February 3, 2026. Below and attached please find answers to the follow-up questions. Please note: I have also attached a revised slide deck with all references to "understaff" replaced with "fewer staff" or "lower staffing levels" to appropriately reflect the objective tone my analysis was intended to portray.

The revised slide deck also corrects a summary error on slide 41 (see question # 5 below)

1. **Councilmember Paddock asked about employers or employment by industry.**

Attached please find a table (Page A1) showing employment by industry occupation for the employed population of the City and each Census Designated Place (CDP) in my analysis (*i.e.*, industries of the employed population living in these areas). These data come from Table S2401Occupation by Sex for the Civilian Employed Population 16 Years and Over of the American Community Survey 2024 5-Year Estimates. By my observation, all areas have a relatively diverse employment basis, with larger concentrations in the professional services (top three categories in the attached summary). Please note the very small size of the Larch Way sample, which correspondingly has very high margins of error.

Unfortunately the Census does not report the number of establishments in each of these CDPs.

2. **Councilmember Paddock asked about spending per capita for the comparable cities in the analysis.**

Below please find a table showing FY 2026 adopted general fund expenditures, sorted by city population. Since the general fund is the primary operating funds for all city governments (and accounts for about 75 percent of Mill Creek's operating budget),[1] this is the easiest way to examine spending across these cities, but it is not a perfect apples-to-apples comparison due to the many differences among city budgets.

Among other considerations, these cities differ in terms of their service responsibilities. For example, Mukilteo, Redmond, Kirkland and Bothell have fire departments. Cities operate different numbers of utilities which are not paid for out of the general fund but which may require more centralized administrative or internal service support).

Relatedly, cities differ in terms of how much of their operating budgets are paid for out of the general fund. For example, Kirkland and Redmond have dedicated parks levy funds that pay for a significant portion of operating expenditures.

[1] Mill Creek had $31.5 million biennial general fund budget out of a $42 million operating budget (including surface water, REET, Streets, and other operating funds). See slide 41 of 2/3/2026 presentation.

Cities also differ in how they pay for services, especially with respect to the shared tax burdens among residents and visitors and commercials.

This analysis is not intended as a normative or qualitative statement about how much cities are or are not spending.

Table 1. FY26 Adopted General Fund Budgets, Population, and General Fund Budget per Capita, Select Cities

	FY26 Adopted General Fund Budget ($M)	***2025 Population***	***General Fund per Capita***
*Monroe**	$23.2	20,960	$1,108
Mukilteo	$21.4	21,590	$989
Mill Creek	**$14.6**	**21,630**	**$676**
Mountlake Terrace	$21.3	24,640	$865
Bothell	$82.0	51,760	$1,585
*Shoreline**	$71.2	63,740	$1,118
Marysville	$70.7	75,640	$935
*Redmond**	$158.6	82,380	$1,925
*Kirkland**	$165.8	97,850	$1,694

**FY26 budget is estimated based on annualized 2025-26 Biennial budgets, annualized using 2.5% interest.*

3. **Paddock would like to understand the option/ramifications if the City does not annex.**
4. **Councilmember Steckler asked for data regarding who is working remotely in the MUGA.**

Below please find tables showing the number and percentages of remote workers in each CDP. It's between 23 percent and 28 percent of workers in each CDP.

Exhibit 1. Workers 16 Years and Over by Means of Transportation to Work
Source: ACS 2023 5-Year Table B08301

	Mill Creek, WA		Larch Way, WA		Martha Lake, WA		Mill Creek East, WA		Silver Firs, WA	
	Value	Error	Value	Error	Value	Error	Value	Error	Value	Error
Total:	10,903	508	2,212	476	12,408	1,233	12,938	773	11,913	952
Car, truck, or van:	7,187	744	1,537	450	9,020	1,059	8,552	709	8,203	851
Drove alone	6,300	730	1,354	442	7,900	943	7,363	623	7,468	838
Carpooled:	887	332	183	121	1,120	372	1,189	366	735	189
In 2-person carpool	647	311	110	91	936	361	865	252	631	180
In 3-person carpool	149	100	51	62	122	85	220	188	50	40
In 4-person carpool	69	58	-	13	45	58	43	39	41	46
In 5- or 6-person carpool	22	24	22	34	17	27	61	61	4	13
In 7-or-more-person carpool	-	25	-	13	-	25	-	25	9	15
Public transportation (excluding taxicab):	522	166	99	110	167	94	514	170	406	129
Bus	522	166	99	110	147	90	479	172	406	129
Subway or elevated rail	-	25	-	13	-	25	-	25	-	25
Long-distance train or commuter rail	-	25	-	13	-	25	-	25	-	25
Light rail, streetcar or trolley (carro público in Puerto Rico)	-	25	-	13	20	31	35	42	-	25
Ferryboat	-	25	-	13	-	25	-	25	-	25
Taxicab	-	25	-	13	50	72	-	25	-	25
Motorcycle	81	111	-	13	36	42	78	78	-	25
Bicycle	23	31	-	13	-	25	-	25	-	25
Walked	34	39	11	19	116	83	51	42	58	51
Other means	71	65	-	13	111	93	114	74	174	122
Worked from home	2,985	482	565	212	2,908	666	3,629	497	3,072	424

5. **Councilmember Steckler requested FTE by department for all cities.**

In pages A2-A3 attachments to this memo, please find city staffing by department for all cities – total and "modeled functions" which exclude the departments highlighted in red.

Note: there was an error in the average "Modeled functions FTE per 1,000" on Slide 50 in the attachment. The fire departments of Kirkland, Redmond, and Bothell were erroneously included in the average, which skewed the data higher (5.8 in the previous version, 4.9 in the corrected version). This does **not** affect the fiscal analysis, it was rather an error in a summary document.

6. **Councilmember Steckler asked about the age of surface infrastructure in UGA.**

The GIS analysis used to produce the summaries and analysis did not include this information, and I was not able to find anything online. I've reached out to Snohomish County Public Works to get their input.

7. **Councilmember Steckler would like to know retail sales/sq. ft + per resident household spent.**

The Department of Revenue provided estimates of taxable retail sales activity in the MUGA sub areas for 2020 – 2023, based on the following categories: In-Store Sales, Delivery Sales, and Construction Sales.

Construction sales. The model assumes increases in sales tax from construction activity based on two assumptions: (1) for new development, construction costs are included as a share of market value (around 50%, from the National Association of Home Builders 2024 Cost of Construction Survey) on an assumed 2-year timeline; and (2) for existing development, construction costs are assumed as a share of total assessed value (<1 percent, listed in revenue assumptions).

In-store sales. To build a model of an increase in square footage assumed in baseline and growth scenarios, I used the square footage of parcels with use codes that fell into categories of businesses collecting sales tax:

- 519 Other Wholesale Trade, NEC
- 539 Other Retail Trade NEC
- 549 Other Retail Trade - Food NEC
- 553 Gasoline Service Stations
- 559 Other Retail Trade-Auto, Marine, Aircraft NEC
- 581 Eating Places (Restaurants)
- 591 Drug & Proprietary
- 598 Fuel & Ice
- 611 Banking & Bank Related Functions
- 629 Other Personal Services NEC
- 637 Warehousing & Storage Services
- 639 Other Business Services NEC
- 641 Automobile Repair & Services

- 651 Medical & Other Health Services
- 659 Other Professional Services NEC

The total parcel area was divided by the amount of 2023 in-store sales tax revenues to come up with an estimate of taxable retail sales per square foot, as shown in the revenue assumptions (pasted below).

Remote sales. Remote sales were also provided by the DOR and were divided by the number of residential parcels to come up with remote sales per residential parcel. If the remote sales were divided by households, the amount would be even lower due to multifamily properties; the revenue model used in this analysis assumes the higher amount.

Sales Tax Assumptions	*Martha Lake*	*Larch*	*Mill Creek S*	*Mill Creek East*
Remote sales per residential parcel	$15,810	$12,103	$38,609	$12,211
TRS per square foot (2023)	$122	$136	$258	$170
Taxable retail sales square footage	632,491	118,048	679,100	55,321

As with the property tax revenue model, there is assumed growth in the baseline sales activity (taxable retail sales + 3% growth as forecast by the Economic and Revenue Forecast Council) and then there is assumed new development and new retail & retail service businesses. **The baseline sales activity is the same in both models**, but the new growth in square footage, in taxable retail sales per square foot, in construction-related taxable sales, and in the number of taxable deliveries are assumed to be different under high and low growth scenarios.

The DOR did not provide this information for the City of Mill Creek, so we do not have apples-to-apples comparisons.

8. **Councilmember Steckler would like to know what does understaffing looks like.**

This is answered above in question 4. Please also note in the attached presentation, I have removed references to “understaffing” and instead use the terms “fewer staff than other cities.”

9. **Mayor Vignal would like to know if Mountlake Terrace should not have been a comparable as they run their own utility so they have more staff by default.**

Please see question 5 above where I exclude utility staff from the analysis. Mountlake Terrace staff per 1,000 residents drops from 6.4 FTE to 5.7 FTE accounting for the other utilities.

10. **Vignal would like more information on fire districts and how that process would work.**

CITY STAFFING, FY 2026 ADOPTED BUDGETS: MILL CREEK, MUKILTEO, MOUNTLAKE TERRACE, MONROE

Sources: FY26 adopted budgets for Mill Creek Mountlake Terrace, and Monroe. FY24 adopted budget for Mukilteo (latest available online). OFM 2025 population.

	Mill Creek	Mukilteo	Mountlake Terrace	Monroe
Population	*21,630*	*21,590*	*24,640*	*20,960*
Executive	3.5	6.0	9.0	2.0
Finance and IT		9.0		
Finance	7.2		8.8	4.3
Information Technology	2.0		3.8	3.2
Human Resources	1.0		1.0	2.8
City Clerk	1.5			1.8
Police	29.0	38.0	34.0	44.0
Fire		30.0		
Municipal Court & Jail Services			0.8	3.5
Human Services				1.0
Community & Economic Development	4.0		12.4	11.6
Planning		11.0		
Engineering Services			2.0	
Recreation	3.0	8.3	35.6	
Parks Services			7.9	11.4
Public Works (including Seasonals)	13.8	30.0		
PW - Street Operations			7.1	5.8
PW _ Parks CIP				1.6
PW - Street Construction			1.9	2.5
PW - Utilities			0.7	
Water O&M			9.5	9.6
Water CIP				3.0
Sewer O&M			6.8	10.6
Sewer CIP				2.8
Stormwater O&M			8.5	8.6
Stormwater CIP				1.3
PW - Fleet & Equipment			2.3	2.8
Property Management or Facilities			6.4	3.1
Total	**65.0**	**132.3**	**158.2**	**137.2**
Total, Modeled Functions	**65.0**	**102.3**	**141.2**	**106.8**

	Mill Creek	Mukilteo	Mountlake Terrace	Monroe	*Average*
FTE per 1,000	*3.0*	*6.1*	*6.4*	*6.5*	***6.4***
Modeled Function FTE per 1,000	*3.0*	*4.7*	*5.7*	*5.1*	***5.2***

Read the below as: for every 1 executive FTE in Mill Creek, there are 13 total FTE, compared to 1 exec for 25 total FTE in the other cities.

Central Services Model	Mill Creek	Mukilteo	Mountlake Terrace	Monroe	*Average*
FTE per Executive incl. Clerk	*13.0*	*22.1*	*17.6*	*36.6*	***25.4***
FTE per Finance & IT	*7.1*	*14.7*	*12.7*	*18.3*	***15.2***
FTE per HR	*65.0*	*?*	*158.2*	*49.0*	***103.6***

A3

February 2, 2026 Provided by SME Consulting to Mill Creek

CITY STAFFING: MILL CREEK, MARYSVILLE, KIRKLAND, REDMOND, BOTHELL, SHORELINE

Sources: FY26 city adopted budgets; 2025 OFM population.

	Mill Creek	Marysville	Kirkland	Redmond	Bothell	Shoreline
Population	*21,630*	*75,640*	*97,850*	*82,380*	*51,760*	*63,740*
Executive/City Manager	3.5	10.0	15.2	6.0	16.5	25.5
Communications				8.0		
Environmental Sustainability				4.0		
DEI				2.0		
Clerk	1.5			4.0		
Municipal Court		13.0	21.3		7.9	
Finance	7.2	18.0	46.5	23.5	12.0	10.6
Human Resources	1.0	6.0	10.0	18.0	5.5	4.0
City Attorney		12.0	5.0	9.3	6.0	3.0
Information Technology	2.0	13.0	31.5	43.0	16.3	13.6
Other Central Service					3.5	8.50
Community Planning and Development	4.0	18.0	75.5	94.8	28.8	28.0
Development Environmental Services		22.5	20.3			
Police	29.0	132.0	161.0	135.0	99.0	53.0
Fire			141.0	179.0	77.0	
Development Staffing*				10.0		
Parks & Recreation or Community Servic	3.0	10.0	41.0	77.0	19.0	49.6
Parks Levy Fund M&O			22.0			
Public Works (excl. below)	13.8		43.1	62.0	29.0	18.5
Streets		37.8	29.3	18.0	14.3	9.9
Surface Water			41.1	14.9	22.1	27.3
Water		69.0	23.66	19.1	11.3	
Wastewater				13.6	11.5	20.6
Solid Waste		14.3	3.2			
Fleet		6.8	9.90	7.50	5.10	2.10
Facilities		6.8	8.95		7.15	2.40
General Services			14.0			
Other			0.8			
Total (Excl. Council)	**65.0**	**389.0**	**764.3**	**748.6**	**391.9**	**276.6**
FTE, excluding non-modeled functions	**65.0**	**258.3**	**535.1**	**513.7**	**278.2**	**253.0**

	Mill Creek	Marysville	Kirkland	Redmond	Bothell	Shoreline	Average
Total FTE per 1,000	*3.0*	*5.1*	*7.8*	*9.1*	*7.6*	*4.3*	*6.8*
Modeled functions FTE per 1,000	*3.0*	*3.4*	*5.5*	*6.2*	*5.4*	*4.0*	*4.9*

Read the below as: for every 1 executive FTE in Mill Creek, there are 13 total FTE, compared to 1 exec for 34 total FTE in the other cities.

Central Services Model	Mill Creek	Marysville	Kirkland	Redmond	Bothell	Shoreline	Average
FTE per Executive incl. Clerk	*13.0*	*25.8*	*35.1*	*51.4*	*16.9*	*9.9*	*27.8*
FTE per Finance	*9.0*	*21.6*	*16.4*	*31.8*	*32.7*	*26.1*	*25.7*
FTE per HR	*65.0*	*43.0*	*53.5*	*28.5*	*50.6*	*63.2*	*47.8*
FTE per IT	*32.5*	*19.9*	*17.0*	*11.9*	*17.1*	*18.6*	*16.9*

A3

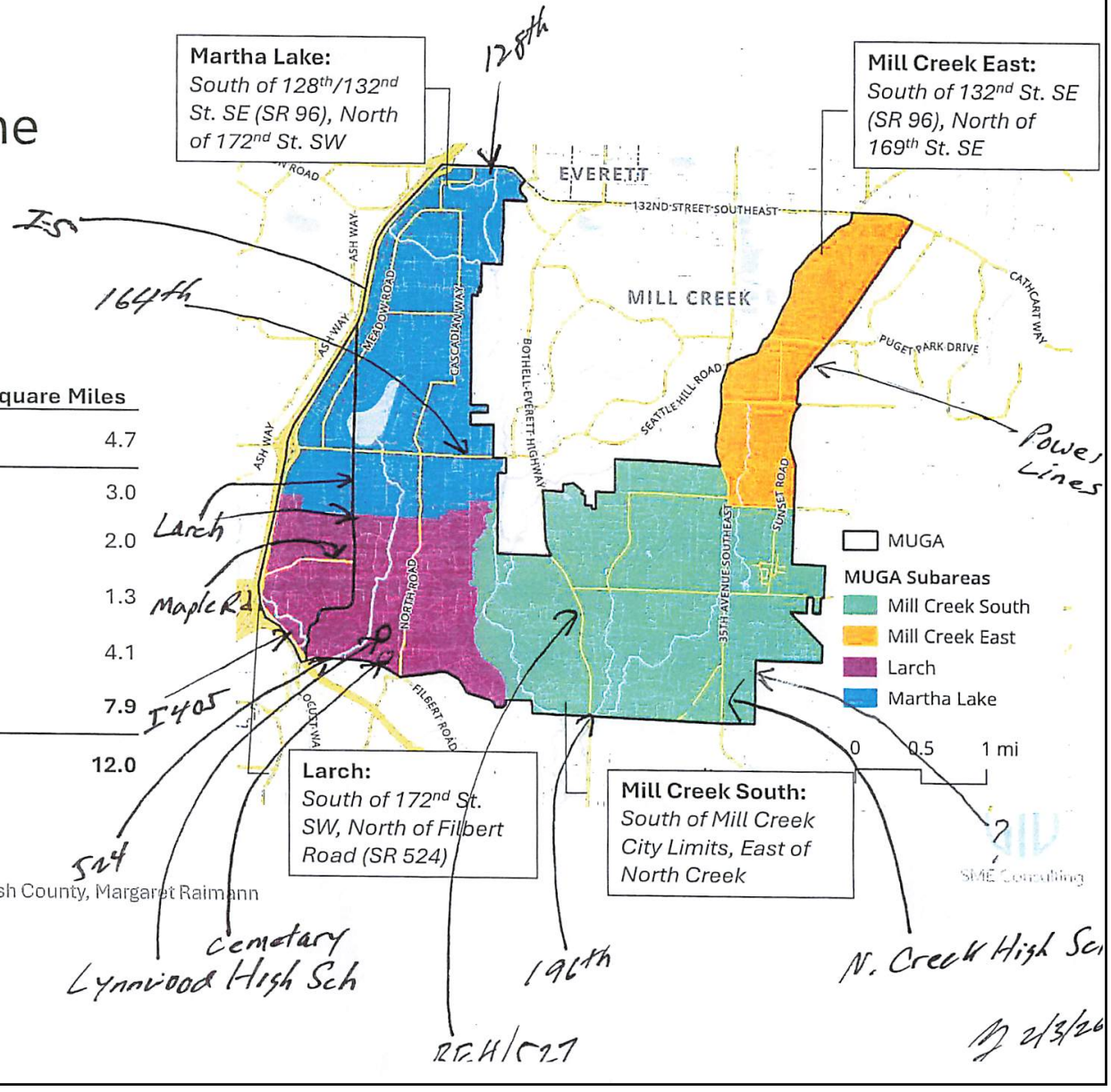
EMPLOYMENT BY OCCUPATION, CITY AND SURROUNDING CENSUS DESIGNATED PLACES (CDP)

Source: S2401 Occupation by Sex for the Civilian Employed Population 16 Years and Over, 2024 ACS 5-Year Estimates

	City of Mill Creek		Larch Way CDP		Martha Lake CDP		Mill Creek East CDP		Silver Firs CDP	
	Employed	Share of Total Employment	Employed	Share of Total Employment	Employed	Share of Total Employment	Employed	Share of Total Employment	Employed	Share of Total Employment
Management, business, and financial occupations:	3,103	*28%*	546	*20%*	2,434	*19%*	3,200	*24%*	3,174	*26%*
Computer, engineering, and science occupations:	2,160	*19%*	557	*21%*	2,066	*16%*	3,814	*29%*	1,998	*16%*
Education, legal, community service, arts, and media occupation	938	*8%*	195	*7%*	1,264	*10%*	1,312	*10%*	1,247	*10%*
Healthcare practitioners and technical occupations:	644	*6%*	228	*8%*	819	*6%*	540	*4%*	757	*6%*
Healthcare support occupations	311	*3%*	8	*0%*	547	*4%*	175	*1%*	243	*2%*
Protective service occupations:	151	*1%*	29	*1%*	168	*1%*	148	*1%*	112	*1%*
Food preparation and serving related occupations	466	*4%*	146	*5%*	427	*3%*	508	*4%*	285	*2%*
Building and grounds cleaning and maintenance occupations	73	*1%*	11	*0%*	435	*3%*	165	*1%*	67	*1%*
Personal care and service occupations	51	*0%*	85	*3%*	218	*2%*	66	*1%*	225	*2%*
Sales and related occupations	1,059	*9%*	110	*4%*	837	*7%*	934	*7%*	1,225	*10%*
Office and administrative support occupations	966	*9%*	257	*10%*	1,452	*11%*	749	*6%*	1,064	*9%*
Farming, fishing, and forestry occupations	-	*0%*	-	*0%*	12	*0%*	55	*0%*	-	*0%*
Construction and extraction occupations	158	*1%*	166	*6%*	599	*5%*	174	*1%*	344	*3%*
Installation, maintenance, and repair occupations	426	*4%*	116	*4%*	323	*3%*	332	*3%*	349	*3%*
Production occupations	201	*2%*	141	*5%*	425	*3%*	403	*3%*	440	*4%*
Transportation occupations	309	*3%*	74	*3%*	344	*3%*	327	*2%*	312	*3%*
Material moving occupations	135	*1%*	35	*1%*	474	*4%*	181	*1%*	538	*4%*
Civilian employed population 16 years and over	**11,151**		**2,704**		**12,844**		**13,083**		**12,380**	

Mill Creek and the UGA subareas

	Current Population	Square Miles
Mill Creek City	21,787	4.7
Martha Lake	17,968	3.0
Larch	8,126	2.0
Mill Creek East	7,993	1.3
Mill Creek South	26,684	4.1
Total MUGA	**60,771**	**7.9**
Total All Areas	**82,557**	**12.0**



Source: OFM Population Estimates. Snohomish County, Margaret Raimann

Annexation Follow-Up Materials

City of Mill Creek

February 10, 2026

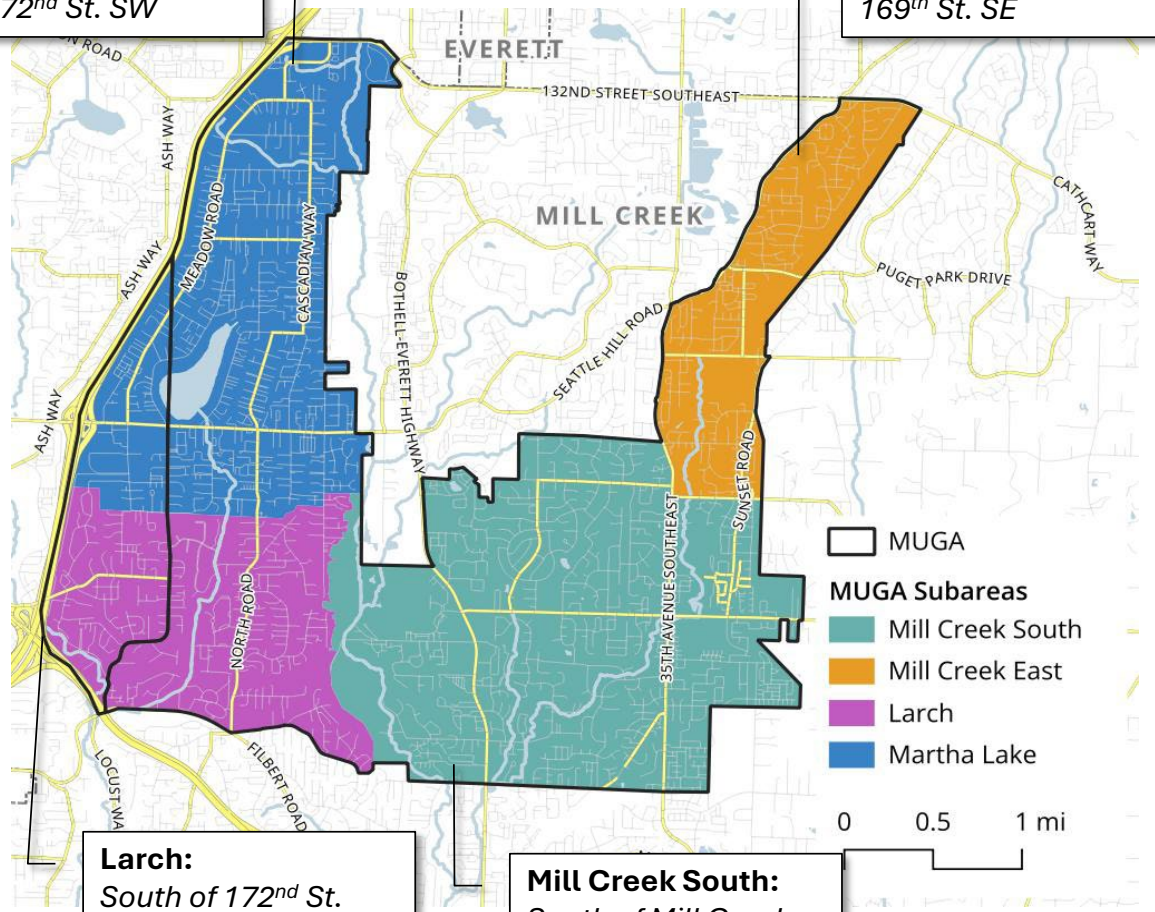
SME Consulting LLC

Mill Creek and the UGA subareas

	Current Population	Square Miles
Mill Creek City	21,787	4.7
Martha Lake	17,968	3.0
Larch	8,126	2.0
Mill Creek East	7,993	1.3
Mill Creek South	26,684	4.1
Total MUGA	**60,771**	**7.9**
Total All Areas	**82,557**	**12.0**

Martha Lake: *South of 128th/132nd St. SE (SR 96), North of 172nd St. SW*

Mill Creek East: *South of 132nd St. SE (SR 96), North of 169th St. SE*

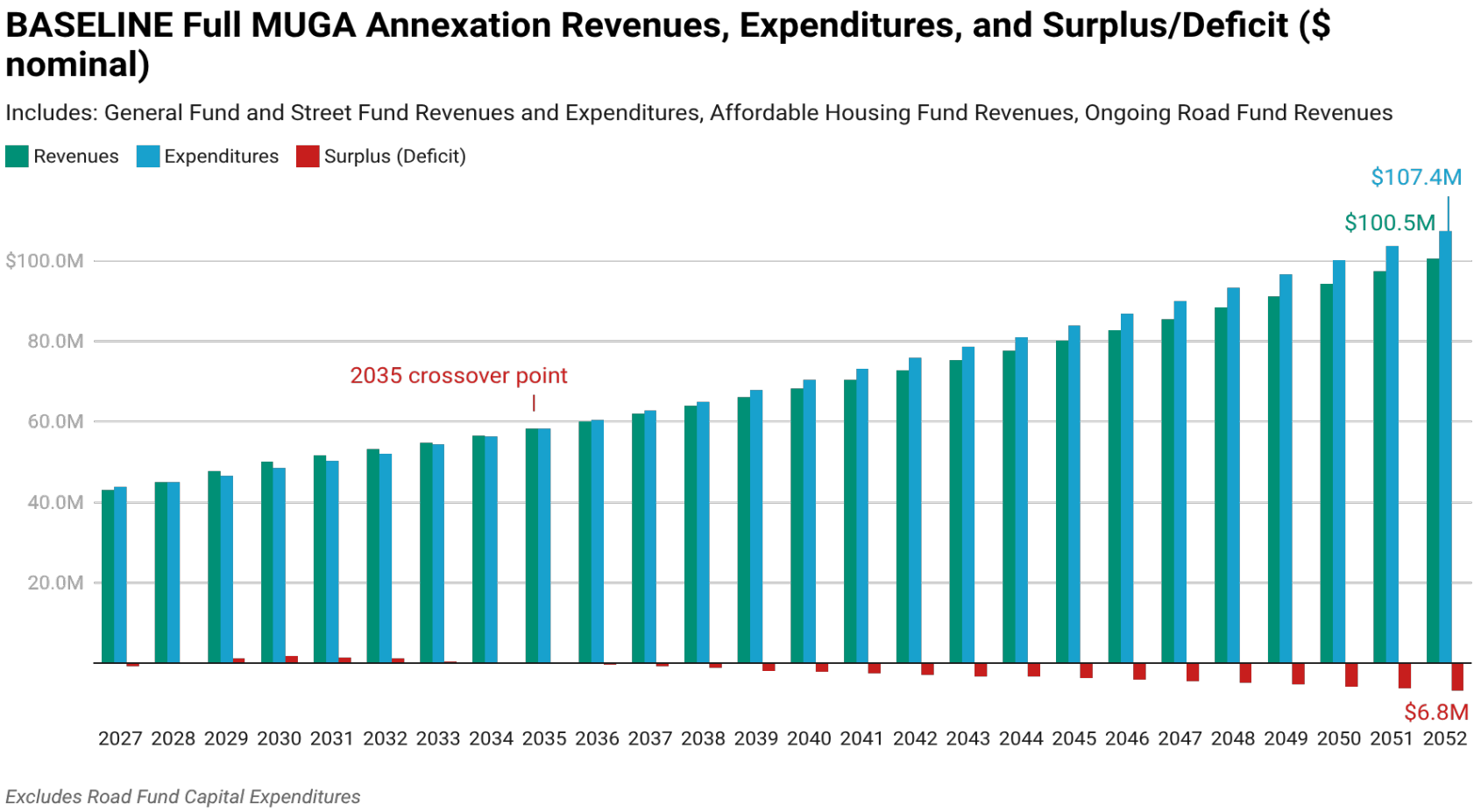


Larch: *South of 172nd St. SW, North of Filbert Road (SR 524)*

Mill Creek South: *South of Mill Creek City Limits, East of North Creek*

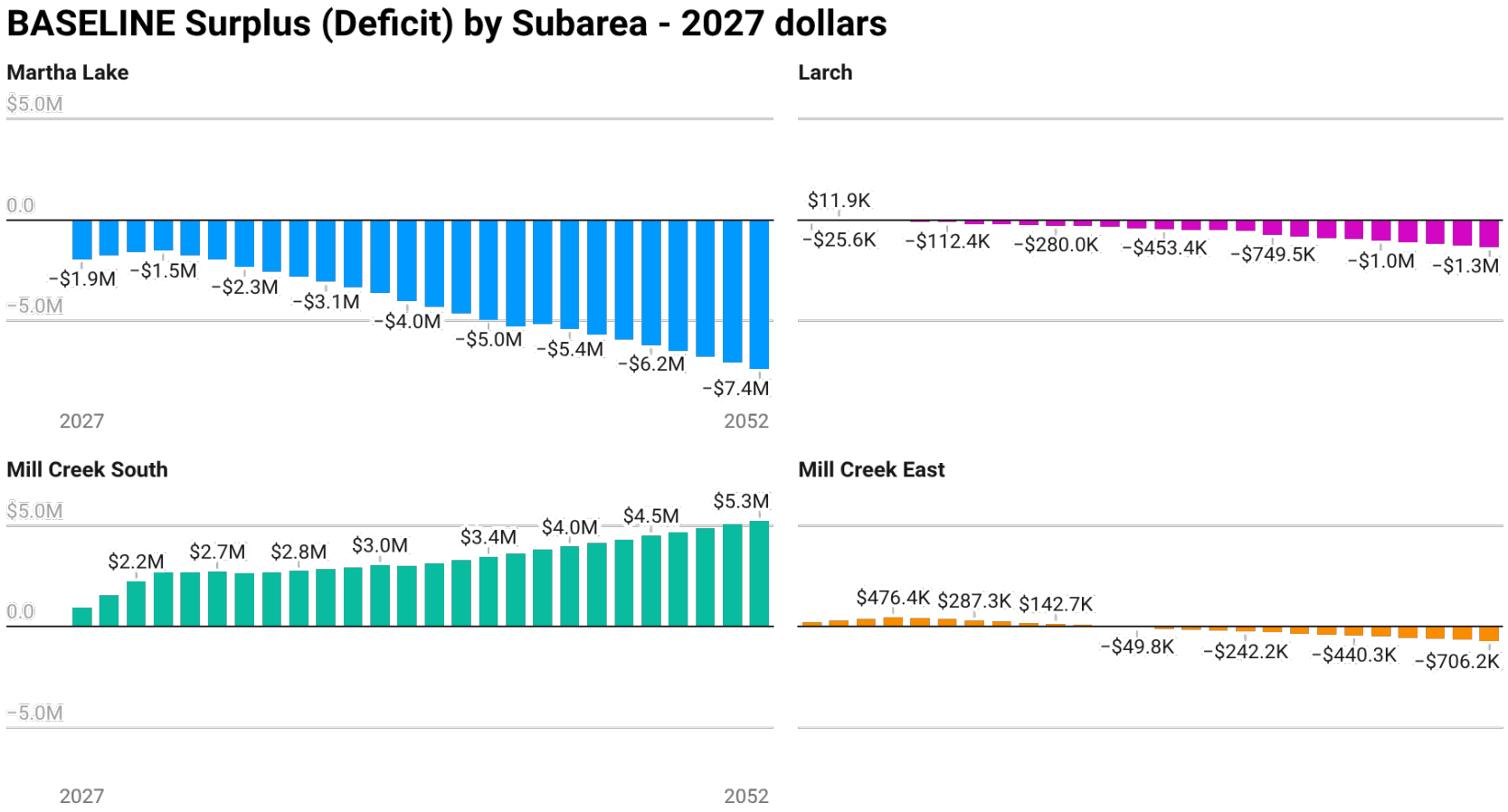
Source: OFM Population Estimates. Snohomish County, Margaret Raimann

All areas BASELINE scenario – nominal dollars

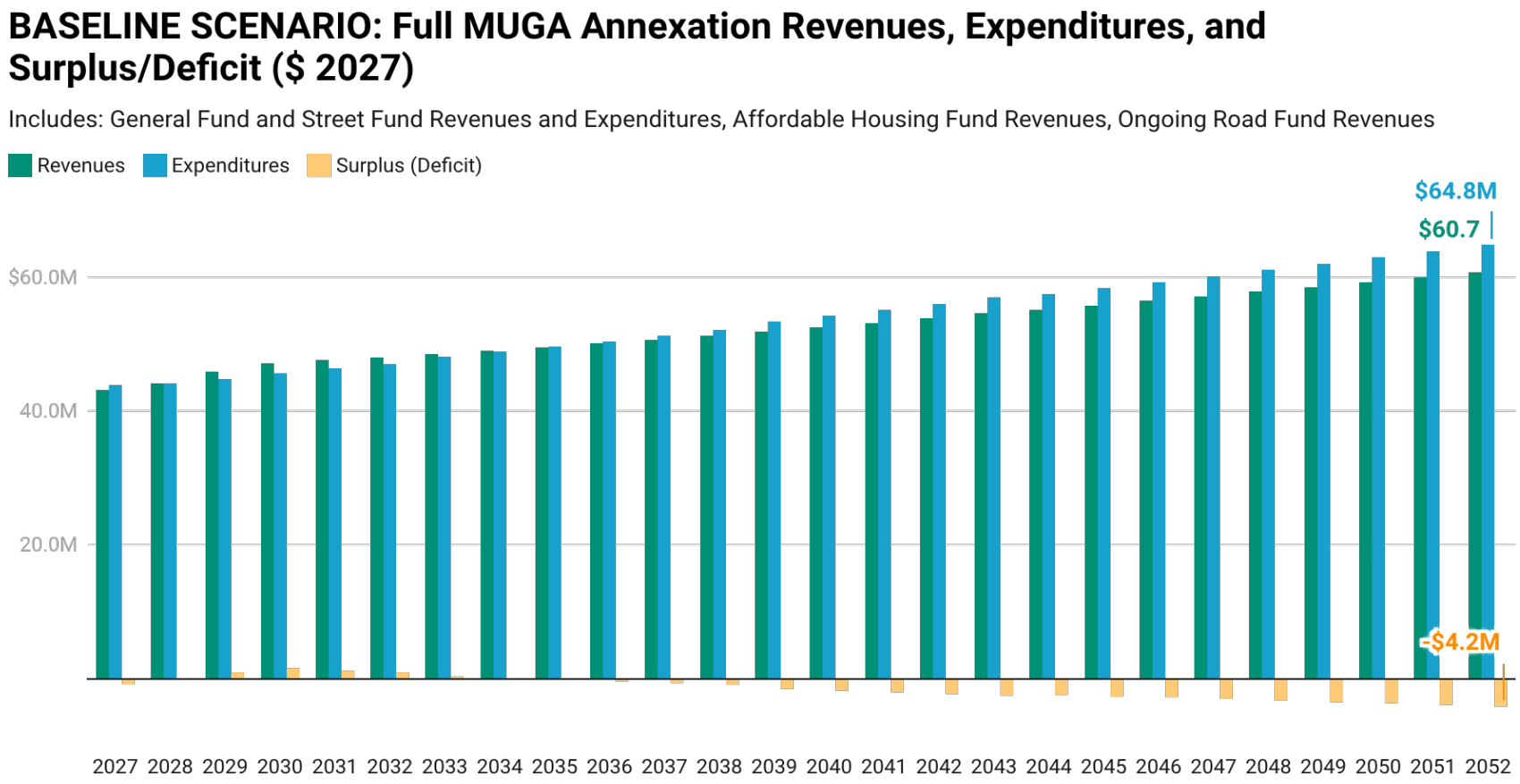


Excludes Road Fund Capital Expenditures

BASELINE Surplus (Deficit) – real dollars

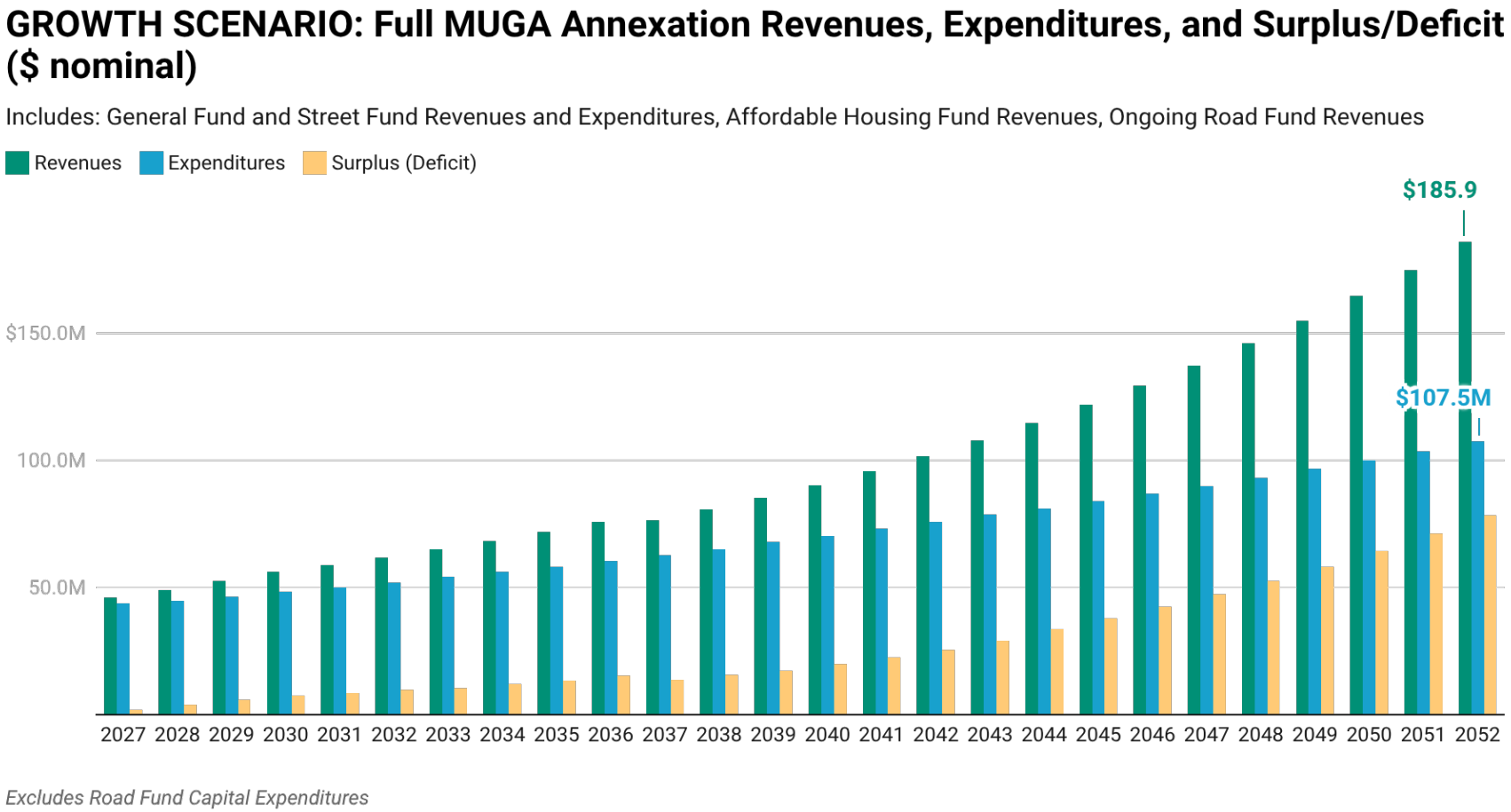


All areas BASELINE scenario - real 2027 dollars

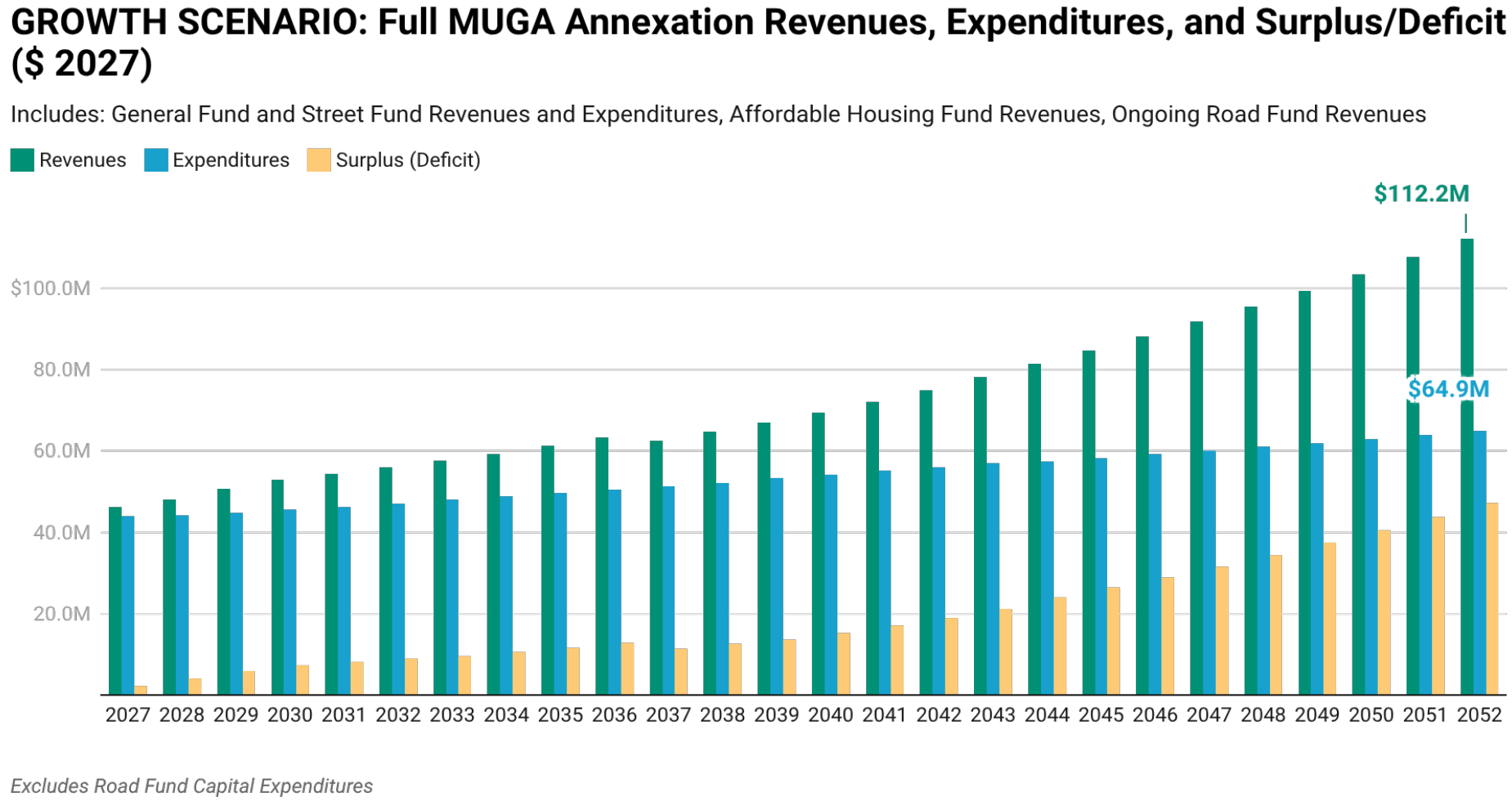


Excludes Road Fund Capital Expenditures

All areas GROWTH scenario - nominal dollars

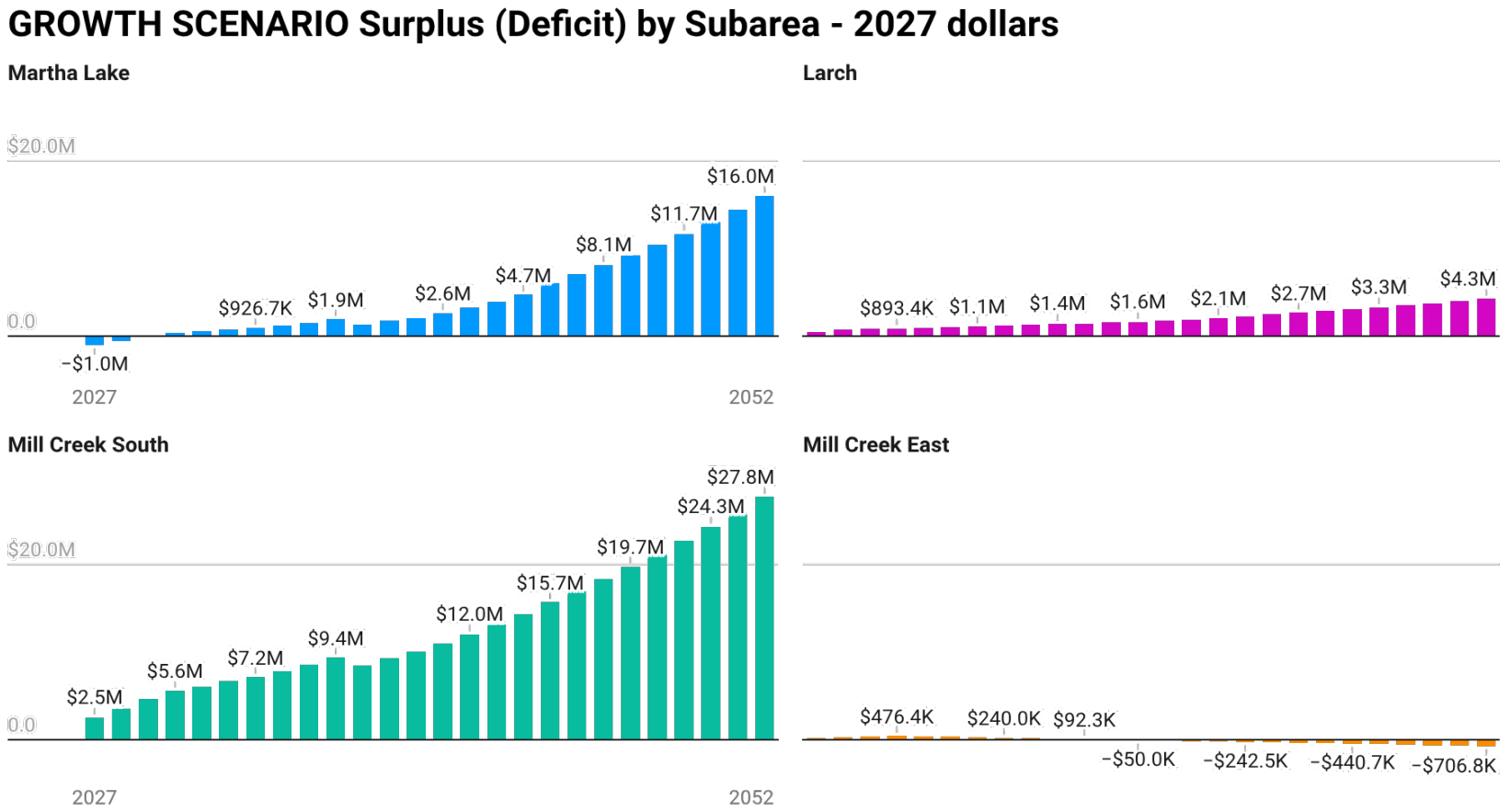


All areas GROWTH scenario - real 2027 dollars



Excludes Road Fund Capital Expenditures

GROWTH Surplus (Deficit) – real dollars



Assumptions

All expenditure and revenue model assumptions for 2027 – 2044 remain as presented on Tuesday, February 3, 2026.

For years 2045 – 2052, expenditures and revenues for all areas were grown at the 5-year average (2039 – 2044) for all areas and scenarios.

	Martha Lake	Larch	Mill Creek South	Mill Creek East
Revenues – Baseline	4%	3%	3%	2%
Revenues - Growth	7%	5%	6%	2%
Expenditures	4%	4%	3%	3%

BASELINE SCENARIO: ANNEXATION REVENUE, EXPENDITURE, AND NET SURPLUS (DEFICIT), ALL YEARS (MILLIONS OF NOMINAL DOLLARS)

Martha Lake	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**	**2045**	**2046**	**2047**	**2048**	**2049**	**2050**	**2051**	**2052**
Revenues	$12.2	$12.8	$13.6	$14.4	$14.9	$15.4	$15.9	$16.5	$17.0	$17.6	$18.2	$18.8	$19.5	$20.1	$20.9	$21.6	$22.4	$23.2	$24.0	$24.8	$25.7	$26.6	$27.5	$28.5	$29.5	$30.5
Expenditures	$14.1	$14.6	$15.3	$16.0	$16.8	$17.6	$18.5	$19.4	$20.3	$21.3	$22.3	$23.3	$24.6	$25.8	$27.0	$28.3	$29.7	$30.4	$31.8	$33.1	$34.6	$36.1	$37.6	$39.3	$41.0	$42.8
Surplus (Deficit)	*-$1.9*	*-$1.8*	*-$1.7*	*-$1.6*	*-$1.9*	*-$2.2*	*-$2.6*	*-$3.0*	*-$3.3*	*-$3.7*	*-$4.1*	*-$4.5*	*-$5.1*	*-$5.6*	*-$6.2*	*-$6.7*	*-$7.3*	*-$7.3*	*-$7.8*	*-$8.3*	*-$8.9*	*-$9.5*	*-$10.1*	*-$10.8*	*-$11.5*	*-$12.2*

Larch	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**	**2045**	**2046**	**2047**	**2048**	**2049**	**2050**	**2051**	**2052**
Revenues	$7.0	$7.2	$7.4	$7.7	$7.9	$8.2	$8.5	$8.8	$9.1	$9.4	$9.7	$10.0	$10.4	$10.8	$11.1	$11.5	$11.9	$12.0	$12.4	$12.8	$13.1	$13.5	$13.9	$14.4	$14.8	$15.2
Expenditures	$7.0	$7.2	$7.4	$7.7	$8.0	$8.3	$8.7	$9.0	$9.4	$9.7	$10.1	$10.5	$10.9	$11.3	$11.8	$12.2	$12.7	$13.1	$13.6	$14.1	$14.6	$15.1	$15.7	$16.2	$16.8	$17.4
Surplus (Deficit)	*$0.0*	*$0.0*	*$0.0*	*-$0.1*	*-$0.1*	*-$0.1*	*-$0.2*	*-$0.3*	*-$0.3*	*-$0.3*	*-$0.4*	*-$0.4*	*-$0.5*	*-$0.6*	*-$0.6*	*-$0.7*	*-$0.7*	*-$1.1*	*-$1.2*	*-$1.3*	*-$1.4*	*-$1.6*	*-$1.7*	*-$1.9*	*-$2.0*	*-$2.2*

Mill Creek South	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**	**2045**	**2046**	**2047**	**2048**	**2049**	**2050**	**2051**	**2052**
Revenues	$18.8	$19.8	$21.0	$22.2	$22.8	$23.4	$24.1	$24.9	$25.6	$26.4	$27.3	$28.1	$29.1	$30.1	$31.1	$32.1	$33.3	$34.5	$35.7	$36.9	$38.2	$39.5	$40.9	$42.3	$43.7	$45.2
Expenditures	$17.9	$18.2	$18.7	$19.3	$19.9	$20.4	$21.2	$21.7	$22.4	$23.0	$23.7	$24.4	$25.2	$26.0	$26.7	$27.5	$28.3	$29.1	$29.9	$30.8	$31.7	$32.6	$33.5	$34.5	$35.5	$36.5
Surplus (Deficit)	*$0.9*	*$1.6*	*$2.3*	*$2.9*	*$2.9*	*$3.0*	*$3.0*	*$3.1*	*$3.3*	*$3.4*	*$3.6*	*$3.8*	*$3.8*	*$4.1*	*$4.4*	*$4.7*	*$5.0*	*$5.4*	*$5.7*	*$6.1*	*$6.5*	*$6.9*	*$7.3*	*$7.8*	*$8.2*	*$8.7*

Mill Creek East	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**	**2045**	**2046**	**2047**	**2048**	**2049**	**2050**	**2051**	**2052**
Revenues	$5.1	$5.3	$5.6	$5.8	$6.0	$6.1	$6.2	$6.4	$6.5	$6.6	$6.8	$6.9	$7.1	$7.3	$7.4	$7.6	$7.8	$8.0	$8.1	$8.3	$8.5	$8.7	$8.9	$9.1	$9.3	$9.6
Expenditures	$4.9	$5.0	$5.2	$5.3	$5.5	$5.7	$5.9	$6.1	$6.3	$6.5	$6.7	$6.9	$7.2	$7.4	$7.6	$7.9	$8.1	$8.4	$8.6	$8.9	$9.2	$9.5	$9.8	$10.1	$10.4	$10.7
Surplus (Deficit)	*$0.2*	*$0.3*	*$0.4*	*$0.5*	*$0.5*	*$0.4*	*$0.3*	*$0.3*	*$0.2*	*$0.2*	*$0.1*	*$0.1*	*-$0.1*	*-$0.1*	*-$0.2*	*-$0.3*	*-$0.3*	*-$0.4*	*-$0.5*	*-$0.6*	*-$0.7*	*-$0.8*	*-$0.8*	*-$1.0*	*-$1.1*	*-$1.2*

All Areas	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**	**2045**	**2046**	**2047**	**2048**	**2049**	**2050**	**2051**	**2052**
Revenues	$43.1	$45.1	$47.7	$50.1	$51.6	$53.1	$54.8	$56.4	$58.2	$60.0	$62.0	$64.0	$66.0	$68.2	$70.5	$72.9	$75.4	$77.6	$80.2	$82.8	$85.5	$88.3	$91.3	$94.3	$97.4	$100.5
Expenditures	$43.9	$45.0	$46.6	$48.4	$50.2	$52.0	$54.3	$56.3	$58.4	$60.5	$62.7	$65.0	$68.0	$70.5	$73.1	$75.8	$78.7	$81.0	$83.9	$86.9	$90.0	$93.3	$96.6	$100.1	$103.7	$107.4
Surplus (Deficit)	*-$0.8*	*$0.1*	*$1.1*	*$1.7*	*$1.4*	*$1.1*	*$0.5*	*$0.2*	*-$0.1*	*-$0.4*	*-$0.8*	*-$1.1*	*-$1.9*	*-$2.3*	*-$2.6*	*-$3.0*	*-$3.4*	*-$3.4*	*-$3.7*	*-$4.1*	*-$4.5*	*-$4.9*	*-$5.4*	*-$5.9*	*-$6.3*	*-$6.8*

GROWTH SCENARIO: ANNEXATION REVENUE, EXPENDITURE, AND NET SURPLUS (DEFICIT), ALL YEARS (MILLIONS OF NOMINAL DOLLARS)

Martha Lake	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**	**2045**	**2046**	**2047**	**2048**	**2049**	**2050**	**2051**	**2052**
Revenues	$13.1	$14.0	$15.3	$16.5	$17.4	$18.5	$19.6	$20.8	$22.1	$23.6	$23.9	$25.5	$27.3	$29.2	$31.3	$33.6	$36.2	$39.0	$42.0	$45.1	$48.4	$52.0	$55.9	$60.0	$64.5	$69.3
Expenditures	$14.1	$14.6	$15.3	$16.0	$16.8	$17.6	$18.5	$19.4	$20.3	$21.3	$22.3	$23.3	$24.6	$25.8	$27.0	$28.3	$29.7	$30.4	$31.8	$33.1	$34.6	$36.1	$37.6	$39.3	$41.0	$42.8
Surplus (Deficit)	*-$1.0*	*-$0.6*	*$0.0*	*$0.4*	*$0.6*	*$0.9*	*$1.0*	*$1.4*	*$1.8*	*$2.3*	*$1.7*	*$2.2*	*$2.7*	*$3.4*	*$4.3*	*$5.3*	*$6.5*	*$8.6*	*$10.2*	*$11.9*	*$13.8*	*$15.9*	*$18.2*	*$20.8*	*$23.5*	*$26.5*

Larch	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**	**2045**	**2046**	**2047**	**2048**	**2049**	**2050**	**2051**	**2052**
Revenues	$7.5	$8.0	$8.3	$8.7	$9.1	$9.5	$9.9	$10.4	$10.9	$11.4	$11.8	$12.4	$13.0	$13.6	$14.3	$15.0	$15.8	$16.6	$17.4	$18.3	$19.2	$20.2	$21.2	$22.2	$23.3	$24.5
Expenditures	$7.0	$7.2	$7.4	$7.7	$8.0	$8.3	$8.7	$9.0	$9.4	$9.7	$10.1	$10.5	$10.9	$11.3	$11.8	$12.2	$12.7	$13.1	$13.6	$14.1	$14.6	$15.1	$15.7	$16.2	$16.8	$17.4
Surplus (Deficit)	*$0.5*	*$0.8*	*$0.9*	*$0.9*	*$1.1*	*$1.2*	*$1.2*	*$1.4*	*$1.5*	*$1.7*	*$1.8*	*$1.9*	*$2.1*	*$2.3*	*$2.5*	*$2.8*	*$3.1*	*$3.5*	*$3.9*	*$4.2*	*$4.6*	*$5.1*	*$5.5*	*$6.0*	*$6.5*	*$7.1*

Mill Creek South	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**	**2045**	**2046**	**2047**	**2048**	**2049**	**2050**	**2051**	**2052**
Revenues	$20.4	$21.8	$23.6	$25.2	$26.5	$27.8	$29.2	$30.8	$32.5	$34.3	$34.0	$36.0	$38.0	$40.3	$42.7	$45.3	$48.2	$51.2	$54.4	$57.7	$61.3	$65.0	$69.0	$73.3	$77.7	$82.5
Expenditures	$17.9	$18.2	$18.7	$19.3	$19.9	$20.4	$21.2	$21.7	$22.4	$23.0	$23.7	$24.4	$25.2	$26.0	$26.7	$27.5	$28.3	$29.1	$29.9	$30.8	$31.7	$32.6	$33.5	$34.5	$35.5	$36.5
Surplus (Deficit)	*$2.5*	*$3.6*	*$4.9*	*$5.9*	*$6.6*	*$7.4*	*$8.1*	*$9.0*	*$10.1*	*$11.3*	*$10.4*	*$11.6*	*$12.8*	*$14.3*	*$16.0*	*$17.8*	*$19.9*	*$22.1*	*$24.4*	*$26.9*	*$29.6*	*$32.4*	*$35.5*	*$38.7*	*$42.2*	*$46.0*

Mill Creek East	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**	**2045**	**2046**	**2047**	**2048**	**2049**	**2050**	**2051**	**2052**
Revenues	$5.1	$5.3	$5.6	$5.8	$6.0	$6.1	$6.2	$6.4	$6.5	$6.6	$6.8	$6.9	$7.1	$7.3	$7.4	$7.6	$7.8	$8.0	$8.1	$8.3	$8.5	$8.7	$8.9	$9.1	$9.3	$9.6
Expenditures	$4.9	$5.0	$5.2	$5.3	$5.5	$5.7	$5.9	$6.1	$6.3	$6.5	$6.7	$6.9	$7.2	$7.4	$7.6	$7.9	$8.1	$8.4	$8.6	$8.9	$9.2	$9.5	$9.8	$10.1	$10.4	$10.7
Surplus (Deficit)	*$0.2*	*$0.3*	*$0.4*	*$0.5*	*$0.5*	*$0.4*	*$0.3*	*$0.3*	*$0.2*	*$0.2*	*$0.1*	*$0.1*	*-$0.1*	*-$0.1*	*-$0.2*	*-$0.3*	*-$0.3*	*-$0.4*	*-$0.5*	*-$0.6*	*-$0.7*	*-$0.8*	*-$0.9*	*-$1.0*	*-$1.1*	*-$1.2*

All Areas	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**	**2045**	**2046**	**2047**	**2048**	**2049**	**2050**	**2051**	**2052**
Revenues	$46.1	$49.1	$52.7	$56.2	$59.0	$61.9	$65.0	$68.4	$72.0	$75.9	$76.6	$80.8	$85.4	$90.4	$95.8	$101.6	$107.9	$114.8	$121.9	$129.4	$137.4	$145.9	$155.0	$164.7	$174.9	$185.9
Expenditures	$43.9	$45.0	$46.6	$48.4	$50.2	$52.0	$54.3	$56.3	$58.4	$60.5	$62.7	$65.0	$68.0	$70.5	$73.1	$75.8	$78.7	$81.0	$83.9	$86.9	$90.0	$93.3	$96.6	$100.1	$103.7	$107.5
Surplus (Deficit)	*$2.3*	*$4.1*	*$6.1*	*$7.8*	*$8.8*	*$9.9*	*$10.7*	*$12.1*	*$13.7*	*$15.4*	*$13.9*	*$15.8*	*$17.5*	*$19.9*	*$22.6*	*$25.7*	*$29.2*	*$33.8*	*$38.0*	*$42.5*	*$47.4*	*$52.7*	*$58.4*	*$64.5*	*$71.2*	*$78.4*

BASELINE SCENARIO: ANNEXATION REVENUE, EXPENDITURE, AND NET SURPLUS (DEFICIT), ALL YEARS (MILLIONS OF 2027 DOLLARS)

Martha Lake	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052
Revenues	$12.2	$12.5	$13.1	$13.6	$13.7	$13.9	$14.1	$14.3	$14.5	$14.7	$14.9	$15.1	$15.3	$15.5	$15.7	$15.9	$16.2	$16.4	$16.7	$16.9	$17.1	$17.4	$17.7	$17.9	$18.2	$18.4
Expenditures	$14.1	$14.3	$14.7	$15.1	$15.5	$15.9	$16.4	$16.8	$17.3	$17.7	$18.2	$18.7	$19.3	$19.8	$20.4	$20.9	$21.5	$21.6	$22.1	$22.6	$23.1	$23.6	$24.1	$24.7	$25.2	$25.8
Surplus (Deficit)	*-$1.9*	*-$1.8*	*-$1.6*	*-$1.5*	*-$1.8*	*-$2.0*	*-$2.3*	*-$2.6*	*-$2.8*	*-$3.1*	*-$3.3*	*-$3.6*	*-$4.0*	*-$4.3*	*-$4.6*	*-$5.0*	*-$5.3*	*-$5.2*	*-$5.4*	*-$5.7*	*-$5.9*	*-$6.2*	*-$6.5*	*-$6.8*	*-$7.1*	*-$7.4*

Larch	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052
Revenues	$7.0	$7.0	$7.1	$7.2	$7.3	$7.4	$7.5	$7.6	$7.7	$7.8	$7.9	$8.0	$8.2	$8.3	$8.4	$8.5	$8.6	$8.5	$8.6	$8.7	$8.8	$8.9	$8.9	$9.0	$9.1	$9.2
Expenditures	$7.0	$7.0	$7.2	$7.3	$7.4	$7.5	$7.7	$7.8	$8.0	$8.1	$8.2	$8.4	$8.6	$8.7	$8.9	$9.0	$9.2	$9.3	$9.4	$9.6	$9.7	$9.9	$10.0	$10.2	$10.4	$10.5
Surplus (Deficit)	*$0.0*	*$0.0*	*$0.0*	*-$0.1*	*-$0.1*	*-$0.1*	*-$0.2*	*-$0.2*	*-$0.3*	*-$0.3*	*-$0.3*	*-$0.3*	*-$0.4*	*-$0.5*	*-$0.5*	*-$0.5*	*-$0.5*	*-$0.7*	*-$0.8*	*-$0.9*	*-$1.0*	*-$1.0*	*-$1.1*	*-$1.2*	*-$1.3*	*-$1.3*

Mill Creek South	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052
Revenues	$18.8	$19.4	$20.2	$20.9	$21.0	$21.2	$21.4	$21.6	$21.8	$22.0	$22.3	$22.5	$22.8	$23.1	$23.4	$23.7	$24.1	$24.4	$24.8	$25.1	$25.5	$25.8	$26.2	$26.6	$26.9	$27.3
Expenditures	$17.9	$17.8	$18.0	$18.2	$18.3	$18.5	$18.7	$18.9	$19.0	$19.2	$19.3	$19.5	$19.8	$20.0	$20.1	$20.3	$20.5	$20.6	$20.8	$21.0	$21.2	$21.3	$21.5	$21.7	$21.9	$22.0
Surplus (Deficit)	*$0.9*	*$1.6*	*$2.2*	*$2.7*	*$2.7*	*$2.7*	*$2.6*	*$2.7*	*$2.8*	*$2.8*	*$2.9*	*$3.0*	*$3.0*	*$3.1*	*$3.3*	*$3.4*	*$3.6*	*$3.8*	*$4.0*	*$4.2*	*$4.3*	*$4.5*	*$4.7*	*$4.9*	*$5.1*	*$5.3*

Mill Creek East	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052
Revenues	$5.1	$5.2	$5.4	$5.5	$5.5	$5.5	$5.5	$5.5	$5.5	$5.5	$5.6	$5.6	$5.6	$5.6	$5.6	$5.6	$5.6	$5.6	$5.7	$5.7	$5.7	$5.7	$5.7	$5.7	$5.8	$5.8
Expenditures	$4.9	$4.9	$5.0	$5.0	$5.1	$5.1	$5.2	$5.3	$5.3	$5.4	$5.5	$5.5	$5.6	$5.7	$5.7	$5.8	$5.9	$5.9	$6.0	$6.1	$6.1	$6.2	$6.3	$6.3	$6.4	$6.5
Surplus (Deficit)	*$0.2*	*$0.3*	*$0.4*	*$0.5*	*$0.4*	*$0.4*	*$0.3*	*$0.2*	*$0.2*	*$0.1*	*$0.1*	*$0.0*	*$0.0*	*-$0.1*	*-$0.1*	*-$0.2*	*-$0.2*	*-$0.3*	*-$0.3*	*-$0.4*	*-$0.4*	*-$0.5*	*-$0.5*	*-$0.6*	*-$0.7*	*-$0.7*

All Areas	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052
Revenues	$43.1	$44.2	$45.8	$47.2	$47.6	$48.0	$48.5	$49.0	$49.5	$50.1	$50.6	$51.2	$51.8	$52.5	$53.1	$53.8	$54.5	$55.1	$55.7	$56.4	$57.1	$57.8	$58.5	$59.2	$59.9	$60.7
Expenditures	$43.9	$44.1	$44.8	$45.6	$46.3	$47.0	$48.1	$48.8	$49.6	$50.4	$51.3	$52.1	$53.3	$54.2	$55.1	$56.0	$57.0	$57.5	$58.3	$59.2	$60.1	$61.0	$62.0	$62.9	$63.8	$64.8
Surplus (Deficit)	*-$0.8*	*$0.1*	*$1.0*	*$1.6*	*$1.3*	*$1.0*	*$0.4*	*$0.2*	*-$0.1*	*-$0.4*	*-$0.6*	*-$0.9*	*-$1.5*	*-$1.7*	*-$2.0*	*-$2.2*	*-$2.4*	*-$2.4*	*-$2.6*	*-$2.8*	*-$3.0*	*-$3.2*	*-$3.4*	*-$3.7*	*-$3.9*	*-$4.2*

GROWTH SCENARIO: ANNEXATION REVENUE, EXPENDITURE, AND NET SURPLUS (DEFICIT), ALL YEARS (MILLIONS OF 2027 DOLLARS)

Martha Lake	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052
Revenues	$13.1	$13.8	$14.7	$15.5	$16.1	$16.7	$17.4	$18.1	$18.8	$19.7	$19.6	$20.4	$21.4	$22.5	$23.6	$24.8	$26.2	$27.7	$29.2	$30.7	$32.3	$34.0	$35.8	$37.7	$39.7	$41.8
Expenditures	$14.1	$14.3	$14.7	$15.1	$15.5	$15.9	$16.4	$16.8	$17.3	$17.7	$18.2	$18.7	$19.3	$19.8	$20.4	$20.9	$21.5	$21.6	$22.1	$22.6	$23.1	$23.6	$24.1	$24.7	$25.2	$25.8
Surplus (Deficit)	*-$1.0*	*-$0.6*	*$0.0*	*$0.4*	*$0.6*	*$0.8*	*$0.9*	*$1.2*	*$1.6*	*$1.9*	*$1.4*	*$1.8*	*$2.1*	*$2.6*	*$3.2*	*$4.0*	*$4.7*	*$6.1*	*$7.1*	*$8.1*	*$9.2*	*$10.4*	*$11.7*	*$13.0*	*$14.5*	*$16.0*

Larch	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052
Revenues	$7.5	$7.8	$8.0	$8.2	$8.4	$8.6	$8.8	$9.0	$9.3	$9.5	$9.7	$9.9	$10.2	$10.5	$10.8	$11.1	$11.4	$11.8	$12.1	$12.5	$12.8	$13.2	$13.6	$14.0	$14.4	$14.8
Expenditures	$7.0	$7.0	$7.2	$7.3	$7.4	$7.5	$7.7	$7.8	$8.0	$8.1	$8.2	$8.4	$8.6	$8.7	$8.9	$9.0	$9.2	$9.3	$9.4	$9.6	$9.7	$9.9	$10.0	$10.2	$10.4	$10.5
Surplus (Deficit)	*$0.5*	*$0.8*	*$0.8*	*$0.9*	*$1.0*	*$1.1*	*$1.1*	*$1.2*	*$1.3*	*$1.4*	*$1.4*	*$1.6*	*$1.6*	*$1.8*	*$1.9*	*$2.1*	*$2.2*	*$2.5*	*$2.7*	*$2.9*	*$3.1*	*$3.3*	*$3.5*	*$3.8*	*$4.0*	*$4.3*

Mill Creek South	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052
Revenues	$20.4	$21.3	$22.6	$23.7	$24.4	$25.1	$25.9	$26.7	$27.6	$28.6	$27.8	$28.8	$29.8	$31.0	$32.2	$33.5	$34.9	$36.3	$37.8	$39.3	$40.9	$42.5	$44.3	$46.0	$47.9	$49.8
Expenditures	$17.9	$17.8	$18.0	$18.2	$18.3	$18.5	$18.7	$18.9	$19.0	$19.2	$19.3	$19.5	$19.8	$20.0	$20.1	$20.3	$20.5	$20.6	$20.8	$21.0	$21.2	$21.3	$21.5	$21.7	$21.9	$22.0
Surplus (Deficit)	*$2.5*	*$3.5*	*$4.7*	*$5.6*	*$6.1*	*$6.7*	*$7.2*	*$7.8*	*$8.6*	*$9.4*	*$8.5*	*$9.3*	*$10.0*	*$11.0*	*$12.0*	*$13.2*	*$14.4*	*$15.7*	*$17.0*	*$18.3*	*$19.7*	*$21.2*	*$22.7*	*$24.3*	*$26.0*	*$27.8*

Mill Creek East	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052
Revenues	$5.1	$5.2	$5.4	$5.5	$5.5	$5.5	$5.5	$5.5	$5.5	$5.5	$5.6	$5.6	$5.6	$5.6	$5.6	$5.6	$5.6	$5.6	$5.7	$5.7	$5.7	$5.7	$5.7	$5.7	$5.8	$5.8
Expenditures	$4.9	$4.9	$5.0	$5.0	$5.1	$5.1	$5.2	$5.3	$5.3	$5.4	$5.5	$5.5	$5.6	$5.7	$5.7	$5.8	$5.9	$5.9	$6.0	$6.1	$6.1	$6.2	$6.3	$6.3	$6.4	$6.5
Surplus (Deficit)	*$0.2*	*$0.3*	*$0.4*	*$0.5*	*$0.4*	*$0.4*	*$0.3*	*$0.2*	*$0.2*	*$0.1*	*$0.1*	*$0.0*	*-$0.1*	*-$0.1*	*-$0.1*	*-$0.2*	*-$0.2*	*-$0.3*	*-$0.3*	*-$0.4*	*-$0.4*	*-$0.5*	*-$0.5*	*-$0.6*	*-$0.7*	*-$0.7*

All Areas	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052
Revenues	$46.1	$48.1	$50.6	$52.9	$54.4	$55.9	$57.6	$59.4	$61.3	$63.3	$62.6	$64.7	$67.0	$69.5	$72.2	$75.0	$78.1	$81.5	$84.7	$88.2	$91.7	$95.5	$99.4	$103.5	$107.7	$112.2
Expenditures	$43.9	$44.1	$44.8	$45.6	$46.3	$47.0	$48.1	$48.8	$49.6	$50.4	$51.3	$52.1	$53.3	$54.2	$55.1	$56.0	$57.0	$57.5	$58.3	$59.2	$60.1	$61.0	$62.0	$62.9	$63.9	$64.9
Surplus (Deficit)	*$2.3*	*$4.0*	*$5.9*	*$7.4*	*$8.1*	*$8.9*	*$9.5*	*$10.5*	*$11.6*	*$12.9*	*$11.3*	*$12.7*	*$13.7*	*$15.3*	*$17.1*	*$19.0*	*$21.1*	*$24.0*	*$26.4*	*$29.0*	*$31.6*	*$34.5*	*$37.4*	*$40.6*	*$43.9*	*$47.3*