



**BUSINESS OF THE CITY COUNCIL  
CITY OF MERCER ISLAND, WA**

**AB 4643  
June 6, 2011  
Regular Business**

**2010 MERCER ISLAND DASHBOARD REPORT**

**Proposed Council Action:**

No action needed. Receive report.

**DEPARTMENT OF**

Finance (Chip Corder)

**COUNCIL LIAISON**

n/a

**EXHIBITS**

1. 2010 Mercer Island Dashboard Report

**APPROVED BY CITY MANAGER**

<b>AMOUNT OF EXPENDITURE</b>	\$	n/a
<b>AMOUNT BUDGETED</b>	\$	n/a
<b>APPROPRIATION REQUIRED</b>	\$	n/a

**SUMMARY**

The 2010 Mercer Island Dashboard Report, which is the City's performance measurement model, is attached as Exhibit 1. A "Report Card" Summary section is included, which begins on page 3.

**RECOMMENDATION**

*Finance Director*

No action needed. Receive report.

# 2010 Mercer Island Dashboard Report

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## Introduction

The City's performance measurement model, called the Mercer Island Dashboard, was developed in 2007 with the following objectives in mind:

1. To identify "top tier" indicators which capture the "state of the City" in terms of what matters most to the management team and the City Council.
2. To collect meaningful information that impacts financial and human resource allocation decisions and ultimately organizational direction during the biennial budget/CIP process.
3. To select a manageable group of measures that has minimal impact on productive staff time in terms of data gathering.

The model is comprised of 35 "dashboard" indicators, which are organized around the City's 6 priorities of government and broken down into functional areas within each priority of government:

1. Community Safety & Security: **8 indicators**
  - Personal Security
  - Crime Prevention Effectiveness
  - Traffic Safety Effectiveness
  - Timely Crime Response
  - Fire Suppression Effectiveness
  - Emergency Medical Aid Effectiveness
  - Timely Fire & Emergency Medical Aid Responses
  - Emergency Preparedness
2. Effective & Efficient Public Service Delivery & Community Sustainability: **14 indicators**
  - Public Trust
  - Community Issues
  - Risk Management
  - Employee Retention & Morale
  - Development Permit Processing
  - Court Operations
  - Creditworthiness
  - Financial Management
  - Financial Condition
  - Environmental Stewardship (5 indicators)
3. Reliable Public Infrastructure: **4 indicators**
  - General Government Infrastructure Condition (2 indicators)
  - Water Utility Infrastructure Condition
  - Sewer Utility Infrastructure Condition

# 2010 Mercer Island Dashboard Report

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4. Attractive Neighborhoods & Business Districts: **3 indicators**

- Neighborhood & Downtown Attractiveness (2 indicators)
- Economic Vitality

5. Recreational, Cultural, Health & Educational Opportunities: **5 indicators**

- Recreation Programs & Facilities
- Park Amenities
- Youth Counseling & Intervention
- Senior Outreach & Advocacy
- Volunteerism & Human Services Funding

6. Public Communication & Community Involvement: **1 indicator**

- Informed Citizenry

Finally, many of the “dashboard” indicators are further broken down into sub-indicators for the purpose of providing context, identifying important components, and painting a clearer picture of performance.

## “Report Card” Summary

One of four ratings (i.e. very good, good, improving, or needs attention), along with a brief comment, is provided for each of the 35 “dashboard” indicators below, which are organized by priority of government.

### **Community Safety & Security**

#	Dashboard Indicator	Rating	Comment
1	<b>Personal security</b>	Very good	2009 survey: Residents who feel “very safe” or “completely safe” walking alone: - In their neighborhood (86%) - In the Town Center (87%)
2	<b>Crime prevention effectiveness</b>	Very good	2 <sup>nd</sup> lowest crime rate among 6 Eastside cities in 2010
3	<b>Traffic safety effectiveness</b>	Very good	2 <sup>nd</sup> lowest traffic accident rate among 6 Eastside cities in 2010; excluding I-90, MI is very close to No. 1 Sammamish
4	<b>Timely crime response</b>	Very good	Emergency calls: - Average response time: 5.3 min in 2010 vs. 4.7 min annual average for 2006-2010 - Calls responded to within 6 min: 73% in 2010 vs. 65% in 2006 - Citizen complaints are very rare

# 2010 Mercer Island Dashboard Report

## Community Safety & Security (cont'd)

#	Dashboard Indicator	Rating	Comment
5	Fire suppression effectiveness	Very good	Lowest fire \$ loss per 1,000 population (\$3,443) among 6 Eastside cities/districts in 2010
6	Emergency medical aid effectiveness	Very good	2010 cardiac arrest survival rate: <ul style="list-style-type: none"> <li>- MI (50%) vs. King County average (48%)</li> <li>- King County has highest rate in U.S.</li> </ul>
7	Timely fire & emergency medical aid responses	Very good	Fire calls: <ul style="list-style-type: none"> <li>- Average response time: 6.5 min in 2010 vs. 6.8 min in 2006</li> <li>- Calls responded to within 6 min: 51% in 2010 vs. 40% in 2006</li> </ul> EMS calls: <ul style="list-style-type: none"> <li>- Average response time: 5.5 min in 2010 vs. 6.2 min in 2006</li> <li>- Calls responded to within 6 min: 68% in 2010 vs. 62% in 2006</li> </ul> Citizen complaints are very rare
8	Emergency preparedness	Good	2009 survey: 56% believe they are "mostly prepared" or "completely prepared" for a 7 day event

## Effective/Efficient Public Service Delivery & Community Sustainability

#	Dashboard Indicator	Rating	Comment
9	Public trust	Good	2009 survey: 55% believe the City is doing a "good" or "excellent" job of using tax dollars responsibly vs. 28% rating for King County
10	Community issues	Good	2009 survey: Most important problem facing MI: <ul style="list-style-type: none"> <li>- Traffic, transportation, parking (26%)</li> <li>- Education, school funding (13%)</li> <li>- Overcrowding, overdevelopment (11%)</li> <li>- Nothing (10%)</li> <li>- High taxes, high cost of living (6%)</li> </ul>
11	Risk management	Good	2006-2010 insurance claims filed: <ul style="list-style-type: none"> <li>- MI (132) vs. Group 4 cities average (182)</li> <li>- Public Works Engineering, Police, and Street Maintenance claims are significantly better than Group 4 cities' average</li> <li>- Trouble spot: Sewer Utility claims</li> </ul>

# 2010 Mercer Island Dashboard Report

## **Effective/Efficient Public Service Delivery & Community Sustainability (cont'd)**

#	Dashboard Indicator	Rating	Comment
12	<b>Employee retention &amp; morale</b>	Good	Employee longevity by department or department grouping (2010): <ul style="list-style-type: none"> <li>- Police &amp; Fire: 69% of employees have been with the City for 10 years or more</li> <li>- DSG: 63% of employees have been with the City for &lt; 5 years</li> <li>- Maintenance and Parks &amp; Recreation: Healthy distribution among the 3 employee longevity categories (&lt; 5 years, 5-10 years, and 10 years or &gt;)</li> <li>- All other departments: 49% of employees have been with the City for 10 years or more</li> </ul>
13	<b>Development permit processing</b>	Very good	2009 survey: 91% of DSG customers are "satisfied" or "very satisfied" with processing of permits
14	<b>Court operations</b>	Needs attention	Court-related revenues are 95% of expenditures in 2010 vs. 132% in 2007 due to 15.5% reduction in total case filings
15	<b>Creditworthiness</b>	Very good	Bond ratings: <ul style="list-style-type: none"> <li>- Unlimited tax G.O. bonds (UTGO): Aa1</li> <li>- Limited tax G.O. bonds (LTGO): Aa1</li> <li>- Only Seattle and Bellevue have higher UTGO ratings in WA state</li> </ul>
16	<b>Financial management</b>	Very good	Clean audit opinion received annually on City's financial statements for past 16 years
17	<b>Financial condition</b>	Needs attention	Ratio of tax revenues to personnel costs in the General Fund dropped from 1.12 in 2007 to 1.00 in 2010 due to recession (Finance Director's target is 1.05 or higher)
	<b>Environmental stewardship:</b>		
18	Average fleet fuel efficiency	Good	2010 fuel efficiency increases/decreases by vehicle grouping: <ul style="list-style-type: none"> <li>- 6 full-size, mid-size, compact &amp; subcompact vehicles (2.6%)</li> <li>- 53 SUV's, pickup trucks, vans (10.5%)</li> <li>- 11 commercial vehicles (-1.4%)</li> </ul>
19	Employee commute reduction	Very good	Reduction of 1,429 miles per employee in 2010

# 2010 Mercer Island Dashboard Report

## ***Effective/Efficient Public Service Delivery & Community Sustainability (cont'd)***

#	Dashboard Indicator	Rating	Comment
20	Energy usage	Very good	10.1% overall decrease in electricity and natural gas usage in 2010 due to: <ul style="list-style-type: none"> <li>- Warmer than normal winter and wetter and cooler than normal summer</li> <li>- Participation in Puget Sound Energy's resource conservation program</li> </ul>
21	Water consumption	Very good	2010 reduction in water consumption: <ul style="list-style-type: none"> <li>- Average SF residential customer (-14.1%)</li> <li>- City owned buildings/facilities (-39.9%)</li> <li>- City owned parks (-46.5%)</li> </ul> Reductions are due to wetter and cooler than normal spring and summer and City staff conservation efforts
22	Solid waste diversion	Very good	65% diverted from landfill in 2010 vs. King County average of 54%

## ***Reliable Public Infrastructure***

#	Dashboard Indicator	Rating	Comment
	<b>General government infrastructure condition:</b>		
23	Street/sidewalk/path/park maintenance	Good to very good	2009 survey: Residents who believe the City is doing a "good" or "excellent" job of maintaining: <ul style="list-style-type: none"> <li>- Sidewalks &amp; pedestrian/bicycle paths (65%)</li> <li>- Streets (72%)</li> <li>- Parks, trails &amp; open space (90%)</li> </ul>
24	Street pavement condition	Very good	2010 assessment of City streets that are in "good" or "excellent" condition: <ul style="list-style-type: none"> <li>- Arterial streets (72%)</li> <li>- Residential streets (84%)</li> </ul>
25	<b>Water utility infrastructure condition</b>	Improving	# of water main breaks per 1,000 service connections (2010): <ul style="list-style-type: none"> <li>- MI (0.78) vs. 6 jurisdiction average (0.43)</li> <li>- MI (0.78) vs. MI average, 2006-2008 (1.16)</li> </ul>
26	<b>Sewer utility infrastructure condition</b>	Improving	# of sewer system backups per 1,000 service connections (2010): <ul style="list-style-type: none"> <li>- MI (0.27) vs. 6 jurisdiction average (0.21)</li> <li>- MI (0.27) vs. MI average, 2006-2008 (0.68)</li> </ul>

# 2010 Mercer Island Dashboard Report

## ***Attractive, High Quality Neighborhoods & Business Districts***

#	Dashboard Indicator	Rating	Comment
	<b>Neighborhood &amp; downtown attractiveness:</b>		
27	Code enforcement complaints	Very good	8.3% increase in total # of complaints in 2010 is directly related to 18.5% increase in total # of single family residential permits issued in 2010
28	Town Center appearance & condition	Good	2009 survey: 77% are "satisfied" or "very satisfied" with overall appearance and condition of the Town Center
29	<b>Economic vitality</b>	Needs attention	Sales tax per capita in 2010: <ul style="list-style-type: none"> <li>- Total (all business sectors): Down 3.9%</li> <li>- Construction sector: Down 8.8%</li> <li>- Retail, wholesale, and food services sectors: Up 1.5%</li> </ul>

## ***Recreational, Cultural, Health & Educational Opportunities***

#	Dashboard Indicator	Rating	Comment
30	<b>Recreation programs &amp; facilities</b>	Good	2009 survey: Residents who believe the City is doing a "good" or "excellent" job of: <ul style="list-style-type: none"> <li>- Providing recreation programs (74%)</li> <li>- Operating the Community Center (74%)</li> </ul>
31	<b>Park amenities</b>	Good	2009 survey: Mistakenly deleted question 2007 survey: 78% are "satisfied" or "very satisfied" with available amenities at City's parks 2010 parks capital projects completed: <ul style="list-style-type: none"> <li>- South Mercer Playfields Improvements</li> <li>- Island Crest Park Field Renovation</li> <li>- Lid Park Playground Improvement</li> </ul>
32	<b>Youth counseling &amp; intervention</b>	Good	2010 counseling activity in middle/high schools: <ul style="list-style-type: none"> <li>- # of individual contacts: Up 7.0%</li> <li>- # of parent consultations: Up 0.2%</li> <li>- # of school staff consultations: Down 5.0%</li> <li>- # of drug/alcohol assessments: Up 121.4%</li> </ul>
33	<b>Senior outreach &amp; advocacy</b>	Very good	2010 geriatric services: <ul style="list-style-type: none"> <li>- 309 clients served vs. 5 year annual average of 323 clients</li> <li>- 100% satisfaction rating</li> </ul>

# 2010 Mercer Island Dashboard Report

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## *Recreational, Cultural, Health & Educational Opportunities (cont'd)*

#	Dashboard Indicator	Rating	Comment
34	Volunteerism & human services funding	Very good	2010 Thrift Shop activity: - Volunteer service hours: Up 1.1% - Gross sales revenue: Up 20.4% - Net income: Up 25.2%

## *Public Communication & Community Involvement*

#	Dashboard Indicator	Rating	Comment
35	Informed citizenry	Very good	2009 survey: 85% are "satisfied" or "very satisfied" with City's public communication efforts

## COMMUNITY SAFETY & SECURITY

### Personal Security

Dashboard Indicator	Results				
	2006	2007	2008	2009	2010
1) % of residents who feel "very safe" or "completely safe" walking alone:					
▶ In their neighborhood	N/A	86%	N/A	86%	N/A
▶ In the City's Town Center	N/A	86%	N/A	87%	N/A

Note: A citizen survey is conducted biennially. The most recent survey was conducted in Feb 2010 and reported as a 2009 result.

### Commentary/Analysis

This indicator provides a simple, perception-based assessment of the Police Department's effectiveness relative to the current level of patrol service provided. On a scale of 1 to 7, in which 1 is completely unsafe and 7 is completely safe, 86-87% of Mercer Island's residents rated their feelings of safety a 6 or 7 while walking alone in their neighborhood or in the City's Town Center. Compared to 2007, nothing has really changed. These high personal security ratings are consistent with the low crime rates that Mercer Island has enjoyed for many years relative to other Eastside cities, as noted below under "Crime Prevention Effectiveness".

### Crime Prevention Effectiveness

Dashboard Indicator	Results				
	2006	2007	2008	2009	2010
2) Mercer Island's crime rate relative to other Eastside cities and the King County average (expressed as # of Part 1 violent crimes per 1,000 population followed by # of Part 1 property crimes per 1,000 population):					
▶ Sammamish	0.3 / 11.9	0.2 / 13.8	0.4 / 10.5	0.3 / 8.7	0.4 / 9.3
▶ <b>Mercer Island</b>	<b>1.0 / 21.3</b>	<b>0.3 / 17.9</b>	<b>0.6 / 18.7</b>	<b>0.5 / 18.1</b>	<b>0.6 / 14.3</b>
▶ Issaquah	0.4 / 46.6	0.4 / 35.0	0.6 / 31.0	0.7 / 23.6	1.1 / 27.1
▶ Bellevue	1.6 / 36.6	1.2 / 35.6	1.4 / 36.1	1.3 / 32.9	1.1 / 30.9
▶ Redmond	1.3 / 35.0	1.5 / 33.3	1.3 / 32.9	1.1 / 31.9	1.2 / 29.1
▶ Kirkland	1.9 / 39.7	1.4 / 39.5	2.0 / 40.2	1.2 / 33.7	1.3 / 27.5
▶ <b>King County average</b>	<b>4.1 / 51.5</b>	<b>3.7 / 44.5</b>	<b>3.5 / 40.4</b>	<b>3.9 / 42.0</b>	<b>3.4 / 41.1</b>

### Commentary/Analysis

Mercer Island has the second lowest violent and property crime rates among six Eastside cities, which can be primarily attributed to a very small commercial sector, a road network consisting of very few arterials, and the demographics of this community (i.e. highly educated and high median household income). Sammamish is very comparable to Mercer Island in these respects. A significant factor that distinguishes Mercer Island from Sammamish is the presence of I-90, which runs through the City and invites a higher crime rate. There are no interstates adjacent to or bisecting Sammamish. In addition, the Police command staff believe that the department's proactive approach to enforcement and its educational outreach programs contribute to the City's very low crime rates.

## COMMUNITY SAFETY & SECURITY

### Traffic Safety Effectiveness

Dashboard Indicator	Results				
	2006	2007	2008	2009	2010
3) Mercer Island's traffic accident rate relative to other Eastside cities and the King County average (expressed as # of traffic accidents per 1,000 population):					
▶ Sammamish	7.37	6.43	6.24	5.46	4.26
▶ <b>Mercer Island</b>	<b>12.12</b>	<b>16.04</b>	<b>12.01</b>	<b>12.68</b>	<b>9.13</b>
▶ Issaquah	31.27	23.88	20.82	17.81	15.28
▶ Redmond	21.89	21.47	20.75	17.27	15.35
▶ Kirkland	25.73	25.87	20.24	17.89	15.60
▶ <b>King County average</b>	<b>25.20</b>	<b>23.32</b>	<b>21.78</b>	<b>17.24</b>	<b>16.17</b>
▶ Bellevue	28.38	24.39	24.43	21.45	19.69

Note: The 2010 traffic accident rates encompass the period January through November 2010 only. The full year won't be available from WSDOT until late June 2011.

### Commentary/Analysis

With fewer arterials and fewer high volume intersections by comparison, Mercer Island consistently has the second lowest traffic accident rate among six Eastside cities. Relative to Sammamish, Mercer Island's higher traffic accident rate can be pinpointed to the presence of I-90, which accounts for almost 50% of the accidents on the Island for the period 2006-2010. Sammamish doesn't have any interstates running through or near it. When I-90 accidents are factored out, Mercer Island's traffic accident rate drops to 4.28 in 2010, which is just slightly above Sammamish's rate. A breakdown of the number of Mercer Island traffic accidents on City streets versus I-90 for the period 2006-2010 is provided below. Please note that the 2010 data represents an annual estimate based on actual data through November 2010.

Mercer Island Traffic Accidents	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Estimate	Annual Average	% of Total
City Streets	149	170	147	144	107	143	50.8%
I-90	116	189	125	144	121	139	49.2%
<b>Total</b>	<b>265</b>	<b>359</b>	<b>272</b>	<b>288</b>	<b>228</b>	<b>282</b>	<b>100.0%</b>

### Timely Crime Response

Dashboard Indicator	Results				
	2006	2007	2008	2009	2010
4) Patrol officer response to emergency calls:					
▶ # of emergency calls	431	347	313	451	691
▶ Average response time	4.7 min	4.3 min	4.3 min	4.8 min	5.3 min
▶ % of emergency calls responded to within 6 minutes	65%	69%	71%	74%	73%

## COMMUNITY SAFETY & SECURITY

### Commentary/Analysis

The number of emergency calls can fluctuate significantly from one year to the next, as illustrated above. In 2010, there was a 53.2% jump in the number of emergency calls (691 in 2010 vs. 451 in 2009), which can be attributed to the following: 1) a new, regional police and fire dispatching agency (NORCOM), which commenced operations on July 1, 2009; and 2) an overall increase in calls in 2010. NORCOM tracks emergency calls differently (i.e. in a more encompassing way) than the City of Kirkland, which provided police dispatch services to the City through June 30, 2009. As a result, comparisons to prior years have less value, with 2006-2008 reflecting the City of Kirkland's approach to tracking emergency calls and 2009 reflecting a blend of both the City of Kirkland (for the first half of the year) and NORCOM's (for the second half of the year) approach to tracking emergency calls.

While there is a relationship between call volume and average response time, other factors can significantly influence response times, such as patrol staffing levels and officer location when a call is received. In 2010, Mercer Island's average response time to emergency calls was 5.3 minutes, which is higher than the 5 year (2006-2010) annual average response time of 4.7 minutes. However, the percentage of emergency calls responded to within 6 minutes has steadily improved since 2006, reaching 73% in 2010. It should be noted that there are no generally accepted professional, national, or state standards for response times. Lastly, citizen complaints regarding response times or quality of service provided are a very rare occurrence.

### Fire Suppression Effectiveness

Dashboard Indicator	Results				
	2006	2007	2008	2009	2010
5) Mercer Island's annual \$ fire loss per 1,000 population relative to other Eastside cities and fire districts:					
▶ Mercer Island	\$ 47,594	\$ 10,735	\$ 140,397	\$ 18,778	\$ 3,443
▶ Bellevue	\$ 27,859	\$ 41,017	\$ 16,014	\$ 42,694	\$ 6,438
▶ Eastside Fire & Rescue	\$ 22,614	\$ 17,025	\$ 25,132	\$ 20,927	\$ 13,983
▶ Average (5 jurisdictions, excluding MI)	\$ 34,714	\$ 42,275	\$ 43,762	\$ 29,464	\$ 20,535
▶ Redmond	\$ 22,679	\$ 13,440	\$ 63,361	\$ 2,406	\$ 22,183
▶ Bothell	\$ 33,119	\$ 41,577	\$ 17,734	\$ 17,283	\$ 29,587
▶ Kirkland	\$ 67,301	\$ 98,316	\$ 96,570	\$ 64,008	\$ 30,483

### Commentary/Analysis

Fire loss data is tracked and reported to the state by all jurisdictions. The primary concern around using fire loss data as a fire suppression effectiveness measure is the accuracy of the estimates made by firefighters in those instances in which insurance companies aren't involved. However, such instances involve minor damages only. Keeping the fire loss per 1,000 population to a minimum is directly related to a timely fire suppression response, an effective fire prevention program, and good building codes. Compared to five Eastside cities/districts, Mercer Island had the lowest fire loss per 1,000 population in 2010 (\$3,443). This is dramatically better than the \$140,397 fire loss per 1,000 population in 2008, which was wholly attributable to a single, very costly waterfront home fire (\$2.74 million fire loss). A fire loss of

**COMMUNITY SAFETY & SECURITY**

this magnitude is an infrequent occurrence (i.e. no more than once every five years). Factoring out this unusual incident drives Mercer Island’s 2008 fire loss down to \$19,422 per 1,000 population. Looking across the most recent five year period (i.e. 2006-2010), the average annual fire loss for each jurisdiction is noted below, including and excluding Mercer Island’s \$2.74 million extraordinary fire loss in 2008.

Jurisdiction	2006-2010 Annual Avg	
	Incl. Loss	Excl. Loss
Eastside Fire & Rescue	\$ 19,936	\$ 19,936
<b>Mercer Island</b>	<b>\$ 44,189</b>	<b>\$ 19,995</b>
Redmond	\$ 24,814	\$ 24,814
Belleue	\$ 26,804	\$ 26,804
Bothell	\$ 27,860	\$ 27,860
<b>Average (excluding MI)</b>	<b>\$ 34,150</b>	<b>\$ 34,150</b>
Kirkland	\$ 71,336	\$ 71,336

Including the extraordinary fire loss, Mercer Island’s average annual fire loss is \$44,189 per 1,000 population, which is significantly above the five jurisdiction average of \$34,150. Excluding the extraordinary fire loss, Mercer Island’s average annual fire loss drops to \$19,995 per 1,000 population, which represents the second lowest fire loss figure. Finally, it should be noted that Mercer Island’s assessed valuation per square mile is the highest of any city in King County. As a result, fire losses are more costly on Mercer Island.

Emergency Medical Aid Effectiveness

Dashboard Indicator	Results				
	2006	2007	2008	2009	2010
6) Mercer Island's cardiac arrest survival rate relative to the King County average:					
▶ Mercer Island	N/A	50%	50%	0%	50%
▶ King County average	N/A	46%	49%	43%	48%

**Commentary/Analysis**

This measure reflects the percentage of patients in cardiac arrest and ventricular fibrillation who were resuscitated and subsequently released from the hospital. For Mercer Island, this rate can vary significantly from year to year, because the number of incidents is so few (typically, 3-4 per year). In 2009, the City only had one call that met the criteria, and the patient didn’t survive. To provide some context for Mercer Island’s annual results, King County’s annual survival rate has averaged 46.5% for the period 2007-2010, which represents the highest rate of any county in the nation. Given this fact, Mercer Island’s survival rate has been excellent.

## COMMUNITY SAFETY & SECURITY

### Timely Fire & Emergency Medical Aid Responses

Dashboard Indicator	Results				
	2006	2007	2008	2009	2010
7) Firefighter response to:					
▶ Fire suppression calls:					
• # of calls	107	45	72	63	51
• Average response time	6.8 min	6.7 min	6.7 min	6.3 min	6.5 min
• % of calls responded to within 6 minutes	40%	50%	49%	52%	51%
▶ Emergency medical aid calls:					
• # of calls (excludes motor vehicle accidents)	1,451	1,487	1,530	1,531	1,556
• Average response time	6.2 min	6.0 min	6.0 min	5.8 min	5.5 min
• % of calls responded to within 6 minutes	62%	62%	61%	65%	68%

### Commentary/Analysis

In a small city like Mercer Island, the number of fire suppression calls can vary significantly from year to year as evidenced by the results for the past five years. While there is a relationship between call volume and average response time, the correlation between the two indicators is more tenuous when the number of calls is so few. Other factors such as fire location and receiving simultaneous calls can significantly impact response times for better or worse. The average response time to fire suppression calls has improved over time from 6.8 minutes in 2006 to 6.5 minutes in 2010. Also, the percentage of calls responded to within 6 minutes has improved significantly from 40% in 2006 to 51% in 2010.

Emergency medical aid calls have steadily grown 1.75% per year on average since 2006 primarily due to population growth in the Town Center and to an increase in the number of residential board and care and 24 hour nursing beds/facilities on the Island. Conversely, the average response time to emergency medical aid calls has declined from 6.2 minutes in 2006 to 5.5 minutes in 2010. In addition, the percentage of calls responded to within 6 minutes has improved from 62% in 2006 to 68% in 2010. Both improvements can be attributed to the Fire Department's focus on improving response times by posting monthly reports, analyzing how a crew gets to its vehicle, and creating a spirit of competition among the crews.

Finally, citizen complaints regarding response times or quality of service provided are a very rare occurrence.

### Emergency Preparedness

Dashboard Indicator	Results				
	2006	2007	2008	2009	2010
8) % of households that believe they are "mostly prepared" or "completely prepared" for a 7 day emergency entailing disruption of power and water services	N/A	58%	N/A	56%	N/A

Note: A citizen survey is conducted biennially. The most recent survey was conducted in Feb 2010 and reported as a 2009 result.

**COMMUNITY SAFETY & SECURITY**

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**Commentary/Analysis**

This indicator is intended to provide a quick read on the effectiveness of the City's emergency preparedness program, the responsibility for which was moved from the Fire Department to the Police Department in January 2008. Of the 56% noted above in 2009, 12% claim to be "completely prepared," and 44% claim to be "mostly prepared".

**EFFECTIVE/EFFICIENT PUBLIC SERVICE DELIVERY  
& COMMUNITY SUSTAINABILITY**

Public Trust

Dashboard Indicator	Results				
	2006	2007	2008	2009	2010
9) % of residents who believe the City is doing a "good" or "excellent" job of using tax dollars responsibly	61%	56%	N/A	55%	N/A

Note: A citizen survey is conducted biennially. The most recent survey was conducted in Feb 2010 and reported as a 2009 result.

**Commentary/Analysis**

To put the 2007 and 2009 survey results in perspective, it's worth noting that only 28% of Island residents believe King County is doing a "good" or "excellent" job of using tax dollars responsibly. In other words, the City enjoys a vote of confidence among its residents that is twice as high as that of King County. As for the drop from 61% in 2006, the cause cannot be definitively identified. However, it's possible that the lower rating in 2007 and 2009 is directly related to the most important problems identified below under "Community Issues".

Community Issues

Dashboard Indicator	Results				
	2006	2007	2008	2009	2010
10) Most important problem facing Mercer Island today according to the biennial citizen survey is (only top 5 results are listed):					
▶ Traffic/transportation/parking	26%	28%	N/A	26%	N/A
▶ Education/school funding	7%	9%	N/A	13%	N/A
▶ Overcrowding/overdevelopment	28%	24%	N/A	11%	N/A
▶ Nothing	6%	10%	N/A	10%	N/A
▶ High taxes/high cost of living	6%	3%	N/A	6%	N/A

Note: A citizen survey is conducted biennially. The most recent survey was conducted in Feb 2010 and reported as a 2009 result.

**Commentary/Analysis**

Given the extensive redevelopment of the Town Center over the past 5 years and the corresponding increase in multi-family residential units, commercial space, and traffic congestion, it's not surprising that the two top community problems, according to the 2006 and 2007 citizen surveys, have been "traffic/transportation/parking" and "overcrowding/overdevelopment." Change of this magnitude and the disruptions that accompany it impact all Island residents. In the 2009 citizen survey, however, only 11% of the respondents identified "overcrowding/overdevelopment" as the most important problem facing the City today, which is down from 24% in the 2007 survey. This is likely related to the completion of the 77 Central and 7800 Plaza projects in 2009. With the installation of two traffic signals in the Town Center planned for 2011, it will be interesting to see if opinions change regarding "traffic/transportation/parking" in the next citizen survey.

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Also of note, 13% of the respondents identified “education/school funding” as the most important problem, which is up from 9% in the 2007 survey. The increase is probably related to the “Great Recession’s” impact on state and local government budgets, which have been prominent news items over the past two years.

Lastly, it’s interesting that 10% of the respondents again identified “nothing” when asked to name the most important problem facing the City. All things considered, that’s a favorable indicator.

### Risk Management

Dashboard Indicator	Results				
	2006	2007	2008	2009	2010
11) Total # of insurance claims filed over the past 5 years relative to WCIA 5 year rolling average for Group 3/4 cities:					
▶ Mercer Island	170	172	175	146	132
▶ Group 3 cities' average	101	103	101	98	92
▶ Group 4 cities' average	217	214	201	195	182

### Commentary/Analysis

Mercer Island is a founding member of the Washington Cities Insurance Authority (WCIA), which is a statewide municipal insurance pool. For many years, the City’s claims experience has been tracked within a pool of 20 similarly sized cities (identified as Group 3) that generate 200,000-400,000 worker hours annually. However, beginning in 2009, the City was bumped up to Group 4, which comprises 22 cities that generate more than 400,000 worker hours annually. The annual liability assessment (i.e. insurance premium) for each member city is based on two factors: 1) actual claims experience (with a \$100,000 loss limit per claim) over the past 5 years; and 2) total number of worker hours over the past 5 years. Given that 98% of all WCIA claims are settled for \$100,000 or less, the effectiveness of the City’s risk management practices is best captured by the “frequency” (i.e. total number) of claims rather than their “severity” (i.e. amount).

Because of the transition from Group 3 to Group 4 in 2009, Mercer Island’s claims experience is compared to the 5 year rolling average for both Group 3 and Group 4 cities. Given the strong correlation between worker hours and number of claims, it’s worth noting that Mercer Island had the highest number of worker hours among Group 3 cities and the lowest number of worker hours among Group 4 cities during the period 2006-2010. As a result, Mercer Island’s 5 year rolling average is consistently above the Group 3 cities’ average and is consistently below the Group 4 cities’ average. More importantly, Mercer Island’s 5 year rolling average has declined two years in a row: -16.6% in 2009 and -9.6% in 2010. At the “big picture” level, that’s a very positive indicator.

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A breakdown of the number of claims filed annually, along with the 5 year annual average, is summarized in the table below.

MI vs. Group 3/4 Cities	# of Insurance Claims Filed									5 Year Annual Average				
	2002	2003	2004	2005	2006	2007	2008	2009	2010	02-06	03-07	04-08	05-09	06-10
Mercer Island	18	27	43	36	46	20	30	14	22	34.0	34.4	35.0	29.2	26.4
Group 3 cities	18	22	20	18	23	20	20	17	12	20.2	20.6	20.2	19.6	18.4
Group 4 cities	40	47	46	42	42	37	34	40	29	43.4	42.8	40.2	39.0	36.4

Of particular note, only 22 claims were filed against the City in 2010, which is less than the Group 4 cities' average of 29 claims. In addition, Mercer Island's 2010 claims are less than the 2006-2010 annual average of 26.4 claims for the City and 36.4 claims for Group 4 cities.

Looking at Group 4 cities, the greatest number of claims for the period 2006-2010 was concentrated in the following 6 functional areas (presented in ascending order): Parks Maintenance, Public Works Engineering, Water Utility, Sewer Utility, Police, and Street Maintenance. The table below focuses on these 6 functional areas, comparing Mercer Island to the Group 4 cities' average in terms of the 2006-2010 number of claims.

Functional Area	2006-2010 # of Claims		Note
	Mercer Island	Group 4 Avg	
Parks Maintenance	12	10.66	Slightly above average
Public Wks Engineering	4	12.11	Significantly below average
Water Utility	18	16.67	Slightly above average
Sewer Utility	38	28.78	Significantly above average
Police	18	36.59	Significantly below average
Street Maintenance	24	49.80	Significantly below average

Mercer Island is significantly below the Group 4 cities' average in Public Works Engineering, Police, and Street Maintenance—the latter two functional areas comprising almost half of the total number of claims among Group 4 cities. The Sewer Utility functional area is the City's primary trouble spot. The specific actions being taken by the City to address both sewer and water utility claim concerns are described later in this report under "Sewer Utility Infrastructure Condition" and "Water Utility Infrastructure Condition." The slightly higher than average Parks Maintenance claims are primarily related to storms in prior years in which tree limbs damaged homes and fences on private property; however, most of these claims were denied.

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### Employee Retention & Morale

Dashboard Indicator	Results				
	2006	2007	2008	2009	2010
12) Employee longevity by department or department grouping:					
▶ Police & Fire:					
• Less than 5 years	N/A	16%	18%	16%	16%
• At least 5 years but less than 10 years	N/A	28%	22%	15%	15%
• At least 10 years	N/A	56%	60%	69%	69%
▶ Maintenance and Parks & Recreation:					
• Less than 5 years	N/A	36%	32%	33%	27%
• At least 5 years but less than 10 years	N/A	30%	31%	34%	35%
• At least 10 years	N/A	34%	37%	33%	38%
▶ Development Services:					
• Less than 5 years	N/A	79%	82%	74%	63%
• At least 5 years but less than 10 years	N/A	8%	9%	11%	21%
• At least 10 years	N/A	13%	9%	15%	16%
▶ All other departments:					
• Less than 5 years	N/A	38%	42%	39%	38%
• At least 5 years but less than 10 years	N/A	40%	33%	33%	13%
• At least 10 years	N/A	22%	25%	28%	49%

### Commentary/Analysis

This indicator captures the “flipside” of employee turnover by breaking down how long employees have been with specific departments or department groupings. Of particular note are the following:

- **Police and Fire**, not surprisingly, have the highest proportion of employees (69%) that have been with the City for 10 years or more. This is very common in other cities as well with police officers and firefighters typically starting and staying with the same city for their entire careers. However, having a high proportion of long-term employees creates two management challenges: 1) limited advancement opportunities for comparatively newer employees, and 2) succession planning as a significant number of employees approach retirement age.
- **Development Services** (DSG) has the highest proportion of employees (63%) that have been with the City for less than 5 years, reflecting the high turnover rate experienced prior to the “Great Recession”. The primary drivers behind the high turnover rate were an unusually high level of development activity in the Puget Sound region from 2004 to mid-2008, a tight labor supply, and City wages for professional planners and engineers that weren’t competitive with the private sector or larger cities, such as Seattle and Bellevue, during the development boom. However, since mid-2008, DSG has experienced a dramatic reduction in employee turnover.

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- **Maintenance and Parks & Recreation** have a “healthy” distribution among the three longevity categories noted above as well as the highest proportion of employees (35%) that have been with the City for 5-10 years. As a result, both departments have a balanced workforce in terms of experience and perspective, which tend to create the right mix of organizational stability and change. However, because employee turnover is low, which is desirable, advancement opportunities in the future are expected to be infrequent.
- **All other departments**, which comprise the City Manager’s Office, City Attorney’s Office, Human Resources, Finance, Youth & Family Services, and the Municipal Court, have the second highest proportion of employees (49%) that have been with the City for 10 years or more. With the exception of Youth & Family Services, this group of employees makes up the administrative backbone of the City, providing support to other departments. The concerns associated with having a high proportion of long-term employees are the same as noted above for Police and Fire.

Development Permit Processing

Dashboard Indicator	Results				
	2006	2007	2008	2009	2010
13) % of DSG customers "satisfied" or "very satisfied" with the helpfulness and responsiveness of DSG staff in processing single family residential and commercial/multi-family permits	N/A	85%	N/A	91%	N/A

Note: A customer survey is conducted biennially. The most recent survey was conducted in Jan 2010 and reported as a 2009 result.

**Commentary/Analysis**

The most recent survey conducted by DSG was in January 2010, mailing out 875 surveys to companies or individuals who obtained building-related permits from the City in the prior year. The response rate was only 10%, but this is fairly typical for such a survey. The 2009 results (91% satisfaction rating) are excellent and can be primarily attributed to three things: 1) very knowledgeable, customer focused front counter staff; 2) the availability of MyBuildingPermit.com for simple permits; and 3) the implementation of an electronic plan review process in 2009, which eliminated paper plan sets and significantly improved turnaround times.

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Court Operations

Dashboard Indicator	Results				
	2006	2007	2008	2009	2010
14) Annual Municipal Court activity:					
▶ # of cases filed (Mercer Island & Newcastle):					
• Parking	509	719	542	363	268
• Infractions	2,980	3,206	3,244	2,852	2,913
• Criminal charges	442	430	556	580	498
• <b>Total # of cases filed</b>	<b>3,931</b>	<b>4,355</b>	<b>4,342</b>	<b>3,795</b>	<b>3,679</b>
▶ Total court-related revenues:					
• Mercer Island	\$ 294,288	\$ 319,303	\$ 341,464	\$ 353,732	\$ 345,522
• Newcastle	\$ 40,964	\$ 55,121	\$ 40,704	\$ 33,014	\$ 34,861
• <b>Total amount of court-related revenues</b>	<b>\$ 335,252</b>	<b>\$ 374,424</b>	<b>\$ 382,168</b>	<b>\$ 386,746</b>	<b>\$ 380,383</b>
• % of court-related revenues to expenditures	125%	132%	118%	100%	95%
▶ # of RALJ appeals related to:					
• Infractions	1	0	0	0	0
• Criminal charges	0	0	0	1	2

**Commentary/Analysis**

The total number of cases filed in 2010 was down 3.1% relative to 2009, primarily due to a 26.2% decrease in parking citations and a 14.1% decrease in criminal charges. The 26.2% decrease in parking citations is most likely related to increased compliance from consistent enforcement of parking restrictions by the City's Police Support Officer. No definitive reason can be identified for the 14.1% decrease in criminal charges. Comparing 2010 to 2007, the total number of cases filed has declined 15.5%.

In 2010, the 1.6% reduction in court-related revenues is directly attributable to the 3.1% decline in total case filings. From a business case perspective, the Court's total revenue to total expenditure ratio has fallen from a high of 132% in 2007 to a low of 95% in 2010. In other words, excluding the first year of its operation (2005), 2010 represents the only year in which the Court hasn't paid for itself.

Finally, the number of RALJ appeals speaks to a court's judicial effectiveness. Simply put, the fewer the number of RALJ appeals the better a court's adjudication process is viewed. Mercer Island's RALJ appeal record is outstanding, given that it has averaged less than one RALJ appeal per year for the period 2006-2010.

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Creditworthiness

Dashboard Indicator	Results				
	2006	2007	2008	2009	2010
15) City's bond rating (Moody's):					
▶ Unlimited Tax General Obligation (UTGO) bonds	Aa1	Aa1	Aa1	Aa1	Aa1
▶ Limited Tax General Obligation (LTGO) bonds	Aa2	Aa2	Aa2	Aa2	Aa1

**Commentary/Analysis**

A city's bond rating can be likened unto an individual's credit rating. Because the City has very little debt, healthy fund balances, various operating and capital reserves, and "banked" property tax capacity, Mercer Island enjoys excellent bond ratings from Moody's Investors Service, one of the nation's leading bond rating agencies. In April 2010, Moody's re-calibrated its bond ratings for all Washington state cities. As a result, Mercer Island's LTGO bond rating was upgraded from Aa2 to Aa1. This re-calibration was confirmed in 2011 when the City issued \$1.5 million in LTGO bonds for two First Hill water utility capital projects. In addition, Moody's informed the City that its UTGO bond rating was "unofficially" upgraded from Aa1 to Aaa, which is the highest possible bond rating. It's "unofficial" because the City doesn't have any outstanding UTGO bonds in 2011. Only Seattle and Bellevue have a higher, "official" UTGO bond rating in the state. In terms of LTGO bond ratings, Seattle, Bellevue, Redmond, and Mercer Island have the highest in the state (Aa1).

Financial Management

Dashboard Indicator	Results				
	2006	2007	2008	2009	2010
16) Receive unqualified (i.e. clean) audit opinion on prior year's financial statements	Yes	Yes	Yes	Yes	Yes

**Commentary/Analysis**

Since at least 1995 (i.e. the past 16 years), Mercer Island has received a "clean" (i.e. no findings) audit opinion from the Washington State Auditor's Office. Very few cities in the state can make this claim. No other indicator provides a better measure of an organization's financial management practices.

Financial Condition

Dashboard Indicator	Results				
	2006	2007	2008	2009	2010
17) Ratio of tax revenues (i.e. property, sales, and utility taxes) to personnel costs (i.e. salaries, hourly wages, overtime, and benefits) in the General Fund	1.09	1.12	1.07	1.01	1.00

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### **Commentary/Analysis**

Historically, tax revenues have accounted for 71-72%, on average, of the total revenues in the General Fund, excluding significant, one-time sales tax receipts from “unclassified” businesses. By comparison, personnel costs have accounted for 68-69%, on average, of the total expenditures in the General Fund, excluding temporary staffing funded by the prior year’s General Fund revenue surplus. For Mercer Island, maintaining an annual ratio of tax revenues to personnel costs of 1.05 or higher is considered a good financial condition indicator by the City’s Finance Director. Very simply put, it means that tax revenue growth is keeping pace with personnel cost growth. A downward shift toward 1.05 should be viewed as a financial warning indicator; whereas, anything below 1.05 will likely trigger the need to do one or more of the following to address the tax revenue shortfall: 1) make significant expenditure reductions; 2) tap the City’s reserves; 3) increase fees and charges; and 4) increase property and/or utility taxes.

With the “Great Recession” taking root in 2008, this ratio dropped dramatically from 1.12 in 2007 to 1.00 in 2010, requiring the City to take the following actions in 2009-2010: 1) secure \$3.10 million in expenditure savings/reductions; and 2) use \$519,000 in reserves (\$300,000 revenue stabilization reserve + \$219,000 “Rainy Day” fund). In total, tax revenues declined 1.1% in 2009 (excluding a \$455,000 one-time sales tax receipt in 2008) and increased 0.5% in 2010. Sales tax revenue, in particular, dropped 20.2% (excluding a \$455,000 one-time sales tax receipt in 2008) in 2009 and 2.7% in 2010. Drilling down further, construction-related sales tax, which made up one-half of the City’s total sales tax receipts in 2008, declined 35.0% in 2009 and 8.2% in 2010, reflecting the downturn in development activity on the Island. What mitigated much of the sales tax decline in 2009-2010 was the November 2008 parks maintenance and operations levy lid lift, which took effect in 2009. In addition, property tax accounts for 45% of total General Fund revenues versus sales tax, which accounts for only 11%.

Looking at personnel costs, wages/salaries were up 1.9% in 2009 and 1.2% in 2010, and benefits were up 6.0% in 2009 and 5.4% in 2010. Taken together, these tax revenue and personnel cost changes have resulted in a financial condition ratio that isn’t sustainable even in the short term. As a result, significant expenditure reductions, including staffing cuts, were made in the 2011-2012 budget, along with modest increases to development permit fees (adjusting the building valuation table only), Ballfield Users Group rental fees, and Community Center rental fees in an attempt to “right the ship”. In addition, an ambulance transport fee for basic life support only was instituted for a one year trial period. However, that wasn’t enough to balance the biennial budget, which required a planned draw of \$546,000 on the City’s “Rainy Day” fund.

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### Environmental Stewardship

Dashboard Indicator	Results				
	2006	2007	2008	2009	2010
18) Average City fleet fuel efficiency:					
▶ Full-size, mid-size, compact & subcompact vehicles	N/A	16.8 mpg	17.2 mpg	19.2 mpg	19.7 mpg
▶ Large/small SUV's, large/small pickup trucks & vans	N/A	9.9 mpg	10.3 mpg	10.5 mpg	11.6 mpg
▶ Commercial vehicles (requires CDL)	N/A	6.2 mpg	6.5 mpg	6.9 mpg	6.8 mpg
Note: Excludes all "front-line" Police and Fire Department vehicles.					
19) Estimated annual reduction in commute miles per employee resulting from flex schedules, ride sharing, and biking	N/A	N/A	1,416 mi	1,440 mi	1,429 mi
20) % change in energy (electricity and natural gas) usage for all City owned buildings/facilities:					
▶ Occupied buildings	N/A	2.7%	0.3%	-3.1%	-10.8%
▶ Park facilities (including lighting)	N/A	7.3%	11.0%	7.9%	-16.4%
▶ Street lights	N/A	-12.3%	1.4%	-7.6%	-0.9%
▶ Water & sewer facilities	N/A	-6.9%	-10.1%	2.9%	-6.2%
▶ <b>Total (all City owned buildings/facilities)</b>	<b>N/A</b>	<b>0.4%</b>	<b>-0.4%</b>	<b>-1.7%</b>	<b>-10.1%</b>
21) % change in annual water consumption by:					
▶ Average single family residential customer	N/A	-10.1%	-4.1%	5.3%	-14.1%
▶ City owned buildings & other facilities	N/A	43.7%	-31.0%	8.6%	-39.9%
▶ City owned parks	N/A	1.5%	-18.2%	4.6%	-46.5%
22) % of total Mercer Island residential solid waste stream diverted from landfill relative to King County average					
▶ Mercer Island	N/A	63%	63%	63%	65%
▶ King County average	N/A	53%	55%	54%	54%

### Commentary/Analysis

Fuel efficiency improvements are directly tied to the vehicle replacement schedule, which varies considerably from year to year. For example, 15 vehicles were replaced in 2007 versus 7 vehicles in 2008, 3 vehicles in 2009, and 8 vehicles in 2010 (excluding all "front-line" Police and Fire vehicles). Within a replacement year, the greatest opportunities for fuel efficiency gains come from downsizing to smaller vehicles and trucks or from switching to "greener" vehicle alternatives. Unfortunately, such opportunities have been relatively limited or too costly to pursue. As a result, fuel efficiency gains in 2008-2010 have been modest. Looking at the three vehicle groupings, the City's full-size, mid-size, compact, and subcompact vehicle classes, which comprise 6 vehicles, experienced only a 2.6% increase in fuel efficiency in 2010. In contrast, the fuel efficiency of the large/small SUV, large/small pickup truck, and van vehicle classes, which consist of 53 vehicles, was up 10.5% in 2010. This can be attributed mostly to the 2009 and 2010 replacements, which occurred throughout the year rather than at the

## **EFFECTIVE/EFFICIENT PUBLIC SERVICE DELIVERY & COMMUNITY SUSTAINABILITY**

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beginning. Finally, the commercial vehicle class, which includes 11 vehicles, declined 1.4% in fuel efficiency in 2010. Looking forward to 2011-2012, significant improvement is anticipated, because 21 vehicles, mostly consisting of trucks, are scheduled for replacement (excluding all “front-line” Police and Fire vehicles).

The annual reduction of 1,416 commute miles per employee resulting from working flex schedules, ride sharing, and biking was estimated for the first time in 2008. Thereafter, it increased 1.7% to 1,440 miles per employee in 2009, and it declined 0.8% to 1,429 miles per employee in 2010, which is still slightly better than the 2008 base year estimate.

Across all city owned buildings and facilities, energy usage declined 10.1% in 2010. This was primarily due to a warmer than normal winter and a wetter and cooler than normal summer, as well as concerted efforts by staff to reduce energy consumption through the City’s continuing participation in Puget Sound Energy’s resource conservation program. Looking back at prior years, there are a few anomalies worth highlighting. In 2009, total energy usage declined by only 1.7% due to a warmer than normal summer, which offset much of the savings realized from the resource conservation program, which commenced that year. The significant increases in energy consumption at park facilities in 2008 (11.0%) and 2009 (7.9%) can be attributed mostly to increased evening usage at South Mercer Playfields (following the installation of an all-weather field in November 2007).

Water consumption in 2010 was dramatically lower compared to 2009 for the “average single family residential customer” (-14.1%), for “City owned buildings and other facilities” (-39.9%), and for “City owned parks” (-46.5%). Most of the decline is directly related to a wetter and cooler than normal spring and summer, though the installation of smart irrigation clocks at the Park on the Lid, South Mercer Playfields, Island Crest Park, Homestead Park, Community Center, and City Hall at the end of 2009 and early 2010 had a significant impact on water consumption as well. In 2009, by contrast, there were across the board increases in water consumption due to a warm summer. Also of note are the two double digit declines in 2008 for “City owned buildings and other facilities” (-31.0%) and “City owned parks” (-18.2%). Regarding the former, the dramatic drop is directly related to an over-irrigation problem at the Community Center, which was identified and fixed by parks maintenance staff. As for the latter, the 18.2% reduction is directly attributable to water conservation efforts by parks maintenance staff as well as a wet spring and mild summer.

Relative to the King County average of 54%, Mercer Island diverted 65% of its solid waste from the landfill in 2010, which is excellent. With the approval of a new solid waste contract in September 2009, Mercer Island residents and businesses have benefited or will benefit from the following changes:

- Increased yard waste collection during the winter months from once a month to every other week;
- Recycling education outreach to businesses, multi-family complexes, and schools; and
- Replacement of the six trucks that serve the Island over the 10 year term of the contract, with the first new truck arriving no later than 2011 and Mercer Island being first in line for receiving trucks that use alternative, clean technologies.

## RELIABLE PUBLIC INFRASTRUCTURE

### General Government Infrastructure Condition

Dashboard Indicator	Results				
	2006	2007	2008	2009	2010
23) % of residents who believe the City is doing a "good" or "excellent" job of maintaining the City's:					
▶ Streets	N/A	76%	N/A	72%	N/A
▶ Sidewalks & pedestrian/bicycle paths	N/A	66%	N/A	65%	N/A
▶ Parks, trails, and open space	87%	86%	N/A	90%	N/A
Note: A citizen survey is conducted biennially. The most recent survey was conducted in Feb 2010 and reported as a 2009 result.					
24) Pavement condition index (PCI) rating breakdown for (noting centerline miles and % of total):					
▶ Arterial streets:					
• Failed (0-20 PCI)	N/A	0.0 mi / 0%	0.0 mi / 0%	0.0 mi / 0%	0.0 mi / 0%
• Poor (21-48 PCI)	N/A	0.3 mi / 1%	0.0 mi / 0%	0.6 mi / 2%	0.7 mi / 3%
• Fair (49-66 PCI)	N/A	5.2 mi / 21%	4.7 mi / 19%	6.2 mi / 24%	6.2 mi / 25%
• Good (67-88 PCI)	N/A	12.6 mi / 52%	12.6 mi / 52%	15.5 mi / 61%	15.1 mi / 60%
• Excellent (89-100 PCI)	N/A	6.2 mi / 26%	7.0 mi / 29%	3.2 mi / 13%	2.9 mi / 12%
▶ Residential streets:					
• Failed (0-20 PCI)	N/A	} 18.0 mi / 35%	} 18.0 mi / 35%	0.6 mi / 1%	0.6 mi / 1%
• Poor (21-48 PCI)	N/A			4.0 mi / 7%	3.7 mi / 7%
• Fair (49-66 PCI)	N/A			5.2 mi / 10%	4.4 mi / 8%
• Good (67-88 PCI)	N/A	} 34.0 mi / 65%	} 34.0 mi / 65%	16.7 mi / 31%	15.3 mi / 28%
• Excellent (89-100 PCI)	N/A			27.5 mi / 51%	31.3 mi / 56%

### Commentary/Analysis

The drop in the street condition satisfaction rating from 76% in 2007 to 72% in 2009 is probably related to the development impact on the Town Center's streets and the postponement of the residential street overlay program in 2008 and 2009. As for the City's sidewalks and pedestrian/bicycle paths, the 65% satisfaction rating is likely due to the following: 1) the dearth of sidewalks in the community, especially in the neighborhoods; and 2) significant tree root problems in the Town Center, where most of the City's sidewalks are located. To address the latter issue, the City's ROW Team Leader established an annual sidewalk repair program in late 2007. Finally, the parks, trails, and open space satisfaction rating increased from 86% in 2007 to 90% in 2009, possibly reflecting the additional work that was funded by the parks maintenance and operations levy lid lift approved by voters in November 2008.

Pavement condition index (PCI) ratings represent a professional assessment of the overall condition of the City's arterial and residential streets. Since 2007, the Washington State Department of Transportation (WSDOT) has conducted a biennial assessment of the arterial streets for many small Washington cities, including Mercer Island. As for the Island's residential streets, the City's Street Engineer conducted a preliminary analysis in 2007 and 2008, grouping the "poor" and "fair" ratings and the "good" and "excellent" ratings together. In 2009, the City contracted for a comprehensive assessment of the City's arterial and residential streets as part of the Mobile Asset Data Collection (MADC) project, which was managed by the Information

## RELIABLE PUBLIC INFRASTRUCTURE

and Geographic Services (IGS) team. In comparing the MADC project’s PCI ratings to both the WSDOT assessment of the City’s arterial streets and the Street Engineer’s assessment of the City’s residential streets, some significant differences were identified. In general, the PCI ratings by both WSDOT and the Street Engineer were lower than the ratings of the MADC project. Staff continues to resolve differences among and correct errors within the three data sets. An update to the initial 2009 MADC database, which will provide new PCI data for both arterial and residential streets, is scheduled for 2013. For 2009 and 2010, the WSDOT PCI ratings were used for the arterial streets, and the MADC PCI ratings were used for the residential streets.

Taken together, 72% of the Island’s arterial streets were rated as “good” or “excellent” in 2010 versus 74% in 2009. The difference is entirely related to some errors that were discovered in the data sets, resulting in minor corrections to the “poor,” “good,” and “excellent” ratings. Except for these corrections, the breakdown of arterial street conditions is unchanged from 2009, since no arterials were re-surfaced in 2010 and no new PCI data was obtained in 2010 (with WSDOT’s next assessment being in 2011).

Looking at the Island’s residential streets, 84% were rated as “good” or “excellent” in 2010 compared to 82% in 2009. Due to a large residential street overlay project, which was completed in 2010, the percent of residential streets rated as “excellent” increased from 51% in 2009 to 56% in 2010. Correspondingly, there were decreases in the “poor,” “fair,” and “good” ratings of the residential streets. In addition, these three ratings reflect some minor corrections of errors that were discovered in the data sets.

### Water Utility Infrastructure Condition

Dashboard Indicator	Results				
	2006	2007	2008	2009	2010
25) # of water main breaks per 1,000 service connections relative to other Puget Sound cities and utility districts:					
▶ Soos Creek Water & Sewer District	N/A	N/A	0.29	0.06	0.00
▶ Kirkland	N/A	N/A	N/A	N/A	0.08
▶ Northshore Utility District	N/A	N/A	0.29	0.30	0.28
▶ Cedar River Water & Sewer District	N/A	N/A	0.39	0.39	0.39
▶ <b>Average (6 jurisdictions, excluding MI)</b>	<b>N/A</b>	<b>N/A</b>	<b>0.48</b>	<b>0.42</b>	<b>0.43</b>
▶ Bellevue	0.50	0.50	0.70	0.60	0.59
▶ <b>Mercer Island</b>	<b>1.20</b>	<b>1.20</b>	<b>1.07</b>	<b>0.67</b>	<b>0.78</b>
▶ Bothell	N/A	N/A	0.75	0.75	1.21

### Commentary/Analysis

Relative to a 0.43 average across six jurisdictions, Mercer Island had 0.78 water main breaks per 1,000 service connections in 2010, which is up somewhat from 2009. The City’s higher than average water main break history can be attributed primarily to the following: 1) the large proportion of older water mains throughout the Island; 2) the desire to keep water utility rate increases below 10% because of the impact of the \$24.2 million Sewer Lake Line project on

## RELIABLE PUBLIC INFRASTRUCTURE

sewer utility rates from 2007 through 2010; and 3) the City's long standing water main replacement policy up until 2008. Regarding the latter, the replacement of water mains was driven primarily by the City's street re-surfacing program (because the water mains are under the roadways) and the need to replace undersized mains throughout the Island. However, this policy was amended during the development of the 2009-2014 Water Utility CIP in 2008, with the condition, age, and material of the pipe being factored into the priority ranking as well. As a result, there has been significant improvement in Mercer Island's water main break history, comparing 2009-2010 (0.73 average) to 2006-2008 (1.16 average).

### Sewer Utility Infrastructure Condition

Dashboard Indicator	Results				
	2006	2007	2008	2009	2010
26) # of sewer system backups per 1,000 service connections relative to other Puget Sound cities and utility districts:					
▶ Cedar River Water & Sewer District	N/A	N/A	0.00	0.00	0.00
▶ Soos Creek Water & Sewer District	N/A	N/A	0.03	0.00	0.00
▶ Northshore Utility District	N/A	N/A	0.10	0.10	0.00
▶ <b>Average (6 jurisdictions, excluding MI)</b>	<b>N/A</b>	<b>N/A</b>	<b>0.15</b>	<b>0.18</b>	<b>0.21</b>
▶ <b>Mercer Island</b>	<b>0.67</b>	<b>0.67</b>	<b>0.69</b>	<b>0.27</b>	<b>0.27</b>
▶ Kirkland	0.00	0.00	0.00	0.20	0.30
▶ Bellevue	0.30	0.63	0.55	0.25	0.32
▶ Bothell	N/A	N/A	0.23	0.50	0.63

### Commentary/Analysis

Mercer Island had 0.27 sewer system backups per 1,000 service connections in 2010, which is slightly above the 0.21 average across six jurisdictions. Comparing 2009-2010 (0.27 average) to 2006-2008 (.68 average), Mercer Island's sewer system backup history has improved significantly primarily due to the following: 1) the delivery of a new sewer jet truck in early 2008, which is used exclusively to clean sewer mains; and 2) the institution of an aggressive tree root treating program in 2006. Regarding the sewer jet truck, the equipment used previously by the sewer utility crew was a multi-purpose unit that had to be shared with the water utility crew and couldn't access certain places on the Island. Having a dedicated piece of equipment has enabled the sewer utility crew to significantly enhance its sewer cleaning program. Finally, about half of the sewer main backups on the Island are caused by tree roots, which can be effectively managed by applying a special product to sewer mains. The treatment results aren't immediate, but the number of backups should decline over time.

## ATTRACTIVE, HIGH QUALITY NEIGHBORHOODS & BUSINESS DISTRICTS

### Neighborhood & Downtown Attractiveness

Dashboard Indicator	Results				
	2006	2007	2008	2009	2010
27) # of code enforcement complaints received related to:					
▶ Critical areas/shoreline	20	18	7	7	11
▶ No permit or expired permit	35	34	42	12	22
▶ Property encroachment	66	23	37	21	21
▶ Debris/vehicles	14	16	13	7	9
▶ Trees (topping/clearing/cutting)	20	24	15	27	7
▶ Other	21	59	28	35	48
▶ <b>Total # of code enforcement complaints</b>	<b>176</b>	<b>174</b>	<b>142</b>	<b>109</b>	<b>118</b>
28) % of residents "satisfied" or "very satisfied" with the overall appearance and condition of the City's Town Center	N/A	71%	N/A	77%	N/A

Note: A citizen survey is conducted biennially. The most recent survey was conducted in Feb 2010 and reported as a 2009 result.

### Commentary/Analysis

Tracking the types and number of code enforcement complaints, which are primarily residential in nature, provides a quick assessment of neighborhood quality. Generally speaking, there is a direct correlation between the number of code enforcement complaints, especially "property encroachments," and the level of construction activity on the Island. With the recession taking root in 2008 and hitting bottom in 2009, the total number of single family residential permits issued declined 31.2% in 2008 and 20.6% in 2009. Correspondingly, the total number of code enforcement complaints dropped 18.4% in 2008 and 23.2% in 2009. However, in 2010, development activity picked up, with the total number of single family residential permits and the total number of code enforcement complaints increasing 18.5% and 8.3% respectively. Looking at the types of complaints, two deserve further comment. First, the number of "no permit or expired permit" complaints almost doubled in 2010, with more projects being delayed or halted before completion as a result of the recession. Second, the number of "tree" complaints plummeted to a 5 year low in 2010, although the reason isn't clear given that the number of "tree" complaints hit a high of 27 in 2009, which represented the bottom of the recession in terms of development on the Island. Another factor that impacts the total number of code enforcement complaints is the complexity of a code compliance case. For example, one case in 2010 resulted in 15 subordinate code complaints.

Regarding the appearance and condition of the City's Town Center, the satisfaction rating increased significantly from 71% in 2007 to 77% in 2009. It's assumed that the rating bump is directly related to the completion of the Aljoya House in 2008 and the 77 Central and 7800 Plaza Condominium projects in 2009.

## ATTRACTIVE, HIGH QUALITY NEIGHBORHOODS & BUSINESS DISTRICTS

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### Economic Vitality

Dashboard Indicator	Results				
	2006	2007	2008	2009	2010
29) Sales tax per capita (excluding significant, one-time receipts):					
▶ Construction sector	\$56.93	\$71.95	\$71.64	\$46.60	\$42.48
▶ Retail, wholesale & food services sectors	\$33.00	\$37.84	\$35.05	\$36.56	\$37.12
▶ All other sectors	\$30.27	\$28.88	\$35.86	\$30.17	\$29.37
▶ <b>Total (all business sectors)</b>	<b>\$120.20</b>	<b>\$138.68</b>	<b>\$142.54</b>	<b>\$113.34</b>	<b>\$108.97</b>

### Commentary/Analysis

Total sales tax per capita was down 20.5% in 2009 (excluding a \$455,000 one-time sales tax receipt in 2008) and down 3.9% in 2010 due to the “Great Recession,” which appears to have bottomed out in 2010 as measured by sales tax receipts. Most of the decline in 2009-2010 can be attributed to the “construction” sector, which was down 35.0% in 2009 and 8.8% in 2010. This business sector accounted for 40.0% of total sales tax receipts in 2009-2010. Bucking the downward trend were the “retail, wholesale, and food services” sectors, which were collectively up 4.3% in 2009 and 1.5% in 2010. These business sectors comprised 33.0% of the City’s total sales tax receipts in 2009-2010.

## RECREATIONAL, CULTURAL, HEALTH & EDUCATIONAL OPPORTUNITIES

### Recreation Programs & Facilities

Dashboard Indicator	Results				
	2006	2007	2008	2009	2010

30) % of residents who believe the City is doing a "good" or "excellent" job of:

▶ Providing recreation programs for youth, adults, and seniors	N/A	79%	N/A	74%	N/A
▶ Operating the Community Center	N/A	75%	N/A	74%	N/A

Note: A citizen survey is conducted biennially. The most recent survey was conducted in Feb 2010 and reported as a 2009 result.

### Commentary/Analysis

Citizen satisfaction with the City's efforts to provide recreation programs for youth, adults, and seniors declined from 79% in 2007 to 74% in 2009, which was a status quo year in terms of the City's recreation programs. Given the diversity and intensity of recreational interests in the community, however, a 74% satisfaction rating is good. Interestingly, the survey also included a general question about the respondent's opinion of the Parks and Recreation Department, which garnered a 90% favorability rating. It isn't readily apparent why there's a disconnect between these two ratings. In 2010, the Recreation Division implemented the following new programs, which were all well received: Adventure Playground, Community Campout, and Senior Oktoberfest. Also, Mercer Island continues to be listed as a "Playful City USA," which was bestowed upon only 118 cities nationwide and 4 cities in Washington state in 2010 by KaBoom, a national, non-profit organization dedicated to saving play for America's children.

Regarding the Community Center at Mercer View (CCMV), which opened in December 2005, there was effectively no change in the 2009 satisfaction rating (74%) relative to 2007 (75%). Considering the high level of activity and overall popularity of the new facility compared to the old community center, a mid-70's rating is surprising at first, but such a high level of use creates building maintenance and scheduling challenges as various patron groups petition staff for more space and/or more time for their respective recreational interests. The CCMV staff has to balance competing interests, which results in patrons not getting their way and not being fully satisfied all of the time. In 2010, the gymnasium lighting upgrade project was completed, resulting in higher user satisfaction.

### Park Amenities

Dashboard Indicator	Results				
	2006	2007	2008	2009	2010

31) % of residents "satisfied" or "very satisfied" with the available amenities at the City's parks (e.g. sports fields, sports courts, playgrounds, restrooms, and picnic areas)

N/A	78%	N/A	N/A	N/A
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Note: A citizen survey is conducted biennially. The most recent survey was conducted in Feb 2010 and reported as a 2009 result.

## RECREATIONAL, CULTURAL, HEALTH & EDUCATIONAL OPPORTUNITIES

### Commentary/Analysis

This is a new question that was added to the 2008 biennial citizen survey. Accordingly, the survey results establish 2007 as the “base” year to which future survey results will be compared. Unfortunately, this question was mistakenly deleted from the citizen survey conducted in February 2010. As mentioned above under “Recreation Programs & Facilities,” the 78% satisfaction rating in 2007 is good in light of the diversity of recreational interests in the community. Of particular note, a parks bond levy went before Island voters in November 2008 to address community interest in improving parks, trails, and ballfields and in better maintaining shoreline, urban forests, and open spaces. However, it fell short of the 60% approval threshold, garnering only 53.9%, amidst a worsening economic climate. In 2010, the following parks capital projects were completed: South Mercer Playfields Improvements, Island Crest Park Field Renovation, and Lid Park Playground Improvement. In addition, 100 acres of open space was restored, 6,500 trees were planted, and ½ mile of new trail was built.

### Youth Counseling & Intervention

Dashboard Indicator	Results				
	2006	2007	2008	2009	2010
32) Counseling activity in middle/high schools:					
▶ # of individual contacts	3,329	3,204	3,708	3,577	3,828
▶ # of parent consultations	501	503	485	448	449
▶ # of school staff consultations	850	994	823	808	768
▶ # of drug/alcohol assessments	23	43	17	14	31

### Commentary/Analysis

The City’s school-based counselors at Islander Middle School, Mercer Island High School, and Crest Learning Center provide professional mental health and substance abuse counseling, assessment, intervention, education, and referral services to adolescents and their families. In 2010, two significant changes stand out. First, the number of individual contacts hit a 5 year high in 2010, up 7.0% (or 251 contacts) relative to the prior year. The increase was primarily related to the impact of the severe economic recession on youth and their families. Second, the number of drug/alcohol assessments increased significantly in 2010 (up 121.4% or 17 assessments) most likely due to heightened enforcement efforts by schools in conjunction with the Communities That Care (CTC) prevention program’s focus on the need for consistent enforcement. Finally, according to the 2010 Washington State Health Youth Survey, there was a 10% reduction in “past 30-day alcohol use” among Mercer Island High School seniors compared to four years ago, which is when the CTC prevention program was implemented.

In prior years, three significant changes deserve additional explanation. First, the number of individual contacts jumped 15.7% (or 504 contacts) in 2008 due to increased outreach efforts by the Alcohol and Drug Prevention Counselors at the middle school and high school. Second, school staff consultations were up 16.9% (or 144 consultations) in 2007 due to the increased visibility of mental health and drug/alcohol problems on campus. Third, there was spike in the number of drug/alcohol assessments in 2007 (up 87.0%, or 20 assessments) as a result of a

## RECREATIONAL, CULTURAL, HEALTH & EDUCATIONAL OPPORTUNITIES

change in the School District's athletic policy, with students becoming accountable for off-season infractions. All three spikes were followed by a return to normalcy in the following year.

### Senior Outreach & Advocacy

Dashboard Indicator	Results				
	2006	2007	2008	2009	2010
33) # of seniors and adult children served by Geriatric Specialist	354	290	343	320	309

#### Commentary/Analysis

The City's Geriatric Specialist provides geriatric assistance, counseling, referral, and in-home assessment services to Mercer Island senior adults as well as consultation services to their adult children. Senior services are tailored to individual needs and offered without income eligibility requirements or restrictions on length of care. Services include active interdepartmental collaboration between Youth & Family Services and Police and Fire. The number of clients served annually can vary significantly depending on the amount of time spent per client. In 2010, the number of seniors and adult children served (309) was a little below the 5 year annual average (323). Finally, 100% of the clients surveyed rated services as "effective" or "highly effective".

### Volunteerism & Human Services Funding

Dashboard Indicator	Results				
	2006	2007	2008	2009	2010
34) Mercer Island Thrift Shop annual activity:					
▶ # of volunteer service hours	15,869	15,394	14,621	14,558	14,720
▶ Gross sales revenue	\$596,633	\$658,160	\$651,376	\$727,136	\$875,532
▶ Net income	\$371,520	\$398,821	\$384,252	\$445,839	\$558,139

#### Commentary/Analysis

The Thrift Shop provides job training opportunities for residents transitioning back into the workforce and community service opportunities for youth, adults, and seniors desiring to give back to their community. Also, internships are provided for youth with specific barriers to employment. The business model supports community sustainability through recycling surplus goods and dedicating 100% of store profits to funding human service programs for Mercer Island residents through the Youth & Family Services Department. Running counter to a 4 year declining trend, the number of volunteer service hours at the Thrift Shop increased 1.1% in 2010. In terms of gross sales revenue and net income, each jumped 20.4% and 25.2% respectively in 2010 despite the stagnant economy. As a percentage of total YFS revenues, the Thrift Shop increased from 42.0% in 2009 to 47.2% in 2010. The annual growth in the Thrift Shop's net income as well as increased donations by the MIYFS Foundation have allowed the City to keep its annual tax subsidy of human services programs fixed at \$465,000 from 2005 through 2009 and to permanently reduce the subsidy by \$25,000 beginning in 2010.

## **PUBLIC COMMUNICATION & COMMUNITY INVOLVEMENT**

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### Informed Citizenry

Dashboard Indicator	Results				
	2006	2007	2008	2009	2010
35) % of residents "satisfied" or "very satisfied" with the City's efforts to keep them informed through a quarterly citizen newsletter, a weekly electronic newsletter (subscription based), information provided on the City's website, and Mercer Island Reporter articles	N/A	85%	N/A	85%	N/A

Note: A citizen survey is conducted biennially. The most recent survey was conducted in Feb 2010 and reported as a 2009 result.

### Commentary/Analysis

The Council initially approved a temporary Public Communications Coordinator position in March 2006 as an experiment. Then, in December 2006, the Council approved the conversion to an ongoing position in the 2007-2008 adopted budget. At the end of 2010, with the City struggling to balance the General Fund budget, the position was reduced to a 0.6 FTE as part of the 2011-2012 adopted budget.

In 2010, the Public Communications Coordinator was directly responsible for producing a weekly electronic newsletter (which is subscription based) and a semi-annual citizen newsletter (distributed to all residents), posting current news on the City's website, issuing press releases, managing media contacts, and supervising contracted cable broadcasting services of City Council meetings. With respect to MI Weekly (the electronic newsletter), there were 843 subscribers as of December 31, 2010, which represents a 40.5% increase over the prior year. The end result of the City's public communication efforts is an 85% citizen satisfaction rating.