



# 2021 Budget Questions October 5

**To:** City Council  
**From:** Mayor Gregerson  
**Date:** October 5, 2020

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Please find below information in response to questions raised by Councilmembers as they have begun their review of the 2021 Preliminary Budget.

## Council Priorities

At the February 10, 2020 retreat, the City Council identified finance, planning, infrastructure, and communications for Council priorities. Council refined these areas further and focused on specific topic areas, including:

- Long Range Financial Planning
- Annexation
- Park and Ride
- Sidewalks
- Waterfront Redevelopment
- Fire Department Budget
- Economic Development

Here are some details on how these items are addressed in the 2021 Preliminary Budget. Department Directors may also address these priorities during their presentations:

- Long Range Financial Planning
  - Funding for a full year of a new Finance Director will allow the City to work with Council on this effort. Recruitment process is underway with the goal of a January 1 hire date.
  - The Finance Committee is scheduled to further discuss long range financial planning at their October 27, 2020 meeting.
- Annexation
  - Planning and Community Development continues to work with Snohomish County on the Master Annexation ILA (MAILA), a required first step.
  - Funds are not needed at this time to continue this work. Once the MAILA is in place, professional services funds (not in the budget) would be needed to move forward through the annexation process.
- Park and Ride

- This [memo to the City Council from April 8, 2020](#) identifies a path forward: identifying potential lease locations and/or purchasing a site in partnership with Community Transit, and conducting planning together for sites.
- There is not a specific line item for this effort. The Council identify funds to set aside, or further address how this project fits in with workload, perhaps identifying other efforts as lower priorities. This discussion could best take place at the early 2021 Council Retreat or at a work session.
- Sidewalks
  - Annual Bike Transit Walk Plan: \$120,000
  - Sidewalk Repair: \$25,000
  - 76<sup>th</sup> Street SW and SR 525 Pedestrian Improvements: \$184,275 matches a \$1,180,725 grant
- Waterfront Redevelopment
  - City staff continue to work on the Promenade and Japanese Gulch Daylighting projects, both funded via State Capital grants. Both will require a 2020 budget amendment to officially account for those grant dollars. ([Promenade RCO Grant Agenda Bill](#) and [Japanese Gulch Daylighting Agenda Bill](#) accepting grant dollars and referencing need for a 2020 budget amendment)
- Fire Department Budget
  - The 2021 Budget Questions [September 28](#) and [October 1](#) address additional information on the 2021 Preliminary Budget as it relates to fire.
- Economic Development
  - Efforts of the Executive and Planning and Community Development Departments support economic development. A work session to discuss Council vision for types of economic development to focus on would be beneficial.

## Budget Reductions

A number of adjustments were made to the 2021 Preliminary Budget. The table on the following page summarizes all expenditure reductions. Nearly all of these have some additional explanation on individual division narrative pages which precede the detailed numbers for each division in the budget book.

Exhibit 4 in the Budget also summarizes General Fund reductions in a different way:

Salaries and wages	-7.4%
Benefits	-4.2%
Supplies	-14.0%
Other services and charges	-3.3%

Through an iterative process, 14% in reductions to supplies and 3.3% in reductions to other services and charges, were made. Reductions in salaries and benefits are due to the vacancies being held open, some positions filled by employees earlier in their tenure at the City, and insurance rates.

## 2021 Preliminary Budget: Expenditure Reduction Summary

<b>Total, General Fund</b>	\$ (99,300)	<b>Total, Surface Water</b>	\$ (16,250)
<b>Total, Streets Fund</b>	\$ (6,000)	<b>Total, Waterfront Parking</b>	\$ (9,000)
<b>Executive</b>		<b>Fire Training</b>	
OPERATING SUPPLIES	\$ (200)	OTHER PROFESSIONAL SVCS.	\$ (1,650)
SMALL ITEMS OF EQUIPMENT	\$ (200)	CELL PHONE	\$ (600)
MEALS	\$ (500)	TRAVEL & SUBSISTENCE	\$ (4,000)
<b>Information Technology</b>		MEALS	\$ (1,400)
SMALL ITEMS OF EQUIPMENT	\$ (10,000)	TRAINING & REGISTRATION	\$ (9,950)
ON-LINE CHARGES	\$ (4,000)	<b>EMS</b>	
TRAVEL & SUBSISTENCE	\$ (2,000)	BILLING SERVICES	\$ (4,000)
MEALS	\$ (300)	<b>Public Works Administration</b>	
COMMUNICATIONS EQUIP R & M	\$ (4,000)	COMPUTER SYSTEM MAINT	\$ (3,000)
TRAINING & REGISTRATION	\$ (1,500)	<b>Public Works Parks</b>	
OFFSITE DATA STORAGE	\$ (3,000)	SIGNS	\$ (500)
<b>Finance</b>		ELECTRICITY	\$ (500)
TRAINING & REGISTRATION	\$ (2,500)	SEWER SERVICE	\$ (2,000)
<b>Nondepartmental</b>		WATER SERVICE	\$ (1,500)
PAPER STOCK	\$ (1,000)	STORM DRAINAGE CHGS.	\$ (11,500)
AWC WELLNESS PROGRAM	\$ (500)	EQUIPMENT R&M	\$ (5,000)
PARKS SPECIAL PROJECTS	\$ (10,000)	OTHER R&M	\$ (500)
<b>Police Administration</b>		DOG PARK MAINTENANCE	\$ (500)
OFFICE SUPPLIES	\$ (2,000)	<b>Waterfront Parking Fund Parks</b>	
MOTOR FUEL	\$ (1,750)	SMALL ITEMS OF EQUIPMENT	\$ (500)
TELEPHONE	\$ (2,000)	EQUIPMENT R&M	\$ (6,000)
TRAVEL & SUBSISTENCE	\$ (500)	<b>Streets Fund: Public Works</b>	
OFFICE EQUIPMENT RENTAL	\$ (150)	OPERATING SUPPLIES	\$ (1,000)
PRINTING AND BINDING	\$ (1,000)	LANE STRIPING & MARKING	\$ (5,000)
<b>Police Patrol</b>		<b>Surface Water Utility Fund</b>	
EQUIPMENT R&M	\$ (2,000)	HAZARDOUS MATERIALS TESTING	\$ (750)
<b>Police Special Operations</b>		EQUIPMENT R&M	\$ (10,000)
CLOTHING/BOOTS	\$ (350)	VEHICLE R&M	\$ (5,000)
INVESTIGATION COSTS	\$ (3,000)	<b>Surface Water Administration</b>	
<b>Police Crime Prevention</b>		OPERATING SUPPLIES	\$ (500)
OFFICE SUPPLIES	\$ (1,000)	<b>Recreation</b>	
PUBLIC AFFAIRS & COMMUNITY OUTREA	\$ (2,000)	OPERATING SUPPLIES	\$ (1,000)
<b>Waterfront Parking Fund Rangers</b>		SMALL ITEMS OF EQUIPMENT	\$ (1,500)
POSTAGE	\$ (500)	INSTRUCTORS PROFESSIONAL SERVICES	\$ (2,000)
ON-LINE CHARGES	\$ (2,000)	WSU BEACH WATCHERS - OTHER PROF SI	\$ (7,500)
<b>Fire Administration</b>		COMMUNITY ADVERTISING - RECREATIO	\$ (10,000)
CLOTHING/BOOTS	\$ (750)	COMCAST	\$ (300)
MOTOR FUEL	\$ (1,000)	TRAVEL & SUBSISTENCE	\$ (750)
OTHER PROFESSIONAL SVCS.	\$ (6,600)	OFFICE EQUIPMENT R&M	\$ (2,000)
LAUNDRY SERVICES	\$ (700)	PRINTING AND BINDING	\$ (250)
<b>Fire Operations</b>		CONTRACTUAL SERVICES	\$ (2,000)
CELL PHONES & PAGERS	\$ (1,800)	TRAINING & REGISTRATION	\$ (2,000)
<b>Fire Prevention</b>			
LICENSES AND SUBSCRIPTIONS	\$ (1,700)		
PRINTING & BINDING	\$ (2,000)		