



2021 Budget Questions October 16

To: City Council
From: Mayor Gregerson and Department Directors
Date: October 16, 2020

Please find below information in response to questions raised by Councilmembers at the October 12, 2020 meeting.

Rosehill Operations

Councilmember Champion asked for a Rosehill budget that anticipated a worst case scenario. Councilmember Khan asked about a reopening plan for July 1, and Council President Emery suggested a slow ramp-up starting on July 1.

*As a [September 21, 2020 report from McKinsey](#) stated: "We estimate that the mostly likely time for this [transition to normalcy] to occur is the **first or second quarter of 2021** in the United States and other advanced economies."*

*As [reported in the Los Angeles Times](#) on October 9, 2020, Dr. Fauci has "warned that a sense of normality post-coronavirus may not come to the U.S. until late 2021, adding that the arrival of a vaccine will not suddenly bring the U.S. lurching back. Rather, it'll be a gradual transition over a long period of time." He continued, "I would imagine that if we get a good vaccine now, that we could **have some degree of normality in the third quarter to the fourth quarter of 2021.**"*

The staff have prepared two scenarios:

- A. **Reopening July 1** with 25% operations and revenue until October 1, then full operations
- B. **Reopening October 1** with 25% operations through December 31.

Furloughs and layoffs for all except for the Director, Administrative Support Coordinator and Customer Service Clerks require bargaining with the Office, Clerical and Technical Workers labor group.

One further note, there are maintenance and overhead expenses connected to Rosehill Community Center which are not included in the Recreation Division, but in the Facilities Maintenance Division. You can find those expenses on page 152, which total \$95,450. Savings are not calculated from those items because both scenarios include staff working out of the facility to accommodate reservations, cancellations and calls for information. Security systems, water, and other utilities will need to be maintained.

Scenario A

Reopening July 1 with 25% operations and revenue until October 1, then full operations

Revenues: \$261,657
Expenditures: \$683,371

New General Fund Net Impact: (\$48,738)

General Fund Impact

The General Fund Net Impact measures the new impact of this scenario, outside of the costs already in the 2021 Preliminary Budget. In Scenario A, a combination of furloughs and layoffs are planned. The General Fund Net Impact can be reduced with additional furloughs and layoffs, which would further impact the services described below. The extended length of the layoffs in a new “net-zero impact” scenario could result in the need to rehire new staff, which would impact the reopening with additional training needed.

Recreation Administration Services: Some administration staffing (with furloughs) remains to ensure new reservations and cancellations can be processed. Though this envisions a full closure, staff is still on track to schedule some events under the state guidance and limitations beginning next month (weddings or memorial services with 30 guests or fewer).

Recreation Services: This scenario retains some limited virtual recreation programming opportunities.

Recreation Customer Service: The customer service focused positions are generally laid off in this scenario until reopening begins in the third and fourth quarter, with a focus on preparation for the minimum staffing level that is needed upon reopening.

Program and Event Impacts

Events Canceled:

Approximate Total Participants: 2,500

- Rosehill Garage Sale – Late April
- Touch-a-Truck – Mid May
- Movies in the Park – Mid August
- Sock Hop (Senior Event) – Mid November

All Senior Programs Canceled through September 2021:

Approximate Total Registrations: 1,275

- Gentle Yoga
- Senior Balance & Strength
- Posture Alignment
- AARP Smart Driver
- Osher Lecture Series and Class Series
- Senior Lunch
- Mah Jongg
- Party Bridge
- Coffee Social
- Tai Chi

Other Activities Canceled through September 2021:

Approximate Total Registrations: 3,000

- Mukilteo Orchestra
- Chamber Musicians
- Chinese Dancers
- Lighthouse Quilters Monthly Meetings
- Project Linus Quilters Monthly Meetings

Camps Canceled:

Approximate Total Registrations: 100

- Sewing Camps
- STEM Camps

Youth and Adult Classes (Limited/Reduced Class Sizes):

- Youth Music, Dance and Soccer Classes
- Adult Fitness Classes
- Adult Art Classes

Scenario A

	2021 Preliminary Budget	2021 Scenario A	Increase/ (Decrease)
Revenue and transfers-in			
SPECIAL EVENT PERMITS	1,400	260	(1,140)
Licenses and permits	1,400	260	(1,140)
INTERLOCAL AGREEMENT - SNOHOMISH CO	15,000	15,000	-
HOTEL/MOTEL LODGING TAX GRANT	48,700	48,700	-
Intergovernmental revenue	63,700	63,700	-
FARMERS MKT BOOTH FEES	-	-	-
RECREATION PROGRAM FEES	72,500	28,000	(44,500)
ALCOHOL USE FEE	16,000	5,120	(10,880)
THEATER TECHNICIAN FEES	1,000	67	(933)
ARTWORK ADMINISTRATIVE FEE	500	95	(405)
Charges for goods and services	90,000	33,282	(56,718)
COMMUNITY CENTER RENTAL FEES	330,000	124,273	(205,727)
UPPER LAWN & OUTDOOR PLAZA RENTAL	7,000	1,374	(5,626)
WEIGHT ROOM FEES	12,000	3,564	(8,436)
COMMUTER PARKING FEES	14,500	29,000	14,500
PICNIC SHELTER RENTAL FEES	16,000	2,414	(13,586)
LIGHT STATION WEDDING RENTAL FEES	1,500	411	(1,089)
SCHOLARSHIP CONTRIBUTIONS	-	-	-
CONTRIBUTIONS PRIVATE SOURCE	2,500	1,000	(1,500)
SPONSORSHIPS	5,000	2,379	(2,621)
OTHER MISCELLANEOUS REVENUE	-	-	-
Miscellaneous revenue	388,500	164,415	(224,085)
Transfers-in	-	-	-
Total Recreation revenue	\$ 543,600	\$ 261,657	(281,943)
	2021 Budget	2021 Scenario A	Increase/ (Decrease)
Expenditures and transfers-out			
Salaries and wages	\$ 519,500	\$ 413,300	(106,200)
Benefits	228,350	199,645	(28,705)
OFFICE SUPPLIES	4,000	1,200	(2,800)
OPERATING SUPPLIES	10,000	2,800	(7,200)
CLOTHING/BOOTS	300	-	(300)
MOTOR FUEL	600	75	(525)
SMALL ITEMS OF EQUIPMENT	4,000	1,200	(2,800)
PARK BENCH	-	-	-
Supplies	18,900	5,275	(13,625)
SENIOR CENTER SUBRECIPIENT GRANTS	1,000	2,000	1,000
OTHER PROFESSIONAL SVCS.	6,750	2,200	(4,550)
INSTRUCTORS PROFESSIONAL SERVICES	41,000	13,400	(27,600)
WSU BEACH WATCHERS - OTHER PROF SERVICES	-	-	-
ADVERTISING	13,000	3,750	(9,250)
COMMUNITY ADVERTISING - RECREATION GUIDE	12,000	6,000	(6,000)
TELEPHONE	4,000	2,000	(2,000)
POSTAGE	500	100	(400)
CELL PHONE	750	250	(500)
COMCAST	8,000	8,000	-
TRAVEL & SUBSISTENCE	750	-	(750)
MEALS	400	-	(400)
WORK EQUIP & MACHINE RENTAL	550	150	(400)
SHORT-TERM FACILITY/FIELD RENTAL	2,300	1,000	(1,300)
OFFICE EQUIPMENT R&M	5,000	2,000	(3,000)
OTHER R&M	2,000	700	(1,300)
VEHICLE R&M	300	75	(225)
ASSOC. DUES & MEMBERSHIPS	700	400	(300)
LICENSES & SUBSCRIPTIONS	500	250	(250)
PRINTING AND BINDING	750	200	(550)
CONTRACTUAL SERVICES	38,000	12,000	(26,000)
TRAINING & REGISTRATION	500	-	(500)
BANKING FEES	400	-	(400)
PUBLIC ART FUNDING (PER CAPITA)	10,676	10,676	-
Other services and charges	149,826	65,151	(84,675)
Total Recreation expenditures	\$ 916,576	\$ 683,371	\$ (233,205)

Scenario B

Reopening October 1 with 25% operations through December 31.

Revenues: \$110,809
Expenditures: \$560,112

New General Fund Net Impact: (\$76,327)

In Scenario B, a combination of furloughs and layoffs are planned. The General Fund Net Impact can be reduced with additional furloughs and layoffs, which would further impact the services described below. The extended length of the layoffs in a new “net-zero impact” scenario could result in the need to rehire new staff, which would impact the reopening with additional training needed.

Recreation Administration: Some administration staffing (with furloughs) remains to ensure new reservations and cancellations can be processed. Though this envisions a full closure, staff is still on track to schedule some events under the state guidance and limitations beginning next month (weddings or memorial services with 30 guests or fewer).

Recreation Services: This scenario retains very few virtual recreation programming opportunities.

Recreation Customer Service: The customer service focused positions are generally laid off until reopening begins in the fourth quarter, with a focus on preparation for the minimum staffing level that is needed upon reopening.

Program and Event Impacts

All Events Canceled

Approximate Total Participants: 5,500

- Rosehill Garage Sale – Late April
- Touch-a-Truck – Mid May
- Movies in the Park – Mid August
- Boo Bash – Late October
- Sock Hop (Senior Event) – Mid November
- Tree Lighting – Early December (B scenario only)

All Senior Programs Canceled through 2021

Approximate Total Number of Registrations: 1,700

- Gentle Yoga
- Senior Balance & Strength
- Posture Alignment
- AARP Smart Driver
- Osher Lecture Series and Class Series
- Senior Lunch
- Mah Jongg
- Party Bridge
- Coffee Social
- Tai Chi

Other Activities Canceled through 2021:

Approximate Total Registrations: 4,200

- Mukilteo Orchestra
- Chamber Musicians
- Chinese Dancers
- Lighthouse Quilters Monthly Meetings
- Project Linus Quilters Monthly Meetings

All Camps Canceled:

Approximate Total Registrations: 300

- Sports Camps (B scenario only)
- Sewing Camps
- STEM Camps

Youth and Adult Classes (Limited/Reduced Class Sizes):

- Youth Music, Dance and Soccer Classes
- Adult Fitness Classes
- Adult Art Classes

Scenario B

	2021 Preliminary Budget	2021 Scenario B	Increase/ (Decrease)
Revenue and transfers-in			
SPECIAL EVENT PERMITS	1,400	50	(1,350)
Licenses and permits	1,400	50	(1,350)
INTERLOCAL AGREEMENT - SNOHOMISH CO	15,000	15,000	-
HOTEL/MOTEL LODGING TAX GRANT	48,700	48,700	-
Intergovernmental revenue	63,700	63,700	-
FARMERS MKT BOOTH FEES	-	-	-
RECREATION PROGRAM FEES	72,500	5,500	(67,000)
ALCOHOL USE FEE	16,000	900	(15,100)
THEATER TECHNICIAN FEES	1,000	20	(980)
ARTWORK ADMINISTRATIVE FEE	500	-	(500)
Charges for goods and services	90,000	6,420	(83,580)
COMMUNITY CENTER RENTAL FEES	330,000	23,200	(306,800)
UPPER LAWN & OUTDOOR PLAZA RENTAL	7,000	-	(7,000)
WEIGHT ROOM FEES	12,000	1,389	(10,611)
COMMUTER PARKING FEES	14,500	14,500	-
PICNIC SHELTER RENTAL FEES	16,000	-	(16,000)
LIGHT STATION WEDDING RENTAL FEES	1,500	50	(1,450)
SCHOLARSHIP CONTRIBUTIONS	-	-	-
CONTRIBUTIONS PRIVATE SOURCE	2,500	1,000	(1,500)
SPONSORSHIPS	5,000	500	(4,500)
OTHER MISCELLANEOUS REVENUE	-	-	-
Miscellaneous revenue	388,500	40,639	(347,861)
Transfers-in	-	-	-
Total Recreation revenue	\$ 543,600	\$ 110,809	\$ (432,791)
	2021 Budget	2021 Scenario B	Increase/ (Decrease)
Expenditures and transfers-out			
Salaries and wages and Benefits	\$ 519,500	\$ 342,855	(173,895)
Benefits	228,350	184,346	(41,154)
OFFICE SUPPLIES	4,000	330	(3,670)
OPERATING SUPPLIES	10,000	850	(10,150)
CLOTHING/BOOTS	300	-	(300)
MOTOR FUEL	600	25	(575)
SMALL ITEMS OF EQUIPMENT	4,000	330	(5,170)
PARK BENCH	-	-	-
Supplies	18,900	1,535	(19,865)
SENIOR CENTER SUBRECIPIENT GRANTS	1,000	1,000	-
OTHER PROFESSIONAL SVCS.	6,750	450	(6,300)
INSTRUCTORS PROFESSIONAL SERVICES	41,000	2,600	(40,400)
WSU BEACH WATCHERS - OTHER PROF SERV	-	-	(7,500)
ADVERTISING	13,000	1,100	(11,900)
COMMUNITY ADVERTISING - RECREATION GUI	12,000	3,000	(19,000)
TELEPHONE	4,000	1,000	(3,000)
POSTAGE	500	50	(450)
CELL PHONE	750	100	(400)
COMCAST	8,000	8,000	(300)
TRAVEL & SUBSISTENCE	750	-	(1,500)
MEALS	400	-	(400)
WORK EQUIP & MACHINE RENTAL	550	-	(550)
SHORT-TERM FACILITY/FIELD RENTAL	2,300	-	(2,300)
OFFICE EQUIPMENT R&M	5,000	400	(6,600)
OTHER R&M	2,000	150	(1,850)
VEHICLE R&M	300	50	(250)
ASSOC. DUES & MEMBERSHIPS	700	-	(700)
LICENSES & SUBSCRIPTIONS	500	250	250
PRINTING AND BINDING	750	50	(950)
CONTRACTUAL SERVICES	38,000	2,500	(37,500)
TRAINING & REGISTRATION	500	-	(2,500)
BANKING FEES	400	-	-
PUBLIC ART FUNDING (PER CAPITA)	10,676	10,676	5,326
Other services and charges	149,826	31,376	(138,774)
Total Recreation expenditures	\$ 916,576	\$ 560,112	\$ (192,448)