



# 2021 Budget Questions November 12

**To:** City Council  
**From:** Mayor Gregerson and Department Directors  
**Date:** November 12, 2020

Please find below information in response to questions raised by Councilmembers at the November 9, 2020 meeting.

## Recreation Scenario C

This new scenario, as supported by Councilmembers Champion and Khan, would close Rosehill as fully as possible in the first quarter, reopen on April 1 at 50% capacity of rentals and recreation programming with staff support, and expand to 100%/normal operations on July 1.

Scenario C Revenues	+ \$514,200
Scenario C Expenditures	- \$686,294
Total	(\$172,094)
Net Impact to the General Fund, compared to the 2021 Preliminary Budget	<b>\$200,882 in new savings</b>

## Budget Reductions

Council President Emery asked for recommendations from staff for additional budget reductions. The Council can expect a few more items either on Friday or Monday, as staff who had scheduled vacation this week return and are able to offer other suggestions.

If all of these items listed below are implemented, the total savings to the General Fund would be approximately \$163,000.

<b>Phone System Savings</b>	GENERAL FUND
Account for savings from adjustments in new phone system.	
Impact: (\$10,000) savings	
<b>Service Impact Considerations:</b>	
In the last week, the IT Department has neared completion of the phone system change. Staff have also audited all existing landlines. The new system and auditing of lines no longer needed resulted in anticipated cost reductions for 2021.	

<b>City Leadership Furloughs</b>	GENERAL FUND
5 Furlough Days for City Leadership Team	
Impact: (\$19,418) savings and (\$1,424) in savings in Surface Water Fund	
<b>Service Impact and Explanation:</b>	
<ol style="list-style-type: none"> <li>1. To avoid one furlough day for all staff, the Department Directors, City Administrator and Mayor will take 5 furlough days. The Mayor will write a check back to the City to account for her furlough days.</li> <li>2. One furlough day for all staff, besides IAFF Firefighters and LEO Police Officers Guild, is \$16,266 in General Fund, \$850 in Waterfront Parking and \$3,560 in Surface Water. Ms. Meyer updated this estimate this week.</li> <li>3. Salaried, exempt staff must be furloughed one work week at a time, so 5 days is the minimum.</li> </ol>	

<b>Eliminate Beautification Design Project</b>	GENERAL FUND
Delay investment in design until 2022.	
Impact: (\$22,000) savings	
<b>Service Impact Considerations:</b>	
This project pays for the design of improved gateway locations and SR525 and SR526 medians. It does not pay for installation, and there are no funds in 2021 to complete the improvements once designed. The project can be reconsidered in 2022 and could be budgeted then to include installation.	

<b>Reduce Memberships</b>	GENERAL FUND
Non-Departmental Association Memberships and Dues Reductions	
Impact: (\$2,200) savings	
<b>Service Impact Considerations:</b>	
<ol style="list-style-type: none"> <li>1. Snohomish Cities and Towns Executive Board decided last week to not request contributions for 2021. (\$200)</li> <li>2. Cut contribution to the Economic Alliance of Snohomish County, rejoin in 2022. (\$2,500)</li> </ol>	

<b>Planning Division Reductions</b>	GENERAL FUND
Various Reductions to Planning Division line-items	
Impact: (\$8,000) savings	
<b>Service Impact Considerations and Explanation:</b>	
<ol style="list-style-type: none"> <li>1. Reduce overtime due to reduced workload when Assistant Planner vacancy is filled (\$1250)</li> <li>2. Professional Services reduction (\$5,000), which may impact technical support on sign code amendment, industrial design standards amendment and Japanese Gulch Master Plan Amendment related to Senior Center. (<i>e.g. graphics, environmental review, possibly public outreach</i>)</li> <li>3. Reduce travel and subsistence (\$1,000) assuming most conferences are remote</li> <li>4. Reduce postage and supplies (\$750), with efforts to manage to this budget.</li> </ol>	

<b>Large Item Pick Up within Contract Constraints</b>	GENERAL FUND
Allow Waste Management to conduct a curbside cleanup of 2 large items and one yard of bagged trash for all single family homes.	
Impact: (\$20,000) in eliminated new costs	
<b>Service Impact Considerations:</b>	
Some number of residents will not be served under this model and will be required to pay individually for a larger pick up or organize a donation pick-up or transport their large items themselves.	

<b>Executive Department Reductions</b>	GENERAL FUND
Various Reductions to Executive Department line-items	
Impact: (\$6,000) savings	
<b>Service Impact Considerations and Explanation:</b>	
<ol style="list-style-type: none"> <li>1. Reduce training and travel for Executive Department (Mayor, City Administrator, Clerk, Executive Assistant) (\$4,000). The Department is confident that it can achieve adequate training with this reduced funding in 2021, considering the budget constraints.</li> <li>2. Reduce Other Professional Services from \$10,000 to \$8,000. The Department will keep expenses in line. If special projects warrant additional funds, they will be delayed or canceled.</li> </ol>	

<b>Cancel one year's contribution to Public Art Fund</b>	GENERAL FUND
This line item is in the Recreation budget. It can be eliminated or reduced in some amount.	
Impact: (\$5,338) savings	
<b>Service Impact Considerations:</b>	
<ol style="list-style-type: none"> <li>1. Staff are still working with the Parks and Arts Commission to establish a procedure for expending these funds. That work will continue, though it will be delayed until staffing levels allow the Director to focus on projects later in the year.</li> <li>2. This would still leave \$5,338 available from the 2019 unspent funds.</li> </ol>	

<b>Reduce Fire Overtime</b>	GENERAL FUND
Reduce overtime, and if needed to meet budget each month, do not fill Fire Station 24 vacancies, redirecting those crews to Fire Station 25.	
Impact: (\$90,000) savings	
<b>Service Impact and Explanation:</b>	
<ol style="list-style-type: none"> <li>1. Instead of increasing fire overtime to \$350,000 (8 months at \$20k and 4 months at \$47.5k), budget fire overtime at \$20k for 12 months (\$240,000). Staff will manage overtime hours monthly. When the month exceeds the budgeted hours, any additional overtime in the month to maintain staffing would be cancelled. Station 24 crew would be moved to Station 25 for the shift to staff a dedicated ambulance and a cross staffed engine/ambulance in the area with the highest demand. Station 24 would be closed for the shift. Overtime would only be used to maintain the modified Station 25 staffing, if needed.</li> <li>2. Closing Station 24 likely would not be needed if all the positions are filled and there are no long-term absences. One or more long term absences could require Station 24 be closed for the greater part of the month.</li> </ol>	

<b>EMS Division Reduction</b>	EMS FUND
Reduce EMS supply budget by \$1,000	
Impact: (\$1,000) savings	
<b>Service Impact Considerations:</b>	
Supply purchases can be deferred or canceled.	

## **Other Ideas**

### Delay Implementation of Furloughs

Delay furloughs until the June sales tax revenue is reported (August). Assess any unbudgeted savings from vacancies that may help make up the needed gap. If revenue is at or below budget and unbudgeted vacancy savings are not sufficient, institute furloughs in the remainder of the year. If revenue is above budget, do not implement furloughs.

### EMS Levy Lid Lift, Public Safety Levy (Property Tax or Sales Tax Models), Property Tax Levy Lid Lift

A levy lid lift does not require validation (a minimum number of voters). The Public Safety Levy would require a voter turnout goal and might need to be placed either on the General Election or a 2022 ballot.

An August 3 ballot needs to be approved by May 14, 2021. A November 2 ballot needs to be approved by August 3, 2021. New tax options could generate anywhere from \$300,000 to \$1,000,000.