

SULTAN CITY COUNCIL AGENDA ITEM COVER SHEET

ITEM #: Discussion D 1

DATE: March 27, 2008

SUBJECT: Budget Amendments and Priority Projects

CONTACT PERSON: Laura Koenig, Clerk/Deputy Finance Director

ISSUE:

The issue before the Council is a discussion on required and recommended budget amendments and to determine a priority for pending issues. There are two areas of concern, 1) staffing changes and 2) professional services.

SUMMARY STATEMENT:

Staffing Changes:

The final budget for 2008 was adopted in December 2007 and due to staffing changes, there have been several changes in the assumptions made for salaries and benefits for 2008. For this discussion, staff will concentrate on those changes that impact the General Fund.

The following details the changes made for each department and the assumptions associated with those changes:

REVISED SALARY/BENEFITS FOR
2008

DEPARTMENT	ORIGINAL BUDGET	REVISED BUDGET	INCREASE DECREASE
Legislative	4005.00	4005.00	0.00
1. Executive (Admin)	23205.00	39197.00	15992.00
2. Finance	19315.00	16948.00	-2367.00
Grants/Econ Dev	6900.00	6895.00	-5.00
Legal Services	3410.00	4346.00	936.00
3. Law Enforcement	648123.00	648941.00	818.00
Code Enforcement	25150.00	25202.00	52.00
4. Planning	77065.00	88852.00	11787.00
5. Building	72980.00	71344.00	-1636.00
6. Parks	17000.00	14713.00	-2287.00

Assumptions

1. Executive: Includes the addition of the Administrative Assistant
2. Finance: A % of the Utility Clerks wage were allocated to Law Enforcement
Law Enforcement: Police Chief wages savings from unfilled position for 2
3. months. Includes the Police Officer in Position 6.
4. Planning: Overlap in wages for severance pay and new hire in department of approximately 6 weeks.
5. Building: Employee budget part time in the department resigned.
6. Parks: Original budget include an estimate amount. This is actual amounts.

The total increase in salaries and benefits if \$23,290.

The City is currently advertising to fill the vacant police officer position. A portion of the \$23,290 will be offset by the vacant positions wages/benefits until the position is filled. The Receptionist position is currently being filled by contract service from Express Personnel at a rate of \$869 per week and the cost is shared between different departments.

Professional Services:

The second area of concern is the cost for professional services for work on the Comprehensive Plan. The budget amount in the Planning Department for professional services is \$115,000 and total spent to date is \$55,186.88 (Attachment A). This includes \$31,293.12 for 2007 invoices that Shockey/Brent postponed submitting until 2008. The first invoice for Shockey/Brent for January 2008 is \$17,105.23 and has not been paid.

The following is a breakdown of costs to date:

Cairncross & Hempelmann	\$12,253.80	
Dugan Planning Service	\$ 3,978.40	
Shockey/Brent	\$31,293.13	(2007)
On Call Planning	\$ 6,601.05	
Legal Services	\$ 1,060.50	
TOTAL	\$55,186.88	

This represents 48% of the total budget for the year and it is anticipated that with the current activity on the Comprehensive Plan that all budget funds will be spent or committed by the end of May 2008. The major property tax revenues will not be received by the City until May.

Staff is recommending the City negotiate with Cairncross and Hempelmann and Shockey/Brent to spread out payments for the balance of the year in equal monthly payments. This will insure that adequate revenues are available on a monthly basis to cover the costs associated with the Comprehensive Plan update.

ALTERNATIVES

1. The Council could direct staff to prepare the necessary budget amendments for public hearing and authorize staff to renegotiate the contracts with Shockey/Brent and Cairncross and Hempelmann to make monthly payments in equal amounts for the balance of 2008.
2. The Council could take no action at this time. Staff would continue to monitor the budget and bring the matter back at a later time.

RECOMMENDEATION:

Staff recommends that a budget amendment be prepared for public hearing and that staff be authorized to renegotiate the contracts with Shockey/Brent and Cairncross and Hempelmann to make monthly payments for the balance of the year.

Attachments:

A. Finance Reports

Accounts Payable

Transactions by Account and Department

User: laura
 Printed: 03/21/2008 12:39 PM
 Batch: 000-00-0000



Account Number	Vendor	Description	GL Date	Check No	Amount	PO No
001-065-558-60-412	BHC Consultants	Mapping Services	01/17/2008	22163	130.73	
001-065-558-60-412	BHC Consultants	Anderson Farms Consulting Services	01/17/2008	22163	194.68	
001-065-558-60-412	BHC Consultants	Anderson Farms PUD	03/07/2008	22334	162.24	
001-065-558-60-412	Cairncross and Hempelmann	Oct-Dec 07 Land Use Attorney	02/07/2008	22231	3,547.50	
001-065-558-60-412	Cairncross and Hempelmann	Comp. Plan Work	02/21/2008	22286	8,706.30	
001-065-558-60-412	Dugan Planning Services	Financial Consult. Comp. Plan	02/21/2008	22292	3,978.40	
001-065-558-60-412	Kenyon Disend PLLC	Legal fees	02/21/2008	22302	1,060.50	
001-065-558-60-412	Perreel Inc.	On Call Planning Service	01/17/2008	22191	637.50	
001-065-558-60-412	Shockey/Brent Inc	Comp Plan Review - December 2007	01/17/2008	22205	15,176.37	
001-065-558-60-412	Shockey/Brent Inc	Caleb Court Consultan Services	01/17/2008	22205	84.05	
001-065-558-60-412	Shockey/Brent Inc	Caleb Court Public Hearing	01/17/2008	22205	920.10	
001-065-558-60-412	Shockey/Brent Inc	11.1.07				
001-065-558-60-412	Shockey/Brent Inc	Comp Plan 11.5.2007 -	01/17/2008	22205	16,116.76	
001-065-558-60-412	Shockey/Brent Inc	11.30.2007				
001-065-558-60-412	Shockey/Brent Inc	Caleb Court Consultant Fees	03/07/2008	22374	4,471.75	
Subtotal for Dept: 065					55,186.88	
Subtotal for Fund: 001					55,186.88	
Report Total:					55,186.88	

Account Number	Description	Budgeted Amount	Period Amount	YTD Amount	YTD Var Encumbered Amt	Available % Available
001-060-539-30-200	Benefits	6,610.00	56.02	303.98	6,306.02	95.40
	Employee Benefits	6,610.00	56.02	303.98	6,306.02	95.40
E30	Operating and Office Supply	500.00	165.27	410.09	89.91	17.98
001-060-539-30-310	Office/Operating Supplies	600.00	0.00	0.00	600.00	100.00
001-060-539-30-360	Vehicle Operation/Maintenance	0.00	0.00	0.00	0.00	0.00
001-060-539-30-370	Vehicle Repair					
	Operating and Office Supply	1,100.00	165.27	410.09	689.91	62.71
E40	Other Services and Charges	5,000.00	0.00	1,552.00	3,448.00	68.96
001-060-539-30-410	Professional Services	0.00	0.00	0.00	0.00	0.00
001-060-539-30-430	Travel and Seminars	0.00	0.00	0.00	0.00	0.00
001-060-539-30-460	Insurance					
	Other Services and Charges	5,000.00	0.00	1,552.00	3,448.00	68.96
E60	Capital Outlays	0.00	0.00	0.00	0.00	0.00
001-060-539-30-640	Capital Outlay - Equipment					
	Capital Outlays	0.00	0.00	0.00	0.00	0.00
	001-060 Totals:	31,250.00	865.21	5,760.59	25,489.41	81.56
001-065	Planning and Development					
E10	Salaries and Wages	57,590.00	2,389.88	14,357.39	43,232.61	75.07
001-065-558-60-100	Salaries and Wages					
	Salaries and Wages	57,590.00	2,389.88	14,357.39	43,232.61	75.07
E20	Employee Benefits	19,475.00	343.16	3,877.40	15,597.60	80.09
001-065-558-60-200	Employee Benefits					
	Employee Benefits	19,475.00	343.16	3,877.40	15,597.60	80.09
E30	Operating and Office Supply	2,000.00	133.01	356.72	1,643.28	82.16
001-065-558-60-310	Office/Operating Supplies	200.00	0.00	0.00	200.00	100.00
001-065-558-60-340	Books and Periodicals	500.00	0.00	0.00	500.00	100.00
001-065-558-60-341	PB Books and Periodicals	0.00	0.00	0.00	0.00	0.00
001-065-558-60-350	Small Tools/Minor Equipment					

Account Number	Description	Budgeted Amount	Period Amount	YTD Amount	YTD Var Encumbered Amt	Available % Available
001-065-558-60-380	GMA Planning Grants	0.00	0.00	0.00	0.00	0.00
	Operating and Office Supply	2,700.00	133.01	356.72	2,343.28	86.78
E40	Other Services and Charges	12,000.00	0.00	1,408.00	10,592.00	88.26
001-065-558-60-411	Hearing Examiner Service	115,000.00	4,633.99	55,186.88	59,813.12	52.01
001-065-558-60-412	Professional Services	3,500.00	242.29	751.66	2,748.34	78.52
001-065-558-60-420	Communication	600.00	0.00	0.00	600.00	100.00
001-065-558-60-430	Travel and Seminars	600.00	0.00	0.00	600.00	100.00
001-065-558-60-431	PB Travel and Seminars	4,000.00	237.60	1,852.72	2,147.28	53.68
001-065-558-60-440	Advertising and Legal Notices	2,500.00	0.00	0.00	2,500.00	100.00
001-065-558-60-490	Miscellaneous					
	Other Services and Charges	138,200.00	5,113.88	59,199.26	79,000.74	57.16
E60	Capital Outlays					
001-065-558-60-640	Capital Outlay - Equipment	1,500.00	0.00	0.00	1,500.00	100.00
	Capital Outlays	1,500.00	0.00	0.00	1,500.00	100.00
	001-065 Totals:	219,465.00	7,979.93	77,790.77	141,674.23	64.55
E10	Building and Community Dev.					
001-070-559-60-100	Salaries and Wages	57,180.00	1,148.54	7,470.40	49,709.60	86.93
	Salaries and Wages	57,180.00	1,148.54	7,470.40	49,709.60	86.93
	Salaries and Wages	57,180.00	1,148.54	7,470.40	49,709.60	86.93
E20	Employee Benefits					
001-070-559-60-200	Employee Benefits	15,800.00	167.39	1,505.18	14,294.82	90.47
	Employee Benefits	15,800.00	167.39	1,505.18	14,294.82	90.47
	Employee Benefits	15,800.00	167.39	1,505.18	14,294.82	90.47
E30	Operating and Office Supply					
001-070-559-60-310	Operating Supplies	3,500.00	133.04	356.74	3,143.26	89.80
001-070-559-60-340	Books and Periodicals	650.00	0.00	0.00	650.00	100.00
001-070-559-60-341	PB Books and Periodical	0.00	0.00	0.00	0.00	0.00
001-070-559-60-350	Small Tools/Minor Equipment	300.00	0.00	0.00	300.00	100.00
001-070-559-60-360	Vehicle Operation/Maintenance	1,000.00	0.00	299.75	700.25	70.02