

## **SULTAN CITY COUNCIL AGENDA ITEM COVER SHEET**

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**ITEM NO:** Budget Retreat - 2  
**DATE:** June 20, 2009  
**SUBJECT:** Budget Themes  
**CONTACT PERSON:** Deborah Knight, City Administrator

**ISSUE:**

The City Council adopted five budget themes in 2007 to organize staff and financial resources around the City Council's budget priorities.

The City Council should review and evaluate the budget themes and determine whether to make any changes before beginning the 2010 budget process.

**SUMMARY:**

The City Council has been using five budget themes since 2007 to organize its budget priorities:

1. Economic Development
2. Community Vision
3. Financial Health
4. Succession Planning
5. Strategic Partnerships

Attachment A outlines the budget themes and proposed 2010 work plan items that implement each theme. The Council should consider the budget themes and answer the following questions:

1. Are the budget themes still relevant and necessary?
2. Do the budget themes communicate the City's highest priorities?
3. Are there City priorities that don't "fit" into any themes?
4. Should the City add, change or delete any of the themes?

**ATTACHMENT**

A – 2010 Proposed Budget Themes and 2010 Work Plan

### **Economic Development – Bob Martin/Donna Murphy**

Economic Development has been a priority for the Mayor and Council. Sultan continues to struggle with attracting and retaining retail business. Retail business and healthy sales tax revenues are needed for long-term financial stability. What steps can the City take to encourage and promote economic development?

- Finish Streamline Permitting Effort
  - \$15,000 in 2009                      \$10,000 in 2010
  - Reduce red tape and forge a new partnership with the business community. Streamline and simplify the permitting requirements for most businesses, homeowners and developers.
  - Update application forms and information on permit and building permit processes (2009)
  - Implement permit tracking software through Springbrook and connect to financial software package (2101)
- Prioritize Strategic Public Investment.
  - \$5,000 in 2009                      \$5,000 in 2010
  - Identify and prioritize capital investments to kick-start economic development (2009)
  - Review evaluation criteria in the capital improvement plan to identify priority investments such as the East-West Industrial Park Connector Road that will kick-start economic development (2009)
  - Evaluate the Industrial Park Master Plan (2010)
    - Review the Industrial Park Master Plan and determine if plan is still valid given floodplain and critical area requirements.
    - Check with property owners on desire to provide right-of-way to build connector road identified in the Comprehensive Plan.
    - Consider revising as a stand-alone element in the Comprehensive Plan and combining instead with Economic Development Element.
- Economic Development Strategic Plan
  - \$20,000 in 2010                      \$45,000-\$55,000 in 2011
  - Fund an economic development strategic plan to identify economic development goals, policies and strategies, and prioritize efforts.
  - Work could begin in 3<sup>rd</sup>/4<sup>th</sup> quarter 2009 – tied to work on Sultan 2030 and Economic Element and Land Use Element of the Comprehensive Plan

**Community Vision –Bob Martin/Connie Dunn**

- Sultan 2011 Comprehensive Plan Update
  - \$12,000 in 2009                      \$145,000 – 300,000 in 2010/2011
  - Kick-off 2011 Comprehensive Plan Update. Identify policy questions and scope of work. Complete community survey (2009)
  - Update the Comprehensive Plan, Water System Plan, General Sewer Plan, and Parks Plan as required under GMA and/or to ensure consistency between planning documents (2010/2011)
- Development code update
  - \$5,000 in 2009                      \$15,000 in 2010
  - Review parts of the development code including the Hearing Examiner process and the Council's quasi-judicial authority. The majority of the work has been performed in-house with some city attorney time for review (2009)
  - Reorganize the subdivision and unified development code (SMC Titles 16 and 21) in 2010 prior to amending the code to be consistent with Council approved changes to the Comprehensive Plan (2010)
- Wastewater Treatment Plant (WWTP) design and construction
  - \$800,000 in 2009      \$500,000 in 2010
  - Install centrifuge to replace aging Somat for drying solids to reduce operating costs (2009)
  - Finish plant design for upgrade and complete environmental reports (NEPA/SEPA) for eligible grant funding through Department of Ecology (2010)
- Open Space Acquisition and Strategic Plan (Park Plan)
  - \$35,000 in 2010                      \$150,000 in 2011 for acquisition
  - Update Park Plan to continue eligibility for park grants through Washington State and November 2010 acquisition funding.
  - The City is negotiating to acquire open space using park impact fees. The City should have a strategic plan for acquiring and financing additional open space before development pressures make acquisition financially unfeasible.
- Sultan River Park Master Plan
  - \$35,000 in 2010 (general fund)                      \$55,000 in 2011 (capital budget)
  - Master plan city owned properties at First and Main for park improvements. The Sultan River Park Master Plan would use the skate park at the corner stone of future active recreation investments including a play-ground for younger kids, climbing wall and other amenities for families to enjoy.

**Financial Health – Laura Koenig/Connie Dunn/Deborah Knight**

- Utility Rate Studies
  - Water \$65,000 2009    Garbage - \$65,000 in 2009/2010    Cemetery 2011
  - The City is completing a Water Rate Study. City staff recommend conducting a garbage rate study beginning in 2009 and a cemetery rate study in late 2010 to ensure that the remaining utilities are paying for themselves and have long-term financial stability.
- Streets Operations and Maintenance
  - \$60,000 in 2009                      \$65,000 in 2010
  - The City's street system is suffering from neglect. There are not enough staff and financial resources to main the City current street system. The City should explore long-term solutions and develop a strategic plan.
  - Funding in 2010 would come from 90% of the 1% utility tax that was set aside for police equipment replacement and is no longer needed now that the city is contracting with the Sheriff's Office for police services.
- Equipment replacement and acquisition
  - \$5,500 in 2010                      \$6,000 in 2011
  - The City should have a long-term plan for equipment replacement and acquisition. The proposed funds would be set aside out of the general fund budget for equipment replacement and acquisition using either depreciation or by establishing a rental fund in the 2010 budget.
  - Use 10% of the 1% utility fee that was set aside for police equipment replacement and is no longer needed now that the city is contracting with the Sheriff's Office for police services.
- Facility repair and maintenance
  - \$5,500 in 2010                      \$6,000 in 2011
  - The City should have a long-term plan for facility maintenance and repair. The proposed funds would be set aside out of the general fund budget for equipment replacement and acquisition using either depreciation or by establishing a rental fund in the 2010 budget.
  - Use 10% of the 1% utility fee that was set aside for police equipment replacement and is no longer needed now that the city is contracting with the Sheriff's Office for police services.

**Succession Planning – Deborah/Laura**

- Mayor's Pay
  - \$25,000 - \$50,000 2010
  - Consider negotiating a professional services contract with the Mayor to provide a specific, identified scope of work tied to pay.
- Public Works Reorganization
  - Revenue neutral
  - Reorganize the public works department to reduce span of control, redistribute work load and provide direct supervisor of field staff. Consider how best to ensure that knowledge held by long-term staff members is successfully transfer to new employees.
- Union Negotiations
  - \$15,000 in 2010
  - Assist the City Administrator with union negotiations with the Teamsters representing public works and clerical workers.

**Strategic Partnerships – Mayor Eslick/City Council**

- Public Safety and Emergency Management (city, school, fire committee)
- Riverfront Park w/Snohomish County and other stakeholders
- Gun range w/ Department of Natural Resources and other stakeholders