

SULTAN CITY COUNCIL AGENDA ITEM COVER SHEET

ITEM NO: Budget Retreat - 1
DATE: October 7, 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 confirmed the budget themes are relevant for the 2010 budget and effectively communicate the city's highest priorities. The 2010 budget is built around these themes:

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

SUMMARY:

Attachment A outlines the budget themes and proposed 2010 work plan items that implement each theme.

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

Expenditure: \$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 (2010)

- Prioritize Strategic Public Investment.

Expenditure: Included in the comprehensive plan update in 2010

- 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

Expenditure: \$2,500 in Grants and Economic Development

- Mayor's quarterly small business workshops
- Business roundtables
- Community Center 10-year anniversary
- Return of the Pinks festival

Community Vision –Bob Martin/Connie Dunn

- Sultan 2011 Comprehensive Plan Update

Expenditure: \$12,000 in 2009 \$145,000 in 2010

- 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

Expenditure: \$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

Expenditure: \$800,000 in 2009 \$1,300,000 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)

Expenditure: \$210,000 in 2010

- Update Park Plan to continue eligibility for park grants through Washington State and November 2010 acquisition funding (\$30,000).
- Acquire repetitive flood loss properties for open space (\$180,000).

Financial Health – Laura Koenig/Connie Dunn/Deborah Knight

- Utility Rate Studies

Expenditures: Water \$65,000 2009 Garbage - \$13,000 2010

- 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

Expenditures: \$60,000 in 2009 \$30,000 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.
- Chip Seal 8th Street from Main St. to High St. Funding in 2010 would come from 80% 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

Expenditures: \$75,000 in 2010

- 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. (\$60,000)
- 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. (\$15,000)

- Facility repair and maintenance

- \$35,000 in 2010 \$35,000 in 2011
- Improvements for facility maintenance and repair based on 2009 Facility Assessment Study.
- 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. (\$15,000)

Succession Planning – Deborah/Laura

- Union Negotiations

Expenditures: \$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
- Reiter Foothills ORV Park