

**City of Edmonds 2011 Preliminary Budget**  
**Frequently Asked Questions**  
**11/15/2010**

*What is the policy of the City to pay for Memberships into various associations? Are all employees afforded to charge their membership dues? What about travel as well? Do all employees get travel and training paid for?*

Answer: As far as city paid memberships, the city pays for membership fees if the city derives a direct benefit from the employee being a member of the specific organization or if membership is a requirement of employment. Travel and training are covered under city policy (see below).

### 6.3 TRAINING POLICY

The City seeks, within the limits of available resources, to offer training to increase an employee's skill, knowledge and abilities directly related to his or her position, to obtain or maintain required licenses and certifications, and to develop a career path within the City organization. Opportunities may include, but are not limited to: on-the-job training, in-house workshops and seminars sponsored by other agencies or organizations.

When training opportunities are identified, the Department will complete an AUTHORIZATION FOR TRAVEL and TRAINING and submit the registration. Following completion of the training program, a copy of the AUTHORIZATION will be filed in the employee's Personnel File. Training programs, which are required by the City, are paid by the City, including the employee's wages, travel, registration, and, if needed, out of area expenses directly related to the training. Training programs, which are initiated by the employees and not required by the City, are considered as voluntary programs and will not be paid by the City, unless a direct benefit to the City can be shown. If a benefit can be shown, the City may pay a portion of the training costs, but not to include wages.

### 6.4 COLLEGE REIMBURSEMENT

The City will reimburse full tuition for college courses that are required for; 1) advancement to the next promotional rank up to an Associates Degree level (90 credit hours), and 2) to maintain or upgrade a required certificate or license. Employees must obtain a passing grade of C and/or 2.0 or better in order to qualify for reimbursement of the class at the rate established below.

Employees, who take college courses leading to a Bachelors degree, will be reimbursed 50% of the tuition costs. This course work must be an educational requirement of a future position in the City, which has been previously identified in the performance evaluation as the employee's career goal. Employees must obtain a passing grade of B and/or 3.0 or better in order to qualify for reimbursement of the class at the rate established below.

Tuition costs will be based upon comparable public education credit hours and charges. Employees will not be on paid City time while attending such courses nor will books, transportation, or course material costs be reimbursed. The maximum costs per employee for college reimbursement in a calendar year cannot exceed \$2000.

NOTE: Please keep in mind that the budget for college tuition city-wide is \$7500 per year.

*Why does the City pay for BirdFest and/or Art Commissioners dues?*

Answer: Puget Sound BirdFest was developed by the City's Parks and Recreation and Economic Development Departments as a nature tourism event that attracts visitors from out of town. Bird Fest was started in 2005 as a celebration of birds and nature on International Migratory Bird Day (IMBD).

For Year 2010, the City expended approximately \$2,347 for Birdfest purposes; this amount includes Economic Development funds (\$1,447) and Lodging Taxes (\$900). The City received \$1,830 in financial support from sponsorships, donations, poster art entry fees, and registration. The net cost for the City is \$517. The Pilchuck Audobon Society also contributed approximately \$260 for food and kids supplies.

Why a birding festival in Edmonds? Edmonds is stop #1 on the Cascades Loop of "The Great Washington State Birding Trail" map, developed by Audubon Washington. The trail includes seven loops, highlighting the best birding sites throughout the state. The Cascades Loop was the first map published, in 2002. A birding festival gives the City of Edmonds the opportunity to promote local birding, invite visitors to appreciate Edmonds' spectacular natural environment and friendly downtown atmosphere, and educate residents on bird-friendly gardening and the Critical Areas Ordinance.

The event attracts visitors from inside and outside the State and Birdfest promoters work to involve local businesses. Events have included:

- Presentations by authors, photographers, and other workshops at various locations in the City.
- Activities and exhibits at the City Artworks Building (201 – 2nd Ave. S) for children and adults.
- Discounts on birding-related items, specials, etc. at Garden Gear, The Weed Lady, Edmonds Bookshop, and more.
- Social gatherings for birders, such as wine tasting at Arista Wine Cellars

Organized by:  
The City of Edmonds

- Parks, Recreation & Cultural Services
- Economic Development

Festival Partners:

- Greater Edmonds Chamber of Commerce
- Pilchuck Audubon Society
- Washington Native Plant Society
- Snohomish County Tourism Bureau

*Exhibit 6 page 8 - Economic Strategic Plan, what does this represent. Some correspondence from citizens has indicated that this looks like a fake number, what is the real cost? In the comp plan there is already a strategic plan component on page 31 exhibit 7, what is different?*

Answer: Based on communications with four firms with expertise in conducting this type of study/process, the estimated cost of undertaking a strategic planning process and creation of a strategic plan ranges from \$60,000 to \$200,000. Typically, the more complex a study, the higher the price. A higher cost study usually allows consultants to conduct a more thorough analysis and further refine assumptions, thus improving the degree of confidence in the information gathered.

Regarding a citizens concern that “this looks like a fake number”, based on general expectations and scope of work discussed by the Edmonds Economic Development Commission (EDC), the EDC initially discussed recommending that the City Council allocate a budget range of between \$85,000 and not to exceed amount of \$175,000 for this effort, which represents +/- 35% of the midpoint of \$130,000. Based on the City’s budgetary constraints for year 2011 and beyond, the Economic Development Commission has indicated requesting the City Council allocate an amount of \$100,000 as part of the 2011 budget process as this amount is more affordable and could still fund a respectable strategic planning effort. This figure is subject to revision following the review of qualified submittals in response to a Request for Proposals, if issued, and a refined scope of work once a consultant is hired; a contract with the chosen consultant would be submitted to the City Council for their review and potential action. NOTE: The Edmonds EDC has yet to submit a formal request for funds to the City Council. As such, the \$100,000 amount is a placeholder and subject to change.

Regarding the statement “In the comp plan there is already a strategic plan component on page 31 exhibit 7, what is different?” The term “strategic plan”, as referenced on page 31, Exhibit 7, relates to strategic planning to implement sustainability measures; this is not the same as preparing a City-wide strategic plan as referenced above. A City-wide strategic plan serves as a community’s roadmap that will take us from where we are today to where we want to go in the coming years, that is, the strategic plan establishes a framework for carrying out strategic thinking, direction, and action. It also ensures the most effective use of limited

resources by focusing those resources on key priorities. A City-wide strategic plan differs from other plans typically adopted by local governments in Washington – such as comprehensive plans or functional plans related to the Growth Management Act – in that it serves as a way to organize and prioritize initiatives and resources to achieve specific goals within a relatively short (3 - 5 year) time period. In this way, a strategic plan focuses on establishing near/mid-term goals, tactical approaches, and performance measures supporting a city's overall vision.

*Like in the 2009/2010 why are the MACRO areas not explained and their impact to EDC and our Mayor should be courting these groups: a) Swedish and the now \$\$ being paid to the Snohomish Health Board; b) Harbor Square and its effect on the comp plan; c) Post Office move and its replacement; d) Ferry and its impact e) Railroad and its impact; e) Capital Improvement Plan and TBD. Where is the narrative?*

Answer: Mayor Cooper and his senior staff are in regular contact with the groups mentioned; sometimes it is a formal meeting regarding a specific issue or project, and other times it is a less formal sharing of ideas and future planning. This question is difficult to interpret and clarification would be helpful; as such, a status is being provided for items a – f.

- a) Swedish Medical Center and Stevens Hospital recently completed a process which resulted in Stevens Hospital becoming Swedish Edmonds. It's not clear what is meant by "Swedish and the now \$\$ being paid to the Snohomish Health Board".
- b) The Port of Edmonds is in the process of assessing its holdings at Harbor Square, a 14.6- acre site bounded by Dayton Street on the north, Edmonds Way/SR 104 on the east, wetlands to the south and the mainline BNSF railroad tracks to the west. The Port has retained two firms to provide advice on the development of Harbor Square. The fundamental approach indicated by the study now underway could set in motion actions that will prepare the property for redevelopment proposals and disposition as the market begins to recover. Steps in the overall master planning process include Port of Edmonds Commissioners rendering a decision on a preferred concept and/or plan; submittal of a preferred concept/plan to the City; and public hearings before the Planning Board and City Council. Until such time a master plan application is submitted to the City, the City cannot assess its impact on the City or Comprehensive Plan.
- c) The USPS intends to consolidate its truck operations and operate out of the Perrinville Post Office location. USPS intends to retain a USPS retail facility within Downtown Edmonds, e.g., post office boxes, pick up and mailing of packages, etc., albeit at a smaller scale than what exists today and without large truck operations. USPS is looking for a building which is 4,100 square feet in size, or a site which can accommodate a similar sized building. The existing Post Office site has been purchased by a developer which is working on concepts/plans for the property.

- d) It's unclear what is meant by this. Does the question relate to Edmonds Crossing, WSF's current environmental impact statement process which includes evaluation of reassigning the Mukilteo/Clinton Ferry route to an Edmonds/Kingston route, or leaving the WSF Main Street terminal in its existing condition, i.e., no action?
- e) BNSF is currently in the process of grading property within their easement south of Dayton Street in order to prepare this area for the eventual installation of a second rail line (located east of the existing rail line). BNSF has indicated in the past that installation of a second rail line south of Dayton could take place in 2011 or 2012. BNSF has yet to provide the City with a timeline related to installing a second rail line north of Dayton Street. Until such time a rail line is constructed north of Dayton Street, Sound Transit will not be able to construct the west half of the Sound Transit Commuter Rail Station.
- f) The City's budget includes items referenced within the Capital Improvement Plan.

*Comp Plan is not being used or read - look at page 31 exhibit 7 and why are we not following that format. Who wrote this 2009 plan? It is very good. Why are we not following it?*

Answer: The Comprehensive Plan is being used/read and more specifically, with the exception of the Strategic Plan item, the coordination schedule outlined in Exhibit 7 on Page 31 is being followed. Exhibit 7 serves as a coordination schedule and provides an overview of timelines for certain plans/documents to follow. Regarding the Budget timeline, Exhibit 7 depicts a preliminary budget beginning in September and ending in November/December. Mayor Cooper scheduled a budget workshop with the City Council at the end of August which is ahead of the depicted schedule.

Regarding the "strategic plan", as referenced on page 31, Exhibit 7, this item relates to implementing sustainability measures and is not the same as preparing a City-wide strategic plan. The Strategic Plan item referenced in Exhibit 7 is something that Development Services and the Planning Board will be working on.

*Professionals Services throughout - Can you be a bit more descriptive as to what this entails? Can you identify it since it is stated in a number of areas like page 11 City Council \$62K or page 95 \$133.4K*

As stated in the Washington State Auditor's Office, budgeting, accounting and reporting (BARS) manual, professional services are defined as follows:

“SERVICES. This is a basic classification by object for services other than personal services which are needed by the government. Such services may be provided by a governmental agency or by private business organizations. .... The following are principal types of services and charges included in this object classification:

#### 41 Professional Services

Examples:

Accounting and Auditing  
Engineering and Architectural  
Medical, Dental and Hospital  
Computer Programming  
Management Consulting  
Legal  
Custodial Cleaning  
Messenger  
Investment”

For example on Page 95, the Community Services Professional Services budgeted amounts for years 2010 and 2011 was/is \$42,000. The base budgeted amount for each year pays for the following:

- Mike Doubleday (\$35,670) - Government Relations Contractor (ties to City’s annual legislative agenda).
- Salter Joyce Zyker (\$6,330) - Legal Contractors related to Environmental Services (used only on an as needed basis).

As discussed during the August 2010 City Council Budget Workshop, a specific budgeted line item can sometimes appear to be significantly exceeded as a result of securing federal, state or private sector grants. The reasons this amount increased to an estimated \$133,446 in year 2010 is primarily to recognize expenditures related to the following:

- A U.S. Housing and Urban Development (HUD) grant secured by the City on behalf of the Edmonds Center for the Arts (ECA). By the end of year 2010, the ECA anticipates expending approximately \$91,000 of the HUD grant. The estimated amount for year 2010 acknowledges, in part, the receipt of the federal grant by the City. Processing this particular grant requires the City to submit ECA invoices to HUD, receipt payments from HUD, then issue checks to the ECA.

- City Council authorized expenditure related to paying River Oaks Communications for contract services for the purposes of assisting the City Attorney and staff with renewal of the Comcast Franchise Agreement
- Imagine Edmonds Workshop

*Can you detail the recent history of taxes on City utilities?*

Answer: The City began taxing its own Utilities by first levying an “Interfund Surcharge” of 5.75% on metered water sales sometime prior to 1995 which netted approximately \$170,000/yr. between 1995 and 1999. Beginning in 2000 the “Interfund Surcharge” or “Utility Tax” was extended to the Sewer Utility’s rate revenues and both were raised to 6.0% which boosted total income to the General Fund from this source to approx. \$400,000/yr. Rates of 6.0% were held constant until 2009 for these two utilities but revenue to the General Fund increased during this period as Utility Rate revenues increased. The Stormwater Utility was separated from the Sewer Department and began paying its own Utility Tax in 2007, also at 6.0%. In 2009 the rates were raised to 10% for all three utilities. Also, later in 2009, the tax on water rate revenues was raised again to 18.7% to provide money for the General Fund to “hire” the Water Utility to maintain Fire Hydrants in accordance with recent State Supreme Court decisions. After raising the tax rate the General Fund has been paying the Water Utility approx. \$256,000/yr to perform these services.

The graph below provides a summary of both internal utility tax revenues to the General Fund and General Fund overhead charges (Interfund Services) to the utilities as well as a total of the two expenses. The total has been reduced by the \$256,000 that has or will come back to pay for hydrant maintenance in 2009-2011. These two sources of revenue to the General Fund have grown from an average of \$667,000 during the first four years between 1995 and 1999 (pre-Initiative 695) to what will be an estimated \$2,458,600 in 2011. That is an annual average growth rate in payments from the utilities to the General Fund from 1995 – 2011 of 8.73% compared to Seattle/Tacoma/Bremerton CPI-U during the same period of 3.09%.

