

**City of Edmonds 2011 Preliminary Budget**  
**Frequently Asked Questions**  
**Week of 10/11/2010**

- 1) *You've stated that the FD1 contract will save the city \$1.8M annually; that's about twice as much as has been previously estimated. Would you please provide a breakdown of how that 1.8M is achieved.*

Answer: Per the 2010 Final budget, total budgeted expenditures for the Edmonds Fire Department were \$8.0M. In 2009, the City Council approved the transfer of the Edmonds Fire Department Snohomish County Fire District 1. The City/FD1 contract calls for FD 1 to provide fire services, beginning at \$6.2M annually. The \$1.8 figure represents the gross savings between the budgeted amount (\$8M) and the contract amount (\$6.2M).

These savings are reduced and increased by the revenue streams lost, gained, and expenses incurred and foregone as a result of this transaction. The net savings were estimated to be roughly \$1.0M to \$1.6M annually.

- 2) *Where is the expense for the fire marshal shown?*

Answer: The expense related to the fire marshal is covered under the FD1 contract payment mentioned above, and therefore is not identified as a separate expenditure line item within the budget.

- 3) *Where are the expenses for maintaining the fire stations shown?*

Answer: Expenses for maintaining the fire stations are included within the Facilities and Parks Maintenance budgets.

- 4) *The estimate for 2010 misc revenue is about \$1.5M above the 9 Jun 10 outlook. Please explain.*

Answer: The difference is primarily from the sale of the fire department assets as part of the FD1 transfer; the amount received by the City totaled approximately \$1.5M. However, the City had to pay FD1 approximately \$782K for vacation and sick time accumulated by the City of Edmonds fire fighters prior to the transfer; remaining proceeds were transferred to Fund 010 – Public Safety Emergency Reserve (\$599K) and the Building Maintenance Fund (\$100K) per Council direction.

- 5) *The estimate for 2010 services is about \$800K above the 9 Jun 10 outlook, but is back to about previous expectations for 2011. Please explain.*

Answer: This amount reflects payment of approximately \$782K to FD1 for the accumulated vacation and sick time for the Edmonds fire fighters as referenced above.

- 6) *There appears to be some errors for 2011 in the employee headcount chart on page 7. Why is city council at 0? Shouldn't mayor/city clerk be 7? The number for development services is essentially flat with 2010 when the expenses indicate an increase in headcount.*

Answer: The Council does not employ any employees. Although the half-time contractor currently working for the Council has been counted in the past, we chose to just limit this count to employees only.

The Mayor/City Clerk total reflects 5.0 positions in the Clerk's Office and 1.0 position in the Mayor's Office. The Mayor is not considered an employee for this count.

Regarding Development Services - Administration, the expenditures level reflects the filling of the vacant Director position.

- 7) *Why is the 2010 estimate for police about \$600K below the amended budget?*

Answer: Savings in the Police Department, as shown in the 2010 year-end estimate, are due in part to savings realized by not filling one animal control officer position and one youth services police officer position – both of which were identified as fully funded in the approved 2010 Budget. Additional savings have been realized by holding open one additional police officer position for most of 2010 (due to an officer out on unpaid injury status); savings in incarceration costs; adjustments to salaries and benefit lines to reflect actual costs as opposed to projections used when the 2010 Budget was written; and miscellaneous savings in professional services, small equipment, reserve police officer program, and crime prevention.

- 8) *How is the police 2011 interfund rental expense savings achieved?*

Answer: The mayor's proposed 2011 budget assumes a one-year suspension of General Fund transfers to Fund 511-Equipment Rental. This is the reason why there is a decrease in interfund transfer expense.

- 9) *Does the city have an internal audit department? And if there is in fact no internal audit department, then how will [State Auditor's Office audit] items be resolved?*

Answer: The city does not have an internal audit department. Within the Finance Department, audit duties are limited to: 1) reviewing transactions that originate in other departments, and 2) performing cash counts at the pool, court, and any other place in the city where cash is taken. State Auditor's Office audit issues are resolved by the Finance Director working with the affected departments to develop corrective action.