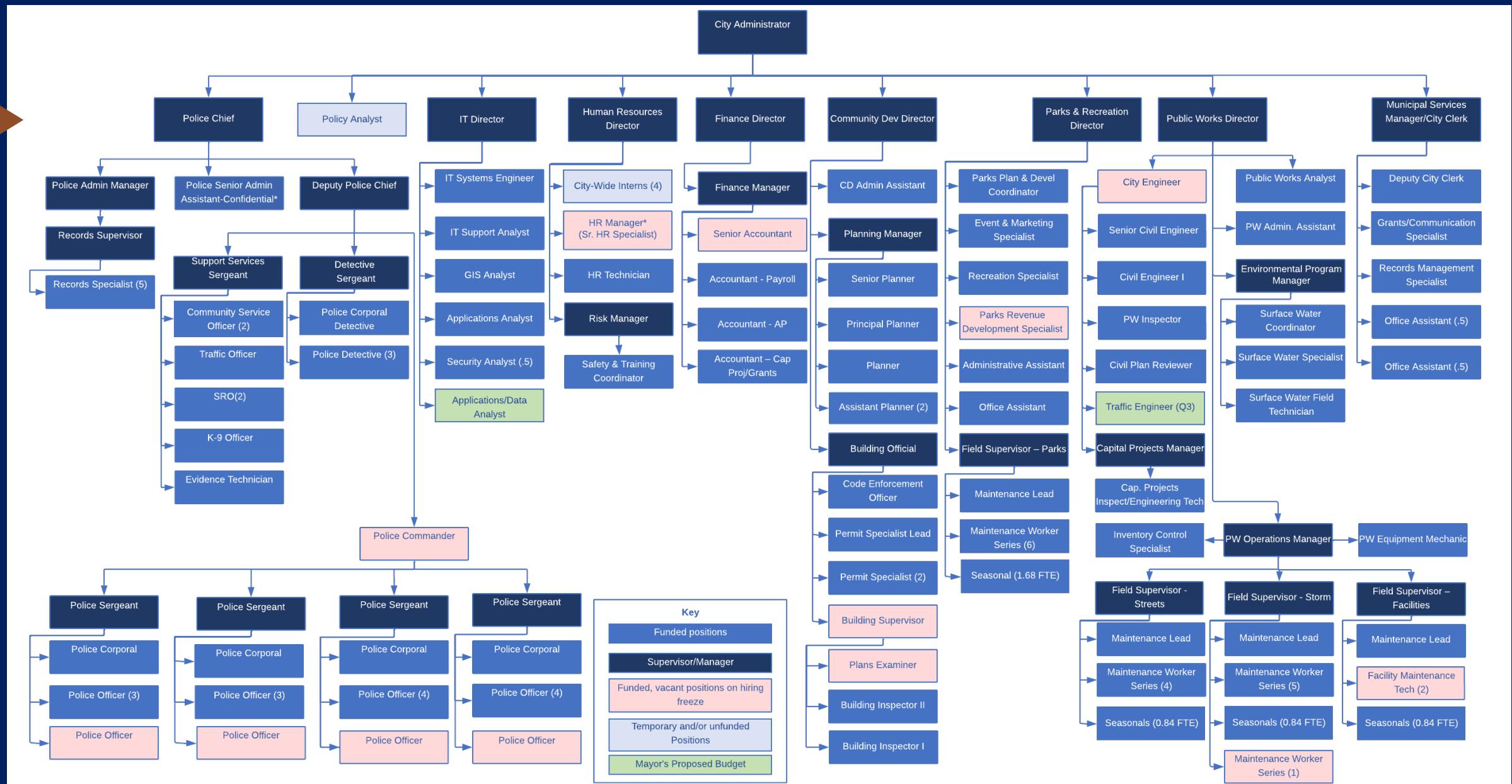




One Community Around The Lake

Council Retreat Department Reports

SEPTEMBER 13, 2025



Department Report: Finance (1/4)

COST OF SERVICE SUMMARY

City's staff has grown from 98 in 2018 to 160 positions in 2025, increasing the demand for administrative support.

Now, with 160 positions, the payroll operations are stretched thin, requiring additional resources.

As a payroll division with only 1 accountant, an additional part-time payroll position is necessary to support the city's growth and uphold payroll management standards

COST REDUCTIONS

Postpone Hiring of Senior Accountant

Limited discretionary expenses

- Reduce office supply budget
- Reduce professional development budgets
- Postpone financial software consultant & upgrades
- Recoup credit card fees

Department Report: Finance (2/4)

POSITIONS REQUESTS SUMMARY

Payroll Accountant (PT)

The Payroll Accountant is responsible for the City's payroll operations and performs highly responsible duties in the preparation, administration and maintenance of payroll transactions and records.

WHAT TOOLS / EQUIPMENT DID YOU NEED?

Enterprise Resource Planning (ERP) System

- Integrated HRIS w/Position Budgeting
- Project Management
- Asset Management

Improved Technology & AI

- Streamline processes

Senior Accountant

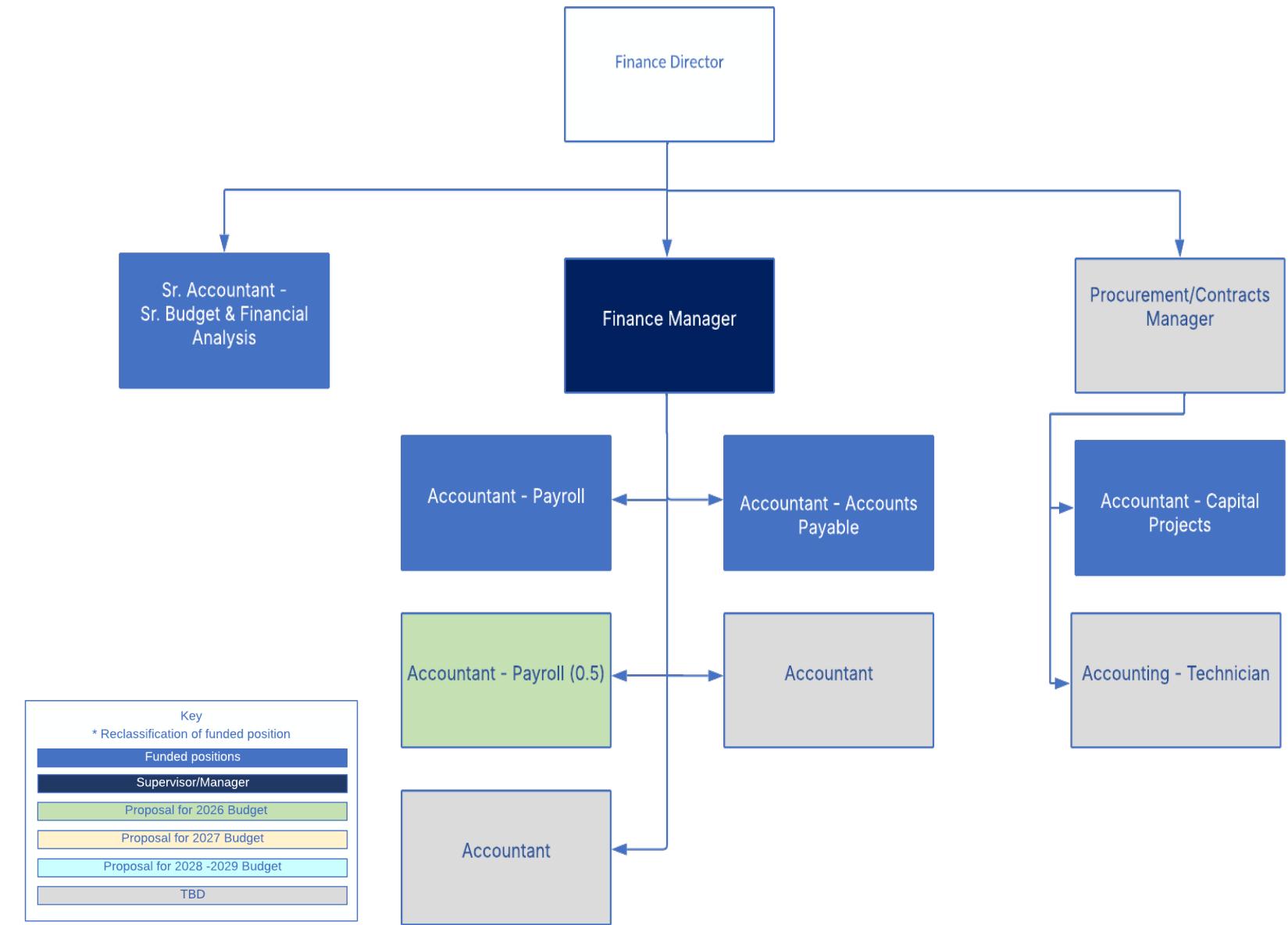
The Accountant position was authorized in 2025 as a generalist. Adding a specific focus on Budget & Financial Analysis will enhance budget coordination and development.

Budget Development and Coordination

- Lead the coordination of the City's operating budget and CIP, ensuring alignment with financial policies.
- Prepare key documents, coordinate budget reviews, and provide training on budget procedures

Budget Monitoring and Financial Reporting:

- Monitor departmental budgets
- Forecast and track major revenue sources and advise on budget variances
- Prepare internal financial reports for departments and the City Council



Department Report: Finance (4/4)



Strategic Planning

Financial Forecasting
Budget Development
Capital Budget Planning



Fiscal Compliance

Financial Reporting
Internal Audit
External Audit Liaison



Treasury Management

Banking Services
Credit Services
Investments
Debt Management



General Accounting

Payroll
Accounts Payables
Accounts Receivables
Revenue Receipting
Procurement Compliance
Asset Management
Commercial Rental Program

Department Report: Human Resources (1/4)

	2020	2021	2022	2023	2024	2025 July/ Aug	% Increase from 2020- 2024
Number of Employees	91	102	100	119	130	148	43%
Number of L & I Claims Processed/Managed	9	9	10	8	3	5	-67%
Number of Applicants Processed			153	810	1272	884	731%
Number of Positions Recruited	20	18	35	33	32	26	60%
Number of Terminations/Separations	9	20	16	22	23	19	156%
Number of Claims Against the City Processed	13	12	26	17	28	17	115%

COST REDUCTIONS

- Reduced Professional Services
- Removing Tuition Reimbursement
- No additional new employee programs
- No outside trainers
- Reduced marketing for new positions

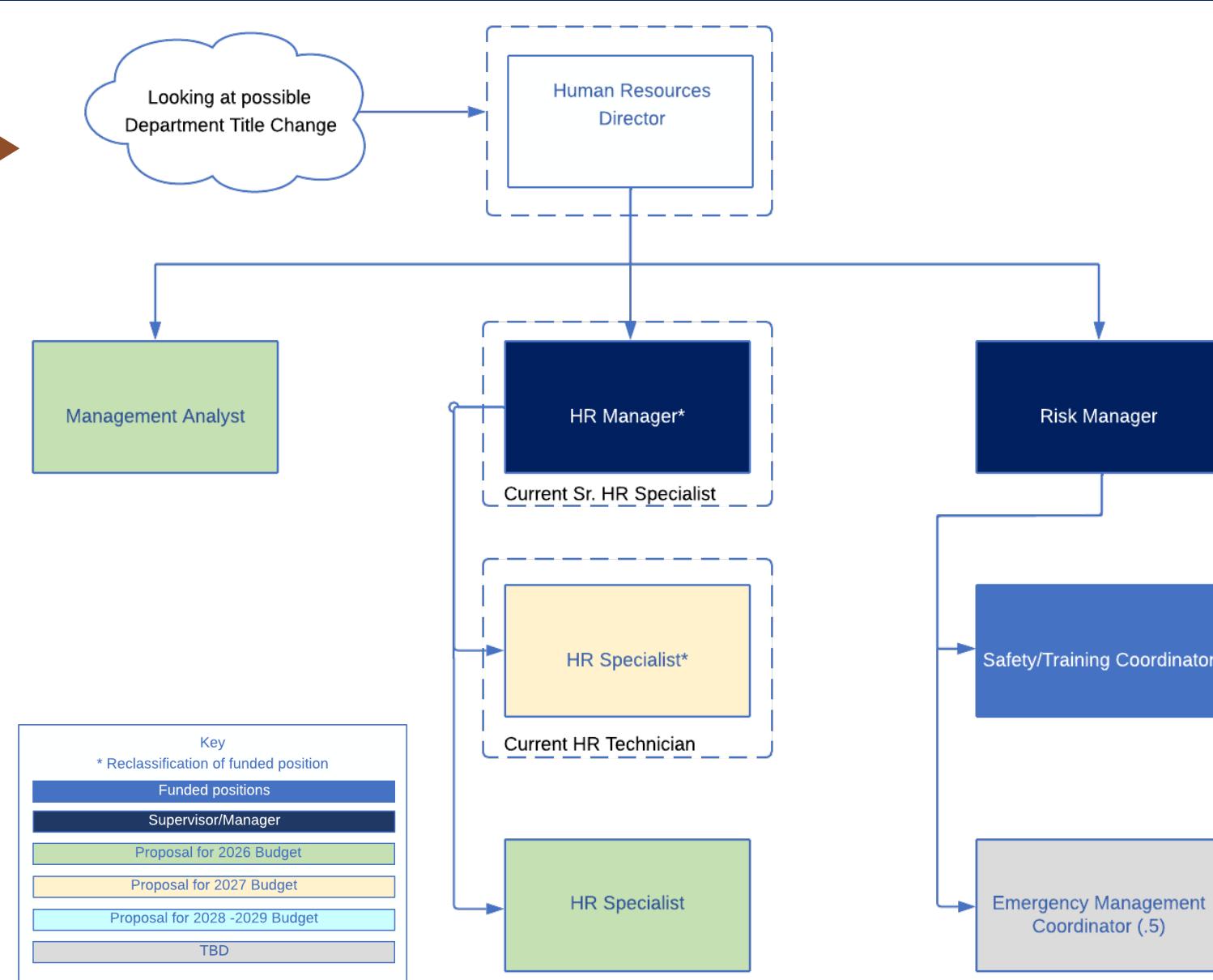
Department Report: Human Resources (2/4)

POSITIONS REQUESTS SUMMARY

- **HR Specialist** - Improves compliance, recruiting, culture, and wellness. Enables hiring of HR Manager.
- **Management Analyst** - Leads citywide strategic plan implementation, citywide project prioritization and management, Lean initiatives, compliance (ADA/Title VI), and performance metrics.

WHAT TOOLS / EQUIPMENT DID YOU NEED?

- Human Resources Information System (HRIS)
- Confidential spaces for employee conversations
- Improved technology & AI



Expanded HR Director Role & Capacity Constraints

The HR Director currently manages far more than traditional HR functions, overseeing:

- Risk Management
- Emergency Management
- Safety Programs
- Lean Program Management
- Executive-level initiatives, including citywide strategic planning, executive retreats, and organizational development

Department Report: Human Resources (4/4)

Benefit Area	Current Challenge	Impact of HR Specialist	Impact of HR Manager	Impact of Management Analyst
Service Delivery	Recruiting, onboarding, and employee support are delayed. Citywide projects lack ownership and prioritization.	Improves responsiveness to departments and employees.	Provides leadership oversight to HR operations, ensuring consistency and higher service levels.	Coordinates citywide projects, ensures priorities are managed, and streamlines cross-departmental work.
Compliance & Risk	HR falling behind on policy updates, ADA/Title VI programs need dedicated oversight.	Keeps HR policies current and reduces exposure to legal and financial risk.	Oversees audits, investigations, and consistency checks to ensure compliance across HR functions.	Leads Title VI & ADA compliance programs; develops citywide policies to ensure regulatory consistency.
Employee Engagement	Limited engagement, wellness, and retention efforts due to lack of staff capacity.	Creates capacity for wellness, engagement, and culture-building initiatives.	Provides management capacity to align HR with citywide workforce development strategies.	Manages Wellness 360 initiative, supports employee engagement surveys, and leads process improvements.
Police Department Support	Civil Service demands stretch HR capacity, leaving limited support for police-specific needs.	Provides focused HR support for Civil Service and police HR needs.	Supervises staff to ensure police HR needs are met without overloading specialists.	Not direct, but improves efficiency by removing backlog from HR and ensuring projects don't stall.
Strategic Leadership	HR Director remains consumed with daily operations and multiple citywide programs (Risk, Safety, Emergency Mgmt, Lean, Strategic Planning).	Frees capacity to activate the HR Manager role, creating space for the Director to lead strategically.	Provides leadership to daily HR operations, negotiates union matters, and fills in for HR Director.	Leads citywide strategic planning and organizational excellence, giving leadership visibility into progress and outcomes.
Organizational Excellence	Strategic plan implementation is inconsistent; performance metrics and process improvement lack ownership.	Supports HR technology, data tracking, and SharePoint organization.	Provides oversight for HR modernization and alignment with strategic initiatives.	Serves as process owner for Lean, manages citywide performance initiatives, and advances organizational excellence goals.

Department Report: Information Technology (2/4)

COST OF SERVICE SUMMARY

Request	Amount
1) Hardware Replacement	\$38,000
2) Software Request	\$16,500
3) Infrastructure Replacement	\$190,000
4) Staff Development	\$26,447
5) SaaS Solution Replacement	\$310,000
6) Professional Services	\$65,000

COST REDUCTIONS

Request #	Explanation	Amount
1	Only replace if broken	(\$38,000)
2	Continue with existing tooling	(\$16,500)
3	Postpone replacement of end-of-life equipment	(\$62,000)
4	Maintain base allocations, reduce conferences	(\$16,447)
4	Maintain legacy solutions	(\$310,000)
6	Maintain base allocation	(\$40,000)

Department Report: Information Technology (2/4)

POSITIONS REQUESTS SUMMARY

Positions Requested:

- GIS Technician
- Application/Data Analyst
- Reclass Support Analyst to Systems Administrator
- Reclass Systems Engineer to Infrastructure Manager

WHAT TOOLS / EQUIPMENT DID YOU NEED?

- GPS Base Station and remotes
- ShareGate SharePoint Administration Software
- Infrastructure Hardware Replacement
- SaaS Solution Replacement and Modernization

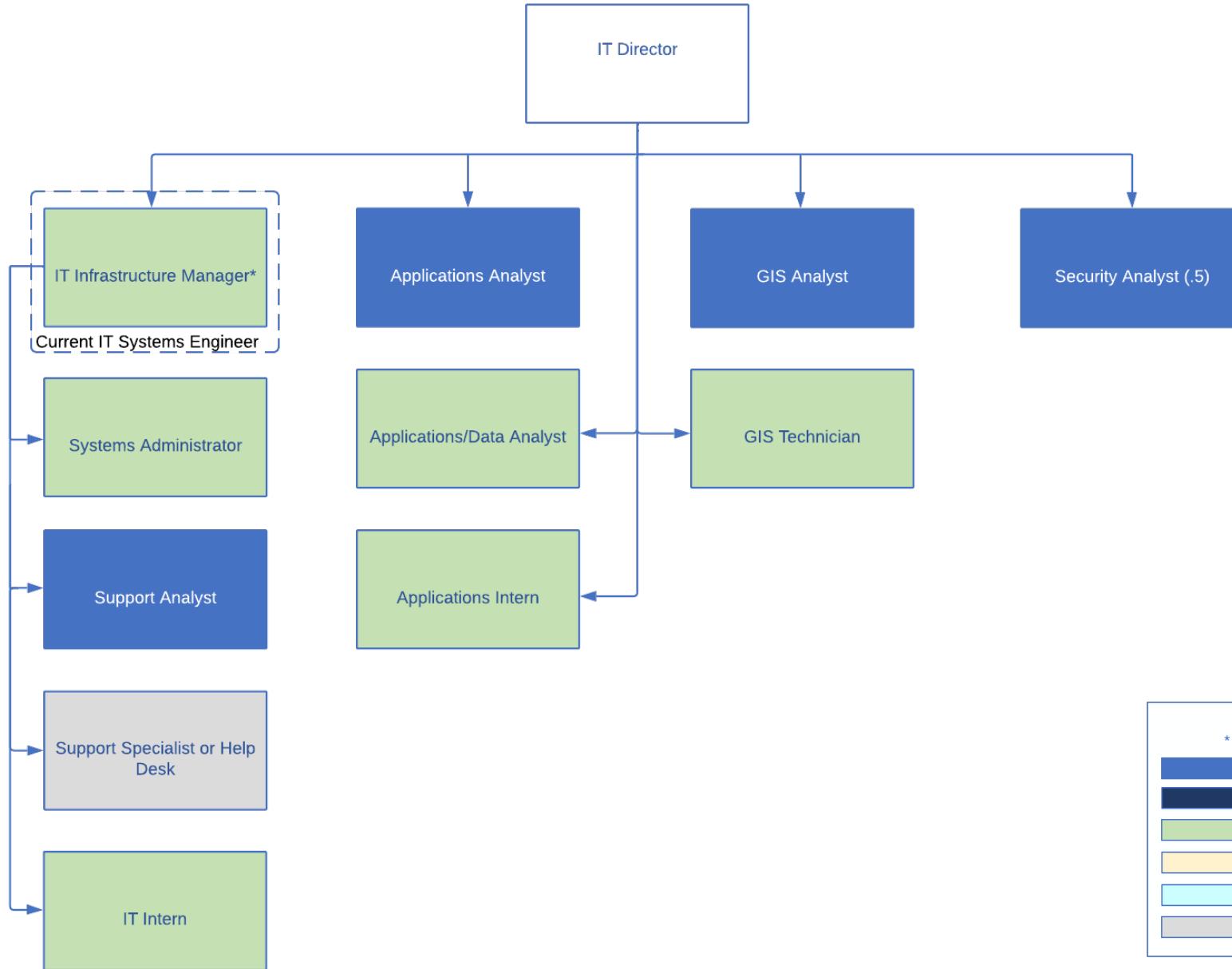
Department Report: Information Technology (3/4)

The IT Department faces key challenges with the city's rapid growth, demand for innovative AI approaches, while maintaining legacy solutions, balancing current operations, and supporting aging systems. These challenges are intensified by increased government scrutiny, public trust, and transparency.

The city is striving to meet new standards of professionalism with accreditation of our Public Works department, while also addressing the maintenance and development of legacy solutions like Vueworks. A strategic evaluation of key enterprise solutions is necessary to ensure they meet current and future demands, ensuring an open architecture with advanced features in AI workflows and tight integrations with other city solutions.

The IT staff, already operating at full capacity and highly specialized, face difficulties with cross-training and knowledge silos. Continued work pressure raises concerns about staff satisfaction and retention. Our capacity to deliver services and maintain service levels amid major projects and infrastructure improvements is strained, risking a decline in end-user satisfaction.

In summary, technology influences every department's operational success. Investments in technology—whether in staffing, infrastructure modernization, or innovative solutions—yield long-term benefits.



Department Report: Administration

COST OF SERVICE SUMMARY

Public Records Requests

Over 2,000 requests received in 2025, 5 day response is legally required.

Current staffing levels support legal requirement for response to public records requests.

Any judgement resulting from public records litigation comes directly from the General Fund. These are not covered by insurance.

COST REDUCTIONS

- Reduce budget line items including Professional Services, Supplies, Legal Consultation and Non-Mandatory Training.
- Ex: Utilizing MRSC, focusing on free, holding on non-critical supply ordering.

Department Report: Administration

POSITIONS REQUESTS SUMMARY

-Deputy City Administrator

Impact: Span of control is stretched/affects Department Head support.

-Full Time Grant Coordinator/Writer

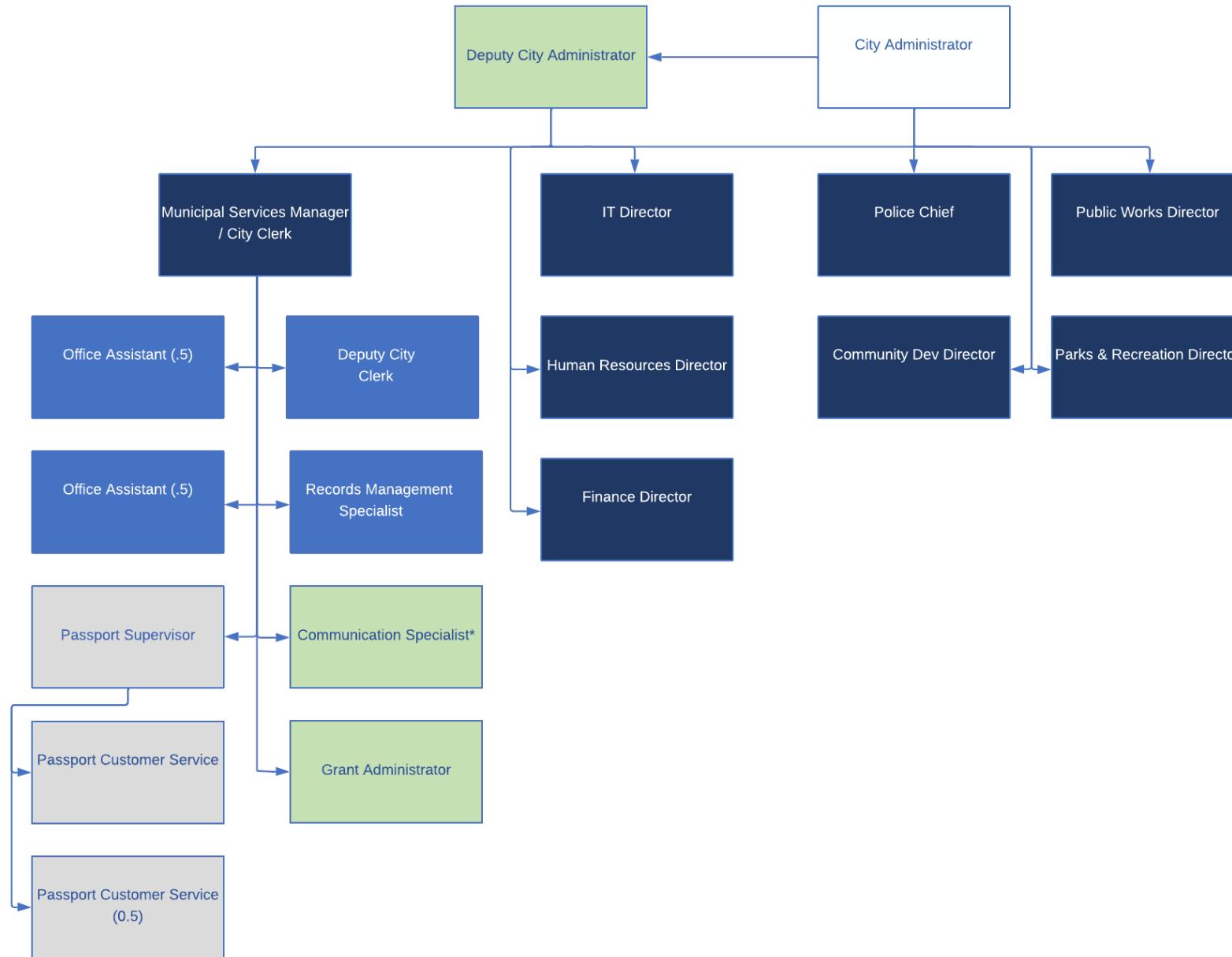
Impact: Lost grant/revenue opportunities for all city departments.

WHAT TOOLS / EQUIPMENT DID YOU NEED?

-Module for records management.

-Module for contract management.

-Professional City memberships.



Department Report: Administration

Without a full time Communications Specialist the city is limited in telling our story and actively engaging with our citizens. In a fast-paced digital world information moves quickly and only having a half time Communication Specialist limits our ability to connect with citizens and get information out in real time.

Without the requested contract module and automated records disposition module, our goal of a paperless office will have to wait even longer. The process of evaluating records is complex and time consuming and these tools would help streamline the process. Active digital records management reduces legal liability.

Without a full-time Grant Coordinator we are unable to apply for all available state and local grants. With this position we could better support every department in applying for, writing and administering grants which brings in more revenue.

Department Report: Parks and Recreation (1/4)

COST OF SERVICE SUMMARY

247/537 tasks from 2025 Walkthrough List completed (46% so far).

Remaining projects 2025: Move play structure from Frontier to Timberlake, NC bollard replacement, sign replacements, various small park repairs/improvements, volunteer days.

3 remaining events 2025: Going A Viking, HarvestFest & WinterFest.

COST REDUCTIONS

Training – no additional enrollments in classes/conferences through 2025

Revenue Development vacancy, through 2025

7-days a week staff rotation year-round (will reduce overtime)

Be cautious with spending through year end, evaluate need versus want. (Special events, tools/equipment, small project evaluation.)

Other suggestions made for increasing revenue and reducing expenses.

Department Report: Parks and Recreation (2/4)

POSITIONS REQUESTS SUMMARY

Parks Planning & Development Manager - Reclass

Parks Operations Manager - Reclass

SR. Administrative Assistant - Reclass

Maintenance Worker – New (Frontier Heights Expansion & replacement of services from FMT)

Seasonal Maintenance Worker 0.75 FTE – New (Cavalero acquisition & Bayview Trail Expansion)

Reclasses are necessary to keep up with customer service and efficiency from park expansion and prior department growth.

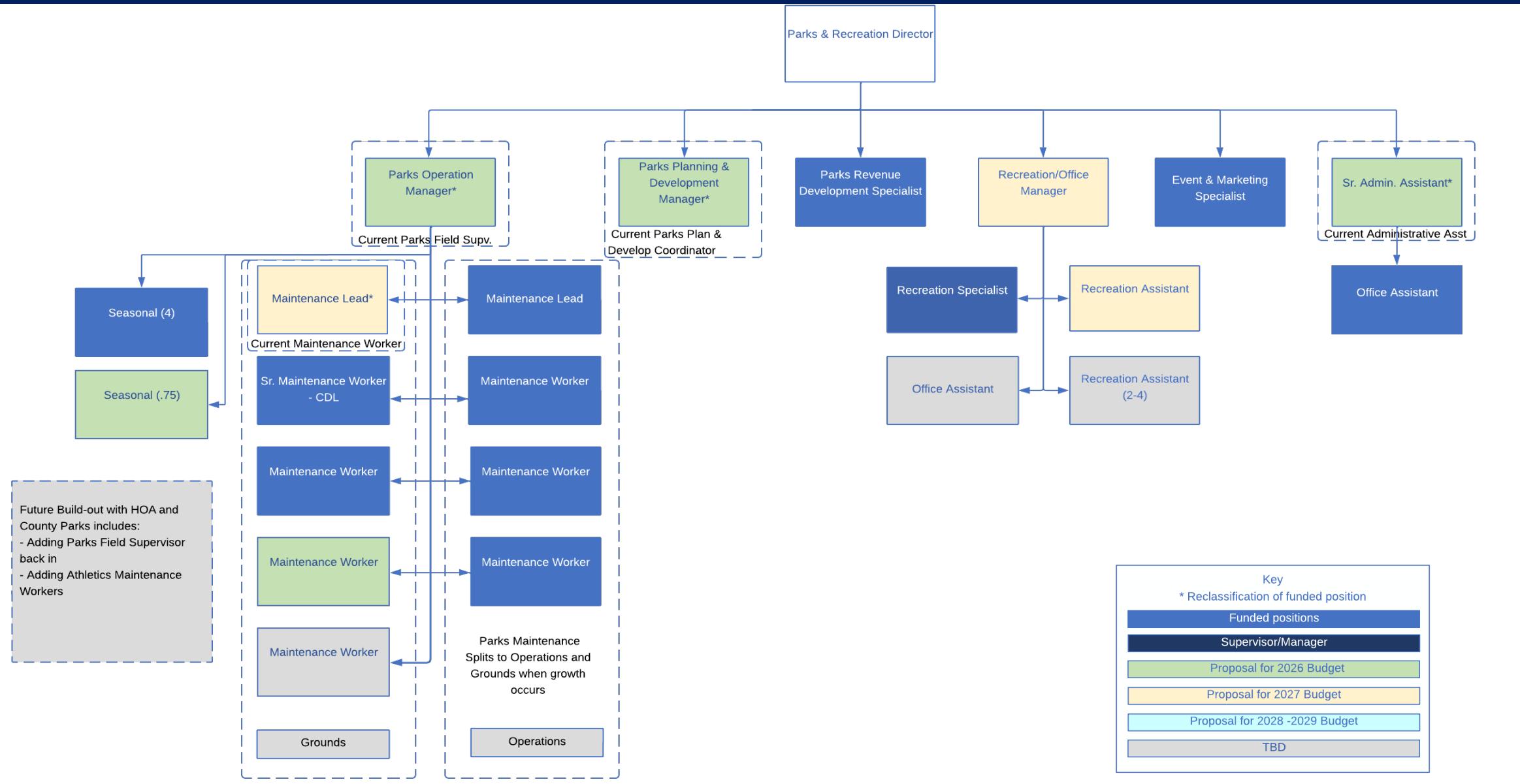
WHAT TOOLS / EQUIPMENT DID YOU NEED?

Synthetic Turf Equipment and Trailer

Work Boat Replacement

PW22 Replacement (2006 Ranger)

Note: We were approved for a mower replacement – this is lower priority and can wait another year.



Department Report: Parks and Recreation (4/4)

The Director has 13 employees to manage. The Operations Manager would oversee 7 employees and the seasonals, allowing for efficiency and reducing span of control for the Director. SR Admin Assistant would supervise the Office Assistant; ensuring consistency and excellent customer service.

The Planning and Development reclass is due to the position fully managing capital projects, code updates and long-term planning, amongst other things, instead of just assisting. This is required to continue to keep up on capital projects and demands of the department.

The Maintenance Worker and Seasonal are needed to keep up on completion of the Frontier Height Phase II, Bayview Trail Phase 0.5 and taking over custodial provided to The Mill and Parks restrooms by the FMTs. Additionally, the seasonal is needed for Bayview Trail and Cavalero acquisition.

Equipment: The Department cannot maintain the new synthetic turf field without purchasing specialty equipment. It is not feasible to share equipment with the school district; as the field likely needs sweeping and grooming three times per week. The Parks Boat is fully depreciated and often has maintenance issues – it has sunk twice and been resurrected. The new boat would be a work skiff with low side walls, which would reduce potential workplace injury and ensure that lake safety can be prioritized (removing hazards and maintaining swim lines and buoys). PW22 (Ranger) is the oldest in the fleet and was intended to be replaced in 2024, but another vehicle was surplussed instead.

The Department puts the highest priority on the reclassification of positions. We could survive another year without the Maintenance Worker and Seasonal positions, but maintenance and operations would decline, including putting off repairs, longer response time for graffiti, reducing landscaping frequency and possible increased overtime for needs. The highest priority equipment is the synthetic turf equipment, followed by the boat. We can continue to use the older boat, but replacement cannot continue to be put off for multiple years. PW22 can continue to be used, but I would request it is replaced before any newer vehicles are replaced.

Department Report: Planning and Community Development (1/4)

COST OF SERVICE SUMMARY

Year to date workload

602 building permits, 146 land use applications (SB5290 mandated timelines), 138 code cases, 5,362 inspections, counter coverage of 1,332 hours annual coverage, 3 regulatory state updates due by year end, permit software automation and continuation of LEAN efficiencies. 109 public record request development services, 5-day response legally required.

Current customer service level of service = 24 hour

As land become less available and codes/requirements become more difficult this increases the complexities of properties and review/approvals of required land actions, permits, inspections, code cases and increased the need for technical support to our customers.

COST REDUCTIONS

Hiring Freeze: Holding off on hiring of 2 positions previously authorized (BS and PE). Recruiting is still occurring anticipated filling in January 2026.

Equipment: Postpone purchasing car/equipment for Building Supervisor \$35,000.

Reduce budget line items: city attorney by utilizing MRSC, focusing on free training all staff and holding on non-critical supply ordering.

Revenue Generation: Other suggestions made for increasing revenues (\$ left on the table) provided to finance.

Department Report: Planning and Community Development (2/4)

POSITIONS REQUESTS SUMMARY

Which positions are you missing?

2025 vacant positions – 1 Building Supervisor, 1 Plans Examiner

Which ones were not approved in the Mayor's proposed budget?

2026 Requests – 2 reclassifications: Building Official to Development Services Manager and Assistant Planner to Associate Planner, 3 new positions: Private Property Development Services Engineer and Construction Inspector and Planning Intern.

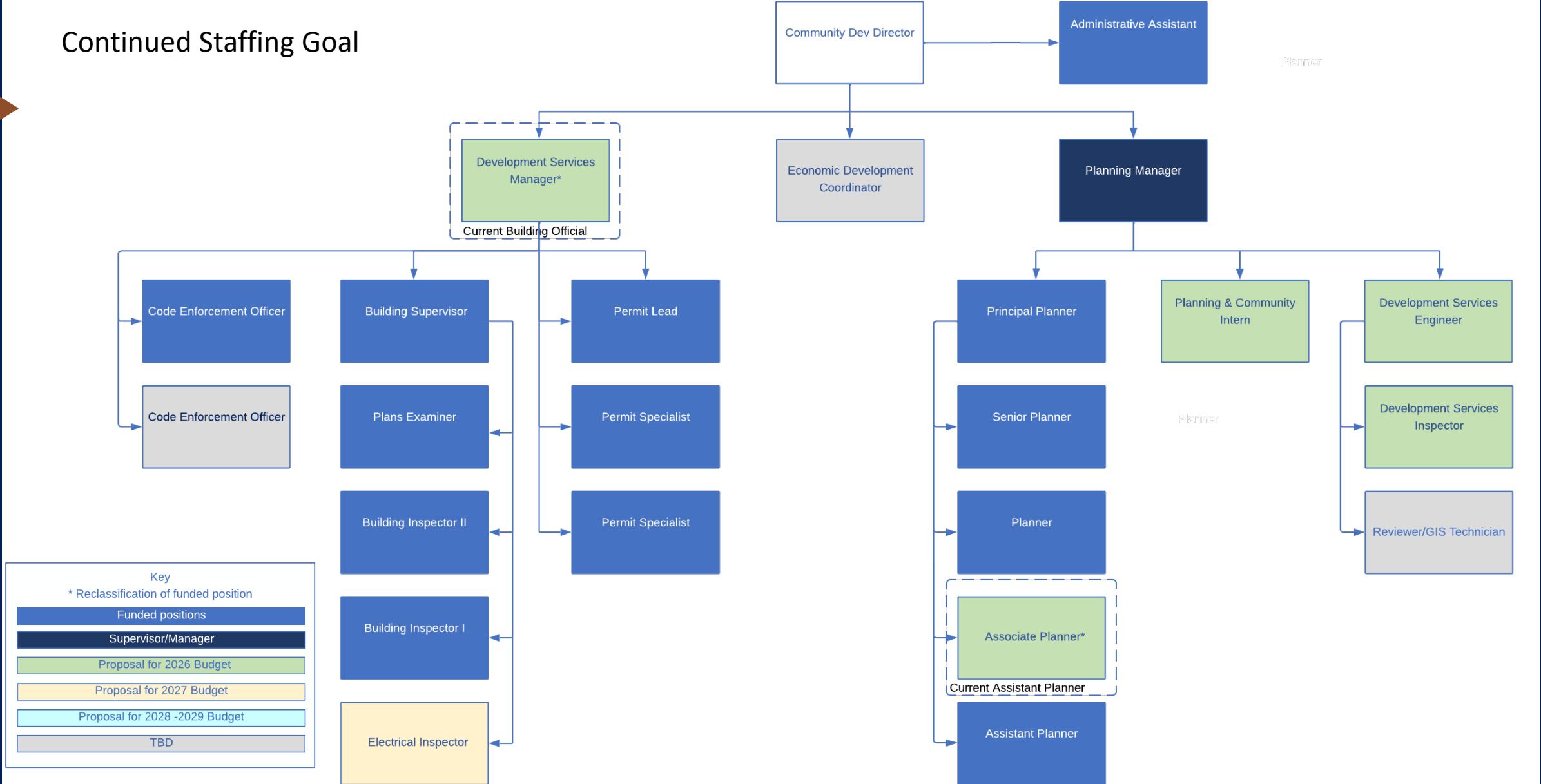
To maintain the current required (SB 5290 mandate) and expected level of service PCD would need to fill the 2025 authorized positions, basic supplies for these positions and required CEU training for existing staff.

WHAT TOOLS / EQUIPMENT DID YOU NEED?

Per state requirements paper and electronic copy of newly adopted codes (2024 International Codes and ITE manual) are required \$7,500.

Building Supervisor equipment/software (computer, cell phone, I-Pad and uniform) \$5,500.

Continued Staffing Goal



Department Report: Planning and Community Development (4/4)

If Development Service Center is not created/postponed after 2026 there will be several operational, financial, and community-facing impacts to consider - fragmented services, staff efficiency, budget and financial. To mitigate some of these items, we need the previously approved positions of 2025 hired so we can automate permitting software, co-locate staff temporarily, phase the project and provide additional cross training to fill the gap of hiring and reclassifications.

Impact of unfilled 2025 Staff Positions on City Services and Development

Failing to fill the 2 budgeted and approved (frozen) staff positions for 2025 will significantly reduce our ability to maintain current service levels. Key consequences include:

Inspection Delays: 24-hour inspections will be rescheduled to a 48-hour turnaround, doubling wait times for builders and contractors.

Slower Communication: Response times for phone calls, emails, and development related inquires will also double, creating bottlenecks in project coordination.

Extended Construction Timelines: These delays will increase the overall duration of construction projects, affecting both residential and commercial development.

Revenue Loss: Slower constructions progress will postpone revenue generation tied to permitting, fees, and economic activity. Potential for not meeting SB 5290 review timelines and reporting.

Developer Deterrence: Reduced service levels may discourage developers from choosing Lake Stevens, impacting long-term growth and competitiveness.

Team Development: Staff burn out, retention, secession planning, no optional cross training, lower morale, loss of innovation and regulatory compliance risk.

These staffing gaps will ripple through the community-slowing progress, straining relationships with stakeholders, and undermining our reputation as a responsive and development-friendly city. Reduced code compliance and increase of repeat citizen complaints that escalate to city administration.

Department Report: Police Department (1/4)

COST OF SERVICE SUMMARY

City population is increasing from 2-4% annually since 2022.

Police Calls for Service averages a 2-4% increase annually.

Since 2022, we have been authorized 2 additional commissioned and 2 civilian staff. Despite recruiting efforts, we have not been able to fill all open commissioned position.

As calls for service increase, so do the complexities of the calls.

COST REDUCTIONS

Hiring: Holding off on hiring of 5 commissioned positions previously authorized. Recruiting is still occurring anticipate filling in 2026.

Reduce 520 Vehicle Contributions from 277k to 225k - \$52,000 annual savings

Training: Cancelling 2025 training conferences - \$13,800 savings in travel and registrations

Training: Cancelling additional EVOC training \$6700 savings

Citizen's Academy – Cancelling the Fall 2025 if 10 registrations are not achieved. Savings: 40-50 hours of OT.

Department Report: Police Department (2/4)

POSITIONS REQUESTS SUMMARY

Which positions are you missing?

2025 Vacant Positions – 2 Officers, 1 Detective, 1 Traffic, 1 Commander

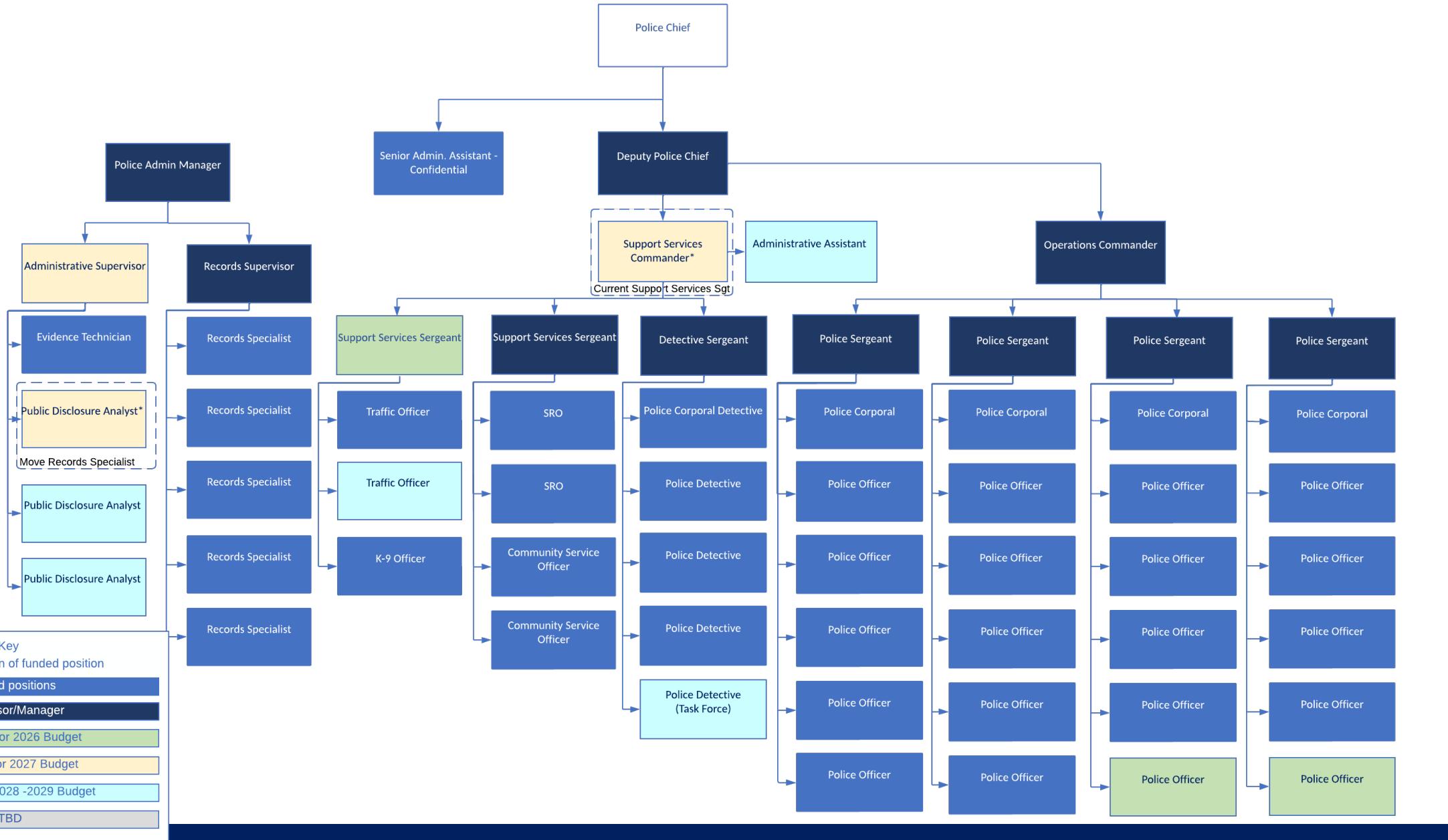
Which ones were not approved in the Mayor's proposed budget?

2026 Requests - 2 additional officers and 1 Support Service Sergeant

To maintain the current expected level of service we would need to fill the 2025 authorized positions.

WHAT TOOLS / EQUIPMENT DID YOU NEED?

Council approval of our 2027/2028 Fleet Replacement Program. Average replacement time is 5-10 years depending on usage and milage/repair. Evaluated annually.



Department Report: Police Department (4/4)

What are the impacts to service without the requested positions and equipment? (bullets, high level, tell a story)

- Reduced patrol coverage and visibility.
- Investigative back log.
- Unable to investigate property crimes beyond patrol level.
- Unaddressed crime trends.
- OT Cost.
- Officer burnout.
- Reduced proactive policing.
- Less community engagement.

Department Report: Public Works (1/4)

COST OF SERVICE SUMMARY

7,650 Work Orders Closed in 2025

1,088 Open Work Orders

455 Streets, 198 Storm, 16 Engineering, 419 Facilities

770 Schedule Work Orders (Preventative)

318 Reactive Work Orders (Requests)

119 Unresolved Service Requests

60 Engineering, 50 Streets, 5 Facilities, 1 Fleet

Cost per Street/Engineering Work Order = \$1608

Cost per Storm Work Order = \$618

COST REDUCTIONS

Extend Fleet Replacement to 7 Years (~10% savings)

Janitorial Services Reduction (90K to 150K)

Reduce Delegated Purchasing Authority (5K)

Move Streets MW to Storm (30K)

Reduce Contracts for Sidewalk Grinding (30K)

Department Report: Public Works (2/4)

POSITIONS REQUESTS SUMMARY

2025 Open Positions

City Engineer, Facilities Maintenance Technician (2), Stormwater Maintenance Worker

2026 Requests

Traffic Engineer, Streets Maintenance Worker, Facilities Maintenance Worker, Environmental Program Specialist (Reclass), Capital Projects Coordinator, Stormwater Intern, Deputy PW Director

Maintaining Service Levels

- Fill vacant City Engineer and Stormwater Maintenance Worker
- Add a janitorial services contract.

WHAT TOOLS / EQUIPMENT DID YOU NEED?

Boom Lift – Maintenance of Facility Exteriors

Continue to Rent

GPS/Automated Deicer Skid

Reduces consumption of deicer

Traffic Calming Program

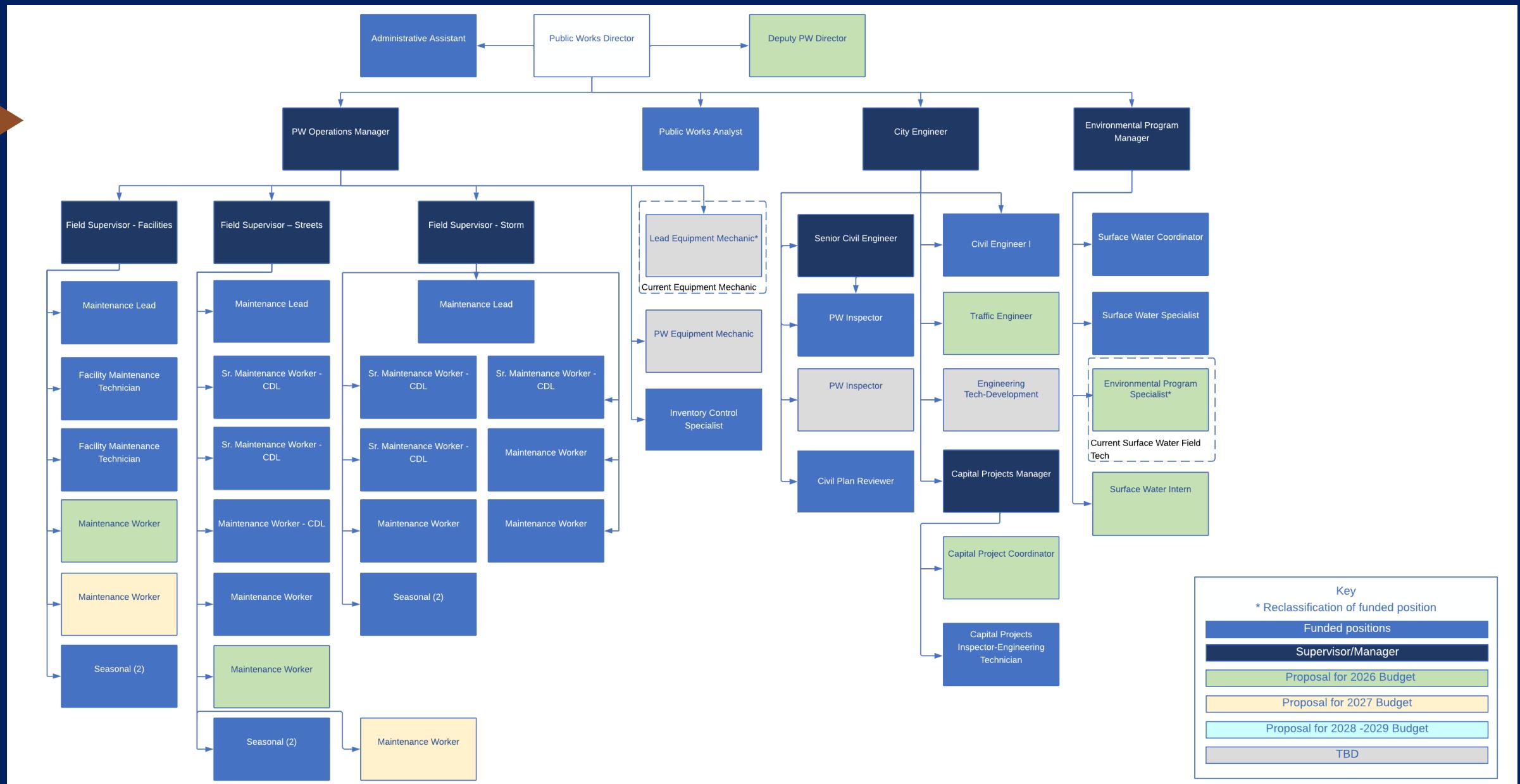
Fund in 2026 with Traffic Camera Revenue

Replacement Fleet Vehicles

Revise to 7-year replacement

Lundeen Parkway Rock Approach Replacement

Continue to treat vegetation



Department Report: Public Works (4/4)

Impacts to Service Levels

1. Increase in unresolved service requests and open work orders in Streets and Engineering
 - Longer response times and backlog
2. Overburdened capital project staff
 - Continued rollover of capital projects year to year
 - Burnout
3. Reduced janitorial and facilities maintenance services
 - Deferred maintenance
 - Reduced cleanliness

Character and Team Building!