

City of Sumner

BIENNIAL BUDGET *in Brief*



2025 - 2026

1104 Maple Street
Sumner, WA 98390
www.sumnerwa.gov

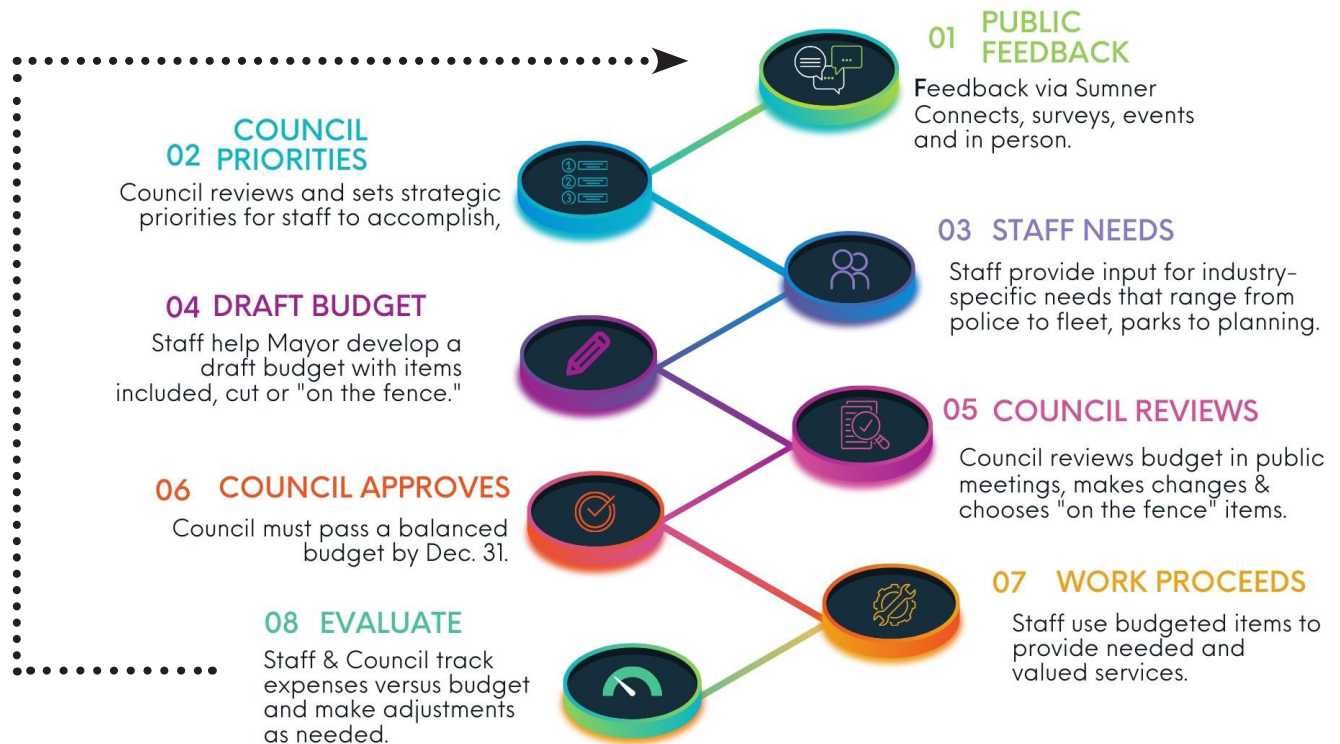


CITY OF
SUMNER
WASHINGTON

We always recommend you review the full 2025-2026 Budget for specific details about funding, staffing and the projects that will happen because of this budget. This Budget in Brief gives you a quick overview of Sumner's numbers and key strategies.

BUDGET PROCESS

The budget drives everything we do, and your feedback throughout the year drives the budget.



BUDGET PRINCIPLES

1. Our budget cycle runs January 1, 2025, through December 31, 2026.
2. We must balance our budget. For large capital projects, we save revenue over many years, crossing multiple budgets. In this budget, it initially looks like expenses are higher than revenue because we're using balances saved from previous years to complete large capital projects.
3. We use ongoing revenues to pay for ongoing expenses, and use one-time revenue to pay for one-time projects.
4. Salaries and benefits remain our largest expense, meaning employees are the city's most valuable asset.
5. Each year, State and Federal regulations require more of cities with no additional funding, putting constant ongoing pressure on City budgets.
6. The City's budget is broken into General Fund, Special Revenue Funds, Enterprise Funds, etc. Each fund operates as an independent business. We cannot simply move funds from one to another. We routinely do studies to ensure funds like the utilities are healthy with revenues covering expenses while keeping rates as low as possible. These technical fund names make it difficult for most people to understand, so this document breaks out spending based on more identifiable functions such as public safety, utilities and streets.



COMMUNITY CHARACTER



PUBLIC SAFETY

STRATEGIC PRIORITIES



EFFECTIVE TRANSPORTATION



EXCELLENT GOVERNMENT

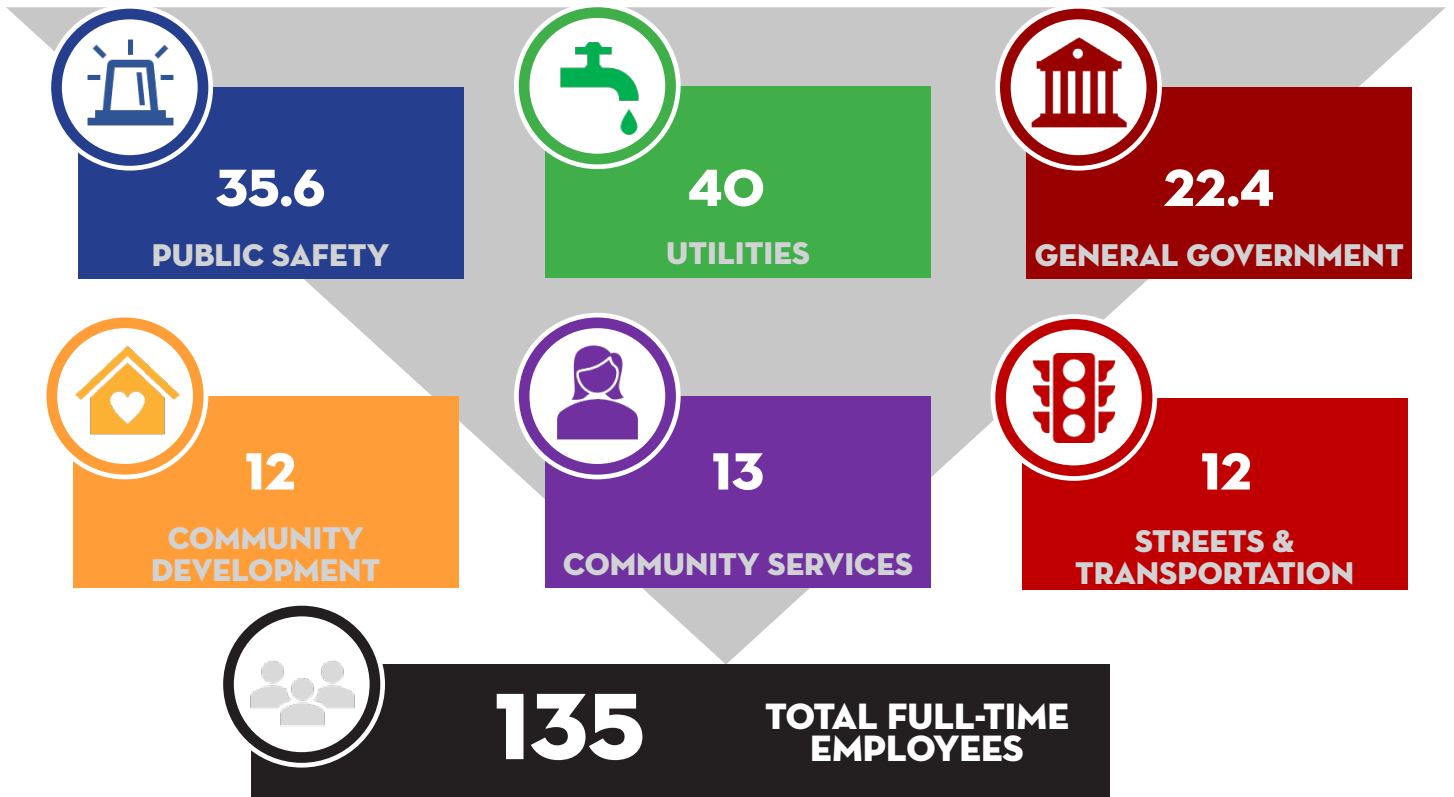


PROTECTION OF NATURAL RESOURCES

STAFFING BY FUNCTION

FULL-TIME EQUIVALENT CITY EMPLOYEES

Many staff fill multiple functions. For example, one Public Works Operator can work on a water main in the morning and a pothole repair in the afternoon. These breakdowns are estimations of how our time is spent.



2025-2026 FUNDING COMING IN

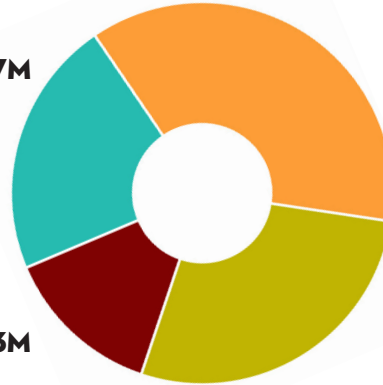
PROJECTED REVENUES

Taxes are the source of revenue most people think about, but they are not the only source. The City earned far more grant funding for 2025-2026 than tax revenue. The Sources of Revenue section outlines each distinct source and how that funding must be used.

TAXES
22% | \$37M

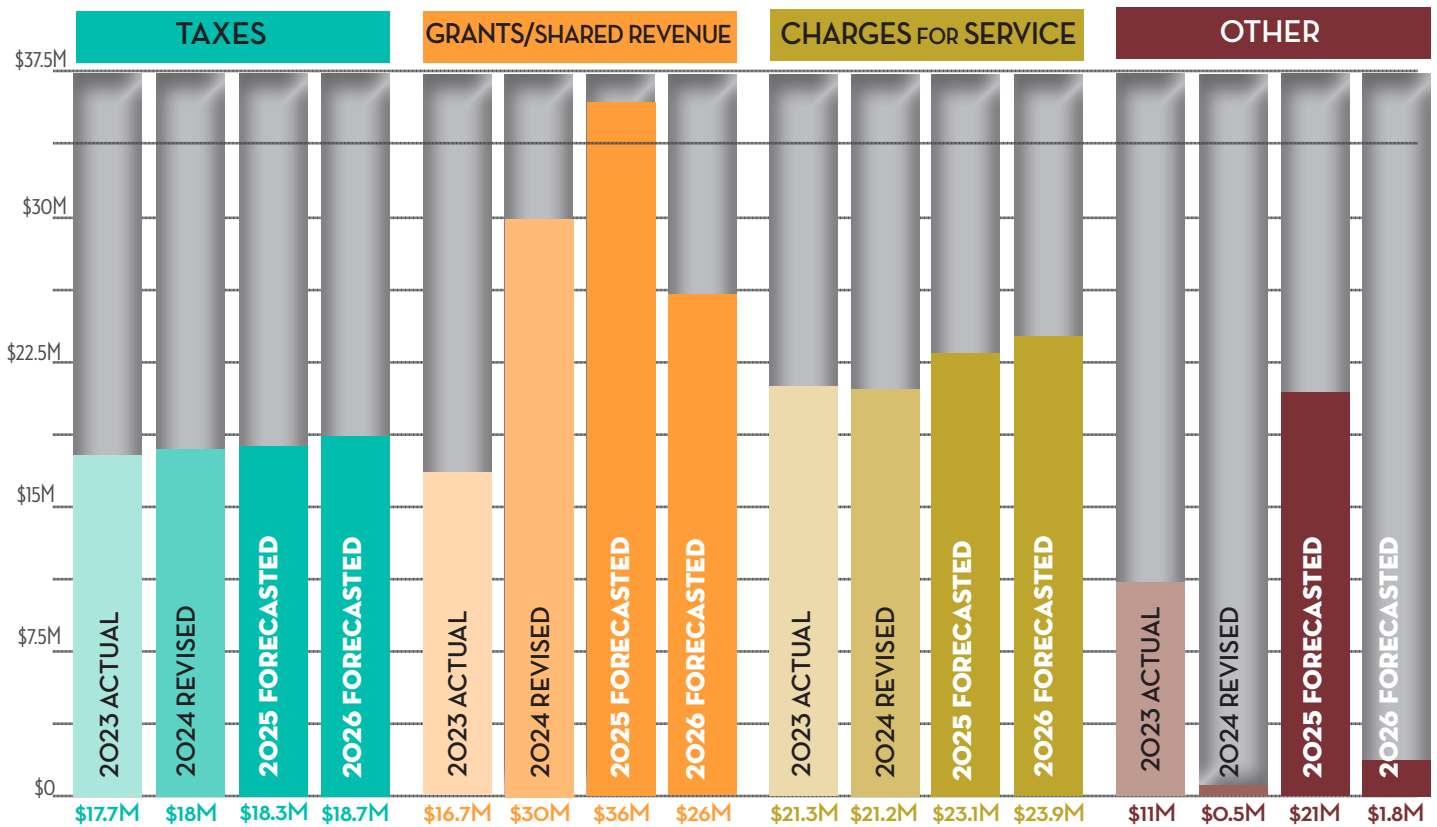
GRANTS & SHARED REVENUE
37% | \$62M

OTHER
13% | \$23M



CHARGES FOR SERVICE
28% | \$47M

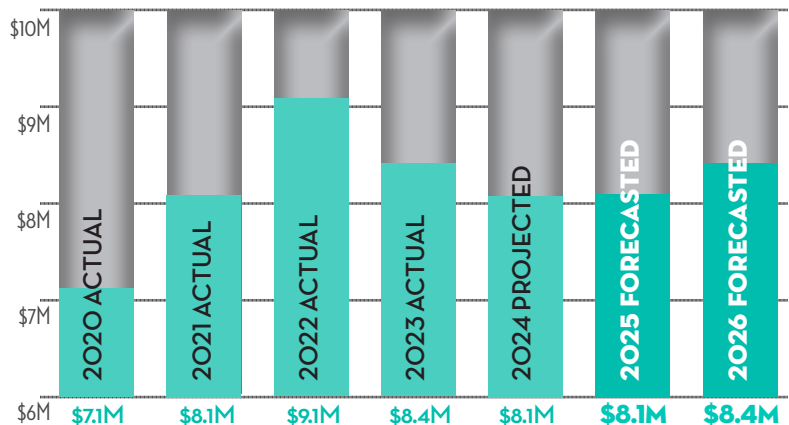
REVENUES BY YEAR & CATEGORY



The forecasted increase for Grants/Shared Revenue is based on grants already awarded.

SALES TAX REVENUES

State of Washington sales tax is based on the destination in which a customer takes possession of the item. The graph starts at \$6 million to better illustrate changes year over year. Sales Tax remains the most volatile source of income as it can fluctuate with the economy, so we budget conservatively.



SOURCES OF REVENUE



PROPERTY TAX
Paid by residential/commercial
To General Fund
Most reliable, stable
Revenue capped by State at 1%



REAL ESTATE EXCISE TAX
Paid buying/selling real estate
To specific capital projects



FEES
Paid for a specific service, i.e. adopting a pet, cemetery plot
To corresponding enterprise funds, doesn't fully cover costs



SALES TAX
Paid by shoppers on goods
To General Fund
Volatile, unpredictable



IMPACT FEES
PARKS ROADS SCHOOLS
Paid by construction
To Impact Fee funds, used only to expand capacity, balances new users vs. existing payers



PERMIT FEES
Paid when doing construction
To General Fund, covers cost for staff to review plans for safety



LODGING TAX
Paid by visitors in a hotel
To tourism efforts only
% of bill



ONE-TIME SOURCE LAND SALE
Paid by buyer for specific project, should never be used for/incur ongoing costs



UTILITIES WATER SEWER STORM
Paid by property owners
To Utility funds
Covers costs, little cushion



UTILITY TAXES
Paid as charge on utility, garbage, power, telecoms bills
To General Fund, helps recoup some costs



GRANTS
Paid by taxpayers via other agencies (State, Federal)
Specific to projects/products
Strict rules to follow
Investment of time to manage

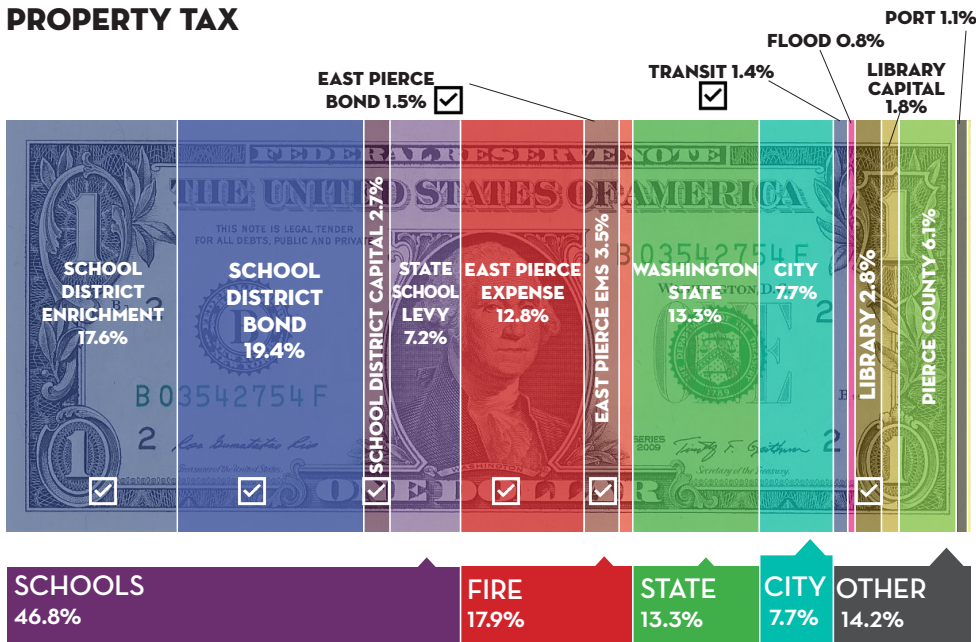


FINES & TICKETS
Paid by people doing something wrong i.e. speeding
To General Fund
Costs exceed revenue, invest in behavioral change

MORE ABOUT TAXES

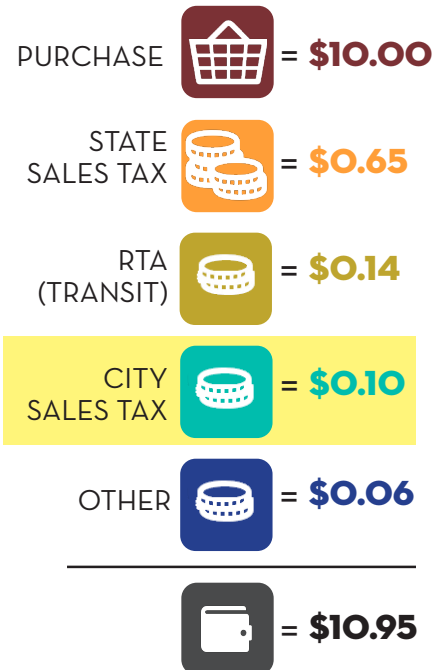
Taxes are the source of revenue most people remember. The City is not the only recipient of your tax dollars. See where your property tax and sales tax bills go.

PROPERTY TAX



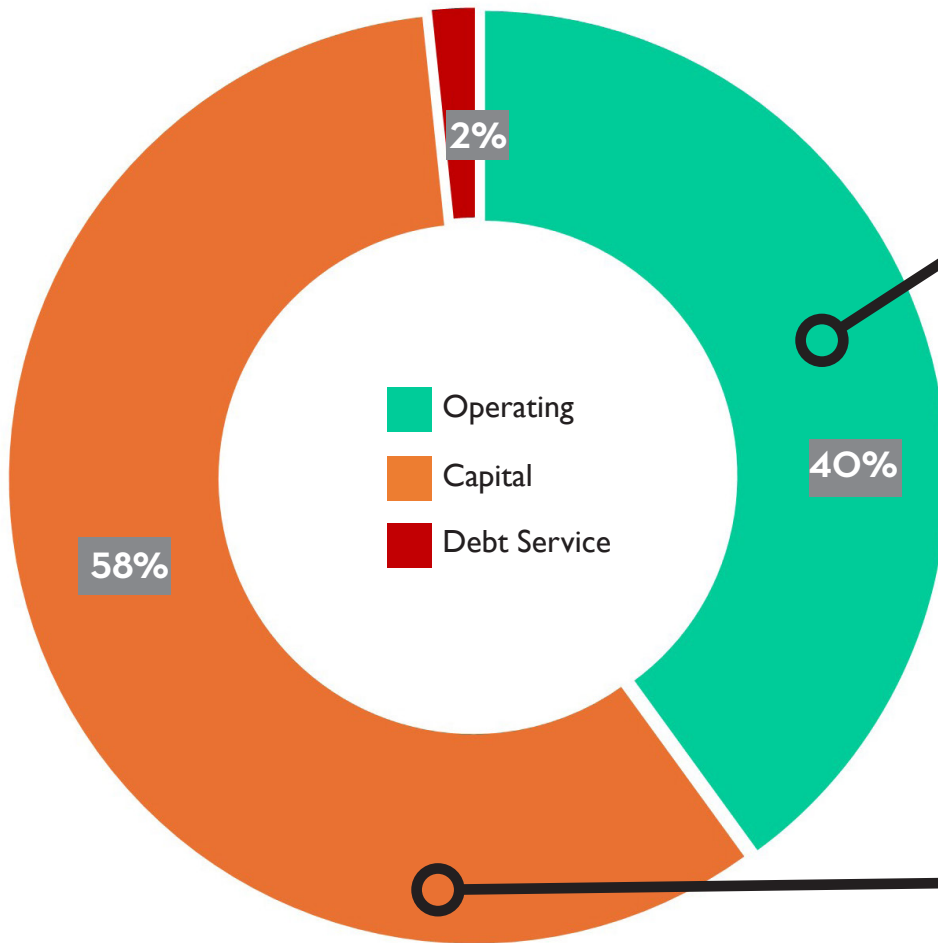
☑ Indicates voter-approved items.

SALES TAX



2025-2026 FUNDING GOING OUT

BUDGET BY EXPENDITURE TYPE



We have relatively low debt service for cities our size. This biennium, most funding is going to capital investments, which are one-time infrastructure expenses and operating costs, which are day-to-day activities.

REAL WORLD EXAMPLES



Utilities expenses are a significant portion of both operating (staffing, routine testing) and capital (replacing water lines under roads). Water rights, billing and new environmental rules also impact other departments.



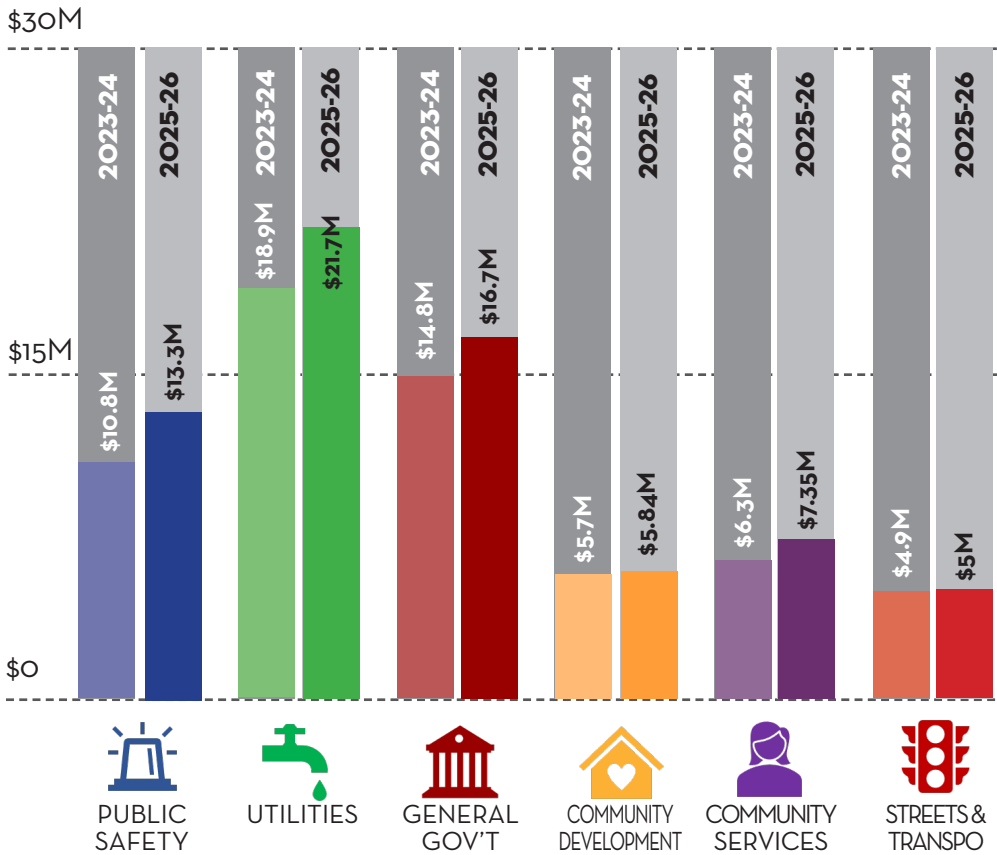
General government has low capital costs but takes a large portion of operating. Why? This portion includes primarily staff positions focusing on things like Legal staff responding to public records requests, Information Technology staff training to avoid a cybersecurity breach, Finance tracking the budget, and Communications informing you about it.



Most cities this size run 5-6 major capital projects each year. In this biennium, we're running approximately 45 each year. Big projects like rebuilding the Stewart Road Bridge, designing the 166th interchange and constructing a new Operations Facility are called "legacy" projects that happen once in a career. We're doing four at once.

OPERATING BUDGET BY FUNCTION

TOTAL \$90 M



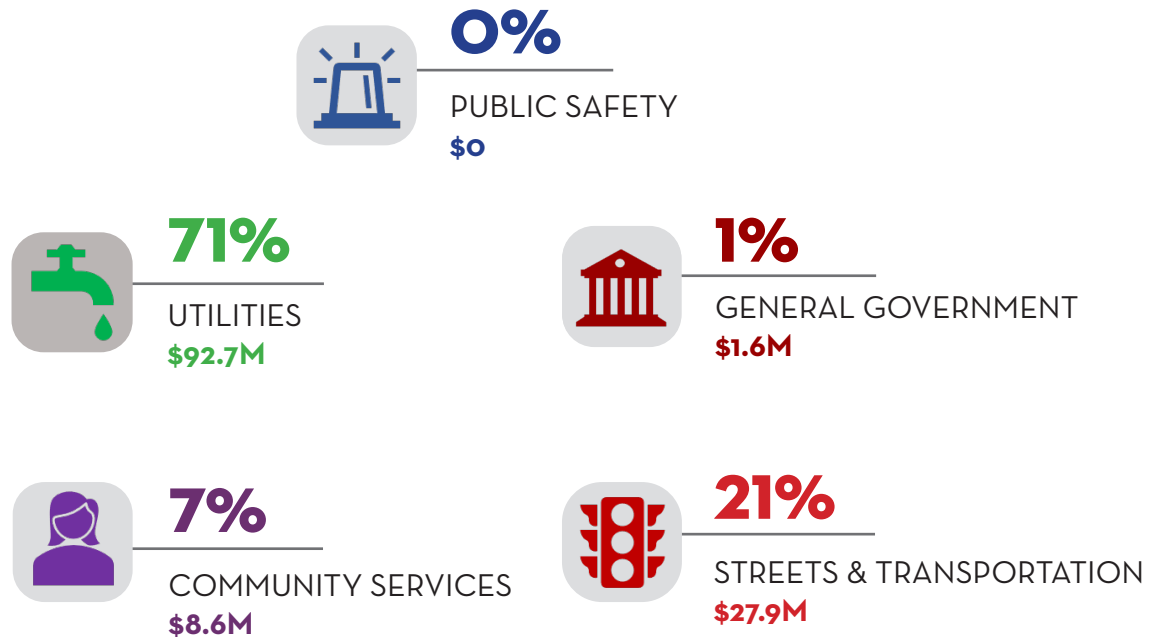
The Operating Budget includes the funding for day-to-day costs of delivering city services. As with most things, costs have increased for the city's daily needs, from the price of gas to the cost to bring a crew in on overtime to repair a broken water main over the weekend.

+ \$19.7 M in Interfund Loans and Transfers

CAPITAL BUDGET BY FUNCTION

TOTAL \$131 M

The Capital Budget focuses on building infrastructure that will last for years to come. Because these are one-time costs for large projects, we did not show a year-to-year comparison.





HOW WE ARE MAKING LIVES BETTER:



COMMUNITY CHARACTER

- Construct Hops Alley & portion of Heritage Park
- Utility box wraps
- Picnic tables & shade structures at Rainier View & Seibenthaler Parks
- Senior Center improvements
- Community Partner Funds



PUBLIC SAFETY

- Two new police officer positions
- Interview room software
- Ballistic helmets for patrol
- Maple Street pedestrian signal
- Traffic safety planning grant



EXCELLENT GOVERNMENT

- Build Operations Facility
- Replace windows in City Hall and Cemetery Office
- Utility rate study
- Investment in cybersecurity
- Autonomous mower



PROTECTION OF NATURAL RESOURCES

- White River Habitat project
- Central well radio upgrade
- Sewer main replacement
- Cemetery irrigation
- EV chargers for city vehicles



EFFECTIVE TRANSPORTATION

- Stewart Road Bridge construction
- Sander insert
- Sidewalk improvements & bike racks
- Traffic Signal Controller replacements
- Washington Street improvements