



October 6, 2020

Mayor Dorcy  
Deputy Mayor Peterson  
Members of the City Council  
Shelton Residents

It is my pleasure to present to you the City of Shelton's 2021 Proposed Budget. The proposed budget totals \$31.7 million, an increase of \$1.3 million or 4.3% from the 2020 adopted budget. The proposed budget includes a General Fund allocation of \$12.3 million which is roughly \$6,800 or 0.1% less than the adopted 2020 adopted General Fund budget. The proposed budget was built using the Council's Strategic Plan to guide decisions and reflects our shared commitment to providing valuable government services in a cost-effective and efficient manner.

The 2021 budget process was especially difficult. As with previous years, the General Fund started the budget process in a deficit position as expenditures annually increase at a rate that exceeds revenue growth. This, coupled with the unknown impacts to City revenue as a result of the COVID-19 pandemic, resulted in a necessity of having to make significant assumptions on next year's revenue generation, especially for the General Fund. The three major unknowns the City continues to grapple with are:

- ❖ How long would the Stay Safe / Stay Home Order last?
- ❖ How deep will the impact to current and future year revenues be?
- ❖ How long until full economic recovery?

Beyond these questions, estimating and establishing our 2021 revenues in the COVID-19 environment was further complicated by:

- ❖ Sales Tax has a two-month lag, i.e. the May sales tax the City receives is sales tax collected in March by businesses.
- ❖ Impact of the \$600 weekly unemployment subsidy from the Federal Government, now \$300, and further, the impact when the subsidy ceases.
- ❖ The lasting impacts of the pandemic on individuals' decision making on when they will feel comfortable to shop at local retail stores, have meals at local restaurants, etc.
- ❖ The extent that National monetary and fiscal policy decisions positively affect cash flows.

As a result, the City's General Fund revenue budget for 2021 is slightly lower than 2020 adopted revenues and over \$580,000 less than 2019 actual revenues. With this reduction in revenue budget, department requests for expense budget increases for expansion or creation of programs for residents were, for the most part unable to be funded with projected resources. In fact, the General Fund has reduced expenses for 2021 by eliminated five positions funded in 2020. Departments losing a position include the City Manager, Finance, Information Technology, and Police.

## INTRODUCTION

The City's highest priority is public safety and significant considerations took place prior to the decision to eliminate a police position. However, with the closure of Shelton schools due to the pandemic, the contract between the City and School District which funded two and a half police School Resource Officer (SRO) positions was not renewed. Even without this revenue source, the City was able to fully fund the other two SRO positions out of on-going revenue. We remain hopeful that once the School District opens, the SRO contract will be renewed and we can once again fund the eliminated position.

Outside of the reduction in positions, the General Fund budget continues to fund existing City services and programs, adjusted for necessary increases for inflation, benefit increases, and contract requirements. No new initiatives or expansion of current programs in the General Fund are funded in 2021.

The City's budget philosophy is to develop realistic revenues for the upcoming year and fit expenses within those revenue estimates. In cases where fund balance is being utilized to balance budgeted expenses, a thoughtful determination was made by comparing the current level of fund balance to the minimum level of fund balance necessary based on cash flows and any contingency requirements for those funds. Furthermore, the use of fund balance is restricted to pay for one-time expenses such as capital, major maintenance projects, or stand-alone contract services and is not used for on-going operations.

The City of Shelton, like most other government entities, is facing a budget sustainability issue where expenses increase each year at a pace that exceeds growth in resources. The 2021 budget, while balanced, doesn't fully address sustainability of the budget and more work must take place in 2021 to create a budget structure that is sustainable long-term.

The budget includes roughly \$300,000 for general capital improvements including the City share of \$200,000 for the Civic Center Parking Lot project, in which the City received a \$285,000 grant from the State through our State Congressional delegates. Other capital projects funded for 2021 include \$1.7 million for the Automated Meter Read system, \$700,000 for the Public Works Maintenance Facility Expansion project, \$590,000 for City's Pavement Preservation Program, nearly \$340,000 for new equipment purchases to replace assets past their useful life, and roughly \$216,000 for Parks capital projects funded by the Shelton Metropolitan Park District.

The proposed budget is the culmination of an almost year-long collaborative effort between the City Council, City Manager, city staff, and the residents and businesses of Shelton. I would like to extend my thanks to all the City employees for the work that they do each day to make a difference for our City's residents. The City serves a diverse population with a workforce that is committed to meeting the needs of the public.

Respectfully,

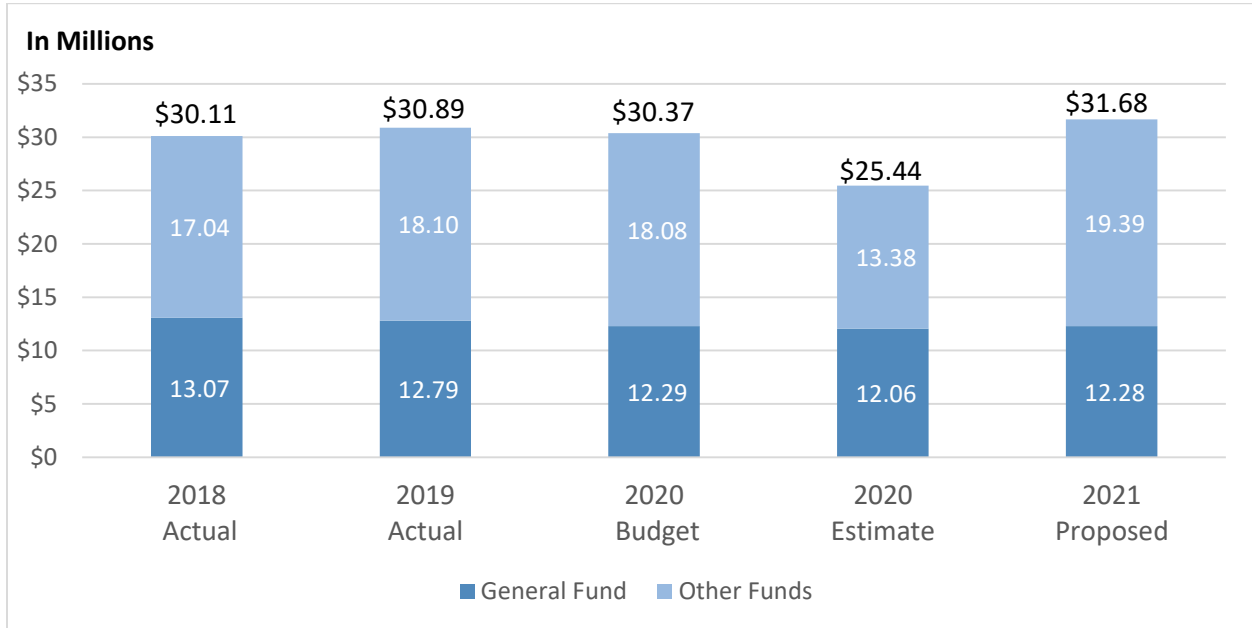


Jeff Niten  
City Manager  
City of Shelton, WA

# CITY-WIDE EXPENDITURES AND REVENUES

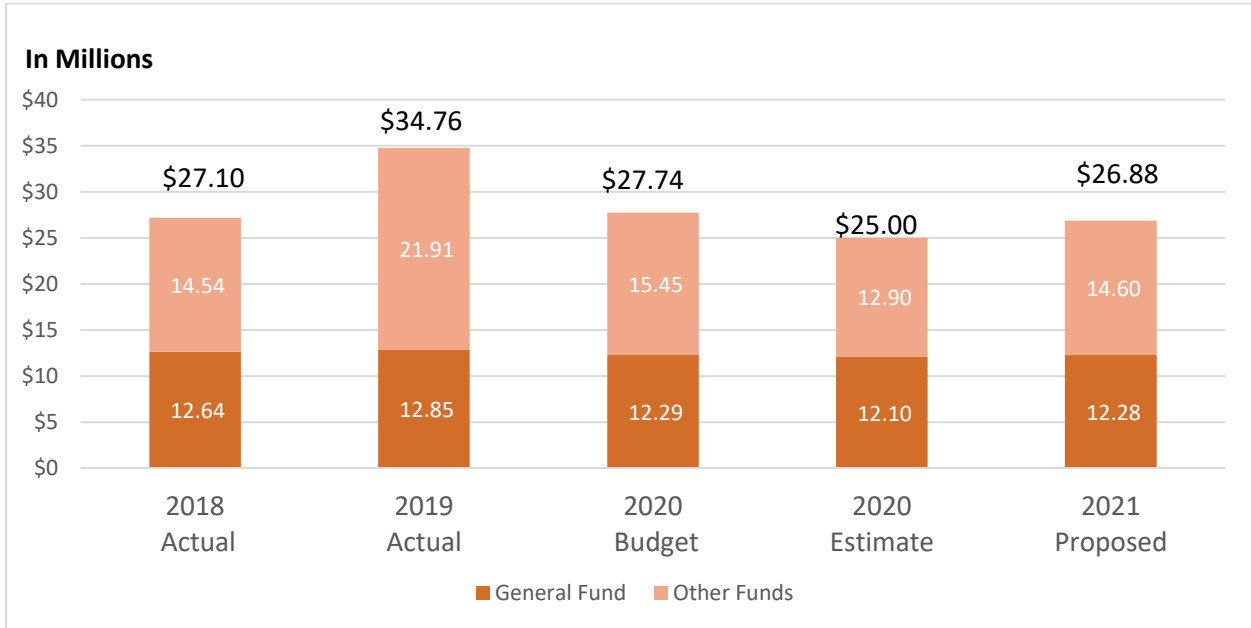
The City-wide Expenditures and City-wide Revenues graphs below provide the City's expenditure and revenue levels since 2018 and include the 2020 budget and 2020 estimates as well as the 2021 proposed budget. The total amounts will vary from year-to-year due to the level of major construction activity, the issuance or refunding of debt, acceptance of grant awards, and the initiation or elimination of major service responsibilities.

## City-Wide Expenditures



Fund	2018 Actual	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed
<b>City-wide Expenditures</b>					
General Fund	\$ 13,070,098	\$ 12,794,935	\$ 12,290,690	\$ 12,062,198	\$ 12,283,920
Street Fund	-	1,173,598	2,280,650	1,609,040	2,069,190
Tourism Fund	33,050	52,675	59,130	68,567	61,880
Capital Resources Fund	-	-	-	-	496,630
Bond Fund	274,868	282,318	184,490	184,467	184,490
Capital Improvement Fund	3,849,038	4,411,586	2,138,630	921,050	1,572,140
Water Fund	2,089,382	2,287,953	3,720,740	2,760,886	3,865,560
Sewer Fund	8,669,260	7,585,993	5,777,330	5,822,025	7,787,220
Solid Waste Fund	296,311	137,092	1,459,020	100,903	781,810
Storm Drainage Fund	1,014,931	1,038,145	1,275,710	940,285	1,338,760
Payroll Benefits Fund	203,450	112,620	219,200	125,600	206,700
Equipment Maint. & Replacement	534,487	929,299	863,720	759,577	929,510
Firefighters Pension Fund	79,886	86,074	98,570	88,248	98,570
Library Endowment Fund	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 29,270,717</b>	<b>\$ 30,892,287</b>	<b>\$ 30,367,880</b>	<b>\$ 25,442,845</b>	<b>\$ 31,676,380</b>

# City-Wide Revenues



Fund	2018 Actual	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed
<b>City-wide Revenue</b>					
General Fund	\$ 12,641,582	\$ 12,846,171	\$ 12,290,690	\$ 12,099,150	\$ 12,283,920
Street Fund	-	2,528,794	1,476,010	1,401,520	1,436,520
Tourism Fund	44,499	52,687	51,700	34,011	37,700
Capital Resources Fund	-	-	310,600	547,900	140,000
Bond Fund	282,802	285,933	184,490	186,048	184,490
Capital Improvement Fund	3,179,865	4,815,657	2,089,900	1,192,870	1,572,140
Water Fund	2,319,907	2,526,971	2,474,090	2,343,313	2,575,230
Sewer Fund	6,842,425	9,808,908	6,010,930	6,060,927	6,171,890
Solid Waste Fund	73,028	181,296	470,000	10,267	450,000
Storm Drainage Fund	789,207	801,540	1,265,000	866,502	989,000
Payroll Benefits Fund	207,749	125,409	206,700	125,600	206,700
Equipment Maint. & Replacement	655,952	618,872	736,610	486,039	692,000
Firefighters Pension Fund	146,478	164,671	168,970	88,300	138,970
Library Endowment Fund	1,422	3,337	2,700	2,300	2,700
<b>Total Revenues</b>	<b>\$ 27,184,917</b>	<b>\$ 34,760,244</b>	<b>\$ 27,738,390</b>	<b>\$ 25,444,748</b>	<b>\$ 26,881,260</b>

The table below breaks out the total fund General Fund expenditures by department. Until 2019, Street functions were accounted for in the General Fund and beginning in 2019 the City Council created the Street Operating Fund where those costs are now accounted. The General Fund breakout by Department is only shown for expenditures as General Fund revenues are currently not accounted for by departments rather, they are accounted for at the higher fund level. General Fund revenues which are reserved for particular activities, like the Criminal Justice Sales Tax, are treated on a first in first out basis and are considered the first monies consumed for those appropriate activities.

## BUDGET OVERVIEW

Fund	2018 Actual	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed
<b>General Fund Expenditures by Department</b>					
<b>Administrative Services</b>					
Human Resources	\$ 128,976	\$ 244,553	\$ 262,000	\$ 267,516	\$ 271,530
Information Technology	288,328	234,709	289,130	294,851	245,870
Risk Management	172,462	189,897	219,960	219,840	225,360
<b>City Clerk</b>	112,116	37,837	111,770	67,642	215,480
<b>City Council</b>	282,400	231,757	167,050	148,325	100,630
<b>City Manager</b>					
City Manager	585,398	381,449	628,000	419,201	399,340
Legal	406,611	392,309	445,460	421,048	456,580
Detention & Corrections	421,898	365,356	404,070	370,520	414,170
<b>Community Dev, Parks, Facilities</b>					
Community Development	533,787	523,664	535,520	533,885	558,860
Parks & Recreation	364,054	410,472	557,750	402,590	575,450
Facility Services	510,989	563,586	514,830	536,854	542,600
Civic Center Activities	37,482	47,014	63,760	47,947	68,210
<b>Finance</b>	977,269	933,224	1,068,890	980,965	1,035,070
<b>Fire &amp; Emergency Services</b>	1,337,350	1,447,313	1,498,880	1,512,125	1,501,250
<b>Municipal Court</b>					
Community Restitution	100,502	95,788	116,290	107,665	122,390
Court Services	300,154	366,503	420,350	410,582	446,060
<b>Non-Departmental</b>	1,717,501	2,519,557	1,212,580	1,278,973	1,054,290
<b>Police</b>	2,963,064	3,072,032	3,124,110	3,332,761	3,422,280
<b>Public Works</b>	985,712	737,915	650,290	708,907	628,500
<b>Streets</b>	844,045	-	-	-	-
<b>Grand Total</b>	<b>\$ 13,070,098</b>	<b>\$ 12,794,935</b>	<b>\$ 12,290,690</b>	<b>\$ 12,062,198</b>	<b>\$ 12,283,920</b>

More information on budgeted revenues and expenditures is provided further in the Overview and a more detailed breakout is provided for each fund, or in the case of the General fund each Department, in the fund pages that follow.

## 2021 Proposed Budget by Fund & Ending Balance Fund Balance

In organizations utilizing a cash based system of accounting, like the City of Shelton, Fund Balance refers to the amount of cash (including investments) resulting between current financial assets and liabilities. Fund balance is an important indicator of a city's financial position and maintaining reserves is a prudent management practice. Adequate fund balances are maintained to allow the city to continue providing services to the community in case of unexpected emergencies, unfunded mandates, and/or economic downturns. Fund balance may also be used to meet seasonal cash flow shortfalls as needed. Further, fund balance levels may increase over a period of years to accumulate cash reserves for significant future capital or major maintenance needs.

The City has revised its Fund Balance policy and until that policy is adopted, the City Council and City Manager have agreed on a set of guidelines for fund balance use. Fund balances shall not normally be applied to recurring annual operating expenditures. Unrestricted balances may,

## BUDGET OVERVIEW

however, be used to allow time for the city to restructure its operations in a deliberate manner, but such use will only take place in the context of long-term financial planning.

As part of the budget process, the proposed budget was built using the following general outline of fund balance reserve levels for the following funds:

- ❖ General Fund and Street Operating Fund will strive to maintain a fund balance equal to 16% of current year budgeted expenditures.
- ❖ Water, Sewer, and Storm Drainage funds will strive to maintain a fund balance equal to 20% of current year budgeted expenses.
- ❖ Other funds, while not having a desired fund balance level contingent on current year expenditures, are to maintain necessary balances to fulfill their obligations without the fund going cash negative.

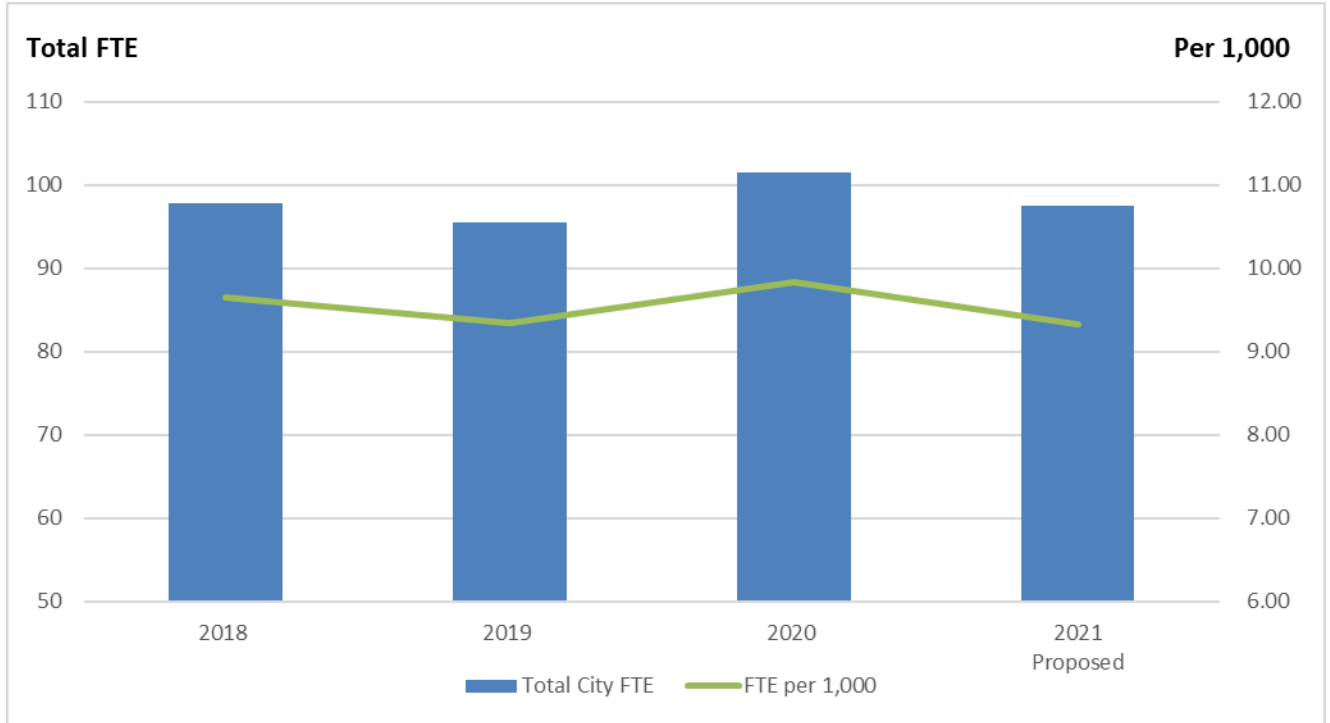
In the General Fund, fund balance levels in excess of the reserves described above may be considered to supplement “pay as you go” capital outlay and other one-time expenditures for any good governmental purpose. Accumulated General Fund balance above the desired reserve level, and not immediately programmed for a capital project, will be transferred and held in the Capital Resources Fund until those monies are budgeted for a specific use.

The chart below shows the 2021 estimated beginning and ending fund balances for all city funds. The 2021 estimated beginning balance is calculated using our June estimates for 2020 activity and the estimated ending fund balance uses 2021 proposed expenses and revenues to calculate the ending balance. The chart also provides the dollar and percent change in assumed fund balance levels for the proposed budget year.

Fund	Estimated Beginning Fund Balance	2021 Proposed Revenue	2021 Proposed Expenditures	Proposed Ending Fund Balance	\$ Change	% Change
<b>City-wide Expenditures</b>						
General Fund	\$ 3,336,417	\$ 12,283,920	\$ 12,283,920	\$ 3,336,417	\$ -	0.0%
Street Fund	1,147,685	1,436,520	2,069,190	515,015	(632,670)	-55.1%
Tourism Fund	83,630	37,700	61,880	59,450	(24,180)	-28.9%
Capital Resources Fund	499,176	140,000	496,630	142,546	(356,630)	-71.4%
Bond Fund	16,971	184,490	184,490	16,971	-	0.0%
Capital Improvement Fund	700,546	1,572,140	1,572,140	700,546	-	0.0%
Water Fund	1,998,234	2,575,230	3,865,560	707,904	(1,290,330)	-64.6%
Sewer Fund	4,263,597	6,171,890	7,787,220	2,648,267	(1,615,330)	-37.9%
Solid Waste Fund	944,666	450,000	781,810	612,856	(331,810)	-35.1%
Storm Drainage Fund	356,074	989,000	1,338,760	6,314	(349,760)	-98.2%
Payroll Benefits Fund	139,892	206,700	206,700	139,892	-	0.0%
Equipment Maint. & Replacement	649,542	692,000	929,510	412,032	(237,510)	-36.6%
Firefighters Pension Fund	610,511	138,970	98,570	650,911	40,400	6.6%
Library Endowment Fund	122,324	2,700	-	125,024	2,700	2.2%
<b>Total Expenditures</b>	<b>\$ 14,869,265</b>	<b>\$ 26,881,260</b>	<b>\$ 31,676,380</b>	<b>\$ 10,074,145</b>	<b>\$ (4,795,120)</b>	<b>-32.2%</b>

# STAFFING

## City-wide FTE & FTE per 1,000 Population



	2018	2019	2020	2021 Proposed
Total City FTE	97.80	95.50	101.50	97.50
Est. Population	10,140	10,220	10,320	10,450
FTE per 1,000	9.64	9.34	9.84	9.33

As the population of the City increases the demand for city services has risen correspondingly. The FTE's (Full Time Equivalents) per 1,000 Population chart and graph above reflect the total number of funded FTE as well as the number of FTE per every 1,000 in population. The 2021 estimate is arrived at by using the same percentage growth between 2018 and 2019 and 2019 and 2020, or roughly 1%.

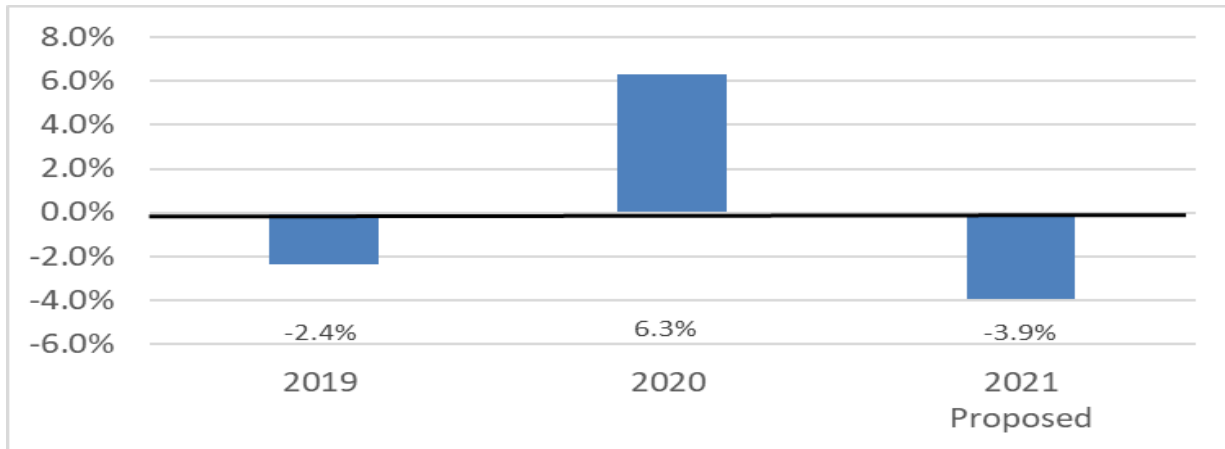
As a result of the COVID-19 pandemic, the City was forced to make some very tough decisions regarding staffing. As such, the 2021 proposed budget includes five (5) position reductions in the General Fund. These five position reductions are offset by an increase of one (1) position in Public Works.

The following Percent Change in Staffing chart demonstrates the percent change in City staffing beginning with the change between 2018 and 2019 staff levels. The decrease between the 2020 budgeted staffing levels and the proposed staffing level for 2021 include:

- ❖ Elimination of the Homeless Resource Coordinator position (1FTE) and Economic Development Specialist position (1 FTE) in the City Manager's Office.

- ❖ Elimination of the Accounting Assistant position (1FTE) in the Finance Department.
- ❖ Elimination of a School Resource Officer position (1FTE) in the Police Department.
- ❖ Elimination of an Information Technology Systems Specialist (1FTE) in the Administrative Service Department.
- ❖ A new full-time (1FTE) Development Review Technician, \$111,170 (includes benefits), funded equally by the Street, Water, Sewer, and Storm funds.

## Percent Change in Staffing



The City’s highest priority is public safety and significant considerations took place prior to the decision to eliminate a police position. However, with the closure of Shelton schools due to the pandemic, the contract between the City and School District which funded two and a half police School Resource Officer (SRO) positions was not renewed. Even without this revenue source, the City was able to fully fund the other two SRO positions out of on-going revenue. We remain hopeful that once the School District opens, the SRO contract will be renewed and we can once again fund the eliminated position.

The chart below shows total City-wide FTE budgeted by Fund or in the case of the General Fund, by department. Beginning in 2019 the City began identifying Human Resource and Information Technology staff in their own departments. Those positions were previously included as part of the City Manager staffing levels. In 2021 the staffing, as well as budget activities, of the City Clerk are consolidated into its own General Fund department. The staffing and budget for City Clerk activities were previously accounted for in the City Council, City Manager, and Finance departments.

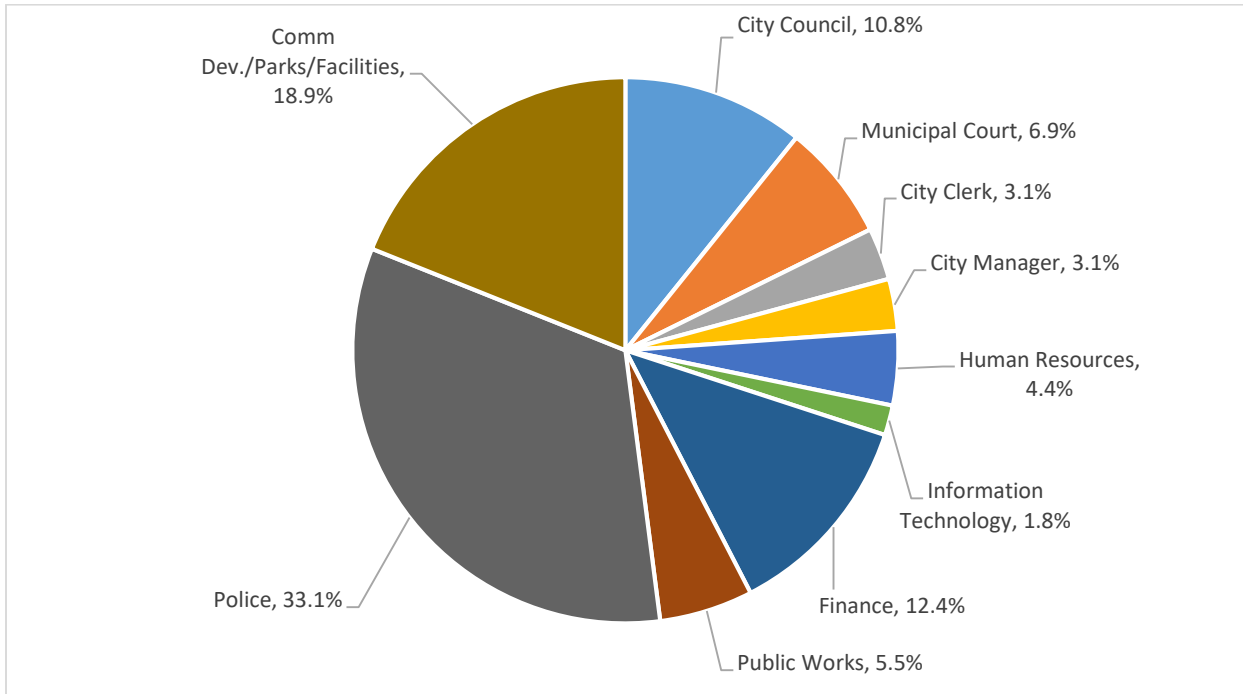


## City-wide FTE by Fund

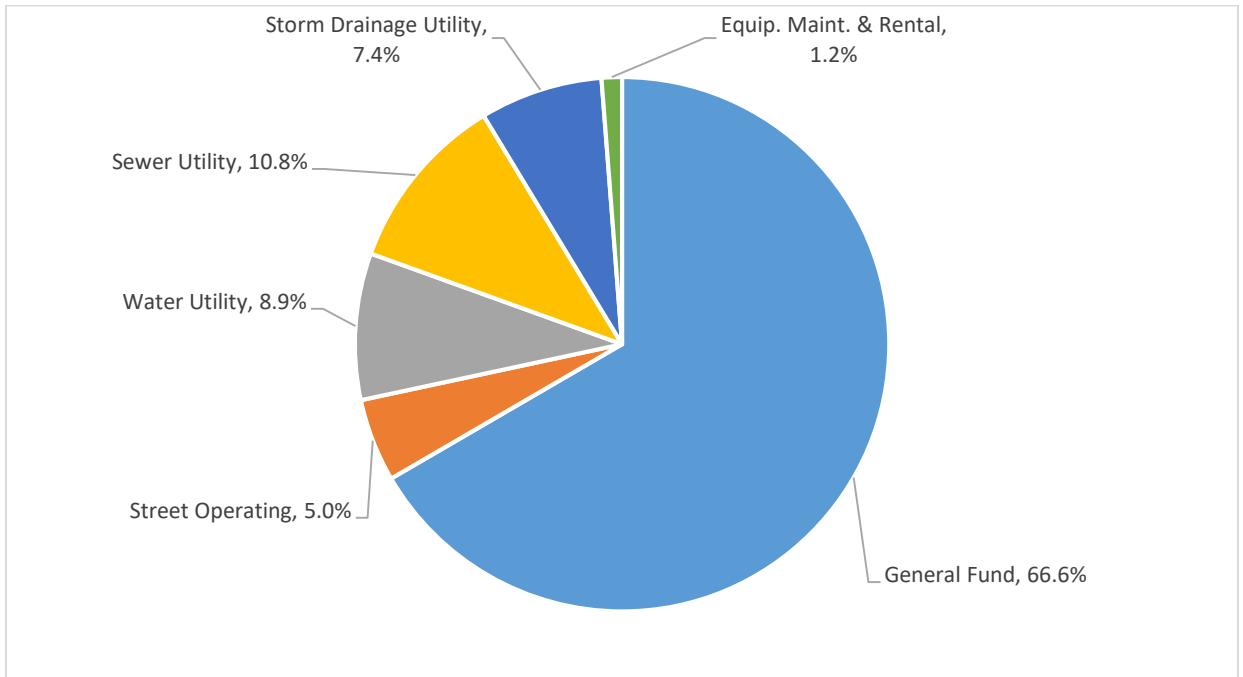
	2018	2019	2020	2021 Proposed
<b><u>General Fund</u></b>				
City Council	7.55	7.80	7.80	7.00
Municipal Court	4.50	4.50	4.50	4.50
City Clerk*				2.00
City Manager	8.60	3.40	4.40	2.00
Human Resources**		2.00	3.00	2.85
Information Technology**		2.00	2.00	1.15
Finance	10.65	9.85	9.85	8.05
Public Works	10.00	6.10	4.60	3.60
Police	20.50	21.50	21.50	21.50
Comm Dev./Parks/Facilities	11.82	11.30	12.30	12.30
<b>Total General Fund</b>	<b>73.62</b>	<b>68.45</b>	<b>69.95</b>	<b>64.95</b>
<b><u>Other City Funds</u></b>				
Street Operating	3.31	3.65	4.65	4.90
Water Utility	8.02	8.40	8.40	8.65
Sewer Utility	8.80	9.30	10.30	10.55
Storm Drainage Utility	3.00	4.50	7.00	7.25
Equip. Maint. & Rental	1.05	1.20	1.20	1.20
<b>Total Other Funds</b>	<b>24.18</b>	<b>27.05</b>	<b>31.55</b>	<b>32.55</b>
<b>Grand Total City FTE</b>	<b>97.80</b>	<b>95.50</b>	<b>101.50</b>	<b>97.50</b>

The pie charts below detail the percent of FTE in the General Fund and percent of City-wide FTE by Fund for the coming budget year as presented in the City-wide FTE chart above. Central Service functions (City Manager, Human Resources, Information Technology, and Finance) account for nearly 25% of General Fund staffing and about 16.5% of total staffing. Public Safety functions of the Police Department and Municipal Court account for just over 40% of General Fund staffing and nearly 27% of total FTE. In total, the General Fund accounts for roughly 69% of total City staffing. Staffing for the City's Utilities represents just over 27% of total staffing while Street staffing accounts for 5% of total staffing.

## General Fund Staffing by Department as a Percent of Total

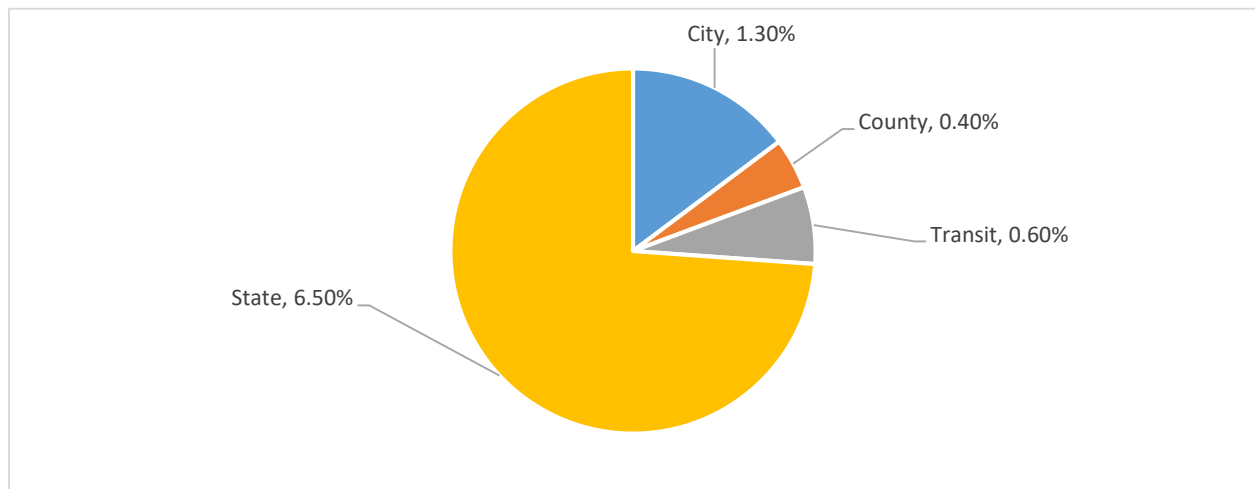
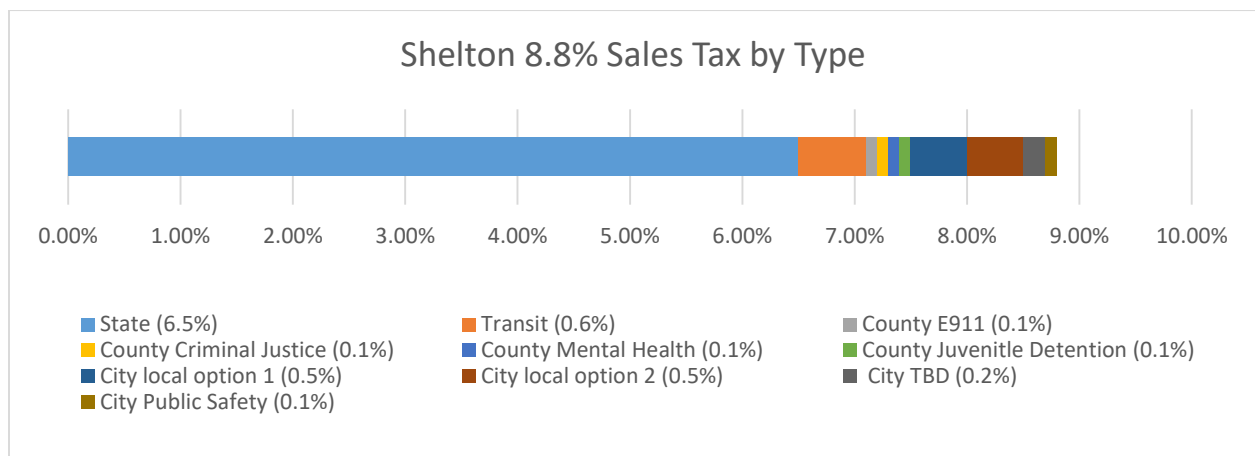


## City-wide Staffing by Fund as a Percent of Total



# SALES AND USE TAX

Sales tax is the largest revenue source in the General Fund with a proposed revenue in 2021 of \$2,871,040 in the General Fund and \$582,520 in the Street Fund. Sales tax is collected by the state directly from businesses engaged in retail sales activities. The State distributes those tax collections to the appropriate entities. In 1970, the State legislature granted cities the right to tax retail sales at a rate of 0.5%. At the time, legislature also provided that 15% of the 0.5% tax would be allocated to the County in which the City is located. In 1982, the retail sales tax rate was increased to 1.0% with the same caveat that 15% of the tax be allocated to Counties. Additionally, the legislature included a 1% administrative fee for the State Department of Revenue, the department responsible for the collection and distribution of the tax revenue. This effectively leaves cities with a sales tax revenue of 0.8415% of retail sales. The chart below shows the sales tax allocation for the City of Shelton.



In July 2008, Washington State became a member of the Streamlined Sales and Use Tax Agreement (SSUTA) becoming a member of a cooperative effort of states to simplify and make sales and use tax collection and administration more uniform. Ultimately, the goal of the agreement is to reduce the cost and administrative burdens on retailers that collect the sales tax, particularly for those that operate in multiple states. Becoming a member of the SSUTA

## BUDGET OVERVIEW

fundamentally changed how sales tax is applied by retailers by changing what tax rate was applied for purchases from origin based to destination based local sales tax system.

This change means that for businesses and consumers if a sale takes place and the customer takes possession of the property or service at the business location the sales tax rate applied is the rate at that location. However, if the customer will take possession of the product or service in a location other than the business location, the sales tax rate applied is the rate where the customer takes possession of the goods or service. For example, if a Shelton resident buys and takes possession of a TV in a store in Olympia, the sales tax rate in Olympia is applied and Olympia receives their share of the tax. If the Shelton resident goes to the same Olympia store and buys the same TV but it is shipped to their address in Shelton, then the Shelton tax rate is applied and Shelton receives their share of the sales tax.

The follow chart shows the sales tax collection since 2018 by year.

Source	2018 Actual	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed
<b>General Fund</b>					
Sales Tax - General	\$ 2,349,610	\$ 2,940,884	\$ 2,495,730	\$ 2,495,000	\$ 2,501,230
Sales Tax - Public Safety	232,562	291,215	246,400	246,000	246,940
Sales Tax - Criminal Justice	112,171	127,406	118,800	118,800	119,070
Sales Tax - Trans. Bene. Dist	551,166	-	-	-	-
Natural Gas Use Tax	3,783	4,032	3,800	3,800	3,800
<b>Subtotal General Fund</b>	<b>\$ 3,249,291</b>	<b>\$ 3,363,536</b>	<b>\$ 2,864,730</b>	<b>\$ 2,863,600</b>	<b>\$ 2,871,040</b>
<b>Other Funds</b>					
Sales Tax - Trans. Bene. Dist	\$ -	\$ 685,810	\$ 582,520	\$ 582,520	\$ 582,520
<b>Grand Total City-wide</b>	<b>\$ 3,249,291</b>	<b>\$ 4,049,346</b>	<b>\$ 3,447,250</b>	<b>\$ 3,446,120</b>	<b>\$ 3,453,560</b>

### Public Safety Sales Tax

The voters of the City approved an increase in the City's sales tax rate of 0.1% for the collection of a Public Safety sales tax beginning April 1, 2012. The same revenue sharing requirement as other sales and use tax exists where 15% of the tax collected is allocated to the County and 1% is due to the State as an administrative fee. As provided by law, at least one-third of the revenue must be used solely for carinal justice purposes, fire protection services, or both. While the other two-thirds are unrestricted and available for any good governmental use, the City of Shelton uses the entire revenue collected to fund public safety services.

### Criminal Justice Sales Tax

Counties may impose a non-voted 0.1% sales tax for criminal justice purposes. While the tax is imposed by the county, the revenue must be shared with all cities and towns located in that county. The county receives 10% of the revenues and the remaining 90% is split between the county and its cities on a per capita basis. The revenue must be used in assisting the criminal justice system.

The City expends far more than the collection of the Public Safety and Criminal Justice sales taxes for public safety purposes. As a comparison to the Public Safety & Criminal Justice Sales

## BUDGET OVERVIEW

Tax amount in the chart above, the chart below shows the combined costs for Police, Municipal Court, and Fire services for the same time period.

Activity	2018 Actual	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed
Fire / EMS	\$ 1,337,350	\$ 1,447,313	\$ 1,498,880	\$ 1,512,125	\$ 1,501,250
Firefighters Pension Fund	146,478	164,671	168,970	88,300	138,970
Municipal Court	400,655	462,291	536,640	518,247	568,450
Police	2,963,064	3,072,032	3,124,110	3,332,761	3,422,280
<b>Total Expense</b>	<b>\$ 4,847,547</b>	<b>\$ 5,146,307</b>	<b>\$ 5,328,600</b>	<b>\$ 5,451,433</b>	<b>\$ 5,630,950</b>

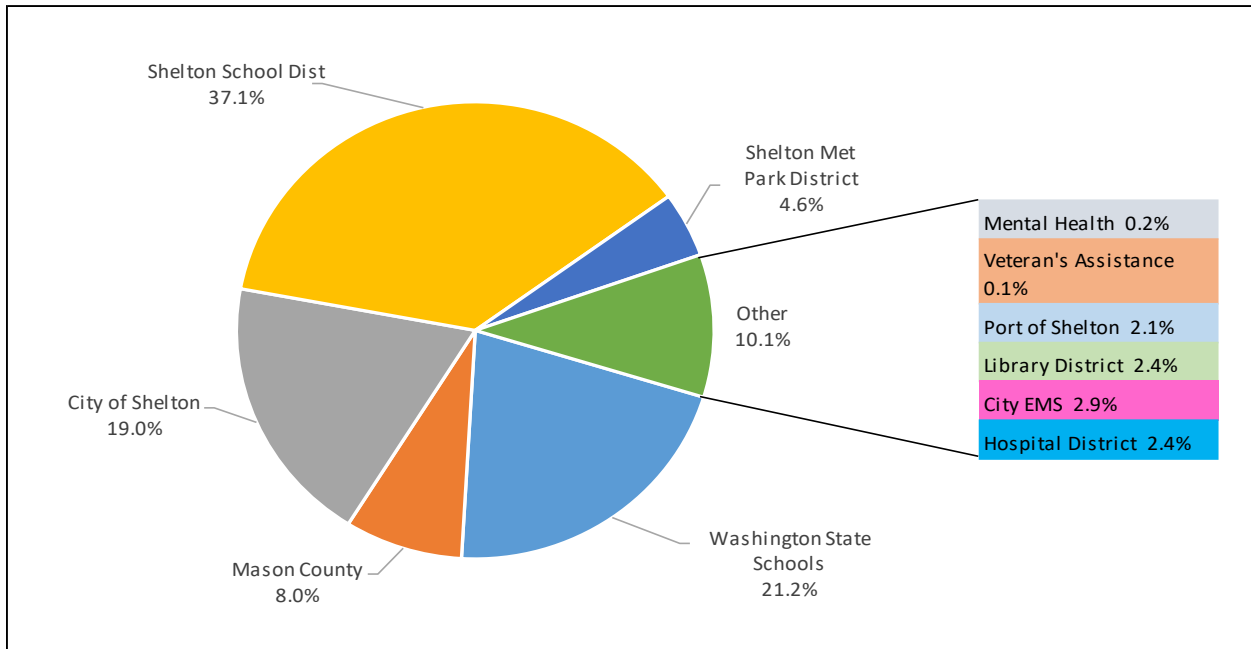
### Transportation Benefit District Sales Tax

Beginning April 1, 2016, the City voters established a Transportation Benefit District (TBD) and imposed a 0.2% sales tax rate, as permitted by law. The revenue collected is reserved for transportation improvements including roads, sidewalks, paths, transit service, as well as transportation demand management. Construction, maintenance, and operating costs are eligible uses of this funding source. However, unlike other sales tax options, the TBD sales tax is limited to 10 years, with one additional 10-year period allowed if passed by voters. The TBD sales tax may only exceed 10 years if it has been used for the repayment of debt. TBD sales tax collections are not shared with the County. The City receives all of the sales tax collected less the State's 1% administrative fee. The City's TBD sales tax, beginning in 2019, is accounted for in the Street Fund, and no longer in the General Fund.

## PROPERTY TAX AND ASSESSED VALUATION

Property tax is the second largest source of revenue in the General Fund. The Mason County Assessor values and provides information to the City of Shelton on their determination of property values within city limits. The calculation for Property Tax revenue is dependent upon both the assessed valuation of property as provided by the County Assessor and the tax rate. The County Assessor's valuation of property is achieved through physical inspections and, outside of a physical inspection, valuation estimates are built using local area sales data. Property tax collections are budgeted and adopted using preliminary figures from the Mason County Assessor. Final figures from the Mason County Assessor's Office on AV and rates are usually available in December after the Council has adopted the budget.

State law provides that the maximum growth in property tax revenue from existing property is the lesser of one percent (1%) or the percentage increase in the Implicit Price Deflator (IPD), an index used to gauge the extent of price changes or inflation over specific period of time for costs of goods and services. For the 2021 budget year the IPD, as determined by the Federal Department of Commerce, totaled .602% which means that all local governments in Washington State may increase their property taxes the full 1% only after an Ordinance or Resolution of Substantial Need is approved by the City Council. If such an Ordinance or Resolution is not approved by Council, existing property tax collections would be able to increase at the .602% rate plus new construction and other State assessments. The Property Tax figures in the City's Proposed budget assumes that a Substantial Need Ordinance will be approved.



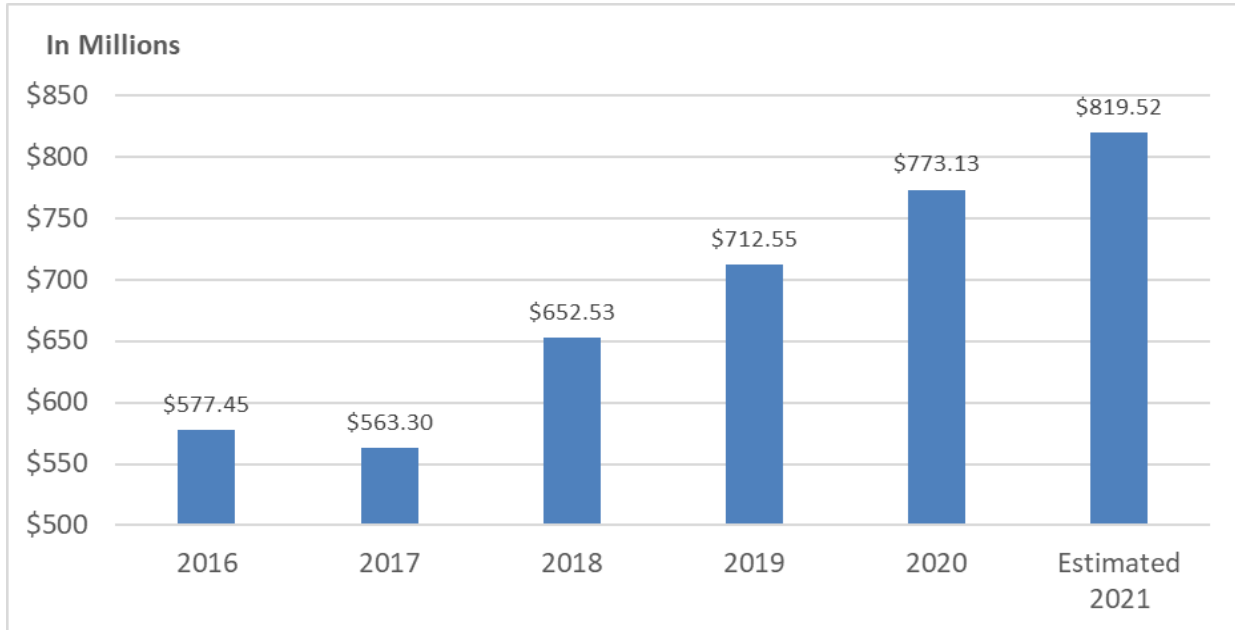
The pie chart above reflects the full allocation of property tax payments. As can be seen, the City of Shelton receives 19% percent of the total tax paid by property owners (regular tax levy at 19% and EMS levy at nearly 3%). At the time of printing the 2021 Proposed Budget the City has not received preliminary assessed valuation from the County Assessor’s Office. The estimated 2021 levy rate for every \$1,000 of assessed valuation the City receives roughly \$2.68. This amount will change depending on the actual assessed value for the City as determined by the County Assessor’s Office.

The City’s maximum regular property tax levy is \$3.375 per \$1,000 of assessed valuation. Additionally, since the City has a pre-LEOFF (Law Enforcement Officer and Firefighters) pension fund, the City can levy another \$.225 per \$1,000 of assessed valuation for a total of \$3.60 per \$1,000. However, since State Law caps property tax revenue increase at 1% or IPD, whichever is lower, the actual levy rate is much lower than the \$3.60 per \$1,000 assessed valuation maximum.

## Assessed Valuation (AV)

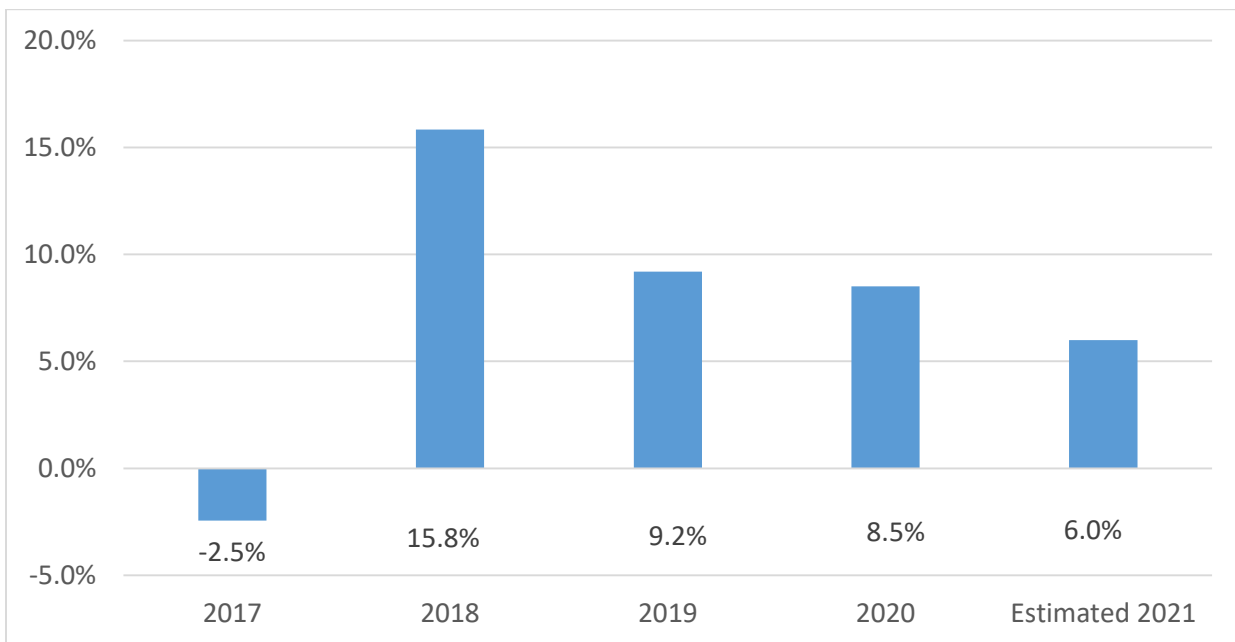
As is shown in the chart below, valuation decreased from 2016 levels in 2017. Since 2017 valuations have increased each year. Currently, the City is estimating an increase of 6% in assessed valuation for 2021. The City of Shelton budget includes property tax revenue based on the City’s AV and corresponding rate for the regular levy(s) and the EMS levy. Other property tax collections are dedicated to entities other than the City (School District, Metropolitan Parks District, State of Washington, etc.) and are included in their budgets and financial plans.

## Total Assessed Valuation: City of Shelton



The chart below reflects the percentage change in the assessed valuation for the City of Shelton. The City saw a decline in assessed valuation in 2017 as compared to 2016 but since then the assessed valuation has increased each year. The increase between the estimated 2021 valuation (\$819,518,400) and the 2020 valuation (\$773,130,558) is nearly \$46.4 million or 6.0%. The estimated increase in AV since 2016 is roughly \$242.1 million or 41.9%.

## Percent Change by Year in Assessed Valuation



## BUDGET OVERVIEW

The property tax revenue included in the proposed budget includes the allowable statutory increase of one percent growth, as approved through a substantial need Ordinance, plus new construction. Due to the limitation on property tax growth, there is an inverse relationship or negative correlation between the AV and the tax rate meaning that when AV increases the property tax rate decreases. The opposite is also true, where AV decreases, as in 2017, the tax rate increases.

	2018 Actual	2019 Actual	2020 Actual	2021 Estimated
Assessed Valuation	652,529,064	712,548,758	773,130,558	819,518,400
City Rate	\$ 3.06	\$ 2.86	\$ 2.75	\$ 2.68
EMS Rate	\$ 0.48	\$ 0.44	\$ 0.42	\$ 0.41
<b>2020 Estimated taxes owed - City and EMS only</b>				
Estimated Assessed Valuation	819,518,400	819,518,400	819,518,400	819,518,400
Property Valuation at:	150,000	200,000	250,000	300,000
City Regular Levy @ \$2.68	\$ 401	\$ 535	\$ 669	\$ 803
EMS Levy @ \$0.41	\$ 62	\$ 82	\$ 103	\$ 123
<b>Estimated Total</b>	<b>\$ 463</b>	<b>\$ 617</b>	<b>\$ 771</b>	<b>\$ 926</b>

The Property Tax AV & Rates table above presents comparative AV and tax rate information since 2018. The table also provides, for demonstrative purposes, the approximate property tax owed, *for the City regular and EMS levies only*, on hypothetical properties valued at \$150,000, \$200,000, \$250,000, and \$300,000 in 2021. The top portion of the table shows the relationship between increasing AV and the corresponding decrease in levy rates over the four-year period.

## GENERAL FUND

As the name implies, the General Fund is the fund that receives most of the City's undesignated revenues which are available for any good governmental purpose. This fund finances the majority of the traditional services associated with local government. Due to the flexibility of General Fund resources, much of the budget deliberations center around this fund.

## GENERAL FUND REVENUES

General Fund revenues decrease in 2021 to \$12,283,920 from the 2020 adopted budget of \$12,290,690, a decrease of \$6,770 or 0.1%. However, the proposed 2021 budget is \$562,251 lower than 2019 actual revenues of \$12,846,171 or a decrease of 4.4%.



## BUDGET OVERVIEW

Source	2018 Actual	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed
Taxes	\$ 8,029,664	\$ 8,462,779	\$ 7,878,350	\$ 8,431,200	\$ 8,531,110
Charges for Goods/Service	2,678,619	2,881,716	3,393,670	2,713,940	2,818,140
Intergovernmental Revenue	1,017,979	741,394	420,520	426,570	423,520
Fines & Penalties	121,122	121,146	105,300	58,550	102,300
Licenses & Permits	604,883	355,352	319,600	276,740	285,100
Miscellaneous Revenue	186,296	239,596	173,250	192,150	123,750
Other Financing Sources	3,022	44,189	0	0	0
<b>Grand Total</b>	<b>\$ 12,641,582</b>	<b>\$ 12,846,171</b>	<b>\$ 12,290,690</b>	<b>\$ 12,099,150</b>	<b>\$ 12,283,920</b>

General Fund revenue projections for 2021 were especially difficult. The unknown impacts to City revenue as a result of the COVID-19 pandemic, resulted in a necessity of having to make significant assumptions on next year's revenue generation, especially for the General Fund. The three major unknowns the City continues to grapple with are:

- ❖ How long would the Stay Safe / Stay Home Order last?
- ❖ How deep will the impact to current and future year revenues be?
- ❖ How long until full economic recovery?

Beyond these questions, estimating and establishing our 2021 revenues in the COVID-19 environment was further complicated by:

- ❖ Sales Tax has a two-month lag, i.e. the May sales tax the City receives is sales tax collected in March by businesses.
- ❖ Impact of the \$600 weekly unemployment subsidy from the Federal Government, now \$300, and further, the impact when the subsidy ceases.
- ❖ The lasting impacts of the pandemic on individuals' decision making on when they will feel comfortable to shop at local retail stores, have meals at local restaurants, etc.
- ❖ The extent that National monetary and fiscal policy decisions positively affect cash flows.

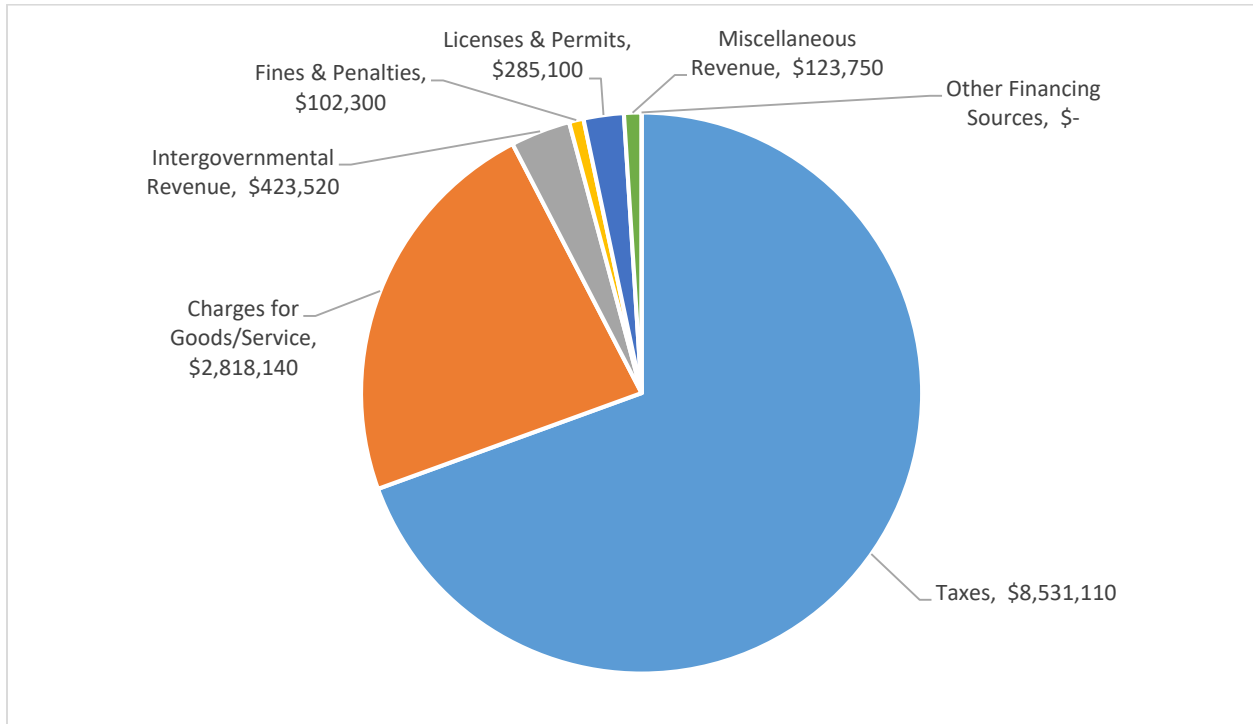
The 2021 high-level assumptions for General Fund revenue include:

- ❖ Sales tax revenue will be in-line with 2020 estimated revenue
- ❖ Property tax will increase by 1% plus new construction
- ❖ Short-term interest rates will remain at their current level or increase only slightly in the next year
- ❖ Current percentage growth caps on property tax and utility taxes will remain unchanged
- ❖ Other revenues will mostly be in-line with estimated 2020 revenue collections.

2021 major revenue changes from the 2020 budget are:

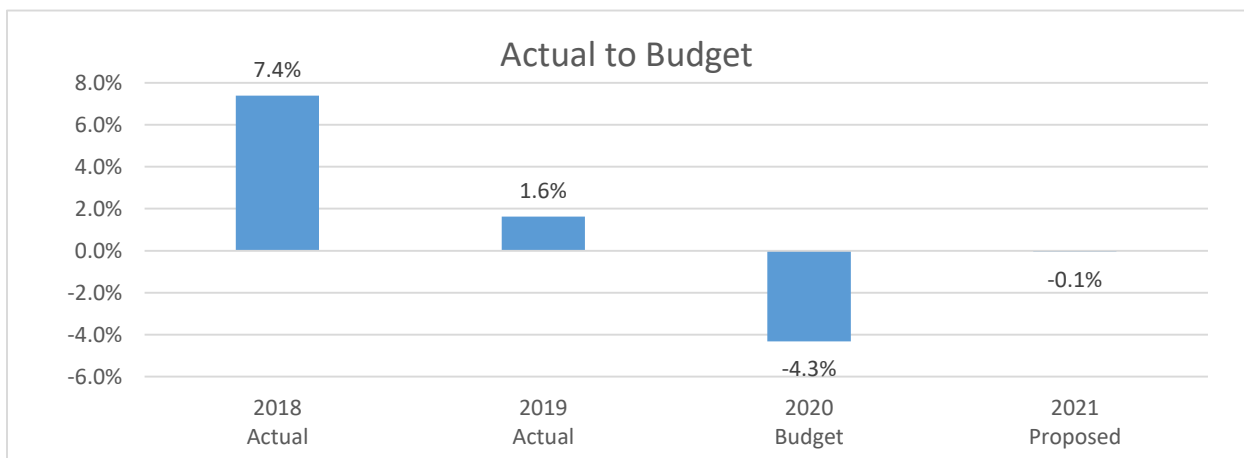
- ❖ Elimination of the School Resource Officer contract with the Shelton School District (\$288,700)
- ❖ Property Tax revenue increase of \$91,860 resulting from an increase of the 1% statutory maximum plus new construction
- ❖ Solid Waste utility tax revenue increase of \$542,640 resulting from the full consumption of a pre-payment in 2017

## GENERAL FUND 2020 REVENUE SOURCES BY PERCENT OF TOTAL

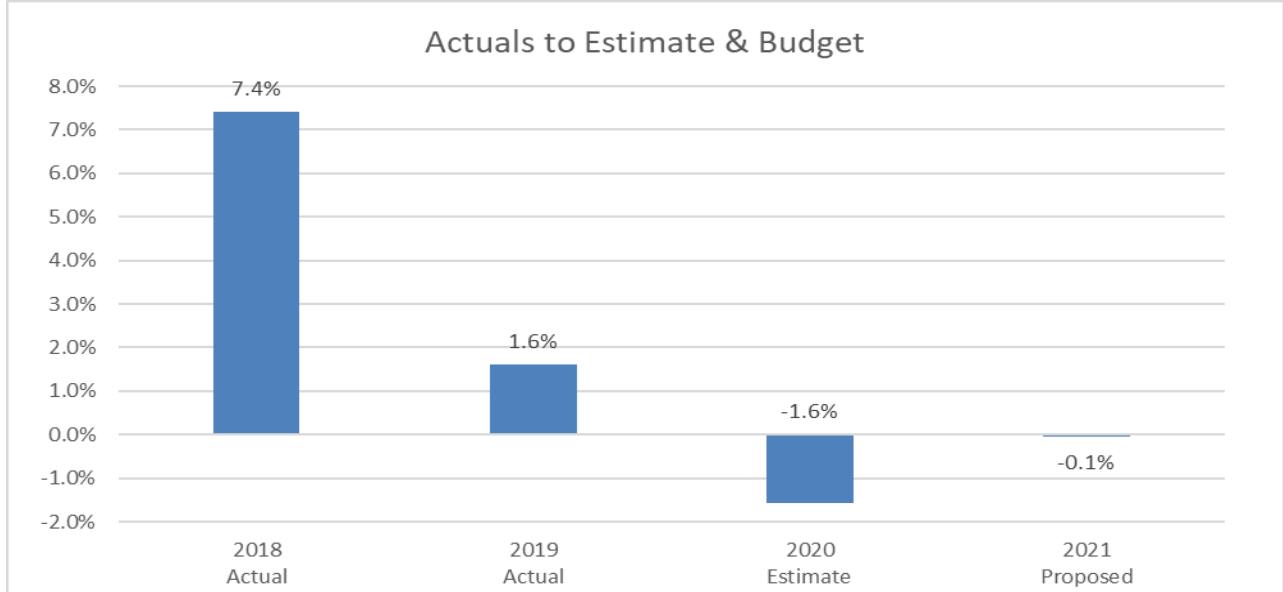


As is demonstrated in the chart above, just over 69% or \$8,531,110 of the City's 2020 General Fund revenues are collected from taxes. The remaining 31% (\$3,752,810) comes from all other sources combined.

## PERCENT CHANGE IN GENERAL FUND REVENUES



## BUDGET OVERVIEW



The **Percent Change in General Fund Revenues** charts above compare the year-to-year changes in total General Fund revenue collections over the past three years. This is not a comparison of actual revenue to budgeted revenues per year; the chart compares the total actual revenue collected or budgeted amounts to the following year (chart on previous page) and actual collections to the 2020 estimate and 2020 budget (chart on above).

In the first chart, the large decrease in the 2020 budget as compared to 2019 actuals is largely due to the reduction in budgeted sales tax resulting from construction activity. In 2019 construction activity accounted for nearly 25% of sales tax revenue. In 2020, with a decrease in construction activity the sales tax budget was reduced to be more in-line with 2017.

In the second chart, the change between 2018 and 2019 actual revenues reflect the loss of General Fund revenue related to Street operations as discussed above which is offset by increases in tax revenue, especially sales tax revenue, which came in significantly higher than budgeted.

## TAXES

Tax Type	2017 Actual	2018 Actual	2019 Budget	2019 Estimate	2020 Adopted
Sales Tax	\$ 2,923,940	\$ 3,249,291	\$ 2,652,960	\$ 3,252,900	\$ 2,864,730
Property Tax	2,047,240	2,330,399	2,353,311	2,360,000	2,436,950
Non-City Utility Tax	1,069,010	1,125,027	1,159,880	1,142,600	1,203,400
B&O	522,561	678,574	719,250	690,000	733,640
City Utility Tax	1,568,387	591,650	828,140	677,900	586,510
Other Tax	56,340	54,722	52,920	51,820	53,120
<b>Grand Total</b>	<b>\$ 8,187,477</b>	<b>\$ 8,029,663</b>	<b>\$ 7,766,461</b>	<b>\$ 8,175,220</b>	<b>\$ 7,878,350</b>

**Sales Tax** revenue represents slightly more than 33% of the City's tax collections and is budgeted to increase by 0.2% over the current year budget. The current year estimate for sales tax collections continues to be in-line with budget as the City hasn't seen a large reduction to

## BUDGET OVERVIEW

date in sales tax revenue due to COVID. The 2021 proposed budget is \$6,310 higher than the 2020 adopted budget.

**Property Tax** is the second largest tax revenue for the City and accounts for just under 30% of General Fund tax revenue and nearly 21% of all General Fund revenues. Property tax is assessed on real property and is based on the valuation of the property owned as determined by the Mason County Assessor's Office. Property tax is capped at 1% growth or the Implicit Price Deflator (IPD), whichever is lower, plus new construction which is in addition to the 1% cap.

**B&O Tax** revenue is budgeted to remain flat to the 2020 budget. There are no proposed changes to B&O rates.

**Utility Tax** revenue is budgeted to increase by nearly 32% from the 2020 budget. The main reason for the increase comes from adjusting Solid Waste Utility Tax collections upward to account for the fully consumed \$1,000,000 pre-payment of Solid Waste utility tax made in 2017. Non-City utility tax collections for Natural Gas, Electricity, Telephone, and Cable are budgeted to increase by 2.7% related to use and growth of the City, not rate changes.

**Other Tax** revenue is budgeted to decrease by \$17,900 or roughly 34% from the 2020 budget. The budgeted decrease is significantly from a reduction in gambling tax due to closures related to COVID-17. Other revenue is generated mostly through gambling and various excise tax collections.

## GENERAL FUND EXPENDITURES

General Fund expenditures are balanced against revenue and are budgeted to decrease by \$6,770 or 0.1% in 2021 from the 2020 budget for a total 2020 General Fund budget of \$12,283,920 as compared to a budget of \$12,290,690 for 2020.

The chart below provides a high-level view of General Fund expense categories and compares the proposed budget to the 2020 adopted budget. Salaries and benefits comprise nearly 58% of General Fund expenditures and expenses for professional services and other charges make up just under 32% of the 2021 Proposed budget.

Expense Type	2019		2020		2021		\$ Change 20 Bud to 21 Proposed	% Change 20 Bud to 21 Proposed
	Actual	Budget	Estimate	Proposed	Proposed	Proposed		
Wages	\$ 4,556,791	\$ 4,935,530	\$ 4,709,955	\$ 4,915,360	(20,170)	-0.4%		
Benefits	1,821,810	2,115,340	1,965,114	2,160,890	45,550	2.2%		
Service/Charges	3,655,274	3,787,260	3,861,949	3,916,510	129,250	3.4%		
Supplies/Equip	266,461	279,980	296,207	277,870	(2,110)	-0.8%		
Transfer-Out	1,992,498	1,126,870	878,250	991,780	(135,090)	-12.0%		
<b>Subtotal</b>	<b>\$ 12,292,835</b>	<b>\$ 12,244,980</b>	<b>\$ 11,711,475</b>	<b>\$ 12,262,410</b>	<b>17,430</b>	<b>0.1%</b>		
Capital	\$ 480,606	\$ 24,210	\$ 329,230	\$ -	(24,210)	-100.0%		
Debt Service	21,494	21,500	21,493	21,510	10	0.0%		
Subtotal	502,100	45,710	350,723	21,510	(24,200)	-52.9%		
<b>Grand Total</b>	<b>\$ 12,794,935</b>	<b>\$ 12,290,690</b>	<b>\$ 12,062,198</b>	<b>\$ 12,283,920</b>	<b>(6,770)</b>	<b>-0.1%</b>		

The expenditure table below summarizes the 2021 General Fund budget by department and provides comparative information between the 2020 and 2021 budgets.

Significant expenditure changes for General Fund departments with a +/- 10% change include:

- ❖ **Information Technology's** budget decreases by 15.0% due to the elimination of a full-time position offset somewhat by an increase in professional services for contractual costs.
- ❖ The change in the **City Clerk** budget of 92% is a little misleading. Beginning in 2021 the City fully implemented a department structure in the General Fund to better track and account for expenses. Until 2021 the City Clerk's expenses were allocated between the City Council, City Manager, and Finance. It was difficult to fully separate the City Clerk costs in the City Council and City Manager budgets as well as previous actuals. The Clerk increase is offset by reductions in the City Manager and City Council budgets.
- ❖ There is a decrease of nearly 40% in the **City Council** budget in 2021. This reduction is largely due to the City Clerk budget being moved out of the City Council department and into its own department.
- ❖ The **City Manager** department decreases by 36.4% due to the elimination of two full-time positions budgeted in 2020, a Homeless Resource Coordinator position and an Economic Development Coordinator position. Additionally, budgeted costs for the City Clerk were moved out of the City Manager budget.
- ❖ The **Non-Departmental** department accounts for General Fund expenditures which do not fit within the purview of a specific department or function of a specific department. Largely budgeted in non-departmental are General Fund cash transfers to support other City Funds and projects. The 13.1% decrease in 2021 is reflective of one-time transfers budgeted in 2020 which are not repeated in 2021. The General fund is contributing over \$307,000 for capital projects in 2021 but the transfer of those monies are planned for 2020 and will be used in other funds in 2021.

Additional information on General Fund department expenses can be found in the detail pages in the following section of the Proposed Budget.

## BUDGET OVERVIEW

Department	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 20 Bud to 21 Proposed	% Change 20 Bud to 21 Proposed
<b>General Fund Expenditures by Department</b>						
<b>Administrative Services</b>						
Human Resources	\$ 244,553	\$ 262,000	\$ 267,516	\$ 271,530	9,530	3.6%
Information Technology	234,709	289,130	294,851	245,870	(43,260)	-15.0%
Risk Management	189,897	219,960	219,840	225,360	5,400	2.5%
<b>City Clerk</b>	37,837	111,770	67,642	215,480	103,710	92.8%
<b>City Council</b>	231,757	167,050	148,325	100,630	(66,420)	-39.8%
<b>City Manager</b>						
City Manager	381,449	628,000	419,201	399,340	(228,660)	-36.4%
Legal	392,309	445,460	421,048	456,580	11,120	2.5%
Detention & Corrections	365,356	404,070	370,520	414,170	10,100	2.5%
<b>Community Dev, Parks, Facilities</b>						
Community Development	523,664	535,520	533,885	558,860	23,340	4.4%
Parks & Recreation	410,472	557,750	402,590	575,450	17,700	3.2%
Facility Services	563,586	514,830	536,854	542,600	27,770	5.4%
Civic Center Activities	47,014	63,760	47,947	68,210	4,450	7.0%
<b>Finance</b>	933,224	1,068,890	980,965	1,035,070	(33,820)	-3.2%
<b>Fire &amp; Emergency Services</b>	1,447,313	1,498,880	1,512,125	1,501,250	2,370	0.2%
<b>Municipal Court</b>						
Community Restitution	95,788	116,290	107,665	122,390	6,100	5.2%
Court Services	366,503.31	420,350.00	410,582.00	446,060.00	25,710	6.1%
<b>Non-Departmental</b>	2,519,557	1,212,580	1,278,973	1,054,290	(158,290)	-13.1%
<b>Police</b>	3,072,032	3,124,110	3,332,761	3,422,280	298,170	9.5%
<b>Public Works</b>	737,915	650,290	708,907	628,500	(21,790)	-3.4%
<b>Grand Total</b>	<b>\$ 12,794,935</b>	<b>\$ 12,290,690</b>	<b>\$ 12,062,198</b>	<b>\$ 12,283,920</b>	<b>\$ (6,770)</b>	<b>-0.1%</b>

## SPECIAL REVENUE FUNDS

From a budgetary perspective, Special Revenue Funds account for revenue sources (other than special assessments and major capital projects) that are legally restricted for a specific purpose. According to the GASB (Governmental Accounting Standards Board) statement #54 and as interpreted by the GFOA (Government Finance Officers Association), at least 20% of revenues need to be legally restricted to qualify as a Special Revenue Fund. The following table lists each fund and the total expenditure budget associated with the fund.

Fund	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 20 Bud to 21 Proposed	% Change 20 Bud to 21 Proposed
Street Fund	\$ 1,173,598	\$ 2,280,650	\$ 1,609,040	\$ 2,069,190	\$ (211,460)	-9.3%
Capital Resources Fund	-	-	-	496,630	496,630	N/A
Tourism Fund	52,675	59,130	68,567	61,880	2,750	4.7%
<b>Grand Total</b>	<b>\$ 1,226,273</b>	<b>\$ 2,339,780</b>	<b>\$ 1,677,607</b>	<b>\$ 2,627,700</b>	<b>\$ 287,920</b>	<b>12.3%</b>

Prior to 2019 street activities were accounted for in the General Fund. Beginning in 2019, the Street Operating Fund was created to account for expenditures and revenues for street operating activities.

- ❖ The budget reduction for 2021 is significantly due to a reduction of Street resources being transferred for Capital Projects. Much of those decreases are offset by an increase in expense in the Capital Resources fund for capital projects. The budget also

## BUDGET OVERVIEW

includes monies for a quarter of the costs related to the new Development Review Technician. The General Fund supports Street Fund activities in the amount of \$570,000 for 2021.

- ❖ The Council approved the creation of the City's Capital Resources Fund in 2019 for the 2020 calendar year. This fund will be used to account for various capital monies until those monies are appropriated to a project by the City Council through an Ordinance. The 2021 budget includes nearly \$497,000 in funding for capital projects.
- ❖ The Tourism Fund is used to account for activities (events or programs) to attract visitors to the City of Shelton. The Tourism Advisory Board is responsible for allocating grant monies based on an application and determination process.

## DEBT SERVICE FUND

The Debt Service Fund (Bond Fund) is used to account for the accumulation of resources to be used for the retirement of general long-term debt. The appropriation authorized for these funds are determined by the debt payment schedules approved by the City Council (or City Commission) as part of debt issuance and cannot legally be altered by legislative action. As such, debt service payments are the highest budget funding priority.

Fund	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 20 Bud to 21 Proposed	% Change 20 Bud to 21 Proposed
Bond Fund	\$ 282,318	\$ 184,490	\$ 184,467	\$ 184,490	\$ -	0.0%
<b>Grand Total</b>	<b>\$ 282,318</b>	<b>\$ 184,490</b>	<b>\$ 184,467</b>	<b>\$ 184,490</b>	<b>\$ -</b>	<b>0.0%</b>

Significant changes in the debt service fund:

- ❖ In 2019 the City made the final payment on the Civic Center debt which accounts for the nearly \$98,000 reduction in expenses in 2020.

## CAPITAL IMPROVEMENT FUND

The Capital Improvement Fund accounts for the City's capital projects for all funds except Enterprise Funds. Capital project budgets as approved by the City Council do not lapse at the end of the fiscal year, unlike non-capital budgets.

Fund	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 20 Bud to 21 Proposed	% Change 20 Bud to 21 Proposed
Capital Improvement Fund	\$ 4,411,586	\$ 2,138,630	\$ 921,050	\$ 1,572,140	\$ (566,490)	-26.5%
<b>Grand Total</b>	<b>\$ 4,411,586</b>	<b>\$ 2,138,630</b>	<b>\$ 921,050</b>	<b>\$ 1,572,140</b>	<b>\$ (566,490)</b>	<b>-26.5%</b>

The Capital Improvement Fund budget will fluctuate somewhat from year to year depending on budgeted capital projects and the funding sources for those projects.

Capital projects included in the Capital Improvement Fund for 2021 are:

- ❖ Street/Transportation: Pavement Maintenance Program, Western Gateway, and the Street funds portion of the Public Works Maintenance Facility Expansion.
- ❖ Facilities: New cargo van, Civic Center and Library parking lot improvements.



## BUDGET OVERVIEW

- ❖ Parks: Ravenna Trail Crosswalk, Northcliff Neighborhood Park Master Plan, Simpson Railroad Trail Design, Eagle Point Trail Construction, and Callanan Irrigation and Backstop Fencing.
- ❖ Construction improvements to the gravel Civic Center Parking Lot.

For more information on the capital projects budgeted for fiscal year 2021 please see the Capital Projects section of the Overview.

## ENTERPRISE FUNDS

The City's enterprise funds include the Water, Sewer, Solid Waste, and Storm Drainage utilities. Enterprise funds are established for government operations that are financed and operated in a manner similar to business enterprises. The cost of providing the service to the general public is intended to be financed or recovered through user charges. The table below summarizes the enterprise funds and the budget associated with those functions.

Fund	2019	2020	2020	2021	\$ Change	% Change
	Actual	Budget	Estimate	Proposed	20 Bud to 21 Proposed	20 Bud to 21 Proposed
Water Fund	\$ 2,287,953	\$ 3,720,740	\$ 2,760,886	\$ 3,865,560	\$ 144,820	3.9%
Sewer Fund	7,585,993	5,777,330	5,822,025	7,787,220	2,009,890	34.8%
Solid Waste Fund	137,092	1,459,020	100,903	781,810	(677,210)	-46.4%
Storm Drainage Fund	1,038,145	1,275,710	940,285	1,338,760	63,050	4.9%
<b>Grand Total</b>	<b>\$ 11,049,183</b>	<b>\$ 12,232,800</b>	<b>\$ 9,624,099</b>	<b>\$ 13,773,350</b>	<b>\$ 1,540,550</b>	<b>12.6%</b>

Significant changes to the City's enterprise funds include:

- ❖ The Water Fund appropriation request includes \$1,310,000 for capital projects in 2021 to include the PW maintenance facility expansion, automated meter read, well 1 tank pressurization project, and the pavement maintenance program. The budget also includes funding for 25% of the new Development Review Technician.
- ❖ The large increase in Sewer is significantly related to the \$2,139,200 budget for capital projects. Those projects include the automated meter read, MBR filter replacement, a slacktide tank, and a wastewater comprehensive plan update. The Sewer budget also include funding for 25% for the Development Review Technician position.
- ❖ The Solid Waste budget request simply uses most all available resources for continued work toward the closeout of the "C" Street landfill.
- ❖ The Storm Drainage Fund includes funding for 25% of the Development Review Technician and well as \$35,000 for capital expenses. This fund will require either a rate increase or a significant reduction in activities in 2021 as the budget will use nearly all available resources including accumulated fund balance.

## INTERNAL SERVICE FUNDS

Internal Service Funds are established for those operations which provide services to the operating funds of the City of Shelton on a cost reimbursement basis. These funds, like Enterprise Funds, are financed and operated in a manner similar to a business enterprise except with the users of their services being other City funds. The table below summarizes the Internal Service Funds and the budget associated with those functions.



## BUDGET OVERVIEW

Fund	2019	2020	2020	2021	\$ Change	% Change
	Actual	Budget	Estimate	Proposed	20 Bud to 21 Proposed	20 Bud to 21 Proposed
Payroll Benefits Fund	\$ 112,620	\$ 219,200	\$ 125,600	\$ 206,700	\$ (12,500)	-5.7%
Equipment Maint & Rental Fund	929,299	863,720	759,577	929,010	65,290	7.6%
<b>Grand Total</b>	<b>\$ 1,041,919</b>	<b>\$ 1,082,920</b>	<b>\$ 885,177</b>	<b>\$ 1,135,710</b>	<b>\$ 52,790</b>	<b>4.9%</b>

Significant changes between the 2020 and 2021 budgets include:

- ❖ The Equipment Maintenance and Rental fund is scheduled to purchase nearly \$358,000 in new equipment in 2021 and includes \$90,000 for the PW Maintenance Facility expansion project.

## OTHER BUDGETED FUNDS

The City budgets two additional funds, a Pension Trust Fund (Firefighters Pension Fund) and a Permanent Fund (Library Endowment Fund). Pension Trust Funds are made up of monies contributed for pension benefits. Permanent funds preserve an original sum of monies and use those resources to generate interest income which can be applied to the funds stated purpose. Principal monies cannot be used for expenses and ensures some level of funding will be available for use in perpetuity.

Fund	2019	2020	2020	2021	\$ Change	% Change
	Actual	Budget	Estimate	Proposed	20 Bud to 21 Proposed	20 Bud to 21 Proposed
Firefighters Pension Fund	\$ 86,074	\$ 98,570	\$ 88,248	\$ 98,570	\$ -	0.0%
Library Endowment Fund	-	-	-	-	-	0.0%
<b>Grand Total</b>	<b>\$ 86,074</b>	<b>\$ 98,570</b>	<b>\$ 88,248</b>	<b>\$ 98,570</b>	<b>\$ -</b>	<b>0.0%</b>

## CAPITAL & MAINTENANCE PROJECTS

The City's 2021 – 2026 six-year Capital Improvement Plan is a flexible plan which provides an overview of the City's capital improvement needs. It is important to understand that this multi-year plan does not constitute financial commitment for any year past the current budget year. The six-year CIP simply reflects the projects deemed to be most important at a given point in time. The Capital Plan is updated annually during the budget process and new projects may be added and projects that were on a previous plan may be removed or postponed.

The City adopts Capital projects on a project based budget. The budget for individual projects are approved by Council that budget authority caps the total expenditures for the project. However, unlike other funds, the budgets for capital projects does not lapse at the end of the fiscal year and requires no legislative action to be taken to amend the project budget in future years other than if the project expenses are expected to exceed budget authority.

To control cash and capital projects the City takes two important steps: the first is that current year capital projects must be fully funded and those funds must be secured in order to take a project forward in the budget and: second, once a project is funded by the Council through Ordinance, the funding sources are moved into project accounting so that a duplication of resource use cannot take place.

## BUDGET OVERVIEW

Funding for capital projects generally come from five major categories:

- ❖ **Taxes/Fees:** This source include non-dedicated taxes such as property tax and sales tax, as well as dedicated taxes such as real estate excise tax and impact and other fees paid by developers.
- ❖ **User Fees:** This revenue source represents fees paid for specific services provided by the government. These sources are restricted and must be used to support the service for which they were collected. Examples include city utility fees.
- ❖ **Grants & Contributions:** This source includes federal, state, county, and other contributions for specific qualified projects.
- ❖ **Bonds:** Bonds are interest-bearing debt issued by the City for a specific purpose. Bonds require a formal and on-going source for paying interest and principal payments for the life of the bond.
- ❖ **Intergovernmental Loans:** This category represents loans from one department to another. Like bonds, these loans are interest bearing and require a formal payment source and schedule.

The 2021 Proposed Budget includes significant investment to address the City’s capital and major maintenance needs. The planned investments total nearly \$5.5 million. However, not all capital and major maintenance needs could be funded and priority decisions were required on which projects would be funded in 2021 based on need, public benefit, and the City Council’s Strategic Plan.

## Six-year Capital Plan Summary

In Thousands							
Fund / Division	2021	2022	2023	2024	2025	2026	Total
Parks	\$ 216.0	\$ 266.0	\$ 300.0	\$ 650.0	\$ 375.0	\$ 50.0	\$ 1,857.0
Facilities	447.9	147.0	78.0	70.0	195.0	30.0	967.9
Transportation	892.3	3,901.7	5,736.3	9,537.3	4,918.3	15,108.3	40,094.3
Water	1,310.0	1,392.0	115.0	395.0	215.0	371.0	3,798.0
Sewer	2,139.2	1,160.0	1,335.0	1,361.0	2,964.0	2,970.0	11,929.2
Storm	35.0	282.5	237.5	220.0	270.0	220.0	1,265.0
EM&R	427.5	313.0	405.0	370.0	225.0	240.0	1,980.5
<b>Total Expense</b>	<b>\$ 5,467.9</b>	<b>\$ 7,462.2</b>	<b>\$ 8,206.8</b>	<b>\$ 12,603.3</b>	<b>\$ 9,162.3</b>	<b>\$ 18,989.3</b>	<b>\$ 61,891.9</b>
Resource(s)	2021	2022	2023	2024	2025	2026	Total
General Fund	\$ 307.9	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 307.9
Utility Rates	3,522.5	3,181.5	2,092.5	2,346.0	3,674.0	3,801.0	18,617.5
EM&R Rates	832.3	800.0	850.0	800.0	800.0	800.0	4,882.3
Street/Transportation	589.2	2,761.7	4,648.5	6,114.5	3,760.0	12,597.5	30,471.4
Grants	216.0	253.0	100.0	300.0	362.5	-	1,231.5
Other	-	35.0	-	75.0	-	-	110.0
Unidentified / Funding Gap	-	431.0	515.8	2,967.8	565.8	1,790.8	6,271.3
<b>Total Resource(s)</b>	<b>\$ 5,467.9</b>	<b>\$ 7,462.2</b>	<b>\$ 8,206.8</b>	<b>\$ 12,603.3</b>	<b>\$ 9,162.3</b>	<b>\$ 18,989.3</b>	<b>\$ 61,891.9</b>

# Facilities Capital Plan

In Thousands							
Project	2021	2022	2023	2024	2025	2026	Total
Civic Center Parking Lot Construction	\$ 400.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 400.0
Cargo Van	35.0	-	-	-	-	-	35.0
Civic center parking lot maintenance	6.4	-	-	-	-	-	6.4
Library Parking lot maintenance	6.5	-	-	-	-	-	6.5
Library Deck - membrane and railing replacement	-	90.0	-	-	-	-	90.0
UPS Batteries- Fire Station	-	3.0	-	-	-	-	3.0
City Branded Wayfinding markers	-	10.0	-	-	-	-	10.0
Electronic Door Locks	-	44.0	-	-	-	-	44.0
Floor Repair - CC main room	-	-	8.0	-	-	-	8.0
Fire alarm system - Civic Center	-	-	70.0	-	-	-	70.0
Library amphitheater	-	-	-	20.0	-	-	20.0
Library retaining wall parking lot	-	-	-	50.0	-	-	50.0
Civic Center Carpet replacement- upstairs	-	-	-	-	45.0	-	45.0
Civic Center office cubicle replacement	-	-	-	-	150.0	-	150.0
CC Kitchen remodel	-	-	-	-	-	30.0	30.0
<b>Total Expense</b>	<b>\$ 447.9</b>	<b>\$ 147.0</b>	<b>\$ 78.0</b>	<b>\$ 70.0</b>	<b>\$ 195.0</b>	<b>\$ 30.0</b>	<b>\$ 967.9</b>
Resource(s)	2021	2022	2023	2024	2025	2026	Total
City general fund	\$ 247.9	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 247.9
Deptment of Commerce Grant	200.0	-	-	-	-	-	200.0
Libray endowment fund	-	20.0	-	-	-	-	20.0
Sewer	-	20.0	-	-	-	-	20.0
Water	-	12.0	-	-	-	-	12.0
EMR	-	2.0	-	-	-	-	2.0
SMPD	-	2.0	-	-	-	-	2.0
Unidenfied / Funding Gap	-	91.0	78.0	70.0	195.0	30.0	464.0
<b>TOTAL Resource(s)</b>	<b>\$ 447.9</b>	<b>\$ 147.0</b>	<b>\$ 78.0</b>	<b>\$ 70.0</b>	<b>\$ 195.0</b>	<b>\$ 30.0</b>	<b>\$ 967.9</b>

2021 Project Funding:

- ❖ Civic Center Parking Lot: \$200,000 General Fund & \$200,000 Department of Commerce grant.
- ❖ Cargo Van: General Fund
- ❖ Civic Center and Library Parking Lot Maintenance: General Fund

# Parks Capital Plan

In Thousands							
Project	2021	2022	2023	2024	2025	2026	Total
Callanan Irrigation and backstop fencing	\$ 15.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15.0
Ravenna Trail Crosswalk	1.0	-	-	-	-	-	1.0
Northcliff Neighborhood Park Master Plan	20.0	-	-	-	-	-	20.0
Simpson Railroad Multi-model Trail Phase 1 Design	60.0	-	-	-	-	-	60.0
Eagle Point Trail Construction Phase 1	120.0	-	-	-	-	-	120.0
6th St. Park Shelter roof replacement	-	6.0	-	-	-	-	6.0
Loop Field Parcel Acquisition	-	100.0	-	-	-	-	100.0
Northcliff Neighborhood Park Development	-	50.0	-	-	-	-	50.0
Simpson Railroad Multi-model Trail Phase 2 Design	-	50.0	-	-	-	-	50.0
Eagle Point Trail Construction Phase 2	-	60.0	-	-	-	-	60.0
Simpson Railroad Multi-model Trail Phase 1 Construction	-	-	300.0	-	-	-	300.0
Simpson Railroad Multi-model Trail Phase 2 Construction	-	-	-	300.0	-	-	300.0
Kneeland Park Playground	-	-	-	350.0	-	-	350.0
Callanan Park parking	-	-	-	-	350.0	-	350.0
Hillcrest Neighborhood Park Siting and Master Plan	-	-	-	-	25.0	-	25.0
Johnson Park Playstructure	-	-	-	-	-	25.0	25.0
Turner Neighborhohd Park(Manke/Angle Master Plan)	-	-	-	-	-	25.0	25.0
<b>Total Expense</b>	<b>\$ 216.0</b>	<b>\$ 266.0</b>	<b>\$ 300.0</b>	<b>\$ 650.0</b>	<b>\$ 375.0</b>	<b>\$ 50.0</b>	<b>\$ 1,857.0</b>
Resource(s)	2021	2022	2023	2024	2025	2026	Total
SMPD annual appropriation	\$ 216.0	\$ 251.0	\$ 100.0	\$ 300.0	\$ 362.5	\$ -	\$ 1,229.5
Donations	-	10.0	-	50.0	-	-	60.0
In-kind	-	5.0	-	25.0	-	-	30.0
RCO Grant	-	-	150.0	275.0	12.5	-	437.5
Street/Transportation	-	-	50.0	-	-	-	50.0
Unidentified / Funding Gap	-	-	-	-	-	50.0	50.0
<b>Total Resource(s)</b>	<b>\$ 216.0</b>	<b>\$ 266.0</b>	<b>\$ 300.0</b>	<b>\$ 650.0</b>	<b>\$ 375.0</b>	<b>\$ 50.0</b>	<b>\$ 216.0</b>

## 2021 Project Funding:

- ❖ All other Parks projects are funded by the Shelton Municipal Park District

## Water Capital Plan

In Thousands							
Project	2021	2022	2023	2024	2025	2026	Total
Maintenance Facility Expansion	\$ 180.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 180.0
Automated Meter Read (AMR)	850.0	-	-	-	-	-	850.0
Well 1 to HS Tank Pipe Pressurization Proj.	265.0	908.0	-	-	-	-	1,173.0
Pavement Maintenance Program	15.0	15.0	15.0	15.0	15.0	15.0	90.0
High School Tank Recoating	-	344.0	-	-	-	156.0	500.0
New Generator Well 3 & 4	-	125.0	-	-	-	-	125.0
Angleside PS Control Improvements #1	-	-	100.0	-	-	-	100.0
On-Site Chlorine Generation	-	-	-	380.0	-	-	380.0
System Repair and Replacement	-	-	-	-	100.0	100.0	200.0
Hydrant Improvements	-	-	-	-	100.0	100.0	200.0
<b>Total Expense</b>	<b>\$ 1,310.0</b>	<b>\$ 1,392.0</b>	<b>\$ 115.0</b>	<b>\$ 395.0</b>	<b>\$ 215.0</b>	<b>\$ 371.0</b>	<b>\$ 3,798.0</b>
Resourc(s)	2021	2022	2023	2024	2025	2026	Total
Water rates	\$ 1,310.0	\$ 1,392.0	\$ 115.0	\$ 395.0	\$ 215.0	\$ 371.0	\$ 3,798.0
Unidentified / Funding Gap	-	-	-	-	-	-	-
<b>TOTALS SOURCES</b>	<b>\$ 1,310.0</b>	<b>\$ 1,392.0</b>	<b>\$ 115.0</b>	<b>\$ 395.0</b>	<b>\$ 215.0</b>	<b>\$ 371.0</b>	<b>\$ 3,798.0</b>

### 2021 Project Funding:

- ❖ All projects are funded by Water Fund revenue

# Sewer Capital Plan

In Thousands							
Project	2021	2022	2023	2024	2025	2026	Total
Front Street Pipe Removal, Design & Construction	\$ 30.0	\$ 635.0	\$ -	\$ -	\$ -	\$ -	\$ 665.0
MBR WWTP Reclaimed Tank Design	93.2	-	-	-	-	-	93.2
WWTP Slacktide Tank Pump & Forcemain System	300.0	-	-	-	-	-	300.0
MBR WWTP Filter Replacement	425.0	-	-	-	-	-	425.0
Comprehensive Plan Update	296.0	-	-	-	-	-	296.0
Advance Metering Infrastructure	850.0	-	-	-	-	-	850.0
Maintenance Facility Expansion	120.0	-	-	-	-	-	120.0
Pavement Maintenance Program	25.0	25.0	25.0	25.0	25.0	25.0	150.0
MBR WWTP Expansion Phase 2 & 3 Capacity Study	-	60.0	-	-	-	-	60.0
MBR Phase 3 Treatment Property Purchase	-	200.0	-	-	-	-	200.0
Forcemain Inspection & Repair	-	40.0	-	-	-	-	40.0
WWTP Biosolids Storage and Processing	-	50.0	350.0	-	-	-	400.0
Basin 4 & 6 I&I studies	-	50.0	-	-	50.0	-	100.0
Pump Replacements	-	40.0	40.0	40.0	-	-	120.0
Pipe & MH replacements/lining	-	15.0	20.0	20.0	25.0	25.0	105.0
Biosolids capacity and rate study	-	25.0	-	-	-	-	25.0
Water and Wastewater Rate Study	-	20.0	-	-	-	-	20.0
MBR WWTP Phase 2 Capacity Expansion Design	-	-	850.0	850.0	-	-	1,700.0
Upsize Trunkline parallel to Olympic Hwy South	-	-	50.0	401.0	-	-	451.0
Harvard Ave Trunkline Replacement	-	-	-	25.0	164.0	-	189.0
MBR WWTP Phase 2 Capacity Expansion Construction	-	-	-	-	2,700.0	2,700.0	5,400.0
Basin 4 I&I Reduction Design	-	-	-	-	-	220.0	220.0
<b>Total Expense</b>	<b>\$ 2,139.2</b>	<b>\$ 1,160.0</b>	<b>\$ 1,335.0</b>	<b>\$ 1,361.0</b>	<b>\$ 2,964.0</b>	<b>\$ 2,970.0</b>	<b>\$ 11,929.2</b>
Resourc(s)	2021	2022	2023	2024	2025	2026	Total
Sewer Rates	\$ 1,750.0	\$ 1,160.0	\$ 1,335.0	\$ 1,361.0	\$ 2,964.0	\$ 2,970.0	\$ 11,540.0
Grant	389.2	-	-	-	-	-	389.2
Unidentified / Funding Gap	-	-	-	-	-	-	-
<b>Total Resource(s)</b>	<b>\$ 2,139.2</b>	<b>\$ 1,160.0</b>	<b>\$ 1,335.0</b>	<b>\$ 1,361.0</b>	<b>\$ 2,964.0</b>	<b>\$ 2,970.0</b>	<b>\$ 11,929.2</b>

## 2021 Project Funding:

- ❖ WWTP Reclaimed Tank and Comprehensive Plan are 100% grant funded
- ❖ All other Sewer projects are funded by Sewer Fund revenue

# Storm Drainage Capital Plan

In Thousands							
Project	2021	2022	2023	2024	2025	2026	Total
Maintenance Facility Expansion	\$ 15.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15.0
Pavement Maintenance Program	20.0	20.0	20.0	20.0	20.0	20.0	120.0
2nd & Birch Hosue Removal and Creek Restoration	-	30.0	-	-	-	-	30.0
Master Plan Update & Adoption of Capacity Charges	-	60.0	60.0	-	-	-	120.0
Western Gateway Schedule A	-	142.5	142.5	-	-	-	285.0
Canyon Creek WQ and Flood Reduction	-	20.0	-	-	-	-	20.0
North 3rd Stret & Laurel Pipe Upgrade	-	10.0	-	-	-	-	10.0
West Franklin Street Drainage Improvements	-	-	15.0	-	-	-	15.0
Wallace Kneeland Roundabout #1 and #2	-	-	-	200.0	-	200.0	400.0
Western Gateway Schedule C	-	-	-	-	250.0	-	250.0
<b>Total Expense</b>	<b>\$ 35.0</b>	<b>\$ 282.5</b>	<b>\$ 237.5</b>	<b>\$ 220.0</b>	<b>\$ 270.0</b>	<b>\$ 220.0</b>	<b>\$ 1,265.0</b>
Resourc(s)	2021	2022	2023	2024	2025	2026	Total
Storm Rates	\$ 35.0	\$ 282.5	\$ 237.5	\$ 220.0	\$ 270.0	\$ 220.0	\$ 1,265.0
Unidentified / Funding Gap	-	-	-	-	-	-	-
<b>Total Resource(s)</b>	<b>\$ 35.0</b>	<b>\$ 282.5</b>	<b>\$ 237.5</b>	<b>\$ 220.0</b>	<b>\$ 270.0</b>	<b>\$ 220.0</b>	<b>\$ 1,265.0</b>

## 2021 Project Funding:

- ❖ All Storm Drainage Fund projects are funded through Storm Fund revenue

## Equipment Maintenance & Rental

In Thousands							
Project	2021	2022	2023	2024	2025	2026	Total
Vacuum Style Street Sweeper	\$ 315.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 315.0
Vehicle Code Reader	12.5	-	-	-	-	-	12.5
New Shop Welder	10.0	-	-	-	-	-	10.0
Maintenance Facility Expansion	90.0	-	-	-	-	-	90.0
Sidewalk Grinder	-	8.0	-	-	-	-	8.0
Small Road Grader	-	240.0	-	-	-	-	240.0
Fuel Trailer	-	15.0	-	-	-	-	15.0
Patch Machine	-	50.0	-	-	-	-	50.0
Small Backhoe	-	-	150.0	-	-	-	150.0
Forklift	-	-	35.0	-	-	-	35.0
10 Yard Dump Truck	-	-	220.0	-	-	-	220.0
5 Yard Dump Truck	-	-	-	150.0	-	-	150.0
Sludge Truck	-	-	-	200.0	-	-	200.0
Air Compressor Trailer	-	-	-	20.0	-	-	20.0
Pickup replacements	-	-	-	-	120.0	120.0	240.0
Pool and Engineering car replacements	-	-	-	-	25.0	40.0	65.0
City Shop Unleaded and Diesel Fuel Tank Upgrades	-	-	-	-	80.0	80.0	160.0
<b>Total Expense</b>	<b>\$ 427.5</b>	<b>\$ 313.0</b>	<b>\$ 405.0</b>	<b>\$ 370.0</b>	<b>\$ 225.0</b>	<b>\$ 240.0</b>	<b>\$ 1,980.5</b>
Resourc(s)	2021	2022	2023	2024	2025	2026	Total
EM&R Rates	\$ 427.5	\$ 313.0	\$ 405.0	\$ 370.0	\$ 225.0	\$ 240.0	\$ 1,980.5
Unidentified / Funding Gap	-	-	-	-	-	-	-
<b>Total Resource(s)</b>	<b>\$ 427.5</b>	<b>\$ 313.0</b>	<b>\$ 405.0</b>	<b>\$ 370.0</b>	<b>\$ 225.0</b>	<b>\$ 240.0</b>	<b>\$ 1,980.5</b>

### 2021 Project Funding:

- ❖ All capital purchases and projects are funded through EM&R rate revenue



# Transportation Capital Plan

In Thousands							
Project	2021	2022	2023	2024	2025	2026	Total
Maintenance Facility Expansion	\$ 180.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 180.0
Western Gateway Phase A - Railroad Avenue	172.3	2,820.1	555.5	-	-	-	3,547.9
Pavement Maintenance Program	540.0	400.0	400.0	400.0	400.0	400.0	2,540.0
Access Shelton Phase III-A	-	202.0	65.0	2,469.0	-	-	2,736.0
Access Shelton Phase III-B	-	200.0	2,820.0	-	-	-	3,020.0
Western Gateway Phase B - 7th Street	-	56.3	637.5	-	-	-	693.8
Non-Motorized Plan	-	60.0	-	-	-	-	60.0
Signage Improvement Plan	-	25.0	25.0	25.0	25.0	25.0	125.0
Guardrail Replacement	-	83.3	83.3	83.3	83.3	83.3	416.7
Pedestrian Crossing Improvements	-	25.0	25.0	25.0	25.0	25.0	125.0
Sidewalk Replacement Program	-	30.0	30.0	30.0	30.0	30.0	150.0
Access Shelton Phase V, Brockdale Road	-	-	225.0	1,275.0	-	-	1,500.0
Olympic Highway North	-	-	270.0	1,530.0	-	-	1,800.0
Access Shelton Phase VI, Olympic Highway North	-	-	600.0	3,400.0	-	-	4,000.0
Western Gateway Phase C - West Downtown	-	-	-	300.0	1,700.0	-	2,000.0
North Shelton Interchange Upgrade	-	-	-	-	480.0	2,720.0	3,200.0
Railroad Avenue	-	-	-	-	600.0	3,400.0	4,000.0
Cota Street	-	-	-	-	300.0	1,700.0	2,000.0
Turner Avenue	-	-	-	-	150.0	850.0	1,000.0
Park Street	-	-	-	-	300.0	1,700.0	2,000.0
Angleside Road / 7th Street	-	-	-	-	525.0	2,475.0	3,000.0
Railroad Avenue	-	-	-	-	300.0	1,700.0	2,000.0
<b>Total Expense</b>	<b>\$ 892.3</b>	<b>\$ 3,901.7</b>	<b>\$ 5,736.3</b>	<b>\$ 9,537.3</b>	<b>\$ 4,918.3</b>	<b>\$ 15,108.3</b>	<b>\$ 40,094.3</b>
Resourc(s)	2021	2022	2023	2024	2025	2026	Total
Transportation / Capital Resources	\$ 832.3	\$ 800.0	\$ 800.0	\$ 800.0	\$ 800.0	\$ 800.0	\$ 4,832.3
General Fund	60.0	-	-	-	-	-	60.0
Grant	-	2,761.7	4,498.5	5,839.5	3,747.5	12,597.5	29,444.7
Unidentified / Funding Gap	-	340.0	437.8	2,897.8	370.8	1,710.8	5,757.3
<b>Total Resource(s)</b>	<b>\$ 892.3</b>	<b>\$ 3,901.7</b>	<b>\$ 5,736.3</b>	<b>\$ 9,537.3</b>	<b>\$ 4,918.3</b>	<b>\$ 15,108.3</b>	<b>\$ 40,094.3</b>

## 2021 Project Funding:

- ❖ Maintenance Facility Expansion: \$120,000 Street/Capital Resources & \$60,000 General Fund
- ❖ Western Gateway: Street funded
- ❖ Pavement Maintenance Program: Transportation Benefit District Sales Tax (\$400,000 from 2021 revenue and \$140,000 from previous year revenue in the Capital Resource Fund)

## BUDGET PROCESS

Budgets serve as control mechanisms in the operations of government units. Legal budgetary (expenditure) control in the City of Shelton is maintained at the fund level. Administration can amend budgets where there is no overall expenditure increase within the fund to meet unforeseen changes to the adopted budget. Supplemental appropriations that amend the total expenditure within a fund or funds, or amend working capital in the case of Proprietary Funds, require an Ordinance be adopted by the City Council. All operating budgets lapse at fiscal year-end (December 31<sup>st</sup>). Though budgetary control is at the fund level, budget and actual

information for cost accounting purposes is maintained by department/division, project, program, organization unit, and/or object level.

For all funds, the City considers restricted amounts to have been spent first when expenditures are incurred for purposes for which both restricted and unrestricted resources are available. When expenditures occur of unrestricted monies, unassigned resources are always considered the last monies to be included after all other qualified resources have been exhausted.

The City must adopt its budget prior to the ensuing fiscal year. This usually occurs in December following several months of analysis by the City Council and staff. The first step in the budget process is the establishment of the baseline budget required to carry existing programs into the next year. The next step involves the development of issues impacting, generally financially, the next fiscal year and beyond as well as establishing budget priorities through the City Council. The emphasis of this process is generally placed on the General Fund and to a lesser extent Special Revenue Funds as the operation of other funds are tied to Ordinances, contractual agreements, or separately established rate structures. Once the baseline operations have been reviewed and adjusted based on administrative policy, program expansion (or contraction) is decided upon largely based on the level of projected resources available after the establishment of sufficient fund balances.

After the City Manager's proposed budget is prepared, the City Council spends approximately eight to ten weeks reviewing the budget submittal. Public meetings are held for Council to gather input from residents and businesses before they make their final decisions on the budget. When the City Council has finished their review and any final adjustments are completed a balanced budget, as required by state law, is adopted by the City Council through Ordinance.

## BUDGETING GUIDING PRINCIPLES

The City of Shelton is in process of a major policy update, which includes many policies which will update the City's budgeting and financial processes to meet best practices. The City made a deliberate decision to implement these budget and financial policy changes or updates during the 2020 budget process, and the adopted budget reflects those coming changes.

The budget process is part of an overall policy framework that guides the services and functions of the City. The budget process is the vehicle the City Council uses to allocate resources to City programs to implement the City's overall goals and priorities.

### REVENUE POLICIES

**Conservative Revenue Budgeting:** The City will budget revenue sources in a realistic, yet conservative, manner to help provide reasonable assurance that actual revenue will be equal or greater than budgeted revenue, overall.

**User Charges and Fees:** The City will review charges and fees for service on a periodic basis and will modify charges to maintain balance with increasing costs of providing services.

**User Charges & Taxes Related to Market Rates:** The City will consider its user charges, fees, and tax rates in connection with those of neighboring entities and other governments of similar size and city populations to help attract business and residences to the City.

**Timely Reimbursement:** Many of the grants the City receives are reimbursement based, meaning the City must expend the funds for qualified expenses and then request reimbursement from the grantor. The City will request reimbursement on a timely basis to maximize the City's cash balances and funds available for investment.

**Aggressive Collection Effort:** The City will follow an aggressive policy of collecting all monies due to the City to the extent that the collection effort remains cost effective.

## EXPENDITURE POLICIES

**Structurally Balanced Budget:** The City will strive to adopt a budget in which ongoing revenues equal or exceed ongoing expenses. One-time revenue, including fund balance, should not be used to pay for ongoing or recurring costs.

**Conservative Expenditure Budgeting:** The City will budget for expenses in a realistic, yet conservative, manner to help provide reasonable assurance that actual expenses will be equal to or less than budget. The budget will be built so that on-going expenditures are equal or less than on-going budgeted revenue.

**Program Review:** The City Manager shall perform a periodic review of staff and programs of the City for both efficiency and effectiveness. The review will include evaluating alternate methods of service delivery. Programs that are determined to be inefficient, ineffective, or inconsistent with the City Council's strategic goals shall be reduced or discontinued.

**Maintenance and Operation Planning:** Maintenance of current assets shall take priority over new capital projects whenever possible. The City Council shall ensure that there are stable sources of revenue to fund on-going maintenance needs. Before any new capital asset is approved, staff shall present an estimate of the life cycle and annual on-going maintenance costs. The City Council shall not approve of new capital projects unless there is funding for the on-going cost of maintenance for the asset.

**Self-Supporting Proprietary Funds:** The City's Utility Funds, Water, Sewer, Storm Drainage, and Solid Waste as well as the City's Internal Service Funds, Payroll Benefits and Equipment Maintenance and Rental, will be self-supporting. The costs for providing these services is expected to be fully funded from user fees and charges for the service. If these funds produce a loss, both expenditure reductions and user fee rates will be evaluated and adjusted to achieve, at a minimum, a break-even bottom line.

**Capital Improvement Plan:** The City will update its six-year capital facilities plan on an annual basis as required by the Growth Management Act. A preliminary plan will be established early in the budget process to serve as a guideline during budget development and the capital plan will be included in the annual budget.

## FUND BALANCE RESERVE

Key concepts of the City's Fund Balance Policy are outlined below. The Fund Balance policy will be considered by the City Council in Spring 2020. The objective of the policy is to provide guidance for the establishment and continued maintenance of fund balances and the conditions under which these reserves may be used.

**Targeted Fund Balances:** Adequate fund balances are maintained to allow the City to continue providing services to the community in case of unexpected emergencies, unfunded mandates,

and/or economic downturns. Fund balances may also be used to meet seasonal cash flow shortages as necessary. The targeted fund balance levels for key funds are as follows:

- ✓ General Fund – 16% of current-year budgeted expenses
- ✓ Street Fund – 16% of current-year budgeted expenses
- ✓ Utility Funds – 20% of current-year budgeted expenses

**General Fund:** The City will strive to maintain a General Fund operating reserve with an upper goal of 16% of the adopted current-year General Fund expenditures, less any one-time items. The intent is to limit the use of unassigned General Fund balances to addressing unanticipated, non-recurring needs or known and planned future obligations. Fund balances shall not normally be applied to recurring annual operating expenditures. Unassigned balances may, however, be used to allow time for the City to restructure its operations in a deliberate manner, but such use will only take place in the context of long-term financial planning. Any use of fund reserves that reduces the balance below goal amount must include a repayment/replenishment plan.

General Fund reserves in excess of the 16% target may be considered to supplement “pay as you go” capital outlay and other one-time expenditures. These funds may not be used to establish or support costs that are recurring in nature. Unless otherwise noted, all parameters of use of General Fund balance are also applied to all other fund balances.

**Funding Reserves:** Funding of reserve targets will generally come from excess revenues over expenses or from one-time revenues.

**Excess Reserves:** Reserves for specific funds are restricted for the activities of that fund, with the exception of the General Fund, which can be used for any good governmental purpose. In the event fund reserves exceed the target balance at the end of a fiscal year, those excess reserves may be used in the following ways:

- ✓ Fund future liabilities. Priority will be given to those items that relieve budget or financial operating pressure in future periods.
- ✓ Appropriated to lower the amount of bonds or contributions needed to fund capital projects in the City’s Capital Improvement Program.
- ✓ Fund one-time expenses that do not increase recurring operating costs and that cannot be funded through current revenues. Emphasis will be placed on one-time uses that reduce future operating costs.
- ✓ Fund start-up expenses for new programs, provided that such action is approved by the City Council and is considered in the context of multi-year projections of revenue and expenses approved by the City’s Finance Department.

## DEBT POLICY

Key concepts of the City’s Debt Policy are outlined below. The Debt policy will be considered by the City Council in Spring 2020. The objective of this policy is to provide general guidance for the issuance and management of all City debt. The City issues debt in accordance with the Revised Code of Washington (RCW), in particular chapters 39.36, 39.46, and 39.53, along with all other City, State, and federal laws, rules, and regulations.

**Debt Issuance:** The City will only utilize debt financing to fund capital improvement projects that cannot be reasonably funded on a pay-as-you-go basis. All City projects proposed to be financed through debt must have a full analysis of a) alternative methods of financing the

project, b) future operating and maintenance costs, including debt service expense, associated with the project, c) projected cash inflows which can reasonably be applied to reduce the amount being financed, and d) projected cash outflows for construction/equipment in order to ensure arbitrage compliance.

The City will, unless otherwise justified, use tax-exempt bond proceeds within the established time frame pursuant to the bond ordinance, contract, or other document to avoid arbitrage. The City will maintain a system of recordkeeping and reporting to meet the arbitrage rebate compliance requirement of the IRS (Internal Revenue Service, IRC 148) regulation. The City will repay principal plus interest in accordance with the payment terms of the bond or contract. Furthermore, the City will comply with all bond or contract covenants. This includes, but is not limited to, any undertakings to provide ongoing disclosure and notice of certain listed events under SEC (Securities and Exchange Commission) Rule 15C2-12.

Debt cannot be issued for a longer maturity than a conservatively estimated useful life of the asset to be financed.

The City will maintain good communications with bond rating agencies and investors about its fiscal condition. The City will provide full disclosure on financial reports and in disclosure documents.

**Short-term debt:** The City may use short-term debt, defined as a period not to exceed three years, to fund cash flow needs, which may be caused by a delay in receipting tax revenues or issuing long-term debt. The City will not issue short-term debt for current operations.

The City may issue interfund loans rather than issuing outside debt to meet short-term cash flow needs. The issuance of an interfund loan will be permissible only after an analysis of the loaning fund(s) indicate(s) that excess funds are available and the use of these funds will not impact the loaning fund(s) current operations or constitute a permanent diversion of funds. All interfund borrowing will bear interest based upon at least the prevailing LGIP (Local Government Investment Pool) rate.

The City's Finance Director has the authority to approve short-term interfund loans for a period not to exceed three calendar months. The City Manager has the authority to approve loans for a period not to exceed 12 calendar months. The Finance Director shall notify the City Council of any use of directorial or managerial approved loans at the first reasonable opportunity.

**Long-term debt:** The City will issue long-term debt, defined as a period of time greater than three years, for capital projects, which cannot reasonably be financed on a pay-as-you-go funding strategy from anticipated cash flows. Acceptable uses of bond proceeds are one-time capital projects that can be capitalized and depreciated in accordance with the City's accounting principles. Refunding debt is also an acceptable use.

The City may issue interfund loans rather than issuing outside debt instruments as a means of financing capital improvements. The issuance of an interfund loan will be permissible only after an analysis of the loaning fund(s) indicate that excess funds are available and the use of these funds will not impact the loaning fund(s) current operations or constitute a permanent diversion of funds. All interfund borrowing will bear interest based upon at least the prevailing LGIP (Local Government Investment Pool) rate.

The decision to use an interfund loan rather than outside debt to fund capital projects will be based on which is deemed to be the most cost effective approach to meet City capital needs. The City's Finance Department is responsible for making such an assessment.

The City will not issue long-term debt for current operational needs.

**Debt Issuance Process:** The Finance Director will determine the method of sale best suited for each issue of debt (competitive sale, negotiated sale, or private placement).

The Finance Director and bond counsel will coordinate their activities and review all debt issuance to ensure that all securities are issued in compliance with state and federal legal and regulatory requirements by the State and the Federal Government's laws, rules and regulations.

For each issue, the City will evaluate the costs and benefits of bond insurance or other credit enhancements. Any credit enhancement purchases by the City must be competitively procured.

## INVESTMENT POLICY

Key concepts of the City's Investment Policy are outlined below. The Investment policy will be considered by the City Council in Spring 2020. The purpose of the Investment Policy is to establish the investment objectives, delegation of authority, standards of prudence, eligible investments and transactions, internal controls, reporting requirements and custodial procedures necessary for the prudent management and investment of the funds of the city.

**Scope:** The city commingles its funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping, and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles. The city maintains the right to separate certain funds and exclude them from the scope of this policy. Investment funds may include:

- ✓ General Fund
- ✓ Special Revenue Funds
- ✓ Debt Service Funds
- ✓ Capital Project Funds
- ✓ Enterprise Funds
- ✓ Internal Services Funds
- ✓ Any new fund created by the city council, unless specifically exempted

**Objectives:** The primary objectives, in priority order, of the city's investment activities shall be safety, liquidity, and return on investment.

- ✓ **Safety.** Safety of principal is the foremost objective of the city's investment policy. City investments shall be made in a manner that seeks to ensure the preservation of capital in the overall portfolio.
- ✓ **Liquidity.** The city's investment portfolio will remain sufficiently liquid to enable the city to meet all reasonably anticipated operating requirements. This will be accomplished by either maintaining a portion of the portfolio in investment vehicles offering daily liquidity at face value, such as the Washington State Local Government Investment Pool (LGIP) or structuring the portfolio so that securities mature concurrently with cash needs to



- meet anticipated demands. Because all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets.
- ✓ **Return on investment.** The city's investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the city's investment risk constraints, the cash flow characteristics of the portfolio, and earnings relative to the State of Washington LGIP. Return on investment is of lesser importance compared to the safety and liquidity objectives described above.

**Standards of care and ethics:** The standard of care to be used by investment officials shall be the "Prudent Person" standard and shall be applied in the context of managing an overall portfolio under prevailing economic conditions at the moment of investment commitments. Investment officers acting in accordance with written procedures and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are timely reported and appropriate action is taken to control adverse developments.

The "Prudent Person" standard requires that investments be made with judgment and care, under circumstances then prevailing, that a person of prudence, discretion and intelligence would exercise in the management of his or her own affairs, not for speculation, but for investment, considering the probable safety of capital as well as the probable income to be derived.

Investment officials will recognize that the investment portfolio is subject to public review and evaluation. The overall program will be designed and managed with a degree of professionalism that is worthy of the public trust.

**Delegation of authority and responsibilities:** The city council, as the governing body will retain ultimate fiduciary responsibility for the portfolio. The city council will receive quarterly reports, designate an investment officer, and review and adopt any changes to the investment policy.

The Finance Director (or their designee) is the Investment Officer of the city. No person may initiate investment transactions on behalf of the Investment Officer without the express written consent of the Investment Officer. The Finance Director shall be responsible for oversight of the investment program and shall help establish the investment strategies applicable to all investments of funds held by or belonging to the city, its agencies and departments.

The city may engage the services of an external investment advisor to assist in the management of the city's investment portfolio in a manner consistent with the city's objectives. Such external advisors may be granted non-discretionary authority to purchase and sell investment securities in accordance with this Investment Policy.

**Authorized Investments:** The City is authorized to invest in various securities including, LGIP, US Treasury Obligations, Government Sponsored Enterprises (GSE's) securities, Repurchase Agreements, Bankers Acceptance, Commercial Paper, Certificates of Deposit/Bank Deposits/Savings, Bonds of the State of Washington, General Obligation Bonds of Other States, Corporate Notes, and Supranational Bonds,

**Diversification:** The City will diversify its investment portfolio by institution, type of investment security, and years to maturity to avoid over-concentration in any of these areas to reduce overall portfolio risks.

**Maturities:** The City will invest in securities with maturity dates five years or less from the date of purchase, with the exception if the investment is made to coincide as nearly as practicable with the expected use of the funds. The maximum weighted average maturity of the total portfolio shall not exceed three years. Liquidity funds will be held in the LGIP, bank deposits, or in short-term instruments maturing six months or less.

## BUDGET CALENDAR

<u>Date</u>	<u>Activity</u>
23-Jun	OpenGov Budget Builder training
25-Jun	2021 budget instance open to users
30-Jun	Current labor allocations to users
1-Jul	Supplemental form and instructions to users
14-Jul	June YTD actuals to departments for estimate process
17-Jul	Labor costs updated for current CPI and benefit cost increases
28-Jul	2020 Year-End estimates due to finance for upload
5-Aug	2021 Base Budget and Supplementals due to finance
Week of Aug 10	Department meetings with finance
Week of Aug 17	Department meetings with CM and finance
12-Aug	Leadership Team supplemental meeting
18-Aug	Council Study Session
28-Aug	CM preliminary budget decisions
2-Sep	Preliminary decisions to Leadership Team
3-Sep	Court of Last Resort, if needed
4-Sep	CM final budget decisions
15-Sep	Council Study Session
September	Proposed budget created
6-Oct	Proposed budget presentation to Council
Oct/Nov	Council consideration of budget
Dec	Council adopts 2021 budget



## GENERAL FUND SUMMARY

	2019 Actual	2020 Budget	2020 YE Estimate	2021 Proposed Budget	\$ Change 21 - 20	% Change 21 - 20
Beginning Fund Balance	3,248,251	3,299,487	3,299,487	3,336,439		

## FUNDING SOURCES

Taxes	8,462,779	7,878,350	8,431,200	8,531,110	652,760	8.3%
Licenses & Permits	355,352	319,600	276,740	285,100	(34,500)	-10.8%
Intergovernmental Revenue	741,394	420,520	426,570	423,520	3,000	0.7%
Charges for Goods/Service	2,881,716	3,393,670	2,713,940	2,818,140	(575,530)	-17.0%
Fines & Penalties	121,146	105,300	58,550	102,300	(3,000)	-2.8%
Miscellaneous Revenue	239,596	173,250	192,150	123,750	(49,500)	-28.6%
Other Increase in Fund Balance	352	-	-	-		
Other Financing Sources	43,837	-	-	-		
<b>Total Revenues</b>	<b>12,846,171</b>	<b>12,290,690</b>	<b>12,099,150</b>	<b>12,283,920</b>	<b>(6,770)</b>	<b>-0.1%</b>

## EXPENDITURES BY DEPARTMENT

<b>Administrative Services</b>						
Human Resources	244,553	262,000	267,516	271,530	9,530	3.6%
Information Technology	234,709	289,130	294,851	245,870	(43,260)	-15.0%
Risk Management	189,897	219,960	219,840	225,360	5,400	2.5%
<b>City Clerk</b>	<b>37,837</b>	<b>111,770</b>	<b>67,642</b>	<b>215,480</b>	<b>103,710</b>	<b>92.8%</b>
<b>City Council</b>	<b>231,757</b>	<b>167,050</b>	<b>148,325</b>	<b>100,630</b>	<b>(66,420)</b>	<b>-39.8%</b>
<b>City Manager</b>						
City Manager	381,449	628,000	419,201	399,340	(228,660)	-36.4%
Legal	392,309	445,460	421,048	456,580	11,120	2.5%
Detention & Corrections	365,356	404,070	370,520	414,170	10,100	2.5%
<b>Community Dev, Parks, Facilities</b>						
Civic Center Activities	47,014	63,760	47,947	68,210	4,450	7.0%
Community Development	523,664	535,520	533,885	558,860	23,340	4.4%
Facility Services	563,586	514,830	536,854	542,600	27,770	5.4%
Parks & Recreation	410,472	557,750	402,590	575,450	17,700	3.2%
<b>Finance</b>	<b>933,224</b>	<b>1,068,890</b>	<b>980,965</b>	<b>1,035,070</b>	<b>(33,820)</b>	<b>-3.2%</b>
<b>Fire &amp; Emergency Services</b>	<b>1,447,313</b>	<b>1,498,880</b>	<b>1,512,125</b>	<b>1,501,250</b>	<b>2,370</b>	<b>0.2%</b>
<b>Municipal Court</b>						
Community Restitution	95,788	116,290	107,665	122,390	6,100	5.2%
Court Services	366,503	420,350	410,582	446,060	25,710	6.1%
<b>Non-Departmental</b>	<b>2,519,557</b>	<b>1,212,580</b>	<b>1,278,973</b>	<b>1,054,290</b>	<b>(158,290)</b>	<b>-13.1%</b>
<b>Police</b>	<b>3,072,032</b>	<b>3,124,110</b>	<b>3,332,761</b>	<b>3,422,280</b>	<b>298,170</b>	<b>9.5%</b>
<b>Public Works</b>	<b>737,915</b>	<b>650,290</b>	<b>708,907</b>	<b>628,500</b>	<b>(21,790)</b>	<b>-3.4%</b>
<b>Total Expenditures</b>	<b>12,794,935</b>	<b>12,290,690</b>	<b>12,062,198</b>	<b>12,283,920</b>	<b>(6,770)</b>	<b>-0.1%</b>

Ending Fund Balance	3,299,487	3,299,487	3,336,439	3,336,439		
Change in Fund Balance	51,236	-	36,952	-		

GENERAL FUND

GENERAL FUND REVENUE SUMMARY

	2019 Actual	2020 Budget	2020 YE Estimate	2021 Proposed Budget	\$ Change 21 - 20	% Change 21 - 20
Excise Taxes in Lieu of Property Tax	9,269	12,720	2,600	5,220	(7,500)	-59.0%
Business and Occupation Taxes	2,695,099	2,563,950	3,085,000	3,126,040	562,090	21.9%
Property Tax	2,394,874	2,436,950	2,480,000	2,528,810	91,860	3.8%
Retail Sales and Use Taxes	3,363,536	2,864,730	2,863,600	2,871,040	6,310	0.2%
Business Licenses and Permits	175,887	172,100	171,600	172,100	-	0.0%
Non-Business Licenses and Permits	179,465	147,500	105,140	113,000	(34,500)	-23.4%
State Shared Revenues, Entitlements and						
Impact Payments	676,322	394,520	397,330	397,520	3,000	0.8%
Federal Direct Grants	2,660	1,000	1,990	1,000	-	0.0%
State Grants	53,398	25,000	25,000	25,000	-	0.0%
General Government	2,040,307	2,526,970	2,377,550	2,267,640	(259,330)	-10.3%
Public Safety	367,702	378,100	66,200	84,400	(293,700)	-77.7%
Utilities	72,434	85,000	-	85,000	-	0.0%
Culture and Recreation	445,070	427,000	290,040	409,500	(17,500)	-4.1%
Non-Court Fines and Penalties	4,004	6,000	1,500	3,000	(3,000)	-50.0%
Civil Parking Infraction Penalties	530	100	-	100	-	0.0%
Criminal Non-Traffic Fines	11,551	12,500	3,900	7,500	(5,000)	-40.0%
Civil Infraction Penalties	68,765	60,700	35,400	60,700	-	0.0%
Rents and Leases	91,605	85,750	88,670	68,250	(17,500)	-20.4%
Interest and Other Earnings	96,309	82,500	41,400	52,500	(30,000)	-36.4%
Contributions and Donations from						
Nongovernmental Sources	47,653	2,000	51,500	-	(2,000)	-100.0%
Other	49,731	5,600	9,210	5,600	-	0.0%
<b>Total Revenues</b>	<b>12,846,171</b>	<b>12,290,690</b>	<b>12,097,630</b>	<b>12,283,920</b>	<b>(6,770)</b>	<b>-0.1%</b>

## MISSION STATEMENT

Taking care of the people who take care of Shelton.

## DEPARTMENT SUMMARY

The City of Shelton Administrative Services Department includes the functions of Human Resources, Risk Management, Payroll, and Information Technology. The department endeavors to promote an equitable and engaging work environment so employees can do their best work and make a difference for the people and community we serve. The Department focuses on providing high quality services to all City employees and departments and works collaboratively with department leaders to align policies, practices, and programs citywide to fulfill the vision of workforce equity and excellence.

## BUDGET HIGHLIGHTS

The Administrative Services Department was formally created as part of the 2020 budget and includes the budgets and functions of the Human Resources and Information Technology departments. The budget decreases by \$28,330 or 3.7% from the 2020 budget. The 2021 Proposed includes a reduction of 1FTE in the Information Technology department in response to COVID-19 revenue generation which is offset somewhat by an increase in professional services. Other changes are attributed to inflationary increases for services as well as COLA adjustments to salary and rate changes for benefit it costs.

## ADMINISTRATIVE SERVICES

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
--	----------------	----------------	------------------	------------------	----------------------	---------------------

### FUNDING SOURCES

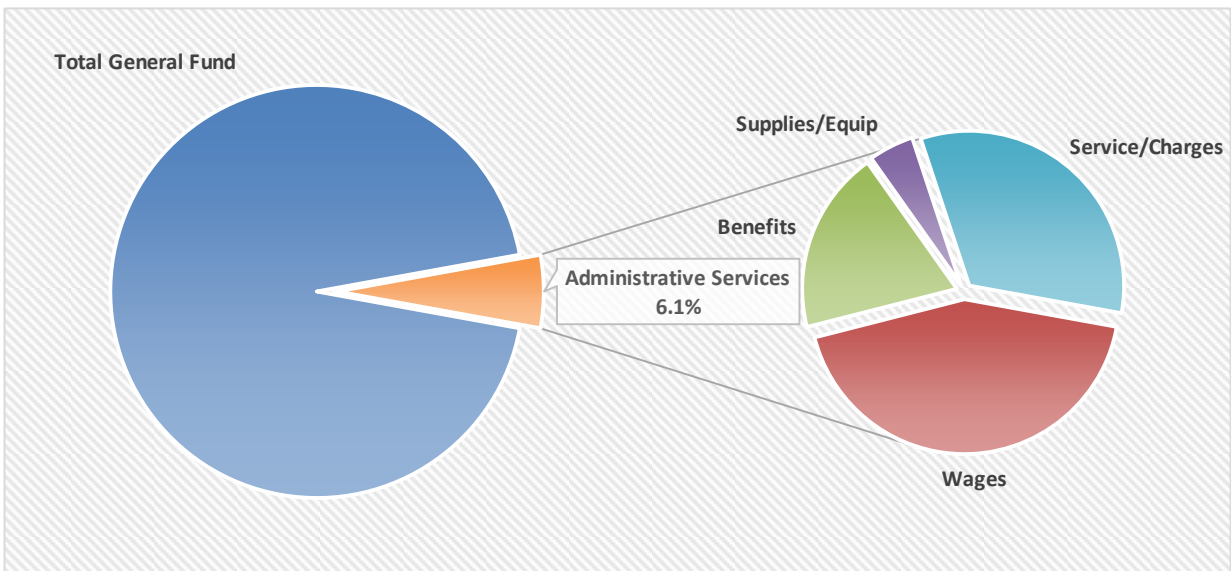
<b>General Fund Resources</b>	669,158	771,090	782,207	742,760	(28,330)	-3.7%
-------------------------------	---------	---------	---------	---------	----------	-------

### EXPENDITURES BY DIVISION

Human Resources	244,553	262,000	267,516	271,530	9,530	3.6%
Information Technology	234,709	289,130	294,851	245,870	(43,260)	-15.0%
Risk Management	189,897	219,960	219,840	225,360	5,400	2.5%
<b>Total Expenditures</b>	<b>669,158</b>	<b>771,090</b>	<b>782,207</b>	<b>742,760</b>	<b>(28,330)</b>	<b>-3.7%</b>

## EXPENDITURES BY CATEGORY

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
Wages	346,880	387,150	377,632	320,730	(66,420)	-17.2%
Benefits	129,050	154,340	154,190	142,260	(12,080)	-7.8%
Supplies/Equip	10,763	35,150	34,835	35,150	-	0.0%
Service/Charges	182,464	194,450	215,550	244,620	50,170	25.8%
<b>Total Expenditures</b>	<b>669,158</b>	<b>771,090</b>	<b>782,207</b>	<b>742,760</b>	<b>(28,330)</b>	<b>-3.7%</b>



## STAFFING

	2018 Actual	2019 Actual	2020 Budget	2021 Proposed
Administrative Director	-	-	1.00	1.00
Human Resources Manager	-	1.00	-	-
Information Technology Manager	-	1.00	1.00	1.00
Network IT Technician	-	1.00	1.00	-
Human Resources Analyst	-	1.00	1.00	1.00
Payroll & Benefits Coordinator	-	1.00	1.00	-
Human Resources Technician	-	-	-	1.00
<b>Total Administrative Services</b>		<b>5.00</b>	<b>5.00</b>	<b>4.00</b>

As of 2019 IT and HR positions are accounted for in the Administrative Services Department

## EXPENDITURE DETAILS

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
<b>Human Resources</b>						
Salary/Wages	154,106	155,970	155,970	157,560	1,590	1.0%
Personnel Benefits	56,982	68,890	68,890	73,660	4,770	6.9%
Office & Operating Supplies	5,504	5,150	4,800	5,150	-	
Small Tools & Equipment	1,878	-	-	-	-	
Professional Services	8,202	28,030	22,793	27,000	(1,030)	-3.7%
Communication	1,073	-	1,200	-	-	
Travel	8,397	1,950	1,200	3,900	1,950	100.0%
Taxes/Assessments	-	-	64	-	-	
Rent/Lease	212	100	1,291	-	(100)	-100.0%
Insurance	-	-	5,824	-	-	
Training and Other Charges	8,093	1,800	5,369	4,150	2,350	130.6%
Gas, Oil, & Fuel	26	20	20	20	-	
Repair/Maintenance	79	90	95	90	-	
<b>Human Resources Total</b>	<b>244,553</b>	<b>262,000</b>	<b>267,516</b>	<b>271,530</b>	<b>9,530</b>	<b>3.6%</b>
<b>Information Technology</b>						
Salary/Wages	151,243	173,000	173,000	105,320	(67,680)	-39.1%
Personnel Benefits	55,020	62,260	62,260	39,680	(22,580)	-36.3%
Office & Operating Supplies	483	1,030	1,030	1,030	-	
Small Tools & Equipment	2,839	28,840	28,840	28,840	-	
Professional Services	-	-	-	47,000	47,000	100.0%
Communication	4,104	4,120	4,120	4,120	-	
Rent/Lease	484	410	410	410	-	
Insurance	-	-	5,715	-	-	
Training and Other Charges	97	1,030	1,030	1,030	-	
Repair/Maintenance	20,405	18,430	18,436	18,430	-	
Gas, Oil, & Fuel	33	10	10	10	-	
<b>Information Technology Total</b>	<b>234,709</b>	<b>289,130</b>	<b>294,851</b>	<b>245,870</b>	<b>(43,260)</b>	<b>-15.0%</b>
<b>Risk Management</b>						
Salary/Wages	41,531	58,180	48,662	57,850	(330)	-0.6%
Personnel Benefits	17,049	23,190	23,040	28,920	5,730	24.7%
Office & Operating Supplies	-	100	135	100	-	
Travel	540	310	133	310	-	
Insurance	130,777	138,180	138,180	138,180	-	
Training and Other Charges	-	-	9,690	-	-	
<b>Risk Management Total</b>	<b>189,897</b>	<b>219,960</b>	<b>219,840</b>	<b>225,360</b>	<b>5,400</b>	<b>2.5%</b>
<b>Total Expenditures</b>	<b>669,158</b>	<b>771,090</b>	<b>782,207</b>	<b>742,760</b>	<b>(28,330)</b>	<b>-3.7%</b>

## MISSION STATEMENT

The City Clerk acts as a liaison between the citizens of Shelton and their local government. The mission of the Clerk's office is to provide information to the public in a transparent, and professional manner. The Clerk's office also provides support to the City Manager and the Council.

## DEPARTMENT SUMMARY

The Clerk's office manages the City's records and archives/retains/destroys records according to Washington State's records and retention schedule. We prepare the agenda and packet for Council meetings, publish legal notices, and codify City ordinances. We handle Special Event Permits and all aspects of the Lodging Tax Advisory Committee. The City Clerk is also the City's Public Records Officer and processes public records requests, (with the exception of the Police Department).

## BUDGET HIGHLIGHTS

This is the first budget where the City Clerk activities are budgeted together. Previously the City Clerk was part of the City Council, City Manager, and Finance Departments budget and actuals. The increase of nearly 93% from the 2020 budget is attributed to budgetary costs for the Clerk in other budgets which could not readily be separated out by account. The City Clerk budget does not consist of any new positions or other increases other than inflationary and rate increases for salary and benefits.

CITY CLERK

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
--	----------------	----------------	------------------	------------------	----------------------	---------------------

FUNDING SOURCES

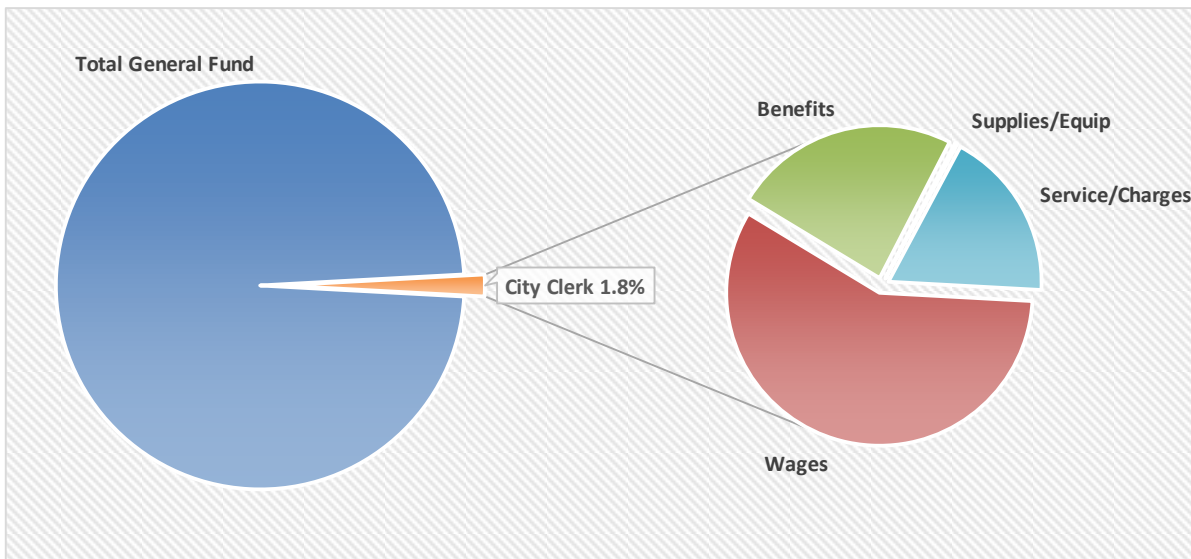
<b>General Fund Resources</b>	<b>37,837</b>	<b>111,770</b>	<b>67,642</b>	<b>215,480</b>	<b>103,710</b>	<b>92.8%</b>
-------------------------------	---------------	----------------	---------------	----------------	----------------	--------------

EXPENDITURES BY DIVISION

City Clerk	2,011	12,570	2,225	116,830	104,260	829.4%
Election Costs	5,651	19,570	20,803	20,060	490	2.5%
Recording Services	30,175	79,630	44,614	78,590	(1,040)	-1.3%
<b>Total Expenditures</b>	<b>37,837</b>	<b>111,770</b>	<b>67,642</b>	<b>215,480</b>	<b>103,710</b>	<b>92.8%</b>

EXPENDITURES BY CATEGORY

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
Wages	16,019	50,510	30,324	124,550	74,040	146.6%
Benefits	10,258	22,610	12,298	51,480	28,870	127.7%
Supplies/Equip	4	520	250	520	-	0.0%
Service/Charges	11,556	38,130	24,770	38,930	800	2.1%
<b>Total Expenditures</b>	<b>37,837</b>	<b>111,770</b>	<b>67,642</b>	<b>215,480</b>	<b>103,710</b>	<b>92.8%</b>





## STAFFING

	2018 Actual	2019 Actual	2020 Budget	2021 Proposed
City Clerk	-	-	-	1.00
Admin Support Assistant	-	-	-	1.00
<b>Total City Clerk</b>				<b>2.00</b>

As of 2021 City Clerk and Admin Support Assistant positions are accounted for in City Clerk Department

## EXPENDITURE DETAILS

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
<b>City Clerk</b>						
Salary/Wages	-	-	-	73,230	73,230	100.0%
Personnel Benefits	-	-	-	30,720	30,720	100.0%
Professional Services	2,011	12,360	2,225	12,670	310	2.5%
Training and Other Charges	-	210	-	210	-	0.0%
<b>City Clerk Total</b>	<b>2,011</b>	<b>12,570</b>	<b>2,225</b>	<b>116,830</b>	<b>104,260</b>	<b>829.4%</b>
<b>Election Costs</b>						
Professional Services	5,651	19,570	20,803	20,060	490	2.5%
<b>Election Costs Total</b>	<b>5,651</b>	<b>19,570</b>	<b>20,803</b>	<b>20,060</b>	<b>490</b>	<b>2.5%</b>
<b>Recording Services</b>						
Salary/Wages	16,019	50,510	30,324	51,320	810	1.6%
Personnel Benefits	10,258	22,610	12,298	20,760	(1,850)	-8.2%
Office & Operating Supplies	4	520	250	520	-	0.0%
Communication	80	-	-	-	-	-
Travel	1,868	4,350	195	4,350	-	0.0%
Rent/Lease	179	330	41	330	-	0.0%
Insurance	144	170	605	170	-	0.0%
Taxes/Assessments	9	-	1	-	-	-
Training and Other Charges	1,615	1,140	900	1,140	-	0.0%
<b>Recording Services Total</b>	<b>30,175</b>	<b>79,630</b>	<b>44,614</b>	<b>78,590</b>	<b>(1,040)</b>	<b>-1.3%</b>
<b>Total Expenditures</b>	<b>37,837</b>	<b>111,770</b>	<b>67,642</b>	<b>215,480</b>	<b>103,710</b>	<b>92.8%</b>

## MISSION STATEMENT

To build a safe, vibrant community for life, work, growth and recreation.

## DEPARTMENT SUMMARY

The City Council members are the elected legislative body that serves and represents the residents of the City of Shelton in the following:

- a) developing and prioritizing strategic issues;
- b) establishing policies and regulations for future growth and development;
- c) adopting the annual budget;
- d) representing the City on regional boards and commissions;
- e) appointing and evaluating performance of the City Manager

## BUDGET HIGHLIGHTS

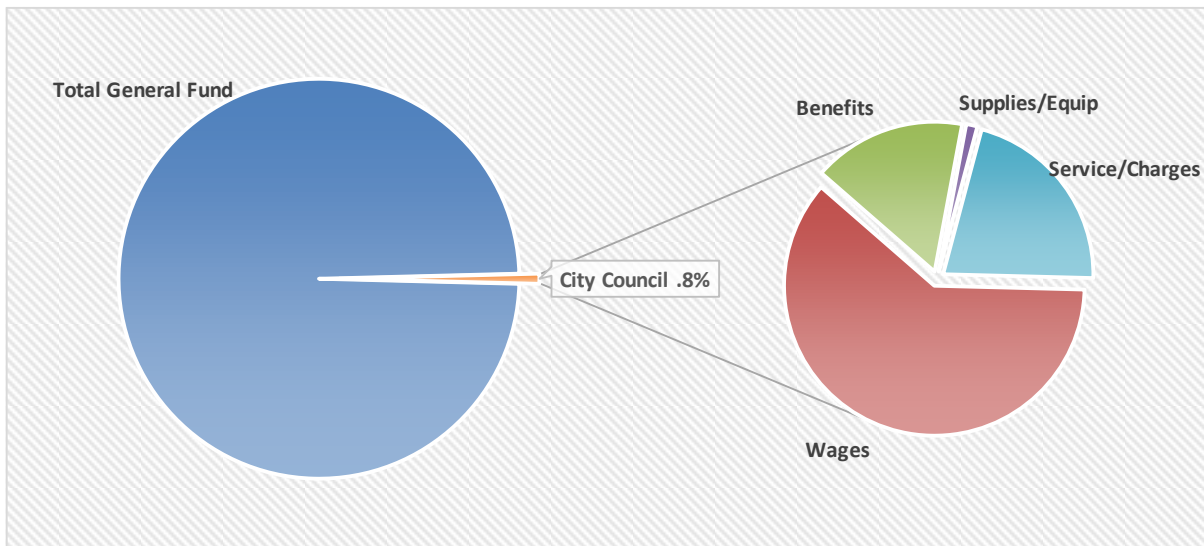
The City Council budget decreases by \$66,420 or 39.8% from the 2020 budget. The decrease is attributable to the removal of City Clerk functions in the City Council budget. The budget includes changes for salary and benefits as well as a small inflationary increase for professional services.

## FUNDING SOURCES

<b>General Fund Resources</b>	<b>231,757</b>	<b>167,050</b>	<b>148,325</b>	<b>100,630</b>	<b>(66,420)</b>	<b>-39.8%</b>
-------------------------------	----------------	----------------	----------------	----------------	-----------------	---------------

## EXPENDITURES BY CATEGORY

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
Wages	139,859	106,910	91,910	61,400	(45,510)	-42.6%
Benefits	70,733	37,910	41,829	16,620	(21,290)	-56.2%
Supplies/Equip	1,608	1,210	1,075	1,210	-	0.0%
Service/Charges	19,557	21,020	13,511	21,400	380	1.8%
<b>Total Expenditures</b>	<b>231,757</b>	<b>167,050</b>	<b>148,325</b>	<b>100,630</b>	<b>(66,420)</b>	<b>-39.8%</b>



## STAFFING

	2018 Actual	2019 Actual	2020 Budget	2021 Proposed
Councilmember (new Council position)	4.00	4.00	4.00	6.00
Councilmember (former Commission)	3.00	3.00	3.00	1.00
City Clerk	0.40	0.40	0.40	-
Admin Support Assistant	0.15	0.40	0.40	-
<b>Total City Council</b>	<b>7.55</b>	<b>7.80</b>	<b>7.80</b>	<b>7.00</b>

## EXPENDITURE DETAILS

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
<b>City Council</b>						
Salary/Wages	139,859	106,910	91,910	61,400	(45,510)	-42.6%
Personnel Benefits	70,733	37,910	41,829	16,620	(21,290)	-56.2%
Office & Operating Supplies	585	1,030	1,000	1,030	-	
Small Tools & Equipment	896	-	-	-	-	
Professional Services	1,448	880	1,152	900	20	2.3%
Communication	4,827	8,240	5,000	8,240	-	
Travel	2,754	9,070	-	7,750	(1,320)	-14.6%
Taxes/Assessments	40	-	-	-	-	
Rent/Lease	2,079	1,800	500	2,000	200	11.1%
Insurance	-	-	5,285	-	-	
Training and Other Charges	8,019	620	1,216	2,100	1,480	238.7%
Gas, Oil, & Fuel	127	180	75	180	-	
Repair/Maintenance	390	410	358	410	-	
<b>City Council Total</b>	<b>231,757</b>	<b>167,050</b>	<b>148,325</b>	<b>100,630</b>	<b>(66,420)</b>	<b>-39.8%</b>

## MISSION STATEMENT

The City Manager is appointed by the City Council as the chief administrative officer for the City of Shelton. The City Manager is responsible to the Mayor and Council for the proper administration of all City business.

## DEPARTMENT SUMMARY

Key objectives include reporting and make recommendations to the Mayor and Council about the needs of the City. Administering and enforcing all City ordinances, resolutions, franchise agreements, leases, contracts, permits, and other City business. Organizing City department and administrative structure. Preparing and administering the annual City budget. Encouraging and supporting regional and intergovernmental cooperation. Promoting cooperation among the Council, staff and citizens in developing City policies and building a sense of community. Providing council and staff with leadership and advice while implementing best practices to achieve adopted goals and deliver quality services to the community. Administering economic development, and other special programs for the City.

## BUDGET HIGHLIGHTS

The City Manager Department budget decreases by \$207,440 or 14%. The significant factor for the is the reduction of two budget positions from 2020, the Homeless Resource Coordinator and Economic Development Coordinator. Those reductions were made as part of the City's COVID-19 response. The budget for the City Manager also includes the Legal and Detention and Corrections contracts budgets. Those are contracted amounts in which the City Manager has oversight.

CITY MANAGER

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
--	----------------	----------------	------------------	------------------	----------------------	---------------------

### FUNDING SOURCES

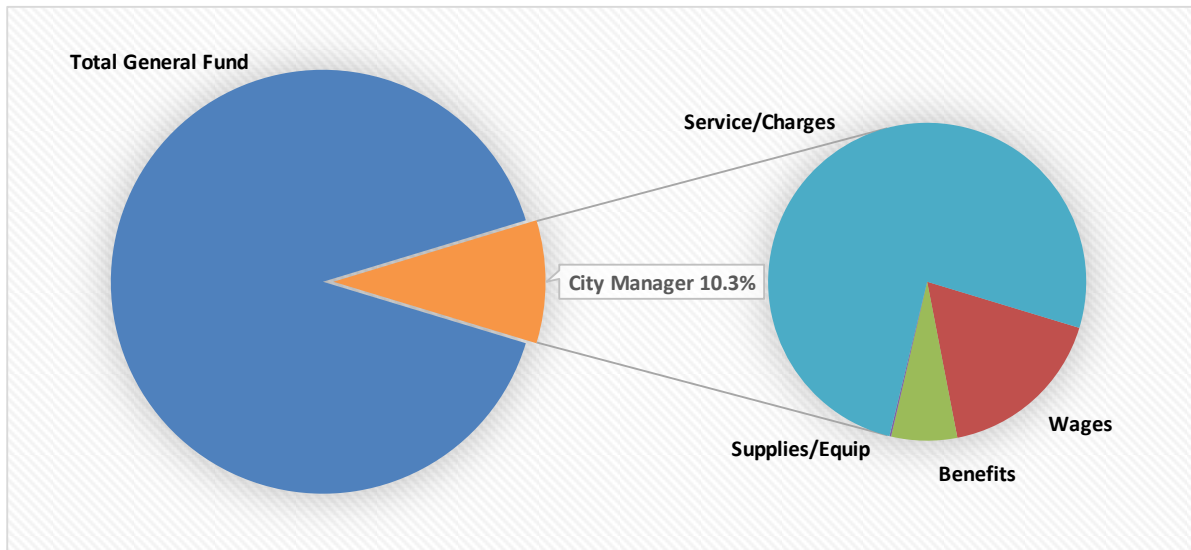
<b>General Fund Resources</b>	<b>1,139,114</b>	<b>1,477,530</b>	<b>1,210,770</b>	<b>1,270,090</b>	<b>(207,440)</b>	<b>-14.0%</b>
-------------------------------	------------------	------------------	------------------	------------------	------------------	---------------

### EXPENDITURES BY DIVISION

City Manager	381,449	628,000	419,201	399,340	(228,660)	-36.4%
Legal	392,309	445,460	421,048	456,580	11,120	2.5%
Detention & Corrections	365,356	404,070	370,520	414,170	10,100	2.5%
<b>Grand Total</b>	<b>1,139,114</b>	<b>1,477,530</b>	<b>1,210,770</b>	<b>1,270,090</b>	<b>(207,440)</b>	<b>-14.0%</b>

### EXPENDITURES BY CATEGORY

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
Wages	215,719	356,990	261,473	219,340	(137,650)	-38.6%
Benefits	75,597	168,770	95,121	84,960	(83,810)	-49.7%
Supplies/Equip	409	3,860	2,506	2,170	(1,690)	-43.8%
Service/Charges	847,389	947,910	851,671	963,620	15,710	1.7%
<b>Grand Total</b>	<b>1,139,114</b>	<b>1,477,530</b>	<b>1,210,770</b>	<b>1,270,090</b>	<b>(207,440)</b>	<b>-14.0%</b>



## STAFFING

	2018 Actual	2019 Actual	2020 Budget	2021 Proposed
City Manager	1.00	1.00	1.00	1.00
Communications & Econ Devel Officer	1.00	-	-	-
Communications Specialist	-	1.00	1.00	1.00
Economic Development Specialist	-	1.00	1.00	-
Homeless Resource Coordinator	-	-	1.00	-
Confidential Admin Assistant	0.85	-	-	-
City Clerk	-	0.20	0.20	-
Admin Support Assistant	0.85	0.20	0.20	-
Information Technology Director	1.00	-	-	-
Network IT Technician	1.00	-	-	-
Human Resources Manager	1.00	-	-	-
City Attorney	1.00	-	-	-
Assistant City Manager	0.90	-	-	-
<b>Total City Manager</b>	<b>8.60</b>	<b>3.40</b>	<b>4.40</b>	<b>2.00</b>

As of August 2019 IT and HR positions are accounted for in the Administrative Services Department

As of 2021 City Clerk and Admin Support Assistant positions are accounted for in City Clerk Department

## EXPENDITURE DETAILS

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
<b>City Manager</b>						
Salary/Wages	215,719	356,990	261,473	219,340	(137,650)	-38.6%
Personnel Benefits	75,597	168,770	95,121	84,960	(83,810)	-49.7%
Office & Operating Supplies	409	3,140	2,006	1,450	(1,690)	-53.8%
Professional Services	62,483	69,300	20,402	65,000	(4,300)	-6.2%
Communication	1,095	820	1,176	1,000	180	22.0%
Travel	5,559	5,670	1,608	5,000	(670)	-11.8%
Rent/Lease	492	570	83	570	-	0.0%
Insurance	-	-	16,304	-	-	
Training and Other Charges	20,095	22,740	21,030	22,020	(720)	-3.2%
<b>City Manager Total</b>	<b>381,449</b>	<b>628,000</b>	<b>419,201</b>	<b>399,340</b>	<b>(228,660)</b>	<b>-36.4%</b>
<b>Detention &amp; Corrections</b>						
Professional Services	365,356	404,070	370,520	414,170	10,100	2.5%
<b>Legal</b>						
Office & Operating Supplies	-	720	500	720	-	0.0%
Gas, Oil, & Fuel	-	-	-	-	-	
Professional Services	392,005	444,620	420,428	455,740	11,120	2.5%
Taxes/Assessments	1	-	-	-	-	
Rent/Lease	172	120	120	120	-	0.0%
Training and Other Charges	131	-	-	-	-	
<b>Legal Total</b>	<b>392,309</b>	<b>445,460</b>	<b>421,048</b>	<b>456,580</b>	<b>11,120</b>	<b>2.5%</b>
<b>Grand Total</b>	<b>1,139,114</b>	<b>1,477,530</b>	<b>1,210,770</b>	<b>1,270,090</b>	<b>(207,440)</b>	<b>-14.0%</b>



## MISSION STATEMENT

**Planning/Building:** The Community Development Department will strive to bring the community's vision of Shelton to reality and proactively facilitate growth through sound planning principals and consistent code implementation and provide prompt, accurate, courteous customer service.

**Parks and Recreation:** The Parks and Recreation Department will serve to enrich lives by providing recreational opportunities through safe and inviting parks, trails, facilities, open space and by being good environmental stewards.

## DEPARTMENT SUMMARY

**Long Range Planning** - Creating plans in cooperation with the community for guiding the growth and vision of Shelton.

**Current Planning** - Reviewing development applications for code compliance in accordance with the Shelton Municipal Code including environmental.

**Building Permits** - Reviewing structural and architectural plans to ensure a safe built community in compliance with Shelton Municipal Code.

**Parks** - Providing safe and inviting parks, trails, facilities and open space for enhanced quality of life.

**Recreation Services** - Building community and improving health through seasonal camps, classes and activities for all ages and demographics.

**Facilities and Grounds** - Maintain the City's infrastructure to ensure and safe and clean environment for all residents and visitors alike and the ensure community's assets are preserved.

## BUDGET HIGHLIGHTS

The Community Development, Parks & Facilities Department budget increases by \$73,260 or 4.4%. The budget is for the most part status quo and the increases are mostly attributed to small inflationary increases for professional services, COLA adjustments for salary costs, and rate increases for benefits.

COMMUNITY DEVELOPMENT, PARKS & FACILITIES

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
--	----------------	----------------	------------------	------------------	----------------------	---------------------

FUNDING SOURCES

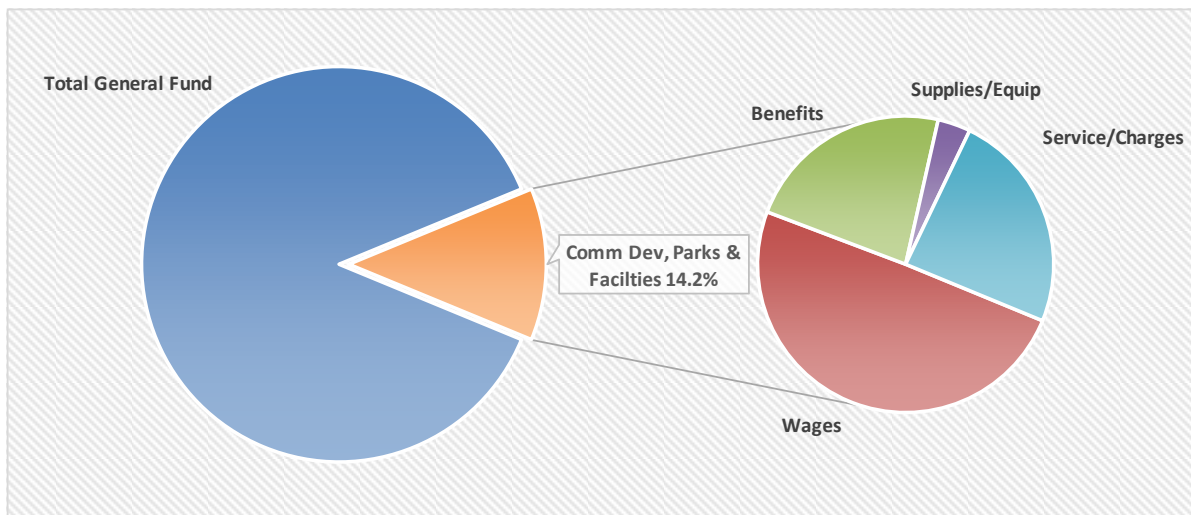
<b>General Fund Resources</b>	<b>1,544,736</b>	<b>1,671,860</b>	<b>1,521,276</b>	<b>1,745,120</b>	<b>73,260</b>	<b>4.4%</b>
-------------------------------	------------------	------------------	------------------	------------------	---------------	-------------

EXPENDITURES BY DIVISION

Civic Center Activities	47,014	63,760	47,947	68,210	4,450	7.0%
Community Development	523,664	535,520	533,885	558,860	23,340	4.4%
Facility Services	563,586	514,830	536,854	542,600	27,770	5.4%
Parks & Recreation	410,472	557,750	402,590	575,450	17,700	3.2%
<b>Total Expenditures</b>	<b>1,544,736</b>	<b>1,671,860</b>	<b>1,521,276</b>	<b>1,745,120</b>	<b>73,260</b>	<b>4.4%</b>

EXPENDITURES BY CATEGORY

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
Wages	730,973	820,720	783,652	864,400	43,680	5.3%
Benefits	318,363	370,500	331,665	397,690	27,190	7.3%
Supplies/Equip	82,763	62,990	57,997	62,470	(520)	-0.8%
Service/Charges	412,637	417,650	347,962	420,560	2,910	0.7%
<b>Total Expenditures</b>	<b>1,544,736</b>	<b>1,671,860</b>	<b>1,521,276</b>	<b>1,745,120</b>	<b>73,260</b>	<b>4.4%</b>



## STAFFING

	2018 Actual	2019 Actual	2020 Budget	2021 Proposed
Community Dev/Parks & Rec Director	0.99	1.00	1.00	1.00
Senior Planner	1.00	1.00	1.00	1.00
Building Official	1.00	1.00	1.00	1.00
Crew Lead Parks/Facilities	0.99	1.00	1.00	1.00
Recreation Coordinator	1.00	1.00	1.00	1.00
Assistant Crew Lead Parks/Facilities	0.95	1.00	1.00	1.00
Permit Coordinator	0.75	0.80	0.80	0.80
Maintenance Worker	1.99	2.00	3.00	3.00
Custodial Worker	2.00	2.00	2.00	2.00
Animal Control Tech/Code Enforce Officer	0.50	0.50	0.50	0.50
Sr Associate Civil Engineer	0.10	-	-	-
Associate Planner	0.55	-	-	-
<b>Total Community Develop, Parks &amp; Facilities</b>	<b>11.82</b>	<b>11.30</b>	<b>12.30</b>	<b>12.30</b>

## EXPENDITURE DETAILS

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
<b>Civic Center Activities</b>						
<b>Community Center</b>						
Salary/Wages	29,794	40,950	30,000	43,430	2,480	6.1%
Personnel Benefits	9,818	13,830	10,454	15,490	1,660	12.0%
Office & Operating Supplies	624	1,030	250	1,030	-	0.0%
Small Tools & Equipment	-	310	150	310	-	0.0%
Professional Services	-	520	50	530	10	1.9%
Insurance	-	-	1,127	-	-	
Taxes/Assessments	124	160	100	160	-	0.0%
Training and Other Charges	-	210	-	210	-	0.0%
<b>Community Center Total</b>	<b>40,360</b>	<b>57,010</b>	<b>42,131</b>	<b>61,160</b>	<b>4,150</b>	<b>7.3%</b>
<b>Community Events</b>						
Salary/Wages	2,678	3,000	3,000	3,200	200	6.7%
Personnel Benefits	1,103	1,160	1,166	1,260	100	8.6%
Office & Operating Supplies	2,869	1,030	950	1,030	-	0.0%
Rent/Lease	6	10	-	10	-	0.0%
Insurance	-	-	200	-	-	
Training and Other Charges	-	1,550	500	1,550	-	0.0%
<b>Community Events Total</b>	<b>6,655</b>	<b>6,750</b>	<b>5,816</b>	<b>7,050</b>	<b>300</b>	<b>4.4%</b>
<b>Civic Center Activities Total</b>	<b>47,014</b>	<b>63,760</b>	<b>47,947</b>	<b>68,210</b>	<b>4,450</b>	<b>7.0%</b>

COMMUNITY DEVELOPMENT, PARKS & FACILITIES

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
<b>Community Development</b>						
<b>Code Enforcement</b>						
Salary/Wages	45,037	50,820	50,000	54,250	3,430	6.7%
Personnel Benefits	19,436	22,080	20,428	23,360	1,280	5.8%
Office & Operating Supplies	-	100	500	100	-	0.0%
Professional Services	1,365	-	-	-	-	-
Communication	1,241	-	-	-	-	-
Travel	-	570	-	570	-	0.0%
Insurance	-	-	1,702	-	-	-
Training and Other Charges	912	820	-	820	-	0.0%
<b>Code Enforcement Total</b>	<b>67,991</b>	<b>74,390</b>	<b>72,630</b>	<b>79,100</b>	<b>4,710</b>	<b>6.3%</b>
<b>Economic Development</b>						
Salary/Wages	8,340	8,750	8,600	9,290	540	6.2%
Personnel Benefits	3,656	3,880	3,875	4,240	360	9.3%
Professional Services	-	5,150	5,150	5,280	130	2.5%
Insurance	-	-	315	-	-	-
Training and Other Charges	5,000	-	-	-	-	-
<b>Economic Development Total</b>	<b>16,996</b>	<b>17,780</b>	<b>17,940</b>	<b>18,810</b>	<b>1,030</b>	<b>5.8%</b>
<b>Health Services</b>						
Taxes/Assessments	2,768	3,610	1,500	3,610	-	0.0%
<b>Housing &amp; Property Develop</b>						
Salary/Wages	16,493	14,180	14,000	15,050	870	6.1%
Personnel Benefits	6,764	5,530	5,507	6,120	590	10.7%
Office & Operating Supplies	11,622	-	-	-	-	-
Professional Services	3,083	-	-	-	-	-
Insurance	-	-	623	-	-	-
<b>Housing &amp; Property Develop Total</b>	<b>37,961</b>	<b>19,710</b>	<b>20,130</b>	<b>21,170</b>	<b>1,460</b>	<b>7.4%</b>
<b>Natural Resources</b>						
Professional Services	7,995	8,270	8,264	8,480	210	2.5%
<b>Permits and Plan Reviews</b>						
Salary/Wages	156,416	172,280	157,342	173,440	1,160	0.7%
Personnel Benefits	63,684	73,380	70,210	78,670	5,290	7.2%
Office & Operating Supplies	3,831	1,130	500	1,130	-	0.0%
Small Tools & Equipment	1,271	1,550	500	1,550	-	0.0%
Professional Services	26,954	15,850	40,000	16,250	400	2.5%
Communication	694	720	700	720	-	0.0%
Travel	3,922	3,300	2,000	3,300	-	0.0%
Rent/Lease	14	-	28	-	-	-
Insurance	72	80	6,053	80	-	0.0%
Training and Other Charges	5,044	1,810	1,050	1,810	-	0.0%
Gas, Oil, & Fuel	736	520	520	520	-	0.0%
Repair/Maintenance	2,676	3,300	2,440	3,300	-	0.0%
<b>Permits and Plan Reviews Total</b>	<b>265,314</b>	<b>273,920</b>	<b>281,343</b>	<b>280,770</b>	<b>6,850</b>	<b>2.5%</b>

COMMUNITY DEVELOPMENT, PARKS & FACILITIES

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
<b>Planning</b>						
Salary/Wages	79,353	83,910	83,910	88,680	4,770	5.7%
Personnel Benefits	33,397	35,050	34,225	39,080	4,030	11.5%
Office & Operating Supplies	1,512	3,100	2,727	3,100	-	0.0%
Small Tools & Equipment	-	720	-	720	-	0.0%
Professional Services	6,723	10,710	6,000	10,990	280	2.6%
Rent/Lease	2,840	2,880	1,600	2,880	-	0.0%
Insurance	-	-	3,056	-	-	
Training and Other Charges	640	1,250	350	1,250	-	0.0%
Repair/Maintenance	174	220	210	220	-	0.0%
<b>Planning Total</b>	<b>124,638</b>	<b>137,840</b>	<b>132,078</b>	<b>146,920</b>	<b>9,080</b>	<b>6.6%</b>
<b>Community Development Total</b>	<b>523,664</b>	<b>535,520</b>	<b>533,885</b>	<b>558,860</b>	<b>23,340</b>	<b>4.4%</b>
<b>Facility Services</b>						
<b>Civic Center</b>						
Office & Operating Supplies	13,288	12,460	12,600	12,460	-	0.0%
Small Tools & Equipment	432	410	400	410	-	0.0%
Professional Services	5,941	-	-	-	-	
Communication	15,484	22,660	24,000	22,660	-	0.0%
Rent/Lease	2,393	2,060	2,200	2,060	-	0.0%
Insurance	638	540	540	540	-	0.0%
Utilities	59,005	62,830	60,000	62,830	-	0.0%
Repair/Maintenance	66,303	27,300	24,500	27,300	-	0.0%
Training and Other Charges	610	400	590	400	-	0.0%
<b>Civic Center Total</b>	<b>164,094</b>	<b>128,660</b>	<b>124,830</b>	<b>128,660</b>	<b>-</b>	<b>0.0%</b>
<b>Custodial &amp; Maintenance</b>						
Salary/Wages	226,727	207,320	213,500	221,920	14,600	7.0%
Personnel Benefits	116,254	107,570	111,940	121,180	13,610	12.7%
Office & Operating Supplies	3,292	2,580	4,000	2,580	-	0.0%
Small Tools & Equipment	-	520	150	-	(520)	-100.0%
Professional Services	134	-	-	-	-	
Communication	388	360	370	360	-	0.0%
Insurance	682	710	17,200	710	-	0.0%
Training and Other Charges	167	200	-	200	-	0.0%
Rent/Lease	2,068	2,190	1,670	2,190	-	0.0%
Repair/Maintenance	2,228	7,840	2,410	7,840	-	0.0%
Gas, Oil, & Fuel	1,070	900	800	900	-	0.0%
<b>Custodial &amp; Maintenance Total</b>	<b>353,010</b>	<b>330,190</b>	<b>352,040</b>	<b>357,880</b>	<b>27,690</b>	<b>8.4%</b>
<b>Library Facility</b>						
Office & Operating Supplies	6,859	6,180	3,500	6,180	-	0.0%
Professional Services	1,320	3,090	3,400	3,170	80	2.6%
Communication	-	770	-	770	-	0.0%
Rent/Lease	-	-	158	-	-	
Insurance	-	-	4,662	-	-	
Utilities	24,673	28,840	20,000	28,840	-	0.0%
Repair/Maintenance	7,090	8,760	20,000	8,760	-	0.0%
Training and Other Charges	134	520	134	520	-	0.0%
<b>Library Facility Total</b>	<b>40,076</b>	<b>48,160</b>	<b>51,854</b>	<b>48,240</b>	<b>80</b>	<b>0.2%</b>

COMMUNITY DEVELOPMENT, PARKS & FACILITIES

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
<b>Museum Facility</b>						
Office & Operating Supplies	24806%	36000%	36000%	36000%	0%	0%
Professional Services	253	40	430	40	-	0.0%
Insurance	0%	0%	54000%	0%	0%	
Utilities	5,905	7,420	6,800	7,420	-	0.0%
Repair/Maintenance	0%	0%	0%	0%	0%	
<b>Museum Facility Total</b>	<b>6,406</b>	<b>7,820</b>	<b>8,130</b>	<b>7,820</b>	<b>-</b>	<b>0.0%</b>
<b>Facility Services Total</b>	<b>563,586</b>	<b>514,830</b>	<b>536,854</b>	<b>542,600</b>	<b>27,770</b>	<b>5.4%</b>
<b>Parks &amp; Recreation</b>						
<b>Parks Maintenance</b>						
Salary/Wages	129,287	196,210	180,000	209,070	12,860	6.6%
Personnel Benefits	50,801	92,990	59,430	91,550	(1,440)	-1.5%
Office & Operating Supplies	19,628	13,390	13,610	13,390	-	0.0%
Small Tools & Equipment	2,276	3,090	3,000	3,090	-	0.0%
Professional Services	45,690	42,450	850	43,510	1,060	2.5%
Communication	59	-	-	-	-	
Travel	-	100	170	100	-	0.0%
Insurance	1,221	1,300	6,760	1,300	-	0.0%
Utilities	38,590	38,110	20,000	38,110	-	0.0%
Taxes/Assessments	47	-	-	-	-	
Training and Other Charges	1,369	720	700	720	-	0.0%
Intergovernmental	-	-	-	-	-	
Gas, Oil, & Fuel	3,933	4,120	4,000	4,120	-	0.0%
Rent/Lease	11,226	14,270	13,500	14,270	-	0.0%
Repair/Maintenance	13,144	29,870	15,020	29,870	-	0.0%
<b>Parks Maintenance Total</b>	<b>317,270</b>	<b>436,620</b>	<b>317,040</b>	<b>449,100</b>	<b>12,480</b>	<b>2.9%</b>
<b>Recreation</b>						
Salary/Wages	36,848	43,300	43,300	46,070	2,770	6.4%
Personnel Benefits	13,450	15,030	14,430	16,740	1,710	11.4%
Office & Operating Supplies	4,526	8,760	8,760	8,760	-	0.0%
Small Tools & Equipment	4,747	520	520	520	-	0.0%
Professional Services	17,179	29,660	8,260	30,400	740	2.5%
Communication	-	150	100	150	-	0.0%
Travel	-	520	-	520	-	0.0%
Rent/Lease	12,698	15,450	5,000	15,450	-	0.0%
Insurance	144	160	3,000	160	-	0.0%
Taxes/Assessments	397	-	-	-	-	
Training and Other Charges	3,031	6,700	1,500	6,700	-	0.0%
Gas, Oil, & Fuel	-	210	200	210	-	0.0%
Repair/Maintenance	183	670	480	670	-	0.0%
<b>Recreation Total</b>	<b>93,202</b>	<b>121,130</b>	<b>85,550</b>	<b>126,350</b>	<b>5,220</b>	<b>4.3%</b>
<b>Parks &amp; Recreation Total</b>	<b>410,472</b>	<b>557,750</b>	<b>402,590</b>	<b>575,450</b>	<b>17,700</b>	<b>3.2%</b>
<b>Total Expenditures</b>	<b>1,544,736</b>	<b>1,671,860</b>	<b>1,521,276</b>	<b>1,745,120</b>	<b>73,260</b>	<b>4.4%</b>

## MISSION STATEMENT

We are dependable stewards of public resources. Through integrity, expertise, and accountability we:

- a) ensure confidence in the transparency of financial reporting;
- b) ensure the safety and security of financial assets;
- c) develop sound financial strategies for making business decisions;
- d) interact respectfully and provide excellent service; and
- e) provide accurate, clear, and concise information.

## DEPARTMENT SUMMARY

The Finance Department serves both internal partners and external customers by providing a broad range of services and information. Core operational services include cash receipting, utility billing, accounts payable, and accounts receivable. The Finance Department is also responsible for accounting and financial reporting including the development of the annual budget, quarterly reporting, investments, and the City's annual financial statements and report.

## BUDGET HIGHLIGHTS

The Finance Department budget decreases by \$33,820 or 3.2%. The reduction is largely due to the elimination of 1FTE as a result of COVID-19 offset by inflationary, COLA. And rate increases for professional services and labor.

FINANCE DEPARTMENT

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
--	----------------	----------------	------------------	------------------	----------------------	---------------------

FUNDING SOURCES

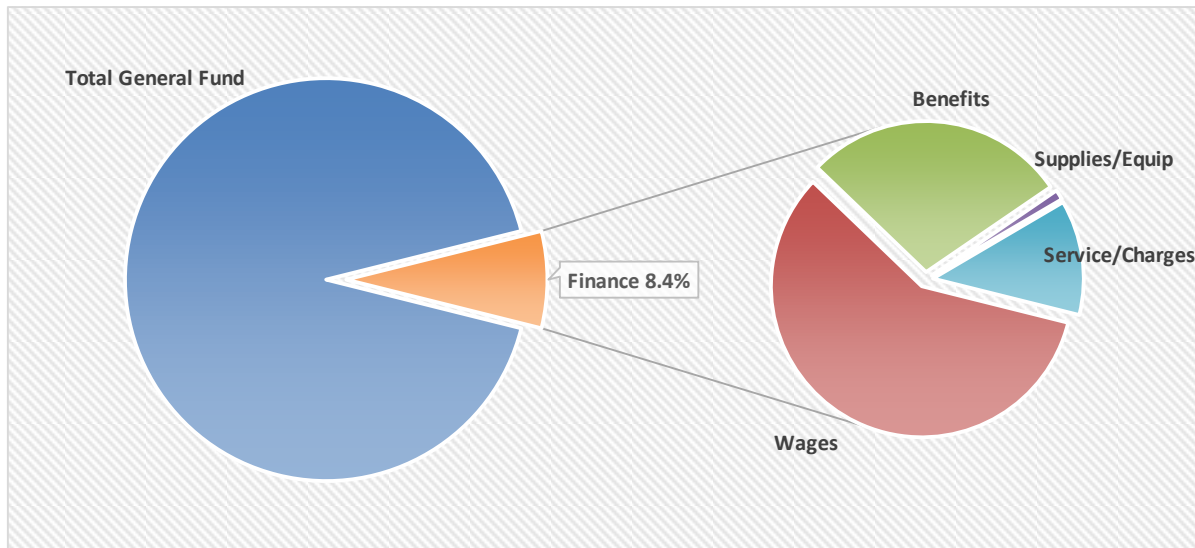
<b>General Fund Resources</b>	<b>933,224</b>	<b>1,068,890</b>	<b>980,965</b>	<b>1,035,070</b>	<b>(33,820)</b>	<b>-3.2%</b>
-------------------------------	----------------	------------------	----------------	------------------	-----------------	--------------

EXPENDITURES BY DIVISION

Accounting	591,802	660,970	641,305	654,340	(6,630)	-1.0%
Utility Billing	341,422	407,920	339,660	380,730	(27,190)	-6.7%
<b>Total Expenditures</b>	<b>933,224</b>	<b>1,068,890</b>	<b>980,965</b>	<b>1,035,070</b>	<b>(33,820)</b>	<b>-3.2%</b>

EXPENDITURES BY CATEGORY

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
Wages	521,773	633,430	546,300	603,230	(30,200)	-4.8%
Benefits	246,112	298,060	265,450	292,980	(5,080)	-1.7%
Supplies/Equip	5,529	11,270	9,225	11,270	-	0.0%
Service/Charges	159,811	126,130	159,990	127,590	1,460	1.2%
<b>Total Expenditures</b>	<b>933,224</b>	<b>1,068,890</b>	<b>980,965</b>	<b>1,035,070</b>	<b>(33,820)</b>	<b>-3.2%</b>





## STAFFING

	2018 Actual	2019 Actual	2020 Budget	2021 Proposed
Finance Director	1.00	1.00	1.00	1.00
Accounting Manager	1.00	1.00	1.00	1.00
Finance Specialist	-	1.00	1.00	1.00
Staff Accountant	4.00	3.00	3.00	-
Accounting Assistant	-	1.00	1.00	0.00
Customer Service Specialist	2.75	2.00	2.00	2.00
City Clerk	0.50	0.40	0.40	-
Permit Coordinator	0.05	0.05	0.05	0.05
Admin Support Assistant	0.15	0.40	0.40	-
Accountant Analyst	1.00	-	-	3.00
Payroll & Benefits Coordinator		-	-	-
Assistant City Manager	0.05	-	-	-
Confidential Admin Assistant	0.15	-	-	-
<b>Total Finance</b>	<b>10.65</b>	<b>9.85</b>	<b>9.85</b>	<b>8.05</b>

## EXPENDITURE DETAILS

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
<b>Accounting</b>						
Salary/Wages	323,171	392,080	351,200	382,830	(9,250)	-2.4%
Personnel Benefits	141,586	170,700	160,550	172,020	1,320	0.8%
Office & Operating Supplies	2,323	6,180	6,000	6,180	-	0.0%
Small Tools & Equipment	-	1,440	700	1,440	-	0.0%
Professional Services	114,468	82,660	102,750	83,960	1,300	1.6%
Communication	1,119	490	1,200	490	-	0.0%
Travel	1,241	2,370	750	2,370	-	0.0%
Taxes/Assessments	-	-	300	-	-	-
Rent/Lease	4,569	2,880	4,500	2,880	-	0.0%
Insurance	-	-	12,220	-	-	-
Training and Other Charges	3,124	1,340	1,000	1,340	-	0.0%
Repair/Maintenance	152	790	110	790	-	0.0%
Gas, Oil, & Fuel	49	40	25	40	-	0.0%
<b>Accounting Total</b>	<b>591,802</b>	<b>660,970</b>	<b>641,305</b>	<b>654,340</b>	<b>(6,630)</b>	<b>-1.0%</b>
<b>Utility Billing</b>						
Salary/Wages	198,602	241,350	195,100	220,400	(20,950)	-8.7%
Personnel Benefits	104,526	127,360	104,900	120,960	(6,400)	-5.0%
Office & Operating Supplies	3,156	3,610	2,500	3,610	-	0.0%
Professional Services	7,365	6,440	7,000	6,600	160	2.5%
Communication	24,977	25,750	20,000	25,750	-	0.0%
Travel	-	520	300	520	-	0.0%
Rent/Lease	1,055	1,030	500	1,030	-	0.0%
Insurance	-	-	7,510	-	-	-
Repair/Maintenance	787	1,030	1,650	1,030	-	0.0%
Training and Other Charges	953	830	200	830	-	0.0%
<b>Utility Billing Total</b>	<b>341,422</b>	<b>407,920</b>	<b>339,660</b>	<b>380,730</b>	<b>(27,190)</b>	<b>-6.7%</b>
<b>Total Expenditures</b>	<b>933,224</b>	<b>1,068,890</b>	<b>980,965</b>	<b>1,035,070</b>	<b>(33,820)</b>	<b>-3.2%</b>

## MISSION STATEMENT

Central Mason Fire & EMS is committed to the preservation of life, health, property, and the environment through extensive training, community outreach, and a dedication to excellence.

## DEPARTMENT SUMMARY

The City contracts with Central Mason Fire & EMS (CMFE) to provide fire and emergency medical services to the City of Shelton. Central Mason Fire & EMS is the largest and busiest in Mason County as well as one of the busiest on the Olympic Peninsula. Through mutual-aid agreements CMFE provides primary advanced life support services to the majority of Mason County.

## BUDGET HIGHLIGHTS

The Fire & Emergency Services Department budget increases by \$2,370 or 0.2%. The City and Central Mason Fire and EMS are currently in the final stages of negotiating a new interlocal agreement (ILA) for Fire and EMS services. The annual expenditure for the City for Fire & EMS Services is based on the City's assessed value and Fire District rates as determined by the Mason County Assessor's Office. However, the proposed ILA removes a \$50,000 per year charge for Fire Marshall services.

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
--	----------------	----------------	------------------	------------------	----------------------	---------------------

## FUNDING SOURCES

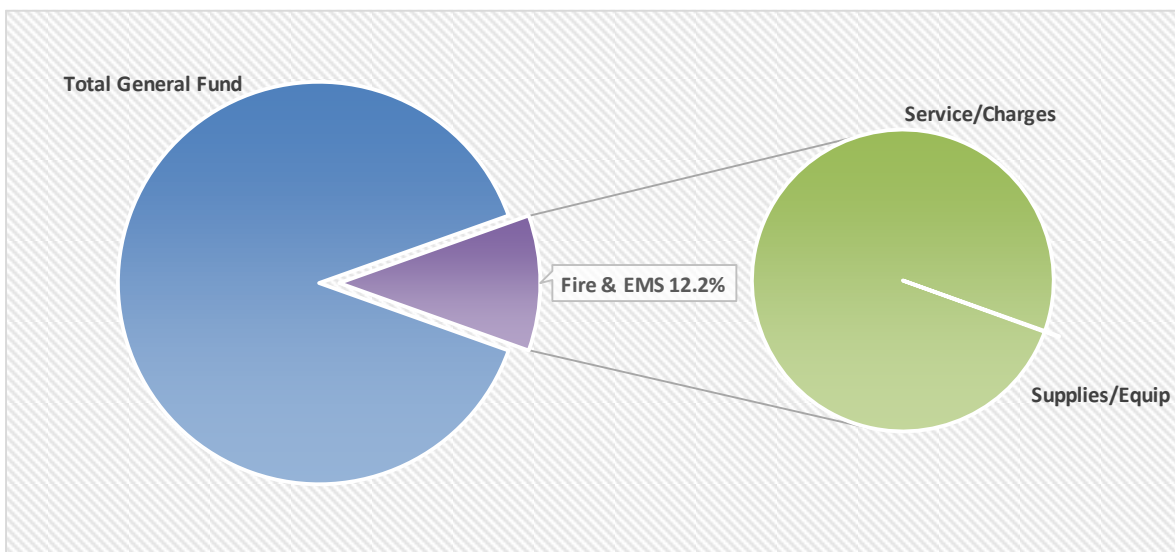
<b>General Fund Resources</b>	<b>1,447,313</b>	<b>1,498,880</b>	<b>1,512,125</b>	<b>1,501,250</b>	<b>2,370</b>	<b>0.2%</b>
-------------------------------	------------------	------------------	------------------	------------------	--------------	-------------

## EXPENDITURES BY DIVISION

Facilities	30,737	25,880	26,561	25,890	10	0.0%
Fire/EMS	1,416,576	1,473,000	1,485,564	1,475,360	2,360	0.2%
<b>Total Expenditures</b>	<b>1,447,313</b>	<b>1,498,880</b>	<b>1,512,125</b>	<b>1,501,250</b>	<b>2,370</b>	<b>0.2%</b>

## EXPENDITURES BY CATEGORY

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
Supplies/Equip	3,380	1,240	1,240	1,240	-	0.0%
Service/Charges	1,443,933	1,497,640	1,510,885	1,500,010	2,370	0.2%
<b>Total Expenditures</b>	<b>1,447,313</b>	<b>1,498,880</b>	<b>1,512,125</b>	<b>1,501,250</b>	<b>2,370</b>	<b>0.2%</b>



## EXPENDITURE DETAILS

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
<b>Fire Facilities</b>						
Office & Operating Supplies	2,647	1,240	1,240	1,240	-	0.0%
Small Tools & Equipment	733	-	-	-	-	
Professional Services	1,760	210	1,101	220	10	4.8%
Communication	2,025	3,610	3,610	3,610	-	0.0%
Utilities	1,950	1,550	1,550	1,550	-	0.0%
Repair/Maintenance	21,287	19,060	19,060	19,060	-	0.0%
Training and Other Charges	335	210	-	210	-	0.0%
<b>Fire Facilities Total</b>	<b>30,737</b>	<b>25,880</b>	<b>26,561</b>	<b>25,890</b>	<b>10</b>	<b>0.0%</b>
<b>Fire/EMS</b>						
Professional Services	1,291,576	1,344,250	1,349,250	1,346,610	2,360	0.2%
Insurance	-	-	7,564	-	-	
Utilities	125,000	128,750	128,750	128,750	-	0.0%
<b>Fire/EMS Total</b>	<b>1,416,576</b>	<b>1,473,000</b>	<b>1,485,564</b>	<b>1,475,360</b>	<b>2,360</b>	<b>0.2%</b>
<b>Total Expenditures</b>	<b>1,447,313</b>	<b>1,498,880</b>	<b>1,512,125</b>	<b>1,501,250</b>	<b>2,370</b>	<b>0.2%</b>

## MISSION STATEMENT

The Municipal Court is an independent branch of government constitutionally entrusted with the fair and just resolution of disputes in order to preserve the rule of the law and to protect the rights and liberties guaranteed by the Constitution and laws of the United States, Washington State, and the City of Shelton.

## DEPARTMENT SUMMARY

The Court must not only be fair, but also avoid even the appearance of unfairness, which is why we adhere to the Code of Judicial Conduct and provide open records and proceedings. Judicial independence requires that we follow the law and make decisions that we believe are correct, fair and just, even though those decisions may be unpopular. There shall be equal treatment for all, regardless of race, gender, ethnicity, religion, wealth, physical abilities, sexual orientation, or any other legally protected status. The Court shall maintain the independence of the Judiciary while strengthening relations with the public, the bar, and the other branches of government. The Court shall acknowledge and enhance the potential of every person in our organization to contribute to the administration of justice through participation, training and technology. The Court recognizes that everyone is different and unique and will strive to embolden a holistic and restorative criminal justice model within the confines of the law.

## BUDGET HIGHLIGHTS

The Municipal Court budget increases by \$31,810 or 5.9%. The budget includes a COLA adjustment and benefit costs increases due to rate changes.

MUNICIPAL COURT

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
--	----------------	----------------	------------------	------------------	----------------------	---------------------

FUNDING SOURCES

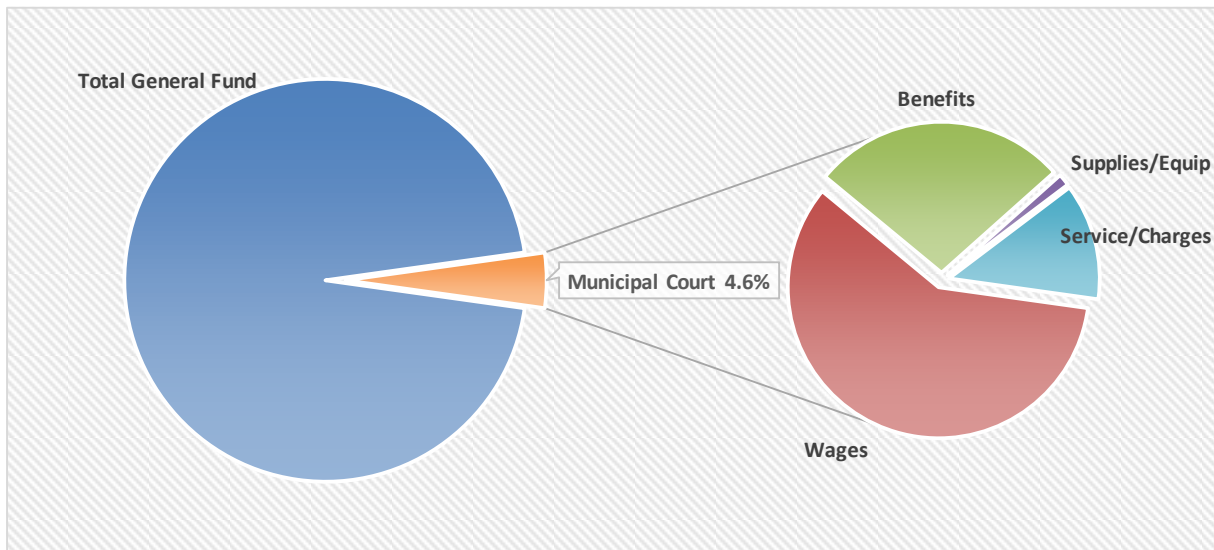
<b>General Fund Resources</b>	<b>462,291</b>	<b>536,640</b>	<b>518,247</b>	<b>568,450</b>	<b>31,810</b>	<b>5.9%</b>
-------------------------------	----------------	----------------	----------------	----------------	---------------	-------------

EXPENDITURES BY DIVISION

Community Restitution	95,788	116,290	107,665	122,390	6,100	5.2%
Court Services	366,503	420,350	410,582	446,060	25,710	6.1%
<b>Total Expenditures</b>	<b>462,291</b>	<b>536,640</b>	<b>518,247</b>	<b>568,450</b>	<b>31,810</b>	<b>5.9%</b>

EXPENDITURES BY CATEGORY

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
Wages	284,550	317,320	313,320	334,050	16,730	5.3%
Benefits	124,397	142,050	142,050	156,010	13,960	9.8%
Supplies/Equip	9,227	7,340	6,170	7,340	-	0.0%
Service/Charges	44,117	69,930	56,707	71,050	1,120	1.6%
<b>Total Expenditures</b>	<b>462,291</b>	<b>536,640</b>	<b>518,247</b>	<b>568,450</b>	<b>31,810</b>	<b>5.9%</b>



## STAFFING

	2018 Actual	2019 Actual	2020 Budget	2021 Proposed
Municipal Judge	0.50	0.50	0.50	0.50
Court Administrator	1.00	1.00	1.00	1.00
Community Services Supervisor	1.00	1.00	1.00	1.00
Legal Process Assistant	2.00	2.00	2.00	2.00
<b>Total Municipal Court</b>	<b>4.50</b>	<b>4.50</b>	<b>4.50</b>	<b>4.50</b>

## EXPENDITURE DETAILS

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
<b>Community Restitution</b>						
Salary/Wages	57,921	62,970	62,970	66,790	3,820	6.1%
Personnel Benefits	29,320	34,290	34,290	36,410	2,120	6.2%
Office & Operating Supplies	525	310	310	310	-	0.0%
Small Tools & Equipment	1,073	1,550	1,550	1,550	-	0.0%
Professional Services	130	6,180	500	6,340	160	2.6%
Communication	-	720	720	720	-	0.0%
Insurance	144	160	2,189	160	-	0.0%
Training and Other Charges	18	520	120	520	-	0.0%
Rent/Lease	2,071	2,400	451	2,400	-	0.0%
Repair/Maintenance	3,821	6,360	4,065	6,360	-	0.0%
Gas, Oil, & Fuel	764	830	500	830	-	0.0%
<b>Community Restitution Total</b>	<b>95,788</b>	<b>116,290</b>	<b>107,665</b>	<b>122,390</b>	<b>6,100</b>	<b>5.2%</b>
<b>Court Services</b>						
Salary/Wages	226,629	254,350	250,350	267,260	12,910	5.1%
Personnel Benefits	95,077	107,760	107,760	119,600	11,840	11.0%
Office & Operating Supplies	4,068	3,610	3,610	3,610	-	0.0%
Small Tools & Equipment	2,796	1,040	200	1,040	-	0.0%
Professional Services	23,986	38,330	30,000	39,290	960	2.5%
Communication	1,713	1,240	1,800	1,240	-	0.0%
Travel	4,434	4,640	100	4,640	-	0.0%
Taxes/Assessments	-	-	468	-	-	-
Rent/Lease	6,681	8,040	6,700	8,040	-	0.0%
Insurance	-	-	8,564	-	-	-
Repair/Maintenance	-	310	-	310	-	0.0%
Training and Other Charges	1,121	1,030	1,030	1,030	-	0.0%
<b>Court Services Total</b>	<b>366,503</b>	<b>420,350</b>	<b>410,582</b>	<b>446,060</b>	<b>25,710</b>	<b>6.1%</b>
<b>Total Expenditures</b>	<b>462,291</b>	<b>536,640</b>	<b>518,247</b>	<b>568,450</b>	<b>31,810</b>	<b>5.9%</b>



## DEPARTMENT SUMMARY

The non-departmental classification is used to account for activities that are not the function of a specific department in the general fund.

## BUDGET HIGHLIGHTS

The 2021 Proposed budget includes:

- ❖ \$135,760 for debt obligations on the 2011 LTGO for the Fire Station;
- ❖ \$164,800 to fully fund the obligations of the Payroll Benefits Fund (see Payroll Benefits Fund page for more information);
- ❖ \$121,220 to fully fund the obligations of the Fireman's Pension Fund (see Fireman's Pension Fund page for more information);
- ❖ \$570,000 as supplemental funding for on-going street operations;
- ❖ \$41,000 for the annual subscription for the OpenGov system; and,
- ❖ \$21,510 for principal and interest payments related to the HVAC lease.

NON-DEPARTMENTAL

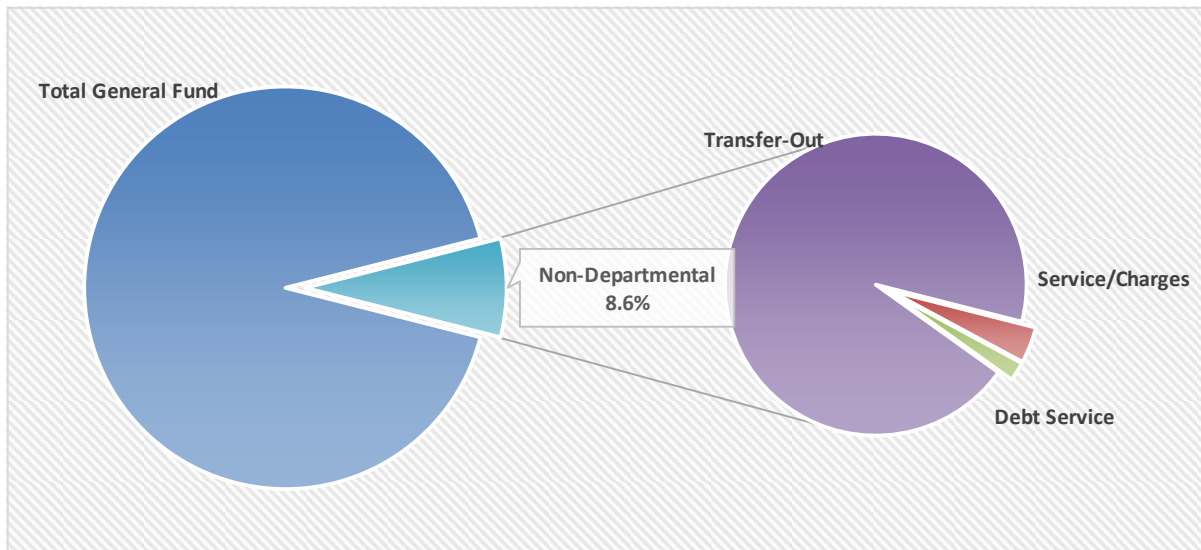
	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
--	----------------	----------------	------------------	------------------	----------------------	---------------------

FUNDING SOURCES

<b>General Fund Resources</b>	<b>2,519,557</b>	<b>1,212,580</b>	<b>1,278,973</b>	<b>1,054,290</b>	<b>(158,290)</b>	<b>-13.1%</b>
-------------------------------	------------------	------------------	------------------	------------------	------------------	---------------

EXPENDITURES BY CATEGORY

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
Service/Charges	24,958	40,000	50,000	41,000	1,000	2.5%
Capital	480,606	24,210	329,230	-	(24,210)	-100.0%
Debt Service	21,494	21,500	21,493	21,510	10	0.0%
Transfer-Out	1,992,498	1,126,870	878,250	991,780	(135,090)	-12.0%
<b>Total Expenditures</b>	<b>2,519,557</b>	<b>1,212,580</b>	<b>1,278,973</b>	<b>1,054,290</b>	<b>(158,290)</b>	<b>-13.1%</b>



EXPENDITURE DETAILS

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
<b>Non-Departmental</b>						
Professional Services	24,958	40,000	50,000	41,000	1,000	2.5%
Capital	480,606	24,210	329,230	-	(24,210)	-100.0%
Debt Principal	17,168	18,050	18,048	18,980	930	5.2%
Debt Interest	4,326	3,450	3,445	2,530	(920)	-26.7%
Transfer-Out	1,992,498	1,126,870	878,250	991,780	(135,090)	-12.0%
<b>Total Expenditures</b>	<b>2,519,557</b>	<b>1,212,580</b>	<b>1,278,973</b>	<b>1,054,290</b>	<b>(158,290)</b>	<b>-13.1%</b>

## MISSION STATEMENT

The Mission of the Shelton Police Department (SPD) is to provide excellent service and protection through leadership and partnership with the community. All decisions reflect this Mission and coincide with our core values of Loyalty, Dedication, Respect, Service, Honor, Integrity, and Personal Courage.

## DEPARTMENT SUMMARY

SPD is comprised of Administration, Patrol, Detectives, School Resource Officers, Records/Evidence, Animal Control/Code Enforcement and Volunteers. Police officers in the 21<sup>st</sup> century wear many different hats that their professional predecessors didn't. With more legal mandates and responsibilities, also come un-funded training requirements. In 2020, SPD will continue its endeavor to have the most professional, well educated, and trained police force for the community we serve. This will require up to date training in use of force, de-escalation, crisis intervention, patrol tactics, officer wellness, and emergency vehicle operations. Training will be a 2020 budget priority.

## BUDGET HIGHLIGHTS

The budget for the Police Department in 2021 increases by \$298,170 or 9.5%. The budget includes a reduction of 1FTE School Resource Officer (SRO) due to the current closure of the School District. The City is hopeful that once the schools open, the contract with the School District will be put back in place and the position funded. Other changes include salary and benefit increases for COLA adjustments and medical, dental, and other rate increases.

POLICE DEPARTMENT

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
--	----------------	----------------	------------------	------------------	----------------------	---------------------

### FUNDING SOURCES

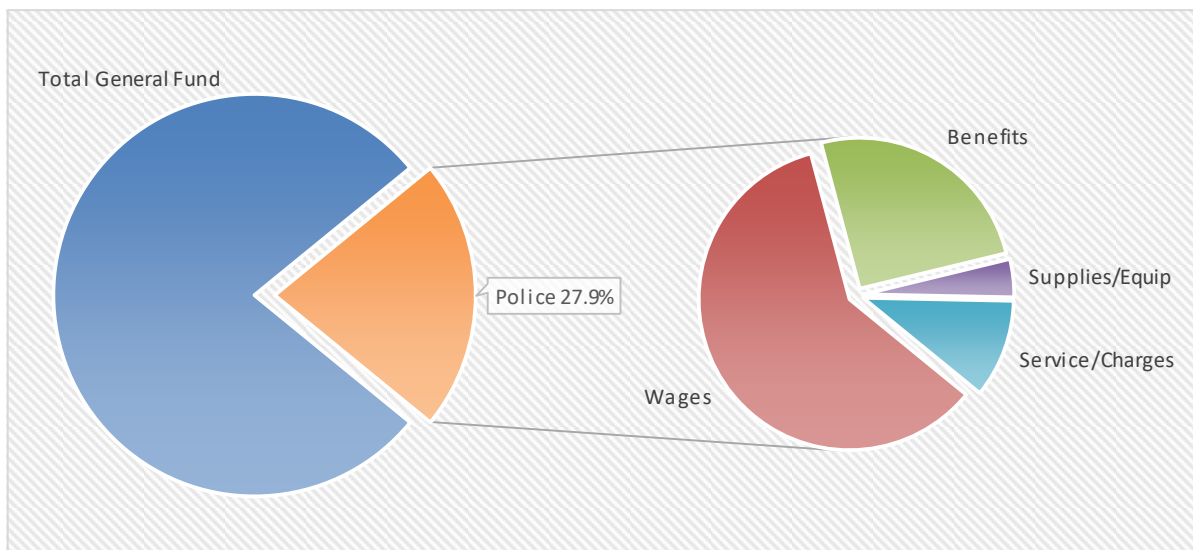
Law Enforcement Services	294,384	310,600	35000	21900	(288,700)	-92.9%
General Fund Resources	2,777,648	2,813,510	3,297,761	3,400,380	586,870	20.9%
<b>General Fund Resources</b>	<b>3,072,032</b>	<b>3,124,110</b>	<b>3,332,761</b>	<b>3,422,280</b>	<b>298,170</b>	<b>9.5%</b>

### EXPENDITURES BY DIVISION

Administration	288,220	305,040	238,707	170,260	(134,780)	-44.2%
Animal Control	61,143	58,800	69,115	74,680	15,880	27.0%
Investigations	242,786	261,200	282,081	573,720	312,520	119.6%
Patrol	1,948,866	1,940,425	2,270,985	2,253,660	313,235	16.1%
Records	135,658	161,030	152,663	164,460	3,430	2.1%
SRO	354,101	350,225	297,777	138,110	(212,115)	-60.6%
Training	41,257	47,390	21,434	47,390	-	0.0%
<b>Total Expenditures</b>	<b>3,072,032</b>	<b>3,124,110</b>	<b>3,332,761</b>	<b>3,422,280</b>	<b>298,170</b>	<b>9.5%</b>

### EXPENDITURES BY CATEGORY

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
Wages	1,900,385	1,863,910	1,981,962	2,052,390	188,480	10.1%
Benefits	689,167	763,110	794,101	867,850	104,740	13.7%
Supplies/Equip	140,623	140,120	168,800	140,120	-	0.0%
Service/Charges	341,857	356,970	387,898	361,920	4,950	1.4%
<b>Total Expenditures</b>	<b>3,072,032</b>	<b>3,124,110</b>	<b>3,332,761</b>	<b>3,422,280</b>	<b>298,170</b>	<b>9.5%</b>



## STAFFING

	2018 Actual	2019 Actual	2020 Budget	2021 Proposed
Police Chief	1.00	1.00	1.00	1.00
Police Captain	-	1.00	-	-
Sergeant - Detective	-	1.00	1.00	1.00
Sergeant - Patrol	2.00	2.00	2.00	2.00
Detective	1.00	1.00	1.00	1.00
Corporal Officer - Patrol (SRO)	2.00	1.00	1.00	1.00
Police Officer	8.00	10.00	10.00	11.00
School Resource Officer	2.00	2.00	2.00	0.00
Evidence Records Clerk	2.00	2.00	2.00	2.00
Animal Control Tech/Code Enforce Officer	0.50	0.50	0.50	0.50
Detective Corporal	1.00	-	-	-
Lieutenant	1.00	-	2.00	2.00
<b>Total Police Department</b>	<b>20.50</b>	<b>21.50</b>	<b>22.50</b>	<b>21.50</b>

## EXPENDITURE DETAILS

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
<b>Administration</b>						
Salary/Wages	221,340	233,050	173,903	128,040	(105,010)	-45.1%
Personnel Benefits	66,880	71,990	56,351	42,220	(29,770)	-41.4%
Insurance	-	-	8,453	-	-	
<b>Administration Total</b>	<b>288,220</b>	<b>305,040</b>	<b>238,707</b>	<b>170,260</b>	<b>(134,780)</b>	<b>-44.2%</b>
<b>Animal Control</b>						
Salary/Wages	31,544	32,210	43,127	46,450	14,240	44.2%
Personnel Benefits	13,378	15,220	15,425	16,830	1,610	10.6%
Office & Operating Supplies	4,104	750	400	750	-	0.0%
Small Tools & Equipment	-	210	-	210	-	0.0%
Professional Services	2,281	1,030	1,300	1,060	30	2.9%
Communication	798	930	300	930	-	0.0%
Travel	2,272	1,550	-	1,550	-	0.0%
Rent/Lease	-	-	25	-	-	
Utilities	6,624	5,150	7,939	5,150	-	0.0%
Repair/Maintenance	-	1,240	600	1,240	-	0.0%
Training and Other Charges	75	410	-	410	-	0.0%
Gas, Oil, & Fuel	66	100	-	100	-	0.0%
<b>Animal Control Total</b>	<b>61,143</b>	<b>58,800</b>	<b>69,115</b>	<b>74,680</b>	<b>15,880</b>	<b>27.0%</b>

POLICE DEPARTMENT

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
<b>Investigations</b>						
Salary/Wages	179,203	189,290	201,379	408,290	219,000	115.7%
Personnel Benefits	63,583	71,910	73,798	165,430	93,520	130.1%
Insurance	-	-	6,904	-	-	
<b>Investigations Total</b>	<b>242,786</b>	<b>261,200</b>	<b>282,081</b>	<b>573,720</b>	<b>312,520</b>	<b>119.6%</b>
<b>Patrol</b>						
Salary/Wages	1,114,779	1,062,320	1,266,804	1,272,110	209,790	19.7%
Personnel Benefits	409,086	439,775	508,552	538,300	98,525	22.4%
Office & Operating Supplies	71,965	45,320	78,000	45,320	-	0.0%
Small Tools & Equipment	3,898	14,420	17,500	14,420	-	0.0%
Professional Services	194,865	196,740	191,100	201,660	4,920	2.5%
Communication	22,465	18,540	14,000	18,540	-	0.0%
Travel	42	1,030	100	1,030	-	0.0%
Taxes/Assessments	-	-	300	-	-	
Rent/Lease	9,993	12,360	12,360	12,360	-	0.0%
Insurance	8,831	9,320	66,069	9,320	-	0.0%
Repair/Maintenance	32,851	49,440	32,000	49,440	-	0.0%
Training and Other Charges	21,465	22,660	17,500	22,660	-	0.0%
Gas, Oil, & Fuel	58,627	68,500	66,700	68,500	-	0.0%
<b>Patrol Total</b>	<b>1,948,866</b>	<b>1,940,425</b>	<b>2,270,985</b>	<b>2,253,660</b>	<b>313,235</b>	<b>16.1%</b>
<b>Records</b>						
Salary/Wages	89,237	97,480	96,000	101,290	3,810	3.9%
Personnel Benefits	46,421	63,550	53,290	63,170	(380)	-0.6%
Insurance	-	-	3,373	-	-	
<b>Records Total</b>	<b>135,658</b>	<b>161,030</b>	<b>152,663</b>	<b>164,460</b>	<b>3,430</b>	<b>2.1%</b>
<b>SRO</b>						
Salary/Wages	264,282	249,560	200,749	96,210	(153,350)	-61.4%
Personnel Benefits	89,819	100,665	86,687	41,900	(58,765)	-58.4%
Insurance	-	-	10,341	-	-	
<b>SRO Total</b>	<b>354,101</b>	<b>350,225</b>	<b>297,777</b>	<b>138,110</b>	<b>(212,115)</b>	<b>-60.6%</b>
<b>Training</b>						
Office & Operating Supplies	1,171	9,270	5,000	9,270	-	0.0%
Gas, Oil, & Fuel	793	1,550	1,200	1,550	-	0.0%
Travel	25,076	17,720	4,894	17,720	-	0.0%
Training and Other Charges	14,217	18,850	10,340	18,850	-	0.0%
<b>Training Total</b>	<b>41,257</b>	<b>47,390</b>	<b>21,434</b>	<b>47,390</b>	<b>-</b>	<b>0.0%</b>
<b>Total Expenditures</b>	<b>3,072,032</b>	<b>3,124,110</b>	<b>3,332,761</b>	<b>3,422,280</b>	<b>298,170</b>	<b>9.5%</b>

## MISSION STATEMENT

Shelton Public Works is dedicated to excellence, integrity and stewardship. We enhance the safety, welfare, and livability of the community by providing and managing reliable infrastructure and services for transportation, water, stormwater, and wastewater systems.

## DEPARTMENT SUMMARY

The Public Works Department is responsible for the maintenance and improvement of the City's infrastructure, including streets, sidewalks, water service, wastewater treatment, storm drainage, and fleet/equipment. These systems that serve the public focus on transportation and mobility, water treatment/delivery, storm water quality/quantity, and wastewater collection/disposal.

The Water, Sewer, Storm Drainage, and Solid Waste funds are enterprise funds and are discussed further in the proprietary fund section. The Public Works Division within the General Fund include Administration and Engineering

## BUDGET HIGHLIGHTS

The Public Works 2021 Budget reflects a decrease of \$21,790 or 3.4%. The decrease is primarily due to the reduction of 1FTE due to the COVID-19 impact on revenue generation. The reduction is offset by increases for labor costs and professional service contracts.

PUBLIC WORKS

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
--	----------------	----------------	------------------	------------------	----------------------	---------------------

FUNDING SOURCES

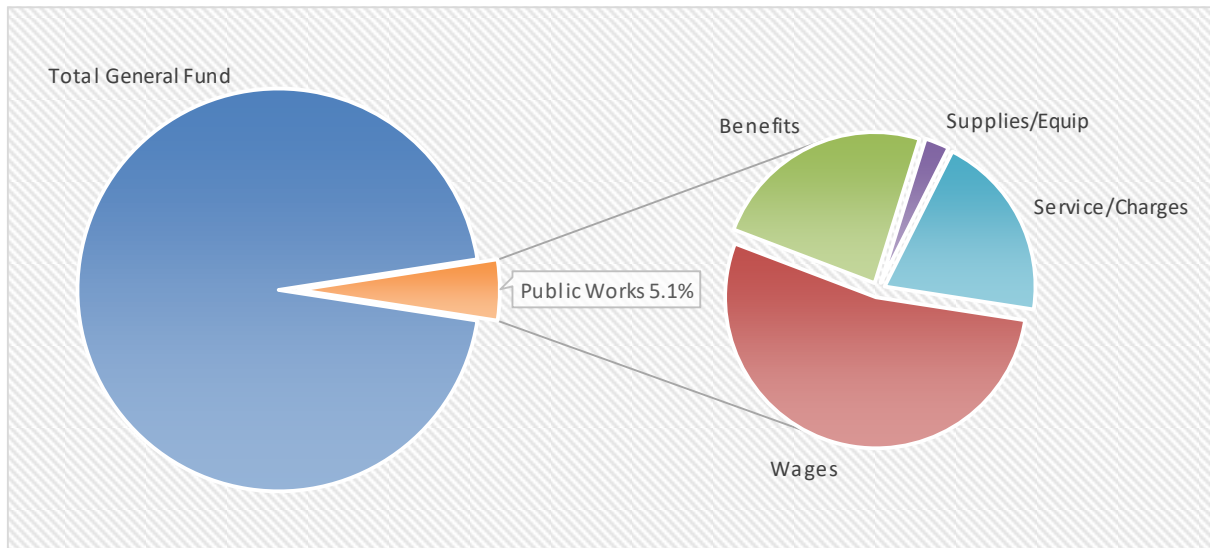
General Fund Resources	737,915	650,290	708,907	628,500	(21,790)	-3.4%
------------------------	---------	---------	---------	---------	----------	-------

EXPENDITURES BY DIVISION

Administration	285,315	295,800	260,794	327,520	31,720	10.7%
Engineering	452,601	354,490	448,113	300,980	(53,510)	-15.1%
<b>Total Expenditures</b>	<b>737,915</b>	<b>650,290</b>	<b>708,907</b>	<b>628,500</b>	<b>(21,790)</b>	<b>-3.4%</b>

EXPENDITURES BY CATEGORY

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
Wages	400,633	398,590	323,382	335,270	(63,320)	-15.9%
Benefits	158,132	157,990	128,410	151,040	(6,950)	-4.4%
Supplies/Equip	12,156	16,280	14,109	16,380	100	0.6%
Service/Charges	166,995	77,430	243,006	125,810	48,380	62.5%
<b>Total Expenditures</b>	<b>737,915</b>	<b>650,290</b>	<b>708,907</b>	<b>628,500</b>	<b>(21,790)</b>	<b>-3.4%</b>





## STAFFING

	2018 Actual	2019 Actual	2020 Budget	2021 Proposed
Public Works Director	1.00	1.00	1.00	1.00
City Engineer	-	1.00	0.50	0.50
PW Superintendent	2.00	-	-	-
Civil Engineer	0 1.00	-	-	-
Sr Associate Civil Engineer	0.90	1.00	1.00	1.00
Associate Civil Engineer	2.00	1.00	-	-
Engineering Technician	1.00	1.00	1.00	-
Administrative Manager	1.00	1.00	1.00	1.00
Projects & Purchasing Coordinator	1.00	-	-	-
Permit Coordinator	0.10	0.10	0.10	0.10
<b>Total Public Works</b>	<b>10.00</b>	<b>6.10</b>	<b>4.60</b>	<b>3.60</b>

## EXPENDITURE DETAILS

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
<b>Administration</b>						
Salary/Wages	183,838	197,200	171,615	203,490	6,290	3.2%
Personnel Benefits	85,316	81,710	65,408	98,080	16,370	20.0%
Office & Operating Supplies	1,792	2,580	2,580	2,580	-	0.0%
Gas, Oil, & Fuel	-	50	50	150	100	200.0%
Small Tools & Equipment	4,403	5,150	5,150	5,150	-	0.0%
Professional Services	1,155	2,060	1,641	9,000	6,940	336.9%
Communication	5,477	4,270	4,270	4,270	-	0.0%
Travel	-	1,030	1,030	2,000	970	94.2%
Rent/Lease	41	-	42	80	80	
Insurance	-	-	6,951	-	-	
Training and Other Charges	3,294	1,750	2,057	2,720	970	55.4%
<b>Administration Total</b>	<b>285,315</b>	<b>295,800</b>	<b>260,794</b>	<b>327,520</b>	<b>31,720</b>	<b>10.7%</b>
<b>Engineering</b>						
Salary/Wages	216,796	201,390	151,767	131,780	(69,610)	-34.6%
Personnel Benefits	72,816	76,280	63,002	52,960	(23,320)	-30.6%
Office & Operating Supplies	1,889	3,090	2,779	3,090	-	0.0%
Small Tools & Equipment	-	1,550	1,550	1,550	-	0.0%
Professional Services	132,947	52,930	200,000	79,500	26,570	50.2%
Travel	-	520	520	2,200	1,680	323.1%
Taxes/Assessments	240	-	77	-	-	
Insurance	179	200	8,427	200	-	0.0%
Training and Other Charges	4,406	460	618	6,460	6,000	1304.3%
Rent/Lease	3,235	3,090	1,528	3,090	-	0.0%
Gas, Oil, & Fuel	4,072	3,860	2,000	3,860	-	0.0%
Repair/Maintenance	16,021	11,120	15,845	16,290	5,170	46.5%
<b>Engineering Total</b>	<b>452,601</b>	<b>354,490</b>	<b>448,113</b>	<b>300,980</b>	<b>(53,510)</b>	<b>-15.1%</b>
<b>Total Expenditures</b>	<b>737,915</b>	<b>650,290</b>	<b>708,907</b>	<b>628,500</b>	<b>(21,790)</b>	<b>-3.4%</b>

## MISSION STATEMENT

To provide and maintain streets and sidewalks within the City of Shelton that allow for safe and efficient transportation.

## DEPARTMENT SUMMARY

The Street department is responsible for constructing and maintaining transportation and mobility assets including roadways, alleys and right of ways within the City of Shelton. Maintenance includes patching, paving, grading gravel roads and parking strips, crack sealing, chip sealing, roadside mowing, street sweeping and pedestrian path maintenance.

## BUDGET HIGHLIGHTS

The Street Fund budget for 2021 decreases by \$211,460 or 9.3%. The budget reduction is significantly due to a reduction of Street resources being transferred for Capital Projects. Much of those decreases are offset by an increase in expense in the Capital Resources fund for capital projects. The budget also includes monies for a quarter of the costs related to the new Development Review Technician. The General Fund supports Street Fund activities in the amount of \$570,000 for 2021.

## STREET FUND

## STREET FUND SUMMARY

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
Beginning Fund Balance	-	1,355,206	1,355,206	1,147,686		

## FUNDING SOURCES

Taxes	685,810	582,520	582,520	582,520	-	
Licenses & Permits	6,805	6,000	5,000	6,000	-	
Intergovernmental Revenue	227,816	241,490	194,000	213,000	(28,490)	-11.8%
Charges for Goods/Service	53,888	60,000	50,000	53,000	(7,000)	-11.7%
Miscellaneous Revenue	27,127	16,000	-	12,000	(4,000)	-25.0%
Transfer In	1,527,349	570,000	570,000	570,000	-	
<b>Total Revenues</b>	<b>2,528,794</b>	<b>1,476,010</b>	<b>1,401,520</b>	<b>1,436,520</b>	<b>(39,490)</b>	<b>-2.7%</b>

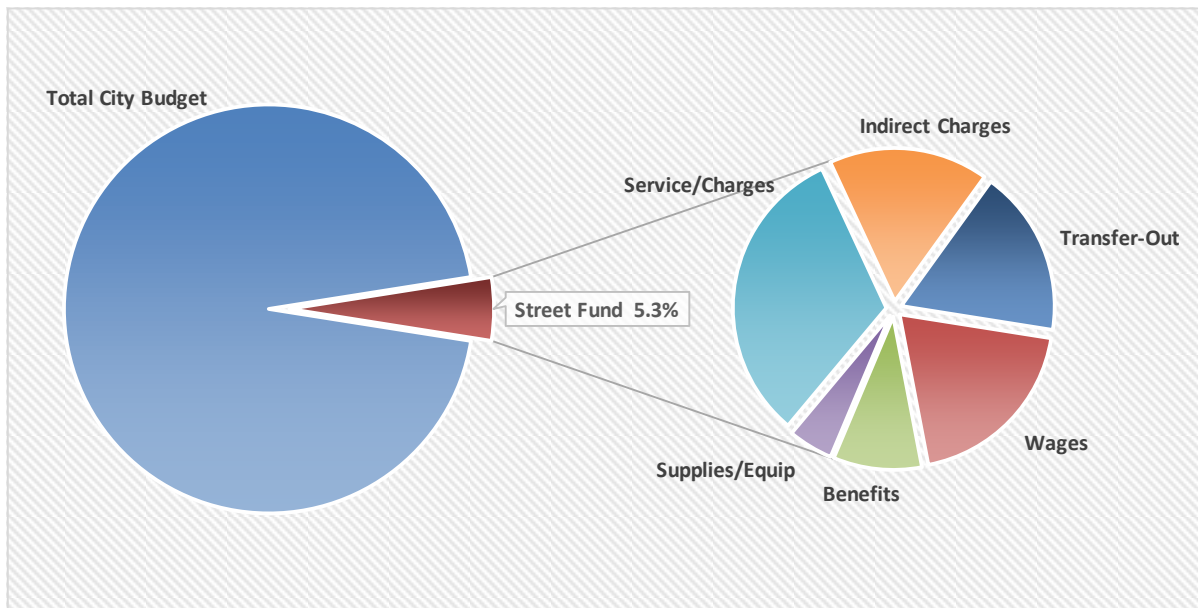
## EXPENDITURES BY DIVISION

Maint Adm & Overhead	508,365	707,990	653,315	726,500	18,510	2.6%
Parking Facilities	423	1,090	1,090	1,090	-	
Roadside	142,131	134,780	130,005	142,970	8,190	6.1%
Roadway	224,769	180,220	138,828	218,840	38,620	21.4%
Sidewalks	20,563	11,590	5,210	11,590	-	
Snow and Ice Control	66,099	49,800	14,800	14,060	(35,740)	-71.8%
Special Purpose Paths	104	10,300	5,000	10,300	-	
Street Cleaning	6,415	1,890	13,681	22,760	20,870	1104.2%
Street Lighting	127,460	125,000	145,000	125,000	-	
Traffic Control Devices	77,269	82,990	102,112	103,840	20,850	25.1%
Transfer-Out	-	975,000	400,000	692,240	(282,760)	-29.0%
<b>Total Expenditures</b>	<b>1,173,598</b>	<b>2,280,650</b>	<b>1,609,040</b>	<b>2,069,190</b>	<b>(211,460)</b>	<b>-9.3%</b>

Ending Fund Balance	1,355,206	550,566	1,147,686	515,016		
Change in Fund Balance	1,355,196	(804,640)	(207,520)	(632,670)		

## EXPENDITURES BY CATEGORY

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
Wages	350,448	285,310	295,669	324,360	39,050	13.7%
Benefits	160,210	145,230	151,888	160,820	15,590	10.7%
Supplies/Equip	63,420	79,010	63,810	79,010	-	
Service/Charges	479,795	498,530	400,104	532,810	34,280	6.9%
Capital	2,573	-	-	-	-	
Indirect Charges	117,152	297,570	297,570	279,950	(17,620)	-5.9%
Transfer-Out	-	975,000	400,000	692,240	(282,760)	-29.0%
<b>Total Expenditures</b>	<b>1,173,598</b>	<b>2,280,650</b>	<b>1,609,040</b>	<b>2,069,190</b>	<b>(211,460)</b>	<b>-9.3%</b>



## STAFFING

	2018 Actual	2019 Actual	2020 Budget	2021 Proposed
Superintendent - Streets/Water/EM&R	-	0.40	0.40	0.40
Field Supervisor - Streets	1.00	1.00	1.00	1.00
Operator	0.25	0.25	1.25	1.25
Truck Driver	1.00	1.00	1.00	1.00
Maintenance Worker	1.05	1.00	1.00	1.00
Com Development/Parks & Rec Coordinator	0.01	-	-	-
Development Review Technician	-	-	-	0.25
<b>Total Street Fund</b>	<b>3.31</b>	<b>3.65</b>	<b>4.65</b>	<b>4.90</b>

## EXPENDITURE DETAILS

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
<b>Maint Adm &amp; Overhead</b>						
Salary/Wages	61,312	49,380	82,872	82,540	33,160	67.2%
Personnel Benefits	37,131	35,800	52,623	38,390	2,590	7.2%
Small Tools & Equipment	-	1,850	1,850	1,850	-	
Professional Services	776	15,130	-	15,510	380	2.5%
Insurance	82,961	87,650	-	87,650	-	
Repair/Maintenance	-	1,290	1,000	1,290	-	
Training and Other Charges	-	620	620	620	-	
Capital	2,573	-	-	-	-	
Rent/Lease	206,460	218,700	216,780	218,700	-	
Indirect Charges	117,152	297,570	297,570	279,950	(17,620)	-5.9%
<b>Maint Adm &amp; Overhead Total</b>	<b>508,365</b>	<b>707,990</b>	<b>653,315</b>	<b>726,500</b>	<b>18,510</b>	<b>2.6%</b>
<b>Parking Facilities</b>						
Office & Operating Supplies	-	520	520	520	-	
Utilities	423	570	570	570	-	
<b>Parking Facilities Total</b>	<b>423</b>	<b>1,090</b>	<b>1,090</b>	<b>1,090</b>	<b>-</b>	<b>0.0%</b>
<b>Roadside</b>						
Salary/Wages	96,373	86,090	84,540	88,760	2,670	3.1%
Personnel Benefits	40,695	38,530	41,101	44,040	5,510	14.3%
Office & Operating Supplies	314	2,270	1,720	2,270	-	
Small Tools & Equipment	-	520	520	520	-	
Professional Services	3,535	460	-	470	10	2.2%
Insurance	-	-	324	-	-	
Utilities	1,215	6,390	1,500	6,390	-	
Training and Other Charges	-	520	300	520	-	
<b>Roadside Total</b>	<b>142,131</b>	<b>134,780</b>	<b>130,005</b>	<b>142,970</b>	<b>8,190</b>	<b>6.1%</b>
<b>Roadway</b>						
Salary/Wages	133,906	106,990	76,700	103,840	(3,150)	-2.9%
Personnel Benefits	56,368	44,780	36,948	52,660	7,880	17.6%
Office & Operating Supplies	25,947	21,000	18,000	21,000	-	
Gas, Oil, & Fuel	10	100	50	100	-	
Small Tools & Equipment	627	2,380	2,380	2,380	-	
Professional Services	2,840	3,090	3,090	36,980	33,890	1096.8%
Rent/Lease	803	-	-	-	-	
Insurance	-	-	-	-	-	
Utilities	1,307	-	-	-	-	
Repair/Maintenance	1,264	260	260	260	-	
Training and Other Charges	1,698	1,620	1,400	1,620	-	
<b>Roadway Total</b>	<b>224,769</b>	<b>180,220</b>	<b>138,828</b>	<b>218,840</b>	<b>38,620</b>	<b>21.4%</b>

## STREET FUND

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
<b>Sidewalks</b>						
Salary/Wages	668	740	-	740	-	
Personnel Benefits	301	340	-	340	-	
Office & Operating Supplies	-	10,300	5,000	10,300	-	
Professional Services	19,584	-	-	-	-	
Insurance	-	-	-	-	-	
Training and Other Charges	10	210	210	210	-	
<b>Sidewalks Total</b>	<b>20,563</b>	<b>11,590</b>	<b>5,210</b>	<b>11,590</b>	<b>-</b>	
<b>Snow and Ice Control</b>						
Salary/Wages	33,954	25,930	11,000	4,370	(21,560)	-83.1%
Personnel Benefits	15,535	17,900	300	3,720	(14,180)	-79.2%
Office & Operating Supplies	13,977	3,500	2,500	3,500	-	
Professional Services	2,091	-	-	-	-	
Rent/Lease	543	-	-	-	-	
Repair/Maintenance	-	2,470	1,000	2,470	-	
<b>Snow and Ice Control Total</b>	<b>66,099</b>	<b>49,800</b>	<b>14,800</b>	<b>14,060</b>	<b>(35,740)</b>	<b>-71.8%</b>
<b>Special Purpose Paths</b>						
Office & Operating Supplies	104	10,300	5,000	10,300	-	
<b>Special Purpose Paths Total</b>	<b>104</b>	<b>10,300</b>	<b>5,000</b>	<b>10,300</b>	<b>-</b>	<b>0.0%</b>
<b>Street Cleaning</b>						
Salary/Wages	4,496	1,290	8,000	16,210		
Personnel Benefits	1,919	600	5,341	6,550		
Insurance	-	-	340	-	-	
<b>Street Cleaning Total</b>	<b>6,415</b>	<b>1,890</b>	<b>13,681</b>	<b>22,760</b>	<b>20,870</b>	<b>1104.2%</b>
<b>Street Lighting</b>						
Utilities	127,460	125,000	145,000	125,000	-	
<b>Street Lighting Total</b>	<b>127,460</b>	<b>125,000</b>	<b>145,000</b>	<b>125,000</b>	<b>-</b>	<b>0.0%</b>
<b>Traffic Control Devices</b>						
Salary/Wages	19,738	14,890	32,557	27,900	13,010	87.4%
Personnel Benefits	8,261	7,280	15,575	15,120	7,840	107.7%
Office & Operating Supplies	17,371	25,750	25,750	25,750	-	
Small Tools & Equipment	5,071	520	520	520	-	
Professional Services	521	-	-	-	-	
Insurance	-	-	-	-	-	
Utilities	7,154	10,040	8,500	10,040	-	
Repair/Maintenance	19,153	24,300	19,000	24,300	-	
Training and Other Charges	-	210	210	210	-	
<b>Traffic Control Devices Total</b>	<b>77,269</b>	<b>82,990</b>	<b>102,112</b>	<b>103,840</b>	<b>20,850</b>	<b>25.1%</b>
<b>Transfer-Out</b>						
Transfer-Out	-	975,000	400,000	692,240	(282,760)	-29.0%
<b>Transfer-Out Total</b>	<b>-</b>	<b>975,000</b>	<b>400,000</b>	<b>692,240</b>	<b>(282,760)</b>	<b>-29.0%</b>
<b>Total Expenditures</b>	<b>1,173,598</b>	<b>2,280,650</b>	<b>1,609,040</b>	<b>2,069,190</b>	<b>(211,460)</b>	<b>-9.3%</b>

## DEPARTMENT SUMMARY

The Capital Resources Fund was approved by the City Council on December 17, 2019 as a new Special Revenue Fund to be used to account for and accumulate financial resources. The cash will remain in this fund until it is allocated by the City Council, through Ordinance, for use on qualifying projects.

## BUDGET HIGHLIGHTS

The Council approved the creation of the City's Capital Resources Fund in 2019 for the 2020 calendar year however, there was no expenditure budget in 2020. This fund will be used to account for various capital monies until those monies are appropriated to a project by the City Council through an Ordinance. The 2021 budget includes nearly \$497,000 in funding for capital projects.

CAPITAL RESOURCES FUND

CAPITAL RESOURCES FUND SUMMARY

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
--	----------------	----------------	------------------	------------------	----------------------	---------------------

Beginning Fund Balance 499,176

FUNDING SOURCES

Taxes	-	220,000	70,000	100,000	(120,000)	-54.5%
Charges for Goods/Service	-	60,000	30,000	40,000	(20,000)	-33.3%
Transfer In	-	30,600	447,900	-	(30,600)	-100.0%
<b>Total Revenues</b>	-	<b>310,600</b>	<b>547,900</b>	<b>140,000</b>	<b>(170,600)</b>	<b>-54.9%</b>

EXPENDITURES BY DIVISION

Transfers-Out	-	-	48,724	496,630	496,630	100.0%
<b>Total Expenditures</b>	-	-	<b>48,724</b>	<b>496,630</b>	<b>496,630</b>	<b>100.0%</b>

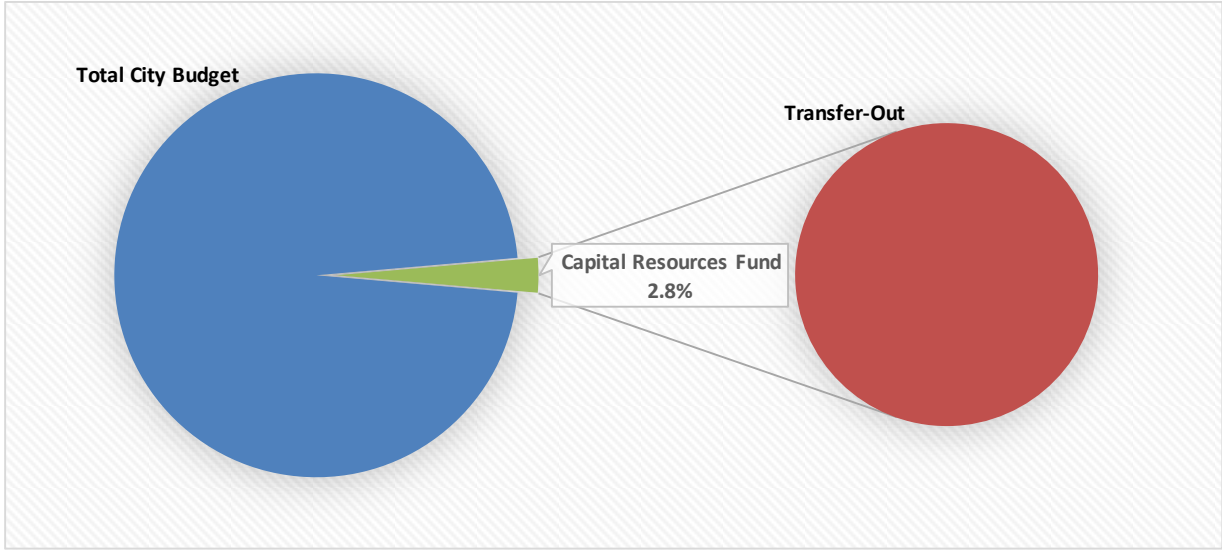
Ending Fund Balance 310,600 499,176 142,546

Change in Fund Balance 310,600 499,176 (356,630)



### EXPENDITURES BY CATEGORY

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
Transfer-Out	-	-	-	496,630	496,630	100.0%
<b>Total Expenditures</b>	-	-	-	<b>496,630</b>	<b>496,630</b>	<b>100.0%</b>



### EXPENDITURE DETAILS

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
Transfers-Out	-	-	48,724	496,630	496,630	100.0%
<b>Total Expenditures</b>	-	-	<b>48,724</b>	<b>496,630</b>	<b>496,630</b>	<b>100.0%</b>

## DEPARTMENT SUMMARY

The Tourism Fund is used to account for the 4.0% tax as allowed by RCW on lodging at hotels, motels, and similar establishments, including bed and breakfasts and RV parks located within Shelton. These revenues are restricted for tourism promotion and for the acquisition and/or operation of tourism related facilities or businesses. Tourism promotion means activities, operations, and expenditures designed to increase tourism, including advertising, publicizing, or other distribution of information to attract and welcome tourists. It also includes developing strategies to expand tourism, operating tourism promotion agencies, and funding marketing of or the operation of special cultural, athletic, or entertainment events and activities designed to attract tourists. The City's Lodging Tax Advisory Committee receives, reviews and recommends funding appropriations for selected activities to the City Council, who authorize spending through the budget process.

## BUDGET HIGHLIGHTS

The proposed Tourism Fund budget increases by \$2,750 or 4.7% from the 2020 appropriation. The funding allocations proposed equal \$61,880 for 2021 activities/events are:

- ❖ Mason County Historical Museum - \$11,250
- ❖ Mason County Historical Society Downtown Car Show - \$1,782
- ❖ Kristmas Town Kiwanis – Bluegrass from the Forest - \$6,300
- ❖ Mason County Forest Festival - \$8,910
- ❖ Shelton-Mason Chamber Operational Tourism - \$18,000
- ❖ Shelton-Mason Chamber Marketing Signage - \$3,308
- ❖ NW Event Organizers/Kristmas Town Kiwanis Christmas Town – \$12,330

## TOURISM FUND SUMMARY

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
Beginning Fund Balance	118,174	118,186	118,186	83,630		

## FUNDING SOURCES

Taxes	50,859	50,000	33,092	36,000	(14,000)	-28.0%
Miscellaneous Revenue	1,827	1,700	919	1,700	-	0.0%
<b>Total Revenue</b>	<b>52,687</b>	<b>51,700</b>	<b>34,011</b>	<b>37,700</b>	<b>(14,000)</b>	<b>-27.1%</b>

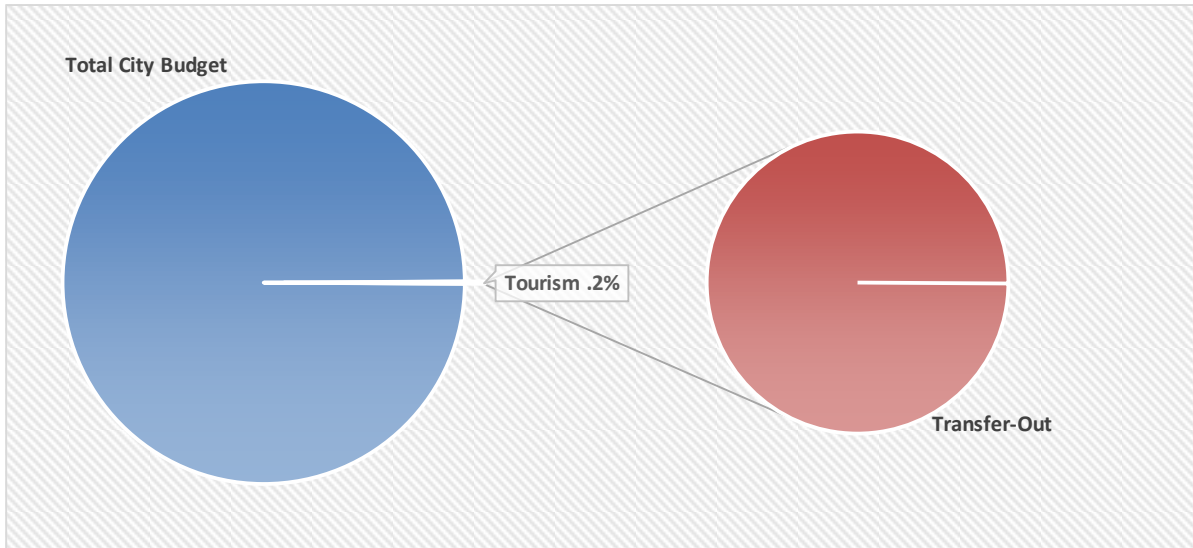
## EXPENDITURES BY DIVISION

Tourism	52,675	59,130	68,567	61,880	2,750	4.7%
<b>Total Expenditures</b>	<b>52,675</b>	<b>59,130</b>	<b>68,567</b>	<b>61,880</b>	<b>2,750</b>	<b>4.7%</b>

Ending Fund Balance	118,186	110,756	83,630	59,450		
Change in Fund Balance	12	(7,430)	(34,556)	(24,180)		

### EXPENDITURES BY CATEGORY

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
Service/Charges	52,675	59,130	68,567	61,880	2,750	4.7%
<b>Total Expenditures</b>	<b>52,675</b>	<b>59,130</b>	<b>68,567</b>	<b>61,880</b>	<b>2,750</b>	<b>4.7%</b>



### EXPENDITURE DETAILS

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
Tourism						
Professional Services	52,675	59,130	68,567	61,880	2,750	4.7%
<b>Total Expenditures</b>	<b>52,675</b>	<b>59,130</b>	<b>68,567</b>	<b>61,880</b>	<b>2,750</b>	<b>4.7%</b>

## DEPARTMENT SUMMARY

The Bond Fund is used to account for the accumulation of resources to be used for the retirement of City general long-term debt. The appropriation authorized for these funds are determined by the debt payment schedules approved by the City Council (or City Commission) as part of debt issuance and cannot legally be altered by legislative action.

## BUDGET HIGHLIGHTS

The Bond Fund allocation for 2021 is the same as the 2020 allocation. The decrease from 2019 reflects the retirement of the 2013 LTGO refunding bonds used for financing the civic center.

BOND FUND

**BOND FUND SUMMARY**

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
Beginning Fund Balance	11,775	14,989	14,989	16,570		

**FUNDING SOURCES**

Taxes	3,615	-	1,580	-	-	0.0%
Transfer In	282,318	184,490	184,468	184,490	-	0.0%
<b>Total Revenue</b>	<b>285,933</b>	<b>184,490</b>	<b>186,048</b>	<b>184,490</b>	-	<b>0.0%</b>

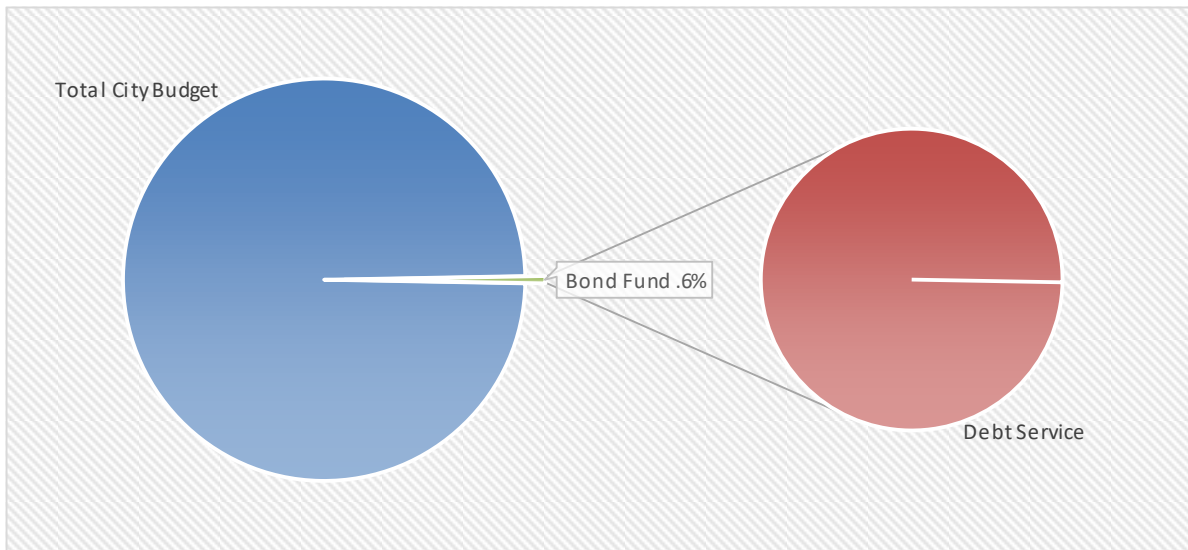
**EXPENDITURES BY DIVISION**

Bond Fund	282,719	184,490	184,467	184,490	-	0.0%
<b>Total Expenditures</b>	<b>282,719</b>	<b>184,490</b>	<b>184,467</b>	<b>184,490</b>	-	<b>0.0%</b>

Ending Fund Balance	14,989	14,989	16,570	16,570		
Change in Fund Balance	3,214	-	1,581	-		

### EXPENDITURES BY CATEGORY

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
Debt Service	282,719	184,490	184,467	184,490	-	0.0%
<b>Total Expenditures</b>	<b>282,719</b>	<b>184,490</b>	<b>184,467</b>	<b>184,490</b>	<b>-</b>	<b>0.0%</b>



### EXPENDITURE DETAILS

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
<b>Bond Fund</b>						
Debt Principal	149,698	56,780	56,768	58,940	2,160	0.0%
Debt Interest	133,021	127,710	127,699	125,550	(2,160)	0.0%
<b>Total Expenditures</b>	<b>282,719</b>	<b>184,490</b>	<b>184,467</b>	<b>184,490</b>	<b>-</b>	<b>0.0%</b>

## DEPARTMENT SUMMARY

The Capital Improvement Fund is where the City accounts for the resources and expenditures related to all City Capital Projects that are not accounted for in City Proprietary Funds. The City uses this fund to track revenue and expenses at the project level to ensure that the City has financial resources to cover the cost of each project and to ensure that total project expenses do not exceed budget authority. Potential funding includes state and federal grants, Real Estate Excise Tax (REET), Impact Fees, Transportation Benefit District tax monies, debt financing, as well as transfers into this fund.

In all cases, the City considers restricted monies to have been spent first when expenditures are incurred for purposes for which both restricted and unrestricted resources are available. When expenditures occur of unrestricted monies, unassigned resources are always considered the last monies to be included after all other qualified resources have been exhausted.

## BUDGET HIGHLIGHTS

The Capital Improvement Fund budget will fluctuate somewhat from year to year depending on budgeted capital projects and the funding sources for those projects.

Capital projects included in the Capital Improvement Fund for 2021 are:

- ❖ Street/Transportation: Pavement Maintenance Program, Western Gateway, and the Street funds portion of the Public Works Maintenance Facility Expansion.
- ❖ Facilities: New cargo van, Civic Center and Library parking lot improvements.
- ❖ Parks: Ravenna Trail Crosswalk, Northcliff Neighborhood Park Master Plan, Simpson Railroad Trail Design, Eagle Point Trail Construction, and Callanan Irrigation and Backstop Fencing.
- ❖ Construction improvements to the gravel Civic Center Parking Lot.

A list of capital projects city-wide, including the resources budgeted to fund the project and the budgeted cost of the project, can be found in the Overview Section.



CAPITAL IMPROVEMENT FUND

CAPITAL IMPROVEMENT FUND SUMMARY

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
Beginning Fund Balance	24,655	428,727	428,727	700,547		

FUNDING SOURCES

Taxes	289,013	90,000	-	-	(90,000)	-100.0%
Intergovernmental Revenue	4,216,443	760,400	789,790	200,000	(560,400)	-73.7%
Charges for Goods/Service	310,202	190,000	353,080	232,000	42,000	22.1%
Transfer In	-	1,049,500	50,000	1,140,140	90,640	8.6%
<b>Total Revenue</b>	<b>4,815,658</b>	<b>2,089,900</b>	<b>1,192,870</b>	<b>1,572,140</b>	<b>(517,760)</b>	<b>-24.8%</b>

EXPENDITURES BY DIVISION

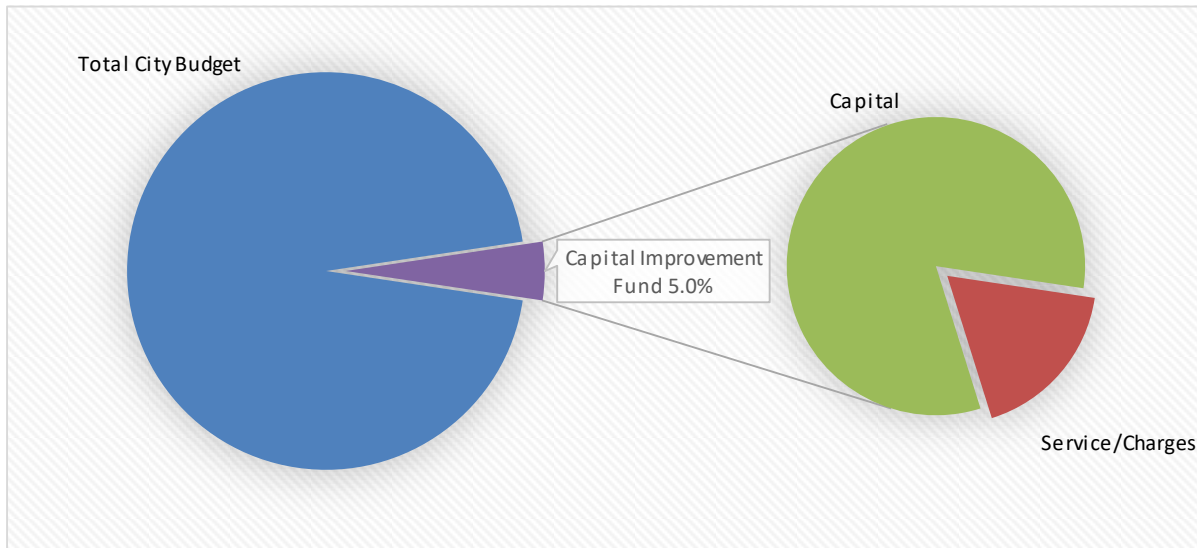
Capital	4,362,862	2,089,900	921,050	1,572,140	(517,760)	-24.8%
Transfer Out	48,724	48,730	-	-	(48,730)	-100.0%
<b>Grand Total</b>	<b>4,411,586</b>	<b>2,138,630</b>	<b>921,050</b>	<b>1,572,140</b>	<b>(566,490)</b>	<b>-26.5%</b>

Ending Fund Balance                    428,727            379,997            700,547            700,547

Change in Fund Balance            404,072            (48,730)            271,820            -

## EXPENDITURES BY CATEGORY

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
Supplies/Equip	3,424	-	-	-	-	-
Service/Charges	265,504	50,000	73,780	279,900	229,900	459.8%
Capital	4,042,492	2,039,900	835,200	1,292,240	(747,660)	-36.7%
Transfer Out	48,724	48,730	-	-	(48,730)	-100.0%
Indirect Charges	51,441	-	12,070	-	-	-
<b>Grand Total</b>	<b>4,411,586</b>	<b>2,138,630</b>	<b>921,050</b>	<b>1,572,140</b>	<b>(566,490)</b>	<b>-26.5%</b>



## EXPENDITURE DETAILS

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
<b>Capital</b>						
Office & Operating Supplies	3,424	-	-	-	-	-
Professional Services	265,479	50,000	73,780	-	(50,000)	-100.0%
Communication	26	-	-	-	-	-
Training and Other Charges	-	-	-	279,900	279,900	100.0%
Capital	4,042,492	2,039,900	835,200	1,292,240	(747,660)	-36.7%
Indirect Charges	51,441	-	12,070	-	-	-
<b>Capital Total</b>	<b>4,362,862</b>	<b>2,089,900</b>	<b>921,050</b>	<b>1,572,140</b>	<b>(517,760)</b>	<b>-24.8%</b>
<b>Transfer Out</b>						
Transfer Out	48,724	48,730	-	-	(48,730)	-100.0%
<b>Transfer Out Total</b>	<b>48,724</b>	<b>48,730</b>	<b>-</b>	<b>-</b>	<b>(48,730)</b>	<b>-100.0%</b>
<b>Grand Total</b>	<b>4,411,586</b>	<b>2,138,630</b>	<b>921,050</b>	<b>1,572,140</b>	<b>(566,490)</b>	<b>-26.5%</b>

## MISSION STATEMENT

To provide high quality water services to the residents of the City of Shelton.

## DEPARTMENT SUMMARY

The Water Utility Fund is used to operate, maintain and improve the water distribution system to provide for the delivery of safe, high quality water for all City water users. Revenue is primarily from charges for service with additional funding from system development fees, lease revenue, and investment interest.

## BUDGET HIGHLIGHTS

The Water Fund budget increases by \$101,140 or 4.1%. The Water Fund appropriation request includes \$1,310,000 for capital projects in 2021 to include the PW maintenance facility expansion, automated meter read, well 1 tank pressurization project, and the pavement maintenance program. The budget also includes funding for 25% of a new Development Review Technician.

WATER FUND

**WATER FUND SUMMARY**

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
<b>Beginning Fund Balance</b>	<b>2,176,789</b>	<b>2,415,807</b>	<b>2,415,807</b>	<b>1,998,234</b>		

**FUNDING SOURCES**

Intergovernmental Revenue	-	-	30,000	-	-	
Charges for Goods/Service	2,370,528	2,347,090	2,227,613	2,487,440	140,350	6.0%
Miscellaneous Revenue	156,443	127,000	85,700	87,790	(39,210)	-30.9%
<b>Total Revenue</b>	<b>2,526,971</b>	<b>2,474,090</b>	<b>2,343,313</b>	<b>2,575,230</b>	<b>101,140</b>	<b>4.1%</b>

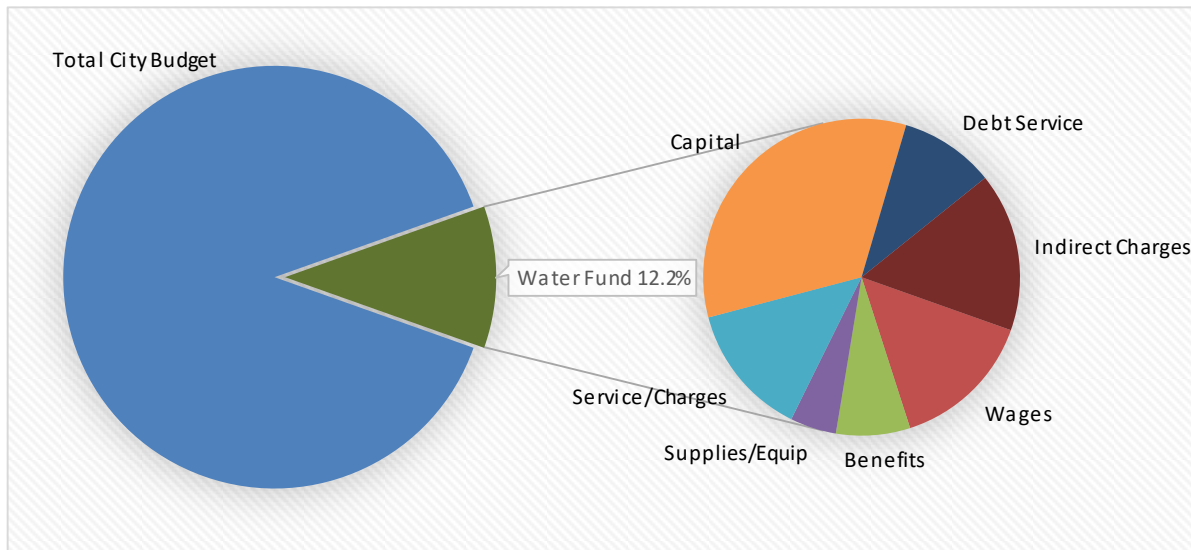
**EXPENDITURES BY DIVISION**

Water Operations	2,287,953	3,720,740	2,760,886	3,865,560	144,820	3.9%
<b>Total Expenditures</b>	<b>2,287,953</b>	<b>3,720,740</b>	<b>2,760,886</b>	<b>3,865,560</b>	<b>144,820</b>	<b>3.9%</b>

<b>Ending Fund Balance</b>	<b>2,415,807</b>	<b>1,169,157</b>	<b>1,998,234</b>	<b>707,904</b>		
<b>Change in Fund Balance</b>	<b>239,018</b>	<b>(1,246,650)</b>	<b>(417,572)</b>	<b>(1,290,330)</b>		

## EXPENDITURES BY CATEGORY

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
Wages	394,828	531,240	521,530	562,980	31,740	6.0%
Benefits	171,258	262,230	191,711	291,090	28,860	11.0%
Supplies/Equip	72,780	181,570	145,490	181,570	-	0.0%
Service/Charges	601,512	458,740	765,450	523,300	64,560	14.1%
Inventory	51,628	-	4,745	-	-	
Capital	64,931	1,255,000	100,000	1,310,000	55,000	4.4%
Debt Service	373,991	373,390	373,390	372,930	(460)	-0.1%
Indirect Charges	557,027	658,570	658,570	623,690	(34,880)	-5.3%
<b>Total Expenditures</b>	<b>2,287,953</b>	<b>3,720,740</b>	<b>2,760,886</b>	<b>3,865,560</b>	<b>144,820</b>	<b>3.9%</b>



## STAFFING

	2018 Actual	2019 Actual	2020 Budget	2021 Proposed
Superintendent - Streets/Water/EM&R	-	0.40	0.40	0.40
Field Supervisor - Water	1.00	1.00	1.00	1.00
Assistant Field Supervisor - Water	1.00	1.00	1.00	1.00
Water Quality Specialist	2.00	1.00	1.00	1.00
Water Quality Specialist in Training	-	1.00	1.00	1.00
Operator	1.50	2.50	2.50	2.50
Truck Driver	1.50	0.50	0.50	0.50
Maintenance Worker	1.02	1.00	1.00	1.00
Development Review Technician	-	-	-	0.25
<b>Total Water Fund</b>	<b>8.02</b>	<b>8.40</b>	<b>8.40</b>	<b>8.65</b>

## EXPENDITURE DETAILS

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
<b>Water Operations</b>						
Salary/Wages	394,828	531,240	521,530	562,980	31,740	6.0%
Personnel Benefits	171,258	262,230	191,711	291,090	28,860	11.0%
Office & Operating Supplies	58,419	155,760	127,000	155,760	-	0.0%
Small Tools & Equipment	3,553	8,760	8,230	8,760	-	0.0%
Professional Services	231,324	48,820	357,629	113,380	64,560	132.2%
Communication	6,922	6,700	6,700	6,700	-	0.0%
Travel	319	720	720	720	-	0.0%
Insurance	8,651	8,920	25,421	8,920	-	0.0%
Utilities	133,690	155,000	145,000	155,000	-	0.0%
Taxes/Assessments	96,037	89,610	89,610	89,610	-	0.0%
Training and Other Charges	10,911	13,400	7,100	13,400	-	0.0%
Gas, Oil, & Fuel	10,807	17,050	10,260	17,050	-	0.0%
Inventory	51,628	-	4,745	-	-	
Capital	64,931	1,255,000	100,000	1,310,000	55,000	4.4%
Debt Principal	250,759	255,760	255,760	260,760	5,000	2.0%
Rent/Lease	66,314	67,930	67,930	67,930	-	0.0%
Repair/Maintenance	47,344	67,640	65,340	67,640	-	0.0%
Debt Interest	122,932	117,630	117,630	112,170	(5,460)	-4.6%
Debt Service	300	-	-	-	-	
Indirect Charges	557,027	658,570	658,570	623,690	(34,880)	-5.3%
<b>Total Expenditures</b>	<b>2,287,953</b>	<b>3,720,740</b>	<b>2,760,886</b>	<b>3,865,560</b>	<b>144,820</b>	<b>3.9%</b>

## MISSION STATEMENT

To provide high quality sewer services to the residents of the City of Shelton.

## DEPARTMENT SUMMARY

The Sewer Utility Fund is used to operate, maintain and improve the City's sewer system and provide for the safe disposal and treatment of wastewater for the residents of the City of Shelton. Revenue for this fund is primarily from charges for service.

## BUDGET HIGHLIGHTS

The Sewer Fund budget decreases by \$2,009,890 or 34.8%. The large increase in Sewer is significantly related to the \$2,139,200 budget for capital projects. Those projects include the automated meter read, MBR filter replacement, a slacktide tank, and a wastewater comprehensive plan update. The Sewer budget also include funding for 25% of the Development Review Technician position.

## SEWER FUND

## SEWER FUND SUMMARY

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
Beginning Fund Balance	1,801,780	4,024,695	4,024,695	4,263,597		

## FUNDING SOURCES

Intergovernmental Revenue	3,599,787	-	-	-	-	
Charges for Goods/Service	5,673,695	5,793,930	5,863,722	5,996,890	202,960	3.5%
Miscellaneous Revenue	535,426	217,000	197,205	175,000	(42,000)	-19.4%
<b>Total Revenue</b>	<b>9,808,908</b>	<b>6,010,930</b>	<b>6,060,927</b>	<b>6,171,890</b>	<b>160,960</b>	<b>2.7%</b>

## EXPENDITURES BY DIVISION

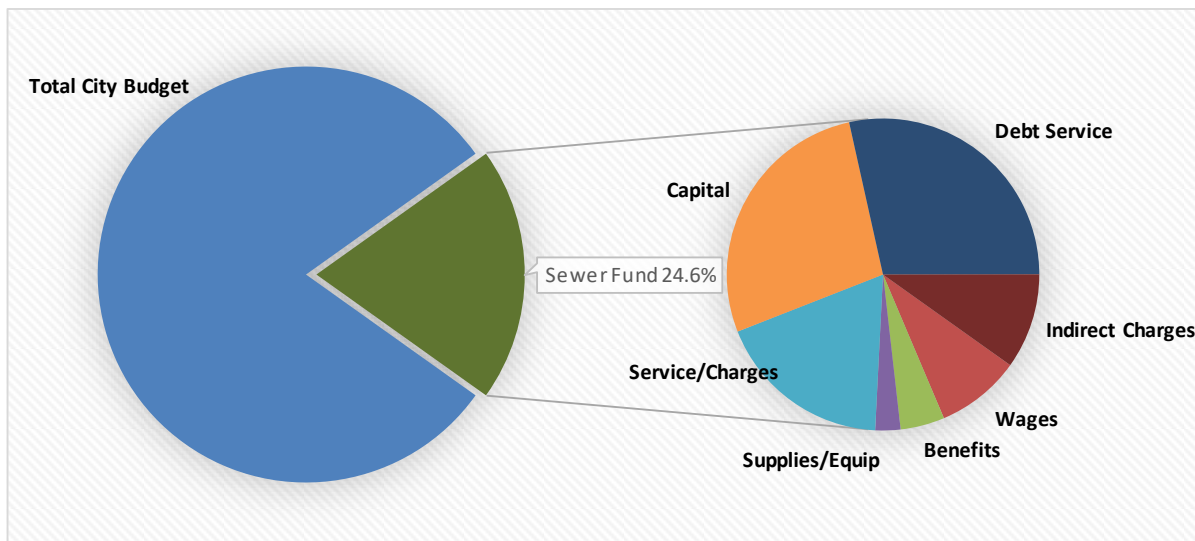
Collection Main	244,179	286,530	373,169	398,740	112,210	39.2%
Other Main	522,514	704,970	760,150	831,570	126,600	18.0%
Service Main	878,456	1,109,980	1,013,043	929,230	(180,750)	-16.3%
Sewer Operations	5,582,169	3,233,620	3,316,825	5,125,950	1,892,330	58.5%
Coalition	257	25,750	-	26,390	640	2.5%
Services -Satellite Plant	293,673	341,390	259,262	398,510	57,120	16.7%
Other Satellite Plant	64,745	75,090	99,576	76,830	1,740	2.3%
<b>Total Expenditures</b>	<b>7,585,993</b>	<b>5,777,330</b>	<b>5,822,025</b>	<b>7,787,220</b>	<b>2,009,890</b>	<b>34.8%</b>

Ending Fund Balance	4,024,695	4,258,295	4,263,597	2,648,267		
Change in Fund Balance	2,222,915	233,600	238,902	(1,615,330)		



## EXPENDITURES BY CATEGORY

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
Wages	543,990	623,970	621,465	682,270	58,300	9.3%
Benefits	261,754	323,100	281,499	355,990	32,890	10.2%
Supplies/Equip	209,613	166,080	216,747	202,920	36,840	22.2%
Service/Charges	1,611,682	1,432,250	1,413,777	1,420,090	(12,160)	-0.8%
Capital	1,850,864	30,000	76,264	2,139,170	2,109,170	7030.6%
Debt Service	2,223,540	2,220,010	2,230,354	2,216,620	(3,390)	-0.2%
Indirect Charges	884,550	981,920	981,920	770,160	(211,760)	-21.6%
<b>Total Expenditures</b>	<b>7,585,993</b>	<b>5,777,330</b>	<b>5,822,025</b>	<b>7,787,220</b>	<b>2,009,890</b>	<b>34.8%</b>



## STAFFING

	2018 Actual	2019 Actual	2020 Budget	2021 Proposed
Superintendent - Sewer/Storm	-	0.50	0.50	0.50
Field Supervisor - Sewer/Storm	0.50	0.50	0.50	0.50
Waste Water Treatment Plant Tech III	1.00	1.00	1.00	1.00
Waste Water Treatment Plant Tech II	1.00	1.00	1.00	1.00
Operator Tech III	2.00	2.00	2.00	2.00
Waste Water Treatment Plant Tech in Trng	1.00	1.00	1.00	1.00
Operator	1.50	1.50	1.50	1.50
Truck Driver	0.80	0.80	0.80	0.80
Maintenance Worker	1.00	1.00	2.00	2.00
Development Review Technician	-	-	-	0.25
<b>Total Sewer Fund</b>	<b>8.80</b>	<b>9.30</b>	<b>10.30</b>	<b>10.55</b>

## EXPENDITURE DETAILS

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
<b>Coalition</b>						
Office & Operating Supplies	257	-	-	-	-	
Professional Services	-	25,750	-	26,390	640	2.5%
<b>Coalition Total</b>	<b>257</b>	<b>25,750</b>	<b>-</b>	<b>26,390</b>	<b>640</b>	<b>2.5%</b>
<b>Collection Main</b>						
Salary/Wages	128,658	147,340	217,003	222,420	75,080	51.0%
Personnel Benefits	59,328	76,680	96,946	105,960	29,280	38.2%
Office & Operating Supplies	15,578	10,300	10,300	10,300	-	0.0%
Gas, Oil, & Fuel	52	-	-	-	-	
Small Tools & Equipment	2,434	6,180	6,180	6,180	-	0.0%
Professional Services	5,889	7,730	7,730	10,000	2,270	29.4%
Communication	3,904	4,120	4,120	5,000	880	21.4%
Travel	-	770	770	1,500	730	94.8%
Rent/Lease	1,241	1,030	1,030	5,000	3,970	385.4%
Insurance	21,324	21,970	8,486	21,970	-	0.0%
Utilities	4,251	4,530	4,530	4,530	-	0.0%
Repair/Maintenance	371	3,610	3,610	3,610	-	0.0%
Training and Other Charges	1,149	2,270	12,464	2,270	-	0.0%
<b>Collection Main Total</b>	<b>244,179</b>	<b>286,530</b>	<b>373,169</b>	<b>398,740</b>	<b>112,210</b>	<b>39.2%</b>
<b>Other Main</b>						
Salary/Wages	86,140	95,790	134,674	179,110	83,320	87.0%
Personnel Benefits	54,311	62,680	78,554	105,220	42,540	67.9%
Professional Services	183,610	324,770	328,760	325,510	740	0.2%
Insurance	-	-	3,255	-	-	
Utilities	435	5,150	447	5,150	-	0.0%
Taxes/Assessments	103,874	103,000	102,000	103,000	-	0.0%
Training and Other Charges	3,925	5,150	4,031	5,150	-	0.0%
Rent/Lease	33,768	38,110	38,110	38,110	-	0.0%
Gas, Oil, & Fuel	15,815	15,450	15,450	15,450	-	0.0%
Repair/Maintenance	40,635	54,870	54,870	54,870	-	0.0%
<b>Other Main Total</b>	<b>522,514</b>	<b>704,970</b>	<b>760,150</b>	<b>831,570</b>	<b>126,600</b>	<b>18.0%</b>
<b>Other Satellite Plant</b>						
Salary/Wages	33,880	33,510	50,712	35,730	2,220	6.6%
Personnel Benefits	19,555	20,980	26,623	20,140	(840)	-4.0%
Insurance	-	-	1,280	-	-	
Taxes/Assessments	10,555	10,820	10,820	10,820	-	0.0%
Repair/Maintenance	755	9,780	9,780	9,780	-	0.0%
Gas, Oil, & Fuel	-	-	362	360	360	
<b>Other Satellite Plant Total</b>	<b>64,745</b>	<b>75,090</b>	<b>99,576</b>	<b>76,830</b>	<b>1,740</b>	<b>2.3%</b>

## SEWER FUND

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
<b>Service Main</b>						
Salary/Wages	211,427	254,740	185,734	116,670	(138,070)	-54.2%
Personnel Benefits	91,751	114,660	64,154	59,170	(55,490)	-48.4%
Office & Operating Supplies	79,774	75,000	100,000	110,000	35,000	46.7%
Gas, Oil, & Fuel	4,980	1,550	1,550	1,550	-	0.0%
Small Tools & Equipment	9,326	15,970	15,970	15,450	(520)	-3.3%
Professional Services	118,262	106,090	113,178	58,420	(47,670)	-44.9%
Communication	11,296	10,820	13,110	25,820	15,000	138.6%
Travel	-	410	410	3,410	3,000	731.7%
Rent/Lease	489	520	520	520	-	0.0%
Insurance	71,868	74,030	62,168	74,030	-	0.0%
Utilities	246,121	285,000	285,000	285,000	-	0.0%
Repair/Maintenance	27,928	164,800	164,800	164,800	-	0.0%
Training and Other Charges	5,234	6,390	6,449	6,890	500	7.8%
Intergovernmental	-	-	-	7,500	7,500	
<b>Service Main Total</b>	<b>878,456</b>	<b>1,109,980</b>	<b>1,013,043</b>	<b>929,230</b>	<b>(180,750)</b>	<b>-16.3%</b>
<b>Services -Satellite Plant</b>						
Salary/Wages	83,127	91,460	33,342	128,340	36,880	40.3%
Personnel Benefits	36,472	47,540	15,223	65,500	17,960	37.8%
Office & Operating Supplies	44,543	35,000	45,000	35,000	-	0.0%
Gas, Oil, & Fuel	364	-	-	-	-	
Small Tools & Equipment	-	6,630	6,630	8,630	2,000	30.2%
Professional Services	11,739	11,330	13,887	11,610	280	2.5%
Communication	6,440	6,700	7,184	6,700	-	0.0%
Insurance	21,072	21,700	18,941	21,700	-	0.0%
Utilities	77,587	108,150	93,845	108,150	-	0.0%
Repair/Maintenance	12,177	12,670	25,000	12,670	-	0.0%
Training and Other Charges	151	210	210	210	-	0.0%
<b>Services -Satellite Plant Total</b>	<b>293,673</b>	<b>341,390</b>	<b>259,262</b>	<b>398,510</b>	<b>57,120</b>	<b>16.7%</b>
<b>Sewer Operations</b>						
Salary/Wages	759	1,130	-	-	(1,130)	-100.0%
Personnel Benefits	338	560	-	-	(560)	-100.0%
Office & Operating Supplies	36,489	-	15,305	-	-	
Professional Services	584,938	-	6,446	-	-	
Insurance	-	-	6,536	-	-	
Training and Other Charges	690	-	-	-	-	
Capital	1,850,864	30,000	76,264	2,139,170	2,109,170	7030.6%
Debt Principal	1,484,135	1,501,440	1,501,440	1,519,110	17,670	1.2%
Debt Interest	739,105	718,570	728,914	697,510	(21,060)	-2.9%
Debt Service	300	-	-	-	-	
Indirect Charges	884,550	981,920	981,920	770,160	(211,760)	-21.6%
<b>Sewer Operations Total</b>	<b>5,582,169</b>	<b>3,233,620</b>	<b>3,316,825</b>	<b>5,125,950</b>	<b>1,892,330</b>	<b>58.5%</b>
<b>Total Expenditures</b>	<b>7,585,993</b>	<b>5,777,330</b>	<b>5,822,025</b>	<b>7,787,220</b>	<b>2,009,890</b>	<b>34.8%</b>

## MISSION STATEMENT

To provide high quality solid waste services to the residents of the City of Shelton.

## DEPARTMENT SUMMARY

The Solid Waste Utility Fund accounted for the operation of refuse and recycling collection. The City contracted with Mason County in 2017 for solid waste services. The fund remains open to account of the cleanup of the C Street landfill.

## BUDGET HIGHLIGHTS

All funds collected will be restricted for landfill closeout costs.

SOLID WASTE FUND

SOLID WASTE FUND SUMMARY

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
Beginning Fund Balance	991,092	1,035,296	1,035,296	944,660		

FUNDING SOURCES

Intergovernmental Revenue	181,136	470,000	10,000	450,000	(20,000)	-4.3%
Charges for Goods/Service	155	-	256	-	-	
Miscellaneous Revenue	5	-	11	-	-	
<b>Total Revenue</b>	<b>181,296</b>	<b>470,000</b>	<b>10,267</b>	<b>450,000</b>	<b>(20,000)</b>	<b>-4.3%</b>

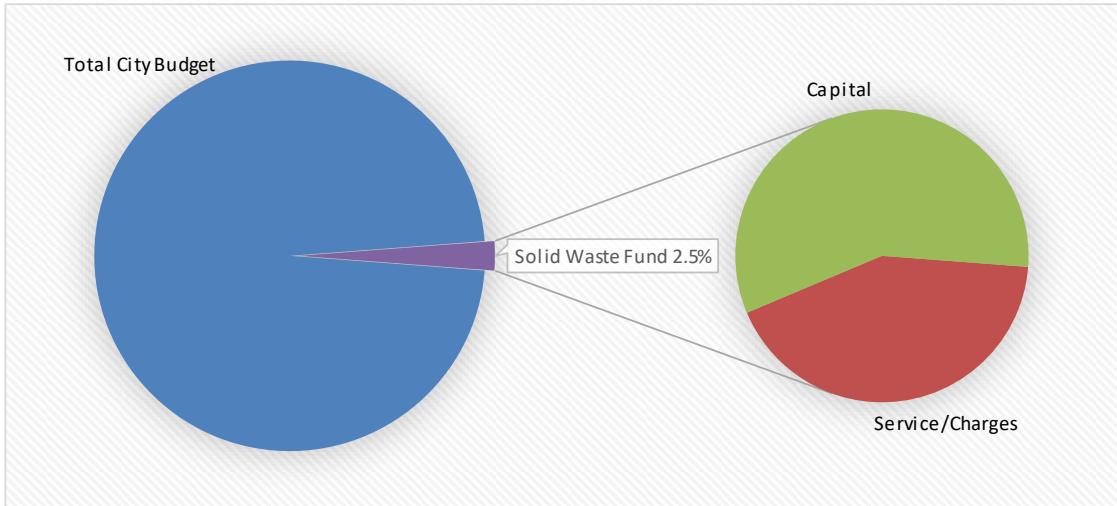
EXPENDITURES BY DIVISION

Solid Waste Operations	137,092	1,459,020	100,903	781,810	(677,210)	-46.4%
<b>Total Expenditures</b>	<b>137,092</b>	<b>1,459,020</b>	<b>100,903</b>	<b>781,810</b>	<b>(677,210)</b>	<b>-46.4%</b>

Ending Fund Balance	1,035,296	46,276	944,660	612,850		
Change in Fund Balance	44,204	(989,020)	(90,636)	(331,810)		

### EXPENDITURES BY CATEGORY

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
Benefits	3,272	-	-	-	-	-
Inventory	5	-	10	-	-	-
Service/Charges	133,815	431,810	100,746	331,810	(100,000)	-23.2%
Capital	-	1,027,210	-	450,000	(577,210)	-56.2%
Indirect Charges	-	-	147	-	-	-
<b>Grand Total</b>	<b>137,092</b>	<b>1,459,020</b>	<b>100,903</b>	<b>781,810</b>	<b>(677,210)</b>	<b>-46.4%</b>



### EXPENDITURE DETAILS

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
<b>Solid Waste Operations</b>						
Personnel Benefits	3,272	-	-	-	-	-
Professional Services	133,813	431,810	100,742	331,810	(100,000)	-23.2%
Taxes/Assessments	2	-	4	-	-	-
Inventory	5	-	10	-	-	-
Capital	-	1,027,210	-	450,000	(577,210)	-56.2%
Indirect Charges	-	-	147	-	-	-
<b>Total Expenditures</b>	<b>137,092</b>	<b>1,459,020</b>	<b>100,903</b>	<b>781,810</b>	<b>(677,210)</b>	<b>-46.4%</b>

## MISSION STATEMENT

To provide high quality storm water drainage services to the residents of the City of Shelton.

## DEPARTMENT SUMMARY

The Storm Drainage Utility Fund provides for the maintenance and operation of the City's storm drainage facilities. Revenue for this fund is primarily from charges for services. Proper maintenance of the drainage facilities reduces the impact of heavy rain or prolonged wet weather conditions.

## BUDGET HIGHLIGHTS

The Storm Drainage Fund budget increases by \$63,050 or 4.9%. The Storm Drainage Fund includes funding for 25% of the Development Review Technician and well as \$35,000 for capital expenses.

This fund will require either a rate increase or a significant reduction in expense activities in 2021 as the budget will use nearly all available resources including accumulated fund balance.

STORM DRAINAGE FUND

STORM DRAINAGE FUND SUMMARY

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
Beginning Fund Balance	666,469	429,866	429,866	356,083		

FUNDING SOURCES

Intergovernmental Revenue	25,000	95,000	95,000	25,000	(70,000)	-73.7%
Charges for Goods/Service	764,614	1,155,000	771,502	960,000	(195,000)	-16.9%
Miscellaneous Revenue	11,928	15,000	-	4,000	(11,000)	-73.3%
<b>Total Revenue</b>	<b>801,542</b>	<b>1,265,000</b>	<b>866,502</b>	<b>989,000</b>	<b>(276,000)</b>	<b>-21.8%</b>

EXPENDITURES BY DIVISION

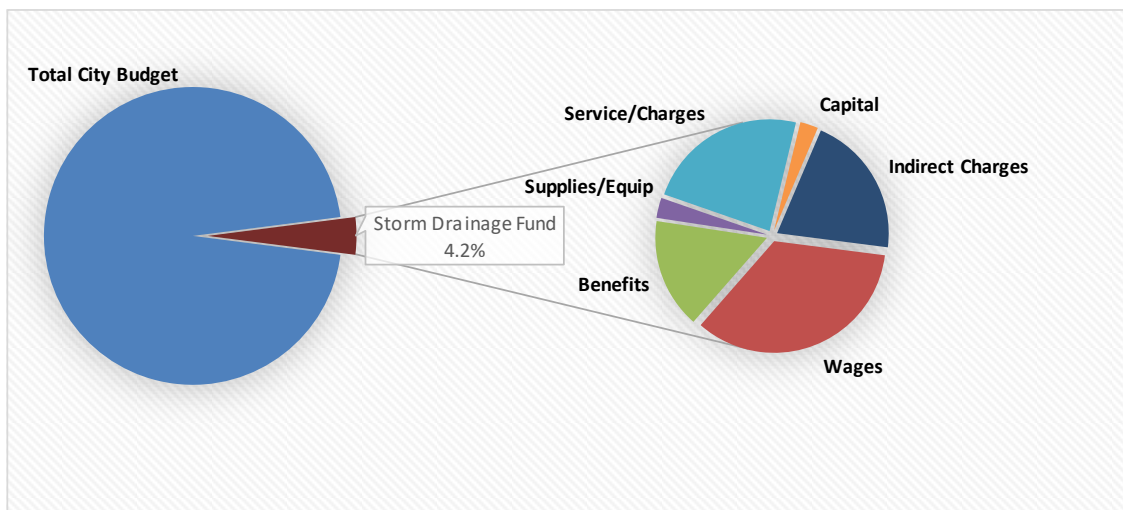
Storm Operations	1,038,145	1,275,710	940,285	1,338,760	63,050	4.9%
<b>Total Expenditures</b>	<b>1,038,145</b>	<b>1,275,710</b>	<b>940,285</b>	<b>1,338,760</b>	<b>63,050</b>	<b>4.9%</b>

Ending Fund Balance	429,866	419,156	356,083	6,323		
Change in Fund Balance	(236,603)	(10,710)	(73,783)	(349,760)		



## EXPENDITURES BY CATEGORY

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
Wages	164,230	434,540	255,000	460,840	26,300	6.1%
Benefits	74,608	221,500	103,065	213,560	(7,940)	-3.6%
Supplies/Equip	38,574	39,120	39,120	39,120	-	0.0%
Service/Charges	213,745	283,680	213,680	314,380	30,700	10.8%
Capital	303,754	8,000	40,550	35,000	27,000	337.5%
Indirect Charges	243,235	288,870	288,870	275,860	(13,010)	-4.5%
<b>Total Expenditures</b>	<b>1,038,145</b>	<b>1,275,710</b>	<b>940,285</b>	<b>1,338,760</b>	<b>63,050</b>	<b>4.9%</b>



## STAFFING

	2018 Actual	2019 Actual	2020 Budget	2021 Proposed
Superintendent - Sewer/Storm	-	0.50	0.50	0.50
City Engineer	-	-	0.50	0.50
Field Supervisor - Sewer/Storm	0.50	0.50	0.50	0.50
Operator	1.75	2.75	3.75	3.75
Truck Driver	0.70	0.70	0.70	0.70
Maintenance Worker	-	-	1.00	1.00
Permit Coordinator	0.05	0.05	0.05	0.05
Development Review Technician	-	-	-	0.25
<b>Total Storm Drainage Fund</b>	<b>3.00</b>	<b>4.50</b>	<b>7.00</b>	<b>7.25</b>

## EXPENDITURE DETAILS

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
<b>Storm Operations</b>						
Salary/Wages	164,230	434,540	255,000	460,840	26,300	6.1%
Personnel Benefits	74,608	221,500	103,065	213,560	(7,940)	-3.6%
Office & Operating Supplies	31,287	25,000	25,000	25,000	-	0.0%
Small Tools & Equipment	2,588	10,000	10,000	10,000	-	0.0%
Professional Services	72,968	99,660	79,035	121,400	21,740	21.8%
Communication	-	210	-	210	-	0.0%
Insurance	251	260	6,765	260	-	0.0%
Utilities	1,995	1,960	1,960	1,960	-	0.0%
Taxes/Assessments	11,423	11,740	9,529	11,740	-	0.0%
Training and Other Charges	821	13,390	6,075	7,500	(5,890)	-44.0%
Capital	303,754	8,000	40,550	35,000	27,000	337.5%
Rent/Lease	50,959	61,430	55,576	62,850	1,420	2.3%
Repair/Maintenance	75,327	95,030	54,740	108,460	13,430	14.1%
Indirect Charges	243,235	288,870	288,870	275,860	(13,010)	-4.5%
Gas, Oil, & Fuel	4,698	4,120	4,120	4,120	-	0.0%
<b>Total Expenditures</b>	<b>1,038,145</b>	<b>1,275,710</b>	<b>940,285</b>	<b>1,338,760</b>	<b>63,050</b>	<b>4.9%</b>

## DEPARTMENT SUMMARY

The Payroll Benefits Fund accounts for the City's self-funded unemployment program, medical costs for retired police officers covered by the LEOFF 1 retirement plan, and the City's sick leave buy-back program.

## BUDGET HIGHLIGHTS

The Payroll Benefits Fund decreases by \$12,500 or 5.7%. The changes reflect the City assumption on resource need for 2021.

**PAYROLL BENEFITS FUND SUMMARY**

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
<b>Beginning Fund Balance</b>	<b>127,103</b>	<b>139,893</b>	<b>139,893</b>	<b>139,893</b>		

**FUNDING SOURCES**

Charges for Goods/Service	38,083	40,000	40,000	40,000	-	0.0%
Miscellaneous Revenue	2,588	1,900	5,600	1,900	-	0.0%
Transfer In	84,738	164,800	80,000	164,800	-	0.0%
<b>Total Revenue</b>	<b>125,409</b>	<b>206,700</b>	<b>125,600</b>	<b>206,700</b>	<b>-</b>	<b>0.0%</b>

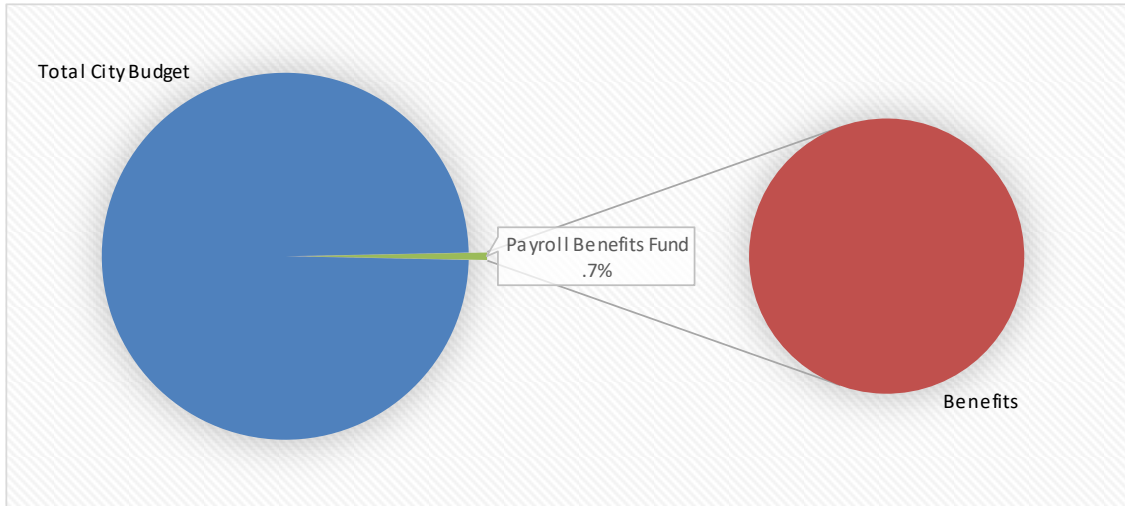
**EXPENDITURES BY DIVISION**

Payroll Benefits	112,620	219,200	125,600	206,700	(12,500)	-5.7%
<b>Total Expenditures</b>	<b>112,620</b>	<b>219,200</b>	<b>125,600</b>	<b>206,700</b>	<b>(12,500)</b>	<b>-5.7%</b>

<b>Ending Fund Balance</b>	<b>139,893</b>	<b>127,393</b>	<b>139,893</b>	<b>139,893</b>		
<b>Change in Fund Balance</b>	<b>12,790</b>	<b>(12,500)</b>	<b>-</b>	<b>-</b>		

### EXPENDITURES BY CATEGORY

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
Benefits	112,620	219,200	125,600	206,700	(12,500)	-5.7%
<b>Total Expenditures</b>	<b>112,620</b>	<b>219,200</b>	<b>125,600</b>	<b>206,700</b>	<b>(12,500)</b>	<b>-5.7%</b>



### EXPENDITURE DETAILS

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
<b>Payroll Benefits</b>						
Personnel Benefits	112,620	219,200	125,600	206,700	(12,500)	-5.7%
<b>Total Expenditures</b>	<b>112,620</b>	<b>219,200</b>	<b>125,600</b>	<b>206,700</b>	<b>(12,500)</b>	<b>-5.7%</b>

## MISSION STATEMENT

To provide skilled maintenance and repair services for vehicles and equipment for other City departments.

## DEPARTMENT SUMMARY

The Equipment Maintenance & Rental Fund is an internal service fund for the City which accounts for maintenance of most of the City vehicles and equipment. The major source of revenue is user fees charged to other City departments for work provided to departments vehicles.

## BUDGET HIGHLIGHTS

The Equipment Maintenance and Rental fund is scheduled to purchase nearly \$358,000 in new equipment in 2021 and includes \$90,000 for the PW Maintenance Facility expansion project.

## EQUIPMENT MAINTENANCE &amp; RENTAL FUND SUMMARY

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
Beginning Fund Balance	1,233,509	923,082	923,082	900,116		

## FUNDING SOURCES

Charges for Goods/Service	599,963	724,610	479,000	685,000	(39,610)	-5.5%
Miscellaneous Revenue	18,909	10,000	7,010	7,000	(3,000)	-30.0%
Other Financing Sources	-	2,000	29	-	(2,000)	-100.0%
<b>Total Revenue</b>	<b>618,872</b>	<b>736,610</b>	<b>486,039</b>	<b>692,000</b>	<b>(44,610)</b>	<b>-6.1%</b>

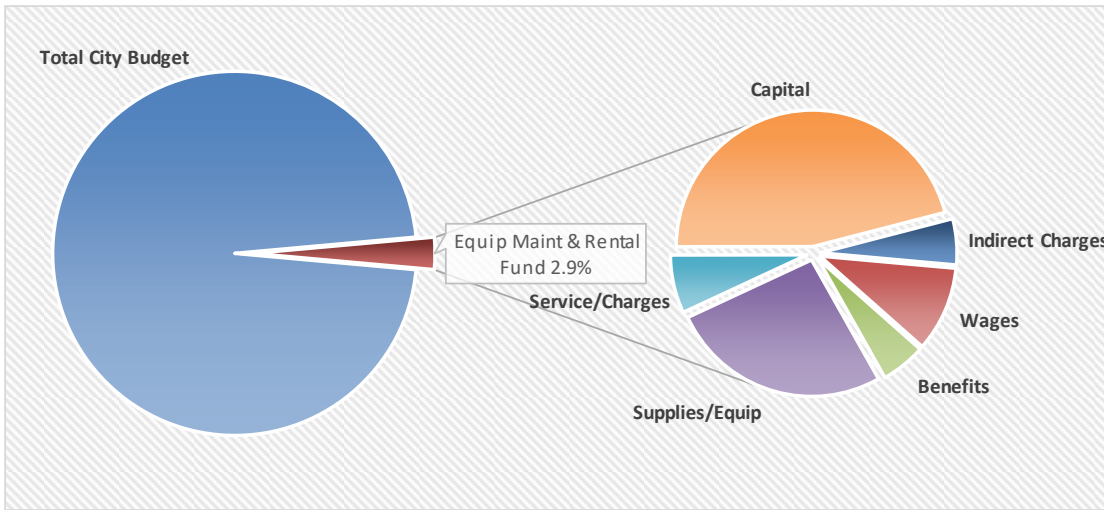
## EXPENDITURES BY DIVISION

Equipment Maint & Rental	929,299	863,720	759,577	929,510	65,790	7.6%
<b>Total Expenditures</b>	<b>929,299</b>	<b>863,720</b>	<b>759,577</b>	<b>929,510</b>	<b>65,790</b>	<b>7.6%</b>

Ending Fund Balance	923,082	678,235	900,116	456,645		
Change in Fund Balance	(310,427)	(244,848)	(22,967)	(443,471)		

### EXPENDITURES BY CATEGORY

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
Wages	81,965	88,420	87,920	93,960	5,540	6.3%
Benefits	41,592	45,140	46,020	49,310	4,170	9.2%
Supplies/Equip	180,529	243,860	174,016	243,860	-	0.0%
Service/Charges	28,679	59,070	23,200	64,200	5,130	8.7%
Inventory	2,196	-	-	-	-	-
Capital	551,900	390,000	390,000	427,500	37,500	9.6%
Indirect Charges	42,438	37,230	38,421	50,680	13,450	36.1%
<b>Total Expenditures</b>	<b>929,299</b>	<b>863,720</b>	<b>759,577</b>	<b>929,510</b>	<b>65,790</b>	<b>7.6%</b>



### STAFFING

	2018 Actual	2019 Actual	2020 Budget	2021 Proposed
Superintendent - Streets/Water/EM&R	-	0.20	0.20	0.20
Master Mechanic	1.00	1.00	1.00	1.00
Permit Coordinator	0.05	-	-	-
<b>Total Equipment Maint &amp; Rental</b>	<b>1.05</b>	<b>1.20</b>	<b>1.20</b>	<b>1.20</b>



## EXPENDITURE DETAILS

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
<b>Equipment Maint &amp; Rental</b>						
Salary/Wages	81,965	88,420	87,920	93,960	5,540	6.3%
Personnel Benefits	41,592	45,140	46,020	49,310	4,170	9.2%
Office & Operating Supplies	50,798	63,860	50,960	63,860	-	0.0%
Gas, Oil, & Fuel	123,744	172,010	115,066	172,010	-	0.0%
Small Tools & Equipment	5,987	7,990	7,990	7,990	-	
Professional Services	938	3,210	120	8,340	5,130	159.8%
Travel	-	470	470	470	-	0.0%
Insurance	10,662	11,270	-	11,270	-	0.0%
Utilities	1,240	-	-	-	-	
Repair/Maintenance	7,002	23,690	15,890	23,690	-	0.0%
Training and Other Charges	486	5,720	5,720	5,720	-	
Inventory	2,196	-	-	-	-	
Capital	551,900	390,000	390,000	427,500	37,500	9.6%
Rent/Lease	8,351	14,710	1,000	14,710	-	0.0%
Indirect Charges	42,438	37,230	38,421	50,680	13,450	
<b>Total Expenditures</b>	<b>929,299</b>	<b>863,720</b>	<b>759,577</b>	<b>929,510</b>	<b>65,790</b>	<b>7.6%</b>

## DEPARTMENT SUMMARY

The Firefighters Pension Fund accounts for the City's obligations toward retired LEOFF 1 firefighters for their pension and medical expenses.

## BUDGET HIGHLIGHTS

The Firefighters Pension Fund budget for 2021 is the same as the 2020 allocation.

FIREFIGHTERS PENSION FUND

**FIREFIGHTER'S PENSION FUND SUMMARY**

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
<b>Beginning Fund Balance</b>	<b>531,864</b>	<b>610,461</b>	<b>610,461</b>	<b>610,513</b>		

**FUNDING SOURCES**

Taxes	51	100	500	100	-	0.0%
Intergovernmental Revenue	9,646	9,650	10,300	9,650	-	0.0%
Miscellaneous Revenue	8,155	8,000	5,000	8,000	-	0.0%
Transfer In	146,818	151,220	72,500	121,220	(30,000)	-19.8%
<b>Total Revenue</b>	<b>164,671</b>	<b>168,970</b>	<b>88,300</b>	<b>138,970</b>	<b>(30,000)</b>	<b>-17.8%</b>

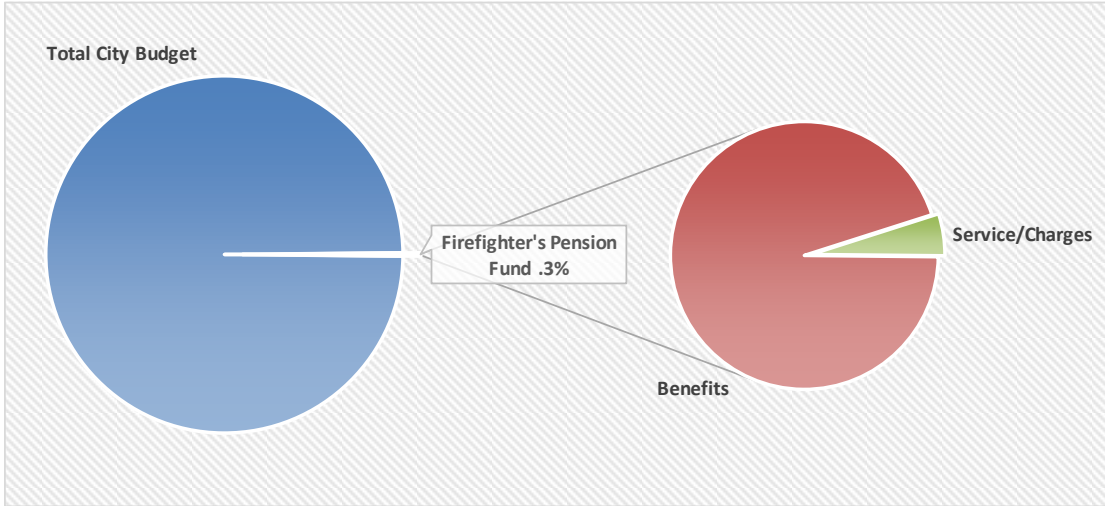
**EXPENDITURES BY DIVISION**

Firefighters Pension	86,074	98,570	88,248	98,570	-	0.0%
<b>Total Expenditures</b>	<b>86,074</b>	<b>98,570</b>	<b>88,248</b>	<b>98,570</b>	<b>-</b>	<b>0.0%</b>

<b>Ending Fund Balance</b>	<b>610,461</b>	<b>680,861</b>	<b>610,513</b>	<b>650,913</b>
<b>Change in Fund Balance</b>	<b>78,597</b>	<b>70,400</b>	<b>52</b>	<b>40,400</b>

## EXPENDITURES BY CATEGORY

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
Benefits	86,074	93,570	88,248	93,570	-	0.0%
Service/Charges	-	5,000	-	5,000	-	0.0%
<b>Total Expenditures</b>	<b>86,074</b>	<b>98,570</b>	<b>88,248</b>	<b>98,570</b>	<b>-</b>	<b>0.0%</b>



## EXPENDITURE DETAILS

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
<b>Firefighters Pension</b>						
Personnel Benefits	86,074	93,570	88,248	93,570	-	0.0%
Professional Services	-	5,000	-	5,000	-	0.0%
<b>Total Expenditures</b>	<b>86,074</b>	<b>98,570</b>	<b>88,248</b>	<b>98,570</b>	<b>-</b>	<b>0.0%</b>

## DEPARTMENT SUMMARY

The Library Endowment Fund is a permanent fund and accounts for an endowment given to the City for maintenance of the library facility. As a permanent fund, the resources are legally restricted for the purposes as outlined in the endowment. Only earnings on principal, but not the principal, are eligible to be spent as allowed.

## BUDGET HIGHLIGHTS

There are no planned expenditures from this fund for 2021.

## LIBRARY ENDOWMENT FUND SUMMARY

	2019 Actual	2020 Budget	2020 Estimate	2021 Proposed	\$ Change 21 - 20	% Change 21 - 20
Beginning Fund Balance	116,687	120,023	120,023	122,323		

## FUNDING SOURCES

Miscellaneous Revenue	3,336	2,700	2,300	2,700	-	0.0%
<b>Total Revenue</b>	<b>3,336</b>	<b>2,700</b>	<b>2,300</b>	<b>2,700</b>	<b>-</b>	<b>0.0%</b>

## EXPENDITURES BY DIVISION

<b>Total Expenditures</b>	-	-	-	-	-	
Ending Fund Balance	120,023	122,723	122,323	125,023		
Change in Fund Balance	3,336	2,700	2,300	2,700		