



City Council Study Session Agenda
Shelton Civic Center
August 17, 2021 at 5:00 p.m.

A. Call to Order

B. Roll Call

C. Study Agenda

1. 2022 Budget – Presented by Finance Director Aaron BeMiller and Finance Specialist Don Kuismi
2. Olympic Highway North Median Island Paving – Presented by Street Superintendent Mike Albaugh

D. New Items for Discussion

E. Adjourn



Shelton City Council
Meeting Agenda
August 17, 2021 at 6:00 p.m.
Civic Center

A. Call to Order

- Pledge of Allegiance
- Roll Call
- Late Changes to the Agenda

B. Council Reports

C. Consent Agenda (Action)

1. Vouchers numbered 105527 through 105564 in the total amount of \$137,901.79
2. Vouchers numbered 105593 through 105652 in the total amount of \$106,054.33
3. Voucher number 105586 in the amount of \$6,064.46
4. Shelton Veterans Village Status Update – July 29, 2021

5. Monthly Finance Status Report
6. Minutes:
 - Business Meeting of May 4, 2021
 - Business Meeting of May 18, 2021

D. General Public Comment (3-minute time limit)

The City Council invites members of the public to provide comment on any topic at this time. Please sign in on the public comment sheet and keep an instruction card. If you would like to comment on a Business or Action item, please list the agenda item number on the list. City Councilmembers and City Staff will not enter into a dialogue during public comment. If the Council feels an issue requires follow up, Staff will be directed to respond at an appropriate time.

E. Business Agenda (Study/No Action/Public Comment Taken)

1. Public Hearing Ordinance No. 1973-0621 Updating SMC 8.08 – Presented by Finance Director Aaron BeMiller
2. Contract Amendment with Waste Connections-Updating Administrative Provisions – Presented by Finance Director Aaron BeMiller
3. Resolution No. 1205-0721 Surplus Police Vehicles – Presented by Police Chief Carole Beason
4. Resolution No. 1206-0821 Approving Appendix J for Inclusion in the Joint Mason County-City of Shelton Comprehensive Solid Waste Management Plan – Presented by Public Works Director Jay Harris

F. Action Agenda (Action/Public Comment Taken)

1. Ordinance No. 1963-1220 PUD 3 Franchise Agreement – Presented by City Manager Jeff Niten
2. Civic Center Rotating Art Gallery – Presented by Community Development Director Mark Ziegler

G. Administration Reports

1. City Manager Report

H. New Items for Discussion

I. Announcement of Next Meeting – September 7, 2021 at 6:00 p.m.

J. Adjourn

Special Note for Virtual Public Participation

The meeting can be viewed at: masonwebtv.com

The public can provide comments virtually by:

Email: jeff.niten@sheltonwa.gov (before 5:00 p.m. the day of the meeting)

Telephone: (360) 968-9004

Your comments will be relayed directly to the Council.

June 2021 Monthly Financial Report

City of Shelton, Washington

General Fund Overview

	2021 Budget	2021 thru June	2021 Est Actual	Variance Favorable (Unfavorable)	% Variance Favorable (Unfavorable)
Revenues	12,283,920	8,292,726	14,335,420	2,051,500	16.7%
Expenditures	12,283,920	7,134,053	13,178,260	(894,340)	-7.3%
Net Revenues Less Expenditures	-	1,158,673	1,157,160	1,157,160	
Beginning Fund Balance	4,853,568		4,853,568		
Ending Fund Balance	4,853,568		6,010,728		
Ending Fund Balance Detail:					
General Fund Reserves	4,853,568		6,010,728		
	39.5%		48.9%		

Summary

2021 estimated actuals are based on historical data, YTD activity, known adjustments and are not year-end actuals. 2020 amounts included in this report are unaudited.

Analysis through June shows an overall positive budget variance of \$1.2 million.

General Fund Reserves are estimated to end the year at \$6.0 million, or 48.9% of 2021 budgeted expenditures.

Revenue Overview

Revenues are currently estimated to end the year approximately \$2.0 million (16.7%) higher than budgeted, which is significantly due to federal COVID recovery funds, sales tax and business and occupation taxes.

Expenditure Overview

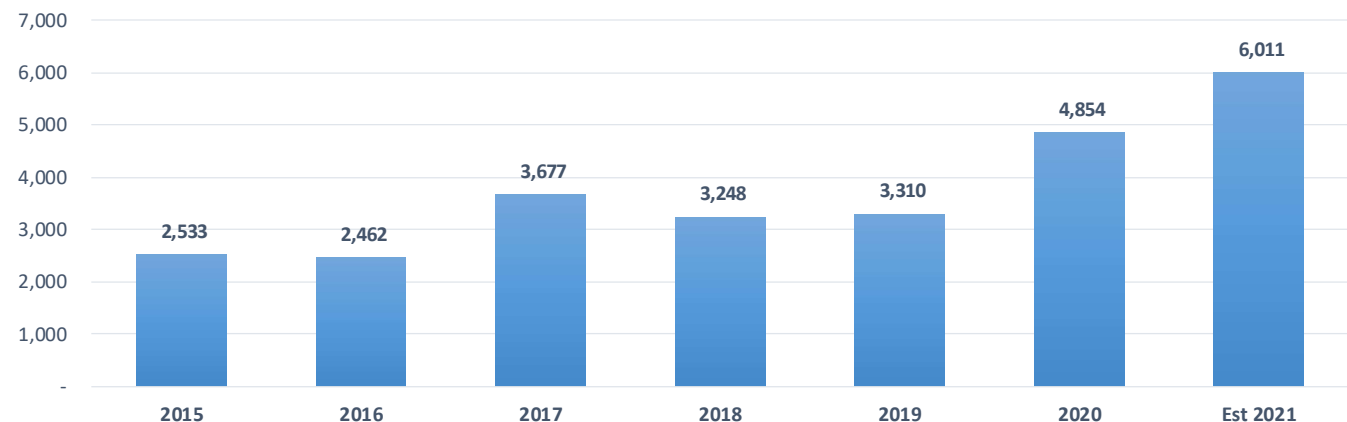
Expenditures are currently estimated to end the year approximately \$894 thousand (-7.3%) higher than budgeted due to the transfer of federal COVID recovery funds to the capital resources fund. The COVID recovery funds will remain in the capital resources fund while spending decisions are made. A 2021 budget supplemental will be presented to the City Council.

Required Ending Fund Balance Calculation

Budgeted Expenditures for 2021 (from above)	12,283,920
	20.00%
20% GF Ending Fund Balance	2,456,784

\$ in thousands

General Fund Ending Fund Balance History



June 2021 Monthly Financial Report

City of Shelton, Washington

General Fund Overview - Revenues

Revenue Categories	2021 Budget	2021 thru June	2021 Est Actual*	Variance Favorable (Unfavorable)	% Variance Favorable (Unfavorable)
Taxes:					
Property	2,486,070	1,461,896	2,486,070	-	0.0%
Sales & Use	2,867,240	1,652,684	3,275,370	408,130	14.2%
City Utility	1,127,000	601,138	1,202,280	75,280	6.7%
Non-City Utility	1,239,200	636,874	1,273,740	34,540	2.8%
Business & Occupation	733,640	570,535	956,750	223,110	30.4%
Other	35,220	20,567	37,060	1,840	5.2%
Licenses & Permits	285,100	132,816	265,630	(19,470)	-6.8%
Intergovernmental Revenue	423,520	1,766,998	2,012,840	1,589,320	375.3%
Charges for Goods/Services	2,818,140	1,334,958	2,607,440	(210,700)	-7.5%
Fines and Penalties	102,300	40,060	80,110	(22,190)	-21.7%
Miscellaneous Revenue	166,490	74,199	138,130	(28,360)	-17.0%
Total Revenues	12,283,920	8,292,726	14,335,420	2,051,500	16.7%

*2021 estimated actuals are based on historical data, YTD activity, known adjustments and are not year-end actuals.

Variance analysis for revenues is provided for particular line items or those in which the estimated actual amount differs from the budgeted amount by at least 10% and \$75,000.

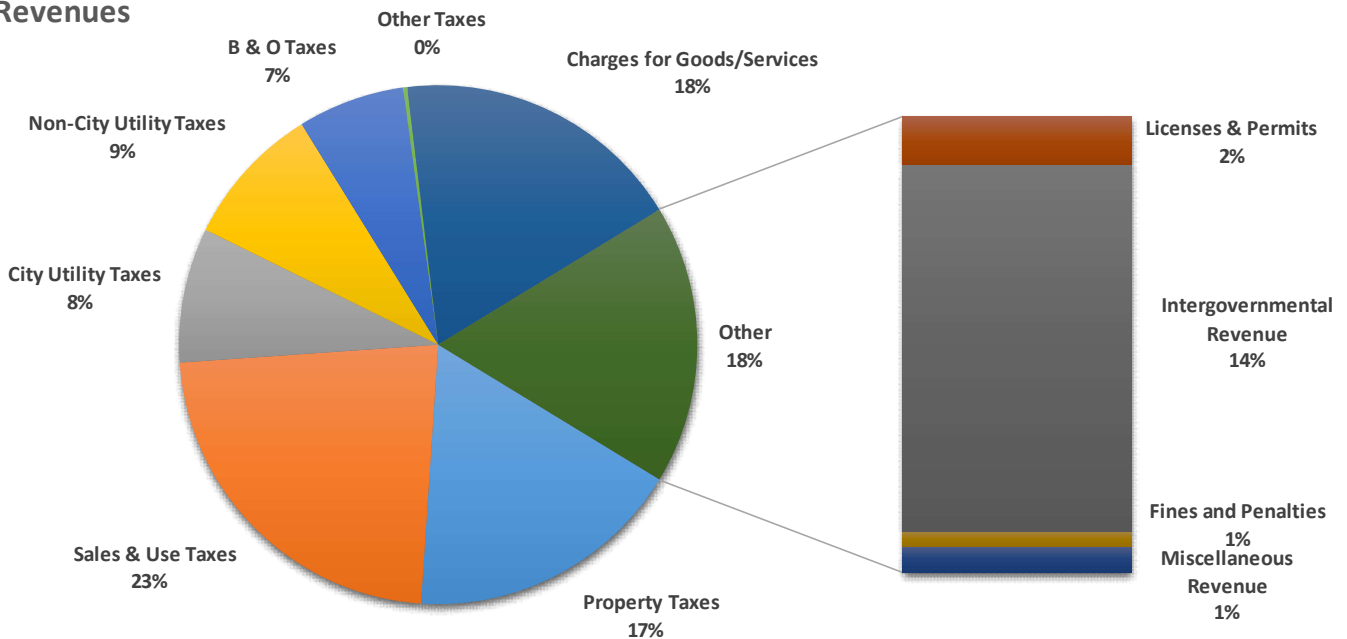
Variance Notes

Sales & Use Tax: Estimated to be \$408,130 or 14.2% over budget based on collections to date. The reason is that we budgeted sales tax in 2021 to match our 2020 COVID estimate which was low.

Business & Occupation Taxes: Estimated to be \$223,110 or 30.4% over budget.

Intergovernmental Revenue: Received federal COVID fiscal recovery funds of \$1,487,160.

2021 Estimated General Fund Revenues



June 2021 Monthly Financial Report City of Shelton, Washington

General Fund Overview - Expenditures

Department	2021 Budget	2021 thru June	2021 Est Actual*	Variance Favorable (Unfavorable)	% Variance Favorable (Unfavorable)
Administrative Services					
Human Resources	276,180	130,990	278,780	(2,600)	-0.9%
Information Technology	250,430	143,275	342,320	(91,890)	-36.7%
Risk Management	107,700	73,535	119,390	(11,690)	-10.9%
City Clerk	215,800	99,557	197,670	18,130	8.4%
City Council	104,840	49,781	100,680	4,160	4.0%
City Manager					
City Manager	405,840	195,828	396,630	9,210	2.3%
Legal	456,580	133,261	299,310	157,270	34.4%
Detentions/Corrections-Contract	414,170	149,962	348,190	65,980	15.9%
Community Dev, Parks, Facilities					
Civic Center Activities	69,190	25,509	49,790	19,400	28.0%
Community Development	568,130	271,465	531,840	36,290	6.4%
Facility Services	552,680	250,846	502,760	49,920	9.0%
Parks & Recreation	580,600	224,852	486,890	93,710	16.1%
Finance	1,050,800	547,551	1,038,600	12,200	1.2%
Fire & Emergency Services	1,507,280	789,761	1,569,880	(62,600)	-4.2%
Municipal Court	576,860	267,896	538,410	38,450	6.7%
Non-Departmental	1,016,290	1,671,560	2,271,660	(1,255,370)	-123.5%
Police	3,489,990	1,807,855	3,492,100	(2,110)	-0.1%
Public Works	640,560	300,570	613,360	27,200	4.2%
Total Expenditures	12,283,920	7,134,053	13,178,260	(894,340)	-7.3%

*2021 estimated actuals are based on historical data, YTD activity, known adjustments and are not year-end actuals.

Variance analysis for expenditures is provided for particular departments which have an estimated actual amount that differs from the budgeted amount by at least 10% and \$75,000.

Variance Notes

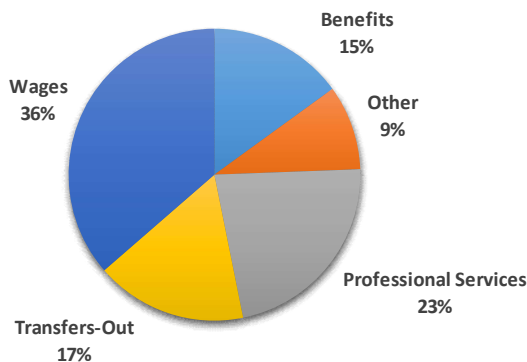
Property & liability insurance: Over budget by \$94,450 in general fund causing/adding to negative results.

Legal: Legal counsel and prosecutor expenditures estimated to be below budget.

Parks & Rec: Estimate is under budget by \$93,710 significantly due to lower professional services and staff costs.

Non-Departmental: Estimate includes a transfer out of \$1,487,160 of federal COVID recovery funds to capital resources fund and transfers out to fire fighter's pension fund, payroll benefits fund and the bond fund are \$231,790 lower than budget.

2021 Estimated General Fund Expenditures



June 2021 Monthly Financial Report

City of Shelton, Washington

General Fund Year-to-Year

	2019 Actual	2020 Actual	2021 Budget	2021 thru June	2021 Est Actual
Beginning Fund Balance	3,244,744	3,295,980	4,853,568	4,853,568	4,853,568
Revenues					
Taxes:					
Property	2,394,874	2,495,035	2,486,070	1,461,896	2,486,070
Sales & Use	3,359,505	3,195,310	2,867,240	1,652,684	3,275,370
City Utility	797,785	1,182,935	1,127,000	601,138	1,202,280
Non-City Utility	1,120,002	1,138,999	1,239,200	636,874	1,273,740
Business & Occupation	738,850	810,806	733,640	570,535	956,750
Other	51,763	42,140	35,220	20,567	37,060
Licenses & Permits	355,352	344,354	285,100	132,816	265,630
Intergovernmental Revenue	741,394	1,181,568	423,520	1,766,998	2,012,840
Charges for Goods/Services	2,881,716	2,968,830	2,818,140	1,334,958	2,607,440
Fines and Penalties	121,146	85,070	102,300	40,060	80,110
Miscellaneous Revenue	283,785	281,387	166,490	74,199	138,130
Total Revenues	12,846,171	13,726,434	12,283,920	8,292,726	14,335,420
Expenditures					
Administrative Services					
Human Resources	244,553	259,988	276,180	130,990	278,780
Information Technology	234,709	811,857	250,430	143,275	342,320
Risk Management	189,897	95,234	107,700	73,535	119,390
City Clerk+	37,837	69,707	215,800	99,557	197,670
City Council	231,757	161,137	104,840	49,781	100,680
City Manager					
City Manager	381,449	429,282	405,840	195,828	396,630
Legal	392,309	315,307	456,580	133,261	299,310
Detentions/Corrections-Contract	365,356	331,015	414,170	149,962	348,190
Community Dev, Parks, Facilities					
Civic Center Activities	47,014	44,892	69,190	25,509	49,790
Community Development	523,664	551,607	568,130	271,465	531,840
Facility Services	563,586	516,129	552,680	250,846	502,760
Parks & Recreation	410,472	376,383	580,600	224,852	486,890
Finance	933,224	939,517	1,050,800	547,551	1,038,600
Fire & Emergency Services	1,447,313	1,626,514	1,507,280	789,761	1,569,880
Municipal Court	462,291	498,380	576,860	267,896	538,410
Non-Departmental	2,519,557	1,019,695	1,016,290	1,671,560	2,271,660
Police	3,072,032	3,451,151	3,489,990	1,807,855	3,492,100
Public Works	737,915	671,052	640,560	300,570	613,360
Total Expenditures	12,794,935	12,168,845	12,283,920	7,134,053	13,178,260
+ City Clerk reflects all City Clerk expenses starting in 2021. Prior years included records, elections and code revision costs.					
Net Revenues less Expenditures	51,236	1,557,589	-	1,158,673	1,157,160
Ending Fund Balance	3,295,980	4,853,568	4,853,568	6,012,241	6,010,728
General Fund Reserves	3,295,980	4,853,568	4,853,568		6,010,728
based on same year actuals/budget	25.8%	39.9%	39.5%		45.6%

June 2021 Monthly Financial Report

City of Shelton, Washington

General Fund Month-to-Month

	2019 thru June	2020 thru June	2021 thru June	2021 - 2020 Variance		% of Budget
Revenues						
Taxes:						
Property	1,309,198	1,319,269	1,461,896	142,627	10.8%	58.8%
Sales & Use	1,593,987	1,518,905	1,652,684	133,778	8.8%	57.6%
City Utility	292,456	577,594	601,138	23,545	4.1%	53.3%
Non-City Utility	613,041	632,262	636,874	4,612	0.7%	51.4%
Business & Occupation	393,574	421,632	570,535	148,903	35.3%	77.8%
Other	27,122	17,008	20,567	3,559	20.9%	58.4%
Licenses & Permits	183,659	154,542	132,816	(21,726)	-14.1%	46.6%
Intergovernmental Revenue	235,272	294,455	1,766,998	1,472,542	500.1%	417.2%
Charges for Goods/Services	1,460,003	1,472,638	1,334,958	(137,680)	-9.3%	47.4%
Fines and Penalties	70,414	37,185	40,060	2,875	7.7%	39.2%
Miscellaneous Revenue	126,686	151,321	74,199	(77,121)	-51.0%	44.6%
Total Revenues	6,305,411	6,596,812	8,292,726	1,695,915	25.7%	67.5%

Expenditures

Administrative Services

Human Resources	102,433	145,539	130,990	(14,549)	-10.0%	47.4%
Information Technology	123,882	129,797	143,275	13,478	10.4%	57.2%
Risk Management	155,804	71,737	73,535	1,798	2.5%	68.3%
City Clerk+	16,378	39,447	99,557	60,109	152.4%	46.1%
City Council	120,039	86,222	49,781	(36,441)	-42.3%	47.5%
City Manager						
City Manager	203,365	209,226	195,828	(13,397)	-6.4%	48.3%
Legal	130,070	168,156	133,261	(34,895)	-20.8%	29.2%
Detentions/Corrections-Contract	151,184	176,061	149,962	(26,099)	-14.8%	36.2%

Community Dev, Parks, Facilities

Civic Center Activities	24,894	23,728	25,509	1,781	7.5%	36.9%
Community Development	260,037	291,440	271,465	(19,975)	-6.9%	47.8%
Facility Services	245,087	286,045	250,846	(35,198)	-12.3%	45.4%
Parks & Recreation	165,484	159,480	224,852	65,371	41.0%	38.7%

Finance	437,058	467,345	547,551	80,206	17.2%	52.1%
Fire & Emergency Services	725,732	827,260	789,761	(37,499)	-4.5%	52.4%
Municipal Court	217,546	249,127	267,896	18,769	7.5%	46.4%
Non-Departmental	977,061	231,068	1,671,560	1,440,493	623.4%	164.5%
Police	1,466,554	1,795,892	1,807,855	11,964	0.7%	51.8%
Public Works	396,341	338,737	300,570	(38,167)	-11.3%	46.9%
Total Expenditures	5,918,949	5,696,307	7,134,053	1,437,747	25.2%	58.1%

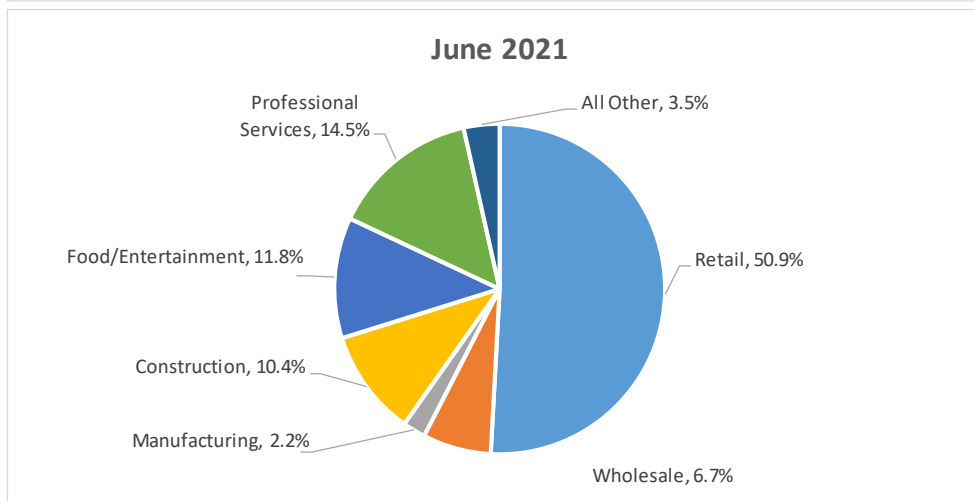
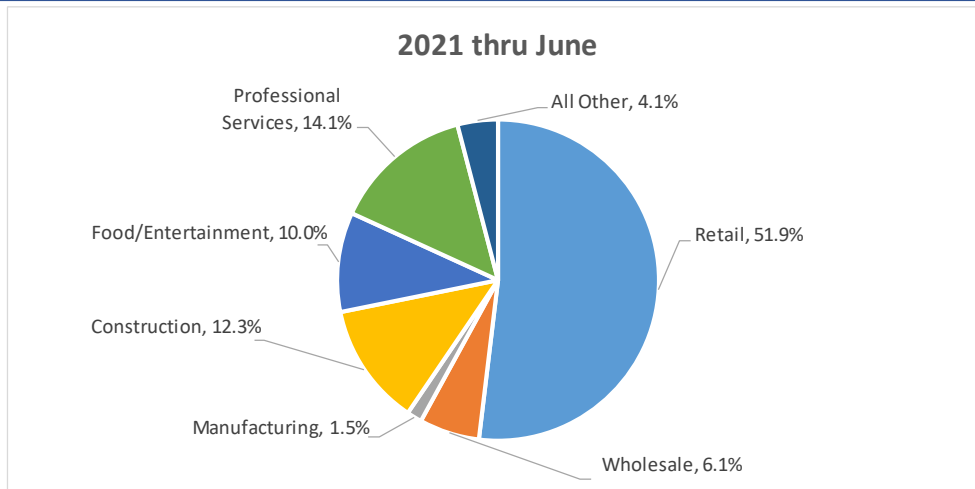
+ City Clerk reflects all City Clerk expenses starting in 2021. Prior years included records, elections and code revision costs.

This Month-to-Month presentation does not include variance notes. Common variances are due to timing of receipts and expenditures. Totals reported are year-to-date through June which is 50.0% of the year.

June 2021 Monthly Financial Report

City of Shelton, Washington

Sales Tax Breakdown by Type



Fund Balances

Fund	2021 Beginning Fund Balance	2021 Estimated Revenue	2021 Estimated Expenditure	2021 Estimated Fund Balance	\$ Change	% Change
City-wide Fund Balances						
General Fund	4,853,568	14,335,420	13,178,260	6,010,728	1,157,160	23.8%
Street Fund	1,005,320	1,460,770	2,050,770	415,320	(590,000)	-58.7%
Capital Resources Fund	1,158,486	1,640,030	495,190	2,303,326	1,144,840	98.8%
Tourism Fund	93,406	45,680	61,880	77,206	(16,200)	-17.3%
Bond Fund	7,420	179,040	179,040	7,420	-	0.0%
Capital Improvement Fund	433,300	1,656,610	1,656,610	433,300	-	0.0%
Water Fund	2,459,274	2,372,170	3,727,260	1,104,184	(1,355,090)	-55.1%
Sewer Fund	4,557,689	6,410,970	7,745,300	3,223,359	(1,334,330)	-29.3%
Solid Waste Fund	1,017,457	450,890	781,810	686,537	(330,920)	-32.5%
Storm Drainage Fund	380,739	915,310	1,004,530	291,519	(89,220)	-23.4%
Payroll Benefits Fund	147,891	100,460	88,310	160,041	12,150	8.2%
Equipment Rental Fund	763,950	593,960	875,830	482,080	(281,870)	-36.9%
Firefighters Fund	539,841	8,720	80,410	468,151	(71,690)	-13.3%
Library Endowment Fund	121,570	530	-	122,100	530	0.4%
City-wide Fund Totals	17,539,911	30,170,560	31,925,200	15,785,271	(1,754,640)	-10.0%

June 2021 Monthly Financial Report

City of Shelton, Washington

City-Wide Overview - Revenues & Expenditures

Fund	2021 Budget	2021 thru June	2021 Est Actual*	Variance Favorable (Unfavorable)	% Variance Favorable (Unfavorable)
General Fund					
Taxes	8,488,370	4,943,695	9,231,270	742,900	8.8%
Licenses & Permits	285,100	132,816	265,630	(19,470)	-6.8%
Intergovernmental Revenue	423,520	1,766,998	2,012,840	1,589,320	375.3%
Charges for Goods/Services	2,818,140	1,334,958	2,607,440	(210,700)	-7.5%
Fines and Penalties	102,300	40,060	80,110	(22,190)	-21.7%
Miscellaneous Revenue	166,490	74,199	138,130	(28,360)	-17.0%
Total Revenues	12,283,920	8,292,726	14,335,420	2,051,500	16.7%
Wages	4,915,360	2,374,474	4,795,380	119,980	2.4%
Benefits	2,160,890	979,215	1,975,980	184,910	8.6%
Professional Services	2,976,430	1,419,832	2,959,430	17,000	0.6%
Transfers-Out	953,780	1,560,169	2,209,150	(1,255,370)	-131.6%
Other	1,277,460	800,364	1,238,320	39,140	3.1%
Total Expenditures	12,283,920	7,134,053	13,178,260	(894,340)	-7.3%
Net Revenues Less Expenditures	-	1,158,673	1,157,160	1,157,160	

General Fund Notes

Expenditures: Estimate includes a transfer out of \$1,487,160 of federal COVID recovery funds to capital resources fund and transfers out to fire fighter's pension fund, payroll benefits fund and the bond fund are \$231,790 lower than budget.

Street Fund

Taxes	582,520	337,820	675,640	93,120	16.0%
Licenses & Permits	6,000	1,260	2,520	(3,480)	-58.0%
Intergovernmental Revenue	213,000	97,381	194,760	(18,240)	-8.6%
Charges for Goods/Services	53,000	28,649	55,150	2,150	4.1%
Miscellaneous Revenue	12,000	348	700	(11,300)	-94.2%
Transfers In	532,000	-	532,000	-	0.0%
Total Revenues	1,398,520	465,459	1,460,770	62,250	4.5%
Wages	324,360	177,906	385,620	(61,260)	-18.9%
Benefits	160,820	85,081	177,800	(16,980)	-10.6%
Professional Services	52,960	50,877	47,620	5,340	10.1%
Transfers-Out	692,240	-	692,240	-	0.0%
Other	800,810	402,539	747,490	53,320	6.7%
Total Expenditures	2,031,190	716,403	2,050,770	(19,580)	-1.0%
Net Revenues Less Expenditures	(632,670)	(250,944)	(590,000)	42,670	-6.7%

Capital Resources Fund

Taxes	100,000	50,854	101,700	1,700	1.7%
Charges for Goods/Services	40,000	40,196	50,200	10,200	25.5%
Miscellaneous Revenue	-	485	970	970	
Transfers In	-	1,487,161	1,487,160	1,487,160	
Total Revenues	140,000	1,578,696	1,640,030	1,500,030	1071.5%
Transfers-Out	496,630	-	495,190	1,440	0.3%
Total Expenditures	496,630	-	495,190	1,440	0.3%
Net Revenues Less Expenditures	(356,630)	1,578,696	1,144,840	1,501,470	-421.0%

Capital Resources Fund Notes

Revenues: Current estimate includes a transfer-in of \$1,487,160 of federal COVID recovery funds from the general fund.

*2021 estimated actuals are based on historical data, YTD activity, known adjustments and are not year-end actuals.

June 2021 Monthly Financial Report

City of Shelton, Washington

City-Wide Overview - Revenues & Expenditures

Fund	2021 Budget	2021 thru June	2021 Est Actual*	Variance Favorable (Unfavorable)	% Variance Favorable (Unfavorable)
Tourism Fund					
Taxes	36,000	22,807	45,610	9,610	26.7%
Miscellaneous Revenue	1,700	35	70	(1,630)	-95.9%
Total Revenues	37,700	22,842	45,680	7,980	21.2%
Professional Services	61,880	30,468	61,880	-	0.0%
Total Expenditures	61,880	30,468	61,880	-	0.0%
Net Revenues Less Expenditures	(24,180)	(7,625)	(16,200)	7,980	-33.0%
Bond Fund					
Taxes	-	158	320	320	
Transfers In	184,490	56,386	178,720	(5,770)	-3.1%
Total Revenues	184,490	56,544	179,040	(5,450)	-3.0%
Other	184,490	56,386	179,040	5,450	3.0%
Total Expenditures	184,490	56,386	179,040	5,450	3.0%
Net Revenues Less Expenditures	-	158	-	-	
Capital Improvement Fund					
Intergovernmental Revenue	200,000	-	200,000	-	0.0%
Charges for Goods/Services	232,000	-	232,000	-	0.0%
Transfers In	1,140,140	-	1,224,610	84,470	7.4%
Total Revenues	1,572,140	-	1,656,610	84,470	5.4%
Professional Services	-	6,306	12,610	(12,610)	
Other	1,572,140	23,505	1,644,000	(71,860)	-4.6%
Total Expenditures	1,572,140	29,811	1,656,610	(84,470)	-5.4%
Net Revenues Less Expenditures	-	(29,811)	-	-	
Water Fund					
Intergovernmental Revenue	-	2,055	2,050	2,050	
Charges for Goods/Services	2,487,440	1,147,556	2,295,120	(192,320)	-7.7%
Miscellaneous Revenue	87,790	27,724	75,000	(12,790)	-14.6%
Total Revenues	2,575,230	1,177,335	2,372,170	(203,060)	-7.9%
Wages	562,980	206,662	417,840	145,140	25.8%
Benefits	291,090	91,937	175,710	115,380	39.6%
Professional Services	113,380	104,265	192,360	(78,980)	-69.7%
Inventory	-	41,366	57,660	(57,660)	
Other	2,914,610	653,373	2,883,690	30,920	1.1%
Total Expenditures	3,882,060	1,097,602	3,727,260	154,800	4.0%
Net Revenues Less Expenditures	(1,306,830)	79,733	(1,355,090)	(48,260)	3.7%

*2021 estimated actuals are based on historical data, YTD activity, known adjustments and are not year-end actuals.

June 2021 Monthly Financial Report

City of Shelton, Washington

City-Wide Overview - Revenues & Expenditures

Fund	2021 Budget	2021 thru June	2021 Est Actual*	Variance Favorable (Unfavorable)	% Variance Favorable (Unfavorable)
Sewer Fund					
Intergovernmental Revenue	-	6,352	6,350	6,350	
Charges for Goods/Services	5,996,890	3,156,639	6,192,290	195,400	3.3%
Miscellaneous Revenue	175,000	166,739	212,330	37,330	21.3%
Total Revenues	6,171,890	3,329,730	6,410,970	239,080	3.9%
Wages	730,980	322,491	695,730	35,250	4.8%
Benefits	386,450	144,786	287,300	99,150	25.7%
Professional Services	439,430	208,039	369,830	69,600	15.8%
Other	6,292,530	2,873,398	6,392,440	(99,910)	-1.6%
Total Expenditures	7,849,390	3,548,714	7,745,300	104,090	1.3%
Net Revenues Less Expenditures	(1,677,500)	(218,984)	(1,334,330)	343,170	-20.5%
Solid Waste Fund					
Intergovernmental Revenue	450,000	15,593	450,000	-	0.0%
Miscellaneous Revenue	-	369	890	890	
Total Revenues	450,000	15,962	450,890	890	0.2%
Professional Services	331,810	8,701	331,810	-	0.0%
Other	450,000	-	450,000	-	0.0%
Total Expenditures	781,810	8,701	781,810	-	0.0%
Net Revenues Less Expenditures	(331,810)	7,261	(330,920)	890	-0.3%
Storm Drainage Fund					
Intergovernmental Revenue	25,000	75,826	75,830	50,830	203.3%
Charges for Goods/Services	960,000	382,083	839,170	(120,830)	-12.6%
Miscellaneous Revenue	4,000	153	310	(3,690)	-92.3%
Total Revenues	989,000	458,063	915,310	(73,690)	-7.5%
Wages	460,840	107,752	218,140	242,700	52.7%
Benefits	213,560	51,108	104,140	109,420	51.2%
Professional Services	114,900	50,586	135,500	(20,600)	-17.9%
Other	549,460	231,689	546,750	2,710	0.5%
Total Expenditures	1,338,760	441,134	1,004,530	334,230	25.0%
Net Revenues Less Expenditures	(349,760)	16,929	(89,220)	260,540	-74.5%

Storm Drainage Fund Notes

Expenditures: Currently wages and benefits are estimated to be less than 50% of budget.

*2021 estimated actuals are based on historical data, YTD activity, known adjustments and are not year-end actuals.

June 2021 Monthly Financial Report

City of Shelton, Washington

City-Wide Overview - Revenues & Expenditures

Fund	2021 Budget	2021 thru June	2021 Est Actual*	Variance Favorable (Unfavorable)	% Variance Favorable (Unfavorable)
Payroll Benefits Fund					
Charges for Goods/Services	40,000	20,969	41,940	1,940	4.9%
Miscellaneous Revenue	1,900	142	280	(1,620)	-85.3%
Transfers In	164,800	16,622	58,240	(106,560)	-64.7%
Total Revenues	206,700	37,733	100,460	(106,240)	-51.4%
Benefits	206,700	21,656	88,310	118,390	57.3%
Total Expenditures	206,700	21,656	88,310	118,390	57.3%
Net Revenues Less Expenditures	-	16,077	12,150	12,150	

Payroll Benefits Fund Notes

Revenues & Expenditures: Estimated expenditures for benefits have decreased and transfers in are adjusted accordingly.

Equipment Maint & Rental Fund					
Charges for Goods/Services	685,000	290,355	580,710	(104,290)	-15.2%
Miscellaneous Revenue	7,000	6,627	13,250	6,250	89.3%
Total Revenues	692,000	296,981	593,960	(98,040)	-14.2%
Wages	93,960	45,864	91,730	2,230	2.4%
Benefits	49,310	23,923	47,840	1,470	3.0%
Professional Services	8,340	506	1,010	7,330	87.9%
Inventory	-	1,552	-	-	
Other	780,400	472,876	735,250	45,150	5.8%
Total Expenditures	932,010	544,721	875,830	56,180	6.0%
Net Revenues Less Expenditures	(240,010)	(247,740)	(281,870)	(41,860)	17.4%

Firefighter's Pension Fund					
Taxes	100	-	-	(100)	-100.0%
Intergovernmental Revenue	9,650	8,296	8,300	(1,350)	-14.0%
Miscellaneous Revenue	8,000	211	420	(7,580)	-94.8%
Transfers In	121,220	-	-	(121,220)	-100.0%
Total Revenues	138,970	8,507	8,720	(130,250)	-93.7%
Benefits	93,570	42,596	80,410	13,160	14.1%
Professional Services	5,000	-	-	5,000	100.0%
Total Expenditures	98,570	42,596	80,410	18,160	18.4%
Net Revenues Less Expenditures	40,400	(34,088)	(71,690)	(112,090)	-277.5%

Firefighters Pension Fund Notes

Revenues: Current estimate does not include a transfer-in from general fund in 2021.

Library Endowment Fund					
Miscellaneous Revenue	2,700	265	530	(2,170)	-80.4%
Total Revenues	2,700	265	530	(2,170)	-80.4%
Total Expenditures	-	-	-	-	
Net Revenues Less Expenditures	2,700	265	530	(2,170)	-80.4%

*2021 estimated actuals are based on historical data, YTD activity, known adjustments and are not year-end actuals.

10-Year Forecast Assumptions: uses 2021 estimates as base year

Revenue Assumptions:

Sales	2% growth in 22 and 23, 3% in 24, 4% 25 - 30
Property	2.5% per year
Non-City Util	4.1% per year
City Util	3.7% per year
B&O	2% growth in 22 and 23, 2.7% in 24 - 30
Other	2% per year
Charges for Goods/Service	1.7% in 22 & 23, 3.8% remaining years
Licenses & Permits	1.5% in 22 & 23, 2.5% remaining years
Intergovernmental Revenue	1.5% per year
Fines & Penalties	1.5% per year
Miscellaneous Revenue	2% per year

Expense Assumptions:

Wages	3.5% per year
Benefits	6.5% per year
Service/Charges	3.1% per year
Supplies/Equip	3.0% per year
Transfer-Out	5% per year
Capital/ER&R	\$200K beginning 2022 plus \$30K every even year
Debt Service	Current debt schedule for GF

Forecast assumes no new positions and no new programs beginning 2023; does not include Trans. Bene. Dist. sunset impact

		2021	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
		Adopted	Estimate	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Revenue												
Sales	\$	2,867,240	\$ 3,275,370	\$ 3,340,877	\$ 3,407,695	\$ 3,509,926	\$ 3,650,323	\$ 3,796,336	\$ 3,948,189	\$ 4,106,117	\$ 4,270,361	\$ 4,441,176
Property		2,486,070	2,486,070	2,548,222	2,611,927	2,677,225	2,744,156	2,812,760	2,883,079	2,955,156	3,029,035	3,104,761
Non-City Util		1,239,200	1,273,740	1,325,963	1,380,328	1,436,921	1,495,835	1,557,164	1,621,008	1,687,469	1,756,656	1,828,678
City Util		1,127,000	1,202,280	1,246,764	1,292,895	1,340,732	1,390,339	1,441,781	1,495,127	1,550,447	1,607,814	1,667,303
B&O		733,640	956,750	975,885	995,403	1,022,279	1,049,880	1,078,227	1,107,339	1,137,237	1,167,943	1,199,477
Other		35,220	37,060	37,801	38,557	39,328	40,115	40,917	41,736	42,570	43,422	44,290
Charges for Goods/Service		2,818,140	2,607,440	2,651,766	2,696,847	2,799,327	2,905,701	3,016,118	3,130,730	3,249,698	3,373,186	3,501,368
Licenses & Permits		285,100	265,630	269,614	273,659	280,500	287,513	294,700	302,068	309,620	317,360	325,294
Intergovernmental Revenue		423,520	2,012,840	533,565	541,569	549,692	557,938	566,307	574,801	583,423	592,175	601,057
Fines & Penalties		102,300	80,110	81,312	82,531	83,769	85,026	86,301	87,596	88,910	90,243	91,597
Miscellaneous Revenue		166,490	138,130	140,893	143,710	146,585	149,516	152,507	155,557	158,668	161,841	165,078
Total Revenue	\$	12,283,920	\$ 14,335,420	\$ 13,152,663	\$ 13,465,120	\$ 13,886,284	\$ 14,356,341	\$ 14,843,118	\$ 15,347,230	\$ 15,869,315	\$ 16,410,036	\$ 16,970,079
% change			16.7%	-8.3%	2.4%	3.1%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%
Expense												
Wages	\$	4,915,360	\$ 4,815,570	\$ 5,429,780	\$ 5,619,822	\$ 5,816,516	\$ 6,020,094	\$ 6,230,797	\$ 6,448,875	\$ 6,674,586	\$ 6,908,196	\$ 7,149,983
Benefits		2,160,890	1,971,890	2,439,460	2,598,025	2,766,897	2,946,745	3,138,283	3,342,272	3,559,519	3,790,888	4,037,296
Service/Charges		3,950,710	3,906,150	4,027,241	4,152,085	4,280,800	4,413,505	4,550,323	4,691,383	4,836,816	4,986,757	5,141,347
Supplies/Equip		281,670	251,170	258,705	266,466	274,460	282,694	291,175	299,910	308,907	318,175	327,720
Transfer-Out		953,780	5,121,970	761,051	799,103	839,058	881,011	925,062	971,315	1,019,880	1,070,874	1,124,418
Capital		-	-	200,000	200,000	230,000	230,000	260,000	260,000	290,000	290,000	320,000
Debt Service		21,510	21,510	21,510	21,510	-	-	-	-	-	-	-
1.0% Underspend		-	-	(131,377)	(136,570)	(142,077)	(147,740)	(153,956)	(160,138)	(166,897)	(173,649)	(181,008)
Total Expense	\$	12,283,920	\$ 16,088,260	\$ 13,006,369	\$ 13,520,441	\$ 14,065,653	\$ 14,626,308	\$ 15,241,684	\$ 15,853,617	\$ 16,522,812	\$ 17,191,242	\$ 17,919,756
% Change			24.1%	-19.2%	4.0%	4.0%	4.0%	4.2%	4.0%	4.2%	4.0%	4.2%
Annual Suplus / (Gap)	\$	-	\$ (1,752,840)	\$ 146,295	\$ (55,321)	\$ (179,369)	\$ (269,967)	\$ (398,566)	\$ (506,387)	\$ (653,497)	\$ (781,207)	\$ (949,678)
Cumulative Surplus / (Gap)		-	(1,752,840)	(1,606,545)	(1,661,867)	(1,841,236)	(2,111,203)	(2,509,768)	(3,016,156)	(3,669,653)	(4,450,859)	(5,400,537)
Ending Fund Balance	\$	4,853,569	\$ 3,100,729	\$ 3,247,024	\$ 3,191,702	\$ 3,012,333	\$ 2,742,366	\$ 2,343,801	\$ 1,837,413	\$ 1,183,916	\$ 402,710	\$ (546,968)
20% Fund Balance Target		\$ 2,456,784	\$ 2,601,274	\$ 2,704,088	\$ 2,813,131	\$ 2,925,262	\$ 3,048,337	\$ 3,170,723	\$ 3,304,562	\$ 3,438,248	\$ 3,583,951	
Variance to Policy		\$ 643,945	\$ 645,750	\$ 487,614	\$ 199,203	\$ (182,895)	\$ (704,536)	\$ (1,333,310)	\$ (2,120,646)	\$ (3,035,539)	\$ (4,130,919)	

<u>Due Date</u>	<u>Activity</u>
4-Jun	Current labor allocations to users
15-Jun	2022 budget add request form and instructions to users
28-Jun	2022 budget instance open to users
14-Jul	June YTD actuals to departments for estimate process
19-Jul	Labor costs updated for current CPI and benefit cost increases
19-Jul	CIP worksheets and project description forms to users
23-Jul	2022 Base Budget and new budget add requests due to finance
30-Jul	2021 Year-End estimates due to finance
30-Jul	Leadership Team supplemental meeting
30-Jul	CIP worksheets and project description due to finance
Week of Aug 9	Department meetings with finance
Week of Aug 16	Department meetings with CM and finance
17-Aug	1st Council Study Session
25-Aug	Workload Service Measure including amounts due
27-Aug	CM preliminary budget decisions
1-Sep	Preliminary decisions to Leadership Team
2-Sep	Court of Last Resort, if needed
3-Sep	CM final budget decisions
28-Sep	2nd Council Study Session
September	Proposed budget created
5-Oct	Proposed budget presentation to Council
Oct/Nov	Council consideration of budget
Dec	Council adopts 2022 budget



Date: August 9, 2021

To: Mayor Dorcy and Shelton City Council Members

From: Jared Welander Public Works Technician

Subject: **Olympic Highway North Median Islands**

The Olympic Highway North median islands have been a time consuming maintenance issue. The 2" minus washed rock was placed in these islands with the Downtown Connector Project. The landscape rock has provided a bedding ground for weeds and also falls into the roadway posing traffic safety issues. City crews have been street sweeping the uncontained rocks, spraying, and manually removing weeds on a consistent basis. Not only do these duties consume maintenance hours, but they also pose traffic safety issues to City crews while removing rocks and weeds in the median areas.





The recommended long term solution for the median locations is to remove the rocks and replace them with stamped concrete. Replacing the rock with concrete will lower worker and automobile traffic safety issues, and also reduce maintenance hours in these areas. This will allow City crews more time spent on other projects around the City. The preferred concrete design is to leave the existing red stamped concrete at the ends of each median and to install dark grey concrete in the median with a rough rock texture pattern.

