



Shelton City Council
Study Session Agenda
August 27, 2024 – 6:00 p.m.
Civic Center & Virtual Platform

A. Call to Order

B. Roll Call

C. Study Agenda

1. Preliminary 2025 Budget – Presented by Finance Director Mike Githens & City Manager Mark Ziegler

D. New Items for Discussion

E. Adjourn

The City of Shelton is committed to the non-discriminatory treatment of all persons in employment and the delivery of services and resources. If you require accommodation for your attendance at the City Council meeting, please call (360) 432-5103 at least 48 hours in advance of the meeting.



2024 Looking Ahead

(Items and dates are subject to change)

<p>Tues. 9/3 6:00 p.m.</p>	<p>Regular Meeting</p>	<p>Consent Agenda</p> <ul style="list-style-type: none"> • Vouchers/Payroll Warrants/Meeting Minutes • Resolution No. 1343-0824 Acceptance of Systemic Pedestrian Improvement Projects Grant • Resolution No. 1344-0824 Acceptance of Railway Crossing Removal Grant <p>Presentations</p> <ul style="list-style-type: none"> • MCHS Museum Q2 LTAC Report • MCHS Museum Cruisin' Through Time Car Show LTAC Report • DOE Award for the WWTP <p>Business Agenda</p> <ul style="list-style-type: none"> • Public Hearing Ordinance No. 2021-0824 Height Limit Removal • Public Hearing Ordinance No. 2022-0824 Shopping Cart Regulations • Resolution No. 1336-0624 Acceptance of Commerce Funds for Cross-town Trail Design • Resolution No. 1338-0624 Acceptance of WSDOT SWCC Grant for Cross-town Trail Design • Resolution No. 1347-0824 Approval of On-Call Building Code Services Pool <p>Action Agenda</p> <ul style="list-style-type: none"> • <p>Administration Report</p> <ul style="list-style-type: none"> • 	<p>Packet Items Due: 8/23 @ 5:00 p.m.</p>
<p>Tues. 9/10 6:00 p.m.</p>	<p>Study Session</p>	<p>Study Agenda</p> <ul style="list-style-type: none"> • 2025 Capital Improvement Projects (CIP) 	<p>Packet Items Due: 9/6 @ noon</p>
<p>Tues. 9/17 5:45 p.m.</p>	<p>SMPD Meeting</p>	<p>Consent Agenda</p> <ul style="list-style-type: none"> • Vouchers/Meeting Minutes <p>Business Agenda</p> <ul style="list-style-type: none"> • <p>Action Agenda</p> <ul style="list-style-type: none"> • <p>Administration Report</p> <ul style="list-style-type: none"> • 	<p>Packet Items Due: 9/6 @ 5:00 p.m.</p>
<p>Tues. 9/17 6:00 p.m.</p>	<p>Regular Meeting</p>	<p>Consent Agenda</p> <ul style="list-style-type: none"> • Vouchers/Payroll Warrants/Meeting Minutes • Resolution No. 1336-0624 Acceptance of Commerce Funds for Cross-town Trail Design 	<p>Packet Items Due: 9/6 @ 5:00 p.m.</p>

		<ul style="list-style-type: none"> Resolution No. 1338-0624 Acceptance of WSDOT SWCC Grant for Cross-town Trail Design Presentations <ul style="list-style-type: none"> July Financial Status Report Business Agenda <ul style="list-style-type: none"> Resolution No. 1340-0624 Water Meter Upgrades Installation (AMI) Project Award Action Agenda <ul style="list-style-type: none"> Ordinance No. 2021-0824 Height Limit Removal Ordinance No. 2022-0824 Shopping Cart Regulations Resolution No. 1347-0824 Approval of On-Call Building Code Services Pool Administration Report <ul style="list-style-type: none"> 	
Tues. 9/24 6:00 p.m.	Study Session	Study Agenda	Packet Items Due: 9/20 @ noon
Tues. 10/1 6:00 p.m.	Regular Meeting	Consent Agenda <ul style="list-style-type: none"> Vouchers/Payroll Warrants/Meeting Minutes Presentations <ul style="list-style-type: none"> Business Agenda <ul style="list-style-type: none"> Action Agenda <ul style="list-style-type: none"> Resolution No. 1340-0624 Water Meter Upgrades Installation (AMI) Project Award Administration Report <ul style="list-style-type: none"> 	Packet Items Due: 9/20 @ 5:00 p.m.
Tues. 10/8 6:00 p.m.	Study Session	Study Agenda	Packet Items Due: 10/4 @ noon
Tues. 10/15 6:00 p.m.	Regular Meeting	Consent Agenda <ul style="list-style-type: none"> Vouchers/Payroll Warrants/Meeting Minutes Presentations <ul style="list-style-type: none"> White Cane Proclamation August Financial Status Report Business Agenda <ul style="list-style-type: none"> Action Agenda <ul style="list-style-type: none"> Administration Report <ul style="list-style-type: none"> 	Packet Items Due: 10/4 @ 5:00 p.m.
Tues. 10/22 6:00 p.m.	Study Session	Study Agenda	Packet Items Due: 10/18 @ noon
Tues. 11/5 6:00 p.m.	Regular Meeting	Consent Agenda <ul style="list-style-type: none"> Vouchers/Payroll Warrants/Meeting Minutes Presentations <ul style="list-style-type: none"> Business Agenda <ul style="list-style-type: none"> Action Agenda <ul style="list-style-type: none"> Administration Report <ul style="list-style-type: none"> 	Packet Items Due: 10/25 @ 5:00 p.m.

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Tues. 11/12 6:00 p.m.	Study Session	Study Agenda	Packet Items Due: 11/7 @ noon
Tues. 11/19 6:00 p.m.	Regular Meeting	<ul style="list-style-type: none"> Consent Agenda <ul style="list-style-type: none"> • Vouchers/Payroll Warrants/Meeting Minutes Presentations <ul style="list-style-type: none"> • September Financial Status Report Business Agenda <ul style="list-style-type: none"> • Action Agenda <ul style="list-style-type: none"> • Administration Report <ul style="list-style-type: none"> • 	Packet Items Due: 11/7 @ 5:00 p.m.

Other – TBD

- Resolution No. 1316-0124 ILA with Mason County for Reimbursable Work, Supplies and Services
- International Property Maintenance Code

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2025 Budget Calendar

<u>Due Date</u>	<u>Activity</u>
26-June	Revenue forecast #1 and budget planning meeting with Leadership. Explanation of how to enter budget for 2025. General Fund Revenue items for discussion & Master Fee Schedule.
26-June	Current labor allocations to departments.
26-June	2025 budget entry sheets sent to users (Dept. Directors/contacts).
1-July	CIP worksheets and project description forms to users.
15-July	Updated labor allocations due from departments
18-July	June YTD actuals ready for departments for year-end estimate process.
22-July	Final Labor costs updated with known benefit cost increases.
24-July	Revenue forecast #2 at Leadership Team meeting, check in on 2025 budget process.
26-July	2025 Base Budget entered by users.
5-Aug	CIP worksheets and project description due to finance.
5-Aug	2024 Year-End estimates due to finance.
7-Aug	Leadership Team 2025 budget update & progress meeting.
12-Aug	Master Fee Schedule changes due.
Week of Aug 5	Council Budget Committee Meeting #1
Week of Aug 19	Council Budget Committee Meeting #2
27-Aug	1st Council Study Session- If necessary.
30-Aug	CM preliminary budget decisions.
4-Sep	Preliminary decisions to Leadership Team.
6-Sep	CM final budget decisions.
11-Sep	Preliminary Budget decisions reviewed by Leadership Team.
September 9-Oct 11	Proposed budget created by Finance.
Week of Sept 16	Council Budget Committee Meeting #3
5-Nov	Public Hearing #1 2025 Budget & Master Fee Schedule.
19-Nov	Public Hearing to set property tax levy-City, EMS, Park District and final public hearing to adopt 2025 Budget, and Master Fee Schedule.
3-Dec	First public hearing <u>2024</u> Budget Supplemental #_
17-Dec	Second public hearing 2024 Budget Supplemental #_

Financial Sustainability Task Force Recommendations

Not Prioritized	Item Description	
1	Recommend to not use reserves for jail services; reserves need to be maintained and utilized specifically for economic downturns and emergency purposes not operational needs	✓
2	Outsource/Divest animal shelter and animal control functions	
3	Examine B & O tax adjustment consistent with statewide limitations	✓
4	An updated website offers easy to find information. Use this to publicize and save where possible; reduce staff time, efficiency	✓
5	Office of Public Defender Grant	✓
6	Water & Sewer Rates: Recommendation to Council to carefully consider and fully implement the results of the upcoming study in summer 2023	✓
7	Work with County to examine public safety sales tax	
8	Advocate legislative change to 1% cap on property tax	✓
9	Explore voter approved bond to meet capital improvement plan for parks	
10	C Street Landfill: continue to pursue Grant/funding opportunities to assist with the closure	✓
11	SMPD Levy Lid Lift to maximum of \$.75 per \$1,000 assessed valuation	
12	City annexation for economic development purposes	
13	Prioritize proactive Code Enforcement: making community more liveable and desirable to people relocating & looking for lack of permits	✓

Financial Sustainability Task Force Recommendations

14	Grant writer position for financial support of capital and acquisition costs (i.e. IT, police equipment, electronic records management with integration to website)
15	Evaluate outsourcing versus insourcing services and staff (IT, engineering, public safety)
16	Reduce infrastructure/divest buildings not specifically use for City purposes
17	PUD replacing/upgrading LED lighting in City owned facilities
18	Update design specifications for water/sewer/storm/transportation (before new residential development)
19	Review/update 6-year TIP with Impact Fee level to ensure most recent construction prices are included. A review of the appropriate % of costs to be borne by development fees could be a part of this.
20	Surplus City owned land for disposal
21	Electronic records management; potential grants for conversion assistance
22	Set overall fees at a level to sufficiently recover cost of operations
23	Post more common information on website to reduce public records requests; educate the public
24	City of Shelton annexation to Central Mason Fire
25	Renovation/replacement needs Kneeland Park, Skate Park, Callahan parking
26	Shift staffing through local partnerships, i.e., (YMCA, school districts, etc.) for recreation activities
27	Consider increasing rates for out of City limits water customers



Financial Sustainability Task Force Recommendations

28	SMPD encourage civic organization "adopt-a-road" type of program for parks
29	When considering what people, tools and investments to make in order to deliver a service, consider a process with employees to determine if a vehicle is required and if so, the best vehicle for service delivery
30	Examine sales tax options available to Cities
31	Fully fund vehicle replacement
32	Add a back-up Planner; more long-term after water expansion to facilitate growth



2025 General Fund Revenue	15,057,159
2025 General Fund Expenses	15,238,803
Difference (ongoing expenses exceed ongoing revenue)	(181,644)
Transfer from General Fund to Street Fund	(595,311)
Subtotal; 2025 General Fund Expenses exceed Revenue ()	(776,955)
Priority #1 Requests	595,719
Staffing Requests 2025	805,909
Priority #2 Requests	151,000

Over Baseline Budget Requests: General Fund

Department	TITLE	Priority 1	Priority 2	Priority 3	Staffing
CED-Animal Control	Extra Help	46,250			
CED-Animal Control	Overtime	7,500			
CED-Animal Control	FICA	4,550			
CED-Animal Control	Office & Operating	6,000			
CED-Animal Control	Professional Services/Adv.	13,000			
CED-Animal Control	Utilities	650			
CED	Travel-Training	8,150			
CED	Professional Svcs.	14,000			
CED	Building Inspector				74,292
CED	Assistant Planner				74,292
City Clerk	.50 Admin. Assistant				45,000
Human Resources	Compensation Study	30,000			
Human Resources	DEI facilitation	10,000			
City Manager	Employee Recognition	2,500			
Council	Election costs for 2025	8,000			

City Manager	Prof. Svcs. For a Grant Writer		30,000		
Facilities	Library/CC/Fire Station Elevator Oil Changes	40,000			
Facilities	Museum Dutless Units Replacement	50,000			
Facilities	1.0 FTE Custodial/Parks Worker				93,407
Facilities	Library Building HVAC	32,000			
Facilities	Civic Center Open Area Restroom Floors		10,000		
Animal Shelter	HVAC	16,000			
Muni Court, Police	Automatic doors	15,000			
Facilities	Civic Center UPS				
Homeless Response	Supplies & Rental	6,000			
IT	Phone system replacement		55,000		
IT	Phone system replacement		12,500		
IT	Computer Replacement	56,000			
IT	Windows Server 2022 Licenses**	1,460			
IT	Cyber Security Infrastructure***	5,000			
IT	Email Archival System	4,500			
IT	Annual subscriptions to software (Smarsh, Revize, Signature 365	14,525			
Finance	New Check Printer	3,500			
Finance	Procurement Software	1,500			
Finance	Tyler Purchasing Module Implementation	6,000			
Finance	B&O Limited Term Analyst				52,698
HR	Supplies	2,500			
HR	1.0 FTE HR Technician				91,740

HR	Prof Svcs	10,000			
Municipal Court	Smal Tools and Equipment	6,500			
Municipal Court	Small Tools and Equipment	800			
Municipal Court	Judge Pro Tem		1,500		
Municipal Court	Witness Expenses		500		
Municipal Court	Overtime		1,500		
Municipal Court	Travel & Training	3,583			
Municipal Court	Miscellaneous	600			
Municipal Court	Vehicle Replacement		25,000		
Parks		26,980			
	Office & Operating				
Parks		3,000			
	Fertilizer				
Parks					
	Northcliff Irrigation	5,000			
Parks					
	Callanan Irrigation	6,000			
Facilities	Civic Center Tables		9,000		
Facilities	Civic Center Chairs		6,000		
Police	Capital purchase			76,213	
Police	Flock cameras	36,000			
Police	Inventoried sm equipment	18,565			
Police	Training	9,894			
Police	Administration				124,590
Police	Patrol				106,890
Police	SWAT	13,412			
Police	Office & Operating Training	6,000			
Police	Uniforms Vests/Grants	1,200			
Risk Management	Training	5,000			
PW Engineering	Construction Inspector				103,000
PW Engineering	PW Vehicle - Compact SUV Lease from Enterprise	6,800			

PW Administration	PW Vehicle - Compact SUV Lease from Enterprise	6,800			
PW Administration	Full Time Admin. Assistant				40,000
PW Engineering	Engineering Professional Services	25,000			
SUBTOTAL		595,719	151,000	76,213	805,909

Proposed Strategic/Efficiency Funding Options for General Fund Unreserved Ending Balance

	1st Priority	2nd Priority
Wages & benefits Future	\$ 400,000	
Enterprise Vehicle Fund	\$ 500,000	
Secure parking lot	\$ 300,000	
Civic Center duct cleaning	\$ 19,000	
Civic Center fire alarm panel	\$ 37,000	
Civic Center fire alarm device		\$ 110,000
Library duct cleaning	\$ 7,000	
WWTP duct cleaning		\$ 7,000
Citywide phone system		\$ 67,500
Emergency management	\$ 10,000	
Carpet cleaning	\$ 3,500	
Access control		\$ 50,000
Records & Retention System City Wide		\$ 150,000
Library deck	\$ 100,000	
Seismic study		\$ 25,000
Facility needs analysis		\$ 50,000
Scanning of all documents		\$ 45,000
Creative District		\$ 30,000
Kneeland Park playstructure		\$ 350,000
Simpson Railroad Multi-Modal Trail		\$ 1,500,000
Civic Center Storefront		\$ 100,000
Public work shop/yard		\$ 1,000,000
Council chambers		\$ 250,000
Total:	\$ 1,376,500	\$ 3,734,500

Proposed Strategic/Efficiency Funding Options for General Fund Unreserved Ending Balance

Projected 2024 Ending Balance General Fund	5,967,333
Reserved 20%	(3,113,054)
Unreserved General Fund Balance	<u>2,854,279</u>
2024 Projected Unreserved Ending Fund Balance \$	2,854,278.00
Opioid Settlement Total \$	(192,730.00)
Strategic Efficiency Funding Options #1 \$	(1,376,500.00)
2025 General Fund variance \$	(776,955.00)
Balance: \$	508,093.00

General Fund Budget for 2025

Animal Control

2024 Estimated Total Expense = \$263,584

2025 Budget = \$212,973

2024 Revenue to date (through Aug. 19):

Animal Licenses \$2,430

Adoption \$6,575

Impound \$3,580

Street Fund

2025 Budget=\$1,586,931; supported by General Fund \$595,311

Transportation Benefit District

Public Safety-Police

2024 Total Budget=\$4,127,310 or 27% of General Fund Budget

2025 Estimated Budget=\$4,358,819 or 29% of General Fund Budget

Detention & Corrections (Jail cost budget) \$475,390 plus \$29,000 (prisoner medical)

Legal: Prosecutor Professional Services budget \$120,750

Legal: Public Defense Professional Services budget \$126,000

Vehicle Replacement

Enterprise Fleet Management or ER&R

Abatement

Divesting of assets

Affordable Housing Sales Tax

Fire District Annexation

Park Impact Fees