

**CITY OF LAKE STEVENS
CITY COUNCIL WORKSHOP MEETING MINUTES**

October 18 2022, at 6:00 p.m.

By Remote Participation via Zoom and In Person at The Mill, 1808 Main Street, Lake Stevens.

CALL TO ORDER: 6:00 p.m. by Mayor Gailey

ELECTED OFFICIALS PRESENT: Mayor Gailey, Councilmembers Kim Daughtry, Gary Petershagen, Mary Dickinson, Anji Jorstad, Shawn Frederick, Marcus Tageant and Steve Ewing

Call to Order

Mayor Gailey called the meeting to order at 6:00 p.m.

City Department Update
City Use of Amazon Smile

Public Works Department Update and Fleet Replacement Plan

Parks Department Update

Discussion Items

2023 Budget Discussion

Finance Director Stevens explained that the 2023 budget process is in full-swing, with the first public hearing scheduled for November 8th.

Instructions for the 2023 budget process were sent to the Department Heads and Management team on September 7th. The departments were given time to evaluate their needs and compile their requests for presentation to the Mayor and City Administrator. All requests were reviewed in whole and given consideration based on budget priorities and available fund resources forecasted over a 6-year period.

In early September, the Council was presented with the 2023 Base Budget, including major revenue sources, and expected increases to operating costs due to employee benefit increases and a CPI-W of 9.5%. Additionally, the Council has received presentations on the market compensation study, citywide staffing goals, and anticipated cost of living increases.

This year, the City performed a compensation study for all non-represented staff. The results of the study showed a majority of the city's non-represented salary ranges are well below the market and our comparable cities. This discrepancy creates challenges for recruiting and retaining talented staff. The Council was presented with options to improve the city's position in the market that include target percentiles and methods of

implementation. The preferred targets were the 60th and 75th percentiles with a method of implementation that took into consideration the tenure of staff in the positions. As such, the Mayor's proposed budget includes implementation of the "60th percentile" based on years in position.

The 2023 department staffing request, totaling nearly \$2.3 million dollars, includes 10 new positions, a request to make 2 part-time positions full-time, 2 reclassifications, and 4 interns that could be funded out of departmental savings. Requests for equipment, services and other items are estimated at \$2.8 million dollars. Not all requests are able to be funded due to limited resources. As such, the Mayor's proposed budget reduces the total requests by more than \$2.6 million dollars.

The proposed 2023 Capital Project budget will be presented to the Council on October 25th for consideration. The budget is based on the 6-Year Capital Improvement Plan (CIP) and includes street, park, stormwater, walkway, and facility projects. These projects are mostly funded through capital project funds and grants, but may include some operating expenditures (general and street funds). The CIP is created based on a scoring matrix previously presented to the Council that prioritizes projects based on safety and other factors. Once that scoring is complete and the projects are prioritized, consideration is taken for available resources and potential funding sources. Some projects may be on the CIP list, but not be included in the budget due to limited resources. Those will remain on the list while new sources of funding are solicited.

City Council/Planning Commission Coordination

Director Wright explained that Planning staff met with the Planning Commission chair and City Council liaison to discuss opportunities for improved communication and increased coordination. Based on this conversation, a memorandum is in the Council packet describing the statutory authority for the Planning Commission, its basic duties, annual work program, description of meeting schedules and recommendations for future coordination. Suggestions include continuing the annual joint meeting, staff providing a quarterly department report on Planning Commission tasks, the City Council liaison providing more information as part of Council briefings on specific work plan topics and inviting the Planning Commission Chair to the City Council retreat to discuss planning topics.

Draft agenda for October 25, 2022

Adjournment

The meeting adjourned at 8:17 p.m.


Brett Gailey, Mayor
Kelly M. Chelin, City Clerk