

**CITY OF LAKE STEVENS
CITY COUNCIL WORKSHOP MEETING MINUTES
Tuesday, March 16, 2021
By Remote Participation via Zoom**

- CALL TO ORDER:** 6:00 p.m. by Mayor Brett Gailey
- ELECTED OFFICIALS PRESENT:** Mayor Brett Gailey, Councilmembers Kim Daughtry, Gary Petershagen, Mary Dickinson, Anji Jorstad, and Steve Ewing
- ELECTED OFFICIALS ABSENT:** Councilmembers Marcus Tageant and Shawn Frederick
- STAFF MEMBERS PRESENT:** City Administrator Gene Brazel, Finance Director Barb Stevens, Community Development Director Russ Wright, Public Works Director Eric Durpos, Police Chief John Dyer, Human Resources Director Anya Warrington, City Clerk Kelly Chelin and Senior Planner David Levitan

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

Hazard Pay Follow-Up

Human Resources Director Warrington stated that COVID Phase 3 starts on Monday. This topic was discussed at the Council retreat in January. The Council and staff decided in January that this topic would be revisited in March. The Council and staff engaged in a discussion. The Council decided to end Hazard Pay at the end of March for all employees. This topic will come back to the Council for adoption at the next meeting.

2021 Budget Amendment #1

Finance Director Stevens explained that due to revenue receipts and expenditure costs outside of the expected values during the 2021 budget process, the 2020 ending fund balances are different from what was adopted in the 2021 budget as beginning balances. The amendments made to beginning fund balances reflect the actual 2020 ending fund balances.

In addition to the beginning balances, amendments are being proposed in revenue and expenditure line items throughout the funds. Proposed amendments are based changes in estimates (based on prior year actuals and current year actuals to date), prior year budgeted items not completed during the year (need reauthorization), new requests, or other obligations.

Summary of Ordinance 1113 - Amendment #1 to the 2021 Budget – CITYWIDE

Budget Action	Budgeted Beginning Balance	Budgeted Resources	Budgeted Expenditures	Budgeted Ending Balance
2021 Original Budget - 1101	\$25,518,386	\$38,225,184	\$39,610,191	\$24,133,378
Budget Amendment #1 - 1113	\$5,737,458	\$25,420,906	\$27,464,079	\$3,694,285
Totals	\$31,255,844	\$63,646,090	\$67,074,270	\$27,827,663

Summary of Ordinance 1113 – Amendment #1 to 2021 Budget by FUND

Fund #	Fund Name	Change in Beginning Balance	Change in Resources	Change in Expenditures	Change in Ending Balance
001	General	(\$1,899,740)	\$3,000,000	\$323,098	\$777,162
101	Street	\$643,736	\$20,000	\$370,231	\$293,505
111	Drug Seizure & Forfeiture	\$827,430	\$0	\$50,000	\$777,430
112	Municipal Arts Fund	\$7,142	\$0	\$10,000	(\$2,858)
214	2019A LTGO Bond	\$0	\$506	\$506	\$0
301	Cap. Proj.-Dev. Contrib.	\$2,485,143	\$275,000	\$826,662	\$1,933,481
302	Park Mitigation	(\$377,786)	\$100,000	\$690,014	(\$967,800)
303	Cap. Imp.-REET	\$511,592	\$0	\$164,738	\$346,854
304	Cap. Improvements	\$1,392,319	\$1,536,232	\$2,803,076	\$125,475
306	Facility Capital Project	\$747,322	\$55,551	\$802,873	\$0
307	Infrastructure Capital Project	\$0	\$20,427,000	\$20,427,000	\$0
309	Sidewalk Capital Project	\$199,231	\$0	\$123,845	\$75,386
310	20th Street SE Corridor CP	\$126	\$0	\$0	\$126
401	Sewer	\$207	\$0	(\$15,288)	\$15,495
410	Storm and Surface Water	\$1,305,956	\$6,617	\$53,322	\$1,259,251
411	Storm Water Capital	(\$104,296)	\$0	\$841,612	(\$945,908)
501	Unemployment	\$3,676	\$0	\$0	\$3,676
510	Equipment Fund - Computers	\$36,619	\$0	\$4,940	\$31,679
515	Equipment Fund - Vehicles	(\$115)	\$0	\$0	(\$115)
520	Equipment Fund-Police	\$23,560	\$0	\$0	\$23,560
530	Equipment Fund-PW	(\$27,149)	\$0	\$0	(\$27,149)
540	Aerator Equip (Lake Treatment)	(\$39,632)	\$0	(\$12,550)	(\$27,082)
633	Treasurer's Trust	\$2,117	\$0	\$0	\$2,117
	Total	\$5,737,458	\$25,420,906	\$27,464,079	\$3,694,285

Council and staff engaged in a discussion. The Budget Amendment Ordinance will come back for adoption at the next Council meeting.

Cannabis Square Footage Fee

Council discussed the Cannabis Square Footage Fee and the proposed Ordinance 1113 imposing a regularly business license fee for state licensed marijuana businesses. Council engaged a discussion. This item will come back to Council at a future meeting.

Executive Session

The meeting recessed to executive session at 7:13 p.m. for approximately 20 minutes regarding potential litigation per RCW 42.30.110 (1) (i).

At 7:33 p.m., the executive session was extended to 7:38 p.m.

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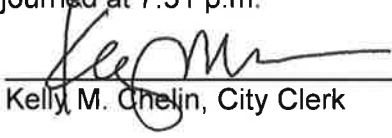
At 7:44 p.m., the executive session was extended to 7:49 p.m.

The meeting reconvened to regular session at 7:49 p.m.

Adjourn:

Hearing no further business, the meeting adjourned at 7:51 p.m.


Brett Gailey, Mayor


Kelly M. Chelin, City Clerk