

CITY OF MEDICAL LAKE
City Council Retreat - Special Meeting Budget Retreat

9 AM
October 16, 2024

MINUTES

Silver Lake Camp
10919 S Lakehurst Dr

NOTE: This is not a verbatim transcript. Minutes contain only a summary of the discussion.

COUNCIL AND ADMINISTRATIVE PERSONNEL PRESENT

Councilmembers

Ted Olson
Keli Shaffer
Lance Speirs
Don Kennedy
Bob Maxwell
Chad Pritchard
Tony Harbolt

Administration/Staff

Terri Cooper, Mayor
Sonny Weathers, City Administrator
Koss Ronholt, Finance Director

SPECIAL SESSION – 9:00 AM

Please see the attached notes for detailed information on what was discussed during the Budget Retreat.



Terri Cooper, Mayor



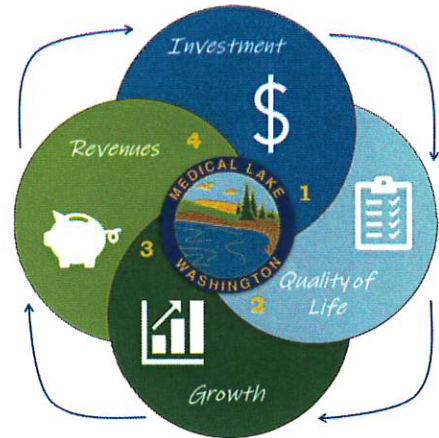
Koss Ronholt, Finance Director/City Clerk

11/5/24

Date

THE VIRTUOUS CYCLE

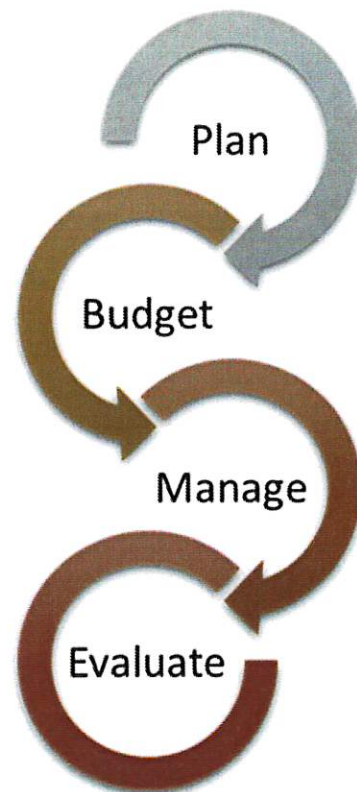
The Virtuous Cycle begins with making meaningful **investments** in ways that lead to improved quality of life. As **quality of life** produces improved health and safety, community, environment, governance, and economy, then healthy and balanced growth occurs. Good **growth** pursues targeted economic opportunity and prosperity in ways that naturally result in increased revenues. Taking a portion of the increased **revenues**, we can make further investments that lead to improved quality of life ... and the virtuous cycle continues!



A STRATEGIC FRAMEWORK

The recently adopted Medical Lake Healing Waters Strategic Plan 2035 casts the vision, articulates the mission, and defines our shared values. From the foundation of a clearly defined vision, mission, and set of values, City leadership can align meaningful goals, objectives, strategies, and measures to provide focus for the way we plan, budget, manage, and evaluate our regular efforts. The six targets forming the basis of our strategic planning inform the objectives and key results that staff are then organized and equipped to deliver desired outcomes resulting in improved community conditions and increased public trust and confidence.

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1 A thriving local economy through economic development and government effectiveness and efficiency.
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2 A healthy and sustainable environment with quality neighborhoods, land use through a placemaking lens, and dependable infrastructure.
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3 Engaged and empowered citizens and stakeholders through accessible and responsible governance.
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4 Multi-modal connections into and throughout the community that facilitates safe and efficient movement of people, goods, and services.
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5 Supporting healthy living and recreation with useful parks, trails, recreational programming, and community events.
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6 Community safety and security.

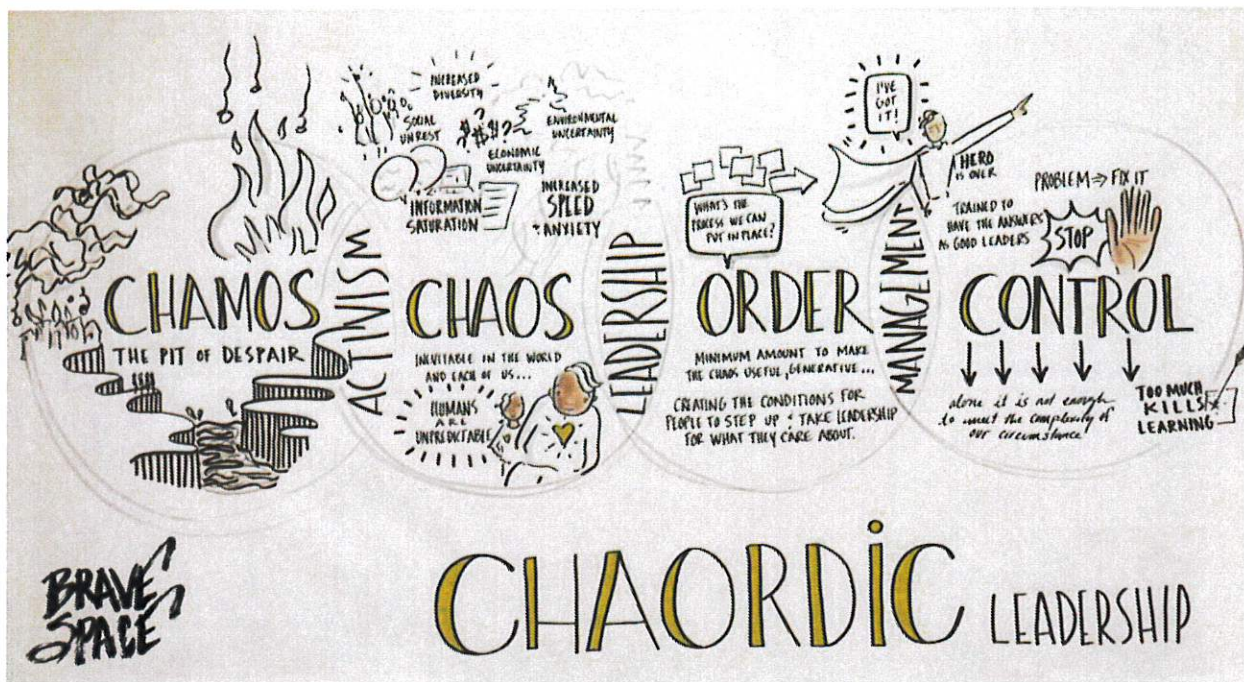


MAJOR LINES OF EFFORT

The City is organized into five major lines of effort including public safety, public works, building and planning, parks and recreation, and administration. The table below illustrates the functions of each line of effort.

MAJOR LINES OF EFFORT				
PUBLIC SAFETY	PUBLIC WORKS	BUILDING & PLANNING	PARKS & RECREATION	ADMINISTRATION
Law Enforcement	Water	Development Regs	Parks and Trails	Utility Billing
Fire Protection/EMS	Sewer	Permitting/Inspection	Recreation Programs	Human Resources
Municipal Court	Stormwater	Land Use Planning	After School Programs	Info Technology
SCOPE	WWTP	Comprehensive Plan	Community Events	Finance & Budget
	6-Year TIP	Code Enforcement	Park Advisory Board	Records
	Engineering	Planning Commission		Salary Commission

CHAORDIC LEADERSHIP

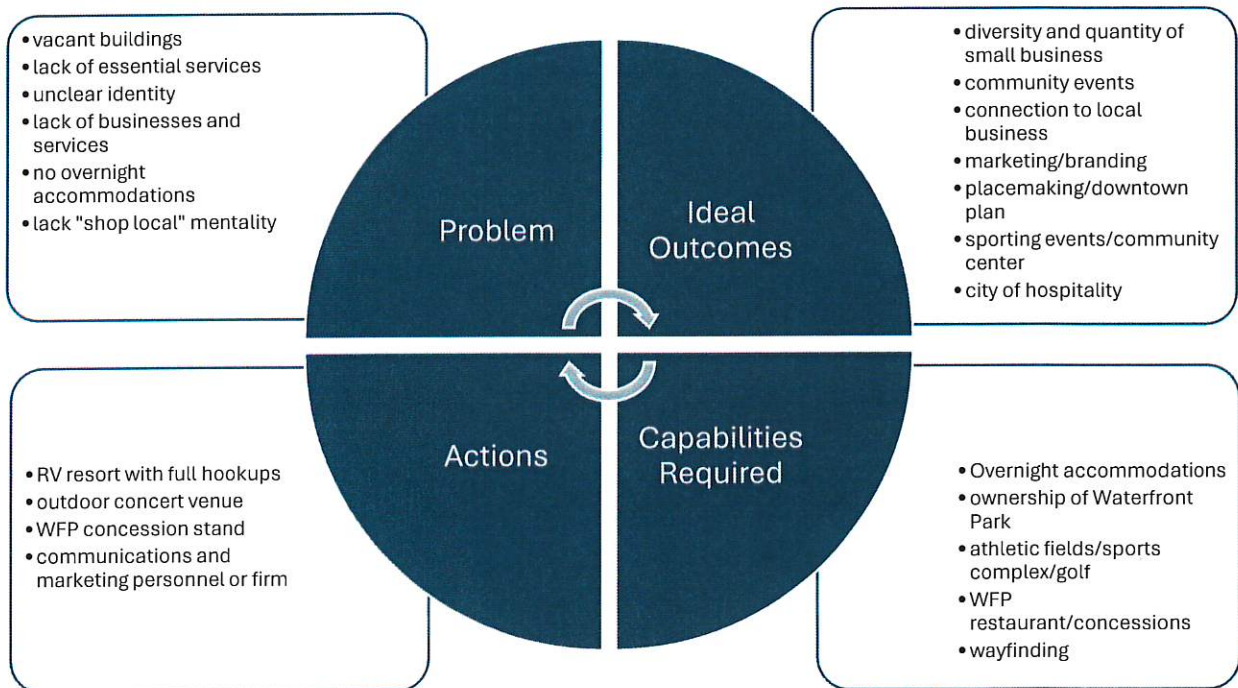


visual by Brave Space (<http://bravespace.ca>)

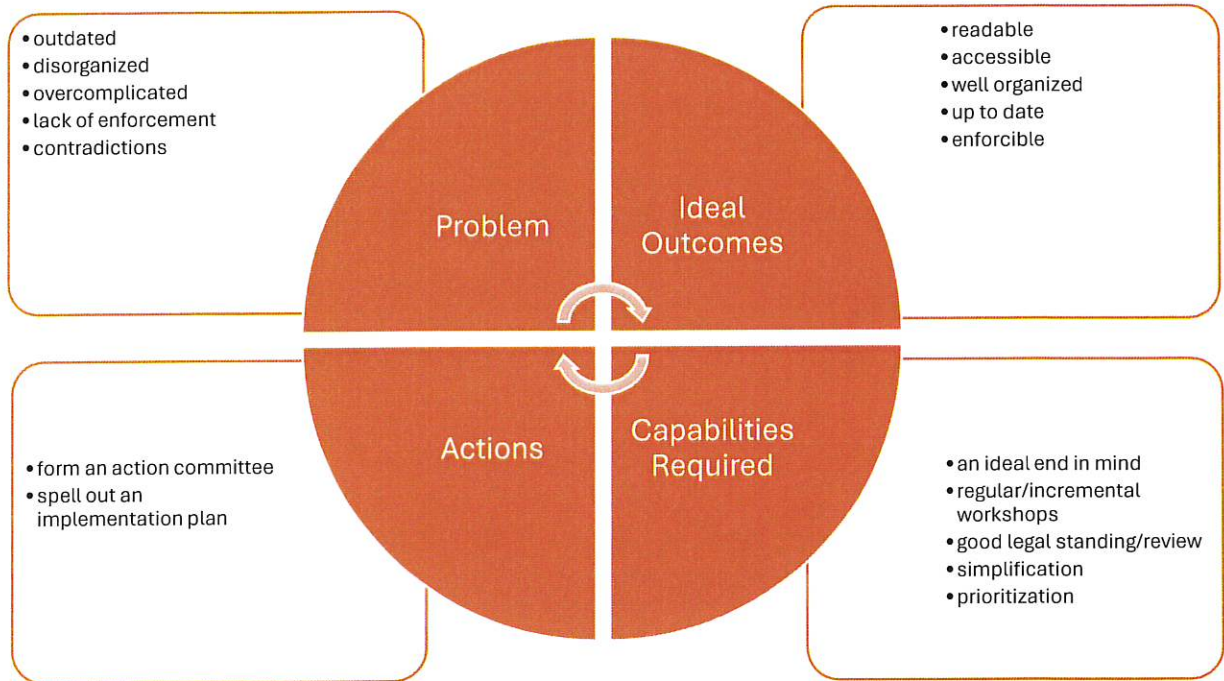
Human affairs seem to exist on a spectrum that includes apathy (where despair is prevalent and hope is hard to find), chaos (where there is unrest and unpredictability), order (where conditions and process help provide progress), and control (regulation and enforcement seek to eliminate problems). Too much chaos leads to apathy and too much control leads to rebellion. The idea of chaordic leadership suggests a proper tension between chaos and order allows for meaningful innovation that can most effectively address needs. Mayor Cooper asked Council and department directors to add sticky notes to charts labeled “apathy”, “chaos”, “order”, and “control” by writing down things that fit. The result of the activity is summarized and rank ordered in the following table. No notes were provided on “order” since those things are generally understood to be areas we are doing well.

APATHY	CHAOS	CONTROL
Tourism/Economic Development	Municipal Code	Growth Management
Outdated Municipal Code	Communication	Fees/Rates
Volunteerism/Public Involvement	Planning Commission	Problem Solving
Planning Commission	Local Economy/Community Events	Work Schedules
Youth Sports	Communication with Council	Diversity of Opinion
Social Services	Public Works Improvements	
Open Spaces/Green Spaces	Code Enforcement	
	Park Management	
	Budgeting and Financial Policies	
	Resurfaced Roads	
	Silver Lake Infrastructure	

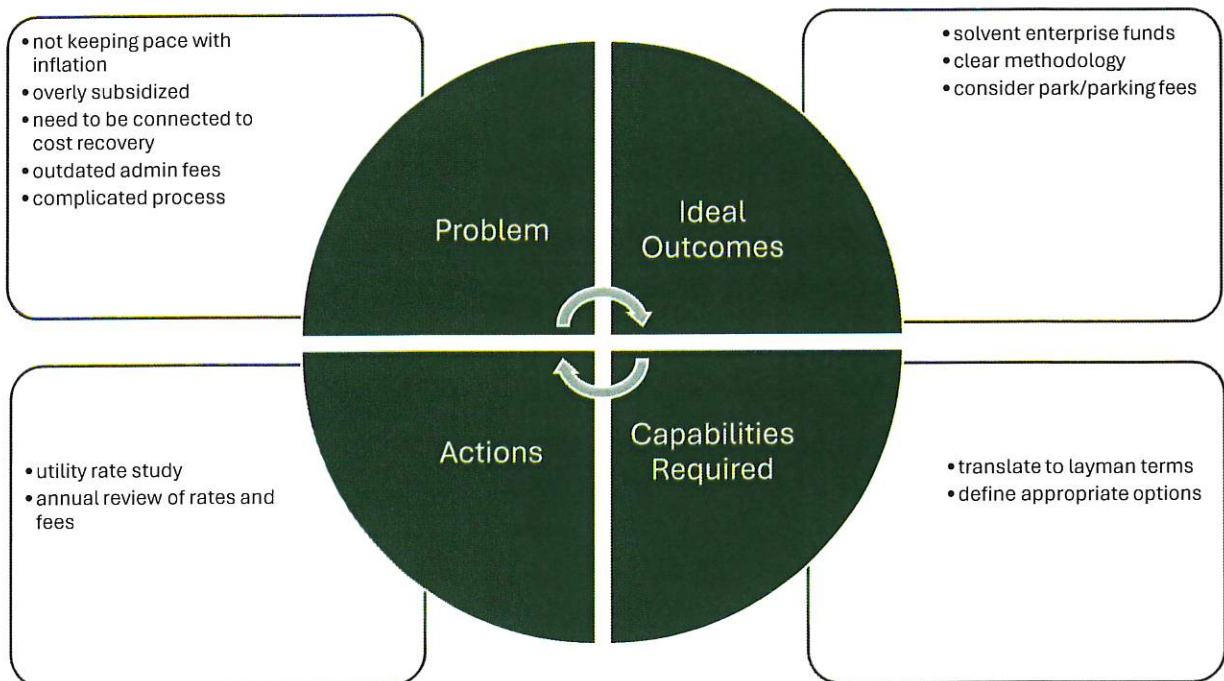
As **tourism and economic development** was the highest rated item on the “apathy” chart, a group discussion ensued to define the problem (who has the problem, what is the problem, where/when is the problem occurring, and why is it important to address), express ideal outcomes, share capabilities required to achieve ideal outcomes, and articulate the next best actions to take. The following chart illustrates what was discussed.



It was noted that communication was the second highest rated item on the chaos chart, which seemed to reinforce the actions identified relating to tourism and economic development. Our **municipal code** was the highest rated item under the “chaos” heading, and the chart below highlights the discussion.



Fees and rates were the focus area selected under the “control” chart, and the discussion resulted in the following inputs.



With limited time available during the budget retreat, the three items above were the only ones discussed. It was noted that each item needs to be discussed in similar fashion, so staff will prepare a virtual way for inputs on the remaining items listed under “apathy”, “chaos”, and “control”.

SALARIES AND BENEFITS

Mayor Cooper reviewed her desire to adjust Department Director salaries by removing the first 3 Steps of the current scale, making the existing Step 4 the new Step 1, and replacing Steps 8-10 with 3.5% increases consistent with the rest of the scale. She also updated Council on the fact that the existing Collective Bargaining Agreement for union employees included a wage opener in 2024 that was in negotiation. The City is aware that medical benefits will increase by 7.3% in 2025 and is considering a COLA formula that accounts for the City’s burden of benefit costs along with inflation rates.

REVENUE DEFICITS AND UNRESTRICTED REVENUE SOURCES

Koss reviewed existing funds and their purposes along with known revenue deficits and unrestricted revenue sources and 2025 estimates. The Streets, Public Safety, Parks & Recreation, and Unemployment Funds are all supported by the General Fund. The Tourism Fund deficits can be addressed by reallocating the Gas B&O taxes. The Solid Waste and Wastewater Funds are being addressed with rate increases and a proposed utility rate study in 2025.