

**FIRCREST CITY COUNCIL
SPECIAL MEETING AGENDA**

**MONDAY, OCTOBER 5, 2026
6:00 P.M.**

**COUNCIL CHAMBERS
FIRCREST CITY HALL, 115 RAMSDELL STREET**

	Pg.
1. CALL TO ORDER	
2. PLEDGE OF ALLEGIANCE	
3. ROLL CALL	
4. <u>PRELIMINARY 2027 BUDGET – 1st BUDGET WORK SESSION</u>	2
5. ADJOURNMENT	

Join the Zoom:

Dial-in Information: 1-253-215-8782 Webinar ID: 893 0507 8908 Passcode: 306709

2027 ANNUAL BUDGET PROCESS CALENDAR

The City follows the budget calendar below in establishing its budget. This calendar is in accordance with State law timelines and is designed to allow the Council and public ample opportunity to understand and have input on the City's budget direction for the coming year.

SEPTEMBER

22nd (Tuesday) – Regular Council Meeting

- 2027 Preliminary Budget Presentation to City Council

OCTOBER

5th (Monday)

- 2027 Preliminary Budget Estimates to City Council (Statutory Deadline)
- Budget Workshop #1 – Preliminary Budget Review
 - Budget Overview
 - General Fund
 - Legislative, Administration & Legal Departments
 - Municipal Court
 - Finance Department
 - Community Development Department
 - Public Safety Departments
 - Parks & Recreation Department
 - Miscellaneous Funds
 - Debt Service Fund – Parks Bond
 - Capital Project Fund
 - Real Estate Excise Tax (REET)
 - Cumulative Reserve Fund

12th (Monday)

- Budget Workshop #2
 - Public Works Department
 - Water, Sewer, and Storm Funds
 - Street Fund
 - Equipment Rental & Replacement Fund (ERR)
 - Other Significant Items

19th (Monday)

- Budget Workshop #3
 - Salaries and Position Adjustments
 - Proposed Rate Increases
 - Final Questions/Changes

27th (Tuesday) – Regular Council Meeting

- Public Hearing – 2027 Revenue Sources & Property Tax Levy
- Public Hearing – 2027 Preliminary Budget

NOVEMBER

2nd (Monday)

- Preliminary Budget & Budget Message to City Council & City Clerk (official budget filing per RCW)

10th (Tuesday) – Regular Council Meeting

- Public Hearing – 2027 Preliminary Budget
- Public Hearing – Water Rate Adjustment
- Ordinance Adopting 2027 Property Tax Levy
- Ordinance Adopting 2027 Salary Ranges for Non-Union Employees
- Ordinance Adopting 2027 Salary Ranges for Municipal Court Judge and Civil Service Examiner

20th (Friday)

- Copies of the Preliminary Budget are available to the public

24th (Tuesday) – Regular Council Meeting

- Ordinance Adopting 2027 Budget

30th (Monday)

- Deadline to file Property Tax Levies with Pierce County

DECEMBER

7th (Monday)

- Deadline for Final Budget Hearing – if needed (Statutory Deadline)

8th (Tuesday) – Regular Council Meeting

- Ordinance Adopting 2027 Budget (if needed)

31st (Thursday)

- Budget Adoption Deadline (Statutory Deadline)



THE CITY OF FIRCREST

PRELIMINARY 2027 BUDGET

1ST BUDGET WORKSHOP

Monday, October 5, 2026

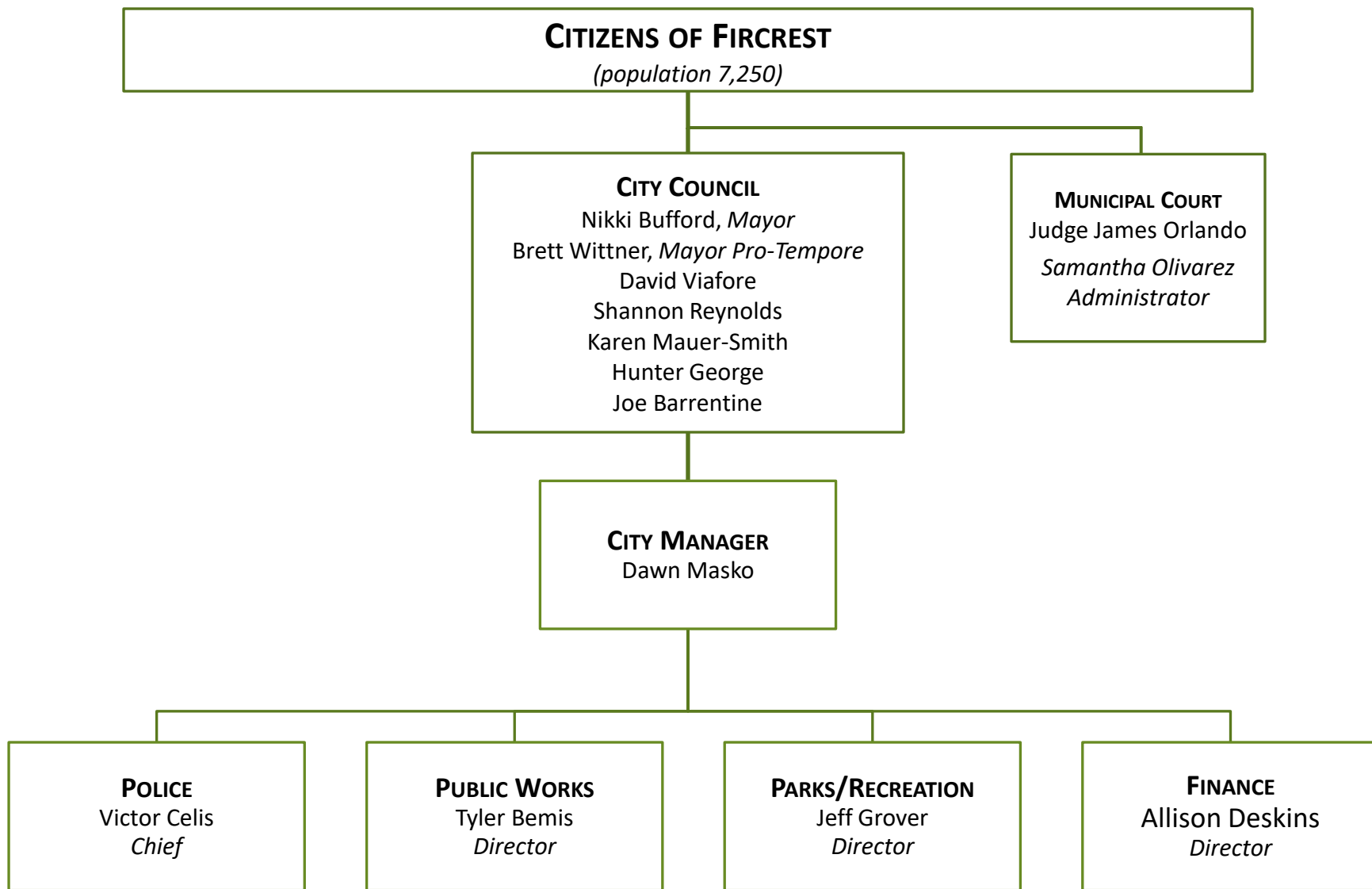
GENERAL FUND

PARK BOND CAPITAL

PARK BOND DEBT SERVICE

CUMULATIVE RESERVE

REAL ESTATE EXCISE TAX (REET)



BUDGET REVIEW SCHEDULE

1st Budget Workshop
October 5th

- General Fund
- Park Bond Debt Service Fund
- Park Bond Capital Project Fund
- Cumulative Reserve
- REET

2nd Budget Workshop
October 12th

- Enterprise Funds (Water, Sewer, Storm)
- Street Fund
- Equipment Rental & Replacement Fund (ERR)
- Other Significant Items

3rd Budget Workshop
October 19th

- Salary & Position Adjustments
- Proposed Rate Adjustments
- Final Questions/Changes

City Council Regular Meeting
October 27th

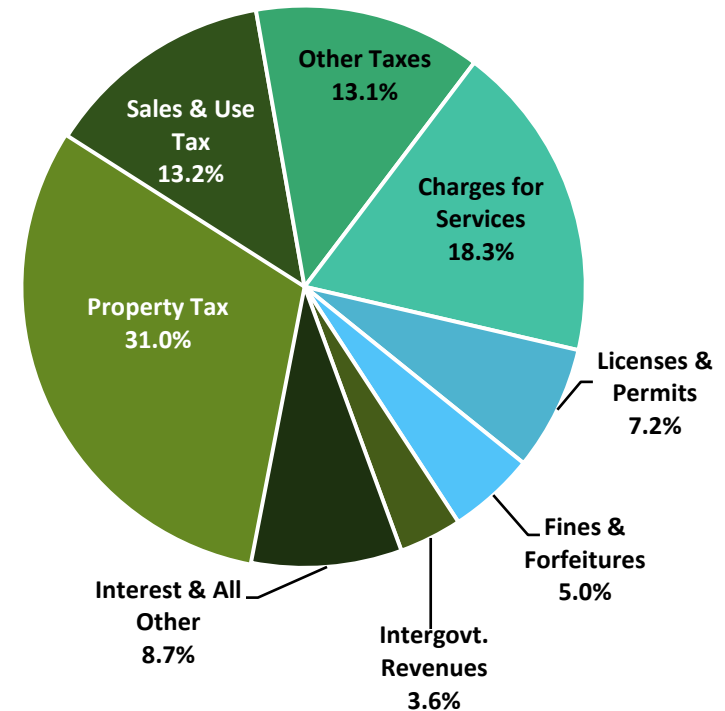
- **Public Hearings:**
 - 2027 Revenue Sources
 - 2027 Budget (1st Hearing)

City Council Regular Meeting
November 10th

- **Public Hearings:**
 - Water Rate Adjustment
 - 2027 Budget (2nd Hearing)
- Salary Ordinances
- Property Tax Levy Ordinance

GENERAL FUND REVENUE PROJECTIONS*

Property Tax (w/EMS levy)	\$2,562,513
Sales & Use Tax	1,093,165
Other Taxes	1,083,110
Charges for Services	1,515,245
Licenses & Permits	593,458
Fines & Forfeitures	413,305
Intergovernmental Revenues	299,336
Interest & All Other	716,038
Total	\$8,276,171



*Early Revenue estimates

GENERAL FUND REVENUES

CHANGE IN OPERATING REVENUE: +\$194,114

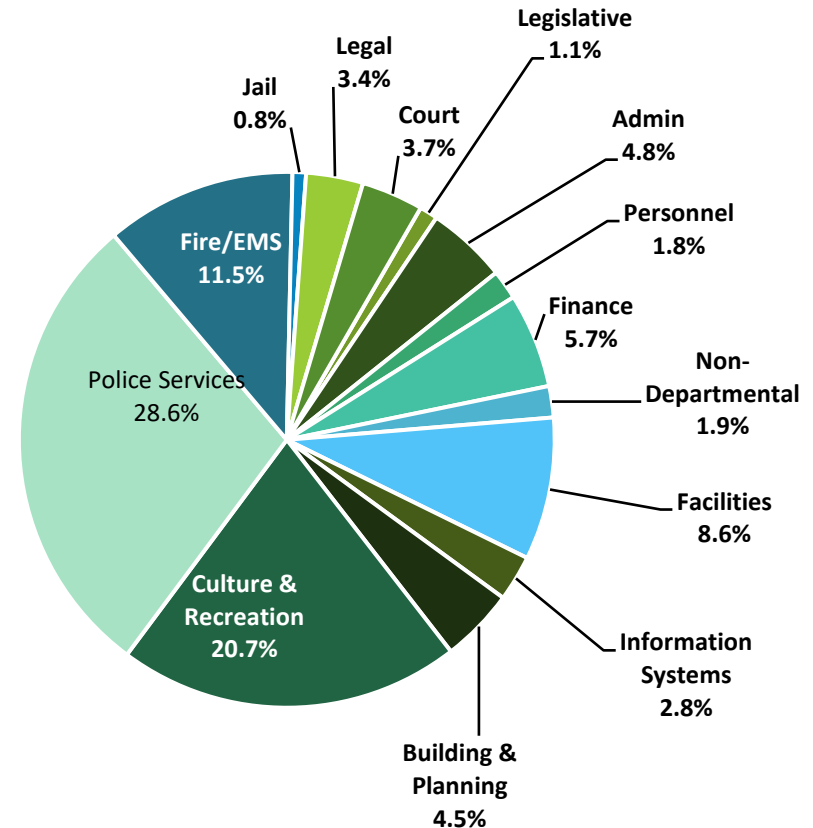
- Property Tax: + 1% levy increase, plus new construction value; increase from 2026 of \$10,676
- EMS Levy: +\$197,303 reflecting voter-approved \$0.50 levy rate
- Retail Sales Tax: + \$150,000 based on current collections and Whittier construction activity
- Utility Tax Revenues: +\$11,402 based on current trends
- Building Permits: -\$85,500 as 2026 Whittier permit activity is near completion
- Interdepartmental Service Charges: -\$37,398 reflecting updated cost allocation calculations
- Ruston Court Contract: -\$262,523 due to termination of the contract
- Planning Permits/Plan Checking: +\$30,000 based on current activity
- Municipal Court Fees: +\$91,305 based on current and projected collections
- Investment Interest: +\$66,562 based on current balances and interest rate projections
- City Assistance: +\$31,000 based on current collections and anticipated distributions

GENERAL FUND BUDGET SECTIONS

OPERATING BUDGET EXPENDITURES

	Legislative	\$88,081
	Administration	385,371
	Personnel/Other Benefits	142,137
	Finance	455,521
	Non-Departmental	150,774
	Facilities & Equipment*	685,631
	Information Systems	220,715
	Building/Planning/Conservation	361,349
	Culture & Recreation	1,628,040
	Police/Emer Mgt/Civil Svc/Animal Ctl	2,296,373
	Fire/EMS	917,381
	Jail	65,000
	Legal	274,500
	Judicial	297,382
	Total Operating Costs without Transfers	\$7,968,255

* Includes Insurance, Repairs, and Maintenance.



GENERAL FUND EXPENDITURES MAJOR VARIANCES

SECTION	MAJOR CHANGES	REASON
Legislative	\$1,500	Registration & Tuition for conferences
Court	-\$200,291	Salaries & Benefits – portion of staffing costs allocated to new Traffic Safety Camera Fund
	-\$2,450	Interpreter & Pro Tem Judge for Ruston Court
Finance	+\$1,000	Increased printing & binding costs
Legal	\$9,000	City Attorney
	-\$48,000	City Prosecutor
Facilities	+\$1,000	Overtime - accounts for custodial staffing shortages
	-\$66,177	Police Liability insurance moved into Police budget
	+\$3,000	Public Utility Services expected to increase up to 14% in 2027
	+\$2,000	Repair & Maintenance at Recreation Center
	+\$2,000	Repair & Maintenance at Public Works Building
	-\$20,472	2026 budget included portion of Public Works generator
Information Systems	+\$2,365	Two new Meraki firewalls
	+\$11,925	Professional services – increased costs under Council-approved Locke Systems contract amendment as well as installation of new firewalls
	+\$4,725	Software licensing increases
Police	-\$200,725	Salaries & Benefits – portion of staffing costs allocated to new Traffic Safety Camera Fund
	+\$10,000	Overtime
	+\$27,300	South Sound 911 Dispatch, Records & Records Management Fees
	+\$52,484	Police Liability insurance moved from Facilities budget
	+\$17,480	Increased ERR replacement funding based on anticipated Police vehicle replacement costs

GENERAL FUND EXPENDITURES MAJOR VARIANCES

SECTION	MAJOR CHANGES	REASON
Fire/EMS	+\$33,584	+3.8% CPI-W increase per interlocal agreement
Jail	+\$35,000	Increased based on current usage and projected year-end costs
Planning	+\$1,250	Travel and training costs for new Associate Planner
Building	+\$10,500	Based on anticipated need for CodePros services in 2027
Emergency Management	+\$11,714	Portion of Public Works Director salary & benefits allocated to Emergency Management
Animal Control	+\$3,860	Increased animal control costs
Recreation	+\$3,000	Youth program supplies – increased based on current participation trends
	-\$2,000	Officiating costs – actual costs are trending below budget
	+\$5,000	Will be renting U.P. athletic fields again in 2027 as Whittier construction continues
	+\$1,200	New ping-pong table for Rec Center
	-\$41,749	Salary & Benefits – Community Events Specialist position reallocated from Recreation to Community Events
Library	+\$1,000	Increased library card reimbursements based on history
Community Events	+\$68,403	Salary & Benefits – Community Events Specialist position reallocated from Recreation to Community Events
Pool	+\$2,000	Professional Services including lifeguard certification course, RecDesk program and HydroApps platform
	+\$15,200	Public Utility Services expected to increase up to 14% in 2027
	-\$20,000	2026 budget included funding for new pool cover
Parks	-\$4,000	2026 budget included allocation for Parks, Recreation, and Open Space (PROS) Plan

PARK BOND DEBT SERVICE FUND

FUNCTION

The Park Bond Debt Service Fund is used to account for the principal and interest payments related to park bond debt.

REVENUE

Bond Property Tax is collected through property taxes. The levy amount is set to cover the principal and interest payment due on the bond, plus a 3% allowance for delinquent collections.

EXPENSES

The 2027 bond payment of \$646,000 includes \$355,000 for principal and \$291,000 for interest.

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PARK BOND CAPITAL FUND

FUNCTION

The Park Bond Capital Fund is used to account for capital revenue and expenses related to park bond projects.

REVENUE

\$37,343 in anticipated investment interest

EXPENSES

- No projects have been identified for 2027
- Estimated Ending Fund Balance is \$1,135,109

REAL ESTATE EXCISE TAX (REET) FUND

FUNCTION

The REET Fund is used to account for tax revenue from the first and second quarter tax on each real estate transaction in Fircrest. Under State law, these funds must be spent on capital projects listed in the comprehensive plan.

REVENUE

REET 1 and REET 2 revenue is estimated at \$150,000 each. Interest received remains with each revenue source.

EXPENSES

- Transfer out to Street of \$100,000 for minor street improvements.
- Transfers budgeted in 2026 will be carried forward into 2027 for projects not completed.

CUMULATIVE RESERVES FUND

FUNCTION

- The Cumulative Reserve Fund was created by Ordinance No. 956 to set aside emergency funds and currently consists of only General Fund money. Set by Council rule, a super-majority vote by ordinance is necessary to transfer funds out of the Cumulative Reserve Fund.

REVENUE

Estimated Ending Fund Balance of \$2,750,000