

CITY OF SHOREWOOD
CITY COUNCIL WORK SESSION MEETING
MONDAY, JUNE 9, 2025

5755 COUNTRY CLUB ROAD
COUNCIL CHAMBERS
5:30 P.M.

MINUTES

1. CONVENE CITY COUNCIL WORK SESSION MEETING

Mayor Labadie called the meeting to order at 5:31 P.M.

A. Roll Call

Present. Mayor Labadie; Councilmembers Labadie, Maddy, Sanschagrín, Gorham, and DiGruttolo; Acting City Attorney Asani; City Administrator Nevinski; Parks and Recreation Manager Czech; City Clerk/HR Director Thone; Planning Director Griffiths; Director of Public Works Morreim (via electronic means); Communications and Recycling Coordinator Wilson; and, City Engineer Budde

Absent: None

B. Review Agenda

Sanschagrín moved, Maddy seconded, approving the agenda as presented. Motion passed 5/0.

2. CITIZEN SURVEY

Communications and Recycling Coordinator Wilson gave an overview of the findings from the 2025 Shorewood Community Survey, which used the same questions that were used in the 2011 survey. He stated that the survey was available from April 14 through May 23, 2025, and the City received just over three hundred responses. He outlined some general characteristics of the survey respondents, responses related to quality of life and community, services provided, and quality of services in Shorewood. He reviewed responses related to City water and compared 2011 and 2025 results, feelings about City employees, City government, and administration performance, potential improvements and initiatives, whether they supported or opposed various initiatives in the City, such as a single trash hauler, community gardening, and curbside organics. He outlined survey reports related to potential improvements, their importance, the level of awareness about City issues and operations, and how residents find out their information.

Councilmember Sanschagrín asked what the City's goal was regarding the number of survey responses they were hoping to get. Communications and Recycling Coordinator Wilson stated that his goal was simply to get as many responses as possible.

City Administrator Nevinski noted that staff had been pleased to get around three hundred responses and reminded the Council that this was not a statistical survey because those can be very expensive, and this was just designed to try to get feedback from residents, but could not be viewed as a comprehensive view of the City. He explained that he just wanted to make sure the Council understood that a comparison between the 2011 and the 2025 survey was not comparing apples to apples.

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Councilmember DiGruttolo asked how much the 2025 survey had cost. Communications and Recycling Coordinator Wilson stated that they used Survey Monkey and a few days of staff time. City Administrator Nevinski stated that he would estimate a statistical survey would cost somewhere around the range of fifteen to twenty thousand dollars.

Councilmember DiGruttolo noted that more than one hundred people skipped the water-related questions and asked if that had been accounted for in the data analysis. Communications and Recycling Coordinator Wilson explained that he had just included the overall totals in the columns and noted that it was only asked of people who had water. He stated that he was not sure if it had been skipped because they did not have water or if there was another reason.

Councilmember DiGruttolo asked if the City could do this type of survey on a more regular basis to help measure changes and see if they were doing better or worse, or should be focusing on a different area. She stated that she was glad that they did this, but was not entirely sure that the data they got would help the Council in making decisions. City Administrator Nevinski stated that they can try to find a way to establish a baseline first and then continue to do surveys.

Councilmember Sanschagrín asked if staff knew how long it took the average person to complete the survey. Communications and Recycling Coordinator Wilson stated that Survey Monkey gave them a report which said that it took people between seventeen and eighteen minutes to complete the survey.

Councilmember Sanschagrín stated that within some of the narrative points, he saw some things related to things like speeding and road safety. He noted that he found this survey information helpful, especially the comments, because they were insightful. He stated that he would like to see the City highlight a few snippets of information that came out of the survey and communicate what the feedback was and what the City's plans were. Communications and Recycling Coordinator Wilson agreed that the comment sections were very helpful and may amend things next time to have a comment for each section of the survey rather than just one at the end.

3. BUDGET – GOALS, PRIORITIES, PROCESS

Finance Director Schmuck reviewed a general overview of the planned scheduled for budget discussions through the 2026 budget process. She reviewed the public engagement plans that were important to the Council, the taxable market values, net tax capacity, City tax levy amounts, and tax rate history information for 2021-2025. She outlined the County assessment process for property values and details for the distribution and use of the 2025 property tax levy dollars. She reviewed some of the City's budget challenges and strategic priorities that the Council had discussed at their annual retreat.

City Administrator Nevinski noted that the strategic priorities were intended to guide the Council and reviewed a few of the ideas that staff were thinking about related to the upcoming budget challenges. He stated for public feedback, people can attend the Work Session meetings, but the Council did not generally take comments, but when they were discussing budget items, they would like people to be able to hear what was being proposed and the issues that the City was trying to solve, and could give more focused feedback. He stated that he and Finance Director Schmuck were committed to having open office hours so residents would know that they would be available and they can come talk to them about their questions. He explained that the idea was to do things a bit more proactively rather than waiting until the end of the budget process to try to get some of this kind of feedback.

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Mayor Labadie asked how many residents attended the budget open house the City had held last year. City Administrator Nevinski stated that it was about ten people, at the most.

Councilmember DiGruttolo noted that she had found out about the open house the day before and was unable to attend because she already had a commitment that night. She explained that the open house took place during campaign season, so she heard an earful about this from the residents. She stated that the way Finance Director Schmuck has things laid out this year is much better and believed that they would see a huge difference if they give people time and notice so they can get this in their calendars. She noted that she liked what Finance Director Schmuck had been doing in the Shore Report by highlighting and explaining the different budget and tax issues.

Mayor Labadie stated that she agreed that setting aside specific open office hours for this purpose was a great move. Finance Director Schmuck suggested that the Council give staff guidance on their 2026 initiatives and guidance before staff brings the first set of information to them at the upcoming meetings.

Councilmember Sanschagrín referenced the staff report information that indicated that the City's expenses would be higher and the revenues would be lower. Finance Director Schmuck explained that last year in the budget they allocated six hundred fifty three thousand dollars to be spend out of the reserves, which were interest earnings that they would not have. She noted that the project revenues in the analysis from prior years were overstated, so they were working to gear them back to be more in alignment going forward. She stated that there would also be a big reduction in building because construction projects would not be coming through.

Councilmember Sanschagrín referenced the chart on property tax levy and estimated tax rate information and asked why there was such a large change from 2020 and 2023. Finance Director Schmuck explained that for a few years they lowered the tax levy and increased using various one-time funding sources. She stated that as the rate was going down because there was a lower level, there was also a spike in property values between 2021 and 2023, which made the rate change along with the tax capacity calculation. She noted that there were a lot of variables that went into calculating the tax rate.

Councilmember Sanschagrín asked if there was a way to change the context of the truth in taxation meeting as a way to grab more feedback from the community and be more proactive. He stated that he would like to see the context be more interactive and open to feedback.

Finance Director Schmuck explained that one of the things they were trying to do with public engagement was, at the Budget Work Sessions, following presentations on specific topics, allow a few minutes for public comment. She stated that the hope is that the City would be able to get people talking about what the Council is talking about at the same time, so they can have a greater understanding. She noted that it will also provide the Council time to make adjustments if they feel they are necessary. She stated that the structure of the truth in taxation meeting is hard because there are requirements for the County that the City needs to follow. She stated that the City had always been open to input from the public but they are trying to get the word out about the new approach at the Budget Work Session meetings to allow time for public input on the topics discussed that night and also the open office hours for her and City Administrator Nevinski to garner engagement throughout the entire process rather than just at the truth in taxation meeting.

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Councilmember Sanschagrín stated that he would like to take things even further and communicate that the City was open to ideas and over-communicate to people what was being done with the ideas to show people that the City would do things based on resident feedback.

City Administrator Nevinski stated that staff can try to keep the Council informed about ideas or topics being brought up at the Work Sessions or the open office hours.

Councilmember DiGruttolo suggested that there be some kind of tracker, because if there were more than three people who brought up the same topic, the Council should know that.

Finance Director Schmuck referenced the staff report related to public engagement and the City's ongoing outreach efforts. She stated that they were planning to have the bullet points listed be an ongoing marker, and staff would bring back tally information to the Council. She stated that under Public Feedback, they would plan to include any extra information in all the Budget Work Session reports.

Councilmember DiGruttolo referenced the slide in the presentation related to budget challenges. She explained that she was shocked about the costs of the fire truck and the HVAC system, and asked if the increase outlined for the Police Department was intended to be for every year. City Administrator Nevinski stated that the number included for that was currently an estimate and may be a bit high. He explained that staff had wanted to give the Council a sense of what things could look like, even though they hope it turns out to be notably less. He noted that the chiller that they would be discussing at the regular Council meeting was an unbudgeted expense. He noted that the City had gotten used to only seeing yearly increases of about three to four percent, and this past year was around ten percent.

Councilmember DiGruttolo stated that the Council needed to have more clarity around this because she did not feel an annual increase of ten percent was sustainable. She stated that she would like to see if any of the things listed could be pushed out a bit. Finance Director Schmuck noted that Public Safety costs are exponentially growing over the last few years based on things that happened in Minneapolis.

Mayor Labadie stated that some items were non-negotiable, such as the SCBAs. She stated that she did not think the current budget increase would end up being an ongoing ten percent increase every year. Councilmember DiGruttolo stated that she understood the importance of Public Safety, but that does not mean that they do not need to tighten their belts like the City does. She explained that she wanted the City to be investigative about what things were essential to include in the budget and what things they just wanted and could be pushed out a bit.

Mayor Labadie stated that she will communicate with the Council when the Police Department budget is discussed by the Coordinating Committee, and reminded them that those were also open to the public. City Administrator Nevinski explained that this is a bit different and clunky because it is not the Shorewood Police Department, and instead, they are part of a JPA with other area cities. He stated that it makes it more challenging to have a dialogue about service level expectations and what they are willing to pay for that service.

Councilmember Sanschagrín stated that it would be helpful for the City to track cost savings efforts and make sure that was also communicated as things they were doing to try to keep the levy down. He suggested that within the list of strategic priorities, they could add item 2.c., Cost Reduction Initiatives. Councilmember DiGruttolo agreed that this should be included in their strategic initiatives. She referenced the input the City had gotten on the trail/sidewalk at Vine Hill

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Road. City Administrator Nevinski outlined the process that this type of CIP project needed to be built into.

Councilmember DiGruttolo asked if there may be a way to switch this project out with something else to bring it forward more quickly, because the City has been hearing about it for a long time. City Administrator Nevinski stated that, in this case, this would be a joint project with Minnetonka, there would be additional coordination that would need to happen, and swapping this project out with something else was most likely not feasible. He stated that Councilmember DiGruttolo's overall idea was viable, but not for this particular project on Vine Hill Road.

Councilmember DiGruttolo stated that she would like to know what the cost would be to do this project properly, and also the cost for the planned skin coat. City Administrator Nevinski explained that the skim coat was an interim solution for a project that has been planned for five years from now. He stated that he felt staff could come up with some general number per linear foot for the Council and outlined some of the discussions that Minnetonka was having related to the trail.

Mayor Labadie suggested that they communicate to the public the information that the City was looking for public input and include the topics scheduled for discussion at the Work Session. She stated that if people were unable to attend those specific Work Sessions to give their feedback, they also need to know that there are office hours that have been set aside where they can come in and discuss those specific items with staff. Finance Director Schmuck stated the schedule was updated on the City's budget webpage and Communications and Recycling Coordinator Wilson also does regular email pushouts for anyone who has opted in to receive the budget emails. She outlined other areas where this information has been highlighted in an attempt to communicate this information to the public.

Mayor Labadie stated that she liked the new method of communication and public engagement that staff were using through this year's budget process. Councilmember DiGruttolo made some suggestions on adding more details when this is communicated and noted that some people may not really understand what areas a General Fund budget discussion would cover. Finance Director Schmuck stated that the emails sent out would include a breakdown of those kinds of details.

Councilmember DiGruttolo asked if City Administrator Nevinski had collected priorities from the Parks or Planning Commissions. City Administrator Nevinski stated that the Planning Commission would not have priorities because they are a reactive body. He stated that getting the Parks Master Plan done would be the key piece of information that would inform the City on what they do moving forward.

4. ADJOURN

Maddy moved, Sanschagrin seconded, Adjourning the City Council Work Session Meeting of June 9, 2025, at 6:46 P.M. Motion passed 5/0.

ATTEST:



Sandie Thone, City Clerk


Jennifer Labadie, Mayor