

City of St. Helens

Budget Committee Meeting

May 3, 2018

Members Present: Rick Scholl, Mayor
Doug Morten, Council President
Keith Locke, Councilor
Susan Conn, Councilor
Ginny Carlson, Councilor
Brian Vaerewyck, Chair
Garrett Lines, Committee Member
Leah Tillotson, Committee Member
Rachael Barry, Committee Member
Bill Eagle, Committee Member

Members Absent: None

Staff Present: John Walsh, City Administrator
Matt Brown, Finance Director
Terry Moss, Police Chief
Sue Nelson, Public Works Engineering Director
Margaret Jeffries, Library Director
Jennifer Johnson, Accounting Assistant
Crystal Farnsworth, Communications Officer
Heidi Davis, Building & Administration Secretary

Others: Patrick Birkle

1) Call Meeting to Order

The meeting was called to order at 6:01 p.m. by Chair Vaerewyck.

2) Public Comment

- Patrick Birkle. Commented on the Visitor and Tourism funds. Spirit of Halloweentown, festival of the fairies. Seems unclear if these expenditures here really reflect what the city expenditures are for these events. Such as the use of public service employees for putting up and taking down these events. He would like to keep that in mind when looking at visitor and tourism. The public is wondering why public works is putting up props for events when there are more obvious needs around town that need to be taken care of.
- Locke. Commented that a lot of things are complaint driven. If you see things in the community not getting done a note to the City would be appreciated.

3) 18/19 Budget Review – Special Revenue Funds

Brown presented the Special Revenue Funds.

Street Fund

- Revenue comes from motor vehicle tax and grants STP funds.
- Debt services is from the Street Light Project.
- Brown is budgeting a little bit higher in contingency amounts for potential projects that might come up this year.
- Locke asked why the motor vehicle tax jumped up. Brown said those come out of League of Oregon Cities. That is their estimate on what we might see this year.

Streets SDC

- No projects for next year.
- Funds are appropriated just in case projects come up that are SDC eligible.

Community Enhancement Fund

- Moss discussed the CIT Grant, originally \$300,000.
- Transitional Housing and in and out to Community Action Team?
- Youth Council is new to this fund. In previous years it was combined with City Council.

Visitor & Tourism Fund

- Main revenue for this fund is the Motel Hotel Tax.
- The tax has increased from 7% to 10%. There is a 10% administration fee.
- Tillotson asked about tracking staff hours spent on events.
- Carlson said events come second to Public Works. If there is a main break Public Works focuses on that before putting up events. The citizens come first. Public Works is always going to respond to citizens first.
- Morten mentioned tracking hours spent on timecards. Brown mentioned on the new software there will be electronic timekeeping that would make it easy to track hours spent on specific projects.
- There is a \$240,000 inter fund transfer from the general fund that goes back out. That is to cover the funds that were unappropriated.

Community Development Fund

- Revenue sources are property tax reimbursement, and lease payments.
- Walsh discussed the three grants the City is seeking. One is for the design of the board walk for the Waterfront design. Then there is the continuing exploration of the lagoon, as well as some trail development collectively 1.8 million.
- Brown said the the \$350,000 is being paid back to the enterprise fund from a loan made in 2014. There is still a remaining \$600,000.
- Barry asked about timber revenue. Walsh said we are trying to sustain a rotational harvest. Timber is currently at a 20 year high. We will do a 50 acre cut.

18/19 Budget Review- General Fund

See the general fund presentation.

General Fund Revenue

- Property taxes, previously levied tax.
- Cigarette Tax, Alcohol beverage. Tax, revenue sharing, Cannabis Tax, Columbia City permits, and intergovernmental- revenue.

Grants

- The City received a \$25,000 grant for the recreation program.

Charges for services

- Parks and rec's user fee is around \$65,000, assuming the \$2 fee is implemented. To begin in January (1/2 year accumulation)
- Tillotson asked about the survey results. Brown said the survey is still going on. There are 443 respondents so far. Lines commented that he has never seen the survey. The link for the survey was in the notes section on the utility bills. Scholl said they are trying to push the survey out to the best of their abilities. Lines would expect a paper survey included in the bill. Carlson feels people with fixed incomes are underrepresented on the survey, they are less likely to have internet.
- Morten feels the City should not charge a fee on the utility bill but go for a special levy or a special district. The Eisensmidt pool with Greater St. Helens Parks and Recreation is changing their name. He suggests making our own district called the St. Helens Parks and Recreation District. By taking it to the voters you will know.

General Fund Expenses

- Changes from last fiscal year. Personal Services increases 11%. Materials and Services increased 3%. Two percent of that is the Recreation Department.
- General Fund average increase is 8% over last year.
- Moss mentioned the School District is working with the City to hopefully get a second school resource officer. If that goes through they will add an extra officer in July.

4) Break

The Commission took a ten minute break.

There was discussion about the future new police station. Scholl mentioned the triangle property across for Feed and Seed. Moss invited anyone who wants to come take a look at the current Police Station to get a better idea of the current facility.

5) Review Discuss Opportunity List Items

Sick Leave Payout for Future Employees

- Eagle was concerned this would detour future employees in wanting to work for St. Helens. Moss said other cities are offering perks when it comes to hiring officers.
- Locke recommended the Council look at all the benefits City employees receive to get a better understanding how many good benefits the employees receive.

Motion: Eagle moved to direct the City Council to hire consultants to look at this. A good portion of the contingency fund is being used for this and there might be other ways to go about it. Morten seconded.

Discussion: Barry requested the consultants have HR experience or from the League of Oregon Cities. Locke said this item is looked at in negotiations. Morten agreed with a consultant helping to figure this out. Morten and Moss agreed younger people coming aboard would not be concerned with this benefit. Morten favors capping the benefit after two or three years. Vaerewyck says you defiantly want to have enticing benefits for people to want to come work for the City.

All in favor; none apposed; motion carries.

Facilities Maintenance Manager Position

- Nelson said there is currently an employee who does work on all the City facilities as well as costs out and gets quotes for repairs and remodels. He currently enjoys being based out of the Public Works shop. He is also in charge of street striping and the sign replacements. He has a background in building and carpentry. The impact to Public Works would be losing a person that does the striping and other jobs that he enjoys doing. Morten asked if he was promoted would he have an assistant. Brown said he would help oversee some of the Public Works staff. Conn asked why there is a position built around a person who may or may not want it. Brown said it would be an open position. The position would be funding from facilities maintenance from each department. Nelson feels the City might lose a valuable employee if some of the duties are taken away from a current position. The person in that position might not be happy any longer in a new position. Locke said the mill is a fulltime commitment.
- Tillotson asked if Public Works felt this position was needed at this time. Nelson said no. Carlson felt the position is premature.

Motion: Barry moved to remove the Facilities Maintenance Manager Position from consideration at this time by the Budget Committee. Locke seconded. Ayes: Lines, Scholl, Locke, Barry, Tillotson, Conn, Morten, Carlson; Nays: Vaerewyck, motion carries.

Public Works Job & Structure Review

- Barry feels the review should be done before a facilities maintenance manager position is filled.
- The recommendation is to

Motion: Locke moved to accept this recommendation. Eagle seconded.

Discussion: Morten asked Nelson what the issue would be and how it effects the department at its goals. Nelson said it's hard to say without knowing what the outcome of this would be. There have been changes since 2007, they review all the employees duty's every year. They have added job descriptions and changed job descriptions. Last time a study was done it created terrible feelings within the staff.

Resentful and moral took a nose dive. It's taken years to bring it back up. Morten said a City Administrator was lost in the outfall. Eagle asked if having input from employees would help. Nelson said they had input at the last review. Locke mentioned it was the outcome of the review that caused the uproar. Conn and Barry agree that it would be beneficial to review all departments not just Public Works. Scholl mentioned with urban renewal things are changing. Eagle made a motion to call to question all in favor, none apposed, motion carries. All in favor, none apposed, motion carries.

Form of Government

Motion: Locke moved to remove this item from the agenda. Carlson seconded.

Discussion: Morten said if they wanted to move forward with this it would need to be taken to a vote from the people. This was done 11 years ago and passed to stay the same. Tillotson asked why this topic has come up. Scholl said it would give the current City Administrator more authority and responsibility. Scholl would like Council to rotate yearly with different departments.

Public Hearing for State Shared Revenue

Vaerewyck opened the public hearing at 8:00 p.m.

Purpose is for the Budget Committee to discuss the use of State Shared Revenue received by the City of St. Helens.

Public Comment

None.

Locke mentioned that in the past the Council has shared the State Revenue with the community. For several years now it has just gone to the General Fund. Carlson would like the council to take a harder look at charitable contributions and possibly a public grant program. Walsh, Locke, and Conn mentioned that they have still given money out of the Council Discretionary Fund to different organizations.

Motion: Barry moved to receive State Shared Revenue for General Fund Use in FY 2018. Lines seconded. All in favor; none opposed; motion carries.

The Public Hearing was closed at 8:22 p.m.

Approval of 2018/19 Tax Rate

Motion: Eagle moved to approve, for fiscal year 2018-19, a property tax rate of \$1.9078 per \$1,000 of assessed value for General Fund property taxes for taxes levied by the City's permanent rate. Barry seconded. All in favor, none opposed; motion carries.

Approval of Proposed 2018/19 Budget

Motion: Lines moved to approve expenditures for FY 2018-19 in the amount of \$40,366,730 and to establish the maximum expenditures for each fund as shown on FY 2018-19 Proposed Budget Expenditure Summary by Fund. Locke seconded. Ayes: Lines, Scholl, Locke, Barry, Tillotson, Conn, Vaerewyck, Carlson Naves, Morten. Motion carries.

Morten would like to see forward movement with a parks initiative and that Budget Committee does not leave the meeting until that is done. Scholl and Morten would like to see a bond or a special district for Parks. Vaerewyck felt that if Morten was looking for guidance or approval the item should have been listed on the opportunities list for them to discuss.

Adjournment

The meeting was adjourned at 8:32 p.m.

ATTEST:

Handwritten signature of Brian Vaerewyck in blue ink, written over a horizontal line.

Brian Vaerewyck, Chair

Handwritten signature of Matt Brown in blue ink, written over a horizontal line.

Matt Brown, Finance Director

Prepared by: Jennifer Johnson, Committee Secretary