

City of St. Helens

Budget Committee Meeting

April 17, 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

Members Absent: Rachael Barry, Committee Member
Bill Eagle, Committee Member

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
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 City continuing to look at the Municipal Court whether or not to keep it open. He believes it is draining on revenues and not self-sustaining. After speaking with the Columbia County District Attorney, and members of the community he said there is great value in the City maintaining its own court. The primary reason is to have more control over issues. The county office is currently over worked and understaffed. Citizens who are cited should receive prompt attention. A private partnership with Sand Island as well as restoring the ferry is all the more reason to maintain our City Court.

A letter was submitted by Al Peterson. The letter is attached.

- Locke commented that the economy changed after the plan was made. In 2012 the economy impacted the City, staff was cut, 40% of the General Fund was cut. Looking back the timing was bad.

- Scholl mentioned the City is stuck at \$1.90 per 1000 square feet, in property tax revenue. When he became mayor the biggest hurdle would be balancing the budget. He pointed out how much more Scappoose receives at \$3.23 per 1000 square feet, in property tax revenue than St. Helens.
- Nelson said that plan was based on development. A lot of the improvements were not scheduled to happen until the development around them happened.
- Carlson shares in the frustration when plans are made and not much is followed through. She would like to see some of the smaller items addressed, such as painting bike lanes.
- Nelson commented that Public Works staff has been reduced by 17% in the last ten years.

3) Review General Fund 5-Year Forecast with Approved Opportunities

- Brown reported that the Visitor and Tourism Fund have a little over \$200,000 sitting in an unappropriated account. Legally the City cannot touch it. Brown would like to do an inter fund loan. He is proposing to take it from the General Fund. City Council would need to approve that. It would be paid back in July of the next fiscal year. It's a one week loan. The gap in the graph is the \$240,000 going out and then coming back in.
- In year 19/20, 20/21, and 22/23 we are negative and spending more than the revenue we are bringing in. PERS increases are a large portion of why we go negative.
- An survey was released online. Brown shared the current results showing a majority of support on paying a fee for parks and recreation events and programs.
- Scholl said at \$2-3 a month that is a comfortable amount for someone who lives paycheck to paycheck such as himself.
- Tillotson suggested sending a paper survey in the water bill, Carlson agreed.
- Morten said the City needs to have a public forum, to ask the citizens how they feel about the parks and recreation program and how to fund it.
- Scholl feels even if it is well received and everyone at the public forum is in support of the program and a fee, you will still get a group that will come down and protest. Morten feels you need to do your diligence and that's all we can do.
- Lines agrees that there should be a public forum.
- Scholl would like to have the public forum at the Citizens Day in the Park event.

Motion: Lines moved to have the City Council have a public forum, a survey and go with the \$2 fee that starts in January. Councilor Locke seconded. All in favor, none opposed, motion carries.

Motion: Tillotson moved to start the fee at \$2. Lines seconded;

Discussion: Scholl suggested \$3 instead of \$2. Locke said there will still be cuts at \$2.

Lines called to question, Vote 6-2. Ayes: Lines, Carlson, Scholl, Vaerewyck, Locke, Tillotson, Naves: Conn, Morten; Motion carries.

4) 18/19 Budget Review- Internal Service Funds

Brown reviewed the Internal Service Funds – see presentation attached.

- Lines asked the reasoning for taking all the \$500,000 out of an interest bearing account instead of over time. Brown would like to have that money available for parks projects that are easily done or may come up. Brown would like the funds available as they are needed depending on what projects are chosen to be done.

- Tillotson suggested using the funds from the interest revenue for the financial software expenses. There is around \$200,000 available.

5) The Committee took a five minute break.

6) 18/19 Budget Review – SDC Funds

Brown reviewed the SDC Funds – see presentation attached.

6.A) SDC Funds

- An outside consultant Steve Donavan, Donavan Enterprises did a cost of services analysis last year. He looked at SDC's to see if they were in line with our master plan.

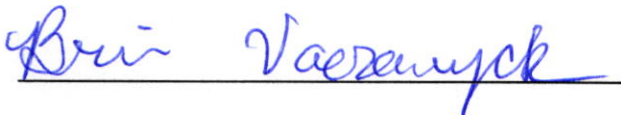
7) Enterprise Funds

- The sewer fund was impacted due to the loss of Armstrong. Years three, four, and five go negative. Adjustments will be made next year. Brown will be working with a consultant to plan how to mitigate the impact.
- The storm fund lent the sewer fund 1.7 million that will be paid back next year.

Adjournment

The meeting was adjourned at 8:00 p.m.

ATTEST:



Brian Vaerewyck, Chair



Matt Brown, Finance Director

Prepared by: Jennifer Johnson, Committee Secretary