

City of St. Helens

Budget Committee

Budget Meeting Minutes

May 19, 2015

Council & Members Present:

Doug Morten, Council President
Keith Locke, Councilor
Susan Conn, Councilor
Patrick Birkle, Committee Member
Garrett Lines, Committee Chair
Bill Eagle, Committee Member
Paul Barlow, Committee Member

Staff Present:

Jon Ellis, Finance Director
Terry Moss, Police Chief
Neal Sheppard, Interim Public Works Co-Director
Margaret Jeffries, Library Director
Lisa Scholl, Committee Secretary

Members Absent:

Randy Peterson, Mayor
Ginny Carlson, Councilor
Michael Funderburg, Committee Member

Others:

Cindy Phillips	Riki Frappier	Julie Metz
Nathan Jones	Joseph Bean	



Chair Lines called the meeting called to order at 6 p.m.

Approval of Minutes

The May 5, 2015 minutes were distributed and posted online. The Committee approved the May 5, 2015 meeting minutes, with a correction to the meeting date.

Recap Approved Budget

Finance Director Ellis presented a PowerPoint presentation. He reviewed the budget amendments.

Public Hearing

◆Cindy Phillips, Municipal Court Judge. She is here to encourage the Budget Committee to approve additional help for court. A new court clerk was recently hired and a computer upgrade will be occurring soon. She is requesting .5 FTE to assist in court through the end of this fiscal year. Adding the position will allow court to generate additional revenue through collections.

Councilor Locke asked about the other half. Ellis explained that the request is for .6 FTE. Half will support court and the other half will support utilities.

Judge Phillips explained that the position will allow staff to train on the new computer program and get caught up on work. When the current court clerk came on board they were already several months behind because the former court clerk worked two days in court and three days at the Police Department. With the hard work of Court Clerk Julie Metz and Office Assistant Riki Frappier, they are almost caught up. There will be about two weeks during the upgrade that they will not be able to enter information into the computer.

Council President Morten asked if court has adequate IT support. Judge Phillips confirmed IT support is adequate. However, they are having problems communicating with the jail through the computer program to perform in-custody hearings. It has never worked correctly but does not seem to be the fault of IT.

Committee Member Eagle suggested court look into the RARE volunteer program. You can get really talented people to work on a short-term basis. Judge Phillips was not aware of the program. Riki is familiar with the program and is working in court right now to help get caught up. The program upgrade will cut processing time down from minutes to seconds. The computer will be doing things they previously did by hand.

Ellis explained that the proposal for the .6 FTE office assistant is to support utilities half the time and court the other half. It would allow for an increase in collections, most likely resulting in additional revenue flow. The .3 FTE for court is to bring the new software in line and cover the increase when police become completely staffed and if the code enforcement position is added. There is currently a term-limited position through June 30 working in accounts payable full-time. Riki is currently a .6 FTE but will go back to full-time if the additional funding request for a part-time office assistant and re-class of accounting assistant is not approved. The term-limited position will go away as well.

End of Public Hearing

Deliberations

Ellis reviewed the additional staff recommended amendments as listed in the PowerPoint presentation. The Budget Committee reviewed additional funding request scenarios.

Chief Moss talked about the code enforcement officer position. He and Interim Public Works Co-Directors Sheppard and Nelson propose to take existing staff from Public Works and shift that person to the Police Department for a maximum of two days per week to do code enforcement. The Police Association is on board. They still need to talk to AFSCME. It would not add staff. It would shift from one department to another. The need would be greater in the summer and less often in the winter. Sheppard added that they have an employee who has already been a code enforcement officer. There would be very little training involved. The cost is approximately \$27,000. It would be split, two-thirds paid by the Police Department and one-third paid by Public Works. The cost to the general fund would be \$18,000. The position would generate income by issuing citations but it's hard to calculate how much.

Council President Morten expressed his appreciation of the long-term economic impact. It will create a more attractive community. Chief Moss had thought they could stay on top of it but it has proven to be really difficult with staff shortages. They need someone dedicated to the program. Sheppard added that complaints related to code enforcement have increased.

Library Director Jeffries talked about the loss of an employee through retirement last year. That loss forced them to reduce Library open hours from 47 to 42 per week. They will lose another employee when the federal grant ends June 30. The Library is dealing with a greater number of patrons now compared to a year ago. Increased services and activities have continued. She would really like to restore the open hours. Reducing hours further is not something she anticipates. However, services may have to be reduced if staff is not increased. It's heartbreaking at a time when you have built up momentum. A .5 FTE library assistant for \$17,000 is quite a bargain. It frees up regular staff to create and operate programs.

Councilor Conn asked if the position could be less than .5 FTE. Jeffries said anything would help. The grant is currently providing a .3 FTE. She does anticipate that the Library Technician will be retiring a year from this fall. It's a huge job and she is very skilled.

Chief Moss addressed the capital requests. The request for body cameras can be removed. They are a need but not a priority. Portable radios need to be purchased this year or next. Their failure is inevitable. There is a patrol vehicle with high mileage that needs to be replaced. If we don't replace one this year, he will be back with a request for two next year.

Ellis reviewed the additional funding requests and how they will affect the general fund. The Budget Committee reviewed the various scenarios. Ellis suggests that a subcommittee be formed to create a policy statement to maintain fund balances and address police cars, radios and other equipment needed.

Motion: Councilor Conn moved to approve \$18,000 from the general fund for the Code Enforcement Officer position, add .3 FTE for a Library Assistant, and extend the term-limited Office Assistant position through December. Council President Morten seconded. All in favor; none opposed; motion carries.

Motion: Councilor Locke moved to approve the additional staff recommendations for \$32,210. Committee Member Eagle seconded. All in favor; none opposed; motion carries.

Motion: Committee Member Eagle moved to approve the FY 2015-16 Ad Valorem Property Taxes. Councilor Conn seconded. All in favor; none opposed; motion carries.

Motion: Councilor Conn moved to recommend City Council approve the FY 2015-16 City of St. Helens budget. Council President Morten seconded. All in favor; none opposed; motion carries.

Questions/Comments

None

Next Meeting Date:

City Council Public Hearing will be June 3, 2015 at 6:30 p.m. in the City Council Chambers.

■

There being no further business, the meeting was adjourned at 7:34 p.m.


ATTEST:


Garrett Lines, Chair


Jon Ellis, Finance Director


Prepared by: Lisa Scholl, Committee Secretary

PowerPoint Presentation attached.



City of St. Helens

Budget Committee Meeting May 19, 2015



Facilitated by: Jon Ellis
Finance Director / Budget Officer

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Budget Committee Agenda

- Approve Minutes from May 5, 2015
- Recap of Approved Budget
- Public Hearing
 - Time allotted to allow for public comments
- Deliberations
 - Review proposed budget adjustments
 - Other
- Motion to Recommend City of St Helens FY 2015-16:
 - Ad Valorem Property Taxes
 - Proposed Budget
- Next:
 - City Council Public Hearing June 3rd (Budget / Revenue Sharing)
 - Adoption June 17th

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Approve Minutes

Budget Committee minutes dated May 5, 2015

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Recap Budget Amendments Meeting of 5-5-15

Budget Items	Uses			Sources	
	Appropriations	Contingency	Ending FB	Total	Revenues
Errors and Omissions					
Planning GIS	2,000		(2,000)	-	
General Fund Beginning Fund Balance			13,499	13,499	13,499
Public Works - .5 FTE	(12,070)		12,070	-	
Tourism	(34,000)	(10,000)	20,000	(24,000)	(24,000)
Total Errors and Omission	(44,070)	(10,000)	43,569	(10,501)	(10,501)
CIP Carryforwards / Adjustments					
Economic Development - Acquisition	2,513,430	-	-	2,513,430	2,513,430
Parks - Dock Storm Repairs	25,000	-	-	25,000	25,000
Streets - St Helens & Eisenschmidt	(145,000)	-	42,598	(102,402)	(102,402)
Water - 2MGD Reservoir Rehab	20,000	-	-	20,000	20,000
Sewer - Main Replacement - Pump Station 7	115,000	-	(120,000)	(5,000)	(5,000)
Equipment - savings from street sweeper	-	20,000	52,311	72,311	72,311
Total CIP Carryforwards / Adjustments	2,528,430	20,000	(25,091)	2,523,339	2,523,339
Additional Funding Requests					
Librarian I .70 to 1 FTE	22,970	-	(22,970)	-	-
Assistant Planner	88,960	(1,030)	(50,770)	37,160	37,160
Sergeant to Lieutenant	20,740	-	(20,740)	-	-
Dock Repairs	90,000	-	(40,000)	50,000	50,000
Total CIP Carryforwards / Adjustments	222,670	(1,030)	(134,480)	87,160	87,160
Total Adjustments	2,707,030	8,970	(116,002)	2,599,998	2,599,998
Proposed Budget	20,788,100	4,017,550	9,018,240	33,823,890	33,826,890
Current Approved 5-18-15	23,495,130	4,026,520	8,902,238	36,423,888	36,426,888

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Total Approved FY 15-16 Budget

Fund	Resources			Uses		Resources in excess of Uses	Contingency	Unappropriated Fund Balance
	Beginning working capital	Revenues	Transfers	Expenditures	Transfers			
General Fund	1,641,828	4,259,500	56,350	4,328,140	68,890	1,560,648	851,800	708,848
Special Revenue Funds								
Visitor & Tourism	141,448	95,000	-	85,000	-	151,448	10,000	141,448
Community Enhancement	2,390,100	1,448,430	1,003,890	3,433,680	82,850	1,325,890	1,055,760	270,130
Capital Improvement	7,030,579	1,492,300	846,500	4,139,800	1,000,000	4,229,579	770,000	3,459,579
CDBG	-	56,830	-	56,830	-	-	-	-
Streets (Gas Tax)	542,919	818,650	-	765,870	5,500	590,199	100,000	490,199
Internal Service Funds								
Administrative Services	133,691	1,378,820	-	1,470,050	-	42,461	42,460	1
Public Works	-	281,690	40,000	281,690	-	40,000	40,000	-
Fleet	16,753	278,000	-	285,350	-	9,403	9,400	3
Enterprise Funds								
Water Operating	2,054,485	3,162,630	-	2,784,770	394,000	2,038,344	445,900	1,592,444
Sewer Operating	2,539,996	4,713,500	-	3,917,210	395,500	2,940,786	701,200	2,339,586
Grand Total	16,491,798	17,985,350	1,946,740	21,548,390	1,946,740	12,928,758	4,026,520	8,902,238
Total Budget			36,423,888		36,423,888			
Unappropriated fund balance			(16,491,798)		(8,902,238)			
Contingency			0		(4,026,520)			
Transfers			(1,946,740)		(1,946,740)			
Internal Services			(2,013,220)		(2,013,220)			
Net Budget			15,972,130		19,535,170			

Draw on
(3,563,040) reserves

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Overview of Total Budget

- 94% of revenues from 5 revenue categories

- Utilizes Revenue sharing for General Fund Operations

- Staffing 67.02 FTE (.98 increase)

- Major CIP

- Property Acquisition
- Godfrey Outfall
- Gable Road
- 2 MG Reservoir Rehab
- Water/Sewer Main Replacements

	Budget 2015-16	Percent total	Adjustments to net*	Net Budget	Percent total	Percent current
Resources						
Beginning working capital	16,491,798	45%		16,491,798	51%	0%
Charges for services	8,375,880	23%	(308,270)	8,067,610	25%	51%
Intergovernmental	1,811,850	5%		1,811,850	6%	11%
Property taxes	1,632,300	4%		1,632,300	5%	10%
Franchise fees	1,513,620	4%		1,513,620	5%	9%
Loan Proceeds	2,000,500	5%		2,000,500	6%	13%
Licenses and permits	303,810	1%		303,810	1%	2%
Fines and forfeitures	218,000	1%		218,000	1%	1%
Miscellaneous	260,840	1%		260,840	1%	2%
Motel/hotel	95,000	0%		95,000	0%	1%
Interest earnings	68,600	0%		68,600	0%	0%
Transfers	1,946,740	5%	(1,946,740)	-	0%	0%
Indirect cost allocation - CC	1,704,950	5%	(1,704,950)	-	0%	0%
Current revenues	19,932,090	55%	(3,959,960)	15,972,130	49%	0%
Total resources	36,423,888	100%	(3,959,960)	32,463,928		
Personnel Services	7,205,100	20%		7,205,100	37%	0%
Materials and Supplies	6,510,500	18%	(2,013,220)	4,497,280	23%	0%
Capital Outlay	6,794,830	19%		6,794,830	35%	0%
Debt Service	1,037,960	3%		1,037,960	5%	0%
Transfers	1,946,740	5%	(1,946,740)	-	0%	0%
	23,495,130	65%	(3,959,960)	19,535,170	100%	0%
Contingency	4,026,520	11%	(4,026,520)	-	0%	0%
Ending fund balance	8,902,238	24%	(8,902,238)	-	0%	0%
	36,423,888	100%	(16,888,718)	19,535,170	100%	0%
Net draw on reserves				(3,563,040)		

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Gauntlet of Reductions

- Reduction to service levels through staff reductions

City Wide - All Departments / Funds

Department	Actual 2007-08 or peak	Adopted 2012-13	Adopted 2013-14	Proposed 2014-15	Adopted 2013-14 -VS- Proposed 2014-15		Actual 2007-08 * -VS- Proposed 2014-15	
					Change	Percent	Change	Percent
Administrative / Community Services	18.50	14.50	14.00	14.00	-	0.00%	(4.50)	-24.3%
Police	24.00	18.00	17.00	17.00	-	0.00%	(7.00)	-29.2%
Library	7.00	5.50	5.46	5.29	(0.17)	-3.11%	(1.71)	-24.4%
Public Works *	36.70	32.80	30.50	29.75	(0.75)	-2.46%	(6.95)	-18.9%
Total FTE	86.20	70.80	66.96	66.04	(0.92)	-1.37%	(20.16)	-23.4%

* public works peaked employment due to Capital Projects was in FY 10-11

- Personnel Services - no cost of living (FY 11-12, FY 12-13), increase medical contributions, loss of benefits (FY 11-12)
- Eliminated community grant programs
- Deferring maintenance

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Overall Cost Drivers

- Personnel Services up \$405,900 or 6%
 - Merit and COLA increases (\$135,000)
 - Medical insurance increase (\$97,620)
 - PERS increase (\$92,850)
- Materials and supplies up \$297,000 or 4.8%
 - CIS insurance for liability, auto and property Increase (\$20,100)
 - Facilitating Stewardship of acquisition of new properties (\$270,000)
- Capital Improvements
 - Boise Veneer property, Godfrey Park Outfall, 2MG Reservoir Rehabilitation

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Deliberations – Additional Staff Recommended Amendments

			Fund - Costcenter										
	Expenditure	Amount	CE - Library	CIP -	PW -	Streets	Water -	Water -	Sewer -	Sewer -	Sewer -	Sewer -	Sewer -
Item	Classification		Bldg Rsrvc	Sewer	Ops		Prod & Distr	WFF	Collect	Second	Prime	Storm	Pumps
			009-202	010-303	013-403	011-011	017-017	017-017	018-018	018-019	018-020	018-021	018-022
1 Pump Station 7	Capital Outlay	10,000	-	10,000	-	-	-	-	-	-	-	-	-
2 Security Cameras	Materials & services	6,300	6,300	-	-	-	-	-	-	-	-	-	-
3 Overtime - PW Ops	Personnel services	1,550	-	-	-	210	600	-	500	-	-	240	-
4 Overtime - WFF	Personnel services	6,910	-	-	-	-	-	6,910	-	-	-	-	-
5 Overtime - WWTP	Personnel services	7,450	-	-	-	-	-	-	-	2,990	2,230	-	2,230
Total		32,210	6,300	10,000	-	210	600	6,910	500	2,990	2,230	240	2,230

- Pump Station 7 – New Information
- Security Cameras – Library - missed on proposed
- Overtime – Additional Overtime reflects
 - Operations – Storm Event
 - WFF and WWTP – additional lab testing

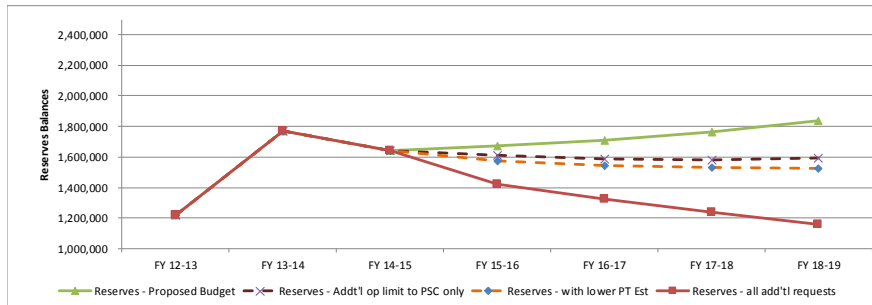
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Deliberations – Additional Funding Requests

General Fund - Five Year Forecast

FY 15-16 through FY 19-20

Interactive Model Based on Additional Funding Requests Options



Reserves as percent of operating expenditures

	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
Reserves - Proposed Budget	31.9%	48.0%	40.1%	39.2%	39.7%	40.4%	41.4%	42.7%
Reserves - selected AFR	31.9%	48.0%	40.6%	37.3%	36.0%	34.9%	34.1%	33.9%
Reserves - all add'l requests	31.9%	48.0%	40.6%	32.4%	29.5%	26.8%	24.5%	22.4%

- Approval of Librarian I, Assistant Planner, Reclass Sergeant to LT, and Dock Repairs
- Red dotted with increase in Property tax assumption (.25% FY16-17 to FY19-20)
- Orange dotted reflects original model assumptions

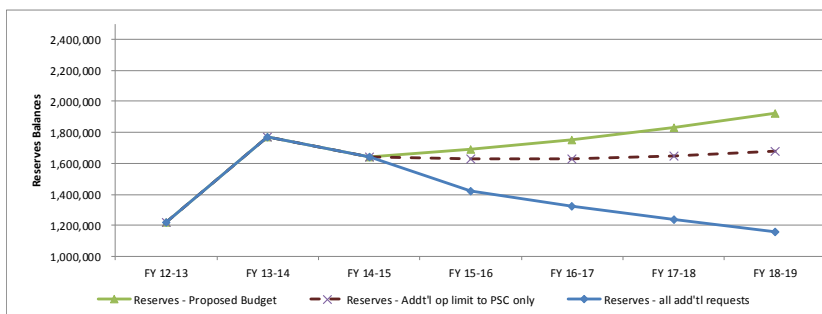
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Deliberations – Additional Funding Requests

General Fund - Five Year Forecast

FY 15-16 through FY 19-20

Interactive Model Based on Additional Funding Requests Options



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Reserves - all add'l requests	31.9%	48.0%	40.6%	32.4%	29.5%	26.8%	24.5%	22.4%

- Increase intergovernmental revenues

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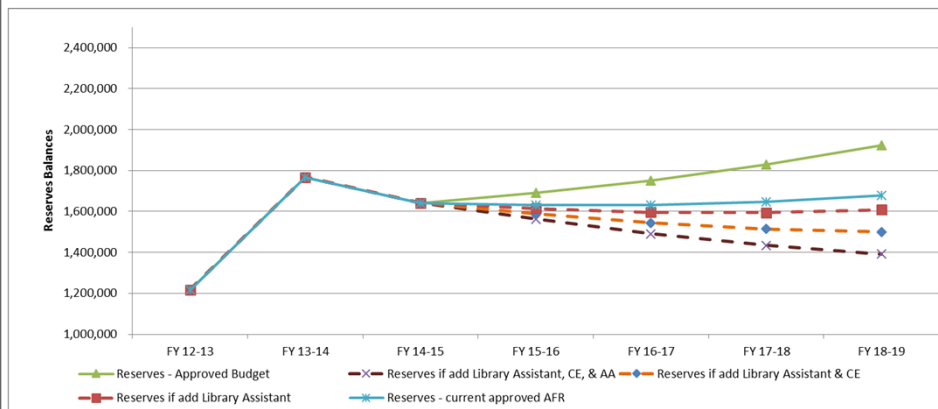
Deliberations

- Additional Funding Requests

Additional Funding Requests - FY 2015-16 Budget						
Request	FTE	Department / Program	Notes	Total	General Fund	Other Funds
Operations						
Part-time Librarian Assistant	0.5	Library	Personnel	17,020	17,020	-
Part-time Office Assistant	0.6	Admin - Court	Personnel	50,220	25,110	25,110
Reclass to Accounting Assistant		Admin - Finance	Personnel	4,900	980	3,920
Part-time Code Enforcement	0.5	Police	Personnel	25,910	25,910	-
Total ongoing costs	1.6			98,050	69,020	29,030
Capital						
Patrol Vehicle	1.0	Police	Capital	36,000	36,000	-
Portable radios	1.0	Police	Capital	30,000	30,000	-
Body worn cameras	1.0	Police	Capital	14,500	14,500	-
Total one-time costs	3.0			80,500	80,500	-
Total additional funding requests				178,550	149,520	29,030

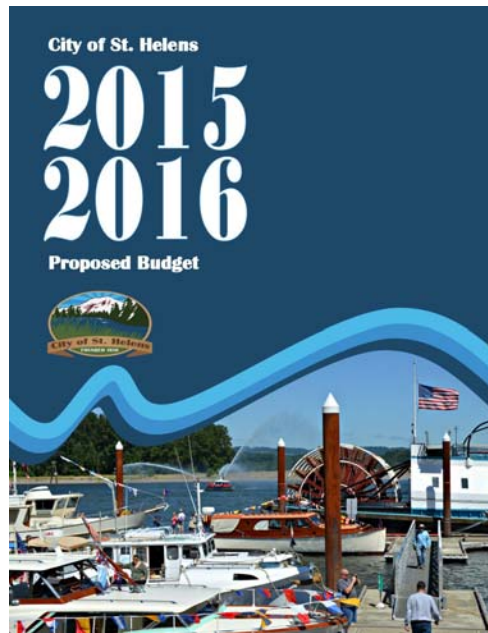
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Deliberations - Modeling additional changes



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Deliberations



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Motions

- Motion to approve any additional changes to approved budget
- Motion to approve FY 2015-16 City of St. Helens Ad Valorem Property Taxes
 - Approve the City of St. Helens permanent tax rate of \$1.9078 per thousand of assessed value for general fund operations
 - Motion for final approval
 - Discussion and review
 - Vote on the motion to approve City of St. Helens FY 2015-16 ad valorem property taxes
- Motion to recommend FY 2015-16 City of St. Helens Budget
 - Motion for final approval
 - Discussion and review
 - Vote on the motion for final approval of the FY 2015-16 City of St. Helens Budget

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Budget Process - Next Steps

- June 3, 2015 City Council Meeting - Public Hearing
- June 17, 2015 City Council Meeting – Adoption

