

AGENDA

2017-2018 Budget Committee

May 4, 2017

6:00 PM – 8:30 PM

- | | |
|--------------------|---|
| 6:00 – 6:05 | I. Roll Call |
| 6:05 – 6:10 | II. Election of Budget Chair |
| 6:10 – 6:15 | III. Approval of Minutes - May 18, 2016 |
| 6:15 – 7:15 | IV. Department Budget Presentations
General Fund <ul style="list-style-type: none">1- Administration2- City Recorder3- Council4- Court5- Police6- Library7- Finance8- Parks & Recreation9- Planning10- Building11- Non Departmental |
| 7:15 – 7:25 | V. BREAK |
| 7:25 – 8:00 | VI. Department Budget Presentations
Internal Service Funds <ul style="list-style-type: none">1- Information Services Fund2- Equipment Fund3- Public Works Operations Fund4- Facility Major Maintenance Fund |

City of St. Helens

Budget Committee

Budget Meeting Minutes

May 18, 2016

Council & Members Present:

Randy Peterson, Mayor
Doug Morten, Council President
Keith Locke, Councilor
Susan Conn, Councilor
Ginny Carlson, Councilor
Patrick Birkle, Committee Member
Bill Eagle, Committee Member
Paul Barlow, Committee Member
Garrett Lines, Committee Chair
Mike Funderburg, Committee Member

Staff Present:

John Walsh, City Administrator
Jon Ellis, Finance Director
Terry Moss, Chief of Police
Sue Nelson, Public Works Engineering Director
Neal Sheppard, Public Works Operations Director
Lisa Scholl, Committee Secretary

Members Absent:

None

Others:

Nicole Thill, Spotlight



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

Finance Director Ellis presented a PowerPoint presentation. A copy of the presentation is attached.

Approval of Minutes

The May 5, 2016 minutes were distributed and posted online. Chair Lines made the following correction: "...Chair Lines approved the April 7, 2016 meeting minutes as written..." change to "the April 7, 2016 meeting minutes were approved as written." The minutes were approved as corrected.

Recap of Approved Budget

Finance Director Ellis reviewed the PowerPoint presentation.

Public Hearing

◆ No comments.

End of Public Hearing

Deliberations

Finance Director Ellis reviewed the additional staff recommended amendments.

1. Code Enforcement – change from one FTE to two part-time.
 - a. That would prevent the Public Works backfill.
 - b. Will reduce the reduction to reserves.

2. Additional two part-time seasonal employees to maintain White Paper and Veneer properties (.5 FTE).
3. Direct charge Assistant Planner to Economic Development Fund.
4. Carry forward of Capital projects.
 - a. McCormick Park Pedestrian Bridge – projected to be completed by June 30, 2016.
 - Will not need to carry forward those funds.
 - b. Dock Repairs – anticipate project time-line moved out.
 - Waiting for permits.
 - c. Godfrey Outfall – project completion further delayed.

Review of the reserve funds. Mayor Peterson expressed concern that the budget is not sustainable long term by continuing to draw so heavily on reserves. It may not be fiscally responsible to add the code enforcement position. Committee Member Eagle also questioned the sustainability.

Committee Member Funderburg would like to discuss increasing revenue. Mayor Peterson agreed and would like to talk about it over the next year. He does not want to be put in a position of hiring a code enforcement officer this year and then have to lay them off next year. Committee Member Birkle agreed with not wanting to lay that position off next year. He wants staff to look closely at additional revenue sources. Councilor Carlson agreed that the position is not sustainable at this time. However, there's nothing that would prevent us from adding it mid-year when a revenue source is found.

Council President Morten feels code enforcement is an essential position. He constantly receives calls asking why we are not enforcing our laws. We have to find a way to fund the position full-time, especially during the summer. Councilor Conn asked how he feels about dipping into reserves to do that. Morten does not feel good about that but knows we need it. Why has that position taken a back seat?

Committee Member Birkle repeated that this does not seem sustainable. He agreed that we seem to continue to add office positions but never consider adding back the code enforcement position. He is strongly in favor of adopting the budget with the full-time code enforcement officer position. Committee Member Funderburg agreed. The Committee is only making a recommendation. City Council has the final decision. He's concerned they may end up with no one by splitting it into two part-time positions.

Motion: Committee Member Funderburg moved to approve the presented changes to the budget for items two, three and four. Committee Member Eagle seconded. All in favor; none opposed; motion carries.

Motion: Mayor Peterson moved to approve the FY 2016-17 City of St. Helens Ad Valorem Property Taxes. Councilor Locke seconded. All in favor; none opposed; motion carries.

Motion: Councilor Locke moved to recommend approval of the FY 2016-17 City of St. Helens budget as amended. Committee Member Eagle seconded. Peterson, Morten, Locke, Carlson, Funderburg, Birkle, Eagle, Barlow and Lines in favor; Conn opposed; motion carries.

Questions/Comments

None

Next Meeting Date:

City Council Public Hearing will be June 1, 2016 at 6:30 p.m. in the City Council Chambers.

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


ATTEST:

Garrett Lines, Chair

Jon Ellis, Finance Director


Prepared by: Lisa Scholl, Committee Secretary

PowerPoint Presentations attached.



City of St. Helens

Budget Committee Meeting
May 18, 2016



Facilitated by: Jon Ellis
Finance Director / Budget Officer

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Budget Committee Agenda

- Approve Minutes from May 5, 2016
- 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 2016-17:
 - Ad Valorem Property Taxes
 - Proposed Budget
- Next:
 - City Council Public Hearing June 1st (Budget / Revenue Sharing)
 - Adoption June 15th

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Approve Minutes

Budget Committee minutes dated May 5, 2016

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Recap Budget Amendments Meeting of 5-5-16

Budget Items	Uses				Sources		
	Appropriations	Contingencies	Ending FB	Total	Beginning FB	Revenues	Total
Proposed Budget	22,564,040	2,938,343	9,775,429	35,277,812	14,780,778	20,497,034	35,277,812
Youth Council	5,000	-	-	5,000	-	5,000	5,000
ICAP Adjustments	-	-	-	-	-	-	-
CIP - Street Lighting	325,000	-	-	325,000	-	325,000	325,000
Debt Service - Street Lighting	-	-	-	-	-	-	-
Potential PW Shops Expansion	350,000	-	-	350,000	-	350,000	350,000
Potential PW Shops Expansion - Transfers	350,000	-	(350,000)	-	-	-	-
Visitor & Tourism projects							
Branding and Way Finding	100,000	-	(50,000)	50,000	-	50,000	50,000
Arts - Gateway Phase 2 (Tourism 008)	20,000	-	(20,000)	-	-	-	-
Arts - Gateway Phase 2 (Com. Enh 009)	-	-	20,000	20,000	-	20,000	20,000
CIP - Parks - Columbia View (Tourism 008)	10,000	-	(10,000)	-	-	-	-
CIP - Parks - Columbia View (CIP 010)	10,000	-	-	10,000	-	10,000	10,000
PEG Access	21,000	-	-	21,000	21,000	-	21,000
PD - Purchase Police Car (GF 001)	40,000	-	(40,000)	-	-	-	-
PD - Purchase Police Car (CIP 010)	40,000	-	-	40,000	-	40,000	40,000
Code Enforcement							
PT to full time (GF 001)	45,300	-	(45,300)	-	-	-	-
PT to full time (Other Funds)	(44,000)	-	44,000	-	-	-	-
PW Back fill Term Limited (Other Funds)	82,310	-	(82,310)	-	-	-	-
Total adjustments to proposed budget made 5-5-16	1,354,610	-	(533,610)	821,000	21,000	800,000	821,000
Approved Budget as of 5-5-2016	23,918,650	2,938,343	9,241,819	36,098,812	14,801,778	21,297,034	36,098,812

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Total Approved FY 16-17 Budget

Fund	Resources			Uses		Resources in excess of Uses	Contingency	Unappropriated Fund Balance
	Beginning working capital	Revenues	Transfers	Expenditures	Transfers			
General Fund	1,645,886	4,473,390	22,070	4,604,195	72,600	1,464,551	913,000	551,551
Special Revenue Funds								
Economic Development	-	850,000	549,850	1,139,800	-	260,050	237,290	22,760
Visitor & Tourism	199,241	205,500	-	236,000	30,000	138,741	19,500	119,241
Community Enhancement	556,041	232,364	43,530	305,106	157,560	369,269	80,510	288,759
Capital Improvement	5,846,240	1,743,560	1,967,000	4,786,100	200,000	4,570,700	670,000	3,900,700
CDBG	-	56,680	-	56,680	-	-	-	-
Streets (Gas Tax)	656,813	881,450	-	788,020	54,970	695,273	100,000	595,273
Internal Service Funds								
Administrative Services	154,222	1,489,330	-	1,585,509	-	58,043	58,043	-
Public Works	-	272,030	40,000	272,030	-	40,000	40,000	-
Fleet	33,142	278,000	-	291,980	-	19,162	10,000	9,162
Enterprise Funds								
Water Operating	2,174,955	3,220,780	-	2,812,870	909,580	1,673,285	300,000	1,373,285
Sewer Operating	3,535,238	4,971,500	-	4,417,910	1,197,740	2,891,088	510,000	2,381,088
Grand Total	14,801,778	18,674,584	2,622,450	21,296,200	2,622,450	12,180,162	2,938,343	9,241,819
Total Budget			36,098,812		36,098,812			
Unappropriated fund balance			(14,801,778)		(9,241,819)			
Contingency			0		(2,938,343)			
Transfers			(2,622,450)		(2,622,450)			
Internal Services			(2,103,250)		(2,103,250)			
Net Budget			16,571,334		19,192,950			

Draw on
(2,621,616) reserves

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Overview of Total Budget

- 90% of revenues from 5 revenue categories

- Utilizes Revenue sharing for General Fund Operations

- Staffing 70.45 FTE (2.52 increase)

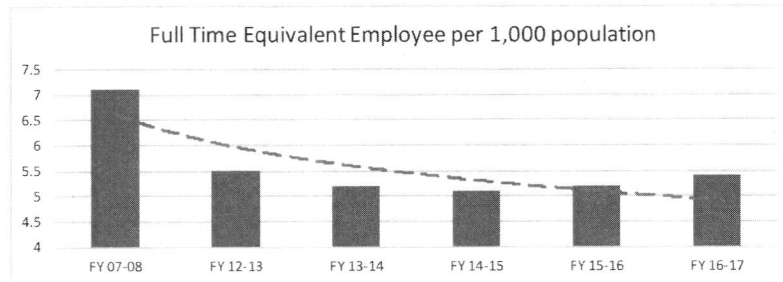
- Major CIP

- Street Lighting
- Godfrey Outfall
- Gable Road
- 2 MG Reservoir Rehab
- Water/Sewer Main Replacements

	Budget 2016-17	Percent total	Adjustments to net*	Net Budget	Percent total	Percent current
Resources						
Beginning working capital	14,801,778	41%		14,801,778	47%	0%
Charges for services	8,659,640	24%	(306,280)	8,353,360	27%	50%
Intergovernmental	2,206,115	6%		2,206,115	7%	13%
Property taxes	1,695,890	5%		1,695,890	5%	10%
Franchise fees	1,525,710	4%		1,525,710	5%	9%
Loan Proceeds	1,147,900	3%		1,147,900	4%	7%
Licenses and permits	405,400	1%		405,400	1%	2%
Fines and forfeitures	218,300	1%		218,300	1%	1%
Miscellaneous	826,459	2%		826,459	3%	5%
Motel/hotel	126,000	0%		126,000	0%	1%
Interest earnings	68,200	0%		68,200	0%	0%
Transfers	2,622,450	7%	(2,622,450)	-	0%	0%
Indirect cost allocation - CC	1,796,970	5%	(1,796,970)	-	0%	0%
Current revenues	21,299,034	59%	(4,725,700)	16,573,334	53%	0%
Total resources	36,100,812	100%	(4,725,700)	31,375,112		
Personnel Services	7,552,910	21%		7,552,910	39%	0%
Materials and Supplies	7,132,840	20%	(2,103,250)	5,029,590	26%	0%
Capital Outlay	4,915,100	14%		4,915,100	26%	0%
Debt Service	1,695,350	5%		1,695,350	9%	0%
Transfers	2,622,450	7%	(2,622,450)	-	0%	0%
	23,918,650	66%	(4,725,700)	19,192,950	100%	0%
Contingency	2,938,343	8%	(2,938,343)	-	0%	0%
Ending fund balance	9,241,819	26%	(9,241,819)	-	0%	0%
	36,098,812	100%	(16,905,862)	19,192,950	100%	0%
Net draw on reserves				(2,619,616)		

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History of Staffing



Department	FY 07-08	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17
Admin/CD	18.50	14.50	14.00	14.00	15.30	17.30
Police	24.00	18.00	17.00	17.00	17.00	17.00
Library	6.50	5.65	5.46	5.29	5.30	5.50
Public Works*	36.70	32.80	30.50	29.75	30.25	30.65
Total Staffing	85.70	70.95	66.96	66.04	67.85	70.45

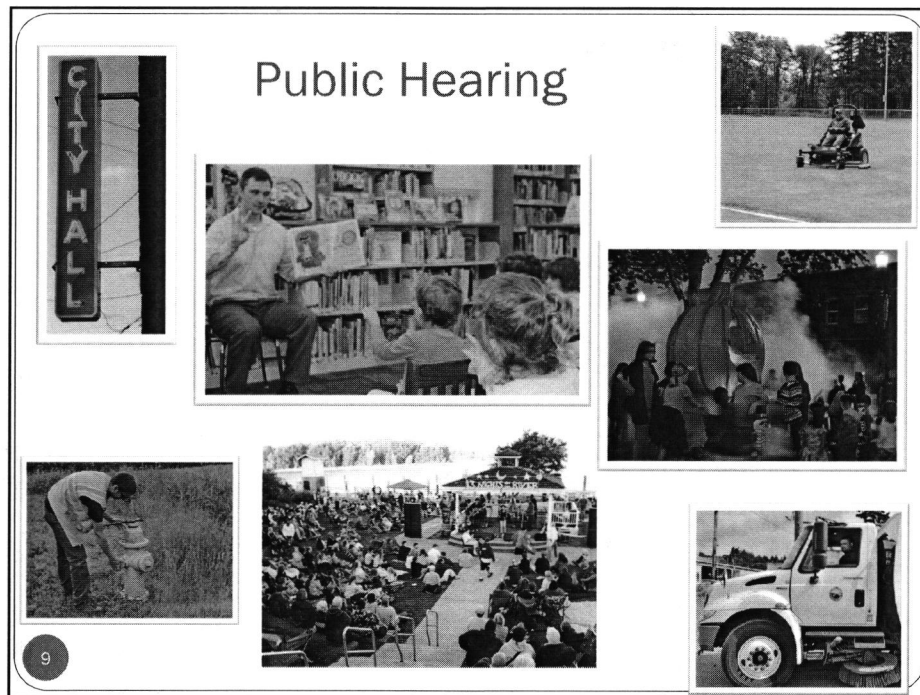
- Just shy FY 12-13 staffing levels
- Between FY 07-08 and FY 14-15 lost 23% of total workforce or 33% of General Fund funded positions

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Overall Cost Drivers

- Personnel Services up \$306,450 or 4%
 - Merit and COLA increases (\$134,200)
 - Medical insurance increase (\$63,200)
 - Additional Staffing increase
- Materials and supplies up \$613,360 or 9.4%
 - Brownfield grant – Economic Development (\$200,000)
 - Police Justice Grant for Crisis Intervention Team (\$153,930)
 - Pass through of taxes associated with Cascade Lease (\$150,000)
- Capital Improvements
 - Godfrey Park Outfall, Street Lighting, 2MG Reservoir Rehabilitation, S10th Street Pump Station reroute

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Deliberations – Additional Staff Recommended Amendments

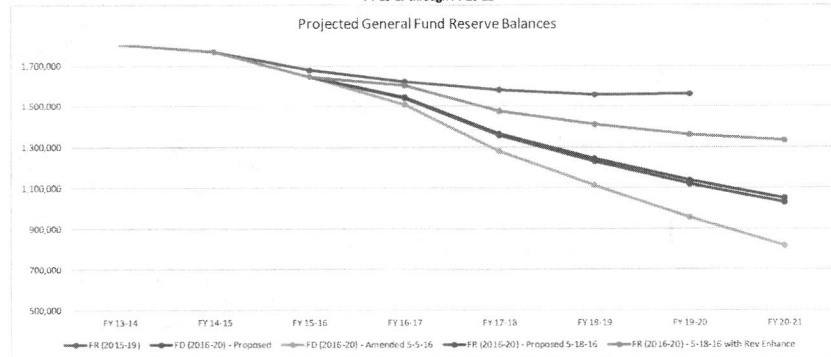
Item	Expenditure Classification	Amount	General Fund 001	Econ. Dev. Fund 004	Capital Impr Fund 010	Streets Fund 011	Water Fund 017	Sewer Fund 018
1 - Modify Code Enforcement Officer	Personnel services	(48,380.00)	(28,730.00)	-		(3,110.00)	(7,190.00)	(9,350.00)
Two PT officers - 5 days/week in summer and 2 days/week in winter (offset - increase unappropriated fund balance)								
2 - Two Part-time Seasonal	Personnel services	11,520.00		11,520.00				
Two PT Seasonals for maintenance of White Paper and Veneer Properties (.5 FTE) (offset - decrease unappropriated fund balance)								
3 - Part-Time Assistant Planner Allocation		0	(7,360.00)	7,360.00				
Allocate part of General Fund Assistant Planner to Economic Development (.1FTE) (offset - increase GF / decrease EDF - Unappr)								
4 - Capital Improvement Projects - Carry Forwards (offset Beginning Fund Balance)								
a - McCormick Park Ped Bridge	Capital Outlay	(12,300.00)			(12,300.00)			
b - Dock Repairs	Capital Outlay	6,500.00			6,500.00			
c - Godfrey Outfall	Capital Outlay	300,000.00			300,000.00			
Total Staff Recommended Amendments		257,340.00	(36,090.00)	18,880.00	294,200.00	(3,110.00)	(7,190.00)	(9,350.00)

1. Code Enforcement – Change from 1 FTE to two Part-Time
2. Additional 2 Part-time Seasonal Employees to maintain White Paper and Veneer Properties (.5 FTE)
3. Direct Charge Assistant Planner to Economic Development Fund
4. Carry Forwards of Capital Projects
 - a) McCormick Park Ped Bridge – projected to be completed by 6-30-16
 - b) Dock Repairs – anticipate project time-line moved out
 - c) Godfrey Outfall – Project completion further Delayed

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Deliberations

General Fund - Five Year Forecast
FY 16-17 through FY 20-21

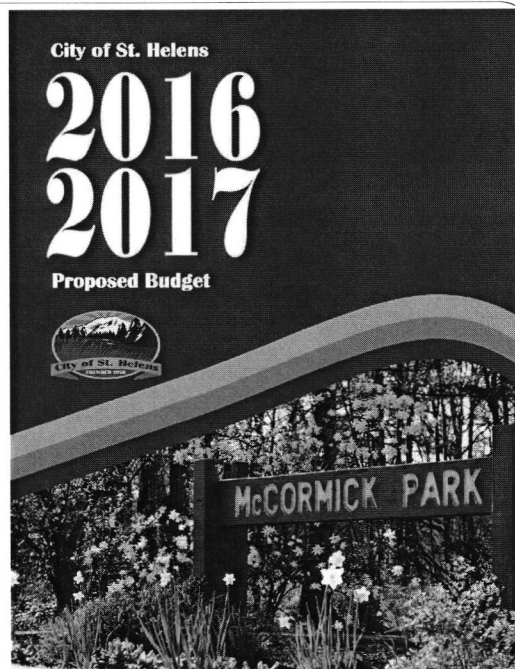


Reserve / Operating Expense	Historic	Actual	Projected	Proposed	Forecast			
	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21
Proposed	49%	45%	39%	34%	29%	26%	23%	20%
Amended 5/5/16	49%	45%	39%	33%	27%	23%	19%	16%
Proposed 5/18/16	49%	45%	39%	34%	29%	25%	22%	20%
Proposed 5/18/16 rev enhanced	49%	45%	39%	35%	31%	29%	27%	26%

- PERS increase in FY 17-18 – average 26%
- Level of Funding of Code Enforcement Officer
- Revenue Enhancement – Assume \$60K

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Deliberations



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Motions

- Approve any additional changes to approved budget
- Approve FY 2016-17 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 2016-17 ad valorem property taxes
- Recommend FY 2016-17 City of St. Helens Budget
 - Motion for final approval
 - Discussion and review
 - Vote on the motion for final approval of the FY 2016-17 City of St. Helens Budget

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Budget Process - Next Steps

- June 1, 2016 City Council Meeting - Public Hearing
- June 15, 2016 City Council Meeting – Adoption



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