

City of St Helens

FY 2022-23

2nd Quarter Budget Report

Executive summary:

The intent of this report is to highlight the FY 2022-23 Budget position of the city as of December 31, 2022. The report will provide a summary of 1st quarter's report recommended changes, identify new opportunities that have arisen since last reported, provide analysis of Personnel Services cost projected through June 30, 2023, and provide initial analysis of revenues projected as of June 30, 2023.

Summary of 1st quarter report

The first quarter report primarily focused on expenditure / revenue items that were not adequately addressed in the Adopted FY 22-23 Budget, significant events that occurred subsequent of the budget, and changes to better reflect intent of funds.

The Recommended Changes are listed in Attachment A

Identified new Opportunities (listed in Attachment B)

Subsequent from 1st quarter report the following opportunities have been identified.

The General Fund experienced a net increase in revenues and expenditures resulting in a net draw down of the fund balance by \$9,092. Items consisted of:

- The City has received Opioid settlement funds totaling \$64,303 as of December 31, 2022. The funds will be split between the General Fund and the Community Enhancement Fund. The General Fund amount of \$32,000 are dedicated to cover the costs of the Police Department K-9 acquisition (purchase, transport, and outfitting of Patrol vehicle) and the remainder is recorded in the Community Enhancement Fund as a reserve.
- \$0 – breakout additional line items to enhance tracking by Police department
- (\$ 9,092) – is a reduction in a transfer from the Technology Fund (702). There was an error in the calculation of funds remaining to be transferred.

The Tourism Fund has been initially reconciled between the Event Contractor's records and City as to revenues and expenditures. The Event Contractor in December has issued checks to the City to the City reflecting:

- Net expense the City incurred (expenses less revenues) for the Contractor's events, and
- City's percentage of the ticketed proceeds

Please note an audit of the Event Contractor's records and a final reconciliation are pending. It is the intent to complete these tasks by April 30th and present a report to Council at the May 3rd meeting. Included with the report will be a set of recommendations on the reporting/tracking of future events.

The proposed budget adjustments are listed on Attachment B and illustrated in Attachment C.

The Community Development Fund experienced a net increase in fund balance of \$180,000. The items consisted of:

- \$548,730 in additional timber revenues than initially that were reported in the 1st quarter report to Council. The timber revenues now total \$1.4 million.
- Timber revenues were partially offset by unbudgeted debt services of:
 - \$310,000 - Payment of interfund loan between Community Development and Water/Sewer Fund due this year, and
 - \$58,020 – Annual 2020 refinancing debt payment (originally Bank loan to purchase Veneer Property)

In the Community Enhancement Fund, the City received a Ford Foundation grant of \$100,000 to nurture and grow our entrepreneurial ecosystem and \$32,300 in Opioid Settlement funds.

The Street Fund had to adjust revenues down to reflect available STP funds, which were further compounded by the increased inflationary cost of construction for the Columbia Blvd Sidewalk program. These events were partially offset by the County's agreement to participate in the funding of this public improvement.

SDC and Enterprise Funds proposed budget adjustments reflect Public Works staff's continued work to reassess Capital Improvement Projects (CIP) to assure timely and effective utilization of staff, assessment of funding opportunities, and improvements to accountability and tracking.

Public Works Operating Fund has proposed to increase utilization of Facility Maintenance reserves to be able to purchase a second Vehicle and reduce appropriations initially proposed in the 1st quarter report to better reflect current activity for City Building improvements.

Other reviews associated with the budget analysis which may improve and/or impair Funds are:

Personnel Services – staff has completed an initial projection of Personnel Services as of June 30, 2023. The good news is projected costs will be below budget by approximately \$600,000. It is the recommendation of the Interim Finance Director that these funds should be reserved to help offset any shortfall in budgeted revenues.

Summary of Personnel Services FY 22-23						
Department / Account	Division	Actual 1/31/23	Projected 6/30/23	FY 22-23 Budget	Anticipated Savings / (Overages)	Notes
City Council						
100-703-51xxx	City Council	36,956	63,365	65,000	1,635	
Administration						
100-701-51xxx	Aministration	351,550	607,177	585,000	(22,177)	Bargining Unit Settlements
100-702-51xxx	City Recorder	167,399	287,229	300,000	12,771	
100-704-51xxx	Municipal Court	122,000	209,343	225,000	15,657	
100-707-51xxx	Finance	346,753	594,433	700,000	105,567	Vacant Finance Director partially offset with payouts associated with staff turnover
100-709-51xxx	Recreation	188,881	358,766	300,000	(58,766)	Due primarily to Seasonal staffing, still assessing projections.
100-710-51xxx	Planning	214,415	368,768	364,000	(4,768)	Bargining Unit Settlements
100-711-51xxx	Building	270,470	466,362	460,000	(6,362)	Bargining Unit Settlements
Total Administration		1,661,466	2,892,078	2,934,000	41,922	
Police						
100-705-51xxx	Police	2,437,240	4,403,633	4,573,000	169,367	3 vacant positions offset by payouts associated with staff turnover and increased Overtime
Library						
100-706-51xxx	Library	347,987	625,064	700,000	74,936	Change in employee mix and partial vacant position
Public Works						
100-708-51xxx	Parks	188,461	317,431	359,000	41,569	Change in Employee mix
100-712-51xxx	Technology	169,961	291,601	295,000	3,399	
703-734-51xxx	Operations	1,237,684	2,158,015	2,360,000	201,985	5 vacant positions during year partially offset by change in employee mix, payoffs associated with retiring position, and overtime
703-739-51xxx	Facilities	234,932	407,338	523,000	115,662	1 Vacant position during year
Total Public Works		1,831,038	3,174,385	3,537,000	362,615	
Total General Fund		4,980,975	8,593,172	8,926,000	332,828	
Total Public Works Operating Fund		1,732,702	3,056,946	3,334,000	277,054	
Grand Total		6,713,676	11,650,119	12,260,000	609,881	

Significant Revenue Analysis for all funds have been initiated, but at this time are unavailable to be incorporated in the report. This is a living document and will be handed out to City Council as updates occur.

Amendments	Fd-Dept-Acct	Explanation
General Fund 100		
41,750 (30,000)	100-000-.38001	Increase Transfer In from closing Technology Fund 702 6-30-22 Fund Balance Eliminate Transfer In from Major Maintenance Fund - redirect to PW Operating Fund
18,000	100-000-34001	Dockside Services - moved from Tourism
406,618	100-000-33005	Grants - ARPA - received 23-24 allocation this year
436,368	Total Change in Funding Resources	
129,168 40,000 (25,000)	100-000-58001 100-702-52014 100-705-52006	Contingency Centralize recruitment costs in City Recorder for Library, Recreation, PD and Finance positions Reduce PD Computer Maintenance to partial fund Report Writing Management System
80,000	100-705-52029	1/2 cost for PD Report Writing Management System with remainder paid in FY 23-24
28,000	100-705-52042	Replacement of PD Body Cameras over 5 years
30,100	100-706-52023	Increase Library Facility Maintenance to cover Janitorial Service and HVAC Maintenance
53,000	100-707-52019	Increase Finance Professional Services to cover staffing turnover and increase Audit costs
18,000	100-708-52046	Dockside Services moved to Parks from Tourism
(1,000)	100-709-51020	Grant recoverable wages
19,700	100-712-52016	Increase Insurance to cover IT Events/Security - new through CIS
22,400	100-712-52019	IT Professional Services contact increases for existing support
12,000	100-712-57500	Utilize partial of IT reserves to fund emergency computer equipment replacements
30,000	110-712-52006	Computer Maintenance - File Server Licenses and expanded capacity
436,368	Total Changes in Funding Uses of Resources	
Community Development Fund 202		
23,030 60,000 30,000	202-000-38001 202-721-33005 202-721-33005	Transfer - ARPA Reprogram - Rec Center Grants ARPA Mainstreet Grants ARPA Small Business
200,000	202-722-33005	Grants ARPA Water/Sewer
464,000	202-723-33005	OPRD Riverwalk Grants
7,667,700	202-723-37004	Potential loan proceeds - Committed
2,893,760	202-723-37004	Potential additional loan proceeds
895,000	202-724-37030	Timber Harvest
12,233,490	Total Change in Funding Resources	
4,000	202-721-52011	Economic Development - Public Engagement
	Riverfront	Updated project costs (2 Years)
1,204,030 (860,000)	202-000-58001 202-723-52019	Contingency Professional Services
(4,442,900)	202-723-52055	Riverwalk Project
5,302,900	202-723-53102	Downtown Infrastructure
9,523,990	202-723-53102	Downtown Infrastructure
1,501,470	202-723-53902	Columbia View Park
12,233,490	Total Changes in Funding Uses of Resources	

Amendments	Fd-Dept-Acct	Explanation
Community Enhancement Fund 203		
Library Reserves		
1,200	203-706-37014	Donations
(12,431)	203-706-39001	Beginning reserves
(11,231)	Total Change in Funding Resources	
(12,531)	203-706-52028	Projects & Programs
200	203-706-52078	Library Donations Expense
1,000	203-706-52078	Library facility improvements
100	203-706-52078	Makerspace
(11,231)	Total Changes in Funding Uses of Resources	
Park Reserves		
1,000	203-708-33005	Grants
500	203-708-33006	Sponsorships
500	203-708-33007	Donations
38,493	203-708-39001	Beginning reserves
40,493	Total Change in Funding Resources	
2,000	203-708-52028	Programs (Multiple Exp Lines totaling)
38,493	203-708-58001	Contingency
40,493	Total Changes in Funding Uses of Resources	
Recreation Reserves		
1,000	203-709-33005	Grants
200,000	203-709-33xxx	Grants, Donations, Sponsorships
81,523	203-709-39001	Beginning reserves
282,523	Total Change in Funding Resources	
1,000	203-709-51020	Grant Recoverable Wages
200,000	203-709-52028	Programs (Multiple Exp Lines totaling)
81,523	203-709-58001	Contingency
282,523	Total Changes in Funding Uses of Resources	
Street Fund 205		
8,000	205-000-33005	Grants (STP)
322,536	205-000-33009	Grants (ODOT)
330,536	Total Change in Funding Resources	
25,000	205-000-52063	PW Operation Fund Charges
(42,000)	205-000-53001	Street Improvements & Overlay
403,170	205-000-53101	Columbia Blvd Sidewalks
(55,634)	205-000-58001	Contingency
330,536	Total Changes in Funding Uses of Resources	
Street SDC Fund 301		
(41,883)	301-000-39001	Beginning Fund Balance
(41,883)	Total Change in Funding Resources	
(583,983)	301-000-53001	Capital Outlay
500,000	301-000-53102	Downtown (exclude Riverwalk/Columbia PK)
42,100	301-000-53001	Street Improvements & Overlays
(41,883)	Total Changes in Funding Uses of Resources	

Amendments	Fd-Dept-Acct	Explanation
Water SDC Fund 302		
(159,690)	302-000-39001	Beginning Fund Balance
(159,690)	Total Change in Funding Resources	
(503,690)	302-000-53001	Capital Outlay
4,000	302-000-53303	Bayport Well Activation
40,000	302-000-53307	Back-up Generator - PW Shops
300,000	302-000-53102	Downtown (exclude Riverwalk/Columbia PK)
(159,690)	Total Changes in Funding Uses of Resources	
Sewer SDC Fund 303		
(707,800)	303-000-53001	Capital Outlay
6,800	303-000-53403	WWTP Influent Flow Meter
301,000	303-000-53405	Basin 6 Pipeline upsize (Phase I)
400,000	303-000-53102	Downtown (exclude Riverwalk/Columbia PK)
-	Total Changes in Funding Uses of Resources	
Storm SDC Fund 304		
(160,000)	304-000-53001	Capital Outlay
100,000	304-000-53502	Storm Drain Repairs - Engr
60,000	304-000-53503	Ridgeway Loop Improvements
-	Total Changes in Funding Uses of Resources	
Parks SDC Fund 305		
(1,000,000)	305-000-53001	Capital Outlay
1,000,000	305-000-53902	Columbia Park Improvements
-	Total Changes in Funding Uses of Resources	
Water Fund 601		
(600,000)	601-000-37004	Miscellaneous - Reservoir Settlement received in June 2022 (Prior Yr.)
(600,000)	Total Change in Funding Resources	
(66,000)	601-000-53001	Capital Outlay
(200,000)	601-000-53010	Annual Maintenance
(500,000)	601-000-53032	Reservoir
(200,000)	601-000-53033	WFF Rack Replacement
200,000	601-000-53302	Annual Maintenance - Ops
6,000	601-000-53303	Bayport Well Activation
850,000	601-000-53304	Repair existing Reservoir
13,000	601-000-53305	New Controls at Collector Wells #2 & #3
60,000	601-000-53307	Back-up Generator pw shop
200,000	601-000-53308	Sherman Place Waterline replacements
84,000	601-000-53309	Pump 10 @ Well 3 - replacement
(1,072,000)	601-000-58001	Contingency
25,000	601-731-52063	PW Operation Fund Charges
(600,000)	Total Changes in Funding Uses of Resources	

Amendments	Fd-Dept-Acct	Explanation
Sewer Fund 603		
(10,400,000)	603-000-37004	Miscellaneous - Anticipated DEQ Loan
(10,400,000)	<u>Total Change in</u>	Funding Resources
25,000	603-735-52063	PW Operation Fund Charges
(199,000)	603-000-53001	Capital Outlay
(160,000)	603-000-53010	Annual Maintenance
(5,609,000)	603-000-53034	Basin 6 Project
150,000	603-000-53402	Annual Maintenance. Ops
100,000	603-000-53401	Annual Maintenance - Engr
61,200	603-000-53403	WWTP Influent Flow Meter
40,000	603-000-53404	WWTP Rebuild Headworks Screen
90,000	603-000-53407	Pump Station 3 - onsite generator
(4,898,200)	603-000-58001	Contingency
(10,400,000)	<u>Total Changes in</u>	Funding Uses of Resources
Storm Fund 605		
25,000	605-000-52063	PW Operation Fund Charges
(60,000)	605-000-53001	Capital Outlay
(100,000)	605-000-53010	Annual Maintenance
60,000	605-000-53503	Ridgeway Loop Improvements
100,000	605-000-53501	Annual Maintenance - Ops
(25,000)	605-000-58001	Contingency
-	<u>Total Changes in</u>	Funding Uses of Resources
Technology Fund 702		
41,750	702-000-39001	Increase fund balance to reflect June 30, 2022 ending fund balance
41,750	<u>Total Change in</u>	Funding Resources
41,750	702-000-54001	Transfer out - Fund Balance - close out fund
41,750	<u>Total Changes in</u>	Funding Uses of Resources
Public Works Operating Fund 703		
100,000	703-000-34010	PW Operation Fund Charges
196,400	703-000-38001	Transfer in - Facility Fd Reserve
296,400	<u>Total Change in</u>	Funding Resources
21,000	703-739-52023	Facility Maintenance
70,000	703-739-53701	Equipment Purchase - Pickup Truck
205,400	703-000-58001	Contingency
296,400	<u>Total Changes in</u>	Funding Uses of Resources

Budget 22-23

Budget Amendments Review 3-1-23

New Items

Amendments	Fd-Dept-Acct	Explanation
General Fund 100		
32,000 (9,092)	100-000-32007 100-000-.38001	Intergovernmental - Opioids Adjustment - Fund 702 IT Fund Balance less then anticipate
22,908	Total Change in Funding Resources	
32,000 (2,000) 2,000 (70,000) 70,000 (20,000) 20,000 (5,000) 5,000 (9,092)	100-705-52042 100-705-52001 100-705-52044 100-705-52019 100-705-52022 100-705-52097 100-705-52098 100-710-52001 100-710-52019 101-000-58001	K-9 Expenses - Purchase, transport & outfit Vehicle Operating Supplies - breakout from K-9 supplies to separate line item - enhance tracking K-9 Expenses - breakout from supplies to enhance tracking of costs. Fuel was erroneous combined with Professional services - break Fuel was erroneous combined with Professional services - break Breakout vehicle maintenance costs from leased vehicles for enhance tracking Breakout vehicle maintenance costs from leased vehicles for enhance tracking Move projected savings in Planning Operating Supplies to Planning Professional Services Move projected savings in Planning Operating Supplies to Planning Professional Services Contingency
22,908	Total Changes in Funding Uses of Resources	
Tourism Fund 201		
40,000 (18,000) 250,000 (107,000)	201-000-32002 201-000-34001 201-000-39001 201-000-37015	Hotel Motel Revenues - projected increase City Dock Services revenues - program moved to General Fund Parks Beginning Balance increase Event Revenue - due to new contract much of the revenues ran through event contractor except for donations and sponsors that recorded with us and subsequently netted when with Event Contractor.
165,000	Total Change in Funding Resources	
(15,000) 60,000 155,000 (18,000) (17,000)	201-000-52003 201-000-52019 201-000-52028 201-000-52046 201-000-58001	Utilities Professional services Projects & Programs City Dock Services revenues - program moved to General Fund Parks Contingency
165,000	Total Changes in Funding Uses of Resources	
Community Development Fund 202		
548,730	202-724-37030	Timber Harvest revenues greater
548,730	Total Change in Funding Resources	
300,000 10,000 47,280 10,740 180,710	202-721-55001 202-721-55002 202-723-55001 202-723-55002 202-000-58001	Debt Principal - Interfund loan Debt Interest - Interfund Loan Debt Principal Refunding bond 2020 - USBank Debt Interest Refunding Bond 2020 - USBank Contingency
548,730	Total Changes in Funding Uses of Resources	
Community Enhancement Fund 203		
	Administration	
100,000	203-701-37004	Miscellaneous - Ford Foundation
100,000	Total Change in Funding Resources	
100,000	203-701-52028	Projects & Programs - Ford Foundation
100,000	Total Changes in Funding Uses of Resources	
	Police	
34,000	203-000-32007	Intergovernmental - Opioids
34,000	Total Change in Funding Resources	
34,000	203-705-52028	Projects & Programs
34,000	Total Changes in Funding Uses of Resources	

Budget 22-23

Budget Amendments Review 3-1-23

New Items

Amendments	Fd-Dept-Acct	Explanation
Street Fund 205		
(8,000)	205-000-33005	Grants (STP) - reverse last quarter adjustment
(302,537)	205-000-33005	Grants (STP) - reduce STP available based on update from ODOT
200,000	205-000-37004	County Contribution to Columbia View Sidewalks
(110,537)	Total Change in Funding Resources	
(10,410)	205-000-55001	Debt Principle - move to make line for debt interest
10,410	205-000-55002	Debt Interest - properly reflect portion of debt interest
339,160	205-000-53101	Columbia Blvd Sidewalks - increase costs partially offset by County Donations
(449,697)	205-000-58001	Contingency
(110,537)	Total Changes in Funding Uses of Resources	
Street SDC Fund 301		
None		
Water SDC Fund 302		
4,000	302-000-53001	Increase Capital Outlay to reflect Bayport Well activation project moved out on timeline
(4,000)	302-000-53303	Bayport Well Activation - moved project out - offset Appropriation in 1st Qtr.
-	Total Changes in Funding Uses of Resources	
Sewer SDC Fund 303		
301,000	303-000-53001	Capital Outlay (compound on 1st qtr. report)
(301,000)	303-000-53405	Basin 6 Pipeline upsize (Phase I)
-	Total Changes in Funding Uses of Resources	
Storm SDC Fund 304		
None		
Parks SDC Fund 305		
None		
Water Fund 601		
(50,000)	601-731-52001	Reduce operating supplies to offset appropriations for annual water meter program
150,000	601-731-53302	Annual Water meter replacement program
100,000	601-731-53302	Annual Maintenance - Operations to cover unexpected and/or need water distribution equipment
200,000	601-732-53306	WFF Rack Replacement (1st qtr. amendment reflected distributor's inability to deliver in current year, subsequently will need a purchase order - which requires appropriation authority at time of issue.
(6,000)	601-000-53303	Bayport Well Activation
(13,000)	601-000-53305	New Controls at Collector Wells #2 & #3
(381,000)	601-000-58001	Contingency
-	Total Changes in Funding Uses of Resources	
Sewer Fund 603		
(150,000)	603-000-53402	Annual Maintenance. Ops Split ops between Pumps and Sewer Collections
75,000	603-735-53402	Annual Maintenance - Sewer Collections
75,000	603-738-53402	Annual Maintenance - Pumps
-	Total Changes in Funding Uses of Resources	
Storm Fund 605		
100,000	605-000-535502	Storm Drain Repairs - Engineering
(100,000)	605-000-58001	Contingency
-	Total Changes in Funding Uses of Resources	

Budget 22-23

Budget Amendments Review 3-1-23

New Items

Amendments	Fd-Dept-Acct	Explanation
Technology Fund 702		
41,750	702-000-39001	Increase fund balance to reflect June 30, 2022 ending fund balance
41,750	Total Change in Funding Resources	
41,750	702-000-54001	Transfer out - Fund Balance - close out fund
41,750	Total Changes in Funding Uses of Resources	
Public Works Operating Fund 703		
(340,315)	703-000-39001	Beginning Fund Balance - reduction
(340,315)	Total Change in Funding Resources	
(11,000)	703-734-50001	Wages - savings moved to cover OT
22,000	703-734-50004	Overtime - none originally budgeted
(2,000)	703-734-51005	Insurance - savings moved to cover OT
(9,000)	703-734-51007	Pers - Savings moved to cover OT
(21,000)	703-739-52023	Facility Maintenance - reduced and setup new fund
12,000	703-739-52089	Facility Maintenance - reduced and setup new fund
15,000	703-739-53701	Equipment Purchase - Increased to be able to purchase a Second Vehicle
(346,515)	703-000-58001	Contingency
(340,515)	Total Changes in Funding Uses of Resources	

City of St Helens
Budget Analysis as of December 31, 2022

		Budget 21-22		Amd Budget Vs Actual		Budget 22-23				
Account Number	Account Name	Adopted	Amended	Activity FY 21-22	FY Variance Favor / (Unfavorable)	Adopted	Proposed Adjustments	Amended	12/31/22	% Bud Remaining
Tourism Fund										
201-000-32002	Motel Hotel Tax	80,000	135,000	149,659	14,659	120,000	40,000	160,000	102,953	35.65%
201-000-34001	City Dock Services	-	-	-	-	18,000	(18,000)	-	-	0.00%
201-000-37015	Event Revenue	420,000	850,000	853,705	3,705	370,000	(170,000)	200,000	184,573	7.71%
	Revenues	500,000	985,000	1,003,364	18,364	508,000	(148,000)	360,000	287,526	20.13%
201-000-52003	Utilities	10,000	12,000	8,057	3,943	25,000	(15,000)	10,000	2,637	73.63%
201-000-52019	Professional Services	120,000	200,000	183,594	16,406	120,000	60,000	180,000	102,937	42.81%
201-000-52028	Projects & Programs	370,000	773,000	559,784	213,216	65,000	155,000	220,000	218,378	0.74%
201-000-52046	City Dock Expenses	-	-	-	-	18,000	(18,000)	-	-	0.00%
201-000-54001	Transfer	-	-	-	-	70,000	-	70,000	-	100.00%
	Expenditures	500,000	985,000	751,435	233,565	298,000	182,000	480,000	323,952	
	Beginning Fund Balance	-	-	-	-	-	250,000	250,000	251,929	
	Ending Fund Balance	-	-	251,929	(215,201)	210,000	(80,000)	130,000	215,503	
201-000-58001	Contingency					210,000	-	210,000	-	100.00%