



FY 2022/2023 Budget Committee

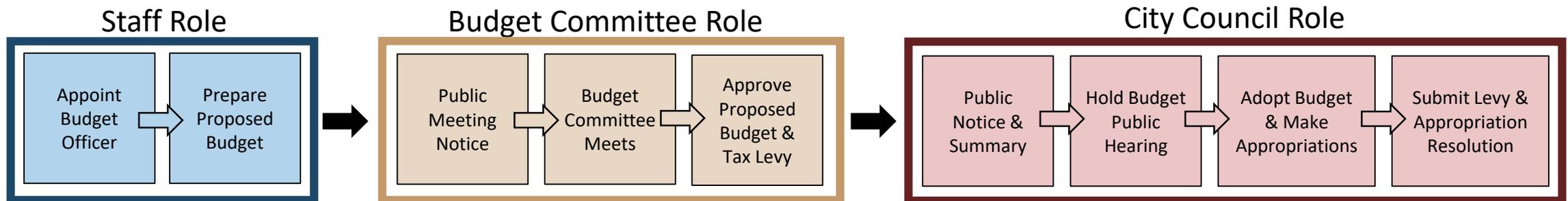
May 12, 2022



Purpose and Roll of Budget Committee

The St. Helens Budget Committee is comprised of an equal number of elected and appointed members. The main purpose of the committee is to review, deliberate and recommend the approval of the following (ORS 297.426):

- Receive budget message from the Budget Officer
- Review the proposed budget document
- Provide the public an opportunity to comment on the budget





Agenda Items

- New Chair & Vice-Chair Nomination
- Approval of Prior Minutes
- Public Hearing – State Shared Revenue
- Public Comment Period



Balanced Budget Assumptions

What IS included in the 22/23 Proposed Budget?

- 2 new Patrol Officer positions
- Utility rate increase assumptions
- New debt service for Enterprise Funds
- 5% COLA increase assumptions for 22/23

What Assumptions are used in the 22/23 Proposed Budget?

General Fund

- Forecasted years assume 3% Personnel increases (Wages, Insurance, PERS)
- Forecasted years assume 1% Materials/Services increases

Enterprise Funds

- Forecasted years assume 3% Personnel increases (Wages, Insurance, PERS)
- Forecasted years assume 5% Materials/Services increases
- Utility rate increases for water/sewer/storm over the next 5 years
- Additional debt service required for capital projects



Balanced Budget Assumptions

What is NOT included in the 22/23 Proposed Budget & Forecasts?

- Administration Executive Assistant (\$140,000)
- Administration Communications Assistant increase to 1.0 FTE (\$35,000)
- Administration City Attorney (\$225,000)
- Administration Human Resources Manager (\$125,000)
- Finance Accountant 3 (\$140,000)
- Library Youth Librarian (\$115,000) - Removed in 22/23 Budget
- Library Library Technician Makerspace (\$90,000) - Temporary position, ends Dec 2023
- Library Part-Time Shelver (\$5,000) – 2 positions removed in 22/23 Budget
- Parks Utility Worker (\$85,000) - Removed in 22/23 Budget
- Recreation PT Sports League Coordinator (\$65,000)
- Recreation Admin Assistant P&R (\$95,000) - Temporary position, ends Dec 2024
- Planning Associate Planner (\$125,000)
- Police Police Patrol (\$160,000) - Multiple Positions Requested
- Police Detective (\$195,000) - Multiple Positions Requested
- Public Works PT Admin Assistant (\$65,000)
- Public Works Engineer 1 (\$125,000)
- Public Works Engineer Intern (\$20,000)
- Public Works Building Maintenance Utility Worker (\$95,000)



SDC Funds

Streets SDC

Charge Services	500,000	M&S	525,000
Balance Available	2,110,000	Capital	2,085,000
<i>Total Rev</i>	<i>2,610,000</i>	<i>Total Exp</i>	<i>2,610,000</i>

Fund Notes

- *No SDC projects scheduled*

Storm SDC

Charge Services	150,000	M&S	115,000
Balance Available	340,000	Capital	375,000
<i>Total Rev</i>	<i>490,000</i>	<i>Total Exp</i>	<i>490,000</i>

Fund Notes

- *No SDC projects scheduled*

Parks SDC

Charge Services	250,000	M&S	150,000
Balance Available	989,000	Capital	1,089,000
<i>Total Rev</i>	<i>1,239,000</i>	<i>Total Exp</i>	<i>1,239,000</i>

Fund Notes

- *\$1,000,000 Columbia View Park Improvements*

Sewer SDC

Charge Services	200,000	M&S	560,000
Balance Available	2,190,000	Capital	1,830,000
<i>Total Rev</i>	<i>2,390,000</i>	<i>Total Exp</i>	<i>2,390,000</i>

Fund Notes

- *\$40,000 Annual Maintenance*
- *\$6,800 WWTP Influent Flow Meter*
- *\$441,000 Basin 6 Upsizing*
- *\$1,800 Installation of overflow alarms*

Water SDC

Charge Services	200,000	M&S	560,000
Balance Available	1,515,000	Capital	1,155,000
<i>Total Rev</i>	<i>1,715,000</i>	<i>Total Exp</i>	<i>1,715,000</i>

Fund Notes

- *\$4,000 Bayport Well Activation Switch Replacement*
- *\$40,000 PW Generator Purchase for PW Shop*



Internal Service Funds

Public Works Operations Fund

Charge Services	3,587,000	Personnel	3,334,000
Fees	75,000	M&S	546,000
Balance Available	538,000	Cont.	320,000
<i>Total Rev</i>	<i>4,200,000</i>	<i>Total Exp</i>	<i>4,200,000</i>

Fund Notes

- *New Facilities Maintenance Department*

Public Safety Fund

Charge Services	215,000	M&S	1,500,000
Miscellaneous	3,000,000	Capital	15,255,000
Balance Available	14,240,000	Debt	700,000
<i>Total Rev</i>	<i>17,455,000</i>	<i>Total Exp</i>	<i>17,455,000</i>

Fund Notes

- *Misc. revenue is assumed 2nd revenue bond for facility*
- *Construction estimated to begin April 2023*
- *\$3 PSF estimated as \$215,000 "Charges for Services"*

Technology Fund

Goes Away. Moves to General Fund

Equipment Fund

Goes Away. Moves to PW Operations Fund

Major Maintenance Fund

Goes Away. Moves to PW Operations Fund



Special Revenue Funds

Tourism Fund

Hotel Taxes	120,000	M&S	210,000
Miscellaneous	265,000	Cont.	175,000
<i>Total Rev</i>	<i>385,000</i>	<i>Total Exp</i>	<i>385,000</i>

Fund Notes

- *Contingency Safety net built in.*
- *Assumption of new business model*

Community Enhancement Fund

Intergov.	20,000	M&S	267,000
Fees	20,000		
Transfer	130,000		
Balance Available	97,000		
<i>Total Rev</i>	<i>267,000</i>	<i>Total Exp</i>	<i>267,000</i>

Fund Notes

- *No specific projects noted*

Community Development Fund

Miscellaneous	7,590,000	M&S	9,900,000
Grants	2,251,000	Debt Serv.	165,000
Balance Available	1,610,000	Cont.	1,386,000
<i>Total Rev</i>	<i>11,451,000</i>	<i>Total Exp</i>	<i>11,451,000</i>

Fund Notes

- *Riverfront Loan (\$7M) & 2 Riverfront Grants (\$880k)*
- *2 Central Waterfront Grants for studies (\$1.3M)*

Street Fund

Intergov.	1,580,000	Personnel	570,000
Charges	30,000	M&S	579,000
Miscellaneous	5,000	Capital	500,000
Balance Available	1,000,000	Debt Serv.	60,000
		Cont.	906,000
<i>Total Rev</i>	<i>2,615,000</i>	<i>Total Exp</i>	<i>2,615,000</i>

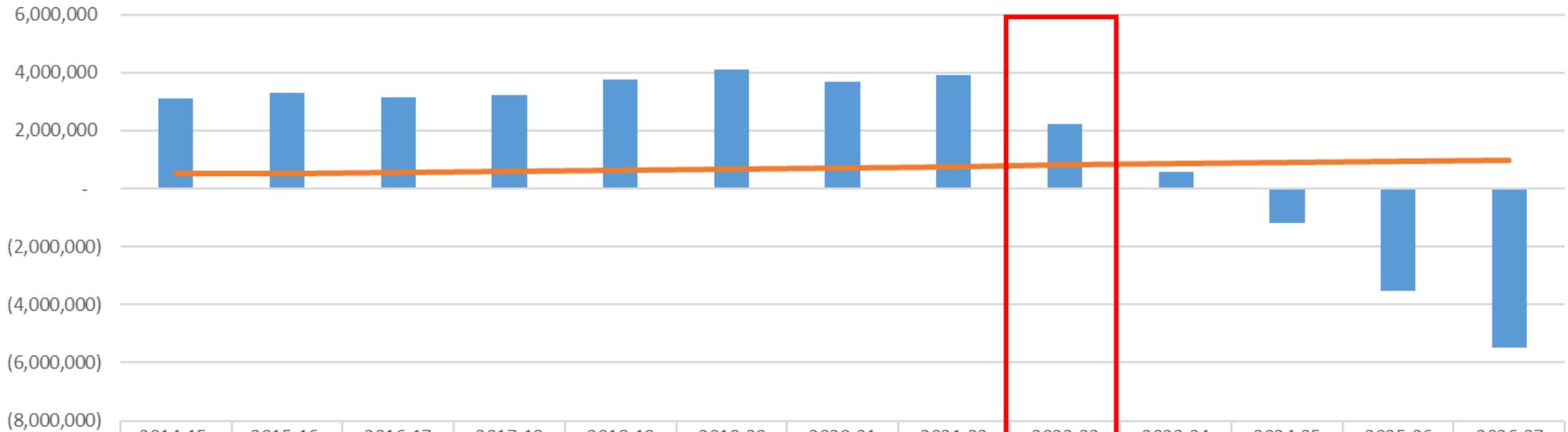
Fund Notes

- *No specific projects noted*



Enterprise Funds - Water

WATER FUND FORECAST - Master Plan Assumptions



	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Year End	2022-23 Proposed	2023-24 Forecast	2024-25 Forecast	2025-26 Forecast	2026-27 Forecast
Ending Fund Balance	3,099,037	3,311,590	3,133,143	3,243,306	3,761,178	4,114,292	3,687,061	3,934,000	2,227,000	566,220	(1,174,422)	(3,532,290)	(5,491,041)
90-Day Reserve Policy	517,626	527,852	556,171	608,989	654,361	657,996	711,140	741,750	833,000	869,270	907,192	946,844	988,307

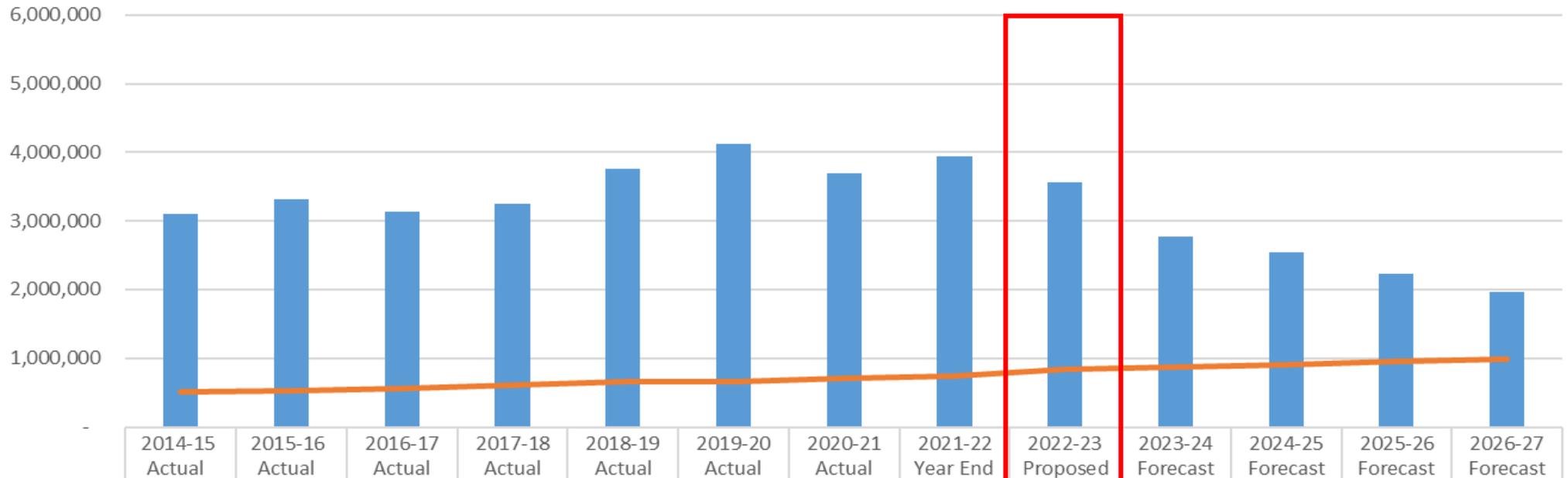
Water Fund – Master Plan Assumptions

- 2% Annual Growth
- No rate increases
- 3% Increase in Personnel Services
- 5% Increase in Materials
- Capital Projects as recommended in 2022 Master Plan (last full master plan done in 2013)
- \$1.6M in Annual Maintenance recommended in 2022 Master Plan



Enterprise Funds - Water

WATER FUND FORECAST - PROPOSED BUDGET



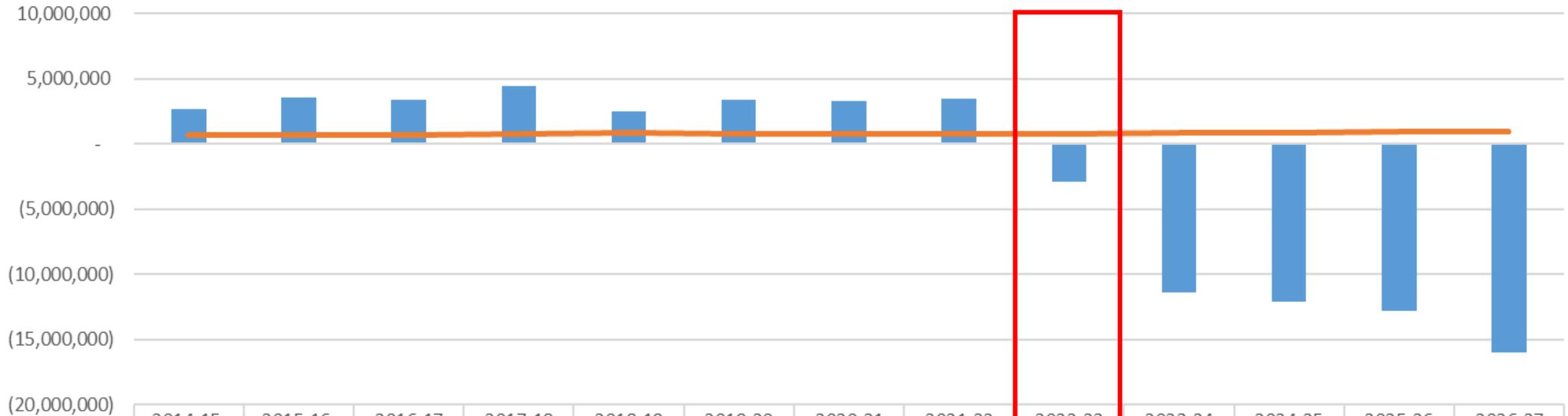
Water Fund – Master Plan Assumptions

- 2% Annual Growth
- 3% rate increases each year for 5 years
- 3% Increase in Personnel Services
- 5% Increase in Materials
- Deferred projects and timelines out; projects as proposed in Capital Improvement Plan for next 5 years
- Annual Maintenance reduced to \$200,000 per year



Enterprise Funds - Sewer

SEWER FUND FORECAST - Master Plan Assumptions



	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Year End	2022-23 Proposed	2023-24 Forecast	2024-25 Forecast	2025-26 Forecast	2026-27 Forecast
Ending Fund Balance	2,658,060	3,526,312	3,385,597	4,441,575	2,514,929	3,401,329	3,311,074	3,476,000	(2,938,310)	(11,455,02)	(12,076,29)	(12,847,73)	(16,001,84)
Reserve Policy	656,058	648,995	698,999	793,132	810,185	788,466	743,980	754,750	787,918	822,606	858,888	896,839	936,537

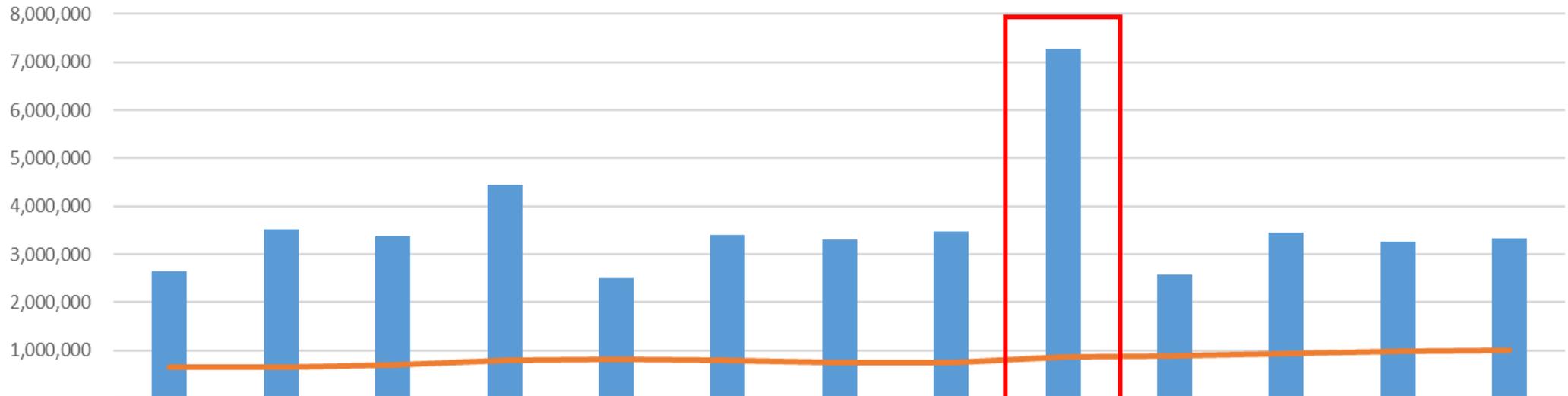
Sewer Fund – Master Plan Assumptions

- 2% Annual Growth
- No rate increases
- 3% Increase in Personnel Services
- 5% Increase in Materials
- Capital Projects as recommended in 2022 Master Plan (last full master plan done in 1989)
- \$790k in Annual Maintenance recommended in 2022 Master Plan



Enterprise Funds - Sewer

SEWER FUND FORECAST - PROPOSED BUDGET



	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Year End	2022-23 Proposed	2023-24 Forecast	2024-25 Forecast	2025-26 Forecast	2026-27 Forecast
Ending Fund Balance	2,658,060	3,526,312	3,385,597	4,441,575	2,514,929	3,401,329	3,311,074	3,476,000	7,281,240	2,573,979	3,445,837	3,254,306	3,323,916
Reserve Policy	656,058	648,995	698,999	793,132	810,185	788,466	743,980	754,750	856,500	894,050	933,319	974,389	1,017,344

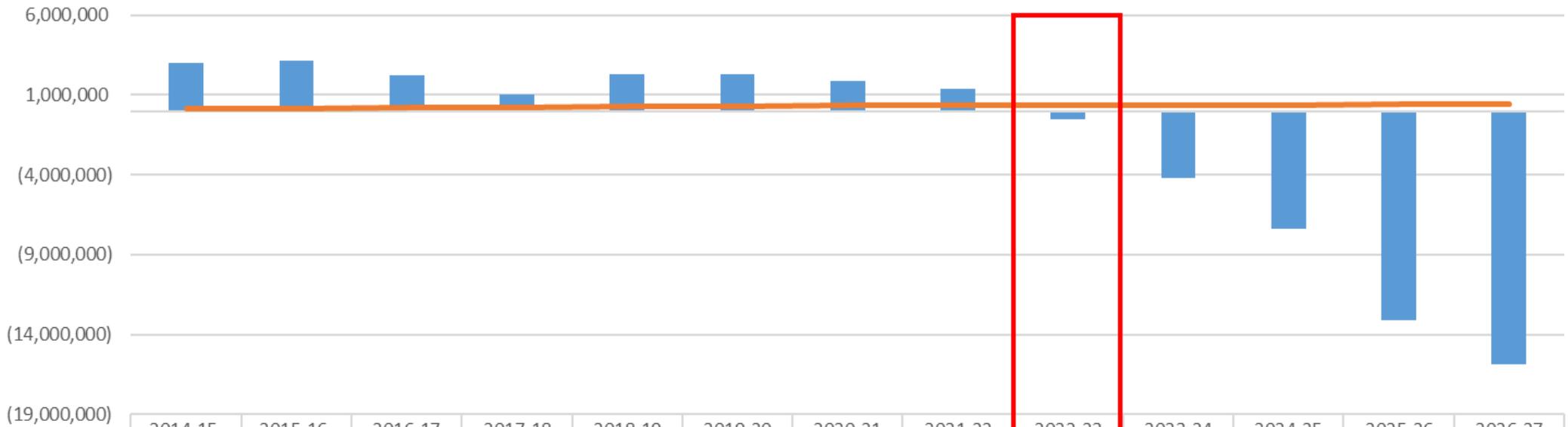
Sewer Fund – Master Plan Assumptions

- 2% Annual Growth
- 8% rate increases each year for 5 years
- 3% Increase in Personnel Services
- 5% Increase in Materials
- \$10.4M Debt Service required in 22/23 and \$4.9M Debt Service required in 24/25 to fund capital projects
- Deferred projects and timelines out; projects as proposed in Capital Improvement Plan for next 5 years
- Annual Maintenance reduced to \$160,000 per year



Enterprise Funds – Storm

STORM FUND FORECAST - Master Plan Assumptions



	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Year End	2022-23 Proposed	2023-24 Forecast	2024-25 Forecast	2025-26 Forecast	2026-27 Forecast
Ending Fund Balance	3,042,649	3,163,643	2,266,884	1,031,772	2,323,825	2,276,991	1,868,232	1,416,000	(501,700)	(4,193,327)	(7,419,223)	(13,089,85)	(15,895,80)
Reserve Policy	134,736	176,554	201,646	244,047	268,822	302,372	334,943	346,500	361,300	376,764	392,924	409,811	427,459

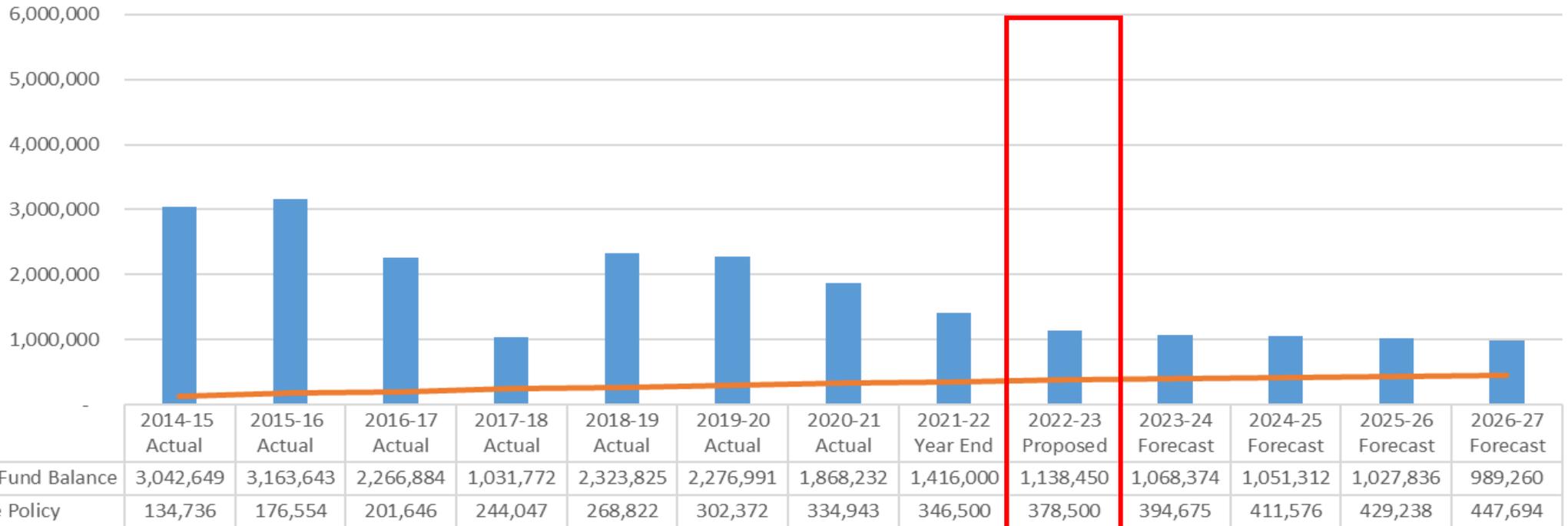
Storm Fund – Master Plan Assumptions

- 2% Annual Growth
- No rate increases
- 3% Increase in Personnel Services
- 5% Increase in Materials
- Capital Projects as recommended in 2022 Master Plan (last full master plan done in 1999)
- \$900k in Annual Maintenance recommended in 2022 Master Plan



Enterprise Funds – Storm

STORM FUND FORECAST - PROPOSED BUDGET



Storm Fund – Master Plan Assumptions

- 2% Annual Growth
- 22.9% Rate increase in 2022, 16.6% Rate increase in 2023, 17.2% Rate increase in 2024, CPI Rate increases in 2025-2027
- 3% Increase in Personnel Services
- 5% Increase in Materials
- Capital Projects as recommended in 2022 Master Plan
- Deferred projects and timelines out; projects as proposed in Capital Improvement Plan
- Annual Maintenance reduced to \$100,000 per year



Enterprise Funds

<u>Water Fund</u>			
Charges for Services	3,815,000	Personnel	1,076,000
Miscellaneous	625,000	M&S	2,256,000
Fund Balance	3,919,000	Capital	766,000
		Debt	500,000
		Cont.	2,926,000
		Unapp.	835,000
<i>Total Rev</i>	<i>8,359,000</i>	<i>Total Exp</i>	<i>8,359,000</i>

<u>Sewer Fund</u>			
Charges for Services	4,054,000	Personnel	1,055,000
Miscellaneous	10,420,000	M&S	2,371,000
Fund Balance	3,475,000	Capital	6,177,400
		Debt	1,266,000
		Cont.	6,229,600
		Unapp.	850,000
<i>Total Rev</i>	<i>17,949,000</i>	<i>Total Exp</i>	<i>17,949,000</i>

<u>Storm Fund</u>			
Charges for Services	1,140,000	Personnel	550,000
Miscellaneous	5,000	M&S	964,000
Fund Balance	1,400,000	Capital	100,000
		Cont.	551,000
		Unapp.	380,000
<i>Total Rev</i>	<i>2,545,000</i>	<i>Total Exp</i>	<i>2,545,000</i>



General Fund - Revenue

GENERAL FUND	2019-20 Actual	2020-21 Actual	2021-22 EST YE	2022-23 Proposed
RESOURCES SUMMARY				
Local Taxes	1,883,996	2,194,561	2,200,000	2,325,000
Intergovernmental	502,379	671,268	565,000	640,000
Grants	15,400	136,707	575,000	832,000
Charges for Services	4,253,398	4,716,934	5,173,000	6,190,000
Licenses, Permits, Fees	741,204	1,268,386	818,000	941,000
Fines	217,844	239,260	203,000	200,000
Miscellaneous Revenue	605,312	342,889	270,000	305,000
Transfers	-	-	141,600	100,000
Fund Balance Available	2,052,466	2,428,970	2,719,000	2,100,000
TOTAL RESOURCES	10,271,998	11,998,975	12,664,600	13,633,000

Revenue Notes

- ❖ Property Taxes avg 6.6% since 15/16, assuming 6% in forecast model
- ❖ ARPA (Grants) of \$832k in 22/23, \$575k in 23/24 and \$0 in 24/25
- ❖ In 23/24, Public Safety Facility dedications begin (\$600k in resources)
 - ❖ Cigarette Tax \$10,000
 - ❖ Alcohol Tax \$240,000
 - ❖ Cannabis Tax \$225,000
 - ❖ SDC Admin Fee \$125,000
- ❖ Transfer revenue comes from IT Fund



General Fund – Department Expenses

<u>Administration</u>	
Personnel	585,000
M&S	55,000
<i>Total</i>	<i>640,000</i>
<i>6% Decrease</i>	

<u>Municipal Court</u>	
Personnel	222,000
M&S	200,000
<i>Total</i>	<i>422,000</i>
<i>3% Increase</i>	

<u>Finance</u>	
Personnel	696,000
M&S	294,000
<i>Total</i>	<i>990,000</i>
<i>1% Increase</i>	

<u>Planning</u>	
Personnel	364,000
M&S	46,000
<i>Total</i>	<i>410,000</i>
<i>8% Decrease</i>	

<u>City Recorder</u>	
Personnel	300,000
M&S	55,000
<i>Total</i>	<i>355,000</i>
<i>1% Decrease</i>	

<u>Police</u>	
Personnel	4,573,000
M&S	592,000
<i>Total</i>	<i>5,165,000</i>
<i>6% Increase</i>	

<u>Parks</u>	
Personnel	359,000
M&S	131,000
<i>Total</i>	<i>490,000</i>
<i>3% Increase</i>	

<u>Building</u>	
Personnel	460,000
M&S	65,000
<i>Total</i>	<i>525,000</i>
<i>3% Increase</i>	

<u>City Council</u>	
Personnel	65,000
M&S	70,000
<i>Total</i>	<i>135,000</i>
<i>12% Decrease</i>	

<u>Library</u>	
Personnel	597,000
M&S	133,000
<i>Total</i>	<i>730,000</i>
<i>21% Decrease</i>	

<u>Recreation</u>	
Personnel	300,000
M&S	50,000
<i>Total</i>	<i>350,000</i>
<i>1% Decrease</i>	

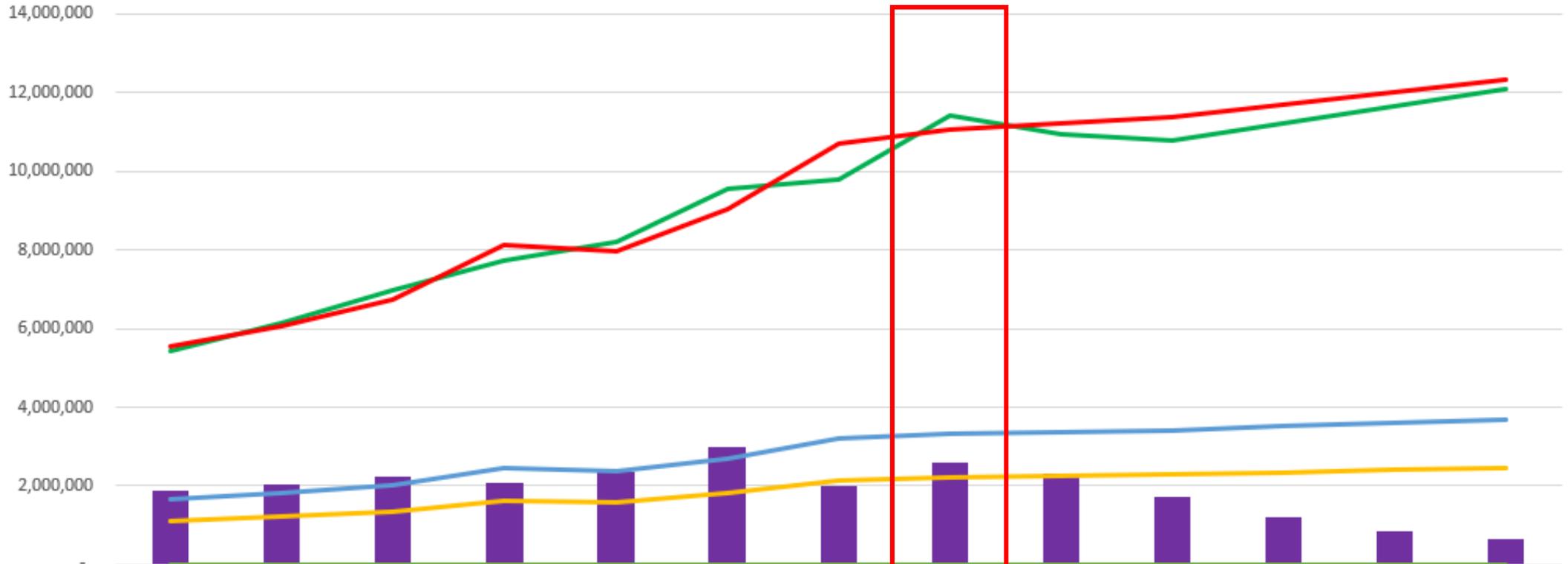
<u>Technology</u>	
Personnel	295,000
M&S	300,000
<i>Total</i>	<i>595,000</i>
<i>13% Decrease</i>	

<u>General Services</u>	
M&S	255,000
Contingency	1,552,000
Unappropriated	1,000,000
<i>Total</i>	<i>2,807,000</i>



General Fund – Forecast

GENERAL FUND - 5 YR FORECAST



	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 EST YE	2022-23 PROPOSED	2023-24 Forecast	2024-25 Forecast	2025-26 Forecast	2026-27 Forecast	2027-28 Forecast
Ending Fund Balance	1,853,061	1,997,571	2,223,736	2,038,701	2,315,108	2,963,336	1,968,100	2,582,000	2,301,550	1,682,617	1,192,198	840,664	639,046
Total Revenue	5,446,699	6,134,925	6,967,097	7,731,753	8,219,533	9,570,005	9,804,000	11,433,000	10,944,740	10,777,643	11,203,532	11,648,268	12,112,760
Total Expenses	5,546,548	6,070,921	6,744,663	8,116,935	7,956,890	9,035,639	10,696,500	11,051,000	11,225,190	11,396,577	11,693,951	11,999,801	12,314,378
Reserve Policy 20%	1,109,310	1,214,184	1,348,933	1,623,387	1,591,378	1,807,128	2,139,300	2,210,200	2,245,038	2,279,315	2,338,790	2,399,960	2,462,876
RESERVE PERCENTAGE	33%	33%	33%	25%	29%	33%	18%	23%	21%	15%	10%	7%	5%
Reserve Desire 30%	1,663,964	1,821,276	2,023,399	2,435,081	2,387,067	2,710,692	3,208,950	3,315,300	3,367,557	3,418,973	3,508,185	3,599,940	3,694,313



Staffing Needs

General Fund

- Administration Executive Assistant (\$140,000)
- Administration Communications Assistant increase to 1.0 FTE (\$35,000)
- Administration City Attorney (\$225,000)
- Administration Human Resources Manager (\$125,000)
- Finance Accountant 3 (\$140,000)
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- Recreation PT Sports League Coordinator (\$65,000)
- Recreation Admin Assistant P&R (\$95,000) – Temporary position, ends Dec 2024
- Planning Associate Planner (\$125,000)
- Police Police Patrol (\$160,000) (Multiple Positions Requested)
- Police Detective (\$195,000) (Multiple Positions Requested)

Enterprise Funds

- Public Works PT Admin Assistant (\$65,000)
- Public Works Engineer 1 (\$125,000)
- Public Works Engineer Intern (\$20,000)
- Public Works Building Maintenance Utility Worker (\$95,000)



Opportunities

1. Revisit funding strategy for Public Safety Facility
 - I. Re-allocate revenue sharing back to General Fund
 - II. Increase \$3 public safety utility fee
 - III. Go out for a GO Bond (property tax increase)
2. Increase the public safety fee to increase support for the Police Department (\$2.50 per officer)
3. Investigate a 5-year option levy (property tax increase) to support specific departments:
 - I. Police Department
 - II. Library Department
 - III. Parks & Recreation Department
4. Investigate a continuation of the Parks & Recreation utility fee
5. Complete an internal service level review for all departments & city buildings



Questions & Comments

