

Budget Committee Q & A – Post 4/25/2024 Meeting

In addition to the questions below, we were asked to provide the calculations for interest earnings allocations, which are attached.

1. Can we get data on police OT? It's a big number. Councilor Chilton asked if the new officers would reduce it. Can we get the dates and times when it was incurred?

A. Attached is the requested information.

2. Ideas on how to reduce it?

A. The short answer to reducing the overtime usage is to increase the police staffing. Hire more officers.

- Fourteen patrol officers are needed to provide 24/7 duty police response to 911 calls. We have a total of 21 sworn officers positions:
- Four are administrative/detective (Often fill in to accommodate staffing shortages)
- Two are in training (Unable to be used until they complete training)
- Two are off duty on medical leave / light duty

After accounting for the above, our staffing level is 13 sworn officers/sergeants. The Collective Bargain Agreement (CBA) between the city and the St. Helens Police Association mandates a minimum of two police officers to be on duty at all times. The CBA language and our police policies mandate a minimum of two police officers respond to the majority of 911 calls to ensure officers remain safe. We use overtime officers to fill staffing shortages and ensure we can answer 911 calls. In addition, overtime meets the mandated training requirements, vacation time, sick leave time, mandated court subpoenas, FMLA time, and community events.

The demand for police services has increased, but our staffing levels have remained the same, ultimately increasing overtime usage. The 2012 staffing study identified the need for 27 patrol officers. To reduce overtime use, we would have to increase our police staffing.

3. What is your best estimate of the revenue collected in FY 2022 - 2023 from the public safety fee (\$10.00 a month) charged to the payors of water bills, please? (I think projected revenues are in the budget at \$720,000).

A. There is no need to estimate. Page 61 of the FY2023 audit shows \$255,745 was billed. This is also shown in the Proposed budget document, on page 50.

For FY2023 the rate was \$3. It increased to \$10 in Aug 2023.

For FY2024, as shown in the Proposed budget document page 50, I estimate that \$690,000 will be received.

For FY2025, as shown in the Proposed budget document page 50, I estimate that \$720,000 will be received.

4. Please check with the water department regarding the approximate number of residential rental units currently being rented under business licenses in St. Helens? Can they estimate the total amount of revenue received for rental business licenses? If not, what tools would they need to get a handle on that number with an eye that the Council may discuss imposing higher business licenses for rentals. The idea is possibly suggest a per unit charge for business licenses.
 - A. For FY2023 the total received for business licenses for rentals was \$17,980.
The 'per unit charge' is \$20.
We currently have 895 units and as soon as Broadleaf Arbor receives final occupancy there will be an additional 239 units.
5. What is the exact date that the Police Chief vests his retirement with the City of St. Helens?
 - A. PERS retirement vests after 5 years; Chief Greenway was hired in Aug of 2018.
6. How much will his retirement cost our people every year for the next 10 years? 20 years?
 - A. PERS retirement is "pooled", and those calculations are done by an actuary. There are detailed note disclosures regarding PERS retirement and the actuarial information in the audited financial report beginning on page 25 of the FY2023 audit.
7. Please provide a breakdown of all GFSS expenditures and reasons for each charge.
 - A. Attached is the requested information. The departments shown in the calculation provide internal services in support of other funds and programs. For instance, the administrative billing specialists in the finance department provide nearly 100% of their time and materials in support of the utility funds.
8. Please provide confirmation that legally, with Oregon Budget Law, you wouldn't need a supplemental budget because the change is less than 10% of the fund appropriations, so a publication and public hearing would not be required if the city and budget committee wanted to add the levy revenue after it passes.
 - A. That is not correct regarding the levy. Please refer to the attached page from the Local Budgeting Manual regarding tax elections.
9. Please confirm that the public comment on Recreation being 200K+ deficient in grants is incorrect: Please confirm that expenses are \$406k. Revenue from grants is \$185k and fee revenue is \$395k... so total revenue is \$395k. With shared interest and potential misc revenue... that's easy to break even, correct?
 - A. The public comment referring to a \$200K deficit in recreation is incorrect. For FY2025, grants are \$210K and fees are \$185K, which will be an approximate \$11K deficit.

10. Please confirm that the public comment on Timber harvesting that was cut in Feb was not already budgeted and is available to be utilized as revenue next year? Has this been allocated in two places?

A. The \$1.189M shown in the FY2023-24 Est YE was received in the first half of the fiscal year. The \$1M in the proposed budget for FY2024-25 is for harvesting authorized by Council in Feb. Some of that revenue may be received before the end of fiscal year 2024. However, it has not been allocated twice.

11. Please confirm where Racheal Berry's wages were allocated from during employment. My understanding is that

A. The government affairs position was appropriated in the Administration department. The administration department, as a whole is calculated in the GFSS allocation.

12. Public Safety Fund:

- a. Interest... all the interest in the past is shown in the budget since the beginning of the fund... that total is only \$950,009.... not \$1 Million, correct?
- b. This plan appears to be STEALING money from the Public Safety Fund. You (Gloria) I recall also admitted you are taking public safety fund money to supplement the general fund. It is my understanding the interest revenue was included in the original forecast to help pay down the debt. Is that not, correct?
 - i. If the aforementioned is not correct, please provide the specific inaccuracy.
- c. Now it appears you are taking \$1M. If you redid the forecast based on the \$10 fee and now think you don't need that interest funds, why wouldn't you use the interest to create a lower monthly fee? At the end of the day, you are still taking money from the PD Facility Fund for the general fund. This seems deceptive to the citizens and the voters.

- A.
- a. Attached are the interest allocations. I estimate that accrued interest earnings in the Public Safety Fund as of June 30, 2024 will be \$1,060,000.
 - b. We had done a calculation during the FY2024 budget process to increase the fee to \$10 that would provide sufficient revenue to support one officer for one year. We have not allocated any of the fees to the General Fund. The interest earnings in the Public Safety Fund are not forecasted to be used to pay the debt.
 - c. The budget committee may choose not to approve the transfer. In that case, there will need to be alternative choices made.
I will have the budget spreadsheets "live" for the meeting on the 2nd. During this time, the committee can see the effects of choices to make those decisions.

13. Since there is immense confusion regarding police staffing, please outline in writing the plan for the 2 officers that will be hired to replace the two retiring ones: Where are these two officers being funded from?

A. General Fund revenues and General Fund reserves.

14. Tourism: In regard to the Wauna Federal Credit Union Account:

Please provide factual evidence as to who is in control of the account

- i. Who are the signers on the account?
- ii. Provide evidence that the account is a “trust account” for City of St. Helens
- iii. Provide a list of people who have access to the Wauna account?
- iv. Provide an explanation of what city funds are deposited into the Wauna account
- v. Who do the funds in the Wauna account belong to?
 1. If the funds belong to the city, how is this proprietary?
- vi. If the funds do not belong to the city, how are they going to be returned to the city if:
 1. Per John Walsh’s email on 04-11-2024 how if “the contract terminates any funds will revert back to the city”? How is this accurate if this is not the cities funds?

A. The City of St. Helens does not have ownership or signatory access to this account.

We are not able to provide evidence about an account we do not have, if you want proof that it is “in trust” to the city, that will need to be provided by the account owner.

Since it is not our account, we do not have access and do not have a list of those whom do.

We do not deposit city funds into a Wauna account.

The funds belong to the owner of the account, which is either Tina Curry and/or E2C.

From the city attorney:

The present agreement as extended provides for how the funds are distributed. See Section 4.4 - any and all remaining funds after the payment of budgeted and approved expenses shall be transferred to the City by December 28.

If E2C is not selected as the contractor for 2025 the funds will not be “invoiced and returned to Contractor to provide funding for approved future events”. You [City] should be prepared to work on a potential transition plan and be sure that E2C is aware and agrees to the end of year accounting and approach.