



BUDGET COMMITTEE MEETING #3 (READJOURNMENT)

Thursday, May 28, 2026, at 6:30 PM

HYBRID: City Hall Council Chambers, 265 Strand Street & Zoom (details below)

AGENDA

Call to Order

Review Agenda

1. Review of Agenda, Instructions (Budget Officer) Budget Officer comments, the Rules of Budget Committee, Declaration of Conflict of interest.

Public Hearing for State Shared Revenue (Committee Chair)

This public hearing provides the opportunity to provide written and oral comment "on the possible uses of the distributions, including offset against property tax levies by the city of St. Helens for the fiscal year 2026-2027" Pursuant to ORS 221.770, the City hereby elects to receive state revenues for fiscal year 2026-2027

Close Public Hearing (Committee Chair)

Approval of Minutes

2. Review & Approval of May 14, 2026, Minutes

Public Comment (3 minutes each)

Staff Revisions & Opportunity for Discussion

Approval of the Proposed Budget

Adjournment

VIRTUAL MEETING DETAILS

Join Zoom Meeting: <https://zoom.us/j/97773970265?pwd=B68adu1JtmP6EVt3nIskUGWbeiwqx.B.1>

Meeting ID: 977 7397 0265

Passcode: 795126

Call in: +1 253 215 8782 US

The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting to City Hall at 503-397-6272.

Be a part of the vision and get involved...volunteer for a City Board or Commission! For more information or for an application, go to www.sthelensoregon.gov or call 503-366-8217.



BUDGET COMMITTEE MEETING #2 (READJOURNMENT)

Thursday, May 14, 2026, at 6:00 PM

DRAFT MINUTES

Members Present

Mayor Jennifer Massey
 Council President Jessica Chilton
 Councilor Mark Gundersen
 Councilor Brandon Sundeen
 Councilor Russell Hubbard

Chair Lew Mason
 Vice Chair Jeremy Evans
 Committee Member Jennifer Gilbert at 8:10 PM
 Committee Member Steve Toschi
 Committee Member Ivan Salas

Members Absent:

None

Staff Present:

Gloria Butsch, Finance Director - Budget Officer
 John Walsh, City Administrator (Via Zoom)
 Jamie Edwards, Accountant III- Budget Comm. Sec.
 Jennifer Johnson, Accountant III
 Brenda Herren-Kenaga, Librarian I Patron Services
 Suzanne Bishop, Library Director
 Shanna Duggan, Recreation Manager

Mike DeRoia, Building Official
 Jacob Graichen, City Planner
 Matt Smith, Chief of Police
 Doug Treat, Lieutenant
 Jennifer Stratton, Police Officer
 Jeremy Howell, Police Officer
 Mouhamad Zaher, Public Works Director (Zoom)

Others:

Jan Zuccarini
 Tony Morgan
 Cheryl Morrissey
 Brady Preheim
 Nick Hellmich
 Fatima Salas
 iPhone

Leslie
 Tina Curry
 Robyn Toschi
 Tyler Miller
 Lynne Pettit
 Taylor

Call to Order

Chair Lew Mason called the Budget Committee Meeting to order at 6:00 P.M.

Budget Committee Rules and Declaration of Conflicts of Interest

Finance Director Gloria Butsch opened by addressing an email received that morning containing concerns from a citizen. The citizen alleged that the Budget Committee had failed to hold a proper public hearing on the use of state shared revenue as required under ORS 1.770. Finance Director Butsch responded that an initial review confirmed a public hearing was in fact opened, public comment was solicited, and the hearing was properly closed during the May 7 meeting. Finance Director Butsch further noted that a second concern raised by the citizen—the absence of public comment at this meeting—was addressed by citing ORS 294.426, which does not require public comment at every Budget Committee meeting, as a public comment opportunity had already been provided at the first meeting.

Finance Director Butsch also reminded the Committee that due to time constraints, this meeting's agenda did not include time for Committee member presentations, and requested that any member wishing to present at the next meeting submit materials to staff at least seven days in advance.

Ground Rules were reviewed, emphasizing professional and respectful conduct, the prohibition on personal attacks, the expectation that Committee Members represent the community as a whole, and the requirement that any additional documentation requests be agreed upon by a majority of the Committee.

Declaration of Conflicts of Interest was then addressed. Finance Director Butsch reminded Committee Members of Oregon's ethics requirements, noting that a recent amendment through Senate Bill 983 (Oregon Laws 2025, Chapter 466) permits public officials to participate in budget discussions and votes even when their compensation or that of a relative is included in the budget, provided an actual conflict of interest is first disclosed. Mayor Jennifer Massey declared an actual conflict of interest, stating that her spouse is employed by the City as a Police Officer, and invoked the SB 983 exception to participate in discussion and vote on the budget.

Committee Member Steve Toschi stated the Committee did not put together the agenda, and that the next meeting should have Public Comment. Chair Mason stated the current agenda is set, anything to add would be included in the next meeting.

Approval of Minutes

1. Review & Approval of May 7, 2026, Minutes

Committee Member Steve Toschi had an amendment stating the minutes omitted his objection to the proposed budget alternative options and that the Committee should only discuss a proposed budget with currently known revenues.

Motion: Motion made by Councilor Gundersen to approve the Budget Committee Minutes from 5/7/2026 as amended, seconded by Committee Member Salas.

Voting Yea: Mayor Massey, Council President Chilton, Councilor Gundersen, Councilor Hubbard, Councilor Sundeen, Vice Chair Mason, Vice Chair Evans, Committee Member Salas, Committee Member Toschi

Budget Officer Comments

Finance Director Butsch provided opening remarks, noting that the proposed budget was prepared in accordance with Oregon budget law, drawing on nearly 27 years of experience assisting governments with budget preparation. She emphasized that the budget was developed collaboratively with all departments and that decisions regarding layoffs and furloughs were management decisions not requiring Budget Committee approval. Finance Director Butsch stated that she would provide information following the department head roundtable on what it would cost to restore the library and recreation departments to full staffing, in response to prior Committee inquiry.

Department Head Statements

The Chair invited department heads to present an overview of their respective departments, challenges, and proposed budget impacts.

Building Division — Building Official, Mike DeRoia

Building Official Mike DeRoia provided an overview of the division's role in administering State and City building, plumbing, mechanical, and manufactured dwelling codes. He reported that the division has historically operated with approximately 2.4 FTEs, and the proposed budget reduces staffing to 2 FTEs—himself and a Permit Technician—representing a staffing reduction of nearly 17 percent. The position being eliminated is the Community Development Administrative Assistant, which supports the Permit Technician and public lobby

functions. Expenditures are proposed to decrease by 16.4 percent overall, including an 18 percent reduction in personnel services.

On the revenue side, Building Official DeRoia noted that permit fees must be used to administer and enforce State Building Codes and that total revenues are proposed to remain flat at \$225,000. He noted that year-to-date collections were already \$30,000 ahead of projections. He expressed concern that the staffing reductions would delay permit reviews and inspections at a time when the City is on the cusp of potential development growth tied to the waterfront Sewer capacity project.

Councilor Hubbard questioned the division's outsourcing practices. Building Official DeRoia confirmed that commercial plumbing plan reviews are outsourced to other municipalities through a shared services program of approximately 45 jurisdictions, and that all outsourced plan reviews are subsequently reviewed for local Code compliance. Committee Member Toschi discussed the public safety implications of reduced staffing, with Building Official DeRoia confirming that the Building Code would still be administered and enforced but that response times would be affected. Toschi further asked of the schedule impacts with furloughs as presented in the proposed budget. DeRoia confirmed the furloughs could have an impact on turnaround time with delays in completion, not quality of work.

Police Department — Chief Matthew Smith 27:52

Police Chief Smith stated that the proposed budget represents the department's best estimate of the cost to deliver law enforcement services during the next fiscal year. He highlighted several significant cost items.

Chief Smith reported that Columbia County 9-1-1 is projected to assess user fees of approximately \$550,000 beginning in January, based on call volume, as briefed to all County agencies by the C-COM Executive Director. He noted this figure had been confirmed at a C-COM meeting attended by agency representatives.

Chief Smith disclosed that upon assuming command he identified inaccurate budget forecasts from the prior fiscal year, which have since been corrected. He also identified significant equipment deficiencies, including AR-15 patrol rifles—some dating to 1996 and 2006–2007—with failing components including bolts, bolt carriers, firing pins, optics, and extractors. Lieutenant Treat confirmed that ongoing inspections have uncovered broken bolts, carriers, and extractors, and that optics manufacturers have declined warranty service on equipment purchased nearly 20 years ago. The proposed budget includes approximately \$65,000 to replace and fully outfit all department rifles, including suppressors to mitigate officer and civilian hearing loss risk in enclosed-space deployments. Chief Smith noted that TASERS were replaced in the prior fiscal year and that a systematic equipment replacement program is now being established to avoid future lump-sum replacements.

Chief Smith reported that as of May 3, 2026, the department returned to 24-hour, 7-day-a-week patrol coverage across three shifts without incurring overtime. He acknowledged significant overtime expenditures in prior periods, noting that from approximately February through May 2026, the department had operated with on-call coverage due to staffing shortages, with Columbia County Sheriff's Office handling calls from 3:00 AM to 7:00 AM for one month. Lieutenant Doug Treat confirmed that covering those gaps required approximately 240 hours of overtime per month during that period.

Committee discussion focused on overtime spending, with Committee Member Toschi noting that actual overtime was **\$397,226** in FY2024, **\$525,432** in FY2025, and is projected at approximately **\$550,000** for the current fiscal year, against an adopted budget of **\$300,000**. Chief Smith confirmed his expectation that overtime costs will decrease substantially as three additional recruits complete their training and are deployed to patrol, and as the detective unit is rebuilt. He also noted that the department is exploring high-level discussions with the Columbia County Sheriff's Office about coordinating patrol staffing to improve coverage efficiency during overnight hours. Several questions were deferred by agreement of the Committee, with Chief Smith and Lieutenant Treat to respond in writing prior to the May 28 meeting.

Chief Smith concluded by vocally supporting the restoration of Library and Parks and Recreation funding, stating that cutting those services does not resolve the structural budget pressure, which he identified as originating primarily from public safety costs.

Committee Member Toschi asked if working without a Police Union would help the Chief to make staying in budget easier. Chief Smith said working with the Association has been very helpful and pragmatic. Toschi asked what the Chief thought about reducing the overtime budget to \$100,000 in the proposed budget. Chief Smith said with State mandated training alone causes overtime, might be able to lower a bit but not to his suggested of \$100,000, they can try to hit \$300,000 if staffing is stabilized. Toschi further asked if the Chief has been told to stay within budget, Chief Smith advised not directly but has been told he has a mission to provide Law Enforcement services and has recently declined overtime.

Planning Division — City Planner Jacob Graichen 1:10:18

City Planner Graichen reported that the Planning Division has been reduced from 2.42 FTEs to effectively 0.9 FTE—himself, subject to a 10 percent furlough (two days per month)—a reduction of approximately 63 percent. The elimination of the Community Development Administrative Assistant position is of particular concern, as that individual manages legally required mailings, public notices, and agendas. City Planner Graichen noted that the current Administrative Assistant is resigning, leaving him to absorb those responsibilities.

Committee members inquired about the impacts of such reductions on ongoing projects and efficiencies. City Planner Graichen contextualized the reduction historically, noting that the city's population has grown 114 percent since 1978 (from approximately 7,000 to 15,000 residents) while the Planning Department has returned to a single Planner—a staffing level he described as the exception rather than the rule over the past 20 years. He cautioned that reduced Planning capacity will lead to slower customer service, fewer grant applications, reduced support for commissions, greater difficulty keeping pace with State land use legislation, and diminished ability to assist with major development initiatives such as the waterfront and mill sale projects. He also referenced the principle of crime prevention through environmental design, noting that physical blight has a direct correlation with crime rates.

Recreation Division — Recreation Manager Shanna Duggan 1:32:12

Recreation Manager Duggan reported that the division has historically employed as many as 6 FTEs; the proposed budget reduces staffing to 2.0 FTEs following the elimination of a 0.5 FTE position, with furloughs applied to remaining staff. She described the division's programs as reaching far beyond traditional recreation, including deep partnerships with the School District, community grants, and wraparound services for youth and families.

Recreation Manager Duggan reported that the division has acquired nearly \$2,000,000 in grants since the recreation program was established in 2018, including a five-year, \$1,000,000 Oregon Department of Education grant (RISE program, \$235,000 annually) currently in its fourth year. Year-to-date revenues are approximately \$118,000, with a projected year-end estimate of \$387,000, with grant reimbursements of approximately \$75,000 further offsetting the department's General Fund impact to under \$100,000 annually.

The elimination of the 0.5 FTE position will directly result in the closure of the SHARP paid after-school program, which Recreation Manager Duggan estimated at a loss of approximately \$100,000 in annual revenue. Summer camp offerings are projected to drop from 14 to 3 due to reduced staffing and capacity. Recreation Manager Duggan also noted that the division is the largest employer of high school youth in Columbia County and provides affordable childcare alternatives in a community she described as a "childcare desert." She expressed concern about the downstream effects on public safety of reduced after-school programming.

Library — Library Director Suzanne Bishop 1:57:26

Library Director Bishop presented updated performance data, noting that figures on page 33 of the proposed budget were outdated. In FY2025, Columbia Center received 49,400 visits, with 38,050 of those in the library itself.

The library was open 2,337 hours, owned 41,656 items, and circulated 68,826 items. The makerspace served 788 users. Youth programming served approximately 1,700 participants, and the summer library challenge resulted in over 265,000 minutes read. The library maintained 43 volunteers, a 35 percent increase over FY2024, contributing 1,474 hours valued at approximately **\$47,566**.

Library Director Bishop reported that the proposed budget eliminates four part-time library assistant positions (three were laid off; one was already vacant) and imposes a 10 percent furlough on all four remaining full-time staff. She stated that this results in 384 fewer service hours per month. The library has already reduced its open days from six to five (eliminating Thursdays) in anticipation of the staffing loss, and will further reduce to four days per week—Mondays, Tuesdays, Fridays, and Saturdays—once the changes take effect, which she noted has not yet been implemented.

The impacts Library Director Bishop described include fewer new material acquisitions (budget reduced approximately 24 percent), reduced makerspace hours, story time reduction from two per week to one, curtailed outreach and community partnerships, suspension of genealogy and book club programs, longer wait times at the public service desk, and diminished capacity to serve vulnerable patrons needing technology assistance. She expressed particular concern about the loss of individualized patron support, noting recent examples including a staff member who spent 30 minutes helping a patron secure her mother's housing by navigating mortgage autopay systems. The library's role as a cooling center during summer heat events was also noted, with Library Director Bishop acknowledging that without full staffing, extended cooling center hours would no longer be feasible.

A Committee member asked what it would cost to restore library and recreation staffing. Finance Director Butsch confirmed she had prepared this analysis in response to a prior Committee question.

Public Works — Public Works Director Mouhamad Zaher (via Zoom) 2:23:15

Public Works Director Zaher participated remotely via Zoom. He provided an overview of the department's five divisions: Engineering, Operations, Water Quality (water filtration and wastewater treatment), Information Technology, and Parks.

Public Works Director Zaher noted that the IT division lost one FTE in the prior year and continues with a single FTE supporting citywide technology systems. The Parks division (3 FTEs) experienced minor materials and services reductions while continuing to manage 13 citywide parks. He reported that the Engineering division is preparing to proceed with the sewer capacity design and construction project, with bid opening scheduled for the following week. The department reduced inspection services costs for this project from approximately **\$850,000** to **\$140,000** per year through in-house management strategies. Additional major capital projects include a **\$5,000,000** 5-million-gallon water reservoir, a wastewater treatment SCADA system upgrade, and a water filtration rack replacement program.

Regarding street maintenance, Public Works Director Zaher noted that the street fund stands at approximately **\$70,000**, which is insufficient to address the backlog of needed paving projects. He identified several streets requiring attention, including Gable Road and Oregon Street, estimating a minimum of **\$500,000** would be needed to complete five priority projects. He attributed the funding shortfall to low state gas tax revenues and limited STBG funds from ODOT, though he noted that current elevated gas prices may yield modest additional gas tax revenues.

Finance Division — Finance Director Gloria Butsch 2:34:51

Finance Director Gloria Butsch reported that the Finance Division will lay off one Administrative staff member, impacting Utility Billing operations and requiring reorganization of front office functions across Planning, Building, Administration, Billing, and Municipal Court. The four remaining Finance staff members will also be subject to furloughs of 8 hours every two weeks. She noted that the City's auditor has commented in each of the past two

years that the division is already short-staffed, with particular concern about internal controls. Finance Director Butsch explained that the loss of additional staff reduces the division's ability to maintain segregation of duties—critical safeguards against fraud and theft in areas such as cash handling, payment entry, and bank reconciliation. She stated that while the division will reorganize to maintain essential internal controls, walk-in customer service for Utility Billing and Planning and Building appointments will be reduced, and grant management oversight capacity will be diminished.

Review Submitted Questions & Staff Responses

Finance Director Butsch reviewed written responses to questions submitted by Committee members prior to the meeting. The completed questions and staff responses have been added to the meeting packet, after the meeting. The following items were addressed:

System Development Charges (SDCs): Broadleaf development paid all SDCs in full of no credits. A chart was provided showing SDC increases over the past seven years, with the current year representing the first increase since 2022. Finance Director Butsch confirmed that SDC revenues are restricted by State Law to the specific fund and eligible projects identified in the applicable master plan and have no effect on the General Fund.

General Fund Support Services: Finance Director Butsch presented a seven-year chart showing General Fund support service charges to Enterprise and other Funds, noting that the current year reflects a decrease.

Police Budget Overage: The police budget is projected to exceed budget by \$421,900 for FY2026. Finance Director Butsch confirmed that preparation of a supplemental budget is underway, to be presented to the City Council for action.

General Fund Revenue Forecast and Ending Fund Balance: Finance Director Butsch explained that the projected General Fund ending fund balance of \$1,122,166 is derived from the beginning fund balance plus revenues less expenditures and is not attributable to a single revenue source. A full revenue forecast was attached for Committee review.

Water Fund: The Water Fund's projected decline of approximately \$1,700,000 in FY2027 is attributable to the planned use of reserves to purchase property for the new 5-million-gallon reservoir. The Fund is expected to recover in FY2028–2029 through rate increases per the 2025 rate study and projected loan proceeds.

Property Tax Impact of New Development: Assuming \$20,000,000 in newly assessed property value, Urban Renewal would receive approximately \$252,200 and the City's permanent rate fund would receive approximately \$38,156 annually.

Debt for Sewer and Water Projects: Finance Director Butsch confirmed that no permanent debt schedule exists for the sewer project, as it is a drawdown-type loan and the final amount will not be known until project completion. The Committee noted that sewer-related debt may reach approximately \$25,000,000 and water-related debt approximately \$13,000,000. Funding options for the water reservoir project are still under analysis.

Weigandt Property Payment: The City is obligated to pay \$1,250,000 to the Weigandt Estate for property at 1771 Columbia Boulevard, due in September 2026 (180 days following the property owner's death). This amount is budgeted in the Public Safety Facility Fund (page 92 of the proposed budget).

Millard Road Property: The City Council approved the sale of Millard Road property to OHM Equity Partners LLC at \$35,000 per buildable lot by Resolution 2014 on June 19, 2024. The applicant has been engaged in an extended pre-application process since mid-2024 and as of May 11, 2026, no preliminary plat application has been submitted. Finance Director Butsch noted no property sales are anticipated until FY2027.

Proposed Police Services Fund: Finance Director Butsch addressed questions regarding the proposed option to move the Police Department into a separate Special Revenue Fund. She confirmed that the decision to present this as an option was made collaboratively by the Finance Director, City Administrator, and Police Chief, and that

the City consulted with the Oregon Department of Revenue's Budget Division, which confirmed the approach of offering an alternate budget option to the Committee is appropriate. A copy of the confirming email was attached.

Restoring Library and Recreation Funding: Finance Director Butsch confirmed that the cost to fully restore Library and Recreation staffing, eliminating all proposed layoffs and furloughs for those departments—is \$239,000. She outlined three options for funding this restoration: (1) reduce the Police budget by the same amount; (2) if the Police Department is separated into its own fund, approve a General Fund ending fund balance of 17 percent instead of 20 percent; or (3) reduce the amount transferred to the new Police Services Fund while maintaining a 20 percent General Fund ending fund balance, which would require additional reductions in the Police Services Fund.

Police Department Roles and Responsibilities: Finance Director Butsch read into the record written responses from Police Chief Smith and members of the command staff detailing the multiple concurrent duties being performed by each officer above and beyond their primary assignment, including Chief Smith simultaneously serving as Chief, Detective Sergeant, and Detective; Lieutenant Treat simultaneously serving as Lieutenant, Patrol shift filler, Municipal Court Bailiff, Lead Firearms Instructor, and Field Training Coordinator; and Patrol Sergeants carrying responsibilities typically constituting full-time positions at larger departments.

Salary and Overtime Data: Attachments providing all department heads salaries with and without overtime, and all Police Officer base wages by step and certification level including overtime, were provided to the Committee.

Proposed Budget Presentation #2 FY2027 3:05:38

Finance Director Butsch presented summary slides addressing the fiscal outlook. The slides were added to the meeting packet after the meeting. She confirmed that based on Committee and Community input, the proposed \$24 General Service Fee is assumed not to pass. Without the fee, the General Fund shortfall is \$1,758,000 at a 10 percent reserve target and \$2,911,500 at a 20 percent reserve target. Finance Director Butsch noted that separating the Police Department into a dedicated special revenue fund has received broadly positive feedback, as it provides transparency and allows voters to understand precisely how a dedicated Police Services fee would be used.

Finance Director Butsch presented budget forecast slides demonstrating that without the fee but with the Police Department separated from the General Fund, the General Fund's reserve percentage could potentially increase over the forecast period, potentially enabling the reduction or elimination of furloughs by FY2028 and the restoration of staffing in Planning, Building, and Finance by FY2029. A slide showing the General Fund with the Police Department removed and Library and Recreation funding restored demonstrated a reserve percentage of 17 percent in the near term.

Finance Director Butsch clarified that the Committee cannot make a definitive decision about the Police Fund structure or fee until after the May 19 ballot results are known, as a fee that fails would require further budget adjustments at the Council level.

Committee Discussion

Substantial Committee discussion arose on several interconnected issues.

November Ballot Measure and Budget Assumptions: Committee Member Gilbert raised a legal concern, citing ORS 294.352, which requires that revenues in a budget reflect reasonable expectations. Gilbert argued that if the Committee has stated in writing an assumption that the General Service Fee will not pass, it may not be appropriate to simultaneously plan a budget around a second fee to be placed on the November ballot, as that revenue source may similarly not meet the "reasonable expectations" standard. Other Committee members and Council members present acknowledged that while the concern was noted for the record, the Committee could discuss scenarios without formally adopting a budget contingent on unverified revenues. The Committee agreed that a legal clarification should be sought prior to the May 28 meeting.

Police Department Structural Reform: Significant discussion took place regarding the proposal to separate the Police Department into a dedicated Special Revenue Fund. Committee members in favor of this option argued that this approach provides transparency, isolates other General Fund departments from recurring budget pressure caused by Police spending growth, and mirrors a model used successfully by other Oregon cities including Columbia City. A Council Member present expressed support for placing the concept on the next Council meeting agenda for discussion. Opposing views centered on the complexity of introducing a structural budget change in the middle of a budget cycle, and the preference for completing the analysis of the current proposed budget before introducing alternative fund structures.

Public Comment: Committee Member Gilbert moved to allow public comment at the current meeting, citing the public's right to participate in decisions affecting their community. After discussion, the Committee agreed by consensus not to open public comment at this meeting given the late hour but agreed that written public comments submitted prior to the May 28 meeting would be accepted and distributed to Committee members in advance. A consensus for public comment at the May 28 meeting was expressed but not formally voted upon at this time.

Committee Discussion — Library and Recreation Restoration 3:21:26

Following the roundtable discussion, Committee Member Toschi formally moved to restore full funding to the Library and Recreation, including the reinstatement of all laid-off positions and the elimination of proposed furloughs for those departments, as calculated by Finance Director Butsch.

Motion: Motion made by Committee Member Toschi to restore full funding to the Library and Recreation Departments—eliminating all proposed layoffs and furloughs for those departments, at an approximate cost of **\$239,000**, seconded by Committee Member Salas.

Voting Yea: Mayor Massey, Council President Chilton, Councilor Gundersen, Councilor Hubbard, Councilor Sundeen, Vice Chair Mason, Vice Chair Evans, Committee Member Gilbert, Committee Member Salas, Committee Member Toschi

Adjournment at 10:09 PM to May 28, 2026.

The Committee agreed that the proposed budget was not ready for final approval at this meeting. Discussion confirmed that the next scheduled meeting is May 28, 2026. Committee Members were advised that anyone wishing to add items to the May 28 agenda should submit requests to staff by May 19. It was noted that two Committee Members would not be able to attend in person and may participate remotely. A quorum was confirmed for the May 28 meeting. The Urban Renewal Agency budget presentation was identified as a required agenda item for May 28, with materials to be made available by May 26.

Respectfully submitted by Jamie Edwards, Accountant III, with assisted transcription by ClerkMinutes.

GENERAL FUND	2023-24 Actual	2024-25 Actual	2025-26 Adopted	2026-27 Draft Approved
RESOURCES				
GENERAL FUND REVENUE	11,876,298	10,191,694	11,028,200	10,236,300
TRANSFERS	-	1,000,000	-	-
Total Revenue	11,876,298	11,191,694	11,028,200	10,236,300
FUND BALANCE AVAILABLE	1,388,021	715,387	1,223,514	366,266
TOTAL RESOURCES	13,264,319	11,907,081	12,251,714	10,602,566
EXPENDITURES				
PERSONNEL SERVICES				
Dept 701 Admin	635,558	491,613	514,000	448,500
Dept 702 Recorder	321,264	317,334	330,900	309,700
Dept 703 Council	71,813	72,827	73,340	67,500
Dept 704 Court	221,924	220,133	231,500	225,700
Dept 705 Police	5,133,803	5,046,937	4,897,500	4,036,900
Dept 706 Library	638,526	587,444	657,700	686,000
Dept 707 Finance	691,660	699,791	759,300	648,600
Dept 708 Parks	458,378	359,382	407,500	175,000
Dept 709 Recreation	311,481	253,604	312,700	335,200
Dept 710 Planning	401,213	362,255	325,500	200,800
Dept 711 Building	368,313	345,582	375,500	310,100
Dept 712 Technology	311,959	187,393	174,700	166,300
Dept 715 General	-	-	-	-
TOTAL PERSONNEL SERVICES	9,565,892	8,944,295	9,060,140	7,610,300
MATERIALS & SERVICES				
Dept 701 Admin	48,856	32,884	30,800	37,600
Dept 702 Recorder	56,504	52,278	64,000	49,700
Dept 703 Council	69,642	39,826	46,000	46,600
Dept 704 Court	262,947	254,814	254,200	243,700
Dept 705 Police	912,227	829,441	613,500	646,500
Dept 706 Library	168,875	180,938	197,350	143,800
Dept 707 Finance	579,207	246,051	280,000	280,500
Dept 708 Parks	133,899	173,816	169,000	172,800
Dept 709 Recreation	57,424	63,710	62,800	73,300
Dept 710 Planning	49,508	65,035	30,000	24,400
Dept 711 Building	34,313	22,391	34,400	32,600
Dept 712 Technology	339,762	341,689	391,500	413,000
Dept 715 General	269,877	568,613	303,000	361,200
TOTAL MATERIALS & SERVICES	2,983,041	2,871,486	2,476,550	2,525,700
TOTAL EXPENDITURES	12,548,933	11,815,781	11,536,690	10,136,000
ENDING FUND BALANCE	715,386	91,300	715,024	466,566
20% RESERVE POLICY	2,509,787	2,363,156	2,307,338	2,027,200
RESERVE PERCENTAGE	6%	1%	6%	5%
30% RESERVE DESIRE	3,764,680	3,544,734	3,461,007	3,040,800

		2023-24	2024-25	2025-26	2026-27	2026-27
GENERAL FUND		Actual	Actual	Adopted	Proposed	Draft Approved
RESOURCES SUMMARY						
Local Taxes		2,164,436	2,135,681	2,220,000	2,360,000	2,360,000
Intergovernmental		655,153	507,259	688,500	448,900	448,900
Grants		926,904	78,475	-	-	-
Charges for Services		6,872,763	6,478,024	6,949,700	7,943,700	6,185,700
Licenses, Permits, Fees		666,823	606,941	844,000	797,500	797,500
Fines		198,222	173,000	165,000	160,000	160,000
Miscellaneous Revenue		391,997	212,314	161,000	424,200	284,200
Transfers		-	1,000,000	-	-	-
Beginning Fund Balance Available		1,388,021	715,387	1,223,514	366,266	366,266
TOTAL RESOURCES		13,264,319	11,907,081	12,251,714	12,500,566	10,602,566
LOCAL TAXES						
Property Tax Revenue	100-000-31001	2,096,004	2,052,242	2,190,000	2,320,000	2,320,000
Previously Levied Tax	100-000-31002	68,432	83,439	30,000	40,000	40,000
TOTAL LOCAL TAXES		2,164,436	2,135,681	2,220,000	2,360,000	2,360,000
INTERGOVERNMENTAL						
Cigarette Tax	100-000-32003	9,536	8,468	8,500	7,400	7,400
Alcohol Bev. Tax	100-000-32004	258,877	251,388	240,000	210,500	210,500
Revenue Sharing	100-000-32005	173,282	145,393	150,000	146,000	146,000
Cannabis Tax	100-000-32006	213,458	102,010	120,000	85,000	85,000
Intergovernment-Revenue	100-000-32007	-	-	170,000	-	-
TOTAL INTERGOVERNMENTAL		655,153	507,259	688,500	448,900	448,900
GRANTS						
Grants	100-000-33005	926,404	77,000	-	-	-
Grant - Police	100-000-33006	500	-	-	-	-
Grant - Parks	100-000-33007	-	1,475	-	-	-
TOTAL GRANTS		926,904	78,475	-	-	-
CHARGES FOR SERVICES						
Dockside Services	100-000-34001	18,350	12,323	18,000	15,000	15,000
Service Support Fees		-	-	-	1,758,000	-
In Lieu of Franchise Fees	100-000-34003	1,472,155	1,078,522	1,133,000	1,205,000	1,205,000
GF Support Services	100-000-34004	4,316,300	4,332,500	4,841,700	3,958,700	3,958,700
Franchise Taxes	100-000-34006	1,058,608	1,044,836	950,000	1,000,000	1,000,000
Lien Searches	100-000-34025	7,350	9,843	7,000	7,000	7,000
TOTAL CHARGES FOR SERVICES		6,872,763	6,478,024	6,949,700	7,943,700	6,185,700
LICENSES, PERMITS, FEES						
Permits - Columbia City Bldg	100-000-35001	14,531	17,224	17,000	17,000	17,000
Fees - Business Licenses	100-000-35002	108,075	109,805	253,800	180,000	180,000
Permits - St Helens Bldg	100-000-35003	111,711	73,020	85,000	85,000	85,000
Fees - Bldg Admin	100-000-35004	34,020	18,866	18,000	18,000	18,000
Permits - Plumbing	100-000-35005	17,488	18,980	21,000	21,000	21,000
Permits - Mechanical	100-000-35006	20,878	13,808	16,000	14,000	14,000
Fees - Plan Review	100-000-35009	78,947	74,825	68,000	70,000	70,000
Fees - Library	100-000-35010	47,310	3,794	1,500	1,000	1,000
Fees - SDC Admin	100-000-35011	17,258	28,845	16,500	19,500	19,500
Fees - Planning	100-000-35015	29,023	35,024	30,000	30,000	30,000
Fees - Police Training	100-000-35016	5,579	6,222	5,000	4,000	4,000
Fees - Events Impact Fee	100-000-35017	-	-	127,200	165,000	165,000
Fees - Recreation	100-000-35018	169,808	190,357	180,000	160,000	160,000
Fees - Parks	100-000-35019	12,195	16,171	5,000	13,000	13,000
TOTAL LICENSES, PERMITS, FEES		666,823	606,941	844,000	797,500	797,500
FINES						
Fines - Library	100-000-36001	11,991	16,580	5,000	10,000	10,000
Fines - Court	100-000-36002	186,231	156,420	160,000	150,000	150,000
TOTAL FINES		198,222	173,000	165,000	160,000	160,000
MISCELLANEOUS						
Interest Earnings	100-000-37001	178,342	30,760	20,000	20,000	20,000
Misc- Police	100-000-37003	-	-	-	49,200	49,200
Misc - General	100-000-37004	189,820	164,357	125,000	100,000	100,000
Donations-Library	100-000-37004	-	2,228	-	-	-
Sale of Surplus Property	100-000-37012	-	-	-	-	-
Donation- Parks	100-000-37007	-	2,500	-	-	-
Reimb - Courts	100-000-37009	23,835	12,469	16,000	15,000	15,000
Interfund- Opioid Com Enh.	100-000-37010	-	-	-	140,000	-
Interfund- Recreation Com Enh.	100-000-37034	-	-	-	100,000	100,000
TOTAL MISCELLANEOUS		391,997	212,314	161,000	424,200	284,200
TRANSFERS	100-000-38001	-	1,000,000	-	-	-
FUND BALANCE AVAILABLE	100-000-39001	1,388,021	715,387	1,223,514	366,266	366,266
TOTAL RESOURCES		13,264,319	11,907,081	12,251,714	12,500,566	10,602,566

POLICE DEPARTMENT		2023-24	2024-25	2025-26	2026-27	2026-27
		Actual	Actual	Adopted	Proposed	Adjusted
PERSONNEL SERVICES						
100-705-50001	Wages	2,715,957	2,524,884	2,590,000	2,300,000	2,018,000
100-705-50004	Overtime	367,226	525,432	300,000	370,000	200,000
100-705-51005	CIS Insurance	636,863	567,444	670,000	760,000	678,500
100-705-51006	VEBA	46,598	210,111	46,500	40,000	34,500
100-705-51007	Retirement	1,063,178	981,751	1,019,000	971,000	859,000
100-705-51008	Taxes	230,655	224,573	230,000	223,000	197,000
100-705-51015	Other Benefits	73,326	9,131	42,000	45,000	45,000
100-705-51017	Fitness Reimbursement		3,611		5,500	4,900
TOTAL PERSONNEL SERVICES		5,133,803	5,046,937	4,897,500	4,714,500	4,036,900
MATERIALS & SERVICES						
100-705-52001	Operating Supplies	61,739	46,702	65,000	67,600	30,000
100-705-52002	Personnel Uniforms Equipment	25,657	25,083	20,000	30,000	20,000
100-705-52003	Utilities	8,960	11,298	15,000	17,000	12,000
100-705-52006	Computer Maintenance	53,898	29,985	30,000	42,000	30,000
100-705-52010	Telephone	22,067	26,457	24,500	24,500	24,500
100-705-52014	Recruiting Expenses	4,110	4,807	6,000	-	-
100-705-52018	Professional Development	23,697	34,424	30,000	20,000	20,000
100-705-52019	Professional Services	57,697	131,591	40,000	80,000	40,000
100-705-52021	Equipment Maintenance	-	1,467	2,000	5,400	2,000
100-705-52022	Fuel/Oil	66,679	62,674	75,000	80,000	60,000
100-705-52023	Facility Maintenance	35,286	74,350	35,000	35,000	35,000
100-705-52027	IT Charges	864	-	3,000	3,000	-
100-705-52040	Special Investigations	-	817	-	-	-
100-705-52044	K9 Expense	50	543	-	-	-
100-705-52086	Tactical	12,749	8,162	13,000	65,000	10,000
100-705-52097	Enterprise Fleet	163,939	287,019	95,000	245,000	245,000
100-705-52098	Fleet Maintenance	33,794	18,982	25,000	25,000	25,000
100-705-52102	New Hire Equipment	3,213	12,195	12,000	12,000	3,000
100-705-52115	Report Writer	309,153	21,407	86,000	90,000	90,000
100-705-52117	Body Cameras	28,675	31,478	37,000	58,000	-
100-705-52118	C-Com Service Fee	-	-	-	550,000	-
TOTAL MATERIALS & SERVICES		912,227	829,441	613,500	1,449,500	646,500
TOTAL EXPENDITURES		6,046,030	5,876,378	5,511,000	6,164,000	4,683,400

LIBRARY DEPARTMENT		2023-24	2024-25	2025-26	2026-207	2026-207
		Actual	Actual	Adopted	Proposed	Adjusted
PERSONNEL SERVICES						
100-706-50001	Wages	404,871	391,545	423,000	306,000	436,500
100-706-50004	Overtime	125	-	-	-	-
100-706-51005	CIS Insurance	65,785	52,393	55,000	64,700	64,700
100-706-51006	VEBA	5,549	4,926	5,100	4,900	5,100
100-706-51007	Retirement	129,841	108,819	138,000	100,600	142,500
100-706-51008	Taxes	30,476	29,530	35,700	25,800	37,000
100-706-51015	Other Benefits	1,879	231	900	200	200
TOTAL PERSONNEL SERVICES		638,526	587,444	657,700	502,200	686,000
MATERIALS & SERVICES						
100-706-52001	Operating Supplies	4,463	8,365	8,500	1,900	1,900
100-706-52003	Utilities	19,692	20,577	25,000	20,000	20,000
100-706-52006	Computer Maintenance	12,866	11,748	17,000	16,000	16,000
100-706-52014	Recruiting	-	-	1,000	-	-
100-706-52018	Professional Development	482	2,685	2,000	1,000	1,000
100-706-52019	Professional Services	3,484	1,916	3,500	4,000	4,000
100-706-52020	Bank Service Fees	724	70	-	-	-
100-706-52023	Facility Maintenance	52,320	61,885	56,000	43,000	43,000
100-706-52027	IT Charges	-	-	4,900	1,000	1,000
100-706-52028	Projects & Programs	5,263	6,172	3,500	2,500	2,500
100-706-52031	Periodicals	1,117	740	250	100	100
100-706-52032	Digital Resources	22,873	23,363	20,000	12,000	12,000
100-706-52033	Printed Materials	36,991	26,467	32,000	23,500	23,500
100-706-52034	Visual Materials	3,650	3,051	3,500	2,500	2,500
100-706-52035	Audio Materials	3,188	568	2,500	800	800
100-706-52036	Makerspace	48	10,001	7,000	4,500	4,500
100-706-52037	Library of Things	1,714	3,330	2,500	2,800	2,800
100-706-52130	Building Lease	-	-	8,200	8,200	8,200
TOTAL MATERIALS & SERVICES		168,875	180,938	197,350	143,800	143,800
TOTAL EXPENDITURES		807,401	768,382	855,050	646,000	829,800

	2023-24	2024-25	2025-26	2026-27	2026-27
RECREATION	Actual	Actual	Adopted	Proposed	Adjusted
PERSONNEL SERVICES					
100-709-50001 Wages	191,810	172,767	186,000	155,400	194,000
100-709-51005 CIS Insurance	39,482	41,428	46,500	59,100	59,100
100-709-51006 VEBA	3,006	3,097	3,300	3,000	3,500
100-709-51007 Retirement	57,318	21,231	58,700	49,200	61,500
100-709-51008 Taxes	14,573	13,775	15,800	13,100	16,500
100-709-51015 Other Benefits	5,292	1,306	2,400	100	100
100-709-51017 Fitness Reimbursement	-	-	-	900	500
TOTAL PERSONNEL SERVICES	311,481	253,604	312,700	280,800	335,200
MATERIALS & SERVICES					
100-709-52001 Operating Supplies	3,492	4,363	13,000	13,000	13,000
100-709-52003 Utilities	11,401	7,940	9,000	9,000	9,000
100-709-52008 Printing	257	190	500	500	500
100-709-52010 Telephone	1,490	2,067	1,800	1,800	1,800
100-709-52018 Professional Development	545	1,220	-	500	500
100-709-52019 Professional Services	9,444	24,844	20,000	20,000	20,000
100-709-52020 Bank Service Fees	3,679	4,370	5,000	5,000	5,000
100-709-52022 Fuel	179	106	500	500	500
100-709-52023 Facility Maintenance	21,074	12,321	13,000	13,000	13,000
100-709-52028 Projects & Programs	-	-	-	10,000	10,000
100-709-52097 Enterprise Fleet Management	5,863	6,289	-	-	-
TOTAL MATERIALS & SERVICES	57,424	63,710	62,800	73,300	73,300
TOTAL EXPENDITURES	368,905	317,314	375,500	354,100	408,500

May 28, 2026, Budget Committee Q&A

Q. What happened to the Arcadia money from the sale of the property? Where did it get placed?

A. The City received \$2,819,130.72 at closing. \$1,500,000 was posted in the General Fund, which was budget in the FY2025 budget. \$1,319,130.72 was posted in the Community Development Fund in the Industrial Business Park.

Also, at closing the balance of the loan the City owed to Boise was paid off in the amount of \$1,735,000. This was done in closing, so the posting of that portion of the transaction will be done when we close FY2026 for audit. The loan payable obligation is in the Community Development Fund.

Lastly, the City is carrying a Promissory Note in the amount of \$3,376,063.67. The City will begin receiving monthly payments from Arcadia in November 2026. The note matures (last payment) in February 2031.

Q. The shortfall in revenues in the General Fund has been known for years, correct?

A. Correct.

Q. We have known for years that a reduction in the police budget was something the city was inevitably facing? Certainly a discussion was inevitable.

A. We have known for years that there needs to be a recurring revenue source to support the services provided by the General Fund.

Q. Assuming the "police service fee" is included in the budget, what happens if the city council never agrees to a ballot measure?

A. If this scenario occurs, then the police department will need to be reduced to 6 sworn officers.

Q. Shall we state as a budget committee if the "police service fee" does not pass, or is not adopted, the police budget will revert to \$3,900,000 (or some other figure), and that the budget in the other departments will not be affected?

A. Yes

Q. If we require as a condition of passing a budget with the hypothetical revenue of the "police service fee" how will the police manage their budget if they start the year spending thinking that they have \$6.1 million in budget, and then by December 1, 2026 their budget is cut to \$3.9 million? What is to prevent the chief from over spending his budget (as he did this year) and

then simply saying the money is spent?

A. We will talk about this during discussion. The City Administrator, Finance Director and Police Chief have revised the police budget to sustain services for the first 6 months of the fiscal year. If the Council does not refer a police services fee to the November ballot OR if the ballot measure fails, the police department will need to be reduced to minimum staffing, no patrol, no investigations, and prioritized call response.

Q. It's true that overspending by the police beyond their budget caused the emergency lay-offs and reduction in government services this year?

A. This statement does not reflect the whole reality and cause of service reduction. We, including the budget committee, have known for several years that the General Fund needs a stable recurring revenue source to provide all general fund services and sustain at least a minimum reserve.

The City has had significant legal costs over several years; these cannot be anticipated and city employees as a group, department or individually should be blamed and punished for the acts that are out of their control.

Q. In addition to the police overspending their budget, what other factors caused the emergency lay-offs and reduction in government services that occurred this year?

A. I believe this is addressed in the prior answer.

Q. What has been done to prevent another year of the type of financial crisis we had this year?

A. This is up to the budget committee, City Council and community. The only way we can remedy this financial crisis is with a stable recurring revenue source. As many other cities in Oregon, the only option is a tax levy or service fee.

Q. What has been done to counsel the chief that he is not authorized to spend beyond his budget?

A. The Police Chief understands the implications of overspending, that is why he tried to capture the full potential costs in the proposed budget. He had no input in the FY2026 budget and did his best to mitigate the problems; many items had been improperly budgeted, such as the Enterprise Fleet contract, the report writer contract and agreement with the county, and significant staff turnover and scheduling.

The current Police Chief has stabilized the department and has been very proactive about communicating to the City Administrator, Finance Director and City Council when issues involving the budget arise.

Q. Assuming the separate fund is adopted: if the voters do not approve the police service fee what happens to the police budget?

Will it be reduced by \$1,812,000 and the police will need to make adjustments?

A. Yes, there would need to be immediate adjustments and staff reductions.

Q. Will the General Fund or other funds be used to make up the shortfall?

A. No

Q. Is the City obligated to make up the shortfall in revenue in the Police Service Fund if the police service fee does not pass? Please provide legal authority regarding this.

A. This scenario is no longer a staff recommended option for budget committee approval. If the City Council decides to refer a ballot measure to the November ballot and approved by voters, then they can decide through the supplemental budget process to create a Police Service Fund to account for this. ORS 294.471

Q. How is it going to work that a budget is adopted for the police service fund when the fund starts by being short by \$1.8 million in revenue? How will the police be paid, and from which funds until the revenues materialize?

A. I believe this has been answered previously.