

Budget Committee Meeting

May 7, 2019



Budget guidance

- Replenish reserves
- Maintain levels of service, to the extent possible
- Reorganize and adjust to assure long-term viability



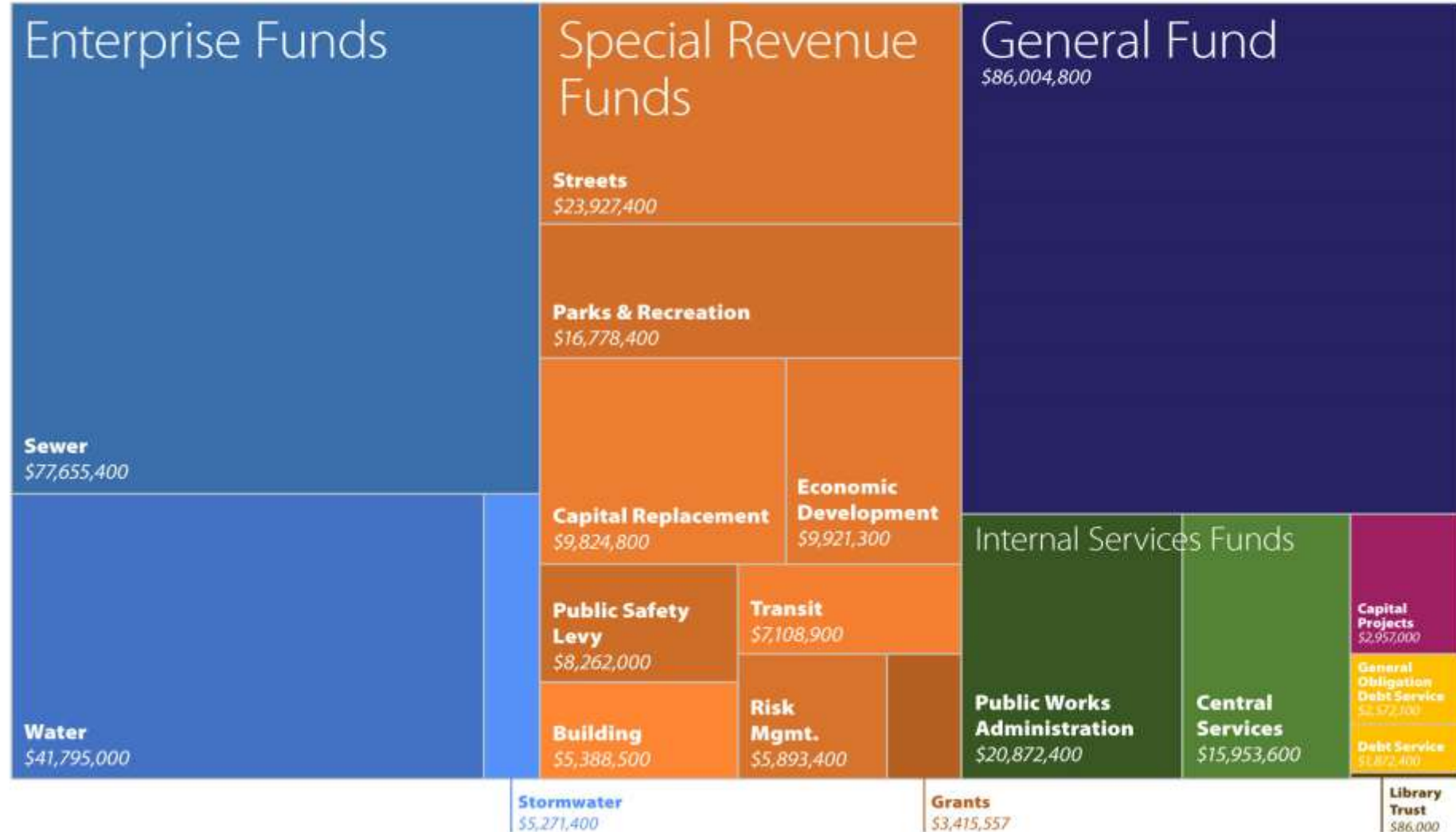
Cost drivers

- PERS costs average 33% across City
- Health insurance plans increases
 - 4% (BlueCross BlueShield)
 - 17.8% (PacificSource)





CITY OF ALBANY Budget (\$345,515,357; FY 2019-2021)



Police



Year one:

- Freeze 1 lieutenant position and 3 police officer positions
- 94.25 budgeted FTE, down from 98.25 FTE in Fiscal Year 2018-2019.
- Sworn positions from 65 to 61



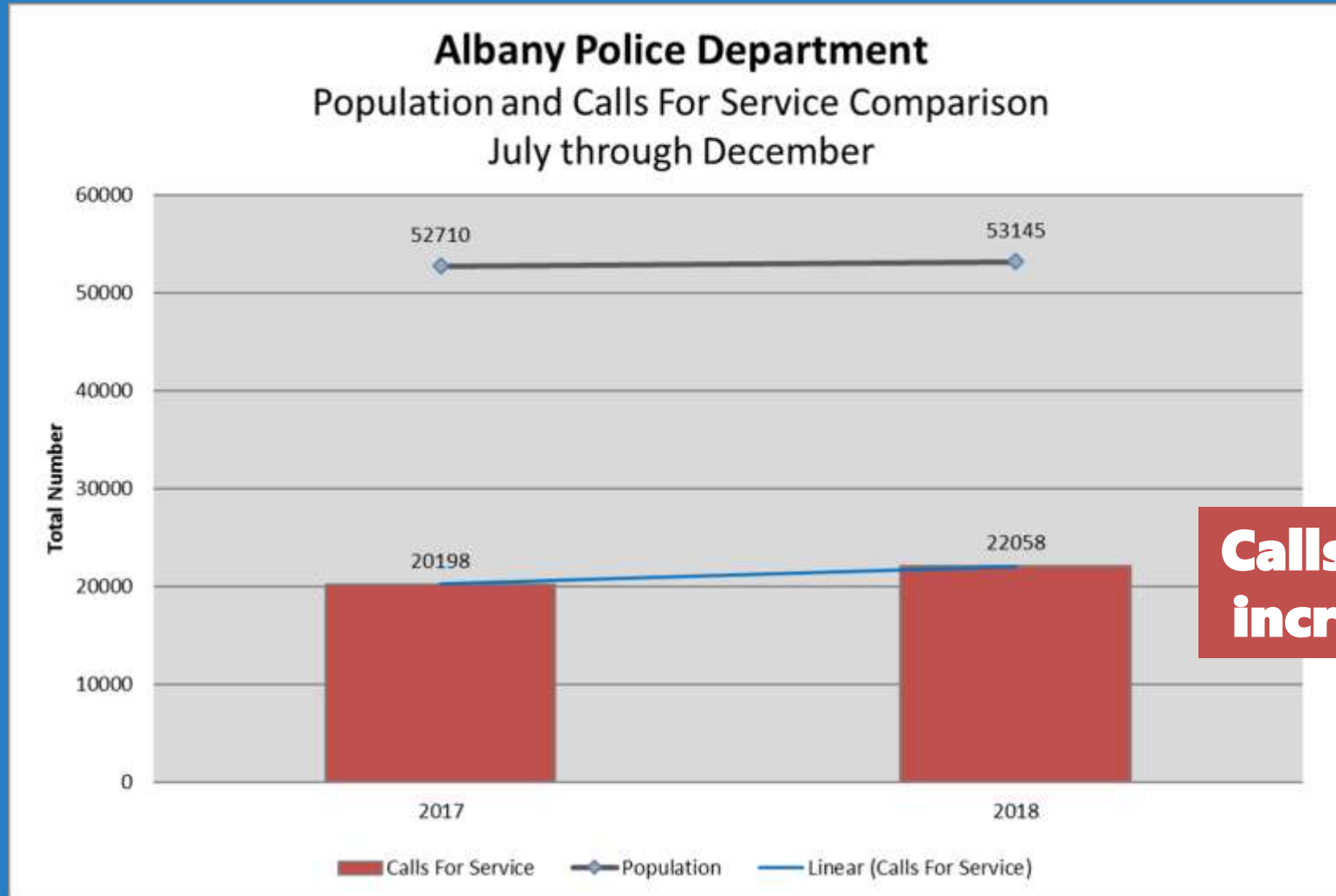
Police

Year two:

- Freeze 1 additional lieutenant position and 2 police officer positions
- Positions frozen through attrition with planned retirements
- Reduced to 91.25 budgeted FTE
- Sworn positions reduced to 58



Police

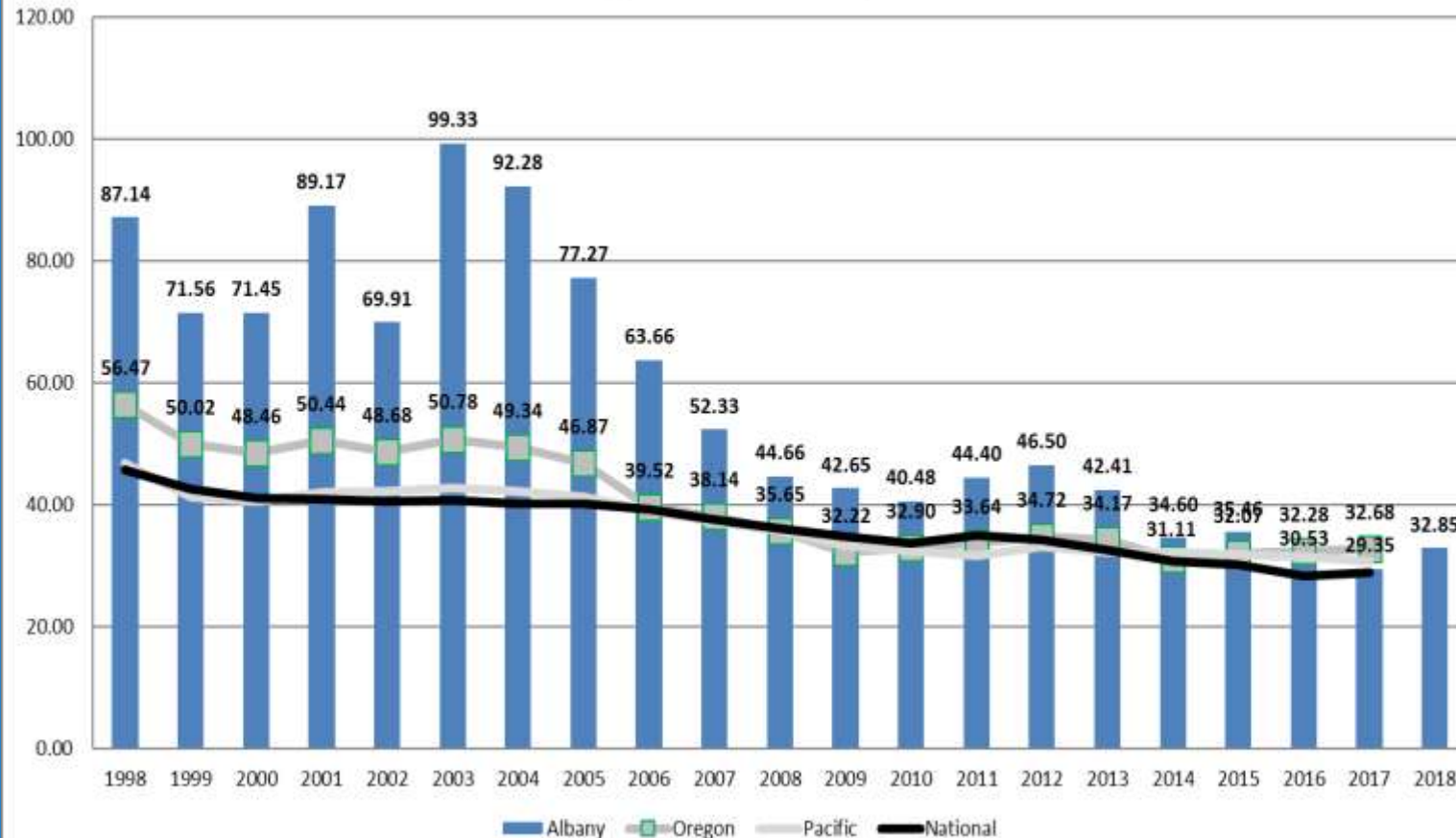


**Calls for service
increased 9.2%**



Police

Part I Crime
(Per 1000 Inhabitants)



**Part 1
Crimes
increased
12.4% in
2018**



Police

Other challenges:

- Equipment replacement
- Cuts in overtime budget



Police



Accomplishments:

- Body worn cameras
- Community engagement
 - Youth Citizens' Academy, Citizen's Academy, Shop with a Cop, Safety Camp, Neighborhood Watch, Coffee with a Cop, National Night Out, Cadet and volunteer program
- 47 commendations in 2018 including Lifesaving and Medal of Valor awards
- CALEA accreditation in November 2019



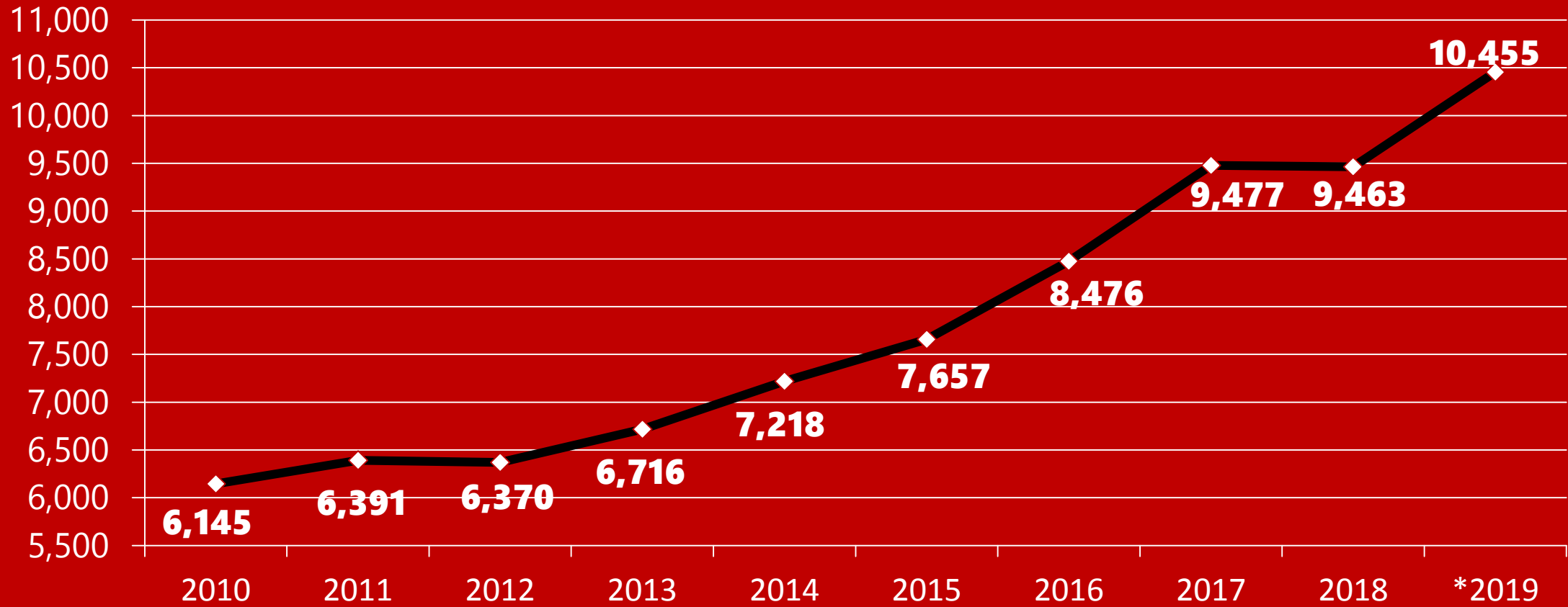
Fire, April 2 scenario



- Eliminating Technical Rescue Team
- Freezing 3 vacant firefighter positions
- Laying off 6 firefighters
- Demoting 2 day-staff personnel
- Ending our participation in Medic 71 program by laying off 2 single-role medics



Fire, 9-1-1 Responses



*Estimate based on call volume as of 4/25/2019



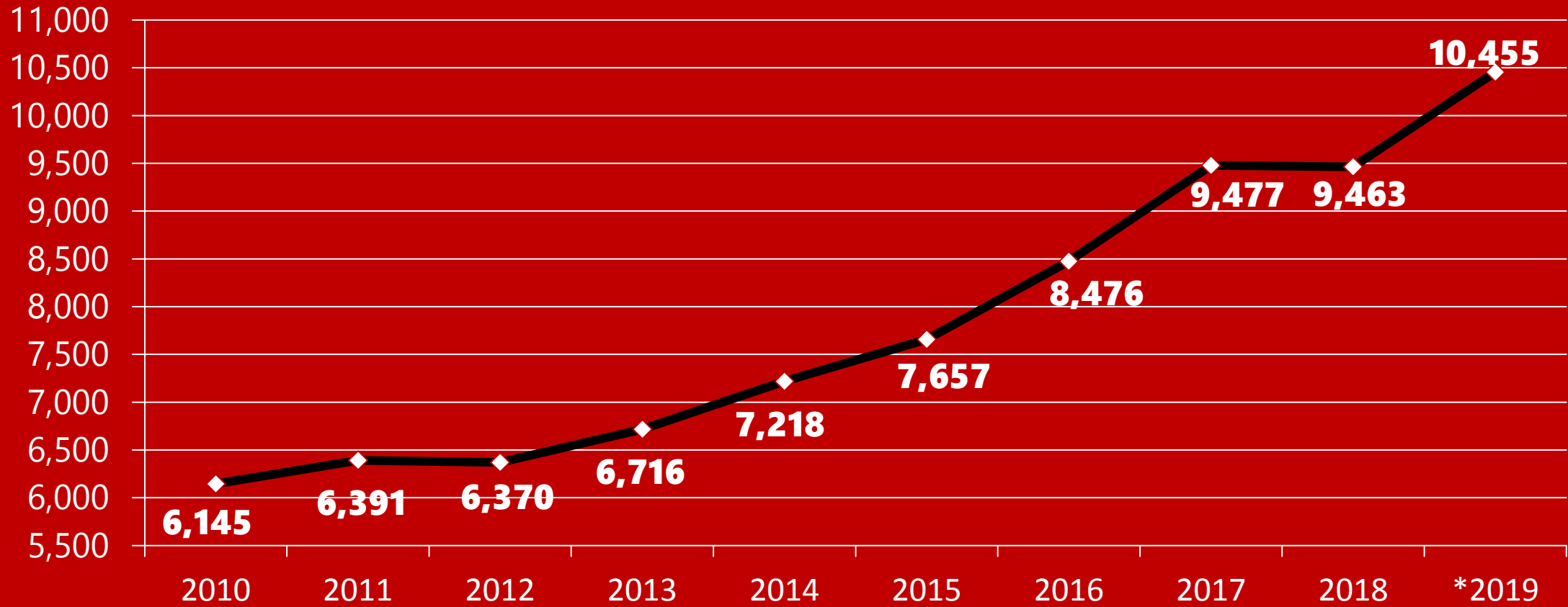
Fire, ~~April 2~~ current scenario



- ~~■ Eliminating Technical Rescue Team~~
- Freezing 3 vacant firefighter positions
- ~~■ Laying off 6 firefighters~~
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Fire, 9-1-1 Responses



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Medic 71

*Single-Role Medic Units with
Lebanon and Tangent Fire Districts*

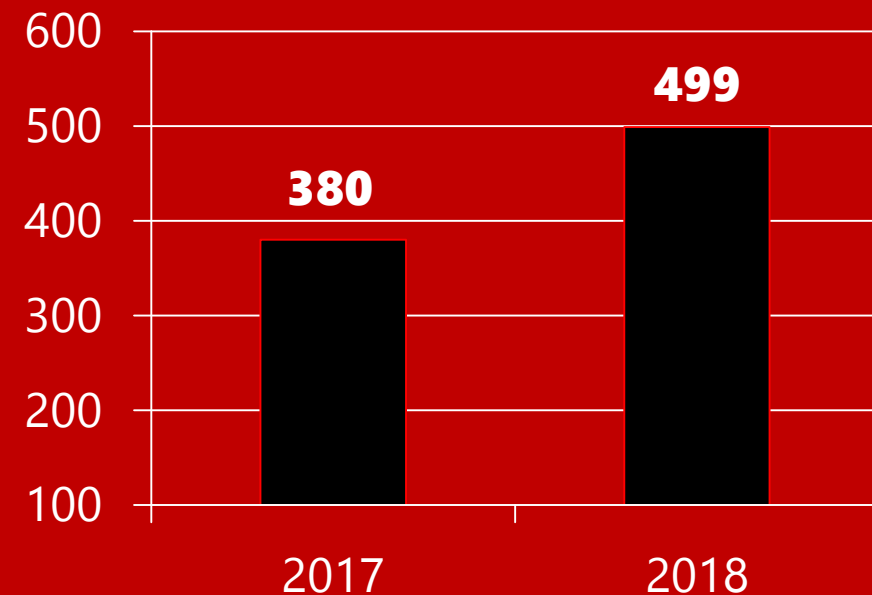


Program Goal:

Keep dual-role firefighter/paramedics in-district and available to respond to emergencies in Albany

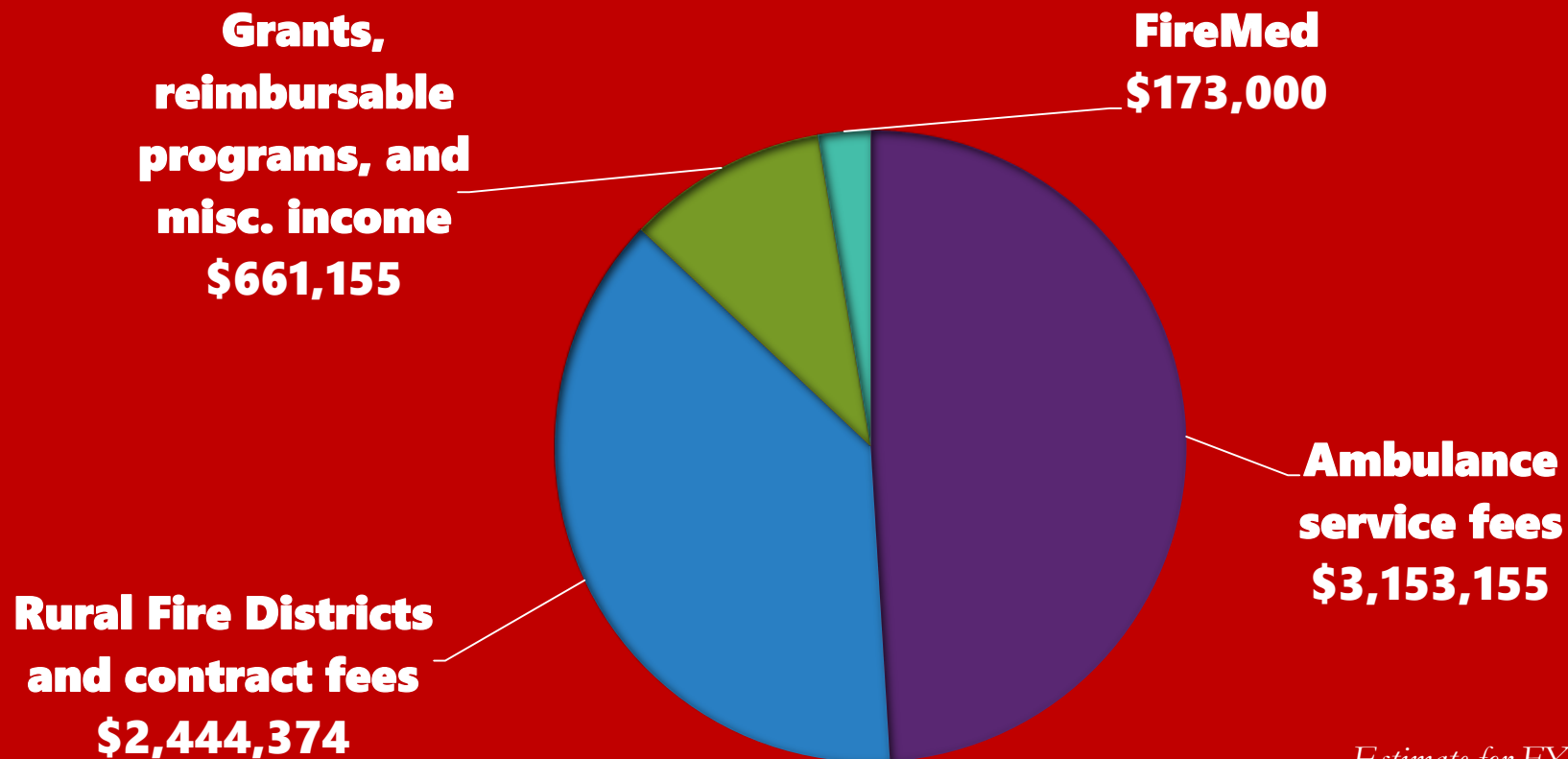
Responded to 499 calls in 2018 for Albany Fire Department

- 267 interfacility transfers
- 232 emergency responses
- Total time on calls in 2018: 813 hours (2.23 hours per day)



Revenue generated by Fire Department

\$6,431,684 in revenue in FY 2019, supporting **37.6%** of the department's operating budget



Estimate for FY 2019



2018 Wildfire Conflagrations

Oregon

▪ Graham	\$ 10,992
▪ Substation	\$ 101,367
▪ South Valley	\$ 7,567
▪ Memaloose 2	\$ 9,384
▪ Garner Complex	\$ 105,214
▪ Taylor Creek	\$ 187,210
▪ Sugarpine-Miles	\$ 45,886
▪ Stubblefield	\$ 53,506
▪ Ramsey	\$ 14,217
▪ Hugo	\$ 22,334
▪ Klondike	\$ 97,855

California

▪ Camp Fire	\$329,775
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Total: \$985,308



**\$181,417 generated
for Fire Department Equipment Replacement**

Fire

Other impacts:

- Community Risk Reduction decreased by 34%
- Education and training reduced by 23.5%
- Personal Protective Equipment reduced by 33%
- Uniform budget reduced by 30%
- Fire station facility fund decreased by 33%
- Fire equipment decreased by 37.5%



Planning

- Generates revenue through permit or application fees
- Revenues go directly to the general fund
- Revenues collected = total City cost for conducting reviews
- Revenues collected **do not** cover the cost of the entire planning division
- General fund monies, other than those collected through planning permit/applications fees, are required to fund the department



Planning

Services provided

- Implementing community visions and policies for growth through Comprehensive Plan and Development Code
- Reviewing land use applications for compliance with Development Code
- Long-range planning
- Administration of historic preservation and related grants
- Code compliance
- Floodplain management
- Administration of Community Development Block Grant (CDBG) programs



Planning

Proposed budget includes funding for

- development code amendment project
- buildable lands inventory
- housing needs analysis
- economic opportunities analysis
- grant for study and development of a plan for East I-5 area



Library

Shortfall of \$397,000

- Freezing 1 vacant position (5% of workforce)
- Increasingly limited selection on library shelves
- Increasingly dependent upon outside funding
- Deferred maintenance



Parks and Recreation

Shortfall of \$1,258,900 forced several actions to close the gap

- Increased revenues from fee-based programs
- Reductions in various non-personnel line items
- Elimination of 7 positions (5.1 FTE)
 - closing of Maple Lawn Preschool (Coordinator and 4 part-time teachers),
 - elimination of 1 Park Maintenance Supervisor, and
 - elimination of 1 Recreation Assistant at the Senior Center



Parks and Recreation

Impacts

- Reduction in staffing to 25 budgeted FTE, lowest level since FY 2004-2005
- Recreation program staff remain to maintain department's revenue-producing capacity
- No general revenue funding for capital improvements (such improvements dependent upon Parks SDCs, donations, and grants)
- Nominal park maintenance resources available for deferred maintenance projects (\$75,000 funding vs. \$4 million list of projects)



Building

- Enterprise fund (supported by revenues from building permits)
- Guidelines prevent use on anything other than building division activities
- Building division balances revenues and expenses, carries reserves within its own fund
- Payoff of General Fund loan \$300K
 - City's code enforcement program: Code Compliance Officer position created through this process. In next budget cycle, a new funding source will need to be identified for the Code Compliance Office position.



Economic Development

- TLT revenue decreasing for last 3 years... at 1% per year
- TLT policy: "if reserve funds are insufficient to sustain allocations at previous years' levels, all recipients shall receive a proportionate decrease in funds."
- Proposed budget incorporates proportional 5% decrease in funds to outside agencies and City programs/events
- CTP (Collaborative Tourism Promotion)
- Economic Development Opportunity fund



Public Works

- 127 budgeted FTE
- Operations Division: Chris Bailey
- Engineering Division: Jeff Blaine
- Four broad areas:
 - Transportation
 - Drinking Water
 - Wastewater
 - Stormwater
- Partnerships
- Personnel changes



Public Works: Transportation

Transit, airport, street maintenance, related capital budgets

- Public transit system: fixed routes. Funding from federal transit funding, partner agencies, General Fund
- Airport: hangar leases, runways, taxiways, clearance areas, all airport property, compliance with FAA regulations. Funding from lease of land and structures, TLT, and FAA grants.
- Streets: state STP funds critical for accomplishing key projects, insufficient for street maintenance requirements



Public Works: Wastewater

- 196 miles of gravity pipes, 6.6 miles of pressure pipes, 4,337 manholes, 11 sewer lift stations, Water Reclamation Facility, and Talking Water Gardens wetlands
- 3.5% rate increase July 1, 2019, and 3.5% increase July 1, 2020
- Albany and Millersburg litigation with CH2M Hill (Jacobs)
- Composting facility: \$3M project - about 50% of currently produced solids
- Riverfront interceptor project
- 23 miles of sewer mains will require major maintenance or repair within 10 years



Public Works: Water

- 265 miles of pipes, 7 pump stations, 7 reservoirs, 19,150 service lines, 1,855 hydrants, 7,329 valves, the 18-mile Santiam-Albany Canal, and 2 water treatment plants
- 5% water rate increase January 1, 2020; assumes 5% increase January 1, 2021
- Asset management of distribution network, efficiency in operations of treatment and hydropower facilities
- Growing focus on emergency management
- Effort to reduce regulatory burden with hydropower facility



Public Works: Water

(continued)

- Two drinking water plants
- Cyanotoxin concerns
- Water quality assurance efforts
- Loss of \$75K in annual revenue from Lebanon



Public Works: Stormwater

- 137 miles of stormwater pipes, 70 miles of ditches, 2,414 manholes, 4,363 catch basins/inlets, and 150 stormwater quality facilities
- Willamette River TMDL and NPDES MS4 Phase II general permit
- Stormwater programs growth
- Lawsuits against DEQ
- Significant needs but no capital projects
- Council funding plan: 17% rate increase (about \$1.27) on March 1, 2020, and assumed 17% rate increase March 2021.



Support elements

- Hiring chill... but expect increase in recruitments
- In-house training program
- IT and GIS Services programs reduced proposed budget by \$273,000
 - reducing after-hours IT support
 - reducing two positions from 1.0 FTE to 0.9 FTE in IT Services program
 - eliminated 0.5 temp FTE in FY20 and additional 0.5 FTE in FY21.
- Increases generated by higher cost of enterprise software licenses, employee wages, and benefits
- Creative use of aftermarket program: saved \$80K



Conclusion & Public Comment



costs

revenue

FY ending June 30	2010	2011	2012	2013	2014*	2015	2016	2017	2018	2019	10-Year % Change
Population	49,165	49,530	50,325	50,520	50,710	50,720	51,270	51,670	52,540	52,710	7.21%
Budgeted FTEs	427.425	424.925	424.925	388.825	389.775	385.875	399.508	406.558	424.118	438.493	2.59%
Budgeted FTEs per 1,000 population	8.694	8.579	8.444	7.696	7.686	7.608	7.792	7.868	8.072	8.319	-4.31%

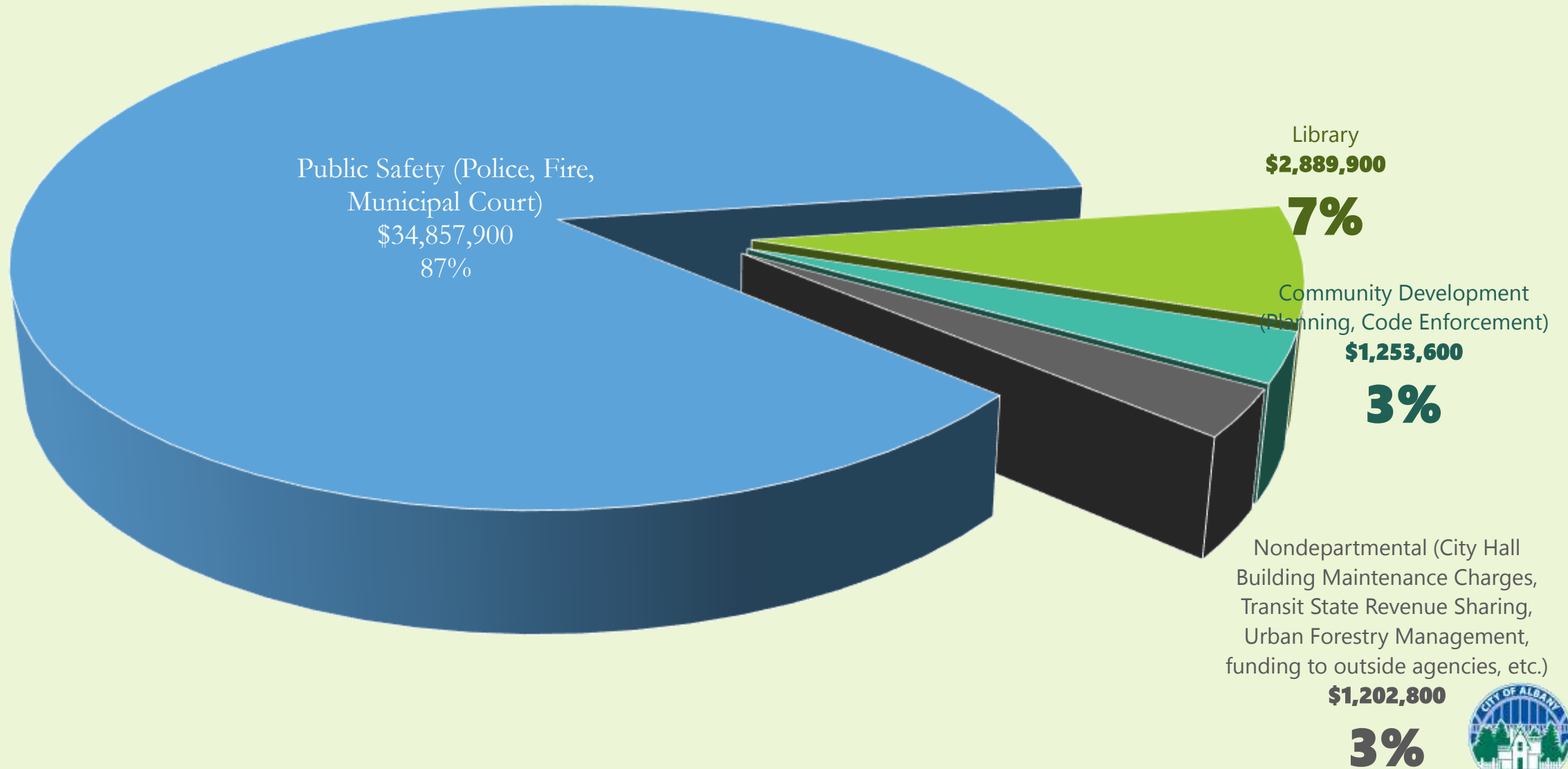
**Includes six firefighter positions partially funded through the SAFER Grant*



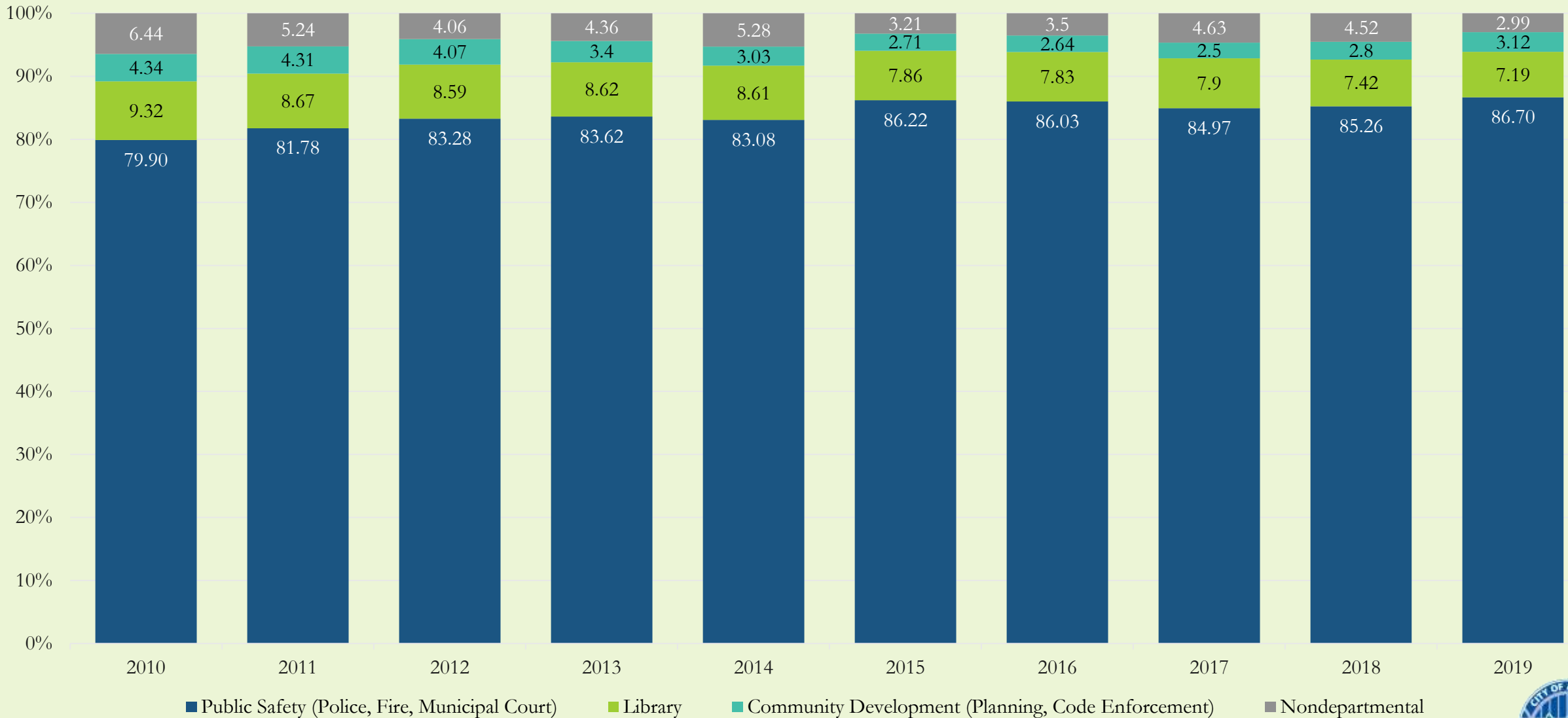
Budgeted FTEs... per 1,000 Population



% of Total General Fund Requirements



% of Total Annual General Fund Requirements



2017-2018 Linn County Property Taxes on Assessed Value of \$250,000

