



AGENDA

SHERWOOD URA BUDGET COMMITTEE

**May 16, 2019 6:00 PM
(following Sherwood Budget Meeting)**

**Sherwood City Hall
22560 SW Pine Street
Sherwood, OR 97140**

URA BUDGET COMMITTEE MEETING

- 1. CALL TO ORDER –Meerta Meyer , Chair**
- 2. ROLL CALL – Katie Henry, Finance Director**
- 3. PUBLIC COMMENT FOR SHERWOOD URBAN RENEWAL AGENCY BUDGET**
- 4. NEW BUSINESS**
 - A. RECEIVE BUDGET MESSAGE – Joe Gall, City Manager**
 - B. URBAN RENEWAL OVERVIEW – Joe Gall, City Manager**
- 5. COMMITTEE DISCUSSION**
- 6. APPROVE SHERWOOD URBAN RENEWAL AGENCY FY2019-20 PROPOSED BUDGET
AND TAX RATE**
- 7. ADJOURN**



AGENDA

SHERWOOD BUDGET COMMITTEE

May 16, 2019 6:00 pm

**Sherwood City Hall
22560 SW Pine Street
Sherwood, OR 97140**

BUDGET COMMITTEE MEETING

1. CALL TO ORDER – Meerta Meyer, Chair
2. ROLL CALL – Katie Henry, Finance Director
3. APPROVE MAY 9, 2019 CITY OF SHERWOOD BUDGET COMMITTEE MINUTES
4. PUBLIC COMMENT
5. NEW BUSINESS
 - A. General Fund Presentation
 - a. Public Safety – Captain Hanlon
 - b. Community Development – Julia Hajduk
 - c. Public Works-Parks, Facilities, and Fleet – Craig Sheldon
 - B. General Fund Discussion – Joe Gall
 - C. Capital Improvement Plan and Capital Funds – Julia Hajduk and Craig Sheldon
 - a. Streets, Stormwater, and Sanitary
 - b. Water
 - c. General Construction
 - D. Public Works Utilities – Craig Sheldon
 - a. Street Operations
 - b. Water
 - c. Sanitary
 - d. Stormwater
 - E. Sherwood Broadband Fund – Brad Crawford
 - F. Debt Service Fund – Katie Henry
 - G. Transient Lodging Tax (TLT) Fund – Katie Henry
 - H. Grants Fund – Katie Henry
6. ADJOURN TO URA BUDGET MEETING

****Budget Committee will work as far through the agenda as time allows, any remaining items will be continued at the next meeting on May 23, 2019.**



SHERWOOD BUDGET COMMITTEE MEETING

May 9, 2019 Minutes

1. CALL TO ORDER – Chair Meerta Meyer, called to order the regular meeting of the SHERWOOD BUDGET COMMITTEE MEETING at 6:08 pm on May 9, 2019.

2. Roll Call – Katie Henry, Finance Director

3. COMMITTEE MEMBERS AND COUNCIL PRESENT: Chair Meerta Meyer, Vice Chair Paul Mayer, Tyrone Stammers, Susan Claus, Nancy Taylor, Kady Strode, Matt Kaufman, Council President Tim Rosener, Councilor Kim Young, Councilor Sean Garland, Councilor Russell Griffin, Councilor Doug Scott, and Councilor Renee Brouse. Mayor Keith Mays via conference call at 6:23 pm.

CITY STAFF PRESENT: Finance Director Katie Henry, City Manager Joe Gall, City Attorney Josh Soper, Community Development Director Julia Hajduk, Community Services Director Kristen Switzer, IT Director Brad Crawford, Program Manager Amy Jollett, Operations Supervisor Rich Sattler, Police Chief Jeff Groth, Police Captain Ty Hanlon, Police Captain Jon Carlson, Center for the Arts Manager Chanda Hall, Library Operations Supervisor Jenny Swanson, Library Manager Adrienne Doman Calkins, Senior Center Manager Maiya Burbank, and Planning Technician Colleen Resch

4. APPROVE APRIL 11, 2019 CITY OF SHERWOOD BUDGET COMMITTEE MINUTES

Sean Garland made a motion to approve the April 11, 2019 Budget Committee minutes, Council President Rosener seconded, all members voted in favor, minutes approved 13:0. (Mayor Mays was absent)

5. ELECTION OF COMMITTEE CHAIR – Katie Henry, Finance Director/Budget Officer

Finance Director Katie Henry noted that at the first meeting of the Budget Committee they are required to elect a new Chair (See ORS 294.414(9)). She requested that Chair Meyer open the floor for nominations of the Chair position for the fiscal year 2019-2020 budget cycle.

Sean Garland nominated Chair Meyer as Chair and Councilor Young seconded. Susan Claus nominated Nancy Taylor as Chair. The committee voted with a 10 to 2 margin in

favor of Chair Meyer (Nancy Taylor abstained and Mayor Mays was absent). The motion passes and Meerta Meyer is the Chair.

6. ELECTION OF COMMITTEE VICE CHAIR – Katie Henry

Ms. Henry noted they also needed to elect a Vice Chair. She requested that Chair Meyer open the floor for nominations of the Vice Chair position for the fiscal year 2019-2020 budget cycle.

Chair Meyer opened the floor for Vice Chair nominations. Councilor Scott nominated Nancy Taylor. No other nominations were presented. The vote was unanimous appointing Nancy Taylor as Vice-Chair (Nancy Taylor abstained and Mayor Mays was absent). The motion passes and Nancy Taylor is the Vice Chair.

7. PUBLIC COMMENT

Travis Hampton, Superintendent of the Oregon State Police came forward in support of the Sherwood Police Department budget. He commended the Sherwood Police Department for being efficient and progressive. He said the proposed budget will allow the department to appropriately staff and police the City.

Kevin Barton, Sherwood resident and Washington County District Attorney came forward in support of the Sherwood Police Department budget. He thanked the City Council and the Budget Committee for supporting the Police Department.

Steve Munsterman, Sherwood resident and former Budget Committee member came forward in support of the budget in regards to the Police Department staffing. He said response times and citizen calls for service are increasing and officer initiated actions are decreasing. He supports the budget in regards to additional Public Works staffing and the importance of regular ongoing maintenance.

Recorder Note: Mayor Mays joined via conference call.

8. NEW BUSINESS

A. Budget Overview – Joseph Gall, City Manager and Katie Henry

City Manager Joseph Gall provided a presentation and discussed the budget process (Page 20 of the packet). Mr. Gall noted the PowerPoint was presented at an Employee Meet-up last week. He said the City Council has spent time revising the City's mission statement and core values and this budget attempts to align with them, particularly fiscal responsibility, transparency, and forward thinking. He said the proposed budget is \$39.4 million in All Funds which is an 18.2% increase over current year (\$6 million). He noted \$4.6 million is in the Water Fund. He said the proposed General Fund is \$15.2 million which is a 6.7% increase over current year (\$954,000). He reminded the Budget Committee of the key financial policies: 1) The City of Sherwood will identify sustainable revenue levels and, to the extent possible, current operations will be funded by current

sustainable revenues. 2) One-time revenues will be used for one-time expenditures or as contributions to reserves and will not be used to pay for established services.

He referred to the General Fund and said the proposed operating revenues are \$13,685,786 and the proposed operating expenses are \$13,672,981 with a net normal operations of \$12,787. He said he is proposing \$1,432,998 in one-time expenses. He said the change in the Fund Balance is projected to be \$1,420,209 less at the end of the fiscal year.

Councilor Young referred to Page 5 of the Budget Message which states one-time expenditures are \$1,524,452 and Page 24 of the packet states one-time expenditures are \$1,564,451. Finance Director Katie Henry noted the correct amount is \$1,564,451 and the other figure is a typo. Ms. Henry noted the difference is the cost of Infor being moved to the cloud, which will be discussed under Community Development.

Mr. Gall discussed personnel requests and those included in the proposed budget which include:

- Eliminate one Legal and Finance Administrative Assistant III (Administration)
- Add one Court Clerk I (Administration)
- Add one Administrative Assistant I (Police)
- Add one Detective (Police)
- Add one Police Sergeant in January 2020 (Police)
- Add one Economic Development Coordinator (Community Development)
- Add half-time Emergency Management Coordinator (Public Works)
- Add two Maintenance Worker II (Street Fund and Stormwater Fund)
- Add one seasonal Maintenance Worker I (Stormwater Fund)

He said the personnel requests not included in the proposed budget include:

- Add one HR Tech (Administration)
- Increase Records Tech from .5 to .75 or 1 FTE (Administration)
- Increase Administrative Assistant II from .75 to 1 FTE (Community Development)
- Increase Kitchen Coordinator by 3 hours per week (Community Services)
- Increase Senior Center Manager from 35 to 40 hours per week (Community Services)
- Increase Tech Services Librarian from 32 to 40 hours per week (Community Services)
- Increase Youth Services Librarian from 20 to 26 hours per week (Community Services)
- Add on Administrative Assistant II to Library (.5 or 1 FTE) (Community Services)
- Add one Maintenance Worker I – Parks (Public Works)
- Add two Seasonal Maintenance Worker I – Parks (Public Works)

He referred to Fund Balance and said the goal is to have an unrestricted Fund Balance of at least 10% and striving to maintain 20%. Discussion followed and Mr. Gall said the Budget Committee may want to review the policy and consider revising at a later date.

He referred to the 5 Year Financial Forecast in the proposed budget and said the City is projected to have a Fund Balance of 35% at the end of FY 18-19. He noted the significant increase is due to the sale of the property to the School District for the new High School. He said there are some personnel saving and development revenue has been higher than expected. He stated if this proposed budget is approved, the Fund Balance is projected to be at 26% at the end of FY 19-20. He noted this forecast does not include future personnel increases. Ms. Henry said it does include exempt employees contributing the 6% employee match to PERS as of July 1, 2020, the URA closing, and development that the City knows will occur.

Mr. Gall commented on PERS costs and provided a twelve year timeline. He said FY 13 PERS costs were \$1 million and by FY 24 PERS costs will be \$3 million. Due to the unsustainable and ever-increasing PERS costs he is recommending to the City Council that the City begin to shift the City's payment for the 6% employee contribution to the IAP accounts to employees. He is recommending that all exempt employees pay starting July 1, 2020 and the City will need to negotiate this recommendation with the respective collective bargaining units. He said the SPOA contract renews on July 1, 2020 and the AFSCME contract renews on July 1, 2021. He stated if the State Legislature corrects the problem there may not be a need for the proposed recommendation. He discussed the potential scenarios regarding PERS spending over the next five years. Nancy Taylor stated that the private sector eliminated company contributions to retirement plans years ago and asked what the reaction from the employees was. Ms. Henry said the employees were overall not excited and said some understood and one of the most recurring concerns was a difficulty in attracting new employees and losing some long term staff. Ms. Henry provided comparison and said local governments with employees between 1 and 99, 67% pay the 6% contribution. She stated local government with employees between 100 and 500, 90% pay the 6% contribution.

B. General Fund Presentation– Joseph Gall, Katie Henry, and Dept. Directors

a. Administration

Ms. Henry said Administration detail is included on pages 53 to 61 of the proposed FY 19-20 budget. She referred to non-departmental and said this budget proposes the General Fund pay the actual cost of Broadband. She stated Broadband is a growing utility and there is a cost to Broadband for providing services. She said in the past couple year there has been a discount given to the General Fund and this proposed budget proposes that the General Fund pay the actual service costs to Broadband. She noted this information is on line 6308 Internet Services.

City Council – Joe Gall

Mr. Gall said this information is on page 54 of the proposed budget and there is a slight increase in travel and training for trips to Washington DC to seek Federal funds.

City Recorder – Joe Gall

Mr. Gall said City Recorder Sylvia Murphy was unable to attend and he provided a handout summarizing her budget request (see record, Exhibit A). He said she requested increased hours for the Records Technician from 0.5 to 0.75 FTE to assist with implementing the new citywide Records Management System (RMS). Exhibit A lists the impacts due to the lack of funding and notes that implementation is going well, but slow. Also, with the potential elimination of the Legal Assistant in FY 19-20, 50+ boxes of legal records will remain un-digitized. Susan Claus asked if the City Attorney will have an Assistant. Mr. Gall said Administrative Assistant III Tina Ouellette will pick up some administrative support and he will have a Legal Intern.

City Manager – Joe Gall

He said this information is on page 56 of the proposed budget. In terms of staff, this budget consists of the City Manager and an Administrative Assistant III position. The largest increase is in line 6198 which is the CFM lobbying firm contract. Susan Claus asked if there has been a return on our investment with CFM. Mr. Gall said not at this point but said it is a worthwhile investment that will pay in dividends.

City Attorney – Josh Soper

Mr. Soper presented the Legal Department budget explaining there is a proposed elimination of a Legal Assistant position of 0.4 FTE. He said those responsibilities will be shifted to Tina Ouellette at 0.3 FTE and that will be offset by the expansion of the law clerk program. He said the candidate has committed to a year round internship. He commented on line 6104 Legal which shows a significant increase due to the City Council hiring an outside labor attorney for labor negotiations.

Human Resources & Risk Management – Joe Gall

Mr. Gall said he is the HR Director and the department includes a HR Manager Christina Jones. He said she requested a HR Tech position which was unfunded. Ms. Henry clarified that the position would have served 0.5 FTE HR, 0.3 FTE Municipal Court, 0.2 FTE Finance. The budget is not significantly different this year.

IT - Brad Crawford

Mr. Crawford discussed the loss of the Business Analyst position in the last budget and the impact to the department. The position assists with innovation and project implementation and those responsibilities are not getting done at this time and it is a dramatic need. He said his time is now 0.5 FTE IT Department and 0.5 FTE Broadband. He explained the role of the Business Analyst and the cost of the position is approximately

\$113,000. Mr. Gall agreed that this is a viable position and the City is feeling the loss of the position. Discussion followed.

Finance and Municipal Court – Katie Henry and Lisa Layne

Ms. Henry said there have been several changes within Finance and Court regarding operations and efficiencies. She said with the new processes, the Legal Assistant/Finance position causes inefficiencies. She said Court is working towards paperless processes and once that is completed the staff that is being requested will be capable of handling the work load. She said the work in Finance and Court has increased, but staff is being restructured. She stated Leslie Dean has been promoted to Accounting Supervisor and the reporting structure is different in order to create efficiencies. She said there is a one-time request for implementation of labor software and this will help with labor costing. Councilor Scott noted the implementation cost is \$21,000 and asked what the ongoing cost is. Ms. Henry referred to line 6216 which shows the implementation cost is \$6,500 and the ongoing cost is \$6,000 and the model for five year forecasting is \$8,300. Chair Meyer referred to court and asked if they interface with the City Recorder regarding digitizing records and records management. Ms. Layne said the court staff all have licenses for the new RMS and desk scanners and have over 1,000 records in the system. Chair Meyer referred to the 50 boxes of legal records referenced in the City Recorder's summary and asked if there are any legal ramifications for not having those records easily accessible. Mr. Gall said no, they are paper records versus digitized. Mr. Soper said there is an efficiency aspect to not having the records easily accessible when records request arise. Discussion followed and Chair Meyer said her larger concern is not affording the City Recorder additional resources. Mr. Gall noted the RMS is working well and the State is pleased with the process and is looking to Sherwood as an example to rolling out the system. Mr. Mayer asked if some of the digitizing could be done by volunteers. Mr. Gall said some volunteers are currently being utilized.

Councilor Scott referred to the operating expenses per processed violation which is project to increase from \$27.74 to \$35.26 and asked why this is increasing with the efficiencies being introduced. Ms. Henry said PERS and explained that currently Court has two temporary positions and one works approximately 50-60 hours a week and the other works 15-20 hours a week. She said some finance positions are currently working for Court and all of the Court staff, which equates to a lot of staff. She noted the temporary positions do not receive PERS currently but they will when the position is made permanent. Council President Rosener suggested that the next budget separate PERS out for clarification.

Mr. Kaufman referred to the software implementation throughout various City departments and asked if that time can be tracked and compare that with the elimination of the Business Analyst. Discussion followed regarding efficiencies and lack of innovation. Ms. Henry stated that time has not been tracked.

Chair Meyer call for a recess at 8:03 pm. Chair Meyer reconvened the meeting at 8:13 pm.

Recorder Note: Mayor Mays left the conference call during the recess.

b. Community Services

Mr. Gall introduced Kristen Switzer as the Community Services Director. She said directors were asked to focus on changes and activities within their departments. She stated Community Services requested additional staff for the Senior Center and the Library.

Senior Center – Maiya Burbank

Ms. Switzer introduced Maiya Burbank and reminded the Committee that livability is one of the City Council goals which includes improving programs for senior citizens. She stated the Senior Center is her top priority. Ms. Burbank said there was a request for the Kitchen Coordinator to work an additional 3 hours a week and without that they will not be able to offer cooking classes. She stated they ran a pilot program this spring and the cooking classes sold out immediately. The charge was \$10 per class which covered the cost of the materials. She said they are considering increasing the cost to \$12. She discussed other classes the Senior Center is considering in the future and potential revenues. The number of lunch diners has greatly increased and said they are expecting 80 for the Mother's Day lunch which also requires more of the Kitchen Coordinator's time. The increased hours requested for her position would allow her to increase programming and possibly staying open later for those seniors that are working. Ms. Switzer said there are only two staff at the Senior Center and a number of volunteers but stated they need at least one staff member at the Center during operating hours. Councilor Young asked which staffing request is the first priority. Ms. Burbank said the Kitchen Coordinator is first priority and said the cooking classes provided such a benefit to seniors. She said they are also looking for outside sponsors for the cooking classes.

Councilor Brouse said the City Council has a goal of livability and to expand Senior Center programming. The Friends of the Senior Center provided the City Council with a letter on January 24 in support of increasing Ms. Burbank and the Kitchen Coordinator's time. Councilor Young stated she supports funding these time increases. Ms. Henry said she will track such recommendations for the Committee. Mr. Gall said the revenues at the Senior Center are higher than projected and the staff is doing a great job.

Councilor Scott commented on the increase in line 6208 Printing and Advertising from \$3,000 to \$6,000. Ms. Burbank said they are putting together rental packets to help increase rental revenue. There will also be a survey and they produce a monthly newsletter and program guide.

Library –Adrienne Doman-Calkins

Ms. Doman-Calkins reviewed the Library budget and said there were 3 personnel requests that did not get included in the proposed budget. The first request was for a Technical Services Librarian increase from 32 to 40 hours per week. This position was created during a reorganization recently and needs to be full time to keep up with the workflow. The second request was for a Youth Service Librarian increase from 20 to 26 hours. This position was added when the WCCLS levy was passed two years ago and

the Library moved story time in-house. If the position was increased to 26 hours that staffer could support the Youth Services Librarian II who is full time. The third request was for a new Administrative Assistant II position and she noted the Library has 23 staff and there is no administrative support and management staff allocate approximately 25% of their time to do administrative work such as records management, marketing, social media, and purchasing office supplies. Chair Meyer asked if High School students could help with the youth services. Ms. Doman-Calkins said the Library currently has High School volunteers and a Youth Advisory Board and they help and supplement approximately 20 hours of volunteer work per month. Councilor Brouse asked if the Library could use a volunteer for administrative work. Discussion followed.

Field House– Kristen Switzer

Ms. Switzer noted that not too much has changed in the budget from last year. The revenues have declined due to a league changes. In the last month revenue has increased and staff is looking at advertising and using social media to increase interest.

Sports Recreation – Kristen Switzer

Ms. Switzer said this includes all of the fields, gyms, and any of the sports activities that happen outside of the fieldhouse. Councilor Young referred to line 6011 Regular Salaries and Wages and asked why the amount increased from \$50,000 to \$73,239. Ms. Henry said the difference is reflected in line 6012 Seasonal Wages which was separate from regular wages in FY 18-19 but the new accounting system would not allow her to separate them out in this proposed budget. Councilor Taylor commented on the significant increase in line 6031 PERS and Ms. Henry said that may be an error and she will check the calculation. There are different classifications of seasonal workers and some do earn PERS after a certain threshold.

Events and Volunteers – Kristen Switzer

Ms. Switzer said there are no significant changes.

Center for the Arts– Chanda Hall

Ms. Switzer said there are no significant changes. Councilor Rosener asked if the City pays for use of the Center for the Arts. Ms. Switzer said no, but the staff is tracking this and knows the number of hours and the value. She said if a group is raising money, such as the Police Foundation, then they will pay. Discussion followed. Mr. Gall said staff will provide the Committee with the information they have been tracking.

Chair Meyer said there is a nominal increase in rental fees and asked if this was anticipated. Ms. Switzer said the Center for the Arts is doing better than expected in terms of cost recovery. Center for the Arts Manager Chanda Hall came forward and said rentals are increasing and their cost recovery is in the top 10% in the nation. Discussion followed about best practices.

Chair Meyer stated there is a public hearing scheduled and she suggested postponing the remaining department presentations and move forward with the public hearing.

9. STATE REVENUE SHARING – Katie Henry, Finance Director

Chair Meyer opened the Public Hearing on the State Revenue Sharing and stated the purpose of this hearing is to provide the public with an opportunity to submit testimony concerning the possible uses of state revenue sharing funds for fiscal year 2019-2020. The order of business we will follow and in conducting this hearing will be to receive public testimony, questions from the committee, the hearing will then be closed and no further testimony will be received than discussion by the committee. Any interested person may present testimony. If you wish to speak, please fill out one of the testimony forms and submit them to Colleen. The Committee Chair will recognize those persons wishing to speak and any questions should be addressed through the Committee Chair. When you come to the microphone, please state your name, city of residence for the record as this hearing will be recorded. Please speak clearly into the microphone and limit your testimony to four minutes.

Prior to receiving public testimony Ms. Henry provided a presentation (see record, Exhibit B). She said the League of Oregon Cities provides these estimates prior to budget preparation and there are certain state shared revenues that are distributed based on the population which is calculated each year. This year the population is 19,505. She said in the General Fund the intergovernmental portion is approximately \$2.2 million out of the total revenue of \$13.8 million. The intergovernmental revenue discussed in this hearing are an allotment from the State and the goal is to provide citizens the right to discuss how the revenues are being used. She said the liquor tax is approximately 17%, state revenue sharing is 12%, and cigarette tax is 1%. She said the way the City currently uses the state shared revenue fund is they are comingled in the General Fund along with other nonrestricted funds and are not specifically designated. She said the funds are used to support public safety, administration, community services, facilities, and community development. She stated the street operations funds are used only for expenses related to streets and sidewalks.

Ms. Henry checked with Colleen to see if there was any public testimony. Colleen confirmed that there was not. Chair Meyer closed the public hearing and asked if any Budget Committee members would like to discuss state shared revenue or have any comment.

10. RECESS – Chair Meyer recessed the meeting at 8:49 pm until May 16, 2019 at 6 pm.

Submitted by: Colleen Resch, Planning Technician
Minutes approved on:

Departmental Presentations
Positions requested but not included in proposed budget
Agenda item 4.A. General Fund Presentation

a. Public Safety – pages 67-68

b. Community Development – pages 62-66

- Planning, Building, Engineering

- i. Admin Assistant II: increase from 30 hrs/week to full time: \$18,693

c. Public Works – pages 75-78

- Parks

- i. Maintenance Worker I – new position: \$58,147

- ii. Seasonal Maintenance Workers – two (2) positions: \$17,423 each (\$34,846)

- Facilities
- Fleet

Budget Committee Meeting

Date: May 16, 2019

List of Meeting Attendees:

Request to Speak Forms:

Documents submitted at meeting: ✓

- May 8, 2019 letter from Public Works - Ex. A
- May 16, 2019 letter from Public Works - Ex. B
- Budget Committee Supplemental Information - Ex. C

05.16.19
Date

BC
Gov. Body

4
Agenda Item

A
Exhibit #

May 8, 2019

Sherwood City Council
22560 SW Pine Street
Sherwood, OR 97140

Members of City Council:

Management staff from Public Works have jointly put together our list of concerns regarding the proposed changes, to PTO/Sick leave benefits for your review and consideration. These changes were first provided to us by the City Manager on May 1st.

A valid concern with this proposal is the lack of involvement from staff (at any level but especially from the group most impacted – middle management). City staff was not notified that these meetings were taking place. The PTO Subcommittee began meeting in August 2018 and held monthly meetings through January 2019 but the minutes from each of these meetings were not made public until April 16, 2019, just before Joe announced that this would be considered for approval by Council.

The proposed change is that three (3) days will be removed from our PTO bank and added to our Sick Leave bank; however, it says that employees will not accrue or be paid for any leave in excess of one- and one-half times. This conversion removes five (5) days from our maximum accrual so we will receive 40 hours less than the current policy for accruing PTO.

A majority of the management staff are (or will be) maxed out on the amount of sick leave they can accrue (720 hours). If we are maxed out, what happens to those three days? Is the employee being compensated for those three days (i.e. payment) as this was not mentioned? As it stands, we max out at 720 hours and stop accruing sick leave. Now there is a proposal to add three days to a pool of leave that most of us are already maxed out. Was there any consideration to raise the maximum accrual of sick leave? Or to open a VEBA account for employees to offset the hours? There is also the concern that this change will promote abuse of sick leave and encourage staff to recoup those three days of PTO taken away.

Staff have expressed to management the concerns about how this will affect the City's ability to stay relevant in attaining and retaining qualified personnel. With the proposed cuts, we believe it will be even harder to attain qualified employees who have better benefit packages with other public agencies.

The City has set a past precedence of unrepresented employees receiving the same benefits, i.e. PTO/Sick Leave, COLA, etc., as the ASFCME represented employees. Why now is management being targeted for such drastic changes to our benefits?

The most confusing aspect of these changes is the monetary value to the City? What benefit does the City receive by removing hours from our PTO bank and adding them to our sick leave

bank? We can tell you that from a personal stand point, morale is affected and as all of PW management have been with the City a minimum of 10 years, up to 19 years, this feels like a slap in the face considering the many years of service we have collectively provided to the City.

In the January 7, 2019 PTO Subcommittee Meeting Minutes, Ms. Henry noted that for her department and in her prior experience, salaried staff kept track of the extra hours that they worked. She stated that even if the hours were less than 40 hours each week they were still paid for 40 hours, but they still turned in the actual hours, so they knew where to assign the time for overhead allocation.

This practice by Ms. Henry is not in keeping with the City's Administrative Leave Policy which states that employees shall complete timesheets for the purpose of job costing and accounting for personal time off, professional leave, and/or sick leave. Exempt employees that have worked less than eighty (80) hours per pay period shall make up the time with paid leave from their Paid time off (PTO), administrative leave or sick leave banks (see attached).

It does not mention or allow for staff to keep track of their extra hours as mentioned by Ms. Henry above. It appears there are inconsistencies on how various departments are applying the Administrative Leave Policy. As such, Public Works Department has applied the Administrative Leave Policy to exempt staff.

Thank you for your consideration of our concerns. We hope that you will apply past practice to how you proceed with these changes as they relate to represented staff and that this letter demonstrates to you how important our benefits are to us and why we choose to work for the City of Sherwood.

Sincerely,

Darren Caniparoli, Operations Supervisor
19.5 Years of Service

Amy Jollett, Utility Supervisor
14 Years of Service

Kathy McWilliams, Program Analyst
11 Years of Service

Rich Sattler, Utility Manager
10 Years of Service

Steve Zigler, Fleet Supervisor
10 Years of Service



Administrative Leave Policy

General Rule

In recognition of the routine additional hours required of exempt employees, exempt employees shall receive an administrative compensation credit of forty (40) hours annually, to be taken as leave with pay. Leave for exempt employees hired during the calendar year will be pro-rated. This benefit shall be scheduled in the same manner as accrued paid time off (PTO) and is subject to approval. Administrative leave cannot be carried forward into the next calendar year. The City Manager has the discretion to permit short periods of time off for such exempt classified employees for the purpose of attending to personal or civic matters, without loss in salary or requiring the use of other leave benefits. Pay for work on recognized City holidays shall be governed by the Paid time off (PTO) section of the City of Sherwood Employee Manual.

- A. Exempt – Exempt employees shall complete timesheets for the purpose of job costing and accounting for personal time off, professional leave, and/or sick leave. Exempt employees that have worked less than eighty (80) hours per pay period shall make up the time with paid leave from their Paid time off (PTO), administrative leave or sick leave banks.
- B. Exempt positions – For the purposes of this policy, exempt classified employees include those persons employed in an administrative, professional or executive position, as defined by the Fair Labor Standards Act of 1985, or succeeding legislation.
- C. Terms - The benefits stated within this policy, are at the discretion of the supervisor/manager or the city manager and may be changed/modified or revoked at any time.

05-16-19
Date

BC
Gov. Body

May 16, 2019

4
Agenda Item

B
Exhibit #

Sherwood City Council
22560 SW Pine Street
Sherwood, OR 97140

Members of City Council and Budget Committee,

On May 1st, we attended the City Manager's Employee Meet-Up where the City Manager (Joe) presented a slide show regarding the overall budget. At this meeting Joe indicated that one of his budget strategies to keep the General Fund Ending Fund Balance above 20% and to fund additional employees in the Police Department and Community Development Department, was to have "exempt" employees begin paying 6% portion of PERS effective July 1, 2020 (the two bargaining units SPOA and AFSCME would not be included as they are under current contract).

Joe also presented this to the Budget Committee on May 9th. A question from budget committee was asked if having employees contribute their 6% portion of PERS was in keeping with other agencies? The reply was NO, we are in the forefront (in the metropolitan market) of having employees pay their 6% portion of PERS.

In the 2019-20 budget, it is proposed that the following general fund positions be added: three (3) police positions, one (1) court clerk, a limited duration (2 year) economic development coordinator. It was explained that the addition of these positions was to support a few of Councils "Overarching Goals" for this year: 1) Implementation of the Police Staffing Study and 2) Economic Development. There is concern that the positions being proposed are not sustainable for the City and that the City is going to try and achieve these goals at the expense of existing employees.

As mentioned above, we were provided that NO other cities in the metropolitan area have the employees contribute 6% into PERS, unless they are provided that 6% in their salary compensation. We all recognize there is a problem with PERS that needs to be addressed. As you are likely aware, the issue of developing another PERS "fix" is currently at the Oregon Legislature. We ask: Why is the City making changes ahead of the State to PERS? We would ask that if the City is making changes to PERS that all employees be created equal. These proposed changes to PERS, as you would image, are creating discussions amongst all employees. We have been told that the represented groups are adamantly opposed to any employee contribution to PERS and will not sign bargaining contracts effecting PERS.

Staff is confused as to the message being sent to us by the City Manager in the proposed budget as it does not sync with prior budget statements or the recently completed Compensation Plan Study.

- In 2017 the City hired the McGrath Human Resources Group to perform a Compensation Plan Study (Plan). This Plan was conducted to provide a comprehensive total compensation study of all positions to bring staff up to the marketplace for our area. The Compensation Plan and resulting salary schedule was implemented in July 2018.
- In the Executive Report dated January 2018, Total Compensation (page 14) *"The City's total compensation – evaluating salary and benefits are very similar with the surrounding comparables, with health insurance premiums being almost identical. Pension contributions, when compared to the average, are slightly above; however, one could say that is offset a bit, in that other communities offer a VEBA in which there is a mechanism to turn in unused leave into an account to be used at a later date for health care expenses. A benefit not offered in Sherwood."* **Employer contribution of the 6% PERS is part of the Total Compensation Plan for the City.**
- In the Executive Report (page 14, compensation philosophy), *"...While maintaining fiscal responsibility, the City of Sherwood is committed to compensating in a manner that is reflective of the external market...."*
- The FY 2018-19 Adopted Budget, Personal Service Changes (page 6) *"...While these are significant increases, it is **critical** to update our compensation program in order to retain and recruit employees in a competitive marketplace..."*

As indicated in a statement of last year's budget, the City valued the need to bring staff up to marketplace for compensation. To bring salaries up to market it costs approximately \$720, 000. One could say that the City was saving this amount on a yearly basis by not paying employees market.

We understand the need for Joe to try and implement goals of the council (which changes with each new Council group), however it may be that not all goals are obtainable in a single budget cycle. As mentioned by the City manager the current funding for staff is not obtainable unless employees are required to pick up 6% of PERS. Again, in the current budget the statement above "it is critical to update our compensation in a manner that is reflective of the external market". Taking away 6% of PERS is not keeping reflective of the metropolitan job market for city employees.

We appreciate your willingness to read our concerns and as loyal and dedicated staff ask that you considered the following:

- Request that council and budget committee task the City Manager to explore all options for funding additional staffing to meet council "overarching goal" by way of a public safety fee, public safety levy, cut in level of service goals, budget cuts, freeze on hiring
- Review, evaluate, delay one-time expenses (police department roof, vehicle replacements, etc.) until State provide solution for PERS, City obtains contract

agreements with represented staff and to shore up future declines of general fund to the goal, not required, 20% general fund balance.

- Equally treat all staff members within the City with regards PERS
- Allow the State time to develop new reform to PERS
- Making this change to PERS will affect the City's ability to retain, recruit and stay competitive in the marketplace.

Sincerely,

Darren Caniparoli, Operations Supervisor
19.5 Years of Service

Amy Jollett, Utility Supervisor
14 Years of Service

Kathy McWilliams, Program Analyst
11 Years of Service

Rich Sattler, Utility Manager
10 Years of Service

Steve Zigler, Fleet Supervisor
10 Years of Service

05-16-19
Date

Budget Committee
Gov. Body

Budget Committee Meeting

May 9, 2019

Agenda Item

C
Exhibit #

Supplemental Information

Table of contents

Outline for departmental presentations.....	1
(Includes positions NOT included in proposed budget and associated cost)	
Responses to questions.....	4
Police Staffing Plan.....	9
Police Staffing City Council Work Session 9.18.2018.....	13
Automated Speed Enforcement Program.....	28
Fleet and Equipment running balances by department.....	31

Departmental Presentations

Positions requested but not included in proposed budget

Agenda item 7. B. General Fund Presentation

a. Administration – pages 53-61

- Non-departmental
- City Council
- City Recorder – Records Tech – Currently at ½ time
 - i. Increase to ¾ time: \$16,192; OR Increase to full time: \$32,557

- City Manager
- City Attorney
- Human Resources – HR Tech
 - i. New position full time: \$96,811

- IT – Business Systems Analyst
 - i. Did not request position but still needs position that was removed last year:
\$113,134

- Finance
- Court

b. Community Services – pages 69-74

- Senior Center
 - i. Kitchen Coordinator: Add 3 hrs/week: \$5,468

- ii. Senior Center Manager – increase from 35 hrs/week to full time: \$11,901
(assumes no health insurance)

- Library

- iii. Technical Services Librarian – increase from 32 hrs/week to full time: \$18,002
(assumes no health insurance)

- iv. Youth Services Librarian – increase from 20 hrs/week to 26 hrs/week: \$11,215

- v. Admin Assistant II – either ½ time: \$27,748 or full time: \$81,340

- Fieldhouse and Recreation
- Events and Volunteers
- Center for the Arts

c. Community Development – pages 62-66

- Planning, Building, Engineering
 - i. Admin Assistant II: increase from 30 hrs/week to full time: \$18,693

d. Public Safety – pages 67-68

e. Public Works – pages 75-78

- Parks

- i. Maintenance Worker I – new position: \$58,147

- ii. Seasonal Maintenance Workers – two (2) positions: \$17,423 each (\$34,846)

- Facilities

- Fleet

Responses to Questions

Matt Kaufman

1. As a new member to the group I'm curious about the logic behind the 20% reserve threshold, as opposed to 15% or 25%? Under what circumstances would we consider using reserves and ending a period below that threshold?

The policy is actually that we must have 10% and strive to have 20%. Council and the Budget Committee are committed to keeping it above 20% due to issues of going concern that arise when it dips below that. Since property taxes make up a large part of our income, and we do not receive any taxes between July and October, it is important for the City to have adequate cash flows to cover operations for those 4 months. We do not need a full 33% due to other sources of cash but 20% keeps the general fund afloat until the first influx of property tax payments come in. It is recommended to keep between 2 and 3 months of reserves and 20% is 2.4 months.

2. Related to the question above, is there any sort of projection about when PERS rates will peak? Once they do are they expected to hold steady or to decline? My real question here is whether it might be worth considering a plan to use reserves to blunt the impact of the harshest rates in the future, if indeed those rates are projected to be temporary.

We anticipate significant increases each biennium for the next six years. After that time it is expected to plateau (as long as interest rates hold in the market, and there is currently some discussion of lowering the expected rate of return again so tis may not hold true) and would not go back down until at least FY36. We have been looking at a variety of plans to help with this impact but as of right now the rates are not projected to be temporary.

3. It's not a huge dollar amount, but 115 desktops and 25 laptops in a single year seems like a large turnover. Does IT have policies around when computers are purchased/retired? Do we have some sort of rotation plan where a certain percentage of in-use computers are upgraded along projected useful life to smooth cash outflows on a yearly basis?

This will be replacing all staff and library patron computers with the exception of Police MDT's (in car computers) and Engineering workstations. In the past we replaced 50% of all staff computers every 2-3 years with a goal of getting at least a 5 years of lifespan. Our current computers are 6-7 years old. While I can see the fiscal benefit of spreading the replacement cycle out over several years there great benefits of having one PC standard for all city staff. By staff having the exact same computer we gain some efficiencies such as, only having to manage one software image, all parts are interchangeable, one support contract, etc. This coupled with the age of our current computes and that we are completely out of spare computers led to the decision to replace them all at once. One way that we try and help offset these large capital purchases is by spreading the different types of costs out to different budget years. For example, last year we purchased a new SAN (Storage System), the year before we replaced most of our servers, and next year we will replace all computers. This helps keep the IT budget flat so we don't have large spikes on one year and not on another.

4. Same question as above on police/construction vehicles. Is there a policy for when such purchases are planned for and approved so that cash outflows are smoothed across budget years?

All of fleet is managed by fleet services and each vehicle is independently reviewed so that it is used to its full potential while weighing benefit versus cost. Cash outflows are smoothed and amounts are set aside for the replacement of vehicles. See pages 32 and 33 for detailed and projected balances by department.

5. Related to the question above, is there more context for the proposed addition of 2.5FTE for the police department? The provided chart (p.67) shows a 7.5% increase in calls for service comparing 2016 to 2018. The proposed FTE increase would be around 22% over the historical trend of 24.5 (Appendix). The proposed increase in overall budget is also around 28% higher than the historical trend of ~3.5M, with a partial salary this year that will become a full year salary in 20-21. I'm not arguing against the increase, it would just be nice to have some context around this relative shift in resources versus other areas. Do we benchmark against cities with similar size/demographics?

This item will be discussed in more detail under Agenda item 7 B. d Public Safety. For more context please see pages 10 through 28 of the attached handouts which are the proposed Police Staffing study and the PowerPoint presentation given to Council on September 18, 2018.

6. I'm curious about the temporary Economic Development Coordinator. Would it be possible to have a bit more information about the goals for this role, how we will know if it is successful, and what the criteria would be to continue this position permanently into the future?

This position will be discussed under Agenda item 7.B.c Community Development.

The City had an Economic Development Manager position in the past which was eliminated in 2012. When that position was eliminated, it was determined that the responsibilities of that position could be folded into duties of other existing staff. With the current Council's goal of economic development, the booming economy and potential growth opportunities in the Tonquin Employment area and other areas within Sherwood, it has become evident that a dedicated staff person is needed to best support economic development in the City. While we would love the position to not be of limited duration, there is not long term funding for the City Manager to comfortably propose that. Therefore, we will work with the new Economic Development staff person to develop performance measures to gauge success, with the hope that the position's success will result in increased revenues that can sustain the position long term.

We envision that this position will have 3 main focuses:

- 1) Retain existing business
- 2) Grow existing business
- 3) Attract new business

As we are updating the position description for this position, we are looking to our neighboring jurisdictions that have Economic Development positions to help ensure that the position and expectations are clear, will get us the results we desire, and that the salary is competitive. While the expectations of the position will be clear, one the first tasks will be for them to help us identify specific performance measures. There are many ways that this position can be successful and we will want to make sure that we are tracking progress in multiple ways. Examples of the types of things that we could track include: increase in jobs, increase in average City wage, increase in assessed value for non-residential development, number of new businesses created, vacancy rates in commercial and industrial developments, number of meetings with site selectors, number of connections made with existing businesses on a monthly basis, etc.

7. What is the cause of the budgeted \$140K jump in Fleet & Equipment (60) Other Equipment (7054)? Looks like this is rolling over from the 18-19 budget year, just curious what it is.

We had budgeted to replace the street sweeper in FY19. This was deferred and is being requested for FY20. (We do recognize that this is in contradiction to the narrative on page 76 which states that 100% of budgeted equipment was purchased. A revision of this narrative will be in the final adopted budget).

Nancy Taylor

8. I would like to see the police departments' annual report. Number of calls, type of calls etc. I have seen the report in years past but only because I attended the police board meeting. If there is an annual report much like the library's could it be made available?

See question 5 above.

Kady Strode

9. For city-wide revenues it looks like the city is projecting an increase in infrastructure fees based on expected growth next year, however charges for services and licensees and permits are both projected as a decrease from the current year. My understanding is if there is anticipated growth within the city, fees for building permits, planning permits, business licenses, etc. would also be expected to increase. Can you help me understand why the two may differ?

In order to make a comparison between infrastructure fees, charges for services, licenses and permits, one would have to take it down to a much more granular level. Analytical procedures at the city wide level will not be conclusive. This is due to the fact that the projected SDCs are calculated at the individual project level and based on known data about specific projects. There is also a significant timing difference between when collection of SDCs occurs and when any related business licenses revenue would increase and when charges for services would increase. Charges for Services are significantly impacted by utility fees which absorb any significant changes due to their size.

10. I didn't see any "sale of fixed asset" budgeted for 19/20 - are all items that are being "replaced" in the capital outlay schedule (i.e. police vehicles, dump truck, etc.) fully depreciated and no surplus is expected when disposing of them?

All surplus is budgeted under miscellaneous revenue. It is extremely difficult to determine how much we will get for individual items. Fleet services handles both fixed and small assets. At the time of disposal finance accounts for the revenue as either miscellaneous revenue or sale of fixed assets depending on the classification of the asset sold at that time. Items being replaced are also sometimes kept for backup and are not necessarily sold at the time of replacement.

11. Effective 06/30/20 all exempt employees will now be responsible for the 6% contribution to PERS. Is the city planning on making up this compensation with an increase in salaries in future years to make the overall benefit package comparable? How confident is the city that the bargaining units will agree to this change?

One of the reasons for waiting until 7/1/2020 was to provide adequate notice to affected staff of a shift this significant in their benefits. By waiting until 7/1/2020 to implement the employee contribution to PERS the employees will benefit from a 3.5% COLA for FY20 as well as a step increase (ranging from 1.5% to 2.5%) and another COLA for FY21 that has yet to be determined (likely around 2%). The alternative of freezing salaries was considered but it would negate the effort that was made to align the City's salaries with other comparable cities around us. The City will work with the bargaining units through the usual process but it is always difficult to predict how those negotiations will turn out. We are confident that the resolution of the PERS shortfalls will require employee contributions in some form over the next few years, whether through negotiation or through state legislation in some form. Waiting another year before transferring the responsibility for the employee portion of PERS over to the employees and use fund balance to cover this amount for exempt employees affords us with the time to see what changes happen at the state level. This will help us to implement the best solution for the City and the Employees as possible with the least likelihood of having to modify it again in the near future due to legislative changes.

12. For the building department's performance measures, the city anticipates a slight increase in total number of permits, yet FY19/20 is projected a 64.5% decrease from 18/19 projected for building permit revenue. These two don't seem to correlate- can you help me understand?

Building permit revenue is based on a percentage of the value of the project. We had several very large and expensive projects in the past few years which led to large plan review and permit fees. While we expect an increase in permit activity due to expected additional residential developments and tenant improvements, we do not expect them to be the large projects we have recently seen.

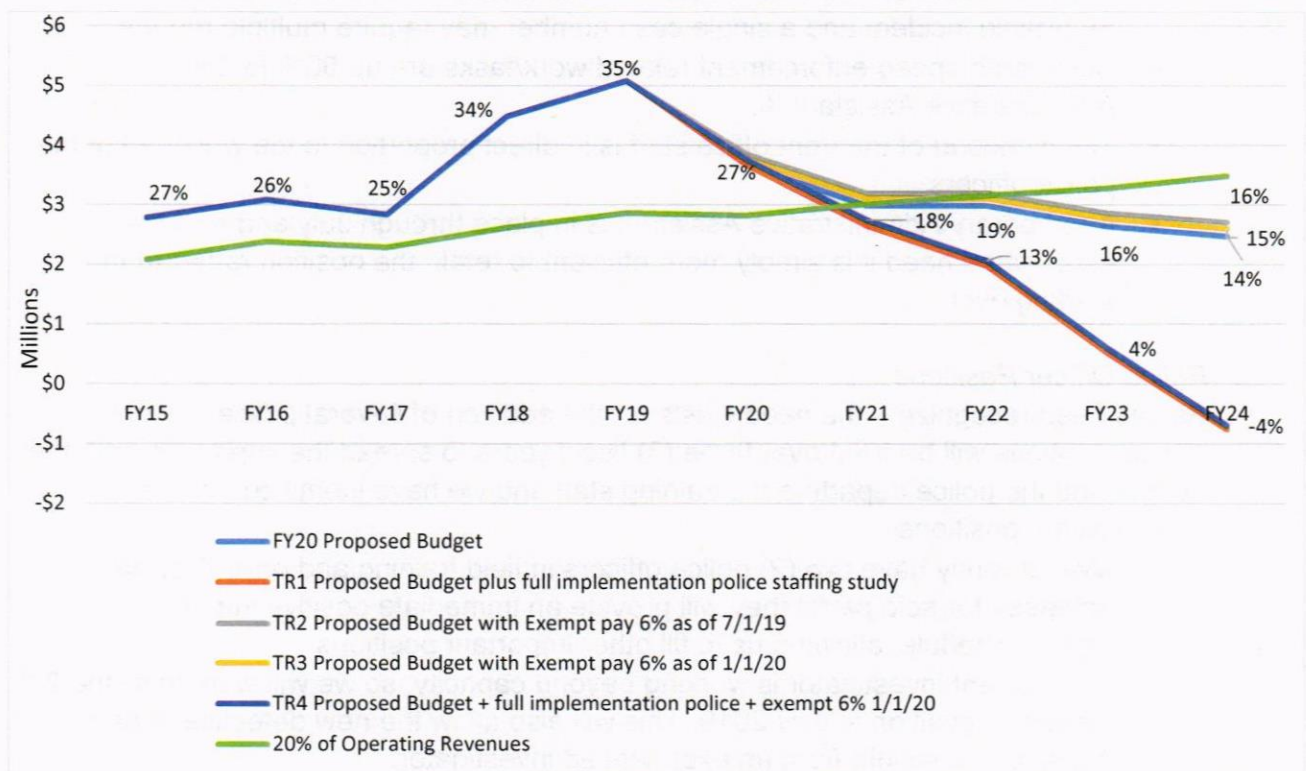
13. How does the city plan to address the increased workload within the departments that did not get their requested FTE additions?

The City has been a lean organization for some time and will continue to be. Increasing efficiencies in each department is a topic of high importance as is prioritizing the work load and making difficult decisions as to what continues to get done and what doesn't. Each department will present the impact on their individual operations as a result of the staffing restrictions.

Tim Rosener

Could you run some additional scenarios for the next meeting?

14. Five Year forecast showing same parameters as proposed budget add full implementation of Chiefs Staffing Plan in the future. (See TR1)
15. Five year forecast showing same parameters, implementation of non-union employees paying 6% share on July 1st. (See TR2)
16. Five year forecast showing same parameters, implementation of non-union employees paying 6% share on January 1st. (See TR3)
17. Combination of 1 & 3 (See TR4)



During the development of the proposed budget staff prepared a large number of different scenarios to evaluate the best course of action. Several versions of the scenarios presented above were run and considered before choosing the scenario presented in the proposed budget.

Police Staffing Plan

Position	Potential/Planned Hire Dates							
	FY 2019-20		FY 2020-21		FY 2021-22		FY 2022-23	
	July 1	Jan. 1	July 1	Jan. 1	July 1	Jan. 1	July 1	Jan. 1
Admin. Asst.	Hire							
Officer-Det. #2	Hire							
Officer-Sgt.		Hire						
Officer-SRO #2			Hire					
Officer-Patrol			Hire					
Officer-Patrol					Hire			
Officer-Patrol					Hire			
Officer-Det. #3							Hire	
Officer-SRO #2							Hire	

Rationale

Administrative Assistant I Position

This position has been identified in budget discussions for the last several years. We have seen a steady increase in the workload of front office staff and the addition of automated speed enforcement has had a significant impact.

- Case numbers are up 7%. A case number is taken for each crime and/or reportable incident and a single case number may require multiple reports.
- Automated speed enforcement related work/tasks are up 50% for the Administrative Assistant III.
- The workload of the front office staff is in direct proportion to the workload of the police officers.
- A temporary Administrative Assistant is in place through July and with the established need it is simply more efficient to retain the position rather than starting over.

Police Officer Positions

As has been recognized, the need exists for the addition of several police officers. These positions will be filled over three (3) fiscal years to spread the impact on both the budget and the police department's training staff and we have identified an intentional plan to fill the positions.

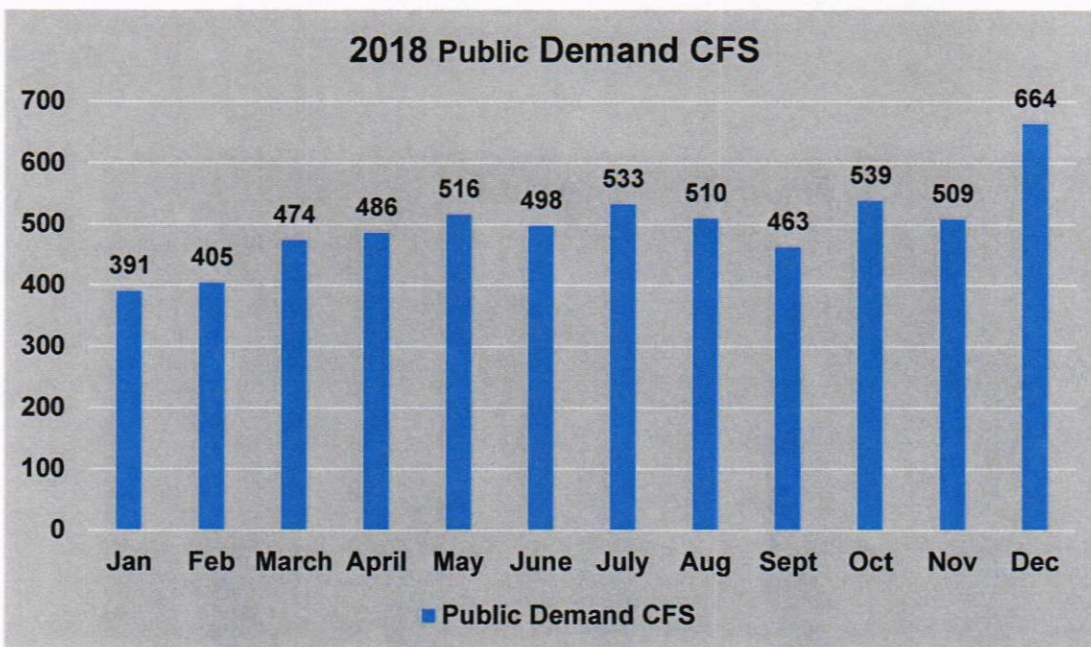
- We currently have two (2) police officers in field training and once they are released for solo patrol they will provide an immediate positive impact on the patrol schedule, allowing us to fill other important positions.
- Our current investigator is working beyond capacity, so we will work to fill the 2nd detective position in July 2019. This will also allow the new detective to gain training and insight from an experienced investigator.
- We have a significant need for more supervision, so we will work to fill the 4th Sergeant position in January 2020. This will allow for some financial savings based on timing, will also provide additional positive impact to patrol and will

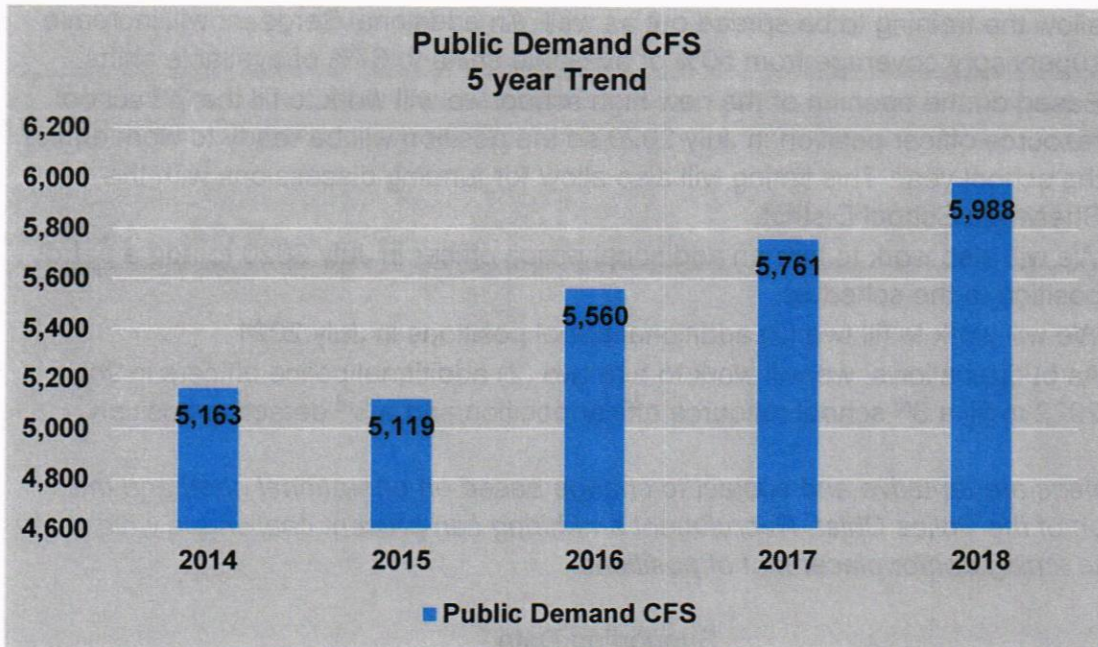
allow the training to be spread out as well. An additional Sergeant will increase supervisory coverage from 50% of available shifts to 67% of available shifts.

- Based on the opening of the new high school we will work to fill the 2nd school resource officer position in July 2020 so the position will be ready to work during the school year. This timing will also allow for funding discussions with the Sherwood School District.
- We will also work to hire an additional police officer in July 2020 to add a patrol position to the schedule.
- We will work to fill two (2) additional patrol positions in July 2021.
- As budget allows, we will work to hire two (2) additional police officers in July 2022 to fill a 3rd school resource officer position and a 3rd detective position.

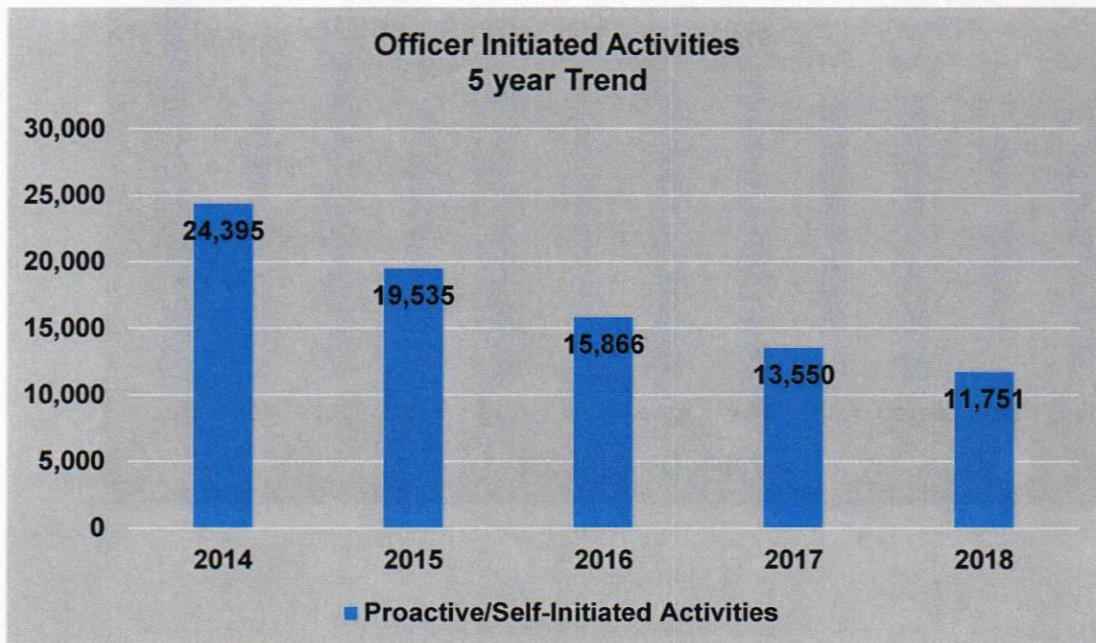
These plans are tentative and subject to change based on operational need and the discretion of the Police Chief. Recruitment and hiring can present challenges which may affect the timing and/or placement of positions.

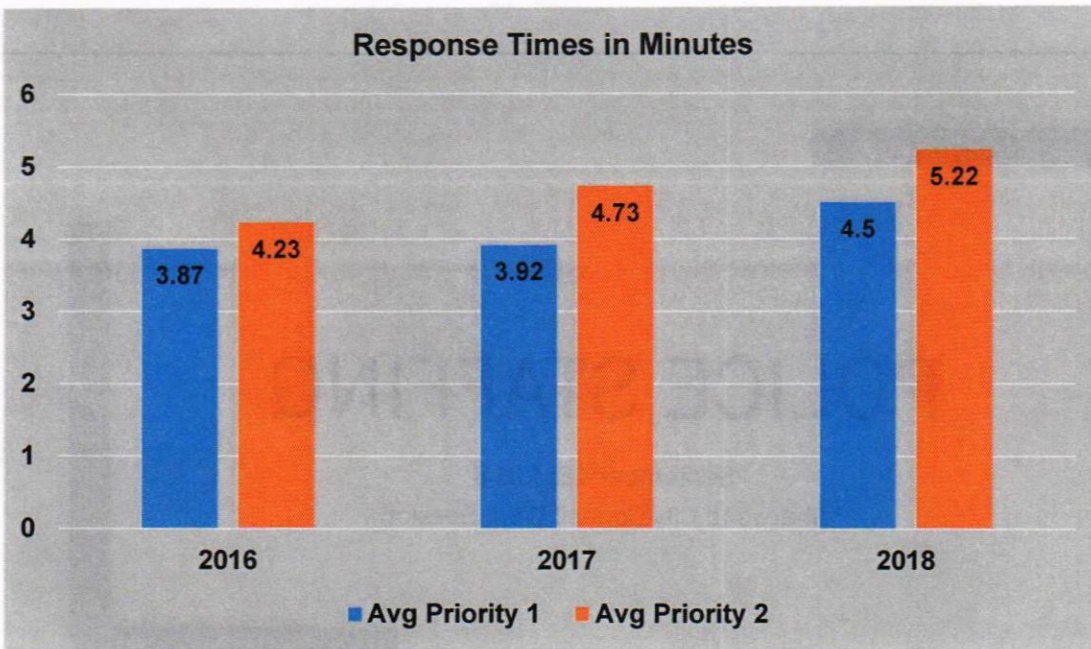
Supporting Data





Public demand calls for service have increased 15% since staffing study data year





Response times to priority 1 calls has increased 14% in 2 years.

Response times to priority 2 calls has increased 19% in the same period.

POLICE STAFFING

September 18, 2018
Sherwood City Council Work Session

Introductions



- Chief Groth
- Captain Ty Hanlon
- Captain Jon Carlson

Topics



- Background/Framework/History
- Staffing Study follow-up
 - *Key findings*
 - *Recommendations*
 - *What's lacking*
- Chief's recommendations
- Optional Service Levels
- Implementation Costs

My Frame of Reference



- "In a democracy, the first and most important obligation of government to its people is to ensure freedom from fear, crime, and disorder. Without this freedom, all the pillars that support our society-education, health, freedom of speech and religion, tolerance, and equal rights-cannot be guaranteed. Police are essential to that obligation. Police count. Police matter."

-William Bratton, Former Chief of the New York City Transit Police; Former Boston Police Commissioner; Former New York City Police Commissioner; and Chief of the Los Angeles Police Department (Ret.); Chairman, Kroll Advisory Solutions, New York, New York

-George L. Kelling, Professor Emeritus, Rutgers University; Professor Emeritus, Northeastern University; and Senior Fellow, Manhattan Institute, New York, New York

- Published in Police Chief magazine in 2012

Background



- The past
 - A 2004 SPD phone roster shows 22 sworn & 3 non-sworn, 25 total
 - A 2009/10 budget FTE sheet reflected 28 "discussed/proposed" positions
 - SPD was in stronger position before recession
 - Restoration and addition
- How did we get here
 - Multiple conversations since 2010
 - 2014 Police Advisory Board established
 - 2016 Staffing Study

Public Safety Director	1
Police Chief	1
Police Captain	2
Police Sergeants	4
Police Officers	17
Non-Sworn	3
Total	28

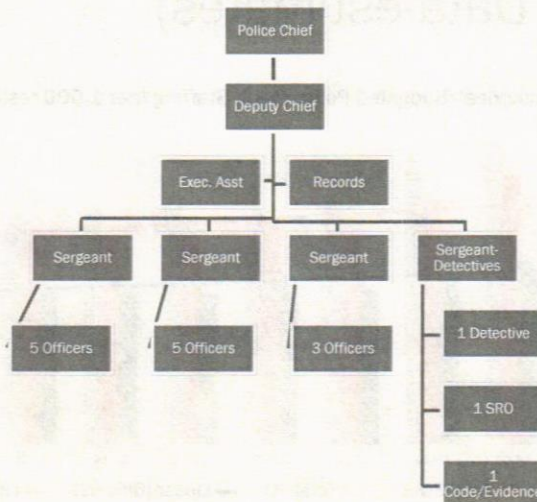
Discussion Framework



- Consider what we protect
 - Over 19,000 residents in; (#29 out of 245 cities according to PSU)
 - 6,883 total housing units
 - 5,713 single family housing units @ 2.89 per household
 - 1,239 multi-family housing units
 - About 570 licensed businesses
 - Approximately 7,000 total physical structures with an assessed value of \$1.9 billion
 - About 6,000 students occupying 10 schools, public & private
 - 6.5 miles of paved trails and 11 parks
 - About 70 miles of roadway
- Consistent top 3 safety rankings based on FBI crime rate for Oregon cities
- Crime rates are lowered by proactive/preventative policing more than reactive policing

SPD Past (Circa 2005 thru 2006)

24 Total (21 sworn & 3 Non-Sworn)



Staffing History (Finance Data-estimates)



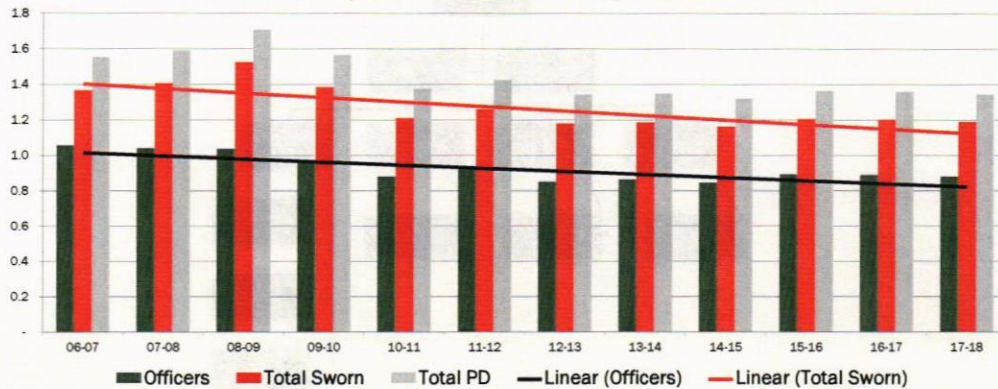
Fiscal Year	Officers	Command Staff	Non-Sworn	Total	Population
06-07 (2006)	17	5	3	25	16,115
07-08 (2007)	17	6	3	26	16,365
08-09 (2008)	17	8	3	28	16,420
09-10 (2009)	16	7	3	26	16,640
10-11 (2010)	16	6	3	25	18,205
11-12 (2011)	17	6	3	26	18,255
12-13 (2012)	15.5	6	3	24.5	18,265
13-14 (2013)	16	6	3	25	18,575
14-15 (2014)	16	6	3	25	18,955
15-16 (2015)	17	6	3	26	19,080
16-17 (2016)	17	6	3	26	19,145
17-18 (2017)	17	6	3	26	19,350

Population numbers from PSU

Staffing History (Finance Data-estimates)



Historical/Budgeted Police Dept. Staffing (per 1,000 residents)



Matrix Staffing Study Follow-Up



- Consultant & Police Chief (Theoretical v. Practical)
- Key Findings
- Recommendations
- What's lacking
 - Schedule
 - Patrol workload/CFS information
 - Supervision
 - Investigations

Matrix Key Findings



- High Level of Service- *I agree*
- Proactive patrol time- *I disagree*
 - System issues and philosophical differences
- Response times- *I agree*
- Community safety- *I agree*
- Community feedback showed a desire for more services
 - Enhanced patrol visibility
 - More SRO
 - Enhanced investigative services
 - Community awareness (?)

Matrix Recommendations



- Some contradictions/confusing statements
- Recommendations
 - #1- "appropriate level of patrol staffing" v. "team recommends several operational and staffing changes"; contradiction
 - #2 & #3-SARA applies uniquely to agencies like SPD according to WCPI
 - #4- Management/Leadership; status quo
 - #5a,b,c,f- 12 hour shifts; Not follow. Clear research & labor issue
 - #5d,e- K-9 & Traffic deployment; status quo
 - #5g- Increase supervision; proposed

Matrix Recommendations

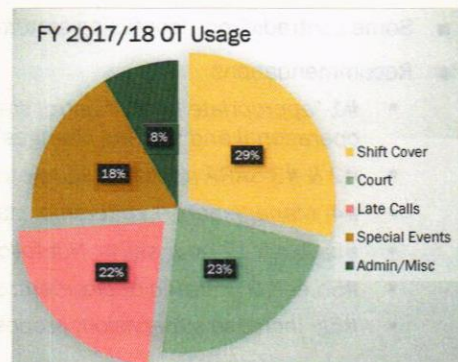


- #6- WCSO concept; Explored and found to be unacceptable to community
- #7- Case tracking/management. No basis, but says, "...given the recommended increase in patrol.."; unclear, but in process
- #8- Additional SRO; proposed
- #9- Remove SRO from patrol/calls; in process
- #10- Create CSO to assist w/administrative functions; Not following, wrong position, proposing additional admin
- #11- Re-class Code Compliance to CSO; done
- #12- Reinstitute police reserves; in process
- #13- Relocate emergency management; in process

Matrix-What's Lacking Schedule



- Deeper examination of patrol staffing/schedule
 - Officer net availability is .72, so
 - 1=.72
 - 2=1.44
 - 3=2.16
 - Conclusion that 2 officers on patrol is sufficient, means there must be 3 on the schedule. OT is not the answer. 51% of OT is affected by schedule
 - The average community generated call in Sherwood has 1.41 Sherwood officers responding, which is below suggested practice of 1.5

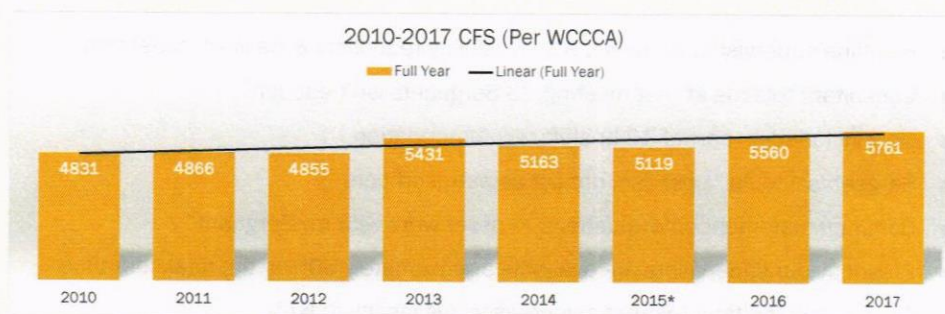


Calls For Service/Workload



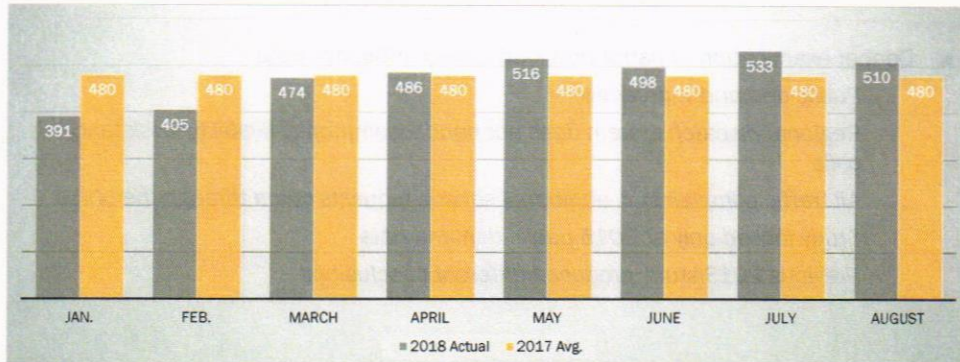
- Deeper examination of patrol workload/Calls For Service data
 - *Public demand v. proactive*
 - *Regional dispatch system does not handle community livability/assistance calls*
 - *All traffic complaints & additional service requests come through the office*
 - *Study looked only at 2015 public demand data*
 - *Previous 2013 study produced different conclusions*

Calls for Service (CFS)



* Year of data reviewed by Matrix

CFS 2018



Supervision



- Frontline supervision is critical. Risk & liability reduction, & desired leadership
- Consultant told me at first meeting, "3 Sergeants isn't enough"
- Only included as part of 12-hr shift recommendation
- Sergeants should supervise, not act as patrol officers
- Common statement on evaluations, "I never work with my Sergeant"
- Presently our supervisors are available approximately 50% of the total shift time
- Adding one additional Sergeant increases availability to 67%

Investigations/Detective

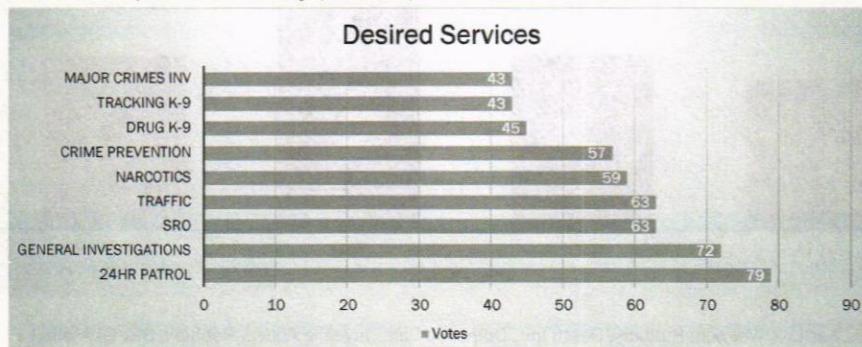


- Surveys, interviews & focus groups indicated support for additional investigative resources
 - 77% department members said we need more investigators
 - The community rated investigations equal to SRO
- A one day "desk audit" is neither analytical, nor representative of average annual workload, demand and need
- Detective workload is increasing

Investigations/Detective



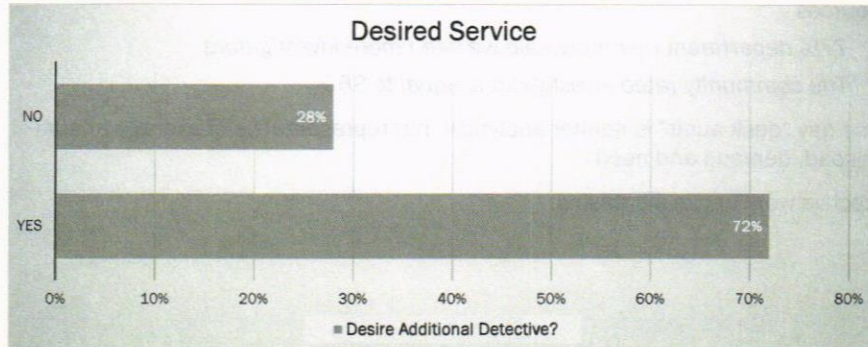
- 2011 Department survey (Internet)



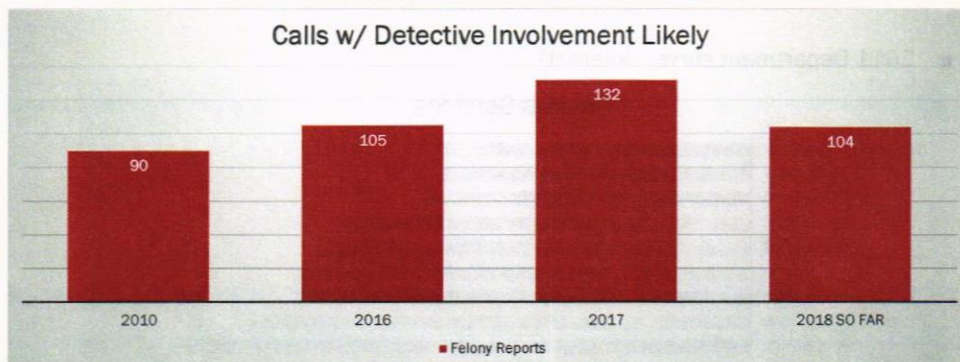
Investigations/Detective



■ 2015 Department survey (PD App)



Detective Caseload Potential



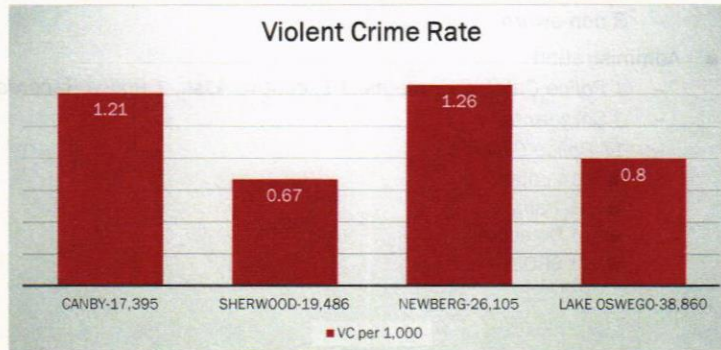
Assaults, Asslt. w/Weapon, Burglary, Death Inv., Domestic Dist., Juvenile Abuse, Robbery, Sexual Assault

Detective Comparison



- "Investigative workload cannot be easily and convincingly converted into quantitative methodologies to arrive at required staffing levels."... or can it?
- Based on violent crime rates in 4 of the 6 safest cities (Beaverton & Sandy excluded based on size extremes)
 - CPD 4
 - SPD 1
 - NDPD 4
 - LOPD 5

(Population data from FBI)



Detective Comparison



- | | |
|---|---|
| <ul style="list-style-type: none"> ■ Canby (4 Detectives) <ul style="list-style-type: none"> - Population: 1 per 4,400 - Violent crime: 1 per 5.25 - Property crime: 1 per 44.75 ■ Sherwood (1 Detective) <ul style="list-style-type: none"> - Population: 1 per 19,486 - Violent crime: 1 per 13 - Property crime: 1 per 220 | <ul style="list-style-type: none"> ■ Newberg (4 Detectives) <ul style="list-style-type: none"> - Population: 1 per 6,500 - Violent crime: 1 per 8.25 - Property crime: 1 per 110.75 ■ Lake Oswego (5 Detectives) <ul style="list-style-type: none"> - Population: 1 per 7,800 - Violent crime: 1 per 6.2 - Property crime: 1 per 89.2 |
|---|---|

Staffing Today (FY 2018/19)



- 26 total
 - 23 sworn
 - 3 non-sworn
- Administration
 - 1 Police Chief, 2 Captains, 1 Executive Asst., 1 Police Records, 1 CSO
 - 3 Sergeants
 - 17 Police Officers
 - 14 patrol
 - 1 Traffic
 - 1 Detective
 - 1 SRO

Chief's Recommendations



- My Priorities
 1. Patrol
 1. Schedule & Supervision
 2. Traffic (History of 2)
 2. Schools*
 3. Investigations*

* Order based solely on council/public perception; to me they are even

Patrol Schedule



	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	DAYSHIFT
D1	XX	XX	XX					XX	XX	XX					6A-4P
D2					XX	XX	XX						XX	XX	6A-4P
D3		XX	XX					XX	XX						6A-2P
D4				XX	XX							XX	XX		6A-2P
D5	XX						XX	XX						XX	6A-2P
	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	Swingshift
S6	XX	XX	XX					XX	XX	XX					2P-12A
S7					XX	XX	XX						XX	XX	2P-12A
S8		XX	XX					XX	XX						2P-10P
S9				XX	XX							XX	XX		2P-10P
S10	XX						XX	XX						XX	2P-10P
	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	NIGHTSHIFT
N11	XX	XX	XX					XX	XX	XX					8P-6A
N12	XX	XX	XX					XX	XX	XX					8P-6A
N13	XX	XX	XX					XX	XX	XX					8P-6A
N14					XX	XX	XX					XX	XX	XX	8P-6A
N15					XX	XX	XX					XX	XX	XX	8P-6A
N16					XX	XX	XX					XX	XX	XX	8P-6A

This schedule has been determined to be the most efficient based on Matrix's formula

Optional Service Levels



Position	Current	Basic/Now	Enhanced
Police Chief	1	0	0
Police Captain	2	0	0
Police Sergeant	3	+1	0
Patrol Officer	14	+2	0
Traffic Officer	1	0	+1
Detective	1	+1	+1 (Narcotics)
School Resource Officer	1	+1	+1 (FT Elementary Schools)
Community Service Officer	1	0	0
Administrative Asst.	2	+1	0
Total FTE	26	32	35

Implementation Costs



Adds	Basic \$\$	Enhanced \$\$
Police Sergeant	\$143,000	\$0
Patrol Officer	\$216,000	\$0
Traffic Officer	\$0	\$108,000
Detective	\$108,000	\$108,000
SRO	\$108,000	\$108,000
Admin.	\$83,000	\$0
Total Costs	\$658,000	\$982,000

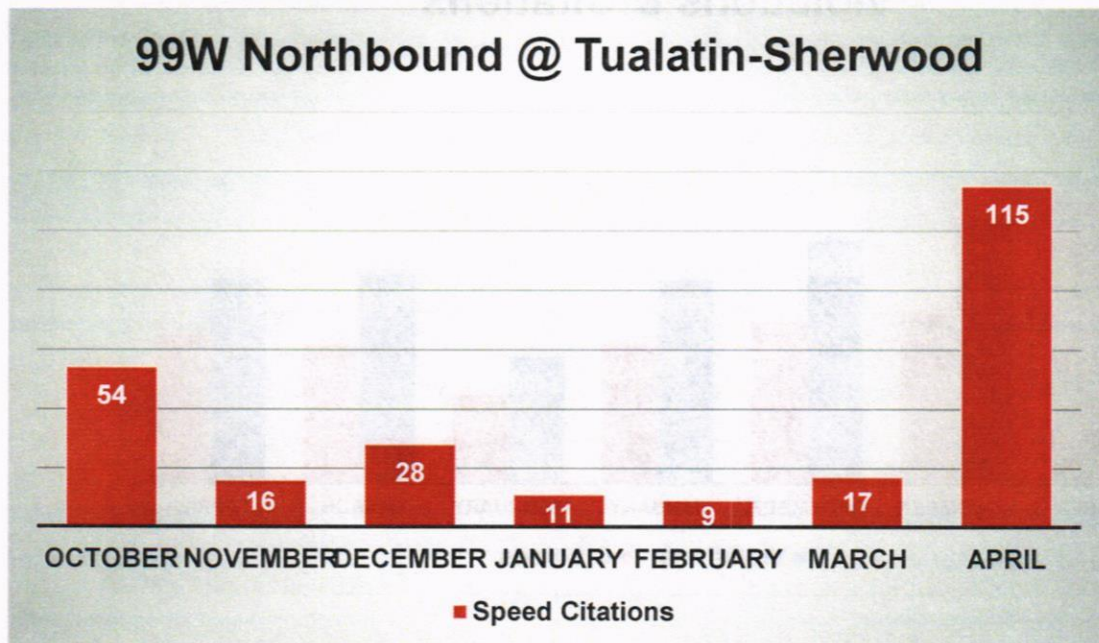
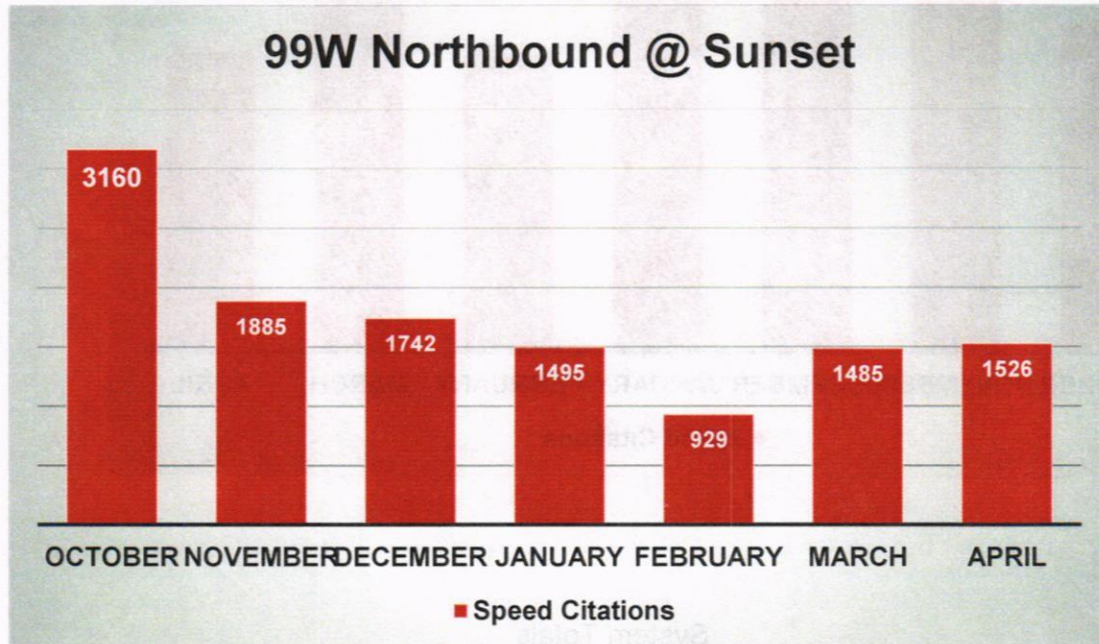
Questions?

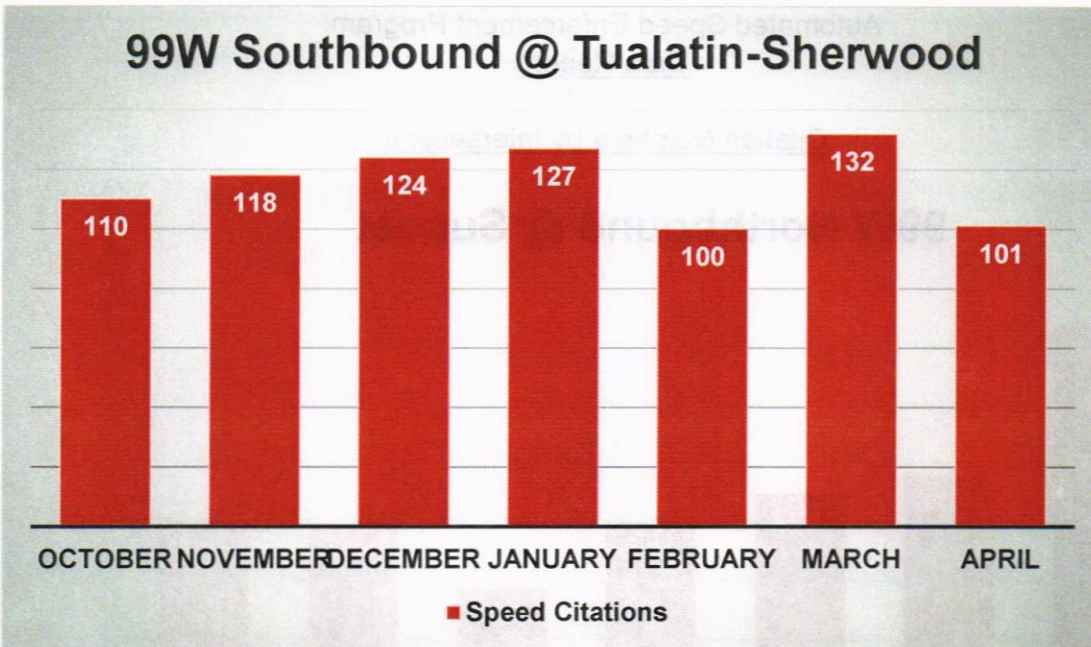


Latest data received by the City Manager. Provided to the Budget Committee as additional information for discussion as Speed on Green and Public Safety are topics of great interest this budget period.

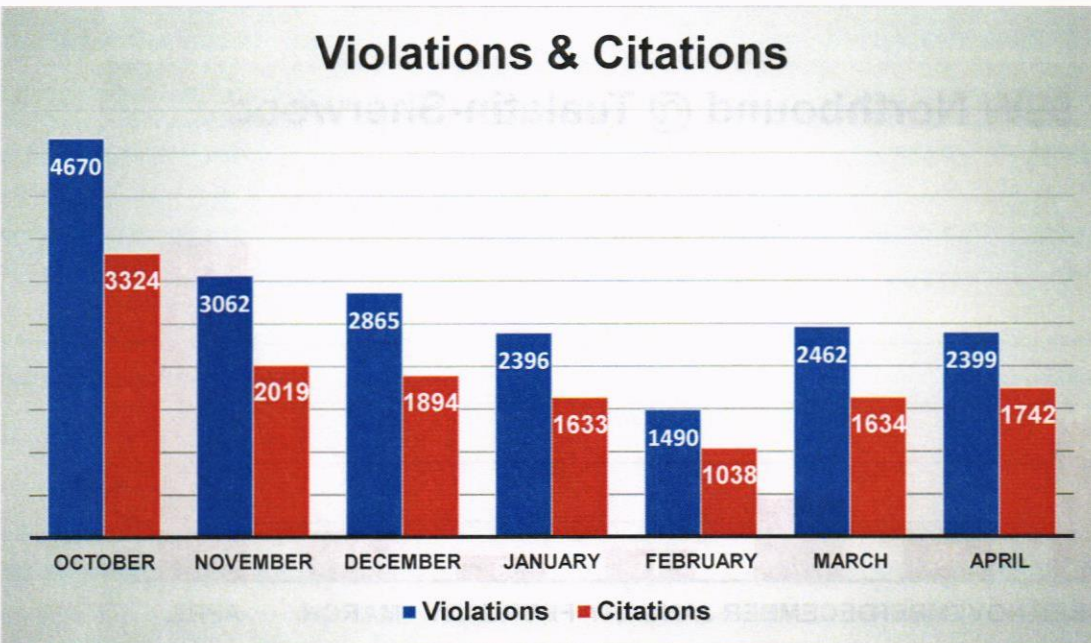
Automated Speed Enforcement Program
Data Report

Citation Numbers by Intersection

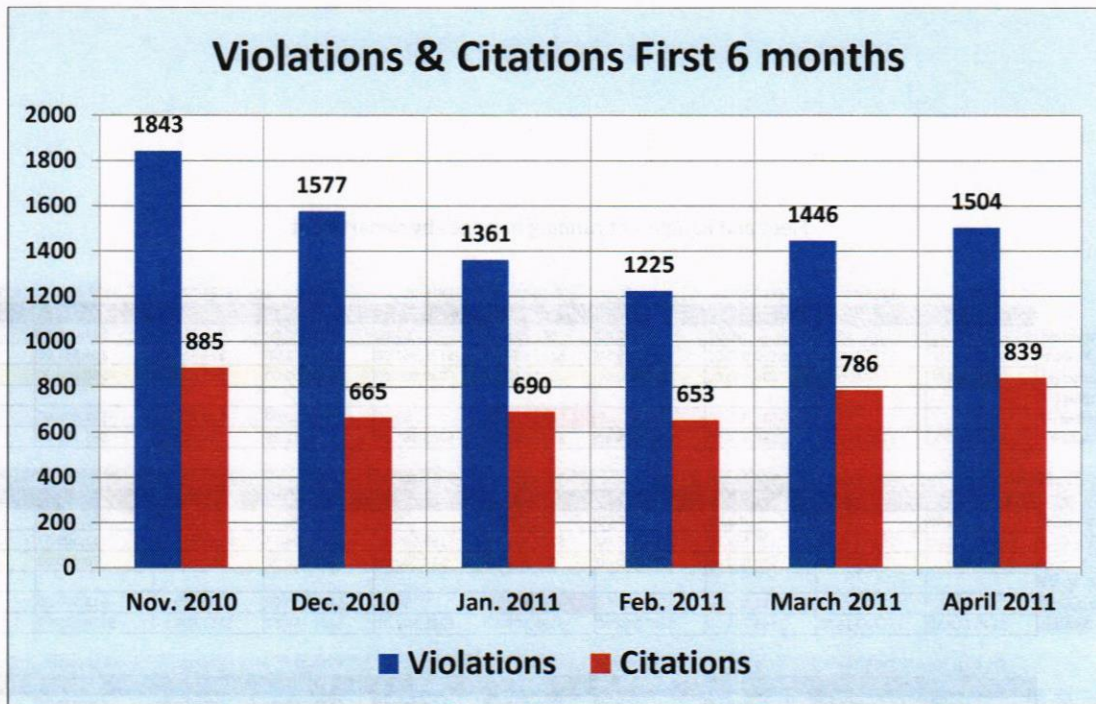




System Totals



Red Light Comparison



Fleet and Equipment running balances by department

Water		FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24
		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Water	Vehicle Replacement Costs Projection	\$0.00	\$0.00	\$0.00	\$0.00	\$42,333.34	\$0.00	\$161,250.00	\$40,250.00	\$31,000.00	\$85,000.00
	Carryover Balance	\$100,000.00	\$130,000.00	\$160,000.00	\$168,946.50	\$187,994.40	\$175,661.06	\$205,661.06	\$74,411.06	\$64,161.06	\$63,161.06
	Yearly Budget Contribution (+)	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00
	Surplus (+)										
	Actual/Projected (-)			-\$21,053.50	-\$10,952.10	-\$42,333.34	\$0.00	-\$161,250.00	-\$40,250.00	-\$31,000.00	-\$85,000.00
	Running Balance	\$130,000.00	\$160,000.00	\$168,946.50	\$187,994.40	\$175,661.06	\$205,661.06	\$74,411.06	\$64,161.06	\$63,161.06	\$63,161.06
Sanitary		FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24
		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Sanitary	Vehicle Replacement Costs Projection	\$0.00	\$0.00	\$0.00	\$0.00	\$42,333.33	\$0.00	\$133,750.00	\$40,250.00	\$13,500.00	\$77,500.00
	Carryover Balance	\$130,000.00	\$140,118.50	\$170,118.50	\$188,795.00	\$207,842.90	\$195,509.57	\$225,509.57	\$121,759.57	\$111,509.57	\$128,009.57
	Yearly Budget Contribution (+)	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00
	Surplus (+)										
	Actual/Projected (-)	-\$19,881.50		-\$11,323.50	-\$10,952.10	-\$42,333.33	\$0.00	-\$133,750.00	-\$40,250.00	-\$13,500.00	-\$77,500.00
	Running Balance	\$140,118.50	\$170,118.50	\$188,795.00	\$207,842.90	\$195,509.57	\$225,509.57	\$121,759.57	\$111,509.57	\$128,009.57	\$80,509.57
Storm		FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24
		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Storm	Vehicle Replacement Costs Projection	\$0.00	\$0.00	\$0.00	\$0.00	\$187,333.33	\$150,000.00	\$133,750.00	\$86,250.00	\$29,833.33	\$123,500.00
	Carryover Balance	\$135,000.00	\$130,118.50	\$170,118.50	\$200,388.50	\$229,436.40	\$82,103.07	-\$27,896.93	-\$121,646.93	-\$167,896.93	-\$157,730.26
	Yearly Budget Contribution (+)	\$40,000.00	\$40,000.00	\$40,000.00	\$40,000.00	\$40,000.00	\$40,000.00	\$40,000.00	\$40,000.00	\$40,000.00	\$40,000.00
	Surplus (+)										
	Actual/Projected (-)	-\$44,881.50		-\$9,730.00	-\$10,952.10	-\$187,333.33	-\$150,000.00	-\$133,750.00	-\$86,250.00	-\$29,833.33	-\$123,500.00
	Running Balance	\$130,118.50	\$170,118.50	\$200,388.50	\$229,436.40	\$82,103.07	-\$27,896.93	-\$121,646.93	-\$167,896.93	-\$157,730.26	-\$241,230.26
Street		FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24
		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Street	Vehicle Replacement Costs Projection	\$0.00	\$0.00	\$0.00	\$0.00	\$29,000.00	\$50,000.00	\$47,500.00	\$40,250.00	\$29,833.33	\$85,000.00
	Carryover Balance	\$109,000.00	\$134,000.00	\$159,000.00	\$184,000.00	\$198,047.90	\$194,047.90	\$169,047.90	\$146,547.90	\$131,297.90	\$126,464.57
	Yearly Budget Contribution (+)	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00
	Surplus (+)										
	Actual/Projected (-)				-\$10,952.10	-\$29,000.00	-\$50,000.00	-\$47,500.00	-\$40,250.00	-\$29,833.33	-\$85,000.00
	Running Balance	\$134,000.00	\$159,000.00	\$184,000.00	\$198,047.90	\$194,047.90	\$169,047.90	\$146,547.90	\$131,297.90	\$126,464.57	\$66,464.57
Parks		FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24
		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Parks	Vehicle Replacement Costs Projection	\$0.00	\$0.00	\$0.00	\$0.00	\$25,000.00	\$31,000.00	\$85,750.00	\$36,100.00	\$202,833.33	\$16,500.00
	Carryover Balance		\$54,547.00	\$75,270.00	\$123,270.00	\$156,217.90	\$179,217.90	\$196,217.90	\$158,467.90	\$170,367.90	\$15,534.57
	Yearly Budget Contribution (+)	\$48,000.00	\$48,000.00	\$48,000.00	\$48,000.00	\$48,000.00	\$48,000.00	\$48,000.00	\$48,000.00	\$48,000.00	\$48,000.00
	Surplus (+)	\$6,547.00									
	Actual/Projected (-)		-\$27,277.00		-\$15,052.10	-\$25,000.00	-\$31,000.00	-\$85,750.00	-\$36,100.00	-\$202,833.33	-\$16,500.00
	Running Balance	\$54,547.00	\$75,270.00	\$123,270.00	\$156,217.90	\$179,217.90	\$196,217.90	\$158,467.90	\$170,367.90	\$15,534.57	\$47,034.57

Police	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Vehicle Replacement Costs Projection	\$0.00	\$0.00	\$0.00	\$0.00	\$147,000.00	\$103,500.00	\$137,000.00	\$74,000.00	\$98,000.00	\$69,000.00
Carryover Balance		\$12,729.49	\$32,673.49	\$47,848.95	\$77,215.90	\$30,090.90	\$28,965.90	-\$1,159.10	\$24,715.90	\$26,590.90
Yearly Budget Contribution (+)	\$82,500.00	\$93,000.00	\$95,000.00	\$97,375.00	\$97,375.00	\$97,375.00	\$97,375.00	\$97,375.00	\$97,375.00	\$97,375.00
Surplus (+)	\$7,691.00	\$6,500.00	\$7,000.00	\$5,000.00	\$2,500.00	\$5,000.00	\$9,500.00	\$2,500.00	\$2,500.00	\$5,000.00
Actual/Projected (-)	-\$77,461.51	-\$79,556.00	-\$86,824.54	-\$73,008.05	-\$147,000.00	-\$103,500.00	-\$137,000.00	-\$74,000.00	-\$98,000.00	-\$69,000.00
Running Balance	\$12,729.49	\$32,673.49	\$47,848.95	\$77,215.90	\$30,090.90	\$28,965.90	-\$1,159.10	\$24,715.90	\$26,590.90	\$59,965.90

CDD, FAC, FLT, IT	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Vehicle Replacement Costs Projection	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$27,500.00	\$55,000.00	\$57,500.00	\$66,000.00
Carryover Balance		\$23,500.00	\$47,000.00	\$37,379.00	\$60,879.00	\$84,379.00	\$107,879.00	\$103,879.00	\$72,379.00	\$38,379.00
Yearly Budget Contribution (+)	\$23,500.00	\$23,500.00	\$23,500.00	\$23,500.00	\$23,500.00	\$23,500.00	\$23,500.00	\$23,500.00	\$23,500.00	\$23,500.00
Surplus (+)										
Actual/Projected (-)			-\$33,121.00		\$0.00	\$0.00	-\$27,500.00	-\$55,000.00	-\$57,500.00	-\$66,000.00
Running Balance	\$23,500.00	\$47,000.00	\$37,379.00	\$60,879.00	\$84,379.00	\$107,879.00	\$103,879.00	\$72,379.00	\$38,379.00	-\$4,121.00

Approved Minutes



SHERWOOD BUDGET COMMITTEE MEETING

May 16, 2019 Minutes

1. CALL TO ORDER – Chair Meerta Meyer, called to order the regular meeting of the SHERWOOD BUDGET COMMITTEE MEETING at 6:03 pm on May 16, 2019.

2. Roll Call – Katie Henry, Finance Director

3. COMMITTEE MEMBERS AND COUNCIL PRESENT: Chair Meerta Meyer, Vice Chair Nancy Taylor, Tyrone Stammers, Susan Claus, Paul Mayer, Kady Strode, Mayor Mays, Council President Tim Rosener, Councilors Kim Young, Sean Garland, Russell Griffin, and Renee Brouse. Matt Kaufman via conference call and Councilor Doug Scott is absent.

CITY STAFF PRESENT: Finance Director Katie Henry, City Manager Joe Gall, City Attorney Josh Soper, Community Development Director Julia Hajduk, IT Director Brad Crawford, Operations Supervisor Rich Sattler, Police Chief Jeff Groth, Police Captain Ty Hanlon, Police Captain Jon Carlson, City Recorder Sylvia Murphy, and Planning Technician Colleen Resch

4. APPROVE MAY 9, 2019 CITY OF SHERWOOD BUDGET COMMITTEE MINUTES

Susan Claus made a motion to approve the May 9, 2019 Budget Committee minutes, Russell Griffin seconded, all members voted in favor, minutes were approved 13:0 (Councilor Scott was absent).

Councilor Garland referred to page 9 under Revenue Sharing and said there was a discussion that there was approximately \$60,000 of state shared revenue that Sherwood is missing out on for marijuana taxes and he requested to have that added to the minutes. Discussion followed and the Committee requested that the minutes be amended to include this information and consider the amended minutes for approval at the next meeting.

5. PUBLIC COMMENT

None. Finance Director Katie Henry noted that written comments have been received from the Public Works Management (see record, Exhibit A and B).

6. NEW BUSINESS

A. General Fund Presentation

a. Public Safety – Page 67-68 of Budget

Chief Groth said Captain Hanlon is serving as the Budget Manager again this year. Captain Hanlon said the proposed budget includes three new positions at the Police Department: an Administrative Assistant, a Detective, and a Supervisor. He said the first two positions will be effective on July 1, 2019 and the Supervisor on January 1, 2020 which is a cost savings and allows time to do some training on the front end as the assumption is to promote from within. Ms. Henry said the information is on page 9 of the supplemental budget packet distributed at the May 9 meeting (see record, Exhibit C). Captain Hanlon commented on the Administrative Assistant position and said historically there has been one records specialist in the department and she has been there over 20 years and oversees the records management system, LEDS audits, the front counter, and reports. He said the department recognized the burden of work several years ago, coupled with the photo red light in 2010 and the speed on green in 2018. He explained the process for the red light and speed on green and said all violations are reviewed by an officer, issued, and the subjects can either pay online, appear in court, or send a declaration of innocence. He said those declarations need to be reviewed and returned to the officer and they make a decision. He noted someone in the front office has to touch all of these. He stated they hired a temporary Administrative Assistant in January and 50% of her time is dedicated to the photo enforcement program. He said this has been a positive addition and the department has seen the value and return.

Ms. Claus asked approximately how many FTE work on the photo program. Captain Hanlon said between this position and Angie it equates to about 1.0 FTE. Council President Rosener said the speed on green cameras are driving additional work load this year and there is offsetting revenue and asked what that looks like for the year. Ms. Henry said there is additional revenue that covers both the newly proposed Court position and the Administrative position in Police and said she could come back with the total cost including the specific expenses associated with the program. Council President Rosener said that would be helpful.

Captain Hanlon commented on the newly proposed Detective position and said the department currently has one Detective and they are having to pick and choose what to work on and mostly it is just the high profile cases. He commented on page 23 of the supplemental packet, Detective Caseload Potential, and stated the total number of cases for 2018 was 137 just in the categories of assaults, assault with weapon, burglary, death, domestic disturbance, juvenile abuse, robbery, and sexual assault (see record, Exhibit C). He noted the cases are extensive and are typically felony cases that require a great deal of follow up and interviewing and interacting with the District Attorney's office and other agencies. He discussed the difficulties of having only one Detective and noted the cases that they are unable to work.

Mayor Mays asked if anyone on the Committee does not appreciate the importance of these two positions. Councilor Sean Garland asked what the work plan for adding a second detective would be. Captain Hanlon the second detective will be able to interview outside of the City and pick up some of the burglary cases that are not being investigated now and provided examples. Ms. Claus asked if the current detective works a lot of overtime. Captain Hanlon said yes and noted the detective is on call 24/7.

Chair Meyer asked what is the delta between approved budget versus where the police budget sits now given the overtime. Ms. Henry said the Police Department budget is currently where it should be and the overall personnel expenses will be on point. Police Chief Groth said the department works hard making adjustments to stay within the overtime budget and they have consistently, besides the last fiscal year. He commented on the risk of burning officers out with working overtime and provided examples.

Ms. Claus asked how much overtime the detective currently works. Captain Hanlon said it can be as much as 20 hours a week depending on the caseload.

Captain Hanlon commented on the newly proposed Supervisor role and said the department currently has three Supervisors and they are the Sergeants that oversee the patrol officers on a shift and one works days, one works swing, and one on nights and that covers 50% of the work time. He spoke of the importance of the Supervisor role and adding the fourth Supervisor will result in 67% coverage. Vice Chair Taylor asked if the fourth Supervisor will be promoted from within. Captain Hanlon said yes and that is why they are proposing the staggered start schedule.

Chair Meyer referred to the last budget season which did not add any staff to the Police Department and asked if he requested additional staffing. Chief Groth said no. Chair Meyer said there appears to be an uptick in some calls and asked if the demand of violent crimes aligns with the need for three more positions. She said the need for the Administrative Assistant position and the Supervisor position seems clear and asked him to explain why there was no request last year and now a request for three positions. Chief Groth said the last position added to the Police Department was in FY 2010-11 and since that time there has been a lot of conversations about the need for additional officers. He asked the Committee not to confuse his not asking with the lack of need. He said the fact of the matter is that staff works collaboratively on the budget process and his job is to work with the City Manager and be part of a team and when they enter the budget cycle he does not just ask for positions to make a point when he knows the resources are not available. He stated the conversations have happened and referred to the statistics that show the work load has been increasing for a couple of years. He said it is important to understand that this is not a new need and the department is at the point that if they want to retain what we have in Sherwood, it is time to reinvest. He referred to page 24 of the supplemental packet which illustrates a detective comparison with the top four safest cities based on the 2016 report (see record, Exhibit C). He noted Sherwood is significantly understaffed compared to Canby, Newberg, and Lake Oswego. Chair Meyer agreed that the conversations have been happening and there is a need. Chief Groth said in the past Sherwood has had two Detectives.

Council President Rosener said there is a need and said last year the budget was very tight and this year the budget is still tight but we also have the speed on green revenue.

Councilor Young referred to the staffing history information on Page 16 of the supplemental packet and said in FY 2006-07 the Police Department had 25 on staff and FY 2017-18 there were 26 staff and the population has grown 20% in that time.

Ms. Claus asked Chief Groth if the increase in calls are coming from specific areas of town. Chief Groth said the increase has come from several different sources and he does not have that information in front of him. He said Sherwood is more dynamic than it was a decade ago and there is more activity and that drives calls for service. Ms. Claus asked if the department still maintains a crime dot map. Chief Groth said he cut that cost out of the budget in FY 2008-09 and said it cost about \$1500 a year.

Vice Chair Taylor asked how many companies in Sherwood have active security guards. Chief Groth said very few and that is a thing of the past because of liability and costs. He provided examples of different models.

Mr. Mayer commented on the crimes that are not being investigated by the one Detective, such as property theft.

Councilor Garland said this is his third year serving on the Budget Committee and the third year that a School Resource Officer (SRO) is not being added. He stated there is an additional SRO planned for FY 2020-21 and he supports the three proposed positions but getting a new SRO next year with the new High School is nonnegotiable.

Council President Rosener said there is work being done with our lobbying firm to find federal cop grants to pay for an SRO.

b. Community Development – Page 62-66 of Budget

Community Development Director Julia Hajduk came forward and said her department includes Building, Planning, Engineering, Code Compliance and Economic Development. She said the department has 14.75 FTE and the budget proposes to add an Economic Development position. She said the purpose of the position is to support the Council's goal of economic development in the community and will work under CDD and focus on business retention, growth, and attraction. She said she envisions the position would coordinate with businesses in the community, Greater Portland Inc., Westside Economic Alliance, and neighboring economic development staff, maintain data about the community, be a resource of information, and facilitate existing business that want to stay and grow. She said she wants the position to identify and gauge how the position and economic development are doing in the community. She stated this will be a very active full time position.

Vice Chair Taylor asked how the position will be filled. Ms. Hajduk said she will develop a position description and advertise and recruit to hire. She noted as they prepared the budget they considered salary scales from neighboring jurisdictions and stated it is a limited duration which may be challenging. Vice Chair Taylor asked if there is an internal candidate. Ms. Hajduk said it is a special skill and she is not aware of any current employee that has those skills.

Ms. Claus asked what this position will do for the City. Mayor Mays the staff needs to make sure that it is a robust position that someone is willing to bet on themselves to apply and take the job and eventually make it a permanent position. He said he envisions the position being filled by someone who has been professionally doing economic

development in another community and will have the network and experience to be successful. He said this is a high priority for the community. Ms. Hajduk said she considered Economic Development Managers when considering the proposed salary scale and said she envisions the position to also involve seeking grant sources.

Council President Rosener envisions someone that can go out and work with the community organizations and Greater Portland Inc. He said the position must be proactive.

Mayor Mays added that in order to meet the goals and challenges of the community we need commercial and industrial development to occur. Councilor Garland said helping existing business will also be a priority and said we need to find the right person. Councilor Young said current businesses are frustrated that the City does not have a central point person doing economic development.

Ms. Claus agreed with Councilors Garland and Young that businesses in town are frustrated. She commented on the limited duration and said this is a role that the City needs to have consistently. Ms. Henry said the two year duration is clearly from a budgetary stand point and the City strongly feels that this is a position that needs to be ongoing. She said currently the funds are available in the one-time expense bucket and there are not any funds in the ongoing bucket. She said the City feels strongly about the need and is willing to use the one-time bucket and with what the position drives in the community the ongoing revenue will be generated to sustain the position. She said that this is the message they are trying to convey.

Ms. Claus asked if the position is budgeted to \$115,000 per year. Ms. Henry said that is the fully loaded amount. Ms. Claus asked if our lobbying firm is seeking out economic development funds. Mayor Mays said they are seeking a number of different types of funds. Ms. Claus asked if the position will use other staff. Ms. Hajduk said the position will be in CDD and the department works together and the 0.75 FTE Administrative Assistant will be able to provide support to the position. Discussion followed.

Mr. Gall stated this is not a training position and the City needs to hire an experienced candidate. Mr. Rosener said we need the right candidate and then make sure they are empowered by existing staff.

c. Public Works - Parks, Facilities, and Fleet – Page 75-78 of the Budget

Public Works Director Craig Sheldon commented on facilities and said the main change is the roof repair at the Police Station. He said the proposed budget does includes \$35,000 for the Morback House roof repair and stated they received funds through the Community Enhancement Program and that is an extra \$35,000 to the budget. He stated the HVAC unit at the Field House will be repaired.

Mayor Mays asked if the Police Station roof will be new and did we get the life out of the roof that we expected. Mr. Sheldon said yes, we got 15 years out of the roof which is normal. Councilor Garland said during the last budget cycle the Committee received

comments about the importance of ongoing maintenance and asked if the projects that have been pushed out in the past are being addressed. Mr. Sheldon said projects proposed in the budget are from the asset plan and noted a few projects have been moved out both in facilities and parks because they don't need to be replaced at this time. Ms. Claus referred to the \$35,000 savings with the Morback House and asked what he wanted to do with the savings. Mr. Sheldon said the funds should go back in the General Fund. Ms. Henry said the final budget will reflect the change.

Councilor Griffin asked about the janitorial service increase. Mr. Sheldon said the City is hiring a private organization as opposed to a qualified rehabilitation facility (QRF). He said the QRF cost went from \$152,000 to \$186,000 and then rebid for all of our facilities and the bid came in at \$326,000 and they negotiated down into the \$200,000 bracket which did not include City Hall. He said they found a private organization for about half of the price and they start last week. He said in 6 months they will rebid for all the facilities. Council President Rosener clarified that the QRF program basically requires us to use certain companies for this work and they generally hire disabled or rehabilitated workers, which is a great concept, but the challenge is there is not enough competition in the market. Mr. Gall stated many jurisdictions are having challenges with this issue.

Mr. Sheldon discussed the Parks budget and said it is a fairly standard and said he requested two seasonal maintenance positions that were not included in the budget. He stated that they are having a hard time retaining seasonal employees and said they should have 5 and they currently have one and another starting this week and they have had 2 or 3 quit due to the job being too strenuous. He said the reason he requested two more, even though they cannot fill the open positions now, is because they are often used to work at the summer events and that takes away from the day to day tasks. He said he also requested a Maintenance Worker I that was not funded and current staff will pick up that load but mentioned that in building the skate park he informed everyone that once complete it will cost \$25,000 a year to maintain. He noted this will result in Public Works not meeting Maintenance Standards that were adopted by Council in 2004.

Councilor Brouse asked to see the Maintenance Standards. Mr. Sheldon said yes he could provide that information and stated the department is working on new standards and are planning on combining them with the new Parks Master Plan. He said he will provide the Committee with a copy of the resolution. He noted the trail systems will not be maintained as well either.

Chair Meyer asked about the sidewalk repair program. Mr. Sheldon said that is reflected in Street Fund.

Mayor Mays asked what the average cost for one seasonal is. Mr. Sheldon said \$17,000 if they work a 1040 hours.

Councilor Brouse asked Mr. Sheldon if there was an opportunity to add back staff that was requested, which is more important. Mr. Sheldon said he would prefer a full time position in the parks side and then fill in with seasonal workers. The cost of full time Maintenance Worker I is \$58,147.

Mr. Sheldon commented on fleet and said the budget includes the purchase two police vehicles and the replacement of the 1994 parks vehicle which is a Ford Ranger. He commented on the Dodge one ton dump truck and said it is about \$50,000 and if we don't fund the replacement this year the vehicle needs about \$10,000 in repairs.

Ms. Claus asked if there is a salvage value. Mr. Sheldon said yes or we may keep it and use it for something that does not require the full amount of repairs.

Mr. Sheldon said they asked for a street sweeper last year and are requesting again and said the current contract is \$155 per hour and internally with new equipment it would be closer to \$80 per hour. He said over the last 5 years the City has put approximately \$70,000 into the sweeper and said they are expensive to maintain. He said the life expectancy of the sweeper motor is 8,000 hours and ours has close to 10,000 hours. He said the budget includes about \$108,000 for fuel and oil and on the first of the month fuel and oil costs are going up 14%. He said they expect two increases this next year.

Mayor Mays said before we purchase a street sweeper he would like to see a bid from a private contractor versus the value analysis of doing it internally.

Ms. Henry stated that the street sweeper cost of \$150,000 is in the budget under fleet and that is directly billed back at the end of the quarter to the Stormwater Fund which pays the full amount of \$150,000. She said for accounting purposes the expense has to be budgeted out of the General Fund.

Mr. Sheldon said the proposed budget includes an Emergency Management Coordinator position at 0.5 FTE. He said in 2008 the City put together a city wide Emergency Management Plan and that needs to be updated and they applied for a \$25,000 grant through the County and State and he thinks they will get it. He stated the City also needs a mitigation plan in the case of an event. He said any community water system with population between 3,300 and 4,900 needs to have a risk assessment done and updated and certified by June 30, 2021 and sent into the Federal Government as well as an Emergency Response Plan which is due 6 months later. He said for the water system the Emergency Response Plan needs to be updated every 5 years. He explained that there is grant money available and Sherwood was successful in the past and acquired about \$100,000 worth of equipment. He said currently he and Rich Sattler have been working on Emergency Management and now they are requesting a dedicated position.

Vice Chair Taylor asked if there is an internal candidate or could we partner with another City that also needs Emergency Management Coordinator that we could share. Mr. Sheldon said he is unaware of any current staff that would be interested in a 0.5 FTE. He said generally these type of positions are filled with retired military. He said in terms of working with other cities there have been some conversations but he does not want to be on the short end if an emergency happen and the Emergency Coordinator is tied to the other city. Vice Chair Taylor suggested having a citizen committee to work on emergency management. Mr. Sheldon said that is a City Manager and Council decision. Vice Chair

Taylor said she sees a huge benefit in a citizen committee. Mr. Gall said once the position is filled those conversations can take place.

Mr. Mayer asked if there are any FEMA grants for personnel. Mr. Sheldon said not for personnel but there is money available for equipment and there will be money from the State to fund projects. Mr. Sheldon said he is interested in equipment.

Council President Rosener stated the position could eventually pay for itself if grants are received. Mr. Sheldon said the cost of the position is \$53,261. Council President Rosener asked if we could transfer funds out of the Water Fund to help pay for this position. Ms. Henry said the position has been budgeted under facilities and it will then get allocated out to the other funds through the overhead process and Water, Stormwater, and Sewer do pay a good portion of it.

Mayor Mays said he is not excited about this and wanted an existing staff member to assume these responsibilities and said they could still pursue grants but added he does trust Mr. Sheldon's judgement.

Ms. Claus supports adding the position to Public Works as opposed to Police where it was in the past because the Public Works has a better understanding of facilities and water. Mr. Gall said in the event of a disaster both departments will work together.

Mr. Gall announced that Chief Groth left the meeting to attend that Police Advisory Board meeting.

Chair Meyer called for a recess at 7:44 pm. Chair Meyer reconvened the meeting at 7:57 pm.

B. General Fund Discussion – Joe Gall

Mr. Gall said this wraps up all the proposed budget items in the General Fund. He asked for any additional questions or concerns.

Vice Chair Taylor referred to the IT Business Analyst position that was not in the budget and said it seems that over the last year a lot of new software was purchased in order to make jobs easier and it appears that the departments with new software are struggling and acting as their own IT person. She said that position is crucial and asked for discussion. Councilor Griffin said he also noticed a lot of new software in the budget and he discussed the management and installation of the software purchases with IT Manager Brad Crawford. Council President Rosener said there are two areas where cities fail at software implement: change in management and project management. He commented on the a Business Analysis position and said he didn't know if it would be that helpful with implementation and said he always advised organizations to budget for that as part of the project.

IT Director Brad Crawford said the Business Analyst would be a multifaceted position and would help with end user support, social media, and the City website. Chair Meyer agreed

that there is a gap and a lack of efficiencies and the position could be beneficial, but we are tasked with a balanced budget and asked where we would get the funds.

Mr. Stammers said the job of the Budget Committee is to make sure that we are living within the means and it is the City Manager's job to make those recommendations in terms of what he needs to do to run the City. He said he trusts Mr. Gall's judgement.

Council President Rosener said he agrees with Mr. Stammers.

Councilor Garland discussed software implementation and said the City needs to look at the big picture.

Mr. Gall said this input is valuable and the position is not in the proposed budget. He said the City currently has two software conversions going on. He said the business license program will be done within the next month or two. He said the Records Management System is moving forward and there is department buy in and the State has asked to use Sherwood as an example. He said he would support adding this position back into the budget at some point and stated it is not a detriment to the City at this time.

Council President Rosener commented on the Infor move to the cloud and asked for more specifics. Mr. Crawford said Infor is one of the most critical pieces of software and one of the most resource intensive with 9 servers running the application and it is highly dependent on the vendor helping with software upgrades and maintenance. He fully supports moving this to the cloud and it will take a huge load off of IT from a maintenance standpoint and from a physical server standpoint.

Councilor Griffin clarified his comments and said he noticed a lot of software subscriptions in the budget and his concern is there is not a staffer managing the subscriptions. Mr. Crawford provided an explanation.

Mayor Mays said he treats budgets as a living document and as conditions change you can make adjustments. His position on personnel is he supports the budget as proposed.

Councilor Brouse addressed the letters submitted by staff and thanked them for expressing their concerns and presenting ideas for consideration (see record, Exhibit A and B). She asked Mr. Gall about the idea of the staff contributing 6% to their PERS and asked if that is because of the 5 year forecast. Ms. Henry said this is not included in this proposed budget. Councilor Brouse referred to the letter received from staff and provided a synopsis. She stated that currently the City pays 6% towards PERS for each employee and the proposal is that the employee eventually pay the 6%. She said staff attended a citywide employee meet up on May 1 where Mr. Gall presented the proposal and there was push back and concern and they drafted a response to the change and in the response there are ideas to consider.

Ms. Henry clarified that the reason the proposal was made to put the PERS expense in the one-time expense column and defer it for a year is to give staff and Council the time to look at what is going to happen over the next year with PERS and the State Legislature.

She said the reason the meeting was held with employees was to inform them that the 6% employee contribution is one of the options being considered through the budget process. She stated this is not proposed in this budget and it is not final and the staff needs a year to see what happens at the State level. She said this is a potential solution for the five year scenario.

Councilor Young said this is not included in the proposed budget and it will be an ongoing discussion over the next few years.

Mr. Gall said a number of staff provided feedback to the Council.

Chair Meyer said there is concern among staff regarding adding police staffing and an Economic Development position and that these positions may not be sustainable and could also be at the hinder of existing employees and asked Mr. Gall to address this concern. Mr. Gall said the City has a better grasp of forecasting than it did a few years ago and part of the frustration is so much can happen and budgets are living documents. He said he predicts something will come out of the State this year that will reduce the cost of PERS but he does not know how significant that will be. He stated the costs of PERS is unsustainable and if we don't address PERS and those costs we won't be able to add staff.

Council President Rosener said he also appreciated the feedback from the employees and said taking a year to see if there are meaningful reforms is a good idea.

Vice Chair Taylor suggested that members of the Budget Committee and staff need to contact their representatives in Salem regarding this issue.

Mr. Kauffman addressed the sustainability of the Economic Development position long term and the plan for the position to go into the General Fund and asked if was included in the current forecast. Ms. Henry said no. Discussion followed about future property taxes and Ms. Henry clarified that the projects in the works are included in the five year forecast.

Chair Meyer provided a synopsis and said all department directors have presented their recommended budgets and the City Manager and Finance Director have proposed a General Fund that is balanced. Ms. Henry said there is still an outstanding question regarding the Senior Center staffing. She said if the Committee decides to add 3 hours a week to the Chef position and making the Manager full time by adding 5 hours a week, the difference in the five year forecast is \$100,000. Councilor Brouse asked if this there is expected to be any additional revenue. Ms. Henry added the expected revenue to the five year forecast and said the difference \$90,000. She said the difference occurs at the next PERS increase.

Mayor Mays stated he supports the proposed budget as presented.

Mr. Stammers agreed with Mayor Mays and asked Mr. Gall what he would support. Mr. Gall said he did not include this request in the budget because he is concerned about the future.

Council President Rosener said as we discuss shifting PERS to the employees and continue to add staff and hours it sends the wrong message and it all adds up. Mr. Gall said he is comfortable leaving the extra money on the table. He noted that the increasing the programming at the Senior Center is a Council goal but they are doing that already and this would just supplement and he does not think the City can afford it.

Mr. Mayer referred to supplemental budgets and priorities and said he would consider funding this in a supplemental budget if funds were available. Councilor Young agreed and said she would let Mr. Gall do the prioritizing.

Ms. Henry reminded the Committee that the Senior Center Manager proposed to just fund the 3 hours to the Chef and the offset was a \$2,500 difference between the revenue and the expense. Mr. Gall said he would support that. Ms. Henry said the goal is to come back next week with the legal write up of how to call out the motions so staff needs to know what to propose for the approved budget. Ms. Henry said the difference at five years is \$20,800 for adding 3 hours to the Chef position and assumes the additional \$2,500 in revenue for the cooking classes.

Chair Meyer asked if there were any concerns with the General Fund as presented. With no responses she asked if the Committee supports adding the 3 hours to the Chef position. Mayor Mays supports what is presented and said part of his concern is if the seniors lose interest in the classes and you have the additional hours and not the revenue.

Councilor Garland said he is supportive of adding the hours and said he has heard very positive feedback about the meals being served.

Councilor Young agreed with Mayor Mays to leave Mr. Gall the discretion.

Chair Meyer said the Budget Committee is at a point where we would recommend to Council to approve the General Fund as presented. Ms. Henry said she will bring the administrative changes that need to be made next week for final approval.

C. Capital Improvement Plan and Capital Funds – Page 39 of the Budget

Ms. Hajduk reminded the Committee that Capital Improvement projects are new projects or replacement of something where there is going to be an asset and is generally funded with System Development Charges (SDCs) and the operational projects are funded with operational funds. She the budget includes the list of the full 5 year CIP. She said most of the projects on the one year CIP are continuing projects that started in the last year or prior years.

Councilor Griffin asked where Blake Street is located. Ms. Hajduk said that is in the Tonquin Employment area and does not exist yet. Mr. Gall referred to that project and said the City will be out looking for money to build that road. Ms. Hajduk acknowledged that there are projects on the list that the City does not have the money for but they need to be included on the list when the staff looks for outside funding.

Councilor Garland noted the Sunset Blvd and Hwy 99W improvement design and construction is in the budget and stated that it is important to the community.

Chair Meyer referred to the YMCA expansion plan and asked if there are any requirements of the YMCA to do any interior improvement before the City agrees to an expansion. Mr. Gall said they will probably be interior improvements to the current building which the City owns. He said the YMCA is part of the team putting together a preliminary plan but the City is taking on the financial responsibility.

Ms. Henry said there has been a shift in accounting in fund 18 and 31, streets and street capital, and by next week she will provide the corrections for the current year and next year.

Chair Meyer referred to County participation in traffic slowing efforts on Hwy 99W. Ms. Hajduk said Hwy 99 is an ODOT facility. Chair Meyer asked if there is any participation from ODOT. Ms. Hajduk said ODOT is not funding any of the road improvement project, which is the County because the work is being done on Elwert and Sunset but they will be part of the conversation with discussions of their intersection. Ms. Hajduk said ODOT will not be contributing funds but we will ask for contributions for a pedestrian crossing.

D. Public Works Utilities – Page 82 of the Budget

a. Street Operations

Mr. Sheldon said the change is the addition of a Maintenance Worker II position to help with the utility work in the field. He said this position was eliminated in 2008. He said currently the budget lists 5.2 FTE in street operations but noted by the time you do all the programs and billing that comes out of street operations there is actually only a little of 1.0 FTE in the field every day. He said in the middle of the summer they pull a lot of workers from other sections to help this street programs. He said there is also an increase of approximately \$10,000 for work downtown on the street lights that are fading.

Councilor Griffin referred to line 6301 Electricity-street lights and asked why the increase from \$20,000 to \$209,000. Ms. Henry said the \$20,000 is a typo and should be \$200,000.

Chair Meyer said sidewalk maintenance is included in the street operations. Mr. Sheldon explained that staff inspects the sidewalks, marks the sidewalks, and deals with the property owner on the grant program. He said they contract the work out and the property owner has a year to pay for it.

Mr. Mayer asked if \$5 sidewalk charge on the utility bill pays for that program. Mr. Sheldon said yes and noted that this year the City is putting about 500 feet of sidewalk in front of the YMCA which will come out of the capitol side but there will be a charge on the utility bill for *Safe Sidewalk to School* program. This will be ongoing as long as the City Council identities projects.

b. Water

Mr. Sheldon said changes to the water include purchasing water and there is some additional sampling needed. He said most of the budget is fixed costs.

c. Sanitary

Mr. Sheldon said the sanitary budget is standard.

d. Stormwater

Mr. Sheldon said there is a request for a Maintenance Worker II to work on the open space maintenance program. He said the City has invested a lot of money in open spaces and this position will be working on the open spaces and helping field staff in other areas where needed.

Mr. Gall said if the Committee elects to adjourn at this time the agenda next week will include Broadband, Debt Service, Transient Lodging, Grant Funds, and the URA Budget. He said he does not anticipate these topics will require much time. Ms. Henry said she would prefer the Committee allow time to discuss Broadband and URA when they are lucid as she has questions and there are decisions that need to be made. She said she is also waiting for some answers from consultants regarding Broadband and URA.

Chair Meyer reminded the Committee to forward questions to Ms. Henry regarding the remaining topics.

10. RECESS – Chair Meyer recessed the meeting at 9:06 pm until May 23, 2019 at 6 pm.

Colleen Resch
Submitted by: Colleen Resch, Planning Technician
Minutes approved on: *May 23, 2019*