



**CORVALLIS
CITY COUNCIL WORK SESSION
AGENDA**

February 5, 2013

7:00 pm

**Downtown Fire Station
400 NW Harrison Boulevard**

COUNCIL ACTION

I. ROLL CALL

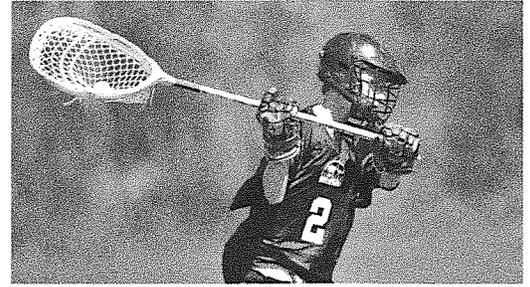
II. UNFINISHED BUSINESS

- A. Department Budget Presentations
- Parks & Recreation, Community Development, Police, and Finance
- B. Next Meeting – February 12, 2013

III. ADJOURNMENT

For the hearing impaired, a sign language interpreter can be provided with 48 hours' notice prior to the meeting. Please call 541-766-6901 or the Oregon Communications Relay Service at 7-1-1 to arrange for TTY services. A large print agenda can be available by calling 541-766-6901.

A Community That Honors Diversity



Parks & Recreation Budget Summary

Karen Emery, Department Director

James Mellein, Budget Liaison

Department Mission: Corvallis Parks and Recreation preserves and creates a community heritage by providing places and programs designed to enhance the quality of life.

Priorities

- Improve community health by providing a variety of active and passive recreation opportunities.
- Provide and maintain Parks & Natural Areas that protects the community's investment

REVENUES	Actual FY 09-10	Actual FY 10-11	Actual FY 11-12	FY 12-13 Budget
Levy	N/A	N/A	\$720,400	\$749,150
Fees, Grants, Donations	\$1,687,185	\$1,526,343	\$1,655,355	\$1,763,640
SIF	N/A	\$40,210	\$89,159	\$90,000
Property Tax	\$3,809,025	\$3,971,633	\$3,833,052	\$3,303,940
Total Revenue	\$5,496,210	\$5,538,186	\$6,297,966	\$5,906,730
EXPENDITURES	Actual FY 09-10	Actual FY 10-11	Actual FY 11-12	FY 12-13 Budget
Personnel Services	\$3,626,846	\$3,466,019	\$3,621,641	\$3,656,870
Supplies, Services, etc.	\$2,505,521	\$2,165,187	\$2,253,495	\$2,483,860
Total Expenses	\$6,132,367	\$5,631,206	\$5,875,136	\$6,140,730
FTE	38.64	36.32	35.82	34.10

Expense reductions FY 09-10 to date:

- Eliminated Contributions to Vehicle reserves-2years
- Deferred Park maintenance
- Deferred Facility maintenance
- Reduced training
- Staff furloughs
- Held staff vacancies
- Reduced portable restrooms
- Reduced operating hours at OAC
- Elimination of Service Contracts
- No Cost of Living Adjustments
- Over 12% reduction in FTE

Reduced and unfunded FTE

Over the last four years the Parks and Recreation Department has experienced over a 12% reduction in FTE.

➤ .5 FTE Park Planner	➤ .67 Seasonal Park Worker
➤ .5 FTE Senior Administrative Specialist	➤ 1.0 FTE Park Operations Supervisor
➤ .5 FTE Administrative Specialist (unfunded)	➤ Reduced season by 20% for 9 seasonal park staff
➤ 1.0 FTE Park Operations Specialist	➤ Reduced hourly staff
➤ .25 FTE Park Operations Supervisor (unfunded)	

Significant Challenges

- Securing alternative funding for current levy or renew the levy before it sunsets (June 30, 2014).
- Deferred maintenance approximately \$250,000 each year.
- The Department has raised program prices that the majority of participants can afford. The challenge is to ensure enough funding for Family Assistance.
- Retaining staff and fostering positive staff morale.
- We have been successful in receiving capital grants and donations and only have a .5 Park Planner to execute the projects.
- Meeting public expectations with fewer staff and resources.

Community Development Budget Overview

Budgeted Expenditures	09-10	10-11	11-12	12-13	% Change 11/12 - 12/13
General Fund	1,722,190	1,618,220	1,356,480	1,311,410	-3.32%
Dev Service Fund	1,883,090	2,221,550	2,838,820	2,822,700	-0.57%
Com Dev Revolving	3,777,000	4,262,670	4,336,610	3,462,630	-20.15%
Street/Utility Funds	171,430	174,580	179,830	168,380	-6.37%
TOTAL	7,553,710	8,277,020	8,711,740	7,765,120	-10.87%
Primarily GF Supported FTE	14.00	13.80	10.00	9.00	-10.00%

Revenue Actual – General fund

Revenue	FY 09-10 Actual	FY 10-11 Actual	FY 11-12 Actual	Budgeted FY 12-13
Charges for Services	\$77,509	\$88,979	\$177,079	\$103,020
Intergovernmental/Misc	\$21,161	\$16,666	\$16,500	\$10,000

CD Services Primarily General Fund Supported:

- Current Planning – land use applications, historic review
- Long Range Planning – planning work program
- Code Enforcement – Municipal Code, land use

Budget Trends in General Fund Supported Activities

Activities	Hist. Avgs	FY 11-12	FY 12-13	% Change
Planning Division-Planner Staffing	8.4 FTE (10 yr avg.)	6 FTE	5 FTE	-40%
Planning Contract Services / Projects	\$144,981 (10 yr avg.)	\$10,000	\$10,000	-93%
Code Enforcement	1.25 FTE (4 yr Avg.)	1 FTE	1 FTE	-20%

FY 11-12 Planning Service Level (Baseline)

- Planning Manager – 1 FTE
- Current Planning – 4 FTE
- Long Range Planning – 1 FTE

FY 11-12 Code Enforcement Service Level (Below Baseline)

- Code Enforcement – 1 FTE
- Code Enforcement has been below baseline service levels since program inception

FY 12-13: Represents less than Baseline Service Levels due to elimination of the dedicated long range planning position, and continued Code Enforcement staffing at 1.0 FTE.

Priorities for the Future within Current Budget Resources

- Current Planning – to meet legal requirements and customer and community expectations
- Code Enforcement – to provide a basic service level for a complaint based system
- Long Range Planning – staffing to respond to Council goals, Planning Work Program priorities on an “as available” basis.

CITY OF CORVALLIS POLICE DEPARTMENT BUDGET OVERVIEW

	Actual FY 09/10	Actual FY 10/11	Actual FY 11/12	FY 12/13 Budget
General Fund				
Operating Expenditures	\$9,978,568	\$9,914,795	\$10,188,978	\$10,352,220
Operating Revenue	\$449,762	\$446,892	\$468,125	\$381,740
9-1-1 Fund				
Operating Expenditures	\$1,914,402	\$2,026,176	\$2,123,626	\$2,177,200
Operating Revenue	\$2,050,710	\$2,126,961	\$2,107,072	\$2,158,560
Parking Fund				
Operating Expenditures	\$279,836	\$269,505	\$262,338	\$355,580
Operating Revenue	0	0	0	0
FTE	92.25	92.25	90.25	88.25

DEPARTMENT SERVICE DELIVERY CHALLENGES

	FY 1991/92	FY 2011/12
City of Corvallis Police Department Sworn Staffing:	53 Sworn	53 Sworn
City of Corvallis Population:	45,000	55,055
City of Corvallis Police officers per thousand residents:	1.17	0.96
State of Oregon average officers per thousand population:	1.6/1000	
Oregon State University Enrollment	14,264 (Fall 1993)	26,393 (Fall 2012)
OSU Demographic Fall 2012	90.3% (19,702) Undergraduates/25 years of age and younger	
2012	49.1% of all Calls for Service occurred within the Central District (University & Downtown)	

- Presidential Visits –Security/overtime
- 97.5% of Department budget is obligated (contracts: labor/services/maintenance/utilities & overhead).
- Of \$12,885,000 total Department budget, \$318,070 is operational discretionary funding for equipment, supplies and training for General Fund, 911 Operations and Parking.

COST CONTAINMENT EFFORTS AND BUDGETARY CHALLENGES

- \$138,000 Patrol overtime savings in first full year following implementation of 12 hour patrol schedule
- \$26,170 savings in FY11/12 through contracting for vehicle service with a local car repair dealer
- \$108,000 in grants which are no longer being funded (Street Crimes Unit, Bulletproof Vests, Equipment)
- \$33,950 savings in 2012 through implementation of Coplogic on-line reporting system
- \$274,100 reductions in staff: one lieutenant (FY 12/13), one administrative (FY 12/13), one dispatcher (FY11/12)
- \$248,430 in FY12/13 for three police officer positions held unfunded and unfilled
- volunteers for crime prevention and other program: \$1,600 budget for entire crime prevention program
- shared building, records and evidence functions with Benton County; 9-1-1 shared with 10 User Agencies

LOOKING TO THE FUTURE

- Diminishing Grant Funding Opportunities
- 9-1-1 Service District – Regional communications interoperability
- Public Safety Tax
- Challenge to provide Community Policing, public service and neighborhood livability as charged by our Mission.

Our **mission** is to enhance community livability by working in partnership with the community to promote public safety and crime prevention through education and enforcement; to maintain public order while preserving the legal rights of all individuals; to provide effective, efficient and courteous service; and to reduce the impact of crime.

FINANCE DEPARTMENT	FY 09/10	FY 10/11	FY 11/12 Actual	FY 12/13
	Actual	Actual		Adopted
Municipal Court Revenue	\$906,706	\$1,091,027	\$1,095,426	\$1,155,600
General Fund	614,534	576,401	659,182	629,740
Parking Fund	105,451	112,030	128,179	215,420
Tech & Communications Fund	1,387,855	1,426,463	1,531,455	1,443,300
Admin Services Fund	2,558,781	2,533,091	2,553,671	2,501,750
TOTAL EXPENDITURES	\$4,666,621	\$4,647,985	\$4,872,487	\$4,790,210
FTE	39.00	36.75	34.75	31.75

MUNICIPAL COURT- GENERAL AND PARKING FUNDS (4.5 FTE)

Adjudicate cases; collect monies from traffic/criminal/parking citations. Major issues include:

- Historical accounts have been turned over to collections; parking collections rates are higher than traffic/criminal citations.
- The work load volume per FTE remains at least two times higher than comparable sized cities in Oregon, and is impacted by Police department staffing levels.
- Begin evaluation and acquisition of new software solution for Municipal Court operations.
- 1.0 FTE added in FY 09-10 was eliminated before filled as part of budget balancing; eliminated .5 FTE in FY 12/13 as part of additional budget balancing.
- A new Municipal Court Judge may mean further changes in Court operations.

MIS-TECHNOLOGY & COMMUNICATIONS FUND (9.0 FTE)

Operates and manages the City's Information Technology (IT) systems, including networking infrastructure, email and office productivity tools, as well as maintains operating departments' specific database management systems. The City is anticipating incurring an increased investment in IT to become more efficient as it pursues a fiscally sustainable goal. Major issues include:

- Use of mobile device and social media interactions which are expected to drive new technology investment and adaptations.
- Data integrity, security, and accessibility are becoming more crucial to meet Federal and State mandates and legal requirements, new privacy laws/requirements, and court ordered records retrieval for e-discovery.
- Citizens demand for an improved electronic communications (website) and engagement methods to request City services (CRM).
- Demand for online workflows and approval that can easily allow forms to be electronically submitted, routed, reviewed and approved are increasing (permits, licenses, internal workflows, etc.).
- About 44% of MIS support comes from charges to property tax funds.
- 1.0 FTE was eliminated in FY 11-12 as part of budget balancing; eliminated another 1.0 FTE in FY 12/13; servers have been virtualized cutting replacement and operating costs.

FINANCIAL SERVICES - ADMINISTRATIVE SERVICES FUND (18.25 FTE)

Manage the City's finances, including daily transactions (A/P, A/R, Payroll, deposits, etc.), financial reporting, budget, investments, and utility billing. Major issues include:

- Staff acquired an updated version of its financial software and will run parallel with the existing legacy system beginning approximately July 2013. The conversion to a windows-oriented/web based software is expected to be similar to a new software roll-out rather than a simple upgrade. The City's current vendor will provide like-for-like software upgrades for free; the \$185,940 implementation cost is paid over a five year period at 0% financing beginning FY 11/12.
- Financial transaction costs (credit card fees, transaction pricing from vendors, PCI-DSS compliance) are increasing and the monopoly market for credit cards and associated fees is not likely to reduce costs without federal intervention.
- Begin implementation and training of OneSolution Utility Billing software at end of FY 13-14.
- Around 41% of Financial Services support comes from charges to property tax funds.
- Have eliminated 3.75 FTE in the Administrative Services Fund over 3 years of budget balancing.