



TO: Budget Committee

CC: City Department Directors

FROM: Robert Strobe, City/District Manager/Budget Officer

DATE: May 13, 2022

RE: Budget Questions and Answers

The following additional questions have been submitted in advance of the Budget Committee Hearings:

1. **QUESTION Finance/Municipal Court:** Why has the training, travel and meeting expenses almost doubled in three years? Was 2020 low due to the pandemic? What was the 2019 actual expenditure? Just trying to figure out if there is more training or if this is a typical figure in a pre-pandemic budget plus inflation
 - a. There are a couple of new employees within the department that will be provided training on our financial software and working towards obtaining specific certifications within the scope of work. FY 2020-21 actual was lower than normal due to the pandemic. Many trainings/conferences were cancelled or were conducted virtually. FY 2018-19 actual expenditure was \$5,053. The increased costs for FY 2022-23 are due to increases in fuel and travel expenses to attend the trainings/conferences.
2. **QUESTION Finance/Municipal Court:** Why have office supplies increased since 2020? If electronic payments have increased, shouldn't the need for office supplies decrease?
 - a. The cost of offices supplies has increased over the years. We have not increased the amount of supplies that we purchase. The electronic payments are where we receive payments for water/sewer services electronically rather than receive payment in the mail or in-person. This has no effect on the amount of offices supplies that are needed within the department.
3. **QUESTION Police Department:** Why is the amount spent on overtime so high? I understand that they may need to stay on if they are on a call at the end of shift, but this seems excessive and is actually increased. Is this due to unfilled positions and we are using overtime to cover the vacancy?
 - a. Although we have been short staffed over the last year, it has had very little impact on our overtime expenditures. Our overtime is primarily a result of court/grand jury on days off, to cover minimum staffing levels in response to unanticipated absences (sick leave), and for major investigations. Some overtime is incurred for mandatory training. Things that have impacted our training is the unprecedented number of legislated changes, specific to police officers, and the rebuilding of our police department following a large number of retirements. It is in our best interest to ensure our police officers are well trained and up-to-date with legislated requirements. The requested amount is actually \$1,036 less than the current fiscal year.

4. **QUESTION Police Department:** Why has waste removal and janitorial increased by \$4,000 in 3 years?
- The condition of the building required an increase in maintenance which had been needed in the past but not addressed. Increase in cleaning for COVID-19 is also a contributor. In FY 2019-20, the budgeted amount was \$8,895. We increased the budget to \$12,500 last FY, largely in response to the pandemic. This allowed us to increase the level and frequency of cleaning in our building. This is a workplace safety issue that we intend to maintain. Additionally, we share the cost of this cleaning with Union County.
5. **QUESTION Police Department:** What are “other rentals?”
- “Other rentals” is the line that the annual building lease payment for the police department is paid out of. \$60,700 annually is paid to Union County for the PD building lease. (\$56,450 from the police budget and \$4,250 from the 911 budget)
6. **QUESTION Police Department:** Why have office supplies increased \$4,000 in 3 years?
- They have not when comparing the budgeted amounts. In the FY 2018-19 Adopted Budget, the requested/budgeted amount for office supplies was \$13,500. The request this year is \$14,200. The actual expended amount in each of the last 3-4 years was lower than the budgeted, which could account for the perception that the budget request has increased significantly.
7. **QUESTION Police Department:** What are departmental supplies and why have they increased 40% in 3 years?
- Departmental supplies include items such as uniforms, body armor, ammunition (including training ammunition), CBA required monthly uniform cleaning allowances, Citywide employee wellness program, and supplies in police vehicles (first aid equipment, spike strips, etc.) are paid for out of the department supplies line. Additionally, some of these costs (such as ammunition) can be volatile and challenging to predict from year to year.
 - The budgeted amount has not increased significantly. The FY 2018-19 requested/adopted amount for department supplies was \$39,000. The request this year is \$41,900. The actual expended amount in each of the last 3-4 years was lower than the budgeted, which could account for the perception that the budget request has increased significantly.
8. **QUESTION Fire/EMS Department:** Why is the overtime so high? I like that it is down (slightly), but it is still excessive. Eliminating overtime could bring our library hours to normal levels for the state. Why don't we use casuals instead of overtime like the hospital? I think the scheduling structure needs to be revised to eliminate regular use of overtime.
- The overtime line includes:
 - FLSA - We are required to pay overtime for any hours worked over 136 in an 18-day cycle in order to comply with our FLSA exemption for Firefighters. The number of hours they currently work over in this cycle is 8. This accounts for \$104,915 of the \$287,991 overtime amount. The City has looked into other methods for avoiding this expense and what we are doing currently is the most effective.
 - Callback – The frequency of emergency call back has increased due to a steady increase in call volume. Shift coverage call back to maintain minimum staffing has been very high in the last three years due to short staffing.
 - Casual EMT's - Using Casual EMT's to cover shifts is impracticable as they are not trained in fire suppression and they are not paramedics which is what we typically need coverage for to maintain our Advance Life Support staffing. They are very valuable in supplementing our full-time staff with emergency call back, transfers and an occasional coverage of shift time when appropriate. To my knowledge casuals at

- the hospital are fully trained part-time employees that can fill the full-time positions, which is not the same thing.
- iv. EMS/Fire Training - This includes 24 hours for each member for discretionary training per the Firefighters contract and monthly fire and EMS continuing education.
 - v. Large Incidents Response.
 - vi. Out of County Transports – Out of county transfers that are non-emergent are covered with EMT casuals or off-duty full-time staff.
- b. In general, when our medical calls increase, we have an increase in expenses but there is also an increase in revenue to offset the overtime and material costs.
9. **QUESTION Fire/EMS Department:** Why has the training/travel/meeting line more than doubled in 3 years? This may be a 2020 COVID phenomenon, but that is almost \$2,000 per FTE per year.
- a. We added funds three years ago for two necessary department improvements. One of these is \$16,000 for an online paramedic school for one individual per year until all firefighters are paramedics. The other is \$5,000 for training facility improvements making the area safer and more usable to do in-house training. We have budgeted \$5,400 to do a pilot student firefighter program. The addition of this \$26,400 in projects leaves \$18,600 for all other required trainings for our current 17 full-time employees, our proposed 3 FEMA Grant positions and our Casual EMT's (23 FTE) which is \$808 / employee. We do much of the needed training in house which allows us to keep the cost per employee low.
10. **QUESTION Fire/EMS Department:** Can we get an in-house person for fleet maintenance across departments and/or find a firefighter who will do the maintenance? Especially fire can have lots of down time, so why can't we use them in that time to repair vehicles, clean the station, etc.?
- a. We have a person in-house assigned to manage the maintenance of the fleet, he is also a Firefighter and Paramedic which are his priority. All of the regular vehicle checks and minor repairs are done by on-duty staff. In the past 20 years, we have had the luxury of having a qualified mechanic on staff that was able and willing to do more extensive repairs in house. We no longer have this due to his retirement.
 - b. All professions have downtime at one point or another and our staff is not excluded. However, the downtime is very limited. Continuing education whether it be required or career development takes up a big portion of our day time hours. Our staff has been incredible at working through very short staffing over the last four years. We have handled increased calls for service with the same staffing for years and a navigated a pandemic. All of this is accomplished while keeping up with station maintenance, vehicle maintenance, reports, training requirements, public education, improving our local training grounds and props and assisting with training for our partner departments in the county. Leaving a little "down time" for meals, rest or some interrupted sleep.
11. **QUESTION ROW License Fees:** Why does it appear all revenue collected by ROW License is accounted for under ROW license in 2020? (\$299,000) The Franchise Fees increased 40% OTEC and Avista. Franchise Fee increased Garbage 133%. Then in 2021 appear increases OTEC and Avista ROW License Fee reported ROW License \$267,172, but the garbage fee increase included under garbage franchise item increased from \$69,772 to \$143,000.
- a. Because they are different types of fees, Right of Way (ROW) License Fees and Franchise Fees are reflected in the budget in two separate sections. Franchise Fees are shown under the Franchise Collections section and ROW License Fees are shown under Fees, Charges, and Services.
 - b. The City imposed a ROW License Fee by Ordinance that is first shown in the FY 2019-2020 Budget as "ROW License Fees," revenue line 001-000-430105. The amount budgeted for the first year was \$200,000, with an actual revenue of \$299,592. This fee is 7%, less the amount

of any existing Franchise Fee. Franchise Fee revenues are shown separately by the type of utility.

- c. The Franchise Fee rates for OTEC (electric) and AVISTA (gas) have not changed, they both remain at 5% which has been the rate for at least 25 years. The reference to 40% in the question appears to reflect the 2% ROW License Fee, which is assessed in addition to the 5% Franchise Fee totaling 7%.
- d. The Franchise Fee for Garbage increased from 3% to 7% when the Franchise Agreement was renewed effective March 5, 2020. Prior to the renewal of the Franchise Agreement, WastePro was paying a 3% Franchise Fee and the additional 4% ROW License Fee for a total of 7%. The increase in Garbage Franchise Fee revenues reflect the shift of revenues from the ROW License Fees line (001-000-430105) to the Garbage Franchise Fee line (001-000-420400).
- e. When there is an increase in gross revenues for OTEC and AVISTA, it increases the amounts collected for both the Franchise and the ROW License fees, which are captured in those revenue lines. The chart below shows the combined budget, actual, and differences for Avista, OTEC, and WastePro for the years referenced in the question.

Combined Gas, Electric, and Garbage Fee Revenues:						
Year	Budget		Actual		Difference	
	Franchise Fees	ROW License Fees	Franchise Fees	ROW License Fees	Franchise Fees	ROW License Fees
FY 19-20	\$ 702,000	\$ 200,000	\$ 717,461	\$ 299,593	\$ 15,461	\$ 99,593
FY 20-21	\$ 797,000	\$ 262,000	\$ 809,743	\$ 267,172	\$ 12,743	\$ 5,172
FY 21-22	\$ 795,000	\$ 262,000				
FY 22-23	\$ 812,000	\$ 266,000				