



TO: Budget Committee

CC: City Department Directors

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

DATE: May 15, 2023

RE: Budget Questions and Answers (Third Memo)

Thanks again to the members of the Budget Committee who provided questions in advance of this evenings Public Hearings on the Urban Renewal Agency and City of La Grande Budgets. far. You have received memos dated May 4th and 10th with answers to the first group of questions. Below are additional questions submitted with our answers. All three of these memos are posted on the City’s Website in the interest of transparency. I do want to highlight that thanks to one of the questions, we noticed an error. There was an extra \$35,000 including in the charges to the Urban Renewal Agency for projected reimbursement of costs in the Economic Development Department budget. That \$35,000 is actually carried over City General Fund dollars which was identified as such in that Department’s budget. However, we did not reduce the URA funds to reflect those dollars. There is no impact on the Economic Development Department Budget, there is a reduction in revenues to the City’s General Fund, and adjustments in the amounts transferred between the Urban Renewal Agency’s General and Debt Fund. We will be providing revised documents to the Budget Committee showing these corrections. I apologize for the mistake.

1. **QUESTION Urban Renewal/Economic Development Department:** What does the PSNL cost under Eco Dev stand for; what does the M & SVC stand for; why are we projecting higher revenues?
 - a. **Answer:** These amounts shown in the Urban Renewal – General Fund Budget reflects the amounts paid to the City’s General Fund under the agreement to provide these services. The \$109,728 of labor costs (PSNL) and \$193,778 for Materials and Services and the Equipment and Improvements for performing the URA functions are expensed out of the City General Fund Economic Development Department Budget. The PSNL amount reflects the 33% of the shared secretary position and 70% of the Economic Development Director’s payroll costs. The M & SVC includes all materials and services, plus the \$15,000 in Equipment and Improvement which can be used for URA related small projects should something arise. Your question did help catch an error in the URA amount for M & SVC, which should have been reduced by the \$35,000 of City General Fund dollars in the 001-172-622800 Advertising Line as stated above. The Resources are higher due to increased cash one hand and a higher anticipated transfer from the URA Debt Fund. The transfer amount is driven by the budget for expenditures in the URA General Fund and the Economic Development Department Budget. Only the actual amounts used are transferred.

2. **QUESTION Police/Finance:** Why have the Fines & Court Fee taken a dip in revenue over the past couple of years? Are we not giving traffic violations as often?
 - a. **Answer:** There are a couple of factors that relate to the dip in revenue for Fines & Court Fees. In 2020 Oregon legislature passed HB 4210. The bill repeals ORS 809.210, which authorized courts to impose driving privileges suspensions and restriction if a person was convicted of any traffic offense and failed to pay a fine imposed by the court or to comply with any condition upon which payment of the fine or any part of it was suspended. As a result, DMV no longer imposed any driver suspension for failure to pay effective October 1, 2020. With this repeal courts no longer have any recourse to collect fines and court fees.

3. **QUESTION IT Services (FOLLOW UP):** The hours shown seem very high. If those numbers are correct, one IT person couldn't handle all the work needed based on the hours reported to keep our system up and running.
 - a. **Answer:** The previous answer identified minutes as HOURS by mistake. The 33,302 minutes are used to track time spent on tickets, and are the basis for the allocation of the cost for IMESD IT services to the various departments. We also use total number of computers and other types of hardware in our cost allocation. Currently the City is paying a flat fee which includes on-site support three days per week, up from two the prior year. Our FY 2022-2023 budgeted fee was \$118,215. We have included a new IT position in the City Manager Department which would provide more than three days per week but have retained expense lines related to the current contract services model. With the unknown of how we are going to replace the services currently provided by IMESD, we took these actions to reflect a combination of contract and in-house expenses to cover our IT service needs.

4. **QUESTION:** Has the Opioid Settlement being paid in full or will we only receive \$10,000 more?
 - a. **Answer:** We will continue to receive additional Opioid Settlement funding for several years for the current settlements and others that are being finalized. The amounts will diminish over time and we do not have a projected total that we will be receiving yet.

5. **QUESTION Fire/EMS:** What exactly is the new battery operated rescue tool?
 - a. **Answer:** The battery-operated rescue tools that have been requested are an assortment of tools that allow for our crews to extricate patients from entrapment in motor vehicle crashes or industrial accidents. They include spreaders, cutters and rams. The tools are self-contained and powered by a rechargeable battery. Our current rescue tools are powered by a generator on the rescue vehicle and run by hose to each tool. Some of the benefits of the battery tools are the elimination of trip hazards, quicker set up, no hydraulic fluid or fuel and can be used remote from the rescue vehicle. Our current tools would be traded in.

6. **QUESTION Fire/EMS:** Are we replacing the Wildland engine or just adding another engine?
 - a. **Answer:** The new Wildland engine would be an addition to our current engine. The plan is to move our current engine into reserve status, allowing for it to be brought into service should we have a large wildland incident, state conflagration request or mechanical issues with the first out engine.