

The Budget Committee for the City of Junction City, met at 6:30 p.m. on Thursday, April 18, 2024, at City Hall, 680 Greenwood Street and in a virtual meeting format, via internet and phone.

**PRESENT: Council Members:** Chair, Councilor Ken Hancock; Mayor, Kenneth Wells; Councilors Sandie Thomas, Sidney Washburne, Andrea Ceniga, John Gambee, and Karen Leach; **Citizen Members:** Vice Chair, Kara McDaniel, James Hukill, Travis Ducker, Darin Olson, Jackie Pendergrass, and Julie Nowacki; **Staff:** City Administrator, Jason Knope; Finance Director, Mike Crocker; Police Chief, Mark Waddell; Deputy Chief, Eric Markell; and City Recorder, Kitty Vodrup.

### 1. Call to Order

Chair Hancock called the meeting to order at 6:30 p.m.

### 2. Public Comment.

Jack Sumner, 1061 Quince Drive, Junction City, asked if he would be able to ask questions during the presentation. Chair Hancock responded that Mr. Sumner could ask questions during public comment, and he would ask Mr. Sumner if he had additional questions under Budget Committee Comments.

Mr. Sumner noted that on page 102, one of the goals was to return to a 24/7 dispatch. He asked when that stopped. Chief Waddell responded that in August of 2023, they had a shortage of dispatch staff, so started providing 12 hour dispatch at that time, with Lane County providing dispatch for the other 12 hours.

### 3. Public Hearing on the Possible Uses of State Revenue Sharing

Chair Hancock opened the public hearing.

#### Staff Report

Director Crocker stated that this process was governed by ORS 221.770. A hearing was required at a Budget Committee meeting and at a Council meeting, for the public to comment on anything about the State Revenue Sharing that the City received. The second hearing would be held before Council on May 14, 2024. The notice of this public hearing was published in the Register Guard on April 2, 2024. State Revenue Sharing was in various places in the budget. Section 4 in the Budget Reference notebook contained the League of Oregon Cities report, which covered some of them. State Revenue Sharing under ORS 221.770 covered all of those various revenue sharing items, including the State Revenue Sharing fund. The total for Fiscal Year 24-25 was estimated at \$908,000; gas tax was \$667,000 of that. When the City completed all of the requirements for receiving State Revenue Sharing, including the Council approving a resolution, the state sent the City a certificate.

Chair Hancock asked where State Revenue Sharing could be found in the budget. Director Crocker responded that State Revenue Sharing included gas, liquor, cigarette, state revenue sharing fund and could be found in a few places: the gas tax was in the Street and Bike Path Funds; the liquor and cigarette taxes were in the General Fund (GF) Non-Departmental funds; and the general state revenue sharing was in the State Revenue Sharing Fund which was about \$93,000.

Councilor Gambee asked about the annual requirement to hold a public hearing on possible uses. Director Crocker responded that it was required by Oregon Revised Statutes for the City

to be able to receive those funds. Administrator Knope added that the intent was to give the public who were not on the Budget Committee an opportunity to comment, ask questions, or share ideas for what they would like to see the money spent on. Administrator Knope added that gas taxes were restricted to street related uses, but the rest could be used for any general government purpose. If the public came in with a different idea for using those funds and the Budget Committee and Council agreed, those changes could be made.

**Public Testimony.** None.

#### **Questions or Comments from the Budget Committee**

Committee Member Olson asked how it was decided where the state revenue sharing funds, aside from gas taxes, would go. Administrator Knope responded that the \$667,000 from the gas tax could only be used for streets, and cigarette and liquor taxes went into GF Non-departmental. Over the last number of years, it had been the direction to put money into a line item in State Revenue Sharing called Projects to be Determined, so the Council could determine uses throughout the year.

Councilor Thomas noted that was like a savings that the Council could use if something broke down, etc. Administrator Knope confirmed that was how the line item had been used and it provided flexibility for the Council throughout the year, instead of spending a lot of time on specific allocations at the Budget Committee level.

Councilor Leach stated that setting up the Projects To be Determined line had worked out really well, as the money was not tied to anything and could be used by the Council if a need came up. Administrator Knope added that any money not used throughout the year stayed in that fund and continued to grow. Chair Hancock noted that Administrator Knope was referring to page 232 State Revenue Sharing Fund; there was \$100,000 dollars in the line item Projects to be Determined.

Chair Hancock asked if Administrator Knope had any suggestions for the use of this money. Administrator Knope responded not at this time.

Chair Hancock closed the public hearing.

#### **4. Follow-up from Previous Meeting**

Director Crocker distributed an updated General Revenue Allocation pie chart and budget sheets for General Fund (GF) Non-Departmental and Streets Capital Projects, to reflect the April 11, 2024 direction from the Budget Committee to include the franchise fees received for the street fund in the General Revenue Allocations pie chart. The dollars received by each department remained the same, but this caused some changes to the percentages in the pie chart. For example, of the total General Revenue received of \$717,800, 38.04% was allocated to streets. The budget worksheets he distributed showed the changes. Instead of franchise fees going directly into the Streets Capital Projects Fund, they would go into the GF Non-departmental Fund and then be transferred into the Streets Capital Projects Fund.

Chair Hancock responded that was exactly what the Budget Committee had asked for, and he expressed appreciation to Director Crocker for moving so quickly on that.

**Review and Discussion of Proposed FY 24/25 Budget - Police**

Chief Waddell reviewed:

- Not a ton of changes and no big items.
- Radio and IT systems services had increased.
- Salaries and insurance had increased.
- Trying to modernize the police technology and building.

Questions and Answers:

- Chair Hancock asked for the total number of authorized officers and dispatchers. Chief Waddell responded there were 11 officers and 5 dispatchers. The current budget included 10 officers and 5 dispatchers, but a few months ago the Council authorized 11 officers. If the City entered into the dispatch contract with Oakridge, that would add 1 additional dispatcher for a total of 6.
- Mayor Wells noted that the PD staffing chart on Page 100 showed a total of 12 officers and 6 dispatchers. Chief Waddell responded the number of patrol officers should read 7 and not 8. Mayor Wells asked if this included the School Resource Officer. Chief Waddell responded yes.
- Councilor Washburne noted that the budget showed other dispatch contracts of \$100,000. Chief Waddell responded that was a placeholder for the Oakridge contract, which they were hoping to be able to serve once there were 5 dispatchers. Once the Oakridge contract was in place, they would add the 6<sup>th</sup> dispatcher.
- Chair Hancock noted that the PD was using a trailer for evidence, and he thought any professional standard would require an evidence room and asked if that and updating the fleet, radios, etc. were in the budget.

Administrator Knope stated that he had asked Chief Waddell to prepare a list of top priority items for the PD, and Administrator Knope distributed and reviewed the list:

1. 10 Portable Radios - \$3,000 each. Total \$30,000. Funding Source: State Revenue Sharing.
  - Current radios had reached end of effective life. Difficult to find replacement parts.
  - Replace half now and try and replace a couple more each year going forward.
2. 7 in car radios - \$4,000 per set of 2. Total \$28,000. Funding Source: State Revenue Sharing.
  - Replace outdated radios.
3. 2 Vehicle Replacement – Total \$90,000 to \$180,000 . Funding Source. GF Non-Departmental transfer.
  - Had lost 2 vehicles in the fleet.
4. Evidence Room - \$50,000. Funding Source: Police Capital Improvement Fund.
5. Jail Improvements - \$60,000. Funding Source: GF Non-Departmental.
6. CAD/RMS Records Management Software - \$200,000. Funding Source: GF Non-Departmental.

Administrator Knope stated that there was \$1,667,000 million (Page 89, Line 63) in the Unappropriated Ending Fund Balance (UEFB) in General Fund Non-Departmental. The transfers out of this fund to the PD Capital funds would total around \$440,000. This transfer would take the GF Non-Departmental Ending Fund Balance below the 35% minimum per fiscal policy. Administrator Knope recommended that the Council review this minimum percentage for Non-Departmental, as they were ending up with larger UEFB than they originally had envisioned. He added that taking a little bit out of this fund for legitimate one-time needs made a lot of sense and was something he would strongly recommend to Committee and Council to consider. This would allow the PD to get caught back up and make sure the PD has what they needed to be able to do their jobs.

#### Questions and Answers:

- Committee Member McDaniel asked if there would be any increases to the budget because of these one-time expenses. Administrator Knope responded that he did not see these increasing expenses. Example: The CAD/RMS software they were looking at was less than what the City was currently paying, and with an evidence room there would no longer be a lease payment for the evidence trailer.
- Mayor Wells asked if the PD had planned to purchase a vehicle this year as part of a replacement plan, aside from the 2 vehicles on the list. Administrator Knope responded no and when the PD bought a number of vehicles at once in 2017, it messed up their vehicle replacement rotation. Chief and Deputy Chief were working on a vehicle replacement plan, and the intent was these 2 vehicles would kick start that plan.
- Councilor Ceniga asked how many vehicles the officers were driving. Chief Waddell responded 7.
- Councilor Thomas asked where funds went when PD vehicles were sold. Administrator Knope responded into the PD capital fund. (Page 112, Line 6 Other Revenue).
- Committee Member Olson asked if any other departments would need GF Non-departmental funds. Administrator Knope responded just Parks, which has a need for a couple playground sets = \$75,000 to \$125,000. That would bring the UEFB in GF Non-Departmental to around 1.1 million, if all the requests were approved.
- Chair Hancock asked about the GF Non-Departmental Ending Fund Balance need. Administrator Knope noted that they needed a balance to be carried over from July 1<sup>st</sup> through the time property taxes came in, to be able to cover payroll costs, which was around \$800,000 to \$900,000.
- Councilor Ceniga asked if they knew the outcome of the union negotiations. Administrator Knope responded that PD Association finished today, and he felt comfortable that the budget would cover expenses. The AFSCME Union was still underway.
- Councilor Washburne asked how long it would take to get new vehicles. Chief responded 4 to 5 months for a Tahoe and 16 to 18 months for a Ford Interceptor. Chief would suggest replacing the 3 vehicle Tahoe Fleet they had, which each had 175,000 miles or more.
- Committee Member McDaniel noted that other departments sometimes did an interfund loan for one-time expenses, and she asked if there was an opportunity for that. Administrator Knope responded not with PD, as the PD budget ran very lean and they did not have the mechanism like the Utility Departments to adjust rates or get additional income to pay for a loan.
- Councilor Gambia asked if PD vacancies this year could be carried over to pay for some of these six items. Administrator Knope responded that there were a number of other revenue shortfalls within the PD budget that those savings would offset. The PD Beginning Fund

Balance was \$626,000 (page 106) because of a property tax related issue. The Council direction was to keep the PD whole the best they could without drawing down the fund balance too far. He noted that the PD Beginning Fund Balance would be \$626,000 and would end at \$342,900, which was something they would need to work on this year.

- Councilor Ceniga asked why the PD Ending Fund Balance was dropping so much. Administrator Knope responded because of the staffing adjustments.
- Councilor Gambia noted that the 35% EFB for GF Non-Departmental was an internal policy and asked what the percentage would be if these changes were made. Administrator Knope guessed in the 20% range, but he would need to run the numbers.
- Councilor Gambia noted that the vehicles purchased in 2017 were around \$25,000 a piece, which was a great deal. He encouraged staff to look at all options for purchase of vehicles. It was noted that the vehicle cost of \$25,000 was not the total cost, as that did not include all the PD equipment needed and vehicle costs had sharply risen since then. Administrator Knope noted that they were budgeting for the worse case scenarios and would always try and to do better.
- Councilor Ceniga noted that the estimated vehicle prices were right in line with what other cities budgeted and were not a bad deal.
- Councilor Washburne stated that the longer they waited, the more the prices would go up. He did not feel the vehicles were a bad price and they wanted the officers to have something safe to drive.
- Chair Hancock noted that everything on the list seemed critically important, and they all wanted safe streets. Chief confirmed they were all important and top priorities to achieve the vision of having the necessary and updated equipment to provide safe and efficient services. He noted that the radio he was using was 27 years old, and the radios they were requesting on the list were \$3,000 per radio, whereas the industry standard radios were \$5,500 a piece. Getting the jail operational was important, as well as having dependable vehicles. Councilor Ceniga provided a personal example of the difficulties of not having a functioning radio when responding to a public safety call.

Chair Hancock asked about next steps. Administrator Knope responded that if the committee was comfortable with this, he would work with Director Crocker to make changes to the budget sheets and bring back to the next meeting.

Chair Hancock asked for a show of hands in favor of adding the 6 PD items to the proposed budget. All in favor except for one.

##### **5. Budget Committee Comments**

Councilor Washburne stated that if they wanted a quality PD, they needed to budget the right items for them, and he felt this was a right step to get this going.

Committee Member Olson expressed appreciation that Administrator Knope brought up items when there were problems so they could talk it through and find a solution.

Mayor Wells thanked the Public Safety Committee and Chief Waddell for preparing a good PD budget.

Councilor Leach stated that Chief Waddell was working hard to make PD improvements, and the list was critical. She encouraged everyone to attend court to see how important and needed the jail was in being able to sentence, and she wanted to see it get back open.

Councilor Thomas stated that they needed a good, safe department and the list was not unreasonable and was important. They all wanted the officers to be safe and come home.

Councilor Gambee asked if the budget included repair of the leaky wall in the PD and the water coming into the department from the back of the Raven. Administrator Knope responded both of those had been fixed.

Chair Hancock expressed appreciation for all the work that went into the PD budget and the list of items. He noted that this was a springboard to get the PD back to functioning at a higher and safer rate. They all wanted safer streets, and he was thankful they could live in a small town that had a PD. He found the list difficult to read because that meant that things should have been done years before. He noted that the radios the officers were using were ones he wrote a grant for 16 years ago and they were good for 10 years. He would be looking forward to seeing officers on the streets and noted that the more equipment given the more response they would want to see. He appreciated and looked forward to what Chief Waddell was building, and they were thankful to be part of setting things straight and moving forward.

Mr. Sumner noted there was \$27,500 in a budget line item for police radios and asked if the radios on the list were above that. Chief Waddell responded that the budget line item was for dispatch radios in house and radio tower maintenance.

Mr. Sumner stated that there was an alternate source of funds without using the GF Non-Departmental dollars and that was to use Revolving Loan Fund dollars via a grant. He added that they could also allocate a higher percentage of property taxes for the PD, which would give the PD more money for their needs. He appreciated the work of the Budget Committee.

**6. Other Business**

None.

**7. Recess**

As there was no further business, the meeting was adjourned at 7:54 p.m.

ATTEST:

APPROVED:

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Kitty Vodrup, City Recorder

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Ken Hancock, Chair