



2021-2022  
FISCAL YEAR

# CITY OF STAYTON, OREGON REVISED ANNUAL BUDGET



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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Stayton  
Oregon**

For the Fiscal Year Beginning

**July 1, 2020**

*Christopher P. Morrill*

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) again, for the fifth consecutive year, presented the Award for Distinguished Budget Presentation to the City of Stayton, Oregon for its annual budget for the fiscal year beginning July 1, 2020.

To receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device.

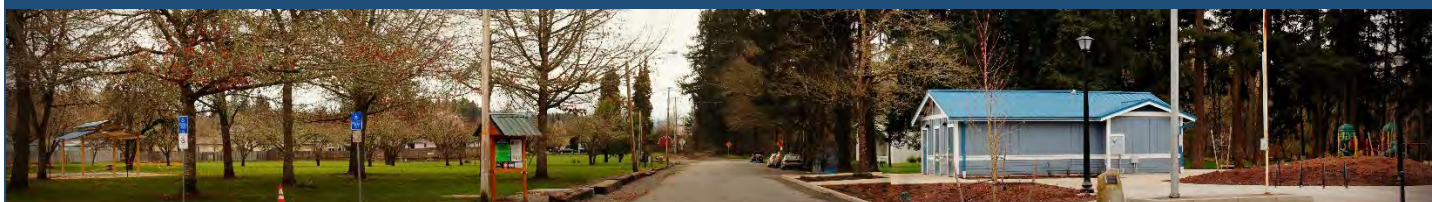
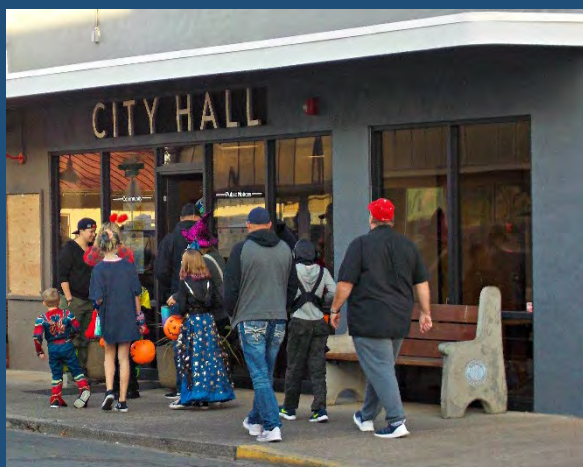
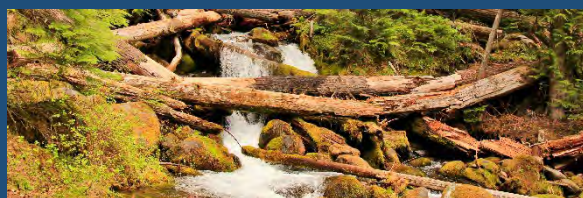
The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine eligibility for another award.



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# BUDGET 2021-22



## **BUDGET COMMITTEE**

### ELECTED OFFICIALS

Mayor Henry Porter  
Councilor Paige Hook  
Councilor Ben McDonald  
Councilor Christopher Molin  
Councilor Jordan Ohrt  
Councilor David Patty

### CITIZENS

Luke Cranston  
Connie Dominguez  
Alan Kingsley  
Ralph Lewis  
Julia McFerron  
Brent Walker



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# CITY MANAGER'S BUDGET MESSAGE



May 17, 2021

Honorable Mayor Porter, members of the Stayton City Council, citizen members of the Budget Committee, and citizens of the City of Stayton:

It is my privilege to submit the proposed budget for the fiscal year ending June 30, 2022. This budget is the City's single most important policy document. Its purposes are to provide a comprehensive overview of all City funds and services, and to give residents a better understanding of the City's operating and fiscal programs. The proposed fiscal year 2021-22 City of Stayton budget totals \$26,161,500, with a proposed General Fund budget of \$6,465,700.

The City of Stayton's fiscal year 2021-22 budget has been prepared pursuant to Oregon Local Budget Law and the City's Financial Policies. It presents my recommendations as the City of Stayton's Budget Officer, setting standards and establishing action, operational and financial plans for the delivery of City services from July 1, 2021 through June 30, 2022.

This budget proposal includes a CPI adjustment, as per our fiscal policy, of 2.4% for the City's Utility Bill which includes wastewater, stormwater, and streets. There is a proposed 5% increase in the water portion of the utility bill.



## **Background**

This will be the sixth year in a row the City has presented a budget document that follows the Government Finance Officers Association (GFOA) best practices in local budgeting. We continue to enhance the quality of our budget document by providing data, definitions, resources, and long-term planning that is dedicated to the belief the City's budget will be accessible and understandable to the citizens of our community.

A budget should serve as:

- A policy document
- A financial plan
- An operations guide
- A communication device with stakeholders

The budget process should accomplish the following:

- Involve stakeholders

- Identify stakeholder issues and concerns
- Obtain stakeholder support for the overall budgeting process
- Achieve stakeholder acceptance of decisions related to goals, services, and resource utilization
- Report to stakeholders on services and resource utilization, and serve generally to enhance the stakeholders' view of government

The Twelve Elements of the Budget Process Establish Broad Goals to Guide Government Decision Making:

1. Assess community needs, priorities, challenges and opportunities
2. Identify opportunities and challenges for government services, capital assets, and management
3. Develop and disseminate broad goals Develop Approaches to Achieve Goals
4. Adopt financial policies
5. Develop programmatic, operating, and capital policies and plans
6. Develop programs and services that are consistent with policies and plans
7. Develop management strategies Develop a Budget Consistent with Approaches to Achieve Goals
8. Develop a process for preparing and adopting a budget
9. Develop and evaluate financial options
10. Make choices necessary to adopt a budget Evaluate Performance and Make Adjustments
11. Monitor, measure, and evaluate performance
12. Make adjustments as needed

The Budget document in front of you is the culmination of six years of work. The transition from a line item budget to a GFOA budget is a massive undertaking, and requires consistent caretaking. The budget is the most critical document in local government; it lays out the goals and values of the community, and the short- and long-term opportunities and challenges. We have an obligation to the stakeholders of our community to be as open and as transparent as we can in this budgeting process and to make the work product accessible to everyone in our community.

In the 2020-21 budget, the unknown impacts of the COVID-19 pandemic lead to a thoughtful and cautious approach in our budget and our spending. It seemed prudent to remain cautious and conservative in our spending. From March of 2020 through this budget, I have been humbled and honored to work with the entire leadership team. Every single department took a "City First" approach to spending and looked for ways to be good stewards to the taxpayers at a time of so much turmoil and uncertainty. In a time where departments could have become siloed and adversarial in competing for limited resources, the entire leadership team came together with a greater good approach and attitude.

From the beginning of the pandemic, the leadership team took proactive measures to be good stewards for the community. The City did not fill open positions, and current staff was willing to take on extra duties, going above and beyond expectations. Projects were put on hold. As a



whole, the City's staff have come together as a team to accept the challenges and avoid budgetary pitfall. This cohesion was critical as the City dealt with the additional challenges of the Beachie Creek Fire in early September and February's winter ice storm. Through the difficulties and adversity, the City avoided the challenges that beset other communities in Oregon with employee layoffs and furloughs.

### **Council Goals**

On February 2, 2019, the City Council and staff held an all-day retreat to identify and set City Council Goals. The retreat was led by SSW Consulting. On April 1<sup>st</sup>, 2019, the City Council adopted their goals. These goals set out a guidelines and expectations of priorities both in the short- and long-terms. The proposed budget sets forth continued efforts to accomplish these goals.

**Goal:** *“Develop economic development strategies through the economic development strategic plan development for marketing urban renewal, and infrastructure improvements”*

- The Economic Development Plan was completed in the 2019-20 Fiscal Year. The 2021-22 budget proposes \$30,000 in the Planning and Development budget for land use and potential assistance with property development. In the 2020-21 budget, \$325,000 was budgeted to complete the Golf Club Road/Wilco Road/Shaff Road Roundabout design. The 2021-22 budget includes \$150,000 coming from the Street SDC Fund to complete the work.

**Goal:** *“Conduct a (citywide) facility needs assessment” and “Address infrastructure needs at pool and community center”*

- \$100,000 was budgeted in fiscal year 2019-20 to complete a Facility Needs Assessment. Initially, the Assessment was to be completed during the 2019-20 budget cycle. The project has continued to be delayed due to the pandemic. To complete the project, \$50,000 is carried over in to the 2021-22 budget.

**Goal:** *“Fund Emergency Management”*

- \$20,000 was adopted in the 2019-20 budget for emergency management, with continued funding of \$100,000 for the 2021-22 fiscal year budget.

**Goal:** *“Completed updates of the sewer, water, storm water, and parks master plans”*

- The City has completed the Transportation Master Plan and the Wastewater Master Plan. The 2021-22 budget includes \$225,000 for the Water Master Plan.

**Goal:** *“Search for a secondary water source”*

- In 2019, the City completed an analysis study on options for a secondary water source. The 2020-21 Water Fund budget included \$154,000 for a matching grant from the State of Oregon for a Stayton Aquifer Storage and Recovery Feasibility Study. The 2021-22 budget includes \$80,000 to complete the project.

### **Summary**

We have attempted to highlight several key components and issues of our budget. This message isn't intended to be all encompassing. Staff has worked hard to provide information, data, highlights, changes, and active transparency for all funds and departments. I encourage the reader to take the time to review and understand what their City is doing and how we are utilizing our resources. The budget should define the values of our community; we want unselfish partners in this process. This is our sixth GFOA best practices budget. A comparison of this budget to our 2014-15 budget will show the significant growth, development, and evolution of our budget. Even in the GFOA framework, our budget continues to evolve and we continue to enhance the data and information.

This budget should be examined, considered, discussed, and questioned. This budget is just a proposal, it is, until approved, merely a draft. Your input will only improve the quality of the final product. This budget should be the narrative and the reflection of the values of our community, and the approval of the Budget Committee is a statement the final and approved budget is a direct reflection of where we as a community are spending our time, energy, and resources.

The creation of a budget, even in relatively certain times, is challenging. Doing so with so much uncertainty of the short- and long-term impacts of COVID-19 is extremely difficult. In the past we could predict with more confidence a realistic framework of the coming budget year. These standard assumptions cannot be done with the same level of confidence with this budget, and to try to do so would be disingenuous. The budget data is filled with uncertain data, we have done our best to try to see the signal through the noise, and when in doubt, remain cautious.

This was the statement that was made last year and it bears repeating, “If the COVID impacts are short in nature, then we will be in a better position to move forward in the coming years. If the financial impacts are longer in scope, our levels of spending will need to be significantly reduced.”

We are obligated to present the budget and the budget forecast to you now, and to receive approval before July 1<sup>st</sup>. It is important to note the spending authorities that are adopted in this budget will need to be evaluated throughout the budget year. The staff and the governing body will need to be mindful of the unfolding economic conditions and to be flexible and cautious in

our approach. Time will continue to provide more clarity, and we will need to be guided by the realities of the data.



In the short-term we have flat lined estimated property tax revenue with the anticipation of a reduction in collections and potential long-term decreases in revenues. We have flattened anticipated gas tax revenues. We have done our best to estimate a volatile Consumer Price Index and the concerns of the recent spike in inflation. We have carefully considered variable

expenses. Every budget is a living breathing document and there should be no better example of this budget as we move forward in uncertain times.

### **Hope**

While the 2021-22 budget remains cautious, there is reason for optimism going forward. It seems worthy to talk about some potential positive news for our future and our budget.

This budget is written under the assumption that the local option levy renewals will be unsuccessful. If the levies fail, then this budget is prepared for this reality. If the Library levy and/or the Recreational levy is/are approved by the electorate then the impacted funds of library and/or pool and parks will need to be adjusted to account for the new monies allocated by these levies.

The City of Stayton has been allocated \$1,523,507 through the “American Rescue Act Plan.” The City will receive half the total allocation this summer, totaling \$761,753.50. The second allocation of an equal amount will be delivered in the summer of 2022. City staff will be working with the Governing Body and the community to utilize these resources within the scope of the ARAP requirements and as is determined the best interest of the community in the 2021-22 fiscal year.

As we continue to face new and unique external challenges, City staff remains positive and proactive in ensuring essential services are being met while planning for future needs.

### **Thank You**

This budget document was the result of a team effort among City staff. I want to thank Susannah Sbragia, for her significant contributions to the behind the scenes work on the data and formulas which comprise the heart of this document. I want to thank Summer Sears for her insight and perspectives and Alissa Angelo for making the document user friendly. I want to thank department heads Lance Ludwick, Dan Fleishman, Janna Moser, Alissa Angelo, and David Frisendahl who have all actively contributed to the final document.

Finally, I want to thank the Governing Body who supported and encouraged the staff in this journey. I hope everyone is as proud of this document as I am; our budget is truly a benchmark for any community, of any size, in the country.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Keith D. Campbell". The signature is stylized with a large, sweeping initial "K" and a long horizontal line extending to the right.

Keith D. Campbell  
City Manager

# CITY OVERVIEW

## ABOUT

Stayton is a city in Marion County in the Willamette Valley. Stayton is located 14 miles southeast of the state capital, Salem, on Oregon Route 22. It is south of Sublimity and east of Aumsville. Located on the North Santiam River, Stayton is a regional agricultural and light manufacturing center. The population was 7,880 in 2020. Established in 1872, it was incorporated in 1891.

## FORM OF GOVERNMENT

The City of Stayton is governed by a Mayor and a 5-member City Council and is a Council/Manager form of government. With the passage of the 2018 City of Stayton Charter, the term lengths for Mayor and Council have been updated.

The Mayor serves a 4-year term and may serve no more than two consecutive terms of office. Councilors also serve 4-year terms. Council members are elected at large. The Mayor and Council members do not receive a salary for their service.

To be eligible for an elected City office, a candidate must be a registered voter and have resided in the City for at least one year immediately preceding the election. No person may be a candidate for the offices of Mayor and Council member at the same election. The Council is the final judge of the qualifications and election of its own members.

The Mayor presides over Council deliberations and is responsible for preserving order, enforcing the rules of the Council, and determining the order of business under the rules of the Council. The Mayor votes only when it becomes necessary to break a tie.

The Stayton City Council holds regular meetings the first and third Mondays of each month at 7:00 p.m. in the Council Chambers located at the Stayton Community Center, 400 W. Virginia Street. Due to the COVID-19 pandemic in 2020, the City Council meetings moved to a virtual platform and have been live streamed on YouTube.

The City Manager is appointed by the Mayor, and ratified by the City Council, to manage the affairs of the City. The City Manager's general responsibilities are attending all meetings of the Council and keeping the Council advised of the affairs and needs of the city, seeing that Council policy is implemented, seeing that all laws and ordinances are enforced, seeing that the provisions of all franchises, leases, contracts, permits and privileges granted by the City are observed, oversight and management of the annual City budget, as well as appointing and supervising all department managers and other employees except as otherwise provided by City Charter.

The Assistant City Manager / Administrative Services Manager performs a variety of duties in support of the City Council, and serving as the City Elections Officer, Records Manager, and Human Resources Manager.

## HISTORY

Stayton was founded by Drury Smith Stayton who purchased the town site in 1866 and built a carding mill and sawmill on a watercourse of the North Santiam River. In 1872, he platted the town site, and that same year the community received a post office. A ferry crossing on the Santiam River operated from 1876 until a bridge was constructed in 1888. By 1880, a laundry had been established by Kee Sing and Tom. The first newspaper, *The Stayton Sun*, was published in 1889 by T. H. McGill.

The founder of Stayton originally wanted to name the city after his daughter, Florence Stayton. After his petition was denied by the post office because another city in Oregon was named Florence, he chose Stayton and named a street after his daughter. The city was incorporated as the Town of Stayton in 1891, following a failed attempt in 1884.

## CLIMATE

Stayton experiences a temperate climate that is usually described as oceanic with mild, damp winters and relatively dry, warm summers, like most of the Pacific Northwest.

Summers in Stayton are warm and relatively sunny but can, on occasion, be wet. The warmest month is August with a daytime average of 80.8°F (27.1°C) and an average low of 51°F (10.6°C). Because of its inland location, Stayton can experience heat waves, in July and August particularly, with air temperatures sometimes rising over 90°F (32°C).

Winters are described as somewhat mild and very wet. Cold snaps can occur and last for several days, and snowfall occurs a few times throughout the winter season; the city has been known to see major snow and ice storms. Spring can bring rather unpredictable weather, resulting from brief warm spells to thunderstorms rolling off the Cascade Range. The lowest temperature ever recorded in Stayton was -7°F (-22°C) on December 8, 1972.

## POINTS OF INTEREST

Local attractions include Pioneer Park with the Jordan Bridge, a covered bridge. A copy of the Jordan Bridge that spanned Thomas Creek east of Scio, it was moved to the park in 1988. Destroyed by fire in 1994, it was rebuilt and painted white. It is used for social occasions such as weddings. Kingston Prairie Preserve, 3 miles (5 km) southeast of Stayton, protects a remnant of the native prairie that was once common in the central Willamette Valley. Silver Falls State Park is northeast of Stayton; it is the largest state park in Oregon and a major tourist destination in the region, popular for its camping, and for its waterfalls.



## GENERAL STAYTON OVERVIEW

### STATISTICS

2000 Population (Census)	6,816
2010 Population (Census)	7,644
2020 Population (PSU)	7,880

Estimates show Stayton has grown at a rate of less than 1% since 2010. Both Marion County and the State of Oregon have grown at a rate of 3% during the same period.

### 2010 AGE DISTRIBUTION

Under 5	614	8%
5-19	1,713	22%
20-29	1,011	13%
30-49	1,925	25%
50-69	1,694	22%
70 and over	687	9%

### 2010 HOUSING STATISTICS

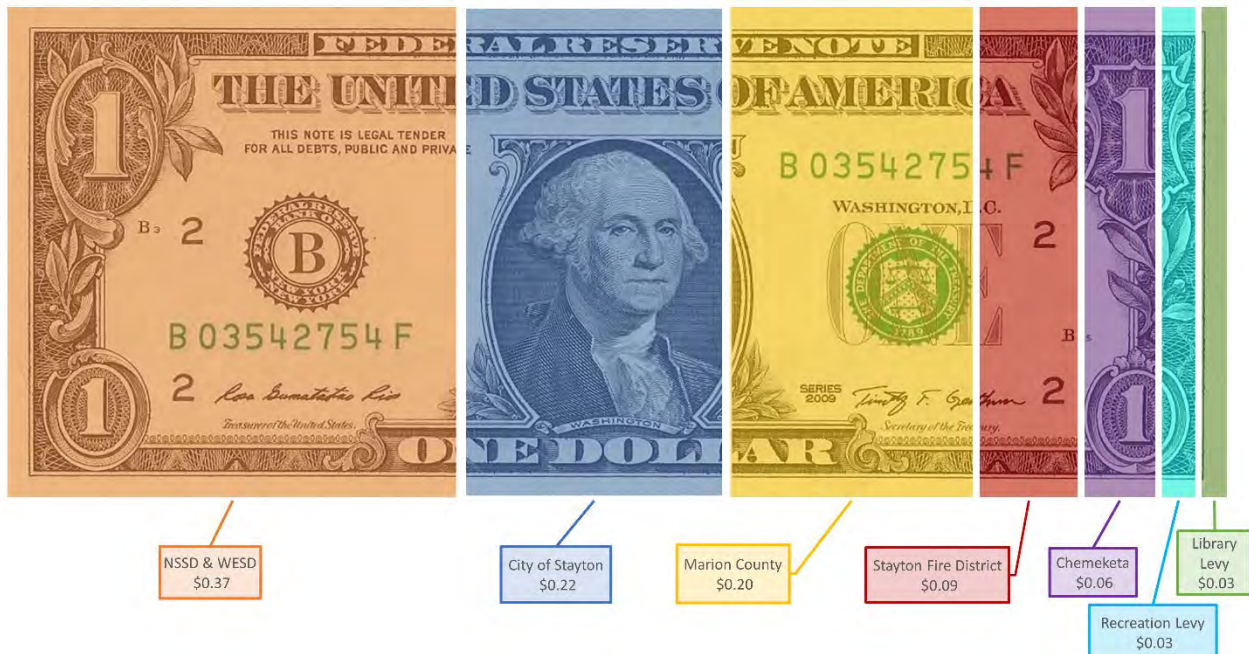
Occupied Housing Units	2,882	
Owner Occupied Housing Units	1,679	58%
Renter Occupied Housing Units	1,203	42%
Family Households	2,031	70%
Non-Family Households	851	30%
Householder 65 years and over	450	16%

### 2018 EDUCATIONAL ATTAINMENT

13.7% of Stayton's population has less than a high school diploma. The Marion County rate is 14.7% and it is 11.7% overall for the state of Oregon.

10.8% of Stayton's population has a bachelor's degree or higher as compared to 22.8% for Marion County and 32.6% for the state of Oregon.

### TAX DOLLARS



## BUSINESS OVERVIEW

### COVERED EMPLOYMENT – CITY OF STAYTON (2018)

Industry	Firms	Annual Employment	Payroll (\$)	Average Wage (\$)
<i>Total Employment</i>	296	3,464	140,480,078	40,554
<i>Total Private</i>	285	3,114	126,959,818	40,771
Agriculture, Forestry Fishing and Hunting	5	18	528,118	29,340
Construction	34	368	25,087,991	68,174
Manufacturing	12	784	32,243,093	41,126
Wholesale Trade	8	52	2,157,285	41,486
Retail Trade	34	492	13,326,459	27,086
Transportation and Warehousing	10	78	2,296,612	29,444
Information, Finance, Insurance, Real Estate, Rental and Leasing	20	106	5,334,221	50,323
Professional, Scientific, Technical Services, and Management of Companies	14	33	1,084,517	32,864
Administrative, Support, Waste Management, and Remediation Services	15	59	2,750,083	46,612
Private Health Care, Social Assistance, and Educational Services	10	25	378,771	15,151
Arts, Entertainment, Recreation, Accommodation, and Food Services	3	73	1,900,092	26,029
Other Services	24	564	31,480,123	55,816
Government	35	319	5,214,099	16,345

Firms	296
Total Employment	3,464
Total Private Employment	3,114
% of Marion County Employment	2.1%

From 2008 to 2018, the City has lost over 300 jobs. Stayton's total employment during that time declined by 8%. Manufacturing jobs showed the largest losses totaling 550 jobs.

## Average Covered Employment, City of Stayton 2008 vs 2018



# PERSONNEL

## SUMMARY

The budget includes a total of 52.5 full-time equivalent positions, a reduction of a net 2.2 FTEs. An adjustment to staffing was made at both the Pool and Library. Pool staff has been reduced by 2 FTE, and a reduction of 1.5 FTE was made to Library staffing.

Through fiscal year 2021, the City maintained a steady workforce of approximately 31 full-time employees and 8 part-time employees. Vacant positions from 2020-21 were not filled due to COVID-19 and financial uncertainties but are budgeted to be filled this fiscal year.

Two unions represent City of Stayton employees: American Federation of State, County, and Municipal Employees (AFSCME), which represents public works and administrative personnel, and the Stayton Police Officers Association (SPOA), which represents police officers. In early 2021, AFSCME contacted the City to request a one-year contract extension for their contract expiring June 30, 2021. The City Council authorized this extension at a meeting in April 2021. The SPOA agreement will expire June 30, 2022. A wage cost of living adjustment (COLA) of 2.4% effective July 1, 2021 is included in the budget for all employees.

## FULL-TIME EQUIVALENT (FTE'S) EMPLOYEES

A schedule of the full-time equivalent positions by department for the past three years and proposed budget is presented below. Similar schedules are provided in each of the departmental budget.

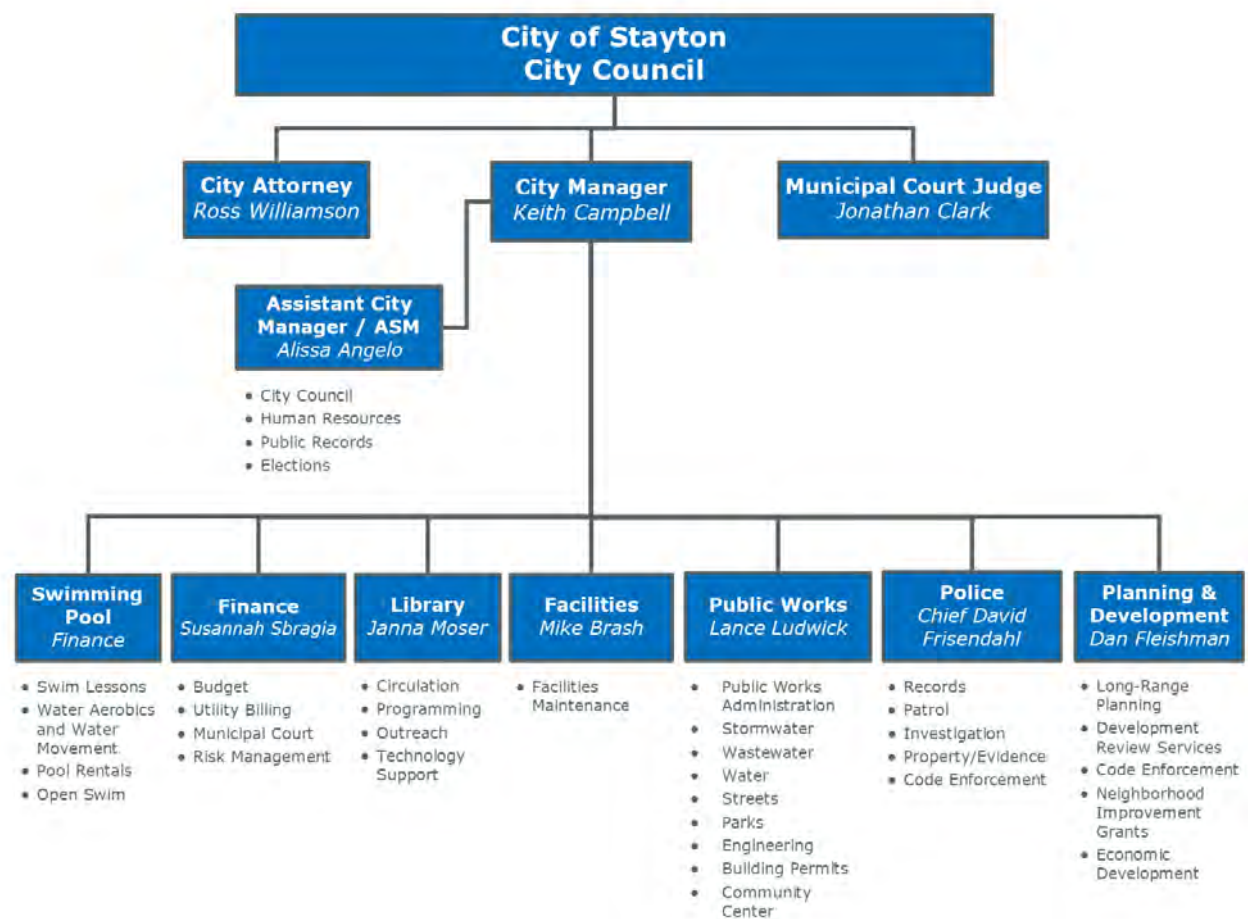
Department	2018-19 Actual	2019-20 Actual	2020-21 Budget	2021-22 Adopted	2021-22 Proposed Budget (Revised)
Police	14.5	14.4	14.7	14.5	14.5
Planning	1.0	1.0	1.5	1.5	1.5
Parks	2.0	2.0	1.7	1.7	1.7
Municipal Court	0.6	0.6	0.6	0.8	0.8
Administration	6.0	6.0	6.6	6.8	6.8
Street	1.0	1.0	1.5	1.5	1.5
Library	7.4	7.0	6.9	5.2	5.6
Pool	8.1	8.1	5.5	0.2	6.0
Water	4.0	4.0	3.6	3.6	3.6
Wastewater	5.8	5.8	5.8	5.8	5.8
Stormwater	0.5	0.5	0.5	0.5	0.5
Public Works Administration	3.0	4.0	4.0	4.0	4.0
Facilities Maintenance	0.3	0.3	0.3	0.2	0.2
<b>Total FTE's – Citywide</b>	<b>54.9</b>	<b>54.7</b>	<b>53.2</b>	<b>46.3</b>	<b>52.5</b>

## CHANGES FROM PREVIOUS YEAR

Changes in personnel proposed:

- Vacant positions from 2020-21 that were not filled due to COVID-19 and financial uncertainties are budgeted to be filled this fiscal year.
- Pool Staffing was decreased by 2 FTE due changes in staffing structure and change is hours of operations.

## ORGANIZATIONAL STRUCTURE



## SALARY SCHEDULE – FISCAL YEAR 2021/22

<b>Position</b>	<b>Annual Salary</b>	
	<b>Minimum</b>	<b>Maximum</b>
Library Page	23,898	26,922
Aquatics Instructor	25,090	32,758
Lifeguard	26,348	34,377
Library Aide	29,162	38,050
Library Assistant	32,079	41,855
Library Assistant - Youth Services	38,588	50,349
Pool Supervisor	38,595	50,351
Accounting Specialist	39,086	50,999
Office Specialist	39,086	50,999
Maintenance Worker 1	39,086	50,999
Utility Operator-in-Training	39,086	50,999
Library Assistant - Lead	40,904	53,371
Court Clerk/Office Specialist	40,904	53,371
Evidence Clerk/Records Specialist	40,904	53,371
Utility Operator I	42,745	55,772
Maintenance Worker II	42,745	55,772
Accounting Technician	44,689	58,310
Literacy Outreach Coordinator	44,689	58,310
Code Enforcement Officer	44,689	58,310
Utility Operator II	44,689	58,310
WWTP Operator I	44,689	58,310
WW & Storm Collection System Tech	46,924	61,225
Engineering Technician I	46,924	61,225
Police Officer	48,007	67,550
Administrative Services Manager	58,233	75,981
Aquatics Facility Manager	58,233	75,981
Engineering Technician II	58,233	75,981
WTP Chief Operator	58,233	75,981
Library Director	68,714	89,657
Public Works Supervisor - Sewer	68,714	89,657
Public Works Supervisor - Utilities	68,714	89,657
Police Sergeant	73,525	95,932
Assistant City Manager	75,731	98,811
Planning Director	75,731	98,811
Finance Director	84,818	110,669
Police Captain	84,818	110,669
Public Works Director	84,818	110,669
Police Chief	91,604	119,522
Public Works Director - Civil Engineer	91,604	119,522
City Manager	Established by contract	

# BASIS OF BUDGETING

## SUMMARY

The City budgets all funds on the modified accrual basis of accounting. Items such as depreciation, amortization, property taxes and other revenues that are not expected to be received in the current period or within sixty days of fiscal year end are not included in the budget. All expenditures forecast to occur during the year, such as principal, interest payments and capital acquisitions are budgeted. Expenditures for accrual of accrued leave and other payroll costs incurred are not budgeted.

Within the City’s audited financial statements, the General Fund, special revenue funds and debt service funds are accounted for using the modified accrual basis of accounting. The enterprise and internal service funds utilize the full accrual method of accounting. The primary difference between the two methods of accounting, relative to the budget basis used, is depreciation, acquisition of capital assets and principal payments on debt are handled differently, i.e., depreciation is not budgeted, acquisition of capital assets and principal payments are budgeted, but are not shown as expenditures in full accrual accounting.

Budget appropriations for authorized spending are provided for all the funds noted below. The amounts of appropriations are presented in the “Adopted Budget” column of the budget summaries presented for each fund.

# FUND ACCOUNTING

## SUMMARY

For accounting purposes, a local government is not treated as a single, integral entity. Rather, a local government is viewed instead as a collection of smaller, separate entities known as “funds.” A fund is a fiscal and accounting entity with self-balancing accounts to record cash and other financial resources, related liabilities, balances, and changes, all segregated for specific activities and objectives. All the funds used by a government must be classified into one of seven fund types within:

- Governmental-type (Governmental funds)
- General
- Special revenue
- Debt service
- Capital projects
- Business-type (Proprietary funds)
- Enterprise
- Internal service
- Fiduciary-type
- Fiduciary

## GOVERNMENTAL FUNDS

Many government services are financed through taxes and intergovernmental revenues. These are often called non-exchange revenues because there is not normally a direct relationship between the cost of the service provided and the amounts being paid by either individual taxpayers or other government agencies. When a service is largely funded through non-exchange revenues it can be called a governmental-type activity. The accounting for a governmental-type activity focuses on available spendable resources and the near-term demands upon them.

## GENERAL FUND

The General Fund accounts for services generally supported by property taxes and other non-dedicated or restricted revenue. These services include police, municipal court, administration, planning, streetlights, City Council and Council directed funding of outside agencies or other activities. General administrative costs are recovered through internal charges to the fund or department using these services. These costs include Administration and financial services, risk management, network computer and phone services, and legal. The distributed costs of these services are at full cost, including replacement cost, thereby providing more accurate costs of providing services.

## SPECIAL REVENUE FUNDS

Special revenue funds are a fund type used when certain revenues have been earmarked or are legally restricted to expenditure for a specific purpose.

## STREET FUND

The Street Fund provides the accounting of the City's street, bike lane, and right-of-way activities. Funding sources include local gas tax and state highway gas tax, street fees, and grant funding from various sources. Heavy equipment, vehicles and maintenance, engineering, project oversight, and public works administration and support services costs, are accounted for through transfers to internal service funds for the estimated costs of the provision of these services.

## LIBRARY FUND

The Library Fund accounts for the activities of the City's Library. Funds for the program are provided through a voter approved local option property tax levy, Chemeketa Cooperative Regional Library System funding, program fees and a transfer from the City's general fund. Expenditures are for Library operations including staffing, program materials and building occupancy.



## **PARKS FUND**

The Parks Fund accounts for the activities of the City's parks operations. Funds for the program are provided through a voter approved local option property tax levy and a transfer from the City's general fund. Expenditures are for parks maintenance including staffing, program materials and capital outlay as funding allows.

## **POOL FUND**

This fund accounts for the activities of the City's pool. Funds for the program are provided through a voter approved local option property tax levy, program revenue, and a transfer from the City's general fund. Expenditures are for pool operations and maintenance including staffing, program activities and materials, maintenance and capital outlay as funding allows.

## **PENSION STABILIZATION FUND**

This fund accounts for monies set aside to either invest in a PERS side account to reduce the City's unfunded actuarial liability (UAL) or transfer funds to the General Fund to offset PERS rate increases in later years. Funds for the program are provided through transfers from the police department portion of the General Fund.

## **CAPITAL PROJECTS FUNDS**

This fund type accounts for the accumulation of resources to construct capital improvements.

## **PARKS SDC FUND**

This fund accounts for the City's collection and investment of parks system development charges (SDCs). The principal source of revenue is system development charges paid by builders and developers. Expenditures are for qualified system improvements. Monies are transferred to the Parks Fund to reimburse that fund for qualified costs.

## **STREET SDC FUND**

This fund accounts for the City's collection and investment of street system development charges (SDCs). The principal source of revenue is system development charges paid by builders and developers. Expenditures are for qualified system improvements. Monies are transferred to the Streets Fund to reimburse that fund for qualified costs.

## DEBT SERVICE FUNDS

This fund type accounts for the accumulation of resources for the payment of debt principal and interest. The City of Stayton does not have any debt service funds.

## PROPRIETARY FUNDS

Other government services are financed through user charges for which the cost to the individual, business or non-profit, is proportionate to the benefit received by the customer. When a fund receives a significant portion of its funding through user charges, it can be referred to as a business-type activity. The accounting for a proprietary fund focuses on cost and long-term cost recovery.

## ENTERPRISE FUNDS

Enterprise funds are used to account for operations financed and operated in a manner similar to private enterprises.

## WATER FUND

This fund accounts for the operation of the City's water utility. The principal sources of revenue are user fees. Expenditures are for the operation, administration, maintenance, system betterments, and expansion of the system.

## WATER SDC FUND

This fund accounts for the City's collection and investment of water system development charges (SDCs). The principal source of revenue is system development charges paid by builders and developers. Expenditures are for qualified system improvements. Monies are transferred to the Water Fund to reimburse that fund for qualified costs.

## WASTEWATER FUND

This fund accounts for the operation of the City's sewage utility. The principal sources of revenue are user fees. Expenditures are for operation, administration, maintenance, system betterments, and expansion of the system.

## WASTEWATER SDC FUND

This fund accounts for the City's collection and investment of wastewater system development charges (SDCs). The principal sources of revenues are system development charges paid by builders and developers. Expenditures are for qualified system improvements. Monies are transferred to the Wastewater Fund to reimburse that fund for qualified costs.

## STORMWATER FUND

This fund accounts for the operation of the City's stormwater utility. The principal sources of revenue are user fees. Expenditures are for operation, administration, maintenance, system betterments, and expansion of the system.

## STORMWATER SDC FUND

This fund accounts for the City's collection and investment of stormwater system development charges (SDCs). The principal sources of revenue are system development charges paid by builders and developers. Expenditures are for qualified system improvements. Monies are transferred to the Stormwater Fund to reimburse that fund for qualified costs.

## INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the City, on a cost-reimbursement basis.

## PUBLIC WORKS ADMINISTRATION FUNDS

Public works administration and support services are provided through this fund. Additionally, activity associated with vehicles and heavy equipment utilized by more than one public works division is accounted for in this fund. Revenues are generated through user charges for the cost of providing the services to the various benefitting funds. Expenditures are for administrative and supervisory staffing, operating support costs, and the public works building operation, maintenance, and debt service.

## FACILITIES FUND

This fund accounts for the operation of several City building facilities. The principal sources of revenue are rent and internal transfers from departments that utilize space. Expenditures are for building maintenance.

## FUND STRUCTURE

The City budgets sixteen funds. All funds with budgetary appropriations in the fiscal year 2020-21 budget are presented with the fund structure below. Major funds are noted with bold, black text.

Fund Structure				
Governmental Funds			Proprietary Funds	
General Fund	Special Revenue Funds	Capital Projects Fund	Enterprise Funds	Internal Service Funds
Fund Structure at a Glance	<b>Street Fund</b>	Parks SDC Fund	<b>Water Fund</b>	Public Works Administration Fund
	Library Fund	Street SDC Fund	Water SDC Fund	Facilities Fund
	Parks Fund		<b>Wastewater Fund</b>	
	Pool Fund		Wastewater SDC Fund	
	Pension Stabilization Fund		Stormwater Fund	
			Stormwater SDC Fund	

## FUNCTIONAL UNITS

The following table provides where the City's functional units are accounted for by fund type and fund. Additionally, the functional units/funds that are in bold are the City's major funds. Major funds are those funds that meet certain accounting requirements relative to revenue and/or assets.

Functional Units				
Governmental Funds			Proprietary Funds	
General Fund	<i>Special Revenue Funds</i>	<i>Capital Projects Funds</i>	<i>Enterprise Funds</i>	<i>Internal Service Funds</i>
City Council				
Public Safety	<b>Street Fund</b>	<b>Parks SDC Fund</b>	<b>Water Fund</b>	<b>Public Works Administration Fund</b>
Police Patrol	Street	Parks	System Operations	Administration
Code Enforcement	Maintenance	Infrastructure	Capital Investment Debt	Engineering
Emergency Management	Street	Expansion	Service	Project Management
Planning/Zoning	Construction			Inspections
Municipal Court	Sidewalks			
Outside Agency Funding	Bike Paths			
Administration	<b>Library Fund</b>	<b>Street SDC Fund</b>	<b>Water SDC Fund</b>	<b>Facilities Fund</b>
City Manager	Materials and Programming	Streets	Water Infrastructure	City Hall
Human Resources	Building	Infrastructure	Expansion	Police Station
Finance	Occupancy	Expansion		
Information Technology	<b>Parks Fund</b>		<b>Wastewater Fund</b>	
City Recorder	Parks Maintenance		System Operations	
Economic Development	Trails		Capital Investment Debt	
Communications	Parks Construction		Service	
Street Lighting	Jordan Bridge			
Community Center	<b>Pool Fund</b>		<b>Wastewater SDC Fund</b>	
	Swim		Wastewater	
	Instruction		Infrastructure	
	Physical Therapy		Expansion	
	<b>Pension Stabilization Fund</b>		<b>Stormwater Fund</b>	
	PERS cost stabilization		System Operations	
			Capital Investment Debt	
			Service	
			<b>Stormwater SDC Fund</b>	
			Stormwater	
			Infrastructure	
			Expansion	

# BUDGET PROCESS

## SUMMARY

A budget is defined by Oregon State Law (Oregon Revised Statutes, Chapter 294), as a financial plan containing estimates of revenues and expenditures for a given period or purpose, such as the fiscal year. The City is required to budget all funds and for each fund to have a balanced budget.

The State of Oregon defines balanced budgets as one in which total resources, including beginning resources, current resources and debt proceeds, equal total requirements, including current year expenditures, capital outlay, transfers, debt service, and any other requirements such as debt service reserves. Budgeting is critical to cities because it requires local governments to evaluate plans and establish priorities in relation to available financial resources. Also, under Oregon Revised Statutes (ORS), a legally adopted budget is necessary to establish and justify a given rate and or amount of property taxes to be levied on the property within the city.

The City of Stayton prepares and adopts its annual budget in accordance with the city charter and Oregon Local Budget Law (ORS 294.305-294.555, and 294.565). The budget is presented by fund and department categories. The City Manager has responsibility for management of the overall City budget and maintaining budgetary control at the approved appropriation level. Finance and the respective operating department directors perform ongoing review and monitoring of revenues and expenditures.

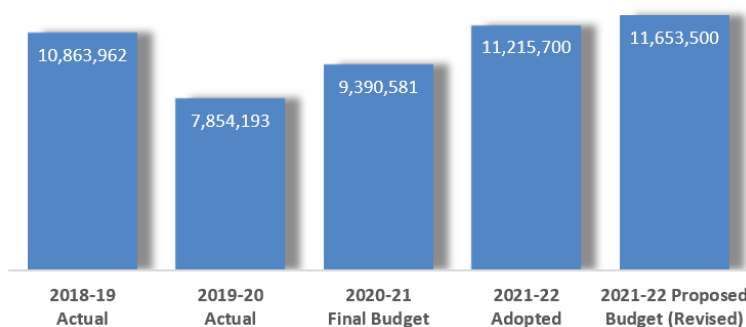
The Citizens' Budget Committee consists of the governing body plus an equal number of legal voters appointed by the Stayton City Council. Accordingly, the City of Stayton has twelve budget committee members, with two vacancies, in which the votes of all members are equal. The first review of the budget occurs when the budget is presented to the Committee, at that time the budget is made publicly available, and the Committee begins their review. The Committee may approve the proposed budget intact or change part or all of it prior to final approval. After notices and publications are filed according to local budget law, the budget is forwarded to the Council for formal adoption prior to June 30. Budget amendments may be made during the fiscal year through adoption of a supplemental budget. This process is similar to the regular budget including the use of public hearings but excluding the Citizens' Budget Committee.

# CONSOLIDATED SCHEDULE OF RESOURCES, EXPENDITURES, AND CHANGES IN FUND BALANCE

## ALL FUNDS – FISCAL YEARS 2018-19 THROUGH 2021-22

	2018-19	2019-20	2020-21	21-22	21-22
	Actual	Actual	Final Budget	Adopted Budget	Proposed Budget (Revision)
Taxes	2,693,115	2,723,300	2,717,300	2,431,700	3,009,500
Intergovernmental	1,440,009	1,217,400	1,105,290	1,487,700	1,487,700
Franchise Fees	822,481	882,200	885,700	704,000	704,000
Charges for Services	5,745,192	5,987,000	5,657,700	5,915,200	6,105,200
Licenses and Permits	47,504	28,500	28,500	63,200	63,200
Miscellaneous	628,131	488,100	547,600	300,100	328,100
Transfers	2,666,425	2,605,632	2,839,500	2,710,700	2,670,400
Debt Proceeds	725,000	-	-	-	-
<b>Total Current Resources</b>	<b>14,767,857</b>	<b>13,932,132</b>	<b>13,781,590</b>	<b>13,612,600</b>	<b>14,368,100</b>
Personnel	4,490,049	4,482,365	4,780,100	4,581,700	4,825,400
Materials and Services	3,788,489	3,752,912	4,486,549	4,746,100	4,639,500
Capital Outlay	2,978,508	741,366	2,204,300	1,682,700	2,038,000
Transfers	2,563,159	2,587,379	2,839,500	2,710,700	2,670,400
Debt Service	1,179,888	1,223,775	1,224,400	1,224,600	1,224,600
<b>Total Requirements</b>	<b>15,000,093</b>	<b>12,787,797</b>	<b>15,534,849</b>	<b>14,945,800</b>	<b>15,397,900</b>
Resources over (under) expenditures	(232,236)	1,144,335	(1,753,259)	(1,333,200)	(1,029,800)
<b>Beginning Fund Balance</b>	<b>11,096,198</b>	<b>10,444,181</b>	<b>11,143,840</b>	<b>12,548,900</b>	<b>12,683,300</b>
<b>Ending Fund Balance</b>	<b>10,863,962</b>	<b>11,588,516</b>	<b>9,390,581</b>	<b>11,215,700</b>	<b>11,653,500</b>

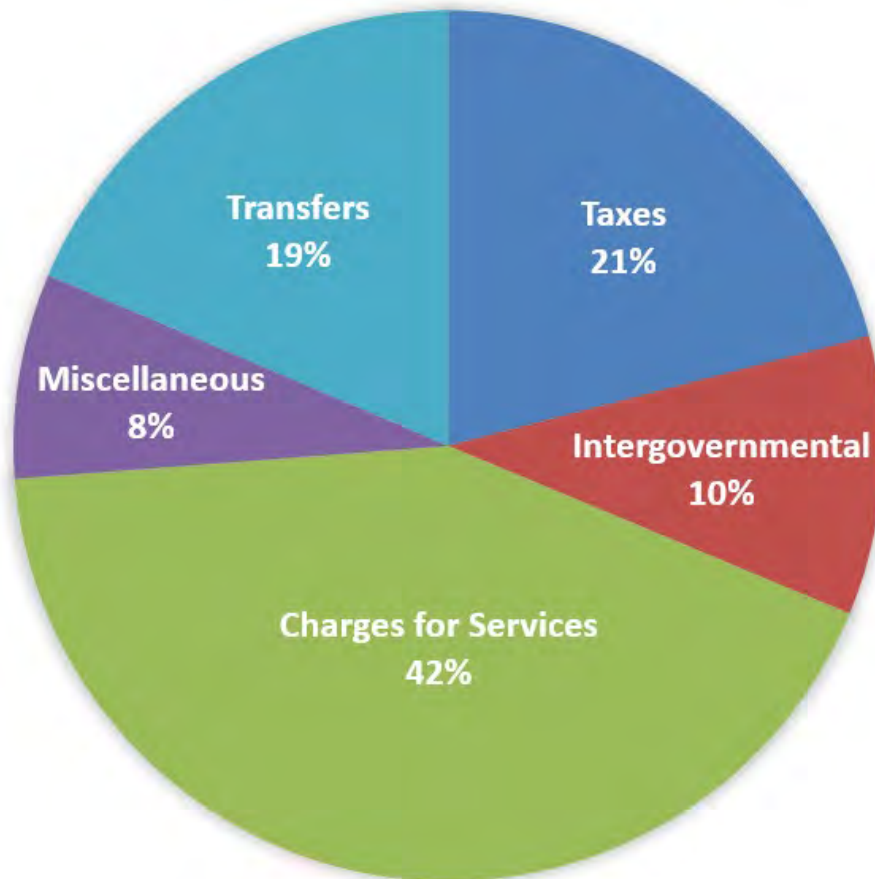
### Ending Fund Balance



# CONSOLIDATED SCHEDULE OF RESOURCES

## ALL FUNDS – FISCAL YEARS 2018-19 THROUGH 2021-22

	2018-19	2019-20	2020-21	2021-22	2021-22
	Actual	Actual	Final Budget	Adopted Budget	Proposed Budget (Revision)
<b>Current Year Resources</b>					
Taxes	18.2%	19.5%	19.7%	17.9%	20.9%
Intergovernmental	9.8%	8.7%	8.0%	10.9%	10.4%
Franchise fees	5.6%	6.3%	6.4%	5.2%	4.9%
Charges for services	38.9%	43.0%	41.1%	43.5%	42.5%
Licenses and permits	0.3%	0.2%	0.2%	0.5%	0.4%
Miscellaneous	4.3%	3.5%	4.0%	2.2%	2.3%
Transfers	18.1%	18.7%	20.6%	19.9%	18.6%
Debt proceeds	4.9%	0.0%	0.0%	0.0%	0.0%
<b>Total Current Year Resources</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

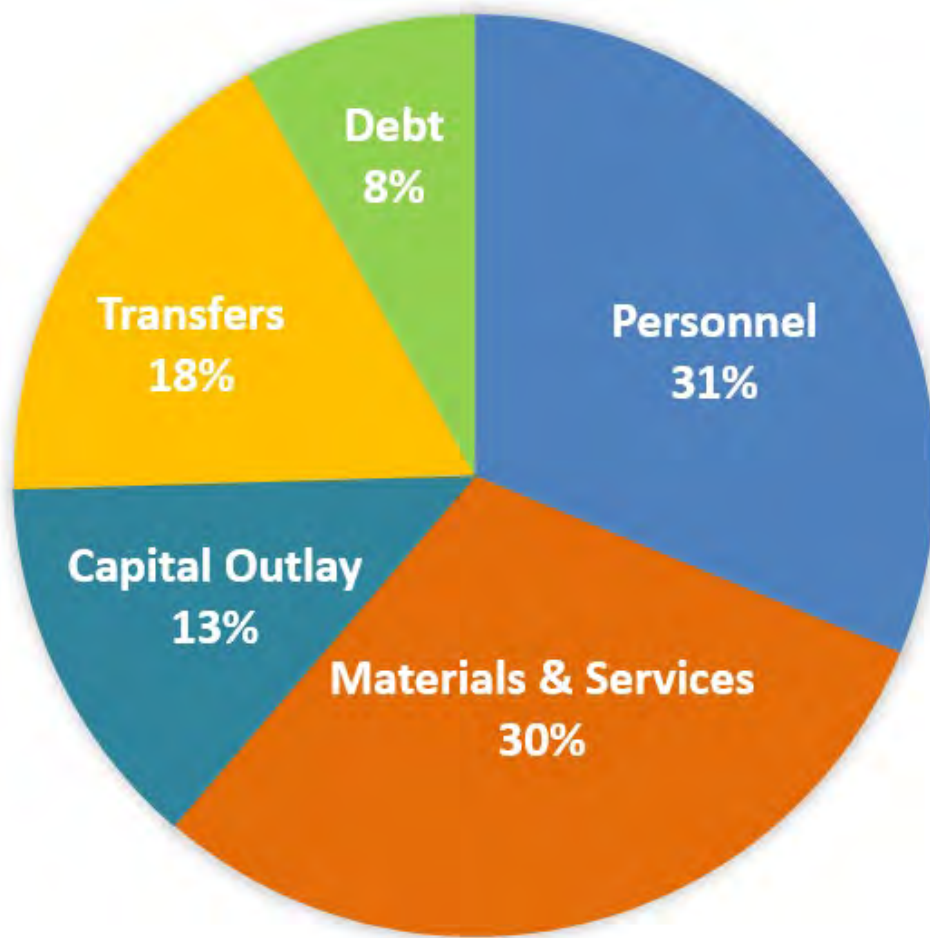




# CONSOLIDATED SCHEDULE OF EXPENDITURES

## ALL FUNDS – FISCAL YEARS 2018-19 THROUGH 2021-22

	2018-19	2019-20	2020-21	2021-22	2021-22
				Adopted	Proposed
	Actual	Actual	Final Budget	Budget	Budget
					(Revision)
<b>Expenditures</b>					
Personnel	29.9%	35.1%	30.8%	30.7%	31.3%
Materials and services	25.3%	29.3%	28.9%	31.8%	30.1%
Capital outlay	19.9%	5.8%	14.2%	11.3%	13.2%
Transfers	17.1%	20.2%	18.3%	18.1%	17.3%
Debt service	7.9%	9.6%	7.9%	8.2%	8.0%
<b>Total Current Year Requirements</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>



# FUND ACCOUNTING

## ALL FUNDS – FISCAL YEAR 2021-22

The City's total revised budget for fiscal year 2021-22 is \$27,051,400. Planned spending totals \$15,397,900, which includes transfers between City funds of \$2,670,400.

### Resources

Current Year Resources											
Fund	Beginning Fund Balance	Taxes	Intergovernmental	Franchise Fees	Charges for Services	Licenses & Permits	Miscellaneous	Transfers	Debt Proceeds	Total Current Year Resources	Total Resources
General	1,689,000	2,254,000	741,900	704,000	19,500	38,000	148,100	905,900	-	4,811,400	6,500,400
Street	1,248,200	175,700	644,900	-	90,200	-	10,700	150,000	-	1,071,500	2,319,700
Parks	150,800	160,500	-	-	-	-	900	160,000	-	321,400	472,200
Library	344,100	257,800	100,900	-	1,000	-	44,000	25,000	-	428,700	772,800
Pool	298,000	161,500	-	-	190,000	-	29,200	90,000	-	470,700	768,700
Water	820,500	-	-	-	1,695,300	-	8,200	305,000	-	2,008,500	2,829,000
Sewer	4,702,600	-	-	-	3,255,200	-	35,900	135,000	-	3,426,100	8,128,700
Stormwater	335,800	-	-	-	316,700	-	2,700	-	-	319,400	655,200
Street SDC	752,900	-	-	-	98,200	-	7,500	-	-	105,700	858,600
Parks SDC	179,600	-	-	-	117,000	-	1,000	-	-	118,000	297,600
Water SDC	543,300	-	-	-	121,600	-	4,200	-	-	125,800	669,100
Sewer SDC	361,100	-	-	-	90,500	-	6,900	-	-	97,400	458,500
Stormwater SDC	182,200	-	-	-	110,000	-	1,500	-	-	111,500	293,700
Public Works Administration	225,800	-	-	-	-	25,200	5,200	723,400	-	753,800	979,600
Facilities Development	663,600	-	-	-	-	-	21,100	85,700	-	106,800	770,400
Pension Stabilization	185,800	-	-	-	-	-	1,000	90,400	-	91,400	277,200
<b>Total Resources</b>	<b>12,683,300</b>	<b>3,009,500</b>	<b>1,487,700</b>	<b>704,000</b>	<b>6,105,200</b>	<b>63,200</b>	<b>328,100</b>	<b>2,670,400</b>	<b>-</b>	<b>14,368,100</b>	<b>27,051,400</b>

### Expenditures and Other Requirements

Current Year Expenditures							Other Requirements				Total Expenditures and Other Requirements
Fund	Personnel	Materials and Services	Capital Outlay	Transfers	Debt Service	Total Expenditures	Contingency	Reserved	Unappropriated	Total Other Requirements	Total Expenditures and Other Requirements
General	2,694,500	1,625,100	102,000	453,700	-	4,875,300	859,250	-	765,850	1,625,100	6,500,400
Street	161,000	208,800	440,000	331,900	-	1,141,700	1,178,000	-	-	1,178,000	2,319,700
Parks	117,200	111,000	55,000	45,700	-	328,900	143,300	-	-	143,300	472,200
Library	356,400	87,700	10,300	28,500	-	482,900	289,900	-	-	289,900	772,800
Pool	241,800	121,500	290,000	61,500	-	714,800	53,900	-	-	53,900	768,700
Water	286,700	479,600	387,000	469,700	329,600	1,952,600	876,400	-	-	876,400	2,829,000
Sewer	462,800	1,307,000	678,700	593,400	823,900	3,865,800	748,900	528,000	2,986,000	4,262,900	8,128,700
Stormwater	44,000	138,900	75,000	96,000	71,100	425,000	230,200	-	-	230,200	655,200
Street SDC	-	35,000	-	150,000	-	185,000	-	673,600	-	673,600	858,600
Parks SDC	-	-	-	-	-	-	-	297,600	-	297,600	297,600
Water SDC	-	45,800	-	305,000	-	350,800	-	318,300	-	318,300	669,100
Sewer SDC	-	41,500	-	135,000	-	176,500	-	282,000	-	282,000	458,500
Stormwater SDC	-	65,000	-	-	-	65,000	-	228,700	-	228,700	293,700
Public Works Administration	445,800	322,600	-	-	-	768,400	211,200	-	-	211,200	979,600
Facilities Development	15,200	50,000	-	-	-	65,200	705,200	-	-	705,200	770,400
PERS Stabilization	-	-	-	-	-	-	-	277,200	-	277,200	277,200
<b>Total Expenditures &amp; Other Requirements</b>	<b>4,825,400</b>	<b>4,639,500</b>	<b>2,038,000</b>	<b>2,670,400</b>	<b>1,224,600</b>	<b>15,397,900</b>	<b>5,296,250</b>	<b>2,605,400</b>	<b>3,751,850</b>	<b>11,653,500</b>	<b>27,051,400</b>

# REVENUE

## TAXES

Until fiscal year 2017-18, property taxes were the only significant taxes the City directly received. In May 2017, Stayton voters approved a local gas tax measure. Local gas taxes are projected to total approximately \$175,700 in fiscal year 2021-22. However, approximately \$2.43 million is projected to come from property, and other local taxes, \$2.25 million in the general fund.

The City’s permanent tax rate per \$1,000 of taxable value is \$3.3280. Increases to taxable assessed property valuations are limited to a maximum of three percent (3.0%) per year for existing properties. New development and improvements to existing development provide additional property tax revenue. Based on the uncertainties of what the effects of COVID-19 will be on the economy, the forecast for fiscal year 2021-22 shows a zero percent (0%) increase.

## INTERGOVERNMENTAL

This category includes state gas taxes (\$555,900); funds for the City’s library (\$100,900); allocations of the State’s liquor, cigarette, state revenue sharing, and targeted grants for police programs. Along with a newly awarded HUD Grant in the amount \$500,000.

State gas taxes are projected to increase 0% from last year’s revenue based on the uncertainties of the COVID-19 pandemic for FY22 year.

Revenue from continuing sources in the general fund are anticipated to show a zero percent (0%) increases due to uncertainties of the economic effects of the current pandemic facing the United States.

## FRANCHISE FEES

The City has five franchise agreements with utilities operating within the City’s right-of-way. Revenue from these sources have remained steady during the past several years as inflation and rate adjustments have been very low and changes in customer behavior has been limited.

Franchise	Budget	%
Cable	\$ 30,000	4.3%
Telephone	27,000	3.8%
Sanitary Sewer	89,000	12.6%
Electricity	506,000	71.9%
Natural Gas	52,000	7.4%
	<b>\$704,000</b>	<b>100.0%</b>

Cable and telephone franchise revenue continues to decline as consumers move away from cable television to internet service and land line telephone service to cell phones. Natural gas revenue sees a decrease in revenue based on the effects of COVID-19. Electricity sees a decrease from the closure of NOPAC in 2020 and the effects of COVID-19.

## CHARGES FOR SERVICES

An estimated \$6.10 million in revenue from charges for services is budgeted in fiscal year 2021-22. Utilities generate the vast majority of charges:

Water	\$1.69 million (32.2%)
Sewer	\$3.25 million (61.8%)
Stormwater	\$0.31 million (6.0%)

System Development Charges for water, sewer, stormwater, streets, and parks total \$0.53 million (9%). The street fees are \$0.09 million (1.5%), and various charges in the general fund of \$19,500 (0.33%) and the library at \$1,000 (< 0.2%) make up the balance of charges for services budgeted.

Rate adjustments consistent with the change in the annual consumer price index for all consumers (CPI-W) for the year ended March 31, 2021 of 2.4% is budgeted for street fees, wastewater, and stormwater charges. Water charges are increased by the CPI rate of 2.4% plus 5.0% rate to address funding requirements for capital items. Pool charges are increased ten percent (10%). SDC funds are adjusted by EDU rates at 2% as of March 31, 2021.

## LICENSES AND PERMITS

The Planning and Development department generates approximately \$6,000 in licenses and permit fees annually. Marion County processes building permits and inspections for the City.

## MISCELLANEOUS

Citywide, approximately \$300,100 in revenue comes from miscellaneous sources, including interest income and building rental. Interest earnings are estimated based on 0.75% of cash balances, compared to rates being at 2.25% prior to fiscal year 2020-21.

## TRANSFERS

Transfers between funds total \$2,670,400 in fiscal year 2021-22. The City transfers monies from funds receiving benefits of services provided to the General Fund, Public Works Administration Fund, and the Facilities Fund, a total of \$1,715,000. In fiscal year 2021-22, a transfer from the Police Department in the General Fund to the Pension Stabilization Fund, is budgeted at \$90,400. The Parks, Pool, and Library funds receive transfers from the General Fund of \$160,000, \$90,000, and \$25,000 to support operations.

The Wastewater Fund budget includes a transfer of \$135,000 from the Wastewater SDC Fund for the Wastewater Facilities Master Plan. The Water Fund budget includes a transfer of \$305,000 from the Water SDC Fund for the Water System Master Plan. The Street Fund budget includes a transfer of \$150,000 from the Street SDC Fund for the Golf Club Road/Wilco Road/Shaff Road roundabout design.

## DEBT PROCEEDS

The fiscal year 2021-22 budget does not include any planned debt issues.

# GENERAL FUND

## SUMMARY

The General Fund accounts for the City's police, municipal court, planning, administration, city council, community center, street lighting, and discretionary non-departmental activities.

The primary revenue sources include property taxes, intergovernmental such as state shared revenues, cigarette and liquor taxes and various grants, franchise fees, licenses and permits, charges for services, transfers from other funds for administrative services benefitting those funds, and miscellaneous.

## HIGHLIGHTS

### Fund Balance

- The ending fund balance for June 30, 2020 is \$1,456,917 an increase from the prior year of \$104,000 or 7.7%.
- The projected ending fund balance for June 30, 2021 is \$1,689,000, an increase of \$232,100, or 15.9%.
- The budgeted ending fund balance as of June 30, 2022 is \$1,625,300, a reduction of \$63,700, or -4.0%.
- The budgeted ending fund balance is estimated at six months (6) of working capital. This amount exceeds the minimum required balance sufficient to fund operations until property taxes are received.

### Programs

- Funding is included in the Planning and Development budget to implement economic development strategies resulting from the economic development study completed in fiscal year 2018-19.
- Continued funding is provided to modernize the City's computer system networks and related technology.
- The Police Department budget continues to reflect a \$90,400, the approximate equivalent of the starting salary for 1 FTE officer (as of 2018-19), transfer to the Pension Stabilization Fund to stabilize PERS costs during the next several years to provide sustainable staffing levels.

## CHANGES FROM PREVIOUS YEARS

- New HUD Grant awarded in the amount of \$500,000.
- Facilities study was unable to be completed in 2020-21 due to the COVID-19 outbreak. Planning to complete the study this fiscal year.

## REVENUES

Overall, revenue for fiscal year 2021-22 is budgeted to show a 0% to 4% increase from the 2020-21 estimated revenues based on uncertainties of the economic effects of COVID-19 this fiscal year.

Property taxes are budgeted with a 0% increase from estimated actuals received as of June 30, 2021 in anticipation of other revenues being decreased from the effects of COVID-19. The City is making efforts to be proactive in these uncertain times.

Comparing revenue from 2019-20 fiscal year the projected Franchise Fees are estimated at a 10% decrease, Charges for Services at 27% decrease, and Licenses, Permits, and Fees at a 32% decrease.

Miscellaneous income decreases based on the completion of CDBG Grant and adding the new HUD grant of \$500,000.

Transfers are increased by two percent 2%.

As was the case last fiscal year, revenue not expected to be received is not budgeted.

## EXPENDITURES

Budgeted expenditures total \$4,875,300, an increase of \$251,800 or 5.4% over 2019-20 actuals.

The primary drivers of the increase include:

- Increase in non-departmental (operations) spending \$78,600.
  - HUD grant expenditures of \$500,000.
  - Decrease in transfers to the Library (-87%), Parks (-36%), and Pool (-23%).
- In all departments with personnel:
  - Cost of living adjustments of 2.4% for all personnel plus annual step increases.
  - Increase in medical related benefit costs budgeted at five percent (5%).
  - The contribution rate of the City's retirement plan is unchanged.
- The Police Department budget:
  - Increase of 7.5% in Contract Services for updated technology related to digital evidence recording, storage, and 911 services.
- The Administration budget:
  - 0.20 FTE vacant position that was reduced from full time not filled last year. This position is combining Court Clerk 0.8 FTE.

- The Municipal Court budget:
  - 0.80 FTE vacant position plan to be filled.
- Increase in Capital Outlay for ongoing updates to the City's technology equipment, a backup generator, and continued replacement of outdated police vehicles.



## GENERAL FUND BUDGET

Description	18-19 Actual	19-20 Actual	20-21 Final Budget	20-21 Estimated	21-22 Adopted Budget	21-22 Proposed Budget (Revised)
<b>Resources</b>						
Beginning fund balance	1,437,077	1,424,123	1,468,700	1,431,200	1,689,000	1,689,000
Taxes	2,117,685	2,197,940	2,167,000	2,263,300	2,254,000	2,254,000
Charges for services	10,827	26,859	4,100	18,800	19,500	19,500
Franchise fees	822,481	781,011	885,700	704,600	704,000	704,000
Licenses, permits & fees	47,504	55,526	28,500	39,200	38,000	38,000
Intergovernmental	310,107	447,060	420,500	511,700	741,900	741,900
Miscellaneous	292,350	329,451	237,400	146,300	148,100	148,100
Transfers	776,600	818,400	892,200	892,200	871,200	905,900
<b>Total Resources</b>	<b>4,377,555</b>	<b>4,656,247</b>	<b>4,635,400</b>	<b>4,576,100</b>	<b>4,776,700</b>	<b>4,811,400</b>
<b>Expenditures</b>						
Police	1,983,961	2,098,372	2,238,100	2,077,700	2,190,800	2,235,800
Planning	245,872	203,128	239,100	156,480	214,400	214,400
Community Center	41,803	37,307	45,650	19,000	31,000	31,000
Municipal Court	71,249	73,387	93,200	78,200	112,000	112,000
City Council & Admin	1,086,778	1,085,932	1,182,800	1,107,000	1,071,400	1,112,400
Non-Dept (Operations)	146,924	203,954	187,000	167,000	500,000	500,000
Street Lights	112,201	112,080	115,000	94,500	114,000	114,000
<b>Total Operating Expenditures</b>	<b>3,688,789</b>	<b>3,814,160</b>	<b>4,100,850</b>	<b>3,699,880</b>	<b>4,233,600</b>	<b>4,319,600</b>
<b>Capital Outlay</b>						
Police	53,367	52,472	60,000	58,700	62,000	82,000
Community Center	-	-	8,000	8,000	-	-
Municipal Court	-	-	-	-	-	-
City Council & Admin	-	8,989	25,000	-	20,000	20,000
Non-departmental (Operations)	-	-	-	-	-	-
<b>Total Capital Outlay</b>	<b>53,367</b>	<b>61,461</b>	<b>93,000</b>	<b>66,700</b>	<b>82,000</b>	<b>102,000</b>
<b>Transfers</b>						
Police	191,400	135,900	135,900	135,900	135,900	135,900
Planning	19,500	19,600	20,900	20,900	17,900	17,800
Administration	19,900	24,900	24,900	24,900	25,000	25,000
Non-Dept (Operations)	488,800	567,432	477,400	370,000	350,000	275,000
<b>Total Transfers</b>	<b>719,600</b>	<b>747,832</b>	<b>659,100</b>	<b>551,700</b>	<b>528,800</b>	<b>453,700</b>
<b>Total Expenditures</b>	<b>4,461,756</b>	<b>4,623,453</b>	<b>4,852,950</b>	<b>4,318,280</b>	<b>4,844,400</b>	<b>4,875,300</b>
Revenue over/(under) expenditures	(84,201)	32,794	(217,550)	257,820	(67,700)	(63,900)
<b>Ending Fund Balance</b>	<b>1,352,876</b>	<b>1,456,917</b>	<b>1,251,150</b>	<b>1,689,020</b>	<b>1,621,300</b>	<b>1,625,100</b>

# POLICE

## SUMMARY

The Stayton Police Department's mission is to provide visible, impartial, high-quality law enforcement services to reduce crime and the fear of crime. We work in partnership with the community, educational institutions, and regional law enforcement agencies to create a safe environment for the city of Stayton's citizens, businesses, and guests. To create a community, they feel safe to live, work, and play.



We accomplish our goal by providing the highest quality of law enforcement, community outreach, and in-person service.

Our department is responsive to the public interest, transparent and inclusive of our operation, innovative in our ability to adapt to change, and conscientious in expending public funds. The Stayton Police Department has well-trained employees who are committed to service and teamwork. The department strives to create an enjoyable and satisfying work environment where employees are empowered, have a voice, and are a part of the community they serve.

Our department provides 24-hours a day, seven days a week of uniformed response to emergency and non-emergency calls for service. The Police Department consists of a Chief, Captain, two Sergeants, and eight patrol officers. Additionally, the department is supported by one full-time records/evidence specialist. The department also supports a Cadet and Reserve Officer program.

The Stayton Police Department will continue to look for new ways to be innovative and partner with the citizenry and public and private organizations. The police department looks to enhance public safety and be a proactive partner in local and regional municipal and county goals. Our department will continue to provide a high level of service to the Stayton community.

## ACCOMPLISHMENTS FOR 2020-21

- Stayton Officers supported Stayton and Sublimity communities during the pandemic's initial stages by delivering prescriptions to community members in need and providing increased patrols in the business and industrial areas to reduce burglary, theft, and trespassing.
- The Stayton Police Department responded to 7,271 incidents, a decrease 1,230 of incidents from the previous year. These incidents included officer self-initiated activities like traffic stops, after-hours business checks, and drug investigations, to citizen-reported incidents such

as assaults, burglaries, elder abuse, and death investigations. The decrease is believed to be a combination of a department directive regarding reducing traffic enforcement and the stay-at-home orders due to the Covid-19 pandemic.

- Stayton Police Officers and Command Staff assisted with the Beachie Creek Fire efforts by preparing for a citywide evacuation, assisting at the fire complex command post, traffic control along Highway 22, and conducted Santiam Canyon security patrols with the Marion County Sheriff's office. Officers provided needed resources and the bare essentials to those displaced from the fire.
- In May of 2020, the department filled the vacant Captain position, welcoming Captain Gwen Johns to the agency.
- In July of 2020, a Santiam Hospital Medic Unit was stolen and subsequently torched in Linn County. This case was investigated by the Stayton Police Department, which resulted in the suspect's arrest and conviction.
- In 2020, the department handled nearly 500 code enforcement issues, a decrease of nearly 400 calls from 2019. The Code Enforcement Officer position was moved to the Planning and Development Department in 2020 but has not been filled. Patrol Officers continue to respond and investigate code enforcement issues.
- Through the pandemic and wildfire, the Stayton Police Department continued our efforts in partnering and recognizing community members and organizations as outlined below.
  - ✓ Assisted with the Covered Bridge Community Dinner. Stayton Police presented Cari Sessums with a plaque recognizing her for 15 years of dedicated service to the community.
  - ✓ Presented Stayton Postal Connections with a letter of commendation for preventing \$22,000 dollars in loss to various community members.
  - ✓ Partnered with the "Poke Blue Helping You" program, where the organization provides Pokémon cards to law enforcement to hand out to kids.
  - ✓ Handed out homemade masks to those in need.
  - ✓ Continued the free helmets for children in need and free gun locks to community members at their request.
  - ✓ Partnered with the Chamber of Commerce and Lucky Dog printing to design and sell the Santiam Strong stickers, where 100% of the proceeds go to the Santiam Wildfire Relief Fund.



- The Stayton Police Department were the recipients of a generous grant from the Doris J. Wipper Fund for the purchase of ten Automated External Defibrillators (AED) and associated equipment. This allowed the department to assign each car an AED. The original AEDs are being deployed at the Community Center, City Hall, and Public Works to enhance the safety of City employees and the community.



- The Stayton Police Department added a new service called CityProtect, an online and mobile platform that shows crime activity in Stayton. This an added feature through our new records management system Mark 43 that was deployed in late 2019.
- In 2020 the Stayton Police Department was awarded Lexipol's connect "Gold Award." Lexipol is our policy and procedures, manual provider. The Gold Award is awarded to agencies who issued and acknowledged greater than 80% of the recommended policies, as well as issued and completed 80% or more of the Daily Training Bulletins (DTB's).

## CHANGES FROM PREVIOUS YEAR

- The department began the 18-to-24-month process of accreditation through the Oregon Accreditation Alliance. This process will help ensure the Stayton Police Department is adhering to the best practices and a way to evaluate our agency through an outside assessor.
- The department enhanced the safety and security of the department by replacing the sliding glass lobby window with a new countertop and full glass enclosure with a document pass-through. Other security changes were made in the holding facility to enhance security.
- The department completed the purchase, training, and issuing of department-owned rifles to each Police Officer.
- The department continued our vehicle replacement plan by purchasing a new patrol vehicle to keep pace with an aging fleet.
- Due to the pandemic, our department could not continue our efforts to educate local school staff on the school threat response protocol program called "I Love You Guys." The Stayton Police Department will continue this effort in the 2021-22 school year.
- The department was fully staffed through 2020.
- Funds budgeted for improvements to the Police Department building.

## POLICE FUND BUDGET

Description	18-19	19-20	20-21	20-21	21-22	21-22
	Actual	Actual	Final Budget	Estimated	Adopted Budget	Proposed Budget (Revised)
Personnel Services	1,551,433	1,549,573	1,710,500	1,659,500	1,738,200	1,738,200
Materials and Services	432,528	548,799	527,600	418,200	452,600	497,600
Capital Outlay	53,367	52,472	60,000	58,700	62,000	82,000
Transfers	191,400	135,900	135,900	135,900	135,900	135,900
<b>Total Requirements</b>	<b>2,228,728</b>	<b>2,286,744</b>	<b>2,434,000</b>	<b>2,272,300</b>	<b>2,388,700</b>	<b>2,453,700</b>

## PERFORMANCE MEASURES

Patrol Measure	2018	2019	2020
Police Activity	8,194	8,601	7,271
Offenses	2,238	1,827	1,232
NIBRS	938	768	654
Citations/Warnings	2,035	2,569	1,158
Arrests	643	375	267
Code Enforcement	537	840	492
Peer Court Cases	84	46	40

## STAFFING

Position	2018-19 Actual	2019-20 Budget	2020-21 Budget	2021-22 Adopted
Chief of Police	1.0	1.0	1.0	1.0
Police Captain	1.0	1.0	1.0	1.0
Sergeants	2.0	2.0	2.0	2.0
Police Officers	9.0	8.0	9.0*	9.0*
Records Clerk	1.5	1.5	1.5	1.5
Code Enforcement	1.0	0.9	0	0
FTE's – Police	15.5	14.4	14.5	14.5

\* 1 position being used as funding for Pension Stabilization fund.

## CAPITAL OUTLAY

Patrol Vehicle	62,000
Building Improvements	20,000
<b>Total</b>	<b>\$82,000</b>

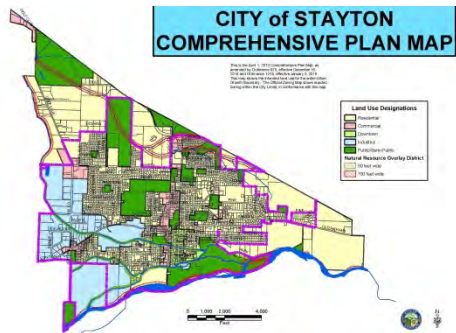
# PLANNING & DEVELOPMENT

## SUMMARY

The Planning & Development Department is a state-mandated function responsible for administering state land use laws and ordinances specific to the City of Stayton. The Department supports and advises the City Council and Planning Commission regarding all planning and land use matters and is staffed by a full time Planning & Development Director.



Staff responsibilities include staffing Planning Commission and attending City Council meetings as needed, providing customer service and assistance in interpreting Stayton’s municipal codes, and processing a wide variety of different land use applications and actions. Long-range planning activities this past year have included updating the City’s Wastewater Facilities System Plan and housing strategies, including housing rehabilitation efforts and a rewrite of the City’s residential zoning. The Planning Department assumes responsibilities for management of the City’s Geographic Information System.



The Planning Department is responsible for long-range planning for the future of the City, preparation of amendments to land use regulations, and administration of land use ordinances for the City of Stayton. The department serves under the direction of the City Manager, City Council, and the Planning Commission. Some land use applications regularly handled by the Planning Department include annexation, comprehensive plan and zone map amendments, site plan review, conditional use, partitions, subdivisions, and planned unit developments.

Long-range planning programs currently in progress include fostering long-term sustainable economic development through implementation of the adopted Economic Development Strategies, and continued improvement of the Land Use and Development Code. The department is working with Revitalize Downtown Stayton to promote the vitality of the downtown area and is overseeing a state grant to plan for public infrastructure to promote the development of the Wilco Road industrial area.

The City administers a Housing Rehabilitation Loan Program to provide financing for home improvements to income-qualified owner-occupied housing. This year the program to assist owners of manufactured housing units was finalized and close-out documents submitted. Funds remain for owner-occupied single-family renovations.

The department oversees the Community Improvement Grant program, now in its third year. This year, two applications were received, and the City Council suspended the program due to budgetary constraints.

In January, the City applied for a HOPE VI Main Street grant to the federal Department of Housing and Urban Development. Funds will be used to help create seven dwelling units in the second story of two downtown buildings. In April, the City was notified it was one of three recipients nationwide of the \$500,000 grant.

This past year, Code Enforcement operations have been shifted to the Planning & Development Department. The Code Enforcement position was unfilled during the year.

The department has been working with the Planning Commission on a rewrite of the residential zoning for the City. That effort is substantially finished.

#### Planning Commission Members & Terms

Jackie Carmichael	12/2022
Dixie Ellard	12/2021
Heidi Hazel	12/2022
Richard Lewis	12/2021
Ralph Lewis	12/2022

### HIGHLIGHTS

- Expanded Housing Rehabilitation Loan Program provided grants to 35 owners of manufactured housing units, 12 of which were in Stayton.

### CHANGES FROM PREVIOUS YEAR

- Proposed budget includes funding for continued implementation of economic development strategies and plan.

### PLANNING FUND BUDGET

Description	18-19	19-20	20-21	20-21	21-22	21-22
	Actual	Actual	Final Budget	Estimated	Adopted Budget	Proposed Budget (Revised)
Personnel Services	130,372	137,891	169,700	142,380	174,400	174,400
Materials and Services	115,500	65,237	69,400	14,100	40,000	40,000
Transfers	19,500	19,600	20,900	20,900	17,900	17,800
<b>Total Requirements</b>	<b>265,372</b>	<b>222,728</b>	<b>260,000</b>	<b>177,380</b>	<b>232,300</b>	<b>232,200</b>

## PERFORMANCE MEASURES

<b>Effectiveness Measures</b>	<b>2018-19 Actual</b>	<b>2019-20 Actual</b>	<b>2020-21 Projected</b>	<b>2021-22 Projected</b>
% of land use applications processed within 120 days of the application being deemed complete	100%	100%	100%	100%
% of land use applications processed within 90 days (including final appeal, if any) of the applications being determined complete	n/a	95%	100%	75%

## STAFFING

<b>Position</b>	<b>2018-19 Actual</b>	<b>2019-20 Actual</b>	<b>2020-21 Budget</b>	<b>2021-22 Adopted</b>
Planning and Development Director	1.0	1.0	1.0	1.0
Code Enforcement Officer	0	0	0.5	0.5
<b>Total FTE's - Planning</b>	<b>1.0</b>	<b>1.0</b>	<b>1.5</b>	<b>1.5</b>

## CAPITAL OUTLAY

There is no capital outlay in the Planning Department budget.



# COMMUNITY CENTER

## SUMMARY

The Community Center Complex consists of 7.65 acres of park located along the Salem Ditch off N. First Avenue. This site contains the Community Center building, the Stayton Family Memorial Pool, three tennis courts, horseshoe pits, a playground, library, parking, a picnic area, and an open recreation field.



The City of Stayton Community Center was dedicated in 1979 and located at 400 W. Virginia Street near the Stayton Public Library. The Community Center is the official meeting place for the City Council and other groups. This facility brings people together for social and civic functions throughout the year. The Community Center's location and floor plan are available from links on the City's website.

The Community Center has a total of 3,337 square feet available for events. The hall can be divided into two portions. The north end has 1,112 square feet available, and the south end has 2,224 square feet available. There is also a kitchen facility and restrooms. During business hours, a tour of the Community Center can be arranged through Public Works.

### **Materials and equipment available:**

- Eighteen – 6-foot tables
- Two 8-foot tables
- Approximately 135 chairs
- 100-cup coffee pot (available upon request w/ \$25 deposit)
- Podium/microphone setup with rental of the entire community center
- Projection Screen with rental of the entire community center

The Community Center is available for dances, weddings, receptions, parties, meetings, and concerts as well as for other events. Under certain circumstances and with additional fees, alcoholic beverages may be served in the building. Security may be required at events and there is a \$25 key deposit required for the facility.

## HIGHLIGHTS

- The Community Center closed in March of 2020 due to COVID-19 restrictions. Pre-COVID the Community Center was used for private rentals which include fitness classes, birthday parties, health screenings, memorial services, wedding receptions, community fundraising events, and church services.

- The NorthWest Senior and Disability Services continues to serve the senior community with the Senior Meal Program for lunch every Monday, Wednesday, and Friday. During the COVID-19 shutdown they prepared meals onsite that were delivered to local seniors through the Meals on Wheels Program. NorthWest Senior and Disability Services used the Community Center for 780 hours from April 2020 thru March 2021.
- The Community Center also serves as the meeting center for various City meetings including City Council, Planning Commission, Budget Committee, and other meetings as necessary. During this past year virtual City Council and Planning Commission meetings were held at the Community Center.
- The Federal Emergency Management Agency (FEMA) used the Community Center after the Santiam Canyon Fire in the fall of 2020 to help provide relief to people affected by the fire.

**COMMUNITY CENTER FUND BUDGET**

Description	18-19 Actual	19-20 Actual	20-21 Final Budget	20-21 Estimated	21-22	21-22
					Adopted Budget	Proposed Budget (Revised)
Materials and Services	41,803	37,307	45,650	19,000	31,000	31,000
Capital Outlay	-	-	8,000	8,000	-	-
<b>Total Requirements</b>	<b>41,803</b>	<b>37,307</b>	<b>53,650</b>	<b>27,000</b>	<b>31,000</b>	<b>31,000</b>

**STAFFING**

- Staffing support is provided by Public Works Administration.

**CAPITAL OUTLAY**

- No capital outlay is planned.

# MUNICIPAL COURT

## SUMMARY

Stayton’s Municipal Court program was initiated in 2014 when Marion County closed the East Marion Justice Court. The Court has jurisdiction over traffic citations and violations of the Municipal Code. The Judge is appointed by the Mayor and works under contract for the City. This fund also covers the cost of a part-time Court Clerk.



## HIGHLIGHTS

- Due to the COVID-19 pandemic, there was a significant decrease in Municipal Court operations and number of citations issued by the Police department.
  - 30 court dates
  - 8 trials held
  - 270 cases processed
  - The Municipal Court will process an estimated \$65,000 in fine revenue for the City in 2020-21 fiscal year.

## CHANGES FROM PREVIOUS YEARS

- Municipal Court Clerk position increased from 0.5 to 0.80.

## PERFORMANCE MEASURES

Activity Measures	2018-19	2019-20	Projected 2020-21
Ordinance Violations	58	24	5
Traffic Violations	969	735	275
Court Dates	40	40	30
Trials	41	43	8
Warnings	-	110	58

## MUNICIPAL COURT FUND BUDGET

Description	18-19	19-20	20-21	20-21	21-22	21-22
	Actual	Actual	Final Budget	Estimated	Adopted Budget	Proposed Budget (Revised)
Personnel Services	32,347	37,678	46,700	42,600	65,000	65,000
Materials and Services	38,902	35,709	46,500	35,600	47,000	47,000
Capital Outlay	-	-	-	-	-	-
<b>Total Requirements</b>	<b>71,249</b>	<b>73,387</b>	<b>93,200</b>	<b>78,200</b>	<b>112,000</b>	<b>112,000</b>

## STAFFING

Position	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Budget	Adopted
Court Clerk	0.5	0.5	0.5	0.8
Municipal Judge - contract	0.1	0.1	0.1	0.1
<b>Total FTE's - Municipal Court</b>	<b>0.6</b>	<b>0.6</b>	<b>0.6</b>	<b>0.9</b>

## CAPITAL OUTLAY

No capital outlay is budgeted in Municipal Court.

# ADMINISTRATION

## SUMMARY

The Administration Department represents the core function of the City organization. Administration includes the Mayor and City Council, City Manager, Administrative Services Manager, Human Resources, Finance, and Information Technology. A significant portion of the administration costs recorded in the General Fund are recovered through interfund transfers for services provided to those funds, consistent with a cost allocation reviewed and updated annually.



## MAYOR AND CITY COUNCIL

The Mayor and City Council serve as the organization’s “board of directors,” providing governance, appointing the City Manager, establishing rules and regulations, policy, approving contracts, adopting the budget, and setting the direction of the organization.

## HIGHLIGHTS

- Modified the application process and expanded funding for the Community Improvement Grant program.
- Continued funding for training and relationship development for Mayor and Councilors.

## CHANGES FROM PREVIOUS YEAR

- Neighborhood Improvement Grant program has been temporarily suspended due to budgetary constraints.

## MAYOR AND CITY COUNCIL BUDGET

Description	18-19	19-20	20-21	20-21	21-22	21-22
	Actual	Actual	Final Budget	Estimated	Adopted Budget	Proposed Budget (Revised)
Memberships	5,322	6,048	6,100	6,100	6,500	6,500
Training & Conferences	11,179	2,012	6,000	6,000	6,000	6,000
Community Grant	5,000	19,125	-	-	-	-
Neighborhood Grant	7,848	795	10,000	-	-	-
<b>Total Requirements</b>	<b>29,350</b>	<b>27,980</b>	<b>22,100</b>	<b>12,100</b>	<b>12,500</b>	<b>12,500</b>

## CITY MANAGER

The City Manager is appointed by the Mayor, and ratified by the City Council, to manage the affairs of the City. The City Manager's general responsibilities include:

- Attending all meetings of the Council
- Keeping the Council advised of the affairs and needs of the City
- Seeing that Council policy is implemented
- Seeing that all laws and ordinances are enforced
- Seeing that the provisions of all franchises, leases, contracts, permits and privileges granted by the City are observed
- Oversight and management of the annual City budget
- Appointing and supervising all department managers and other employees except as otherwise provided by City Charter

## ASSISTANT CITY MANAGER / ADMINISTRATIVE SERVICES MANAGER

The Assistant City Manager / Administrative Services Manager performs a variety of duties in support of the City Council, and serves as the City Elections Officer, Records Manager, and Human Resources Manager.

## FINANCE

Finance related activities include City-wide support for budget development and preparation, accounting, financial reporting, billing and collection, accounts payable, and payroll. The City's annual financial statements are prepared and audited by an independent auditor.

## HIGHLIGHTS

- The City received its fifth distinguished budget award from the Government Finance Officers Association (GFOA) for the fiscal year 2020-21 budget document.
- Updated five-year forecasts for general, special revenue, and utility funds are included in the budget.
- Long-term compliance with adopted Fiscal Policy is included in the budget. This can be used to assist with long term budget planning.

## CHANGES FROM PREVIOUS YEAR

- Addition of a part-time Office Specialist position in City Hall.

## ADMINISTRATION FUND BUDGET

Description	18-19	19-20	20-21	20-21	21-22	21-22
	Actual	Actual	Final Budget	Estimated	Adopted Budget	Proposed Budget (Revised)
Personnel Services	476,046	598,104	716,000	650,000	716,900	716,900
Materials and Services	581,383	459,848	444,700	444,900	342,000	383,000
Capital Outlay	-	8,989	25,000	-	20,000	20,000
Transfers	19,900	24,900	24,900	24,900	25,000	25,000
<b>Total Requirements</b>	<b>1,077,330</b>	<b>1,091,841</b>	<b>1,210,600</b>	<b>1,119,800</b>	<b>1,103,900</b>	<b>1,144,900</b>

## PERFORMANCE MEASURES

### City Manager and Assistant City Manager / ASM

Activity Measures	2018-19 Actual	2019-20 Actual	2020-21 Projected
City Council meetings	20	17	20
City Council executive sessions	7	6	2
City Council special sessions	0	3	2
Resolutions adopted	13	18	15
Ordinances adopted	12	7	5
City Council video views (YouTube)	797	1,789	2,800
Facebook page likes	3,528	3,762	6,239
Social media posts (Facebook)	111	113	170
StaytonOregon.gov Unique Visits	6,671*	17,842	21,000
Public record requests	321	219	230
Number of new hires/orientations	22	10	4

\*Began tracking website analytics February 8, 2019; visits include homepage only.

### Finance

Performance Measures	2018-19 Actual	2019-20 Actual	2020-21 Projected
Timely filing of Annual Financial Report	Yes	Yes	Yes
Clean opinion from independent auditor	Yes	Yes	Projected
Timely completion of the budget	Yes	Yes	Yes
Timely and accurate processing of vendor payments	100%	100%	100%

Timely and accurate processing of employee payments and tax filings	100%	100%	100%
Timely and accurate processing of accounts receivable	100%	100%	100%
Number of vendor checks issued (annually)	2,083	2,010	2,100
Number of employee checks issued (annually)	667	936	600
Number of accounts billed (annually)	36,624	32,400	34,088

## STAFFING

<b>Position</b>	<b>2018-19 Actual</b>	<b>2019-20 Actual</b>	<b>2020-21 Budget</b>	<b>2021-22 Adopted</b>
City Manager	1.0	1.0	1.0	1.0
Assistant City Manager/Administrative Services Manager	1.0	1.0	1.0	1.0
Finance Director	1.0	1.0	1.0	1.0
Assistant Finance Director	1.0	-	-	-
Payroll / Accounting Technician	-	1.0	1.0	1.0
Account Specialist	2.0	2.0	2.0	2.0
Office Specialist	-	-	0.6	0.2
<b>Total FTE's – Administration</b>	<b>6.0</b>	<b>6.0</b>	<b>6.0</b>	<b>6.2</b>



# NON-DEPARTMENTAL (OPERATIONS)

## SUMMARY

The Non-departmental (Operations) area of the General Fund accounts for transfers to other funds to support their operation and non-recurring expenditures not specific to a department or other specific fund.

## HIGHLIGHTS

- New HUD grant in the amount of \$500,000
- Transfers to other funds including, Library, Pool, and Parks are expected to total \$275,000.

## CHANGES FROM PREVIOUS YEAR

- A transfer to the Stayton Family Memorial Pool decreased by -23% due to the recreation levy passing.
- The transfer to the Library Fund includes a -87% decrease, partly due to an offset of an increase in Chemeketa Cooperative Regional Library Service (CCRLS) funding and the passing of the library levy.
- The transfer to the Parks Fund has been decreased by -36% due to recreation levy passing.

## NON-DEPARTMENTAL BUDGET

Description	18-19	19-20	20-21	20-21	21-22	21-22
	Actual	Actual	Final Budget	Estimated	Adopted Budget	Proposed Budget (Revised)
Personnel Services	70,000	-	-	-	-	-
Materials and Services	76,924	203,954	187,000	167,000	500,000	500,000
Transfers	488,800	567,432	477,400	370,000	350,000	275,000
<b>Total Requirements</b>	<b>635,724</b>	<b>771,386</b>	<b>664,400</b>	<b>537,000</b>	<b>850,000</b>	<b>775,000</b>

# STREET LIGHTS

## SUMMARY

The Street Light budget provides funds for maintenance and power costs related to Stayton's street lights. Pacific Power & Light maintains the street lights and the City pays a monthly fee for each street light, the amount of which is dependent on the type of street light installed.



## HIGHLIGHTS

- None for the 2021-22 fiscal year.

## CHANGES FROM PREVIOUS YEARS

- A slight increase in the budget to account for street lights planned housing developments.

## STREET LIGHTS FUND BUDGET

Description	18-19	19-20	20-21	20-21	21-22	21-22
	Actual	Actual	Final Budget	Estimated	Adopted Budget	Proposed Budget (Revised)
Materials and Services	112,201	112,080	115,000	94,500	114,000	114,000
<b>Total Requirements</b>	<b>112,201</b>	<b>112,080</b>	<b>115,000</b>	<b>94,500</b>	<b>114,000</b>	<b>114,000</b>

Note: Although not implemented by recent City Councils, the Stayton Municipal Code does provide for a "Street Light Service Charge" designed to recover the cost of this function.

# OTHER REQUIREMENTS

## SUMMARY

Contingency and unappropriated fund balances are included in other requirements.

The contingency amount budgeted is seventeen percent (17.6%) of general fund expenditures, including transfers out. The balance is unappropriated for carryover to fiscal year 2021-22.

The combined total of contingency and unappropriated amounts is in excess of the amount needed to fund General Fund operations without borrowing until property taxes are received in November. The total amount of \$1,625,100 exceeds, and therefore meets, the City's financial policies for minimum desired fund balance of five months' net expenditures, calculated at \$1,343,300.

## CHANGES FROM PREVIOUS YEARS

- The excess of total Other Requirements above minimum desired fund balance was \$303,800, a decrease from 2020-21 budget of \$2,100.

## OTHER REQUIREMENTS BUDGET

Description	18 - 19 Actual	19-20 Actual	20-21 Final Budget	20-21 Estimated	21-22	21-22
					Adopted Budget	Proposed Budget (Revised)
Contingency	-	-	485,300	-	855,450	859,250
Unappropriated Fund Balance			765,850		765,850	765,850
<b>Total Other Requirements</b>	<b>-</b>	<b>-</b>	<b>1,251,150</b>	<b>-</b>	<b>1,621,300</b>	<b>1,625,100</b>
<b>Total Requirements</b>	<b>635,724</b>	<b>771,386</b>	<b>1,915,550</b>	<b>537,000</b>	<b>2,471,300</b>	<b>2,400,100</b>

# LIBRARY FUND

## SUMMARY

The Stayton Public Library fulfills a vital role in our community by keeping people connected, whether virtually or in person. The Library provides information and entertainment through our physical and electronic resources. We build relationships and advocate for lifelong learning while remaining visible and approachable regardless of the venue.



The Library supports people of all ages with curated content in a time of increasingly overwhelming information. Library staff are actively looking for new services and altering current practices so the Library can provide the community support that has always been a priority.

## HIGHLIGHTS

- Successfully adjusted all services using either virtual or alternate socially distanced strategies during COVID-19 building closure, remaining nimble in response to evolving guidelines.
- Designed and implemented curbside service program with online and phone support.
- Developed socially distanced storytime options through Zoom, YouTube, and the website. As well as offering an unplugged paper option for families to explore at their own pace.
- Provided Outreach storytime to Stayton Elementary Kindergarten classrooms through Zoom with the same unplugged options as other storytimes.
- Developed a Story Line to provide an additional option for families to experience stories together using more familiar and approachable technology.
- Provided monthly Take & Make Activity Kits for children, teens, and adults in a drive-thru event. Offering multigenerational activities for families.
- Expanded wireless access by extending Library Wi-Fi throughout the parking lot with help from SCTC and circulating mobile Wi-Fi hotspots made possible through funding from the Institute of Museum and Library Services and in cooperation with Chemeketa Community College and Chemeketa Cooperative Regional Library Service.
- Continued participation in Chemeketa Cooperative Regional Library Service (CCRLS) to enhance the Library's ability to meet community needs.



## CHANGES FROM PREVIOUS YEARS

- Altered and adjusted practices in response to COVID-19 to maintain service to the public during a time with unique challenges. Offered enhanced virtual options (online resources and materials, book club and presenters, storytimes held actively in Zoom, asynchronous on the webpage and YouTube), and explored how to provide access to programming and materials without relying on technology (Storywalks in the parks, the Story Line, curbside reader's advisory and printing help). Assisted patrons in navigating the challenges of accessing physical materials while working within the ever-changing landscape of pandemic health guidelines and OSHA regulations.
- Increased the Library's collection of downloadable audio and eBooks to provide additional access to library materials.
- Collaborated with the Stayton Public Library Foundation to provide giveaway books at school district meal sites.



## LIBRARY FUND BUDGET

Description	18-19 Actual	19-20 Actual	20-21 Final Budget	20-21 Estimated	21-22	21-22
					Adopted Budget	Proposed Budget (Revised)
<b>Resources</b>						
Beginning Fund Balance	182,299	235,609	157,800	284,300	344,100	344,100
Property Taxes	179,098	185,939	183,600	182,600	1,000	257,800
Charges for Services	3,422	2,645	3,100	200	1,000	1,000
Contributions & Grants	17,066	32,455	31,000	31,000	32,000	32,000
Intergovernmental	90,263	106,599	111,490	168,100	100,900	100,900
Miscellaneous	16,288	14,366	12,500	5,900	12,000	12,000
Transfers	190,800	197,900	177,400	130,000	130,000	25,000
<b>Total Resources</b>	<b>679,236</b>	<b>775,513</b>	<b>676,890</b>	<b>802,100</b>	<b>621,000</b>	<b>772,800</b>
<b>Requirements</b>						
Personnel Services	295,104	337,709	383,100	347,200	338,000	356,400
Materials and Services	123,524	115,261	140,900	77,900	46,100	87,700
Capital Outlay	-	8,950	10,300	-	-	10,300
Transfers	25,000	29,200	32,900	32,900	24,000	28,500
Other Requirements	-	-	109,690	-	212,900	289,900
<b>Total Requirements</b>	<b>443,628</b>	<b>491,120</b>	<b>676,890</b>	<b>458,000</b>	<b>621,000</b>	<b>772,800</b>

## PERFORMANCE MEASURES

Why are these performance measures important?

- Circulation is a traditional indicator of library use and helps to verify that local collection development is addressing community needs. During the COVID-19 pandemic, circulation transitioned to a curbside service model to provide materials to our community. While we have been unable to serve patrons inside the building, we have delivered 57,000 items during over 5,600 curbside visits. Our curbside circulation has consistently doubled other area libraries serving similar populations and has even exceeded the circulation of larger area libraries such as the Salem Public Library.
- Circulation of downloadable materials shows recognition of a current trend and the Library's ability to meet that need. As well as the community's awareness and use of library services.
- Program attendance shows the Library staff's innovation and dedication to serving the community by continuing to develop and promote programming in new and different ways. The data shows that the Library is a critical service provider and well utilized especially during the pandemic and the closure of the building.

Activity Measures	2018-19 Actuals	2019-20 Actuals	2020-21 Projected	2021-22 Projected
Circulation of library materials	162,017	150,216	81,158	158,417
Circulation of downloadable materials	16,292	20,482	22,162	23,935
Program attendance – all ages	8,692	12,215	13,340	13,740
% change in circulation – library materials	13.9%	-7.3%	-46.0%	95.2%
% change in circulation – downloadable materials	44.3%	25.7%	8.2%	8.0%
% change program attendance – all ages	-22.7%	40.5%	9.2%	3.0%

## STAFFING

Position	2018-19 Actual	2019-20 Actual	2020-21 Budget	2021-22 Adopted	2021-22 Proposed Budget (Revised)
Library Director	1.0	1.0	1.0	1.0	1.0
Library Youth Services	0.7	0.8	0.8	0.8	0.8
Outreach Youth Services	0.5	0.6	0.5	0.5	0.5
Library Assistant II	1.0	1.0	1.0	1.0	1.0
Library Assistant I	1.2	1.2	1.2	0.9	1.26
Library Page	0.7	0.3	0.3	-	-
Library Aide	1.3	2.1	2.1	1.0	1.0
<b>Total FTE's - Library</b>	<b>6.4</b>	<b>7.0</b>	<b>6.9</b>	<b>5.2</b>	<b>5.56</b>

## CAPITAL OUTLAY

HVAC Unit Replacement	10,300
<b>Total</b>	<b>\$10,300</b>

# POOL FUND

## SUMMARY



The Swimming Pool Fund accounts for the operations of Stayton’s indoor swimming pool located at 333 W. Burnett Street. The pool budget provides annual operation and maintenance objectives (chemicals, pump repair, supplies, electrical, gas expenses, etc.).

Revenues are received from a combination of local option tax levy funds, user fees, memberships, and General Fund subsidy. Since July 2017, the City has managed the day to day operations of the pool facility.

Swim lessons are one of the most popular classes, filling up quickly each session. The pool staff is currently working to enhance our current swim lesson format and train instructors so more classes can be offered in the upcoming fiscal year.

The Friends of the Stayton Pool offer tremendous support to the Stayton Family Memorial Pool. The Friends host fundraisers which benefit the Pool, including their annual Spaghetti Feed and Rummage Sale. Donations over the past year include swim fins to aid in swim lessons, fins and hand paddles for the Stayton Manta Rays Swim Team, water aerobic fitness equipment, and the proceeds from their rummage sale contributed to the purchase of three new water heaters.

## HIGHLIGHTS

- Pool was closed November 2021 due to COVID-19 and the failure of the HVAC system.
- The local option levy ended June 30, 2021.
- The 2021-22 revised budget reflects the new Recreation Levy which passed at the May 2021 election.

## CHANGES FROM PREVIOUS YEAR

- Upon its reopening, the pool will have a staffing adjustment due to restructuring and changes in the hours of operation.



## POOL FUND BUDGET

Description	18-19 Actual	19-20 Actual	20-21 Final Budget	20-21 Estimated	21-22 Adopted Budget	21-22 Proposed Budget (Revised)
<b>Resources</b>						
Beginning Fund Balance	153,822	207,760	241,000	245,800	163,600	298,000
Property Taxes	181,768	183,402	183,000	180,200	1,000	161,500
Charges for Services	181,203	123,927	167,000	1,000	-	190,000
Intergovernmental	-	-	-	30,600	-	-
Miscellaneous	6,427	34,818	3,700	9,700	1,200	29,200
Transfers	50,000	116,532	60,000	-	-	90,000
<b>Total Resources</b>	<b>573,221</b>	<b>666,439</b>	<b>654,700</b>	<b>467,300</b>	<b>165,800</b>	<b>768,700</b>
<b>Requirements</b>						
Personnel Services	230,825	210,995	242,500	112,300	16,500	241,800
Materials and Services	124,938	150,649	163,300	106,500	77,000	121,500
Capital Outlay	-	44,603	100,000	58,400	-	290,000
Transfers	9,700	14,300	26,500	26,500	34,700	61,500
Other Requirements	-	-	122,400	-	37,600	53,900
<b>Total Requirements</b>	<b>365,463</b>	<b>420,546</b>	<b>654,700</b>	<b>303,700</b>	<b>165,800</b>	<b>768,700</b>

## PERFORMANCE MEASURES

Activity Measures	2018-19	2019-20	Revised Projections
			2020-21
Total patrons	55,335	33,300	20,000
<b>Memberships</b>			
City resident	89	168	150
Non-resident	125	141	120
Silver Fit program	72	164	140
AARP	n/a	30	20
Silver Sneakers program	n/a	16	10
<b>Lessons</b>			
Ages 6 months to 18 years	1,119	656	550
Special classes	25,910	14,949	12,000
Kiwanis 3 <sup>rd</sup> grade swim lessons	1,878	890	700
SCDC swim lessons (daycare)	2,069	1,645	1,200
Open Swim	8,717	5,136	0
Family Fun Day (replaces open swim)	0	0	44 days
Lap / water movement swim	15,642	10,025	9,000
Hours of operation	4,576	4,576	2,376

## STAFFING

Position	2018-19 Actual	2019-20 Actual	2020-21 Budget	2021-22 Adopted	2021-22 Proposed Budget (Revised)
Aquatics Facility Manager	1.0	1.0	1.0	-	-
Maintenance Worker	-	-	-	0.2	0.28
Pool Staff Supervisor	1.0	1.0	0.5	-	1.0
Lifeguards	3.6	3.6	3.15	-	3.29
Instructors	2.5	2.5	0.85	-	1.50
<b>Total FTE's - Pool</b>	<b>8.1</b>	<b>8.1</b>	<b>5.5</b>	<b>0.2</b>	<b>6.07</b>

## CAPITAL OUTLAY

HVAC and Air Circulation System	100,000
Roof and Gutters	190,000
<b>Total</b>	<b>\$290,000</b>

# PARKS FUND

## SUMMARY

The City of Stayton owns and maintains pedestrian trails, mini-parks, neighborhood parks, community parks, and natural open spaces. The City maintains 13.7 acres of neighborhood parks, 2.4 acres of community parks, 2.1 acres of mini-parks, and 104.2 acres of open space parks. The City's parks system is highly valued by residents and visitors because they contribute to the livability of Stayton.



### ***Pioneer Park***

Stayton's Pioneer park, located at 450 N. 7<sup>th</sup> Avenue, is a must-see destination for those visiting our community, as well as those who live in Stayton. The Jordan Bridge is located within the park, along with a playground, picnic shelters, and a concessions area.

The Jordan Bridge is a beautiful location for events such as weddings, receptions, and family reunions. Both the Jordan Bridge and the concessions area can be reserved for a minimum of 3 hours for \$100 with each additional hour at \$20 per hour. Under certain circumstances and with additional fees, alcoholic beverages may be served in a designated area and security may be required. Electricity is also available. Rentals of both the Jordan Bridge and concessions area were cancelled during the 2020-21 fiscal year due to the COVID-19 pandemic.

### ***Park Shelter Rentals***

Many of Stayton's parks have covered picnic shelters. These covered picnic shelters are available on a first come, first serve basis. If you wish to use the shelter, you, or a person from your group need to always be present at the shelter and items may not be left unattended.

### ***Community Center Park***

The Community Center Complex consists of 7.65 acres of park located along the Salem Ditch off First Avenue. This site contains the Community Center building, Stayton Family Memorial Pool, three tennis courts, horseshoe pits, a playground, the library, parking, a picnic area, and an open recreation field.

### ***Community Garden***

The Community Garden was relocated in 2018, in partnership with NORPAC Foods, Inc., to property owned by NORPAC, to Evergreen Street, south of the Salem Ditch. The Garden has 15 plots available to rent, and a garden area designated for the Stayton Community Food Bank.

### Parks and Recreation Board Members and Terms

Dan Brummer	12/2022
Pam Pugsley	12/2021
AJ Westlund	12/2021
Tricia Hafner	12/2022
Vacant	12/2021
Vacant	12/2021
Vacant	12/2022

## HIGHLIGHTS

- The City used the Mill Creek Park as a drop-site for Stayton residents to bring their ice storm debris. We will use the chips produced from the debris to construct a path around the park.

## CHANGES FROM PREVIOUS YEAR

- New Recreation Levy passed bringing new revenue to the Park fund estimated at \$160,500.

## ACTIVITY MEASURES

Activity Measures	2018-19	2019-20	2020-21
Total area of neighborhood, community, & open space parks (acres)	203	203	203
Number of restrooms maintained daily	3	3	3
Playground equipment repairs	26	37	47/51
Dog waste bags supplied	12,500	12,800	12,800
Irrigation repairs	29	127	156
Parks mowed and edged per week	7	7	7
Debris cleaned from parks (tons)	24	25	205
Playground equipment inspection / repair (hours)	35	54	136
Path and trail maintenance (hours)	28	114	79
Garbage collection in parks (cubic yards)	143	102	106
Irrigation and park structure maintenance (hours)	98	347	156
Vandalism repairs (each)	12	45	51

## PARKS FUND BUDGET

Description	18-19 Actual	19-20 Actual	20-21 Final Budget	20-21 Estimated	21-22 Adopted Budget	21-22 Proposed Budget (Revised)
Resources						
Beginning Fund Balance	63,593	208,302	135,000	141,000	150,800	150,800
Property Taxes	10,164	10,000	10,000	10,000	-	160,500
Miscellaneous	1,371	2,436	1,000	900	900	900
Intergovernmental	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Transfers	355,000	253,000	384,500	240,000	220,000	160,000
<b>Total Resources</b>	<b>430,128</b>	<b>473,738</b>	<b>530,500</b>	<b>391,900</b>	<b>371,700</b>	<b>472,200</b>
Requirements						
Personnel Services	83,914	90,952	104,100	93,900	117,200	117,200
Materials and Services	61,871	82,022	84,328	80,000	84,700	111,000
Capital Outlay	45,139	129,000	275,000	35,000	20,000	55,000
Transfers	30,900	30,700	32,200	32,200	37,800	45,700
Other Requirements	-	-	34,872	-	112,000	143,300
<b>Total Requirements</b>	<b>221,824</b>	<b>332,674</b>	<b>530,500</b>	<b>241,100</b>	<b>371,700</b>	<b>472,200</b>

## STAFFING

Position	2018-19 Actual	2019-20 Actual	2020-21 Budget	2021-22 Adopted
Maintenance Worker II	1.0	1.0	1.0	1.0
Weekend Operator	0.4	0.4	0.4	0.4
Seasonal Maintenance Worker I	0.3	0.3	0.3	0.3
<b>Total FTE's – Parks</b>	<b>1.7</b>	<b>1.7</b>	<b>1.7</b>	<b>1.7</b>

## CAPITAL OUTLAY

Park Infrastructure & Improvements	55,000
<b>Total</b>	<b>\$55,000</b>

# STREET FUND

## SUMMARY

The City of Stayton maintains 34.6 miles of streets. There are 26.3 miles of fully improved streets (curb and gutter on both sides, partially improved), 3.1 miles of partially improved streets (only one curb and gutter), and 3.87 miles of unimproved streets (paving, but no curb or gutter).



In May 2017, the voters of Stayton approved a local gas tax of \$0.03 per gallon of gas sold in Stayton. The net revenue of the gas tax is to be used only for activities related to the construction, reconstruction, improvement, repair, and maintenance of public highways, roads, and streets within the City.

Since 2015, the Public Works Department has been rating the condition of Stayton's street pavement using the PASER Street Rating System. The streets are rated from 1 to 10 based on their condition, with 1 being the worst.

Experience has shown us there are three useful steps in managing our local streets:

- 1) Inventory of all local roads and streets.
- 2) Periodically evaluate the condition of all pavements.
- 3) Use the condition evaluations to set priorities for projects and select alternative treatments.

This is the process the City has been using since 2015. However, there is an additional step we use to evaluate the priorities for projects here in Stayton. This additional step requires staff to determine what other types of infrastructure a street needs before we put it on the paving schedule. It may be that a street also requires a new storm system in order to allow for drainage and avoiding flooding issues. There are a number of streets in the downtown area that are either undersized or have no storm system at all. The same can be said for the water and sanitary sewer systems in our streets.

Each year the City receives a portion of state gasoline taxes (\$500,000 per year) to help pay for the ongoing maintenance of the City's street system. State gas taxes pay for personnel, materials, vehicles, the public works shop facility, and administrative and capital expenses related to the 34.6 miles of City-owned streets within Stayton city limits. The City has 1.5 full-time public works employees assigned to street operations and maintenance. Services include regular street sweeping, traffic signal maintenance, sign installation and replacement, striping, sanding, and minor street repair, and improvements.

In the 2020-21 fiscal year, the City projected an 18% decrease in the State Gas Tax revenue due to COVID-19. Our projections proved to be accurate. For the 2021-22 fiscal year, we are projecting a 1% increase in our State Gas Tax Revenue and 0% growth in our local gas tax revenue.

Annually, the City spends approximately \$135,000 for gravel and paved street maintenance, and approximately \$400,000 annually for street overlay projects.

The City continues to see a huge benefit by partnering with Marion County on street projects. This partnership with Marion County for Slurry Seal and Pavement Overlay projects creates cost reductions due to the amount of work in the contracts. For the 2020-21 fiscal year, the City joined the Marion County Slurry Seal Contract to perform slurry sealing throughout the Pioneer Meadows and Jefferson Place subdivision. Additionally, the City joined Marion County's which proved to be a major success, saving the City thousands of dollars. The unit pricing for asphalt along on this project provided a 31% savings from last years unit pricing. Basically, the City was able to pave approximately 43% more road surface for the same amount of money.

The City entered into a contract with Kittelson and Associates, Inc. to design and prepare construction plans for the Golf Club Road / Shaff Road intersection roundabout. This is a priority project from the 2019 Transportation System Plan update. Staff believes the City could benefit from having shovel ready plans and specifications prepared to take advantage of any potential State or Federal Infrastructure Stimulus programs.

A brand-new street has the expected service life of between 20 to 40 years, which is how long the street will hold up before full reconstruction is typically needed. However, with proper application of pavement maintenance processes (such as crack sealing, slurry sealing or grind/inlay) at the proper time, the service life can be extended two to three times longer. Once a street deteriorates to the point that it requires major repairs, it's typically six times costlier to fix it than to do timely pavement maintenance. And even though pavement maintenance is done on more frequent intervals than reconstruction, it still saves money. You can best understand why pavement maintenance is so important by understanding how a street deteriorates. Vehicle traffic and weather break down the surface of a street, causing cracks to appear. The cracks allow water to get below the surface, to the structure of the street, weakening it and breaking it down. As the subsurface erodes, "alligator" cracks appear on the surface, indicating the foundation is beginning to fail. When the damage reaches the critical stage, potholes appear, meaning the subsurface has fallen apart causing the surface to collapse. Even though temporary pothole patches are done, by the time potholes appear, the surrounding paving and subsurface are so deteriorated that patching materials won't properly adhere or withstand traffic loads, and the patches quickly fail. Regular pavement maintenance can add life to a street by repairing the surface layer to prevent water from getting to the substructure below. And since pavement maintenance costs a fraction of street reconstruction, action now saves a lot of money later.

The Transportation Maintenance Fee (TMF) is charged monthly to every utility customer in Stayton. The key concept of a TMF is that everyone benefits from the transportation system (we

all use city streets) and everyone should pay part of the cost of preserving them. The amount of the fee is based on the impact a property has on the transportation system. For example, a single-family home generates an average of 10 vehicle trips per day in and out of a house; an apartment generates 6 vehicle trips per day. A typical business would pay more than a residence because it generates more traffic and has more of an impact on the system. The City Council agreed a single-family home should pay \$2.00 per month and the TMF for commercial, industrial, and non-residential uses should be capped at \$20 per month.

## HIGHLIGHTS

- The City paved Rogue, Deschutes, and Willamette Avenues in the 2020-21 fiscal year.
- Design of a roundabout at Golf Club Road and Shaff Road is ongoing.

## CHANGES FROM PREVIOUS YEAR

- Due to budget constraints, and the location of Marion County projects in the 2021-22 fiscal year, the City will not be partnering with Marion County for slurry seal or paving projects this year.
- Public Works will be moving to a new pavement management system. The Pavement Condition Index (PCI) is widely used in transportation, civil engineering, and asset management, and many municipalities use it to measure the performance of their road infrastructure and their levels of service.



## STREET FUND BUDGET

Description	18-19	19-20	20-21	20-21	21-22	21-22
	Actual	Actual	Final Budget	Estimated	Adopted Budget	Proposed Budget (Revised)
<b>Resources</b>						
Beginning Fund Balance	1,095,384	1,140,374	1,145,300	1,299,000	1,248,200	1,248,200
Taxes	204,401	177,154	173,700	175,700	175,700	175,700
Charges for Services	88,744	109,622	90,800	89,300	90,200	90,200
Intergovernmental	658,316	627,355	573,300	638,700	644,900	644,900
Miscellaneous	36,472	26,266	22,900	10,600	10,700	10,700
Transfers	95,700	31,530	202,000	120,000	150,000	150,000
<b>Total Resources</b>	<b>2,179,016</b>	<b>2,112,301</b>	<b>2,208,000</b>	<b>2,333,300</b>	<b>2,319,700</b>	<b>2,319,700</b>
<b>Requirements</b>						
Personnel Services	176,183	86,302	159,400	155,200	161,000	161,000
Materials and Services	205,745	155,091	266,400	188,400	208,800	208,800
Capital Outlay	509,214	309,975	905,000	466,200	440,000	440,000
Transfers	147,500	261,900	275,300	275,300	331,800	331,900
Other Requirements	-	-	601,900	-	1,178,100	1,178,000
<b>Total Requirements</b>	<b>1,038,642</b>	<b>813,268</b>	<b>2,208,000</b>	<b>1,085,100</b>	<b>2,319,700</b>	<b>2,319,700</b>

## PERFORMANCE MEASURES

Activity Measures	2018-19	2019-20	2020-21
Streets paved – overlays (lane miles)	1.0	1.0	1.4
Slurry seal application (lane miles)	1.8	2.3	3.4
Street signs replaced/installed (each)	153	16	45
Streets cleaned / swept (curb miles)	2,312	1,930	2,104
Street sweeping debris hauled to Coffin Butte (cubic yards)	190	180	120
ADA ramps constructed (each)	12	16	1
Asphalt cold mix used for pothole repair (pounds)	2,730	5,470	6,540
Gravel applied to gravel roads (cubic yards)	7	56	27
Dust control applied to gravel roads (gallons)	-	5,743	5,551
Fall cleanup debris received (cubic yards)	100	100	60
Food donated to food bank (pounds)	297	478	582
Food bank donations (\$)	105	169	45
Striping of parking stalls (each)	-	303	45
Striping curb (feet)	-	2,290	364

## STAFFING

<b>Position</b>	<b>2018-19 Actual</b>	<b>2019-20 Actual</b>	<b>2020-21 Budget</b>	<b>2021-22 Adopted</b>
Utility Operator	1.0	1.0	1.1	1.1
Public Works Supervisor	-	-	0.4	0.4
<b>Total FTE's - Streets</b>	<b>1.0</b>	<b>1.0</b>	<b>1.5</b>	<b>1.5</b>

## CAPITAL OUTLAY

Street Reconstruction – Overlays	250,000
Street Saver Software and Programming	40,000
Shaff Road – Golf Club Road Roundabout Design	150,000
<b>Total</b>	<b>\$440,000</b>

# WATER FUND

## SUMMARY



The Water Department provides water treatment and delivery of clean drinking water to residential, commercial, and industrial customers. Fresh water is delivered from the North Santiam River via the Stayton Power Canal, into the City's slow sand filtration system. Once the water is treated, it is then delivered to residential, commercial, and industrial customers through 44.5 miles of water distribution lines.

This budget provides funding to meet annual maintenance objectives (line repairs; meter reading; replacement and new installation of meters; repair, maintenance, and replacement of hydrants; treatment plant maintenance; pump repair; slow sand filter cleaning; treatment chemicals; tracking and billing water charges, etc.).

The City experienced a significant loss to Water Fund revenues with the closure of NORPAC. In the past, NORPAC accounted for approximately 19% of customer receipts. We have reduced expenditures to meet the new revenue projections.

Due to the lack of revenue in the Water fund, we have postponed the Resanding of Pond #2 at the Water Treatment Plant until fall 2022.

Revenues for this fund are received from water utility fees. Staff includes two Utility Operator positions, a Chief Water Treatment Plant Operator, Public Works Supervisor, a part time Utility Operator (weekends) and portions of the salaries for the Accounting Specialists.

## HIGHLIGHTS

- The City started the Aquifer Storage and Recovery Feasibility Study (Secondary Water Source) in January 2021. It should conclude in November 2021.
- Due to budget deficiencies, the Water Treatment Plant Shutoff Valve installation project was cancelled.
- All water projects put on hold until revenues increase.

## CHANGES FROM PREVIOUS YEAR

- None.

## WATER FUND BUDGET

Description	18-19 Actual	19-20 Actual	20-21 Final Budget	20-21 Estimated	21-22 Adopted Budget	21-22 Proposed Budget (Revised)
Resources						
Beginning Fund Balance	1,184,822	650,433	823,700	680,400	820,500	820,500
Charges for Services						
Miscellaneous	35,399	14,285	13,500	11,300	8,200	8,200
Transfers	95,300	27,354	154,000	154,000	305,000	305,000
<b>Total Resources</b>	<b>3,159,401</b>	<b>2,272,387</b>	<b>2,608,700</b>	<b>2,417,900</b>	<b>2,829,000</b>	<b>2,829,000</b>
Requirements						
Personnel Services	487,350	378,300	280,500	272,700	286,700	286,700
Materials and Services	451,357	607,600	481,300	351,800	479,600	479,600
Capital Outlay	749,515	20,000	264,000	154,000	387,000	387,000
Debt Service	329,748	328,600	329,200	329,200	329,600	329,600
Transfers	491,000	-	491,700	489,700	478,700	469,700
Other Requirements	-	-	762,000	-	867,400	876,400
<b>Total Requirements</b>	<b>2,508,969</b>	<b>1,334,500</b>	<b>2,608,700</b>	<b>1,597,400</b>	<b>2,829,000</b>	<b>2,829,000</b>

## ACTIVITY MEASURES

	2018-19	2019-20	2020-21
Potable water production (gallons)	686,443,000	624,602,000	506,711,000
Water Usage Billed (gallons)	628,638,000	581,185,000	462,455,000
Water meters replaced (each)	77	69	87
New water meters installed	26	4	7
Fire hydrants repaired	1	2	-
Water service lines repaired / replaced	9	6	16
Sand filter beds cleaned	7	7	5

## STAFFING

<b>Position</b>	<b>2018-19 Actual</b>	<b>2019-20 Actual</b>	<b>2020-21 Proposed</b>	<b>2021-22 Adopted</b>
Public Works Supervisor	1.00	1.00	0.60	0.60
Chief Water Treatment Plant Operator	1.00	1.00	1.00	1.00
Public Works Utility Operator	2.50	2.50	1.97*	1.97*
<b>Total FTE's Water</b>	<b>4.50</b>	<b>4.50</b>	<b>3.57</b>	<b>3.57</b>

*\*Includes vacant Utility Operator position*

## CAPITAL OUTLAY

Water System Master Plan (SDC)	225,000
Aquifer Storage and Recovery Feasibility Study (SDC)	80,000
New Water Rounds Truck	35,000
Cameras for W.T.P.	25,000
VFD for Pine Street Reservoir	22,000
<b>Total</b>	<b>\$387,000</b>

# SEWER FUND

## SUMMARY

The Sewer Enterprise Fund provides funding to transport and treat raw sewage for residential, commercial, and industrial customers in Stayton and Sublimity. Sewage is delivered to the Wastewater Treatment Plant via 33 miles of sanitary sewer collection lines and four sanitary sewer lift stations in Stayton. Annual maintenance objectives include sewer line cleaning, televising, repair, replacement, lift station maintenance, treatment plant maintenance, pump maintenance, sludge disposal, tracking and billing sewer charges, etc. Revenues for this fund are received from Stayton sewer user fees as well as monthly flow-related fees from the City of Sublimity.

### ***The Sewage Collection System***

Sewage collection systems are designed to collect and transport raw sewage from residences and businesses to the municipality's wastewater treatment facility. The City of Stayton has a collection system that consists of a conventional gravity collection system and four lift stations serving about 10,800 people from Stayton and Sublimity.

As collection systems age, the pipes develop cracks, allowing the infiltration of groundwater. The entry of groundwater into the collection system is known as infiltration and inflow (or I & I). All the groundwater that gets into the sewer system gets treated with the rest of the sewage, thereby costing taxpayers money to clean water that should not be cleaned.

In the Willamette Basin Total Maximum Daily Load (TMDL) Implementation Plan, the City of Stayton is listed as a Designated Management Agency (DMA) because it is bordered by Mill Creek and the North Santiam River, which are Willamette River tributaries. As a DMA, Stayton is responsible for water quality within its jurisdiction and is required to submit a TMDL Implementation Plan Annual Report to the Oregon Department of Environmental Quality (DEQ).

The City's TMDL Implementation Plan identifies requirements and milestones the City must meet to improve water quality. In an effort to reduce the I & I and become proactive with our maintenance responsibilities, the City awarded a contract for Television Inspection (CCTV), Cleaning and Repairs to Spartan Environmental Services LLC (Spartan) in 2020 for \$404,900. Spartan CCTV inspects approximately 6.7 miles of sanitary sewer line annually looking for groundwater intrusions, broken or leaking service line connections, and crushed pipe. The City repairs as many of the problem areas as the maintenance budget will allow for.

### ***The Wastewater Treatment Plant***

The Wastewater Treatment Plant (WWTP) is designed to treat 2.7 million gallons per day of sanitary sewer influent that the plant was designed for. On April 5, 2019, the WWTP experienced 5 MGD of influent. That is 186% more influent than the plant was designed for. Since 2016, we have experienced 143 days of 3.0 MGD or more of influent to our plant. These periods of high influent coincide with high rainfall amounts.

Keller Associates completed the Wastewater Facility Planning Study, and it was brought before

the City Council as Ordinance No. 1047 at the January 4<sup>th</sup>, 2021 City Council meeting. The City Council voted 5-0 to adopt the 2021 Wastewater Facility Planning Study.

## HIGHLIGHTS

- Completed the 2021 Wastewater Facility Planning Study.
- Replaced positive displacement blower with a turbo blower at the Wastewater Treatment Facility.
- Started work on renewing the City’s National Pollutant Discharge Elimination System (NPDES) permit.

## CHANGES FROM THE PREVIOUS YEAR

- Scheduled capital improvement work for the collection system.

## SEWER FUND BUDGET

Description	18-19 Actual	19-20 Actual	20-21 Final Budget	20-21 Estimated	21-22 Adopted Budget	21-22 Proposed Budget (Revised)
Resources						
Beginning Fund Balance	3,789,185	3,909,587	4,200,000	4,191,400	4,702,600	4,702,600
Resources						
Charges for Services	2,989,967	3,013,081	3,095,400	3,215,600	3,255,200	3,255,200
Miscellaneous	100,733	87,381	78,900	35,500	35,900	35,900
Transfers	141,700	215,811	250,000	250,000	135,000	135,000
<b>Total Resources</b>	<b>7,021,585</b>	<b>7,225,860</b>	<b>7,624,300</b>	<b>7,692,500</b>	<b>8,128,700</b>	<b>8,128,700</b>
Requirements						
Personnel Services	534,357	427,607	480,400	407,200	462,800	462,800
Materials and Services	1,133,622	1,012,152	1,346,600	889,020	1,307,000	1,307,000
Capital Outlay	187,619	174,975	500,000	370,000	678,700	678,700
Debt Service	825,100	824,509	823,900	823,648	823,900	823,900
Transfers	431,300	595,200	505,700	500,000	588,900	593,400
Other Requirements	-	-	3,967,700	-	4,267,400	4,262,900
<b>Total Requirements</b>	<b>3,111,998</b>	<b>3,034,443</b>	<b>7,624,300</b>	<b>2,989,868</b>	<b>8,128,700</b>	<b>8,128,700</b>

## ACTIVITY MEASURES

Output Measures	2018-19	2019-20	2020-21
Wastewater Treated (gallons)	686,443,000	638,332,000	597,400,000
Wastewater Treated from Sublimity (gallons)	-	-	94,100,000
Biosolids Produced (tons)	179	160	280
Manholes cleaned, sealed, repaired (each)	17	69	134
Sanitary Sewer Lines Cleaned (lineal feet)	37,410	35,406	42,673
Sanitary Sewer Lines CCTV'd (lineal feet)	36,776	35,406	41,758
Pipe Repairs (each)	149	111	1
Sewer Locates per One Call Requests (each)	-	264	584

## STAFFING

Position	2018-19 Actual	2019-20 Actual	2020-21 Budget	2021-22 Adopted
Sewer System Supervisor	1.0	1.0	1.0	1.0
Chief Operator	1.0	-	-	-
Wastewater Treatment Operators	3.5	3.5	4.34	4.34
Wastewater & Storm Collection System Operator	0.3	0.3	0.5	0.5
<b>Total FTE's – Wastewater</b>	<b>5.8</b>	<b>4.8</b>	<b>5.84</b>	<b>5.84</b>

## CAPITAL OUTLAY

Wastewater Treatment Facility Upgrades (Master Plan Project)	158,000
Sanitary Sewer Collections Project (Master Plan Project)	520,700
<b>Total</b>	<b>\$678,700</b>



# STORMWATER FUND

## SUMMARY

The Stormwater Fund accounts for the City's storm water utility activities. Annual maintenance objectives include catch basins and storm line cleaning, repair, replacement, tracking, and billing storm charges, etc. Revenues for this fund are received from Stayton stormwater user fees.

## HIGHLIGHTS

- Additional expense of \$26,300 for annual fee to the Santiam Water Control District for usage of ditches for stormwater discharge per the 2014 Memorandum of Understanding.

## CHANGES FROM PREVIOUS YEAR

- None.

## STORMWATER FUND BUDGET

Description	18-19 Actual	19-20 Actual	20-21 Final Budget	20-21 Estimated	21-22 Adopted Budget	21-22 Proposed Budget (Revised)
Beginning Fund Balance	182,779	298,527	278,940	303,700	335,800	335,800
Resources						
Charges for Services	302,913	300,959	305,000	313,600	316,700	316,700
Miscellaneous	5,496	5,696	4,400	2,600	2,700	2,700
Transfers	7,300	2,052	-	-	-	-
<b>Total Resources</b>	<b>498,487</b>	<b>607,235</b>	<b>588,340</b>	<b>619,900</b>	<b>655,200</b>	<b>655,200</b>
Requirements						
Personnel Services	36,806	27,965	41,100	40,300	44,000	44,000
Materials and Services	29,134	106,812	143,500	46,900	138,900	138,900
Capital Outlay	34,180	34,897	65,000	60,000	75,000	75,000
Debt Service	24,840	70,744	71,300	71,300	71,100	71,100
Transfers	75,000	63,100	65,600	65,600	96,000	96,000
Other Requirements	-	-	201,840	-	230,200	230,200
<b>Total Requirements</b>	<b>199,959</b>	<b>303,518</b>	<b>588,340</b>	<b>284,100</b>	<b>655,200</b>	<b>655,200</b>

## PERFORMANCE MEASURES

<b>Output Measures</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>
Percentage of regulatory submittals completed timely	100%	100%	100%
Lineal feet of storm drains cleaned/inspected	6,000	25,094	19,177
Number of swales/detention facilities maintained	4	6	6
Lineal feet of drainage ditches cleaned	-	730	745
Number of manholes cleaned	51	56	44
Number of catchbasins cleaned	130	126	126
Number of active accounts	2,683	2,922	2,844
<b>Efficiency Measures</b>			
Customers per FTE	5,366	5,844	5,688

## STAFFING

<b>Position</b>	<b>2018-19 Actual</b>	<b>2019-20 Budget</b>	<b>2020-21 Budget</b>	<b>2021-22 Adopted</b>
Wastewater & Storm Collection System Operator	0.5	0.5	0.5	0.5
<b>Total FTE's – Stormwater</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>

## CAPITAL OUTLAY

Pollution Control Manholes	\$55,000
Storm System Improvements	\$10,000
<b>Total</b>	<b>\$65,000</b>

# PUBLIC WORKS ADMINISTRATION INTERNAL SERVICE FUND

## SUMMARY

The Public Works Administration Fund receives funding from the Water, Sewer, Stormwater, Parks and Street funds to pay for management and support services. Administration duties include building permits, contracts, master planning, pavement management, development review and inspection, council staff reports, engineering services, and general administration of the water, sewer, stormwater and street utilities and parks maintenance and construction.

## HIGHLIGHTS

During the 2020-21 fiscal year, Public Works Administration staff has been working on-site performing all our normal duties while adhering to COVID-19 guidelines. Most meetings with outside consultants are done virtually and have been very effective. We have continued to prepare and administer projects with budget restrictions. Some of these projects are listed below:

- ✓ Jefferson Place and Pioneer Meadows Street Slurry Seals
  - ✓ Rogue Avenue, Deschutes Drive, and Willamette Drive Pavement Overlay
  - ✓ Shaff Road – Golf Club Road Roundabout Design
  - ✓ Wastewater Facilities Master Plan Update
  - ✓ Aquifer Storage Recovery Feasibility Study – Water Project
  - ✓ Wastewater Plant NPDES Permit Renewal
  - ✓ 2021 City Design Standards and Construction Specifications Update
- Public Works staff coordinated with the City Engineer to review site plans and final construction plans for private development in the City. Those projects included the Lambert Place subdivision, Virginia Terrace subdivision, Pacific Court site development, Taco Bell site development, and the Washington Street Industrial site development.
  - Provided plan review and construction inspection services for land development projects, building, and right-of-way permit projects.
  - Continue a marketing campaign to promote Santiam Green, the City's biosolids created at the Wastewater Treatment Plant.

## CHANGES FROM PREVIOUS YEAR

- Increase in Contract Services of \$125,000 for Utility Rate Study.

## PUBLIC WORKS ADMINISTRATION FUND BUDGET

Description	18-19 Actual	19-20 Actual	20-21 Final Budget	20-21 Estimated	21-22 Adopted Budget	21-22 Proposed Budget (Revised)
Resources						
Beginning Fund Balance	184,342	178,351	186,900	210,500	225,800	225,800
Resources						
Licenses, Permits and Fees	-	-	70,000	30,000	25,200	25,200
Miscellaneous	4,040	4,645	3,700	1,700	5,200	5,200
Transfers	440,700	495,800	543,600	543,600	723,400	723,400
<b>Total Resources</b>	<b>629,082</b>	<b>678,796</b>	<b>804,200</b>	<b>785,800</b>	<b>979,600</b>	<b>979,600</b>
Requirements						
Personnel Services	375,153	388,051	424,100	389,000	445,800	445,800
Materials and Services	75,577	80,243	172,300	171,000	322,600	322,600
Capitol Outlay	-	-	-	-	-	-
Transfers	-	-	-	-	-	-
Other Requirements	-	-	207,800	-	211,200	211,200
<b>Total Requirements</b>	<b>450,730</b>	<b>468,294</b>	<b>804,200</b>	<b>560,000</b>	<b>979,600</b>	<b>979,600</b>

## PERFORMANCE MEASURES

	2018-19	2019-20	2020-21
Plans Examined for Public Works Requirements			
Structural permits	21	29	36
Building permits – new single family dwellings	13	3	23
Mechanical permits	2	7	-
Plumbing permits	-	3	-
Right-of-Way permits reviewed / inspected (annually)	41	30	43
Event Permits reviewed (annually)	-	10	-
Water quality / detention / retention plan reviews (annually)	-	13	41
Water line taps / sanitary sewer taps	-	3	3
Backflow tests processed	326	313	8
Facility rentals (hours rented)	1,296	1,306	-

## STAFFING

<b>Position</b>	<b>2018-19 Actual</b>	<b>2019-20 Budget</b>	<b>2020-21 Budget</b>	<b>2021-22 Adopted</b>
Public Works Director	1.0	1.0	1.0	1.0
Senior Engineering Technician	1.0	1.0	1.0	1.0
Engineering Technician	-	1.0	1.0	1.0
Administrative Assistant	1.0	1.0	1.0	1.0
<b>Total FTE's</b>	<b>3.0</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0</b>

## CAPITAL OUTLAY

No capital items budgeted in fiscal year 2021-22.

# PARKS SDC FUND

## SUMMARY

The Park System Development Fund receives revenues from parks System Development Charges (SDC) assessed against residential development only, as outlined in Chapter 13.12 of the Stayton Municipal Code. Residential developers pay a flat fee SDC in an amount based on the adopted Parks System Master Plan.

## HIGHLIGHTS

- Approximately \$105,000 collected in Parks SDCs in fiscal year 2020-21.
- The City projects collection of \$117,000 in Parks SDCs in fiscal year 2021-22.

## CHANGES FROM PREVIOUS YEAR

- There are no Park SDC transfers scheduled for 2021-22.

## PARKS SDC FUND BUDGET

Description	18-19 Actual	19-20 Actual	20-21 Final Budget	20-21 Estimated	21-22	21-22
					Adopted Budget	Proposed Budget (Revised)
<b>Resources</b>						
Beginning Fund Balance	154,836	49,964	63,000	73,800	179,600	179,600
Charges for Services	47,670	22,588	80,900	105,000	117,000	117,000
Miscellaneous	2,458	1,307	600	800	1,000	1,000
Transfers	-	-	-	-	-	-
<b>Total Resources</b>	<b>204,964</b>	<b>73,859</b>	<b>144,500</b>	<b>179,600</b>	<b>297,600</b>	<b>297,600</b>
<b>Materials and Services</b>						
Capital Outlay	-	-	-	-	-	-
Transfers	155,000	7,800	144,500	-	-	-
Reserved	-	785,955	-	-	297,600	297,600
<b>Total Requirements</b>	<b>155,000</b>	<b>793,755</b>	<b>144,500</b>	<b>-</b>	<b>297,600</b>	<b>297,600</b>

# STREET SDC FUND

## SUMMARY

The Street System Development Fund accounts for the activity associated with Street System Development Charges (SDC), as outlined in Chapter 13.12 of the Stayton Municipal Code. Builder's pay street SDCs based on the adopted Transportation System Master Plan and the City invests collected funds consistent with the Plan.

## HIGHLIGHTS

- Projected to collect \$220,000 in Street SDC's in 2020-21.
- The City projects to collect \$98,200 in Street SDC's in 2021-22.
- The City projects to reimburse Hayden Homes \$25,800 in Street SDC's in 2020-21.
- The City projects to reimburse developers \$35,000 in Street SDC's in 2021-22.
- Reimbursements in 2021-22 will be for the Shaff Road Street Improvements by Hayden Homes and the Virginia Street Improvements constructed during the Virginia Street Terrace Project.
- Transfer of \$150,000 to the Street Fund for the design of the roundabout at the Shaff Road/Golf Club Road intersection.

## CHANGES FROM PREVIOUS YEAR

- No changes from previous year.

## STREET SDC FUND BUDGET

Description	18-19 Actual	19-20 Actual	20-21 Final Budget	20-21 Estimated	21-22 Adopted Budget	21-22 Proposed Budget (Revised)
Beginning Fund Balance	581,045	718,555	725,000	753,200	752,900	752,900
Charges for Services	122,952	23,323	68,100	220,000	98,200	98,200
Miscellaneous	14,558	15,451	5,000	7,500	7,500	7,500
Transfers	-	-	-	-	-	-
<b>Total Resources</b>	<b>718,555</b>	<b>757,329</b>	<b>798,100</b>	<b>980,700</b>	<b>858,600</b>	<b>858,600</b>
<b>Requirements</b>						
Materials and Services	-	-	38,000	25,800	35,000	35,000
Capital Outlay	-	-	-	-	-	-
Transfers	-	4,035	202,000	202,000	150,000	150,000
Total Other Requirements	-	-	558,100	-	673,600	673,600
<b>Total Requirements</b>	<b>-</b>	<b>4,035</b>	<b>798,100</b>	<b>227,800</b>	<b>858,600</b>	<b>858,600</b>



# WATER SDC FUND

## SUMMARY

The Water System Development Fund accounts for the activity associated with Water System Development Charges (SDC), as outlined in Chapter 13.12 of the Stayton Municipal Code. Builders pay Water SDCs based on the adopted Water System Master Plan and the City invests the collected funds consistent with the Plan.

## HIGHLIGHTS

- Projected to collect \$67,900 in Water SDC's in 2020-21.
- The City projects to collect \$121,600 in Water SDC's in 2021-22.
- The City projects to reimburse Hayden Homes \$51,240 in Water SDC's in 2020-21.
- The City projects to reimburse developers \$45,800 in Water SDC's in 2021-22.
- Reimbursements in 2021-22 will be for a 10-inch waterline constructed as part of the Lambert Place subdivision by Hayden Homes and the Virginia Street waterline extension to be constructed during the Virginia Street Terrace Project.
- Transfer of \$305,000 to the Water Fund for the Water System Master Plan Update.

## CHANGES FROM PREVIOUS YEAR

- No changes from previous year.

## WATER SDC FUND BUDGET

Description	18-19 Actual	19-20 Actual	20-21 Final Budget	20-21 Estimated	21-22 Adopted Budget	21-22 Proposed Budget (Revised)
Beginning Fund Balance	378,047	440,634	458,600	471,300	543,300	543,300
Resources						
Charges for Services	54,021	21,190	84,200	67,900	121,600	121,600
Miscellaneous	8,566	9,540	4,500	4,100	4,200	4,200
<b>Total Resources</b>	<b>440,634</b>	<b>471,364</b>	<b>547,300</b>	<b>543,300</b>	<b>669,100</b>	<b>669,100</b>
Requirements						
Materials and Services	-	-	45,800	-	45,800	45,800
Capital Outlay	-	-	-	-	305,000	-
Transfers	-	-	154,000	-	305,000	305,000
Other Requirements	-	-	347,500	-	13,300	318,300
<b>Total Requirements</b>	<b>-</b>	<b>-</b>	<b>547,300</b>	<b>-</b>	<b>669,100</b>	<b>669,100</b>

# SEWER SDC FUND

## SUMMARY

The Sewer System Development Fund accounts for the activity associated with Sewer System Development Charges (SDC), as outlined in Chapter 13.12 of the Stayton Municipal Code. Builders pay a Sewer SDC based on the adopted Sewer System Master Plan and the City invests the collected funds consistent with the Plan.

## HIGHLIGHTS

- Projected to collect \$86,300 in Sewer SDC's in 2020-21.
- The City projects to collect \$90,500 in Sewer SDC's in 2021-22.
- The City projects to reimburse Hayden Homes \$46,400 in Sewer SDC's in 2020-21.
- The City projects to reimburse developers \$41,500 in Sewer SDC's in 2021-22.
- Transfer of \$135,000 from SDC's for Wastewater Plant and System Improvements.

## CHANGES FROM PREVIOUS YEAR

- Developer reimbursements of up to \$41,500 for construction of a 12-inch sanitary sewer line as part of the Lambert Place subdivision. The reimbursement will come in the form of credits during the building permit process and will be reflected in the amount of SDCs the builder will pay the City for each building permit.

## SEWER SDC FUND BUDGET

Description	18-19 Actual	19-20 Actual	20-21 Final Budget	20-21 Estimated	21-22 Adopted Budget	21-22 Proposed Budget (Revised)
Beginning Fund Balance	568,336	632,964	483,900	491,300	361,100	361,100
Resources						
Charges for Services	50,699	19,361	62,800	86,300	90,500	90,500
Miscellaneous	13,929	14,020	6,900	4,900	6,900	6,900
Transfers	-	-	-	-	-	-
<b>Total Resources</b>	<b>632,964</b>	<b>666,345</b>	<b>553,600</b>	<b>582,500</b>	<b>458,500</b>	<b>458,500</b>
Requirements						
Materials and Services	-	-	40,825	46,400	41,500	41,500
Capital Outlay	-	-	-	-	-	-
Transfers	-	174,975	250,000	175,000	135,000	135,000
Other Requirements	-	-	262,775	-	282,000	282,000
<b>Total Requirements</b>	<b>-</b>	<b>174,975</b>	<b>553,600</b>	<b>221,400</b>	<b>458,500</b>	<b>458,500</b>

# STORMWATER SDC FUND

## SUMMARY

The Stormwater System Development Fund accounts for the activity associated with Stormwater System Development Charges (SDC), as outlined in Chapter 13.12 of the Stayton Municipal Code. Builders pay a Stormwater SDC based on the adopted Stormwater System Master Plan and the City invests the collected funds consistent with the Plan.

## HIGHLIGHTS

- Projected to collect \$115,000 in Stormwater SDC's in 2020-21.
- The City projects to collect \$110,000 in Stormwater SDC's in 2021-22.
- The City projects to reimburse developers \$65,000 in Stormwater SDC's in 2021-22 for qualified public improvements constructed during the Virginia Terrace subdivision improvement project.

## CHANGES FROM PREVIOUS YEAR

- No changes from the previous year.

## STORMWATER SDC FUND BUDGET

Description	18-19 Actual	19-20 Actual	20-21 Final Budget	20-21 Estimated	21-22 Adopted Budget	21-22 Proposed Budget (Revised)
Beginning Fund Balance	88,351	66,026	74,900	66,000	182,200	182,200
Charges for Services	44,379	77,200	74,800	115,000	110,000	110,000
Miscellaneous	121	1,500	1,500	1,200	1,500	1,500
<b>Total Resources</b>	<b>132,851</b>	<b>144,726</b>	<b>151,200</b>	<b>182,200</b>	<b>293,700</b>	<b>293,700</b>
Requirements						
Materials and Services	-	-	50,146	-	65,000	65,000
Capital Outlay	-	-	-	-	-	-
Transfers	66,825	-	-	-	-	-
Other Requirements	-	-	101,054	-	228,700	228,700
<b>Total Requirements</b>	<b>66,825</b>	<b>-</b>	<b>151,200</b>	<b>-</b>	<b>293,700</b>	<b>293,700</b>

# FACILITIES FUND

## SUMMARY

This fund accounts for rent received for City facilities housing City Administration, Finance, and Police Department personnel and payments via transfers for personnel costs associated with maintaining City facilities.

Rent is intended to reflect the costs of occupying office space with accumulated funds anticipated to be used to help fund future building requirements and/or refurbish existing facilities.

## HIGHLIGHTS

- A comprehensive needs assessment for City facilities including office space, pool, community center is still in process and has been on hold due to COVID-19.

## CHANGES FROM PREVIOUS YEAR

- The City has budgeted \$50,000 to finish the Facilities Master Plan that is currently in progress with Mackenzie. The Plan was initially scheduled to be completed in the 2019-20 budget but was delayed due to COVID-19.

## FACILITIES FUND BUDGET

Description	18-19 Actual	19-20 Actual	20-21 Final Budget	20-21 Estimated	21-22 Adopted Budget	21-22 Proposed Budget (Revised)
Beginning Fund Balance	511,357	527,964	607,700	577,600	663,600	663,600
Miscellaneous	52,866	47,464	52,100	21,100	21,100	21,100
Transfers	73,900	84,000	85,400	85,400	85,700	85,700
<b>Total Resources</b>	<b>638,123</b>	<b>659,428</b>	<b>745,200</b>	<b>684,100</b>	<b>770,400</b>	<b>770,400</b>
Requirements						
Personnel Services	10,159	10,883	15,000	10,400	15,200	15,200
Materials and Services	-	70,916	60,000	10,100	50,000	50,000
Transfers	100,000	-	-	-	-	-
Other Requirements	-	-	670,200	-	705,200	705,200
<b>Total Requirements</b>	<b>110,159</b>	<b>81,799</b>	<b>745,200</b>	<b>20,500</b>	<b>770,400</b>	<b>770,400</b>

## STAFFING

<b>Position</b>	<b>2018-19 Actual</b>	<b>2019-20 Actual</b>	<b>2020-21 Budget</b>	<b>2021-22 Adopted</b>
Facilities Maintenance	0.25	0.25	0.25	0.26
<b>Total FTE's – Facilities</b>	<b>0.25</b>	<b>0.25</b>	<b>0.25</b>	<b>0.26</b>

# PENSION STABILIZATION FUND

## SUMMARY

The Pension Stabilization Fund was established in fiscal year 2018-19 to provide a framework to stabilize PERS retirement contribution costs for the City’s Police Department. The City has an approximate \$1.89 million unfunded actuarial liability (UAL) as of December 31, 2018. PERS contribution rates were increased effective July 1, 2019 to 21.9% for Tier I/II members (from 24.07% to 29.33%) and by 26.1% for Oregon Public Service Retirement Plan (OPSRP) members (from 17.84% to 22.5%). Prior to the creation of the Pension Stabilization Fund, similar percentage increases were projected July 1, 2021, and future increases are expected each biennium are expected until rates stabilize in 2025.

The City has been notified due to the efforts of the Pension Stabilization Fund, the rates did not increase but actually decreased for Tier I/II members (from 29.33% to 25.57%) and decreased for Oregon Service Retirement Plan (ORSRP) members (from 22.5% to 20.88%).

The City’s ongoing efforts to address the unfunded actuarial liability (UAL) are listed below.

1. Transfer from the General Fund in fiscal year 2021-22 from the Police Department Budget to the Pension Stabilization Fund.
2. The City has invested \$250,000 into the PERS Side Account. These funds will be calculated into the December 31, 2019 valuation and the rate offset will be effective July 1, 2021.
3. The City also applied for matching funds grant from the State of Oregon Employers Incentive Fund. As of last fiscal year, Stayton was number 30 on the waitlist and are still waiting to be notified if we will receive the 25% matching funds.

## HIGHLIGHTS

- The fund is established to smooth out forecast increased PERS costs while funding police at sustainable levels.



## PENSION STABILIZATION FUND BUDGET

Description	18-19 Actual	19-20 Actual	20-21 Final Budget	20-21 Estimated	21-22 Adopted Budget	21-22 Proposed Budget (Revised)
Beginning fund Balance	-	150,000	93,400	94,516	185,800	185,800
Resources						
Miscellaneous	-	4,116	2,000	900	1,000	1,000
Transfers	150,000	190,400	90,400	90,400	90,400	90,400
<b>Total Resources</b>	<b>150,000</b>	<b>344,516</b>	<b>185,800</b>	<b>185,800</b>	<b>277,200</b>	<b>277,200</b>
Requirements						
Personnel Services	-	250,000	-	-	-	-
Materials and Services	-	-	-	-	-	-
Other Requirements	-	-	185,800	-	277,200	277,200
<b>Total Requirements</b>	<b>-</b>	<b>250,000</b>	<b>185,800</b>	<b>-</b>	<b>277,200</b>	<b>277,200</b>

# CLOSED FUNDS

## STORMWATER CONSTRUCTION FUND

Project completed in fiscal year 2018-19.

Description	18-19 Actual	19-20 Actual	20-21 Final Budget	20-21 Estimated	21-22 Proposed	21-22 Proposed Budget (Revised)
<b>Total Resources</b>	<b>1,408,373</b>	-	-	-	-	-
Materials and Services	31,532	-	-	-	-	-
Capital Outlay	1,376,841	-	-	-	-	-
<b>Total Requirements</b>	<b>1,408,373</b>	-	-	-	-	-

## VEHICLE REPLACEMENT FUND

Fund closed fiscal year 2019-20

Description	18-19 Actual	19-20 Actual	20-21 Final Budget	20-21 Estimated	21-22 Proposed	21-22 Proposed Budget (Revised)
Beginning Fund Balance	428,706	43,136	-	-	-	-
Miscellaneous	24,430	-	-	-	-	-
Transfers	-	154,600	-	-	-	-
<b>Total Resources</b>	<b>453,136</b>	<b>200,000</b>	-	-	-	-
Requirements						
Transfers	410,000	200,000	-	-	-	-
<b>Total Requirements</b>	<b>410,000</b>	<b>200,000</b>	-	-	-	-

# CAPITAL OUTLAY - ALL FUNDS

## FISCAL YEAR 2021-22

### SUMMARY

The following schedules summarize the various capital investments, by fund, for fiscal year 2021-22. A description of the project, funding source(s), priority on a scale of 0 – continued from previous year to 3 – identified but not funded, amount, and impact on operating budget (and whether debt service is incurred) is noted.

With respect to anticipated impact on operating budget, the following terms are used:

Terms utilized	Definition
Replacement – reduced	Notes items that will be acquired to replace aging assets; operating costs are anticipated to decrease
None	Item does not create any maintenance costs
Limited	Items are anticipated to increase operating costs, however the impact is expected to be marginal
Modernization – nominal	Costs are anticipated to increase, however, the impact is not anticipated to be increased beyond normal inflationary adjustments
Sustain	Improvements are part of regular maintenance program

Where estimates of operating cost impacts have been identified, amounts have been provided.

**General Fund**

<i>Description</i>	<i>Funding Source</i>	<i>Priority</i>	<i>Amount</i>	<i>Impact on operating costs</i>
Police vehicle & Improvements	General	1	82,000	Replacement - reduced
Network improvements	General	1	20,000	Replacement - reduced
			<b>102,000</b>	

**Parks Fund**

<i>Description</i>	<i>Funding Source</i>	<i>Priority</i>	<i>Amount</i>	<i>Impact on operating costs</i>
Equipment	Levy Taxes	1	55,000	Replacement - none
			<b>55,000</b>	

**Street Fund**

<i>Description</i>	<i>Funding Source</i>	<i>Priority</i>	<i>Amount</i>	<i>Impact on operating costs</i>
Transportation System Plan	SDCs	1	250,000	None
Roundabout Design	SDCs	2	150,000	None
Street Saver Ratings / Evaluations	Local/State Gas Tax	3	40,000	Nominal
			<b>440,000</b>	

**Water Fund**

<i>Description</i>	<i>Funding Source</i>	<i>Priority</i>	<i>Amount</i>	<i>Impact on operating costs</i>
Equipment/Vehicles	Rates	4	35,000	Replacement – none
Secondary Water Study	SDCs	1	80,000	None
Plant Improvements	Rates	2	47,000	Modernization – nominal
System Improvements	SDCs	3	225,000	None
			<b>387,000</b>	

**Wastewater Fund**

<i>Description</i>	<i>Funding Source</i>	<i>Priority</i>	<i>Amount</i>	<i>Impact on operating costs</i>
System Master Plan	Rates	1	520,700	None
Plant Improvements	SDCs	2	158,000	None
			<b>678,700</b>	

**Stormwater Fund**

<i>Description</i>	<i>Funding Source</i>	<i>Priority</i>	<i>Amount</i>	<i>Impact on operating costs</i>
Storm system improvements	Rates	1	10,000	Modernization – nominal
Water quality manholes	Rates	1	65,000	None
			<b>75,000</b>	

**Library Fund**

<i>Description</i>	<i>Funding Source</i>	<i>Priority</i>	<i>Amount</i>	<i>Impact on operating costs</i>
System Improvements	Levy Taxes	1	10,300	
			<b>10,300</b>	

**Pool Fund**

<i>Description</i>	<i>Funding Source</i>	<i>Priority</i>	<i>Amount</i>	<i>Impact on operating costs</i>
System Improvements	Levy Taxes	1	290,000	
			<b>290,000</b>	

**CITY-WIDE TOTAL      \$2,038,000**

# DEBT SCHEDULES

## SUMMARY

The schedules below reflect the City’s total outstanding debt, debt payments in fiscal year 2020-21, outstanding debt for the next five fiscal years, estimated debt per capita for the next five years and debt capacity.

As of June 30, 2020, the City’s debt limitation is \$34,649,308. State law limits debt to three percent (3%) of real market value of property within the city boundaries. Debt repaid from dedicated revenue, such as utility charges, is not subject to the debt limitation. All of the City’s existing debt is repaid from utility revenue and is therefore not subject to limitation.

### Debt Summary – Fiscal Year 2021-22

Debt Issue	Fund	Original Issue	Balance			Total Payment
			June 30, 2021	Principal	Interest	
2013 Full Faith and Credit Refunding	Sewer	\$ 5,810,000	\$ 2,810,000	\$ 385,000	\$ 88,150	\$ 473,150
USDA Sewer Revenue Bonds	Sewer	8,316,000	7,286,922	145,057	200,390	345,447
<b>Total</b>	<b>Sewer</b>	<b>\$ 14,126,000</b>	<b>10,096,922</b>	<b>\$ 530,057</b>	<b>\$ 288,540</b>	<b>\$ 818,597</b>
2016 Full Faith and Credit Refunding	Water	3,945,000	2,935,000	220,000	109,600	329,600
2019 Full Faith and Credit	Storm	725,000	672,475	27,652	18,967	46,619
<b>Totals</b>		<b>\$ 18,796,000</b>	<b>\$ 13,704,397</b>	<b>\$ 777,709</b>	<b>\$ 417,107</b>	<b>\$ 1,194,816</b>

### Outstanding Debt Fiscal Years Ending June 30, 2022 – 2026

Debt Issue	Balance as of June 30,				
	2022	2023	2024	2025	2026
2013 Full Faith and Credit Refunding	\$ 2,425,000	\$ 2,025,000	\$ 1,615,000	\$ 1,190,000	\$ 755,000
USDA Sewer Revenue Bonds	7,141,865	6,992,819	6,839,675	6,682,319	6,521,319
<b>Total</b>	<b>\$ 9,566,865</b>	<b>\$ 9,017,819</b>	<b>\$ 8,454,675</b>	<b>\$ 7,872,319</b>	<b>\$ 7,276,319</b>
2016 Full Faith and Credit Refunding	2,715,000	2,485,000	2,250,000	2,005,000	1,750,000
2019 Full Faith and Credit	644,823	616,226	586,651	556,066	524,566
<b>Totals</b>	<b>\$ 12,926,688</b>	<b>\$ 12,119,045</b>	<b>\$ 11,291,326</b>	<b>\$ 10,433,385</b>	<b>\$ 9,550,885</b>

Population	8,009	8,050	8,091	8,132	8,174
Debt per capita	\$ 1,614	\$ 1,505	\$ 1,396	\$ 1,283	\$ 1,168

<b>Debt Limitation</b>	
Real market value	\$ 1,154,976,922
Factor	3.0%
Debt limit	34,649,308
City debt subject to limitation	-
<b>Debt capacity</b>	<b>\$ 34,649,308</b>

# FIVE-YEAR FINANCIAL FORECASTS

## SUMMARY

Five-year financial forecasts have been updated for the City's General Fund, utility funds, special revenue funds, and Public Works Administration Fund. The General Fund is the primary fund for the City's administration and police activities; the utility and special revenue funds are the City's other primary operating funds and may include significant capital investment.

Please note, these forecasts are completed amidst the City's uncertainty in how revenue will be impacted over the next 12 months due to the COVID-19 virus outbreak and related economic impacts. The City also has, on the May 18, 2021 ballot, levies for the Library and Recreation (Pool and Parks) with an increased rate from the existing (expiring) levy. The City intends to update its water and stormwater master plan over the succeeding two to three years.

Capital infrastructure replacement costs and expansion - Previous plans anticipated considerable growth that has not occurred. This, combined with the financial impacts of the Great Recession that deferred necessary rate adjustments, have results in uncertainty as to the appropriate amount and timing of investment in capital infrastructure replacement costs and expansion. As plans are developed, these forecasts may change considerably.

## ASSUMPTIONS

### ALL FUNDS

- Salaries – 2.4% COLA increase per year, plus an additional 3% for employees with steps
- Health Insurance – 5% increase per year
- City Retirement – 3% increase per year
- PERS Retirement – 5% in fiscal years ending in odd numbers, 8% in fiscal years ending in even numbers (PERS rates are adjusted biannually)
- Materials and Services – 2% – 3% increase per year
- Transfers for Services – 2% - 4% increase per year
- Capital Projects have been reviewed and scheduled
- Inflation – 2% per year
- Interest earnings rate – 2%
- Population Growth – 0.5% per year

## GENERAL FUND

Descriptions	Projection				
	2021-22	2022-23	2023-24	2024-25	2025-26
Beginning Fund Balance	1,689,000	1,971,300	1,809,800	1,800,500	1,867,000
Taxes	2,254,000	2,330,100	2,398,200	2,491,000	2,586,700
Charges for Services	19,500	19,500	19,500	19,500	19,500
Grants and Contributions	-	-	-	-	-
Franchise Fees	704,000	715,000	726,000	739,000	752,000
Licenses, Permits and Fees	38,000	38,000	38,000	38,000	38,000
Fines & Forfeitures	89,500	123,900	168,500	183,500	199,000
Intergovernmental	741,900	214,200	217,700	221,300	224,900
Miscellaneous	58,600	64,000	65,100	65,800	66,500
Transfers	905,900	879,900	888,700	897,600	906,600
<b>Total Revenue</b>	<b>4,811,400</b>	<b>4,384,600</b>	<b>4,521,700</b>	<b>4,655,700</b>	<b>4,793,200</b>
<b>Total General Fund Resources</b>	<b>6,500,400</b>	<b>6,355,900</b>	<b>6,331,500</b>	<b>6,456,200</b>	<b>6,660,200</b>
Expenditures					
City Council	12,500	12,900	43,300	43,700	44,100
Administration	1,144,900	1,256,500	1,138,000	1,170,500	1,204,000
Police	2,453,700	2,498,700	2,545,000	2,556,500	2,645,700
Planning	232,200	235,800	243,500	253,200	263,300
Community Center	31,000	31,800	32,600	33,400	33,400
Municipal Court	112,000	115,600	119,200	122,900	126,700
Street Lights	114,000	116,000	118,000	120,000	122,000
Operations Non-Dept	775,000	282,300	294,900	292,500	297,200
<b>Total Operating Expenditures</b>	<b>4,875,300</b>	<b>4,549,600</b>	<b>4,534,500</b>	<b>4,592,700</b>	<b>4,736,400</b>
Revenue over (under) Expenditures	(63,900)	(165,000)	(12,800)	63,000	56,800
<b>Ending Fund Balance</b>	<b>1,625,100</b>	<b>1,806,300</b>	<b>1,797,000</b>	<b>1,863,500</b>	<b>1,923,800</b>
<b>Minimum fund balance analysis</b>					
Five months expenditures	2,031,400	1,895,700	1,889,400	1,913,600	1,973,500
Revenue/excluding property taxes	688,100	489,400	514,500	528,000	541,600
<b>Net five months working capital</b>	<b>1,343,300</b>	<b>1,406,300</b>	<b>1,374,900</b>	<b>1,385,600</b>	<b>1,431,900</b>
Ending fund balance meets policy	YES	YES	YES	YES	YES

### Assumptions – General Fund

- Property Taxes: 3% annual increases for FY23-FY24 then 4% for FY25-FY26, new homes
- Franchise Fees: -2.0% for telephone, -1% for Cable and a 2.0% for remaining funds
- All other recurring revenue – 0.0% to 3.0%



## LIBRARY FUND

Description	Projections				
	2021-22	2022-23	2023-24	2024-25	2025-26
<b>Resources</b>					
Beginning Fund Balance	344,100	290,600	249,900	210,700	182,270
Property Taxes	257,800	275,200	284,300	293,700	303,500
Charges for Services	1,000	1,000	1,000	1,000	1,000
Contributions & Grants	32,000	32,800	33,600	34,500	35,400
Intergovernmental	100,900	103,500	106,600	110,800	115,100
Miscellaneous	12,000	12,500	15,100	15,400	16,500
Transfers	25,000	31,300	32,100	33,000	33,900
<b>Total Resources</b>	<b>772,800</b>	<b>746,900</b>	<b>722,600</b>	<b>699,100</b>	<b>687,670</b>
<b>Expenditures</b>					
Personnel Services	356,400	367,700	379,200	391,100	403,200
Materials and Services	87,700	89,900	92,100	94,430	96,800
Capital Outlay	10,300	10,000	10,300	-	10,300
Transfers	28,500	29,400	30,300	31,300	32,300
<b>Total Expenditures</b>	<b>482,900</b>	<b>497,000</b>	<b>511,900</b>	<b>516,830</b>	<b>542,600</b>
<i>Revenues over (under) Expenditures</i>	<i>(54,200)</i>	<i>(40,700)</i>	<i>(39,200)</i>	<i>(28,430)</i>	<i>(37,200)</i>
<b>Ending Fund Balance</b>	<b>289,900</b>	<b>249,900</b>	<b>210,700</b>	<b>182,270</b>	<b>145,070</b>
<b>Desired fund balance</b>					
Minimum net five months cash flow	130,000	131,500	135,000	134,500	142,000
Estimated ending fund balance	289,900	249,900	210,700	182,270	145,070
Ending fund balance over/(under) minimum desired	159,900	118,400	75,700	47,770	3,070
<b>Meets policy</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>

### Assumptions – Library Fund

- New levy tax revenue for the next 5 years.
- Estimated amounts for uncollected past levy taxes.
- Charges for Services and Intergovernmental resources increases 2% each year.
- Capital Outlay remains for updating 7 HVAC systems throughout the building.

## POOL FUND

Description	Projections				
	2021-22	2022-23	2023-24	2024-25	2025-26
Beginning Fund Balance	298,000	53,900	76,900	87,500	126,200
Property Taxes	161,500	172,700	178,100	183,400	190,000
Charges for Services	190,000	209,000	229,900	252,800	278,100
Intergovernmental	-	-	-	-	-
Miscellaneous	29,200	1,600	1,600	1,600	1,600
Transfers	90,000	80,000	83,200	70,900	70,900
<b>Total Revenues</b>	<b>470,700</b>	<b>463,300</b>	<b>492,800</b>	<b>508,700</b>	<b>540,600</b>
<b>Total Resources</b>	<b>768,700</b>	<b>517,200</b>	<b>569,700</b>	<b>596,200</b>	<b>666,800</b>
Expenditures					
Personnel Services	241,800	258,500	266,900	275,600	284,500
Materials and Services	121,500	110,600	121,300	122,600	133,600
Capital Outlay	290,000	31,000	53,000	30,000	80,000
Transfers	61,500	40,200	41,000	41,800	42,600
Other Requirements	-	-	-	-	-
<b>Total Expenditures</b>	<b>714,800</b>	<b>440,300</b>	<b>482,200</b>	<b>470,000</b>	<b>540,700</b>
Revenue over (under) Expenditures	(244,100)	23,000	10,600	38,700	(100)
<b>Ending fund balance</b>	<b>53,900</b>	<b>76,900</b>	<b>87,500</b>	<b>126,200</b>	<b>126,100</b>
<b>Desired fund balance</b>					
Minimum net five months cash flow	169,200	62,400	69,900	60,500	79,400
Ending fund balance over/(under) minimum desired	(115,300)	14,500	17,600	65,700	46,700
<b>Meets policy</b>	<b>NO</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>

### Assumptions – Pool Fund

- New levy tax revenue for the next 5 years.
- Estimated amounts for uncollected past levy taxes.
- The pool is estimated to reopen in August or September 2021

## PARKS FUND

Description	Projections				
	2021-22	2022-23	2023-24	2024-25	2025-26
Beginning Fund Balance	150,800	144,000	121,900	125,800	126,000
Property Taxes	160,500	172,400	178,100	183,900	189,900
Fees & Interest	900	900	900	900	900
Miscellaneous	-	-	-	-	-
Transfers	160,000	171,000	179,600	188,600	192,400
<b>Total Revenue</b>	<b>321,400</b>	<b>344,300</b>	<b>358,600</b>	<b>373,400</b>	<b>383,200</b>
<b>Total Resources</b>	<b>472,200</b>	<b>488,300</b>	<b>480,500</b>	<b>499,200</b>	<b>509,200</b>
Expenditures					
Personnel Services	117,200	121,000	124,900	128,900	133,000
Materials and Services	111,000	114,300	117,600	121,000	124,500
Capital Outlay	55,000	85,000	65,000	75,000	10,000
Transfers	45,700	46,100	47,200	48,300	49,500
Other Requirements	-	-	-	-	-
<b>Total Expenditures</b>	<b>328,900</b>	<b>366,400</b>	<b>354,700</b>	<b>373,200</b>	<b>317,000</b>
Revenues over (under) Expenditures	(7,500)	(22,100)	3,900	200	66,200
<b>Ending Fund Balance</b>	<b>143,300</b>	<b>121,900</b>	<b>125,800</b>	<b>126,000</b>	<b>192,200</b>
<b>Desired fund balance</b>					
5 months operating expenses	114,100	117,300	120,700	124,300	127,900
Ending fund balance over/(under) minimum desired	29,200	4,600	5,100	1,700	64,300
<b>Meets policy</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>

### Assumptions – Park Fund

- New levy tax revenue for the next 5 years.

## PUBLIC WORKS ADMINISTRATION FUND

Description	Projections				
	2021-22	2022-23	2023-24	2024-25	2025-26
Beginning Fund Balance	225,800	211,200	167,900	140,500	126,900
Licenses, Permits and Fees	25,200	28,000	28,800	29,700	30,600
Miscellaneous	5,200	5,300	5,400	5,500	5,600
Transfers	723,400	607,700	638,200	666,800	696,800
<b>Total Revenue</b>	<b>753,800</b>	<b>641,000</b>	<b>672,400</b>	<b>702,000</b>	<b>733,000</b>
<b>Total Resources</b>	<b>979,600</b>	<b>852,200</b>	<b>840,300</b>	<b>842,500</b>	<b>859,900</b>
Expenditures					
Personnel Services	445,800	457,100	468,700	480,600	492,800
Materials and Services	322,600	227,200	231,100	235,000	239,000
Other Requirements	-	-	-	-	-
<b>Total Expenditures</b>	<b>768,400</b>	<b>684,300</b>	<b>699,800</b>	<b>715,600</b>	<b>731,800</b>
Revenues over (under) Expenditures	(14,600)	(43,300)	(27,400)	(13,600)	1,200
<b>Ending Fund Balance</b>	<b>211,200</b>	<b>167,900</b>	<b>140,500</b>	<b>126,900</b>	<b>128,100</b>
<b>Desired fund balance</b>					
Minimum one months expenditures	128,000	114,000	117,000	119,000	122,000
Estimated ending fund balance	211,200	167,900	140,500	126,900	128,100
Ending fund balance over/(under) minimum desired	<b>83,200</b>	<b>53,900</b>	<b>23,500</b>	<b>7,900</b>	<b>6,100</b>
<b>Meets policy</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>

## STREET FUND

Description	Projections				
	2021-22	2022-23	2023-24	2024-25	2025-26
Beginning Fund Balance	1,248,200	1,178,100	1,061,700	943,900	900,200
Taxes	175,700	177,500	179,300	181,100	182,900
Intergovernmental	644,900	662,500	680,200	698,400	717,100
Miscellaneous	10,700	10,900	11,100	11,300	11,500
Transfers	150,000	-	-	-	-
<b>Total Revenue</b>	<b>1,071,500</b>	<b>942,500</b>	<b>964,000</b>	<b>986,100</b>	<b>1,008,700</b>
<b>Total Resources</b>	<b>2,319,700</b>	<b>2,120,600</b>	<b>2,025,700</b>	<b>1,930,000</b>	<b>1,908,900</b>
Expenditures					
Personnel Services	161,000	166,500	172,200	178,100	184,200
Materials and Services	208,800	215,000	220,400	226,000	231,700
Capital Outlay	440,000	375,000	375,000	300,000	300,000
Transfers	331,800	302,400	314,200	325,700	337,600
<b>Total Expenditures</b>	<b>1,141,600</b>	<b>1,058,900</b>	<b>1,081,800</b>	<b>1,029,800</b>	<b>1,053,500</b>
Revenues over (under) Expenditures	(70,100)	(116,400)	(117,800)	(43,700)	(44,800)
<b>Ending Fund Balance</b>	<b>1,178,100</b>	<b>1,061,700</b>	<b>943,900</b>	<b>900,200</b>	<b>855,400</b>
<b>Desired fund balance</b>					
Two months operating expenses	116,900	114,000	117,800	121,600	125,600
Capital Reserve	250,000	250,000	250,000	250,000	250,000
<b>Total Desired fund balance</b>	<b>366,900</b>	<b>364,000</b>	<b>367,800</b>	<b>371,600</b>	<b>375,600</b>
Ending fund balance over/(under) minimum desired	<b>811,200</b>	<b>697,700</b>	<b>576,100</b>	<b>528,600</b>	<b>479,800</b>
<b>Meets Policy</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>

## STREET FUND (continued)

Capital Improvement Plan	2021-22	2022-23	2023-24	2024-25	2025-26
<b>Street System Improvements</b>					
Transportation System Plan Update	-	-	-	-	-
Kindle Way - Shaff Rd to Junco St	-	-	-	-	-
Deschutes - Wilco to Rogue	-	-	-	-	-
5th Avenue- Washington to Hobson	-	-	-	-	-
Westtown: Shaff to Westpark Ct.	250,000	-	-	-	-
Westtown: Westpark Ct. to W. Locust St.	-	250,000	-	-	-
Street Paving Overlays	-	-	250,000	300,000	300,000
Roundabout design ( SDC)	150,000	-	-	-	-
Street Sweeper	-	125,000	125,000	-	-
<b>Total Capital Improvements Plan</b>	<b>400,000</b>	<b>375,000</b>	<b>375,000</b>	<b>300,000</b>	<b>300,000</b>

### Assumptions – Street Fund

- Effects of the COVID-19 virus outbreak on revenues are uncertain.
- Estimated Local gas tax 0% increase first year and 1% increase FY23 through FY25
- Additional funding is needed for the City to maintain its capital improvement plans.  
Purchase of Street Sweeper (\$250,000) has deferred indefinitely until funding becomes available.

## WATER FUND

Description	Projections				
	2021-22	2022-23	2023-24	2024-25	2025-26
Beginning Fund Balance	820,500	867,400	455,200	550,100	186,700
Charges for Services	1,695,300	1,798,800	1,912,500	2,042,700	2,182,000
Miscellaneous	8,200	17,300	9,100	11,000	3,700
Transfers	305,000	450,000	450,000	-	-
<b>Total Revenue</b>	<b>2,008,500</b>	<b>2,266,100</b>	<b>2,371,600</b>	<b>2,053,700</b>	<b>2,185,700</b>
<b>Total Resources</b>	<b>2,829,000</b>	<b>3,133,500</b>	<b>2,826,800</b>	<b>2,603,800</b>	<b>2,372,400</b>
Expenditures					
Personnel Services	286,700	296,300	306,300	316,500	327,200
Materials and Services	479,600	489,400	503,900	521,900	537,300
Capital Outlay	387,000	1,100,000	660,000	750,000	250,000
Debt Service	329,600	332,900	329,700	335,000	345,000
Transfers	478,700	459,700	476,800	493,700	511,100
<b>Total Expenditures</b>	<b>1,961,600</b>	<b>2,678,300</b>	<b>2,276,700</b>	<b>2,417,100</b>	<b>1,970,600</b>
Revenues over (under) Expenditures	(46,900)	412,200	(94,900)	363,400	(215,100)
<b>Ending Fund Balance</b>	<b>867,400</b>	<b>455,200</b>	<b>550,100</b>	<b>186,700</b>	<b>401,800</b>
<b>Desired fund balance</b>					
Two months operating expenses	208,000	208,000	215,000	222,000	229,000
Debt Service	329,600	332,900	329,700	335,000	345,000
Capital Reserve	200,000	200,000	200,000	200,000	200,000
<b>Total Desired fund balance</b>	<b>737,600</b>	<b>740,900</b>	<b>744,700</b>	<b>757,000</b>	<b>774,000</b>
Ending fund balance over/(under) minimum desired	129,800	(285,700)	(194,600)	(570,300)	(372,200)
<b>Meets Policy</b>	<b>YES</b>	<b>NO</b>	<b>NO</b>	<b>NO</b>	<b>NO</b>

## WATER FUND (continued)

<b>Capital Improvement Plan</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>
Water System Improvements	-	-	-	-	-
<b>Shaff Road - 16-inch waterline</b>	-	-	-	-	-
Shaff Road- Deer Ave to 500 feet west of First Ave (Phase 1) SDC	-	450,000	450,000	-	-
Shaff Road- Deer Ave to 500 feet west of First Ave (Phase 2) SDC	-	-	-	-	-
<b>Water System Master Plan (SDC)</b>	225,000	-	-	-	-
Fire Hydrants/ new waterline	80,000	25,000	25,000	100,000	100,000
<b>Secondary water source study (SDC)</b>	-	-	-	-	-
New Truck for performing rounds	35,000	-	-	-	-
<b>Total System Improvements</b>	<b>340,000</b>	<b>475,000</b>	<b>475,000</b>	<b>100,000</b>	<b>100,000</b>

### Water Treatment Plant Improvements

Air Conditioning in Control Room	-	-	-	-	-
Automation of valve on Weir box	-	-	-	-	-
Bleach tank replacement	-	-	-	-	-
Clearwater Tank Design	-	-	-	-	-
Schedule M Rehab	-	-	-	-	-
Shut off Valve	-	-	185,000	-	150,000
Slow Sand Filter No. 1 (7yrs need)	-	-	-	-	-
Slow Sand Filter No. 2	-	625,000	0	-	-
Slow Sand filter No. 3	-	-	-	650,000	-
VFD Pine Street	22,000	-	-	-	-
Cameras- for plant	25,000	-	-	-	-
UPS Uninterruptable Power Supply	-	-	-	-	-
<b>Total Water Plant Improvements</b>	<b>47,000</b>	<b>625,000</b>	<b>185,000</b>	<b>650,000</b>	<b>150,000</b>
<b>Total Capital Improvement Plan</b>	<b>387,000</b>	<b>1,100,000</b>	<b>660,000</b>	<b>750,000</b>	<b>250,000</b>

### Assumptions – Water Fund

- Rate increases – 5% plus 2.4% CPI for FY22, 5% plus 2.0% thereafter
- No increase in revenue collected for FY22 based on uncertainty of COVID-19 effects.
- 2% increase in revenue collected for FY23-FY26.
- Additional funding is needed for the City to maintain its capital improvement plans.



## WASTEWATER FUND

Description	Projections				
	2021-22	2022-23	2023-24	2024-25	2025-26
<b>Resources</b>					
Beginning Fund Balance	4,702,600	4,262,900	3,615,400	3,047,200	2,706,600
Charges for Services	3,255,200	3,334,000	3,414,800	3,497,500	3,582,200
Miscellaneous	35,900	36,600	37,300	38,000	38,800
Transfers	135,000	-	-	-	-
<b>Total Revenue</b>	<b>3,426,100</b>	<b>3,370,600</b>	<b>3,452,100</b>	<b>3,535,500</b>	<b>3,621,000</b>
<b>Total Resources</b>	<b>8,128,700</b>	<b>7,633,500</b>	<b>7,067,500</b>	<b>6,582,700</b>	<b>6,327,600</b>
<b>Expenditures</b>					
Personnel Services	462,800	477,800	493,200	509,300	525,900
Materials and Services	1,307,000	1,339,900	1,373,700	1,408,100	1,443,300
Capital Outlay	678,700	820,000	753,000	540,000	3,480,000
Debt Service	823,900	818,700	818,300	816,300	815,500
Transfers	593,400	561,700	582,100	602,400	623,400
<b>Total Expenditures</b>	<b>3,865,800</b>	<b>4,018,100</b>	<b>4,020,300</b>	<b>3,876,100</b>	<b>6,888,100</b>
<i>Revenue over (under) Expenditures</i>	<i>(439,700)</i>	<i>(647,500)</i>	<i>(568,200)</i>	<i>(340,600)</i>	<i>(3,267,100)</i>
<b>Ending Fund Balance</b>	<b>4,262,900</b>	<b>3,615,400</b>	<b>3,047,200</b>	<b>2,706,600</b>	<b>(560,500)</b>
<b>Desired fund balance</b>					
Two months operating expenses	394,000	397,000	409,000	420,000	433,000
Debt Service	823,900	818,700	818,300	816,300	815,500
Capital Reserve	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
<b>Total Desired fund balance</b>	<b>2,217,900</b>	<b>2,215,700</b>	<b>2,227,300</b>	<b>2,236,300</b>	<b>2,248,500</b>
Ending fund balance over/(under) minimum desired	2,045,000	1,399,700	819,900	470,300	(2,809,000)
Meets policy	YES	YES	YES	YES	NO

## WASTEWATER FUND (continued)

<b>Sanitary Sewer System</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-2026</b>
<i>Pipeline Upsizing on Jetters and Ida</i>					
Jetters from vault to Ida (30 inch)	97,000	-	-	-	-
Ida - Jetters to Noble (30 inch)	423,700	-	-	-	-
Ida-Noble to 1207 (30 inch)	-	570,000	-	-	-
Ida- 1207 to Fern (30 inch) 1,214 LF	-	-	570,000	-	-
Ida- Fern to Evergreen (21 inch)	-	-	-	400,000	-
Evergreen-Ida to Bridge (18 inch)	-	-	-	-	480,000
Jetters Way Force Main	-	-	-	-	-
Gardner Lift Station Removal	-	-	-	-	-
<b>Total Sanitary Sewer System</b>	<b>520,700</b>	<b>570,000</b>	<b>570,000</b>	<b>400,000</b>	<b>480,000</b>
<b>Wastewater Treatment Plant Improvements</b>					
Replace PD Blower with Turbo	-	-	-	-	-
Scada System Servers Software	55,000	-	150,000	-	-
Influent Pump Control 100% SDC)	103,000	-	-	-	-
Replace PD Blower with Turbo	-	250,000	-	-	-
Short term Pump Station Upgrades	-	-	-	140,000	-
Post SBR Equalization	-	-	-	-	-
Influent Screen	-	-	-	-	-
Plant Improvements	-	-	33,000	-	3,000,000
<b>Total WW Treatment Plant</b>	<b>158,000</b>	<b>250,000</b>	<b>183,000</b>	<b>140,000</b>	<b>3,000,000</b>
<b>Total of Capital Improvement Plan</b>	<b>678,700</b>	<b>820,000</b>	<b>753,000</b>	<b>540,000</b>	<b>3,480,000</b>

### Assumptions – Wastewater Fund

- Rate increases (CPI) 2.4% FY 2020-21: 2.0% thereafter
- No increase in revenue collected for FY22 based on uncertainty of COVID-19 effects.
- 2% increase in revenue collected for FY23-FY26.
- Additional funding is needed for the City to maintain its capital improvement plans.

## STORMWATER FUND

Description	Projections				
	2021-22	2022-23	2023-24	2024-25	2025-26
Resources					
Beginning Fund Balance	335,800	230,200	146,300	61,400	(34,000)
Charges for Services					
Miscellaneous	2,700	2,800	2,900	3,000	3,100
Transfers	-	150,000	150,000	-	-
<b>Total Revenue</b>	<b>319,400</b>	<b>475,800</b>	<b>482,400</b>	<b>339,100</b>	<b>345,900</b>
<b>Total Resources</b>	<b>655,200</b>	<b>706,000</b>	<b>628,700</b>	<b>400,500</b>	<b>311,900</b>
Expenditures					
Personnel Services	44,000	45,400	46,900	48,400	49,900
Materials and Services	138,900	141,400	143,900	146,400	149,100
Capital Outlay	75,000	215,000	215,000	75,000	75,000
Debt Service	71,100	71,000	70,900	70,600	62,700
Transfers	96,000	86,900	90,600	94,100	97,700
<b>Total Expenditures</b>	<b>425,000</b>	<b>559,700</b>	<b>567,300</b>	<b>434,500</b>	<b>434,400</b>
Revenues over (under) Expenditures	(105,600)	(83,900)	(84,900)	(95,400)	(88,500)
<b>Ending Fund Balance</b>	<b>230,200</b>	<b>146,300</b>	<b>61,400</b>	<b>(34,000)</b>	<b>(122,500)</b>
<b>Desired fund balance</b>					
Two months operating expenses	46,000	46,000	47,000	48,000	49,000
Debt Service	71,100	71,000	70,900	70,600	62,700
Capital Reserve	80,000	80,000	80,000	80,000	80,000
<b>Total Desired fund balance</b>	<b>197,100</b>	<b>197,000</b>	<b>197,900</b>	<b>198,600</b>	<b>191,700</b>
Ending fund balance over/(under) minimum desired	33,100	(50,700)	(136,500)	(232,600)	(314,200)
Meets policy	YES	NO	NO	NO	NO

## STORMWATER FUND (continued)

Capital Improvement Plan	2021-22	2022-23	2023-24	2024-25	2025-26
<b>Storm Drainage System Improvements</b>					
Water Quality Manholes	55,000	55,000	55,000	55,000	55,000
5th Avenue Storm Improvements; from Washington to Hollister	-	-	-	-	-
Hollister/ Pine Storm Line Replacement	-	-	-	-	-
Stormwater Master Plan( SDC)	-	150,000	150,000	-	-
Storm System Improvements	10,000	10,000	10,000	10,000	10,000
<b>Total Capital Improvement Plan</b>	<b>65,000</b>	<b>215,000</b>	<b>215,000</b>	<b>65,000</b>	<b>65,000</b>

### Assumptions – Stormwater Fund

- Rate increases – 0.5% plus 2.4% CPI for FY21 – FY25, 0.05% plus 2.0% thereafter
- No increase in revenue collected for FY21 based on uncertainty of COVID-19 effects.
- 2% increase in revenue collected for FY23-FY26.

# **APPENDIX**

**Glossary**

**Fiscal policies**

**Annual Budget Calendar**

# GLOSSARY

## Actual

Actual, as used in the fund summaries, revenue summaries, and department and division summaries within the budget document, represents the actual costs as the result of operations. This category is presented on a budgetary basis, and thus excludes depreciation and amortization and includes principal payments on debt.

## Ad Valorem Tax

A tax based on the assessed value of a property.

## Adopted Budget

Adopted, as used in the fund and department summaries within the budget document, represents the final budget *adopted* by City Council. The adopted budget becomes effective July 1. Subsequent to adoption; the City Council may make changes throughout the year.

## Approved Budget

Approved, as used in the fund and department summaries, represents the proposed budget with changes made by the budget committee, if any.

## Appropriations

Legal authorization granted by the City Council to spend public funds. Spending authority is limited to the amount of appropriations, which expire at the end of the fiscal year. The City Council may adjust the amount of appropriations, within limits, via resolution during the fiscal year.

## Assessed Valuation

The value set on taxable property as a basis for levying property taxes. A tax initiative passed in 1997 that reduced AV below real market value and set a three percent maximum annual growth rate in the TAV (taxable assessed value), exclusive of certain improvements.

## Assets

Resources having a monetary value and that are owned or held by an entity.

## Audit

An examination of the financial records and financial report of the City by a licensed, independent third-party certified public accountant. As a rule the audit shall contain a statement of the scope of the audit, explanatory comments concerning exceptions of the auditor as to the application of

generally accepted auditing standards, explanatory comments concerning verification procedures, financial statements and schedules, and sometime statistical tables, supplemental comments and recommendations.

### **Base Budget**

Cost of continuing the existing levels of service in the current budget year. Base budget is also referred to as a status quo budget.

### **Beginning Fund Balance**

The beginning balance is the residual non-restricted funds brought forward from the previous financial year (ending balance).

### **Bond or Bond Issue**

Bonds are debt instruments that require repayment of a specified principal amount on a certain date (maturity date), together with interest at a stated rate or according to a formula for determining the interest rate.

### **Budget**

A budget is a plan of financial operation embodying an estimate of expenditures and the means of financing them. Used without any modifier, the term usually indicates a financial plan for a singled fiscal year.

### **Budget Calendar**

A schedule of key dates followed by a government in the preparation and adoption of the budget.

### **Budget Committee**

A group comprised of the elected officials plus an equal number of appointed citizens for the purpose of reviewing the proposed budget and recommending changes leading to an approved budget.

### **Budget Document**

A written report that shows a government's comprehensive financial plan for a specified period, usually one year, that includes all funds of the City.

### **Budget Message**

Written explanation of the budget and the City's financial priorities for the next fiscal year; prepared by the city manager.

## Budgetary Basis

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP), with the exception that neither depreciation nor amortization are budgeted for proprietary funds, and bond principal in the enterprise funds is subject to appropriation.

## Capital Budget

The City's budget for projects, major repairs, improvements and additions to the City's fixed assets (streets, sidewalks, roads, sewers, storm water, parks, and buildings). Capital items must have a cost of \$5,000 or greater.

## Capital Improvement

A term defined in the ORS 310.410 (10) to include land, structures, facilities, machinery, equipment, or furnishings having a useful life of longer than one year.

## Capital Improvement Project

Any project having assets of significant value and having a useful life of greater than one year. Capital improvements include the purchase of land, design, engineering and construction of buildings, and infrastructure items such as parks, streets, bridges, drainage, street lighting, water and sewer systems and master planning.

## Capital Outlay

Includes the purchase of land, the purchase and/or construction of buildings, structures and facilities of all types, in addition to machinery and equipment. It includes expenditures that result in the acquisition or addition of a fixed asset or increase the capacity, efficiency, span of life, or economy of operating as an existing fixed asset. For an item to qualify as a capital outlay expenditure it must meet all of the following requirements: (1) have an estimated useful life of more than one year; (2) have a unit cost of \$10,000 or more; and (3) be a betterment or improvement. Replacement of a capital item is classified as capital outlay under the same code as the original purchase. Replacement or repair parts are classified under materials and services.

## Cash Management

Management of cash necessary to pay for government services while investing temporary cash excesses in order to earn interest income. Cash management refers to the activities of forecasting inflows and outflows of cash, mobilizing cash to improve its availability for investment, establishing and maintaining banking relationships, and investing funds in order to achieve the highest return available for temporary cash balances.



## Charges for Service

Includes a wide variety of fees charged for services provided to the public and other agencies such as water, sewer, stormwater, street fees, and planning fees.

## Comprehensive Annual Financial Report

The annual audited results of the City's financial position and activity.

## Comprehensive Plan

An official statement of the goals, objectives and physical plan for the development of the City. Contains a narrative of goals, objectives and policies that describe the desired form, nature and rate of city development.

## Consumer Price Index

A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living (i.e., economic inflation).

## Contingency

A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

## Cost Allocation

Various administrative services including city management, finance, human resources, public works staffing and their related costs are allocated to the various funds that receive the benefit of these services via a cost allocation methodology.

## Cost Center

An organizational budget/operating unit within each City department.

## Debt Service

Interest and principal on outstanding bonds due and payable during the fiscal year.

## Department

Led by a general manager, this combination of divisions of the City share specific and unique sets of goals and objectives (i.e., Administration, Library, Planning, Police, Pool, Public Works, etc.).

## Division

A functional unit within a department consisting of one or more cost centers engaged in activities supporting the unit's mission and objectives, such as water, street, sewer, and stormwater

## Depreciation

Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of physical elements, inadequacy, or obsolescence.

## Elderly and Disabled

Provides funding for transportation alternatives for seniors and persons with disabilities. This includes taxi and bus services for employment, medical, shopping, and other necessary trips.

## Employee Benefits

Contributions made by a government to meet commitments or obligations for employee-related expenses. Included is the City's share of costs for social security, medicare, pension, medical, disability, and life insurance plans.

## Encumbrance

Amount of money committed and set aside, but not yet expended, for the purchases of specific goods or services.

## Ending Fund Balance

The residual, non-restricted funds that are spendable or available for appropriation at the end of the fiscal year.

## Enterprise Funds

Established to account for operations, including debt service that are financed and operated similarly to private businesses – where the intent is the service is self-sufficient, with all costs supported predominantly by user charges.

## Estimated

A projection of the revenue or expenditure, as appropriate, to be recognized during the current fiscal period.

## Expenditures

Represents decreases in net financial resources. They include current operating expenses, which require the current or future use of net current assets, debt services, and capital outlays.

## Fees

Charges for specific services levied by local government in connection with providing a service, permitting an activity, or imposing a fine or penalty.

## Fiscal Management

A government's directive with respect to revenues, spending, reserves and debt management as these relate to governmental services, programs and capital investment. Financial policy provides an agreed upon set of principles for the planning and programming of governmental budgets and its funding.

## Fiscal Year

A 12-month period designated as the operating year for accounting and budgeting purposes in an organization. The City of Stayton's fiscal year is July 1 through June 30.

## Five-Year Financial Plan

An estimation of revenues and expenses of the City's operations for the next five-year period.

## Fixed Assets

Includes equipment, vehicles, furniture and fixtures, computer hardware and software with a cost basis in excess of \$5,000.

## Franchise Fee

Charged to all utilities operating within the City and is a reimbursement to the general fund for the utility's use of City's right of ways.

## Full-Time Equivalent

A calculation used to convert part-time hours to equivalent full-time positions. Full-time employee salaries are based on 2,080 hours per year. The fulltime equivalent of a part-time employee is calculated by dividing the number of hours budgeted by 2,080.

## Fund

A fiscal and accounting entity with a self-balancing set of accounts. Records cash and other financial resources together with all related liabilities and residual equities, or balances and changes therein. These are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

## Fund Balance

The balance of net financial resources that is spendable or available for appropriation.

## General Fund

This is the primary operating fund of the City. It exists to account for the resources devoted to finance the services traditionally associated with local government.

## General Long-term Debt

Represents debt payable that is not classified as a liability of a given fund or secured by a specific revenue source other than the general revenues or property taxes of the issuer. General Obligation (GO) bonds are secured by the full faith and credit of the issuer. GO bonds issued by local units of government are secured by a pledge of the issuer's property taxing power (secondary portion). Usually this is issued to pay for general capital improvements such as parks and City facilities.

## Goal

The result or achievement toward which effort is directed; aim; end.

## Grant

A contribution that is made by a government or non-profit to the City. The contribution is usually made to aid in the support of a specified function or project such as crosswalk or seatbelt enforcement, or a stormwater detention facility.

## Infrastructure

Public domain fixed assets such as roads, bridges, streets, sidewalks, and similar assets that are immovable.

## Intergovernmental Revenues

Revenue received from other governments, such as the Federal Government, State of Oregon, or Marion County.

## Levy

Gross amount of property taxes imposed on taxable property. The net amount received by a government will be less than the levy as a result of delinquent or uncollectible payments or early payment discounts. Budgets are developed on the basis of the projected amount of property taxes receivable.

## Line Item

Describes an individual type of expense or revenue, such as salaries, medical insurance, electricity, operating supplies, etc.

## Local Improvement District

Created for the purposes of making improvements desired by a majority of property owners within a given area desiring public improvements to their properties. Debt is usually issued to finance these improvements, which are repaid by assessments on property within the local improvement district (LID). LID debt is paid for by a compulsory levy (special assessment) made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit those properties.

## Local Option Levy

Under Measure 50, local governments and special districts were given the ability to ask voters for temporary authority to increase taxes through approval of a local option levy. The maximum length of time for a local option levy is 5 years. A local option levy must be approved by a majority of voters at a general election or an election with a 50 percent voter turnout.

## Materials and Services

Expendable items purchased for delivery and city services. This classification includes supplies, repair and replacement parts, small tools, and maintenance and repair materials that are not of a capital nature.

## Measure 5

In November 1990, State of Oregon voters passed a constitutional limit on property taxes. The law sets a maximum \$10 tax rate on individual properties for the aggregate of all non-education taxing jurisdictions. The maximum tax rate for education jurisdictions is limited to \$5.

## Measure 50

A 1997 voter approved initiative which rolled back assessed values to 90 percent of their levels in fiscal year 1995-96 and limits future annual increases to three percent, except for major improvements. Tax rates are now fixed and not subject to change. Local voters may approve local

initiatives, i.e. local option tax levies, above the permanent rates provided a majority approves at either (1) a general election in an even numbered year; or (2) at any other election in which at least 50 percent of registered voters cast a ballot.

## **Mission**

Defines the primary purpose of the City and is intended to guide all organizational decisions, policies and activities (internal and external) on a daily basis.

## **Non-Operating Budget**

Part of the budget composed of the following items: Reserves, contingencies, capital projects, and debt service payments.

## **Objective**

A target to be accomplished in specific, well defined and measurable terms, and that is achievable within a specific time frame.

## **Operating Budget**

The plan for current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing, acquisition, spending, and service delivery activities of a government are controlled.

## **Operating Revenue**

Funding received by the government as income to pay for ongoing operations. It includes such items as taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services, capital outlay, and debt service.

## **Ordinance**

A formal legislative decree enacted by the governing body of a municipality. If it is not in conflict with any higher form of law, such as a state statute or a constitutional provision, it has the full force and effect of the law within the boundaries of the municipality to which it applies.

## **Outstanding Debt**

The balance due at any given time which resulted from borrowing.

## **Performance Measure**

Data collected to determine how effective or efficient a program is in achieving its objectives.

## Permanent Tax Rate

Under Measure 50, each school district, local government, and special district was assigned a permanent tax rate limit in fiscal year 1998. This permanent rate applies to property taxes for operations.

## Personnel Services

Personnel services is an appropriation category consisting of the aggregated costs of salaries and wages paid to employees, and fringe benefits such as retirement, social security, and health and workers' compensation insurance paid by the City.

## Property Tax

In Oregon, property taxes are a major revenue source for the General Fund of the City. Taxes are based upon the taxable assessed value of the property. Property taxes received by the City of Stayton include the City's permanent tax rate, \$3.3280 and a local option levy of \$0.6000.

## Project Manager

An individual that is responsible for budgeting and managing projects to their completion.

## Proposed Budget

A financial document that combines operating, non-operating and resource estimates prepared by the Budget Officer, which is submitted to the public, budget committee and City Council for review and approval by the Budget Committee and adoption by the City Council.

## Resolution

A special or temporary order of the City Council.

## Resources

Includes revenue, inter-fund transfers, borrowing proceeds and beginning fund balance.

## Retained Earnings

An equity account that reflects the accumulated earning of an enterprise or internal service fund.

## Revenue

Funds received by the City from either tax or non-tax sources.

## Revenue Bonds

Bonds payable from a specific source of revenue, which does not pledge the taxing authority of the issuer. Pledged revenues may be derived from operation of the financed project, grants, excise, or other specified non-property tax.

## Special Assessment

A compulsory assessment made against certain properties to defray all or part of the cost of a capital improvement or services deemed to be beneficial primarily to those properties. (See Local Improvement District)

## Special Revenue Funds

A fund established to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

## Supplemental Budget

Appropriations established to meet needs not anticipated at the time the budget was originally adopted. A supplemental budget cannot increase the tax levy.

## System Development Charges

Charges paid by developers and builders to fund expansion of infrastructure systems necessary due to increased usage. Such charges are collected for water, sewer, storm drains, streets, and parks and are paid by developers and builders as part of the permit process.

## Taxes

Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments. Neither does the term include charges for services rendered only to those paying such charges, such as water service.

## Tax Levy

The total amount of property taxes needed to pay for General Fund operations and for principal and interest on bonds.

## Tax Rate

The amount of tax levied for each \$1,000 of assessed valuation.



## **Tax Revenue**

Includes property taxes, hotel and motel room tax, and marijuana taxes.

## **Tax Roll**

The official list showing the amount of taxes levied against each property.

## **Transfers**

Appropriation category used in the City's budget, which includes amounts distributed from one fund to pay for services provided by another fund. The general fund may also transfer funds to any other fund if desired by the City Council.

## **Trust Funds**

A fund established to administer resources received and held by the City as the trustee or agent for others. Uses of these funds facilitate the discharge of responsibility placed upon the City by virtue of law or other similar authority.

## **Unappropriated Ending Fund Balance**

An account which records a portion of the fund balance for future use and is not available for current appropriation or expenditure.

## **Unreserved Fund Balance**

The portion of a fund's balance that is not restricted for a specific purpose. It is available for general appropriation.

## **User Fees**

The fee charged for services to the party or parties who directly benefits. They are also referred to as Charges for Service.

# FISCAL POLICIES

## Purpose

The City of Stayton is committed to responsible fiscal management through financial integrity, prudent stewardship of public assets, planning, accountability and full disclosure. The broad purpose of the Fiscal Policies is to enable the City to achieve and maintain a long-term stable and positive financial condition. These policies are adopted by the City Council as the basic framework for overall financial management of the City, to guide day-to-day and long-range fiscal planning and decision making, and to achieve the following general financial goals:

1. Provide an adequate financial base to sustain the desired level of municipal services to maintain the social wellbeing and physical conditions of the City.
2. Deliver cost effective and efficient services to citizens.
3. Provide and maintain essential public facilities, utilities, and capital equipment.
4. Protect and enhance the City's credit rating so as to obtain the lowest cost of borrowing and assure taxpayers and the financial community that the City is well managed and financially sound.
5. Provide the financial stability needed to navigate through economic downturns, adjust to changes in the service requirements of the community and respond to other changes as they affect the City's residents and businesses.
6. Adhere to the highest standards of financial management and reporting practices as set by the Government Finance Officers Association, the Governmental Accounting Standards Board and other professional standards.
7. Fully comply with finance related legal mandates, laws and regulations.

To achieve these goals, fiscal policies generally cover areas of revenue management, operating and capital budgeting, financial planning and forecasting, investment and asset management, debt management, pension funding, accounting and financial reporting, reserves and internal controls. These policies are reviewed annually by management, the Finance Committee, and City Council and amended as necessary, as part of the budget process.

Policies are addressed in ten areas:

- **Revenue**, which deals with taxes, user fees and other revenues by which the city generates income to fund programs and services.
- **Operating expenditures**, which relates to budgeting guidelines.
- **Expenditure control**, which addresses the City's efforts to ensure spending is consistent with the City's fiscal plans.
- **Capital equipment and improvements**, which relates to establishing a 5-year capital equipment and improvement plans for all major equipment and infrastructure systems provided and maintained by the city.

- **Accounting and financial reporting**, which relates to accounting and reporting financial transactions and preparing financial reports.
- **Financial planning**, addresses longer term financial forecasting to help inform decisions.
- **Debt**, which addresses long-term financing of the city's capital needs and maintaining its bond rating.
- **Pension funding**, addresses the funding policies of the City's pension obligations.
- **Reserves**, establishes minimum working capital balances, required reserves and operating contingency as needed for routine cash flow and responding to unexpected expenditures or increases in service delivery costs.
- **Management of fiscal policy**, sets forth the administration of fiscal policies on a continuing basis.

## 1 Revenue Policies

- 1.1. The City will strive for and maintain diversified and stable revenue sources to prevent undue or unbalanced reliance on any one source of funds. Diversified revenue sources will also reduce risk to the City from short-term fluctuations in any one revenue source.
- 1.2. Significant one-time and or temporary revenue sources will not be used to fund continuing programs and services, but rather to fund one-time expenditures or fund reserves.
- 1.3. The maximum allowable system development charges (SDCs), for each of the public infrastructure systems the City operates and is allowed by state law to impose, shall be determined on a periodic basis (approximately each five years).
  - 1.3.1. The Council will determine what amount of SDCs to impose.
- 1.4. The City will use users' charges in lieu of property taxes and subsidies from other non-obligated (i.e., generally available) City funds, for services that can be identified and where costs are directly related to the level of service provided.
  - 1.4.1. Charges for providing utility services shall be sufficient to finance all operating, capital outlay and debt service expenses of the City's utility funds, including operating contingency, reserve requirements, and capital replacement. Consideration will be given to return on investment and existing and or anticipated debt to insure debt coverage ratios are sufficient to meet or exceed requirements of lenders and rating agencies to maintain desired credit rating.
  - 1.4.2. User charges shall be sufficient to finance all City costs to perform development review and building activities. User charges include, but are not limited to, land use, engineering inspection, building permit and building inspection fees.

- 1.4.3. Other reimbursable work performed by the City (full labor costs, overhead, contracted services, equipment and other indirect expenses) shall be billed at total actual or estimated total actual cost.
- 1.4.4. Charges for services shall accurately reflect the total actual or estimated total cost of providing a specific service. The cost of providing specific services shall be recalculated periodically, and the fee adjusted accordingly. The City shall maintain a current schedule of fees, indicating when the fees were last reviewed and/or recalculated.
- 1.5. The City shall pursue a timely and firm policy of collecting delinquent accounts. When necessary, discontinuing service, small claims court, collection agencies, foreclosure, liens and other methods of collection, such as imposing penalties, collection and late charges, may be used.
- 1.6. All potential grants that require matching funds, on-going resource requirements, or include new or additional continuing compliance requirements shall be evaluated and considered before submittal of the application. Grant applications will be approved as follows prior to their submittal: a. By the City Manager for grants that require matching funds up to the amount of the City Manager's spending authority, and b. By the City Council for grants with matching requirements above the City Manager's spending authority. The City Council will be provided the evaluation with the request for their acceptance of the grant.
- 1.7. Revenues will be estimated realistically and prudently. Revenue of a volatile nature will be estimated conservatively. The City will estimate its revenues by an objective, analytical process using best practices as defined by the Government Finance Officers Association.

## **2 Operating Budget Policies**

- 2.1 The City will prepare an annual budget guided by City Council goals and work plan to accomplish goals. Budget development will be coordinated with all departments and will incorporate Government Finance Officers Association (GFOA) recommendations relative to budgeting for results and outcomes.
  - 2.1.1 The amount of funding available will be determined for each fund. The budget will be built on expected revenues. This includes base revenues, any new revenue sources, and the potential use of existing resources.
  - 2.1.2 Conduct analysis to determine what strategies, programs, and activities will best achieve desired results.
  - 2.1.3 Budget available dollars to the most significant programs and activities. The objective is to maximize the benefit of the available resources.
  - 2.1.4 The City shall maintain an automated accounting system to monitor expenditures and revenues, relative to budget, on a monthly basis, with a thorough analysis and adjustment (if required) no less than quarterly.

- 2.2 All budgetary procedures will conform to existing state regulations. Oregon budget law requires each local government to prepare a balanced budget and Oregon Administrative Rules state: 1) the budget must be constructed in such a manner that the total resources in a fund equal the total of expenditures and requirements for that fund, and 2) the total of all resources of the entity must equal the total of all expenditures and all requirements for the entity.
- 2.3 The budget process will be coordinated so that major policy issues and department goals and objectives are identified and incorporated into the budget.
- 2.4 The cost allocation plan, previously developed, will be reviewed and updated annually and serve as the basis for distributing general government and internal service costs to other funds and capital projects.
- 2.5 The City Council shall adopt the budget at the fund, departmental or program level as a total dollar amount for all appropriations except contingency, unappropriated ending fund balance and reserves, which shall be stated separately.
- 2.6 Long-term debt or bond financing may be used for the acquisition of land, capital improvements, vehicles, and equipment with a cost greater than \$100,000, if current and or existing resources are insufficient. Long-term debt or bond financing shall not be used to finance current operating expenditures.
- 2.7 Every City fund, department, program or activity shall start each year's budget cycle with no predetermined appropriation amount. Budget appropriation decisions and the allocation of resources shall be based on direction provided by the City Council and implementation of that direction by the City Manager.
- 2.8 The City will submit the Adopted Budget Document to the Government Finance Officer's Association (GFOA) to obtain the Award for Distinguished Budget Presentation.
- 2.9 A budget calendar will be prepared detailing the key elements in the development of the budget. (Please see exhibit 1).

### **3 Expenditure Control Policies**

- 3.1 Expenditures will be controlled through appropriate internal controls and procedures. Management must ensure expenditures comply with the legally adopted budget. Each Department or Division Manager or Director will be responsible for the administration of his/her department/program budget. This includes accomplishing the goals and objectives incorporated into the budget and monitoring each department/division budget for compliance with spending limitations.
- 3.2 The City Manager is to administer budgetary expenditure control at the appropriation level. Any increase in a budget appropriation requires City Council approval.

- 3.3 All purchases of goods and services must comply with the City's Purchasing Policies, guidelines and procedures and with State laws and regulations.
- 3.4 All compensation planning and collective bargaining will include analyses of total cost of compensation, which includes analysis of salary increases, health benefits, pension contributions, and other fringe benefits. City management will only propose operating personnel costs that can be supported by continuing operating revenues.
- 3.5 City staff shall make every effort to control expenditures to ensure City services and programs provided to its citizens and taxpayers are cost effective and efficient. Expenditures that will reduce future costs will be encouraged.

#### **4 Capital Improvement Policies**

- 4.1 Annually, the City will approve a 5-year Capital Improvement Plan (CIP), congruent with the adoption of its annual budget. The CIP shall provide details on each capital project: its estimated costs, sources of financing and a description, including a statement identifying: (a) the needs, conditions and circumstances that have caused the project's creation and (b) the expected results if the project is approved and implemented.

#### **5 Accounting and Financial Reporting Policies**

- 5.1 The City shall establish and maintain its accounting systems according to generally accepted accounting practices and shall adhere to generally accepted accounting principles and standards promulgated by the Government Finance Officers Association (GFOA) and Government Accounting Standards Board (GASB).
- 5.2 An annual audit shall be performed by an independent public accounting firm, which will issue an opinion on the annual financial statements, along with a management letter identifying areas needing improvement, if necessary.
- 5.3 Full disclosure shall be provided in the financial statements and bond representations.
  - 5.3.1 Upon request, all departments will provide notice of all significant events and financial and related matters to the Finance Director for the City's annual disclosures to the municipal markets as required by SEC Regulation 15-C-2-12. Full disclosure will be provided in the financial statements and bond representations. Significant events include delinquencies and defaults related to the City's bonds, adverse tax opinions or events affecting the tax exempt status of bonds, the release, substitutions or sale of property securing repayment of bonds and other events having a significant impact on the City's finances and outstanding bonds. The Finance Director will notify all Nationally Recognized Municipal Securities Information Repositories of these significant events.
  - 5.3.2 The City's asset capitalization policy is to capitalize and depreciate assets greater than \$10,000 with a useful life beyond one year. Capital assets costing less than \$10,000 or having a useful life of one year or less will be treated as operating expenditures.

5.4 Up-to-date accounting and budgeting information is available online to all management and authorized support staff. Quarterly actual-to-budget reports showing the current status of revenues and expenditures shall be prepared and distributed to appropriate legislative, staff and management personnel in a timely manner and made available for public inspection.

## **6 Financial Planning Policies**

6.1 The Finance Department, collaborating with other departments, will prepare a long-term financial plan for each fund to promote responsible planning for the use of resources. The long-term financial plans will include projected revenues, expenditures and reserve balances for the next five years for all funds, except the water, wastewater and stormwater funds, which shall include twenty-year financial plans.

6.2 The City's financial plans should be strategic, reflecting the City Council and community priorities for service while providing resources that fund desired service levels.

6.3 Long-term projections of revenues and expenditures will be based upon disclosed assumptions, and prepared consistent with best practices established by the Government Finance Officers Association.

6.4 The long-term financial plans will be integral to the development of the annual budget.

## **7 Debt Policy**

7.1 The City may use debt proceeds to finance costs associated with capital infrastructure, equipment, vehicles and other purposes that provide long-term benefits to the community, i.e., benefits that extend more than one year.

7.2 Capital projects financed through the issuance of bonds shall not be financed for a period which (a) exceeds the expected useful life of the project or (b) is less than five years.

7.3 Financing for non-capital purposes shall not extend beyond the amortization period available for the respective type of obligation, e.g., retirement unfunded liabilities include an amortization period of twenty-five years.

7.4 The Finance Director will structure all debt issuances and oversee the on-going management of all City debt. Debt includes general obligation bonds, lease purchase obligations, revenue bonds, special assessment obligations, promissory notes, equipment financing agreements and any other contractual arrangements that obligate the City to make future principal and interest payments.

7.5 No debt shall be issued for which the City has not identified specific revenue sources sufficient for repayment. Such revenue sources can include internal sources, such as charges to personnel costs that are transferred to a debt service fund for debt repayment. The Finance Director shall prepare an analysis of the source of repayment prior to issuance of any debt.

- 7.6 The City will not use long-term debt to fund current operations, to balance the budget or to fund projects that can be funded from current resources, unless the use of debt is otherwise determined to be in the best interest of the City.
- 7.7 The City may utilize short-term debt or inter-fund loans as permitted, to cover temporary cash flow deficiencies due to timing of cash flows, such as may result from delay in receipting grant proceeds or other revenues and delay in issuance of long-term debt.
- 7.8 When issuing long-term debt, the City will ensure that the debt is soundly financed by:
- 7.8.1 Incurring debt only when necessary for capital improvements too large to be financed from current available resources.
  - 7.8.2 Insuring that capital projects financed through long-term debt shall be financed for a period not to exceed the useful life of the project.
  - 7.8.3 Determining that the benefits of the project financed exceed the cost of financing including interest costs.
  - 7.8.4 Analyzing the source of repayment, debt coverage ratios and the impact of debt service on annual fixed costs prior to issuance of long-term debt.
- 7.9 All bond issuances, promissory notes, and capital leases will be authorized by resolution of the City Council.
- 7.10 The City shall maintain its bond rating at the highest level fiscally prudent, so that future borrowing costs are minimized and access to the credit market is preserved.

## **8 Pension Funding Policies**

- 8.1 The City participates in two separate retirement programs: The Police Department participates in the State of Oregon Public Employees Retirement System (PERS) and is a member of the State and Local Government Rate Pool. All other eligible City employees participate in a Defined Benefit Plan.

The City will fund its required pension contributions to each plan timely.

## **9 Reserve Policies**

- 9.1 The City shall maintain adequate working capital reserves in all funds.
- 9.1.1 The general fund shall maintain sufficient working capital to allow the City to adequately fund operations until property taxes are received in November of each year, without borrowing.



- 9.1.2 The City’s utility funds shall maintain, at a minimum, a working capital balance sufficient for sixty days operating expenses, together with an adequate emergency repair reserve and required debt service reserves.
  - 9.1.3 The City’s internal service funds shall maintain, at a minimum, a working capital balance sufficient for thirty days operating expenses and any required debt service reserves.
  - 9.1.4 The City’s debt service funds shall maintain adequate working capital to pay required debt service without borrowing and fund required debt service reserves.
  - 9.1.5 The City’s other operating funds shall maintain a minimum working capital balance sufficient for sixty days operating expenses and any required debt service reserves.
  - 9.1.6 The City shall establish a contingency budget to provide for unanticipated expenditures of a nonrecurring nature. The contingency shall be a minimum of five percent (5%) of a fund’s operating and capital expenditure estimates for the fiscal year. The budgeted contingency does not apply to debt service, internal service, trust and agency, capital projects, serial levy, temporary or certain special purpose funds.
- 9.2 The City may use reserves on a one-time or temporary basis for purposes described above. In the event that reserve funds are presently or decrease to levels below the levels desired by this policy, City management will develop a plan to restore reserves to the desired levels.

## **10 Management of Fiscal Policy**

- 10.1 Fiscal policies and changes in policies shall be approved by the City Council and adopted by resolution after a public hearing is held (the approval may be inclusive of the annual budget adoption process and the associated resolutions to that process).
- 10.1.1 The City Manager or designee shall prepare a report explaining the substantive impact of all recommendations and their impact on the City’s operations, service levels and/or finances.
  - 10.1.2 The Audit Committee shall review the City’s fiscal policies annually.
- 10.2 The City Manager shall implement fiscal policies and monitor compliance.
- 10.2.1 If the City Manager discovers a material deviation from policy, he/she shall report it in writing to the City Council in a timely manner.
  - 10.2.2 As a part of the City’s annual budget document, the City Manager’s budget message shall identify: (a) all major changes in policy since the previous budget year and (b) any material variations from policy in the ensuing year’s budget.

### **Definition of Terms**

*Budget Committee* – is a committee consisting of the mayor and six city councilors and an equal number of citizen members appointed by the city council.

*Government Finance Officers Association (GFOA)* – is the national finance officers organization whose purpose is to enhance and promote the professional management of governments for the public benefit by identifying and developing financial policies and best practices and promoting their use through education, training, facilitation of member networking, and leadership.

*Category level* – for budget control purposes, categories include personal services, materials and services, capital outlay, debt service, transfers, contingency, reserves and unappropriated.

*Program level* – for budget control purposes, programs may include library services, community services, administration, finance, human resources, etc.

*Divisional level* – for budget control purposes, divisional level would include water, street, storm water, and wastewater divisions within the public works department. Other divisions may include the police field services, police administration, and police support services within the police department.

*Capital Improvement Plan (CIP)* – The CIP is a schedule of capital projects including estimated cost and timing. There is a separate CIP for each major infrastructure system in the City, e.g., water, streets, sidewalks, storm water, wastewater, information technology, City facilities and vehicles.

*Debt Coverage Ratio (DCR)* – represents the ratio of “net revenues” available to pay scheduled debt service. A ratio of 1.0 reflects “net revenues” equal to scheduled debt service. A ratio greater than 1.0 reflects “net revenues” in excess of scheduled debt services and a ratio less than 1.0 indicates “net revenue” is less than scheduled debt service.

*Oregon Revised Statutes (ORS)* – Oregon’s compilation of state laws including rules of civil procedure.

All work assigned to a specific job title is the responsibility of that organization position. In absence the duties would fall on the direct supervisor of the position. The City Manager has the responsibility and oversight of these policies.



# Annual Budget Calendar

## Fiscal Year 2021-22

Description	Parties	Dates	Revised Budget Dates
Initiate Budget development - distribute draft calendar	City Manager and Management Team	January 19, 2021	
Budget calendar - distribute draft	City Council and City Manager	January 26, 2021	
Governing Body Goal Setting	City Council and City Manager	Week of Feb 8	
Orientation for new Budget Committee members - introduce to budget process, review mid-year financials, forecasts and discuss significant budget issues	City Council, City Manager, and Management Team	Week of Feb 22	
Desired positions, position changes provided to finance	Management Team	March 1, 2021	
Estimate current year-end revenue and expenditures	Management Team	March 15, 2021	
Preliminary revenue forecasts, review goal setting issues and budget priorities	City Manager and Management Team	March 15, 2021	
Update salary schedule and total compensation costs, distribute to management for review and approval	Finance	March 15, 2021	
Departments provide the following to finance:			
Review personnel costs and provide amounts for materials and services, current year capital outlay	Management Team	March 29, 2021	
Department meetings with City Manager and finance	Management Team	Week of April 12	
Finance review of year-end revenue and expenditure estimates - resolve items with management team/City Manager	Management Team	Week of April 12	
Complete 5-year template information request form including Updated Capital Improvement Plan (CIP)	Management Team	Week of April 12	
Budget narratives completed and submitted to finance - include integration of departmental objectives with City Council goals	Management Team	April 19, 2021	
Provide updated performance measure information	Management Team	NA	
Provide updated CIP schedules for FY 2020-FY 2024	Management Team	NA	
Complete FY 2021-22 REVISED Proposed Budget	Finance	May 12, 2021	July 13, 2021
Provide and publish REVISED "Notice of Budget Committee Meeting" (ORS 294.426)- newspaper of general circulation AND website	City Manager's office	Week of April 26	NO LATER THAN July 21, 2021
Review by City staff of REVISED Proposed Budget	Management Team	May 13, 2021	July 14, 2021
Print/Distribute REVISED Proposed Budget	City Manager's office	May 17, 2021	July 23, 2021
Budget Committee meeting - Present REVISED budget message, release REVISED proposed budget, receive public comment, discuss and approve REVISED resolutions to approve: 1)tax levies for FY22, and 2) FY22 budget. Resolutions replace prior resolutions (confirm). (ORS 294.408 and 294.426)	Budget Committee, City Manager and management team	May 17, 2021	July 26, 2021
First Budget Committee meeting - Read budget message and release budget (ORS 294.408 and 294.426)	Budget Committee, City Manager and management team	May 17, 2021	N/A
Additional Budget Committee meetings (ORS 294.428) Budget Committee approves budget (ORS 294.428)	Budget Committee, City Manager and management team	Week of May 24	N/A
Provide and publish REVISED "Notice of Budget Hearing" (ORS 294.438, 294.448) - newspaper of general circulation; website optional	City Manager's office	Week of May 31	NO LATER THAN July 28, 2021
Public hearing; adopt REVISED budget; levy taxes (ORS 294.456)	City Council	June 21, 2021	August 2, 2021
REVISED Adopted Budget (Revised) goes into effect	Citywide	July 1, 2021	July 1, 2021
Adopted Budget submitted to County Assessor; Assessor forwards to Department of Revenue (ORS 294.558)	Finance Director	N/A	August 3, 2021
Completed Budget Document to County Clerk (ORS 294.458(5) and OAR 150-310.060(7))	Finance Director	N/A	September 30, 2021

### Color Guide

City Council
Budget Committee
Management team
City Manager or Finance