



2022-2023  
FISCAL YEAR

# CITY OF STAYTON, OREGON 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 01, 2021**

*Christopher P. Morill*

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) again, for the sixth 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, 2021.

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 2022-23



## BUDGET COMMITTEE

### ELECTED OFFICIALS

Mayor Henry Porter  
Councilor Paige Hook  
Councilor Ben McDonald  
Councilor Jordan Ohrt  
Councilor David Patty  
Councilor Brian Quigley

### CITIZENS

Luke Cranston  
Ralph Lewis  
Julia McFerron  
Tim Sing  
Brent Walker  
Vacant Position



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# CITY MANAGER'S BUDGET MESSAGE



May 2, 2022

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

It is our privilege to submit the proposed budget for the fiscal year ending June 30, 2023. 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 2022-23 City of Stayton budget totals \$30,902,600, with a proposed General Fund budget of \$8,423,100.

The City of Stayton's fiscal year 2022-23 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, 2022 through June 30, 2023.

This budget proposal includes a CPI adjustment, as per our fiscal policy, of 8.7% for the City's Utility Bill which includes water, wastewater, and stormwater. There is an additional proposed 5% increase in the water portion of the utility bill.

## **Background**

This will be the seventh 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 and 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
8. Develop a Budget Consistent with Approaches to Achieve Goals
9. Develop a process for preparing and adopting a budget
10. Develop and evaluate financial options
11. Make choices necessary to adopt a budget and evaluate Performance and Make Adjustments
12. Monitor, measure, and evaluate performance

The Budget document in front of you is the culmination of seven 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-term 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.

During the COVID-19 pandemic, City staff took a thoughtful and cautious approach in our budget and spending. The City did not fill open positions and projects were put on hold. Our staff was willing to take on extra duties, going above and beyond expectations. The City's staff came together as a team to accept the challenges and avoid budgetary pitfall. Thanks to this dedication, the City avoided the challenges that other communities in Oregon were faced with, which included employee layoffs and furloughs.

As life and business have begun to return to more of a normal pace, the City has moved forward with filling vacant positions and working on delayed projects.

### **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-term 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 2022-23 budget proposes \$30,000 in the Planning and Development budget for land use and potential assistance with property development. In the proposed budget, \$230,000 was budgeted to complete the Golf Club Road/Wilco Road/Shaff Road Roundabout design. Of that amount, \$7,000 is 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”*

- During the 2021-22 fiscal year, the first phase of the Facility Needs Assessment was completed. The Assessment determined the City is in need of a new Civic Center/Police Department building. In early 2022, Council directed staff to move forward with the next phases of the plan which include determining a building site and conceptual design. To complete the project, \$90,000 is carried over in to the 2022-23 budget.

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

- Continued funding for emergency management is included in the 2022-23 fiscal year budget at \$42,000.

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

- The Water Master Plan is budgeted at a cost of \$250,000 in the 2022-23 fiscal year.

### **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 seventh 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 reflection of the community's values, and the approval of the Budget Committee. The final and approved budget is a direct reflection of

where we as a community are spending our time, energy, and resources.

As we move away from the pandemic, we are seeing slower economic movement. Revenues are increasing at a slow rate. However, the American Rescue Plan Act (ARPA) funding and City staff's dedication through the pandemic to not fill positions and delay projects has led to a larger beginning fund balance.

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.

The passage of the local option levies for Recreation and the Library in 2021, have led to lower transfers from the general fund. These levy funds allow us to meet the needs of our community at the Library, Parks, and Pool. The Library has been able to add programming and materials; the parks are receiving much needed repairs; and the Pool is able to open its doors.

The City of Stayton will be receiving its second allocation of ARPA funding in the amount of \$920,700 in the summer of 2022. City staff will be working with the Governing Body to utilize these funds within the scope of the ARPA requirements in the 2022-23 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 document was the result of a team effort among City staff. I'm not sure thank you is enough when it comes to the hard work that goes into making this document a reality. I want to thank our Finance Department, especially Susannah Sbragia who has poured hours into making this budget a reality. Additionally, a huge thank you to department heads Dan Fleishman, David Frisendahl, Lance Ludwick, and Janna Moser who all had significant roles in making this budget a reality.

Finally, I want to thank the Governing Body for their continued support and encouragement to our staff.

Respectfully submitted,



Alissa Angelo  
City Manager Pro Tem

# 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 8,265 in 2021. 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. Council meetings are live streamed on YouTube and held in a hybrid format, allowing for in-person and virtual participation by Council, staff, consultants, and the public.

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 performs a variety of duties in support of the City Council, and serves 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
2020 Population (Census)	8,244
2021 Population (PSU)	8,265

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

### 2019 AGE DISTRIBUTION

Under 5	488	6%
5-19	2,028	25%
20-29	733	9%
30-49	2,138	26%
50-69	2,007	25%
70 and over	736	9%

### 2019 HOUSING STATISTICS

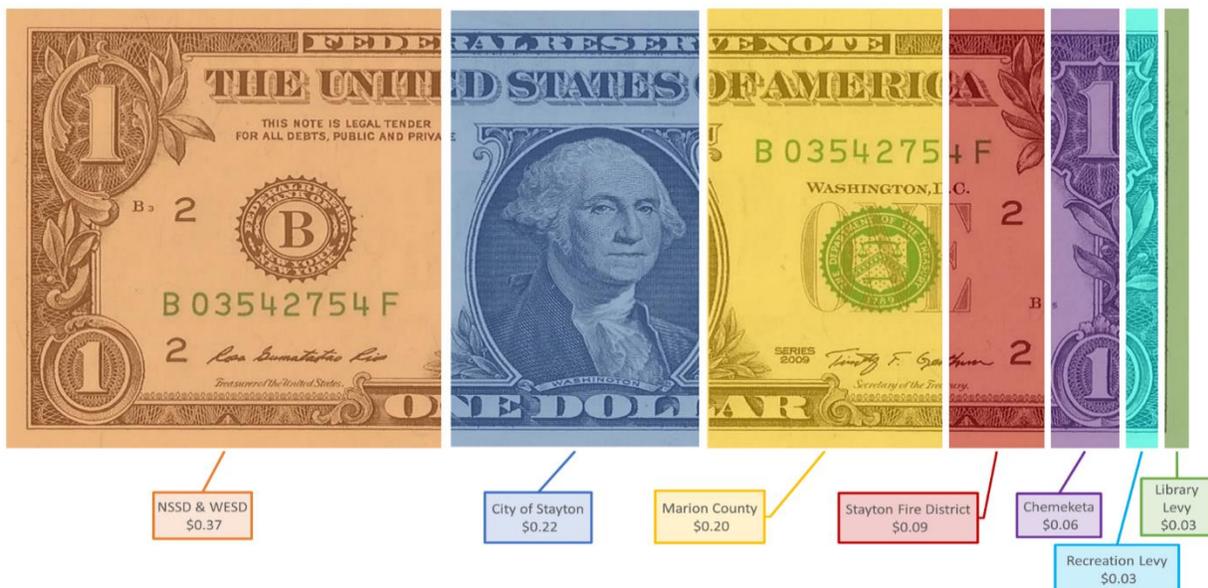
Occupied Housing Units	2,882	
Owner Occupied Housing Units	1,556	54%
Renter Occupied Housing Units	1,325	46%
Family Households	2,238	76%
Non-Family Households	675	24%
Householder 65 years and over	732	25%

### 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 51.16 full-time equivalent positions, a decrease of a net 1.34 FTEs. Adjustments were made to the pool and library staffing and other departments are moving back to pre-COVID staffing levels.

Through fiscal year 2022, the City maintained a steady workforce of approximately 42 full-time employees and 17 part-time employees.

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. Both the AFSCME and SPOA collective bargaining agreements expire on June 30, 2022. Staff is currently in negotiations with both unions and hope to have agreements finalized before they expire. A wage cost of living adjustment (COLA) is included in the budget for all employees and a final percentage will be determined upon completion of union negotiations.

## 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.

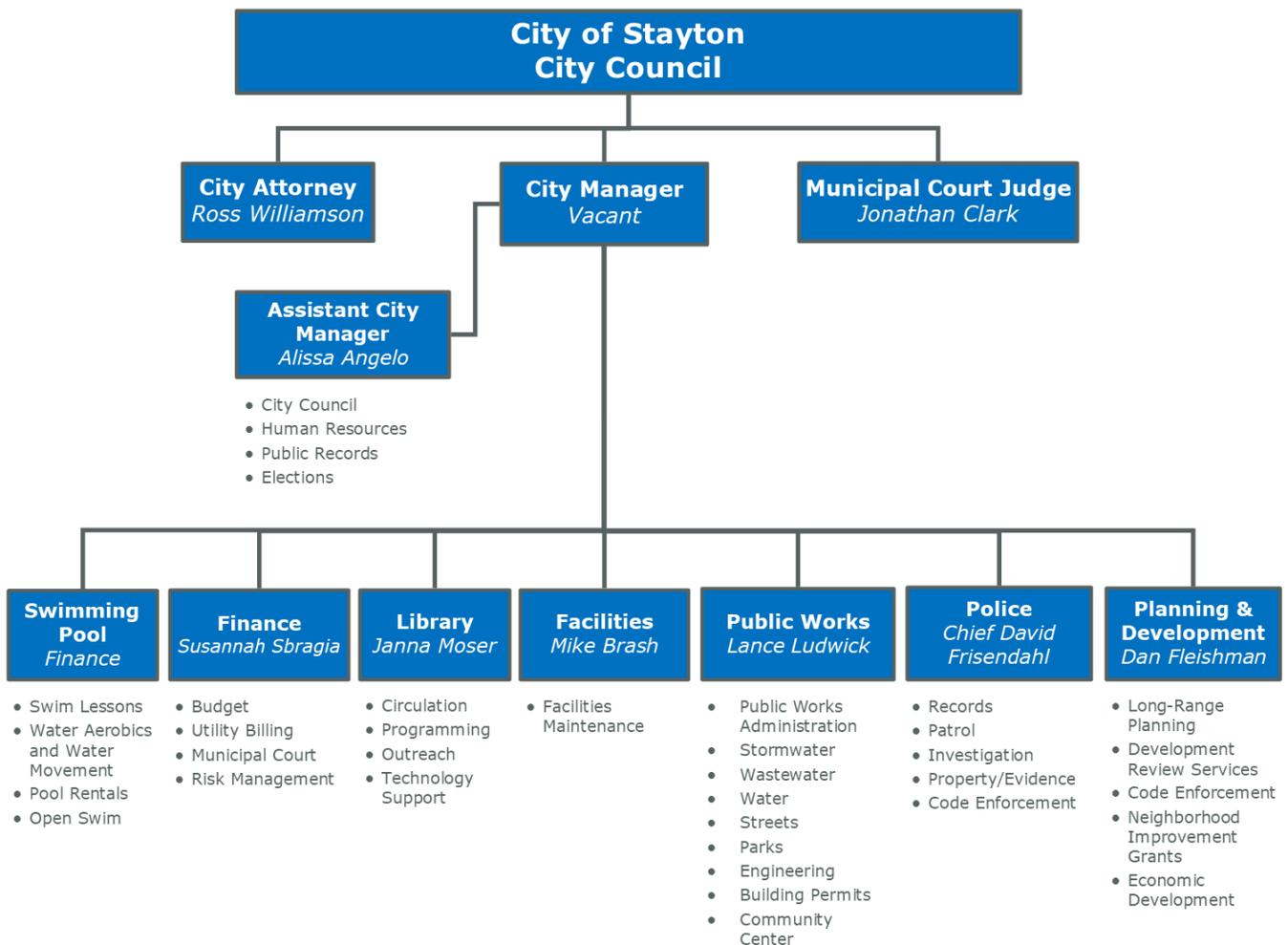
Department	2019-20 Actual	2020-21 Actual	2021-22 Budget	2022-23 Proposed
Police	14.4	14.7	14.5	14.60
Planning	1.0	1.5	1.5	1.50
Parks	2.0	1.7	1.7	1.57
Municipal Court	0.6	0.6	0.8	0.80
Administration	6.0	6.6	6.8	7.20
Street	1.0	1.5	1.5	1.50
Library	7.0	6.9	5.6	6.02
Pool	8.1	5.5	6.0	3.00
Water	4.0	3.6	3.6	3.37
Wastewater	5.8	5.8	5.8	6.84
Stormwater	0.5	0.5	0.5	0.50
Public Works Administration	4.0	4.0	4.0	4.00
Facilities Maintenance	0.3	0.3	0.2	0.26
<b>Total FTE's – Citywide</b>	<b>54.7</b>	<b>53.2</b>	<b>52.5</b>	<b>51.16</b>

## CHANGES FROM PREVIOUS YEAR

Changes in personnel proposed:

- Vacant positions that were not filled due to COVID-19 are in the process of being filled.
- Pool staffing was decreased by 3 FTE due to the slow return of customers following reopening of the pool facility.

## ORGANIZATIONAL STRUCTURE



## SALARY SCHEDULE – FISCAL YEAR 2022/23

Position	Annual Salary	
	Minimum	Maximum
Library Aide	31,685	41,341
Library Assistant	34,853	45,475
Pool Supervisor	41,927	54,705
Accounting Specialist	42,468	55,411
Office Specialist	42,468	55,411
Maintenance Worker 1	42,468	55,411
Utility Oper-in-Training	42,468	55,411
Court Clerk- Office Specialist	44,442	57,987
Library Asst Lead	44,442	57,987
Library Assist Youth Services	44,442	57,987
Evidence Clerk/Rec	44,442	57,987
Payroll-Accounting Technician	46,442	60,596
Utility Operator1	46,442	60,596
Maintenance Worker II	46,442	60,596
WW & Storm Coll System Tech	48,097	62,756
Accounting Technician	48,555	63,354
Library Outreach Coordinator	48,555	63,354
Code Enforcement Officer	48,555	63,354
Utility Operator II	48,555	63,354
WWTP Operator I	48,555	63,354
WW & Storm Coll System Tech	50,983	66,521
Engineering Technician I	50,983	66,521
WWTP Operator II	50,983	66,521
Officers	52,414	73,752
WWTP Operator III	52,513	68,517
Admin Services Manager	63,270	82,553
City Planner	63,270	82,553
Aquatics Facility Manager	63,270	82,553
Engineering Tech II	63,270	82,553
WTP Chief Operator	63,270	82,553
WWTP Chief Operator	63,270	82,553
Library Director	74,659	97,413
Public WKS Supervisor- Sewer	74,659	97,413
Public WKS Supervisor-Utility	74,659	97,413
Planning Director	77,624	101,281
Police Sergeant	79,885	104,231
Asst City Manager/A.S. Mngr	82,281	107,358
Planning Director	82,281	107,358
Finance Director	92,155	120,241
Police Captain	92,155	120,241
Public Works Director	92,155	120,241
Police Chief	99,527	129,860
Public Works Director C.E.	99,527	129,860
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

## 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 Service 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 2022-23 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		
<b>General Fund</b> City Council Public Safety Police Patrol Code Enforcement Emergency Management Planning/Zoning Municipal Court Outside Agency Funding Administration City Manager Human Resources Finance Information Technology City Recorder Economic Development Communications Street Lighting Community Center	<i>Special Revenue Funds</i>	<i>Capital Projects Funds</i>	<i>Enterprise Funds</i>	<i>Internal Service Funds</i>	
		<b>Street Fund</b>	<b>Parks SDC Fund</b>	<b>Water Fund</b>	<b>Public Works Administration Fund</b>
		Street Maintenance	Parks Infrastructure	System Operations	Administration
		Street Construction	Expansion	Capital Investment Debt Service	Engineering
		Sidewalks			Project Management
		Bike Paths			Inspections
		<b>Library Fund</b>	<b>Street SDC Fund</b>	<b>Water SDC Fund</b>	<b>Facilities Fund</b>
		Materials and Programming	Streets Infrastructure	Water Infrastructure Expansion	City Hall
		Building Occupancy	Expansion		Police Station
		<b>Parks Fund</b>		<b>Wastewater Fund</b>	
	Parks Maintenance		System Operations		
	Trails		Capital Investment Debt Service		
	Parks Construction				
	Jordan Bridge				
	<b>Pool Fund</b>		<b>Wastewater SDC Fund</b>		
	Swim Instruction		Wastewater 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 one 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 2019-20 THROUGH 2022-23

	2019-20	2020-21	21-22	21-22	22-23
	Actual	Actual	Final Budget	Estimated	Proposed Budget
Taxes	2,754,436	2,894,516	3,010,954	3,099,200	3,236,200
Intergovernmental	1,181,014	1,536,357	2,577,400	2,225,800	3,016,000
Franchise Fees	781,011	742,970	704,000	725,600	744,800
Charges for Services	5,325,372	5,922,935	6,085,700	5,887,400	6,558,100
Licenses and Permits	55,526	92,027	63,200	23,100	23,800
Miscellaneous	644,882	447,345	206,600	305,500	292,800
Transfers	2,587,379	2,331,723	1,820,500	2,451,900	2,533,100
Debt Proceeds	-	-	-	-	-
<b>Total Current Resources</b>	<b>13,329,620</b>	<b>13,967,873</b>	<b>14,468,354</b>	<b>14,718,500</b>	<b>16,404,800</b>
Personnel	4,482,366	4,118,449	4,825,400	4,215,200	5,773,900
Materials and Services	3,752,912	2,912,718	4,194,500	3,655,400	5,605,700
Capital Outlay	741,366	919,092	3,181,000	2,523,400	3,534,000
Transfers	2,587,379	2,331,723	2,451,400	2,432,000	2,533,100
Debt Service	1,223,775	1,223,936	1,224,600	1,224,500	1,220,800
<b>Total Requirements</b>	<b>12,787,798</b>	<b>11,505,918</b>	<b>15,876,900</b>	<b>14,050,500</b>	<b>18,667,500</b>
Resources over (under) expenditures	541,822	2,461,955	(1,408,546)	668,000	(2,262,700)
<b>Beginning Fund Balance</b>	<b>10,833,257</b>	<b>11,375,079</b>	<b>12,683,300</b>	<b>13,829,800</b>	<b>14,497,800</b>
<b>Ending Fund Balance</b>	<b>11,375,079</b>	<b>13,837,034</b>	<b>11,274,754</b>	<b>14,497,800</b>	<b>12,235,100</b>

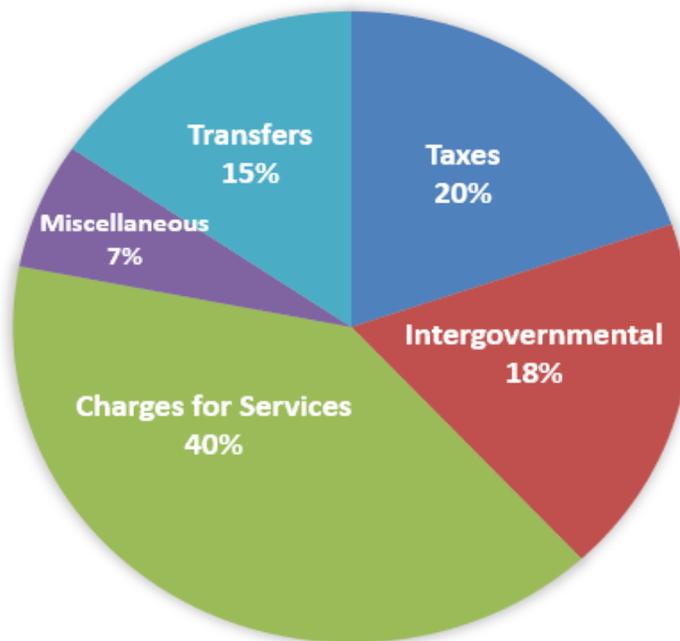


# CONSOLIDATED SCHEDULE OF RESOURCES

ALL FUNDS – FISCAL YEARS 2019-20 THROUGH 2022-23

	2019-20	2020-21	21-22	21-22	22-23
	Actual	Actual	Final Budget	Estimated	Proposed Budget
<b>Current Year Resources</b>					
Taxes	20.7%	20.7%	20.8%	21.1%	19.7%
Intergovernmental	8.9%	11.0%	17.8%	15.1%	18.4%
Franchise fees	5.9%	5.3%	4.9%	4.9%	4.5%
Charges for services	40.0%	42.4%	42.1%	40.0%	40.0%
Licenses and permits	0.4%	0.7%	0.4%	0.2%	0.1%
Miscellaneous	4.8%	3.2%	1.4%	2.1%	1.8%
Transfers	19.4%	16.7%	12.6%	16.7%	15.4%
Debt proceeds	0.0%	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>

## 2022-23 REVENUE

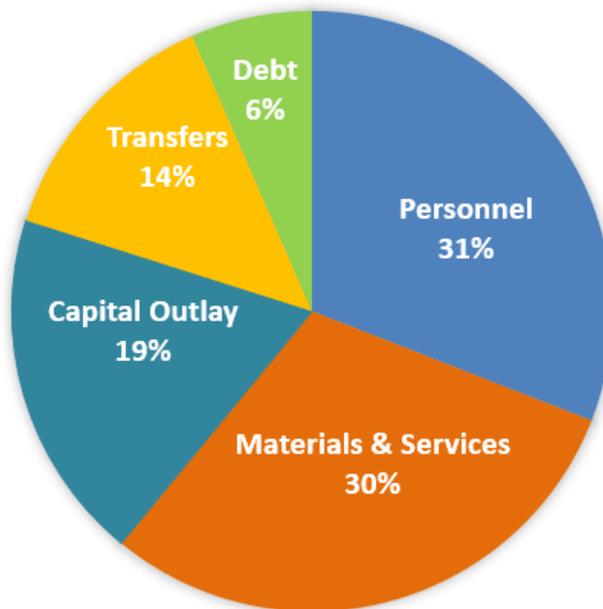


# CONSOLIDATED SCHEDULE OF EXPENDITURES

ALL FUNDS – FISCAL YEARS 2019-20 THROUGH 2022-23

Expenditures	2018-19	2020-21	21-22	21-22	22-23
	Actual	Actual	Final Budget	Estimated	Proposed Budget
Personnel	35.1%	35.8%	30.4%	30.0%	30.9%
Materials and services	29.3%	25.3%	26.4%	26.0%	30.0%
Capital outlay	5.8%	8.0%	20.0%	18.0%	18.9%
Transfers	20.2%	20.3%	15.4%	17.3%	13.6%
Debt service	9.6%	10.6%	7.7%	8.7%	6.5%
<b>Total Current Year Requirement</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Total Expenditures</b>	<b>200.0%</b>	<b>200.0%</b>	<b>200.0%</b>	<b>200.0%</b>	<b>200.0%</b>

2021-22 EXPENDITURES



# FUND ACCOUNTING

## ALL FUNDS – FISCAL YEAR 2022-23

The City's total budget for fiscal year 2022-23 is \$30,902,600. Planned spending totals \$18,667,500, which includes transfers between City funds of \$2,533,100.

### Resources

Current Year Resources											
Fund	Beginning		Intergovernmental	Franchise Fees	Charges for Services	Licenses & Permits	Miscellaneous	Transfers	Debt Proceeds	Total Current Year Resources	Total Resources
	Fund Balance	Taxes									
General	2,390,900	2,435,400	1,673,000	744,800	16,300	14,200	170,500	978,000	-	6,032,200	8,423,100
Street	1,475,500	159,700	684,000	-	92,200	-	6,900	16,100	-	958,900	2,434,400
Parks	136,000	181,100	-	-	-	-	900	190,000	-	372,000	508,000
Library	344,200	278,700	159,000	-	1,200	-	29,800	70,000	-	538,700	882,900
Pool	186,400	181,300	-	-	95,600	-	700	90,000	-	367,600	554,000
Water	1,081,200	-	-	-	2,009,400	-	4,100	250,000	-	2,263,500	3,344,700
Sewer	5,077,500	-	500,000	-	3,625,900	-	20,800	125,200	-	4,271,900	9,349,400
Stormwater	326,900	-	-	-	352,800	-	1,700	-	-	354,500	681,400
Street SDC	918,100	-	-	-	63,800	-	3,900	-	-	67,700	985,800
Parks SDC	273,300	-	-	-	75,800	-	1,000	-	-	76,800	350,100
Water SDC	365,000	-	-	-	78,800	-	2,400	-	-	81,200	446,200
Sewer SDC	324,000	-	-	-	58,700	-	1,800	-	-	60,500	384,500
Stormwater SDC	297,400	-	-	-	87,600	-	1,100	-	-	88,700	386,100
Public Works Administration	342,000	-	-	-	-	9,600	1,200	725,000	-	735,800	1,077,800
Facilities Development	682,400	-	-	-	-	-	45,000	88,800	-	133,800	816,200
Pension Stabilization	277,000	-	-	-	-	-	1,000	-	-	1,000	278,000
<b>Total Resources</b>	<b>14,497,800</b>	<b>3,236,200</b>	<b>3,016,000</b>	<b>744,800</b>	<b>6,558,100</b>	<b>23,800</b>	<b>292,800</b>	<b>2,533,100</b>	<b>-</b>	<b>16,404,800</b>	<b>30,902,600</b>

### Expenditures and Other Requirements

Fund	Current Year Expenditures						Other Requirements				Total Expenditures and Other Requirement
	Personnel	Materials and Services	Capital Outlay	Transfers	Debt Service	Total Expenditures	Contingency	Reserved	Unappr.	Total Other Requirements	
General	3,126,600	2,714,300	131,000	440,500	-	6,412,400	1,244,800	-	765,900	2,010,700	8,423,100
Street	166,900	186,500	650,000	342,300	-	1,345,700	1,088,700	-	-	1,088,700	2,434,400
Parks	130,100	122,300	82,000	47,900	-	382,300	125,700	-	-	125,700	508,000
Library	393,500	95,300	10,000	30,600	-	529,400	353,500	-	-	353,500	882,900
Pool	133,500	178,800	64,000	63,600	-	439,900	114,100	-	-	114,100	554,000
Water	370,200	495,600	624,000	483,100	339,600	2,312,500	1,032,200	-	-	1,032,200	3,344,700
Sewer	641,600	1,268,000	1,778,000	638,400	815,400	5,141,400	692,000	530,000	2,986,000	4,208,000	9,349,400
Stormwater	44,100	168,800	65,000	95,400	65,800	439,100	242,300	-	-	242,300	681,400
Street SDC	-	-	-	16,100	-	16,100	-	969,700	-	969,700	985,800
Parks SDC	-	-	-	-	-	-	-	350,100	-	350,100	350,100
Water SDC	-	-	-	250,000	-	250,000	-	196,200	-	196,200	446,200
Sewer SDC	-	-	-	125,200	-	125,200	-	259,300	-	259,300	384,500
Stormwater SDC	-	-	-	-	-	-	-	386,100	-	386,100	386,100
Public Works Administration	472,900	371,100	-	-	-	844,000	233,800	-	-	233,800	1,077,800
Facilities Development	16,500	5,000	130,000	-	-	151,500	664,700	-	-	664,700	816,200
PERS Stabilization	278,000	-	-	-	-	278,000	-	-	-	-	278,000
<b>Total Expenditures &amp; Other Requirements</b>	<b>5,773,900</b>	<b>5,605,700</b>	<b>3,534,000</b>	<b>2,533,100</b>	<b>1,220,800</b>	<b>18,667,500</b>	<b>5,791,800</b>	<b>2,691,400</b>	<b>3,751,900</b>	<b>12,235,100</b>	<b>30,902,600</b>

# REVENUE

## TAXES

In fiscal year 2022-23, property and other local taxes are projected at \$2.43 million. Additionally, the Recreation levy taxes are estimated at \$362,400 and Library levy taxes estimated at \$278,700. Local gas taxes are projected to total approximately \$159,700.

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. The Recreation levy tax rate is \$0.50 per \$1,000 of taxable value and the Library levy tax rate is \$0.40 per \$1,000 of taxable value.

## INTERGOVERNMENTAL

This category includes state gas taxes (\$684,000); funds for the City’s library (\$159,000); allocations of the State’s liquor, cigarette, state revenue sharing, and targeted grants for police programs.

State gas taxes are projected to increase 3% from last year’s estimated revenue. Revenue from continuing sources in the general fund are anticipated to show a 1% to 3% increase due to the uncertainty of the speed of economic recovery.

## 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	\$ 25,500	3.42%
Telephone	27,100	3.64%
Sanitary Sewer	97,400	13.08%
Electricity	531,700	71.39%
Natural Gas	63,100	8.4%
	<b>\$744,800</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 and electricity revenue will see slight increases.

## CHARGES FOR SERVICES

An estimated \$5.98 million in revenue from charges for services is budgeted in fiscal year 2022-23. Utilities generate the vast majority of charges:

Water	\$2.00 million (33.6%)
Sewer	\$3.62 million (60.6%)
Stormwater	\$0.35 million (5.8%)

System Development Charges for water, sewer, stormwater, streets, and parks total \$0.36 million (5.6%). The street fees are \$.09 million (1.4%), the library at \$1,200 (< 0.2%), and the pool at \$.095 million (1.5%). Various charges in the general fund of \$16,300 (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, 2022, of 8.7% is budgeted for wastewater and stormwater charges. Water charges are increased by the CPI rate of 8.7% plus 5.0% to address funding requirements for capital items. Pool charges are increased ten percent (10%). SDC funds are adjusted by EDU rates at 8.9% as of March 31, 2022.

## LICENSES AND PERMITS

Between the Planning and Development department and Public Works Administration, approximately \$23,800 in licenses and permit fees is budgeted.

## MISCELLANEOUS

Citywide, approximately \$292,800 in revenue comes from miscellaneous sources, including interest income and building rental. Interest earnings are estimated based on 0.5% of cash balances, compared to rates being at 0.75% prior to fiscal year 2021-22.

## TRANSFERS

Transfers between funds total \$2,533,100 in fiscal year 2022-23. The City transfers monies from funds receiving benefits of services provided to the General Fund, Public Works Administration Fund, and the Facilities Fund in the amount of \$1,791,800. The Parks and Library funds receive transfers from the General Fund of \$190,000 and \$70,000 to support operations. The Pool received \$90,000.

The Wastewater Fund budget includes a transfer of \$125,200 from the Wastewater SDC Fund for wastewater treatment plant and system improvements. The Water Fund budget includes a transfer of \$250,000 from the Water SDC Fund for the Water System Master Plan. The Street Fund budget includes a transfer of \$16,100 from the Street SDC Fund for the Golf Club Road/Wilco Road/Shaff Road roundabout design.

## DEBT PROCEEDS

The fiscal year 2022-23 budget does not include any planned issuance of debt.

# 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, 2021, was \$1,642,200 a decrease from the prior year of \$185,300 or 12.7%.
- The projected ending fund balance for June 30, 2022, is \$2,390,900, an increase of \$748,600, or 45%.
- The projected budgeted ending fund balance as of June 30, 2023, is \$2,010,700, a reduction of \$368,400, or 22%.
- 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.
- Completion of the \$500,000 HUD HOPE VI Main Street grant.

## CHANGES FROM PREVIOUS YEARS

- The Police Department no longer contributes \$90,400 to the Pension Stabilization Fund.
- The City will receive our second allocation of American Rescue Plan Act (ARPA) funding in summer 2022. The amount is estimated to be \$920,700.
- The Facilities Needs Assessment was expanded to include additional phases to identify a site and provide civic center renderings. The study will be completed this fiscal year.
- Decrease in transfers to the Library Fund (-46%) and Parks Fund (-14%).

## REVENUES

Overall, revenue for fiscal year 2022-23 is budgeted to show a 0% to 4% increase from the 2021-22 estimated revenues due to the uncertainty of the speed of economic recovery.

Property taxes are budgeted with a 3.4% increase from estimated actuals received as of June 30, 2022.

Comparing revenues from the 2020-21 fiscal year, the projected franchise fees are estimated at a 0.2% increase, charge for services is at a -44.6% decrease, and licenses and permits at a decrease of -74.6%.

Transfers are increased by 7.9%. This increase is due to the high CPI rate causing a rise in costs for materials and services.

## EXPENDITURES

Budgeted expenditures total \$6,412,400, an increase of \$1,197,100 or 26.3% over 2020-21 actuals.

The primary drivers of the increase include:

- Increase in non-departmental (operations) spending \$1,116,400.
  - ARPA funds of \$1,041,400
  - HUD HOPE VI Main Street grant expenditures of \$500,000.
  - Transfer to the Pool Fund of \$90,000
- In all departments with personnel:
  - Cost of living adjustments 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 18.6% in expenditures due to filling vacant positions, increased 911 service costs, and ongoing evidence storage costs.
- The Administration budget:
  - Increase of 34% in expenditures due to filling the vacant City Manager position, backup generator for the Police building, City Hall lobby improvements, and ongoing technology expenses.

## GENERAL FUND BUDGET

Description	19-20	20-21	21-22	21-22	22-23
	Actual	Actual	Final Budget	Estimated	Proposed Budget
<b>Resources</b>					
Beginning fund balance	1,424,123	1,463,563	1,689,000	2,015,600	2,390,900
Taxes	2,197,940	2,319,970	2,254,000	2,352,300	2,435,400
Charges for services	26,859	29,430	19,500	16,200	16,300
Franchise fees	781,012	742,971	704,000	725,600	744,800
Licenses, permits & fees	55,525	55,849	38,000	13,700	14,200
Intergovernmental	447,060	513,119	762,600	392,400	1,673,000
Miscellaneous	329,452	181,467	148,100	150,200	170,500
Transfers	818,400	892,200	905,900	905,900	978,000
<b>Total Resources</b>	<b>4,656,248</b>	<b>4,735,006</b>	<b>4,832,100</b>	<b>4,556,300</b>	<b>6,032,200</b>
<b>Expenditures</b>					
Police	2,098,372	2,098,819	2,265,800	2,267,000	2,489,300
Planning	203,128	157,108	214,400	194,100	234,200
Community Center	37,307	18,847	36,000	33,300	45,600
Municipal Court	73,387	76,543	112,000	103,100	140,700
City Council & Admin	1,085,932	954,377	1,142,400	964,100	1,279,700
Non-Dept (Operations)	203,954	523,661	775,000	-	1,541,400
Street Lights	112,080	97,326	114,000	86,900	110,000
<b>Total Operating Expenditures</b>	<b>3,814,160</b>	<b>3,926,681</b>	<b>4,659,600</b>	<b>3,648,500</b>	<b>5,840,900</b>
<b>Capital Outlay</b>					
Police	52,472	59,964	82,000	79,000	64,000
Community Center	-	7,970	-	-	-
Municipal Court	-	-	-	-	-
City Council & Admin	8,989	-	20,000	-	67,000
Non-departmental (Operations)	-	-	-	-	-
<b>Total Capital Outlay</b>	<b>61,461</b>	<b>67,934</b>	<b>102,000</b>	<b>79,000</b>	<b>131,000</b>
<b>Transfers</b>					
Police	135,900	135,900	135,900	135,900	47,000
Planning	19,600	20,900	17,800	17,600	17,500
Administration	24,900	24,900	25,000	25,000	26,000
Non-Dept (Operations)	567,432	380,000	275,000	275,000	350,000
<b>Total Transfers</b>	<b>747,832</b>	<b>561,700</b>	<b>453,700</b>	<b>453,500</b>	<b>440,500</b>
<b>Total Expenditures</b>	<b>4,623,453</b>	<b>4,556,315</b>	<b>5,215,300</b>	<b>4,181,000</b>	<b>6,412,400</b>
Revenue over/(under) expenditures	32,794	178,691	(383,200)	375,300	(380,200)
<b>Ending Fund Balance</b>	<b>1,456,917</b>	<b>1,642,254</b>	<b>1,305,800</b>	<b>2,390,900</b>	<b>2,010,700</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 nine patrol officers. Additionally, the department is supported by one full-time records/evidence specialist and one part-time support 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 2021-22

- In 2021, the department identified a police officer to fill our hybrid detective position. This officer spent three months training with the Marion County Sheriffs office's Detective Division. Partnering with other agencies is a goal and shows our dedication to partner with regional law enforcement agencies and improve the professional capacity within our agency.
- The Stayton Police Department responded to 7,796 incidents, an increase of approximately 525 from the previous year. These incidents included officer self-initiated activities like

traffic stops, after-hours business checks, and foot patrols, to citizen-reported incidents such as assaults, burglaries, elder abuse, and death investigations.

- METCOM 911 answered more than 7,313 emergency and non-emergency calls placed by community members.
- In 2021, the department handled over 220 code enforcement issues, a decrease of nearly 272 calls from the previous year. The Code Enforcement Officer position was moved to Planning during the last fiscal year but remained unfilled. Patrol officers continue to respond and investigate most code enforcement issues.
- During 2021, the Police Department staff received 1,057 hours of training. The department attended 52 different classes ranging from Use of Force, Resiliency, responding to people in crisis, Bias, Ethics, Autism, firearms, emergency vehicle operations, defensive tactics, first aid, AED/CPR.
- The Stayton Police Department continued supporting the community through the various events and partnerships outlined below:
  - ✓ Assisted with the annual Covered Bridge Community Dinner.
  - ✓ Continued partnering with the "Poke Blue Helping You" program, where the organization provides Pokémon cards to law enforcement to hand out to kids.
  - ✓ Continued partnership with local school staff on the school threat response protocol program called "I Love You Guys."
  - ✓ Partnership with the Santiam Service Integration Team.
  - ✓ Continued partnership with Family Building Blocks "Hope for the Holidays" campaign.
  - ✓ Participated with neighboring law enforcement agencies for the annual "Shop with a Copy" holiday shopping event.
  - ✓ Participated in "No Shave November" with the proceeds going to the Can Cancer fund administered by Santiam Service Integration Team.
  - ✓ Continued the free helmets for children in need and free gun locks to community members at their request.
- In 2021, the Stayton Police Department was awarded Lexipol's connect "Gold Award" for the second consecutive year. 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).



- In 2021, the Stayton Police Department had an officer retire, reducing staffing until the position was filled in early 2022. Currently, the department is recruiting for three positions. These vacancies are due to an officer moving out of state, preparing for an agency retirement in December 2022, and filling the vacant FTE position being used to reduce the PERS liability. The department has several applicants in the final steps of hiring process.

## CHANGES FROM PREVIOUS YEAR

- The department purchased 40mm less-lethal launchers to increase our response to critical incidents. Having the additional resources can reduce the chances of injury to the subjects involved in the incident. Training and deployment of this equipment will occur in mid-2022.
- The department has nearly completed an update of our building interior with new paint, carpet, cabinets, and filing cabinets in the patrol room, evidence processing area, and locker room. The exterior lobby doors were replaced, and new carpet added to the lobby. The update is the first in the last twenty years or more.
- The department continued our vehicle replacement plan by purchasing a new patrol vehicle to keep pace with an aging fleet which are nearing the end of their service life.
- Efforts have continued with development of our resiliency program, which began with our compassion dog, Atlas. A wellness phone application was purchased, developed, and deployed. The app focuses on resiliency, stress management, physical fitness, and overall wellness for officers. The application was given to officers and provided to their family members. Additionally, officers have free access to a local gym.



## POLICE FUND BUDGET

Description	19-20	20-21	21-22	21-22	22-23
	Actual	Actual	Final Budget	Estimated	Proposed Budget
Personnel Services	1,549,573	1,631,382	1,738,200	1,686,800	1,975,200
Materials and Services	548,799	467,437	527,600	580,200	514,100
Capital Outlay	52,472	59,964	82,000	79,000	64,000
Transfers	135,900	135,900	135,900	135,900	47,000
<b>Total Requirements</b>	<b>2,286,744</b>	<b>2,294,683</b>	<b>2,483,700</b>	<b>2,481,900</b>	<b>2,600,300</b>

## PERFORMANCE MEASURES

Patrol Measure	2019	2020	2021
Police Activity	8,601	7,271	7,796
Offenses	1,827	1,232	2,257
NIBRS	768	654	649
Citations/Warnings	2,569	1,158	1,303
Arrests	375	267	326
Code Enforcement	840	492	220
Peer Court Cases	46	40	12

## STAFFING

Position	2019-20 Actual	2020-21 Budget	2021-22 Budget	2022-23 Proposed
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	8.0	9.0*	9.0*	9.0
Records Clerk	1.5	1.7	1.5	1.6
Code Enforcement	0.9	0	0	0
<b>FTE's – Police</b>	<b>14.4</b>	<b>14.7</b>	<b>14.5</b>	<b>14.6</b>

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

## CAPITAL OUTLAY

Patrol Vehicle	64,000
<b>Total</b>	<b>\$64,000</b>

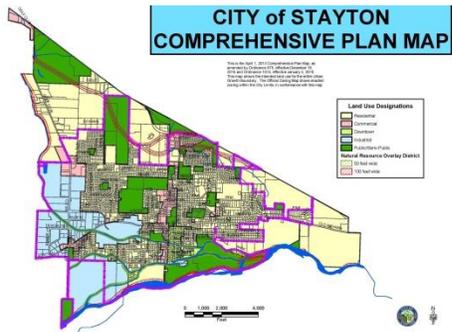
# PLANNING & DEVELOPMENT

## 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.

In 2021, the City received a \$500,000 HOPE VI Main Street grant from 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. The City is still making its way through the environmental review process before construction may commence.

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.

This past year, Code Enforcement operations have shifted to the Planning & Development Department. The Code Enforcement position was unfilled during most of the year, with a new Enforcement Officer being hired in the spring.

**Planning Commission Members & Terms**

Dixie Ellard	12/2024
Heidi Hazel	12/2022
Ralph Lewis	12/2022
Richard Lewis	12/2024
Larry McKinley	12/2024

**HIGHLIGHTS**

- HOPE VI Main Street Grant construction will commence adding seven apartments in the downtown area.
- Additional CDBG funds will be available for grants to owners of manufactured housing units in mobile home parks.
- Stayton’s first new multifamily developments in over 20 years have been approved for development.

**CHANGES FROM PREVIOUS YEAR**

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

**PLANNING FUND BUDGET**

Description	19-20	20-21	21-22	21-22	22-23
	Actual	Actual	Final Budget	Estimated	Proposed Budget
Personnel Services	137,891	141,690	174,400	156,900	183,400
Materials and Services	65,237	15,418	40,000	37,200	50,800
Transfers	19,600	20,900	17,800	17,600	17,500
<b>Total Requirements</b>	<b>222,728</b>	<b>178,008</b>	<b>232,200</b>	<b>211,700</b>	<b>251,700</b>

## PERFORMANCE MEASURES

<b>Effectiveness Measures</b>	<b>2019-20 Actual</b>	<b>2020-21 Actual</b>	<b>2021-22 Projected</b>	<b>2022-23 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%	95%

## STAFFING

<b>Position</b>	<b>2019-20 Actual</b>	<b>2020-21 Actual</b>	<b>2021-22 Budget</b>	<b>2022-23 Proposed</b>
Planning and Development Director	1.0	1.0	1.0	1.0
Code Enforcement Officer	0	0.5	0.5	0.5
<b>Total FTE's - Planning</b>	<b>1.0</b>	<b>1.5</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:**

- Nineteen – 6-foot tables
- Two 8-foot tables
- Approximately 150 chairs
- 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 reopened for rentals in summer 2021. The Community Center is 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 2021 thru March 2022.

- 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) continued to use the Community Center in 2021 to provide relief to people affected by the 2020 Beechie Creek wildfire.

## COMMUNITY CENTER FUND BUDGET

Description	19-20	20-21	21-22	21-22	22-23
	Actual	Actual	Final Budget	Estimated	Proposed Budget
Materials and Services	37,307	18,847	36,000	33,300	45,600
Capital Outlay	-	7,970	-	-	-
<b>Total Requirements</b>	<b>37,307</b>	<b>26,817</b>	<b>36,000</b>	<b>33,300</b>	<b>45,600</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 Court Clerk.



## HIGHLIGHTS

- During the COVID-19 pandemic, there was a decrease in Municipal Court operations and number of citations issued by the Police department.
  - 36 court dates
  - 6 trials held
  - 200 cases processed
  - The Municipal Court will process an estimated \$90,000 in fine revenue for the City in 2021-22 fiscal year.

## CHANGES FROM PREVIOUS YEARS

- No changes in fiscal year 2022-23.

## PERFORMANCE MEASURES

Activity Measures	2019-20	2020-21	Projected 2021-22
Ordinance Violations	24	5	4
Traffic Violations	735	275	196
Court Dates	40	40	36
Trials	43	8	6
Warnings	110	58	60

## MUNICIPAL COURT FUND BUDGET

Description	19-20	20-21	21-22	21-22	22-23
	Actual	Actual	Final Budget	Estimated	Proposed Budget
Personnel Services	37,678	40,463	65,000	60,800	79,300
Materials and Services	35,709	36,080	47,000	42,300	61,400
<b>Total Requirements</b>	<b>73,387</b>	<b>76,543</b>	<b>112,000</b>	<b>103,100</b>	<b>140,700</b>

## STAFFING

Position	2019-20 Actual	2020-21 Actual	2021-22 Budget	2022-23 Proposed
Court Clerk	0.6	0.6	0.8	0.8
Total FTE's - Municipal Court	0.6	0.6	0.8	0.8

## 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, Assistant City 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

- 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.
- City Council Goal Setting planned for early 2023.

## MAYOR AND CITY COUNCIL BUDGET

	19-20	20-21	21-22	21-22	22-23
Description	Actual	Actual	Final Budget	Estimated	Proposed Budget
Materials and Services	27,980	7,604	12,500	7,300	22,500
<b>Total Requirements</b>	<b>27,980</b>	<b>7,604</b>	<b>12,500</b>	<b>7,300</b>	<b>22,500</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

The Assistant City 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 sixth distinguished budget award from the Government Finance Officers Association (GFOA) for the fiscal year 2021-22 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

- Vacant City Hall Office Specialist position changed from part-time to full-time.

## ADMINISTRATION FUND BUDGET

Description	19-20	20-21	21-22	21-22	22-23
	Actual	Actual	Final Budget	Estimated	Proposed Budget
Personnel Services	598,104	631,885	716,900	575,900	888,700
Materials and Services	459,848	314,888	413,000	380,900	368,500
Capital Outlay	8,989	-	20,000	-	67,000
Transfers	24,900	24,900	25,000	25,000	26,000
<b>Total Requirements</b>	<b>1,091,841</b>	<b>971,673</b>	<b>1,174,900</b>	<b>981,800</b>	<b>1,350,200</b>

## PERFORMANCE MEASURES

### City Manager and Assistant City Manager

Activity Measures	2019-20 Actual	2020-21 Actual	2021-22 Projected
City Council meetings	17	21	18
City Council executive sessions	6	2	5
City Council special sessions	2	1	2
City Council work sessions	1	2	4
Resolutions adopted	18	14	13
Ordinances adopted	7	6	5
City Council video views (YouTube)	1,789	2,800	1,100
Facebook page followers	3,762	6,239	7,084
Social media posts (Facebook)	113	170	115
StaytonOregon.gov Unique Visits	17,842	22,208	21,000
Public record requests	321	219	260
Number of new hires/orientations	10	4	20

### Finance

Performance Measures	2019-20 Actual	2020-21 Actual	2021-22 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%

## STAFFING

Position	2019-20	2020-21	2021-22	2022-23
	Actual	Actual	Budget	Proposed
City Manager	1.00	1.00	1.00	1.00
Assistant City Manager	1.00	1.00	1.00	1.00
Finance Director	1.00	1.00	1.00	1.00
Payroll / Account Technician	1.00	1.00	1.00	1.00
Accounting Specialist	2.00	2.00	2.30	2.20
Office Specialist	-	0.60	0.50	1.00
<b>Total FTE's – Administration</b>	<b>6.00</b>	<b>6.60</b>	<b>6.80</b>	<b>7.20</b>

## CAPITAL OUTLAY

Emergency Backup Generator for Police Department	42,000
City Hall Improvements	25,000
<b>Total</b>	<b><u>\$67,000</u></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

- ARPA funds in the amount of \$1,041,400
- HUD HOPE VI Main Street grant in the amount of \$500,000
- Transfers to other funds including Library, Pool, and Parks are expected to total \$350,000.

## CHANGES FROM PREVIOUS YEAR

- Decrease in transfers to the Library Fund (-46%) and Parks Fund (-14%), partly due the passing of the new library and recreation levy.
- \$90,000 transfer to the Stayton Family Memorial Pool, remains higher due to low attendance and maintenance needs.

## NON-DEPARTMENTAL BUDGET

Description	19-20	20-21	21-22	21-22	22-23
	Actual	Actual	Final Budget	Estimated	Proposed Budget
Materials and Services	203,954	143,661	500,000	-	1,541,400
Transfers	567,432	380,000	275,000	275,000	350,000
<b>Total Requirements</b>	<b>771,386</b>	<b>523,661</b>	<b>775,000</b>	<b>275,000</b>	<b>1,891,400</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 2022-23 fiscal year.

## CHANGES FROM PREVIOUS YEARS

- A slight increase over the fiscal year 2020-21 actuals.

## STREET LIGHTS FUND BUDGET

	19-20	20-21	21-22	21-22	22-23
Description	Actual	Actual	Final Budget	Estimated	Proposed Budget
Materials and Services	112,080	97,326	114,000	86,900	110,000
<b>Total Requirements</b>	<b>112,080</b>	<b>97,326</b>	<b>114,000</b>	<b>86,900</b>	<b>110,000</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 14.7% of general fund expenditures, including transfers out. The balance is unappropriated for carryover to fiscal year 2022-23 (*rounded to nearest 100*).

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 \$2,010,700 exceeds, and therefore meets, the City’s financial policies for minimum desired fund balance of five months’ net expenditures, calculated at \$1,508,700.

## CHANGES FROM PREVIOUS YEARS

- The excess of total Other Requirements above minimum desired fund balance was \$430,000, an increase from 2021-22 budget of \$139,100. This is partly due to unfilled vacant positions in administration and capital projects delayed due to supply issues.

## OTHER REQUIREMENTS BUDGET

Description	19-20	20-21	21-22	21-22	22-23
	Actual	Actual	Final Budget	Estimated	Proposed
Contingency	-	-	814,950	-	1,244,800
Unappropriated Fund Balance	-	-	765,850	-	765,900
<b>Total Other Requirements</b>	-	-	<b>1,580,800</b>	-	<b>2,010,700</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.



The Library supports people of all ages with curated content in a time of increasingly overwhelming information. Library staff are actively evaluating and exploring new and current services so the Library can continue to evolve as a cornerstone of community support.

## HIGHLIGHTS

- Successfully continued to imagine and implement new ways to provide service to the community.
- Built a STEAM-based Library of Things collection, expanding the boundaries of traditionally defined library materials by making items like Magna-tiles, Snap Circuits, and Birdwatching kits available for checkout.
- Reimagined Storytime to be able to provide it consistently despite the constant changing COVID-19 health and safety measures becoming one of the first libraries in the region to offer in-person storytime.
- Provided monthly Take & Make Kits for children, teens, and adults, offering multigenerational activities for families.
- Provided access to the Dolly Parton Imagination Library book gifting program to children ages 0-5 living in Stayton, Sublimity, Gates, Mehama, Detroit, and Idanha through our partnership with Stayton Library Foundation.
- Increased our Spanish-language collection and translated Library forms and marketing materials to Spanish with grant funds.
- Provided both a Summer and Winter Reading program to give more than one opportunity for people to explore new ways of reading and learning throughout the year.
- Expanded wireless access by 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

- Reopened the building and offered both in-person and curbside options for service.
- Created a Storytime format inspired by a forest school model in which families walk through Community Center Park, rain or shine, exploring early literacy experiences along the way. We will continue with that model for the rest of this series to take advantage of the health benefits of movement and experiences outside for everyone.
- Expanded access to STEAM-based materials by creating a Library of Things collection and making items like a microscope, sewing machine, engineering kits, a Botley Coding Robot, a marble run and more available for checkout.
- Shifted the focus of our Outreach program to increasing access to books for children at home by becoming a Dolly Parton Imagination Library affiliate. This program sends a free book to children ages 0-5 living in Stayton, Gates, Mehama, Detroit, and Idanha. It is made possible through our partnership with Stayton Library Foundation



## LIBRARY FUND BUDGET

	19-20	20-21	21-22	21-22	22-23
Description	Actual	Actual	Final Budget	Estimated	Proposed Budget
<b>Resources</b>					
Beginning Fund Balance	235,609	284,395	344,100	385,600	344,200
Property Taxes	185,940	187,901	257,800	263,200	278,700
Charges for Services	2,645	280	1,000	700	1,200
Contributions & Grants	32,455	28,731	32,000	12,000	23,000
Intergovernmental	106,599	185,963	115,900	113,600	159,000
Miscellaneous	14,366	6,716	12,000	6,400	6,800
Transfers	197,900	140,000	25,000	25,000	70,000
<b>Total Resources</b>	<b>775,514</b>	<b>833,986</b>	<b>787,800</b>	<b>806,500</b>	<b>882,900</b>
<b>Requirements</b>					
Personnel Services	337,710	338,456	356,400	324,400	393,500
Materials and Services	115,259	76,969	102,700	100,300	95,300
Capital Outlay	8,950	-	10,300	9,100	10,000
Transfers	29,200	32,900	28,500	28,500	30,600
Other Requirements	-	-	289,900	-	353,500
<b>Total Requirements</b>	<b>491,119</b>	<b>448,325</b>	<b>787,800</b>	<b>462,300</b>	<b>882,900</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. Our circulation is rapidly approaching pre-COVID levels and has consistently outpaced other area libraries serving similar populations. During 2020-2021, circulation was exclusively done on a curbside service model.
- 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. This year funds were not available for us to purchase materials in downloadable formats. Materials were also not purchased at the regional level this year, limiting access to new and popular items, which is reflected in the circulation levels.
- Library visits show that the library's collection, outreach and programming are relevant and utilized by the community. During the COVID-19 pandemic, the building was closed to in-person visits, with circulation transitioning to curbside and virtual programming. This year represents a reopening of the building, increasing hours as staffing levels allow and in-person programming.

Activity Measures	2019-20 Actuals	2020-21 Actuals	2021-22 Projected	2022-23 Projected
Circulation of library materials	150,216	72,985	127,214	139,935
Circulation of downloadable materials	20,482	22,008	21,322	21,962
Library visits	57,573	833	26,920	32,304
% change in circulation – library materials	-7.3%	-51.0%	74.3%	10.0%
% change in circulation – downloadable materials	25.7%	7.5%	-3.1%	3.0%
% change Library visits – all ages	-34.5%	-98.6%	3131.7%	20.0%

## STAFFING

Position	2019-20 Actual	2020-21 Actual	2021-22 Budget	2022-23 Proposed
Library Director	1.00	1.00	1.00	1.00
Library Assistant – Lead	1.00	1.00	1.00	1.00
Library Youth Services	0.80	0.80	0.80	1.00
Library Assistant	1.20	1.20	1.30	1.26
Library Aide	2.10	2.10	1.00	1.76
Outreach Youth Services	0.60	0.50	0.50	-
Library Page	0.30	0.30	-	-
<b>Total FTE's - Library</b>	<b>7.00</b>	<b>6.90</b>	<b>5.60</b>	<b>6.02</b>

## CAPITAL OUTLAY

HVAC Unit Replacement	<u>10,000</u>
<b>Total</b>	<b><u>\$10,000</u></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.). The City has managed the day-to-day operations of the pool facility since July 2017.

Revenues are received from a combination of local option Recreation tax levy funds, user fees, memberships, and General Fund subsidy. After being closed due to the COVID-19 pandemic, the pool reopening has been a slower restart than anticipated.

The reopening of the pool has brought some positive changes to pool. These include a rise in private parties and new partnerships with local schools using the pool for classes, swim teams and swim meets, year-end school parties, etc.

The Friends of the Stayton Pool offer tremendous support to the Stayton Family Memorial Pool and last year made a major contribution toward the installation of a new roof on the building.

Going forward, staff intends to continue developing programs, further community outreach, and implement a new swim lesson program.

## HIGHLIGHTS

- Pool reopened in fall 2021.
- The local option recreation levy passed in May 2021.

## CHANGES FROM PREVIOUS YEAR

- Aquatics Facility Manager position transitioned to a Pool Supervisor position and was filled in August 2021.



## POOL FUND BUDGET

Description	19-20 Actual	20-21 Actual	21-22	21-22	22-23
			Final Budget	Estimated	Proposed Budget
<b>Resources</b>					
Beginning Fund Balance	207,760	245,893	298,000	313,300	186,400
Property Taxes	183,402	185,242	161,500	166,300	181,300
Charges for Services	123,927	602	190,000	60,400	95,600
Grants & Contributions	30,000	110,000	-	-	-
Intergovernmental	-	30,601	-	-	-
Miscellaneous	4,818	9,845	29,200	29,100	700
Transfers	116,532	-	90,000	90,000	90,000
<b>Total Resources</b>	<b>666,439</b>	<b>582,183</b>	<b>768,700</b>	<b>659,100</b>	<b>554,000</b>
<b>Requirements</b>					
Personnel Services	210,995	96,015	241,800	88,900	133,500
Materials and Services	150,649	87,933	121,500	102,700	178,800
Capital Outlay	44,603	58,335	290,000	219,600	64,000
Transfers	14,300	26,500	61,500	61,500	63,600
Other Requirements	-	-	53,900	-	114,100
<b>Total Requirements</b>	<b>420,547</b>	<b>268,783</b>	<b>768,700</b>	<b>472,700</b>	<b>554,000</b>

## PERFORMANCE MEASURES

Activity Measures	2021-22	Projected 2022-23
<b>Memberships</b>		
Residents	103	124
Non-resident	108	118
<b>Non-Members (Drop-In's)</b>		
Resident	610	637
Non-resident	574	600

*\*Drop-ins include repeating Patrons*

## STAFFING

<b>Position</b>	<b>2019-20 Actual</b>	<b>2020-21 Actual</b>	<b>2021-22 Budget</b>	<b>2022-23 Budget</b>
Pool Supervisor	-	-	1.00	1.00
Maintenance Worker	-	-	0.29	0.29
Lifeguards	3.60	3.15	4.71	1.71
Aquatics Facility Manager	1.00	1.00	-	-
Pool Staff Supervisor	1.00	0.50	-	-
Instructors	2.50	0.85	-	-
<b>Total FTE's - Pool</b>	<b>8.10</b>	<b>5.50</b>	<b>6.00</b>	<b>3.00</b>

## CAPITAL OUTLAY

System Improvements	<u>64,000</u>
<b>Total</b>	<b><u>\$64,000</u></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 the Concessions area were cancelled during the 20-21 F.Y. due to the COVID-19 restrictions.

### ***Park Shelters***

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 be present at the shelter at all times 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 of 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 is located just north of W. High Street and south of the Salem Ditch on Evergreen Avenue. The Garden has 15 plots available to rent, and a garden area designated for the Stayton Community Food Bank. The City was granted a three (3) year easement from the Oregon Potato Company in April 2021 for the Community Garden.

### Parks and Recreation Board Members and Terms

Dan Brummer	12/2022
Pam Pugsley	12/2023
AJ Westlund	12/2023
Tricia Hafner	12/2022
Andrew Kline	12/2022
Steve Sims	12/2023
Vacant	12/2022

## HIGHLIGHTS

- The Parks and Recreation Board constructed a path around Mill Creek Park out of the chips created from the 2021 ice storm debris. The path is an oval loop of over ½ mile in length.
- The City and Parks and Recreation Board partnered in sponsoring The Stayton Parks Video Contest to help promote Stayton Parks. The winning video will be featured on the City's Parks website so people can see what great parks our city has to offer.
- Replaced the Community Center Park tennis court lights with LED lights.
- Repair the Community Center Park asphalt pathways in summer 2021.
- Complete repairs to the Santiam Park Gazebo structural in summer 2021.

## CHANGES FROM PREVIOUS YEAR

- Add one (1) Public Works Utility position to the Public Works Operations staff.

## ACTIVITY MEASURES

Activity Measures	2019-20	2020-21	2021-22
Total area of neighborhood, community, and open space parks (acres)	203	203	203
Number of restrooms maintained daily	3	3	3
Playground equipment repairs/replacements	37	47/51	9/2
Dog waste bags supplied	12,800	12,800	12,800
Irrigation repairs (hours)	127	156	155
Parks mowed and edged per week	7	7	7
Debris cleaned from parks (tons)	25	205	68
Playground equipment inspection (hours)	54	136	96
Path and trail maintenance (hours)	114	79	130
Garbage collection in parks (cubic yards)	102	106	172
Park structure maintenance (hours)	347	156	130
Vandalism repairs (each)	45	51	29

## PARKS FUND BUDGET

Description	19-20	20-21	21-22	21-22	22-23
	Actual	Actual	Final Budget	Estimated	Proposed Budget
Beginning Fund Balance	208,302	141,064	150,800	181,000	136,000
Resources					
Property Taxes	10,000	10,000	160,500	162,400	181,100
Intergovernmental	-	4,309	-	-	-
Miscellaneous	2,436	863	900	500	900
Transfers	253,000	240,000	160,000	160,000	190,000
<b>Total Resources</b>	<b>473,738</b>	<b>396,235</b>	<b>472,200</b>	<b>503,900</b>	<b>508,000</b>
Requirements					
Personnel Services	90,952	93,279	117,200	96,200	130,100
Materials and Services	211,022	89,726	131,000	140,200	122,300
Capital Outlay	-	-	87,000	87,000	82,000
Transfers	30,700	32,200	45,700	44,500	47,900
Other Requirements	-	-	91,300	-	125,700
<b>Total Requirements</b>	<b>332,674</b>	<b>215,205</b>	<b>472,200</b>	<b>367,900</b>	<b>508,000</b>

## STAFFING

Position	2019-20 Actual	2020-21 Actual	2021-22 Budget	2022-23 Proposed
Maintenance Worker II	1.30	1.30	1.30	1.30
Weekend Operator	0.40	0.17	0.17	0.17
Seasonal Maintenance Worker I	0.30	0.23	0.23	-
<b>Total FTE's – Parks</b>	<b>2.0</b>	<b>1.7</b>	<b>1.7</b>	<b>1.47</b>

## CAPITAL OUTLAY

Projects	Estimated Cost
Santiam Park Gazebo Repairs	\$22,000
Community Center Pathway	\$25,000
Jordan Bridge Maintenance	\$15,000
Mill Creek Park Barn/Teen Center Repairs	\$20,000
<b>Total</b>	<b>\$82,000</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.



**Industrial Way Paving Project 2020**



**ADA Sidewalk Ramp 2019**

In 2015, the Public Works Department began rating the condition of Stayton’s street pavement using the PASER Street Rating System. The streets were rated from 1 to 10 based on their condition, with 1 being the worst. The PASER Rating System was a very simple tool that was adapted to help City staff rate the existing streets. The PASER Rating System is not used by many cities or counties in the United States, and in fact not many in the industry have ever used it.

The most common street rating platform and rating system used throughout the United States is the Pavement Condition Index (PCI). In 2021, the City began using the PCI Street Rating System to be more aligned with other cities and counties in the state. The City hired GRI, a geotechnical engineering firm, to conduct a study to implement a pavement management program (PMP) for the pavement network in Stayton. GRI developed a pavement inventory using the StreetSaver PMP software, performed a baseline pavement condition index (PCI) survey, conducted analyses, and prepared a PMP Report. Figure STR-1 (page 63) shows a draft of the 5-year Street Capital Improvement and Maintenance Projects.

The report summarizes and documents 1) current and projected pavement surface conditions; 2) remaining service life based on functional condition; 3) budget needs and consequence analysis; and 4) five-year preservation and major Maintenance and Rehabilitation (M&R) project list.

## Executive Dashboard



**Street Saver Main Dashboard**

Experience has shown us there are four (4) useful steps in managing our local streets:

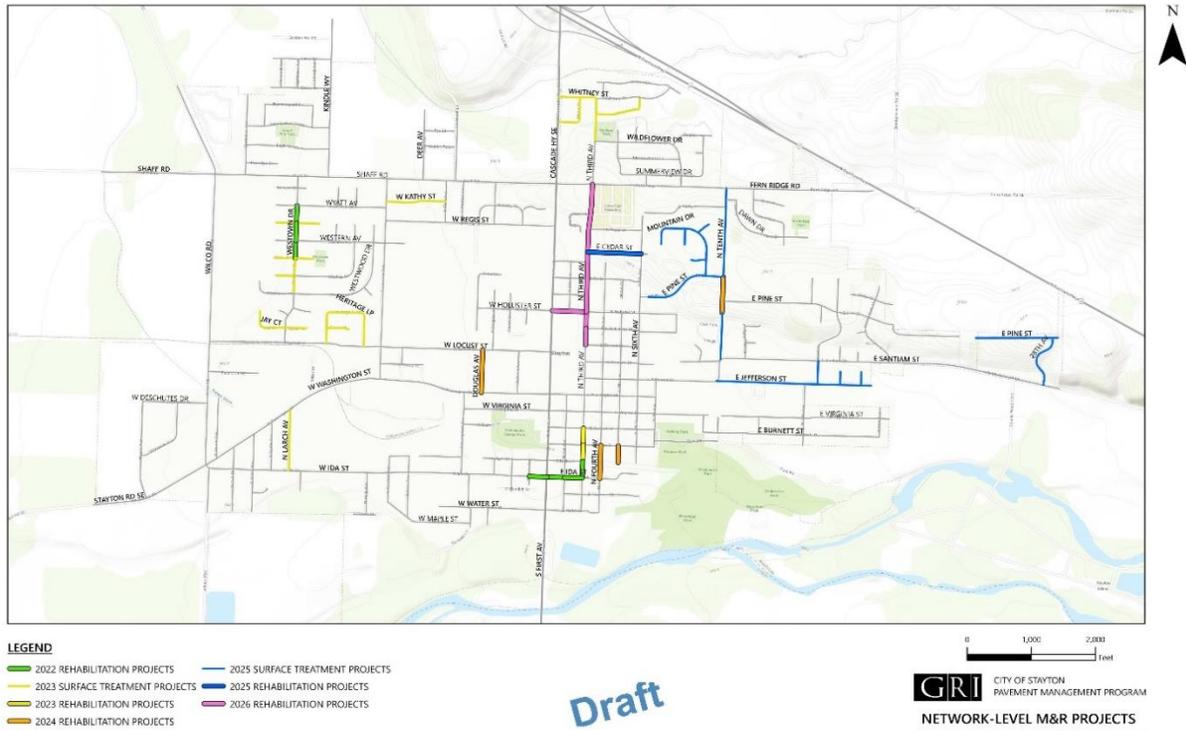
- 1) Inventory of all local roads and streets
- 2) Periodically evaluate the condition of all pavements (every 5 years)
- 3) Use the condition evaluations to set priorities for projects and select alternative treatments
- 4) Determine what other types of infrastructure a street needs before we put it on the paving schedule.

Each year the City receives a portion of state gasoline taxes (\$590,000 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.

For 2022-23 we are forecasting a 3% increase in our State Gas Tax Revenue and a 3% increase 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 slurry seals and overlay projects.

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 \$20.00 per month.



**Figure STR-1 - Draft of Proposed 5-year Capital Improvement Plan developed using Street Saver Software**

The City entered 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 one project from the 2019 Transportation System Plan update. Staff believes the City could benefit from having shovel ready plans and specifications prepared so we can take advantage of any 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.

## HIGHLIGHTS

- The City paved E. Jefferson Street between Third Avenue and Sixth Avenue in May—June 2022.
- Design of a Roundabout at Golf Club Road and Shaff Road ongoing.
- City moved to a new Street Rating System (PCI) and Rating Software (Street Saver) in fiscal year 2021-22.
- City plans to Mill and Overlay Wyatt Avenue in the Spring of 2023.
- City plans to Slurry Seal numerous streets in the Westtown subdivision.

## CHANGES FROM PREVIOUS YEAR

- No significant changes from previous year.

## STREET FUND BUDGET

Description	19-20	20-21	21-22	21-22	22-23
	Actual	Actual	Final Budget	Estimated	Proposed Budget
<b>Resources</b>					
Beginning Fund Balance	1,140,374	1,299,033	1,248,200	1,556,900	1,475,500
Taxes	177,154	191,403	175,700	155,000	159,700
Charges for Services	109,622	89,699	90,200	92,200	92,200
Intergovernmental	627,355	792,378	644,900	665,800	684,000
Miscellaneous	26,266	9,906	10,700	6,800	6,900
Transfers	31,530	123,895	150,000	7,000	16,100
<b>Total Resources</b>	<b>2,112,301</b>	<b>2,506,313</b>	<b>2,319,700</b>	<b>2,483,700</b>	<b>2,434,400</b>
<b>Requirements</b>					
Personnel Services	86,302	141,059	161,000	125,600	166,900
Materials and Services	155,090	163,002	208,800	178,400	186,500
Capital Outlay	309,975	370,042	440,000	390,000	650,000
Transfers	261,900	275,300	331,900	314,200	342,300
Other Requirements	-	-	1,178,000	-	1,088,700
<b>Total Requirements</b>	<b>813,268</b>	<b>949,402</b>	<b>2,319,700</b>	<b>1,008,200</b>	<b>2,434,400</b>

## PERFORMANCE MEASURES

ACTIVITY MEASURES	2019-20	2020-21	2021-22
Streets paved overlays (lane miles)	1.0	1.4	0.32
Slurry seals application (lane miles)	2.3	3.4	0.00
Street Signs replaced/installed (each)	16	45	25
Streets cleaned/swept (curb miles)	1,930	2,104	1,840
Street sweepings hauled to Coffin Butte (cy)	180	120	440
ADA Ramps Constructed (each)	16	1	9
Asphalt Cold Mix used for pothole repair (lbs)	5,470	6,540	12,140
Gravel applied to gravel roads (cy)	56	27	79
Dust control applied to gravel roads (gallons)	5,743	5,551	4,652
Fall Cleanup debris received (cy)	100	60	60
Food donated to food bank (lbs)	478	582	231
Food bank donations (\$)	169	45	-
Striping - Parking stalls (each)	303	45	0
Striping-curb (ft)	2,290	364	1,030

## STAFFING

<b>Position</b>	<b>2019-20 Actual</b>	<b>2020-21 Actual</b>	<b>2021-22 Budget</b>	<b>2022-23 Proposed</b>
Utility Operator	1.0	1.1	1.1	1.1
Public Works Supervisor	-	0.4	0.4	0.4
<b>Total FTE's - Streets</b>	<b>1.0</b>	<b>1.5</b>	<b>1.5</b>	<b>1.5</b>

## CAPITAL OUTLAY

Street Reconstruction – Overlays	300,000
Street Slurry Seals	120,000
Shaff Road – Golf Club Road Roundabout Design	230,000
<b>Total</b>	<b>\$650,000</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.

In 2021, the City was awarded approximately \$1.8 million of American Rescue Plan Act (ARPA) funding, and to date has received the first payment of \$920,000. On November 15, 2021, the City Council voted to use ARPA funds to complete the resanding of Slow Sand Filter Bed #2 at the City's Water Treatment Plant. The project was advertised in the Daily Journal of Commerce in December 2021 and a contract for performing the works awarded to Big River Construction in January 2022. The work is scheduled to be completed by June 15, 2022. This grant will help address a critical capital project and could potentially reduce some of the fiscal crisis this fund is experiencing.

Public Works staff has been working with a consultant team exploring the feasibility of constructing an Aquifer Storage and Recovery (ASR) System at Mill Creek Park. This work was made possible via a partnership with the Oregon Water Resources Department (OWRD), which paid for 50% of the study. In March 2022, the consultant team presented the findings of the study to the City Council. The team was confident the City could construct an ASR for the City to use as a secondary water source. In March 2021, Resolution No. 1033 was approved by the City Council which authorized City staff to apply for a OWRD Water Project Grant to construct the ASR system.

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 Aquifer Storage and Recovery Feasibility Study (secondary water source) was completed in March 2022.
- The City applied for an Oregon Water Resources Department Water Project Grant in April 2022 to construct an Aquifer Storage and Recovery System (ASR) to use as a secondary water source.
- The City used American Rescue Plan Act (ARPA) funding to Resand Filter Bed #2 at the Water Treatment Plant, project to be completed in June 2022.
- Water Master Plan Update postponed until 2022-2023 FY.

## CHANGES FROM PREVIOUS YEAR

- None.

## WATER FUND BUDGET

Description	19-20	20-21	21-22	21-22	22-23
	Actual	Actual	Final Budget	Estimated	Proposed Budget
<b>Resources</b>					
Beginning Fund Balance	625,455	680,449	820,500	832,800	1,081,200
Charges for Services	1,605,292	1,619,258	1,695,300	1,774,200	2,009,400
Intergovernmental	-	1,689	900,000	900,000	-
Miscellaneous	14,285	11,308	8,200	15,100	4,100
Transfers	27,354	47,381	361,000	361,000	250,000
<b>Total Resources</b>	<b>2,272,386</b>	<b>2,360,085</b>	<b>3,785,000</b>	<b>3,883,100</b>	<b>3,344,700</b>
<b>Requirements</b>					
Personnel Services	328,655	252,685	286,700	235,300	370,200
Materials and Services	430,773	406,357	479,600	464,500	495,600
Capital Outlay	35,587	47,381	1,343,000	1,302,700	624,000
Debt Service	328,523	329,136	329,600	329,700	339,600
Transfers	468,400	491,700	469,700	469,700	483,100
Other Requirements	-	-	876,400	-	1,032,200
<b>Total Requirements</b>	<b>1,591,937</b>	<b>1,527,259</b>	<b>3,785,000</b>	<b>2,801,900</b>	<b>3,344,700</b>

## ACTIVITY MEASURES

	2019-20	2020-21	2021-22
Potable water production (gallons)	624,602,000	506,711,000	627,964,000
Water Usage Billed (gallons)	581,185,000	462,455,000	472,001,000
Water meters replaced (each)	69	87	120
New water meters installed	4	7	37
Fire hydrants repaired	2	-	2
Water service lines repaired / replaced	6	16	11
Sand filter beds cleaned	7	5	5

## STAFFING

Position	2019-20	2020-21	2021-22	2022-23
	Actual	Actual	Budget	Proposed
Public Works Supervisor	1.00	0.60	0.60	0.60
Chief Water Treatment Plant Operator	1.00	1.00	1.00	1.00
Public Works Utility Operator	2.00	2.00	2.00	1.77
<b>Total FTE's Water</b>	<b>4.00</b>	<b>3.60</b>	<b>3.60</b>	<b>3.37</b>

## CAPITAL OUTLAY

Water System Master Plan (SDC)	250,000
Water Intake Emergency Exit System	10,000
Bleach Tank Replacements	45,000
Water Treatment Plant Fence Enclosure	9,000
Waterline Upsizing; Douglas Street—Regis Street to Shaff Road	175,000
Wyatt Avenue – Service Line Replacement	135,000
<b>Total</b>	<b>\$624,000</b>

# SEWER FUND

## SUMMARY

The Sewer Enterprise Fund provides funding to transport and treat raw sewage for residential, commercial, and industrial customer in Stayton and Sublimity. Sewage is delivered to the Wastewater Treatment Plant via 33 miles of sanitary sewer collection lines and 4 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 4 lift stations serving about 10,800 people from Stayton and Sublimity.

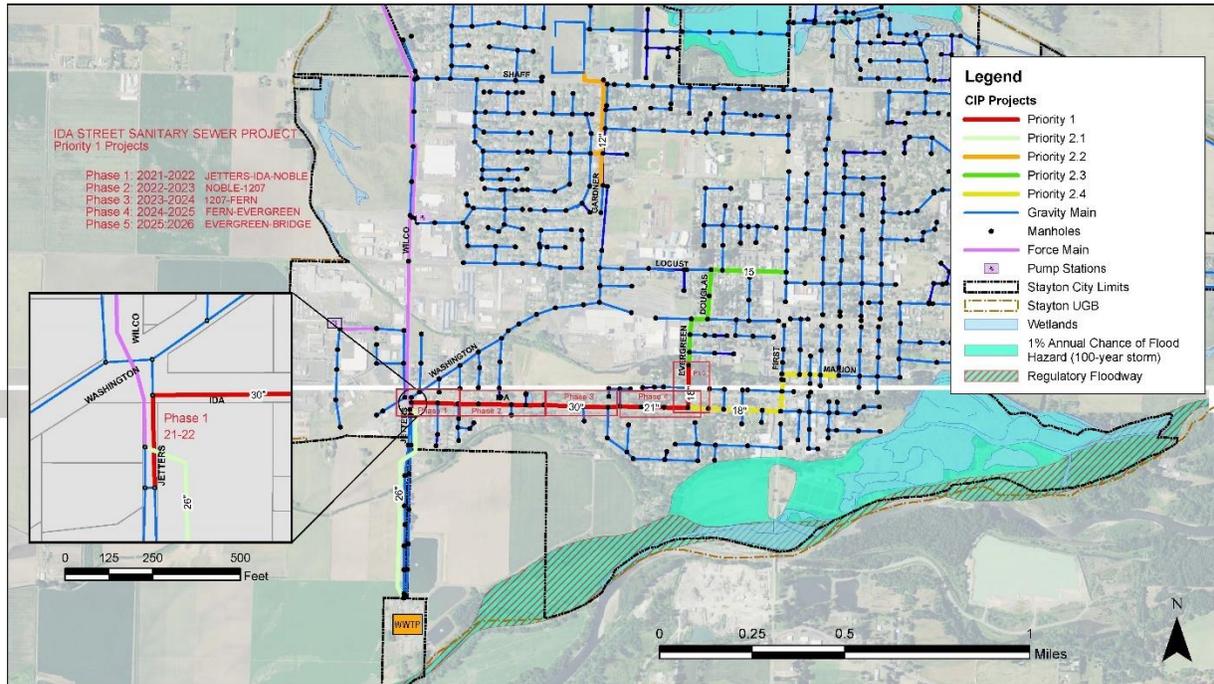
As collection systems age, the pipes develop cracks, allowing the infiltration of groundwater. The entry of groundwater into the collection system is known as infiltration and inflow (or I & I). All the groundwater that gets into the sewer system gets treated with the rest of the sewage, thereby costing 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. To reduce the I & I and become proactive with our maintenance responsibilities, the city flushes, inspects and makes repairs to approximately 6.7 miles of sanitary sewer line annually. The city repairs as many of the problem areas as the maintenance budget will allow for.

The city is designing a 30-inch sanitary sewer pipe to be located in Ida Street. The project will start at the vault in Jettters Way thence proceed north to Ida Street, thence east to 1207 Ida Street. This is phase 1 of a 4-phase sewer pipe upsizing project. This sewer construction project is scheduled to start in summer 2022. The city was awarded \$500,000 of American Rescue Plan Act (ARPA) Funds from Marion City for the sewer construction project. This is shown as a Priority 1.1 project in the 2021 Wastewater Facilities Planning Study.

## IDA Street - Sanitary Sewer Upsizing Project



### Collection System Capital Improvement Plan (CIP)

Wastewater Facilities Planning Study



**Figure 15**

City of Stayton, OR

### ***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.

In 2021 the Wastewater Operators completed a Priority 1.4 Project, as shown in the 2021 Wastewater Facilities Planning Study, by replacing Influent Pump Controls at the plant and updating the SCADA System.

In 2022-2023 FY the WWTP will be completing a Priority 1.7 Project by replacing the Positive Displacement Blower with a Turbo Blower. The Blower injects air into the sediment basin. The blowers being replaced are much less efficient and cost more to operate.

## HIGHLIGHTS

- Replaced Influent Pump Control and Scada System at the Wastewater Treatment Plant.
- Received 2021 National Pollutant Discharge Elimination System (NPDES) Permit from DEQ.
- Started Design of the Ida Street Sanitary Sewer 30-inch Trunkline Project (Priority 1.1 project).

- Installing new Turbo Blower at the WWTP (priority 1.7 project).
- City to construct 30-inch sanitary sewer line in IDA Street in August-September of 2022.

## CHANGES FROM THE PREVIOUS YEAR

- Scheduled capital improvement work for the collection system.

## SEWER FUND BUDGET

Description	19-20	20-21	21-22	21-22	22-23
	Actual	Actual	Final Budget	Estimated	Proposed Budget
<b>Resources</b>					
Beginning Fund Balance	3,878,867	4,191,418	4,702,600	4,747,800	5,077,500
Charges for Services	3,043,801	3,194,075	3,255,200	3,335,700	3,625,900
Intergovernmental	-	2,968	-	-	500,000
Miscellaneous	87,381	33,318	35,900	30,000	20,800
Transfers	215,811	168,848	135,000	135,000	125,200
<b>Total Resources</b>	<b>7,225,860</b>	<b>7,590,627</b>	<b>8,128,700</b>	<b>8,248,500</b>	<b>9,349,400</b>
<b>Requirements</b>					
Personnel Services	427,607	360,837	462,800	410,300	641,600
Materials and Services	1,012,152	790,308	1,307,000	1,185,400	1,268,000
Capital Outlay	174,975	362,310	678,700	270,000	1,778,000
Debt Service	824,508	823,596	823,900	823,800	815,400
Transfers	595,200	505,700	593,400	481,500	638,400
Other Requirements	-	-	4,262,900	-	4,208,000
<b>Total Requirements</b>	<b>3,034,442</b>	<b>2,842,752</b>	<b>8,128,700</b>	<b>3,171,000</b>	<b>9,349,400</b>

## ACTIVITY MEASURES

ACTIVITY MEASURES	2019-2020	2020-2021	2021-2022
Wastewater Treated (gallons)	638,332,000	597,400,000	576,000,000
Wastewater Treated from Sublimity (gallons)	-	94,100,000	101,000,000
Biosolids Produced (tons)	160	280	309
Manholes cleaned, sealed, repaired (each)	69	134	11
Sanitary Sewer Lines Cleaned (lineal feet)	35,406	42,673	1,700
Sanitary Sewer Lines CCTV'd (lineal feet)	35,406	41,758	36,501
Pipe Repairs (each)	111	1	-
Sewer Locates per One Call Requests (each)	264	584	670

## STAFFING

Position	2019-20 Actual	2020-21 Actual	2021-22 Budget	2022-23 Proposed
Public Works Utilities Supervisor - Sewer	1.00	1.00	1.00	1.00
Wastewater Treatment Operators	4.50	4.34	4.50	5.34
Wastewater & Storm Collection System Operator	0.30	0.30	0.30	0.50
<b>Total FTE's – Wastewater</b>	<b>5.80</b>	<b>5.80</b>	<b>5.80</b>	<b>6.84</b>

## CAPITAL OUTLAY

Wastewater Treatment Facility Upgrades	260,000
Wastewater Vehicle Replacement	38,000
Sanitary Sewer Collections Project (Master Plan Project)	<u>1,480,720</u>
<b>Total</b>	<b>\$1,778,000</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 \$29,200 for annual fee to the Santiam Water Control District for usage of ditches for stormwater discharge per the 2014 Memorandum of Understanding.
- Storm line / catch basin upgrades on Jefferson Street during street improvements.

## CHANGES FROM PREVIOUS YEAR

- None.

## STORMWATER FUND BUDGET

Description	19-20	20-21	21-22	21-22	22-23
	Actual	Actual	Final Budget	Estimated	Proposed Budget
Beginning Fund Balance	298,527	303,717	335,800	395,700	326,900
Resources					
Charges for Services	300,959	315,433	316,700	324,600	352,800
Miscellaneous	5,696	2,531	2,700	1,700	1,700
Transfers	2,052	-	-	-	-
<b>Total Resources</b>	<b>607,235</b>	<b>621,681</b>	<b>655,200</b>	<b>722,000</b>	<b>681,400</b>
Requirements					
Personnel Services	27,965	40,134	44,000	40,900	44,100
Materials and Services	106,812	45,991	138,900	147,600	168,800
Capital Outlay	34,897	3,000	75,000	60,000	65,000
Debt Service	70,744	71,205	71,100	71,000	65,800
Transfers	63,100	65,600	96,000	75,600	95,400
Other Requirements	-	-	230,200	-	242,300
<b>Total Requirements</b>	<b>303,518</b>	<b>225,929</b>	<b>655,200</b>	<b>395,100</b>	<b>681,400</b>

## PERFORMANCE MEASURES

ACTIVITY MEASURES	2019-20	2020-21	2021-22
Percentage of regulatory submittals completed timely	100%	100%	100%
Lineal feet of storm drains cleaned/inspected	25,094	19,177	29,719
Number of swales/detention facilities maintained	6	6	6
Lineal feet of drainage ditches cleaned	730	745	645
Number of manholes cleaned	56	44	60
Number of catch basins cleaned	126	126	187
Number of active accounts	2,922	2,844	2844
<b>Efficiency Measures</b>			
Customers per FTE	5,844	5,688	5,688

## STAFFING

Position	2019-20 Actual	2020-21 Actual	2021-22 Budget	2022-23 Budget
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

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

# PUBLIC WORKS ADMINISTRATION INTERNAL SERVICE FUND

## SUMMARY

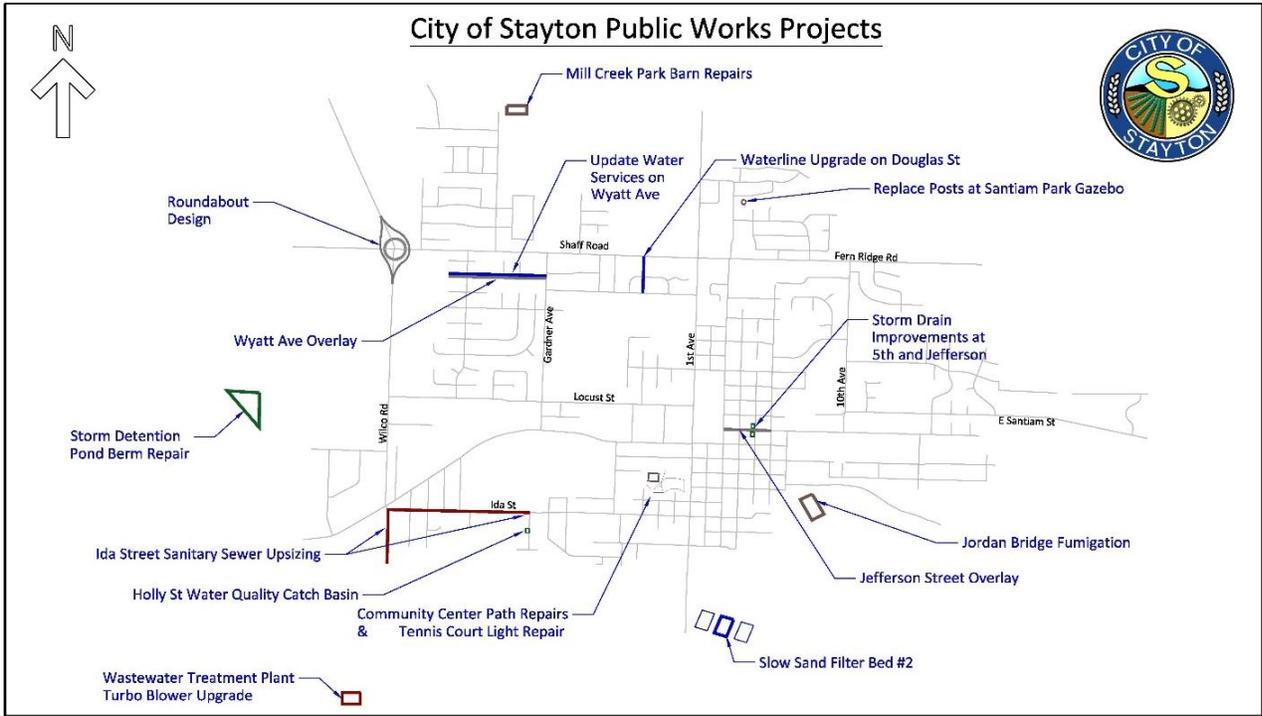
The Public Works Administration Fund receives funding from the Water, Sewer, Stormwater, Parks and Street funds to pay for management and support services. Administration duties include building permits, contracts, master planning, pavement management, development review and inspection, council staff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

## HIGHLIGHTS

During the 2021-22 FY Public Works Administration staff has been working onsite performing all our normal duties with in-person restrictions. Most meetings with outside consultants are done virtual and have been very effective. We have continued to prepare and administer projects with budget restrictions. Some of these projects are listed below:

- ✓ Shaff Road – Golf Club Road Roundabout Design
- ✓ Street Ratings and Street Saver Database project
- ✓ Jefferson Street Paving Project; May-June 2022
- ✓ National Pollutant Discharge Elimination System Permit Renewal
- ✓ Installation of river flow monitoring gage below WWTP
- ✓ Infiltration and Inflow maintenance project development
- ✓ Ida Street Sanitary Sewer Trunk Line Design Project
- ✓ Marion County ARPA Grant Application for Ida Street Sewer Project
- ✓ Annual TMDL Permit to DEQ
- ✓ Aquifer Storage and Recovery System Feasibility Study
- ✓ Aquifer Storage and Recovery System Construction Grant Application
- ✓ Water Treatment Plant Slow Sand Filter Resanding project; May 2022
- ✓ Water Treatment Plant Emergency Response Plan
- ✓ Water Treatment Plant Risk and Resiliency Plan
- ✓ 2021 City Design Standards and Construction Specifications Update
- ✓ Stayton Family Pool Reroofing Project - Contract Document/Bidding Services
- ✓ Santiam Park Gazebo Repair Project
- ✓ Mill Creek Park Culvert Installation and Path Construction

- Public Works staff coordinated with the City Engineer to review site plans and final construction plans for private development in the city.
- Provided plan review and construction inspection services for land development projects, building permits and right-of-way permit projects.
- Continue a marketing campaign to promote Santiam Green, the City’s biosolids created at the Wastewater Treatment Plant.
- Public Works Projects for FY 2021-22 and FY 2022-23:



**CHANGES FROM PREVIOUS YEAR**

- Increase in Contract Services of \$150,000 for Utility Rate Study.

## PUBLIC WORKS ADMINISTRATION FUND BUDGET

Description	19-20 Actual	20-21 Actual	21-22 Final Budget	21-22 Estimated	22-23 Proposed Budget
Beginning Fund Balance	178,351	210,502	225,800	301,700	342,000
Resources					
Licenses, Permits and Fees	-	36,179	25,200	9,400	9,600
Intergovernmental	-	5,332	-	-	-
Miscellaneous	4,645	2,039	5,200	1,200	1,200
Transfers	495,800	543,600	723,400	591,900	725,000
<b>Total Resources</b>	<b>678,796</b>	<b>797,652</b>	<b>979,600</b>	<b>904,200</b>	<b>1,077,800</b>
Requirements					
Personnel Services	388,051	344,770	445,800	399,000	472,900
Materials and Services	80,243	151,172	322,600	163,200	371,100
Transfers	-	-	-	-	-
Other Requirements	-	-	211,200	-	233,800
<b>Total Requirements</b>	<b>468,294</b>	<b>495,942</b>	<b>979,600</b>	<b>562,200</b>	<b>1,077,800</b>

## PERFORMANCE MEASURES

ACTIVITY MEASURES	2019-20	2020-21	2021-22
Plans Examined for Public Works Requirements			
Structural permits	29	36	32
Building permits – new single-family dwellings	3	23	38
Mechanical permits	7	0	3
Plumbing permits	3	0	2
Right-of-Way permits reviewed / inspected (annually)	30	43	26
Event Permits reviewed (annually)	10	0	7
Water quality / detention / retention plan reviews (annually)	13	41	62
Water line taps / sanitary sewer taps	3	3	7
Backflow tests processed	313	8	8
Facility rentals (hours rented)	1,306	-	-
Sidewalk / Driveway Construction inspections	-	-	73

## STAFFING

<b>Position</b>	<b>2019-20 Actual</b>	<b>2020-21 Actual</b>	<b>2021-22 Budget</b>	<b>2022-23 Proposed</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	1.0
Office Specialist	1.0	1.0	1.0	1.0
<b>Total FTE's</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0</b>

## CAPITAL OUTLAY

No capital items budgeted in fiscal year 2022-23.

# 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 \$69,500 collected in Parks SDCs in fiscal year 2021-22.
- The City forecasts collection of \$75,800 in Parks SDCs in fiscal year 2022-23.

## CHANGES FROM PREVIOUS YEAR

- There are no Park SDC transfers scheduled for 2022-23.

## PARKS SDC FUND BUDGET

Description	19-20	20-21	21-22	21-22	22-23
	Actual	Actual	Final Budget	Estimated	Proposed Budget
Resources					
Beginning Fund Balance	49,964	73,858	179,600	202,800	273,300
Charges for Services	22,588	128,027	117,000	69,500	75,800
Miscellaneous	1,307	918	1,000	1,000	1,000
<b>Total Resources</b>	<b>73,859</b>	<b>202,803</b>	<b>297,600</b>	<b>273,300</b>	<b>350,100</b>
Reserved					
	-	-	297,600	-	350,100
<b>Total Requirements</b>	<b>-</b>	<b>-</b>	<b>297,600</b>	<b>-</b>	<b>350,100</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 \$51,500 in Street SDC's in 2021-22.
- The City forecasts to collect \$63,800 in Street SDC's in 2022-23.
- Transfer of \$16,100 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	19-20	20-21	21-22	21-22	22-23
	Actual	Actual	Final Budget	Estimated	Proposed Budget
Resources					
Beginning Fund Balance	718,555	753,293	752,900	869,800	918,100
Charges for Services	23,323	233,588	98,200	51,500	63,800
Miscellaneous	15,451	6,816	7,500	3,800	3,900
<b>Total Resources</b>	<b>757,329</b>	<b>993,697</b>	<b>858,600</b>	<b>925,100</b>	<b>985,800</b>
Requirements					
Materials and Services	-	-	35,000	-	-
Transfers	4,035	123,895	150,000	7,000	16,100
Total Other Requirements	-	-	673,600	-	969,700
<b>Total Requirements</b>	<b>4,035</b>	<b>123,895</b>	<b>858,600</b>	<b>7,000</b>	<b>985,800</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

- The City has collected \$50,800 in Water SDC's during fiscal year 2021-22.
- The City forecasts to collect \$78,800 in Water SDC's in 2022-23.
- Transfer of \$250,000 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	19-20	20-21	21-22	21-22	22-23
	Actual	Actual	Final Budget	Estimated	Proposed Budget
Beginning Fund Balance	440,634	471,364	543,300	518,800	365,000
Charges for Services	21,190	90,932	121,600	50,800	78,800
Intergovernmental	-	-	154,000	154,000	-
Miscellaneous	9,540	3,916	4,200	2,400	2,400
<b>Total Resources</b>	<b>471,364</b>	<b>566,212</b>	<b>823,100</b>	<b>726,000</b>	<b>446,200</b>
Requirements					
Materials and Services	-	-	45,800	-	-
Transfers	-	47,381	361,000	361,000	250,000
Other Requirements	-	-	416,300	-	196,200
<b>Total Requirements</b>	<b>-</b>	<b>47,381</b>	<b>823,100</b>	<b>361,000</b>	<b>446,200</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

- The City collected \$45,300 in Sewer SDC's in 2021-22.
- The City forecasts to collect \$58,700 in Sewer SDC's in 2022-23.
- Transfer of \$125,200 from SDC's for Wastewater Plant and Collections capital improvements.

## CHANGES FROM PREVIOUS YEAR

- No changes from previous year.

## SEWER SDC FUND BUDGET

Description	19-20	20-21	21-22	21-22	22-23
	Actual	Actual	Final Budget	Estimated	Proposed Budget
Charges for Services	19,361	85,761	90,500	45,300	58,700
Miscellaneous	14,020	3,670	6,900	1,800	1,800
<b>Total Resources</b>	<b>666,345</b>	<b>580,801</b>	<b>458,500</b>	<b>459,000</b>	<b>384,500</b>
Requirements					
Materials and Services	-	-	41,500	-	-
Transfers	174,975	168,848	135,000	135,000	125,200
Other Requirements	-	-	282,000	-	259,300
<b>Total Requirements</b>	<b>174,975</b>	<b>168,848</b>	<b>458,500</b>	<b>135,000</b>	<b>384,500</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

- The City has collected \$66,300 in Stormwater SDC's in 2021-22.
- The City projects to collect \$87,600 in Stormwater SDC's in 2022-23.

## CHANGES FROM PREVIOUS YEAR

- No changes from the previous year.

## STORMWATER SDC FUND BUDGET

Description	19-20	20-21	21-22	21-22	22-23
	Actual	Actual	Final Budget	Estimated	Proposed Budget
Beginning Fund Balance	66,026	93,017	182,200	230,000	297,400
Charges for Services	25,805	135,851	110,000	66,300	87,600
Miscellaneous	1,186	1,149	1,500	1,100	1,100
<b>Total Resources</b>	<b>93,017</b>	<b>230,017</b>	<b>293,700</b>	<b>297,400</b>	<b>386,100</b>
Requirements					
Materials and Services	-	-	65,000	-	-
Transfers	-	-	-	-	-
Other Requirements	-	-	228,700	-	386,100
<b>Total Requirements</b>	<b>-</b>	<b>-</b>	<b>293,700</b>	<b>-</b>	<b>386,100</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 is still in process with phases 2 and 3 to be finished in fiscal year 2023.

## CHANGES FROM PREVIOUS YEAR

- The City has budgeted \$90,000 to finish the Facilities Master Plan that is currently in progress with Mackenzie.
- Repairs to the Star Cinema’s outer walls are budgeted at \$40,000.

## FACILITIES FUND BUDGET

Description	19-20	20-21	21-22	21-22	22-23
	Actual	Actual	Final Budget	Estimated	Proposed Budget
<b>Resources</b>					
Beginning Fund Balance	527,963	577,628	663,600	680,400	682,400
Miscellaneous	47,464	33,287	21,100	41,500	45,000
Transfers	84,000	85,400	85,700	85,700	88,800
<b>Total Resources</b>	<b>659,427</b>	<b>696,315</b>	<b>770,400</b>	<b>807,600</b>	<b>816,200</b>
<b>Requirements</b>					
Personnel Services	10,883	5,795	15,200	14,200	16,500
Materials and Services	-	-	5,000	5,000	5,000
Capital Outlay	70,916	10,090	155,000	106,000	130,000
Other Requirements	-	-	595,200	-	664,700
<b>Total Requirements</b>	<b>81,799</b>	<b>15,885</b>	<b>770,400</b>	<b>125,200</b>	<b>816,200</b>

## STAFFING

<b>Position</b>	<b>2019-20 Actual</b>	<b>2020-21 Actual</b>	<b>2021-22 Budget</b>	<b>2022-23 Budget</b>
Facilities Maintenance	0.30	0.30	0.20	0.26
<b>Total FTE's – Facilities</b>	<b>0.30</b>	<b>0.30</b>	<b>0.20</b>	<b>0.26</b>

## CAPITAL OUTLAY

Star Cinema Wall Repair	40,000
Consulting	90,000
<b>Total</b>	<b>\$130,000</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 had 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 25.87%) and decreased for Oregon Service Retirement Plan (ORSRP) members (from 22.5% to 20.88%).

Beginning this fiscal year, no further transfers from the Police Department budget to the Pension Stabilization Fund will occur.

The City will be monitoring the effects of the additional payments made to the PERS side account. This fall, the City plans to invest the \$278,000 from the Pension Stabilization Fund into the PERS Side Account. These funds will be calculated into an upcoming valuation and the rate offset will be effective July 1, 2024.

## HIGHLIGHTS

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

## PENSION STABILIZATION FUND BUDGET

Description	19-20	20-21	21-22	21-22	22-23
	Actual	Actual	Final Budget	Estimated	Proposed Budget
<b>Resources</b>					
Beginning Fund Balance	150,000	94,516	185,800	185,700	277,000
Miscellaneous	4,116	867	1,000	900	1,000
Transfers	190,400	90,400	90,400	90,400	-
<b>Total Resources</b>	<b>344,516</b>	<b>185,783</b>	<b>277,200</b>	<b>277,000</b>	<b>278,000</b>
<b>Requirements</b>					
Personnel Services	250,000	-	-	-	278,000
Other Requirements	-	-	277,200	-	-
<b>Total Requirements</b>	<b>250,000</b>	<b>-</b>	<b>277,200</b>	<b>-</b>	<b>278,000</b>

# CLOSED FUNDS

## VEHICLE REPLACEMENT FUND

Fund closed fiscal year 2019-20

Description	19-20	20-21	21-22	21-22	22-23
	Actual	Actual	Final Budget	Estimated	Proposed Budget
Beginning Fund Balance	43,136	-	-	-	-
Transfers	154,600	-	-	-	-
<b>Total Resources</b>	<b>197,736</b>	-	-	-	-
Requirements					
Transfers	197,737	-	-	-	-
<b>Total Requirements</b>	<b>197,737</b>	-	-	-	-

# CAPITAL OUTLAY - ALL FUNDS

## FISCAL YEAR 2022-23

### SUMMARY

The following schedules summarize the various capital investments, by fund, for fiscal year 2022-23. 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.

<b>General Fund</b>				
Description	Funding Source	Priority	Amount	Impact on operating costs
Police vehicle	General	1	64,000	Replacement - reduced
Emergency Backup Generator -Police	General	1	42,000	Sustain
City Hall Lobby Remodel	General	2	25,000	None
<b>Total</b>			<b>131,000</b>	

<b>Parks Fund</b>				
Description	Funding Source	Priority	Amount	Impact on operating costs
Santiam Park Gazebo Repairs	Recreation Tax Levy	2	22,000	Replacement - reduced
Community Center Pathway	Recreation Tax Levy	2	25,000	Replacement - reduced
Jordan Bridge Maintenance	Recreation Tax Levy	2	15,000	Replacement - reduced
Mill Creek Park Barn / Teen Center Repairs	Recreation Tax Levy	2	20,000	Replacement - reduced
<b>Total</b>			<b>82,000</b>	

<b>Street Fund</b>				
Description	Funding Source	Priority	Amount	Impact on operating costs
Street Overlay	Local /State Gas Tax	2	300,000	None
Slurry Seal	Local /State Gas Tax	0	120,000	None
Roundabout Design	SDC's/ State Gas Tax	0	230,000	None
<b>Total</b>			<b>650,000</b>	

<b>Water Fund</b>				
Description	Funding Source	Priority	Amount	Impact on operating costs
Water System Master Plan (SDC)	SDCs	1	250,000	None
Water Intake Emergency Exit System	Rate payers	1	10,000	Modernization – nominal
Bleach Tank Replacements	Rate payers	1	45,000	Modernization – nominal
Water Treatment Plant Fence Enclosure	Rate payers	1	9,000	None
Waterline Upsizing; Douglas Street—Regis Street to Shaff Road	Rate payers	1	175,000	Modernization – nominal
Wyatt Avenue – Service Line Replacement	Rate payers	1	135,000	Modernization – nominal
<b>Total</b>			<b>624,000</b>	

<b>Wastewater Fund</b>				
Description	Funding Source	Priority	Amount	Impact on operating costs
Wastewater Vehicle	Rate payers	1	38,000	Replacement - none
Sanitary Sewer Collections Project (Ida St)	Rate payers	1	1,480,000	None
Plant Improvements	SDCs	1	260,000	None
<b>Total</b>			<b>1,778,000</b>	

<b>Stormwater Fund</b>				
Description	Funding Source	Priority	Amount	Impact on operating costs
System Improvements	Rate payers	1	10,000	Modernization - nominal
Water quality manholes	Rate payers	1	55,000	None
<b>Total</b>			<b>65,000</b>	

<b>Library Fund</b>				
Description	Funding Source	Priority	Amount	Impact on operating costs
System Improvements	Library Levy taxes	2	<b>10,000</b>	Replacement - reduced

<b>Pool Fund</b>				
Description	Funding Source	Priority	Amount	Impact on operating costs
System Improvements	Rec. Levy taxes	1	<b>64,000</b>	Sustain

<b>Facility Fund</b>				
Description	Funding Source	Priority	Amount	Impact on operating costs
Star Theater Wall Repair		1	40,000	Replacement - reduced
Consulting		0	90,000	None
Total			<b>130,000</b>	

**CITY-WIDE TOTAL** **3,534,000**

# DEBT SCHEDULES

## SUMMARY

The schedules below reflect the City’s total outstanding debt, debt payments in fiscal year 2021-22, outstanding debt for the next five fiscal years, estimated debt per capita for the next five years and debt capacity.

As of June 30, 2021, the City’s debt limitation is \$37,593,863. 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. The City currently in a strong position with a bond rating of 1A as of Oct 2021.

### Debt Summary – Fiscal Year 2022

Debt Issue	Fund	Balance		Principal	Interest	Total Payment
		Original Issue	June 30, 2022			
2013 Full Faith and Credit Refunding	Sewer	\$ 5,810,000	\$ 2,425,000	\$ 400,000	\$ 72,750	\$ 472,750
USDA Sewer Revenue Bonds	Sewer	8,316,000	7,141,865	149,046	196,401	345,447
<b>Total</b>	<b>Sewer</b>	<b>\$ 14,126,000</b>	<b>9,566,865</b>	<b>\$ 549,046</b>	<b>\$ 269,151</b>	<b>\$ 818,197</b>
2016 Full Faith and Credit Refunding	Water	3,945,000	2,715,000	230,000	102,850	332,850
2019 Full Faith and Credit	Storm	725,000	644,823	28,597	18,139	46,736
<b>Totals</b>		<b>\$ 18,796,000</b>	<b>\$ 12,926,688</b>	<b>\$ 807,643</b>	<b>\$ 390,140</b>	<b>\$ 1,197,783</b>

### Outstanding Debt Fiscal Years Ending June 30, 2023 – 2027

Debt Issue	2023	2024	2025	2026	2027
2013 Full Faith and Credit Refunding	\$ 2,025,000	\$ 1,615,000	\$ 1,190,000	\$ 755,000	\$ -
USDA Sewer Revenue Bonds	6,992,819	6,839,675	6,682,319	6,520,636	5,643,030
<b>Total</b>	<b>\$ 9,017,819</b>	<b>\$ 8,454,675</b>	<b>\$ 7,872,319</b>	<b>\$ 7,275,636</b>	<b>\$ 5,643,030</b>
2016 Full Faith and Credit Refunding	2,485,000	2,250,000	2,005,000	1,750,000	1,463,000
2019 Full Faith and Credit	616,226	586,651	556,066	524,434	489,406
<b>Totals</b>	<b>\$ 12,119,045</b>	<b>\$ 11,291,326</b>	<b>\$ 10,433,385</b>	<b>\$ 9,550,070</b>	<b>\$ 7,595,436</b>

Debt Limitation		Debt Issue	Fund	Date Maturity
Real Market Value	\$1,253,128,750	2013 Full Faith & Credit	Sewer	Jun-2028
Factor	3.0%	USDA Sewer Revenue Bonds	Sewer	Sep-2053
Debit Limit	37,593,863	2016 Full Faith & Credit	Water	Dec-2031
City debt subject to limitations	-	2019 Full Faith & Credit	Storm	Feb-2034
<b>Debt capacity</b>	<b>37,593,863</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.

These forecast assumptions utilize revenues from pre-COVID and include an annual 3% increase to revenues.

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: Based on COLA and pending union negotiations with AFSCME and SPOA
- Health Insurance: 5% increase per year
- City Retirement: Based on COLA and pending union negotiations with AFSCME and SPOA
- PERS Retirement: 8% increase per year
- Materials and Services: 2% to 3% increase per year
- Transfers for Services: 2% to 4% increase per year
- Capital Projects have been reviewed and scheduled
- Inflation: 8.7% for 2022-23; 6% for 2023-24; and 2.5% for the next three years

## GENERAL FUND

Descriptions	Projections				
	2022-23	2023-24	2024-25	2025-26	2026-27
Beginning Fund Balance	2,390,900	2,010,700	1,962,200	1,823,700	1,741,200
Taxes	2,435,400	2,517,000	2,600,243	2,686,971	2,776,451
Charges For Services	16,300	2,000	2,000	2,000	2,000
Grants and Contributions	-	-	-	-	-
Franchise Fees	744,800	764,000	783,800	804,200	825,300
Licenses, Permits and Fees	14,200	14,400	14,600	14,900	15,200
Fines & Forfeitures	113,900	142,100	163,300	187,600	215,600
Intergovernmental	1,673,000	257,900	263,700	269,600	275,800
Miscellaneous	56,600	57,200	57,800	58,400	59,000
Transfers	978,000	1,007,300	1,037,500	1,068,600	1,100,700
<b>Total Revenue</b>	<b>6,032,200</b>	<b>4,761,900</b>	<b>4,922,943</b>	<b>5,092,271</b>	<b>5,270,051</b>
<b>Total General Fund Resources</b>	<b>8,423,100</b>	<b>6,772,600</b>	<b>6,885,143</b>	<b>6,915,971</b>	<b>7,011,251</b>
<b>Expenditures</b>					
Administration	1,350,200	1,352,200	1,407,500	1,451,200	1,496,400
Police	2,600,300	2,642,900	2,807,200	2,846,100	3,024,600
Planning	251,700	227,800	234,600	241,600	248,800
Community Center	45,600	49,000	48,600	50,100	51,600
Municipal Court	140,700	151,000	157,900	162,200	166,600
Street Lights	110,000	119,600	126,800	130,000	133,300
City Council-49	22,500	12,900	23,800	33,500	44,500
Operations Non-Dept	1,891,400	255,000	255,000	260,000	260,000
<b>Total Operating Expenditures</b>	<b>6,412,400</b>	<b>4,810,400</b>	<b>5,061,400</b>	<b>5,174,700</b>	<b>5,425,800</b>
<b>Revenue over (under) Expenditures</b>	<b>(380,200)</b>	<b>(48,500)</b>	<b>(138,457)</b>	<b>(82,429)</b>	<b>(155,749)</b>
Beginning fund balance	2,390,900	2,010,700	1,962,200	1,823,700	1,741,200
<b>Ending Fund Balance</b>	<b>2,010,700</b>	<b>1,962,200</b>	<b>1,823,743</b>	<b>1,741,271</b>	<b>1,585,451</b>
Minimum fund balance analysis	2,010,700	1,962,200	1,823,743	1,741,271	1,585,451
Five months expenditures	2,671,833	2,004,333	2,108,917	2,156,125	2,260,750
Five months Revenue/excluding property taxes	1,091,167	515,667	535,500	556,958	580,375
Net five months working capital	1,580,667	1,488,667	1,573,417	1,599,167	1,680,375
Ending fund balance meets policy	YES	YES	YES	YES	NO

### Assumptions – General Fund

- Property Taxes – 3.4% annual increases and the following 4 years.
- Franchise Fees – range of (1.0%) for telephone to 2.0% for sanitary sewer and 3% for Pacific Power
- Fines & Forfeitures annual increase of 25% first year 15% following 4 years
- All other recurring revenue – 0.0% to 3.0%

## LIBRARY FUND

### Projections

Description	2022-23	2023-24	2024-25	2025-26	2026-27
<b>Resources</b>					
Beginning Fund Balance	344,200	353,500	290,200	219,300	159,000
Property Taxes	278,700	287,700	297,000	310,900	316,400
Charges for Services	1,200	1,200	1,200	1,200	1,200
Contributions & Grants	23,000	23,000	23,000	23,000	23,000
Intergovernmental	159,000	103,300	105,300	107,400	109,500
Miscellaneous	6,800	7,000	7,200	7,400	7,600
Transfers	70,000	70,000	70,000	75,000	70,000
<b>Total Resources</b>	<b>882,900</b>	<b>845,700</b>	<b>793,900</b>	<b>744,200</b>	<b>686,700</b>
<b>Expenditures</b>					
Personnel Services	393,500	408,900	421,400	434,300	448,300
Materials and Services	95,300	103,900	109,600	106,300	109,500
Capital Outlay	10,000	11,200	11,200	11,200	11,200
Transfers	30,600	31,500	32,400	33,400	34,400
<b>Total Expenditures</b>	<b>529,400</b>	<b>555,500</b>	<b>574,600</b>	<b>585,200</b>	<b>603,400</b>
<i>Resources over (under) Expenditures</i>	9,300	(63,300)	(70,900)	(60,300)	(75,700)
<b>Ending Fund Balance</b>	<b>353,500</b>	<b>290,200</b>	<b>219,300</b>	<b>159,000</b>	<b>83,300</b>
<b>Desired fund balance</b>					
Minimum net 5 months cash flow	112,000	146,500	153,500	155,000	163,500
Estimated ending fund balance	353,500	290,200	219,300	159,000	83,300
Ending fund balance over/(under) minimum desired	241,500	143,700	65,800	4,000	(80,200)
<b>Meets Policy</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>	<b>NO</b>
<b>Capital Improvement Plan</b>					
	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>
New window frame a year	2,000	2,000	2,000	2,000	2,000
HVAC	10,000	11,200	11,200	11,200	11,200
Interior Lights (20)	-	3,000	-	-	-
Upgrade Phone System	-	-	6,000	-	-
<b>Total Capital Improvement Plan</b>	<b>12,000</b>	<b>16,200</b>	<b>19,200</b>	<b>13,200</b>	<b>13,200</b>

### Assumptions – Library Fund

- New Levy Tax revenue for the next 5 years.
- One time ARPA Grant revenue FY23 only.
- Capital Outlay for next 5 years includes updating HVAC systems and doing window maint.

## POOL FUND

	<b>Projections</b>				
<b>Description</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>
<b>Resources</b>					
Beginning Fund Balance	186,400	114,100	90,000	74,200	53,200
Property Taxes	181,300	187,100	193,200	199,600	206,200
Charge for Services	95,600	129,100	148,500	163,300	179,700
Intergovernmental	-	-	-	-	-
Miscellaneous	700	700	700	700	700
Transfers	90,000	60,000	60,000	60,000	60,000
<b>Total Resources</b>	<b>554,000</b>	<b>491,000</b>	<b>492,400</b>	<b>497,800</b>	<b>499,800</b>
<b>Expenditures</b>					
Personnel Services	178,800	184,700	206,400	193,500	194,700
Repairs	64,000	12,000	-	33,000	50,000
Capital Outlay	64,000	12,000	-	33,000	50,000
Transfers	63,600	65,500	67,500	69,500	71,600
Other Requirements	-	-	-	-	-
<b>Total Requirements</b>	<b>439,900</b>	<b>401,000</b>	<b>418,200</b>	<b>444,600</b>	<b>469,400</b>
<i>Revenue over (under) Expenditures</i>	<i>(72,300)</i>	<i>(24,100)</i>	<i>(15,800)</i>	<i>(21,000)</i>	<i>(22,800)</i>
Resources	554,000	491,000	492,400	497,800	499,800
Expenses	439,900	401,000	418,200	444,600	469,400
<b>Ending fund balance</b>	<b>114,100</b>	<b>90,000</b>	<b>74,200</b>	<b>53,200</b>	<b>30,400</b>
<b>Desired fund balance</b>					
Minimum net five months cash flow					
Ending fund balance over/(under)	105,900	87,900	87,300	92,200	95,300
minimum desired	114,100	90,000	74,200	53,200	30,400
Meets policy					
minimum desired	8,200	2,100	<i>(13,100)</i>	<i>(39,000)</i>	<i>(64,900)</i>
Meets policy	<b>YES</b>	<b>YES</b>	<b>NO</b>	<b>NO</b>	<b>NO</b>

## POOL FUND (continued)

Capital Improvement Plan	2022-23	2023-24	2024-25	2025-26	2026-27
HV-AC maint.	5,000	5,000	5,000	5,000	5,000
Pump # 1	-	3,700	-	3,700	-
Pump # 2	3,700	-	3,700	-	3,700
Pump # 3 -Slide	-	-	6,000	-	-
Pool Main Filter	5,000	-	-	-	-
**Pool Resurface **every 5-6yrs	-	-	-	-	50,000
**Surge Pit replace	40,000	-	-	-	-
Surge Pit maint	-	5,000	5,000	5,000	5,000
**Boiler	-	-	-	-	-
Boiler maint	1,200	1,200	1,500	1,500	1,500
Controller (CAT4000)	800	800	800	800	800
Control (CAT4000, 2 probs) 3yrs	2,500	-	-	2,500	-
Chemical Pump #1	-	1,000	-	1,000	-
Chemical Pump #2	1,000	-	1,000	-	1,000
Chemical System -Main-Replace	-	-	6,000	-	-
Fire Alarm maint	1,200	1,200	1,200	1,200	1,200
shower maint	6,200	6,200	6,200	6,200	6,200
Hot Water Heaters (3) maint	4,200	1,200	1,200	1,200	1,200
**Hot Water Heaters (3)	-	-	-	33,000	-
Lights over pool deck	-	-	-	-	-
Light in the pool	-	-	-	-	-
Slide repair- parts replaced	3,200	-	-	-	-
Chair lift replace	-	-	7,000	-	-
Pool Cleaner system replace	-	-	-	-	-
Mechanical Room fan	2,800	-	-	-	-
pool deck water faucet	3,000	-	-	-	-
Electrical system Pannal big	1,200	600	600	600	600
Pool main drain cover	-	1,000	-	-	-
** Set Double Doors #1 (pool	12,000	-	-	-	-
** Set Double Doors #2 (pool	12,000	-	-	-	-
**Set Double Doors #3 (pool	-	12,000	-	-	-
**Set Double Doors #4 (lobby )	-	-	-	-	-
Gen Maint Repair >\$10,000	12,000	12,000	12,000	12,000	12,000
<b>Capital Improvement Plan</b>	<b>117,000</b>	<b>50,900</b>	<b>57,200</b>	<b>73,700</b>	<b>88,200</b>

### Assumptions – Pool Fund

- Charges for services for pool use/memberships revenue are down by 51% expected to increase by 25% for the next year; 10%- 15% after that.
- General Fund support estimated to decrease by 20% per year due to the new levy
- Salaries anticipated increase based on increasing pool attendance
- The age of the pool combined with many maintenance issues need strategic plan for the pool's future.

## PARKS FUND

	<u>Projections</u>				
<u>Description</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>
<b>Resources</b>					
Beginning Fund Balance	136,000	125,700	133,600	129,700	134,200
Local Option Levy	181,100	187,100	193,200	199,600	206,200
Fee & Interest	900	900	900	900	900
Miscellaneous	-	-	-	-	-
Transfers	190,000	125,000	125,000	130,000	125,000
<b>Total Reveune</b>	<b>372,000</b>	<b>313,000</b>	<b>319,100</b>	<b>330,500</b>	<b>332,100</b>
<b>Total Resources</b>	<b>508,000</b>	<b>438,700</b>	<b>452,700</b>	<b>460,200</b>	<b>466,300</b>
<b>Expenditures</b>					
Personnel Services	130,100	134,600	139,200	143,900	148,900
Materials and Services	122,300	116,600	118,900	126,200	123,300
Capital Outlay	82,000	5,000	15,000	5,000	15,000
Transfers	47,900	48,900	49,900	50,900	52,200
Other Requirements	-	-	-	-	-
<b>Total Expenditures</b>	<b>382,300</b>	<b>305,100</b>	<b>323,000</b>	<b>326,000</b>	<b>339,400</b>
<i>Resources over (under) Expenditures</i>	<i>(10,300)</i>	<i>7,900</i>	<i>(3,900)</i>	<i>4,500</i>	<i>(7,300)</i>
<b>Ending Fund Balance</b>	<b>125,700</b>	<b>133,600</b>	<b>129,700</b>	<b>134,200</b>	<b>126,900</b>
<b>Desired fund balance</b>					
5 months operating expenses	125,100	125,000	128,300	133,800	135,200
Total Desired fund balance					
Ending fund balance over/(under) minimum desired	600	8,600	1,400	400	(8,300)
<b>Meets Policy</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>	<b>NO</b>
<b>Capital Improvement Plan</b>					
Mill Creek Park Pathway	-	-	-	-	-
Lawn Mower for Parks	-	-	-	-	-
Tennis Court Lights	-	-	-	-	-
Santiam Park Gazebo Repairs	22,000	-	-	-	-
John Deere 50 HP Tractor Replacemen	-	-	-	-	-
Community Center Pathway	25,000	-	-	-	-
Jordan Bridge / Pedestrian Bridge	15,000	5,000	15,000	5,000	15,000
Mill Creek Park Barn Repairs	20,000	-	-	-	-
<b>Total Capital Improvement</b>	<b>82,000</b>	<b>5,000</b>	<b>15,000</b>	<b>5,000</b>	<b>15,000</b>

### Assumptions – Park Fund

- New tax levy reveune for the next 4 years.
- General Fund support estimated to decrease by 40% per year due to the new levy .

## PUBLIC WORKS ADMINISTRATION FUND

Description	Projections				
	2022-23	2023-24	2024-25	2025-26	2026-27
<b>Resources</b>					
Beginning Fund Balance	342,000	233,800	216,800	192,100	166,000
Licenses, Permits and Fees	9,600	9,900	10,200	10,500	10,800
Miscellaneous	1,200	1,200	1,200	1,200	1,200
Transfers	725,000	649,000	661,900	681,800	705,600
<b>Total Reveune</b>	<b>735,800</b>	<b>660,100</b>	<b>673,300</b>	<b>693,500</b>	<b>717,600</b>
<b>Total Resources</b>	<b>1,077,800</b>	<b>893,900</b>	<b>890,100</b>	<b>885,600</b>	<b>883,600</b>
<b>Expenditures</b>					
Personnel Services	472,900	488,500	504,700	521,600	539,000
Materials and Services	371,100	188,600	193,300	198,000	202,900
Other Requirements	-	-	-	-	-
<b>Total Requirements</b>	<b>844,000</b>	<b>677,100</b>	<b>698,000</b>	<b>719,600</b>	<b>741,900</b>
Resources over (under) Expenditures	(108,200)	(17,000)	(24,700)	(26,100)	(24,300)
<b>Ending Fund Balance</b>	<b>233,800</b>	<b>216,800</b>	<b>192,100</b>	<b>166,000</b>	<b>141,700</b>
<b>Desired fund balance</b>					
Minimum one months expenditures	140,700	112,900	116,300	119,900	123,700
Estimated ending fund balance	233,800	216,800	192,100	166,000	141,700
Ending fund balance over/(under) minimum desired	<b>93,100</b>	<b>103,900</b>	<b>75,800</b>	<b>46,100</b>	<b>18,000</b>
<b>Meets Policy</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>

## STREET FUND

Description	Projections				
	2022-23	2023-24	2024-25	2025-26	2026-27
<b>Resources</b>					
Beginning Fund Balance	1,475,500	1,088,700	594,400	602,900	514,400
Taxes	159,700	164,500	169,400	174,500	179,700
Charges for Services	92,200	92,200	92,200	92,200	92,200
Intergovernmental	684,000	702,800	721,700	741,100	761,100
Miscellaneous	6,900	7,000	7,100	7,200	7,300
Transfers	16,100	-	-	-	-
<b>Total Revenue</b>	<b>958,900</b>	<b>966,500</b>	<b>990,400</b>	<b>1,015,000</b>	<b>1,040,300</b>
<b>Total Resources</b>	<b>2,434,400</b>	<b>2,055,200</b>	<b>1,584,800</b>	<b>1,617,900</b>	<b>1,554,700</b>
<b>Expenditures</b>					
Personnel Services	166,900	172,700	178,700	184,900	191,300
Materials and Services	186,500	185,500	190,000	194,500	199,300
Capital Outlay	650,000	750,000	250,000	350,000	425,000
Transfers	342,300	352,600	363,200	374,100	385,400
<b>Total Expenditures</b>	<b>1,345,700</b>	<b>1,460,800</b>	<b>981,900</b>	<b>1,103,500</b>	<b>1,201,000</b>
Resources over (under) Expenditures	(386,800)	(494,300)	8,500	(88,500)	(160,700)
<b>Ending Fund Balance</b>	<b>1,088,700</b>	<b>594,400</b>	<b>602,900</b>	<b>514,400</b>	<b>353,700</b>
<b>Desired fund balance</b>					
Two months operating expenses	116,000	118,500	122,000	125,600	129,300
Capital Reserve	250,000	250,000	250,000	250,000	250,000
<b>Total Desired fund balance</b>	<b>366,000</b>	<b>368,500</b>	<b>372,000</b>	<b>375,600</b>	<b>379,300</b>
Ending fund balance over/(under) minimum desired	722,700	225,900	230,900	138,800	(25,600)
Meets policy	YES	YES	YES	YES	NO

## STREET FUND (continued)

<b>Capital Improvement Plan</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>
<b>Street System Improvements</b>					
Street Sweeper	-	400,000	-	-	-
Street Saver Ratings/ Evaluations	-	-	-	-	-
Kindle Way - Shaff Rd to Junco St	-	-	-	-	-
Jefferson Street -3rd-6th, ( Mill \$ Overlay)	-	-	-	-	-
Wyattt Ave. - Gardner -Westown (M&O)	300,000	-	-	-	-
Ida Street- First-4th (Mill &Overlay)	-	200,000	-	-	-
Cedar Street -3rd-6th (M&O)	-	-	-	150,000	-
Third Avenue-Water - Burnett (M & O)	-	-	250,000	-	-
Third Ave.-Fern Ridge -Robidoux (M & O)	-	-	-	-	425,000
Slurry Seals	120,000	150,000	-	200,000	-
Roundabout design ( SDC 7% of cost)	230,000	-	-	-	-
<b>Total Capital Improvements Plan</b>	<b>650,000</b>	<b>750,000</b>	<b>250,000</b>	<b>350,000</b>	<b>425,000</b>

### Assumptions – Street Fund

- CPI increases estimated at 6% 2nd year and 2.5% next 3 years.
- Increase in revenue for FY23 just above pre-COVID amounts.

## WATER FUND

Description	Projections				
	2022-23	2023-24	2024-25	2025-26	2026-27
<b>Resources</b>					
Beginning Fund Balance	1,081,200	1,032,200	492,700	1,067,100	871,600
Charges for Services	2,009,400	2,205,500	2,367,800	2,542,100	2,729,300
Intergovernmental	-	-	-	-	-
Miscellaneous	4,100	4,200	4,300	4,400	4,500
Transfers	250,000	450,000	-	-	-
<b>Total Revenue</b>	<b>2,263,500</b>	<b>2,659,700</b>	<b>2,372,100</b>	<b>2,546,500</b>	<b>2,733,800</b>
<b>Total Resources</b>	<b>3,344,700</b>	<b>3,691,900</b>	<b>2,864,800</b>	<b>3,613,600</b>	<b>3,605,400</b>
<b>Expenditures</b>					
Personnel Services	370,200	383,200	396,600	410,500	424,900
Materials and Services	495,600	528,000	543,100	558,500	574,300
Capital Outlay	624,000	1,460,000	15,000	915,000	15,000
Debt Service	339,600	330,500	330,600	330,200	329,400
Transfers	483,100	497,500	512,400	527,800	543,700
<b>Total Expenditures</b>	<b>2,312,500</b>	<b>3,199,200</b>	<b>1,797,700</b>	<b>2,742,000</b>	<b>1,887,300</b>
<i>Resources over (under) Expenditures</i>	49,000	539,500	(574,400)	195,500	(846,500)
<b>Ending Fund Balance</b>	<b>1,032,200</b>	<b>492,700</b>	<b>1,067,100</b>	<b>871,600</b>	<b>1,718,100</b>
<b>Desired fund balance</b>					
Two months operating expenses	225,000	235,000	242,000	249,000	257,000
Debt Service	339,600	330,500	330,600	330,200	329,400
Capital Reserve	200,000	200,000	200,000	200,000	200,000
<b>Total Desired fund balance</b>	<b>764,600</b>	<b>765,500</b>	<b>772,600</b>	<b>779,200</b>	<b>786,400</b>
Ending fund balance over/(under) minimum desired	267,600	(272,800)	294,500	92,400	931,700
<b>Meets Policy</b>	YES	NO	YES	YES	YES

## WATER FUND (continued)

<b>Capital Improvement Plan</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>
Douglas Street- Regis to Shaff	175,000	-	-	-	-
Wyatt Avenue- Service Replacement	135,000	-	-	-	-
Kathy Street- Regis-Douglas-Regis	-	300,000	-	-	-
<b>Shaff Road - 16-inch waterline</b>	-	-	-	-	-
Shaff Road- Deer Ave to 500 feet west of First Ave (Phase 1) SDC	-	450,000	-	-	-
Shaff Road- Deer Ave to 500 feet west of First Ave (Phase 2) SDC	-	450,000	-	-	-
Water System Master Plan (SDC)	250,000	-	-	-	-
Fire Hydrants/ new waterline	-	25,000	15,000	15,000	15,000
New Truck for performing rounds	-	-	-	-	-
<b>Total System Improvements</b>	<b>560,000</b>	<b>1,225,000</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>
<b>Water Treatment Plant Improvements</b>					
Water Intake Emergency Exit system	10,000	-	-	-	-
Automation of valve on Weir box	-	-	-	-	-
Bleach tank replacement	45,000	-	-	-	-
Clearwater Tank Design	-	-	-	-	-
Enclose WTP Fence	9,000	-	-	-	-
Schedule M Rehab-decolorization?	-	50,000	-	-	-
Shut off Valve	-	185,000	-	-	-
Slow Sand Filter No. 1 (7yrs need)	-	-	-	-	-
Slow Sand Filter No. 2	-	-	-	-	-
Slow Sand filter No. 3	-	-	-	900,000	-
VFD Pine Street	-	-	-	-	-
Cameras- for plant	-	-	-	-	-
UPS Uninterruptable Power Supply	-	-	-	-	-
<b>Total Water Plant Improvements</b>	<b>64,000</b>	<b>235,000</b>	<b>-</b>	<b>900,000</b>	<b>-</b>
<b>Total Capital Improvement Plan</b>	<b>624,000</b>	<b>1,460,000</b>	<b>15,000</b>	<b>915,000</b>	<b>15,000</b>

### Assumptions – Water Fund

- Rate increases – 5% plus 8.7% CPI for FY23; Cola estimated 6% to 2.5% next 4 years
- CPI increases estimated at 6% 2nd year and 2.5% next 3 years.
- Increase in revenue for FY23 just above pre-COVID amounts.
- Revenue Reduced from one time ARPA Grant received in FY22 for Sand filter bed
- Additional funding is needed for the City to maintain its capital improvement plans
- Water Master planning being done in FY23 and will determine priority of future projects.

## WASTEWATER FUND

Description	Projections				
	2022-23	2023-24	2024-25	2025-26	2026-27
<b>Resources</b>					
Beginning Fund Balance	5,077,500	4,208,000	3,901,700	3,631,800	2,592,700
Charges for Services	3,625,900	3,807,200	3,902,400	3,999,900	4,099,900
Intergovernmental	500,000	-	-	-	-
Miscellaneous	20,800	21,200	21,600	22,000	22,400
Transfers	125,200	125,200	125,200	125,200	125,200
<b>Total Revenue</b>	<b>4,271,900</b>	<b>3,953,600</b>	<b>4,049,200</b>	<b>4,147,100</b>	<b>4,247,500</b>
<b>Total Resources</b>	<b>9,349,400</b>	<b>8,161,600</b>	<b>7,950,900</b>	<b>7,778,900</b>	<b>6,840,200</b>
<b>Expenditures</b>					
Personnel Services	641,600	662,700	684,500	707,100	730,400
Materials and Services	1,268,000	1,347,400	1,383,400	1,420,200	1,458,200
Capital Outlay	1,778,000	782,000	761,000	1,551,400	1,059,500
Debt Service	815,400	810,200	812,800	809,700	807,200
Transfers	638,400	657,600	677,400	697,800	718,800
<b>Total Expenditures</b>	<b>5,141,400</b>	<b>4,259,900</b>	<b>4,319,100</b>	<b>5,186,200</b>	<b>4,774,100</b>
<i>Revenue over (under) Expenditures</i>	<i>(869,500)</i>	<i>(306,300)</i>	<i>(269,900)</i>	<i>(1,039,100)</i>	<i>(526,600)</i>
<b>Ending Fund Balance</b>	<b>4,208,000</b>	<b>3,901,700</b>	<b>3,631,800</b>	<b>2,592,700</b>	<b>2,066,100</b>
<b>Desired fund balance</b>					
Two months operating expenses	425,000	445,000	458,000	471,000	485,000
Debt Service	815,400	810,200	812,800	809,700	807,200
Capital Reserve	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
<b>Total Desired fund balance</b>	<b>2,240,400</b>	<b>2,255,200</b>	<b>2,270,800</b>	<b>2,280,700</b>	<b>2,292,200</b>
Ending fund balance over/(under) minimum desired	1,967,600	1,646,500	1,361,000	312,000	(226,100)
Meets policy	YES	YES	YES	YES	NO

## WASTEWATER FUND (continued)

<b>Capital Improvement Plan</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-2026</b>	<b>2026-2027</b>
Sanitary Sewer System Improvements	-	-	-	-	-
Pipeline Upsizing on Jettors and Ida	-	-	-	-	-
Jettors from vault to Ida (30 inch) (6%) SDC	-	-	-	-	-
IDA - Jettors to Noble (30 inch) (6%)	-	-	-	-	-
IDA-Noble to 1207( 30 inch) 1,214,LF (6%)	-	-	-	-	-
IDA- 1207 to Fern ( (30 inch) 1,214 LF (SDC 6%)	1,480,000	-	-	-	-
IDA- Fern to Evergreen (21 inch)(6%)	-	650,000	-	-	-
Evergreen-IDA to Bridge(18 inch)640 LF 91 (10% sdc)	-	-	600,000	-	-
Jettors Way Force Main	-	-	-	1,309,000	-
Gardner Lift Station Removal	-	-	-	-	859,100
<b>Total Water System Improvements</b>	<b>1,480,000</b>	<b>650,000</b>	<b>600,000</b>	<b>1,309,000</b>	<b>859,100</b>
<b>Waste Water Treatment Plant Improvements</b>					
Server Replacement/ Scada Control (SDC?)	-	-	-	-	-
Influent Pump Control 100% SDC)	-	-	-	-	-
Replace PD Blower with Turbo (SDC 14%)	260,000	-	-	-	-
Short term Pump Station Upgrades	-	-	161,000	-	-
Post SBR Equalization	-	132,000	-	-	-
Influent Screen	-	-	-	-	-
Miscellaneous Parts Replacement	-	-	-	242,400	-
SBR Basins; Scum Remover, piping cover	-	-	-	-	200,400
<b>Total WW Treatment Plant Improvements</b>	<b>260,000</b>	<b>132,000</b>	<b>161,000</b>	<b>242,400</b>	<b>200,400</b>
<b>Total of Capital Improvement Plan</b>	<b>1,740,000</b>	<b>782,000</b>	<b>761,000</b>	<b>1,551,400</b>	<b>1,059,500</b>

### Assumptions – Sewer Fund

- Rate increases – 5% plus 8.7% CPI for FY23; COLA estimated 6% to 2.5% next 4 years
- CPI increases estimated at 6% 2nd year and 2.5% next 3 years.
- Increase in revenue for FY23 just above pre-COVID amounts.
- Additional funding is needed for the City to maintain its capital improvement plans

## STORMWATER FUND

Description	Projections				
	2022-23	2023-24	2024-25	2025-26	2026-27
<b>Resources</b>					
Beginning Fund Balance	326,900	242,300	161,700	83,700	8,200
Charges for Services	352,800	370,400	379,700	389,200	398,900
Miscellaneous	1,700	1,700	1,700	1,700	1,700
Transfers	-	125,000	125,000	-	-
<b>Total Revenue</b>	<b>354,500</b>	<b>497,100</b>	<b>506,400</b>	<b>390,900</b>	<b>400,600</b>
<b>Total Resources</b>	<b>681,400</b>	<b>739,400</b>	<b>668,100</b>	<b>474,600</b>	<b>408,800</b>
<b>Expenditures</b>					
Personnel Services	44,100	45,500	46,900	48,400	50,000
Materials and Services	168,800	179,700	183,600	187,700	191,900
Capital Outlay	65,000	190,000	190,000	65,000	65,000
Debt Service	65,800	65,200	64,600	64,000	40,800
Transfers	95,400	97,300	99,300	101,300	103,300
<b>Total Expenditures</b>	<b>439,100</b>	<b>577,700</b>	<b>584,400</b>	<b>466,400</b>	<b>451,000</b>
<i>Resources over (under) Expenditures</i>	<i>(84,600)</i>	<i>(80,600)</i>	<i>(78,000)</i>	<i>(75,500)</i>	<i>(50,400)</i>
<b>Ending Fund Balance</b>	<b>242,300</b>	<b>161,700</b>	<b>83,700</b>	<b>8,200</b>	<b>(42,200)</b>
<b>Desired fund balance</b>					
Two months operating expenses	51,000	54,000	55,000	56,000	58,000
Debt Service	65,800	65,200	64,600	64,000	40,800
Capital Reserve	80,000	80,000	80,000	80,000	80,000
<b>Total Desired fund balance</b>	<b>196,800</b>	<b>199,200</b>	<b>199,600</b>	<b>200,000</b>	<b>178,800</b>
Ending fund balance over/(under) minimum desired	45,500	(37,500)	(115,900)	(191,800)	(221,000)
<b>Meets Policy</b>	<b>YES</b>	<b>NO</b>	<b>NO</b>	<b>NO</b>	<b>NO</b>

**STORMWATER FUND (continued)**

<b>Capital Improvement Plan</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>
Storm Drainage System Improvements	-	-	-	-	-
Water Quality Manholes	55,000	55,000	55,000	55,000	55,000
5th Avenue Storm Improvements; from Washington to Hollister	-	-	-	-	-
<b>Total Capital Improvement Plan</b>	<b>55,000</b>	<b>55,000</b>	<b>55,000</b>	<b>55,000</b>	<b>55,000</b>
<b>Storm System Improvements</b>					
Hollister/ Pine Storm Line Replacement	-	-	-	-	-
Stormwater Master Plan( SDC)	-	125,000	125,000	-	-
Storm System Improvements	10,000	10,000	10,000	10,000	10,000
<b>Total Storm System Improvements</b>	<b>10,000</b>	<b>135,000</b>	<b>135,000</b>	<b>10,000</b>	<b>10,000</b>
<b>Total Capital Outlay</b>	<b>65,000</b>	<b>190,000</b>	<b>190,000</b>	<b>65,000</b>	<b>65,000</b>

**Assumptions – Stormwater Fund**

- CPI increases Estimated at 6% 2nd year and 2.5% next 3 years.

# **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 2022-23

Description	Parties	Dates
Initiate Budget development	City Manager and Management Team	January 31, 2022
Budget calendar	City Council and City Manager	January 31, 2022
Desired positions, position changes provided to finance	Management Team	February 28, 2022
Estimate current year-end revenue and expenditures	Management Team	March 14, 2022
Preliminary revenue forecasts, review goal setting issues and budget priorities	City Manager and Management Team	March 14, 2022
Update salary schedule and total compensation costs, distribute to management for review and approval	Finance	March 14, 2022
Departments provide the following to finance: Review personnel costs and provide amounts for materials and services, current year capital outlay	Management Team	March 28, 2022
Department meetings with City Manager and finance	Management Team	Week of April 11
Finance review of year-end revenue and expenditure estimates - resolve items with management team/City Manager	Management Team	Week of April 11
Complete 5-year template information request form including Updated Capital Improvement Plan (CIP)	Management Team	Week of April 11
Budget narratives completed and submitted to finance - include integration of departmental objectives with City Council goals	Management Team	April 15, 2022
Aggregate budget document	Finance	April 15, 2022
Provide and publish "Notice of Budget Committee Meeting" (ORS 294.426)	City Manager's office	Week of April 18
Complete FY 2021-22 Proposed Budget	Finance	April 25, 2022
Review by City staff of Proposed Budget	Management Team	April 26, 2022
Print/Distribute Proposed Budget	City Manager's office	April 27, 2022
First Budget Committee meeting - Read budget message and release budget (ORS 294.408 and 294.426)	Budget Committee, City Manager and management team	May 2, 2022
Additional Budget Committee meetings (ORS 294.428) Budget Committee approves budget (ORS 294.428)	Budget Committee, City Manager and management team	Week of May 9
Provide and publish "Notice of Budget Hearing" (ORS 294.438, 294.448)	City Manager's office	Week of May 23
Public hearing; adopt budget; levy taxes (ORS 294.456)	City Council	June 6, 2022
Adopted Budget goes into effect	Citywide	July 1, 2022
Adopted Budget submitted to County Assessor and Department of Revenue (ORS 294.558)	Finance Director	July 1, 2022

### Color Guide

City Council
Budget Committee
Management team
City Manager or Finance