



2023-2024
FISCAL YEAR

CITY OF STAYTON, OREGON ANNUAL BUDGET



www.staytonoregon.gov



This page intentionally blank



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

The Government Finance Officers Association of the United States and Canada (GFOA) again, for the seventh 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, 2022.

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.



This page intentionally blank



BUDGET 2023-24



BUDGET COMMITTEE

ELECTED OFFICIALS

Mayor Brian Quigley
Councilor David Giglio
Councilor Ben McDonald
Councilor Jordan Ohrt
Councilor David Patty
Councilor Steve Sims

CITIZENS

Damian Centanni
Luke Cranston
Ralph Lewis
Tim Sing
Brent Walker
Vacant Position



This page intentionally blank



TABLE OF CONTENTS

City Manager’s Budget Message	1
City Overview	5
Personnel	9
Budget Process.....	13
Basis of Budgeting.....	14
Fund Accounting	15
Consolidated Schedule of Resources, Expenditures, and Changes in Fund Balance	21
Resources.....	25
General Fund.....	28
Police	31
Planning & Development	36
Community Center	39
Municipal Court	41
Administration	43
General Operations & Other Requirements.....	47
Street Lights	49
Library Fund	50
Pool Fund	54
Parks Fund.....	57
Street Fund	61
Water Fund	66
Sewer Fund	69

Stormwater Fund	74
Public Works Administration Internal Service Fund	77
Parks SDC Fund	80
Street SDC Fund	81
Water SDC Fund	82
Sewer SDC Fund	83
Stormwater SDC Fund	84
Facilities Fund	85
Closed Funds	87
Capital Outlay - All Funds	88
Debt Schedules	90
Appendix	91
Glossary	92
Fiscal Policies	104
Annual Budget Calendar	113



CITY MANAGER'S BUDGET MESSAGE

May 15, 2023

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

It is my pleasure to present to you my proposed budget for the fiscal year ending June 30, 2024. This budget has been prepared in alignment with the City's financial policies, Government Finance Officers Association (GFOA) guidelines, and in consideration of the Council's goals and community needs. It is important to note that this budget was prepared during times of transition. This is my first budget with the City, having started just after the prior budget was adopted; our current finance director started at the end of April; we utilized new software to prepare the budget; this is the police chief's first time through the budget process as chief; and there are two new Council members and a new Mayor. With fresh eyes on the budget, you may see some changes and differences but overall, there are very few changes. I will highlight significant changes below.

The budget before you is a balanced budget, which means the expenditures do not exceed the revenues. Due to very conservative budgeting and sound fiscal management over the past several years, the General Fund beginning balance for fiscal year 2022-23 was \$266,014 higher than anticipated. I have proposed additional expenditures to take advantage of this unanticipated revenue as well as to utilize more of the unappropriated fund balance than had been allocated in prior years. The budget retains approximately 29% of the general fund budget in unappropriated and contingency. While this is an increase compared to prior years (24% in fiscal year 2022-23), it is not recommended to allocate any more of those funds because the unallocated \$921,222 in American Rescue Plan Act (ARPA) funds are within that number and, as discussed below, this budget does not provide a five-year forecast.

The 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 2023-24 City of Stayton budget totals \$35,915,198 with a proposed General Fund budget of \$8,884,290. The budget also 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.

Council Goals

In March 2023, the Council met for a full day goal setting to validate or revise their Council goals. In addition to the goals, Council adopted several action items that they would like to see accomplished over the next two years. This budget has been prepared with that in mind. The goals adopted by Council are to:

- Improve the city’s infrastructure and support maintenance with sustainable funding.
- Align housing policies with the community’s needs.
- Increase communication, engagement, and transparency.
- Foster a diverse and balanced economy to support a vibrant and prosperous community.
- Implement modern governance systems that improve service to the community.

Each department budget has been prepared with these Council goals, desired outcomes, and objectives in mind. Throughout the budget, whether it is a capital project or a contract services budget, we have planned for the achievement of the council’s goals and objectives.

Highlights of changes in the 2023-24 budget:

- Additional 1 FTE in Admin for Community Engagement Coordinator position - The budget includes a new position, Community Engagement Coordinator, whose purpose will be to help increase engagement from all departments in the City to the community. This position will help ensure that we have a clear and consistent message and communication plan for all departments and help us increase our reach and engagement to all community members.
- Accurately charging City funds for water usage - This will help us better monitor costs for various funds or departments such as the pool, parks, and sewer and help ensure our rate structure is transparent and truly fair. For years, the sewer fund has used City water at no cost. As a result, the water fund and water rate payers were essentially subsidizing the sewer fund. This has impacts when different users are considered and, especially, when we take into consideration our contract with Sublimity for sewer.
- Allocated funds for community improvement grants – In prior years, there were funds available for community improvement grants which were eliminated in the last several years due to budget uncertainties. This budget proposes to bring back this allocation with \$25,000 towards community improvement grants.
- Transfers from General Fund –
 - This budget has a transfer of \$300,000 from the general fund to streets to support at least one additional street improvement project. While the City is looking at raising street fees to increase revenues for street improvement projects, I feel it is appropriate to utilize some of the unanticipated general fund beginning balance for this fund.
 - There is also a larger transfer than last year to the pool. This is necessary to cover the costs of operating the pool, after assuming modest rate increases, within the current hours of operation.
 - The final transfer of note is additional funding to parks to compensate for additional costs that are being incurred and expected to continue to be incurred for clean-up of homeless camps.

- Improved Cost Allocations – The budget allocates administrative costs to the various funds to cover their share of administration costs such as City management, human resources, payroll, and accounting. When we looked at the allocations from prior years, it was hard to determine the methodology that went into the allocation. As a result, we made modifications based on staffing, transactions, and materials and services budgets. This resulted in some funds seeing a dramatic increase or decrease. While we feel this allocation is the best based on the information and time we had in the budget preparation, we are committed to looking more closely at the cost allocations over the coming year to ensure funds are contributing to the administrative overhead fairly and equitably.
- Five-Year Forecast - Five-year projections are optimal and best practice. However, due to multiple staffing transitions and lacking a Finance Director during budget preparation, this budget is only a budget for 2023-24 and does not include a look forward with five-year projections, as recent budgets have done. As a result, while I have recommended some use of unappropriated fund balances to address Council goals and community needs, I have done so conservatively so we can evaluate the five-year forecast projections during the year and leading into the next budget cycle. While the duty is to develop a one-year budget, it is critical to consider the long-term impacts and budget to ensure long-term financial stability.

Revenue/expenditure assumptions

This budget assumes a cost-of-living adjustment (COLA) of 4% in accordance with the American Federation of State, County, and Municipal Employees (AFSCME) and Stayton Police Officers Association (SPOA) union contracts. Exempt staff will receive a COLA consistent with the AFSCME COLA to ensure wages stay proportionally balanced.

Since last summer, the City has been working with a financial consultant to study our utility rates. This budget proposal assumes a hybrid between current rates for water, wastewater, and stormwater and the recommendations from the utility rate study in an attempt to project revenue as close as possible to where we believe they will be approved. For water and sewer, this is a 6.25 % increase (current fiscal policies would have had us assume CPI which is 6.25% plus an additional 5% for water). For stormwater, an increase of 40% was assumed (approximately \$2.58 above base rate for single family residential); current fiscal policy would have had us assume CPI or 6.25%. The street fee assumes an increase from \$2 per household to \$4 per household. While we have discussed larger street fee increases with Council, I felt it best to err on a bit more conservative side for the revenue projections until the Council formally approves a new utility rate structure. For expenditures, however, staff remained conservative and will propose a budget modification as needed once the rates are approved and specific revenue amounts are known.

This budget also assumes increases to pool fees at an average of 29%. While we know the rates and income from the levy do not fully cover the operational costs of the pool, if we raise rates enough to cover the costs, we believe it will impact revenue negatively by reducing attendance.

The assumed rate increases strike a balance considering what we believe will be accepted by patrons.

This budget does not have any significant changes to staffing other than the proposed additional 1 FTE in Administration. The budget for the code enforcement officer increases from 0.5 to 0.75 FTE to be in alignment with the position description that is for 20-32 hours per week. While not included in this proposed budget, there is concern about the need for additional staff in Public Works Administration in the event funding is obtained to take on more capital construction projects, especially in streets. I am concerned the existing staff will be unable to keep up with the additional work and we may need to consider short-term or permanent staffing increases at that time.

Summary

This message isn't intended to be all encompassing. Staff have worked hard to provide information, data, highlights, changes, and active transparency for all funds and departments within their narratives and throughout this budget document. I encourage the reader to take the time to review and understand what their City is doing and how we are utilizing our resources. This is our eighth GFOA best practices budget, however 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 a draft proposal. Your input will improve the quality of the final product. This budget should be the narrative and reflection of the community's values, as expressed with 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.

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. This is especially true this year as we have been without a Finance Director as we developed the budget. I want to thank Randi Heuberger in our Finance Department and Summer Sears, our consultant, who spearheaded this budget, including the implementation of our new budgeting software, and poured hours into making this budget a reality. Additionally, a huge thank you to department heads Lance Ludwick, Dan Fleishman, Gwen Johns and Janna Moser and Assistant City Manager Alissa Angelo 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,

Julia Hajduk
City Manager

CITY OVERVIEW

ABOUT

Stayton is a city in Marion County in the Willamette Valley. Stayton is located 14 miles southeast of the state capital, Salem, on Oregon Route 22. It is south of Sublimity and east of Aumsville. Located on the North Santiam River, Stayton is a regional agricultural and light manufacturing center. The population was 8,326 in 2022. Established in 1872, Stayton was incorporated in 1891.

FORM OF GOVERNMENT

The City of Stayton is governed by a Mayor and five-member City Council and is a Council/Manager form of government.

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°F and an average low of 53°F. Because of its inland location, Stayton can experience heat waves, in July and August particularly, with air temperatures sometimes rising over 90°F.

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 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 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
2022 Population (PSU)	8,326

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.

2021 AGE DISTRIBUTION

Under 5	604	7%
5-19	1,649	20%
20-29	657	8%
30-49	2,452	30%
50-69	1,861	23%
70 and over	749	9%

2021 HOUSING STATISTICS

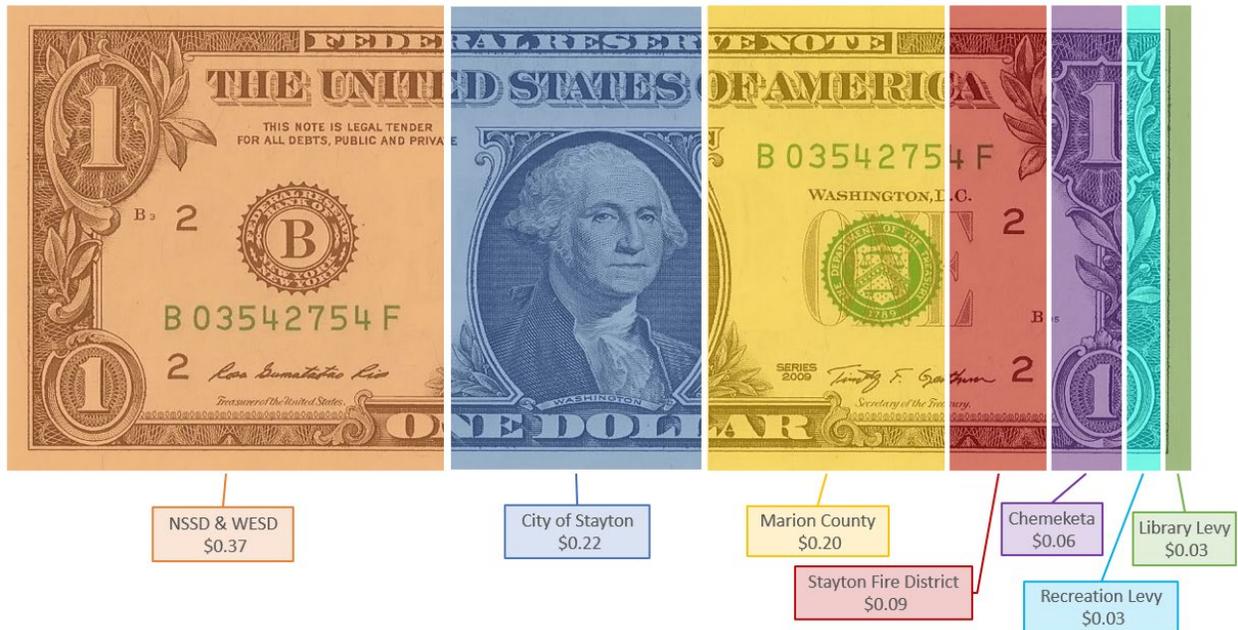
Occupied Housing Units	3,110	
Owner Occupied Housing Units	1,878	60%
Renter Occupied Housing Units	1,231	40%
Family Households	2,283	74%
Non-Family Households	827	26%
Householder 65 years and over	871	28%

2021 EDUCATIONAL ATTAINMENT

10.5% of Stayton's population has less than a high school diploma. The Marion County rate is 13.5% and it is 8.1% overall for the state of Oregon.

18.4% of Stayton's population has a bachelor's degree or higher as compared to 25.3% for Marion County and 36.3% for the state of Oregon.

TAX DOLLARS



BUSINESS OVERVIEW

COVERED EMPLOYMENT – CITY OF STAYTON (2021)

Industry	Firms	Annual Employment	Payroll (\$)	Average Wage (\$)
<i>Total Employment</i>	322	3,200	155,236,079	48,511
<i>Total Private</i>	306	2,917	141,160,804	48,392
Agriculture, Forestry Fishing and Hunting	56	203	5,991,396	29,514
Construction	34	311	23,786,345	76,483
Manufacturing	8	412	21,458,794	52,084
Wholesale Trade	8	51	2,382,671	46,719
Retail Trade	38	506	15,857,879	31,340
Transportation and Warehousing	10	88	3,066,940	34,852
Information, Finance, Insurance, Real Estate, Rental and Leasing	34	133	7,123,664	53,561
Professional, Scientific, Technical Services, and Management of Companies	13	75	4,280,921	36,823
Administrative, Support, Waste Management, and Remediation Services	12	35	1,288,801	46,612
Private Health Care, Social Assistance, and Educational Services	57	769	49,169,931	63,940
Arts, Entertainment, Recreation, Accommodation, and Food Services	36	334	6,753,462	20,220
Government	16	283	14,075,275	49,736

PERSONNEL

SUMMARY

The budget includes a total of 52.95 full-time equivalent positions, an increase of a net 1.89 FTEs. Adjustments were made to the pool staffing, the Code Enforcement Officer position was increased from 0.5 to 0.75 FTE, and a new Community Engagement Coordinator position was added.

Through fiscal year 2023, the City maintained a steady workforce of approximately 42 full-time employees and 26 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. The AFSCME Collective Bargaining Agreement expires June 30, 2024; and the SPOA Collective Bargaining Agreement expires June 30, 2025. A wage cost of living adjustment (COLA) of 4% is included in the budget for all employees.

FULL-TIME EQUIVALENT (FTE'S) EMPLOYEES

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

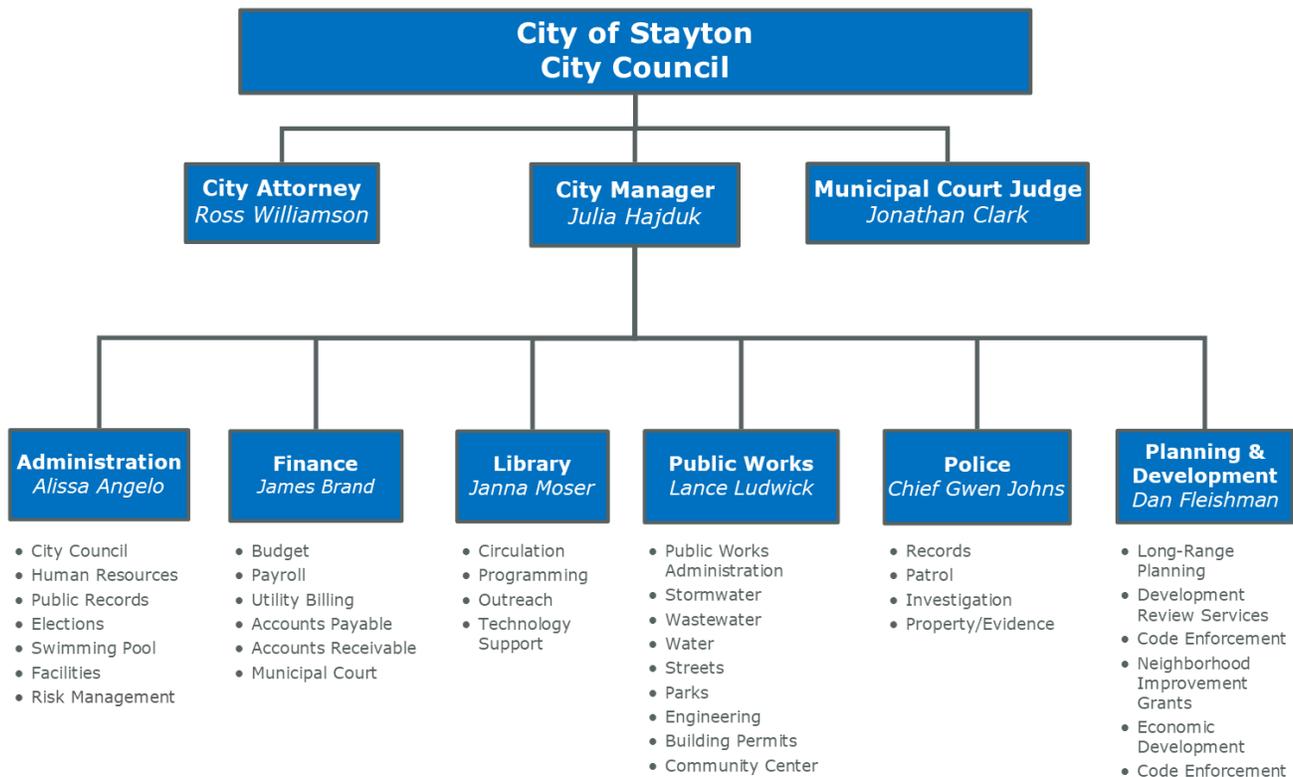
Department	2020-21 Actual	2021-22 Actual	2022-23 Budget	2023-24 Proposed	2023-24 Adopted
Administration	6.60	6.80	7.20	8.20	8.20
Police	14.70	14.50	14.60	14.60	14.60
Planning	1.50	1.50	1.50	1.75	1.75
Municipal Court	0.60	0.80	0.80	0.80	0.80
Library	6.90	5.60	6.02	6.02	6.02
Public Works Administration	4.00	4.00	4.00	4.00	4.00
Parks	1.70	1.70	1.47	1.47	1.47
Water	3.60	3.60	3.37	3.37	3.37
Stormwater	0.50	0.50	0.50	0.50	0.50
Wastewater	5.80	5.80	6.84	5.84	5.84
Streets	1.50	1.50	1.50	1.50	1.50
Facilities	0.30	0.20	0.26	0.26	0.26
Pool	5.50	6.00	3.00	4.47	4.64
Total FTE's – Citywide	53.20	52.50	51.06	52.78	52.95

CHANGES FROM PREVIOUS YEAR

Changes in personnel proposed:

- Addition of a Community Engagement Coordinator to the Administration department.
- Code Enforcement position increased from 0.5 to 0.75 FTE.
- Pool staffing was increased by 1.64 FTE due to increased attendance and the return of swimming lessons.
- The wastewater FTE appears to have decreased by 1; however, this was an error in the fiscal year 2022-23 budget. The decrease brings personnel back to what is needed for the department operations.

ORGANIZATIONAL STRUCTURE



SALARY SCHEDULE – FISCAL YEAR 2023/24

Position	Annual Salary	
	Minimum	Maximum
Library Page	\$27,518	\$30,992
Lifeguard	\$30,326	\$38,055
Library Aide	\$36,941	\$48,194
Library Assistant	\$40,622	\$52,998
Maintenance Worker 1	\$45,000	\$58,714
Utility Operator in Training	\$45,000	\$58,714
Office Specialist	\$47,092	\$61,444
Municipal Court Clerk / Accounting Specialist	\$47,092	\$61,444
Accounting Specialist	\$47,092	\$61,444
Library Assistant - Lead	\$47,092	\$61,444
Library Assistant - Youth Services	\$47,092	\$61,444
Evidence Clerk / Records Clerk	\$47,092	\$61,444
Office Specialist	\$47,092	\$61,444
Payroll / Accounting Technician	\$49,211	\$64,209
Maintenance Worker II	\$49,211	\$64,209
Utility Operator I	\$49,211	\$64,209
Accounting Technician	\$51,450	\$67,131
Library Outreach Coordinator	\$51,450	\$67,131
Code Enforcement Officer	\$51,450	\$67,131
Utility Operator II	\$51,450	\$67,131
Wastewater Treatment Facility Operator I	\$51,450	\$67,131
Community Engagement Coordinator	\$54,023	\$70,487
Engineering Technician I	\$54,023	\$70,487
Wastewater Treatment Facility Operator II	\$54,023	\$70,487
Wastewater & Storm Collection System Operator	\$54,023	\$70,487
Wastewater Treatment Facility Weekend Operator	\$54,023	\$70,487
Wastewater Treatment Facility Operator III	\$55,643	\$72,602
Engineering Technician II	\$67,042	\$87,475
Wastewater Treatment Facility Chief Operator	\$67,042	\$87,475
Water Treatment Plant Chief Operator	\$67,042	\$87,475
Police Officer	\$61,439	\$82,335
Pool Supervisor	\$47,092	\$61,444
Administrative Services Manager	\$67,042	\$87,475
Aquatics Facility Manager	\$67,042	\$87,475
Assistant Finance Director	\$79,110	\$103,221
City Planner	\$79,110	\$103,221
Public Works Supervisor - Utilities	\$79,110	\$103,221
Public Works Supervisor - Sewer	\$79,110	\$103,221

Library Director	\$89,124	\$116,287
Police Sergeant	\$89,124	\$116,287
Planning and Development Director	\$87,187	\$113,759
Assistant City Manager	\$97,649	\$127,410
Finance Director	\$97,649	\$127,410
Police Captain	\$97,649	\$127,410
Public Works Director	\$97,649	\$127,410
Police Chief	\$105,461	\$137,603
Public Works Director - Civil Engineer	\$105,461	\$137,603
City Manager	Established by Contract	

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 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.

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 “Proposed Budget” column of the budget summaries presented for each fund. Once the budget is adopted, the final appropriations will be noted in the “Adopted Budget” column.

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

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.

A. 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.

B. 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.

1. 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.

2. 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.

3. 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.

4. 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.

C. CAPITAL PROJECTS FUNDS

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

1. 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.

2. 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.

D. 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.

A. ENTERPRISE FUNDS

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

1. WATER FUND

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

2. 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.

3. WASTEWATER FUND

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

4. WASTEWATER SDC FUND

This fund accounts for the City's collection and investment of wastewater 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 Wastewater Fund to reimburse that fund for qualified costs.

5. STORMWATER FUND

This fund accounts for the operation of the City's stormwater utility. The principal source of revenue is user fees. Expenditures are for operation,

administration, maintenance, system betterments, and expansion of the system.

6. STORMWATER SDC FUND

This fund accounts for the City's collection and investment of stormwater 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 Stormwater Fund to reimburse that fund for qualified costs.

B. 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.

1. 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.

2. 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 fifteen funds. All funds with budgetary appropriations in the fiscal year 2023-24 budget are presented with the fund structure below.

Fund Structure				
Governmental Funds			Proprietary Funds	
General Fund	Special Revenue Funds	Capital Projects Fund	Enterprise Funds	Internal Service Funds
Fund Structure at a Glance	Street Fund	Parks SDC Fund	Water Fund	Public Works Administration Fund
	Library Fund	Street SDC Fund	Water SDC Fund	Facilities Fund
	Parks Fund		Wastewater Fund	
	Pool Fund		Wastewater SDC 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.

Functional Units					
Governmental Funds			Proprietary Funds		
General Fund 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>	
		Street Fund Street Maintenance Street Construction Sidewalks Bike Paths	Parks SDC Fund Parks Infrastructure Expansion	Water Fund System Operations Capital Investment Debt Service	Public Works Administration Fund Administration Engineering Project Management Inspections
		Library Fund Materials and Programming Building Occupancy	Street SDC Fund Streets Infrastructure Expansion	Water SDC Fund Water Infrastructure Expansion	Facilities Fund City Hall Police Station
		Parks Fund Parks Maintenance Trails Parks Construction Jordan Bridge		Wastewater Fund System Operations Capital Investment Debt Service	
		Pool Fund Swim Instruction Physical Therapy		Wastewater SDC Fund Wastewater Infrastructure Expansion	
			Stormwater Fund System Operations Capital Investment Debt Service		
			Stormwater SDC Fund Stormwater Infrastructure Expansion		

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

BUDGET SUMMARY – BY FUND/CATEGORY

The City's total budget for fiscal year 2023-24 is \$36,130,898. Planned spending totals \$18,228,804, with transfers between funds totaling \$3,566,788.

Resources

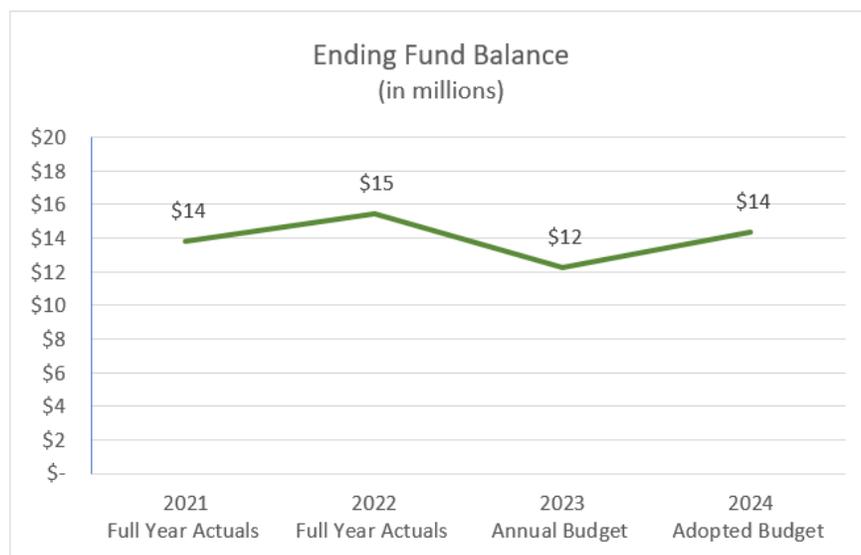
	BEGINNING FUND BALANCE	Current Revenues					Other Current Revenues	CURRENT REVENUES	TRANSFERS IN	TOTAL REVENUES
		Taxes	Charges for Services	Inter- governmental	Franchise Fees	Grants & Contributions				
General Fund	\$ 3,600,000	\$ 2,591,100	\$ 5,000	\$ 717,000	\$ 737,000	\$ -	\$ 267,690	\$ 4,317,790	\$ 966,500	\$ 8,884,290
Public Works Administration	225,000	-	-	-	-	-	10,500	10,500	731,300	966,800
Library Fund	370,000	293,400	700	136,915	-	23,000	7,000	461,015	70,000	901,015
Parks Fund	230,000	183,400	-	-	-	-	5,500	188,900	190,000	608,900
Water Enterprise Fund	1,050,000	-	2,203,920	514,750	-	-	29,000	2,747,670	239,688	4,037,358
Storm Water Enterprise Fund	430,000	-	490,000	-	-	-	75,000	565,000	350,000	1,345,000
Wastewater Enterprise Fund	4,950,000	-	3,740,000	500,000	-	-	85,000	4,325,000	252,000	9,527,000
Street Fund	1,700,000	195,000	270,000	767,895	-	-	25,000	1,257,895	533,500	3,491,395
Facilities Develop & Mtce	730,000	-	-	-	-	-	10,000	10,000	88,800	828,800
Swimming Pool Fund	102,600	183,400	102,440	-	-	-	2,000	287,840	145,000	535,440
SDC - Water Fund	1,060,000	-	78,340	-	-	-	11,000	89,340	-	1,149,340
SDC - Sewer	840,000	-	58,360	-	-	-	7,500	65,860	-	905,860
SDC - Street	1,250,000	-	63,340	-	-	-	18,000	81,340	-	1,331,340
SDC - Parks	1,000,000	-	75,260	-	-	-	7,500	82,760	-	1,082,760
SDC - Storm	460,000	-	69,600	-	-	-	6,000	75,600	-	535,600
Total Resources	\$ 17,997,600	\$ 3,446,300	\$ 7,156,960	\$ 2,636,560	\$ 737,000	\$ 23,000	\$ 566,690	\$ 14,566,510	\$ 3,566,788	\$ 36,130,898

Expenditures and Other Requirements

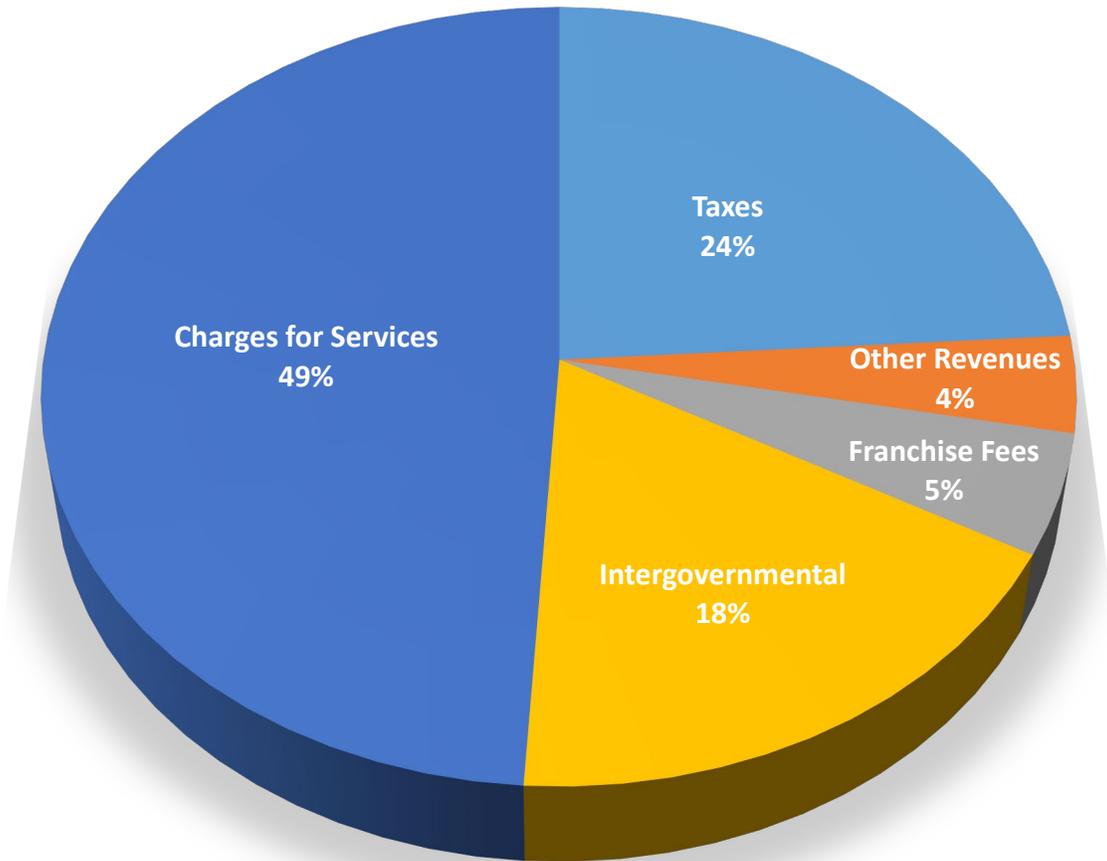
	Current Year Expenditures					Other Requirements				TOTAL EXPENDITURES & OTHER REQUIREMENTS
	Personnel Services	Materials and Services	Capital Outlay	Debt Service	TOTAL EXPENDITURES	TRANSERS OUT	Operating Contingency	Un- appropriated	TOTAL OTHER REQUIREMENTS	
General Fund	\$ 3,514,155	\$ 1,826,330	\$ 154,000	\$ -	\$ 5,494,485	\$ 795,100	\$ 300,000	\$ 2,294,705	\$ 2,594,705	\$ 8,884,290
Public Works Administration	516,478	277,750	-	-	794,228	-	40,000	132,572	172,572	966,800
Library Fund	440,009	106,800	11,200	-	558,009	50,600	30,000	262,406	292,406	901,015
Parks Fund	144,284	181,600	35,100	-	360,984	73,900	50,000	124,016	174,016	608,900
Water Enterprise Fund	390,728	651,950	1,451,333	329,700	2,823,711	454,200	225,000	534,447	759,447	4,037,358
Storm Water Enterprise Fund	47,006	549,575	150,000	71,500	818,081	159,400	40,000	327,519	367,519	1,345,000
Wastewater Enterprise Fund	582,620	1,386,520	2,400,000	817,000	5,186,140	565,400	1,990,421	1,785,039	3,775,460	9,527,000
Street Fund	145,703	221,375	1,407,780	-	1,774,858	532,800	90,000	1,093,737	1,183,737	3,491,395
Facilities Develop & Mtce	17,301	-	20,000	-	37,301	-	-	791,499	791,499	828,800
Swimming Pool Fund	211,667	149,340	20,000	-	381,007	60,200	19,000	75,233	94,233	535,440
SDC - Water Fund	-	-	-	-	-	239,688	-	909,652	909,652	1,149,340
SDC - Sewer	-	-	-	-	-	252,000	-	653,860	653,860	905,860
SDC - Street	-	-	-	-	-	33,500	-	1,297,840	1,297,840	1,331,340
SDC - Parks	-	-	-	-	-	-	-	1,082,760	1,082,760	1,082,760
SDC - Storm	-	-	-	-	-	350,000	-	185,600	185,600	535,600
Total Expenditures	\$ 6,009,951	\$ 5,351,240	\$ 5,649,413	\$ 1,218,200	\$ 18,228,804	\$ 3,566,788	\$ 2,784,421	\$ 11,550,885	\$ 14,335,306	\$ 36,130,898

BUDGET SUMMARY – COMPARATIVE BY CATEGORY

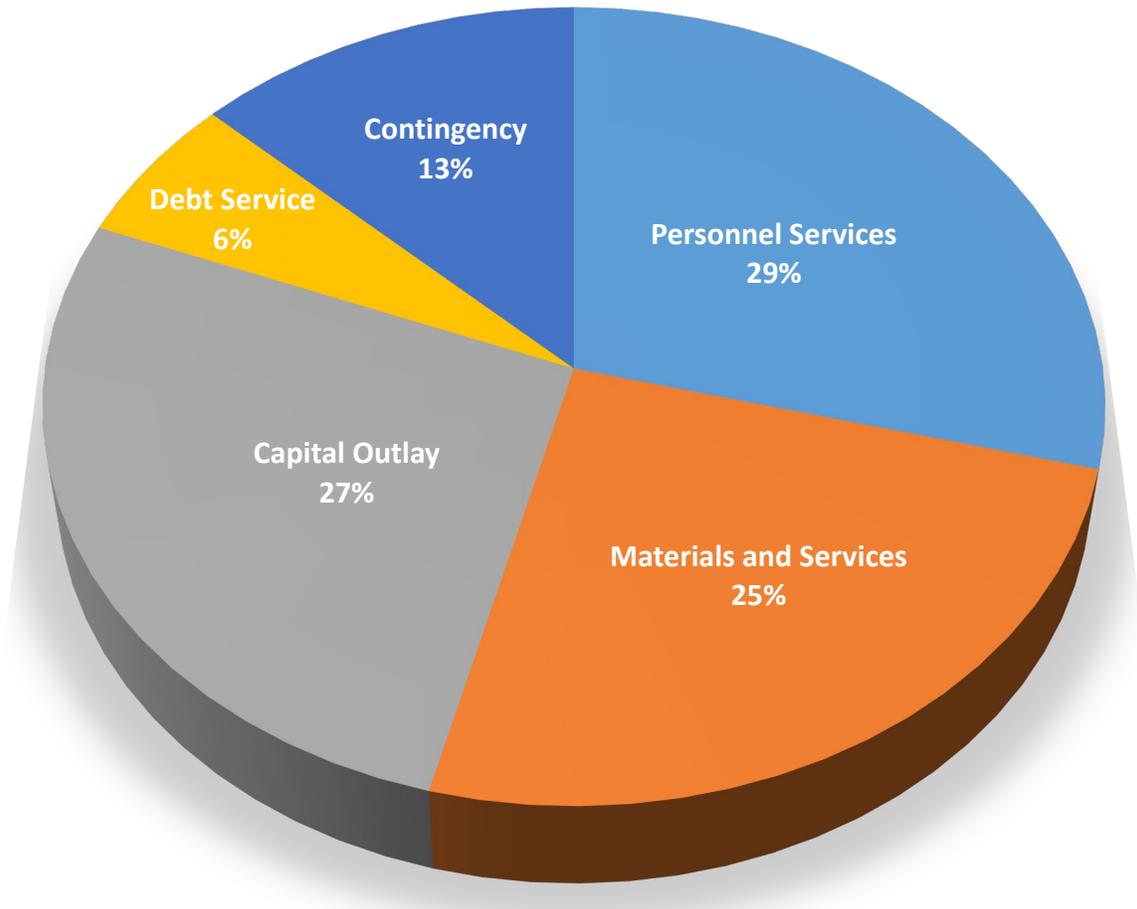
	2021 Full Year Actuals	2022 Full Year Actuals	2023 Annual Budget	2024 Adopted Budget
Resources	\$ 25,336,369	\$ 28,572,134	\$ 30,902,600	\$ 36,130,898
Beginning Fund Balance	11,368,494	13,830,449	14,497,800	17,997,600
Taxes	2,894,516	3,205,015	3,236,200	3,446,300
Charges for Services	5,922,935	5,847,693	6,558,100	7,156,960
Grants & Contributions	138,731	81,748	23,000	23,000
Franchise Fees	742,970	735,060	744,800	737,000
Licenses, Permits & Fees	92,027	66,261	23,800	37,500
Fines & Forfeitures	103,742	70,499	113,900	112,500
Intergovernmental	1,536,357	1,977,974	3,016,000	2,636,560
Interest & Miscellaneous	204,873	271,220	155,900	416,690
Transfers	2,331,723	2,486,216	2,533,100	3,566,788
Expenditures	\$(11,505,919)	\$(13,096,994)	\$(18,667,500)	\$(21,795,592)
Personnel Services	(4,118,449)	(4,111,347)	(5,773,900)	(6,009,951)
Materials and Services	(2,912,718)	(3,038,507)	(5,605,700)	(5,351,240)
Capital Outlay	(919,092)	(2,241,866)	(3,534,000)	(5,649,413)
Debt Service	(1,223,936)	(1,219,059)	(1,220,800)	(1,218,200)
Transfers	(2,331,723)	(2,486,216)	(2,533,100)	(3,566,788)
Ending Fund Balance	\$ 13,830,449	\$ 15,475,140	\$ 12,235,100	\$ 14,335,306



Current Revenues



Current Expenditures



RESOURCES

TAXES

In fiscal year 2023-24, total property and other local taxes are projected at \$3.4 million. Within this amount, the Recreation operating levy taxes for the Pool and Parks are estimated at \$183 thousand for each fund, and Library operating levy taxes estimated at \$293,000. Local gas taxes are projected to total approximately \$195,000.

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 (\$625,000); funds for the City’s library (\$134,000); and allocations of the State’s liquor, cigarette, state revenue sharing, and targeted grants for police programs.

State gas taxes are projected to increase due to a 5% increase in the tax rate.

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	\$ 20,000	2.7%
Telephone	22,000	3.0%
Sanitary Sewer	100,000	13.6%
Electricity	510,000	69.2%
Natural Gas	85,000	11.5%
	\$ 737,000	100.0%

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.

CHARGES FOR SERVICES

An estimated \$7.15 million in revenue from charges for services is budgeted in fiscal year 2023-24. Utilities generate the vast majority of these charges:

Charges for Services	Budget	%
Water	\$ 2,020,000	28.3%
Sewer	3,240,000	45.3%
Storm Water	490,000	6.9%

Since last summer, the City has been working with a financial consultant to study our utility rates. This budget proposal assumes a hybrid between current rates for water, wastewater, and stormwater, and the recommendations from the utility rate study in an attempt to project revenue as close as possible to where we believe they will be approved. For water and sewer, this is a 6.25 % increase (current fiscal policies would have had us assume CPI which is 6.25% plus an additional 5% for water). For stormwater, an increase of 40% was assumed (approximately \$2.58 above base rate for single family residential); current fiscal policy would have had us assume CPI or 6.25%. The street fee assumes an increase from \$2 per household to \$4 per household.

Pool charges have been increased by an average of twenty-nine percent (29%).

System Development Charges for water, sewer, stormwater, streets, and parks total \$345,000. Charges are applied and collected when development occurs to compensate for the development's impact on the infrastructure system, therefore revenues may vary greatly from year to year depending on the amount and type of development.

LICENSES AND PERMITS

Between the Planning and Development department and Public Works Administration, \$37,500 in licenses and permit fees is budgeted.

MISCELLANEOUS

Citywide, approximately \$417 thousand in revenue comes from miscellaneous sources, including interest income and building rental. A substantial portion of interest income is tied to the State's Local Government Investment Pool, with a rate increase from 0.55% to 3.75% over the last year.

TRANSFERS

Transfers between funds are expected to be \$3,366,788 in fiscal year 2023-24. The City

transfers monies from funds receiving benefits of services provided to the General Fund, the Public Works Administration Fund, and the Facilities Fund. The Parks, Pool, and Library Funds receive annual operational subsidies from the General Fund. Additionally, a one-time \$500,000 subsidy was transferred to Street Fund to fund street overlays.

The Water, Wastewater, Storm Water, and Street Funds have budgeted to receive transfers of System Development Charges (SDC) funds. SDC transfers will be used for system planning and various infrastructure improvements.

SDC Transfers for Projects	Budget
Water	\$ 239,688
Sewer	252,000
Streets	33,500
Storm Drain	350,000

DEBT PROCEEDS

The fiscal year 2023-24 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

Programs

- Use of the \$500,000 HUD HOPE VI Main Street grant expected in 2023-24.
- Funding is provided in the Council budget to relaunch the Community Improvement Grant program.

Other Requirements

- The projected budgeted ending fund balance as of June 30, 2023, is approximately \$2.6 million.
- Subsidy transfers to operating funds including Library, Pool, and Parks are expected to total \$405,000. The General Fund expects to transfer \$500,000 to Street Fund for additional street overlay.
- Operating Contingency and Unappropriated amounts meet City Policy minimum requirements.

CHANGES FROM PREVIOUS YEARS

- The Police Department no longer contributes to the Pension Stabilization Fund (now closed).
- New Community Engagement Coordinator position and an increase in the Code Enforcement Officer from 0.5 to 0.75 FTE.
- An increase in the subsidy transfer to the Stayton Family Memorial Pool from \$90,000 to \$145,000 to support an operating deficiency and working capital reserves. The budget also includes a one-time transfer of \$500,000 to the Street Fund for additional street overlay.

REVENUES

Property and other taxes are budgeted with a 6.0% increase from 2022-23 budgeted amounts, noting that 2022-23 projections are in excess of the \$2.4 million budgeted.

Intergovernmental revenues are expected to decrease by \$1.0m primarily related to receipt of ARPA funding included in the 2022-23 budget.

The City is not expecting substantial changes in other revenue categories.

EXPENDITURES

Budgeted expenditures, including transfers, total \$6.3 million, a decrease of \$0.1 million (2.0%) over 2022-23 annual budget of \$6.4 million.

The primary drivers of the decrease include:

- Decrease in non-departmental (operations) spending of approximately \$0.6 million:
 - Decrease of \$1.1 million related to allocation of ARPA funding in the 2022-23 budget. The City is still determining the best use of these funds and it's anticipated a decision will be made during fiscal year 2023-24. In the meantime, the funds are included in the unappropriated balance.
 - Transfers out increased by \$0.6 million with an increase in subsidy funding to the Pool and a one-time \$500,000 transfer to Street Fund.
- In all departments with personnel:
 - Cost of living adjustments of 4% for all personnel plus annual step increases in accordance with respective union contracts and City practices relative to exempt employees. This is a decrease from fiscal year 2022-23 where all personnel received a total increase of 8% (4% adjustment per market salary study and 4% cost of living adjustment).
 - Increase in medical related benefit costs budgeted at five percent (5%).
 - The contribution rate of the City's retirement plan is unchanged.

GENERAL FUND BUDGET

	2021	2022	2023	2024
	Actuals	Actuals	Annual Budget	Adopted Budget
GENERAL FUND	\$ 2,015,667	\$ 2,656,914	\$ -	\$ -
Revenue	6,191,982	6,700,514	8,423,100	8,884,290
BEGINNING FUND BALANCE	1,456,978	2,015,667	2,390,900	3,600,000
PROPERTY TAXES	2,319,970	2,400,460	2,435,400	2,591,100
CHARGES FOR SERVICES	29,430	2,828	16,300	5,000
GRANTS & CONTRIBUTIONS	-	69,722	-	-
FRANCHISE FEES	742,970	735,060	744,800	737,000
LICENSES & PERMITS FEES	55,849	49,001	14,200	37,500
FINES & FORFEITURES	103,742	70,499	113,900	112,500
INTERGOVERNMENTAL	513,118	364,829	1,673,000	717,000
INTEREST & MISCELLANEOUS	77,724	86,749	56,600	117,690
TRANSFERS IN	892,200	905,700	978,000	966,500
Expenditure	(4,176,315)	(4,043,600)	(8,423,100)	(8,884,290)
OPERATING	(523,661)	(279,300)	(3,902,100)	(3,842,605)
ADMINISTRATION	(971,673)	(1,036,412)	(1,350,200)	(1,575,753)
POLICE	(2,294,684)	(2,299,209)	(2,600,300)	(2,817,762)
PLANNING	(178,008)	(195,436)	(251,700)	(275,213)
COMMUNITY CENTER	(26,817)	(36,098)	(45,600)	(92,960)
COURT	(76,542)	(104,159)	(140,700)	(133,747)
STREET LIGHTING	(97,326)	(86,442)	(110,000)	(90,000)
MAYOR CITY COUNCIL	(7,604)	(6,544)	(22,500)	(56,250)

POLICE

SUMMARY



The Stayton Police Department works 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.

We focus on our core values of Teamwork, Service, Leadership, Integrity, and Attitude. Our mission is "To Protect with Courage, Serve with Compassion, and Lead with Integrity".

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 police coverage 24 hours a day, seven days a week. Uniformed officers respond to emergency and non-emergency calls for service. The Police Department consists of a Chief, three Sergeants, and nine patrol officers. Additionally, the department is supported by one full-time records/evidence specialist and one part-time support specialist.

The Stayton Police Department will continue to look for new ways to be innovative and partner with the citizens 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.

Service to our community and our department is of utmost importance. We are well-informed of the idea of providing the highest quality of professional law enforcement service to our community and our agency. We strive to be proactive, trusted partners with our community, and increase the quality of life for our citizens and to improve the capabilities of our agency.



ACCOMPLISHMENTS FOR 2022-23

- The Stayton Police Department remained steady with calls for service statistics. 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, thefts, disturbances, harassments, and death investigations.
- METCOM 911 processed 7,745 CAD calls for service for our police department. Of these CAD calls, 1,698 were officer initiated and 6,047 originated in the dispatch center. This was an increase of almost 600 from the year previous. This includes 1,179 traffic activities, 1,123 area checks, 862 suspicious vehicles/persons/activities, 203 welfare checks, and 174 cold thefts.
- Our officers made DUII enforcement a significant focus. As an agency, we had 70 DUII arrests in 2022. In 2021, we had 44 DUII arrests. The increase and focus were largely due to an officer who received specialized and enhanced training in DUII enforcement and obtained certification as a Drug Recognition Expert. With his knowledge, experience, and training, he was better equipped to recognize DUIIs and increase other officers' skills in the area.
- During 2022, the Police Department staff received 1,539 hours of training. The hours would jump to 2,819 if we included hours from basic academy. The department attended 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, investigative interviewing, incident command, peer support, search warrant writing, and much more.
- The Stayton Police Department continued supporting the community through the various events and partnerships outlined below:
 - ✓ Assisted with the annual Covered Bridge Community Dinner.
 - ✓ Participated in many library events including the Read Across Stayton, Summer Reading, and the lantern walk.
 - ✓ Participated in Special Olympics/Law Enforcement Torch Run events which included handing out medals to athletes and volunteering at the LETR Plane Pull.
 - ✓ 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 Cop” holiday shopping event.
 - ✓ Participated in “No Shave November” with proceeds going to the Can Cancer fund administered by Santiam Service Integration Team.
 - ✓ National Night Out
 - ✓ Summerfest
 - ✓ Kinderfest event sponsored by Early Learning Hub
 - ✓ Seasons of Safety-event sponsored by the Santiam Hospital and Clinics.
- For the third consecutive year, the Stayton Police Department was awarded Lexipol's connect "Gold Award." Lexipol is our policy and procedures manual provider.
 - In 2022, the Stayton Police Department saw the retirement of Chief David Frisendahl and Sgt. Danielle Wetzel, reducing staffing from November 2022 until summer of 2023. With these retirements, we saw over 55 years of law enforcement experience leave our agency and staffing was down two full-time positions. The department saw three new recruits graduate from the 16-week academy, complete over 22 weeks of field training, and obtain solo status. We currently have an entry level officer candidate in the final stages of the hiring process and will be filling a supervisor vacancy with a lateral hire.



CHANGES FROM PREVIOUS YEAR

- The department purchased 40mm less-lethal launchers to increase our response to critical incidents. Due to supply issues, we did not receive them until the 2022-23 budget year. Each officer was trained in the use and policies surrounding deployment. A presentation was given at a City Council meeting to explain potential uses and the importance of having various tools as options.
- We brought on a part time records staff. This allows for staffing coverage when our full-time records staff is on vacation, in training, or out of the office. Additionally, it enables us to get caught up on projects and tackle new ones.
- The department continued our vehicle replacement plan by purchasing a new patrol vehicle to keep pace with an aging fleet nearing the end of their service life. We ordered a vehicle in



August, which is anticipated to be built in May. This new vehicle will join our fleet likely in the fall of 2023.

- Officers and their family members all have access to a robust wellness phone application called Cordico. The app focuses on resiliency, stress management, physical fitness, and overall wellness for officers.
- Over the past year, three entry level officers attended the academy (16 weeks at Police Academy, completed approximately 22 weeks of training with a one-on-one field training officer, and achieved solo patrol officer status. This is a huge accomplishment and milestone in their careers. It is a benefit to our agency as they will fill shift assignments and round out our schedule.



POLICE FUND BUDGET

	2021 Actuals	2022 Actuals	2023 Annual Budget	2024 Adopted Budget
POLICE	2,294,684	2,299,209	2,600,300	2,817,762
Personnel Services	1,631,382	1,587,703	1,975,200	2,113,052
Materials and Services	467,438	501,179	514,100	541,710
Capital Outlay	59,964	74,427	64,000	116,000
Transfers Out	135,900	135,900	47,000	47,000

PERFORMANCE MEASURES

Patrol Measure	2020	2021	2022
Police Activity	7,271	7,796	7,518
Offenses	1,232	2,257	1,218
NIBRS	654	649	696
Citations/Warnings	1,158	1,303	1,038
Arrests	267	326	359

* NIBRS crimes include murder and non-negligent manslaughter, rape, robbery, aggravated assault, burglary, larceny-theft, motor vehicle theft, and arson.

STAFFING

Position	2020-21 Actual	2021-22 Actual	2022-23 Budget	2023-24 Proposed	2023-24 Adopted
Chief of Police	1.0	1.0	1.0	1.0	1.0
Police Captain	1.0	1.0	1.0	-	-
Sergeants	2.0	2.0	2.0	3.0	3.0
Police Officers	9.0*	9.0*	9.0	9.0	9.0
Records Clerk	1.7	1.5	1.6	1.6	1.6
FTE's – Police	14.7	14.5	14.6	14.6	14.6

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

CAPITAL OUTLAY

Patrol Vehicle	80,000
Getac Tablets for Patrol Cars	36,000
Total	<u>\$116,000</u>

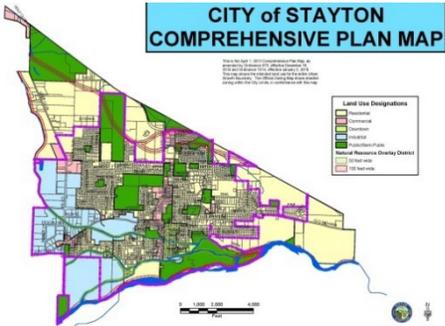
PLANNING & DEVELOPMENT

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.



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.



After more than 20 years without the construction of new multi-family housing, there are currently 190 units of new multi-family housing under construction in three different projects.

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 has prepared a grant application to conduct preliminary stormwater engineering to facilitate development of vacant industrially zoned land within the city limits. Additionally, our 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.

This past year, Code Enforcement operations have shifted to the Planning & Development Department. The Code Enforcement position was filled for the first time in several years. The new Code Enforcement Officer made significant strides in setting up systems and initiated over

500 enforcement actions. Unfortunately, the officer resigned in March and recruitment is underway to fill the position. The FY 24 budget expands the position from 0.5 FTE to 0.75 FTE.

Planning Commission Members & Terms

Dixie Ellard	12/2024
Ralph Lewis	12/2022
Richard Lewis	12/2024
Larry McKinley	12/2024
Amy McKenzie Watt	12/2024

HIGHLIGHTS

- HOPE VI Main Street Grant construction will commence adding seven apartments in the downtown area.
- Continued CDBG funds are available for grants to owners of manufactured housing units in mobile home parks; administered by Mid-Willamette Valley Council of Governments.
- 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.
- Code Enforcement Officer position expands from 0.5 FTE to 0.75 FTE.

PLANNING FUND BUDGET

	2021 Actuals	2022 Actuals	2023 Annual Budget	2024 Adopted Budget
PLANNING	178,008	195,436	251,700	275,213
Personnel Services	141,691	152,441	183,400	213,663
Materials and Services	15,418	25,194	50,800	44,450
Transfers Out	20,900	17,800	17,500	17,100

PERFORMANCE MEASURES

Effectiveness Measures	2020-21 Actual	2021-22 Actual	2022-23 Projected	2023-24 Projected
% 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	95%	100%	100%	100%

STAFFING

Position	2020-21 Actual	2021-22 Actual	2022-23 Budget	2023-24 Proposed	2023-24 Adopted
Planning and Development Director	1.0	1.0	1.0	1.00	1.00
Code Enforcement Officer	0.5	0.5	0.5	0.75	0.75
Total FTE's - Planning	1.5	1.5	1.5	1.75	1.75

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. 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 key deposit required for the facility.

HIGHLIGHTS

- 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. By the end of 2023, their goal is to begin onsite meal service again in addition to their meal deliveries.

- 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.

CHANGES FROM PREVIOUS YEARS

- During fiscal year 2022-23, security cameras were installed at the community center facility thanks to an ARPA Safety and Security Grant.
- In fiscal year 2023-24, funds are included in the budget to replace all facility doors and repair fire damage at the community center.

COMMUNITY CENTER FUND BUDGET

	2021 Actuals	2022 Actuals	2023 Annual Budget	2024 Adopted Budget
COMMUNITY CENTER	26,817	36,098	45,600	92,960
Materials and Services	18,847	36,098	45,600	92,960
Capital Outlay	7,970	-	-	-

STAFFING

- Facility rental support is provided by Public Works Administration.
- Moonlight Maintenance assists with cleaning, as well as meeting and event set-up.

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

- As operations returned to normal during the past fiscal year, there has been an increase in Municipal Court operations and the number of citations issued by the Police department.
 - 38 court dates
 - 45 trials held
 - 510 cases processed
 - The Municipal Court will process an estimated \$100,000 in fine revenue for the City in 2022-23 fiscal year.
- Prior to leaving office, Governor Brown issued a remission order which forgave fines and fees related only to traffic violations. In Stayton’s Municipal Court, this impacted 49 people by forgiving a total of \$22,619 in fines.

CHANGES FROM PREVIOUS YEARS

- No changes in fiscal year 2023-24.

PERFORMANCE MEASURES

Activity Measures	2020-21	2021-22	Projected 2022-23
Ordinance Violations	7	6	15
Traffic Violations	275	265	500
Court Dates	40	40	40
Trials	40	40	45
Warnings	73	124	150

MUNICIPAL COURT FUND BUDGET

	2021 Actuals	2022 Actuals	2023 Annual Budget	2024 Adopted Budget
COURT	76,542	104,159	140,700	133,747
Personnel Services	40,463	62,034	79,300	84,947
Materials and Services	36,080	42,125	61,400	48,800

STAFFING

Position	2020-21 Actual	2021-22 Actual	2022-23 Budget	2023-24 Proposed	2023-24 Adopted
Court Clerk	0.6	0.8	0.8	0.8	0.8
Total FTE's - Municipal Court	0.6	0.8	0.8	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.
- Reinststitute the Neighborhood Improvement Grant program in FY24.

CHANGES FROM PREVIOUS YEAR

- Neighborhood Improvement Grant program was suspended during the pandemic. For FY24, \$40,000 has been budgeted for the reinstitution of this program.
- City Council Goal Setting was held in March 2023 and goals were adopted by Council in April 2023.

MAYOR AND CITY COUNCIL BUDGET

	2021 Actuals	2022 Actuals	2023 Annual Budget	2024 Adopted Budget
MAYOR CITY COUNCIL	7,604	6,544	22,500	56,250
Materials and Services	7,604	6,544	22,500	56,250

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. Additionally, this position also oversees Facilities and the Pool.

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 seventh distinguished budget award from the Government Finance Officers Association (GFOA) for the fiscal year 2022-23 budget document.

CHANGES FROM PREVIOUS YEAR

- Addition of a Community Engagement Coordinator position who will handle all aspects of community outreach for the City.

ADMINISTRATION FUND BUDGET

	2021 Actuals	2022 Actuals	2023 Annual Budget	2024 Adopted Budget
ADMINISTRATION	971,673	1,036,412	1,350,200	1,575,753
Personnel Services	631,885	564,017	888,700	1,102,493
Materials and Services	314,888	447,395	368,500	447,260
Capital Outlay	-	-	67,000	-
Transfers Out	24,900	25,000	26,000	26,000

PERFORMANCE MEASURES

City Manager and Assistant City Manager

Activity Measures	2020-21 Actual	2021-22 Actual	2022-23 Projected
City Council meetings	21	21	20
City Council executive sessions	2	5	1
City Council special sessions	1	1	1
City Council work sessions	2	1	10
Resolutions adopted	14	12	32
Ordinances adopted	6	5	7
City of Stayton YouTube Channel video views	3,510	1,928	2,500
Facebook page followers	6,239	7,084	7,337
Social media posts (Facebook)	170	128	175
StaytonOregon.gov Unique Visits	22,208	23,937	23,500
Public record requests	219	243	275
Number of new hires/orientations	4	17	16

Finance

Performance Measures	2020-21 Actual	2021-22 Actual	2022-23 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	2020-21 Actual	2021-22 Actual	2022-23 Budget	2023-24 Proposed	2023-24 Adopted
City Manager	1.00	1.00	1.00	1.00	1.00
Assistant City Manager	1.00	1.00	1.00	1.00	1.00
Finance Director	1.00	1.00	1.00	1.00	1.00
Assistant Finance Director	-	-	-	1.00	1.00
Payroll / Account Technician	1.00	1.00	1.00	-	-
Accounting Specialist	2.00	2.30	2.20	2.20	2.20
Office Specialist	0.60	0.50	1.00	1.00	1.00
Community Engagement Coordinator	-	-	-	1.00	1.00
Total FTE's – Administration	6.60	6.80	7.20	8.20	8.20

CAPITAL OUTLAY

No capital outlay anticipated for fiscal year 2023-24.

GENERAL OPERATIONS & OTHER REQUIREMENTS

SUMMARY

The General Operations area of the General Fund accounts for transfers to other funds to support their operations; non-recurring expenditures not specific to a department or other specific fund; General Fund Operating Contingency; and Unappropriated Ending Fund Balance (“Unappropriated”).

Operating Contingency is an estimate of spending that may be necessary during the year on items that cannot be specifically identified at the time the budget is prepared. City policy requires a minimum of 5% of the funds’ operating and capital expenditure estimates for the fiscal year.

Unappropriated Ending Fund Balance provides the City with a cash or working capital balance with which to begin the fiscal year following the one for which this budget is being prepared. City policy requires this amount to be a minimum of negative cash flow for July 1 – October 31st of the subsequent fiscal year to cover operating deficit until the receipt of property taxes in late October or November.

HIGHLIGHTS

- Subsidy transfers to operating funds including Library, Pool, and Parks are expected to total \$405,000. The General Fund also expects to transfer \$500,000 to Street Fund for additional street overlay.
- Operating Contingency and Unappropriated amounts meet City Policy minimum requirements.
- Capital outlay for barn re-roof at Mill Creek Park (\$23,000) and exterior maintenance on the Teen Center (\$15,000).
- During fiscal year 2022-23, security cameras and a key card system were installed at city hall, police department, municipal court, public works shops, and the community center facility thanks to a Safety and Security Grant from the State.

CHANGES FROM PREVIOUS YEAR

- An increase in the subsidy transfer to the Stayton Family Memorial Pool from \$90,000 to \$145,000 to support an operating deficiency and working capital reserves.
- One-time transfer of \$500,000 to the Street Fund for additional street overlay.
- Methodology of calculating Contingency and Unappropriated amounts has been updated to better correlate with the services being provided to each fund, resulting in a shifting of amounts between the two categories.

- The \$921,222 ARPA funds received in fiscal year 2022-23 are in the unappropriated fund of this account awaiting Council discussion and decision on expenditure.

NON-DEPARTMENTAL BUDGET

	2021 Actuals	2022 Actuals	2023 Annual Budget	2024 Adopted Budget
OPERATING	523,661	279,300	3,902,100	3,857,605
Materials and Services	143,661	4,300	1,541,400	519,900
Capital Outlay	-	-	-	38,000
Transfers Out	380,000	275,000	350,000	705,000
Contingency	-	-	1,244,800	300,000
Unappropriated	-	-	765,900	2,294,705

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 2023-24 fiscal year.

CHANGES FROM PREVIOUS YEARS

- Actual street lighting costs for the current fiscal year are lower than anticipated. Due to this, the proposed budget is recommended at a lower amount than the previous budget.

STREET LIGHTS FUND BUDGET

	2021 Actuals	2022 Actuals	2023 Annual Budget	2024 Adopted Budget
STREET LIGHTING	97,326	86,442	110,000	90,000
Materials and Services	97,326	86,442	110,000	90,000

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.

LIBRARY FUND

SUMMARY

The Stayton Public Library fulfills a vital role by keeping people connected, both inside the Library and out in the community. The Library provides information and entertainment through our physical and electronic resources. We build relationships and advocate for lifelong learning.



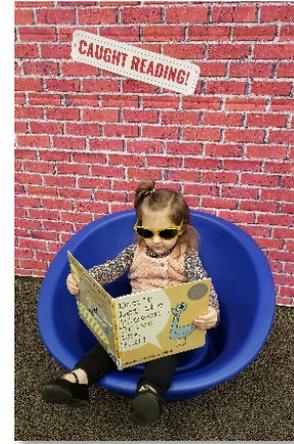
The Library supports people of all ages with curated content in a time of increasingly overwhelming information. Library staff are actively evaluating and exploring new and current services so the Library can continue to evolve as a cornerstone of community support.

HIGHLIGHTS

- Successfully continued to imagine and implement new ways to provide service to the community.
- Established new Storytime routines. Adjusting as needed to better accommodate the needs of children and families.
- Invented new ways to encourage community building and for staff to hone their creative skills with big events like the Haunted Library and the Teddy Bear Tea Party.
- Collaborated with a variety of local businesses and organizations across the community to promote reading during Read Across Stayton.
- Increased access to books for children at home by being a Dolly Parton Imagination Library affiliate. This program sends a free book to children ages 0-5 living in Stayton, Sublimity, Gates, Mehama, Detroit, and Idanha. It is made possible through our partnership with Stayton Public Library Foundation.
- Increased our Spanish-language collection by 73% with ARPA grant funding.
- Added new early learning manipulatives as part of our refreshed children's area thanks in part to an Oregon Community Foundation Summer Learning Grant.



- 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.
- Circulated 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.
- Expanded wireless access by circulating mobile Wi-Fi hotspots made possible by an Emergency Connectivity Fund grant 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

- Added Wonderbooks to our read-along collection. Wonderbooks have a digital audio player attached to the inside of the book. Readers can listen along to the built-in speaker or plug their headphones directly into the player.
- Refreshed our children's area with new early learning manipulatives and new tables thanks in part to an Oregon Community Foundation Summer Learning Grant. Added a cozy reading corner for families to enjoy together in memory of Susan Brandt, a longtime Library supporter and volunteer.
- Reestablished our Annual Art Show highlighting the works of local artists of all ages.



LIBRARY FUND BUDGET

	2021 Actuals	2022 Actuals	2023 Annual Budget	2024 Adopted Budget
Revenue	833,985	807,634	882,900	901,015
Beginning Fund Balance	284,395	385,659	344,200	370,000
Taxes	187,901	269,687	278,700	293,400
Charges for Services	280	954	1,200	700
Grants & Contributions	28,731	12,026	23,000	23,000
Intergovernmental	185,963	107,256	159,000	136,915
Interest & Miscellaneous	6,715	7,052	6,800	7,000
Transfers In	140,000	25,000	70,000	70,000
Expenditure	(448,325)	(451,035)	(882,900)	(901,015)
Personnel Services	(338,456)	(320,965)	(393,500)	(440,009)
Materials and Services	(76,969)	(90,304)	(95,300)	(106,800)
Capital Outlay	-	(11,265)	(10,000)	(11,200)
Transfers Out	(32,900)	(28,500)	(30,600)	(50,600)
Contingency/Reserve	-	-	(353,500)	(30,000)
Unappropriated	-	-	-	(262,406)

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 approaching pre-COVID levels and has consistently outpaced other area libraries serving similar populations.
- 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. New materials began to be purchased again at the regional level this year starting in December, which has already started to improve access to new and popular titles.
- Library visits show that the Library's collection, outreach, and programming are relevant and utilized by the community.

Activity Measures	2020-21 Actuals	2021-22 Actuals	2022-23 Projected	2023-24 Projected
Circulation of library materials	72,985	131,500	136,092	146,979
Circulation of downloadable materials	22,008	20,980	21,609	22,689
Library visits	833	28,055	36,472	40,119
% change in circulation – library materials	-51.0%	80.2%	3.5%	8.0%
% change in circulation – downloadable materials	7.5%	-4.7%	3.0%	5.0%
% change Library visits – all ages	-98.6%	3131.7%	30.0%	10.0%

STAFFING

Position	2020-21 Actual	2021-22 Actual	2022-23 Budget	2023-24 Proposed	2023-24 Adopted
Library Director	1.00	1.00	1.00	1.00	1.00
Library Assistant – Lead	1.00	1.00	1.00	1.00	1.00
Library Youth Services	0.80	0.80	1.00	1.00	1.00
Library Assistant	1.20	1.30	1.26	1.26	1.26
Library Aide	2.10	1.00	1.76	1.76	1.76
Outreach Youth Services	0.50	0.50	-	-	-
Library Page	0.30	-	-	-	-
Total FTE's - Library	6.90	5.60	6.02	6.02	6.02

CAPITAL OUTLAY

HVAC Unit Replacement	10,000
Window frame replacement	2,000
Total	<u>\$12,000</u>

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 during the COVID-19 pandemic, the pool reopening was initially off to a slower start but has since been increasing and attendance has climbed.

The pool continues to see an increase in patrons returning to the pool over the past year. Swim lessons are once again underway and continue to be very popular. We continue to see an increase in private pool rentals, attendance at water movement classes, and open swims. Our Pool Supervisor continues to forge new partnerships with local schools and businesses who use the pool for classes, swim teams, and swim meets, year-end school parties, physical therapy, etc.

The Friends of the Stayton Pool group has offered tremendous support to the Stayton Family Memorial Pool over the years. Most recently the group contributed towards the purchase of new dive blocks for the facility.

HIGHLIGHTS

- Implementation of a new swim lesson program during the past year. Students ranged from children to adults. Each lesson session fills up within hours of opening.
- Partnership with ProMotion Physical Therapy to utilize the pool for patients with mobility issues.
- Kiwanis continues to provide funding for third grade swim lessons in the spring. This provides water safety lessons for third graders in the area.



- Spring Break special open swim times brought the pool more than 100 patrons to enjoy family pool time.
- In addition to private rentals for birthday parties, the pool also provided a place for schools to host their end of year parties.
- Offered lifeguard certification classes which also helped in recruitment of new lifeguards.
- Water movement classes continue to see increased attendance.
- Worked with local high schoolers to build swimming knowledge and abilities.



CHANGES FROM PREVIOUS YEAR

- Increase in subsidies from the General Fund to maintain operations and levels of service.

POOL FUND BUDGET

	2021 Actuals	2022 Actuals	2023 Annual Budget	2024 Adopted Budget
Revenue	582,182	667,476	554,000	535,440
Beginning Fund Balance	245,893	313,399	186,400	102,600
Taxes	185,241	170,344	181,300	183,400
Charges for Services	602	63,072	95,600	102,440
Grants & Contributions	110,000	-	-	-
Intergovernmental	30,601	-	-	-
Interest & Miscellaneous	9,846	30,661	700	2,000
Transfers In	-	90,000	90,000	145,000
Expenditure	(268,783)	(501,294)	(554,000)	(535,440)
Personnel Services	(96,015)	(100,730)	(133,500)	(211,667)
Materials and Services	(87,933)	(119,488)	(178,800)	(149,340)
Capital Outlay	(58,335)	(219,576)	(64,000)	(20,000)
Transfers Out	(26,500)	(61,500)	(63,600)	(60,200)
Contingency/Reserve	-	-	(114,100)	(19,000)
Unappropriated	-	-	-	(75,233)

PERFORMANCE MEASURES

Activity Measures	2021-22	As of April 30, 2023	Projected 2023-24
Memberships			
Residents	103	180	200
Non-resident	108	352	400
Non-Members (Drop-In's)			
Resident	610	2,345	2,500
Non-resident	574	1,398	2,000
<i>*Drop-ins include repeating Patrons</i>			

STAFFING

Position	2020-21 Actual	2021-22 Actual	2022-23 Budget	2023-24 Proposed	2023-24 Adopted
Pool Supervisor	-	1.00	1.00	1.00	1.00
Maintenance Worker	-	0.29	0.29	0.29	0.29
Lifeguards	3.15	4.71	1.71	3.18	3.35
Aquatics Facility Manager	1.00	-	-	-	-
Pool Staff Supervisor	0.50	-	-	-	-
Instructors	0.85	-	-	-	-
Total FTE's - Pool	5.50	6.00	3.00	4.47	4.64

CAPITAL OUTLAY

Door Replacement	20,000
Total	\$20,000

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. 7th 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 a fee. 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.

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	12/2024
Pam Pugsley	12/2023
AJ Westlund	12/2023
Tricia Hafner	12/2024
Andrew Kline	12/2024
Vacant	12/2023
Vacant	12/2024

HIGHLIGHTS

Highlights for Fiscal Year 2022-23

- The Parks and Recreation Board continues to work on a path around Mill Creek Park. The path is an oval loop over ½ mile in length.
- Fabricated and constructed a kiosk at Mill Creek Park.
- Barn repairs were completed at Mill Creek Park.
- The Parks and Recreation Board planted nine trees in Santiam Park to provide shade and aesthetics.
- Installed engineered wood chips and dog obstacle course jumps in the Henry A. Porter Community Dog Park.

Highlights for Fiscal Year 2023-24

- Paint pickleball court lines at the Community Center tennis courts. Initial installation will be a trial of one or two courts.
- New roof to be installed on Mill Creek Park barn.
- Installation of engineered wood chips in City parks.
- Replace / repair rubber matting in the Santiam Park play area.
- Clear brush out of Riverfront Park just south of the Water Treatment Plant.

CHANGES FROM PREVIOUS YEAR

- Fiscal Year 2023-24 will be the first year the City will be charging all the enterprise funds for water usage. It's estimated the parks will use \$11,000 of City water during the irrigation season.

ACTIVITY MEASURES

Activity Measures	2020-21	2021-22	2022-23
Total acres of neighborhood, community, and open space parks	203	203	203
Number of restrooms maintained daily	3	3	3
Playground equipment repairs/replacements	47/51	9/2	17/2
Dog waste bags supplied	12,800	12,800	13,000
Irrigation repairs (hours)	156	155	64
Lawn maintenance hours (mowing, edging, herbicide application)	-	-	482
Debris cleaned from parks (tons)	205	68	30
Playground equipment inspection (hours)	136	96	178
Path and trail maintenance (hours)	79	130	271
Garbage collection in parks (cubic yards)	106	172	96
Park structure maintenance (hours)	156	130	178
Vandalism repairs (each)	51	29	20

PARKS FUND BUDGET

	2021 Actuals	2022 Actuals	2023 Annual Budget	2024 Adopted Budget
Revenue	396,235	513,058	508,000	608,900
Beginning Fund Balance	141,064	181,031	136,000	230,000
Taxes	10,000	166,569	181,100	183,400
Intergovernmental	4,309	-	-	-
Interest & Miscellaneous	863	5,458	900	5,500
Transfers In	240,000	160,000	190,000	190,000
Expenditure	(215,204)	(308,278)	(508,000)	(608,900)
Personnel Services	(93,278)	(95,202)	(130,100)	(144,284)
Materials and Services	(89,726)	(104,769)	(122,300)	(181,600)
Capital Outlay	-	(65,206)	(82,000)	(35,100)
Transfers Out	(32,200)	(43,100)	(47,900)	(73,900)
Contingency/Reserve	-	-	(125,700)	(50,000)
Unappropriated	-	-	-	(124,016)

STAFFING

Position	2020-21 Actual	2021-22 Actual	2022-23 Budget	2023-24 Proposed	2023-24 Adopted
Maintenance Worker II	1.30	1.30	1.30	1.00	1.00
Utility Operator I	-	-	-	0.30	0.30
Weekend Operator	0.17	0.17	0.17	0.17	0.17
Seasonal Maintenance Worker I	0.23	0.23	-	-	-
Total FTE's – Parks	1.70	1.70	1.47	1.47	1.47

CAPITAL OUTLAY

Projects	Estimated Cost
Engineered wood chips in parks	20,100
Rubber mats replacement / repairs in Santiam Park	15,000
Total	\$35,100

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

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 2023-24 we are forecasting a 4.1% increase in our state gas tax revenue due to an increase in the state gas tax occurring in 2024. We are not projecting a change in the local gas tax revenue. Annually, the City spends approximately \$110,000 for gravel and paved street maintenance, and approximately \$420,000 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 current rate is \$2.00 per month for single family homes and commercial, industrial, and non-residential uses are capped at \$20.00 per month. The Council is looking at increasing these rates to generate more revenue for necessary street repair. The revenue projections show an increase; however, the expenditures do not factor in additional revenues because we are waiting for Council approval of the rate increase.

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.

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.

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 street needs before we put it on the paving schedule.

The proposed budget and projects planned for improvement is based on the outcomes and recommendations from the PMP report.

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 is 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 will not 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.

Since pavement maintenance costs a fraction of street reconstruction, action now saves a lot of money later.

The City entered into a contract with Kittelson and Associates, Inc. to design and prepare construction plans for the Golf Club Road/Shaff Road intersection roundabout. This project was shown as a Priority 1 project in 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.



This project has run into several obstacles in the past year but we are confident the plans and specifications will be completed in 2023-24 FY and if funds become available, ready for construction as early as summer 2024.

HIGHLIGHTS

- The City paved Wyatt Avenue between Regis Street and Westtown Avenue — June 2023.
- Design of a Roundabout at Golf Club Road and Shaff Road- ongoing.
- City plans to Mill and Overlay Ida Street from First Avenue to Fourth Avenue in the spring of 2024.
- City plans to Slurry Seal numerous streets in the Westtown subdivision in the summer of 2023.
- Purchase a new street sweeper.

CHANGES FROM PREVIOUS YEAR

- The City is proposing to allocate \$500,000 from the general fund to allow for more street improvements to be made. This will allow us to Mill and Overlay 4th Avenue from Ida Street to Marion Street, as well as an overlay on Douglas Avenue.

STREET FUND BUDGET

	2021	2022	2023	2024
	Actuals	Actuals	Annual Budget	Adopted Budget
Revenue	2,506,313	2,511,436	2,434,400	3,491,395
Beginning Fund Balance	1,299,033	1,556,911	1,475,500	1,700,000
Taxes	191,403	197,956	159,700	195,000
Charges for Services	89,699	92,422	92,200	270,000
Intergovernmental	792,378	649,490	684,000	767,895
Interest & Miscellaneous	9,906	9,191	6,900	25,000
Transfers In	123,895	5,466	16,100	533,500
Expenditure	(949,402)	(862,671)	(2,434,400)	(3,491,395)
Personnel Services	(141,059)	(123,701)	(166,900)	(145,703)
Materials and Services	(163,002)	(64,406)	(186,500)	(221,375)
Capital Outlay	(370,041)	(342,664)	(650,000)	(1,407,780)
Transfers Out	(275,300)	(331,900)	(342,300)	(332,800)
Contingency/Reserve	-	-	(1,088,700)	(90,000)
Unappropriated	-	-	-	(1,093,737)

PERFORMANCE MEASURES

ACTIVITY MEASURES	2020-21	2021-22	2022-23
Streets paved overlays (lane miles)	1.4	0.32	0.53
Slurry seals application (lane miles)	3.4	0.00	0.00
Street Signs replaced/installed (each)	45	25	50
Streets cleaned/swept (curb miles)	2,104	1,840	2,221
Street sweepings hauled to Coffin Butte (cy)	120	440	375
ADA Ramps Constructed (each)	1	9	10
Asphalt Cold Mix used for pothole repair (lbs)	6,540	12,140	24,750
Gravel applied to gravel roads (cy)	27	79	185
Dust control applied to gravel roads (gallons)	5,551	4,652	4,600
Fall Cleanup debris received (cy)	60	60	60
Food donated to food bank (lbs)	582	231	213
Food bank donations (\$)	45	-	\$15.00
Striping - Parking stalls (each)	45	0	397
Striping-curb (ft)	364	1,030	3,477

STAFFING

Position	2020-21 Actual	2021-22 Actual	2022-23 Budget	2023-24 Proposed	2023-24 Adopted
Utility Operator	1.0	1.1	1.1	1.1	1.1
Public Works Supervisor	-	0.4	0.4	0.4	0.4
Total FTE's - Streets	1.0	1.5	1.5	1.5	1.5

CAPITAL OUTLAY

Ida Street Overlay: First Avenue to Fourth Avenue	350,000
Fourth Avenue: Ida Street to Marion Street	300,000
Street Slurry Seals- Westtown Subdivision- Varied Streets	125,000
Shaff Road – Golf Club Road Roundabout Design	267,780
Transportation SDC Determination	15,000
Street Sweeper	350,000
Total	\$1,407,780

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 Water Enterprise Fund supports all capital improvement projects at the water treatment plant and for the distribution system. In fiscal year 2023-24, the City has 3 waterline construction projects scheduled; a 10-inch waterline in Ida Street (First Avenue to Third Avenue), an 8-inch waterline in Douglas Street (Regis Avenue to Shaff Road), and a 16-inch waterline in Shaff Road (Cascade Hwy. to Fern Avenue).

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. In the past several years we have reduced expenditures to meet the new revenue projections.

Revenues for this fund are received from water utility fees.

HIGHLIGHTS

Highlights for Fiscal Year 2022-23

- The City received an Oregon Water Resources Department (OWRD) Water Project Grant to construct an Aquifer Storage and Recovery System (ASR). Staff is currently working with the OWRD to craft a contract for the project.
- Installed emergency retrieval system at water intake.
- Installed new water service on Wyatt Avenue during street improvement project.

Highlights for Fiscal Year 2023-2024

- Construct 10-inch waterline in Ida Street (Master Plan Project).
- Construct 8-inch water line in Douglas Street.
- Construct 16-inch water line in Shaff Road Phase 1 of ASR Project.

CHANGES FROM PREVIOUS YEAR

- Fiscal year 2023-24 will be the first year the enterprise funds will be paying for water usage. The revenues in the Water Enterprise Fund should reflect this change.

WATER FUND BUDGET

	2021 Actuals	2022 Actuals	2023 Annual Budget	2024 Adopted Budget
Revenue	2,360,085	3,533,486	3,344,700	4,037,358
Beginning Fund Balance	680,449	832,826	1,081,200	1,050,000
Charges for Services	1,619,258	1,712,258	2,009,400	2,203,920
Intergovernmental	1,689	703,237	-	514,750
Interest & Miscellaneous	11,308	17,215	4,100	29,000
Transfers In	47,381	267,950	250,000	239,688
Expenditure	(1,527,259)	(2,676,922)	(3,344,700)	(4,037,358)
Personnel Services	(252,685)	(244,216)	(370,200)	(390,728)
Materials and Services	(406,357)	(456,460)	(495,600)	(651,950)
Capital Outlay	(47,381)	(1,176,946)	(624,000)	(1,451,333)
Debt Service	(329,136)	(329,600)	(339,600)	(329,700)
Transfers Out	(491,700)	(469,700)	(483,100)	(454,200)
Contingency/Reserve	-	-	(1,032,200)	(225,000)
Unappropriated	-	-	-	(534,447)

ACTIVITY MEASURES

	2020-21	2021-22	2022-23
Potable water production (gallons)	506,711,000	627,964,000	559,732,000
Water Usage Billed (gallons)	462,455,000	472,001,000	371,253,000
Water meters replaced (each)	87	120	123
New water meters installed	7	37	37
Fire hydrants repaired	-	2	-
Water service lines repaired / replaced	16	11	21

STAFFING

Position	2020-21 Actual	2021-22 Actual	2022-23 Budget	2023-24 Proposed	2023-24 Adopted
Public Works Supervisor	0.60	0.60	0.60	0.60	0.60
Chief Water Treatment Plant Operator	1.00	1.00	1.00	1.00	1.00
Public Works Utility Operator	2.00	2.00	1.77	1.77	1.77
Total FTE's Water	3.60	3.60	3.37	3.37	3.37

CAPITAL OUTLAY

Aquifer Storage and Recovery System (Phase 1)	171,585
Ida Street 10-inch waterline	300,000
Waterline upsizing; Douglas Street—Regis Street to Shaff Road	<u>250,000</u>
Total	\$721,585

SEWER FUND

SUMMARY

The Sewer Enterprise Fund provides funding to transport and treat raw sewage for residential, commercial, and industrial customers in Stayton and Sublimity. Sewage is delivered to the Wastewater Treatment Plant via 33 miles of sanitary sewer collection lines and 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 11,157 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).

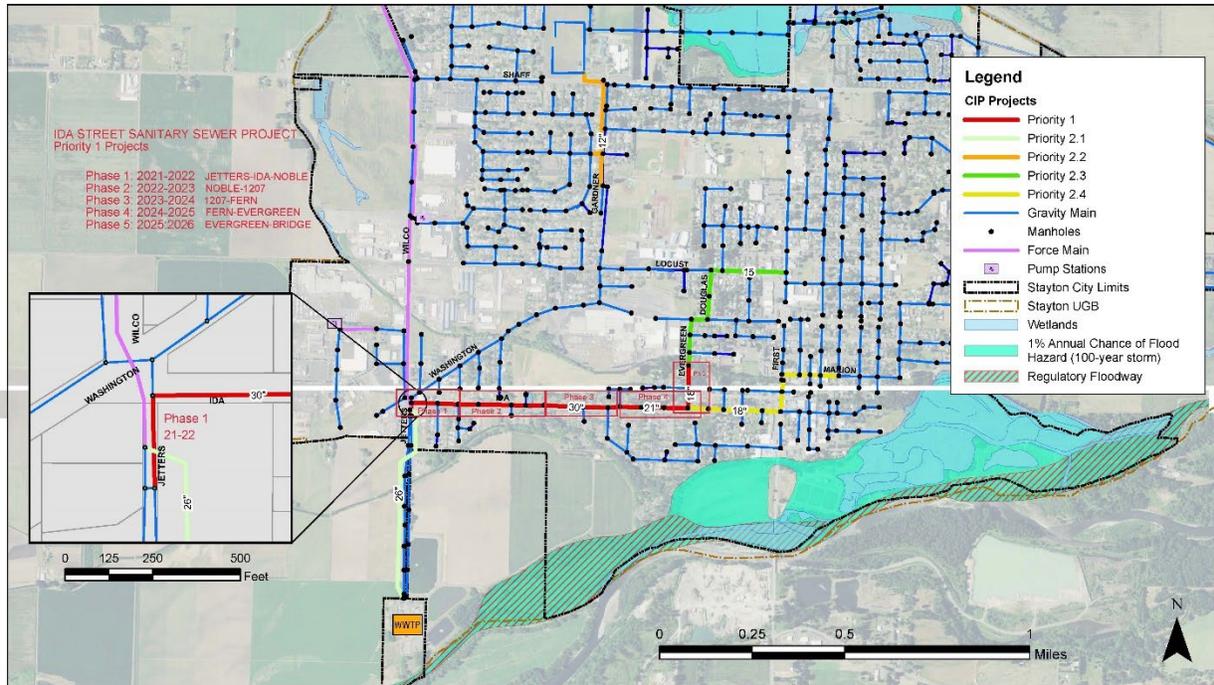
The City's TMDL Implementation Plan identifies requirements, tasks, and milestones the City must meet to improve water quality. To reduce the I & I and become proactive with our maintenance responsibilities, the City flushes, performs CCTV inspections and makes repairs to approximately 6.7 miles of sanitary sewer line annually. The City repairs as many of the problem areas as the maintenance budget will allow for.

The City has designed Phase 1 of a 30-inch sanitary sewer pipe located in Ida Street. The project will start at the vault in Jetters Way thence proceed north to Ida Street, thence east to 1207 Ida Street. This is shown as a Priority 1.1 project in the 2021 Wastewater Facilities Planning Study.

The Priority 1.1 project will consist of 5 phases and is scheduled to span 5 years. Phase 1 and 2 of the sewer project was put out to bid in August 2022 and we received no responses from contractors. The project was put out to bid again in December 2022 and received 4 bids. The

low bid was \$1,768,841.55. The construction contract was awarded in Spring 2023 to the lowest responsible bidder.

In fiscal year 2022-23, the City budgeted \$1,480,000 for design and construction of phase 1 and 2. The first two phases of the project are ongoing and additional funds to complete them are included in the proposed fiscal year 2023-24 budget. Also, the City was awarded \$500,000 of American Rescue Plan Act (ARPA) Funds from Marion County for this project. The funds will be used for construction of phases 1 and 2.



Collection System Capital Improvement Plan (CIP)

Wastewater Facilities Planning Study



Figure 15

City of Stayton, OR

For the 2023-24 fiscal year, phases 3 to 5 will be designed, with construction plans prepared and be ready to be put out to bid by Spring 2024. The City anticipates there will be funds leftover from the 2023-24 FY budget to construct Phase 3 in the Spring/Summer of 2024. If additional funds become available via grants, the City will have shovel-ready construction plans so we can expand the project quickly.

The Wastewater Treatment Plant

The Wastewater Treatment Plant (WWTP) is designed to treat 2.7 million gallons per day (MGD) of sanitary sewer influent. There have been a number of storm events over the last several years that have resulted in more effluent than the plant was designed for. This puts a huge strain on the plant and plant operations and shows us how much Inflow and infiltration we have in the system.

In the 2022-2023 fiscal year, the WWTP will complete a Priority 1.7 Project by replacing the Positive Displacement Blower with a Turbo Blower. The Blower injects air into the sediment basin.

During fiscal year 2023-24, the WWTP will be completing Priority 1.5 “Post SBR Equalization” as discussed in the 2021 Wastewater Facilities Planning study. Increasing the size of the equalization downstream of the Sequencing Batch Reactor (SBR) would help the SBR maximize its flexibility and consistent operation. The equalization would allow the maximum decant volume to increase, improving the SBR’s ability to deal with changing conditions.

HIGHLIGHTS

Highlights for Fiscal Year 2022-23

- Replaced/ installed new Turbo Blower at the WWTP (Priority 1.7 Master Plan Project)
- Designed and started construction of Phase 1 and 2 of Ida Street Sanitary Sewer 30-inch Trunkline Project (Priority 1.1 Master Plan Project)

Highlights for Fiscal Year 2023-24

- Post SBR Equalization (Priority 1.5, Master Plan Project)
- Wastewater Treatment Plant Outfall Mixing Zone Study (NPDES Permit Requirement)
- Complete construction of Phase 1 and 2 of the Ida Street Sanitary Sewer 30-inch Trunkline Project (Priority 1.1 Master Plan Project)
- Design Phases 3 through 5 of the Ida Street Sanitary Sewer 30-inch Trunkline Project (Priority 1.1 Master Plan Project)
- Start Construction of Phase 3 of the Ida Street Sanitary Sewer 30-inch Trunkline Project (Priority 1.1 Master Plan Project)

CHANGES FROM THE PREVIOUS YEAR

- Fiscal year 2023-24 will be the first year the City will charge all Enterprise Funds for water usage. We estimate the Wastewater Treatment Plant will use \$106,720 of City water during wastewater processing.
- Reduced FTE by one to correct an error from fiscal year 2022-23 that added an FTE.

SEWER FUND BUDGET

	2021 Actuals	2022 Actuals	2023 Annual Budget	2024 Adopted Budget
Revenue	7,590,627	8,284,615	9,349,400	9,527,000
Beginning Fund Balance	4,191,418	4,747,875	5,077,500	4,950,000
Charges for Services	3,194,075	3,367,286	3,625,900	3,740,000
Intergovernmental	2,968	-	500,000	500,000
Interest & Miscellaneous	33,318	34,454	20,800	85,000
Transfers In	168,848	135,000	125,200	252,000
Expenditure	(2,842,752)	(2,871,648)	(9,349,400)	(9,527,000)
Personnel Services	(360,837)	(397,768)	(641,600)	(582,620)
Materials and Services	(790,308)	(830,595)	(1,268,000)	(1,386,520)
Capital Outlay	(362,310)	(231,289)	(1,778,000)	(2,400,000)
Debt Service	(823,596)	(818,595)	(815,400)	(817,000)
Transfers Out	(505,700)	(593,400)	(638,400)	(565,400)
Contingency/Reserve	-	-	(1,222,000)	(1,990,421)
Unappropriated	-	-	(2,986,000)	(1,785,039)

ACTIVITY MEASURES

ACTIVITY MEASURES	2020-2021	2021-2022	2022-2023
Wastewater Treated (gallons)	597,400,000	576,000,000	577,990,000
Wastewater Treated from Sublimity (gallons)	94,100,000	101,000,000	115,300,000
Biosolids Produced (tons)	280	309	372
Manholes cleaned, sealed, repaired (each)	134	11	5
Sanitary Sewer Lines Cleaned (lineal feet)	42,673	1,700	10,077
Sanitary Sewer Lines CCTV'd (lineal feet)	41,758	36,501	14,517
Pipe Repairs (each or (l.f.))	1	-	(1,148)
Sewer Locates per One Call Requests (each)	584	670	430

STAFFING

Position	2020-21 Actual	2021-22 Actual	2022-23 Budget	2023-24 Proposed	2023-24 Adopted
Public Works Utilities Supervisor - Sewer	1.00	1.00	1.00	1.00	1.00
Wastewater Treatment Operators	4.34	4.50	5.34	4.34	4.34
Wastewater & Storm Collection System Operator	0.30	0.30	0.50	0.50	0.50
Total FTE's – Wastewater	5.64	5.80	6.84	5.84	5.84

CAPITAL OUTLAY

Wastewater Treatment Facility Upgrades	150,000
Wastewater Vehicle Replacement	50,000
Sanitary Sewer Collections Project (Master Plan Priority 1.1 Project)	2,200,000
	<u>\$2,400,000</u>

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

Highlights for Fiscal Year 2022-23

- \$29,200 expense for annual fee to the Santiam Water Control District for use of ditches for stormwater discharge per the 2014 Memorandum of Understanding.
- Storm drain / catch basin upgrades on Wyatt Street Improvements during street improvements.
- Total Maximum Daily Load (TMDL) and Water Quality Management Plan (WQMP) Annual Report to DEQ.

Highlights for Fiscal Year 2023-2024

- \$31,000 expense for annual fee to the Santiam Water Control District for use of ditches for stormwater discharge per the 2014 Memorandum of Understanding.
- Storm drain / catch basin upgrades for the Ida Street improvements project.
- Total Maximum Daily Load (TMDL) and Water Quality Management Plan (WQMP) 5-Year Report to DEQ.

CHANGES FROM PREVIOUS YEAR

- Fiscal year 2023-24 will be the first year the City will charge all Enterprise Funds for water usage. We estimate the Stormwater fund will use \$5,500 of City water irrigating the plants / grass in the Stormwater Facilities.

STORMWATER FUND BUDGET

	2021 Actuals	2022 Actuals	2023 Annual Budget	2024 Adopted Budget
Revenue	621,681	723,187	681,400	1,345,000
Beginning Fund Balance	303,717	395,752	326,900	430,000
Charges for Services	315,433	325,172	352,800	490,000
Interest & Miscellaneous	2,531	2,263	1,700	75,000
Transfers In	-	-	-	350,000
Expenditure	(225,929)	(324,931)	(681,400)	(1,345,000)
Personnel Services	(40,134)	(40,727)	(44,100)	(47,006)
Materials and Services	(45,991)	(67,590)	(168,800)	(549,575)
Capital Outlay	(3,000)	(49,752)	(65,000)	(150,000)
Debt Service	(71,205)	(70,863)	(65,800)	(71,500)
Transfers Out	(65,600)	(96,000)	(95,400)	(159,400)
Contingency/Reserve	-	-	(242,300)	(40,000)
Unappropriated	-	-	-	(327,519)

PERFORMANCE MEASURES

ACTIVITY MEASURES	2020-21	2021-22	2022-23
Lineal feet of storm drains cleaned/inspected	19,177	29,719	37,361
Number of swales/detention facilities maintained	6	6	6
Lineal feet of drainage ditches cleaned	745	645	20
Number of manholes cleaned	44	60	63
Number of catch basins cleaned	126	187	187

STAFFING

Position	2020-21 Actual	2021-22 Actual	2022-23 Budget	2023-24 Proposed	2023-24 Adopted
Wastewater & Storm Collection System Operator	0.5	0.5	0.5	0.5	0.5
Total FTE's – Stormwater	0.5	0.5	0.5	0.5	0.5

CAPITAL OUTLAY

Ida Street: Storm Drain Improvements	150,000
Total	<u>\$150,000</u>

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.

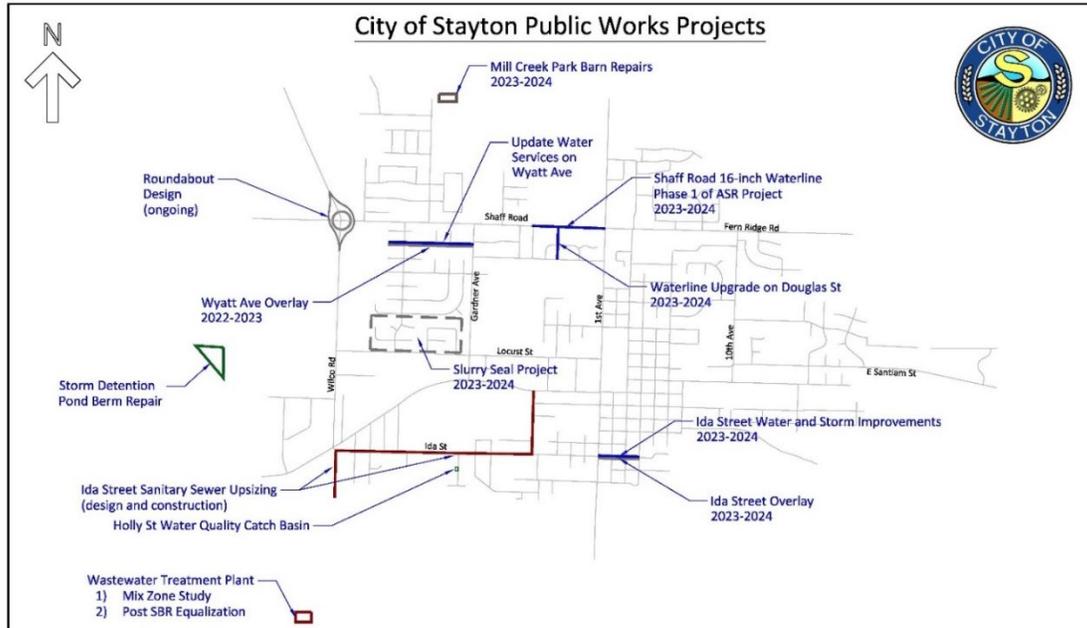
HIGHLIGHTS

During the 2022-23 fiscal year, Public Works Administration staff have been working hard to meet department goals and represent the City in a professional manner. We wear many hats in the Public Works Administration Office; we are engineers, surveyors, project managers, plan reviewers, and long-range infrastructure planners. We seek out funding opportunities to supplement the enterprise funds to upgrade our infrastructure. The Stayton residents are an important part of our decision tree when analyzing projects. We are fiscally responsible with public funds entrusted to us and will go the extra mile to assist our citizens with their home projects. Stop by our offices at 311 N. Third Avenue and see for yourself.

Some of the projects we have been working on are listed below:

- ✓ Shaff Road – Golf Club Road Roundabout Design
 - ✓ Infiltration and Inflow maintenance project development
 - ✓ Ida Street Sanitary Sewer Trunk Line Design /Contract Documents
 - ✓ Douglas Street Waterline Design
 - ✓ Wyatt Avenue Overlay Project
 - ✓ Annual TMDL Permit to DEQ
 - ✓ Aquifer Storage and Recovery System Construction Grant Application
-
- Public Works staff coordinated with the contract City Engineer for Site Plan Review and final construction plans for two apartment complexes and one 18-unit condominium development.
 - Provided construction inspection services for land development projects, City capital projects, building permits and right-of-way permits.
 - Continue a marketing campaign to promote Santiam Green, the City's biosolids created at the Wastewater Treatment Plant.
 - Began work on Utility Rate Study for water, sewer, storm, and streets. This work is expected to carry into fiscal year 2023-24

The following figure shows the construction projects that will be taking place Spring 2023 and throughout the 2023-24 fiscal year:



* Project not shown: Mill and Overlay 4th Avenue from Ida Street to Marion Street

CHANGES FROM PREVIOUS YEAR

- No significant changes from previous year.

PUBLIC WORKS ADMINISTRATION FUND BUDGET

	2021 Actuals	2022 Actuals	2023 Annual Budget	2024 Adopted Budget
Revenue	797,652	1,047,173	1,077,800	966,800
Beginning Fund Balance	210,502	301,710	342,000	225,000
Licenses, Permits & Fees	36,179	17,260	9,600	-
Intergovernmental	5,332	-	-	-
Interest & Miscellaneous	2,039	7,203	1,200	10,500
Transfers In	543,600	721,000	725,000	731,300
Expenditure	(495,942)	(557,810)	(1,077,800)	(966,800)
Personnel Services	(344,770)	(407,106)	(472,900)	(516,478)
Materials and Services	(151,172)	(150,704)	(371,100)	(277,750)
Contingency/Reserve	-	-	(233,800)	(40,000)
Unappropriated	-	-	-	(132,572)

PERFORMANCE MEASURES

ACTIVITY MEASURES	2020-21	2021-22	2022-23
Plans Examined for Public Works Requirements			
Structural permits	36	32	43
Building permits – new single-family dwellings	23	38	10
Mechanical permits	0	3	2
Plumbing permits	0	2	3
Right-of-Way permits reviewed / inspected (annually)	43	26	31
Event Permits reviewed (annually)	0	7	13
Water quality / detention / retention plan reviews (annually)	41	62	7
Water line taps / sanitary sewer taps	3	7	7
Backflow tests processed	8	8	11
Facility rentals (hours rented)	-	-	1,450
Sidewalk / Driveway Construction inspections	-	-	19

STAFFING

Position	2020-21 Actual	2021-22 Actual	2022-23 Budget	2023-24 Proposed	2023-24 Adopted
Public Works Director	1.0	1.0	1.0	1.0	1.0
Senior Engineering Technician	1.0	1.0	1.0	1.0	1.0
Engineering Technician	1.0	1.0	1.0	1.0	1.0
Office Specialist	1.0	1.0	1.0	1.0	1.0
Total FTE's	4.0	4.0	4.0	4.0	4.0

CAPITAL OUTLAY

No capital items budgeted in fiscal year 2023-24.

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 \$722,796 collected in Parks SDCs in fiscal year 2022-23.
- The City forecasts collection of \$75,260 in Parks SDCs in fiscal year 2023-24.

CHANGES FROM PREVIOUS YEAR

- There are no Park SDC transfers scheduled for 2023-24.

PARKS SDC FUND BUDGET

	2021 Actuals	2022 Actuals	2023 Annual Budget	2024 Adopted Budget
Revenue	202,803	273,757	350,100	1,082,760
Beginning Fund Balance	73,858	202,803	273,300	1,000,000
Charges for Services	128,027	69,560	75,800	75,260
Interest & Miscellaneous	918	1,393	1,000	7,500
Expenditure	-	-	(350,100)	(1,082,760)
Unappropriated	-	-	(350,100)	(1,082,760)

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 \$339,292 in Street SDC's in 2022-23.
- The City forecasts to collect \$63,340 in Street SDC's in 2023-24.
- Transfer of \$33,500 to the Street Fund for the design of the roundabout at the Shaff Road/Golf Club Road intersection and Transportation SDC Fee Study / Update.

CHANGES FROM PREVIOUS YEAR

- No changes from previous year.

STREET SDC FUND BUDGET

	2021 Actuals	2022 Actuals	2023 Annual Budget	2024 Adopted Budget
Revenue	993,697	926,356	985,800	1,331,340
Beginning Fund Balance	753,293	869,803	918,100	1,250,000
Charges for Services	233,588	51,592	63,800	63,340
Interest & Miscellaneous	6,816	4,961	3,900	18,000
Expenditure	(123,895)	(5,466)	(985,800)	(1,331,340)
Transfers Out	(123,895)	(5,466)	(16,100)	(33,500)
Unappropriated	-	-	(969,700)	(1,297,840)

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 \$607,021 in Water SDC's during fiscal year 2022-23.
- The City forecasts to collect \$78,340 in Water SDC's in 2023-24.
- Transfer of \$111,000 to the Water Fund for the 10-inch water main construction in Ida Street.
- Transfer of \$128,687.44 for 16-inch water main construction in Shaff Road (phase 1 ASR project).

CHANGES FROM PREVIOUS YEAR

- No changes from previous year.

WATER SDC FUND BUDGET

	2021 Actuals	2022 Actuals	2023 Annual Budget	2024 Adopted Budget
Revenue	566,212	726,202	446,200	1,149,340
Beginning Fund Balance	471,364	518,831	365,000	1,060,000
Charges for Services	90,932	50,829	78,800	78,340
Intergovernmental	-	153,162	-	-
Interest & Miscellaneous	3,916	3,380	2,400	11,000
Expenditure	(47,381)	(267,950)	(446,200)	(1,149,340)
Transfers Out	(47,381)	(267,950)	(250,000)	(239,688)
Unappropriated	-	-	(196,200)	(909,652)

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 \$523,814 in Sewer SDC's in 2022-23.
- The City forecasts to collect \$58,360 in Sewer SDC's in 2023-24.
- Transfer of \$150,000 from SDC's for Wastewater Treatment Plant capital improvements; post SBR equalization.
- Transfer of \$132,000 from SDC's for Ida Street Sanitary Sewer Pipe upsizing.

CHANGES FROM PREVIOUS YEAR

- No changes from previous year.

SEWER SDC FUND BUDGET

	2021 Actuals	2022 Actuals	2023 Annual Budget	2024 Adopted Budget
Revenue	580,800	459,685	384,500	905,860
Beginning Fund Balance	491,370	411,953	324,000	840,000
Charges for Services	85,761	45,362	58,700	58,360
Interest & Miscellaneous	3,670	2,370	1,800	7,500
Expenditure	(168,848)	(135,000)	(384,500)	(905,860)
Transfers Out	(168,848)	(135,000)	(125,200)	(252,000)
Unappropriated	-	-	(259,300)	(653,860)

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 \$174,256 in Stormwater SDC's in 2022-23.
- The City projects to collect \$69,600 in Stormwater SDC's in 2023-24.

CHANGES FROM PREVIOUS YEAR

- No changes from the previous year.

STORMWATER SDC FUND BUDGET

	2021 Actuals	2022 Actuals	2023 Annual Budget	2024 Adopted Budget
Revenue	230,017	297,891	386,100	535,600
Beginning Fund Balance	93,017	230,017	297,400	460,000
Charges for Services	135,851	66,358	87,600	69,600
Interest & Miscellaneous	1,149	1,517	1,100	6,000
Expenditure	-	-	(386,100)	(535,600)
Transfers Out	-	-	-	(350,000)
Unappropriated	-	-	(386,100)	(185,600)

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

- During fiscal year 2023, the needs assessment for City facilities will be completed.

CHANGES FROM PREVIOUS YEAR

- The City has budgeted \$20,000 for a consultant to assess the interior of City Hall and make recommendations on design and layout to accommodate employees.

FACILITIES FUND BUDGET

	2021 Actuals	2022 Actuals	2023 Annual Budget	2024 Adopted Budget
Revenue	696,314	822,365	816,200	828,800
Beginning Fund Balance	577,628	680,430	682,400	730,000
Interest & Miscellaneous	33,286	56,235	45,000	10,000
Transfers In	85,400	85,700	88,800	88,800
Expenditure	(15,885)	(90,389)	(816,200)	(828,800)
Personnel Services	(5,795)	(14,735)	(16,500)	(17,301)
Materials and Services	-	(4,913)	(5,000)	-
Capital Outlay	(10,090)	(70,741)	(130,000)	(20,000)
Contingency/Reserve	-	-	(664,700)	-
Unappropriated	-	-	-	(791,499)

STAFFING

Position	2020-21 Actual	2021-22 Actual	2022-23 Budget	2023-24 Proposed	2023-24 Adopted
Facilities Maintenance	0.30	0.30	0.20	0.26	0.26
Total FTE's – Facilities	0.30	0.30	0.20	0.26	0.26

CAPITAL OUTLAY

Consulting	20,000
Total	\$20,000

CLOSED FUNDS

PENSION STABILIZATION FUND

Fund closed fiscal year 2022-23.

This fund accounted 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 were provided through transfers from the police department portion of the General Fund.

	2021 Actuals	2022 Actuals	2023 Annual Budget	2024 Adopted Budget
Revenue	185,783	277,300	278,000	-
Beginning Fund Balance	94,516	185,783	277,000	-
Interest & Miscellaneous	867	1,117	1,000	-
Transfers In	90,400	90,400	-	-
Expenditure	-	-	(278,000)	-
Personnel Services	-	-	(278,000)	-

CAPITAL OUTLAY - ALL FUNDS

FISCAL YEAR 2023-24

SUMMARY

The following schedules summarize the various capital investments, by fund, for fiscal year 2023-24.

General Fund

Description	Amount
Police vehicle	80,000
Getac Tablets for patrol cars	36,000
Barn reroof - Mill Creek Park	23,000
Teen Center maintenance	15,000
Total	154,000

Parks Fund

Description	Amount
Engineered wood chips in parks	20,000
Boulder barrier in Pioneer / Neitling Park	5,100
Rubber mats replacement in Santiam Park	10,000
Total	35,100

Street Fund

Description	Amount
Ida Street Overlay: First Avenue to Fourth Avenue	350,000
Fourth Avenue: Ida Street to Marion Street	300,000
Slurry Seal	125,000
Roundabout Design	267,780
Transportation SDC Determination	15,000
Street Sweeper	350,000
Total	1,407,780

Capital Outlay continued

Water Fund	
Description	Amount
Aquifer Storage and Recovery System (phase 1)	686,333
Ida Street 10-inch Waterline	300,000
Waterline Upsizing (Douglas Street Water line)	250,000
Vehicle Replacement	50,000
Plant Improvements (Pumps and Filters)	165,000
Total	1,451,333

Wastewater Fund	
Description	Amount
Wastewater Treatment Facility Upgrades	150,000
Wastewater Vehicle Replacement	50,000
Sanitary Sewer Collections Project	2,200,000
Total	2,400,000

Stormwater Fund	
Description	Amount
Ida Street: Storm Drain Improvements	150,000

Library Fund	
Description	Amount
HVAC Unit Replacement	11,200

Pool Fund	
Description	Amount
Pool Doors Replacement	20,000

Facility Fund	
Description	Amount
Consulting	20,000

TOTAL \$ 5,649,413

DEBT SCHEDULES

SUMMARY

The schedules below reflect the City’s outstanding (ending) debt balances as of June 30, 2022, expected debt payments in fiscal year 2022-23, and outstanding debt for the next four fiscal years, and debt limitation/capacity.

ORS 287A.050 limits general obligation bonded debt to three percent (3%) of the real market value of property within the city boundaries. For purposes of calculating the limitation, the statute excludes certain types of indebtedness, including general obligation bonds issued for water supply, treatment or distribution, or sanitary or storm sewage collection or treatment. The City is also not required to include Full Faith & Credit (FF&C) obligations as subject to limitation.

As of June 30, 2023, the City’s limitation on issuance of General Obligation Bonds was approximately \$37.8 million. None of the City’s existing debt is subject to this limitation.

Debt Summary – Fiscal Year 2023-24

Debt Issue	Fund	Original Issue	Balance June 30, 2023	2023-24		Total Payments
				Principal	Interest	
2013 FF&C Refunding Bonds	Sewer	\$ 5,810,000	\$ 2,025,000	\$ 410,000	\$ 60,800	\$ 470,800
USDA Sewer Revenue Bonds	Sewer	8,316,000	6,992,800	153,100	192,300	345,400
Total Sewer Fund		14,126,000	9,017,800	563,100	253,100	816,200
2016 FF&C Refunding Bonds	Water	3,945,000	2,485,000	235,000	94,700	329,700
2019 FF&C Bonds	Storm	725,000	616,200	29,100	17,300	46,400
City Total		\$ 18,796,000	\$ 12,119,000	\$ 827,200	\$ 365,100	\$ 1,192,300

Outstanding Debt Fiscal Years Ending June 30, 2024 – 2027

Debt Issue	Fund	2024	2025	2026	2027
2013 FF&C Refunding Bonds	Sewer	\$ 1,615,000	\$ 1,190,000	\$ 755,000	\$ 310,000
USDA Sewer Revenue Bonds	Sewer	6,839,700	6,682,300	6,520,600	6,354,500
Total Sewer Fund		8,454,700	7,872,300	7,275,600	6,664,500
2016 FF&C Refunding Bonds	Water	2,250,000	2,005,000	1,750,000	1,485,000
2019 FF&C Bonds	Storm	587,100	556,500	524,900	492,200
City Total Outstanding Balance		\$ 2,837,100	\$ 2,561,500	\$ 2,274,900	\$ 1,977,200

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 2023-24

Description	Parties	Dates
Initiate Budget development	City Manager and Management Team	January 31, 2023
Budget calendar	City Council and City Manager	January 31, 2023
Desired positions, position changes provided to finance	Management Team	February 28, 2023
Governing Body Goal Setting	City Council and City Manager	March 11, 2023
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 17, 2023
Departments provide the following to finance: Review personnel costs and provide amounts for materials and services, current year capital outlay	Management Team	March 31, 2023
Department meetings with City Manager and finance	Management Team	Week of April 10
Finance review of year-end revenue and expenditure estimates - resolve items with management team/City Manager	Management Team	Week of April 10
Complete 5-year template information request form including Updated Capital Improvement Plan (CIP)	Management Team	Week of April 10
Budget narratives completed and submitted to finance - include integration of departmental objectives with City Council goals	Management Team	April 14, 2023
Aggregate budget document	Finance	April 19, 2023
Provide and publish "Notice of Budget Committee Meeting" (ORS 294.426)	City Manager's office	April 19, 2023
Review by City staff of Proposed Budget	Management Team	April 24, 2023
Complete FY 2023-24 Proposed Budget	Finance	April 26, 2023
Print Proposed Budget	City Manager's office	April 27, 2023
First Budget Committee meeting - Read budget message and release budget (ORS 294.408 and 294.426)	Budget Committee, City Manager and management team	May 1, 2023
Additional Budget Committee meetings (ORS 294.428) Budget Committee approves budget (ORS 294.428)	Budget Committee, City Manager and management team	Week of May 8
Provide and publish "Notice of Budget Hearing" (ORS 294.438, 294.448)	City Manager's office	May 26, 2023
Public hearing; adopt budget; levy taxes (ORS 294.456)	City Council	June 5, 2023
Adopted Budget goes into effect	Citywide	July 1, 2023
Adopted Budget submitted to County Assessor and Department of Revenue (ORS 294.558)	Finance Director	July 1, 2023

Color Guide

City Council
Budget Committee
Management team
City Manager or Finance