

City of Sutherlin, Oregon

Adopted Budget

2023 – 2024





Originally called Camas Swale, Sutherlin was renamed for early settler Fendel Sutherlin and incorporated on June 24, 1911. What started as an agricultural community of orchard homesites transitioned into a timber boomtown during World War II. Although the Sutherlin valley had its share of visionaries, most of its citizenry were basic, hardworking folks who persevered despite the many roadblocks in their way. The city has survived floods, fires, the downturn of the timber industry because of federal policy, wholesale unemployment and the 1989 shutdown of the city for lack of funds. It has persevered to become the second most populous city in Douglas County. Perched advantageously on I-5 about halfway between Sacramento and Seattle, and only an hour from both the coast and the mountains, the city is poised for growth. There have been several recent public works projects including a new WasteWater Treatment Plant, upgrades to one of the Water Treatment Plants, a complete rebuild on the main thoroughfare through the city as well as a multi-use Event stage, Splash Pad Park, and new Holiday light displays. With the recent formation of a Tax Increment Financing District, there are several projects planned to increase livability and sustainability for the downtown and other areas. Nearby features include Cooper Creek Reservoir, Ford's Pond, the Umpqua River, a golf course and numerous vineyards and award-winning wineries. The citizenry spans every age group from young families to a growing senior population. Sutherlin boasts a positive education environment, a public library, several 55+ adult living parks and a significant amount of new single family resident building projects. We are committed to service and leading the way in our 'Land of Opportunity'.

Annual Budget and Financial Plan

Fiscal Year 2023-2024

City of Sutherlin, Oregon

CITY COUNCIL

Michelle Sumner, Mayor

Debbie Hamilton, Council President

Gary Dagel

Joe Groussman

Shawn Smalley

Larry Whitaker

Lisa Woods



BUDGET COMMITTEE MEMBERS

Richard Bennewate

Bruce Conner

Jeneen Hartley

Michael Hogsett

Renee Lillie

Tom Maloney

Prepared by

City of Sutherlin Staff

Quick Facts

Where the Money Comes From:		Amount	% of Total
	Property Taxes	3,484,800	10.0%
	Intergovernmental	5,430,066	15.6%
	Franchise Fees	506,225	1.5%
	Charges for Services	6,476,900	18.6%
	Transient Room Tax	237,500	0.7%
	Miscellaneous	441,328	1.3%
	Interfund Transfers	5,766,400	16.6%
	Debt Proceeds	770,000	2.2%
	Beginning Fund Balances	11,646,670	33.5%
	Total Revenues:	34,759,889	100.0%
Where the Money Goes:			
	Personnel Services	6,536,560	18.8%
	Materials and Services	3,737,400	10.8%
	Capital Outlay	6,139,954	17.7%
	Interfund Transfers	5,766,400	16.6%
	Loan to URA	-	0.0%
	Debt Service	1,639,043	4.7%
	Operating Contingencies	8,894,396	25.6%
	Reserves	2,046,136	5.9%
	Total Expenditures:	34,759,889	100.0%

Other Facts:

Staffing (Full Time Equivalentents)	47.25
Real Market Value (FYE 2022)	\$899,879,952
Debt Outstanding (FYE 2022)	28,335,142
Tax Rate (Per \$1,000)	5.6335

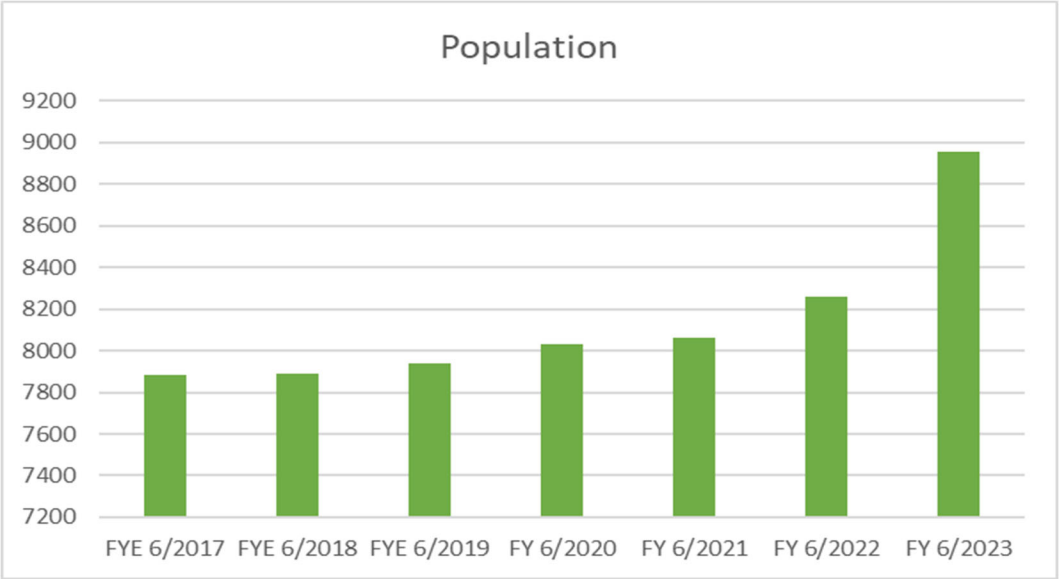
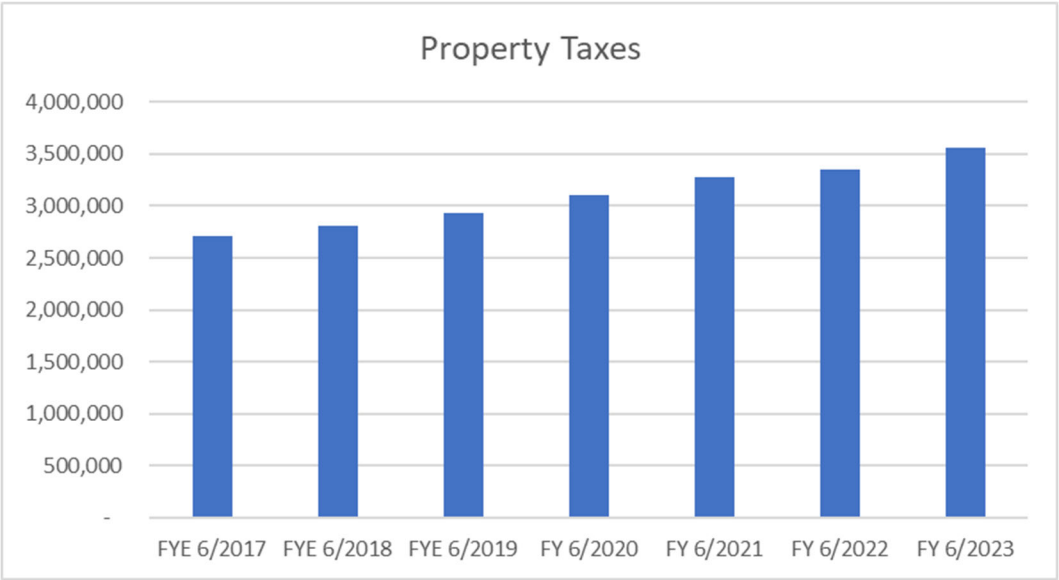


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City Manager's Budget Message

May 4, 2023

To: Mayor Sumner,
Members of City Council, and
Citizen Members of the Budget Committee

Re: **2023-2024 Budget Message**

While homelessness has dominated our attention for the year and perhaps even longer, broad economic insecurity continues, reemphasizing the need to be vigilant in managing precious resources.

As mentioned last year, the unified teamwork with council and staff working together, has positioned the City of Sutherlin to continue both positive community livability and year-to-year budget health.

However, I am not confident that consistent budget sustainability can be assured in this time of national and state-wide economic and political instability. Everything is more expensive than ever before.

Additionally, finding qualified employees for the spectrum of local government openings has also become extremely difficult, thus placing a renewed emphasis upon keeping the employees we have and hopefully for a longer-than-normal period of time.

In summary, we must be aware of, and be prepared to respond to economic downturns that would result in lower-than-expected revenues, possibly at any time throughout the FY. We also need to be creative in finding qualified potential new employees while developing innovative internal mechanisms to increase the longevity of our current employment base.

Again, as expressed last year, I hope you find this approved budget and supplemental analysis worthwhile. Please do not hesitate to contact me, Finance Director Tami Trowbridge or any Department Head should you have questions regarding this 2023-2024 approved budget.

Thank you all for the time you voluntarily contribute to the City of Sutherlin.

Respectfully,

Jerry Gillham
City Manager

Finance Director's Addendum:

2022-2023 Key Achievements

1. Implementation of additional Urban Renewal Agency Projects
2. Final Phase of Ford's Pond initiated; Notice to Proceeds received on 5 grants
3. Received Mainstreet Grant for Historic Bank Renovation – Work initiated.
4. Central Park Multi-Use Event Stage Completed
5. Upgrades to Holiday Lighting for Central Park
6. Police & Fire Station Seismic Upgrade Grants Received

Approved 2023-2024 Priorities

1. Continue various Water Department Capital Improvements
2. Continued Street & Sidewalk Maintenance & Improvements
3. Complete Phase II of Fords Pond Park improvements including Paved Trail, Parking Lot, Restrooms, Picnic Area and Inclusive Playground
4. Continue work on Urban Renewal Agency Projects, which include Downtown, MainStreet Historic Bank renovation, Industrial Park on Taylor and Exit 136 Improvements
5. Continue to research alternative methods to increase Street Maintenance Funding
6. Continue to use A.R.P.A. funds to ensure maximum impact for our citizens

The 2023-2024 Adopted annual budget is in the total amount of \$34,759,889. This is an increase of 1.9% from last year's total budget. Net of transfers, the amount is \$31,711,689. The increase is due to grants and construction project changes. The General Fund budget totals \$14,833,129, net of transfers \$12,998,229.

General Fund Budget

The 2023-24 General Fund Adopted budget totals \$13,431,129. The General Fund includes the primary non-revenue generating services and activities of the City which are funded primarily by resources such as property taxes, franchise fees, and other revenue that may be used at the discretion of the City Council. Our goal is to provide a strong beginning fund balance on an ongoing and sustainable basis. The ending General Fund balance is still maintained at over the minimum of \$1.2M when the \$497,000 loan to URA is factored in. Dollars are rarely sufficient to address every need fully, therefore the challenge in a budget is to allocate resources while attempting to maximize the effectiveness and efficiency of the services and activities provided by the City. The American Rescue Plan monies have been helpful in giving us an opportunity to work on infrastructure, parks, public safety, homelessness and economic development at the direction of the City Council from a funding stream that is completely obligated and must be spent by 2026.

Significant changes in the fiscal year 2023-24 Budget

Increase in Personnel Service expenses:

- Wages will increase due to union negotiated COLAs as well as normal step increases.

- PERS rates are increasing for this year (refer to details in the Personnel section toward the end of the budget).
- Health Insurance rates as well as Worker’s Comp coverage will see increases.
- Given the above changes, Personnel Services for the entire City will increase approximately 6.84% over last year’s budgeted amount.

Increase in Utility Rates

- Water rates will increase July 1 based on the applicable Consumer Price Index rate of 6.1%
- Wastewater rates will increase July 1 based on the applicable Consumer Price Index of 6.1%

Transfers to Equipment and Maintenance Reserve Funds

- Similar to last year, you will notice throughout the budget that many funds have strategically transferred resources out to reserve funds in order to address current and future capital and infrastructure needs. We want to take a proactive role, rather than reactionary, in addressing these needs. As equipment, buildings, roads, water and sewer lines age, maintenance and eventual replacement is necessary. We are continually evaluating the current and future needs in these areas and have continued transferring funds accordingly.

Revenue Assumptions

Beginning fund balances

The beginning fund balances, for the City as a whole, are estimated to total \$11,646,670 with \$1,477,000 in the General Fund.

Property Taxes

Property taxes are budgeted to increase three percent (3.0%) over the projected year end amount for 2022-2023. The Adopted budget includes levying the City’s full permanent tax rate of \$5.6335. Oregon’s Property Taxes are based on a property’s maximum assessed value (MAV). MAV cannot increase by more than 3% per year unless there are significant changes to the property.

Franchise Fees

Franchise fees are projected to increase for FY2023-24 given the new TESLA charging facility and increase in garbage service fees.

Intergovernmental Revenues

Change in this revenue category is normally minimal and therefore we have been conservative with our projections. The significant inflow reflected here is the partial repay of the URA loan.

Water Utility Rates

Water utility rates will increase by 6.1%, the applicable CPI rate as of December.

Wastewater Utility rates

Wastewater utility rates will increase by 6.1%, the applicable CPI rate as of December.

Expenditure assumptions:**Personnel services**

A comprehensive schedule of pay and benefits information is presented later in the budget. Changes include the following:

- Assumed wage increases of 3.0% for SPOA members as well as the following non-represented employees: Police Chief, Police Captain, and Police Sergeants.
- Assumed incremented wage increases for AFSCME represented employees of 3.5% in July, as well as January.
- Assumed wage increases of 5% for non-represented employees.
- Assumed Health Insurance rate increases of 6%.
- PERS rates have increased for the 7/1/23-6/30/25 biennium. Tier I/II will 21.55%, OPSRP – General 17.34%, OPSRP – Police & Fire 22.13%

Materials and services

All material and service costs were reviewed from a zero-based budgeting approach. The adopted budget amounts are based on the needs to perform the services of the various departments. Costs, such as electricity, natural gas, and phone, were reviewed to ensure they are charged to the appropriate department and inflationary increases are included. All utilities, gas and lubricants are seeing significant increases, as are all other supplies and services.

Capital Investment

The fiscal year 2023-24 budget includes \$5,489,954 in capital improvements that will maintain or expand service delivery capabilities. \$2,300,000 of this is for Fords Pond Phase 2 construction. This is a list of the Projected Capital Outlays:

\$ 1,760,804	General Fund & Reserve Funds-Parks, Police, Fire, Facilities
2,300,000	Parks Constr-Ford's Pond Phase 2
630,000	State Gas Tax & - Sidewalks, Overlays, Slurry Seals
652,650	Water Funds – Nonpareil Plant Upg, Solarbees & Cathodic Prot.
100,000	Wastewater Funds – New Forklift, Lift Station Upgr.
46,500	Public Works – Various Equipment
\$ 5,489,954	Total Projected Capital Outlay

Five-year/ten-year capital improvement schedules are included for Water, Wastewater, Streets, Public Works, Parks/Facilities, Fire, and Police.

Debt service

The adopted budget includes all scheduled debt service amounts as outlined in each debt service fund; GO Bond Fund, Water Debt Service Fund, and Wastewater Debt Service Fund.

A tax levy of \$66,000 to pay general obligation bonded debt service for the Library is included in the adopted budget.

Transfers

Transfers to the General Fund have increased to accommodate across the board price increases (Personnel and Material & Services), but decreased in the area of Parks because the City funds commitments have been transferred. Transfers out have decreased because most of the ARPA funds have been transferred as appropriate. There will continue to be several capital projects being carried out in the City this year which will require continued resources from City Hall staff. The overall cost allocation methodology is generally the same as last year.

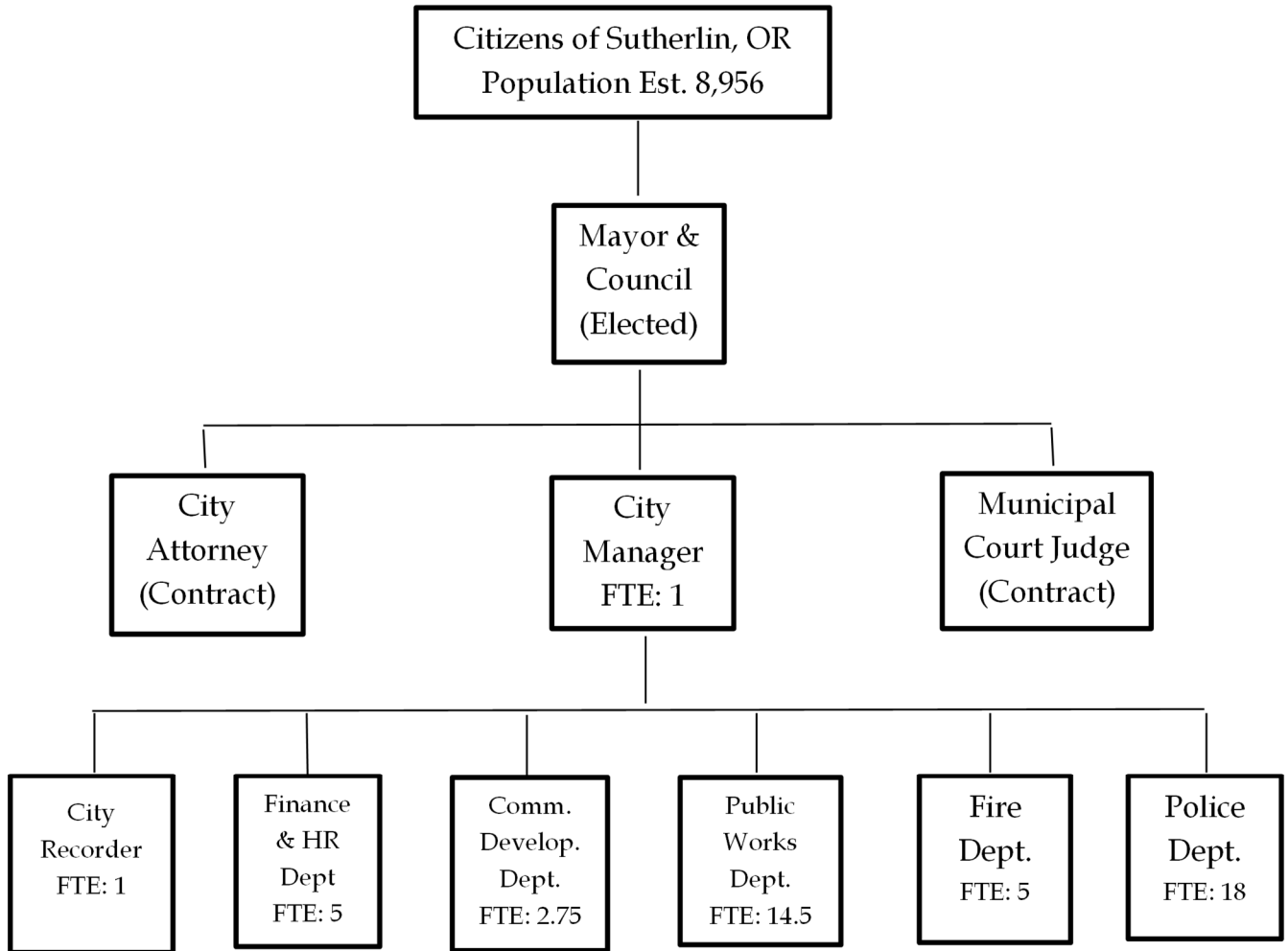
Contingency/Other requirements

The budgeted amounts to Contingency total \$8,894,396, reserved for debt service is budgeted at \$1,246,130, and the unappropriated budget is \$800,006 for an estimated ending fund balance of \$10,940,532.

Meeting Schedule

The budget committee will hold its first meeting on May 8th, at 6:45 p.m., with additional meetings scheduled to resume May 15th and 16th, all starting at 6:45 p.m.

City of Sutherlin





CITY OF SUTHERLIN VISION

With a “can do” attitude, we honor the past while building toward a prosperous future. With community collaboration and civic pride, the City of Sutherlin is a beautiful, safe, and welcoming place to live, work, and play.

CITY OF SUTHERLIN OPERATIONAL PHILOSOPHY

– OUR FUTURE IS –

Unlimited

Within our control

– OUR CHOICE IS –

To live in Sutherlin and work side-by-side with our neighbors, civic leadership, and City Council to ensure that the City of Sutherlin emerges as a regionally recognized “Sense of Place” community and “Center of Commerce.”

– OUR PURPOSE IS –

To facilitate, problem-solve, administer, and manage the process of government service on behalf of the City Council and citizens of Sutherlin.

– OUR CORE VALUES AND BELIEFS STATEMENT –

As a team, we value the personal integrity, honesty, pride in accomplishment, and commitment to excellence we each bring to the City of Sutherlin. We expect allegiance to our mission and purpose from one another while respecting each other’s opinions, unique qualities, and contributions to the team. We believe in having fun while sustaining the highest measures of competence and professionalism. Above all, we are absolutely devoted in service to our community.



CITY OF SUTHERLIN GOALS

- 1 - Plan, construct, and maintain complete transportation system, including walking and biking opportunities.
- 2 - Ensure public decision making and problem solving includes broad public input, especially affected stakeholders and community partners.
- 3 - Create a thriving and diverse local economy by retaining and expanding current businesses, attracting new business and rejuvenating a comprehensive tourism program.
- 4 - Establish Sutherlin as a regionally recognized community for its attractive and positive image.
- 5 - Continually plan and maintain fiscally sustainable public services and infrastructure.
- 6 - Encourage and support successful community events that add to our quality of life.
- 7 - Sustain a high level of public safety.

The City Council sets its priorities in a meeting early in the year following an election cycle. This is done in a workshop format where each department head gets an opportunity to talk to the Council regarding immediate issues facing the department, 1-5 year goals and priorities, and any long term challenges that they can ascertain. Council members give input, ask questions and get detailed information that might not happen otherwise. Below is a summary of these priorities.

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Goal	Dept.	Description
4	Sxedf Z runv) Frp p Ghy	Hqj bhhulqj iruX sj1Z dñh Vw=F hqwdoD yh wr VrxwVlgh Ug
4	Sxedf Z runv	P mf Vp døVwhhwSdybj wr p suryh frqqhfwyw =P dsøn wr G rj Sdun>G xnh wr K dz wkrugh/Uhg Urfn Ug H {wq
4	Sxedf Z runv	F rqwqph Vghz dø Frp søwlrq Suml
4	FGG 2Sxedf Z runv	G dnrwd Vw2K z 46; Iqwhwhfwlrq Ip suryhp hqw
4	FGG 2Sxedf Z runv	DøUrxwhvWudqvsruwlrq JudqwDUWV,
4	FGG 2Sxedf Z runv	FaryhuOhdiOrrs Frqqhfwyw
4	FGG 2Sxedf Z runv	Frp søwh G rz qwrz q Sdunlj Orwz 20ljkwlj dgg Vghz døv
5	Frp p Ghy	K rxvlqj F dsdfw D qdc v2G hyhørsp hqwF rgh X sgðhv
6	Xuedq Uhghz doG lw	Iq sduqhuks z lk wkhXUG Wdvnirufh/dgguhwedjkw dgg lp suryh dhwkhwlvfwkurxjk Iðdgh Judqw/dgg wlvjhwg ghyhørsp hqw
7	FGG 2Sdunv	I rugvSrqq Frp p Sdun Ip sury SumlSkðvh 5
7	Sdunv	Whqql2S lfnðedøF rxwUhxuidf.lqj
8	I lqdfh	F thðh d wðhwp dcdjhp hqw p dwhu sædq z lk ixqglqj rswlrqv
8	Sxedf Vdhw 2Sxedf Z runv	Uhqrydwh Erw I lh) Srdh I df lwhv wkurxjk Vhlp lf Uhqrydwrq JudqwIxqglqj
8	Sxedf Z runv	Iqyhqwr 2 IqvshfwdøR wkhuf w Vwxfwuhv2I df lwhv 0G hyhørsp P dlqwlSædq
8	Sxedf Z runv	Iq lwh d qhz lq0orz) lq lwhwrq Suhyhqwrq Sujp
8	Sxedf Z runv	Q rqSdnhZ WS P rghuq dwrq) Ip suryhp hqw
8	FGG 2Sxedf Z runv	Z dwhuWh0lq wr Xp stxd Edvlq Z dwhu

Vwudwhj lf Sædq Frqwlqxhg

Goal	Dept.	Description
8	I bqdqfh	Orqj0Whup ExgjhwI ruhfdw
9	Sduqhwkls z 2Frpp Rujl	Fündwh Orqj Whup SduqhwklsvFkdp ehuriFrpp hufh/ Grz qwrz qDwrfF/xp p huP xvlf Sujp /hwf1
:	Srdfh	Ip sðp hqwSrvlyh Srdfh Frqwdfw Surjudp
:	Srdfh	Ip sdfwF up h z lk wk hinhfwyh xvñ ri utvrxufhv dqg wñfkqrarj
:	I lh	Frqwlpxh wr vñm dñhqdlyh ixgglj iruDgg o F dñhu I lhiljkwv
:	I lh	Frqwlpxh wr surp rvñ Hp hujhqf Sñsdñhgqñw wr wkh Frpp xqlw
:	I lh	Wudlj Flw wñli iruHp hujhqf R shudñrqv F hqñhu I xqfwñrqv

Budgeting in the City of Sutherlin

A budget is defined by Oregon State Law (Oregon Revised Statutes (ORS), Chapter 294), as a plan of financial operation embodying an estimate of expenditures for a given period or purpose and the approved means of financing the estimated expenditures. 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 ORS, a legally adopted budget is necessary to establish and justify a given tax rate and or amount of property taxes to be levied on the property within the city.

The City of Sutherlin prepares and adopts its annual budget in accordance with the City Charter and Oregon Local Budget Law (ORS 294.305 – 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. Planning for the new budget cycle is something that is done on a continuing basis as the year progresses; looking at expenditures to see if they are on track, and talking about adjustments that may be necessary either for current year, or the upcoming year during regular department head meetings. The budget process formally ensues in early March with the Finance Director meeting with Department Heads and projecting year end amounts. All departments are responsible for their own budget projections, as it lines up with available resources. The Finance Director is responsible for projecting Personnel and Insurance Costs, as well as pulling all the information together to present a requested budget to the City Manager. This information is refined and readied to present a proposed budget to the Budget Committee per the Budget Calendar.

The Citizens Budget Committee consists of the governing body plus an equal number of legal voting age residents appointed by the City Council, 14 members total. Currently the City of Sutherlin has 13 budget committee members, in which the vote of each member is equal. There is 1 vacancy on the committee. The first public review of the budget occurs when the budget is presented to the Budget Committee.

The Committee may approve the proposed budget intact or change parts or all of it prior to their approval. After Budget Committee approval, public notices and publications are filed according to local budget law, and the budget is forwarded to the Council for formal adoption prior to June 30. Under ORS 294.456, the Council may not amend any approved budgeted fund by more than ten percent (10%) when they consider and adopt the budget. During the fiscal year, the Council may approve amendments to the adopted budget. However, if the adjustment(s) is/are more than ten percent (10%) of a given fund, a supplemental budget, which requires a public hearing with the City Council but excludes the appointed citizen members of the budget committee, is necessary prior to approval of the amendment.

City of Sutherlin
Budget Calendar (Fiscal Year 2023-24)

Event	Attendees	Planned Date(s)	Latest Date
Estimate current year-end revenue and expenditures	Dept Heads	Mar 10	Mar 24
Update CIP	City Manager, Dept heads	Apr 3	Apr 17
Requested budget prepared and provided to finance	Dept heads	Mar 24	Apr 3
Dept meetings with City Manager and Finance	Dept heads, staff, City Manager	Week of Apr 3	Apr 21
Budget narratives completed	Dept heads	Apr 14	Apr 21
Update year-end revenue and expenditure estimates	Dept heads	Monthly	Monthly
Publish "Notice of Budget Committee Meeting" (ORS 294.426)	Finance	5-30 days before meeting, 10+ days on website	5-30 days before meeting, 10+ days on website
Provide approved budget (ORS 294.408) and budget message to budget committee	Mayor, City Council, City Manager, Budget Committee	May 8	May 8
First budget committee meeting (ORS 294.408 and 294.426)	Budget Committee, City Mgr, Dept heads	May 15	May 15
Additional budget committee meetings (if necessary) (ORS 294.428)	Budget Committee, City Mgr, Dept heads	May 16, May 17	May 16, May 17
Budget committee approves budget (ORS 294.428)	Budget Committee	No Later than May 18	May 18
Publish "Notice of Budget Hearing" (ORS 294.438, 294.448) (LB1)	Finance	5-30 days before meeting, 10+ days on website	5-30 days before meeting, 10+ days on website
City Council hold public hearing; adopts budget; levies taxes (ORS 294.456)	City Council	Jun 13	Jun 13
Adopted budget goes into effect	City	Jul 1	Jul 1
Adopted budget submitted to County Assessor (LB50) and Department of Revenue (ORS 294.458) (w/Resolutions)	Finance	Jul 15	Jul 15

Fund Descriptions

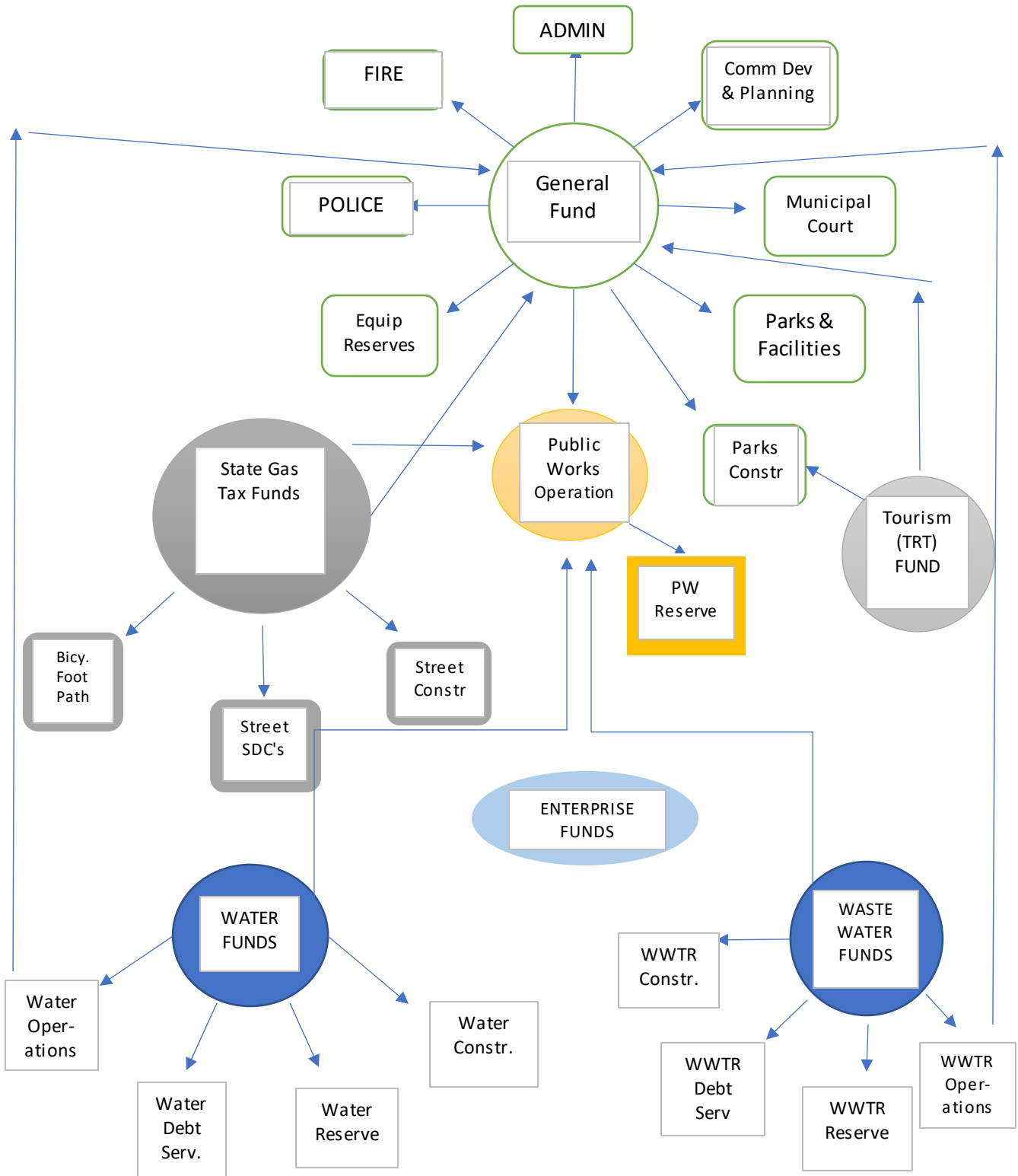
The financial structure of the City is organized and operated on the basis of fund accounting. There are both federal and state requirements for local governments to budget by fund as a means of maintaining records for resources that are designated to carry out specific activities or meet particular objectives. Oregon Administrative Rules define a fund as, “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, regulated activities and objectives.”

The City prepares an itemized balanced budget for each fund. (Please see the following Dept/Fund Relationship chart) The City of Sutherlin budgets at the “department” level for the General Fund; Mayor and Council, City Attorney, City Manager’s Office, City Recorder/Human Resources, Finance (all under ADMIN), Municipal Court, Parks/Facilities, Community Development, Police, Fire, and Non-Departmental. For all other funds, the authorized appropriations are established at the “category” level; personnel services, materials and services, capital outlay, debt service, interfund transfers, contingencies, and reserves.

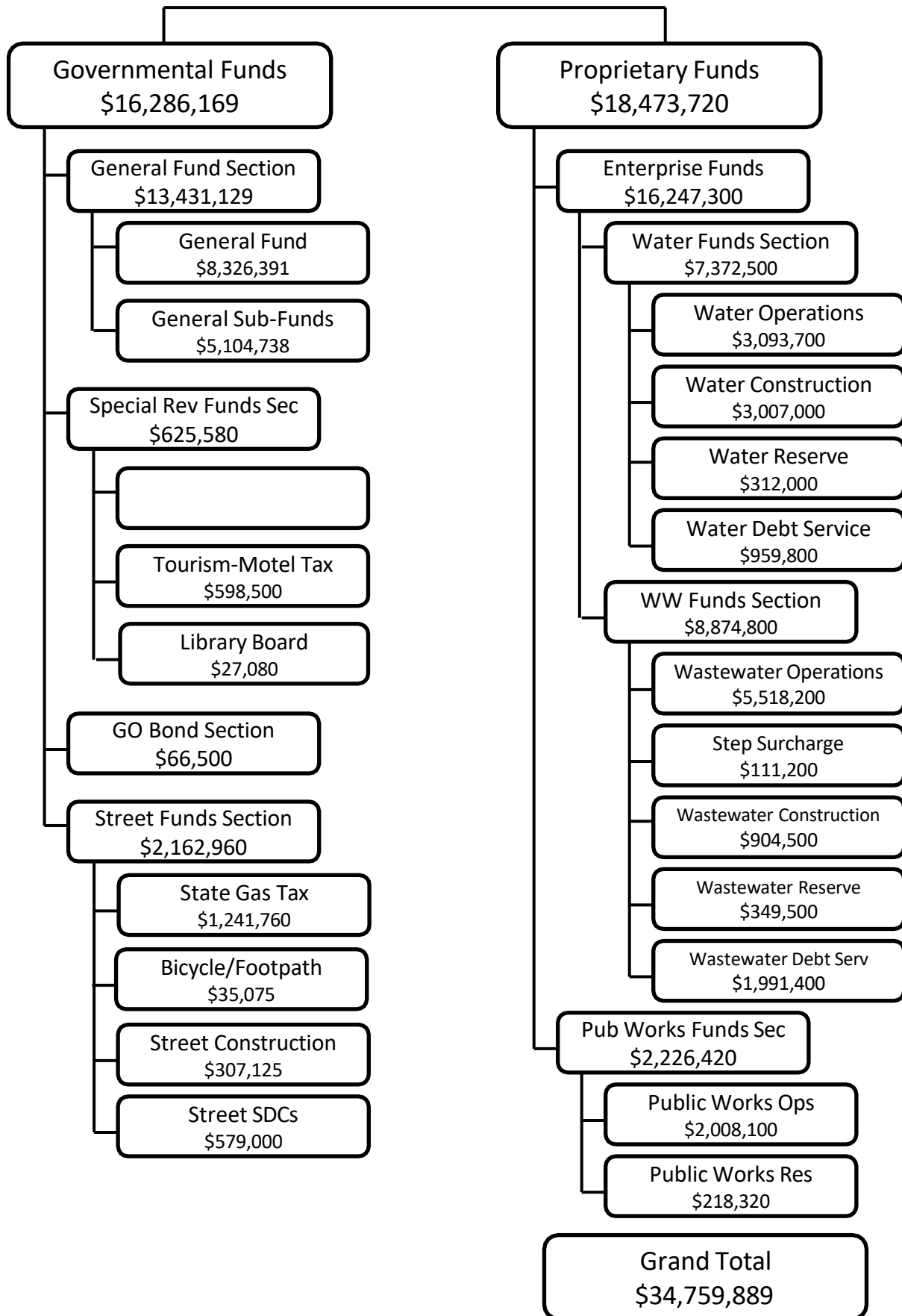
Fund Detail

The City of Sutherlin presents budgeted financial information in budget detail by fund. Each department/fund section will include the following, when relevant:

- Fund Description: information about the purpose or services provided by the fund, source of revenue and approved expenditures.
- Accomplishments: Fiscal Year 2022-23
- Goals & Objectives: Fiscal Year 2023-24
- Fiscal and Organizational Changes: Fiscal Year 2023-24
- Budget Summary: Revenue and Expenditures by Category
 - Two years of prior year actual data
 - Current Budget for Fiscal Year 2022-23
 - City Manager Proposed Budget for Fiscal Year 2023-24
 - Budget Committee Approved Budget for Fiscal Year 2023-24 (Once Completed)
 - City Council Adopted Budget for Fiscal Year 2023-24 (Once Completed)



Fund Organizational Structure



Prior Year Comparison

Entire City

	2022-23 Adopted Budget	2023-24 Adopted Budget	Difference	% Difference
Beginning Fund Balance	11,405,700	11,646,670	240,970	2.11%
Revenue	13,000,441	16,576,819	3,576,378	27.51%
Transfers In	5,945,300	5,766,400	(178,900)	-3.01%
Debt Proceeds	3,770,000	770,000	(3,000,000)	-79.58%
Total Current Resources	22,715,741	23,113,219	397,478	1.75%
TOTAL RESOURCES	34,121,441	34,759,889		
Personnel Services	6,118,240	6,536,560	418,320	6.84%
Materials & Services				
Supplies	678,850	686,800	7,950	1.17%
Services	1,411,625	1,641,010	229,385	16.25%
Maintenance	754,450	841,750	87,300	11.57%
Utilities	436,150	448,650	12,500	2.87%
Other	110,500	119,190	8,690	7.86%
Total Materials & Services	3,391,575	3,737,400	345,825	10.20%
Other Expenses				
Capital Outlay	7,041,200	6,139,954	(901,246)	-12.80%
Transfers Out	5,945,300	5,766,400	(178,900)	-3.01%
Debt Service	1,897,380	1,639,043	(258,337)	-13.62%
Contingency	6,679,694	8,894,396	2,214,702	33.16%
Restricted Funds	3,048,052	2,046,136	(1,001,916)	-32.87%
Total Other Expenses	24,611,626	24,485,929	(125,697)	-0.51%
TOTAL EXP & OTHER	34,121,441	34,759,889		
Ending Fund Balance	-	-	-	

Budget Summary

The following schedules provide summary budget information for fiscal year 2023-24 for all budgeted funds of the City. The estimated beginning fund balance for all funds total \$11.6 million; \$23.1 million is budgeted to be received consisting of \$16.5 million in revenue, \$5.7 million in inter-fund transfers and \$770K in debt proceeds.

Total approved expenditures are \$23.8 million including \$6.54 million in Personnel Services, \$3.74 million in Materials and Services, \$6.1 million of Capital Investment, \$1.6 Million in debt service and \$5.7 million in inter-fund transfers.

Fund	Beginning Fund Balance	Total Current Year Resources	Total Resources	Current Year Expenditures & Other					Total Expenditures and Other
				Total Expenditures	Contingency	Reserved	Unappropriated	EFB Total	
General Fund Section									
General Fund	1,477,000	6,849,391	8,326,391	7,326,385	200,000	-	800,006	1,000,006	8,326,391
Police Reserve	388,000	192,066	580,066	292,804	287,262	-	-	287,262	580,066
Fire Reserve	642,000	181,620	823,620	13,000	810,620	-	-	810,620	823,620
Parks/Facilities Reserve	261,000	1,058,251	1,319,251	1,125,000	194,251	-	-	194,251	1,319,251
Parks Construction	106,000	2,275,800	2,381,800	2,375,000	6,800	-	-	6,800	2,381,800
Special Revenue Funds Section									
Dial-A-Ride	-	-	-	-	-	-	-	-	-
Tourism-Motel Tax	361,000	237,500	598,500	199,400	399,100	-	-	399,100	598,500
Library Board	670	26,410	27,080	26,400	680	-	-	680	27,080
G.O. Bond Section									
G.O. Bond	5,000	61,500	66,500	60,750	-	5,750	-	5,750	66,500
Street Funds Section									
State Gas Tax	529,000	712,760	1,241,760	1,207,700	34,060	-	-	34,060	1,241,760
Bicycle/Footpath	28,000	7,075	35,075	-	35,075	-	-	35,075	35,075
Street Construction	157,000	150,125	307,125	230,000	77,125	-	-	77,125	307,125
Street SDCs	542,000	37,000	579,000	-	579,000	-	-	579,000	579,000
Water Funds Section									
Water Operations	490,000	2,603,700	3,093,700	2,574,000	519,700	-	-	519,700	3,093,700
Water Construction	1,537,000	1,470,000	3,007,000	1,502,650	1,504,350	-	-	1,504,350	3,007,000
Water Reserve	306,000	6,000	312,000	-	312,000	-	-	312,000	312,000
Water Debt Service	498,000	461,800	959,800	419,903	187,427	352,470	-	539,897	959,800
Wastewater Funds Section									
Wastewater Operations	1,862,000	3,656,200	5,518,200	3,272,000	2,246,200	-	-	2,246,200	5,518,200
Step Surcharge	90,000	21,200	111,200	25,000	86,200	-	-	86,200	111,200
Wastewater Construction	882,000	22,500	904,500	65,000	839,500	-	-	839,500	904,500
Wastewater Reserve	247,000	102,500	349,500	35,000	314,500	-	-	314,500	349,500
Wastewater Debt Service	858,000	1,133,400	1,991,400	1,103,490	-	887,910	-	887,910	1,991,400
Public Works Funds Section									
Public Works Operations	212,000	1,796,100	2,008,100	1,919,375	88,725	-	-	88,725	2,008,100
Public Works Reserve	168,000	50,320	218,320	46,500	171,820	-	-	171,820	218,320
Totals	11,646,670	23,113,219	34,759,889	23,819,357	8,894,396	1,246,130	800,006	10,940,532	34,759,889

Resources Expanded from Prior page –

Fund	Beginning Fund Balance	Current Year Resources			Total Current Year Resources	Total Resources
		Revenue	Transfers	Debt Proceeds		
General Fund Section						
General Fund	1,477,000	5,549,491	1,299,900	-	6,849,391	8,326,391
Police Reserve	388,000	12,066	180,000	-	192,066	580,066
Fire Reserve	642,000	16,620	165,000	-	181,620	823,620
Parks/Facilities Reserve	261,000	1,008,251	50,000	-	1,058,251	1,319,251
Parks Construction	106,000	2,135,800	140,000	-	2,275,800	2,381,800
Special Revenue Funds Section						
Dial-A-Ride	-	-	-	-	-	-
Tourism-Motel Tax	361,000	237,500	-	-	237,500	598,500
Library Board	670	10	26,400	-	26,410	27,080
G.O. Bond Section						
G.O. Bond	5,000	61,500	-	-	61,500	66,500
Street Funds Section						
State Gas Tax	529,000	712,760	-	-	712,760	1,241,760
Bicycle/Footpath	28,000	7,075	-	-	7,075	35,075
Street Construction	157,000	125	150,000	-	150,125	307,125
Street SDCs	542,000	37,000	-	-	37,000	579,000
Water Funds Section						
Water Operations	490,000	2,603,700	-	-	2,603,700	3,093,700
Water Construction	1,537,000	450,000	250,000	770,000	1,470,000	3,007,000
Water Reserve	306,000	6,000	-	-	6,000	312,000
Water Debt Service	498,000	1,800	460,000	-	461,800	959,800
Wastewater Funds Section						
Wastewater Operations	1,862,000	3,656,200	-	-	3,656,200	5,518,200
Step Surcharge	90,000	21,200	-	-	21,200	111,200
Wastewater Construction	882,000	22,500	-	-	22,500	904,500
Wastewater Reserve	247,000	2,500	100,000	-	102,500	349,500
Wastewater Debt Service	858,000	33,400	1,100,000	-	1,133,400	1,991,400
Public Works Funds Section						
Public Works Operations	212,000	1,000	1,795,100	-	1,796,100	2,008,100
Public Works Reserve	168,000	320	50,000	-	50,320	218,320
Totals	11,646,670	16,576,819	5,766,400	770,000	23,113,219	34,759,889

Expenditures & Other Obligations Expanded from Page 23 –

Fund	Current Year Expenditures & Other					Total Expenditures	EFB Total	Total Expenditures and Other
	Personnel Services	Materials and Services	Capital Outlay	Transfers	Debt Service			
General Fund Section					See Note **			
General Fund	4,764,860	1,845,125	55,000	661,400	-	7,326,385	1,000,006	8,326,391
Police Reserve	-	-	292,804	-	-	292,804	287,262	580,066
Fire Reserve	-	-	13,000	-	-	13,000	810,620	823,620
Parks/Facilities Reserve	-	-	1,125,000	-	-	1,125,000	194,251	1,319,251
Parks Construction	-	-	2,375,000	-	-	2,375,000	6,800	2,381,800
Special Revenue Funds Section								
Dial-A-Ride	-	-	-	-	-	-	-	-
Tourism-Motel Tax	-	144,500	-	54,900	-	199,400	399,100	598,500
Library Board	-	26,400	-	-	-	26,400	680	27,080
G.O. Bond Section								
G.O. Bond	-	-	-	-	60,750	60,750	5,750	66,500
Street Funds Section								
State Gas Tax	-	202,000	400,000	550,800	54,900	1,207,700	34,060	1,241,760
Bicycle/Footpath	-	-	-	-	-	-	35,075	35,075
Street Construction	-	-	230,000	-	-	230,000	77,125	307,125
Street SDCs	-	-	-	-	-	-	579,000	579,000
Water Funds Section								
Water Operations	-	588,100	-	1,985,900	-	2,574,000	519,700	3,093,700
Water Construction	-	-	1,502,650	-	-	1,502,650	1,504,350	3,007,000
Water Reserve	-	-	-	-	-	-	312,000	312,000
Water Debt Service	-	-	-	-	419,903	419,903	539,897	959,800
Wastewater Funds Section								
Wastewater Operations	-	808,600	-	2,463,400	-	3,272,000	2,246,200	5,518,200
Step Surcharge	-	25,000	-	-	-	25,000	86,200	111,200
Wastewater Construction	-	-	65,000	-	-	65,000	839,500	904,500
Wastewater Reserve	-	-	35,000	-	-	35,000	314,500	349,500
Wastewater Debt Service	-	-	-	-	1,103,490	1,103,490	887,910	1,991,400
Public Works Funds Section								
Public Works Operations	1,771,700	97,675	-	50,000	-	1,919,375	88,725	2,008,100
Public Works Reserve	-	-	46,500	-	-	46,500	171,820	218,320
Totals	6,536,560	3,737,400	6,139,954	5,766,400	1,639,043	23,819,357	10,940,532	34,759,889

General Fund Section

The following fund types are governmental funds. These funds use the modified accrual basis of accounting.

- General Fund
- General Fund Sub-Funds (Reserve Funds)
- Parks Construction Fund

Prior Year Comparison

General Fund Section

	2022-23 Adopted Budget	2023-24 Adopted Budget	Difference	% Difference
Beginning Fund Balance	4,192,000	2,874,000	(1,318,000)	-31.44%
Revenue	5,364,111	8,722,229	3,358,118	62.60%
Transfers In	1,860,900	1,834,900	(26,000)	-1.40%
Debt Proceeds	-	-	-	0.00%
<u>Total Current Resources</u>	<u>7,225,011</u>	<u>10,557,129</u>	<u>3,332,118</u>	<u>46.12%</u>
TOTAL RESOURCES	11,417,011	13,431,129		
Personnel Services (GF Only)	4,481,640	4,764,860	283,220	6.32%
Materials & Services				
Supplies	298,250	294,150	(4,100)	-1.37%
Services	980,300	1,067,060	86,760	8.85%
Maintenance	236,600	244,600	8,000	3.38%
Utilities	124,200	126,400	2,200	1.77%
Other	108,250	112,915	4,665	4.31%
<u>Total Materials & Services</u>	<u>1,747,600</u>	<u>1,845,125</u>	<u>97,525</u>	<u>5.58%</u>
Other Expenses				
Capital Outlay	1,152,700	3,860,804	2,708,104	234.94%
Transfers Out	1,161,400	661,400	(500,000)	-43.05%
Loan to URA	250,000	-	(250,000)	
Contingency	1,382,300	1,498,934	116,634	8.44%
Restricted Funds	1,241,371	800,006	(441,365)	-35.55%
<u>Total Other Expenses</u>	<u>5,187,771</u>	<u>6,821,144</u>	<u>1,633,373</u>	<u>31.49%</u>
TOTAL EXP'S & OTHER	11,417,011	13,431,129		
Ending Fund Balance	-	-	-	

General Fund

Summary

The General Fund accounts for the City’s administrative and governing activities, police, fire, parks, community development, municipal court services, and non-departmental activities such as property and liability insurance, information technology and funding for outside agency programs that benefit Sutherlin residents.

The City receives a variety of revenues that may be used to fund services as desired by the City Council. The primary revenue sources include property taxes, intergovernmental, franchise fees and interfund transfers for services provided to the other operations of the City such as Streets, Water, Wastewater, and Tourism.

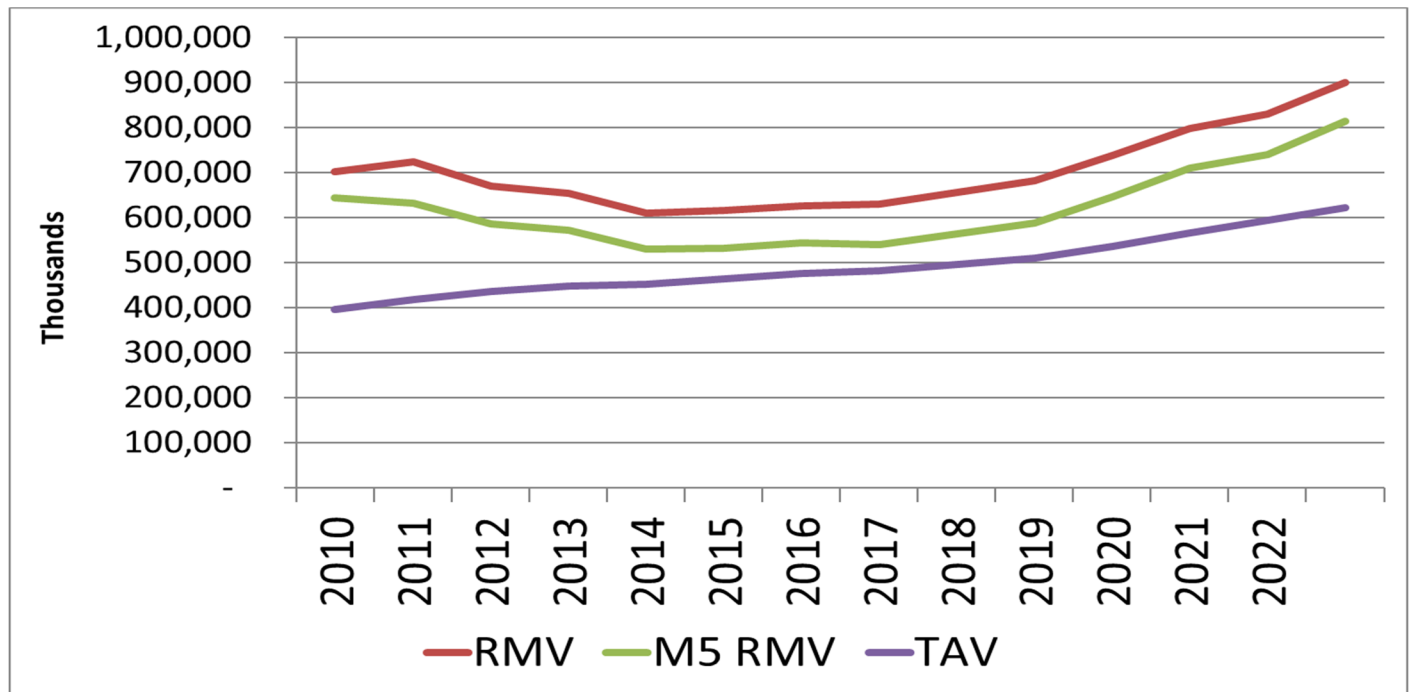
Beginning Fund Balance & Ending Fund Balance / Contingency Comparison

The estimated beginning fund balance July 1, 2023 of \$2,874,000 reflects a decrease from last year’s projected EFB amount, which is attributable to the loan to the Urban Renewal Agency. The projected ending fund balance on June 30, 2024 is \$1,000,006 is still the minimum desired range because of the \$450K loan balance that will be repaid by URA. The decrease in fund balance from the beginning of the year to the end is due to, as directed by City Council, we are putting monies into reserve accounts for future Public Safety and Infrastructure needs, and expending the balance of A.R.P.A funds on projects this year as projected.

As mentioned above, the estimated beginning fund balance will be \$2,874,000. The minimum desired fund balance is estimated at \$1,200,000 which is sufficient to pay General Fund obligations into November 2023, when a large portion of property taxes are received.

Revenue

Property taxes – are budgeted conservatively to increase three percent (3.0%) over the projected year end amount for 2022-23. The budget includes levying the City’s full tax rate of \$5.6335. Delinquent tax collections are estimated to increase at 1.5% .



**RMV=Real Market Value; M5 RMV=Measure 5 Real Market Value; TAV= Total Assessed Value

Intergovernmental – are estimated to increase by 93.3% over projected amount for fiscal year 2022-23 because URA is budgeted to pay back \$400k of the loan.

Franchise fees – are budgeted to increase by 7.1% given the cost increases for utilities and the Tesla charging station.

Charges for services – are projected to be slightly lower than last year’s budgeted amount because there is not as much revenue being generated in this category. These fees make up a small portion of the overall revenue for the General Fund.

Miscellaneous – These funds are projected to be much lower than the amounts reflected in fiscal year 2020-21 & 2021-22 because of the American Rescue Plan Funds, but because of grant awards for our public safety departments, they are projected to be slightly higher than FY 22-23.

Transfers – are budgeted higher than fiscal year 2022-23 because of increased costs in all areas.

Following the General Fund budget summary, financial summary, and detail revenue schedules are departmental presentation of budget requirements.

General Fund Overview	2020-21	2021-22	2022-23	2022-23	2023-24
	Prior year 2	Prior year	Curr Year	Projected	Adopted
	Actual	Actual	Budget	Year-End	Budget
Property Taxes	3,278,829	3,349,956	3,554,700	3,452,308	3,554,700
Intergovernmental	630,811	658,378	578,686	670,275	1,118,566
Franchise Fees	491,896	495,804	472,725	431,901	506,225
Charges for Services	21,512	44,867	33,500	24,940	26,500
Miscellaneous	1,410,975	1,013,452	153,500	290,468	343,500
Transfers In	1,195,900	1,195,900	1,195,900	1,195,900	1,299,900
Total Revenue	7,029,922	6,758,357	5,989,011	6,065,791	6,849,391
Expenditures					
Mayor and City Council	874	3,532	5,550	3,250	5,550
City Attorney	26,219	23,965	38,400	35,536	36,900
City Manager	148,388	160,948	166,850	171,775	183,150
City Recorder/Human Resources	252,861	265,078	289,770	279,121	202,115
Finance	432,376	440,989	486,950	465,564	602,750
Municipal Court	179,620	188,604	223,900	202,768	239,400
Parks	389,356	648,358	687,970	669,648	564,570
Community Development	419,739	443,227	504,650	504,552	519,150
Police	2,261,613	2,548,676	2,802,600	2,707,352	2,962,700
Fire	1,349,254	1,357,094	1,459,150	1,594,979	1,552,640
Non-Departmental	321,536	1,360,346	1,039,850	1,026,020	457,460
Total Expenditures	5,781,836	7,440,816	7,705,640	7,660,564	7,326,385
Other Requirements					
CONTINGENCY	-	-	200,000	-	200,000
UNAPPROPRIATED FUNDS	-	-	1,241,371	-	800,006
Total Other Requirements	-	-	1,441,371	-	1,000,006
Total Expenditures & Other Requirements	5,781,836	7,440,816	9,147,011	7,660,564	8,326,391

Revenue

General Fund (Revenue Detail)	2020-21 Prior year 2 Actual	2021-22 Prior year Actual	2022-23 Curr Year Budget	2022-23 Projected Year-End	2023-24 Adopted Budget
BEGINNING FUND BALANCE	2,506,423	3,754,509	3,158,000	3,072,049	1,477,000
Revenue					
Property Taxes					
CURRENT TAXES	3,151,521	3,249,071	3,424,800	3,325,000	3,424,800
DELINQUENT TAXES	127,308	100,885	129,900	127,308	129,900
Total Property Taxes	3,278,829	3,349,956	3,554,700	3,452,308	3,554,700
Intergovernmental					
CIGARETTE TAX	7,194	7,681	8,500	6,103	8,500
COPS FAST PROGRAM	1,151	-	-	-	-
LIQUOR TAX	160,962	161,959	135,000	141,474	145,000
OAKLAND POLICE CONTRACT	227,359	230,542	240,686	240,686	251,276
CALAPOOIA FIRE CONTRACT	35,000	35,000	35,000	35,000	36,540
ODOT INTERCHANGE MAINTENANCE	20,000	20,000	28,500	28,500	28,500
INTERGOVERNMENTAL REVENUE	48,910	74,345	-	100,100	500,000
SCHOOL RESOURCE OFFICER	30,000	30,000	30,000	30,000	30,000
STATE COURT REVENUES	5,047	4,296	3,000	3,412	3,750
STATE REVENUE SHARING	95,188	94,555	98,000	85,000	115,000
Total Intergovernmental	630,811	658,378	578,686	670,275	1,118,566
Franchise Fees					
ELECTRIC FRANCHISE FEE	245,193	239,664	250,000	225,000	260,000
GARBAGE FRANCHISE FEE	50,195	56,592	50,000	43,458	65,000
NATURAL GAS FRANCHISE FEE	86,870	87,459	67,500	58,217	75,000
PHONE FRANCHISE FEE	35,317	36,025	30,000	30,000	30,000
TV FRANCHISE FEE	73,067	74,840	74,000	74,000	75,000
U.S. SPRINT FRANCHISE FEE	1,254	1,225	1,225	1,225	1,225
Total Franchise Fees	491,896	495,804	472,725	431,901	506,225

Continued on Next Page

General Fund (Revenue Detail) Cont...

	2020-21 Prior year 2 Actual	2021-22 Prior year Actual	2022-23 Curr Year Budget	2022-23 Projected Year-End	2023-24 Adopted Budget
Charges for Services					
AMBULANCE REVENUES	-	-	-	-	-
CITY FEES	19,852	36,148	25,000	14,473	18,000
COMMUNITY BUILDING RENT	1,530	7,669	8,000	10,100	8,000
FINGERPRINTING FEES	-	-	500	267	500
LICENSES AND PERMITS	130	1,050	-	100	-
Total Charges for Services	21,512	44,867	33,500	24,940	26,500
Miscellaneous					
DONATIONS	13,180	16,950	500	11,576	500
FINES AND PENALTIES	124,165	148,166	100,000	112,196	100,000
GRANTS	1,156,837	912,614	5,000	75,000	80,000
INTEREST EARNED	18,350	(92,372)	20,000	55,695	135,000
LAND SALES	25,067	-	-	-	-
MISC. / EXCISE TAX REBATE	68,706	20,533	25,000	32,500	25,000
PD REPORTS & IMPOUND FEES	-	697	-	-	-
SURPLUS PROPERTY SALES	-	2,465	-	-	-
TOWING	4,170	3,900	3,000	3,500	3,000
WELLNESS GRANT	500	500	-	-	-
Total Miscellaneous	1,410,975	1,013,452	153,500	290,468	343,500
Transfers					
FROM DIAL-A-RIDE FUND	-	-	-	-	-
FROM STATE GAS TAX FUND	188,300	188,300	188,300	188,300	210,000
FROM TOURISM-MOTEL TAX FUND	14,900	14,900	14,900	14,900	14,900
FROM WASTEWATER FUND	463,300	463,300	463,300	463,300	525,000
FROM WATER FUND	529,400	529,400	529,400	529,400	550,000
Total Transfers	1,195,900	1,195,900	1,195,900	1,195,900	1,299,900
Total Revenue	7,029,922	6,758,357	5,989,011	6,065,791	6,849,391
Total Resources	9,536,345	10,512,866	9,147,011	9,137,840	8,326,391

Mayor and City Council

Summary

The City of Sutherlin’s elected governing board consists of six councilors and a mayor. The mayor serves a term of two years, with elections in even numbered years. The six councilors serve terms of four years. Every even numbered year, three positions are elected.

The Council provides legislative direction to the City by ordinance and resolution, approves significant contracts for services, adopts the annual budget, and is responsible for the appointment of the City Manager, City Attorney and Municipal Judge positions.

Fiscal Year 2023-24 Changes

We are maintaining the same amounts as budgeted in the current year.

Mayor & Council	2020-21	2021-22	2022-23	2022-23	2023-24
	Prior year 2	Prior year	Curr Year	Projected	Adopted
	Actual	Actual	Budget	Year-End	Budget
Materials & Services					
MEETING EXPENSES	874	1,066	650	500	650
COMPUTERS & EQUIPMENT	-	960	400	-	400
SPECIAL PROJECTS	-	1,506	1,500	750	1,500
TRAVEL AND TRAINING	-	-	3,000	2,000	3,000
Total Mayor & Council	874	3,532	5,550	3,250	5,550

City Attorney

Summary

City attorney services are provided via contract with Chad Jacobs of Beery Elsner & Hammond, LLP.

Mr. Jacobs is present at City Council meetings and provides advice as requested or necessary throughout the year to the Mayor, Councilors, City Manager, department heads and staff. Additionally, Beery Elsner & Hammond, LLP provide labor negotiation and personnel services for the City as well. Ashley Driscoll is the lead attorney for labor related services.

All legal fees, excluding bond counsel for debt issues and water rights issues, are accounted for in this department. Costs attributable to other non-general fund activities are recovered from other funds through inter-fund transfers.

Fiscal Year 2023-24 Changes

The City’s legal fee budget was decreased slightly. We are still coming in well under budget in this category for the current year and hope to continue that trend while making sure the budget is sufficient to cover unforeseen events.

City Attorney	2020-21 Prior year 2 Actual	2021-22 Prior year Actual	2022-23 Curr Year Budget	2022-23 Projected Year-End	2023-24 Adopted Budget
Materials & Services					
CITY COUNCIL COUNSEL	5,493	9,103	8,000	5,586	8,000
CITY MANAGER COUNSEL	1,481	1,789	3,000	2,000	2,500
CITY RECORDER COUNSEL	2,136	1,647	1,500	1,700	1,600
FINANCE COUNSEL	220	1,310	1,200	800	1,000
PLANNING COUNSEL	5,534	7,388	4,500	14,000	7,500
POLICE COUNSEL	6,449	2,655	5,000	6,000	5,000
FIRE COUNSEL	306	-	2,500	-	2,000
STREETS COUNSEL	252	74	2,000	1,000	1,600
WATER COUNSEL	588	-	4,000	750	2,600
PARKS COUNSEL	2,424	-	3,100	700	1,500
WASTEWATER COUNSEL	-	-	1,000	500	1,000
LABOR NEGOTIATIONS	1,340	-	2,600	2,500	2,600
Total City Attorney	26,219	23,965	38,400	35,536	36,900

City Manager's Office

Summary

The City Manager is responsible for administration of the City's operations including implementation of City Council policies and goals, enforcement of ordinances and resolutions, supervision of department managers and employees, preparation of and compliance with the budget, economic development coordination, and other functions as necessary to ensure effective City performance.

A portion of the City Manager's Office cost is recovered through inter-fund transfers

Accomplishments, Goals & Objectives:

Please see the City Manager's Budget Message on page 7.

Fiscal Year 2023-24 Changes

The change in the personnel services expense is attributed to increased health insurance and PERS costs. Materials and Services are slightly higher because of the position on the OCMA board and necessary travel.

Staffing

Position	FY 23 FTE	FY 24 FTE
City Manager	1.0	1.0

City Manager	2020-21 Prior year 2 Actual	2021-22 Prior year Actual	2022-23 Curr Year Budget	2022-23 Projected Year-End	2023-24 Adopted Budget
Personnel Services					
HEALTH BENEFITS	-	8,558	12,000	17,495	21,300
MEDICARE	1,589	1,597	1,600	1,563	1,600
OREGON PERS	26,623	28,934	29,400	28,492	31,100
FRINGE BENEFITS	34	66	100	172	100
SALARIES AND WAGES	109,604	111,072	109,700	109,372	112,900
SOCIAL SECURITY (FICA)	6,795	6,830	7,000	6,781	7,000
STATE UNEMPLOYMENT (SUTA)	758	1,002	1,000	1,049	900
WORKERS COMPENSATION	101	67	300	151	300
Total Personnel Services	145,505	158,125	161,100	165,075	175,200
Materials & Services					
MEETING EXPENSES	501	141	500	800	1,000
MEMBERSHIPS	1,432	275	1,300	1,400	1,400
OFFICE SUPPLIES	129	59	300	750	800
POSTAGE	-	12	-	-	-
PUBLICATIONS	-	99	150	150	150
TRAINING	500	378	1,500	1,200	2,000
TRAVEL EXPENSES	320	1,859	2,000	2,400	2,600
Total Materials & Services	2,883	2,823	5,750	6,700	7,950
Total City Manager	148,388	160,948	166,850	171,775	183,150

City Recorder/Comm Engagement

Summary

The City Recorder/Community Engagement Manager Budget was formerly known as the City Recorder/Human Resources Manager Budget and included the Deputy City Recorder/Community Engagement Manager position within that budget. The City has restructured and reclassified the Human Resource Manager position by combining those duties with the Finance Department's Payroll Accounting Clerk position and is now referred to Human Resources and Accounting Specialist.

The City Recorder/Community Engagement Manager serves as the Clerk of the Council and is the City's official Elections Officer. This position is also responsible for maintaining City documents, public records requests, document management, and assists with the responsibilities for risk management. The City Recorder/Community Engagement Manager provides administrative support to the City Manager, Mayor, and Councilors. The Community Engagement Manager also is responsible for maintaining social media outlets such as Facebook, Twitter and the City's website, City Newsletter and under the direction of the City Manager implements community and public relations strategies that advance the City's goals with key community and regional constituents and agencies. This position also represents the City to the community at large through the development and maintenance of relationships with key community groups, and external agencies.

Accomplishments for fiscal year 2022-2023 for City Recorder/Human Resources and Deputy City Recorder:

- Successful health insurance open enrollment process for 46 full-time employees.
- 4 exit interviews (1 retirement and 3 resignation)
- New employee orientation for 4 employees.
- 2 Reclassification/promotions
- Processed 9 Volunteer Firefighters applications and accompanying documents and 1 Police Reserve Officer.
- Continue to work with Payroll – Accounting Clerk for smooth HR to Payroll documentation. Began the implementation of HR Module in Caselle.
- Improved various fillable forms – job applications, direct deposits, exit interviews, etc.
- Completed the Employee Policies and Procedures Handbook with various department/represented staff members.
- Continue to update all employee attendance records, personnel filing, evaluations, etc.
- Swearing-ins for Police and Volunteer Firefighters
- Acknowledged employees with certificates of attendance and years of service pins.
- Received and processed numerous Public Records Requests.
- SAIF and OSHA incident and claim processing.
- Updated various municipal codes.
- Updating the Strategic Plan Benchmark Calendar as council priorities are completed or target dates change.
- Put together the 2023 General Elections binders for Mayor and 3 Councilor vacancies.
- Provided monthly newsletter bulletins for the community.
- Created an aggressive community engagement plan for news bulletins and notifications to the community.
- Provided staff meeting notes to all employees.
- Participated in periodic Homeless Initiative Meetings.

- Updated various job descriptions for reclassified positions.
- Attended community events with a City Public Information Booth.
- Organized LOC Conference trips for City Manager & Council
- Organized a County Wide City Manager/Administrator meetings regarding Homeless Initiatives.
- Attended SDDI meetings for the Sutherlin Throwdown event.
- Created ‘swag baskets’ for current & incoming Councilors.
- Implemented City Hall staff receiving a Sutherlin logo shirt every January.
- Worked with Chamber Director to engage businesses and promote events.
- Changed records destruction process to include an on-site secure shredding container at City Hall that is picked up twice a month.
- Completed all updates to Employee Policies and Procedures Handbook and distributed electronic and/or paper copies to employees.
- Worked with CIS Learning Center to create re-occurring training for employees and volunteers.

Goals and Objectives for fiscal year 2023-2024

- Continue review of Municipal Code for updates.
- Continue working with the new Human Resources module to streamline processes for a seamless transition from Human Resources to Payroll.
- Provide training through CIS Learning Center to Councilors
- Continue researching records management software to achieve electronic storage capabilities for all departments.
- Continue to organize records room , following State of Oregon’s retention schedule.
- Continue working with the Chamber Director to engage businesses and promote events.
- Continue attending community events as the Community Engagement Manager.
- Continue facilitating staff pictures.
- Attend training and conferences to obtain necessary knowledge associated with City Recorder responsibilities.
- Continue monthly bulletins highlighting city news.
- Continue improving distribution to over 800 subscribers of city news for both paper and electronic copies.
- Implement periodic radio updates with Mayor, City Manager, Department Heads, and Committee Chairs.
- Implement a program in collaboration with Division Chief/EOC Manager Brandan McGarr that will have the capability to distribute emergency information via text, voice calls, email, social media and news outlets.

Fiscal Year 2023-24 Changes

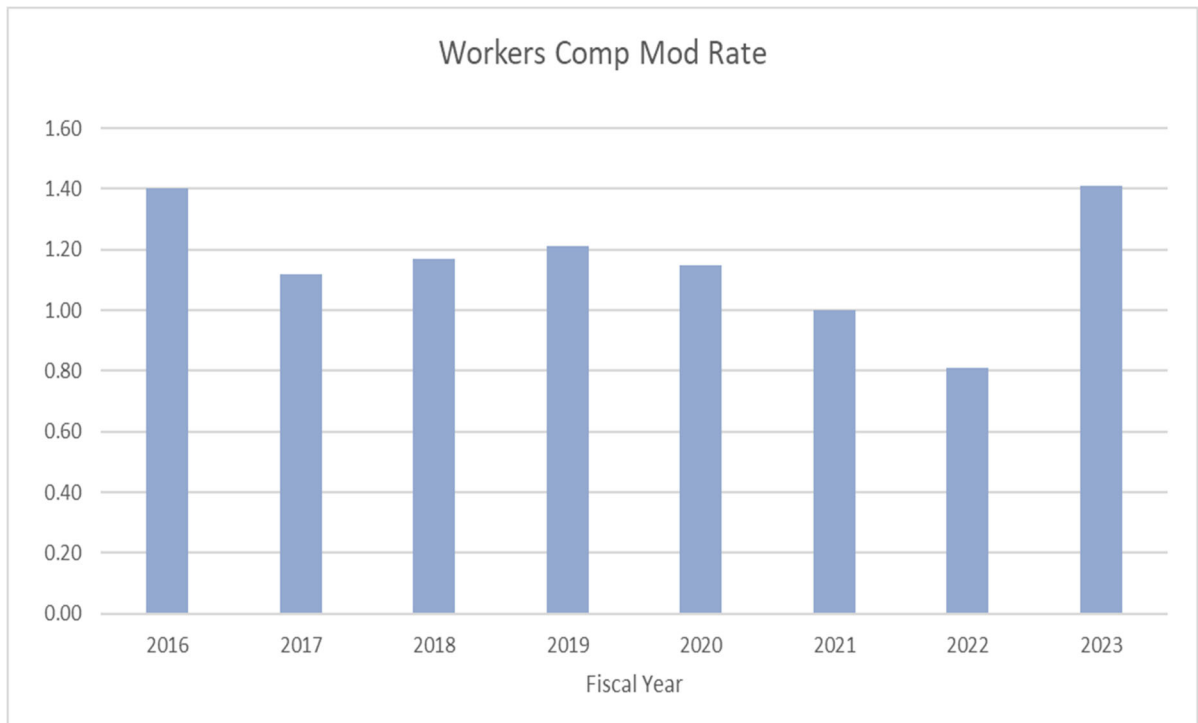
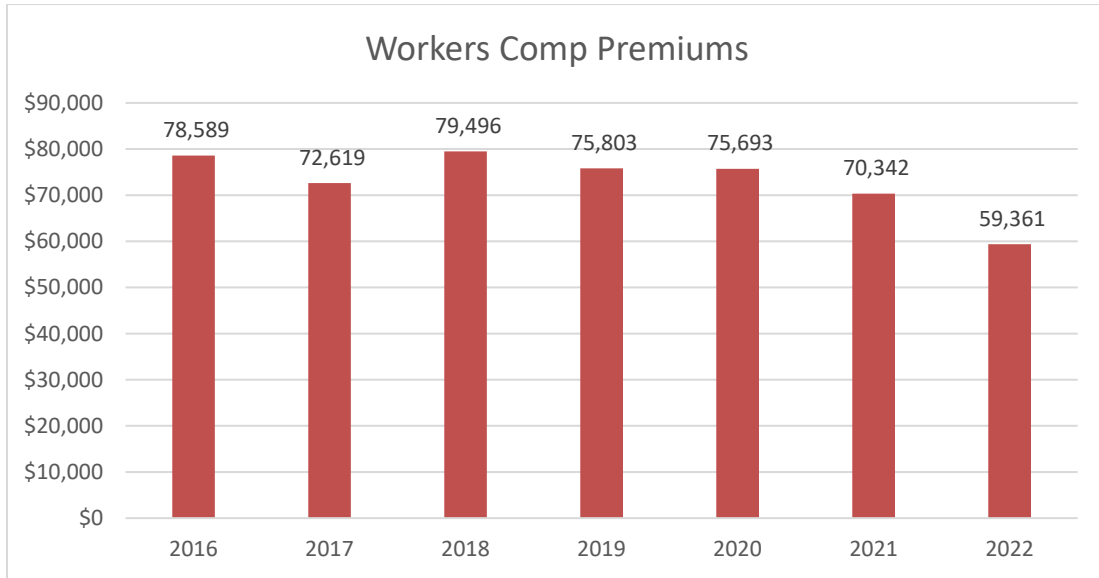
A reclassification has taken place due to the City Recorder/Human Resources Manager’s retirement. The Human Resource responsibilities have been shifted to the Finance Department.

Staffing

Position	FY23 FTEs	FY24 FTEs
City Recorder/Human Resources/Community Engagement Manager	2.0	1.0
City Recorder/Comm Engagement Total	2.0	1.0

City Recorder/Comm Engmt	2020-21	2021-22	2022-23	2022-23	2023-24
	Prior year 2	Prior year	Curr Year	Projected	Adopted
	Actual	Actual	Budget	Year-End	Budget
Personnel Services					
HEALTH BENEFITS	41,843	38,318	42,740	39,404	32,190
MEDICARE	2,027	2,142	2,300	2,251	1,520
OREGON PERS	30,554	36,454	41,310	38,265	28,870
OTHER INSURANCE BENEFITS	69	108	220	246	220
OVERTIME	-	-	-	-	-
SALARIES AND WAGES	146,204	154,372	158,590	162,204	104,800
SOCIAL SECURITY (FICA)	8,668	9,159	9,830	9,625	6,500
STATE UNEMPLOYMENT (SUTA)	1,605	1,888	2,100	1,494	1,320
WORKERS COMPENSATION	202	180	430	223	280
Total Personnel Services	231,172	242,621	257,520	253,713	175,700
Materials & Services					
CITY WEBSITE	1,860	2,129	3,000	2,500	3,000
CONTRACTED SERVICES	13,200	14,300	15,000	13,200	14,000
DRIVING RECORDS	105	63	100	100	-
EMPLOYEE SERV AWARDS	36	-	-	100	-
EMPLOYEE ASSISTANCE PROGRAM	-	-	1,050	-	-
MEETING EXPENSES	160	160	150	1,000	15
MEMBERSHIPS	1,476	1,515	1,500	1,636	1,500
DRUG TESTING	290	250	-	325	-
OFFICE EQUIPMENT	-	-	1,000	250	1,000
OFFICE SUPPLIES	812	828	1,500	1,057	1,000
OREGON ETHICS COMMISSION	768	768	800	768	800
PRE-EMPLOYMENT CHECKS	-	-	150	-	-
PRINTING AND ADVERTISING	-	-	300	300	-
PUBLIC NOTICES	90	-	200	172	300
PUBLICATIONS/COMM ENGAGEMENT	-	-	700	-	1,000
CODIFICATION UPDATE	1,774	931	1,000	1,000	1,000
RECORDING FEES	-	-	300	300	300
TRAINING	980	927	2,500	1,500	1,500
TRAVEL EXPENSES	139	536	2,500	1,000	1,000
WELLNESS PROGRAM	-	50	500	200	-
Total Materials & Services	21,689	22,457	32,250	25,408	26,415
Total City Recorder/Comm Engmt	252,861	265,078	289,770	279,121	202,115

Performance Measures



Finance

Summary

The finance department provides the City's financial accounting and reporting, audit coordination and response, budget preparation, long-range financial planning, cash and investment management, payroll, utility billing and collection, disbursement processing, accounts receivable and grant coordination.

Fiscal year 2022-23 Accomplishments

- Received a clean audit opinion from the City's independent auditor
- Provided timely and accurate monthly financial reports
- Delivered consistent and accurate billing
- Submitted and received the GFOA Distinguished Budget Presentation Award
- Continued regular Finance Subcommittee Meetings
- Continued the Quarterly Executive Risk Management Meetings
- Researched and purchased HR Module for staff efficiency
- Helped research and purchase iWorQ-Comm Development Software interface to increase staff effectiveness.
- Initiated Phone provider switchover

Fiscal year 2023-24 Goals

- Receive a clean audit opinion from the City's independent auditor
- Continue to provide timely and accurate financial reports
- Maintain quality service at front counter and on phones
- Complete phone switchover to local provider, including new handsets
- Deliver consistent and accurate billing
- Deliver excellent Admin support for all internal departments
- Develop a plan to upgrade Utility Meter Reading System
- Continue improvements to City's budget document

Fiscal Year 2023-24 Changes

This year there are significant changes in the Finance Department budget because we are moving Human Resources into Finance from the City Recorder's Department. This department increases by one FTE while CR/CEM reduces by one. There are several line items in the Materials and Services that are directly associated with HR and therefore have moved into this department. There is also an Auditor price increase, additional Caselle licenses and training.

Staffing

Position	FY22 FTEs	FY23 FTEs
Finance Director	1.00	1.00
Finance & Admin Technician	1.00	1.00
Accounting Clerk	2.00	2.00
Human Resource & Payroll Specialist	0.00	1.00
Finance Department Total	4.00	5.00

Finance & Human Resource	2020-21	2021-22	2022-23	2022-23	2023-24
	Prior year 2 Actual	Prior year Actual	Curr Year Budget	Projected Year-End	Adopted Budget
Personnel Services					
HEALTH BENEFITS	71,275	61,496	82,100	79,633	96,000
MEDICARE	3,203	3,290	3,600	3,363	4,600
OREGON PERS	39,645	50,523	57,000	48,140	76,600
OTHER INSURANCE BENEFITS	(465)	201	400	325	500
OVERTIME	-	-	-	-	-
SALARIES AND WAGES	227,094	232,964	248,500	240,790	317,600
SOCIAL SECURITY (FICA)	13,694	14,066	15,400	14,378	19,700
STATE UNEMPLOYMENT (SUTA)	3,394	3,737	4,100	3,293	4,400
WORKERS COMPENSATION	492	364	700	400	900
Total Personnel Services	358,332	366,640	411,800	390,322	520,300
Materials & Services					
AUDIT	31,535	35,650	30,000	28,000	30,000
DRIVING RECORDS	-	-	-	-	100
DRUG TEST & SCREENS	-	-	-	-	250
EMPLOYEE SERVICE AWARDS	-	-	-	-	-
FINANCING FEES	8,439	9,253	9,500	12,535	12,500
HIRING EXPENSES	-	-	100	50	200
EMPLOYEE ASSISTANCE PROGRAM	-	-	-	-	1,050
MEETING EXPENSES	702	134	250	250	-
MEMBERSHIPS	450	280	800	700	550
OFFICE SUPPLIES	4,841	4,748	5,000	3,695	4,500
PRINTING AND ADVERTISING	2,083	902	1,500	1,500	1,800
RED FLAGS PROGRAM	329	-	1,400	600	600
SOFTWARE MAINTENANCE / SUPPORT	23,700	16,133	20,000	24,812	24,800
TRAINING	1,790	6,839	6,000	2,500	5,000
TRAVEL EXPENSES	175	410	600	600	600
WELLNESS PROGRAM	-	-	-	-	500
Total Materials & Services	74,044	74,349	75,150	75,241	82,450
Total Finance & Human Resources	432,376	440,989	486,950	465,564	602,750

Parks/Facilities

Summary

The Parks/Facilities Department accounts for the parks and facilities maintenance activities. Staffing includes part-time maintenance and part-time seasonal employees.

Fiscal Year 2022-23 Changes

Personnel costs in this department will increase because of the PERS and Workers' Comp increases. We are continuing to contract for cleaning services. This is included in the Materials and Services which is budgeted to be very similar to the current year. We have increased our charge to ODOT for maintaining the 136 Off-Ramp and will be utilizing a temporary employee for mowing and other general grounds upkeep. Capital Outlay will include resurfacing the Tennis Courts, Lights for the Event Stage, and other park or facility related improvements that may be necessary.

Staffing

Position	FY23 FTEs	FY24 FTEs
Community Center Custodian	0.5	0.5
Parks/Facilities Total	0.5	0.5

Parks/Facilities	2020-21	2021-22	2022-23	2022-23	2023-24
	Prior year 2 Actual	Prior year Actual	Curr Year Budget	Projected Year-End	Adopted Budget
Personnel Services					
HEALTH BENEFITS	-	-	-	-	-
MEDICARE	398	150	150	154	160
OREGON PERS	4,834	2,058	2,130	2,130	2,360
FRINGE BENEFITS	4	9	-	12	-
SALARIES AND WAGES	27,456	10,363	10,620	10,622	10,930
SOCIAL SECURITY (FICA)	1,702	642	660	659	680
STATE UNEMPLOYMENT (SUTA)	426	202	230	212	200
WORKERS COMPENSATION	894	232	380	25	390
Total Personnel Services	35,714	13,657	14,170	13,814	14,720
Materials & Services					
CIVIC AUDITORIUM MAINT	1,100	2,284	2,500	2,625	2,500
CITY HALL JANITORIAL SUPPLIES	1,814	1,256	1,500	1,200	1,500
CITY HALL MAINTENANCE	12,012	9,610	10,500	6,841	10,500
COMM. CENT. JANITORIAL SUPPLIE	801	604	1,200	1,000	1,200
COMMUNITY BLDG MAINTENANCE	10,805	3,624	8,500	2,660	6,500
COMMUNITY CENTER UTILITIES	9,521	9,534	12,000	14,262	12,000
DRUG TEST & SCREENING	-	-	-	-	-
CONTRACTED SERVICES	-	19,932	25,000	17,280	20,000
EQUIPMENT MAINTENANCE	61	63	500	200	500
GARBAGE COLLECTION	4,224	5,025	5,200	7,860	6,000
I-5 INTERCHANGE MAINTENANCE	18,365	-	30,000	16,667	25,000

Materials & Service Cont.

	Prior year 2 Actual	Prior year Actual	Curr Year Budget	Projected Year-End	Adopted Budget
Landscaping Area 1	4,400	7,330	-	-	-
Landscaping Area 2	300	5,613	-	-	-
Landscaping Area 3	2,700	975	-	-	-
LIBRARY & GROUNDS MAINTENANCE	9,037	8,939	7,500	7,805	7,500
LIBRARY JANITORIAL SUPPLIES	2,320	720	800	750	800
LIBRARY TELEPHONE	4,172	4,642	5,500	4,832	5,500
LIBRARY UTILITIES	10,478	10,628	10,750	11,124	10,750
LIBRARY FIRE MONITORING	480	406	750	591	750
MEETING EXPENSES	40	93	100	100	100
PARK LANDSCAPE CONTRACT	13,100	-	5,000	-	5,000
PARK EQUIPMENT MAINTENANCE	3,445	2,709	6,000	5,645	6,000
PARK LIGHTING	1,044	1,781	2,500	3,000	2,750
PARK FLAGS	2,613	1,600	4,500	3,393	5,000
PARK MAINTENANCE	12,789	34,050	53,500	75,000	65,000
SECURITY MONITORING	-	20,642	-	10,000	10,000
Total Materials & Services	125,622	152,061	193,800	192,834	204,850
Capital Outlay					
HOLIDAY LIGHTS	11,021	9,750	20,000	18,000	20,000
PARK PROJECTS	-	52,890	40,000	25,000	35,000
Total Capital Outlay	11,021	62,640	60,000	43,000	55,000
Transfers					
TO PARKS/ FACILITIES RESERVE	80,000	80,000	80,000	80,000	50,000
TO PARKS CONSTRUCTION FUND	-	200,000	200,000	200,000	100,000
TO PUBLIC WORKS FUND	137,000	140,000	140,000	140,000	140,000
Total Transfers	217,000	420,000	420,000	420,000	290,000
Total Parks/Facilities	389,356	648,358	687,970	669,648	564,570

Community Development Department

Summary

The Community Development Department accounts for the City's community development activities. The principal source of revenue is from the General Fund (property tax dollars). Since staff provides services and support for water, wastewater, streets, and parks, there is financial support via transfers for specific projects funded from each department accordingly. Expenditures are for administration of all land use planning activities, mapping, grant management, and economic development.

Completion of two of Sutherlin's largest projects, Nonpareil Water Treatment Plant Improvements and Ford's Pond Community Park Improvements were delayed because of Covid-19. Covid-19 affected materials & supplies, funding, and price escalation. The fiscal year 2023-2024 will be an exciting and busy year. Nonpareil Water Treatment Plant and Ford's Pond Community Park improvements will be completed. Other projects identified at the Council Priorities workshop for the fiscal year 2023-2024 are:

- Oregon State Marine Board (OSMB) Grant for Ford's Pond boat launch ramp, docks, paved parking area and vaulted toilets, pending grant approval
- ODOT Community Path Grant for the engineering of a path from Exit 136 west to Church Rd
- Recreation Park (behind the Fire Station) Ingress/Egress, for the design, engineering, and construction
- Recreation Park (behind the Fire Station) Master Plan
- Tennis / Pickleball Court Resurfacing
- Housing Capacity Analysis (formerly Housing Needs Analysis) / Comprehensive Plan updates / Development Code Updates
- Clover Leaf Loop Improvements, Design and Cost Estimate

Urban Renewal is also administrated through Community Development. Urban Renewal has been very successful with new Façade improvements. Properties have also been purchased, designed, and engineered for downtown parking. Parking lot construction is anticipated to be completed June 2023. The city was also able to move forward purchasing the wetland credits from Roseburg Forest Products for the Sutherlin Industrial Land improvements (former Airport site).

- Urban Renewal (UR) continues to promote new businesses and work with current businesses identified within the Urban Renewal District.
- Mainstreet grant application was successful in 2022, currently working with the owners on improvements to the historical bank building.
- Sutherlin Industrial Land Development (former Airport site)

Planning

- Development Projects
 - Building Permit Worksheets - 110
 - Land Use Application – 18
 - Comprehensive Plan Map and Zoning Map Amendments
 - Land Partitions – 5

- Major Amendments – 2
- Property Line Adjustments – 6
- Subdivision with Class C Variance – 1
- Temporary Use Permit – 1
- Variance – Class A – 1
- Legislative Amendment to the Development Code
- Planning Commission Meetings – 7
- Traffic Impact Analysis
 - Sutherlin Industrial Park
- Business License Registration & Building Safety Inspections-ongoing
- Comprehensive Plan update pending funding.

Water

- **Nonpareil Water Treatment Plant Improvements**
 - Construction is estimated to be completed by early summer 2023.

Streets/Drainage/Sidewalks

- Sidewalk improvements Grove Street to approximately eastern city limits, construction completed in 2023.
- Waite Street improvements design and wetland delineation, complete by end of calendar year 2023, Safe Routes to School (SRTS) grant application, submit July 2024

Parks/Facilities

- **Ford's Pond Improvements**
 - Bidding and schedule
 - Final design March 6, 2023
 - Bidding process March 27-April 27, 2023
 - Bid opening April 27, 2023
 - Council consideration for approval May 8, 2023
 - Start construction May 15, 2023
 - Complete construction November 4, 2023
 - Oregon State Marine Board Grant submitted March 2023
 - Boat Launch, Dock, Double Vaulted Toilet.
- **Central Park**
 - Tennis/Pickle Ball Court improvements/resurfacing TBD, pending funding.
- **Sutherlin Recreation Park**
 - Development of Sutherlin Recreation Park TBD, pending additional open houses and funding

Fiscal Year 2023-24 Changes

Personnel services costs will increase a modest 3.85% over last year's budgeted amounts because of staff changes. The Department Head is retiring and only working through August 1. They are promoting from within and have a new Community Development specialist starting on June 1. Materials and Services will decrease even though we are budgeting for completion items on the Pocket Park and

budgeting for the annual maintenance fee for implementing the Community Development module of iWorQ.

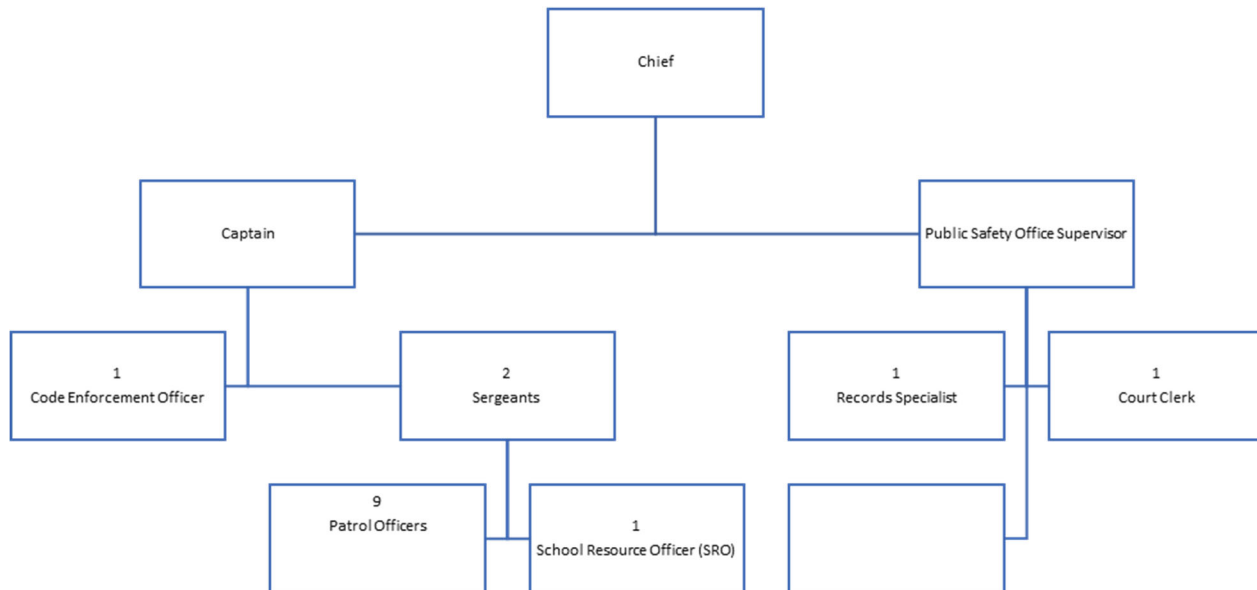
Staffing

Position	FY23 FTEs	FY24 FTEs
Community Development Director	1.00	1.00
Community Development Specialist	1.00	1.00
Planning Specialist	0.80	0.80
Community Development Department Total	2.80	2.80

Community Development	2020-21 Prior year 2 Actual	2021-22 Prior year Actual	2022-23 Curr Year Budget	2022-23 Projected Year-End	2023-24 Adopted Budget
Personnel Services					
HEALTH BENEFITS	54,783	52,788	70,500	57,862	73,000
MEDICARE	3,122	3,322	3,400	3,705	3,500
OREGON PERS	54,335	62,011	61,200	69,082	64,800
OTHER INSURANCE BENEFITS	114	173	300	426	300
OVERTIME	52	-	2,200	36	17,900
SALARIES AND WAGES	223,644	238,045	233,900	265,153	226,700
SOCIAL SECURITY (FICA)	13,351	14,202	14,600	15,842	15,200
STATE UNEMPLOYMENT (SUTA)	2,232	2,774	3,100	2,532	2,700
WORKERS COMPENSATION	301	195	600	1,900	700
Total Personnel Services	351,934	373,510	389,800	416,537	404,800
Materials & Services					
CONTRACTED SERVICES	19,000	4,000	20,000	15,000	20,000
ECONOMIC DEV / BUSINESS RET	35,823	8,500	50,000	30,000	50,000
PROFESSIONAL SERVICES	7,639	40,252	15,000	15,000	15,000
GIS CONSULTING SERVICES	-	500	2,500	-	2,500
GRANT WRITING	-	3,750	5,000	7,000	5,000
LAND USE PLANNING	1,111	195	3,000	1,400	3,000
MEETING EXPENSES	1,111	3,271	1,200	1,000	1,200
OFFICE SUPPLIES	719	3,414	5,000	3,800	4,000
PLANNING COMMISSION	103	-	500	150	500
POSTAGE	-	15	-	15	-
PRINTING AND ADVERTISING	150	1,383	1,500	1,000	1,500
PUBLICATIONS / MEMBERSHIPS	2,150	2,061	2,000	2,000	2,000
SOFTWARE MAINT & SUPPORT	-	-	6,000	9,900	6,500
TRAINING / CONFERENCES	-	2,376	2,400	1,500	2,400
TRAVEL EXPENSES	-	-	750	250	750
Materials & Services	67,806	69,717	114,850	88,015	114,350
Total Community Development	419,739	443,227	504,650	504,552	519,150

Sutherlin Police Department

“Serving our Community with Pride” - Service, Professionalism, & Dedication



Summary

The Police Services budget supports the administrative and operational component of the law enforcement mission. Further, the Sutherlin Police embrace the concept of the nobility of professional public safety and policing in the 21st century. Our Department provides essential government services to the citizens of Sutherlin and Oakland, and we focus on service, justice and fundamental fairness in all that we do daily. Using available budget funds, police services provide for public safety through the protection of life, property, and the preservation of peace. Police Services has the responsibility to control conduct, both criminal and non-criminal, to maintain public safety. This is accomplished through the enforcement of a wide variety of State and local laws, city ordinances, and other regulations. The emphasis of this service is on prevention and problem-solving policing through community involvement, high visibility police patrols, the regulation of non-criminal conduct, crime prevention education, and other service-oriented activities, which account for expenditures of time and personnel resources.

There are three primary groups of community members that the Sutherlin Police serve. First, we serve the residents of Sutherlin by ensuring that we meet our operational objectives for the year. To do this, the police must maintain and strive to improve the quality of life in the City. Second, we serve everyone who makes up the daily service population. This group includes those that come to Sutherlin to shop, work, and otherwise enjoy the City. With fair and professional services, such as traffic enforcement, we keep the area safe and a pleasant place to visit. Finally, we serve our partners in the criminal justice system by being available and ready to participate in regional demands, multi-disciplinary teams, and mutual aid requests for assistance. Needs of the justice system are met with our officers practicing timely response to duties of all types, fulfilling mutual aid

requests, efficiency through quality investigations, as well as the proper handling of critical incidents by always respecting the rights of victims and suspects.

The Sutherlin Police Department currently has 14 sworn officers. In 2022, the Sutherlin Police Department handled 10,454 calls for service which equates to 871 calls per month or 29 calls per day. The Sutherlin Police Department also provides contracted police services with the City of Oakland. The population of the two cities has increased by 50 from 2021 to 2022 for a total population of 9890. The Sutherlin Police Department's patrol area consists of approximately 10 square miles.

The City and its population continue to grow as new dwellings, land partitions and new subdivisions are approved. This, coupled with continual growth and boundary expansions will undoubtedly continue to create new patrol areas which will increase calls for police service.

Due to the continued steady increase in population, calls for service, and the need for a specific community oriented policing liaison, additional officer positions may be needed to keep up with service calls, vacancies, coverage and community policing in order to maintain adequate service and safety in our community.

Recruiting is continuing to plague Law Enforcement nationwide and Sutherlin is no different. Going forward, it is crucial to remain competitive to retain our employees. The costs associated with hiring new employees are very high, and time consuming and recruiting to fill a vacancy is challenging. The application process can take months and finding a police applicant who can pass a background investigation is difficult, so starting recruitment early, staying competitive and staying in the forefront as a department is key.

Each year, the Sutherlin Police Department offers a scholarship for individuals wanting to attend Umpqua Community College Police Reserve Academy. The scholarship helps individuals with funding and in turn helps our police department recruit new officers and reserve officers.

The Sutherlin Police Department's Reserve Officer Program is in the process of being revamped to accommodate individuals who cannot otherwise commit the time to field training like full-time officers. Since most reserve officers have other outside influences that dictate the amount of time they can volunteer as a reserve, the curriculum has to be realistic as compared to a full-time officer without losing the necessary training time. The training required is imperative to ensure that these individuals are properly and appropriately trained. The goal is for all our staff to be safe and competent in the field.

Having a good reserve program, being part of the UCC Reserve Police Academy, as well as offering scholarships all enhance our recruitment and the possible retention of officers. It also reduces open position vacancies, application, testing and other hiring expenses. Reserve training time is the same as a full-time officer, but if a reserve officer completes the field training program prior to filling a full-time vacancy, that officer will only have to attend the police academy (16 weeks) to become certified and solo.

Keeping a mentally and physically healthy Police Department, lessens injuries, increases moral, increases productivity and helps retain it officers. The health and wellness of Sutherlin Police Department Officers is crucial.

Unlike other careers or jobs, many studies have been done over the years and it has been determined the life expectancy of a police officer is significantly less than people in other professions due to stress and the environmental work exposures in police work. These factors contribute to significant health issues such as heart disease, obesity, high blood pressure and diabetes, all of which police officers have higher incidence rates than their civilian counterparts.

The Sutherlin Police Department acknowledges these risks and are taking steps to mitigate untimely death and health issues associated with police work. The department has instituted a health and wellness program, longevity pay program, and a retirement bonus program, to mitigate the health risks associated with police work and is the only department that offers this kind of incentive model to keep its officers healthy.

The health and wellness program allows an officer to take time for themselves to decompress. Taking time out to meditate, exercise, or reflect can help combat stress. This program is an effective way to keep officers healthy mentally as well as physically which will contribute to a long career, reduce injury, sick time, and increase morale.

Another stress mitigation strategy is longevity pay. This program was designed and instituted so an officer could afford to take time away from the day to day stressors of police work and get any help they may need to mitigate stress. As officers advance in their years of service their stressors increase and are compounded. Over time these hidden stressors can begin to affect the officer's physical and mental health.

Police officers rarely give their whole career to one agency for one reason or another. Typically, an officer will leave law enforcement long before retirement age due to the inherent danger, stress, random work schedules, or even lack of support associated with police work. The average career in law enforcement is less than 10 years with only 24% of officers making it to retirement age. The last strategy to retain healthy employees was to implement a retirement incentive. Utilizing the above two programs, an officer is given some tools to keep healthy throughout their career with the Sutherlin Police Department.

The department added these incentives to combat law enforcement related health issues and as an added benefit, it helps limit position vacancies, retains certified well-trained officers, and assists with the recruitment of new officers. Currently, the Sutherlin Police Department is the only agency that offers this kind of incentive model.

The Sutherlin Police Department has added some new technology to assist with facility security as well as traffic safety within the city. The continued expansion of the City's security camera system as well as the addition of new speed radar traffic safety signs. Both have shown to be a benefit to the safety and security of the city.

The Sutherlin Police Department has been slowly adding security cameras to the infrastructure of the city. These cameras have added more protection to City's assets and has been a deterrence to criminal acts. Although these cameras are not monitored, the cameras have been a great resource of information for criminal investigations and have had a significant impact in criminal prosecutions. The camera system is helping keep the City's assets safe, decreased criminal investigation time, increased accountability, and increasing case clearance rates. A vast amount of otherwise unsolvable crimes have been solved by use of this technology.

New portable speed signs were purchased last year and placed in high-speed problem areas to reduce traffic speed. The signs have integrated software which displays vehicle speeds, warns drivers of speed zone changes and possible violations. They are also designed for immediate deployment and can be set up in under 10 minutes at most locations which is significantly quicker than the semi-portable unit.

The new portable signs also collect data on information such as vehicle speed(s) and traffic volume. This information can be downloaded and analyzed to locate problem areas within the city. This allows law enforcement to focus its resources on "actual" problem areas which in turn saves time and money while increasing traffic safety and awareness. These signs have proven to be a major speed reducing asset, making our city streets safer.

The children in our community are a top priority when it comes to safety education and having positive police contacts. The Sutherlin Police Department has started a “child safety, bullying and drug education” program through the National Child Safety Council. This past year, we raised over \$1960 for child safety education materials. Those materials are distributed by officers to school age children on topics of bullying, crosswalk safety, stranger danger, outdoor safety, and animal endangered species awareness, to name a few. This program allows officers to interact with our youth in a positive way while helping to educate on a wide variety of topics.

It is the intention of the Sutherlin Police Department to continually research, assess, and implement new technology and programs to enhance safety, communication, effectiveness, education, and services.

Strategic/Business Planning Updates

- Short Term – Key Objectives
 - Maintain low officer injury rates
 - Meet the service needs and expectations of our community
 - Community Outreach – Implement “Positive Police Contacts” education program
 - Impact crime by effectively using resources and technology
 - Find new innovative ways to efficiently enhance services.
- Long Term - Police Services focus over the coming years.
 - First, we will continue to focus on a constructive Public Safety culture. This will be demonstrated in four specific areas.
 - Being achievement driven;
 - Performing and behaving in a humanistic and encouraging manner;
 - Embracing departmental and professional development training as an on-going and required part of life in the Public Safety profession to maintain and sharpen skills (self-actualization);
 - Being committed to the concept of teamwork and alignment of goals, objectives and outcomes.
 - Second, we will address Crime Trends, Public Disorder, and the perception of crime and disorder. This will include, but is not limited to, Child Welfare Issues, Drug and Alcohol Issues, and Mistreatment of Aging Adults and the Disabled, including those who are mentally ill. Traffic enforcement and traffic management will remain high on our list as well.
 - Finally, we will develop a plan to upgrade the current aging police facility, keep our patrol fleet contemporary and in good working order, look for enhanced technology solutions to increase our ability to participate in intelligence based policing initiatives, participate as regional partners and in regional efforts, and continue to develop resources through cost controls to achieve staffing goals consistent with the City Council service objectives.

Accomplishments for fiscal year 2022-23

- \$2679 BVP Grant award
- Central Park Security Camera Procurement and Installation

- Completed Inmate IGA
- \$2100 CIS Camera Grant reimbursement
- Started a “child safety, bullying and drug education” program through National Child Safety Council. Raised over \$1962.52 for child education materials.
- Save Lives Oregon “Leave Behind Program” started. (Naloxone)
- Achieved Gold level recognition for 2022 Policy Management
- Second IGA with Douglas County for RV Impoundment Storage
- Ice Cream Social - Raised \$4000 and distributed it to the Sutherlin School District
- \$4000 Speed enforcement Grant
- Under 5-minute response times to Priority 1 calls
- Partnership with school district to reduce vehicle speeds (speed signs/patrol).
- Continued a regional partnership with the Myrtle Creek Police Department and the Winston Police Department to minimize training expenses while sharing new training venues and instructors.
- Worked closely with our school district(s) (Sutherlin and Oakland) to be responsive and attentive to issues and concerns for the children and young adults that attend our educational institutions. This includes frequent and high visibility patrols in and around our schools as well as the mentoring and teaching our youth.
- Chapter 8 Ordinance revisions
- Use of Force Policy update(s)
- Interagency agreements updated (Pursuits, Major Crimes, Inmate Housing)
- 2023 Council Priorities – ongoing.
- Maintained a Case Investigation Closure rate in excess of 70% (the goal was 70%, achieved was **81%**).

Goals and Objectives for fiscal year 2023-2024

Sutherlin Police Services will continue to look for efficiencies in the area of staffing, organizational structure, equipment procurement, patrol vehicle and fleet upgrades, infrastructure improvements, technology solutions, and training to meet the current and future demands of the City. Police Services will also work to enhance its capabilities in emergency management (large scale natural and/or man-made disasters) through the EOC. Additional goals for the year are as follows:

- Implement our Positive Police Contact public education program including video training segments created by our department to help the public understand laws and safety issues.
- Impact crime by effectively placing and utilizing resources and technology.
- Meet the service needs and expectations of our community.

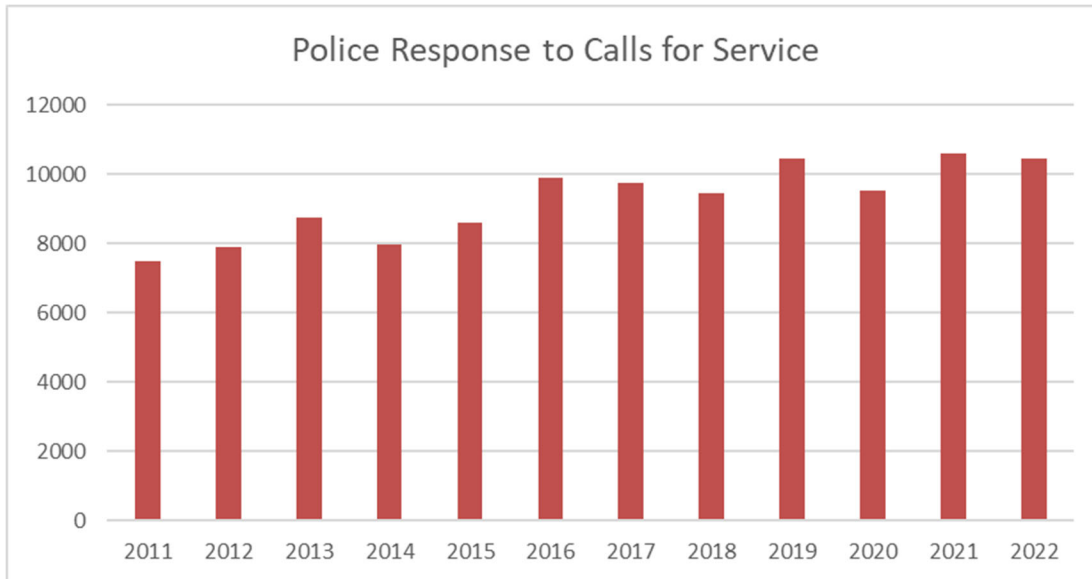
Fiscal Year 2023-2024 Changes

Approved personnel services costs reflect an increase of 7% due to PERS increases, Health Insurance and Workers Comp rates going up, plus COLA's.

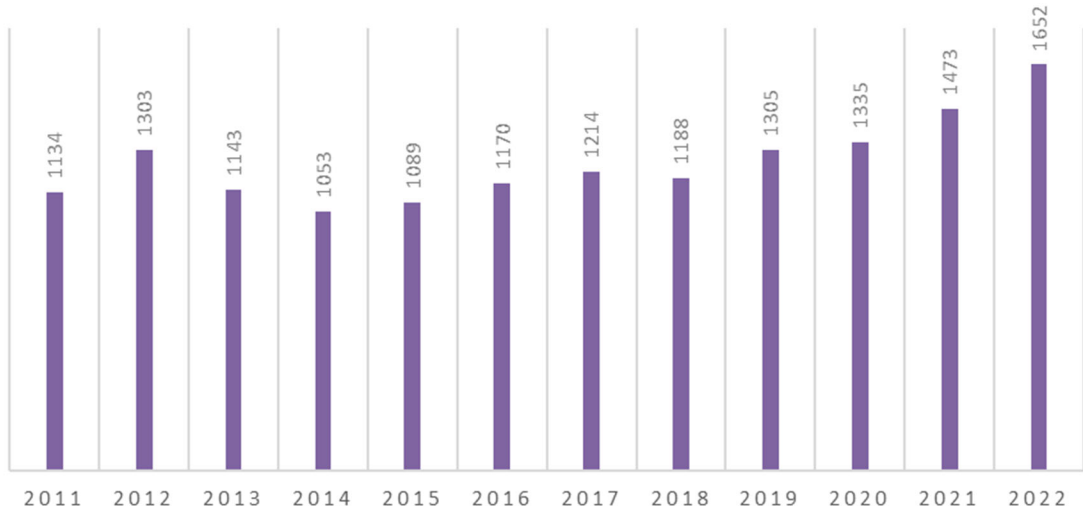
Materials and Services will only increase by 0.93% in part due to seeking grants to offset rising costs and specific cost containment strategies.

Staffing

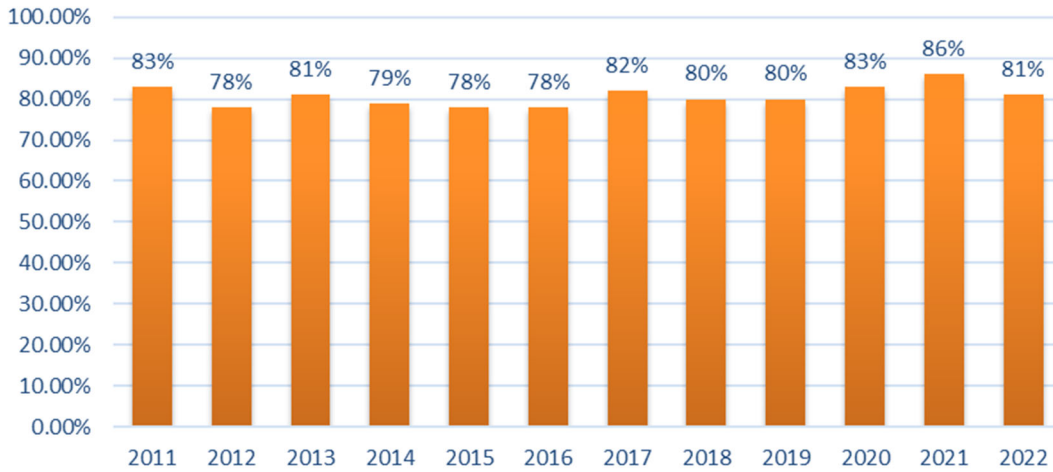
Position	FY23 FTEs	FY24 FTEs
Chief of Police	1.0	1.0
Police Captain	1.0	1.0
Police Sergeant	2.0	2.0
Officers	10.0	10.0
Supervisor & Records Specialist	2.0	2.0
Code Enforcement	1.0	1.0
Reserve Officer		
Police Department Total	17.0	17.0



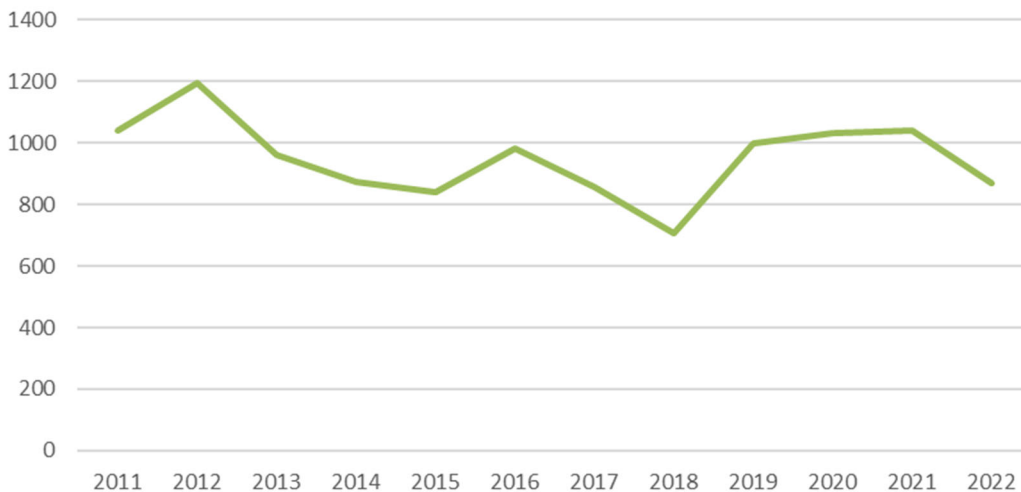
CASES REPORTED AND DOCUMENTED

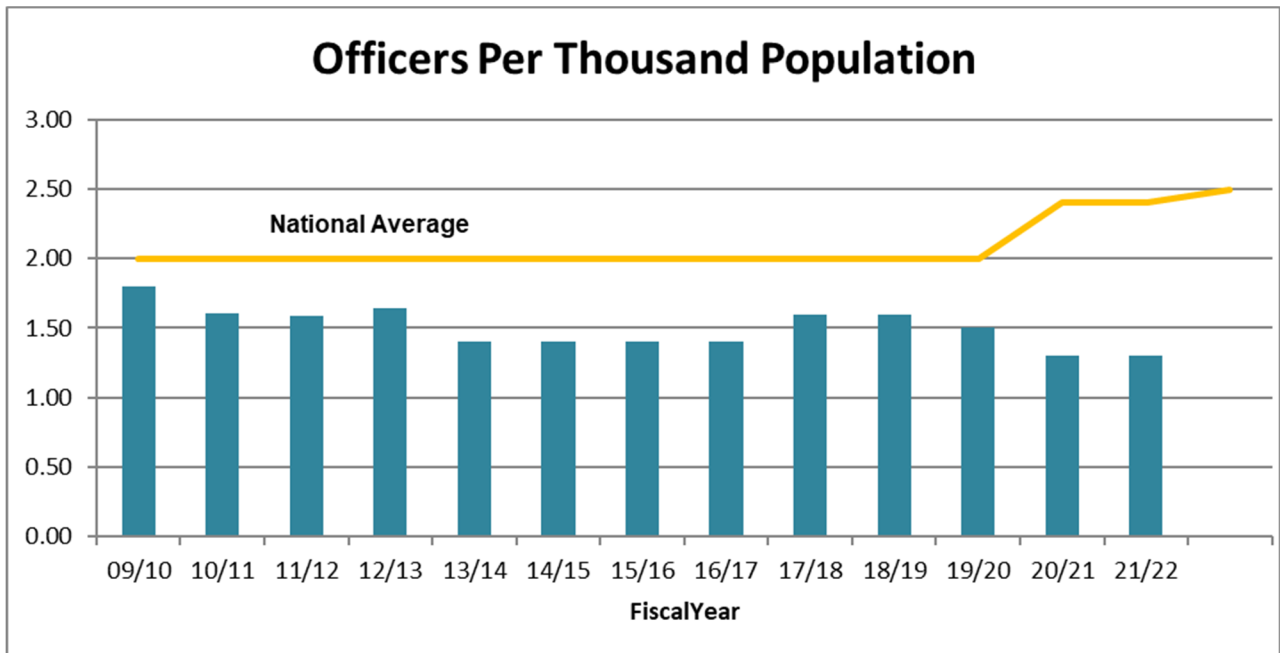
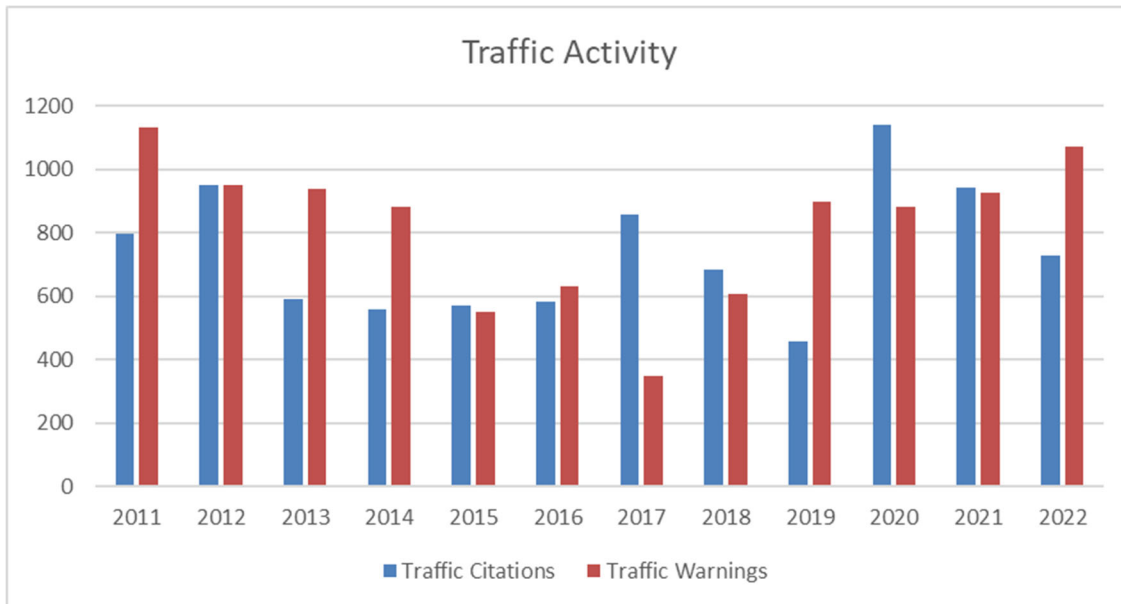


Case Closure Rate Percentage



Total Arrests





FBI Recommendation for Officers per Thousand Population: **2/1000**

National Average for Officers per Thousand Population: **2.5/1000**

In 2022, our Officers per Thousand Population: **1.3/1000**

Police	2020-21	2021-22	2022-23	2022-23	2023-24
	Prior year 2	Prior year	Curr Year	Projected	Adopted
	Actual	Actual	Budget	Year-End	Budget
Personnel Services					
HEALTH BENEFITS	347,264	320,673	422,100	367,210	460,600
JAG TRAINING OVERTIME	836	5,023	-	5,000	-
MEDICARE	16,505	17,571	19,300	18,803	20,200
OREGON PERS	245,970	307,888	328,700	333,941	381,600
FRINGE BENEFITS	673	(3,816)	2,100	1,100	2,100
OVERTIME	18,497	16,400	38,900	19,798	40,300
SALARIES AND WAGES	1,172,445	1,218,025	1,290,900	1,326,298	1,350,400
SOCIAL SECURITY (FICA)	70,575	75,132	82,400	80,398	86,200
STATE UNEMPLOYMENT (SUTA)	12,702	15,473	17,800	14,433	15,600
WORKERS COMPENSATION	33,051	30,667	34,300	28,000	36,000
Total Personnel Services	1,918,518	2,003,035	2,236,500	2,194,981	2,393,000
Materials & Services					
BUILDING MAINTENANCE	1,861	2,658	5,500	2,500	2,500
COMMUNITY OUTREACH	-	-	-	2,500	-
COMPUTER EQUIPMENT	3,440	1,243	6,000	6,000	2,500
EMS & TRAUMA AEDs	596	673	1,500	1,600	1,800
CONTRACTED SERVICES	-	3,600	-	-	-
CRIME PREVENTION	52	1,587	2,500	2,500	2,500
DOUGLAS COUNTY DISPATCHING	79,819	87,144	98,800	99,824	105,800
DOUGLAS COUNTY IT CHARGES	4,525	-	5,700	5,500	5,000
EQUIPMENT MAINTENANCE	16,057	23,349	30,000	28,000	35,000
EQUIPMENT RENTAL	3,900	4,227	7,500	4,150	2,000
EVIDENCE PROCESSING	1,266	1,548	4,000	2,000	4,000
FIELD INVESTIGATION	5,555	6,445	13,400	13,000	13,400
GAS AND LUBRICANTS	25,842	39,749	38,000	34,717	38,000
HIRING EXPENSES	1,073	1,527	4,000	500	4,000
INFECTION CONTROL	1,877	675	1,200	605	1,000
LODGING	-	1,525	-	1,800	1,500
MEETING EXPENSES	169	1,186	2,000	1,200	2,000
AGREEMENTS & MEMBERSHIPS	20,080	10,541	21,200	15,000	21,200
OFFICE EQUIPMENT	626	807	1,000	1,744	7,500
OFFICE FURNITURE	1,858	1,837	2,400	2,000	2,000
OFFICE MACHINE MAINTENANCE	-	-	-	-	-
OFFICE SUPPLIES	7,953	3,732	4,500	3,913	4,000
POSTAGE	766	193	500	300	500
PRINTING & ADVERTISING	127	-	-	480	-
PROTECTIVE GEAR	-	609	4,000	3,000	4,000
PROTECTIVE GEAR - EQUIPMENT	261	1,683	5,000	3,482	5,000
PROTECTIVE GEAR - VESTS	7,279	16,167	6,800	6,800	3,000
PROTECTIVE GEAR - WEAPONS	598	1,245	4,000	4,000	4,000
RADIO MAINTENANCE	6,103	7,063	15,100	8,295	12,000
RANGE / AMMUNITION	3,622	6,127	6,000	3,495	6,000
RANGE EQUIPMENT	1,265	1,089	1,500	1,500	1,500

Police Department Budget Continued

	Prior year 2 Actual	Prior year Actual	Curr Year Budget	Projected Year-End	Adopted Budget
RESERVE EXPENSES	-	-	5,000	-	4,000
SAFETY EQUIPMENT	15,562	4,045	16,000	15,000	16,000
SECURITY MONITORING	-	-	-	1,000	7,500
TELEPHONE	3,518	5,385	6,000	4,853	6,000
TELEPHONE CELLULAR	8,044	6,900	7,000	5,864	7,000
TEMPORARY EMPLOYEE / FINGERPRI	-	-	1,000	1,000	1,000
WIRELESS DEVICE CONNECTION	974	-	5,000	4,000	5,000
EIS LICENSING (RMS)	-	-	1,000	-	-
TRAINING	5,931	6,942	17,000	17,000	17,000
UNIFORMS	6,596	2,466	10,000	8,750	7,000
UNIFORM CLEANING / REPAIR	5,839	1,890	6,000	2,500	2,500
VACANT PROPERTY CLEANING	62	4,783	20,000	12,000	25,000
Total Materials & Services	243,095	260,640	386,100	332,371	389,700
Transfers					
TO POLICE RESERVE FUND	100,000	285,000	180,000	180,000	180,000
Total Transfers	100,000	285,000	180,000	180,000	180,000
Total Police	2,261,613	2,548,676	2,802,600	2,707,352	2,962,700

Municipal Court

Summary

The City's Municipal Court is a full-service court that adjudicates traffic, code enforcement, and misdemeanor cases originating in the Cities of Sutherlin and Oakland. The Municipal Court is held two times per month. The City contracts with both a Municipal Court judge to conduct the proceedings and a prosecuting attorney to prosecute cases. The Police Chief and Police Office Supervisor oversee the court administration and operation. The Police Chief and Police Office Supervisor and court staff have frequent communication and coordination with the Finance Director and City Manager.

Fiscal year 2022-23 Accomplishments

- Timely processing of court activity
- Initiated review of old cases to determine status
- Provided timely and accurate monthly reports to the State
- Maintained quality service at front counter and on the phones
- Reviewed and adjusted the use of jail time as a deterrent
- Continued review of old cases
- Supported amnesty program to encourage payment for past fees & fines
- Continue community service program to reduce unpaid fines/fees.

Fiscal year 2023-24 Goals

- Increase efficiency
 - Continue the review of old cases
 - Cross-training of police services staff
- Timely completion of reports due to the state
- Continue to implement court activity reporting
- Maintain quality service at front counter and on the phones
- Maintain Judge Pro-Tem position
- Continue to implement performance measures
 - Effectiveness of alternative sentencing programs
 - Collection efforts
 - Average days to adjudicate cases
- Make additional progress towards a sustainable court operation
 - Goal of balancing cost of court with revenue will be on-going

Fiscal Year 2023-24 Changes

- Personnel services costs are projected to increase by 7.95% based on increases in COLA's, PERS, Insurance and Workers Comp Rates.
- Materials and services show an increase of 5.95 because of negotiated contract increases with our Judge and both the Prosecuting and Indigent Defense Attorneys. This is the first increase for them in 10 years.

Staffing:

Position	FY23 FTEs	FY24 FTEs
Judge on Contract		
Court Clerk	1.0	1.0
Municipal Court Total	1.0	1.0

Municipal Court	2020-21 Prior year 2 Actual	2021-22 Prior year Actual	2022-23 Curr Year Budget	2022-23 Projected Year-End	2023-24 Adopted Budget
Personnel Services					
HEALTH BENEFITS	14,422	13,062	18,300	14,452	20,400
MEDICARE	1,194	862	900	850	900
OREGON PERS	11,458	11,684	11,800	12,080	13,900
FRINGE BENEFITS	28	51	100	101	100
OVERTIME	-	-	2,400	-	2,600
SALARIES AND WAGES	83,922	61,066	56,500	60,246	59,600
SOCIAL SECURITY (FICA)	5,104	3,687	3,700	3,636	3,900
STATE UNEMPLOYMENT (SUTA)	1,187	860	1,000	818	900
WORKERS COMPENSATION	102	90	200	110	200
Total Personnel Services	117,416	91,363	94,900	92,292	102,500
Materials & Services					
ATTORNEY TRIAL EXPENSES	26,550	51,175	62,400	60,000	72,000
CONTRACTED SERVICES	-	1,981	-	-	-
DOUGLAS COUNTY IT CHARGES	-	-	300	300	300
INDIGENT ATTORNEY EXPENSES	24,200	26,550	27,700	27,700	34,300
OFFICE MACHINE MAINT/LEASE	-	-	200	-	200
OFFICE SUPPLIES	956	428	2,000	1,250	1,200
INTERPRETER	205	279	750	500	750
MEMBERSHIPS / MEETINGS	475	-	200	200	200
POSTAGE	599	-	500	150	500
PRISONER EXPENSES	6,094	13,076	27,000	15,000	21,000
PUBLICATIONS	-	-	100	-	100
SOFTWARE MAINTENANCE/SUPPORT	1,290	1,290	3,000	2,000	2,400
TELEPHONE	1,061	1,575	1,200	1,526	1,550
TRAINING	-	(12)	1,500	400	500
TRAVEL EXPENSES	-	-	250	250	500
TRIAL EXPENSES	(52)	-	1,000	300	500
VISA FEES	825	900	900	900	900
Total Materials & Services	62,203	97,242	129,000	110,476	136,900
Total Municipal Court	179,620	188,604	223,900	202,768	239,400

Sutherlin Fire Department

VISION STATEMENT:

The Vision of Sutherlin Fire Department is to be a progressive, innovative, and dynamic organization, committed to excellence in the delivery of all its services as an all-hazards emergency response organization that supports a safe, healthy, and growing community.

MISSION STATEMENT:

Sutherlin Fire Department strives to preserve life and enhance the health and well-being of our customers through rapid response to fire, medical, rescue emergencies and community risk reduction programs. We achieve this by virtue of Professionalism, Leadership, Vigilance, Integrity, and Honor.

CORE VALUES:

Professionalism · Leadership · Vigilance · Integrity · Honor

Professionalism: We approach every day and every challenge with a positive attitude. We provide professional service by treating others with compassion, dignity, and respect.

Leadership: We believe that leadership is the force that drives a team to accomplish the mission. That it fosters compassion to listen to others while being strong enough to make difficult decisions. That it requires us to lead by example and in doing so we set a higher standard.

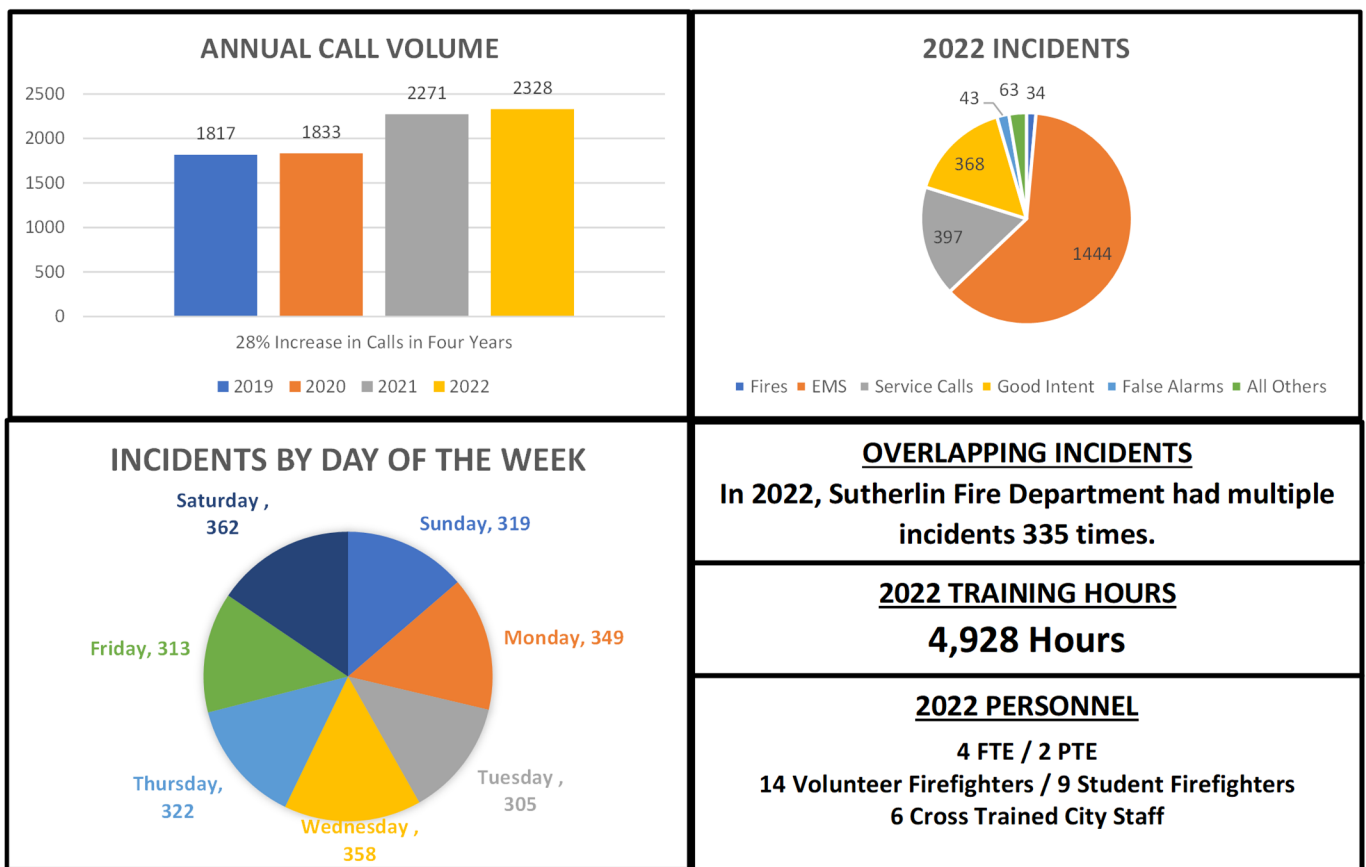
Vigilance: To maintain physical and mental readiness at all times. To be ever training, ever preparing.

Integrity: We value the public's trust and are committed to honesty and ethical behavior. We believe in a personal commitment to the organization and community.

Honor: We believe honor is living up to our values. Honor is the act of carrying out, acting and living the virtues of Integrity, Professionalism, Leadership and Vigilance in everything we do.

Summary

The Sutherlin Fire Department began active service on July 1, 2015 and continues to evolve as a combination fire department, made up of Volunteer Firefighters and Career Staff. On September 1, 2018, Sutherlin Fire Department became an all-hazards fire department, responding to all emergency call types, minus law enforcement calls for service. The City of Sutherlin currently staffs Fire Station 1 24-hours a day, 365 days a year with one Career Battalion Chief who is the Shift Supervisor, and two or three Student Firefighters. Our Volunteer Firefighters also pull shifts to boost our staffing when available. Sutherlin Fire Department provides essential government services to the citizens of Sutherlin, and focuses on our priorities of life safety, incident stabilization, and property loss mitigation. Sutherlin Fire had an increase of 22% in call volume in the past four years. Sutherlin Fire Department's current structure includes a Fire Chief, Deputy Chief, Division Chief, three Battalion Chiefs, 15-20 Volunteers, and 7-9 Umpqua Community College Students.



Accomplishments for Fiscal Year 2022 – 2023

- Updated the Battalion Chief office with removal of old desk; replaced with workstations
- Increased Student Firefighters from six to nine total.
- Provided advance training in Fire and EMS

Goals for Fiscal Year 2023-2024

- Continue the recruiting of Volunteer firefighters.
- Recruit UCC Fire science and EMS students.
- Increase the Equipment Replacement Fund.
- Continue funding into reserve account for the replacement of aging fire apparatus.
- Increase staffing through Oregon Fire Marshal Office staffing grant.
- Secure Funding through Assistants Firefighter Grant to purchase a Ladder Truck.

Fiscal Year 2023-24 Changes

Personnel services costs will increase overall by 7.03% over last years' budget amount. This is due to COLAs, PERS, Health Insurance and Workers Comp rate increases.

Materials and Services are budgeted to increase from the current budget. Douglas County Dispatch is reflecting a 3% increase, there is an increase to Equipment Maintenance and the scholarship amount will go from \$2,000/term to \$2,700/term.

Transfers to the Fire Reserve Fund are budgeted at a consistent level to facilitate future Vehicle and Equipment Replacements. The CIP shown in the Fire Reserve Fund details the future capital needs of the Fire Department.

Staffing

Position	FY23 FTEs	FY24 FTEs
Fire Chief	0.5	0.5
Deputy Chief	0.5	0.5
Division Chief	1.0	1.0
Battalion Chief	3.0	3.0
Fire Department Total	5.0	5.0

Fire	2020-21 Prior year 2 Actual	2021-22 Prior year Actual	2022-23 Curr Year Budget	2022-23 Projected Year-End	2023-24 Adopted Budget
Personnel Services					
HEALTH BENEFITS	106,646	83,248	97,800	86,732	109,500
MEDICARE	8,039	7,936	7,840	9,750	7,840
OREGON PERS	103,359	126,103	148,200	136,123	169,900
OTHER INSURANCE BENEFITS	(2,364)	311	700	1,200	700
OVERTIME	16,124	30,114	31,700	68,493	30,000
SALARIES AND WAGES	532,517	513,929	540,410	584,986	572,200
SOCIAL SECURITY (FICA)	34,371	33,932	35,500	46,899	39,800
STATE UNEMPLOYMENT (SUTA)	6,196	6,965	8,200	8,465	7,200
VOLUNTEER-FIRE	21,880	19,784	24,000	26,291	20,000
WORKERS COMPENSATION	15,823	13,694	21,500	19,500	21,500
Total Personnel Services	842,590	836,017	915,850	988,440	978,640
Materials & Services					
BUILDING MAINTENANCE	21,156	26,647	17,000	17,000	15,300
COMMUNICATIONS	12,151	18,736	16,000	16,000	13,100
CONTRACTED SERVICES	10,096	2,730	10,800	11,799	10,400
DOUGLAS COUNTY DISPATCH	11,000	27,308	28,300	28,300	30,000
EMERGENCY MANAGEMENT	14,576	12,534	15,000	15,000	15,500
EQUIPMENT MAINTENANCE	41,403	53,496	40,900	40,900	47,200
EQUIPMENT RENTAL	-	100	500	570	500
FIRE & RESCUE REHAB	933	414	1,700	1,400	1,700
FIRE PREVENTION	2,277	2,394	3,000	3,000	3,000
FIRE EQUIPMENT	37,289	14,425	46,100	46,100	46,100
FURNISHINGS	2,231	29	5,000	7,000	3,600
GAS & LUBRICANTS	9,263	16,256	14,000	17,796	15,000
HAZARDOUS MATERIALS & SUPPLIES	952	730	2,600	2,731	3,000
HIRING EXPENSES	1,115	66	2,500	1,500	2,500
JANITORIAL SUPPLIES	5,238	5,167	4,000	5,857	4,500
KITCHEN TOOLS & SUPPLIES	798	749	1,700	1,500	2,500
LEGAL FEES	-	-	-	-	-
MAINTENANCE CONTRACTS	111	-	-	200	-
MEDICAL AID SUPPLIES	8,694	10,131	13,000	10,000	14,500
MEDICAL PHYSICALS	3,238	2,189	8,600	2,500	8,600
MEETINGS	11	18	2,000	1,100	2,000

Fire Budget Cont.	2020-21 Prior year 2 Actual	2021-22 Prior year Actual	2022-23 Curr Year Budget	2022-23 Projected Year-End	2023-24 Adopted Budget
MEMBERSHIPS & SUBSCRIPTIONS	1,211	1,411	1,000	1,375	1,400
OFFICE EQUIPMENT	2,495	304	1,000	2,000	1,000
OFFICE MACHINE MAINTENANCE	2,722	3,892	3,600	1,000	3,600
OFFICE SUPPLIES	2,846	773	2,000	2,806	2,000
PHYSICAL FITNESS	2,657	780	1,500	1,600	1,500
POSTAGE	231	222	500	100	500
PRINTING AND ADVERTISING	1,204	1,073	1,300	750	1,600
RESCUE EQUIPMENT	33,421	-	-	-	-
RESIDENT SCHOLARSHIP	63,500	71,000	72,000	70,000	97,000
TELEPHONE & DATA CHARGES	6,381	6,898	6,000	8,645	6,000
TRAINING	9,561	14,490	13,100	10,000	13,000
TRAVEL EXPENSES	1,277	3,345	3,000	4,000	3,600
UNIFORM ALLOWANCE	6,681	7,573	9,100	8,949	9,100
UTILITIES	22,884	22,334	28,000	27,941	25,000
VOLUNTEER RECOGNITION	2,060	2,863	3,500	3,500	3,500
WEB & EMAIL HOSTING	-	-	-	-	1,200
Total Materials & Services	341,664	331,078	378,300	372,919	409,000
Capital Outlay					
FIRE EQUIPMENT	-	-	-	45,000	-
Total Capital Outlay	-	-	-	45,000	-
Transfers					
TO FIRE RESERVE FUND	165,000	190,000	165,000	188,620	165,000
Total Transfers	165,000	190,000	165,000	188,620	165,000
Total Fire	1,349,254	1,357,094	1,459,150	1,594,979	1,552,640

Equipment Line Item Includes:

- Bunker Gear
- Leather Fire Gloves
- Fire Hoods & Boots
- Wildland Gear
- Chief's Nozzle, Hose Accessories & Chimney Nozzle, New Hose
- Conflagration Trailer Supplies, Duracell Power Source
- Other including Fire Coat Plate Ext, Name Tags, Cairns Helmets, Traffic Cones and Signage, Safety Equip

Non-Departmental

Summary

Non-departmental includes the accounting of City activities that are not the direct responsibility of any given department/division/operation, as well as programs and services provided by other agencies that benefit the community.

Fiscal Year 2023-24 Changes

Liability, Cyber Crime and Property Insurance is scheduled to increase by 15% over this years' actual amount, which was slightly higher than budgeted. Overall, the Material and Services budget has increased by 10.98% which includes the significant increases to the standard operating expenses that we are seeing. We are also budgeting to purchase a Community Notification application that our citizens could register for, and then receive e-mails, text alerts or voice calls on a myriad of topics. These would include weather alerts, Emergency Operations Alerts, fire situations, Water issues, City press releases, etc.

Non-Departmental	2020-21 Prior year 2 Actual	2021-22 Prior year Actual	2022-23 Curr Year Budget	2022-23 Projected Year-End	2023-24 Adopted Budget
Materials & Supplies					
CONTRACTED SERVICES	-	-	-	15,000	-
DO CO TAXES	323	179	750	700	750
INSURANCE	180,036	201,983	238,300	241,340	277,500
JANITORIAL SUPPLIES	214	34	-	-	-
LEAGUE OF OREGON CITIES	6,368	6,660	7,300	7,297	7,810
LEASED VEHICLES EXPENSES	6,220	6,366	6,500	6,186	6,200
MEETINGS	59	407	-	600	600
MEMBERSHIPS AND SUBSCRIPTIONS	1,854	2,089	3,600	4,200	4,200
MISCELLANEOUS	-	81	-	80	-
OFFICE EQUIPMENT	-	681	-	775	-
OFFICE MACHINE MAINTENANCE	62,280	86,250	75,000	80,000	82,000
OFFICE SUPPLIES	2,472	3,770	4,500	3,000	4,500
PAPER STOCK	1,129	1,522	2,000	1,000	2,000
POSTAGE	4,888	4,657	7,000	6,647	7,000
PRINTING AND ADVERTISING	2,996	3,000	5,000	2,500	5,000
PUBLIC LOOP SYSTEM	-	-	5,000	-	-
SPECIAL PROJ	5,000	10,025	5,000	7,500	5,000
TELEPHONE	7,534	10,106	11,000	10,794	11,000
UTILITIES	13,764	13,905	17,500	16,000	17,500
Total Materials & Supplies	295,136	351,914	388,450	403,620	431,060
Capital Outlay					
OFFICE EQUIPMENT	-	-	5,000	1,000	-
Total Capital Outlay	-	-	5,000	1,000	-
Transfers					
TO STREET CONSTRUCTION	-	250,000	215,000	107,500	-
To Water Construction from A.R.P	-	275,000	155,000	77,500	-
TO LIBRARY FUND	26,400	26,400	26,400	26,400	26,400
Total Transfers	26,400	551,400	396,400	211,400	26,400
Other Requirements					
LOAN TO URA	-	457,032	250,000	410,000	-
Total Non-Departmental	321,536	1,360,346	1,039,850	1,026,020	457,460

Other Requirements

The City’s fiscal policies direct that the general fund maintain sufficient funds so that short-term borrowing is unnecessary prior to the receipt of property taxes in November. The estimated minimum fund balance for fiscal year 2023-24 is approximately \$1,200,000. An estimated beginning fund balance of \$1,477,000 leaves us with a \$277,000 cushion in reserve to start this year.

Given the Revenue and Expenditure assumptions in this adopted budget, including the partial repayment of the loan to the URA, it is estimated that there will still be contingency of \$200,000 with the balance of available funds as \$800,006 unappropriated at year end.

	2020-21 Prior year 2 Actual	2021-22 Prior year Actual	2022-23 Curr Year Budget	2022-23 Projected Year-End	2023-24 Approved Budget
Other Requirements					
CONTINGENCY	-	-	200,000	-	200,000
UNAPPROPRIATED FUNDS	-	-	1,241,371	-	800,006
Total Other Requirements	-	-	1,441,371	-	1,000,006

Police Reserve Fund

Summary

This fund is used to accumulate resources to provide for the periodic replacement of Police Department vehicles and capital equipment purchases and to set aside funds for the Recruitment and Retention/Longevity Incentive Plan as approved by the City Council. The approved annual transfer is adjusted each year to accommodate these.

The Capital Improvement Plan is detailed below:

- Continue Axon Body Camera assurance plan \$10,600-Year 3 (of 5) installment. Contract ends Nov 14, 2025.
- Continue Axon Fleet Camera plan \$18,703 – Year 1 (of 5) installment payment for Axon Fleet in car camera system. Contract ends Dec 14th, 2028.
- \$156,000 for replacement of patrol units 1703 & 1704 (2023/24)
- \$80,340 for replacement of patrol unit 19-01 (2024/25)
- \$36,000 for the replacement of 15 Taser X2's (2024/25)
- \$165,500 replacement of patrol units 1700 & 21-01 (2025/26)
- \$43,000 Portable Radio Replacement (19) (2025/26)
- \$11,500 Replace AED's (8). Replace at 7 years – (2025/26)
- \$86,890 for replacement of CEO unit 19-02 (2026/27)

Police Reserve Fund Five-Year Capital Improvement Plan

Description	Total	Fiscal Year Ending June 30,				
		2024	2025	2026	2027	2028
Patrol Cars	\$ 488,730	\$ 156,000	\$ 80,340	\$ 165,500	\$ 86,890	\$ -
SPD Longevity Item	142,500	107,500	5,000	5,000	12,500	12,500
TASER X2's	36,000	-	36,000	-	-	-
Axon Body Cameras	53,960	10,600	10,600	10,920	10,920	10,920
Mobile Data Terminals	-	-	-	-	-	-
Police Ptbl Radios-19	43,000	-	-	43,000	-	-
In-Car & Base Radios-9	-	-	-	-	-	-
In-Car Cameras-Axon	93,520	18,704	18,704	18,704	18,704	18,704
In-Car Repeaters	-	-	-	-	-	-
AEDs	11,500	-	-	11,500	-	-
	\$ 869,210	\$ 292,804	\$ 150,644	\$ 254,624	\$ 129,014	\$ 42,124

Notes:

- 1 Amounts are rounded
- 2 Vehicles and equipment with an initial cost of \$5,000 or more are scheduled.
- 3 Patrol Cars are scheduled for replacement after 100,000 miles and include all equipment.
- 4 An annual increase is assumed for inflation.

Police Reserve Fund	2020-21 Prior year 2 Actual	2021-22 Prior year Actual	2022-23 Curr Year Budget	2022-23 Projected Year-End	2023-24 Adopted Budget
BEGINNING FUND BALANCE	97,535	192,193	316,000	376,325	388,000
Revenue					
Miscellaneous					
INTEREST EARNED	1,010	1,385	1,000	9,050	12,066
SURPLUS PROPERTY SALES	-	-	-	-	-
Total Miscellaneous	1,010	1,385	1,000	9,050	12,066
Transfers					
FROM GENERAL FUND-POLICE	100,000	285,000	180,000	180,000	180,000
Total Revenue	101,010	286,385	181,000	189,050	192,066
Total Resources	198,546	478,578	497,000	565,375	580,066
Expenditures					
Capital Outlay					
LONGEVITY FUND	-	27,500	112,500	12,500	107,500
EQUIPMENT	6,352	74,753	165,200	165,200	185,304
Total Capital Outlay	6,352	102,253	277,700	177,700	292,804
Other Requirements					
CONTINGENCY	-	-	219,300	-	287,262
UNAPPROPRIATED FUNDS	-	-	-	-	-
Total Other Requirements	-	-	219,300	-	287,262
Total Expenditures & Other Requirements	6,352	102,253	497,000	177,700	580,066

Fire Reserve Fund

Summary

This fund is used to accumulate resources to provide for the periodic replacement of Fire Department vehicles and capital equipment purchases.

Fiscal Year 2023-24 Changes

The replacement of the Dual Band Portable Radios is scheduled for this year. Details of the 10 year capital improvement plan are listed below.

Fire Reserve Fund Ten-Year Capital Improvement Plan

Description	Total	Fiscal Year Ending June 30,				
		2024	2025	2026	2027	2028
Fire Engine - Pumper	\$ 775,000	\$ -	\$ 775,000	\$ -	\$ -	
Pumper Misc Equipment	38,587	\$ -	\$ 38,587	\$ -	\$ -	
Fire Engine - Aerial	-	-	-	-	-	-
Fire Engine - Tender	-	-	-	-	-	-
Fire Engine - Brush Rig	-	-	-	-	-	-
Vehicle - Command	90,000	-	-	90,000	-	-
Self Contained Breathing Apparatus	-	-	-	-	-	-
Cascade Air Compr System	90,000	-	-	-	90,000	-
Mobile Radios (10)	-	-	-	-	-	-
Dual Band Portable Radios (20)	13,000	13,000	-	-	-	-
Heart Monitors	-	-	-	-	-	-
Thermal Imaging Camera	-	-	-	-	-	-
\$ 1,006,587	\$ 13,000	\$ 813,587	\$ 90,000	\$ 90,000	\$ -	

Description	Total	Fiscal Year Ending June 30,				
		2029	2030	2031	2032	2033
Fire Engine - Pumper	\$ -	-	-	-	-	-
Fire Engine - Aerial	-	-	-	-	-	-
Fire Engine - Tender	-	-	-	-	-	-
Fire Engine - Brush Rig	142,000	-	142,000	-	-	-
Vehicle - Command	100,000	-	-	100,000	-	-
Self Contained Breathing Apparatus	400,000	-	-	-	200,000	200,000
Mobile Radios (10)	-	-	-	-	-	-
Dual Band Portable Radios (20)	-	-	-	-	-	-
Autopulse	57,000	-	-	57,000	-	-
Heart Monitors	177,000	-	177,000	-	-	-
Extrication Tools	65,000	65,000	-	-	-	-
\$ 941,000	\$ 65,000	\$ 319,000	\$ 157,000	\$ 200,000	\$ 200,000	

Notes:

- 1 Amounts are rounded to the nearest thousand.
- 2 Vehicles and equipment with an initial cost of \$5,000 or more are scheduled.
- 3 Pumpers, Aerials, and Tenders have an expected useful life of 30 years.
- 4 Brush Rigs have an expected useful life of 15 years.
- 5 Command vehicle will have an expected useful life of 10 years.
- 6 SCBAs have an expected useful life 15 years.
- 7 Mobile radios have an expected useful life of 5 to 7 years.
- 8 Portable radios have an expected useful life of 7 to 10 years.
- 9 Extrication tools have an expected useful life of 15 years.
- 10 Thermal imaging cameras have an expected useful life of 10 years.
- 11 An annual increase is assumed for inflation.

Fire Reserve Fund	2020-21 Prior year 2 Actual	2021-22 Prior year Actual	2022-23 Curr Year Budget	2022-23 Projected Year-End	2023-24 Adopted Budget
BEGINNING FUND BALANCE	782,897	416,356	441,000	441,165	642,000
Revenue					
Miscellaneous					
GRANTS	-	-	-	-	-
INTEREST EARNED	2,884	2,244	1,400	12,465	16,620
SURPLUS PROPERTY SALES	-	-	-	-	-
Total Miscellaneous	2,884	2,244	1,400	12,465	16,620
Transfers					
FROM GENERAL FUND-FIRE	165,000	190,000	165,000	188,620	165,000
Total Revenue	167,884	192,244	166,400	201,085	181,620
Total Resources	950,781	608,600	607,400	642,250	823,620
Expenditures					
Capital Outlay					
FIRE EQUIPMENT	534,425	162,435	-	-	13,000
VEHICLES	-	5,000	-	-	-
Total Capital Outlay	534,425	167,435	-	-	13,000
Other Requirements					
CONTINGENCY	-	-	607,400	-	810,620
UNAPPROPRIATED FUNDS	-	-	-	-	-
Total Other Requirements	-	-	607,400	-	810,620
Total Expenditures & Other Requirements	534,425	167,435	607,400	-	823,620

Park/Facilities Reserve Fund

Summary

This fund was created to accumulate resources to provide for the periodic replacement of capital equipment, some parks improvements (when funding is available) and major repairs of City building facilities such as the Community Center, City Hall, Library and the Civic Center.

Fiscal Year 2023-24 Changes

The Capital Improvement Plan details are shown below. Both the Fire and Police Departments have received \$2.4 Million Seismic Renovation grants for their buildings and these projects will commence in this fiscal year.

Parks/Facilities Reserve Fund Five-Year Capital Improvement Plan

Description	Fiscal Year Ending June 30,					
	Total	2024	2025	2026	2027	2028
Tennis Ct/Pickle Ball Resurface	\$ 35,000	\$ 35,000	\$ -	\$ -	\$ -	\$ -
Hartley Park Sidewalks, ARP	-	-	-	-	-	-
Stage Cover/ Lights	100,000	20,000	20,000	20,000	20,000	20,000
New Mower	20,000	-	20,000	-	-	-
HVAC Replacements	82,500	25,000	25,000	20,000	12,500	-
City Hall Pavement	-	-	-	-	-	-
Fire Station Seismic Renov.	2,400,000	500,000	1,900,000	-	-	-
PD Seismic Renovation Gr.	2,400,000	500,000	1,900,000	-	-	-
Pavement/Roof-City Hall	200,000	100,000	100,000	-	-	-
Ford's Pond Shortfall	200,000	200,000	-	-	-	-
OR State Marine Grant Match	75,000	75,000	-	-	-	-
	\$ 5,512,500	\$ 1,455,000	\$ 3,925,000	\$ 20,000	\$ 12,500	\$ -

In Parks-Fac's Ops Budget
 Parks-Fac Reserve
 In Parks Const

Notes:

- 1 Amounts are rounded to the nearest thousand.
- 2 Vehicles and equipment with an initial cost of \$5,000 or more are scheduled.
- 3 The HVAC systems shown for replacement are at the end of their useful life.
- 4 An annual increase is assumed for inflation.
- 5 2 Public Safety Renovation Grants Received

Parks/Facilities Reserve Fund	2020-21 Prior year 2 Actual	2021-22 Prior year Actual	2022-23 Curr Year Budget	2022-23 Projected Year-End	2023-24 Adopted Budget
BEGINNING FUND BALANCE	233,819	294,429	108,000	228,170	261,000
Revenue					
Intergovernmental					
GRANTS	-	-	2,000	-	1,000,000
Miscellaneous					
INTEREST EARNED	1,887	1,293	800	6,188	8,251
MISCELLANEOUS	1,000	-	-	-	-
	2,887	1,293	800	6,188	8,251
Transfers					
FROM GEN FUND-PARKS/FACIL	80,000	80,000	80,000	80,000	50,000
Total Revenue	82,887	81,293	82,800	86,188	1,058,251
Total Resources	316,706	375,721	190,800	314,358	1,319,251
Expenditures					
Capital Outlay					
BUILDING IMPROVEMENTS	22,277	140,339	35,000	35,000	1,100,000
EQUIPMENT	-	7,213	25,000	18,000	25,000
Total Capital Outlay	22,277	147,552	60,000	53,000	1,125,000
Other Requirements					
CONTINGENCY	-	-	130,800	-	194,251
UNAPPROPRIATED FUNDS	-	-	-	-	-
Total Other Requirements	-	-	130,800	-	194,251
Total Expenditures & Other Requirements	22,277	147,552	190,800	53,000	1,319,251

Parks Construction Fund

Parks Construction Fund	2020-21 Prior year 2 Actual	2021-22 Prior year Actual	2022-23 Curr Year Budget	2022-23 Projected Year-End	2023-24 Adopted Budget
BEGINNING FUND BALANCE	186,743	(42,621)	169,000	(20,147)	106,000
Revenue					
Intergovernmental					
GRANTS	307,678	251,291	550,000	550,000	2,120,000
Charges for Services					
SYSTEM DEVELOPMENT CHARGES	60,209	64,565	15,000	25,000	15,000
Miscellaneous					
INTEREST EARNED	579	115	800	800	800
Transfers					
FROM BICYCLE/FOOTPATH FUND	-	-	-	-	-
FROM GEN FUND-PARKS/FACIL	-	200,000	200,000	200,000	100,000
FROM TOURISM-MOTEL TAX FUND	-	20,000	40,000	40,000	40,000
FROM STATE GAS TAX FUND	-	-	-	-	-
Total Transfers	-	220,000	240,000	240,000	140,000
Total Revenue	368,467	535,971	805,800	815,800	2,275,800
Total Resources	555,209	493,350	974,800	795,653	2,381,800
Expenditures					
Capital Outlay					
PARK PROJECT-Fords Pond	597,830	79,364	500,000	-	-
PROJ #2-FORDS POND IMPR	-	89,526	-	500,000	2,300,000
Parks - Other	-	344,607	250,000	190,000	75,000
RED ROCK TRAIL	-	-	-	-	-
Total Capital Outlay	597,830	513,497	750,000	690,000	2,375,000
Other Requirements					
CONTINGENCY	-	-	224,800	-	6,800
UNAPPROPRIATED FUNDS	-	-	-	-	-
Total Other Requirements	-	-	224,800	-	6,800
Total Expenditures & Other Requirements	597,830	513,497	974,800	690,000	2,381,800

Special Revenue Funds Section

The following are the special revenue type funds the City utilizes. These funds use the modified accrual basis of accounting.

- ❖ **Motel Tax-Tourism**
- ❖ **Library Board Fund**

Prior Year Comparison Special Revenue Funds Section

	2022-23 Adopted Budget	2023-24 Adopted Budget	Difference	% Difference
Beginning Fund Balance	272,700	361,670	88,970	32.63%
Revenue	186,110	237,510	51,400	27.62%
Transfers In	26,400	26,400	-	0.00%
Debt Proceeds	-	-	-	0.00%
Total Curr Resources	212,510	263,910	51,400	24.19%
TOTAL RESOURCES	485,210	625,580		
Personnel Services	-	-	-	0.00%
Materials & Services				
Supplies	-	-	-	0.00%
Services	142,025	170,150	28,125	19.80%
Maintenance	450	750	300	66.67%
Utilities	-	-	-	0.00%
Other	-	-	-	0.00%
Total Materials & Services	142,475	170,900	28,425	19.95%
Other Expenses				
Capital Outlay	-	-	-	0.00%
Transfers Out	54,900	54,900	-	0.00%
Debt Service	-	-	-	0.00%
Contingency	287,835	399,780	111,945	38.89%
Restricted Funds	-	-	-	0.00%
Total Other Expenses	342,735	454,680	111,945	32.66%
TOTAL EXP'S & OTHER	485,210	625,580		
Ending Fund Balance	-	-	-	

Tourism-Motel Tax Fund

Summary

This fund accounts for the City's tourism promotion activities. The primary funding source is a transient room tax of eight percent (8%) assessed at all motels and RV parks within the City limits. The Sutherlin Area Chamber of Commerce provides the promotional services for the City under contract. It receives 5% of the 8% tax paid on a quarterly basis.

Fiscal Year 2023-24 Changes

As stated above, the Chamber of Commerce receives 5% of the 8% tax. This equates to \$143,750 for this year for promotional related tourism. In addition, \$40,000 has been budgeted for Tourism Development for parks.

Tourism-Motel Tax Fund	2020-21 Prior year 2 Actual	2021-22 Prior year Actual	2022-23 Curr Year Budget	2022-23 Projected Year-End	2023-24 Adopted Budget
BEGINNING FUND BALANCE	163,599	232,877	272,000	343,651	361,000
Revenue					
Taxes					
TRANSIENT MOTEL ROOM TAX	199,018	250,607	185,000	229,249	230,000
Miscellaneous					
INTEREST EARNED	1,534	1,632	1,100	9,620	7,500
MISCELLANEOUS	-	-	-	-	-
Total Miscellaneous	1,534	1,632	1,100	9,620	7,500
Total Revenue	200,552	252,239	186,100	238,869	237,500
Total Resources	364,151	485,116	458,100	582,520	598,500
Expenditures					
Materials & Services					
BUILDING MAINTENANCE	350	315	450	600	750
TOURISM DEVELOPMENT	6,537	-	-	-	-
TOURISM PROMOTION	109,487	106,250	115,625	166,005	143,750
Total Materials & Services	116,374	106,565	116,075	166,605	144,500
Debt Service					
LOAN INTEREST	-	-	-	-	-
LOAN PRINCIPAL	-	-	-	-	-
Total Debt Service	-	-	-	-	-
Transfers					
TO GENERAL FUND	14,900	14,900	14,900	14,900	14,900
TO PARKS CONSTRUCTION FUND	-	20,000	40,000	40,000	40,000
Total Transfers	14,900	34,900	54,900	54,900	54,900
Other Requirements					
CONTINGENCY	-	-	162,514	-	261,638
CONTINGENCY-TOURISM DEV (3%)	-	-	124,611	-	137,463
UNAPPROPRIATED	-	-	-	-	-
Total Other Requirements	-	-	287,125	-	399,100
Total Expenditures & Other Requirements	131,274	141,465	458,100	221,505	598,500

Library Board Fund

Summary

The Library Board Fund is a special revenue fund used to set aside revenues for the support of the Library Board's activities. Revenues supporting this fund come from grants, donations, and revenue from the copying machine located at the library.

Fiscal Year 2023-24 Changes

No significant changes are anticipated in this fund.

Library Board Fund	2020-21 Prior year 2 Actual	2021-22 Prior year Actual	2022-23 Curr Year Budget	2022-23 Projected Year-End	2023-24 Adopted Budget
BEGINNING FUND BALANCE	582	664	700	664	670
Revenue					
Miscellaneous					
DONATIONS	-	-	-	-	-
GRANTS	-	-	-	-	-
INTEREST EARNED	82	-	10	10	10
Total Miscellaneous	82	-	10	10	10
Transfers					
FROM GENERAL FUND	26,400	26,400	26,400	26,400	26,400
Total Revenue	26,482	26,400	26,410	26,410	26,410
Total Resources	27,064	27,064	27,110	27,074	27,080
Expenditures					
Materials & Services					
CONTRACTED SERVICES	26,400	26,400	26,400	26,400	26,400
OFFICE SUPPLIES	-	-	-	-	-
Total Materials & Services	26,400	26,400	26,400	26,400	26,400
Other Requirements					
CONTINGENCY	-	-	710	-	680
UNAPPROPRIATED FUNDS	-	-	-	-	-
Total Other Requirements	-	-	710	-	680
Total Expenditures & Other Requirements	26,400	26,400	27,110	26,400	27,080

Prior Year Comparison
General Obligation Bond Section

	2022-23 Adopted Budget	2023-24 Adopted Budget	Difference	% Difference
Beginning Fund Balance	1,000	5,000	4,000	400.00%
Revenue	61,500	61,500	-	0.00%
Transfers In	-	-	-	0.00%
Debt Proceeds	-	-	-	0.00%
Total Curr Resources	<u>61,500</u>	<u>61,500</u>	<u>-</u>	<u>0.00%</u>
TOTAL RESOURCES	<u>62,500</u>	<u>66,500</u>		
Personnel Services	-	-	-	0.00%
Materials & Services				
Supplies	-	-	-	0.00%
Services	-	-	-	0.00%
Maintenance	-	-	-	0.00%
Utilities	-	-	-	0.00%
Other	-	-	-	0.00%
Total Materials & Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.00%</u>
Other Expenses				
Capital Outlay	-	-	-	0.00%
Transfers Out	-	-	-	0.00%
Debt Service	58,250	60,750	2,500	4.29%
Contingency	-	-	-	0.00%
Restricted Funds	4,250	5,750	1,500	35.29%
Total Other Expenses	<u>62,500</u>	<u>66,500</u>	<u>4,000</u>	<u>6.40%</u>
TOTAL EXP'S & OTHER	<u>62,500</u>	<u>66,500</u>		
Ending Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	

GO Bond Debt Service Fund

Summary

This fund accounts for the repayment of general obligation bonded debt approved by voters to construct the Library building. Property tax is the sole source of repayment, which results from a separate property tax levy on all property in Sutherlin. The tax levy is exempt from Measure 5 limitations. This obligation will be paid in full in the year 2025.

Tax Levy

The approved tax levy is \$66,000. We estimate a projected collection rate of approximately 92% in the year of levy, resulting in budgeted current year revenue of \$61,500.

Fiscal Year 2023-24 Changes

No significant changes are anticipated in this fund.

G.O. Bond Fund	2020-21 Prior year 2 Actual	2021-22 Prior year Actual	2022-23 Curr Year Budget	2022-23 Projected Year-End	2023-24 Adopted Budget
BEGINNING FUND BALANCE	934	936	1,000	1,688	5,000
Revenue					
Property Taxes					
CURRENT TAXES	57,000	60,000	60,000	60,000	60,000
DELINQUENT TAXES	1,000	1,500	1,500	1,500	1,500
Total Property Taxes	58,000	61,500	61,500	61,500	61,500
Miscellaneous					
INTEREST EARNED	2	1	-	8	-
Total Revenue	58,002	61,501	61,500	61,508	61,500
Total Resources	58,936	62,438	62,500	63,196	66,500
Expenditures					
Debt Service					
PRINCIPAL	45,000	50,000	50,000	50,000	55,000
INTEREST	13,000	10,750	8,250	8,250	5,750
Total Debt Service	58,000	60,750	58,250	58,250	60,750
Other Requirements					
UNAPPROPRIATED FUNDS	-	-	4,250	-	5,750
Total Expenditures & Other Requirements	58,000	60,750	62,500	58,250	66,500

Street Funds Section

The City has several funds to account for activities associated with the City's transportation system:

- ❖ **State Gas Tax Fund**
- ❖ **Bicycle/Footpath Fund**
- ❖ **Street Construction Fund**
- ❖ **Street SDC Fund**

The State Gas Tax Fund and Bicycle/Footpath Fund are special revenue type funds and the Street Construction, and Street SDC are capital project type funds. These funds use the modified accrual basis of accounting.

Prior Year Comparison Street Funds Section

	2022-23 Adopted Budget	2023-24 Adopted Budget	Difference	%Difference
Beginning Fund Balance	820,000	1,256,000	436,000	53.17%
Revenue	1,361,000	756,960	(604,040)	-44.38%
Transfers In	215,000	150,000	(65,000)	-30.23%
Debt Proceeds	-	-	-	0.00%
Total Curr Resources	1,576,000	906,960	(669,040)	-42.45%
TOTAL RESOURCES	2,396,000	2,162,960		
Personnel Services	-	-	-	0.00%
Materials & Services				
Supplies	-	-	-	0.00%
Services	58,500	59,000	500	0.85%
Maintenance	61,000	61,000	-	0.00%
Utilities	82,000	82,000	-	0.00%
Other	-	-	-	0.00%
Total Materials & Services	201,500	202,000	500	0.25%
Other Expenses				
Capital Outlay	1,195,000	630,000	(565,000)	-47.28%
Transfers Out	368,300	550,800	182,500	49.55%
Debt Service	54,900	54,900	-	0.00%
Contingency	576,300	725,260	148,960	25.85%
Restricted Funds	-	-	-	0.00%
Total Other Expenses	2,194,500	1,960,960	(233,540)	-10.64%
TOTAL EXP'S & OTHER	2,396,000	2,162,960		
Ending Fund Balance	-	-	-	

State Gas Tax Fund

The State Gas Tax Fund accounts for the City’s street maintenance activity. The primary source of revenue is State Gas Tax. Payments in lieu of property taxes from Murphy Plywood were completed in 22-23.

Beginning Fund Balance & Ending Fund Balance / Contingency Comparison

Over the past few years, the funds originally set aside for sidewalk and pavement management have been used for various large scale pavement improvement projects (Central Ave, Valentine Ave). This year, the normal amount for these types of projects has been reinstated. The fund balance in this account is building up so we will be able to take care of the top priority Street Maintenance as presented to the City Council this year.

Fiscal Year 2023-24 Changes

Materials & Services will remain basically the same. The adopted budget includes continuing the sidewalks on the south side of Central out to the eastern City Limits. Transfers will remain the same. Capital improvement projects for the next five years are detailed below.

Streets

Five-Year Capital Improvement Plan

Description	Total	Fiscal Year Ending June 30,				
		2024	2025	2026	2027	2028
Sidewalks-1st Street	\$ 553,000	\$ 100,000	\$ 105,000	\$ 110,000	\$ 116,000	\$ 122,000
Myrtle Street Connector	1,600,000	-	-	-	1,600,000	-
Everett/State	-	-	-	-	-	-
Waite Street Impr**	2,230,000	230,000	1,000,000	1,000,000	-	-
Terrace St Upper	200,000	200,000	-	-	-	-
Waite Street/Central Signal	1,500,000	-	-	-	-	1,500,000
Red Rock Road Improvement	2,100,000	-	-	-	2,100,000	-
Pavement Management	1,440,000	100,000	320,000	330,000	340,000	350,000
	\$ 9,623,000	\$ 630,000	\$ 1,425,000	\$ 1,440,000	\$ 4,156,000	\$ 1,972,000
		Carried out in State Gas Tax Fund				
		Carried out in Street Construction				

**The Major improvement plan is based on funding availability

Notes:

- 1 Amounts are rounded to the nearest thousand.
- 2 Inflationary Increases projected

Continued on Next Page

State Gas Tax Fund	2020-21	2021-22	2022-23	2022-23	2023-24
	Prior year 2	Prior year	Curr Year	Projected	Adopted
	Actual	Actual	Budget	YearEnd	Budget
BEGINNING FUND BALANCE	420,154	413,864	307,000	650,679	529,000
Revenue					
Intergovernmental					
STATE GAS TAX	675,470	678,957	700,000	694,541	700,000
STATE/County CSLFRF Post Fire	-	50,000	-	-	-
Charges for Services					
COMMUNITY SERVICE FEE	135,982	135,960	-	135,960	-
Miscellaneous					
INTEREST EARNED	3,126	3,504	1,800	9,570	12,760
MISCELLANEOUS	-	-	-	-	-
Total Miscellaneous	3,126	3,504	1,800	9,570	12,760
Total Revenue	814,577	868,420	701,800	840,071	712,760
Total Resources	1,234,731	1,282,284	1,008,800	1,490,750	1,241,760
Expenditures					
Materials & Services					
DRAINAGE MAINTENANCE	-	1,866	10,000	10,000	10,000
PROFESSIONAL SERVICES	18,441	3,193	52,000	47,000	52,000
EQUIPMENT MAINTENANCE	7,995	1,808	8,000	5,000	8,000
GARBAGE COLLECTION	3,170	3,647	4,500	3,577	5,000
STREET LIGHTS	64,713	60,831	75,000	55,805	75,000
STREET MAINTENANCE	12,419	7,752	25,000	25,000	25,000
STREET SIGNS	1,790	4,113	6,000	4,000	6,000
STREET STRIPING	-	-	12,000	12,000	12,000
TRAINING	-	-	2,000	2,000	2,000
VEG CONTROL/TREE TRIM	2,500	3,155	7,000	4,000	7,000
Total Materials & Services	111,027	86,364	201,500	158,382	202,000
Capital Outlay					
STREET/SIDEWALK/DRAINAGE/IMPRO	197,972	122,065	380,000	380,000	400,000
Total Capital Outlay	197,972	122,065	380,000	380,000	400,000
Debt Service					
OTIB LOAN	35,569	54,877	54,900	54,877	54,900
Total Capital Outlay	35,569	54,877	54,900	54,877	54,900
Transfers					
TO GENERAL FUND	188,300	188,300	188,300	188,300	210,000
TO STREET CONSTRUCTION FUND	125,000	-	-	-	150,000
TO PUBLIC WORKS FUND	163,000	180,000	180,000	180,000	190,800
TO PARKS CONSTRUCTION FUND	-	-	-	-	-
Total Transfers	476,300	368,300	368,300	368,300	550,800
Other Requirements					
CONTINGENCY	-	-	4,100	-	34,060
UNAPPROPRIATED FUNDS	-	-	-	-	-
Total Other Requirements	-	-	4,100	-	34,060
Total Expenditures & Other Requirements	820,867	631,605	1,008,800	961,559	1,241,760

Bicycle/Footpath Fund

Summary

This fund accounts for the 1% allocation of the State Gas Tax that must be spent on bicycle and footpath related activities.

Fiscal Year 2023-24 Changes

There are no anticipated expenditures in this fund.

Bicycle/Footpath Fund	2020-21 Prior year 2 Actual	2021-22 Prior year Actual	2022-23 Curr Year Budget	2022-23 Projected Year-End	2023-24 Adopted Budget
BEGINNING FUND BALANCE	6,603	13,478	27,000	20,410	28,000
Revenue					
Intergovernmental					
FROM STATE GAS TAX	6,823	6,858	7,000	7,000	7,000
Miscellaneous					
INTEREST EARNED	52	73	75	516	75
Total Revenue	6,875	6,932	7,075	7,516	7,075
Total Resources	13,478	20,410	34,075	27,926	35,075
Expenditures					
Transfers					
TO PARKS CONST FUND	-	-	-	-	-
Other Requirements					
CONTINGENCY	-	-	34,075	-	35,075
UNAPPROPRIATED FUNDS	-	-	-	-	-
Total Other Requirements	-	-	34,075	-	35,075
Total Expenditures & Other Requirements	-	-	34,075	-	35,075

Street Construction Fund

Summary

This fund accounts for the City’s Street expansion and betterment projects. Funding sources include intergovernmental resources such as Federal Highway exchange funds, and State ODOT funding on a project-by-project basis. Other resources may include transfers from the City’s general fund, state gas tax fund, and grants such as the American Rescue Plan Funds.

Current Projects

This fund has budgeted for the Design and Wetlands delineation for improving Waite Street as presented to the City Council.

Revenue

ODOT Fund Exchange – Federal Highway funding of approximately \$95,000 per year may be exchanged on a ratio of approximately \$.94 for each \$1.00 of federal funds. The City has a current balance of funds of \$304,233

Street Construction Fund	2020-21 Prior year 2 Actual	2021-22 Prior year Actual	2022-23 Curr Year Budget	2022-23 Projected Year-End	2023-24 Adopted Budget
BEGINNING FUND BALANCE	(121,076)	3,924	9,000	54,934	157,000
Revenue					
Intergovernmental					
Exchange FUNDS	-	-	600,000	420,183	-
Total Intergovernmental	-	-	600,000	420,183	-
Miscellaneous					
INTEREST EARNED	-	312	125	3,921	125
Transfers					
FROM STREET SDC FUND	-	-	-	-	-
FROM STATE GAS TAX FUND	125,000	-	-	-	150,000
FROM Amer. Rescue Plan	-	250,000	215,000	107,500	-
Total Transfers	125,000	250,000	215,000	107,500	150,000
Total Revenue	125,000	250,312	815,125	531,604	150,125
Total Resources	3,924	254,237	824,125	586,538	307,125
Expenditures					
Capital Outlay					
OVERLAYS	-	-	-	-	-
STREET/SIDEWALK/DRAINAGE/IMPRO	-	-	215,000	50,000	230,000
STREET REPAIR / MAINTENANCE	-	199,302	600,000	380,000	-
Total Capital Outlay	-	199,302	815,000	430,000	230,000
Other Requirements					
CONTINGENCY	-	-	9,125	-	77,125
UNAPPROPRIATED FUNDS	-	-	-	-	-
Total Other Requirements	-	-	9,125	-	77,125
Total Expenditures & Other Requirements	-	199,302	824,125	430,000	307,125

Street SDC Fund

Summary

This fund accounts for the receipt and disbursement of Transportation System Development Charges (SDCs) improvement fees. SDCs are charged to builders for their proportional impact on future transportation system improvement costs. Consequently, SDCs provide the City a source of revenue to pay for the expansion of the City's transportation system that may otherwise be the direct responsibility of new development.

Funds are accumulated and transferred to the Street Construction Fund to pay qualified project costs.

Fiscal Year 2023-24 Changes

There are no anticipated expenditures in this fund for this year, but we are targeting using these funds to build a traffic signal at Dakota/Central intersection once approved by ODOT.

Street SDC Fund	2020-21 Prior year 2 Actual	2021-22 Prior year Actual	2022-23 Curr Year Budget	2022-23 Projected Year-End	2023-24 Adopted Budget
BEGINNING FUND BALANCE	270,723	350,006	477,000	504,213	542,000
Revenue					
Charges for Services					
SYSTEM DEVELOPMENT STREETS	64,846	127,896	50,000	25,000	30,000
SYSTEM DEVELOPMENT STORM	12,215	23,901	-	5,000	-
Miscellaneous					
INTEREST EARNED	2,222	2,409	2,000	7,500	7,000
Total Revenue	79,284	154,206	52,000	37,500	37,000
Total Resources	350,006	504,213	529,000	541,713	579,000
Expenditures					
Transfers					
TO STREET CONSTRUCTION FUND	-	-	-	-	-
Other Requirements					
CONTINGENCY	-	-	529,000	-	579,000
UNAPPROPRIATED FUNDS	-	-	-	-	-
Total Other Requirements	-	-	529,000	-	579,000
Total Expenditures & Other Requirements	-	-	529,000	-	579,000

Enterprise Funds

The following funds are the City's Enterprise Funds consisting of proprietary and internal service funds. These funds utilize the full accrual method of accounting. Note that the Water, Wastewater and Public Works related funds are consolidated for financial reporting purposes as a single fund. To be consistent with prior years though, the funds are budgeted separately.

Proprietary Funds

Water

The following funds account for the various activities of the City's water utility. Funding is provided by User charges, System Development charges, Grants and Debt Proceeds.

- ❖ Water Operations Fund
- ❖ Water Construction Fund
- ❖ Water Vehicle and Equipment Reserve Fund
- ❖ Water Debt Service Fund

Wastewater

The following funds account for the various activities of the City's wastewater utility. Funding is provided by User charges, System Development charges, Grants and Debt Proceeds.

- ❖ Wastewater Operations Fund
- ❖ Step Surcharge Fund
- ❖ Wastewater Construction Fund
- ❖ Wastewater Vehicle and Equipment Reserve Fund
- ❖ Wastewater Debt Service Fund

Internal Service Funds

The following funds account for the activities of Public Works staffing. The staff performs work associated with Water, Wastewater, Street/Storm drainage, and Parks. Funding is provided through inter-fund transfers from the City operations for the estimated work effort.

Public Works

- ❖ Operations Fund
- ❖ Public Works Reserve Fund

Water Funds Section

The Water Funds account for the activities of the City's water utility. The principal sources of revenue are User fees and System Development charges. Additional resources include Grants and long-term Debt proceeds. Expenditures are for system operation, administration, maintenance, system betterments and expansion of the system, and principal and interest payments.

Prior Year Comparison

Water Funds Section

	2022-23 Adopted Budget	2023-24 Adopted Budget	Difference	% Difference
Beginning Fund Balance	1,924,000	2,831,000	907,000	47.14%
Revenue	2,922,100	3,061,500	139,400	4.77%
Transfers In	865,000	710,000	(155,000)	-17.92%
Debt Proceeds	<u>3,770,000</u>	<u>770,000</u>	<u>(3,000,000)</u>	<u>-79.58%</u>
Total Curr Resources	7,557,100	4,541,500	(3,015,600)	-39.90%
TOTAL RESOURCES	<u>9,481,100</u>	<u>7,372,500</u>		
Personnel Services	-	-	-	0.00%
Materials & Services				
Supplies	162,000	164,550	2,550	1.57%
Services	89,150	90,650	1,500	1.68%
Maintenance	193,400	236,900	43,500	22.49%
Utilities	82,000	92,000	10,000	12.20%
Other	<u>1,000</u>	<u>4,000</u>	<u>3,000</u>	<u>300.00%</u>
Total Materials & Services	527,550	588,100	60,550	11.48%
Other Expenses				
Capital Outlay	4,502,000	1,502,650	(2,999,350)	-66.62%
Transfers Out	1,937,400	1,985,900	48,500	2.50%
Debt Service	421,791	419,903	(1,888)	-0.45%
Contingency	1,739,889	2,523,477	783,588	45.04%
Restricted Funds	<u>352,470</u>	<u>352,470</u>	<u>-</u>	<u>0.00%</u>
Total Other Expenses	8,953,550	6,784,400	(2,169,150)	-24.23%
TOTAL EXP'S & OTHER	<u>9,481,100</u>	<u>7,372,500</u>		
Ending Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	

Water Operations Fund

Beginning Fund Balance & Ending Fund Balance

The beginning fund balance (July 1, 2023) is estimated to increase to \$490,000 from the prior year balance of \$423,943. The ending fund balance at June 30, 2024 is again projected to increase to \$519,700.

Fiscal Year 2023-24 Changes

Projected Collection Charges are estimated to increase 6.1% (December CPI rate) over the projected year end amount for 2022-23. Materials and Services will increase by 11.5% over last year's budgeted amounts, given the price increases in Utilities, Meter Reader fees, Chemical costs and sludge disposal. Transfers to internal Service funds and the General Fund have increased 3.9% given Personnel cost increases.

Water Operations Fund	2020-21	2021-22	2022-23	2022-23	2023-24
	Prior year 2	Prior year	Curr Year	Projected	Adopted
	Actual	Actual	Budget	Year-End	Budget
BEGINNING FUND BALANCE	373,070	400,428	497,000	423,943	490,000
Revenue					
Charges for Services					
COLLECTIONS CHARGES	2,278,430	2,232,931	2,392,000	2,369,141	2,513,700
CONNECTIONS CHARGES	21,867	32,994	25,000	20,000	25,000
CREDIT - SUMMER	150	36	-	225	-
PENALTIES	48,638	49,357	50,000	48,727	50,000
SDC'S- WATER	5,681	22,884	5,000	2,000	5,000
Total Charges for Services	2,354,765	2,338,201	2,472,000	2,440,093	2,593,700
Miscellaneous					
INTEREST EARNED	3,830	3,617	3,000	17,842	10,000
MISCELLANEOUS	-	-	-	-	-
Total Miscellaneous	3,830	3,617	3,000	17,842	10,000
Total Revenue	2,358,595	2,341,818	2,475,000	2,457,935	2,603,700
Total Resources	2,731,665	2,742,246	2,972,000	2,881,877	3,093,700

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Water Operations Fund-Cont.	2020-21 Prior year 2 Actual	2021-22 Prior year Actual	2022-23 Curr Year Budget	2022-23 Projected Year-End	2023-24 Adopted Budget
Expenditures					
Materials & Services					
ADMINISTRATIVE FEE'S	1,500	2,830	2,800	2,830	2,800
BOND ADMINISTRATIVE COSTS	7	750	750	750	750
BUILDING & GROUNDS MAINTENANCE	474	2,177	3,000	2,500	3,000
CHEMICALS	98,704	103,645	135,000	80,805	135,000
CITY LOGO CLOTHING	-	1,206	1,200	1,200	1,200
COMMUNICATIONS AND ALARM	5,057	7,274	20,000	5,747	20,000
COMPUTER MAINTENANCE	-	-	800	-	800
CONSUMER CONFIDENCE REPORT	3,275	3,349	4,000	3,000	4,000
COOPER CREEK PLANT MAINTENANCE	45,334	21,843	45,000	28,045	45,000
DISTRIBUTION SYSTEM MAINTENANCE	71,762	81,738	80,000	80,000	85,000
DRUG TEST & SCREENS	70	150	500	500	500
ENGINEERING SERVICES (GSI)	15,638	10,159	25,000	25,000	25,000
EQUIPMENT MAINTENANCE	3,850	3,487	10,000	7,500	10,000
EQUIPMENT RENTAL	2,727	-	5,000	14,800	35,000
GAS AND LUBRICANTS	5,218	7,608	15,000	5,878	15,000
HARDSHIP PROGRAM	2,027	323	3,500	3,500	3,500
JANITORIAL SUPPLIES	39	42	350	350	350
LABORATORY SUPPLIES	2,775	2,730	7,500	12,225	9,500
MEMBERSHIPS AND SUBSCRIPTIONS	1,557	4,329	1,200	750	1,200
NONPARIEL PLANT MAINTENANCE	4,758	9,493	25,000	40,000	35,000
OFFICE SUPPLIES	1,416	831	950	1,673	1,500
PERMITS	1,658	995	2,400	2,000	2,400
PROTECTIVE GEAR	31	-	500	400	500
RADIO MAINTENANCE	2,254	1,032	1,000	224	1,000
STORAGE RESERVOIR MAINT	4,761	-	10,000	5,000	10,000
SAFETY EQUIPMENT	193	-	750	500	750
TELEPHONE	11,048	10,949	12,000	10,944	12,000
TEMPORARY EMPLOYEES	-	-	500	500	500
TESTING	8,155	7,217	10,000	5,990	8,500
TOOLS	-	-	750	750	750
TRAINING	2,566	1,853	3,000	2,000	3,000
TRAVEL EXPENSES	-	178	-	500	3,000
UTILITIES	70,844	66,637	70,000	77,996	80,000
UTILITY BILLING PREPARATION	8,451	10,106	10,500	10,513	10,500
VEHICLE MAINTENANCE	4,107	1,824	3,600	3,000	3,600
VISA FEES	13,307	16,151	16,000	17,281	17,500
Total Materials & Services	393,564	380,903	527,550	454,652	588,100
Capital Outlay					
WATER RIGHTS	274	-	3,000	275	-
Transfers					
TO WATER DEBT SERVICE FUND	460,000	460,000	460,000	460,000	460,000
TO GENERAL FUND	529,400	529,400	529,400	529,400	550,000
TO PUBLIC WORKS FUND	698,000	698,000	698,000	698,000	725,900
TO WATER CONST FUND	250,000	250,000	250,000	250,000	250,000
TO WATER RESERVE FUND	-	-	-	-	-
Total Transfers	1,937,400	1,937,400	1,937,400	1,937,400	1,985,900
Other Requirements					
CONTINGENCY	-	-	504,050	-	519,700
UNAPPROPRIATED FUNDS	-	-	-	-	-
Total Other Requirements	-	-	504,050	-	519,700
Total Expenditures & Other Requirements	2,331,238	2,318,303	2,972,000	2,392,327	3,093,700

Water Construction Fund

This fund accounts for the City’s capital expansion projects, including the receipt and expenditure of Water System Development Charges (SDCs) improvement fees. SDCs are charged to builders to provide a source of revenue to pay for the expansion of the City’s water system. Other resources may include transfers from the City’s operating fund, i.e., ratepayers, debt proceeds and grants.

Fiscal Year 2023-24

Changes

The Nonpareil Treatment Plant Upgrade with Stettler Supply Company has experienced a one-year delay due to supply chain/COVID issues. The Nonpareil treatment plant upgrade should be completed by summer of 2023. Current and future capital improvement projects are detailed below, as well as Vehicle Purchases.

Water Five-Year Capital Improvement Plan

Description	Fiscal Year Ending June 30,					
	Total	2024	2025	2026	2027	2028
Vehicles & Equipment						
Pick-Ups	\$ -		\$ -	\$ -	\$ -	\$ -
Equipment	-	-	-	-	-	-
Total Vehicles & Equipment	-	-	-	-	-	-
Maintenance Capital						
Cathodic Protection	301,000	56,650	58,350	60,000	62,000	64,000
Water Rights	-	-	-	-	-	-
Upper Umpqua Storage Tank	409,000	-	-	-	-	409,000
Cooper Creek Solarbees	136,000	136,000	-	-	-	-
Nonpareil Improvements	300,000	300,000	-	-	-	-
Total Maintenance Capital	1,146,000	492,650	58,350	60,000	62,000	473,000
Improvement Capital						
Alley S. of 1st, Umpqua/Will. (8")	160,000	160,000	-	-	-	-
2nd St. Umpqua/Will. (8")	60,000	-	-	60,000	-	-
Mardonna (12")	770,000	-	-	-	220,000	550,000
AMI Water System Yr 1	1,276,000	-	378,000	498,000	400,000	-
Foster Water Line-Phase II (8")	50,000	-	-	50,000	-	-
Fairway Estates/Oak Hills Tank (12")	250,000	-	-	-	-	250,000
Total Improvement Capital	2,566,000	160,000	378,000	608,000	620,000	800,000
Grand Total	\$ 3,712,000	\$ 652,650	\$ 436,350	\$ 668,000	\$ 682,000	\$ 1,273,000

	In Water Reserve
	In Water Operations
	In Water Construction

Notes:

- 1 Amounts are rounded to the nearest thousand.
- 2 Vehicles and equipment with an initial cost of \$5,000 or more are scheduled.
- 3 Pick-Ups are scheduled for replacement after approximately 150,000 miles.

Water Construction Fund	2020-21	2021-22	2022-23	2022-23	2023-24
	Prior year 2	Prior year	Curr Year	Projected	Adopted
	Actual	Actual	Budget	Year-End	Budget
BEGINNING FUND BALANCE	758,333	825,338	633,000	1,341,138	1,537,000
Revenue					
Debt Proceeds					
CDBG FUNDS	2,025	-	-	-	-
LONG-TERM DEBT PROCEEDS	1,669,478	2,549,913	3,770,000	3,000,000	770,000
Total Debt Proceeds	1,671,503	2,549,913	3,770,000	3,000,000	770,000
Intergovernmental					
IFA Grant (Loan Forgiveness)	-	-	380,000	-	380,000
Charges for Services					
SDC'S - WATER	70,200	90,006	60,000	29,700	50,000
Miscellaneous					
INTEREST EARNED	4,970	5,813	4,000	38,661	20,000
Transfers					
FROM WATER FUND	250,000	250,000	250,000	250,000	250,000
FROM Amer Rescue Plan	-	275,000	155,000	77,500	-
Total Transfers	250,000	525,000	405,000	327,500	250,000
Total Revenue	1,996,673	3,170,731	4,619,000	3,395,861	1,470,000
Total Resources	2,755,006	3,996,069	5,252,000	4,736,999	3,007,000
Expenditures					
Capital Outlay					
CATHODIC PROTECTION	-	-	55,000	-	56,650
RESERVOIR IMPROVEMENTS	401,223	7,415	-	-	136,000
MAIN LINE IMPROVEMENTS	-	7,414	100,000	-	160,000
PLANT IMPROVEMENTS	1,485,948	2,640,103	4,304,000	3,200,000	1,150,000
PUMP STATION IMPROVEMENTS	42,496	-	-	-	-
Total Capital Outlay	1,929,668	2,654,932	4,459,000	3,200,000	1,502,650
Other Requirements					
CONTINGENCY	-	-	793,000	-	1,504,350
UNAPPROPRIATED FUNDS	-	-	-	-	-
Total Other Requirements	-	-	793,000	-	1,504,350
Total Expenditures & Other Requirements	1,929,668	2,654,932	5,252,000	3,200,000	3,007,000

Water Reserve Fund

This fund is used to accumulate resources to provide for the periodic replacement of vehicles and capital equipment purchases to be used for Water Fund purposes. The fund’s only revenue source is transfers from the Water Operations Fund.

Fiscal Year 2023-24 Changes

There are no anticipated expenditures for this fund for this year.

Water Reserve Fund	2020-21 Prior year 2 Actual	2021-22 Prior year Actual	2022-23 Curr Year Budget	2022-23 Projected Year-End	2023-24 Adopted Budget
BEGINNING FUND BALANCE	339,054	341,569	343,000	343,430	306,000
Revenue					
Miscellaneous					
INTEREST EARNED	2,515	1,861	1,300	8,151	6,000
MISCELLANEOUS	-	-	-	-	-
SURPLUS PROPERTY SALES	-	-	-	-	-
Total Miscellaneous	2,515	1,861	1,300	8,151	6,000
Transfers					
FROM WATER FUND	-	-	-	-	-
Total Revenue	2,515	1,861	1,300	8,151	6,000
Total Resources	341,569	343,430	344,300	351,581	312,000
Expenditures					
Capital Outlay					
EQUIPMENT	-	-	-	-	-
VEHICLES	-	-	40,000	45,769	-
Total Capital Outlay	-	-	40,000	45,769	-
Debt Service					
INTERFUND LOAN EXPENSE	-	-	-	-	-
Other Requirements					
CONTINGENCY	-	-	304,300	-	312,000
UNAPPROPRIATED FUNDS	-	-	-	-	-
Total Other Requirements	-	-	304,300	-	312,000

Water Debt Service Fund

This fund accounts for the repayment of loans and revenue bonds of which the proceeds were used to construct Water Fund related facilities and infrastructure. The fund's only revenue source is transfers from the Water Operations Fund.

Fiscal Year 2023-24 Changes

All debt payments are as scheduled.

Water Debt Service Fund	2020-21 Prior year 2 Actual	2021-22 Prior year Actual	2022-23 Curr Year Budget	2022-23 Projected Year-End	2023-24 Adopted Budget
BEGINNING FUND BALANCE	343,247	404,697	451,000	450,854	498,000
Revenue					
Miscellaneous					
INTEREST EARNED	2,210	1,757	1,800	8,439	1,800
Debt Proceeds					
PROCEEDS FROM RD DEBT ISSUANCE	-	-	-	-	-
Transfers					
FROM WATER FUND	460,000	460,000	460,000	460,000	460,000
Total Revenue	462,210	461,757	461,800	468,439	461,800
Total Resources	805,457	866,454	912,800	919,293	959,800
Expenditures					
Debt Service					
OECDD OR BOND BANK INTEREST	-	22,802	21,330	21,327	19,841
OEDCC OR BOND BANK PRINCIPAL	48,299	29,497	29,725	29,722	29,957
New IFA Loan Prin (Schn Mt./6th & Oak)	-	8,890	10,071	10,071	10,172
New IFA Loan Int (Schn Mt./6th & Oak)	-	4,550	3,400	3,369	3,270
WA REV BOND '08 INTEREST	47,975	40,375	37,775	37,775	32,175
WA REV BOND '08 PRINCIPAL	125,000	130,000	140,000	140,000	145,000
USDA 2013 PRINCIPAL	80,831	82,750	84,720	84,716	86,728
USDA 2013 INTEREST	98,655	96,736	94,770	94,770	92,760
Total Debt Service	400,760	415,600	421,791	421,750	419,903
Other Requirements					
CONTINGENCY	-	-	138,539	-	187,427
WA REV BOND '08 RESERVE ACCT	-	-	172,975	-	172,975
USDA 2013 DEBT SERVICE RESERVE	-	-	179,495	-	179,495
UNAPPROPRIATED FUNDS	-	-	-	-	-
Total Other Requirements	-	-	491,009	-	539,897
Total Expenditures & Other Requirements	400,760	415,600	912,800	421,750	959,800

Wastewater Funds Section

The Wastewater funds account for the activities of the City's sewage utility. The principal sources of revenue are User fees and System Development charges. Additional resources include Grants and long-term Debt Proceeds. Expenditures are for system operation, administration, maintenance, system betterments and expansion of the system, and principal and interest payments.

Prior Year Comparison Wastewater Funds Section

	2022-23 Adopted Budget	2023-24 Adopted Budget	Difference	% Difference
Beginning Fund Balance	3,855,000	3,939,000	84,000	2.18%
Revenue	3,104,300	3,735,800	631,500	20.34%
Transfers In	1,200,000	1,200,000	-	0.00%
Debt Proceeds	-	-	-	0.00%
Total Curr Resources	<u>4,304,300</u>	<u>4,935,800</u>	631,500	14.67%
TOTAL RESOURCES	<u>8,159,300</u>	<u>8,874,800</u>		
Personnel Services	-	-	-	0.00%
Materials & Services				
Supplies	165,100	176,100	11,000	6.66%
Services	137,750	250,250	112,500	81.67%
Maintenance	236,000	271,500	35,500	15.04%
Utilities	135,000	135,000	-	0.00%
Other	750	750	-	0.00%
Total Materials & Services	<u>674,600</u>	<u>833,600</u>	159,000	23.57%
Other Expenses				
Capital Outlay	105,000	100,000	(5,000)	-4.76%
Transfers Out	2,373,300	2,463,400	90,100	3.80%
Debt Service	1,112,439	1,103,490	(8,949)	-0.80%
Contingency	2,444,000	3,486,400	1,042,400	42.65%
Restricted Funds	1,449,961	887,910	(562,051)	-38.76%
Total Other Expenses	<u>7,484,700</u>	<u>8,041,200</u>	556,500	7.44%
TOTAL EXP'S & OTHER	<u>8,159,300</u>	<u>8,874,800</u>		
Ending Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	

**Wastewater Operations Fund
Beginning Fund Balance & Ending Fund Balance**

The projected beginning fund balance at July 1, 2023 of \$1,862,000 is higher than the prior year actual amount of \$1,292,526 . The projected ending fund balance as of June 20, 2024 is \$2,246,200.

Fiscal Year 2023-24 Changes

Projected Collection Charges are estimated to increase 6.1% (December CPI rate) over the projected year end amount for 2022-23. Materials and Services will increase by 24.48% over last year’s budgeted amounts given significant cost increases for Chemicals, budgeting for the Collection System Master Plan, and Inflow & Infiltration Maintenance. The transfer to Public Works will increase because of increased Personnel costs. The debt service transfer is higher now that the WWTP Upgrade Loan has been finalized; the Construction transfer will not be necessary this year, so there is a higher transfer to the Reserve account for future purchases.

Wastewater Operations Fund	2020-21 Prior year 2 Actual	2021-22 Prior year Actual	2022-23 Curr Year Budget	2022-23 Projected Year-End	2023-24 Adopted Budget
BEGINNING FUND BALANCE	166,609	734,386	1,370,000	1,292,526	1,862,000
Revenue					
Charges for Services					
COLLECTIONS CHARGES	2,848,789	2,875,383	3,027,300	3,415,861	3,624,200
CONNECTIONS CHARGES	16,213	17,925	12,000	11,818	12,000
Total Charges for Services	2,865,002	2,893,308	3,039,300	3,427,679	3,636,200
Miscellaneous					
INTEREST EARNED	5,603	5,863	3,500	41,911	20,000
MISCELLANEOUS	22,426	7,800	-	7,500	-
SURPLUS PROPERTY SALES	-	-	-	-	-
Total Miscellaneous	28,028	13,663	3,500	49,411	20,000
Total Revenue	2,893,030	2,906,970	3,042,800	3,477,088	3,656,200
Total Resources	3,059,639	3,641,356	4,412,800	4,769,614	5,518,200

Wastewater Operations Cont.	2020-21 Prior year 2 Actual	2021-22 Prior year Actual	2022-23 Curr Year Budget	2022-23 Projected Year-End	2023-24 Adopted Budget
Expenditures					
Materials & Services					
ADMINISTRATIVE FEE'S	-	-	500	500	500
BUILDING & GROUNDS MAINTENANCE	12,374	28,015	41,000	16,840	41,000
CHEMICALS	39,848	102,596	90,000	92,910	105,000
CITY LOGO CLOTHING	1,013	996	1,500	1,500	2,000
COLLECTION SYSTEM MAINTENANCE	378	8,843	15,000	5,956	15,000
COMMUNICATIONS AND ALARM	5,466	7,910	9,000	6,419	9,000
COMPUTER MAINTENANCE	931	920	1,000	931	1,000
DRUG TEST & SCREENS	260	121	750	300	750
ENGINEERING SERVICES	12,640	29,406	25,000	34,118	130,000
EQUIPMENT MAINTENANCE	4,256	15,034	17,000	26,856	17,000
EQUIPMENT RENTAL	100	-	-	450	500
GAS AND LUBRICANTS	3,983	9,720	15,000	12,934	15,000
HIRING EXPENSES	400	(135)	-	-	-
INFLOW & INFILTRATION	-	-	40,000	10,000	75,000
JANITORIAL SUPPLIES	93	158	1,000	81	1,000
LABORATORY SUPPLIES	17,960	23,338	25,000	17,500	20,000
LIFT STATION MAINTENANCE	17,829	4,443	20,000	307	20,000
MEMBERSHIPS AND SUBSCRIPTIONS	90	100	750	200	750
OFFICE SUPPLIES	2,301	3,138	3,000	4,894	3,500
PERMITS	1,744	7,180	12,000	6,688	12,000
PLANT MAINTENANCE	41,743	41,932	65,000	41,831	65,000
POSTAGE	22	20	100	50	100
PROTECTIVE GEAR	-	226	1,000	1,000	1,000
PUMP STATION UPGRADES	-	-	15,000	-	15,000
SAFETY EQUIPMENT	322	725	1,500	427	1,500
SLUDGE DISPOSAL	58,644	45,424	55,000	55,568	60,000
TELEPHONE	11,501	13,321	15,000	15,501	15,000
TEMPORARY EMPLOYEES	48,195	-	1,000	500	1,000
TESTING	12,306	14,589	17,500	18,282	20,000
TOOLS	3,568	1,778	2,000	1,750	2,000
TRAINING	2,827	3,813	4,500	3,500	4,500
UTILITIES	102,660	104,316	120,000	123,562	120,000
UTILITY BILLING PREPARATION	8,451	9,606	9,500	10,513	9,500
VEHICLE MAINTENANCE	2,740	1,848	10,000	2,500	10,000
VISA FEES	13,307	16,151	15,000	19,441	15,000
Total Materials & Services	427,953	495,530	649,600	533,917	808,600

Wastewater Operations Cont.	2020-21 Prior year 2 Actual	2021-22 Prior year Actual	2022-23 Curr Year Budget	2022-23 Projected Year-End	2023-24 Adopted Budget
Capital Outlay					
BUILDING IMPROVEMENTS	-	-	-	-	-
WATER RIGHTS	-	-	-	-	-
Total Capital Outlay	-	-	-	-	-
Transfers					
TO WW DEBT SERVICE FUND	600,000	600,000	1,100,000	1,100,000	1,100,000
TO GENERAL FUND	463,300	463,300	463,300	463,300	525,000
TO PUBLIC WORKS FUND	519,000	625,000	710,000	710,000	738,400
TO WW RESERVE FUND	15,000	15,000	100,000	100,000	100,000
TO WW CONSTRUCTION FUND	300,000	150,000	-	-	-
Total Transfers	1,897,300	1,853,300	2,373,300	2,373,300	2,463,400
Other Requirements					
CONTINGENCY	-	-	1,389,900	-	2,246,200
UNAPPROPRIATED FUNDS	-	-	-	-	-
Total Other Requirements	-	-	1,389,900	-	2,246,200
Total Expenditures & Other Requirements	2,325,253	2,348,830	4,412,800	2,907,217	5,518,200

Step Surcharge Fund

Summary

The Step Surcharge Fund includes user surcharges (collection charges) from the Knolls Estate and step system customers on the Calapooia system. At some point in the future, maintenance expenses will be incurred in order to keep the systems in proper working order, but to alleviate that, we are contracting the routine maintenance out to a local firm which will be well within the budget, it will all be done on a regular schedule and it helps free staff up to address other issues.

Fiscal Year 2023-24 Changes

See above.

Step Surcharge Fund	2020-21 Prior year 2 Actual	2021-22 Prior year Actual	2022-23 Curr Year Budget	2022-23 Projected Year-End	2023-24 Adopted Budget
BEGINNING FUND BALANCE	54,119	68,960	76,000	80,168	90,000
Revenue					
Charges for Services					
COLLECTION CHARGES	21,217	22,858	20,000	22,000	20,000
Miscellaneous					
INTEREST EARNED	462	404	300	2,270	1,200
Total Revenue	21,679	23,262	20,300	24,270	21,200
Total Resources	75,797	92,222	96,300	104,437	111,200
Expenditures					
Materials & Services					
COLLECTION SYSTEM MAINTENANCE	6,837	12,054	25,000	14,000	25,000
Other Requirements					
CONTINGENCY	-	-	71,300	-	86,200
UNAPPROPRIATED FUNDS	-	-	-	-	-
Total Other Requirements	-	-	71,300	-	86,200
Total Expenditures & Other Requirements	6,837	12,054	96,300	14,000	111,200

Wastewater Construction Fund

Summary

This fund accounts for the costs associated with major system expansions and betterments. Resources include System Development Charges (SDCs), inter-fund transfers, grants and debt proceeds.

Fiscal Year 2023-24 Changes

Church Lift Station Upgrade is in the C.I.P for this year.

Wastewater Construction Fund	2020-21 Prior year 2 Actual	2021-22 Prior year Actual	2022-23 Curr Year Budget	2022-23 Projected Year-End	2023-24 Adopted Budget
BEGINNING FUND BALANCE	280,355	627,355	837,000	827,194	882,000
Revenue					
Debt Proceeds					
LONG-TERM DEBT PROCEEDS	688,428	-	-	-	-
INTERIM FINANCING	2	-	-	-	-
Total Debt Proceeds	688,430	-	-	-	-
Charges for Services					
SDC'S - SEWER	58,196	77,798	5,000	35,000	10,000
Total Charges for Services	58,196	77,798	5,000	35,000	10,000
Miscellaneous					
INTEREST EARNED	5,461	4,050	2,000	21,015	12,500
Total Miscellaneous	5,461	4,050	2,000	21,015	12,500
Transfers					
FROM WASTEWATER FUND	300,000	150,000	-	-	-
Total Revenue	1,052,086	231,849	7,000	56,015	22,500
Total Resources	1,332,441	859,203	844,000	883,209	904,500
Capital Outlay					
LIFT STATION UPGRADES	-	-	-	-	65,000
PLANT IMPROVEMENTS	705,087	46,760	-	-	-
SEWER LINE EXT-DUKE-SAME	-	(14,751)	-	990	-
Total Capital Outlay	705,087	32,009	-	990	65,000
Other Requirements					
CONTINGENCY	-	-	844,000	-	839,500
UNAPPROPRIATED FUNDS	-	-	-	-	-
Total Other Requirements	-	-	844,000	-	839,500
Total Expenditures & Other Requirements	705,087	32,009	844,000	990	904,500

Wastewater Reserve Fund

This fund accounts for the accumulation and expenditure of funds to replace vehicles and equipment of the wastewater operation.

Fiscal Year 2023-24 Changes

The capital outlay expense of \$35,000 is for a new Forklift.

Wastewater
Five-Year Capital Improvement Plan

Description	Fiscal Year Ending June 30,					
	Total	2024	2025	2026	2027	2028
Vehicles & Equipment						
Pick-Ups	\$ 45,000	\$ -	\$ 45,000	\$ -	\$ -	\$ -
Forklift	\$ 35,000	\$ 35,000		\$ -	\$ -	\$ -
TV Truck	-	-	-	-	-	-
ATV (Fords Pond)	-	-	-	-	-	-
	80,000	35,000	45,000	-	-	-
Improvement Capital						
Collection System Master Plan	105,000	\$ 105,000	-	-	-	-
Church Lift Station Upg	65,000	65,000	-	-	-	-
Total Improvement Capital	170,000	170,000	-	-	-	-
Grand Total	\$ 250,000	\$ 205,000	\$ 45,000	\$ -	\$ -	\$ -

In WW Operation Budget

Notes:

- 1 Amounts are rounded to the nearest thousand.
- 2 Vehicles and equipment with an initial cost of \$5,000 or more are scheduled.
- 3 Pick-Ups are scheduled for replacement after approximately 150,000 miles.

Wastewater Reserve Fund	2020-21 Prior year 2 Actual	2021-22 Prior year Actual	2022-23 Curr Year Budget	2022-23 Projected Year-End	2023-24 Adopted Budget
BEGINNING FUND BALANCE	89,956	127,003	143,000	142,731	247,000
Revenue					
Miscellaneous					
INTEREST EARNED	753	728	800	4,404	2,500
SURPLUS PROPERTY SALES	34,470	-	-	-	-
Total Miscellaneous	35,223	728	800	4,404	2,500
Transfers					
FROM WASTEWATER FUND	15,000	15,000	100,000	100,000	100,000
Total Revenue	50,223	15,728	100,800	104,404	102,500
Total Resources	140,179	142,731	243,800	247,134	349,500
Expenditures					
Capital Outlay					
EQUIPMENT	-	-	105,000	-	35,000
VEHICLE	13,176	-	-	-	-
Total Capital Outlay	13,176	-	105,000	-	35,000
Other Requirements					
CONTINGENCY	-	-	138,800	-	314,500
UNAPPROPRIATED FUNDS	-	-	-	-	-
Total Other Requirements	-	-	138,800	-	314,500
Total Expenditures & Other Requirements	13,176	-	243,800	-	349,500

Wastewater Debt Service Fund

This fund accounts for the repayment of wastewater debt. Funding is provided by transfers from the Wastewater Operations Fund and payments from Douglas County for sixty percent (60%) of the debt service for the refunding bonds – 2012.

Fiscal Year 2023-24 Changes

The debt service expenditures are as scheduled.

Wastewater Debt Service Fund	2020-21 Prior year 2 Actual	2021-22 Prior year Actual	2022-23 Curr Year Budget	2022-23 Projected Year-End	2023-24 Adopted Budget
BEGINNING FUND BALANCE	1,365,526	1,798,943	1,429,000	1,426,892	858,000
Revenue					
Charges for Services					
ASSESSMENTS PRINCIPAL	42,000	-	24,000	24,000	24,000
Miscellaneous					
INTEREST EARNED	9,614	8,433	6,000	24,584	6,000
ASSESSMENTS INTEREST	4,407	-	3,400	3,520	3,400
Total Miscellaneous	14,021	8,433	9,400	28,104	9,400
Transfers					
FROM WASTEWATER FUND	600,000	600,000	1,100,000	1,100,000	1,100,000
Total Revenue	656,021	608,433	1,133,400	1,152,104	1,133,400
Total Resources	2,021,548	2,407,376	2,562,400	2,578,996	1,991,400
Expenditures					
Debt Service					
2012 Refdg BOND PRINCIPAL	70,000	40,000	40,000	40,000	35,000
2012 COUPON INTEREST	7,345	5,640	4,400	4,400	3,150
IFA 2014 INTEREST	55,729	53,339	50,885	50,885	48,365
IFA 2014 PRINCIPAL	89,530	91,920	94,375	94,375	96,894
DEQ LOAN INTEREST	-	789,585	383,047	992,047	372,482
DEQ LOAN PRINCIPAL	-	-	539,732	539,732	547,599
Total Debt Service	222,604	980,484	1,112,439	1,721,438	1,103,490
Other Requirements					
CONTINGENCY	-	-	1,449,961	-	887,910
UNAPPROPRIATED FUNDS	-	-	-	-	-
Total Other Requirements	-	-	1,449,961	-	887,910
Total Expenditures & Other Requirements	222,604	980,484	2,562,400	1,721,438	1,991,400

**Prior Year Comparison
Public Works Funds Section**

	2022-23 Adopted Budget	2023-24 Adopted Budget	Difference	% Difference
Beginning Fund Balance	341,000	380,000	39,000	11.44%
Revenue	1,320	1,320	-	0.00%
Transfers In	1,778,000	1,845,100	67,100	3.77%
Debt Proceeds	-	-	-	0.00%
Total Curr Resources	<u>1,779,320</u>	<u>1,846,420</u>	<u>67,100</u>	<u>3.77%</u>
TOTAL RESOURCES	<u>2,120,320</u>	<u>2,226,420</u>		
Personnel Services	1,636,600	1,771,700	135,100	8.25%
Materials & Services				
Supplies	53,500	52,000	(1,500)	-2.80%
Services	3,900	3,900	-	0.00%
Maintenance	27,000	27,000	-	0.00%
Utilities	12,950	13,250	300	2.32%
Other	500	1,525	1,025	205.00%
Total Materials & Services	<u>97,850</u>	<u>97,675</u>	<u>(175)</u>	<u>-0.18%</u>
Other Expenses				
Capital Outlay	86,500	46,500	(40,000)	-46.24%
Transfers Out	50,000	50,000	-	0.00%
Debt Service	-	-	-	0.00%
Contingency	249,370	260,545	11,175	4.48%
Restricted Funds	-	-	-	0.00%
Total Other Expenses	<u>385,870</u>	<u>357,045</u>	<u>(28,825)</u>	<u>-7.47%</u>
TOTAL EXP'S & OTHER	<u>2,120,320</u>	<u>2,226,420</u>		
Ending Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	

Public Works Operations Fund

Summary

The Public Works Operations Fund accounts for the activities of Public Works employees and Public Works operating costs that are not directly attributable to a given operation such as water, wastewater, street/storm water or parks. Costs are recovered via interfund transfers from funds receiving services.

The Public Works Vehicle and Equipment Reserve accounts for the capital requirements of the Public Works operations. General use pick-ups and other capital items are purchased in this fund with funding provided by transfers from the Public Works Operations Fund.

Fiscal Year 2023-24 Changes

Personnel services costs are higher than budgeted amounts for the current year by 8.25%. This is higher than the other departmental increases because of the Lead Operator position which was created to incentivize employees to strive for technical excellence in day to day operations. Again, with PERS and Insurance increases, as well as COLA's, these costs are increasing. Materials & Services costs are projected to remain stable this year. Transfers to the Public Works Reserve Fund are budgeted the same as the current year.

Staffing

Position	FY23 FTEs	FY24 FTEs
Public Works Director	1.0	1.0
Division Supervisors	3.0	3.0
Maintenance/Treatment	10.0	10.0
Public Works Operations Total	14.0	14.0

Public Works Operations Fund	2020-21 Prior year 2 Actual	2021-22 Prior year Actual	2022-23 Curr Year Budget	2022-23 Projected Year-End	2023-24 Adopted Budget
BEGINNING FUND BALANCE	143,414	146,436	146,000	172,806	212,000
Revenue					
Miscellaneous					
INTEREST EARNED	576	44	1,000	-	1,000
Total Miscellaneous	576	44	1,000	-	1,000
Transfers					
FROM GEN FUND-PARKS/FACIL	137,000	140,000	140,000	140,000	140,000
FROM STATE GAS TAX FUND	163,000	180,000	180,000	180,000	190,800
FROM WASTEWATER FUND	519,000	625,000	710,000	710,000	738,400
FROM WATER FUND	698,000	698,000	698,000	698,000	725,900
Total Transfers	1,517,000	1,643,000	1,728,000	1,728,000	1,795,100
Total Revenue	1,517,576	1,643,044	1,729,000	1,728,000	1,796,100
Total Resources	1,660,990	1,789,481	1,875,000	1,900,806	2,008,100

Public Works Operations Fund-Cont	2020-21	2021-22	2022-23	2022-23	2023-24
Expenditures	Prior year 2	Prior year	Curr Year	Projected	Adopted
Personnel Services	Actual	Actual	Budget	Year-End	Budget
HEALTH BENEFITS	222,648	228,298	274,600	240,005	274,400
MEDICARE	12,278	13,546	14,300	14,174	15,400
ON-CALL	-	-	40,000	-	40,000
OREGON PERS	158,537	202,359	215,400	202,146	258,600
OTHER INSURANCE BENEFITS	452	462	1,500	1,666	1,600
OVERTIME	13,743	10,778	26,100	7,085	29,700
SALARIES AND WAGES	863,332	959,127	916,900	1,005,238	995,300
SOCIAL SECURITY (FICA)	52,498	57,923	60,900	60,608	66,000
STATE UNEMPLOYMENT (SUTA)	9,218	12,822	14,700	12,034	12,800
WORKERS COMPENSATION	34,415	26,288	72,200	25,000	77,900
Total Personnel Services	1,367,121	1,511,603	1,636,600	1,567,955	1,771,700
Materials & Services					
CDL RENEWALS	-	563	1,200	500	1,200
CITY LOGO CLOTHING	2,708	-	2,000	2,100	2,500
DRUG TEST & SCREENS	510	300	300	240	325
EQUIPMENT MAINTENANCE	6,133	11,836	15,000	10,000	15,000
EQUIPMENT RENTAL	-	-	-	50	-
GAS AND LUBRICANTS	11,732	18,436	25,000	15,650	22,000
JANITORIAL SUPPLIES	797	1,472	1,200	1,148	1,200
BACKHOE LEASE	-	-	18,000	12,000	18,000
MEETING EXPENSES	-	-	200	400	200
MEMBERSHIPS AND SUBSCRIPTIONS	-	-	200	-	200
SMALL HAND TOOLS	1,413	2,633	2,500	2,773	3,500
OFFICE SUPPLIES	864	1,085	1,500	1,000	1,500
PROTECTIVE GEAR	189	71	1,800	750	1,800
SAFETY EQUIPMENT	-	431	1,500	750	1,500
SHOP MAINTENANCE	10,432	4,322	12,000	7,500	12,000
TELEPHONE	3,276	4,133	4,750	4,236	4,750
TRAINING	100	375	1,000	990	1,000
TRAVEL EXPENSES	-	28	-	1,000	1,000
UTILITIES	8,307	8,044	8,200	8,959	8,500
ALARM SERVICE	973	1,343	1,500	1,130	1,500
Total Materials & Services	47,433	55,072	97,850	71,329	97,675
Transfers					
TO PW RESERVE FUND	100,000	50,000	50,000	50,000	50,000
Total Transfers	100,000	50,000	50,000	50,000	50,000
Other Requirements					
CONTINGENCY	-	-	90,550	-	88,725
UNAPPROPRIATED FUNDS	-	-	-	-	-
Total Other Requirements	-	-	90,550	-	88,725
Total Expenditures & Other Requirements	1,514,554	1,616,675	1,875,000	1,689,284	2,008,100

Public Works Operations Reserve Fund

Summary

The Public Works Operations Reserve Fund accounts for the capital requirements of the public works operations. General use pick-ups and other capital items are purchased in this fund with funding provided by transfers from the Public Works Operations Fund.

Fiscal Year 2023-24 Changes

There is a Road Grader scheduled for purchase this year.

Future expenditures are outlined in the capital improvement plan below.

Public Works Operations Five-Year Capital Improvement Plan

Description	Fiscal Year Ending June 30,					
	Total	2024	2025	2026	2027	2028
Utility Pick-Up (1/2 Ton)	\$ 88,600	\$ -	\$ 44,500	\$ 44,100	\$ -	\$ -
Dump Truck (5 Yard)	-	-	-	-	-	-
Road Grader	46,500	46,500	-	-	-	-
Back Hoe	-	-	-	-	-	-
	\$ 135,100	\$ 46,500	\$ 44,500	\$ 44,100	\$ -	\$ -

Notes:

- 1 Amounts are rounded to the nearest thousand.
- 2 Vehicles and equipment with an initial cost of \$5,000 or more are scheduled.
- 3 Pick-Ups are scheduled for replacement after approximately 150,000 miles.
- 4 Inflationary Cost increases of 5% are built in

Public Works Operations Reserve Fund	2020-21 Prior year 2 Actual	2021-22 Prior year Actual	2022-23 Curr Year Budget	2022-23 Projected Year-End	2023-24 Adopted Budget
BEGINNING FUND BALANCE	97,382	198,404	195,000	195,273	168,000
Revenue					
Miscellaneous					
INTEREST EARNED	1,022	1,279	320	5,164	320
SURPLUS PROPERTY SALES	-	40,590	-	-	-
Total Miscellaneous	1,022	41,869	320	5,164	320
LOAN PROCEEDS	-	-	-	-	-
Transfers					
FROM PUBLIC WORKS FUND	100,000	50,000	50,000	50,000	50,000
Total Revenue	101,022	91,869	50,320	55,164	50,320
Total Resources	198,404	290,273	245,320	250,437	218,320
Expenditures					
Capital Outlay					
EQUIPMENT	-	95,000	46,500	40,000	46,500
VEHICLE	-	-	40,000	42,723	-
Total Capital Outlay	-	95,000	86,500	82,723	46,500
Other Requirements					
CONTINGENCY	-	-	158,820	-	171,820
UNAPPROPRIATED FUNDS	-	-	-	-	-
Total Other Requirements	-	-	158,820	-	171,820
Total Expenditures & Other Requirements	-	95,000	245,320	82,723	218,320

Personnel

Compensation

City employees include non-represented management and supervisory personnel, public works and administrative support staff that are represented by the AFSCME and police officers that are represented by the Sutherlin Police Officers Association (SPOA).

A labor agreement with SPOA for July 1, 2021 to June 30, 2024 was approved in May 2021 with a 3% COLA adjustment to all represented positions each year, for 3 years starting July 1, 2021 to 2024. The agreement also included certain incentive bonuses, as well as an increase in annual HSA contribution, due to an increasing medical insurance deductible of \$400 for families and \$200 for individual coverage.

We will be presenting a recently negotiated proposal from AFSCME and a new contract will need to be ratified by Council by June 30, 2023. It will be effective July 1, 2023 to June 30, 2026. The details of this proposal will be added to this document once it is final.

Unrepresented employee compensation is established by pay schedules as approved by the City Council. The City Manager's compensation is established by contract as approved by the City Council.

Benefits

The City provides the following employment benefits:

- Comprehensive high deductible health care plan
- Dental coverage
- Unemployment insurance
- Workers' compensation
- FICA/Medicare
- Retirement
- PERS – City paid
- 457 plans

Medical and Dental Plans

The City provides a high deductible (\$1,700 individual, \$3,400 multiple participants) health care plan through CIS. The City contributes the deductible amount to the individuals Health Savings Account (HSA) on a quarterly basis.

CIS has advised its municipality clients that health insurance rates will increase by 6% this year.

Oregon Public Employees Retirement System (PERS)

The City of Sutherlin is a participant in the Oregon PERS. The City pays the employer and employee portion of required contribution. In 2001, the City made a one-time election to move from a single payer employer plan to the State and Local Government Rate Pool (SLGRP). A benefit of the SLGRP is that PERS rates for the City should be less volatile due to the significantly increased size of the pool. However, as a minor sized member of a large pool, the City has relatively no control over its PERS costs.

The City's transition asset is valued at \$884,993 as of December 31, 2021. This asset has varied in value as it has been amortized and credited/debited with earnings/(losses) earned by PERS. The amount of the

rate credit and its duration is dependent on the investment performance of PERS and changes to the amortization methods.

The City has a net unfunded actuarial liability (UAL) of \$4,282,721 as of December 31, 2021. The City's UAL is amortized over a period of approximately twenty years, with the rate limited due to rate collars imposed by the State legislature to smooth out costs associated with significant changes in valuation of PERS assets.

The City's recent historical and current PERS contribution rates, excluding the six percent (6%) employee contribution paid by the City, are as follows:

	Fiscal Year Ending June 30,						
	2018	2019	2020	2021	2022	2023	2024
Tier I/II	13.42%	13.42%	18.23%	18.23%	20.05%	20.05%	21.55%
OPSRP - General	4.92%	4.92%	10.88%	10.88%	14.86%	14.86%	17.34%
OPSRP - Police & Fire	9.69%	9.69%	15.51%	15.51%	19.22%	19.22%	22.13%

As the chart above shows, PERS rates have increased substantially for last 3 biennium. This is due to a system-wide unfunded liability. This will continue to have a fiscal impact but the UAL did see a gain in the percent unfunded because of the better than projected investment rates over 2021. Even with that, rates are projected to increase again during the next biennium. Once the fund reaches 86% funded though, the rates will level off.

Compensation Plan (Fiscal Year 2023-24)

Supervisory/Exempt Positions	Steps	Low	High
City Manager	1	108,888	108,888
Police Chief	4	95,472	110,532
Fire Chief	4	94,548	109,452
Fire Division Chief	4	91,236	101,820
Police Captain	4	91,236	101,820
Community Development Director	4	88,200	102,060
Battalion Chief-Fire	4	87,912	94,200
Police Sergeant	4	87,912	94,200
Finance Director	4	84,588	97,908
Public Works Director	4	83,244	96,396
Divisional Supervisor - Public Works	4	72,336	83,724
City Recorder/Comm Engmt Mgr	4	71,880	83,220
HR & Payroll Specialist	4	71,880	83,220
Fire Captain	4	68,832	79,692
Police Office Supervisor	4	66,036	76,392
Represented/Non-Exempt Positions	Steps	Low	High
Community Center Custodian (Part Time)		22.91/HR	
Planning Specialist	6	55,476	78,048
Community Development Assistant	6	55,476	78,048
Treatment Lead Operator	4	54,780	68,280
Maint. Workers - Public Works	6	48,144	61,428
Treatment Operators - Public	6	48,144	61,428
Accounting Clerk	6	48,384	61,224
Finance & Administrative Asst	6	48,384	61,224
Code Enforcement Officer	6	47,208	60,228
Municipal Court Clerk	6	45,804	58,332
Records Specialist - Police	6	42,660	54,384
Finance & Admin Technician	6	39,660	50,592
Sutherland Police Officers Assn	Steps	Low	High
Police Officer	7	53,472	71,640
Certificate Pay (5%)	7	2,674	3,582
Holiday Pay	7	2,468	3,306
Field Training Officer (5%)	7	2,674	3,582
Detective/Corporal Pay (4%)	7	2,139	2,866
School Resource Officer Pay (3%)	7	1,604	2,149

Glossary

Accrual Basis of Accounting

Method of accounting that recognizes the financial effect of transactions, events, and interfund activity when they occur, regardless of the timing of related cash flows.

Actual

Actual, as used in the fund summaries, revenue summaries and department and division summaries within the budget document, represents the actual costs results 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 summaries and department and division summaries within the budget document, represents the final budget approved by the City Council. Adopted budget becomes effective July 1st. After adoption, Council may make changes throughout the year.

Annual Comprehensive Financial Report (ACFR)

The annual audited results of the City's financial position and activity. It is a financial report that contains, at a minimum, three sections: 1) introductory, 2) financial, and 3) statistical, and whose financial section provides information on each individual fund and component unit.

Approved Budget

Approved, as used in the fund summaries, revenue summaries, represents the approved budget with changes made by the Budget Committee, if any.

Appropriations

Legal authorization granted by the City Council to spend public funds. Appropriations within each program may not be exceeded.

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 (3%) maximum annual growth rate in the AV, exclusive of certain improvements.

Assets

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

Audit

A report prepared by an external auditor. 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 applicant on generally accepted auditing standards, explanatory comments concerning verification procedures, financial statements and schedules, and may include statistical tables, supplemental comments and recommendations.

Balanced Budget

A budget in which planned expenditures do not exceed projected funds available.

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 approved expenditures and the means of financing them. Used without any modifier, the term usually indicates a financial plan for a single fiscal year. In practice, the term budget is used in two ways. Sometimes it designates the financial plan presented for adoption and other times it designates the plan finally approved. It is usually necessary to specify whether the budget under consideration is preliminary and tentative, or whether the appropriating body has approved it. (ORS 294.311)

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 concerned citizens for the purpose of reviewing the approved budget and recommending changes leading to an approved budget. (ORS 294.414)

Budget Document

A written report that shows a government's comprehensive financial plan for a specified period, usually one year, that includes both the capital and the operating budgets.

Budget Message

Written explanation of the budget and the City's financial priorities for the next fiscal year; prepared by the City Manager. (ORS 294.403)

Budget Officer

Person appointed by the governing body to assemble budget material and information and shall prepare or supervise the preparation of the budget document. (ORS 294.331)

Budgetary Basis

Budgets are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP), with the exception that neither depreciation nor amortization is 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 Expenditures

The City defines a capital expenditure as using the following three criteria: (1) relatively high monetary value (equal or greater than \$5,000), (2) long asset life (equal to or greater than five years useful life), and (3) results in the creation of a fixed asset, or the revitalization of a fixed asset.

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 involving assets of significant value and having a useful life of five (5) years or more. Capital projects 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 the following requirements: (1) have an estimated useful life of more than one year; (2) typically have a unit cost of

\$5,000 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.

Capital Projects

Major repairs, improvements or additions to the City's fixed assets (streets, sidewalks, roads, sewers, storm water, parks, and buildings).

Cash Management

Management of cash necessary to pay for government services while investing temporary cash excesses 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 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.

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 (CPI)

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. Contingency may be appropriated for a specific purpose by the City Council upon the approval of a resolution. The City separates contingencies into those that are designated for specific purposes and undesignated. (Also see Designated Contingency and Unappropriated Ending Fund Balance)

Cost Center

An organizational budget/operating unit within each City division or department.

Contractual Services

Services rendered to City activities by private firms, individuals, or other government agencies. Examples of these services include engineering, auditors, and city attorney services.

Debt Service

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

Department

A major organizational unit of the City which has been assigned overall management responsibility for an operation or a group of related operations within a functional area.

Depreciation

(1) Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence. (2) That portion of the cost of a capital asset which is charged as an expense during a particular period.

Employee Benefits

Contributions made by a government to meet commitments or obligations for employee-related expenses. Included is the government's share of costs for social security taxes, pension contributions, as well as medical, dental and other insurances.

Encumbrances

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

Ending Fund Balance

The residual balance at the end of the year in a government fund.

Enterprise Funds

A fund established to finance and account for the acquisition, operation, and maintenance of governmental facilities and services which are entirely or predominately self-supporting by user charges and fees.

Expenditures

The outflow of funds paid or to be paid for an asset obtained or goods or services obtained regardless of when expense is actually paid. The term applies to all funds.

Fees

Charges for specific services levied by local government in connection with providing a service, permitting an activity or imposing a fine or penalty. Major types of fees include business and non-business licenses, fines, and user charges.

Fiscal Management

A government's directive with respect to revenue's, 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 budget and its funding.

Fiscal Year

A 12 month period to which the annual operating budget applies and at the end of which a government determines its financial position and the results of its operations. For the City of Sutherlin, the fiscal year is July 1 through June 30. (ORS 294.311)

Fixed Assets

Long-lived tangible assets obtained or controlled as a result of past transactions, events or circumstances. Fixed assets include buildings, equipment, infrastructure, and land.

Franchise Fee

A franchise fee is charged for the privilege of using public right-of-way and property within the City for public or private purposes. The City currently assesses franchise fees on cable television, electricity, natural gas, garbage collection, and telephone.

FTE

Refers to full time employee or full time equivalent employee.

Fund

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, regulated activities and objectives.

Fund Balance

The excess of a fund's total assets over its total liabilities. A negative fund balance is often referred to as a deficit.

Funding

Provides budgetary resources to cover the total cost of a program or project at the time it is undertaken.

General Fund

One of five governmental fund types. The general fund typically serves as the chief operating fund of a government. The general fund is used to account for all financial resources not accounted for in some other fund.

General Obligation Bonds

Bonds secured by the full faith and credit of the issuer. General Obligation bonds issued by local units of government are secured by a pledge of the issuer's property taxing power (secondary portion). They are usually issued to pay for general capital improvements such as parks and City facilities.

Governmental Funds

Funds generally used to account for tax-supported activities. There are five different types of governmental funds; the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds.

Grant

Contributions of cash or other assets from another governmental agency to be used or expended for a specified purpose, activity, or facility.

Infrastructure

That portion of a city's assets located at or below ground level, including the water system, wastewater system, and streets.

Interfund Transfers

Amounts distributed from one fund to finance activities in another fund. Shown as expenditure in the originating fund and revenue in the receiving fund.

Investment Revenue

Revenue received as interest from the investment of funds not immediately required to meet cash disbursement obligations.

Levy

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

Local Budget Law

Oregon Revised Statutes (ORS) dictates local budgeting practices. ORS chapter 294 contains Local Budget Law provisions.

Materials and Services

Expendable items such as supplies, repair and replacement parts, small tools, and maintenance and repair materials that are not considered as a capital item.

Modified Accrual Basis of Accounting

Modified accrual is a combination of cash basis and full accrual basis. Revenues are recognized when they are both measurable and available. Expenditures, however, are recorded on a full accrual basis because they are always measurable when they are incurred.

Operating Budget

Plans of current expenditures and the approved 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 Revenues

Funds that the government receives 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.

Ordinance

A formal legislative enactment 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 constitutional provision, it is 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 resulting from the borrowing of money or from the purchase of goods and services.

PERS

Refers to the Oregon Public Employees Retirement System.

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. The permanent tax rate for the City of Sutherlin is \$5.6335 per \$1,000 of assessed value.

Personnel Services

The cost of salaries and benefits associated with compensating employees for the labor.

Projection

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

Approved Budget

Financial and operating program prepared by the budget officer, submitted to the public and the budget committee for review.

Real Market Value

The estimated value of property if sold.

Reserve

An account used to indicate that a portion of fund resources is restricted for a specific purpose, and is not available for appropriation and subsequent spending.

Resolution

A special or temporary order of a legislative body requiring City Council action.

Resources (Revenues)

All amounts of money received by a government from external sources other than expense refunds, capital contributions, and residual equity transfers.

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 Revenue Funds

Special revenue funds are established only for special tax levies and other dedicated revenues whenever required by statutes, charter provisions, or the terms under which revenue is dedicated.

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.

Taxes

Compulsory charges levied by a government for the purpose of financing services performed for the common benefit.

Tax Levy

The total amount of property taxes needed to pay for various fund operations, specifically our General Fund and General Obligation Bond Fund

Tax Rate

A percentage applied to all taxable property to raise general revenues. It is derived by dividing the total tax levy by the taxable net property valuation.

Tax Revenue

Includes property taxes, hotel and motel room tax, and state shared revenues.

Tax Roll

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

Unappropriated Ending Fund Balance

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

City of Sutherlin Financial Policies April 2016

Purpose

The City of Sutherlin is committed to responsible fiscal management through financial integrity, prudent stewardship of public assets, planning, accountability and full disclosure. The broad purpose of the Financial 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 condition of the City.
2. Deliver cost effective services to citizens in the most efficient manner possible.
3. Provide and maintain essential public facilities, utilities, and capital equipment.
4. Protect and enhance the City's credit rating, 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, financial 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 Subcommittee, and City Council and amended as necessary.

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 long-term financial forecasting to help inform decisions.
- **Debt**, which addresses long-term financing of the City's capital needs and maintaining its credit rating.
- **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.
- **Investments**, which addresses the investment of the City's cash reserves.
- **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. Revenue diversity will also reduce risk to the City from short-term fluctuations in any one revenue source.

1.2. Significant one-time and or temporary revenues will not be used to fund continuing programs and services, but rather to fund one-time expenditures or increase 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 maximize the use of users' charges in lieu of ad valorem taxes and subsidies from other 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 enterprise funds, including operating contingency, reserve requirements, and capital replacement. Consideration will be given to return on investment and existing and or anticipated debt to ensure a debt coverage ratio of no less than 1.25 for debt issued in public markets and 1.1 for debt issued to federal and state agencies.

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 permits and building inspection fees.

1.4.3. Other reimbursable work performed by the City (labor, meals, 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 an aggressive 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. The City Manager, as recognized in the City Charter, shall approve all grant applications before their submission. In some circumstances the grant application will require the consent of City Council. Additionally, 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. 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. Revenues 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 with the participation of all departments that incorporates GFOA recommendations relative to budgeting for results and outcomes.

2.1.1 Determine how much money is available: The budget should be built on expected revenues. This includes base revenues, any new revenue sources, and the potential use of fund balance.

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 a budget system to monitor expenditures and revenues on a monthly basis, with a thorough analysis and adjustment (if required) at least at mid-year.

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. It is the intent of this policy to ensure that the framework of the fiscal year budget reflect Council goals and annual priorities.

2.4 The cost allocation plan, previously developed, will be reviewed 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 shall only be used for the acquisition of capital improvements or specialized equipment with a cost greater than \$100,000. 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.

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/division 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 will administer expenditure control at the category level and program or divisional level. Additionally, the City Manager may give authorization to mandate this level of control down to any line-item level. Expenditures anticipated to be in excess of these levels require approval of the City Manager, or Finance Director.
- 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. The City will only propose operating personnel costs that can be supported by continuing operating revenues.
- 3.5** City staff are to 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 \$5,000 with a useful life beyond one year. Capital assets costing less than \$5,000 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. Monthly 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, phased in so that all funds are planned 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 and wastewater funds, which shall include twenty-year financial plans.

6.2 The City's financial plan 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. These plans will be updated on a regular basis, at least annually.

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 and (b) is less than 30% of the expected useful life of the improvements.

7.3 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.

7.4 Repayment of debt obligations shall be structured using a normal amortization method; i.e. paying off the debt with a fixed repayment schedule in regular installments over a period of time. There shall be no debt structures which include increasing debt service levels in subsequent years, with the first and second year being the exception. There shall be no "balloon" repayment schedules which consist of low annual payment and one large payment of the balance due at the end of the term.

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 Ensuring 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 credit rating at the highest level fiscally prudent, so that future borrowing costs are minimized and access to the credit market is preserved.

8 Reserve Policies

8.1 The City shall maintain adequate working capital reserves in all funds.

8.1.1 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.

8.1.2 The City's utility funds shall maintain at a minimum working capital balance sufficient for sixty days operating expenses, together with an adequate emergency repair reserve and required debt service reserves.

8.1.3 The City's internal service funds shall maintain at a minimum working capital balance sufficient for thirty days operating expenses and any required debt service reserves.

8.1.4 The City's debt service funds shall maintain adequate working capital to pay required debt service without borrowing and fund required debt service reserves.

8.1.5 The City's other operating funds shall maintain a minimum working capital balance sufficient for forty-five days operating expenses and any required debt service reserves.

8.1.6 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. This policy does not apply to debt service, internal service, trust and agency, capital projects, serial levy, temporary or certain special purpose funds.

8.2 The City may use reserves on a one-time or temporary basis for purposes described above. In the event that reserve funds decrease to levels below the levels desired by this policy, the City will develop a plan to restore reserves to the desired levels.

9 Investment Policy

9.1 Investments and cash management is the responsibility of the Finance Director. The standard of prudence to be used by the Finance Director shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio.

9.2 The City's primary investment objective is to achieve a reasonable rate of return while minimizing the potential for capital losses arising from market changes or issuer default. Accordingly, the following factors will be considered in priority order in determining individual investment placements:

1. Safety
2. Liquidity
3. Yield

9.3 The Finance Director shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions.

9.4 The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This will be accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands.

9.5 The City will invest only in those instruments authorized by ORS 294.035.

9.6 In order to maximize yields from its overall portfolio, the City will consolidate cash balances from all funds for investment purposes, and will allocate investment earnings to each fund in accordance with generally accepted accounting principles.

9.7 Ownership of the City's investment securities will be protected through third-party custodial safekeeping.

9.8 The Finance Director will develop and maintain a comprehensive, well-documented investment reporting system which will be presented to Council on a regular basis.

10 Management of Fiscal Policy

10.1 Fiscal policies and changes in policies shall be presented to the City Council for approval at a regular meeting, approved by majority vote, 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 Finance/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.

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